

Application for Sidetrack

Lease P00241 **Area/Block** LA 6658 **Well Name** B014 **ST** 01 **BP** 00 **Well Type** Development
Application Status Approved **Operator** 02531 DCOR, L.L.C.

Pay.gov **Agency** **Pay.gov**
Amount: \$2,113 **Tracking ID:** EWL-AST-20059 **Tracking ID:** 26DI8AF2

General Well Information (DATUM Reference: NAD 83)

| | | |
|-----------------------------------|---------------------------------|---------------------------------|
| API Number 043112021001 | Approval Date 01/03/2019 | Approved By John Kaiser |
| Date of Request 11/16/2018 | Req Spud Date 01/01/2019 | Kickoff Point 616 |
| Water Depth (ft.) 190 | Drive Size (in) 20 | Mineral Code Hydrocarbon |
| RKB Elevation 90 | Drive Depth (ft.) 298 | Subsea BOP No |
| Verbal Approval Date | | Verbal Approval By |

Proposed Well Location Surface Location

| | | | |
|---------------------------|--------------------------------|--------------------------------|-----------------------------------|
| LEASE (OCS) P00241 | Area/Block LA 6658 | Authority Federal Lease | Facility Name 51003 1 |
| Entered Data | Calculated Departures | | Calculated X-Y Coordinates |
| Lat: 34.33223587 | S | 510 | X 258739.362 |
| Lon: -119.62244005 | E | 1261 | Y 3802109.876 |
| Surface Plan N 123 | Plan Lease (OCS) P00241 | Area/Block | LA 6658 |

Bottom Location

| | | | |
|---------------------------|--------------------------------|-------------------|-----------------------------------|
| LEASE (OCS) P00241 | Area/Block LA 6658 | | |
| Entered Data | Calculated Departures | | Calculated X-Y Coordinates |
| Lat: 34.32965889 | S | 216 | X 259059.923 |
| Lon: -119.61887639 | E | 940 | Y 3801815.555 |
| Bottom Plan N 123 | Plan Lease (OCS) P00241 | Area/Block | LA 6658 |

Approval Comments

Conditions of Approval:

- 1) All operations must be conducted in accordance with the OCS Lands Act (OCSLA), the lease terms and stipulations, the regulations of 30 CFR Part 250, Notices to Lessees and Operators (NTLs), the approved (Revised) Application for Permit to Drill (APD/RPD,AST/RST, ABP/RBP), and any written instructions or orders of the District Manager.
- 2) Hold a prespud meeting with the crew to discuss the drilling plan for the well and possible hazards. Hold pit drills and abandon drill prior to spudding.
- 3) A revised PE certification is needed if (1) Casing setting depth or hole interval drilling depth changes by more than 100 ft TVD, (2) the casing/liner equivalent effective test pressure decreases, (3) less cement is to be pumped, (4) more cement is to be pumped in order to isolate a hydrocarbon zone that was not anticipated in the original permit, or (5) a remedial cement job is required that was not included in the original permit. You must have a PE certify these changes

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prior to these operations being performed. This revised PE certification is needed in a revised permit. For after hour approvals you must submit the revised permit with the PE certification for the revisions to this office within 72 hours.

4) All notifications and test results required as per 250.737(d)(2)(ii) must be sent to the Supervisory Inspector and/or the Lead Inspector.

5) Casing/liner test pressures are to be adjusted if the actual test fluid weight differs from the approved test fluid weight. Surface Pressures should be adjusted to allow for an equivalent pressure at the appropriate depth. The equivalent test pressure should use the same governing criteria as the original calculation. A revised PE certification is needed if the casing/liner equivalent test pressure decreases.

6) High pressure blind shear ram close capability must be available from all BOP control panels. Each BOP control panel must be clearly marked to indicate that the accumulator system high pressure side is required for closing and shearing the drill pipe with the blind-shear rams. If the high pressure bypass selector valve is not available at all BOP control panels then the accumulator system must be set in the high pressure position at all times except for pressure and function testing.

7) The test tolerance of the accumulator pump kick on/kick off pressure as well as the low pressure accumulator alarm will be 5%.

8) You shall not conduct operations that require the BOP on the well until a revised permit has been approved that includes an independent third party verification stating as per 250.731(c) that (2) The BOP was designed, tested, and maintained to perform under the maximum environmental and operational conditions anticipated to occur at the well; and (3) The accumulator system has sufficient fluid to operate the BOP system without assistance from the charging system.

9) In the event of BOP system failure or leak you must immediately contact the District Office and receive approval from the District Manager prior to resuming operations. Be advised that a revised permit will be required to capture 3rd party verification that the BOP is fit for service and will operate in the conditions it which it will be used.

