FORM APPROVED

OCD Artesia

| Form 3160-3 (March 2012) | | | FORM AF OMB No. 1 Expires Octo | 004-0137 | 7 |
|---|---|----------------|--|------------------------|----------|
| UNITED STATES DEPARTMENT OF THE I BUREAU OF LAND MAN | 5. Lease Serial No. SHL:NMNM-012121 | | _ی | | |
| APPLICATION FOR PERMIT TO | DRILL OR REENTER | ' | 6. If Indian, Allotee or | Tribe Name | |
| 1a. Type of work: | 7. If Unit or CA Agreem Cotton Draw Unit NM | | _ | | |
| lb. Type of Well: Oil Well Gas Well Other | Single Zone Multi | ple Zone | 8. Lease Name and We Cotton Draw Unit 167 | 11 No. H <u> </u> | - 38 |
| Name of Operator Devon Energy Production Company, L. | P. <6/1377 | | 9. API Well No. | -41385 | |
| 3a. Address 333 W. Sheridan Ave. Oklahoma City, OK 73102 | 3b. Phone No. (include area code) 405-228-4248 | | 10. Field and Pool, or Exp Paduca; Bone Spring | (. / / | - 4/; |
| 4. Location of Well (Report location clearly and in accordance with and At surface 2310' FSL & 2200' FWL, Unit K, Sec 25, T245 | S-R31E | | 11. Sec., T. R. M. or Blk. Sec 25, T24S-R31E | and Survey or Area | • |
| At proposed prod. zone 330' FSL & 2235' FWL, Unit N, Sec. 14. Distance in miles and direction from nearest town or post office* Approximately 21 miles northeast of Malaga, NM | : 30, 1245-R31E | | 12. County or Parish Eddy County | 13. State NM | |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) | E/2 SW/4 | | ng Unit dedicated to this well 1/4 of Sec 25, 24S-31E & E/2 W/2 of Sec 3-31E or 240 acres 239.36 | | |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. | 19. Proposed Depth TVD: 8,270' MD: 15,265' | | /BIA Bond No. on file 04 & NMB-000801 | | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3525.6 GL | 22 Approximate date work will st | art* | 23. Estimated duration 45 days | | |
| | 24. Attachments | | | | _ |
| The following, completed in accordance with the requirements of Onsho | re Oil and Gas Order No.1, must be | attached to th | nis form: | | |
| Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System | Lands, the Item 20 above) 5. Operator certif | ication | ons unless covered by an ex | | |
| SUPO must be filed with the appropriate Forest Service Office). | 6. Such other sit BLM. | e specific inf | formation and/or plans as m | iay be required by the | e === |
| 25. Signature Patte Heahers Title | Name (Printed/Typed) Patti Riechers | | | 03/07/2013 | |
| Regulatory Specialist | | · | | | |
| Approved by (Signal School George MacDonell | Name (Printed/Typed) | | u ., | MAY 20 | 2013 |
| Title FIELD MANAGER | Office CA | RLSBAD | FIELD OFFICE | | |
| Application approval does not warrant or certify that the applicant hole conduct operations thereon. Conditions of approval, if any, are attached. | | _ | bject lease which would ent | | |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a c States any false, fictitious or fraudulent statements or representations as | rime for any person knowingly and | | ····· | | 1. |
| (Continued on page 2) | | | *(Instru | ictions on page | 2) |
| | Approval Subjec | t to Gene | ral Requirements | | |

Carlsbad Controlled Water Basin



& Special Stipulations Attached

SEE ATTACHED FOR CONDITIONS OF APPROVAL Form 3160-5 (August 2007)

LINITED OTATEO

| August 2007) SUNI Do not us abandone | OMB NO. 1004-0135 Expires: July 31, 2010 .5. Lease Serial No. NMNM89055 6. If Indian, Allottee or Tribe Name | | | | |
|---|---|--|--|---|---|
| SUBMIT IN | I TRIPLICATE - Other instru | ctions on reverse side. | | 7. If Unit or CA/Agree | ement, Name and/or No. |
| 1. Type of Well Oil Well Gas Well | Other | | | 8. Well Name and No COTTON DRAW | |
| 2. Name of Operator DEVON ENERGY PROD | Contact: DUCTION CO EFMail: Denise.M | DENISE A MENOUD enoud@dvn.com | | 9. API Well No. 30-015-00000 | 41385 |
| 3a. Address PO BOX 250 ARTESIA, NM 88211 | | 3b. Phone No. (include area code Ph: 575-746-5544 Fx: 575-746-9072 | e) | 10. Field and Pool, or Exploratory COTTON DRAW; BONE SPRING | |
| 4. Location of Well (Footage, 2 | Sec., T., R., M., or Survey Description | n) | | 11. County or Parish, | and State |
| Sec 25 T24S R31E NES 32.187435 N Lat, 103.73 | | | | EDDY COUNT | Y COUNTY, NM |
| 12. CHECK | APPROPRIATE BOX(ES) T | O INDICATE NATURE OF | NOTICE, RE | PORT, OR OTHE | R DATA |
| TYPE OF SUBMISSION | | ТҮРЕ О | F ACTION | | |
| Notice of Intent | ☐ Acidize☐ Alter Casing | ☐ Deepen☐ Fracture Treat | ☐ Production ☐ Reclamate | on (Start/Resume) | ☐ Water Shut-Off ☐ Well Integrity |
| ■ Subsequent Report | □ Casing Repair | ■ New Construction | □ Recompl | ete | Other |
| ☐ Final Abandonment Noti | ce Change Plans | Plug and Abandon | □ Tempora | rily Abandon | Change to Original A PD |
| | ☐ Convert to Injection | Plug Back | Water Di | sposal | |
| If the proposal is to deepen dire Attach the Bond under which the following completion of the inv | ed Operation (clearly state all pertine ictionally or recomplete horizontally ne work will be performed or provide olived operations. If the operation real Abandonment Notices shall be first for final inspection.) | , give subsurface locations and meas e the Bond No. on file with BLM/BL esults in a multiple completion or rec | ured and true vers A. Required subs completion in a ne | tical depths of all pertir sequent reports shall be ew interval, a Form 316 | nent markers and zones. filed within 30 days 60-4 shall be filed once |

This APD was revised by Patty Riechers on 3/7/2013. The original location was changed and the SHL and the BHL were swapped.

There will be no battery on the CDU 167H (reclamation diagram attached).

The battery now stands alone on the original location with no well at the battery, 330 FSL & 2235 FWL (diagram attached). Please note this is not the Security Site Diagram filed later.

Thank you.

| | THIS SPACE FOR FI | EDERAL OR STATE OFFICE USE | MAY 2 0 20 |
|--------------------------|-------------------------|---|------------|
| Signature | (Electronic Submission) | Date 03/18/2013 | |
| Name(Printed/Type | /) DENISE A MENOUD | Title AUTHORIZED REPRESENTATIVE | |
| 14. I hereby certify tha | For DEVON ENERGY P | 5 verified by the BLM Well Information System RODUCTION CO LP, sent to the Hobbs cessing by KURT SIMMONS on 03/20/2013 () | |

Conditions of approval, if any, are attached. Approval of this notice 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. 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.

Office

CARLSBAD FIELD OFFICE

Operators Representative:

The Devon Energy Production Company, L.P. representatives responsible for ensuring compliance of the surface use plan are listed below.

Dan McCorkell - Operations Engineer Devon Energy Production Company, L.P. 333 W. Sheridan Oklahoma City, OK 73102-5015 (405) 228-7528 (office) (405) 443-8697 (Cellular) Don Mayberry - Superintendent Devon Energy Production Company, L.P. Post Office Box 250 Artesia, NM 88211-0250 (575) 748-3371 (office) (575) 746-4945 (home)

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access road proposed herein; that I am familiar with the conditions that presently 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 Devon Energy Production Company, L.P. 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.

I hereby also certify that I, or Devon Energy Production Company, L.P. have made a good faith effort to provide the surface owner with a copy of the Surface Use Plan of Operations and any Conditions of Approval that are attached to the APD.

Executed this 7th day of March, 2013.

Printed Name: Patti Riechers

Signed Name: Latti Linkers

Position Title: Regulatory Specialist

Address: 333 W. Sheridan, OKC OK 73102

Telephone: (405)-228-4248

1625 N. French Dr., Hobbs, NM 38240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 38210

Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM \$7410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30-015 - | 41385 G/JUI | Paduca; Bone Spring (O) | • |
|-----------|------------------|-----------------------------|----------------------------------|
| 39238 | | roperty Name N DRAW UNIT | ⁶ Well Number 167H |
| OGRID No. | * O | ⁹ Elevation | |
| 6137 | DEVON ENERGY PRO | ODUCTION COMPANY, L.P. | 3525.6 |

10 Surface Location UL or lot no. Section Feet from the North/South line Feet from the East/West line County Township Range Lot Idn **SOUTH** 2200 WEST **EDDY** K 25 **24 S** 31 E 2310 "Bottom Hole Location If Different From Surface UL or lot no. East/West line Section Township Range Lot Idn Feet from the North/South line Feet from the County N 36 24 S 31 E 330 SOUTH 2235 WEST **EDDY** 12 Dedicated Acres ³ Joint or Infill Consolidation Code 15 Order No. 240

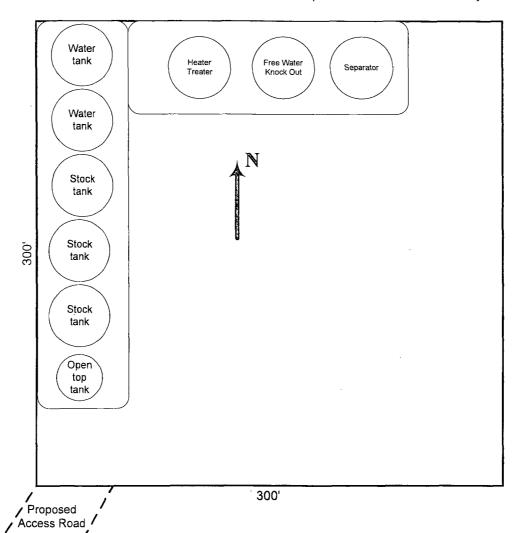
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| NW CORNER SEC. 25 LAT. = 32.1956016'N LONG. = 163.7400459'W NMSP EAST (FT) N = 435400.53 E = 724859.44 | N/4 CORNER SEC. 25 LAI. = 32;1956042N LONG. = 103.7315139W MMSP EAST (FT) N = 435416.14 E = 727498.70 | NE CORNER SEC. 25 LAT = 32.1958015'N LONG. = 103.7229721'W MMSP EAST (TT) N = 435430.06 E = 730140.99 | 17 OPERATOR CERTIFICATION I keveby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bostom hole location or has a right to drill this well at this |
|---|--|---|---|
| W/4 CORNER SEC. 25 LAI. = 32.18334337N LONG. = 103.7400432 W NMSP EAST (FT) N = 432760.23 E = 724874.85 SECTION CORNER LAI. = 32.18108437N LONG. = 103.74003807W NMSP EAST (FT) N = 430119.30 E = 724891.03 | SEC; 25 COTTON DRAW UNIT #167H | | location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Patti Ricchers 03/07/2013 Signature Date Patti Ricchers, Regulatory Specialist Printed Name E-mail Address patti.ricchers@dvn.com *SURVEYOR CERTIFICATION I hereby certify that the well location shown on this |
| W/4 CORNER SEC. 36 LAT. = 32.1738255'N LONG. = 103.7400604'W NMSP EAST (FT) N = 427478.61 E = 724898.64 SW CORNER SEC. 36 LAT. = 32.1666604'N LONG. = 103.7400852'W NMSP EAST (FT) N = 424872.03 E = 724905.34 | BOTTOM OF HOLE LAT. = 32.1675332 N LONG. = 103.782609 W NMSP EAST (F) N = 425201.91 E = 727139.01 S/4 CORNER SEC. 36 LAT. = 32.1666199 N LCNG. = 103.7315230 W NMSP EAST (FT) N = 424872.00 E = 727554.88 | E/4 CORNER SEC. 36 LAI = 32.1738295'N LONG. = 103.7229618'W NMSP EAST (FT) N = 427509.60 E = 730189.13 SE CORNER SEC. 36 LAI = 32.1865815'N LONG. = 103.7229565'W NMSP EAST (FT) N = 424872.98 E = 730205.72 | plut was plotted from field notes of actual surveys made by me or under my supervision rand that the same is true and correct to the best of my belief. FEBRUARY 21-2013 Date of Survey Signature and Seal of Professional Surveyor: Ecrificate Number: Filehyls of JARAMMICON PLS 12797 |



Proposed Facility Diagram

Devon Energy Production Co. CDU 167H & 116H Battery 330' FSL & 2235' FWL Sec. 36-T24S-R31E Eddy County, NM Note: A distance of 100' is required between fired vessels and any combustibles for safety purposes.

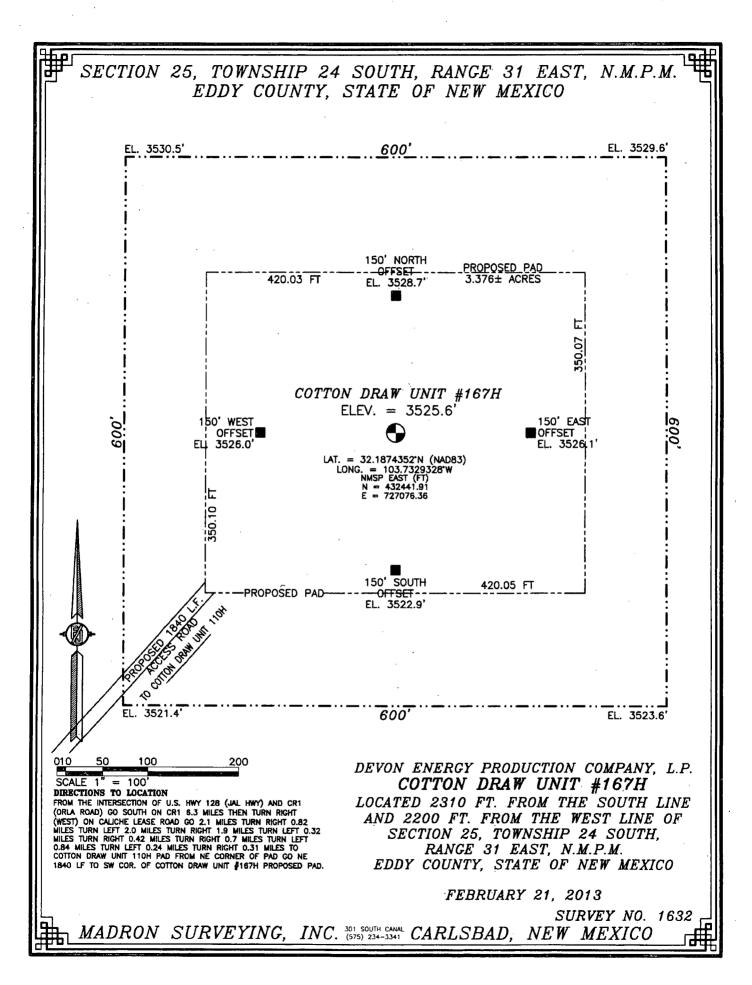




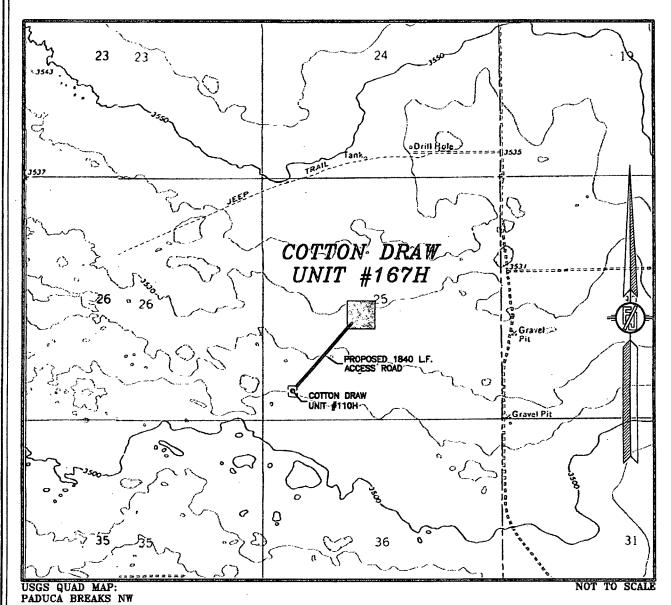
Proposed Reclamation Area



Scale: 1in = 60ft.



SECTION 25, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.

