

Application for Permit to Modify (APM)

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|------------------------------------|----------------|-------------------|------------------------------------|--------------|--------------|-------------------------|
| Lease P00216 | Area LA | Block 6862 | Well Name S035 | ST 00 | BP 00 | Type Development |
| Application Status Approved | | | Operator 02531 DCOR, L.L.C. | | | |

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|-------------------------|------------------------------------|------------------------------|
| Pay.gov | Agency | Pay.gov |
| Amount: \$125.00 | Tracking ID: EWL-APM-199913 | Tracking ID: 26B0EUSE |

| | | |
|---------------------------------|--------------------------------|--------------------------------|
| General Information | | |
| API 043112057200 | Approval Dt 01-AUG-2018 | Approved By John Kaiser |
| Submitted Dt 16-JUL-2018 | Well Status Completed | Water Depth 205 |
| Surface Lease P00216 | Area LA | Block 6862 |

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 Modify (APM/RPM), and any written instructions or orders of the District Manager.
- 2) A copy of this permit (including all attachments) must be kept on location and made available to inspectors upon request during the permitted operation.
- 3) All pressure containing equipment must be tested to the approved permitted pressure and recorded on the daily operations report. If well pressures exceed the SITP/MASP stated in the approved permit, the equipment in use must be tested at a minimum to the new observed pressure. The appropriate District must be immediately notified of this pressure change and a RPM submitted to document the change.
- 4) Notify the Permitting Section at Least 24 hours in advance of beginning these approved operations AND of any required BOP tests.
- 5) WAR reports are due no later than noon each Wednesday.

Correction Narrative

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|---|
| Permit Primary Type Workover |
| Permit Subtype(s) Change Tubing |

Operation Description
 Replace tubing and ESP.

Procedural Narrative

PRE-RIG OPERATIONS:

- . Maximum anticipated surface pressure is <1,000 psi (gas). Expected kill fluid is 8.6 ppg Treated Seawater. Reservoir pressure is +/- 2,100 psi at 7,312' MD (5,123' TVD). 0.41 psi/ft at bottom of ESP, 7.9 ppg eMW.
- . Circulate well to production with FSW down tubing through ESP. SI well and take pressure readings.
- . Perforate holes in tubing with wireline at any point before Step 2.
- . Notify BSEE 48 hours in advance of workover. A BSEE permit is required for this workover.
- . During course of work replace Master, B Annulus & C Annulus valves when convenient. B & C valves might be replaced by Maintenance Crew before workover begins.

1 MIRU

- 1.1. MIRU. Test H2S equipment and cascade systems on rig floor.
- 1.2. Verify well is locked and tagged out.
- 1.3. Pressure test tree bonnet and/or between seals on tubing hanger to 3,000 psi.
- 1.4. Check tubing and casing pressure. Bleed off gas pressure and proceed to step 2 to

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kill well.

2 KILL WELL

2.1. Circulated well with FSW and check tubing & casing pressure. Weight up as needed using KCl or NaCl, proceed with 2nd circulation. Ensure circulation rate is adequate and monitor returns for clean fluid. Work with production to ensure sending them returns does not cause process issues. Treat kill fluid with scale inhibitor and biocide.

3 ND PRODUCTION TREE, NU AND TEST BOP

3.1. With well dead, install BPV.

3.2. ND production tree. Inspect tubing hanger lock down screws. Change out hanger lock down screws if necessary. If needed, send tree to Cameron for inspection.

3.3. Check tubing hanger joint threads with short 2-7/8 EUE pup joint. Visually examine the wellhead components. Install cap on feed through mandrel.

3.4. NU and test Class III 5M BOPE to 250 psi low / 3,000 psi high (annular and double gate) against 2-7/8" tubing per BSEE requirements.

4 PULL OLD COMPLETION

4.1. MU landing joints w/ FOSV into tubing hanger.

4.2. Close annular and back out lock down screws.

4.3. Shear Baker Twin Seal packer by striping through annular. Monitor well for pressure.

4.4. LD tubing hanger. Remove BPV.

4.5. Install FOSV and circulation head. Circulate well back to pits. SD pump and monitor well.

4.6. RU spoolers and sheaves. POOH w/ tubing, cable and control lines to packer. LD packer.

4.7. Send all completion equipment to Baker Hughes in Bakersfield.

4.8. Install FOSV and circulation head. Close annular and circulate hole volume through choke back to pits.

4.9. Shut down pump. Open annular preventer and observe well to ensure static conditions.

4.10. POOH w/2-7/8" tubing, cable, chemical line and ESP. Lay down the old production tubing. Keep hole full at all times. Cannon clamps were used on the last workover in 2012. Set aside clamps for reuse, note condition if poor. Stand back ~500' for cleanout run.

5 RUN NEW TUBING AND 9-5/8" + 7" SCRAPERS

5.1. PU 9-5/8" scraper assembly & RIH with new 2-7/8" N-80 EUE tubing.

5.2. Run 9-5/8" scraper to +/- 650' and POOH laying down scraper.

5.3. PU 7" scraper assembly w/STC on bottom & RIH with new 2-7/8" N-80 EUE tubing + old tubing.

5.4. Scrape liner and tag fill. Attempt to circulate well if fill is above 7,600'. Rotate with tongs if possible & needed to aid in cleanout.

5.5. POOH standing back new tubing and laying down old. LD scraper assembly.

6 RUN ESP

6.1. RU to run Baker completion equipment, 1 x 3/8" chemical line to motor intake and 1 x

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1/4" control line to SCSSSV and vent valve. Test control lines.