10) Notify the permitting and compliance sections when the rig is ready for a pre-drill inspection. Please allow adequate time for potential corrective actions prior to planned spud date.

11) Notify the permitting section at least 24 hours in advance of starting these approved operations and any subsequent required BOP tests.

12) WAR reports are due daily in the eWells system.

Mitigations:

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Geologic Information

| | |
|-------------------------------------|----------------|
| H2S Designation Known | H2S TVD |
| Anticipated Geologic Markers | |
| Name | Top MD |
| CP | 722 |
| C1P | 850 |
| CPTS | 864 |
| C1PS | 970 |
| C2P | 1023 |
| C3P | 1104 |
| DP | 1172 |
| DPS | 1253 |
| D1P | 1288 |

Rig Information

| | | | |
|---------------------------|--------------|-------------------------|------------|
| RIG SPECIFICATIONS | | ANCHORS | |
| Rig Name | DCOR RIG 411 | | No |
| Type | PLATFORM | ID Number | 100057 |
| Function | WORKOVER | Constucted Year | 1980 |
| Shipyard | Shafter | Refurbished Year | 2018 |
| RATED DEPTHS | | | |
| Water Depth | 500 | Drill Depth | 5000 |
| CERTIFICATES | | | |
| ABS/DNV | 10/31/2020 | Coast Guard | 10/31/2020 |
| SAFE WELDING AREA | | | |
| Approval Date | | District | |
| Remarks | | | |

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| Number | Question | Response | Response Text |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------------------------------------------------------------------------------------|
| 1 | Will you maintain quantities of mud and mud material (including weight materials and additives) sufficient to raise the entire system mud weight 1/2 ppg or more? | YES | Sufficient mud additives will be kept on site to raise the mud weight 1/2ppg. |
| 2 | If hydrocarbon-based or synthetic-based drilling fluids were used, is the drilling rig outfitted for zero discharge, and will zero discharge procedures be followed? | N/A | Hydrocarbon based drilling fluid will not be used. |
| 3 | If drilling the shallow casings strings riserless, will you maintain kill weight mud on the rig and monitor the wellbore with an ROV to ensure that it is not flowing? | N/A | |
| 4 | If requesting a waiver of the conductor casing, have you submitted a log to government agency G&G that is with in 500 feet of the proposed bottom hole location for the proposed surface casing point? | N/A | |
| 5 | Will the proposed operation be covered by an EPA Discharge Permit? (please provide permit number in comments for this question) | N/A | Any discharge will be per BPDES general permit No. CAGZ800000. |
| 6 | Will all wells in the well bay and related production equipment be shut-in when moving on to or off of an offshore platform, or from well to well on the platform? If not, please explain. | NO | Wells do not require shut-in due to solid steel deck between drill deck and well bays. |
| 7 | Is the calculated daily volume possible from an uncontrolled blowout of this well greater than the daily volume included in the worst case discharge scenario in the approved oil spill response plan? | NO | |
| 8 | Has the drilling rig been approved for the use of digital BOP testing? If yes, which version? | NO | |

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Permit Attachments

| File Type | File Description | Status |
|-----------|------------------|--------|
|-----------|------------------|--------|

Required Attachments

| | | |
|-----|-------------------------------------------------------------------------------------------------------|----------|
| pdf | Drilling prognosis and summary of drilling, cementing, and mud processes | Attached |
| pdf | Directional Program | Attached |
| pdf | Proposed Well Location Plat | Attached |
| pdf | Engineering Calculation | Attached |
| pdf | Pore pressure (PP), Mud Weight (MW), and Fracture Gradient (FG) Plot | Attached |
| pdf | Proposed Wellbore Schematic | Attached |
| pdf | BOP & Diverter Schematics with Operating Procedures | Attached |
| pdf | Blind-shear ram capability and certification | Attached |
| pdf | BOP stack certification including statement regarding any modifications made since last certification | Attached |
| pdf | BOP Control System Drawings | Attached |
| pdf | PE Certification | Attached |
| pdf | RP 65-2 Response | Attached |

Optional/Supplemental Attachments

| | | |
|-----|---------------------------------------------|----------|
| pdf | Directional Program - Prox Report | Attached |
| pdf | Categorical Exclusion Review Well B-14 ST01 | Attached |
| pdf | Directional Program - Report | Attached |
| pdf | Platform B misc. BOP specs | Attached |
| pdf | B-14 checklist | Attached |
| pdf | Rig 411 Specifications | Attached |
| pdf | Platform B Approved Field Rules | Attached |
| pdf | Halliburton Cement Model | Attached |
| pdf | Cement Blend Lap Report | Attached |
| pdf | Dos Cuadras Well Control Plan | Attached |
| pdf | Temp Abandonment Diagram | Attached |