COTTON DRAW UNIT #167H

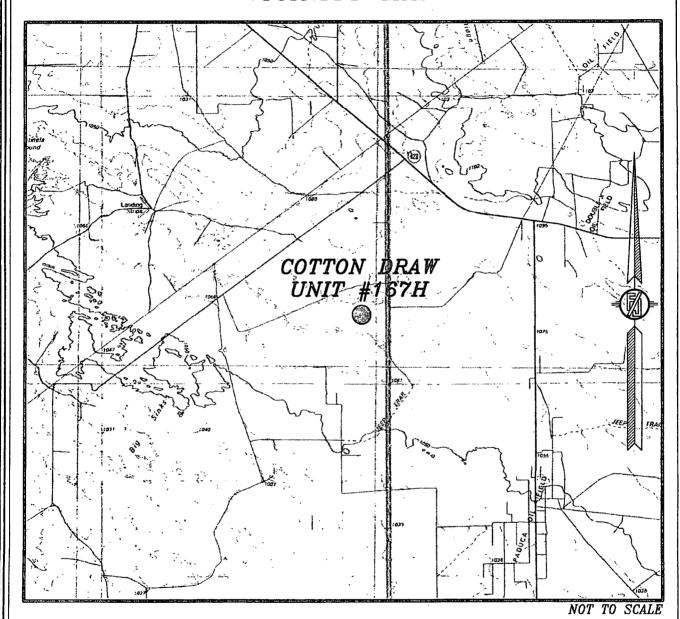
LOCATED 2310 FT. FROM THE SOUTH LINE AND 2200 FT. FROM THE WEST LINE OF SECTION 25, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

FEBRUARY 21, 2013

SURVEY NO. 1632

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

SECTION 25, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DEVON ENERGY PRODUCTION COMPANY, L.P. COTTON DRAW UNIT #167H

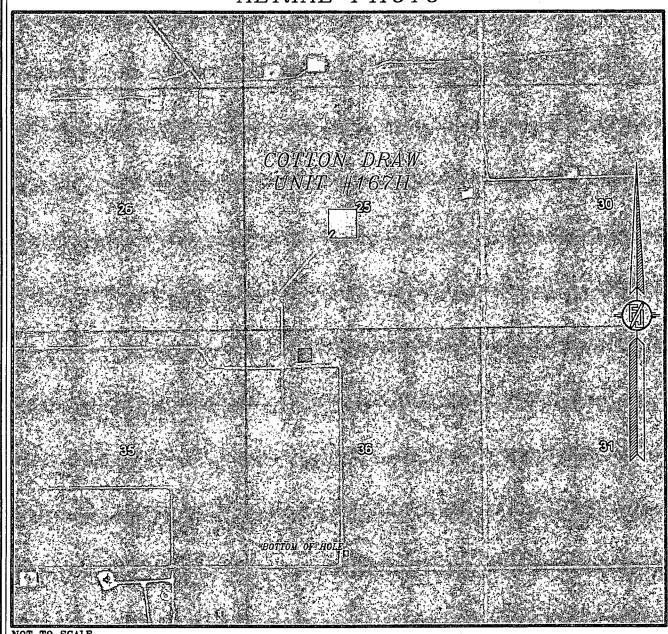
LOCATED 2310 FT. FROM THE SOUTH LINE AND 2200 FT. FROM THE WEST LINE OF SECTION 25, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

FEBRUARY 21, 2013

SURVEY NO. 1632

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

SECTION 25, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL PHOTO



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MARCH 2012

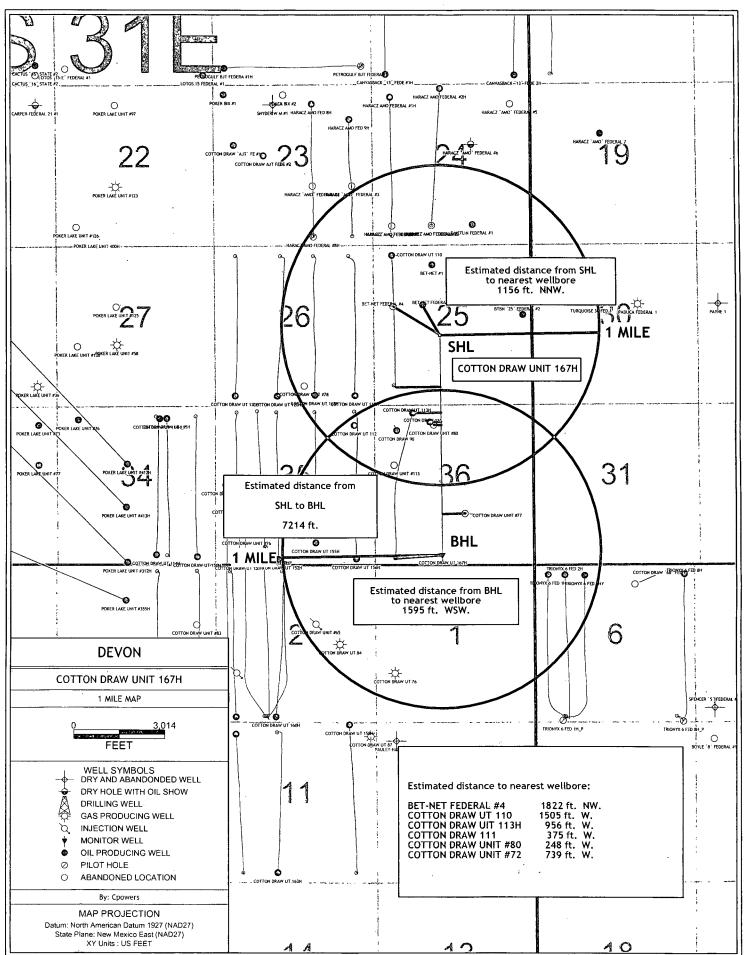
DEVON ENERGY PRODUCTION COMPANY, L.P. COTTON DRAW UNIT #167H

LOCATED 2310 FT. FROM THE SOUTH LINE
AND 2200 FT. FROM THE WEST LINE OF
SECTION 25, TOWNSHIP 24 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

FEBRUARY 21, 2013

SURVEY NO. 1632

MADRON SURVEYING, INC. 301 SOUTH CARLSBAD, NEW MEXICO



DRILLING PROGRAM

Devon Energy Production Company, LP Cotton Draw Unit #167H

Surface Location: 2310' FSL & 2200' FWL, Unit K, Sec 25, T24S-R31E, Eddy, NM Bottom Hole Location: 330' FSL & 2235' FWL, Unit N, Sec 36, T24S-R31E, Eddy, NM

1. Geologic Name of Surface Formation

a. Quaternary

2. Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

| a. | Fresh Water | 260' | |
|----|---------------|------------|------------|
| b. | Rustler | 670' | |
| c. | Salado | 1050' | |
| d. | Castile | 3159' | Oil/Gas |
| e. | Base of Salt | 4276' | Oil |
| f. | Delaware | 4503' | Oil |
| g. | Bell Canyon | 4538' | Oil |
| h. | Cherry Canyon | 5437' | Oil |
| i. | Brushy Canyon | 6683' | Oil |
| | Total Depth | 8,270' TVD | 15,265' MD |

3. Casing Program: (All casing is new and API approved.)

| Hole Size | <u>Hole</u> Interval | OD Csg | <u>Casing</u> Interval | Weight | <u>Collar</u> | <u>Grade</u> |
|------------------|------------------------------|-----------|---------------------------|--------|---------------|--------------|
| 151/2 | | | | 40.0 | CTR C | ** 40 |
| 17 ½ " | 0'-750'780 750'-4,350'446 | § 13 3/8" | 0'-750' | 48# | ST&C | H-40 |
| 12 ¼" | 750'-4,350' | 9 5/8" | 0'-4,350' | 40# | LT&C | J-55 |
| 8.34** | 4,350'-7,500' | 5 ½" | 0'-7,500' | 17# | LT&C | HCP-110 |
| 8 3/4" | 7,500'-15,265' | 5 ½" | 5,600'-15,265' | 17# | BT&C | HCP-110 |

Design Parameter Factors:

| Casing Size | Collapse Design <u>Factor</u> | Burst Design Factor | Tension Design <u>Factor</u> |
|-------------|----------------------------------|------------------------|------------------------------|
| 13 3/8" | 1.98 | 4.44 | 8.94 |
| 9 5/8" | 1.14 | 1.75 | 2.99 |
| 5 ½" | 2.45 | 3.03 | 3.49 |
| 5 ½" | 2.13 | 3.03 | 2.19 |

4. Cement Program: (volumes based on at least 25% excess):

| a. | 13 3/8" | 1 st Surface | Lead w/ 280 sx Class C +2% bwoc Calcium Chloride +0.125#/sx Poly-E-Flake + 4% bwoc Bentonite + 70.1% FW, 13.5 ppg. Yield 1.75 cf/sx. Tail w/ 415 sx Class C + 2% bwow Calcium Chloride + 0.125#/sx Poly-E-Flake + 63.1% FW, 14.8 ppg. Yield 1.35 cf/sx. TOC @ surface. |
|----|---------|------------------------------|---|
| b. | 9 5/8" | 2 nd Intermediate | Lead w/ 725 sacks (65:35) Poz (Fly Ash): +5% bwow Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 6% bwoc Bentonite + 70.9% FW. 12.9 ppg. Yield 1.85 cf/sx. Tail w/ 530 sx Cl C Cmt + 0.125 lbs/sack Poly-E-Flake + 63.5% Water. 14.8 ppg. Yield 1.33 cf/sx. TOC @ surface. |
| c. | 5 1/2" | Production | Lead w/ 635 sx 65:35 POZ (Fly Ash) Class H + 6% bwoc Bentonite + 0.25 lbs/sack Poly-E-Flake + 0.1% bwoc HR-601 + 74.1% FW, 12.5 ppg. Yield 1.95 cf/sx. Tail w/ 1950 sacks (50:50) Poz (Fly Ash):Class H Cement + 1 lb/sk Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.1% bwoc HR- 601 + 2% bwoc Bentonite + 58.8% FW, 14.5 ppg. Yield 1.22 cf/sx. TOC @ 3850'. |

The above cement volumes could be revised pending the caliper measurement from the open hole logs.

5. Pressure Control Equipment

The BOP system used to drill the 12-1/4" and 8-3/4" holes will consist of a 13-5/8" 3M Double Ram and Annular preventer. A 3M system will be installed and tested prior to drilling out the casing shoe. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2.

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP.

Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line). The line will be kept as straight as possible with minimal turns.

6. Proposed Mud Circulation System

| Depth 180 | Mud Wt. | <u>Visc</u> | Fluid Loss | Type System |
|--|----------|-------------|------------|--------------------|
| 0'-750" 446° | 8.4-9.6 | 32-34 | NC | FW |
| 750°-4,350° | 10.0 | 28 | NC | Brine |
| Depth 0' - 750' 4,350' 4,350 - 15,265' | 8.4-10.0 | 28-30 | N12 | FW |

The necessary mud products for weight addition 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 at all times.
- c. Hydrogen Sulfide detection equipment will be in operation after drilling out the 13 3/8" casing shoe until the 5 1/2" casing is cemented. Breathing equipment will be on location upon drilling the 13 3/8" shoe until total depth is reached.

8. Logging, Coring, and Testing Program: See COA

- a. Drill stem tests will be based on geological sample shows.
- **b.** If a drill stem test is anticipated; a procedure, equipment to be used and safety measures will be provided via sundry notice to the BLM.
- c. The open hole electrical logging program will be:
 - i. Total Depth to Intermediate Casing Dual Laterolog-Micro Laterolog with SP and Gamma Ray. Compensated Neutron Z Density log with Gamma Ray and Caliper.
 - ii. Total Depth to Surface

Compensated Neutron with Gamma Ray

iii. No coring program is planned

iv. Additional testing will be initiated subsequent to setting the 5 ½" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

9. Potential Hazards:

a. No abnormal pressures or temperatures are expected. There is no known presence of H2S in this area. If H2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6 No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 3500 psi and Estimated BHT 140°. No H2S is anticipated to be encountered.

10. Anticipated Starting Date and Duration of Operations:

a. Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 32 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.



Weatherford*

Drilling Services

Proposal





COTTON DRAW UNIT #167H

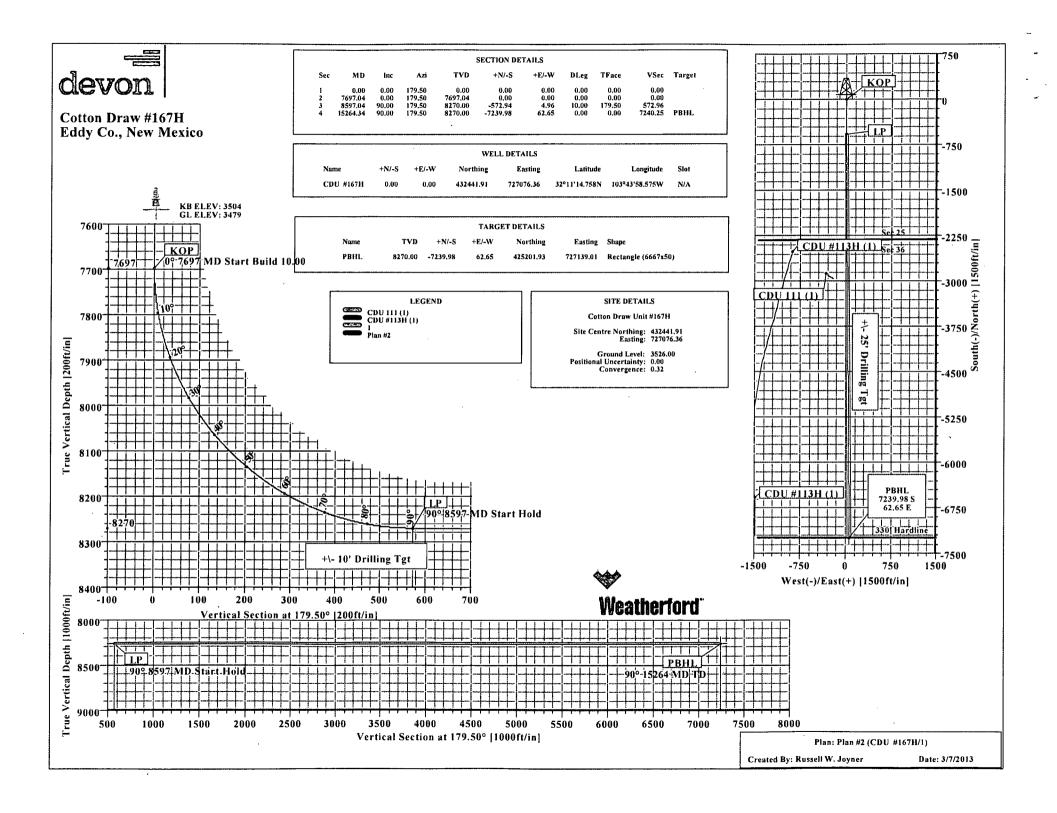
EDDY COUNTY, NM

WELL FILE: PLAN 2

MARCH 7, 2013

Weatherford International, Ltd.

P.O. Box 61028 Midland, TX 79711 USA +1.432.561.8892 Main +1.432.561.8895 Fax www.weatherford.com





Weatherford Wft Plan Report X Y's.



Company: Devon Energy

Eddy Co., NM (NAD 83) Cotton Draw Unit #167H

Field: Site: Well:

CDU #167H

Date: 3/7/2013

Time: 13:54:13

Page:

Db: Sybase

Co-ordinate(NE) Reference: Well: CDU #167H, Grid North Vertical (TVD) Reference:

SITE 3551.0

Well (0.00N,0.00E,179.50Azi)

Section (VS) Reference:

Survey Calculation Method: Minimum Curvature

Wellpath: 1 Plan:

Plan #2

Date Composed:

10/24/2012

Version: Tied-to:

From Surface

Site:

Cotton Draw Unit #167H

Site Position: From: Map

Ground Level:

Well Position:

Principal: Yes

Northing: Easting:

432441.91 ft 727076.36 ft Latitude:

32 11 14.758 N

Longitude:

58.575 W 103 43 Grid

0.00 ft 3526.00 ft

North Reference:

Grid Convergence:

0.32 deg

Well:

CDU #167H

0.00 ft Northing:

432441.91 ft Latitude: 32 11 14.758 N

+E/-W

Position Uncertainty:

0.00 ft Easting:

727076.36 ft

Longitude:

Slot Name:

103 43 58.575 W

Position Uncertainty:

0.00 ft

Wellpath: 1

Magnetic Data:

Current Datum: SITE

ft

+N/-S

Height 3551.00 ft

Drilled From: Tie-on Depth: Surface

0.00 ft Above System Datum: Mean Sea Level

Declination:

7.42 deg

Field Strength: Vertical Section: Depth From (TVD)

48410 nT

5/15/2013

Mag Dip Angle: +E/-W

60.08 deg Direction

+N/-Sft

ft

deg

8270.00 0.00 0.00 179.50

Plan Section Information

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | DLS deg/100 | Build ft deg/100t | Turn ft deg/100ft | TFO deg | Target | | |
|----------|-------------|-------------|-----------|-------------|-------------|----------------|----------------------|----------------------|------------|--------|---|--|
| 0.00 | 0.00 | 179.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | |
| 7697.04 | 0.00 | 179.50 | 7697.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | |
| 8597.04 | 90.00 | 179.50 | 8270.00 | -572.94 | 4.96 | 10.00 | 10.00 | 0.00 | 179.50 | | | |
| 15264.34 | 90.00 | 179.50 | 8270.00 | -7239.98 | 62.65 | 0.00 | 0.00 | 0:00 | 0.00 | PBHL | • | |

Survey

| MD ft | Incl deg | Azim deg | TVD ft | N/S ft | E/W ft | VS ft | DLS deg/100ft | MapN ft | MapE ft | | Commen |
|----------|-------------|-------------|-----------|-----------|-----------|----------|------------------|------------|------------|-----|--------|
| 7600.00 | 0.00 | 179.50 | 7600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 432441.91 | 727076.36 | | |
| 7697.04 | 0.00 | 179.50 | 7697.04 | 0.00 | 0.00 | 0.00 | 0.00 | 432441.91 | 727076.36 | KOP | |
| 7700.00 | 0.30 | 179.50 | 7700.00 | -0.01 | 0.00 | 0.01 | .10.00 | 432441.90 | 727076.36 | | |
| 7750.00 | 5.30 | 179.50 | 7749.92 | -2.45 | 0.02 | 2.45 | 10.00 | 432439.46 | 727076.38 | | i |
| 7800.00 | 10.30 | 179.50 | 7799.45 | -9.23 | 0.08 | 9.23 | 10.00 | 432432.68 | 727076.44 | | 1 |
| 7850.00 | 15.30 | 179.50 | 7848.19 | -20.30 | 0.18 | 20.30 | 10.00 | 432421.61 | 727076.54 | | |
| 7900.00 | 20.30 | 179.50 | 7895.78 | -35.57 | 0.31 | 35.57 | 10.00 | 432406.34 | 727076.67 | | |
| 7950.00 | 25.30 | 179.50 | 7941.86 | -54.94 | 0.48 | 54.94 | 10.00 | 432386.97 | 727076.84 | | |
| 8000.00 | 30.30 | 179.50 | 7986.08 | -78.24 | 0.68 | 78.25 | 10.00 | 432363.67 | 727077.04 | | |
| 8050.00 | 35.30 | 179.50 | 8028.10 | -105.32 | 0.91 | 105.32 | 10.00 | 432336.59 | 727077.27 | | ĺ |
| 8100.00 | 40.30 | 179.50 | 8067.59 | -135.95 | 1.18 | 135.95 | 10.00 | 432305.96 | 727077.54 | | ŀ |
| 8150.00 | 45.30 | 179.50 | 8104.27 | -169.91 | 1.47 | 169.91 | 10.00 | 432272.00 | 727077.83 | | 1 |
| 8200.00 | 50.30 | 179.50 | 8137.85 | -206.93 | 1.79 | 206.94 | 10.00 | 432234.98 | 727078.15 | | |
| 8250.00 | 55.30 | 179.50 | 8168.07 | -246.74 | 2.14 | 246.75 | 10.00 | 432195.17 | 727078.50 | | |
| 8300.00 | 60.30 | 179.50 | 8194.71 | -289.03 | 2.50 | 289.04 | 10.00 | 432152.88 | 727078.86 | | |
| 8350.00 | 65.30 | 179.50 | 8217.56 | -333.49 | 2.89 | 333.50 | 10.00 | 432108.42 | 727079.25 | | |
| 8400.00 | 70.30 | 179.50 | 8236.45 | -379.76 | 3.29 | 379.78 | 10.00 | 432062.15 | 727079.65 | | |
| 8450.00 | 75.30 | 179.50 | 8251.24 | -427.51 | 3.70 | 427.52 | 10.00 | 432014.40 | 727080.06 | | |
| 8500.00 | 80.30 | 179.50 | 8261.80 | -476.36 | 4.12 | 476.38 | 10.00 | 431965.55 | 727080.48 | | |
| 8550.00 | 85.30 | 179.50 | 8268.07 | -525.95 | 4.55 | 525.97 | 10.00 | 431915.96 | 727080.91 | | |
| 8597.04 | 90.00 | 179.50 | 8270.00 | -572.94 | 4.96 | 572.96 | 10.00 | 431868.97 | 727081.32 | LP | 1 |
| 8600.00 | 90.00 | 179.50 | 8270.00 | -575.89 | 4.98 | 575.92 | 0.00 | 431866.02 | 727081.34 | | |
| 8700.00 | 90.00 | 179.50 | 8270.00 | -675.89 | 5.85 | 675.92 | 0.00 | 431766.02 | 727082.21 | | |



Weatherford Wft Plan Report X Y's.



