Application for Permit to Modify (APM)

Lease P00316  Area SM  Block 6576  Well Name B014  ST 01  BP 00  Type Development

Application Status Approved  Operator 03280 Freeport-McMoRan Oil & Gas LLC

| Pay.gov Amount: $125.00 | Agency Tracking ID: EWL-APM-201056 | Pay.gov Tracking ID: 26CC8TKQ |

General Information

API 043112063301  Approval Dt 30-NOV-2018  Approved By John Kaiser

Submitted Dt 30-OCT-2018  Well Status Completed  Water Depth 603

Surface Lease P00316  Area SM  Block 6576

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. 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.
3. A copy of this permit (including all attachments) must be kept on location and made available to inspectors upon request during the permitted operation.
4. 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 Permitting Section must be immediately notified of this pressure change and a RPM submitted to document the change.
5. Disposing of well fluids in an existing injection well is permitted under this permit.
6. This process has been historically permitted on the POCS. Any well used for injection must have demonstrated integrity documentation.
7. Fluid composition should be detailed and volumes in excess of 500 Barrels should be detailed and justified.
8. Under no circumstances will fracture pressure at the uppermost perforation be exceeded at any time during injection.
9. Any Conditions of Approval for a previously approved injection well must continue to be complied with (ie. Accounting and Monitoring).
10. Notify the Permitting Section at Least 24 hours in advance of beginning these approved operations AND of any required BOP tests.
11. War reports are due no later than noon each Wednesday.

Correction Narrative

Permit Primary Type Other Operation

Permit Subtype(s)
- Describe Operation(S)

Operation Description
This operation is to convert the well into an injection well. Injection of produced fluids & fresh water & seawater used to flush production systems.

Procedural Narrative
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Please refer to attached procedures.

Subsurface Safety Valve

Type Installed SCSSV

Feet below Mudline 233

Maximum Anticipated Surface Pressure (psi) 2300

Shut-In Tubing Pressure (psi) 500

Rig Information

<table>
<thead>
<tr>
<th>Name</th>
<th>Id</th>
<th>Type</th>
<th>ABS Date</th>
<th>Coast Guard Date</th>
</tr>
</thead>
</table>

Blowout Preventers

<table>
<thead>
<tr>
<th>Preventer</th>
<th>Size</th>
<th>Working Pressure Low</th>
<th>Test Pressure</th>
<th>Working Pressure High</th>
</tr>
</thead>
</table>

Date Commencing Work (mm/dd/yyyy) 30-OCT-2018

Estimated duration of the operation (days) 1

Verbal Approval Information

Official Date (mm/dd/yyyy)

Questions

<table>
<thead>
<tr>
<th>Number</th>
<th>Question</th>
<th>Response</th>
<th>Response Text</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Is H2S present in the well? If yes, then comment on the inclusion of a Contingency Plan for this operation.</td>
<td>YES</td>
<td>Previously submitted.</td>
</tr>
<tr>
<td>2</td>
<td>Is this proposed operation the only lease holding activity for the subject lease? If yes, then comment.</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>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.</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Are you downhole commingling two or more reservoirs?</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Will the completed interval be within 500 feet of a lease or unit boundary line? If yes, then comment.</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>For permanent abandonment, will casings be cut 15 feet below the mudline? If no, then comment.</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>
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<td>7</td>
<td>Will the proposed operation be covered by an EPA Discharge Permit? (Please provide permit number in comments for this question)</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

ATTACHMENTS

File Type                                      File Description
pdf                                            Procedures
pdf                                            Current Wellbore Schematic

CONTACTS

Name                                           Nancy Rodriguez
Company                                        Freeport-McMoRan Oil & Gas LLC
Phone Number                                   281-539-7640
E-mail Address                                 nrodrigu@fmi.com
Contact Description                            

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 criminal penalties.

Name and Title                                  Date
Nancy Rodriguez, Regulatory Technician            30-OCT-2018

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