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| | | |
|-----|--------------------------------------------------------------------------|----------|
| pdf | Blind-shear ram capability and certification - 4.0 Drill Pipe Calculator | Attached |
| pdf | Blind-shear ram capability and certification - 4.5 Drill Pipe | Attached |
| pdf | Blind-shear ram capability and certification - Shear Ram Testing Report | Attached |
| pdf | Engineering Calculation - DCOR casing design | Attached |
| pdf | B-14 Geohazard Review | Attached |
| pdf | Directional Program - Prox Plot | Attached |

Contacts Information

| | | |
|----------------------------|----------------------|--------------|
| Name | Brian Vlasko | |
| Company | 02531 | DCOR, L.L.C. |
| Phone Number | 805-535-2039 | |
| E-mail Address | bvasko@dcorllc.com | |
| Contact Description | | |
| Name | Jimilyn Summers | |
| Company | 02531 | DCOR, L.L.C. |
| Phone Number | 805-535-2061 | |
| E-mail Address | jsummers@dcorllc.com | |
| Contact Description | | |
| Name | David Cohen | |
| Company | 02531 | DCOR, L.L.C. |
| Phone Number | 805-535-2028 | |
| E-mail Address | dcohen@dcorllc.com | |
| Contact Description | | |

Application for Sidetrack

Lease P00241 Area/Block LA 6658 Well Name B014 ST 01 BP 00 Well Type Development
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Well Design Information

| Interval Number 1 | | Type Casing | | Name | | Production | | |
|-------------------|------------------|-----------------------|--------------|--------------|-----------------------|---------------|----------------|---------------------|
| Section Number | Casing Size (in) | Casing Weight (lb/ft) | Casing Grade | Burst Rating | Collapse Rating (psi) | Depth (ft) MD | Depth (ft) TVD | Pore Pressure (ppg) |
| 1 | 7.625 | 26.4 | K55 | 4140 | 2890 | 1375 | 982 | 4.8 |

| GENERAL INFORMATION | | PREVENTER INFORMATION | | TEST INFORMATION | |
|-------------------------|------------|---------------------------|---------|-------------------------|------|
| Hole Size (in) | 9.875 | Type | Blowout | Annular Test (psi) | 1000 |
| Mud Weight (ppg) | 8.8 | Size (in) | 13.625 | BOP/Diverter Test (psi) | 1000 |
| Mud Type Code | Water Base | Wellhead Rating (psi) | 3000 | Test Fluid Weight (ppg) | 8.8 |
| Fracture Gradient (ppg) | 14.4 | Annular Rating (psi) | 3000 | Casing/Liner Test (psi) | 2898 |
| Liner Top Depth (ft) | 0.0 | BOP/Diverter Rating (psi) | 3000 | Formation Test (ppg) | 11.5 |
| Cement Volume (cu ft) | 645 | | | | |

| Interval Number 2 | | Type Liner | | Name | | Production | | |
|-------------------|------------------|-----------------------|--------------|--------------|-----------------------|---------------|----------------|---------------------|
| Section Number | Casing Size (in) | Casing Weight (lb/ft) | Casing Grade | Burst Rating | Collapse Rating (psi) | Depth (ft) MD | Depth (ft) TVD | Pore Pressure (ppg) |
| 1 | 4.500 | 11.6 | N-80/L-80 | 7780 | 6350 | 3393 | 945 | 4.8 |

| GENERAL INFORMATION | | PREVENTER INFORMATION | | TEST INFORMATION | |
|-------------------------|------------|---------------------------|---------|-------------------------|------|
| Hole Size (in) | 6.750 | Type | Blowout | Annular Test (psi) | 1000 |
| Mud Weight (ppg) | 8.8 | Size (in) | 13.625 | BOP/Diverter Test (psi) | 1000 |
| Mud Type Code | Water Base | Wellhead Rating (psi) | 3000 | Test Fluid Weight (ppg) | 8.8 |
| Fracture Gradient (ppg) | 14.4 | Annular Rating (psi) | 3000 | Casing/Liner Test (psi) | 0 |
| Liner Top Depth (ft) | 1345.0 | BOP/Diverter Rating (psi) | 3000 | Formation Test (ppg) | 10.0 |
| Cement Volume (cu ft) | 0 | | | | |

CERTIFICATION: I certify that the information submitted is complete and accurate to the best of my knowledge. I understand that making a false statement may subject me to criminal penalties under 18 U.S.C 1001.

Name and Title: Jimilyn Summers, Well Operations Technician

Date: 16-NOV-2018

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