Company: Devon Energy Field: Eddy Co., NM (NAD 83)

Cotton Draw Unit #167H Site: CDU #167H

Well: Wellpath: 1 Date: 3/7/2013 Time: 13:54:13

Page: Co-ordinate(NE) Reference: Well: CDU #167H, Grid North
Vertical (TVD) Reference: SITE 3551.0

Section (VS) Reference: Well (0.00N,0.00E,179.50Azi)
Survey Calculation Method: Minimum Curvature DI

Db: Sybase

| Survey | | | | | | | | | | |
|----------------------|----------------|-------------|--------------------|----------------------|----------------|--------------------|------------------|---|------------------------|-------|
| MD ft | Incl deg | Azim deg | TVD ft | N/S ft | E/W ft | VS ft | DLS deg/100ft | MapN ft | MapE ft | Comme |
| 8800.00 | 90.00 | 179.50 | 8270.00 | -775.89 | 6.71 | 775.92 | 0.00 | 431666.02 | 727083.07 | |
| 8900.00 | 90.00 | 179.50 | 8270.00 | -875.88 | 7.58 | 875.92 | 0.00 | 431566.03 | 727083.94 | |
| 9000.00 | 90.00 | 179.50 | 8270.00 | -975.88 | 8.44 | 975.92 | 0.00 | 431466.03 | 727084.80 | |
| 9100.00 | 90.00 | 179.50 | 8270.00 | -1075.88 | 9.31 | 1075.92 | 0.00 | 431366.03 | 727085.67 | |
| 9200.00 | 90.00 | 179.50 | 8270.00 | -1175,87 | 10.18 | 1175.92 | 0.00 | 431266.04 | 727086.54 | |
| 9300.00 | 90.00 | 179.50 | 8270.00 | -1275.87 | 11.04 | 1275.92 | 0.00 | 431166.04 | 727087.40 | |
| 9400.00 | 90.00 | 179.50 | 8270.00 | -1375.86 | 11.91 | 1375.92 | 0.00 | 431066.05 | 727088.27 | |
| 9500.00 | 90.00 | 179.50 | 8270.00 | -1475.86 | 12.77 | 1475.92 | 0.00 | 430966.05 | 727089.13 | |
| 9600.00 | 90.00 | 179.50 | 8270.00 | -1575.86 | 13.64 | 1575.92 | 0.00 | 430866.05 | 727090.00 | |
| 9700.00 | 90.00 | 179.50 | 8270.00 | -1675.85 | 14.50 | 1675.92 | 0.00 | 430766.06 | 727090.86 | |
| 9800.00 | 90.00 | 179.50 | 8270.00 | -1775.85 | 15.37 | 1775.92 | 0.00 | 430666.06 | 727091.73 | |
| 9900.00 | 90.00 | 179.50 | 8270.00 | -1875.85 | 16.23 | 1875.92 | 0.00 | 430566.06 | 727092.59 | |
| 10000.00 | 90.00 | 179.50 | 8270.00 | -1975.84 | 17.10 | 1975.92 | 0.00 | 430466.07 | 727093.46 | |
| 10100.00 | 90.00 | 179.50 | 8270.00 | -2075.84 | 17.16 | 2075.92 | 0.00 | 430366.07 | 727094.32 | |
| 10200.00 | 90.00 | 179.50 | 8270.00 | -2175.83 | 18.83 | 2175.92 | 0.00 | 430266.08 | 727095.19 | |
| 10300.00 | 90.00 | 179.50 | 8270.00 | -2275.83 | 19.69 | 2275.92 | 0.00 | 430166.08 | 727096.05 | |
| 10400.00 | 90.00 | 179.50 | 8270.00 | -2375.83 | 20.56 | 2375.92 | 0.00 | 430066.08 | 727096.92 | |
| 10500.00 | 90.00 | 179.50 | 8270.00 | -2475.82 | 21.42 | 2475.92 | 0.00 | 429966.09 | 727097.78 | |
| 10600.00 | 90.00 | 179.50 | 8270.00 | -2475.62 -2575.82 | 22.29 | 2575.92 | 0.00 | 429866.09 | 727097.76 | |
| 10700.00 | 90.00 | 179.50 | 8270.00 | -2575.62 -2675.82 | 23.15 | 2675.92 | 0.00 | 429766.09 | 727098.83 | |
| 10800.00 | 90.00 | 179.50 | 8270.00 | -2075.82 | 24.02 | 2775.92 | 0.00 | 429666.10 | 727100.38 | |
| 10900.00 | 90.00 | 179.50 | 8270.00 | -2875.81 | 24.89 | 2875.92 | 0.00 | 429566.10 | 727100.35 | |
| 10900.00 | 90.00 | 179.50 | 0270.00 | -2075.01 | 24.03 | 2013.32 | 0.00 | 429300.10 | 727 101.23 | |
| 11000.00 | 90.00 | 179.50 | 8270.00 | -2975.80 | 25.75 | 2975.92 | 0.00 | 429466.11 | 727102.11 | |
| 11100.00 | 90.00 | 179.50 | 8270.00 | -3075.80 | 26.62 | 3075.92 | 0.00 | 429366.11 | 727102.98 | |
| 11200.00 | 90.00 | 179.50 | 8270.00 | -3175.80 | 27.48 | 3175.92 | 0.00 | 429266.11 | 727103.84 | |
| 11300.00 | 90.00 | 179.50 | 8270.00 | -3275.79 | 28.35 | 3275.92 | 0.00 | 429166.12 | 727104.71 | |
| 11400:00 | 90.00 | 179.50 | 8270.00 | -3375.79 | 29.21 | 3375.92 | 0.00 | 429066.12 | 727105.57 | |
| 11500.00 | 90.00 | 179.50 | 8270.00 | -3475.79 | . 30.08 | 3475.92 | 0.00 | 428966.12 | 727106.44 | |
| 11600.00 | 90.00 | 179.50 | 8270.00 | -3575.78 | 30.94 | 3575.92 | 0.00 | 428866.13 | 727107.30 | - |
| 11700.00 | 90.00 | 179.50 | 8270.00 | -3675.78 | 31.81 | 3675.92 | 0.00 | 428766.13 | 727108.17 | |
| 11800.00 | 90.00 | 179.50 | 8270.00 | -3775.77 | 32.67 | 3775.92 | 0.00 | 428666.14 | 727109.03 | |
| 11900.00 | 90.00 | 179.50 | 8270.00 | -3875.77 | 33.54 | 3875.92 | 0.00 | 428566.14 | 727109.90 | |
| 12000.00 | 90.00 | 179.50 | 8270.00 | -3975.77 | 34.40 | 3975.92 | 0.00 | 428466.14 | 727110.76 | |
| 12100.00 | 90.00 | 179.50 | 8270.00 | -4075.76 | 35.27 | 4075.92 | 0.00 | 428366.15 | 727111.63 | |
| 12200.00 | 90.00 | 179.50 | 8270.00 | -4175.76 | 36.13 | 4175.92 | 0.00 | 428266.15 | 727112.49 | |
| 12300.00 | 90.00 | 179.50 | 8270.00 | -4275.76 | 37.00 | 4275.92 | 0.00 | 428166.15 | 727113.36 | |
| 12400.00 | 90.00 | 179.50 | 8270.00 | -4375.75 | 37.86 | 4375.92 | 0.00 | 428066.16 | 727114.22 | |
| 12500.00 | 90.00 | 179.50 | 8270.00 | -4475.75 | 38.73 | 4475.92 | 0.00 | 427966.16 | 727115.09 | |
| 12600.00 | 90.00 | 179.50 | 8270.00 | -4575.74 | 39.60 | 4575.92 | 0.00 | 427866.17 | 727115.96 | |
| 12700.00 | 90.00 | 179.50 | 8270.00 | -4675.74 | 40.46 | 4675.92 | 0.00 | 427766.17 | 727116.82 | |
| 12800.00 | 90.00 | 179.50 | 8270.00 | -4775.74 | 41.33 | 4775.92 | 0.00 | 427666.17 | 727117.69 | |
| 12900.00 | 90.00 | | 8270.00 | -4875.73 | 42.19 | 4875.92 | 0.00 | 427566.18 | ,727118.55 | |
| 13000.00 | 90.00 | 179.50 | 8270.00 | -4975.73 | 43.06 | 4975.92 | 0.00 | 427466.18 | 727119.42 | |
| 13100.00 | 90.00 | 179.50 | 8270.00 | -5075.73 | 43.00 | 5075.92 | 0.00 | 427366.18 | 727119.42 | |
| 13200.00 | 90.00 | 179.50 | 8270.00 | -5175.72 | 44.79 | 5175.92 | 0.00 | 427266.19 | 727120.20 | |
| 13300.00 | 90.00 | 179.50 | 8270.00 | -5275.72 | 45.65 | 5275.92 | 0.00 | 427166.19 | 727122.01 | |
| 13400.00 | 90.00 | 179.50 | 8270.00 | -5375.71 | 46.52 | 5375.92 | 0.00 | 427066.20 | 727122.88 | |
| 12500.00 | 00.00 | 170 50 | 9270.00 | E475 71 | 47.20 | E475.00 | 0.00 | 426066.20 | 707400 74 | |
| 13500.00 13600.00 | 90.00 90.00 | | 8270.00 8270.00 | -5475.71 -5575.71 | 47.38 48.25 | 5475.92 5575.92 | 0.00 0.00 | 426966.20 426866.20 | 727123.74 | |
| 13700.00 | 90.00 | | 8270.00 | -5675.70 | 46.25 49.11 | 5675.92 | 0.00 | 426766.21 | 727124.61 727125.47 | |
| 13800.00 | 90.00 | | 8270.00 | -5775.70 | 49.11 | 5775.92 | | 426766.21 | 727125.47 727126.34 | |
| 13900.00 | 90.00 | | 8270.00 | -5875.70 | 50.84 | 5875.92 | 0.00 | 426566.21 | 727127.20 | |
| | 55.00 | 5.55 | 52.70.00 | 00.0.70 | 30.07 | 33, 0.02 | 5.00 | .2000.21 | 121121.20 | |
| | | | | | | | | • | ···· | |



Weatherford Wft Plan Report X Y's.



Company: Devon Energy

Eddy Co., NM (NAD 83)

Field: Site: Cotton Draw Unit #167H

CDU #167H Well: Wellpath: 1

Date: 3/7/2013

Section (VS) Reference:

Time: 13:54:13

Page:

Co-ordinate(NE) Reference: Well: CDU #167H, Grid North Vertical (TVD) Reference: SITE 3551.0

Well (0.00N,0.00E,179.50Azi)

Survey Calculation Method: Minimum Curvature

Db: Sybase

Survey

| MD ft | Incl deg | Azim deg | TVD ft | N/S ft | E/W ft | VS ft | DLS deg/100ft | MapN ft | MapE ft | (| Comme |
|----------|-------------|-------------|-----------|-----------|-----------|----------|------------------|------------|------------|------|-------|
| 14000.00 | 90.00 | 179.50 | 8270.00 | -5975.69 | 51.71 | 5975.92 | 0.00 | 426466.22 | 727128.07 | | |
| 14100.00 | 90.00 | 179.50 | 8270.00 | -6075.69 | 52.57 | 6075.92 | 0.00 | 426366.22 | 727128.93 | | |
| 14200.00 | 90.00 | 179.50 | 8270.00 | -6175.68 | 53.44 | 6175.92 | 0.00 | 426266.23 | 727129.80 | | |
| 14300.00 | 90.00 | 179.50 | 8270.00 | -6275.68 | 54.31 | 6275.92 | 0.00 | 426166.23 | 727130.67 | | |
| 14400.00 | 90.00 | 179.50 | 8270.00 | -6375.68 | 55.17 | 6375.92 | 0.00 | 426066.23 | 727131.53 | | |
| 14500.00 | 90.00 | 179.50 | 8270.00 | -6475.67 | 56.04 | 6475.92 | 0.00 | 425966.24 | 727132.40 | | |
| 14600.00 | 90.00 | 179.50 | 8270.00 | -6575.67 | 56.90 | 6575.92 | 0.00 | 425866.24 | 727133.26 | | |
| 14700.00 | 90.00 | 179.50 | 8270.00 | -6675.67 | 57.77 | 6675.92 | 0.00 | 425766.24 | 727134.13 | | |
| 14800.00 | 90.00 | 179.50 | 8270.00 | -6775.66 | 58.63 | 6775.92 | 0.00 | 425666.25 | 727134.99 | | |
| 14900.00 | 90.00 | 179.50 | 8270.00 | -6875.66 | 59.50 | 6875.92 | 0.00 | 425566.25 | 727135.86 | | |
| 15000.00 | 90.00 | 179.50 | 8270.00 | -6975.65 | 60.36 | 6975.92 | 0.00 | 425466.26 | 727136.72 | | |
| 15100.00 | 90.00 | 179.50 | 8270.00 | -7075.65 | 61.23 | 7075.92 | 0.00 | 425366.26 | 727137.59 | | |
| 15200.00 | 90.00 | 179.50 | 8270.00 | -7175.65 | 62.09 | 7175.92 | 0.00 | 425266.26 | 727138.45 | | |
| 15264.34 | 90.00 | 179.50 | 8270.00 | -7239.98 | 62.65 | 7240.25 | 0.00 | 425201.93 | 727139.01 | PBHL | |

Targets

| Name | Description Dip, Di | TVD r. ft . | +N/-S ft | +E/-W ft | Map Northing ft | Map Easting ft | < Latitude Deg Min Sec | ->< Longitude Deg Min Sec |
|---------------------|------------------------|----------------|-------------|-------------|-----------------------|----------------------|---------------------------|------------------------------|
| PBHL -'Rectangle | e (6667x50) | 8270.00 | -7239.98 | 62.65 | 425201.93 | 727139.01 | 32 10 3.111 N | 103 43 58.316 W |

Casing Points

| | MD | TVD | Diameter | Hole Size | Name |
|--|----|-----|----------|-----------|------|
|--|----|-----|----------|-----------|------|

Annotation

| MD ft | TVD ft | |
|----------|-----------|------|
| 7697.04 | 7697.04 | KOP |
| 8597.04 | 8270.00 | LP |
| 15264.33 | 8270.00 | PBHL |





Company: Field:

Devon Energy

Reference Site:

Reference Well: CDU #167H

Reference Wellpath:

Eddy Co., NM (NAD 83)

Cotton Draw Unit #167H

Vertical (TVD) Reference: SITE 3551.0

Date: 3/7/2013

Time: 13:54:44

Page:

Co-ordinate(NE) Reference: Well: CDU #167H, Grid North

Db: Sybase

NO GLOBAL SCAN: Using user defined selection & scan criteria

Interpolation MethodMD + Stations Interval: 100.00 ft 9820.96 ft

0.00 to Depth Range: Maximum Radius 0000.00 ft

Reference: Error Model: Scan Method:

Plan: Plan #2 ISCWSA Ellipse Closest Approach 3D

Error Surface: Ellipse

Plan:

Principal: Yes

Plan #2

Date Composed:

10/24/2012

Version:

Tied-to:

From Surface

Summary

| <site< th=""><th> Offset Wellpat Well</th><th>h> Wellpath</th><th>Referenc MD ft</th><th>e Offset MD ft</th><th></th><th></th><th>Separation ice Factor</th><th>Warning</th></site<> | Offset Wellpat Well | h> Wellpath | Referenc MD ft | e Offset MD ft | | | Separation ice Factor | Warning |
|---|------------------------|----------------|----------------------|----------------------|---------|---------|--------------------------|---------|
| CDU 111 | CDU 111 | 1 V0 | 9800.00 | 8210.77 | 1144.41 | 1104.46 | 28.65 | |
| Cotton Draw Uni | t #11CDU #113H | 1 V0 | 9800.00 | 12969.00 | 1154.17 | 1032.54 | 9.49 | |