6.2. MU new ESP and RIH. Plan to set bottom of motor at +/- 7,315'. Install cannon clamps at each tubing collar and bands at each mid joint. Test cable every 20 stands, phase-to-phase and phase-to-ground. Install chemical injection line with check valve at pump intake.

6.3. RU tubing testers. Continue running in hole with 2-7/8" production tubing, hydro testing tubing to 5000 psig.

6.4. MU SCSSSV, surface packer and vent valve. Splice electric line. Pressure test SCSSSV and vent valve. RIH w/ remaining tubing and hydro test to 5000 psi. Place surface packer at +/- 500'.

6.5. Install plug onto ESP cable. Install feed through mandrel and test connections. Ensure electrical feed through is protected and kept dry. Strap all completion equipment and prepare tubing detail.

6.6. Drain stack. Land hanger using caution to avoid torn seal elements. Install BPV. Run in lock down screws. Fill stack. Test lower seals on tubing hanger against pipe rams to 3,000 psig for 10 charted minutes.

6.7. Check well for pressure and back out landing joints.

7 ND BOPE AND NU TREE

7.1. ND diverter, BOP and riser.

7.2. NU and test production tree to 3000 psig.

7.3. Install pig tail and hub clamp on production tree.

7.4. Pull BPV.

7.5. Pressure annular vent valve and SCSSSV open for 15 minutes.

7.6. If Production Operations is ready, run ESP to confirm correct rotation and operation for 2 hours. Record tubing pressure. Shut down ESP. In the event that Production Operations is not ready to run the ESP then continue on with finishing workover.

8 SET PACKER

8.1. MU landing joints into tree. RU wireline and pressure test lubricator and lines to 3,000 psig.

8.2. Set tubing plug above SCSSSV.

8.3. As per Baker Hughes representative's direction; Pressure up in increments to set packer.

8.4. Bleed pressure and pull tubing plug.

8.5. RD wireline and have production test vent valve and SCSSSV.

8.6. Turn well over to production.

9 RDMO

9.1. Prepare rig for skidding to next well or demobe off platform pending schedule.

Subsurface Safety Valve

Type Installed SCSSV

Feet below Mudline 228

Maximum Anticipated Surface Pressure (psi) 1000

Shut-In Tubing Pressure (psi)

Rig Information

| Name | Id | Type | ABS Date | Coast Guard Date |
|------|----|------|----------|------------------|
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Application Status Approved **Operator** 02531 DCOR, L.L.C.

DCOR RIG #10 44501 PLATFORM

Blowout Preventers

| Preventer | Size | Working Pressure | --- Test Pressure --- | |
|-----------|-------|------------------|-----------------------|------|
| | | | Low | High |
| Rams | 2-7/8 | 5000 | 250 | 3000 |
| Annular | | 5000 | 250 | 3000 |

Date Commencing Work (mm/dd/yyyy) 01-OCT-2018

Estimated duration of the operation (days) 10

Verbal Approval Information

| | |
|-----------------|--------------------------|
| Official | Date (mm/dd/yyyy) |
|-----------------|--------------------------|

Questions

| Number | Question | Response | Response Text |
|--------|--|----------|---|
| 1 | Is H2S present in the well? If yes, then comment on the inclusion of a Contingency Plan for this operation. | NO | |
| 2 | Is this proposed operation the only lease holding activity for the subject lease? If yes, then comment. | NO | |
| 3 | 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 | SOLID STEEL DECK BETWEEN DRILL DECK AND WELL BAYS, PER FIELD RULES. |
| 4 | Are you downhole commingling two or more reservoirs? | N/A | |
| 5 | Will the completed interval be within 500 feet of a lease or unit boundary line? If yes, then comment. | NO | |
| 6 | For permanent abandonment, will casings be cut 15 feet below the mudline? If no, then comment. | N/A | |
| 7 | Will the proposed operation be covered by an EPA Discharge Permit? (Please provide permit number in comments for this question) | NO | |

ATTACHMENTS

| File Type | File Description |
|-----------|-----------------------------|
| pdf | Proposed Wellbore Schematic |
| pdf | Current Wellbore Schematic |

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|-----|-----------------------------------|
| pdf | S-35 Well Information & Procedure |
| pdf | S-35 Well Control Plan |
| pdf | S-35 Inspection Document |
| pdf | Blind Shear Ram Certification |
| pdf | APM S-35 Public Information |
| pdf | BOP Inspection Schedule |

CONTACTS

| | |
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CERTIFICATION: I certify that information submitted is complete and accurate to the best of my knowledge. I understand that making a false statement may subject me to c1

Name and Title

Date

Jimilyn Summers, Well Operations Technicia

16-JUL-2018

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PAPERWORK REDUCTION ACT OF 1995 (PRA) STATEMENT: The PRA (44 U.S.C. 3501 et seq. Requires us to inform you that we collect this information to obtain knowledge of equipment and procedures to be used in drilling operations. MMS uses the information to evaluate and approve or disapprove the adequacy of the equipment and/or procedures to safely perform the proposed drilling operation. Responses are mandatory (43 U.S.C. 1334). Proprietary data are covered under 30 CFR 250.196. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number. Public reporting burden for this form is estimated to average 11/4 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 the Information Collection Clearance Officer, Mail Stop 4230, Minerals Management Service, 1849 C Street, N.W., Washington, DC 20240.