Form 3160-3 (March 2012)		$\alpha \alpha n$		Jilia		5.15.	24	И
		UCD A	Artesi	8	OMB	No. 1004-013	D 7 014	
	UNITED STATES DEPARTMENT OF THE I	5. Lease Serial No. NMNM00050)3		1			
APPLICA	FION FOR PERMIT TO	DRILL OR RI	EENTER		6. If Indian, Alloted	e or Tribel	Name	
la. Type of work: 🗹 DRILI		ER	<u></u>		7 If Unit or CA Agreement, Name and No. Cotton Draw Unit NM70928X			
Ib. Type of Well: 🚺 Oil We	I Gas Well Other	✓ Single	Zone 🗍 Multi	iple Zone	 Lease Name and Cotton Draw U 	Well No. Jnit 239H		
2. Name of Operator Devon Er	nergy Production Company, L.	P.			9. API Well No. 30-015-	. 43	327	סי סי
3a. Address 333 W. Sheridan Oklahoma City, (3 W. Sheridan ahoma City, OK 73102-5010 3 b. Phone No. (include area code) 405.228.7203 Paduca;						y 5641)	
4. Location of Well (Report locati At surface 200 FNL & 660	on clearly and in accordance with an FWL, Unit D, Sec. 13 PP:	y State requirements.*	RYHOD	OX	11. Sec., T. R. M. or I Sec. 13 T25S	Blk. and Sur R31E	vey or A	Area
At proposed prod. zone 330 f 14. Distance in miles and direction Approximately 20 miles SE	FNL & 660 FWL, Unit D, Sec. 1 from nearest town or post office*)CATIO	N	12. County or Parish Eddy County		13. Sta NM	ite
15. Distance from proposed* location to nearest property or lease line, ft.	attached map	16. No. of acres i NMNM000503	in lease - 2,360.80	17. Spacin 160.00	ng Unit dedicated to this	well		
 Distance from proposed location to nearest well, drilling, comple- applied for, on this lease, ft. 	* See attached map ted,	19. Proposed Dep MD - 15,324' TVD - 10 415'	oth	20. BLM/ CO-110	LM/BIA Bond No. on file 1104; NBM-000801			
21. Elevations (Show whether DF, 3404.4' GL	KDB, RT, GL, etc.)	22 Approximate 04/15/2014	date work will sta	23. Estimated duration 45 Days				
· · · · · · · · · · · · · · · · · · ·		24. Attachmo	ents					
 3. A Surface Use Plan (if the loca SUPO must be filed with the app 25. Signature 	tion is on National Forest System I ropriate Forest Service Office).	Lands, the 5. 6. Name (Prin	Operator certifi Such other site BLM. nted/Typed)	cation specific inf	ormation and/or plans a	s may be re	quired	by the
pril Carl	<u></u>	Trina C. C	Couch			12/10/2	2014	
Approved by (Signar)	Caffey	Name (Prin	nted/Typed)			DataUL	27	201
		Office	CAE	RLSBAD	FIELD OFFICE			
Title FIELD MAN	VAGER		0/ 11					tto
Title FIELD MAN Application approval does not warra conduct operations thereon. Conditions of approval, if any, are a	ant or certify that the applicant holds ttached.	s legal or equitable	title to those righ	API	ROVAL FOF	entitle the a	pplicant YE	ÄRS
Title FIELD MAN Application approval does not warra conduct operations thereon. Conditions of approval, if any, are a Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudule	ttached. 43 U.S.C. Section 1212, make it a cri nt statements or representations as to	s legal or equitable ime for any person o any matter within	title to those righ knowingly and its jurisdiction.	nts in the sub API willfully to n	iect lease which would ROVAL FOF	entitle the a TWC	pplicant YE	ÄRS
Title FIELD MAN Application approval does not warra conduct operations thereon. Conditions of approval, if any, are a Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudule (Continued on page 2)	Adden ant or certify that the applicant holds ttached. 43 U.S.C. Section 1212, make it a or nt statements or representations as to	s legal or equitable ime for any person o any matter within	title to those righ knowingly and its jurisdiction.	willfully to n	nake to any department	entitle the a TWC or agency o tructions	on pa	ARS
Title FIELD MAN Application approval does not warra conduct operations thereon. Conditions of approval, if any, are a Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudule (Continued on page 2) Sbad Controlled Watel	Additional and a set of the set o	s legal or equitable ime for any person o any matter within NM O	title to those right knowingly and its jurisdiction.	error the sub- main and the sub- sub- sub- sub- sub- sub- sub- sub-	nake to any department *(Inst	entitle the a TWC or agency of tructions S-	pplican YE of the U on pa の	Inited Inited Inge 2)
Title FIELD MAN Application approval does not warra conduct operations thereon. Conditions of approval, if any, are a Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudule (Continued on page 2) Sbad Controlled Water	Additional and a set of the set o	s legal or equitable ime for any person o any matter within NM O	knowingly and its jurisdiction.	ERVAT	PROVAL FOR nake to any department *(Inst	entitle the a TWC or agency of tructions	pplicant YE of the U on pa	Inited Inge 2)
Title <u>FIELD MAN</u> Application approval does not warra conduct operations thereon. Conditions of approval, if any, are a Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudule (Continued on page 2) Sbad Controlled Watel	Additional and a second	s legal or equitable ime for any person o any matter within NMO	knowingly and its jurisdiction.	ERVAT 2015	rect lease which would PROVAL FOF nake to any department *(Inst	entitle the a TWC or agency of tructions	pplicant YE of the U on pa	inited inge 2)