Site: Well:

CDU 111 CDU 111

Wellpath: 1 V0

Inter-Site Error:

| l | | rence | | fset | | | | | Ctr-Ctr Edge | | |
|---|---------|---------|---------|---------|------|------|------------------|---------|-----------------|-----------|---------|
| | MD | TVD | MD | TVD | Ref | | TFO-HS North | | Distance Distan | ce Factor | Warning |
| | ft | ft | ft | ft | ft | ft | deg ft | ft | ft ft | | |
| | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 184.00 - 2966.53 | -207.31 | 2974.24 | | No Data |
| | 100.00 | 100.00 | 65.76 | 65.76 | 0.08 | 0.01 | 184.00 - 2966.32 | -207.29 | 2973.62 2973.53 | 33155.56 | |
| | 200.00 | 200.00 | 176.71 | 176.70 | 0.31 | 0.02 | 184.00 - 2965.30 | -207.20 | 2972.68 2972.35 | 8968.29 | |
| | 300.00 | 300.00 | 278.19 | 278.18 | 0.53 | | 184.00 - 2964.26 | | 2971.66 2971.09 | | |
| | 400.00 | 400.00 | 386.94 | 386.92 | 0.76 | | 184.00 - 2962.97 | | 2970.49 2969.71 | | |
| | 500.00 | 500.00 | 494.12 | 494.09 | 0.98 | 0.10 | 184.02 - 2961.33 | -208 26 | 2969.02 2967.94 | 2760.98 | |
| | 600.00 | 600.00 | 585.20 | 585.13 | 1.21 | | 184.06 -2959.87 | | 2967.57 2966.20 | | |
| | 700.00 | 700.00 | 684.91 | 684.80 | 1.43 | | 184.12 - 2958.42 | | 2966.31 2964.66 | | |
| | 800.00 | 800.00 | 786.63 | 786.46 | 1.66 | | 184.17 -2956.89 | | 2965.01 2963.08 | | |
| | 900.00 | 900.00 | 887.95 | 887.74 | 1.88 | | 184.23 - 2955.32 | | 2963.66 2961.46 | | • |
| | 900.00 | 300.00 | 007.90 | 001.14 | 1.00 | 0.39 | 104.23-2533.32 | -210.38 | 2903.00 2901.40 | 1340.27 | |
| | 1000.00 | 1000.00 | 984.78 | 984.52 | 2.11 | | 184.28 - 2953.83 | | 2962.33 2959.86 | | |
| | 1100.00 | 1100.00 | 1084.86 | 1084.55 | 2.33 | | 184.33 -2952.37 | | 2961.07 2958.34 | | |
| | 1200.00 | 1200.00 | 1184.97 | 1184.62 | 2.56 | | 184.39 - 2950.88 | | 2959.80 2956.80 | 987.26 | |
| | 1300.00 | 1300.00 | 1286.72 | 1286.31 | 2.78 | | 184.45 -2949.34 | | 2958.50 2955.24 | 906.66 | |
| | 1400.00 | 1400.00 | 1390.86 | 1390.40 | 3.01 | 0.72 | 184.50 -2947.66 | -232.23 | 2957.11 2953.58 | 837.99 | |
| | 1500.00 | 1500.00 | 1487.11 | 1486.60 | 3.23 | 0.79 | 184.56 -2946.08 | -234.90 | 2955.69 2951.90 | 779.71 | |
| | 1600.00 | 1600.00 | 1587.14 | 1586.57 | 3.46 | | 184.62 - 2944.52 | | 2954.37 2950.31 | 728.86 | |
| | 1700.00 | 1700.00 | 1686.31 | 1685.70 | 3.68 | | 184.67 -2942.98 | | 2953.04 2948.72 | | |
| | 1800.00 | 1800.00 | 1788.60 | 1787.94 | 3.91 | | 184.73 - 2941.37 | | 2951.70 2947.12 | | |
| | 1900.00 | 1900.00 | 1886.60 | 1885.89 | 4.13 | | 184.78 -2939.81 | | 2950.33 2945.51 | 611.11 | |
| | 2000.00 | 2000.00 | 1984.02 | 1983.26 | 4.35 | 1 12 | 184.83 -2938.35 | -248 49 | 2949.06 2943.98 | 580.25 | |
| | 2100.00 | 2100.00 | 2085.32 | 2084.52 | 4.58 | | 184.89 - 2936.87 | | 2947.82 2942.48 | | |
| | 2200.00 | 2200.00 | 2183.55 | 2182.71 | 4.80 | | 184.94 - 2935.42 | | 2946.57 2940.98 | | |
| | 2300.00 | 2300.00 | 2163.55 | 2280.05 | 5.03 | | 184.99 - 2934.06 | | | | |
| | | 2400.00 | 2384.60 | 2383.67 | 5.03 | | | | 2945.40 2939.56 | 503.85 | |
| | 2400.00 | 2400.00 | 2304.00 | 2303.07 | 3.23 | 1.40 | 185.04 - 2932.63 | -238.39 | 2944.24 2938.14 | 482.56 | |
| | 2500.00 | 2500.00 | 2480.85 | 2479.88 | 5.48 | | 185.09 - 2931.26 | | 2943.03 2936.68 | | |
| | 2600.00 | 2600.00 | 2575.75 | 2574.75 | 5.70 | | 185.13 - 2930.08 | | 2942.01 2935.40 | | |
| | 2700.00 | 2700.00 | 2674.24 | 2673.21 | 5.93 | | 185.18 - 2928.98 | | 2941.10 2934.25 | | |
| | 2800.00 | 2800.00 | 2775.91 | 2774.85 | 6.15 | 1.67 | 185.23 - 2927.84 | -267.76 | 2940.19 2933.08 | 413.50 | |
| | 2900.00 | 2900.00 | 2878.71 | 2877.61 | 6.38 | 1.74 | 185.27 -2926.61 | -270.06 | 2939.20 2931.84 | 399.11 | |
| | 3000.00 | 3000.00 | 2979.52 | 2978.38 | 6.60 | 1.81 | 185.32 -2925.31 | -272.47 | 2938.14 2930.52 | 385.76 | |
| | 3100.00 | 3100.00 | 3082.27 | 3081.09 | 6.83 | | 185.37 -2923.93 | | 2937.03 2929.16 | | |
| | 3200.00 | 3200.00 | 3184.35 | 3183.13 | 7.05 | | 185.43 -2922.46 | | 2935.83 2927.71 | 361.47 | |
| | 3300.00 | 3300.00 | 3287.31 | 3286.04 | 7.28 | | 185.48 -2920.90 | | 2934.56 2926.18 | | |
| | 3400.00 | 3400.00 | 3385.33 | 3384.03 | 7.50 | | 185.53 -2919.38 | | 2933.25 2924.62 | | |
| | 5-00.00 | 5400.00 | 5505.55 | 0004.00 | 7.50 | 2.09 | 100.00-2010.00 | -202.43 | 2000.20 2024.02 | , 339.91 | -4 |
| | 3500.00 | 3500.00 | 3485.31 | 3483.97 | 7.73 | 2.16 | 185.58 -2917.89 | -284.88 | 2931.99 2923.11 | 330.16 | |





Company: Field:

Devon Energy Eddy Co., NM (NAD 83)

Date: 3/7/2013

Time: 13:54:44

Page:

Reference Site: Cotton Draw Unit #167H
Reference Well: CDU #167H

Reference Wellpath:

Co-ordinate(NE) Reference: Well: CDU #167H, Grid North Vertical (TVD) Reference: SITE 3551.0

Db: Sybase

CDU 111 CDU 111 Well: Wellpath: 1 V0

Inter-Site Error:

ft 0.00

| · · · · · · · · · · · · · · · · · · · | : 1 00 | | | | | | | Inter-Site Error | | 11 | |
|---------------------------------------|----------|---------|---------|----------------|---------|------------------|------------------------|------------------------------------|----------|---------|---|
| | erence | | ffset | | Major A | | | Ctr-Ctr Edge | | | |
| MD | TVD | MD | TVD | Ref | | TFO-HS North | East | Distance Distance | e Factor | Warning | |
| ft | ft | ft | ft | ft | ft | deg ft | ft | ft ft | | | |
| 3600.00 | 3600.00 | 3583.77 | 3582.40 | 7.95 | 2 23 | 185.62 -2916.45 | -287 01 | 2930.75 2921.62 | 320.93 | | |
| 3700.00 | 3700.00 | 3679.18 | 3677.78 | 8.18 | | 185.65 - 2915.22 | | 2929.62 2920.28 | 313.67 | | |
| 3800.00 | 3800.00 | | 3774.37 | 8.40 | | 185.67 -2914.19 | | 2928.63 2918.98 | 303.35 | | |
| 3900.00 | 3900.00 | 3873.44 | 3872.03 | 8.63 | | 185.68 - 2913.24 | | 2927.74 2917.82 | 295.21 | | • |
| 0000.00 | 0000.00 | | 3072.03 | 0.00 | 2.72 | 100.00 -2010.24 | 203.55 | 2321.142311.02 | 233.21 | | |
| 4000.00 | 4000.00 | 3964.10 | 3962.68 | 8.85 | 2.48 | 185.70 - 2912.52 | -200 51 | 2927.01 2916.82 | 287.24 | | |
| 4100.00 | 4100.00 | 4053.62 | 4052.20 | 9.07 | | 185.70 -2912.18 | | 2926.66 2915.84 | 270.32 | | |
| 4200.00 | 4200.00 | 4173.06 | 4171.64 | 9.30 | | 185.70 - 2911.81 | | | 260.28 | | |
| 4300.00 | 4300.00 | 4287.84 | 4286.42 | 9.52 | | 185.71 -2910.43 | | 2926.41 2915.16 2925.20 2914.24 | 266.67 | | |
| 4400.00 | 4400.00 | 4389.63 | 4388.19 | 9.75 | | | | 2923.82 2912.57 | | | , |
| 4400.00 | 4400.00 | 4309.03 | 4300.19 | 9.13 | | 185.72 -2908.97 | -291.39 | 2923.02 2912.31 | 259.99 | | * |
| 4500.00 | 4500.00 | 4488.68 | 4487.23 | 9.97 | 2 77 | 185.74 - 2907.51 | 202.08 | 2922.42 2910.90 | 253.59 | | |
| 4600.00 | 4600.00 | 4589.18 | 4587.71 | | | 185.75-2906.04 | | | | | |
| 4700.00 | 4700.00 | 4509.16 | 4689.28 | 10.20 10.42 | | | | 2921.04 2909.24 | 247.61 | | |
| | | | | | | 185.77 -2904.52 | | 2919.62 2907.55 | 241.87 | | |
| 4800.00 | 4800.00 | 4791.38 | 4789.89 | 10.65 | | 185.79 - 2902.97 | | 2918.16 2905.81 | 236.38 | | |
| 4900.00 | 4900.00 | 4887.99 | 4886.48 | 10.87 | 3.01 | 185.81 -2901.51 | -295.02 | 2916.74 2904.12 | 231.15 | | • |
| E000 00 | E000.00 | 4000 70 | 4007.04 | 44.40 | 0.00 | 405 00 0000 00 | 205.24 | 0045 00 0000 40 | 000 44 | | |
| 5000.00 | 5000.00 | 4988.73 | 4987.21 | 11.10 | | 185.82 -2900.06 | | 2915.38 2902.49 | 226.14 | | |
| 5100.00 | 5100.00 | 5092.39 | 5090.85 | 11.32 | | 185.84 - 2898.47 | | 2913.95 2900.78 | 221.28 | | |
| 5200.00 | 5200.00 | 5190.64 | 5189.09 | 11.55 | | 185.86 - 2896.93 | | 2912.46 2899.02 | 216.66 | | |
| 5300.00 | 5300.00 | 5286.61 | 5285.04 | 11.77 | | 185.88 - 2895.51 | | 2911.08 2897.37 | 212.24 | | |
| 5400.00 | 5400.00 | 5389.76 | 5388.18 | 12.00 | 3.33 | 185.90 - 2894.03 | -299.19 | 2909.74 2895.75 | 207.97 | | |
| | | | | | a) .a | | | | | | |
| 5500.00 | 5500.00 | 5488.00 | 5486.40 | 12.22 | | 185.92 - 2892.56 | | 2908.35 2894.08 | 203.89 | | |
| 5600.00 | 5600.00 | 5583.73 | 5582.12 | 12.45 | | 185.94 -2891.23 | | 2907.06 2892.53 | 199.99 | | |
| 5700.00 | 5700.00 | 5683.86 | 5682.24 | 12.67 | | 185.96 -2889.94 | | 2905.86 2891.06 | 196.22 | | |
| 5800.00 | 5800.00 | 5782.67 | 5781.04 | 12.90 | | 185.98 - 2888.65 | | 2904.67 2889.58 | 192.60 | | |
| 5900.00 | 5900.00 | 5887.10 | 5885.45 | 13.12 | 3.67 | 186.00 - 2887.25 | -303.68 | 2903.44 2888.08 | 189.05 | • | |
| | | | | | | | | | | | • |
| 6000.00 | 6000.00 | 5986.66 | 5985.00 | 13.35 | | 186.02 - 2885.83 | | 2902.11 2886.48 | 185.67 | | |
| 6100.00 | 6100.00 | 6086.26 | 6084.59 | 13.57 | 3.80 | 186.04 - 2884.44 | -305.43 | 2900.81 2884.90 | 182.38 | | |
| 6200.00 | 6200.00 | 6180.70 | 6179.01 | 13.80 | 3.86 | 186.06 - 2883.19 | -306.31 | 2899.59 2883.41 | 179.21 | | |
| 6300.00 | 6300.00 | 6283.72 | 6282.02 | 14.02 | 3.93 | 186.08 - 2881.93 | -307.21 | 2898.47 2882.02 | 176.16 | | |
| 6400.00 | 6400.00 | 6380.78 | 6379.07 | 14.24 | | 186.10 - 2880.69 | | 2897.29 2880.56 | 173.22 | | |
| | | | | | | | | | | | |
| 6500.00 | 6500.00 | 6484.30 | 6482.58 | 14.47 | 4.07 | 186.12 - 2879.40 | -308.98 | 2896.15 2879.15 | 170.36 | | |
| 6600.00 | 6600.00 | 6579.96 | 6578.23 | 14.69 | | 186.14 - 2878.17 | | 2894.97 2877.70 | 167.59 | ÷ | |
| 6700.00 | 6700.00 | 6680.01 | 6678.26 | 14.92 | | 186.16 - 2877.01 | | 2893.91 2876.37 | 164.97 | | |
| 6800.00 | 6800.00 | 6779.02 | 6777.27 | 15.14 | | 186.18 - 2875.85 | | 2892.84 2875.03 | 162.40 | | |
| 6900.00 | 6900.00 | 6874.80 | 6873.04 | 15.37 | | 186.20 - 2874.80 | | 2891.86 2873.77 | 159.91 | | |
| | | | | | | , | | | | | |
| 7000.00 | 7000.00 | 6969.35 | 6967.58 | 15.59 | 4.40 | 186.23 - 2873.93 | -313.50 | 2891.05 2872.70 | 157.58 | • | |
| 7100.00 | 7100.00 | 7067.67 | 7065.89 | 15.82 | | 186.25 - 2873.16 | | 2890.39 2871.79 | 155.39 | • | |
| 7200.00 | 7200.00 | 7168.44 | 7166.65 | 16.04 | | 186.27 -2872.36 | | 2889.73 2870.87 | 153.23 | | |
| 7300.00 | 7300.00 | 7269.20 | 7267.40 | 16.27 | | 186.30 - 2871.52 | | 2889.03 2869.92 | 151.13 | | |
| 7400.00 | 7400.00 | 7368.76 | 7366.95 | 16.49 | | 186.32 -2870.69 | | 2888.33 2868.95 | 149.07 | | |
| | | | | | | | - · - · · - | | | | |
| 7500.00 | 7500.00 | 7466.37 | 7464.55 | 16.72 | 4.74 | 186.35 - 2869.92 | -319.22 | 2887.67 2868.04 | 147.07 | | |
| 7600.00 | 7600.00 | 7563.18 | 7561.35 | 16.94 | 4.81 | 186.37 -2869.26 | | 2887.12 2867.23 | 145.21 | | |
| 7697.04 | 7697.04 | 7659.31 | 7657.47 | 17.16 | | 186.39 - 2868.68 | | 2886.67 2866.54 | 143.43 | | |
| 7700.00 | 7700.00 | 7662.28 | 7660.44 | 17.17 | 4.88 | 6.89 -2868.66 | | 2886.64 2866.51 | 143.38 | | |
| 7750.00 | 7749.92 | 7712.18 | 7710.33 | 17.28 | 4.91 | 6.94 -2868.35 | | 2883.99 2863.79 | 142.75 | | |
| | | | | | | J.J. 2000.00 | J 10 | | 2 | | |
| 7800.00 | 7799.45 | 7760.79 | 7758.94 | 17.40 | 4.94 | 7.06 -2868.06 | -322.76 | 2877.04 2856.86 | 142.60 | | |
| 7850.00 | 7848.19 | 7808.19 | 7806.34 | 17.51 | 4.97 | 7.24 -2867.79 | | 2865.84 2845.79 | 142.89 | | |
| 7900.00 | 7895.78 | 7852.65 | 7850.79 | 17.64 | 5.00 | 7.50 -2867.57 | | 2850.52 2830.68 | 143.66 | | |
| 7950.00 | 7941.86 | 7895.70 | 7893.84 | 17.77 | 5.03 | 7.84 -2867.41 | | 2831.20 2811.66 | 144.92 | | |
| 8000.00 | 7986.08 | 7937.51 | 7935.64 | 17.90 | 5.05 | 8.28 - 2867.28 | | 2808.01 2788.86 | 144.92 | | |
| 3000.00 | , 500.00 | 1001.01 | 1000.04 | 17.30 | 5.05 | 0.20-2007.20 | J2J. 10 | 2000.012700.00 | 140.03 | | |
| 8050.00 | 8028.10 | 7977.31 | 7975.44 | 18.06 | 5.07 | 8.85 -2867.20 | -325 74 | 2781.13 2762.43 | 148.75 | | |
| | 8067.59 | 8015.19 | 8013.31 | 18.23 | 5.10 | 9.57 -2867.14 | | 2750.75 2732.55 | 151.16 | | |
| 8100.00 | | | | | | | | | | | |





ft

Company: Field:

Devon Energy

Eddy Co., NM (NAD 83)

Cotton Draw Unit #167H

Reference Site: Reference Well: CDU #167H Reference Wellpath:

Date: 3/7/2013

Time: 13:54:44

Co-ordinate(NE) Reference: Well: CDU #167H, Grid North Vertical (TVD) Reference: SITE 3551.0

Db: Sybase

CDU 111 Well: CDU 111 Wellpath: 1 V0

Inter-Site Error: 0.00

| Refe | erence | 0: | fset | Semi-N | Major Ax | is Offset | Location | Ctr-Ctr Edge | Separation | |
|-----------|---------|---------|---------|--------|----------|-----------------|----------|-----------------|------------|---------|
| MD | TVD | MD | TVD | Ref | Offset | TFO-HS North | East | Distance Distar | ice Factor | Warning |
| ft | ft | ft | ft | · ft | ft | deg ft | ft | ft ft | | |
| 8150.00 | 8104.27 | 8050.99 | 8049.11 | 18.42 | 5.12 | 10.50 - 2867.11 | -326.75 | 2717.10 2699.43 | 153.82 | |
| 8200.00 | 8137.85 | 8083.79 | 8081.91 | 18.64 | 5.13 | 11.70 -2867.09 | -327.15 | 2680.42 2663.32 | 156.71 | |
| 8250.00 | 8168.07 | 8112.56 | 8110.67 | 18.88 | 5.15 | 13.27 -2867.08 | -327.48 | 2641.00 2624.46 | 159.68 | |
| 8300.00 | 8194.71 | 8137.12 | 8135.24 | 19.16 | 5.16 | 15.38 -2867.10 | -327 78 | 2599.14 2583.07 | 161.72 | |
| 8350.00 | 8217.56 | 8158.25 | 8156.36 | 19.46 | 5.17 | 18.33 - 2867.12 | | 2555.17 2539.36 | | |
| . 8400.00 | 8236.45 | 8175.76 | 8173.87 | 19.80 | 5.18 | 22.64 -2867.15 | | 2509.41 2493.50 | | |
| 8450.00 | 8251.24 | 8189.51 | 8187.62 | 20.18 | 5.19 | 29.33 - 2867.18 | | 2462.21 2445.55 | | |
| 8500.00 | 8261.80 | 8199.40 | 8197.51 | 20.58 | 5.19 | 40.51 -2867.21 | | 2413.92 2395.39 | | |
| 8550.00 | 8268.07 | 8205.78 | 8203.88 | 21.01 | 5.19 | 60.15 - 2867.22 | -328 76 | 2364.91 2343.06 | 108.27 | |
| 8597.04 | 8270.00 | 8207.83 | 8205.94 | 21.44 | 5.20 | 88.21 -2867.23 | | 2318.46 2294.15 | | |
| 8600.00 | 8270.00 | 8207.84 | 8205.95 | 21.47 | 5.20 | 88.21 - 2867.23 | | 2315.54 2291.20 | | |
| 8700.00 | 8270.00 | 8208.08 | 8206.19 | 22.46 | 5.20 | 88.25 - 2867.23 | | 2216.77 2191.47 | | |
| 8800.00 | 8270.00 | 8208.33 | 8206.43 | 23.55 | 5.20 | 88.29 - 2867.23 | -328.80 | 2118.11 2091.75 | | |
| 8900.00 | 8270.00 | 8208.57 | 8206.68 | 24.73 | 5.20 | 88.33 -2867.23 | -328.80 | 2019.58 1992.08 | 73.42 | |
| 9000.00 | 8270.00 | 8208.82 | 8206.92 | 25.98 | 5.20 | 88.37 - 2867.23 | | 1921.21 1892.49 | | |
| 9100.00 | 8270.00 | 8209.06 | 8207.17 | 27.30 | 5.20 | 88.41 - 2867.23 | -328.81 | 1823.01 1793.01 | | |
| 9200.00 | 8270.00 | 8209.31 | 8207.41 | 28.67 | 5.20 | 88.45 - 2867.23 | -328.81 | 1725.02 1693.70 | 55.07 | |
| 9300.00 | 8270.00 | 8209.55 | 8207.66 | 30.10 | 5.20 | 88.49 - 2867.23 | -328.82 | 1627.28 1594.58 | 49.77 | |
| 9400.00 | 8270.00 | 8209.79 | 8207.90 | 31.56 | 5.20 | 88.53 -2867.23 | -328.82 | 1529.82 1495.72 | 44.86 | |
| 9500.00 | 8270.00 | 8210.04 | 8208.14 | 33.06 | 5.20 | 88.57 -2867.23 | | 1432.72 1397.18 | | |
| 9600.00 | 8270.00 | 8210.28 | 8208.39 | 34.59 | 5.20 | 88.61 - 2867.23 | | 1336.04 1299.05 | | |
| 9700.00 | 8270.00 | 8210.53 | 8208.63 | 36.15 | 5.20 | 88.64 - 2867.23 | -328.83 | 1239.89 1201.43 | | |
| 9800.00 | 8270.00 | 8210.77 | 8208.88 | 37.74 | 5.20 | 88.68 -2867.23 | -328.84 | 1144.41 1104.46 | | |

Cotton Draw Unit #113H

Well: CDU #113H

Wellpath: 1 V0

Inter-Site Error:

| | Refe | rence | 01 | ffset | Semi-N | Major Ax | is | Offset | Location | Ctr-Ctr | Edge | Separation | |
|-----|-------|---------|----------|---------|--------|----------|------------|----------|----------|-----------|--------|------------|---------|
| 1 | MD | TVD | MD | TVD | Ref | Offset | TFO-HS | North | East | Distance | Distar | ice Factor | Warning |
| | ft | ft | ft | ft | ft | ft | deg | ft | ft | ft | ft | | |
| П | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 191.66 -7 | 340.34 - | 1515.40 | 7495.32 | • | | No Data |
| 10 | 00.00 | 100.00 | 55.28 | 55.28 | 0.08 | 0.01 | 191.66 -73 | 340.32 - | 1515.34 | 7495.117 | 495.01 | 79820.20 | |
| 20 | 00.00 | 200.00 | 151.17 | 151.17 | 0.31 | 0.05 | 191.66 -73 | 340.25 - | 1515.01 | 7494.977 | 494.65 | 23525.28 | |
| 30 | 00.00 | 300.00 | 262.31 | 262.31 | 0.53 | 0.11 | 191.66 -73 | 340.28 - | 1514.72 | 7494.957 | 494.35 | 12447.59 | |
| 40 | 00.00 | 400.00 | 357.97 | 357.96 | 0.76 | 0.11 | 191.66 -7 | 340.01 - | 1514.75 | 7494.687 | 493.86 | 9084.77 | |
| 50 | 00.00 | 500.00 | 446.25 | 446.25 | 0.98 | 0.07 | 191.66 -7 | 339.93 - | 1515.04 | 7494.667 | 493.61 | 7192.27 | |
| 60 | 00.00 | 600.00 | 537.15 | 537.15 | 1.21 | 0.04 | 191.67 -73 | 339.87 - | 1515.45 | 7494.697 | 493.44 | 6025.79 | |
| 70 | 00.00 | 700.00 | 624.97 | 624.97 | 1.43 | 0.04 | 191.67 -73 | 340.07 - | 1515.65 | 7494.957 | 493.47 | 5075.74 | |
| 80 | 00.00 | 800.00 | 733.22 | 733.22 | 1.66 | 0.10 | 191.67 -73 | 340.22 - | 1515.86 | 7495.127 | 493.44 | 4452.46 | |
| 90 | 00.00 | 900.00 | 815.55 | 815.55 | 1.88 | 0.15 | 191.67 -7 | 340.40 - | 1516.20 | 7495.427 | 493.47 | 3856.98 | • |
| 100 | 00.00 | 1000.00 | 891.49 | 891.48 | 2.11 | 0.20 | 191.67 -7 | 340.75 - | 1516.68 | 7496.007 | 493.79 | 3392.90 | |
| 110 | 00.00 | 1100.00 | 971.36 | 971.35 | 2.33 | 0.25 | 191.68 -7 | 341.33 - | 1517.31 | 7496.887 | 494.39 | | |
| 120 | 00.00 | 1200.00 | 1059.12 | 1059.10 | 2.56 | 0.29 | 191.68 -7 | 342.21 - | 1517.89 | 7497.987 | 495.23 | 2721.46 | |
| 130 | 00.00 | 1300.00 | 1165.35 | 1165.33 | 2.78 | 0.34 | 191.68 -7 | 343.42 - | 1518.19 | 7499.167 | 496.12 | 2468.41 | |
| 140 | 00.00 | 1400.00 | 12969.00 | 8261.74 | 3.01 | 84.06 | 199.29 -2 | 506.16 | -877.25 | 7407.027 | 364.03 | 172.29 | |
| 150 | 00.00 | 1500.00 | 12969.00 | 8261.74 | 3.23 | 84.06 | 199.29 -2 | 506.16 | -877.25 | 7313.767 | 270.54 | 169.23 | |
| 160 | 00.00 | 1600.00 | 12969.00 | 8261.74 | 3.46 | 84.06 | 199.29 -2 | | | 7220.677 | | | |
| 1 | 00.00 | | | 8261.74 | 3.68 | 84.06 | 199.29 -2 | | | 7127.777 | | | |
| | 00.00 | | 12969.00 | 8261.74 | 3.91 | 84.06 | 199.29 -2 | | | 7035.076 | | | |
| | 00.00 | | 12969.00 | 8261.74 | 4.13 | 84.06 | | | | 6942.57 6 | | | |
| 200 | 00.00 | 2000.00 | 12969.00 | 8261.74 | 4.35 | 84.06 | 199.29 -2 | 506.16 | -877.25 | 6850.286 | 805.93 | 154.47 | |
| | 00.00 | | 12969.00 | 8261.74 | 4.58 | 84.06 | | | | 6758.216 | | | |





Company: Field:

Devon Energy Eddy Co., NM (NAD 83)

Cotton Draw Unit #167H

Reference Site: Cotton Draw Reference Well: CDU #167H Reference Wellpath:

Date: 3/7/2013

Time: 13:54:44

Page:

Co-ordinate(NE) Reference: Well: CDU #167H, Grid North

Vertical (TVD) Reference: SITE 3551.0

Db: Sybase

Cotton Draw Unit #113H

Well: CDU #113H Wellpath: 1 V0

Inter-Site Error:

| well | lpath: | 1 00 | | | | | | | Inter-Site Error | : 0.00 | π |
|--------|--------|---------|----------|---------|--------|----------|-------------------------|-----------------|------------------|------------|---------|
| | Refe | rence | 0 | ffset | Semi-N | Major Ax | is Offset | Location | Ctr-Ctr Edge | Separation | |
| l N | MD | TVD. | MD | TVD | Ref | | TFO-HS North | East | Distance Distan | | Warning |
| | ft | ft | ft | ft | ft | ft | deg ft | ft | ft ft | | Đ |
| | | | | | | | | | | 440.00 | |
| 2200 | | | 12969.00 | 8261.74 | 4.80 | | 199.29 -2506.16 | | 6666.37 6621.56 | 148.80 | |
| 2300 | | | 12969.00 | 8261.74 | 5.03 | | 199.29 - 2506.16 | | 6574.76 6529.73 | 146.02 | |
| 2400 | 0.00 | 2400.00 | 12969.00 | 8261.74 | 5.25 | 84.06 | 199.29 -2506.16 | -877.25 | 6483.40 6438.15 | 143.27 | |
| | | | | | | | | | | | |
| 2500 | 0.00 | 2500.00 | 12969.00 | 8261.74 | 5.48 | 84.06 | 199.29 -2506.16 | -877.25 | 6392.31 6346.83 | 140.55 | |
| 2600 | 0.00 | 2600.00 | 12969.00 | 8261.74 | 5.70 | 84.06 | 199.29 -2506.16 | -877.25 | 6301.48 6255.77 | 137.87 | |
| 2700 | 0.00 | 2700.00 | 12969.00 | 8261.74 | 5.93 | | 199.29 - 2506.16 | | 6210.936165.00 | 135.21 | |
| 2800 | | | 12969.00 | 8261.74 | 6.15 | | 199.29 - 2506.16 | | 6120.68 6074.52 | 132.59 | |
| 2900 | | | 12969.00 | 8261.74 | 6.38 | | 199.29 -2506.16 | | 6030.74 5984.35 | 130.00 | |
| 2000 | 0.00 | 2000.00 | 12000.00 | 0201.74 | 0.00 | 04.00 | 100.20 2000.10 | 077.20 | 0000.7 4 0004.00 | 100.00 | |
| 3000 | 200 | 3000.00 | 12969.00 | 8261.74 | 6.60 | 84.06 | 199.29 -2506.16 | 977 25 | 5941.11 5894.50 | 127.45 | |
| | | | | | | | 199.29 -2506.16 | | | | |
| 3100 | | | 12969.00 | 8261.74 | 6.83 | | | | 5851.83 5804.98 | 124.92 | |
| 3200 | | | 12969.00 | 8261.74 | 7.05 | | 199.29 -2506.16 | | 5762.89 5715.82 | 122.43 | |
| 3300 | | | 12969.00 | 8261.74 | 7.28 | | 199.29 -2506.16 | | 5674.33 5627.03 | 119.97 | |
| 3400 | 0.00 | 3400.00 | 12969.00 | 8261.74 | 7.50 | 84.06 | 199.29 -2506.16 | -877.25 | 5586.15 5538.62 | 117.54 | |
| | | | | | | | | | | | |
| 3500 | | | 12969.00 | 8261.74 | 7.73 | | 199.29 - 2506.16 | | 5498.37 5450.62 | 115.14 | |
| 3600 | 0.00 | 3600.00 | 12969.00 | 8261.74 | 7.95 | 84.06 | 199.29 - 2506.16 | -877.25 | 5411.02 5363.04 | 112.77 | |
| 3700 | 0.00 | 3700.00 | 12969.00 | 8261.74 | 8.18 | 84.06 | 199.29 - 2506.16 | -877.25 | 5324.12 5275.90 | 110.43 | |
| 3800 | | | 12969.00 | 8261.74 | 8.40 | | 199.29 - 2506.16 | | 5237.68 5189.24 | 108.12 | |
| 3900 | | | 12969.00 | 8261.74 | 8.63 | | 199.29 -2506.16 | | 5151.73 5103.06 | 105.85 | |
| 2000 | | 200.00 | | • | 2.00 | 51.00 | | J | | | |
| 4000 | 00.0 | 4000 00 | 12969.00 | 8261.74 | 8.85 | 84.06 | 199.29 -2506.16 | -877 25 | 5066.30 5017.40 | 103.61 | |
| 4100 | | | 12969.00 | 8261.74 | 9.07 | | 199.29 -2506.16 | | 4981.41 4932.28 | 101.39 | |
| 4200 | | | 12969.00 | | | | 199.29 - 2506.16 | | | | |
| | | | | 8261.74 | 9.30 | | | | 4897.09 4847.73 | 99.21 | |
| 4300 | | | 12969.00 | 8261.74 | 9.52 | | 199.29 -2506.16 | | 4813.37 4763.78 | 97.06 | |
| 4400 | 0.00 | 4400.00 | 12969.00 | 8261.74 | 9.75 | 84.06 | 199.29 -2506.16 | -877.25 | 4730.28 4680.46. | 94.94 | |
| | | | | | | | | | | | |
| 4500 | | | 12969.00 | 8261.74 | 9.97 | | 199.29 -2506.16 | | 4647.86 4597.81 | 92.86 | |
| 4600 | 0.00 | 4600.00 | 12969.00 | 8261.74 | 10.20 | 84.06 | 199.29 - 2506.16 | -877.25 | 4566.14 4515.86 | 90.80 | |
| 4700 | 0.00 | 4700.00 | 12969.00 | 8261.74 | 10.42 | 84.06 | 199.29 -2506.16 | -877.25 | 4485.17 4434.65 | 88.78 | |
| 4800 | 0.00 | 4800.00 | 12969.00 | 8261.74 | 10.65 | 84.06 | 199.29 - 2506.16 | -877.25 | 4404.97 4354.22 | 86.79 | |
| 4900 | 0.00 | 4900.00 | 12969.00 | 8261.74 | 10.87 | 84.06 | 199.29 - 2506.16 | -877.25 | 4325.60 4274.62 | 84.84 | |
| | | | | | | | | | | | |
| 5000 | 0.00 | 5000.00 | 12969.00 | 8261.74 | 11,10 | 84.06 | 199.29 -2506.16 | -877.25 | 4247.10 4195.88 | 82.91 | |
| 5100 | | | 12969.00 | 8261.74 | 11.32 | | 199.29 - 2506.16 | | 4169.53 4118.07 | 81.03 | |
| 5200 | | | 12969.00 | 8261.74 | 11.55 | | 199.29 -2506.16 | | 4092.92 4041.22 | 79.17 | |
| 5300 | | | 12969.00 | 8261.74 | 11.77 | | 199.29 -2506.16 | | 4017.34 3965.41 | 77.35 | |
| 5400 | | | 12969.00 | 8261.74 | 12.00 | | 199.29 -2506.16 | | 3942.85 3890.68 | 75.57 | |
| 3400 | 0.00 | 3400.00 | 12909.00 | 0201.74 | 12.00 | 04.00 | 199.29 -2300.10 | -011.23 | 3942.03 3090.00 | 75.57 | |
| SEAC | 0.00 | 5500.00 | 12060 00 | 9264 74 | 12.22 | 94.00 | 100 20 2506 46 | 977.25 | 2060 52 2017 10 | 72 00 | |
| 5500 | | | 12969.00 | 8261.74 | 12.22 | | 199.29 -2506.16 | | 3869.52 3817.10 | 73.82 | |
| 5600 | | | 12969.00 | 8261.74 | 12.45 | | 199.29 -2506.16 | | 3797.39 3744.73 | 72.11 | |
| 5700 | | | 12969.00 | 8261.74 | 12.67 | | 199.29 -2506.16 | | 3726.56 3673.65 | 70.43 | |
| 5800 | | | 12969.00 | 8261.74 | 12.90 | | 199.29 -2506.16 | | 3657.09 3603.93 | 68.80 | |
| 5900 | U.UO | 5900.00 | 12969.00 | 8261.74 | 13.12 | 84.06 | 199.29 - 2506.16 | -877.25 | 3589.06 3535.65 | 67.20 | |
| _ | | | | | | _ | | | | | |
| 6000 | | | 12969.00 | 8261.74 | 13.35 | 84.06 | 199.29 -2506.16 | -877.25 | 3522.56 3468.89 | 65.64 | |
| 6100 | | | 12969.00 | 8261.74 | 13.57 | | 199.29 -2506.16 | | 3457.67 3403.74 | 64.12 | |
| 6200 | 0.00 | 6200.00 | 12969.00 | 8261.74 | 13.80 | 84.06 | 199.29 - 2506.16 | -877.25 | 3394.48 3340.29 | 62.64 | |
| 6300 | | | 12969.00 | 8261.74 | 14.02 | | 199.29 -2506.16 | | 3333.10 3278.64 | 61.20 | |
| 6400 | | | 12969.00 | 8261.74 | 14.24 | | 199.29 - 2506.16 | | 3273.62 3218.88 | 59.80 | |
| • | - | | | | | | | | | | |
| 6500 | 0.00 | 6500 00 | 12969.00 | 8261.74 | 14.47 | 84 06 | 199.29 -2506.16 | -877 25 | 3216.16 3161.13 | 58.44 | • |
| 6600 | | | 12969.00 | 8261.74 | 14.69 | | 199.29 -2506.16 | | 3160,81 3105.48 | 57.12 | |
| 6700 | | | 12969.00 | 8261.74 | | | | | | | |
| | | | | | 14.92 | | 199.29 -2506.16 | | 3107.70 3052.05 | 55.85 | |
| 6800 | | | 12969.00 | 8261.74 | 15.14 | | 199.29 -2506.16 | | 3056.93 3000.95 | 54.61 | |
| 6900 | 0.00 | 0900.00 | 12969.00 | 8261.74 | 15.37 | 84.06 | 199.29 -2506.16 | - 8//.25 | 3008.63 2952.30 | 53.41 | |
| _ | | | | | | _ | | | | | |
| 7000 | | | 12969.00 | 8261.74 | 15.59 | | 199.29 -2506.16 | | 2962.93 2906.21 | 52.24 | |
| 7100 | | | 12969.00 | 8261.74 | 15.82 | 84.06 | 199.29 -2506.16 | -877.25 | 2919.93 2862.78 | 51.09 | |
| 7200 | 0.00 | 7200.00 | 12969.00 | 8261.74 | 16.04 | 84.06 | 199.29 - 2506.16 | -877.25 | 2879.76 2822.13 | . 49.97 | |
| . ~ 00 | | | | | | | | | | | |