1

13.

• 1

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 _10th__ day of __December, 2014. Printed Name: Trina C. Couch Signed Name: ______ Position Title: Regulatory Analyst Address: 333 W. Sheridan, OKC OK 73102 Telephone: (405)-228-7203 District_I 1625 N. French Dr., Hobbs, NM 58240 Phone: (575) 393-6161 Fax: (575) 393-0720 District_II

ŝ

Sill S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1000 Rio Brazos Road, Aztec, NM 37410 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

		W	ELL LO	OCATIO	ON AND AC	REAGE DEDIC	CATION PLA	١T		
API Number				² Pool Co	de	³ Pool Name				
130 - O	15- (13270)	9664	1		Paduca; Bon	e Spring		
⁴ Property (Code				5 Propert	y Name			⁶ Well Number	
30063	COTTON DRAW UNIT 239H							239H		
OGRID	No.				⁸ Operate	or Name			" Elevation	
6137			DEV	ON ENE	RGY PRODU	CTION COMPA	NY, L.P.		3404.4	
					¹⁹ Surface	e Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	13	25 S	31 E		200	NORTH	660	WEST	EDDY	
			" Bc	ottom He	ole Location	If Different From	n Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	12	25 S	25 S 31 E 330 NORTH 660 WEST ED						EDDY	
12 Dedicated Acres	¹³ Joint o	r Infill ¹⁴ C	onsolidation	Code 15 C	Order No.					
160 ac										

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.





t

1



1



ACCESS ROAD PLAT ACCESS ROAD TO THE COTTON DRAW UNIT 238H & COTTON DRAW UNIT 239H ACCESS ROAD TO THE COTTON DRAW UNIT 238H & COTTON DRAW UNIT 239H DEVON ENERCY PRODUCTION COMPANY, L.P. CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 13, TOWNSHIP 25 SOUTH, RANCE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO MAY 13, 2015 DESCRIPTION A STRIP OF LAND 20 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING TO THE FOLLOWING DESCRIPED CENTERLINE SURVEY: BEGINNING AT A POINT WITHIN THE NW/4 NW/4 OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING ST LEAST, N.M.P.M., WHENCE THE NORTHWEST CORNER OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE NORTHWEST CORNER OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., BEARS NOT2659'', A DISTANCE OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., BEARS NOT2659'', A DISTANCE OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS NOT2659'', A DISTANCE OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS NOT2659'', A DISTANCE OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS NOT2659'', A DISTANCE OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS NAGE 31 EAST, N.M.P.M. BEARS NOTE OF LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS: NW/4 NW/4 355.55 LF. 21.55 RODS 0.163 ACRES NW/4 NW/4 355.55 LF. 21.55 RODS 0.163 ACRES