Company: Field:

Devon Energy Eddy Co., NM (NAD 83)

Reference Site: Cotton Draw Unit #167H
Reference Well: CDU #167H Reference Wellpath:

Date: 3/7/2013

Time: 13:54:44

Page:

Co-ordinate(NE) Reference: Well: CDU #167H, Grid North Vertical (TVD) Reference: SITE 3551.0

Db: Sybase

Cotton Draw Unit #113H

CDU #113H Well: Wellpath: 1 V0

Inter-Site Error:

| Wellpath | : 1 VU | | | | | | | | Inter-Site | e Error: | 0.00 | ft |
|-------------|----------|----------|---------|--------|----------|-------------------|--------|----------|------------|----------|------------|---------|
| Refe | rence | 0 | ffset | Semi-I | Major Ax | cis | Offset | Location | Ctr-Ctr | Edge S | Separation | |
| MD | TVD | MD | TVD | Ref | | TFO-HS | | East | Distance | | | Warning |
| ft | · ft | ft | ft | ft | ft | deg | ft | ft | ft | ft | | |
| | | | | | | | | | | | 10.05 | F 18 |
| 7300.00 | | 12969.00 | 8261.74 | 16.27 | | 199.29 -25 | | | 2842.55 27 | | 48.85 | |
| 7400.00 | 7400.00 | 12969.00 | 8261.74 | 16.49 | 84.06 | 199.29 -25 | 006.16 | -877.25 | 2808.41 27 | 49.55 | 47.72 | |
| | | | | | | | | | | | | |
| 7500.00 | | 12969.00 | 8261.74 | 16.72 | | 199.29 -25 | | | 2777.44 27 | | 46.54 | |
| 7600.00 | | 12969.00 | 8261.74 | 16.94 | | 199.29 -25 | | | 2749.77 26 | | 45.26 | |
| 7697.04 | | 12969.00 | 8261.74 | 17.16 | | 199.29 -25 | | | 2726.16 26 | | 43.86 | • |
| 7700.00 | | 12969.00 | 8261.74 | 17.17 | 84.06 | 19.81 - 25 | | | 2725.48 26 | | 43.82 | |
| 7750.00 | 7749.92 | 12969.00 | 8261.74 | 17.28 | 84.06 | 20.28 -25 | 506.16 | -877.25 | 2712.42 26 | 49.28 | 42.96 | |
| 7800.00 | 7799 45 | 12969.00 | 8261.74 | 17.40 | 84.06 | 20.87 -25 | 506.16 | -877 25 | 2696.28 26 | 32.00 | 41.95 | |
| 7850.00 | | 12969.00 | 8261.74 | 17.51 | 84.06 | 21.63 - 25 | | | 2677.14 26 | | 40.75 | |
| 7900.00 | | 12969.00 | 8261.74 | 17.64 | 84.06 | 22.55 -25 | | | 2655.08 25 | | 39.34 | |
| 7950.00 | | 12969.00 | 8261.74 | 17.77 | 84.06 | 23.68 - 25 | | | 2630.1925 | | 37.69 | |
| 8000.00 | | 12969.00 | 8261.74 | 17.77 | 84.06 | 25.04 - 25 | | | 2602.60 25 | | 35.82 | |
| 0000.00 | 1 900.00 | 12303.00 | 0201.74 | 17.90 | 04.00 | 23.04 -23 | 00.10 | -011.23 | 2002.00 20 | 129.93 | 33.02 | |
| 8050.00 | 8028.10 | 12969.00 | 8261.74 | 18.06 | 84.06 | 26.70 -25 | 506.16 | -877.25 | 2572.42 24 | 196.32 | 33.80 | |
| 8100.00 | 8067.59 | 12969.00 | 8261.74 | 18.23 | 84.06 | 28.70 -25 | 506.16 | -877.25 | 2539.80 24 | 159.77 | 31.73 | |
| 8150.00 | 8104.27 | 12969.00 | 8261.74 | 18.42 | 84.06 | 31.13 -25 | 506.16 | -877.25 | 2504.90 24 | 20.69 | 29.74 | |
| 8200.00 | 8137.85 | 12969.00 | 8261.74 | 18.64 | 84.06 | 34.10 -25 | 506.16 | -877.25 | 2467.88 23 | 379.57 | 27.95 | |
| 8250.00 | 8168.07 | 12969.00 | 8261.74 | 18.88 | 84.06 | 37.74 -25 | 506.16 | -877.25 | 2428.95 23 | 36.95 | 26.40 | |
| 8300.00 | 9104 71 | 12969.00 | 8261.74 | 19.16 | 84.06 | 42.22 -25 | 506 16 | 977.25 | 2388.31 22 | 002.10 | 25.11 | • |
| 8350.00 | | 12969.00 | 8261.74 | 19.46 | 84.06 | 47.75-25 | | | 2346.18 22 | | 24.01 | |
| 8400.00 | | 12969.00 | 8261.74 | 19.40 | 84.06 | 54.52 - 25 | | | 2302.83 22 | | 23.06 | |
| 8450.00 | | 12969.00 | 8261.74 | 20.18 | 84.06 | 62.69 -25 | | | 2258.51 21 | | 22.19 | |
| 8500.00 | | 12969.00 | 8261.74 | 20.18 | 84.06 | 72.20 -25 | | | 2213.53 21 | | 21.41 | |
| 0300.00 | 0201.00 | 12909.00 | 0201.74 | 20.56 | 04.00 | 12.20-20 | 000.10 | -011.25 | 2213.0321 | 10.13 | 21.41 | |
| 8550.00 | 8268.07 | 12969.00 | 8261.74 | 21.01 | 84.06 | 82.69 -25 | 506.16 | -877.25 | 2168.17.20 | 63.58 | 20.73 | |
| 8597.04 | 8270.00 | 12969.00 | 8261.74 | 21.44 | 84.06 | 92.85 -25 | 506.16 | -877.25 | 2125.47 20 | 20.29 | 20.21 | |
| 8600.00 | 8270.00 | 12969.00 | 8261.74 | 21.47 | 84.06 | 92.85 -25 | 506.16 | -877.25 | 2122.79 20 | 17.58 | 20.18 | |
| 8700.00 | 8270.00 | 12969.00 | 8261.74 | 22.46 | 84.06 | 92.85 -25 | 506.16 | -877.25 | 2032.67 19 | 926.44 | 19.13 | |
| 8800.00 | 8270.00 | 12969.00 | 8261.74 | 23.55 | 84.06 | 92.85 -25 | 506.16 | -877.25 | 1943.51 18 | 336.16 | 18.11 | |
| 8900.00 | 8270.00 | 12969.00 | 8261.74 | 24.73 | 84.06 | 92.85 -25 | 506 16 | -877 25 | 1855.46 17 | 7/6 01 | 17.09 | |
| 9000.00 | | 12969.00 | 8261.74 | 25.98 | 84.06 | 92.85 -25 | | | 1768.67 16 | | 16.11 | |
| 9100.00 | | 12969.00 | 8261.74 | 27.30 | 84.06 | 92.85 -25 | | | 1683.36 15 | | 15.15 | |
| 9200.00 | | 12969.00 | 8261.74 | 28.67 | 84.06 | 92.85-25 | | | 1599.74 14 | | 14.22 | |
| 9300.00 | | 12969.00 | 8261.74 | 30.10 | 84.06 | 92.85 -25 | | | 1518.11 14 | | 13.32 | |
| 9300.00 | 0270.00 | 12909.00 | 0201.74 | 30.10 | 04.00 | 92.00 - 23 | . 10 | -011.20 | 1310.1114 | 104.10 | 13.32 | |
| 9400.00 | 8270.00 | 12969.00 | 8261.74 | 31.56 | 84.06 | 92.85 -25 | 506.16 | -877.25 | 1438.80 13 | 323.37 | 12.46 | |
| 9500.00 | 8270.00 | 12969.00 | 8261.74 | 33.06 | 84.06 | 92.85 -25 | 506.16 | -877.25 | 1362.22 12 | 245.28 | 11.65 | |
| 9600.00 | 8270.00 | 12969.00 | 8261.74 | 34.59 | 84.06 | 92.85 -25 | 506.16 | -877.25 | 1288.85 11 | 170.37 | 10.88 | |
| 9700.00 | 8270.00 | 12969.00 | 8261.74 | 36.15 | 84.06 | 92.85 -25 | 506.16 | -877.25 | 1219.27 10 | 99.23 | 10.16 | • |
| 9800.00 | 8270.00 | 12969.00 | 8261.74 | 37.74 | 84.06 | 92.85 -25 | 506.16 | -877.25 | 1154.17 10 | 32.54 | 9.49 | |
| | | | | | | | | | | | | |



Weatherford Drilling Services

GeoDec v5.03

| Report Date: Job Number: | March 07, 2013 | | | | | | | | | | | | | |
|---|--|-------------------------------|---------|--|--|--|--|--|--|--|--|--|--|--|
| Customer: | mer: Devon Energy Name: Cotton Draw Unit #167H | | | | | | | | | | | | | |
| Well Name: | | | | | | | | | | | | | | |
| API Number: | | | | | | | | | | | | | | |
| Rig Name: | | | _ | | | | | | | | | | | |
| Location: | | | | | | | | | | | | | | |
| Block: | | | _ | | | | | | | | | | | |
| Engineer: | RWJ | | | | | | | | | | | | | |
| US State Plane 1983 | | Geodetic Latitude / Longitude | | | | | | | | | | | | |
| System: New Mexico | Eastern Zone | System: Latitude / Longitude | | | | | | | | | | | | |
| Projection: Transvers | Projection: Transverse Mercator/Gauss Kruger Projection: Geodetic Latitude and Lor | | | | | | | | | | | | | |
| Datum: North American Datum 1983 Datum: North American Datum 1983 | | | | | | | | | | | | | | |
| Ellipsoid: GRS 1980 Ellipsoid: GRS 1980 | | | | | | | | | | | | | | |
| North/South 432441.910 USFT Latitude 32.1874352 DEG | | | | | | | | | | | | | | |
| East/West 727076.360 USFT Longitude -103.7329328 DEG | | | | | | | | | | | | | | |
| Grid Convergence: 32° | | | | | | | | | | | | | | |
| Total Correction: +7.2 | 21° | | | | | | | | | | | | | |
| Geodetic Location Wo | GS84 Elevation = | = 0.0 Meters | | | | | | | | | | | | |
| Latitude = 32. | 18744° N 32° 1 | 1 min 14.767 sec | | | | | | | | | | | | |
| Longitude = 103. | 73293° W 103° 4 | 3 min 58.558 sec | | | | | | | | | | | | |
| Magnetic Declination | = 7.53° | [True North Offset] | | | | | | | | | | | | |
| Local Gravity = | .9988 g | CheckSum = | 6485 | | | | | | | | | | | |
| Local Field Strength = | Field Strength = 48383 nT Magnetic Vector X = 2395 | | | | | | | | | | | | | |
| Magnetic Dip = | 60.03° | Magnetic Vector Y = | 3167 nT | | | | | | | | | | | |
| Magnetic Model = | bggm2012 | Magnetic Vector Z = 41 | .914 nT | | | | | | | | | | | |
| Spud Date = | May 15, 2013 | Magnetic Vector H = 24 | 168 nT | | | | | | | | | | | |
| Cianad | | Date | | | | | | | | | | | | |

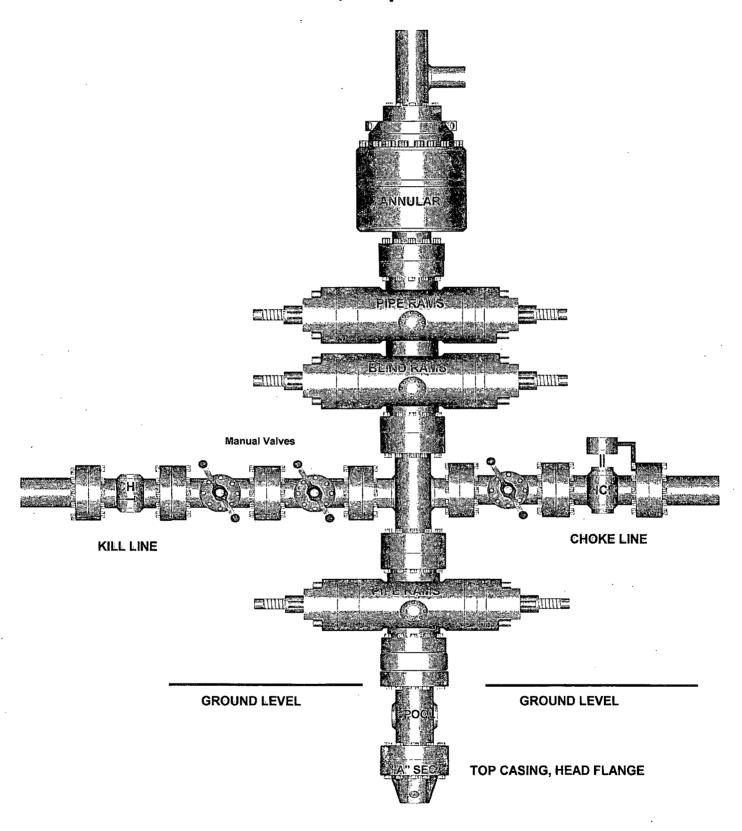
NOTES REGARDING BLOWOUT PREVENTERS

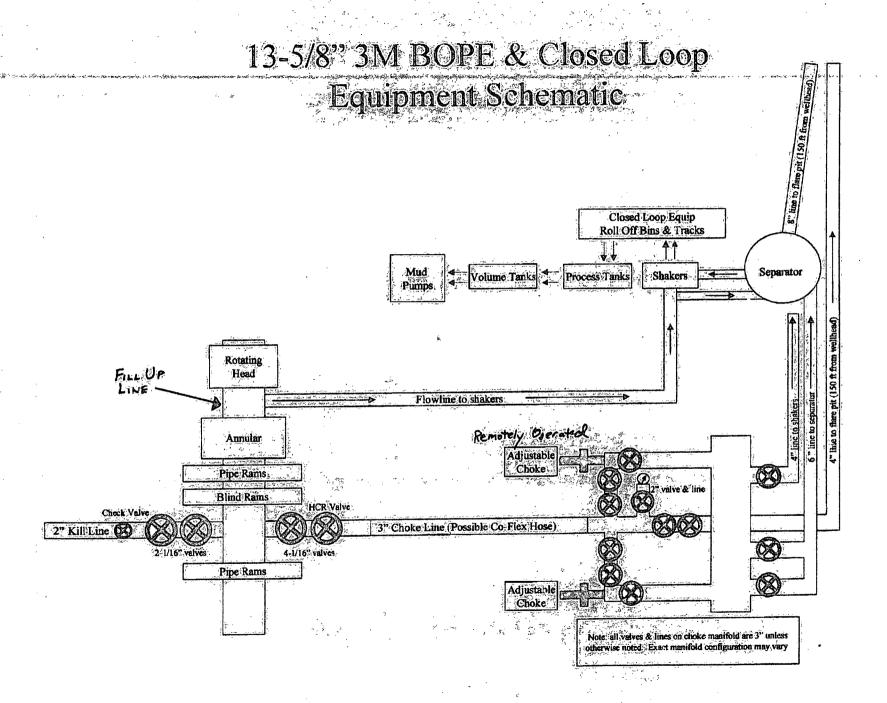
Devon Energy Production Company, LP Cotton Draw Unit #167H

Surface Location: 2310' FSL & 2200' FWL, Unit K, Sec 25, T24S-R31E, Eddy, NM Bottom Hole Location: 330' FSL & 2235' FWL, Unit N, Sec 36, T24S-R31E, Eddy, NM

- 1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.
- 2. Wear ring will be properly installed in head.
- 3. Blowout preventer and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.
- 4. All fittings will be flanged.
- 5. A full bore safety valve tested to a minimum 3000 psi WP with proper thread connections will be available on the rotary rig floor at all times.
- 6. All choke lines will be anchored to prevent movement.
- 7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
- 8. Will maintain a kelly cock attached to the kelly.
- 9. Hand wheels and wrenches will be properly installed and tested for safe operation.
- 10. Hydraulic floor control for blowout preventer will be located as near in proximity to driller's controls as possible.
- 11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.

13-5/8" x 3,000 psi BOP Stack









ContiTech Beattie Corp.
Webs www.contitechbeattie.com

Monday, June 14, 2010

RE: Drilling & Production Hoses Lifting & Safety Equipment

To Helmerich & Payne,

A Continental ContiTech hose assembly can perform as regardless of whether the hose is secured or unsecured. High Pressure Hose Assemblies for use in Drilling & Property and safety equipment, this has the added benefit of easing the lifting and handling of each hose assembly whilst affording hose longevity by ensuring correct handling methods and procedures as well as securing the hose in the unlikely event of a first performance of the hoses provide the performance of the hoses provide handled and installed correctly. It is good practice to use lifting & safety equipment but not mandatory.

Should you have any questions or require any additional information/clarifications then please do not hesitate to contact us.

ContiTech Beattie is part of the Continental AG Corporation and can offer the full support resources associated with a global organization.

Best regards,

Robin Hodgson Sales Manager ContiTech Beattle Corp

Cont/Tech Beattie Corp, 11535 Brittmdore Park Drive, Houston, TX 77041 Phone: +1 (832) 327-0141 Fax: +1 (832) 327-0148 Wyw for a 155 agm





| | JAI | ITY | DOCU | JMENT |
|---|--------|-----|------|---------------------------------------|
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PHOENIX RUBBER INDUSTRIAL LTD.

H-6728 Szeged, Budapesii út 10. Hungary • H-6701 Szeged, P. O. Box 152 Phone:

SALES & MARKETING: H-1092 Budapost, Rádzy u. 42-44, Hungary • H-1440 Budapost, F. O. Box 26

| 62) 506-737 • Fax: (3662) 566-738 | Ph | one: (361) 456-4200 • Facc (361) 217-2973 | ., 456-4273 • www.taurusantergri.hu |
|---|---------------------------|---|---|
| QUALITY O | ONTROL TEST CERTIFICAT | CERT. Nº: | 555 |
| PURCHASER: Phoe | nix Beattie Co. | P.O. Nº: | 1519FA-871 |
| PHOENIX RUBBER order Nº: 170 | 1466 HOSE TYPE: | 3" iD Choke a | and Kill Hose |
| HOSE SERIAL Nº: 34 | 137 NOMINAL/ACTU | AL LENGTH: 1 | 1,43 m |
| W.P. 68,96 MPa 10000 | psi T.P. 103,4 N | iPa 15000 psi Dura | ation: 60 min |
| Pressure test with water at ambient temperature | See attachment. (1 pa | ige) | |
| → 10 mm = 16 MPa | COUPLING | <u>.</u> | |
| Туре | Serial Nº | Quality | Heat N° |
| 3" coupling with | 714 715 | AISI 4130 | C7626 |
| 4 1/16" Flange end | | AISI 4130 | 47357 |
| | - | | |
| | | API Spec 16 C | |
| All motal parts are flawless WE CERTIFY THAT THE ABOVE HOSE PRESSURE TESTED AS ABOVE WITH | HAS BEEN MANUFACTURED | Temperature rate:"B" | E TERMS OF THE ORDER A |
| Date: Inspe | | Ato can a notice | NIX RUBBER lustrial Ltd. Inspection and TEMBE Dept Action |

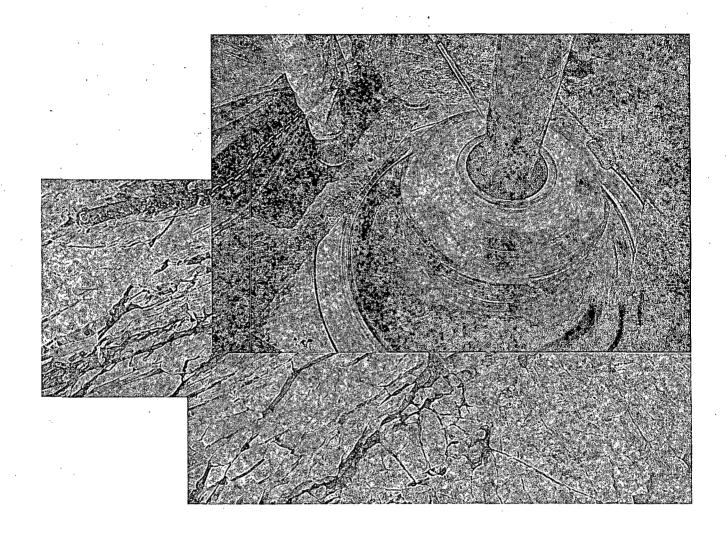
Page: 1/1

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| | E E | 1012 | | 441 | Š | ; ; | | | 9 | <u> </u> | + | + | | Ī | | - | | 1 | | | אוא | | Ì | 1 | | Ì | Ī | | Ī | 1 | Ì | Ì | Ť | | | | | | Ì | Ì | | | e | rtification Dept. |
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VERIFIED TRUE COPY PHOENIX RUBBER C.F.



Commitment Runs Deep



Design Plan
Operation and Maintenance Plan
Closure Plan

SENM - Closed Loop Systems June 2010

I. Design Plan

Devon uses MI SWACO closed loop system (CLS). The MI SWACO CLS is designed to maintain drill solids at or below 5%. The equipment is arranged to progressively remove solids from the largest to the smallest size. Drilling fluids can thus be reused and savings is realized on mud and disposal costs. Dewatering may be required with the centrifuges to insure removal of ultra fine solids.

The drilling location is constructed to allow storm water to flow to a central sump normally the cellar. This insures no contamination leaves the drilling pad in the event of a spill. Storm water is reused in the mud system or stored in a reserve fluid tank farm until it can be reused. All lubricants, oils, or chemicals are removed immediately from the ground to prevent the contamination of storm water. An oil trap is normally installed on the sump if an oil spill occurs during a storm.

A tank farm is utilized to store drilling fluids including fresh water and brine fluids. The tank farm is constructed on a 20 ml plastic lined, bermed pad to prevent the contamination of the drilling site during a spill. Fluids from other sites may be stored in these tanks for processing by the solids control equipment and reused in the mud system. At the end of the well the fluids are transported from the tank farm to an adjoining well or to the next well for the rig.

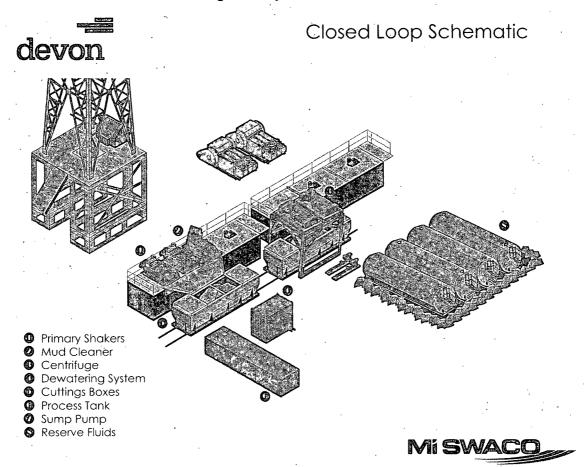
Prior to installing a closed-loop system on site, the topsoil, if present, will be stripped and stockpiled for use as the final cover or fill at the time of closure.

Signs will be posted on the fence surrounding the closed-loop system unless the closed-loop system is located on a site where there is an existing well, that is operated by Devon.

II. Operations and Maintenance Plan

Primary Shakers: The primary shakers make the first removal of drill solids from the drilling mud as it leaves the well bore. The shakers are sized to handle maximum drilling rate at optimal screen size. The shakers normally remove solids down to 74 microns.

Mud Cleaner: The Mud Cleaner cleans the fluid after it leaves the shakers. A set of hydrocyclones are sized to handle 1.25 to 1.5 times the maximum circulating rate. This ensures all the fluid is being processed to an average cut point of 25 microns. The wet discharged is dewatered on a shaker equipped with ultra fine mesh screens and generally cut at 40 microns.



Centrifuges: The centrifuges can be one or two in number depending on the well geometry or depth of well. The centrifuges are sized to maintain low gravity solids at 5% or below. They may or may not need a dewatering system to enhance the removal rates. The centrifuges can make a cut point of 8-10 microns depending on bowl speed, feed rate, solids loading and other factors.

The centrifuge system is designed to work on the active system and be flexible to process incoming fluids from other locations. This set-up is also dependant on well factors.

Dewatering System: The dewatering system is a chemical mixing and dosing system designed to enhance the solids removal of the centrifuge. Not commonly used in shallow wells. It may contain pH adjustment, coagulant mixing and dosing, and polymer mixing and dosing. Chemical flocculation binds ultra fine solids into a mass that is within the centrifuge operating design. The

dewatering system improves the centrifuge cut point to infinity or allows for the return of clear water or brine fluid. This ability allows for the ultimate control of low gravity solids.

Cuttings Boxes: Cuttings boxes are utilized to capture drill solids that are discarded from the solids control equipment. These boxes are set upon a rail system that allows for the removal and replacement of a full box of cuttings with an empty one. They are equipped with a cover that insures no product is spilled into the environment during the transportation phase.

Process Tank: (Optional) The process tank allows for the holding and process of fluids that are being transferred into the mud system. Additionally, during times of lost circulation the process tank may hold active fluids that are removed for additional treatment. It can further be used as a mixing tank during well control conditions.

Sump and Sump Pump: The sump is used to collect storm water and the pump is used to transfer this fluid to the active system or to the tank for to hold in reserve. It can also be used to collect fluids that may escape during spills. The location contains drainage ditches that allow the location fluids to drain to the sump.

Reserve Fluids (Tank Farm): A series of frac tanks are used to replace the reserve pit. These are steel tanks that are equipped with a manifold system and a transfer pump. These tanks can contain any number of fluids used during the drilling process. These can include fresh water, cut brine, and saturated salt fluid. The fluid can be from the active well or reclaimed fluid from other locations. A 20 ml liner and berm system is employed to ensure the fluids do not migrate to the environment during a spill.

If a leak develops, the appropriate division district office will be notified within 48 hours of the discovery and the leak will be addressed. Spill prevention is accomplished by maintaining pump packing, hoses, and pipe fittings to insure no leaks are occurring. During an upset condition the source of the spill is isolated and repaired as soon as it is discovered. Free liquid is removed by a diaphragm pump and returned to the mud system. Loose topsoil may be used to stabilize the spill and the contaminated soil is excavated and placed in the cuttings boxes. After the well is finished and the rig has moved, the entire location is scrapped and testing will be performed to determine if a release has occurred.

All trash is kept in a wire mesh enclosure and removed to an approved landfill when full. All spent motor oils are kept in separate containers and they are removed and sent to an approved recycling center. Any spilled lubricants, pipe

dope, or regulated chemicals are removed from soil and sent to landfills approved for these products.

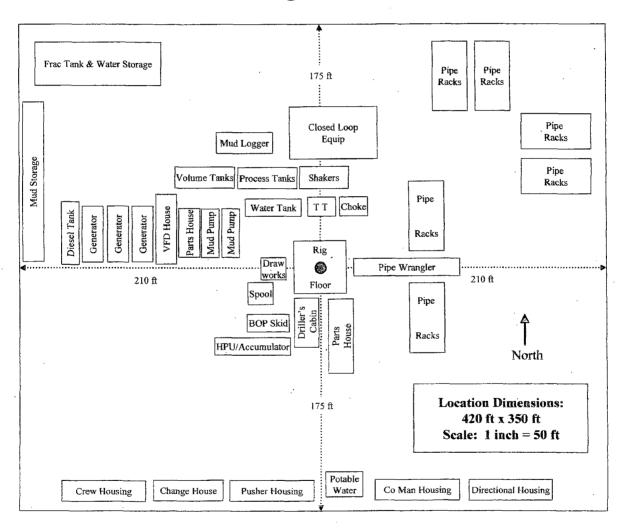
These operations are monitored by Mi Swaco service technicians. Daily logs are maintained to ensure optimal equipment operation and maintenance. Screen and chemical use is logged to maintain inventory control. Fluid properties are monitored and recorded and drilling mud volumes are accounted for in the mud storage farm. This data is kept for end of well review to insure performance goals are met. Lessons learned are logged and used to help with continuous improvement.

A MI SWACO field supervisor manages from 3-5 wells. They are responsible for training personnel, supervising installations, and inspecting sites for compliance of MI SWACO safety and operational policy.

III. Closure Plan

A maximum 340' X 340' caliche pad is built per well. All of the trucks and steel tanks fit on this pad. All fluid cuttings go to the steel tanks to be hauled by various trucking companies to an agency approved disposal.

H&P Flex Rig Location Layout





Devon Energy Center 333 West Sheridan Avenue Oklahoma City, Oklahoma 73102-5015

Hydrogen Sulfide (H₂S) Contingency Plan

For

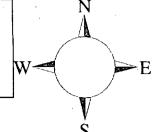
Cotton Draw Unit 167H

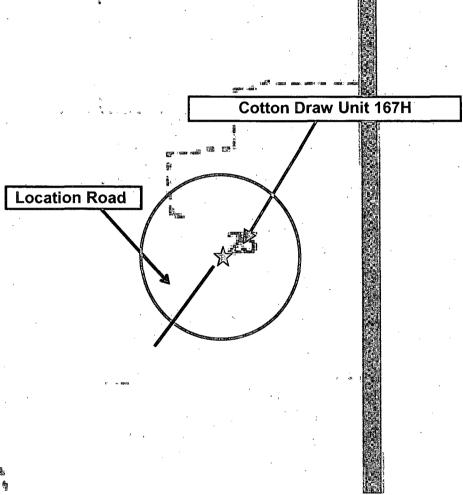
Sec-25, T-24S R-31E 2310' FSL & 2200' FWL, LAT. = 32.1874352'N (NAD83) LONG = 103.7329328'W

Eddy County NM

Cotton Draw Unit 167H

This is an open drilling site. H₂S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H₂S, including warning signs, wind indicators and H₂S monitor.





Assumed 100 ppm 3000 ()
100 ppm H2S concentration shall trigger activation of this plan.

Escape

Crews shall escape upwind of escaping gas in the event of an emergency release of gas. Escape can be facilitated from the location entrance road, West then Northwest on lease road. Crews should then block entrance to the location from the lease road so as not to allow anyone traversing into a hazardous area. The blockade should be at a safe distance outside of the ROE. There are no homes or buildings in or near the ROE.

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the event of a release of gas containing H₂S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H₂S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the
 - o Detection of H₂S, and
 - Measures for protection against the gas,
 - Equipment used for protection and emergency response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO_2) . Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

Characteristics of H₂S and SO₂

| Common Name | Chemical Formula | Specific Gravity | Threshold Limit | Hazardous Limit | Lethal Concentration |
|---------------------|---------------------|---------------------|--------------------|--------------------|-------------------------|
| Hydrogen Sulfide | H ₂ S | 1.189 Air = 1 | 10 ppm | 100 ppm/hr | 600 ppm |
| Sulfur Dioxide | SO ₂ | 2.21 Air = 1 | 2 ppm | N/A | 1000 ppm |

Contacting Authorities

Devon Energy Corp. personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Devon Energy Corp. Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

Hydrogen Sulfide Drilling Operation Plan

1. HYDROGEN SULFIDE (H₂S) TRAINING

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

- 1. The hazards and characteristics of hydrogen sulfide (H₂S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures. .

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

- The effects of H₂S metal components. If high tensile tubular are to be used, personnel will be trained in their special maintenance requirements.
- Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- 3. The contents and requirements of the H₂S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan.

II. HYDROGEN SULFIDE TRAINING

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonable expected to contain H₂S.

1. Well Control Equipment

- A. Flare line
- B. Choke manifold
- C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
- D. Auxiliary equipment may include if applicable: annular preventer and rotating head.

2. Protective equipment for essential personnel:

A. 30-minute SCBA units located in the doghouse and at briefing areas, as indicated on well site diagram. As it may be difficult to communicate audibly while wearing these units, hand signals shall be utilized.

3. H₂S detection and monitoring equipment:

A. Portable H₂S monitors positioned on location for best coverage and response. These unites have warning lights and audible sirens when H₂S levels of 20 PPM are reached. These units are usually capable of detecting SO₂, which is a byproduct of burning H₂S.

4. Visual warning systems:

A. Wind direction indicators as shown on well site diagram

B. Caution/ Danger signs shall be posted on roads providing direct access to locations. Signs will be painted a high visibility yellow with black lettering of sufficient size to be reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

5. Mud program:

A. The mud program has been designed to minimize the volume of H₂S circulated to surface. Proper mud weight, safe drilling practices and the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.

6. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H₂S trim.
- B. All elastomers used for packing and seals shall be H₂S trim.

7. Communication:

- A. Radio communications in company vehicles including cellular telephones and 2-way radio
- B. Land line (telephone) communications at Office

8. Well testing:

- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safety and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing operations conducted in an H₂S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

Devon Energy Corp. Company Call List

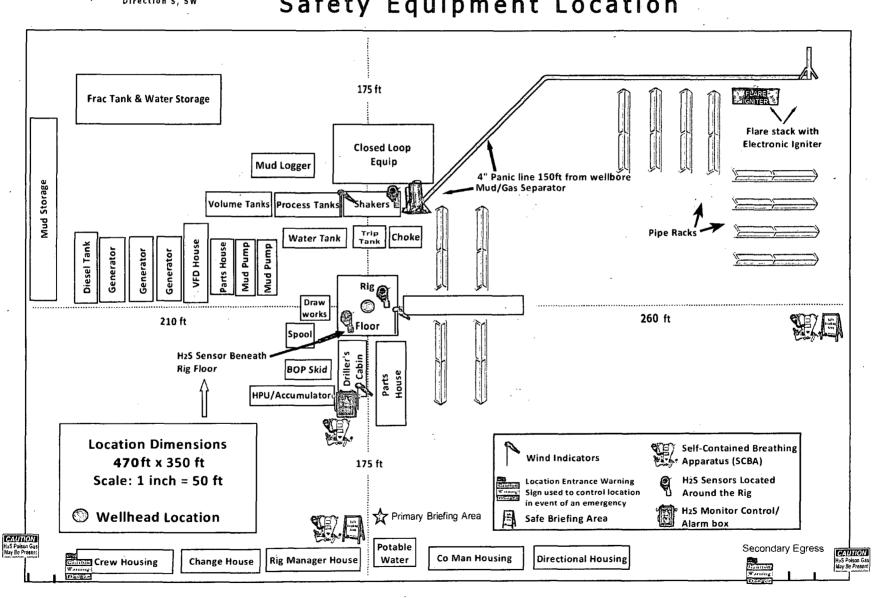
| - | <u>Artesi</u> | a (575) | Cellular | Office | Home_ |
|--------------|---------------|---|---------------------------------------|---|---|
| | Asst. F | an – Robert Bell oreman –Tommy Polly | ,.748-5290 | 748-0165 | 748-2846 |
| | Don Ma | ayberry | 748-5235 | 748-0164 | 746-4945 |
| | | Walker | | | |
| | Engine | er – Marcos Ortiz(4 | 405) 317-0666(4 | 05) 552-8152 | (405) 381-4350 |
| <u>Age</u> | ncy C | all List | | • | |
| <u>Lea</u> | | obbs | | | |
| Cour | _ | Lea County Commun | nication Authority | | 393-3981 |
| <u>(575)</u> | , | State Police | | | |
| | | City Police | | | |
| | | Sheriff's Office | | | |
| • | | Ambulance | | | |
| | | Fire Department | | | 397-9308 |
| | | LEPC (Local Emerge | | | |
| | | NMOCD | | | 393-6161 |
| | | US Bureau of Land N | Aanagement | *************************************** | 393-3612 |
| Eddy | | arlsbad | | • | |
| Cour | | State Police | | | |
| <u>(575)</u> | | City Police | | | |
| | | Sheriff's Office | | | |
| | | Ambulance | | | |
| | | Fire Department | | | |
| | | LEPC (Local Emer | | | |
| | | US Bureau of Land | | | |
| | | NM Emergency Re | | | |
| 100 | | | | | (505) 827-9126 |
| | | National Emergence | y Response Cen | ter (Washington, DC) | (800) 424-8802 |
| | - | | | | |
| | E | mergency Services | , , , , , , , , , , , , , , , , , , , | | |
| , | | | | (800)-256-9 | 688 or (281) 931-8884 |
| | | | | | 139 or (915) 563-3356 |
| | | Halliburton | , | , , | • |
| | | B. J. Services | | | |
| Give | - | Native Air – Emergeno | cv Heliconter – Ho | hhs | (575) 392-6429 |
| GPS | | Flight For Life - Lubbo | | | |
| positi | | Aerocare - Lubbock, T | | | • • |
| PUSILI | | Med Flight Air Amb - A | | | |
| | | Lifeguard Air Med S | | | |
| | | Enoguara / III IVICA O | To. / libuquoi que, | . I.WEVI | (019) 212-9110 |

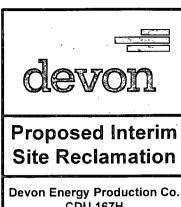
Prepared in conjunction with Dave Small





Devon Energy - Well Pad Rig Location Layout Safety Equipment Location





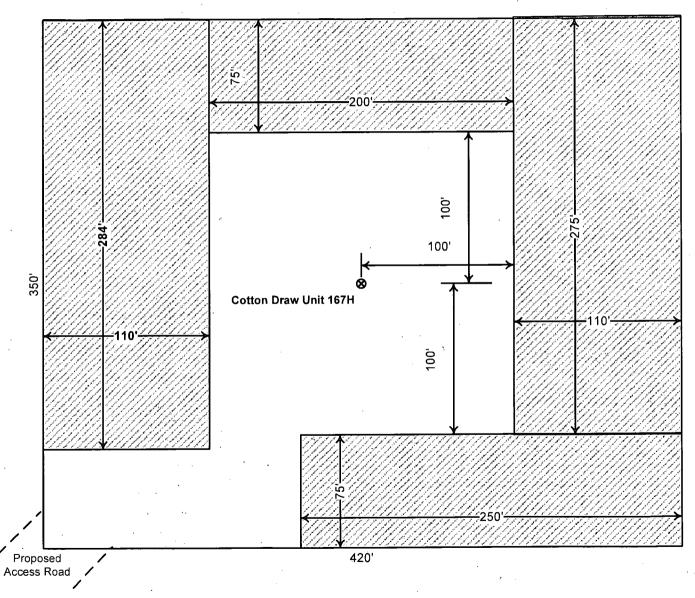
Devon Energy Production Co. CDU 167H 2310' FSL & 2200' FWL Sec. 25-T24S-R31E Eddy County, NM



Proposed Reclamation Area

Scale: 1in = 60ft.

Note: A distance of 100' is required between fired vessels and any combustibles for safety purposes.



SURFACE USE PLAN

Devon Energy Production Company, LP Cotton Draw Unit #167H

Surface Location: 2310' FSL & 2200' FWL, Unit K, Sec 25, T24S-R31E, Eddy, NM Bottom Hole Location: 330' FSL & 2235' FWL, Unit N, Sec 36, T24S-R31E, Eddy, NM

1. Existing Roads:

- a. The well site and elevation plat for the proposed well are reflected on the well site layout; Form C-102. The well was staked by Madron Surveying, Inc.
- b. All roads into the location are depicted on Exhibit 3.
- c. Directions to Location: From the intersection US HWY 128 (JAL HWY) and CR1 (Orla Road) Go south on CR1 6.3 miles then turn right (west) on Caliche Lease Road go 2.1 miles turn right 0.82 miles turn left 2.0 miles turn right 1.9 miles turn left 0.32 miles turn right 0.42 miles turn right 0.7 miles turn left 0.84 miles turn left 0.24 miles turn right 031 miles to Cotton Draw Unit 110H Pad from NE corner of Pad, Go NE 1840 LF to SW Cor. Of Cotton Draw Unit 167H Proposed Pad.

2. New or Reconstructed Access Roads:

- a. The well site layout, page 2 of Form C-102 packet, shows new constructed access road, which will be approximately 1840 LF from the existing Lease road.
- b. No cattle guards, grates or fence cuts will be required. No turnouts are planned.

3. Location of Existing Wells:

One Mile Radius Plat shows all existing and proposed wells within a one-mile radius of the proposed location. See attached plat.

4. Location of Existing and/or Proposed Production Facilities:

- a. In the event the well is found productive, this well's production would be taken to the Cotton Draw Unit Fed 116H facility and battery. Flow lines will be set alongside the access road, where applicable. When said flow lines are needed, a plat and a sundry notice will be filed with your office.
- b. See interim reclamation diagram.
- c. If necessary, the well will be operated by means of an electric prime mover. Electric power poles will be set alongside of the access road, where applicable. If said power poles are needed, a plat and a sundry notice will be filed with your office.
- d. All flow lines will adhere to API standards.
- e. If the well is productive, rehabilitation plans are as follows:
 - i. The original topsoil from the well site will be returned to the location. The drill site will then be contoured as close as possible to the original state.

5. Location and Types of Water Supply:

This location will be drilled using a combination of water mud systems (outlined in the Drilling Program). The water will be obtained from commercial water stations in the area and hauled to location by transport truck using the existing and proposed roads shown in the C-102. On occasion, water will be obtained from a pre-existing water well, running a pump directly to the drill rig. In these cases where a poly pipeline is used to transport water for drilling purposes, proper authorizations will be secured. If a poly pipeline is used, the size, distance, and map showing route will be provided to the BLM via sundry notice.

6. Construction Materials:

The caliche utilized for the drilling pad and proposed access road will be from minerals that are located onsite or will be used onsite. If minerals are not available onsite, then an established mineral pit will be used to build the location and stem road.

7. Methods of Handling Waste Material:

- a. Drill cuttings will be disposed.
- b. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in an approved sanitary landfill.
- c. The supplier, including broken sacks, will pick up salts remaining after completion of well.
- d. A Porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- e. Remaining drilling fluids will be sent to a closed loop system. Water produced during completion will be put into a closed loop system. Oil and condensate produced will be put into a storage tank and sold.
- f. Disposal of fluids to be transported by the following companies:
 - i. American Production Service Inc, Odessa TX
 - ii. Gandy Corporation, Lovington NM
 - iii. I & W Inc, Loco Hill NM
 - iv. Jims Water Service of Co Inc, Denver CO
- **8. Ancillary Facilities:** No campsite or other facilities will be constructed as a result of this well.

9. Well Site Layout

- a. Exhibit D shows the proposed well site layout with dimensions of the pad layout.
- b. This exhibit indicated proposed location of sump pits and living facilities.
- c. Mud pits in the active circulating system will be steel pits.
- d. A closed loop system will be utilized.
- **e.** If a pit or closed loop system is utilized, Devon will comply with the NMOCD requirements 19.15.17 and submit form C-144 to the appropriate NMOCD District Office. A copy to be provided to the BLM.

10. Plans for Surface Reclamation:

- a. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed as directed by the BLM. The original top soil will again be returned to the pad and contoured, as close as possible, to the original topography.
- b. The location and road will be rehabilitated as recommended by the BLM.
- c. If the well is deemed commercially productive, caliche from areas of the pad site not required for operations will be reclaimed. The original top soil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography.
- d. All disturbed areas not needed for active support of production operations will undergo interim reclamation. The portions of the cleared well site not needed for operational and safety purposes will be recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Topsoil will be respread over areas not needed for all-weather operations.

11. Surface Ownership

- a. The surface is owned by the US Government and is administered by the Bureau of Land Management. The surface is multiple use with the primary uses of the region for the grazing of livestock and the production of oil and gas.
- b. The proposed road routes and the surface location will be restored as directed by the BLM.

12. Other Information:

- a. The area surrounding the well site is grassland. The topsoil is very sandy in nature. The vegetation is moderately sparse with native prairie grass, sage bush, yucca and miscellaneous weeds. No wildlife was observed but it is likely that deer, rabbits, coyotes, and rodents traverse the area.
- b. There is no permanent or live water in the general proximity of the location.
- c. There are no dwellings within 2 miles of location.
- d. A Cultural Resources Examination will be completed by the Permian Basin Cultural Resource Fund in lieu of being required to conduct a Class III Survey for cultural resources associated with their project within the BLM office in Carlsbad, New Mexico.

13. Bond Coverage:

Bond Coverage is Nationwide; Bond # is CO-1104 & NMB-000801.

PECOS DISTRICT CONDITIONS OF APPROVAL

| _ | | |
|---|-----------------------|--------------------------------------|
| | | Devon Energy Production Company |
| | LEASE NO.: | NM-012121 |
| | WELL NAME & NO.: | 167H - Cotton Draw Unit |
| | SURFACE HOLE FOOTAGE: | 2310'/S. & 2200'/W. Sec 25 |
| | BOTTOM HOLE FOOTAGE | 0330'/S. & 2235'/W. Sec. 36 |
| | LOCATION: | Section 25, T. 24 S., R. 31 E., NMPM |
| | COUNTY: | Eddy County, New Mexico |

TABLE OF CONTENTS

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

| ☐ General Provisions |
|---|
| Permit Expiration |
| Archaeology, Paleontology, and Historical Sites |
| ☐ Noxious Weeds |
| Special Requirements |
| Lesser Prairie-Chicken Timing Stipulations |
| Ground-level Abandoned Well Marker |
| Commercial Well Determination |
| Unit Well Sign Specs |
| ☐ Construction |
| Notification |
| Topsoil |
| Closed Loop System |
| Federal Mineral Material Pits |
| Well Pads |
| Roads |
| ☐ Road Section Diagram |
| ⊠ Drilling |
| Logging Requirements |
| Waste Material and Fluids |
| ☐ Production (Post Drilling) |
| Well Structures & Facilities |
| Interim Reclamation |
| ☐ Final Abandonment & Reclamation |

I. GENERAL PROVISIONS

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

II. PERMIT EXPIRATION

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

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

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

IV. NOXIOUS WEEDS

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

V. SPECIAL REQUIREMENT(S)

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

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

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

Commercial Well Determination

A commercial well determination shall be submitted after production has been established for at least six months.

Unit Wells

The well sign for a unit well shall include the unit number in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number when the sign is replaced.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-6235 at least 3 working days prior to commencing construction of the access road and/or well pad.

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

B. TOPSOIL

The operator shall stockpile the topsoil in a low profile manner in order to prevent wind/water erosion of the topsoil. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be used for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

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

D. FEDERAL MINERAL MATERIALS PIT

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

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation.

The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty (20) feet.

Surfacing

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

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

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

Crowning

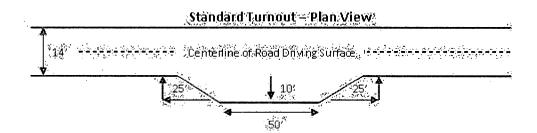
Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall be constructed on all blind curves. Turnouts shall conform to the following diagram:

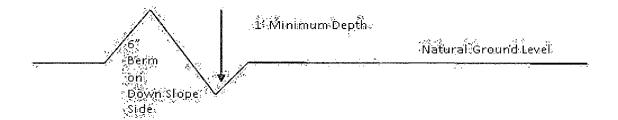


Drainage

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

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

Cross Section of a Typical Lead-off Ditch



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

Formula for Spacing Interval of Lead-off Ditches

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

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

Culvert Installations

Appropriately sized culvert(s) shall be installed at the deep waterway channel flow crossing.

Cattleguards

An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s).

Any existing cattleguard(s) on the access road shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguard(s) that are in place and are utilized during lease operations.

A gate shall be constructed and fastened securely to H-braces.

Fence Requirement

Where entry is required across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting.

The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

Public Access

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

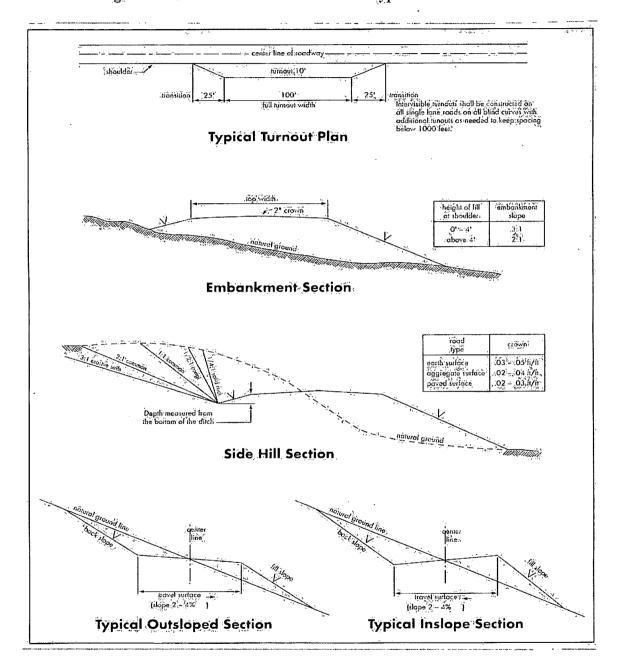


Figure 1 - Cross Sections and Plans For Typical Road Sections

VII. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

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

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

Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

- 1. Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, report measured amounts and formations to the BLM.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.
- 4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

B. CASING

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

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

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

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

Possibility of water and brine flows in the Salado, Castile, Delaware and Bone Springs Formations.

Possibility of lost circulation in the Delaware and Bone Springs.

- 1. The 13-3/8 inch surface casing shall be set at approximately 780 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing, which shall be set at 4460 feet, is:
 - ☐ Cement to surface. If cement does not circulate see B.1.a, c-d above.

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

- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification.
- 4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
- 3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000** (**3M**) psi.
 - a. **For surface casing only:** If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.
- 4. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not

- hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
- b. The tests shall be done by an independent service company utilizing a test plug **not** a **cup** or **J-packer**. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (18 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock.
- d. The results of the test shall be reported to the appropriate BLM office.
- e. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

D. DRILL STEM TEST

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

E. WASTE MATERIAL AND FLUIDS

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

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

CRW 050213

VIII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

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

Containment Structures

The containment structure shall be constructed to hold the capacity of the entire contents of the largest tank, plus 24 hour production, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color Shale Green, Munsell Soil Color Chart # 5Y 4/2

IX. INTERIM RECLAMATION

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

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

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

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

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

X. FINAL ABANDONMENT & RECLAMATION

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

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

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

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

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

Seed Mixture for LPC Sand/Shinnery Sites

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

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

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

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

^{*}Pounds of pure live seed:

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