	SURVEYOR CERTIFICATE
CENERAL NOTES 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT. 2.) BASIS OF BEARING IS NMSP EAST MODIFIED TO SURFACE COORDINATES.	I, FILIMON F, WARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY TUAT L HAVE, CONDUCTED, AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO IN WITNESS WHEREOF THIS CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO THIS DAY OF MAY 2015 MADRON. SURVEYING, INC: 301 SOUTH CANAL CARLSBAD, NEW MEXICO: 88220 Phone (575) 234-3341.
SHEET: 2-4	TULMON F JAPAMILLO PLS, 12797 SURVEY NO. 4000
MADRON SURVEYINØ,	INC. 101 SOLTH CARLSBAD, NEW MEXICO





















Devon Energy, Cotton Draw Unit 239H

1. Geologic Formations

TVD of target	10415	Pilot hole depth	N/A
MD at TD:	15324	Deepest expected fresh water:	

Basin

ī

.

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	599	Water	
Top of Salt	994	Salt	
Castile	2800	Barren	
Bell Canyon	4407	Oil/Gas	
Cherry Canyon	5296	Oil/Gas	
Bushy Canyon	6621	Oil/Gas	
1 st Bone Spring Lime	8203	Oil/Gas	
1 st Bone Spring Sand	9334	Oil/Gas	
2 nd Bone Spring Lime	9711	Oil/Gas	
2 nd Bone Spring Sand	9711	Oil/Gas	

*H2S, water flows, loss of circulation, abnormal pressures, etc.

Hole	Casing	g Interval	Csg.	Weight	Grade	Conn.	SF	_SF ,	SF
Size	From	To	Size	(lbs)			Collapse	Burst	lension
17.5"	0	750	13.375"	48	H40	STC	1.77	3.98	7.71
12.25"	0	3400	9.625"	36	J55	LTC	1.15	1.66	1.97
12.25"	3400	4300	9.625"	40	J55	LTC	1.18	1.81	3.10
8.75"	0	15324	5.5"	17	P110	BTC	1.56	1.93	2.26
	<u> </u>	<u> </u>		BLM Min	imum Safet	y Factor	1.10	1.10	1.6 Dry 1.8 Wet

2. Casing Program

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

Must have table for contingency casing

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide	Y
justification (loading assumptions, casing design criteria).	
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching	Y
the collapse pressure rating of the casing?	
	NT
Is well located within Capitan Reef?	<u>N</u>
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back	
500' into previous casing?	de traducte Schuller d'Assachers essavel a s
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well lossted in critical Caucily and?	N
Is well located in critical Cave/Karst?	1N
It yes, are there three strings cemented to surface?	

3. Cementing Program

8

e.

Casing	# Sks	Wt. Ib/ gal	H ₂ 0 gal/sk	Yld ft3/ sac	500# Comp. Strength	Shurry Description
		.		k	(hours)	
Surf.	820	14.8	6.32	1.33	7	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
Inter.	910	12.9	9.81	1.85	17	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	430	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
Prod.	870	12.5	10.86	1.96	30	1 st Lead: (65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E-Flake
	1450	14.5	5.31	1.2	25	1 st Tail: (50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite
					DV/	ECP Tool 4500'
	80	11	14.81	2.55	22	2 nd stage Lead: Tuned Light® Cement + 0.125 lb/sk Pol-E-Flake
	110	14.8	6.32	1.33	6	2 nd stage Tail: Class C Cement + 0.125 lbs/sack Poly- E-Flake

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

Casing String	TOC	% Excess
Surface	0'	100%
Intermediate	0'	75%
Production	4100'	25%

4. Pressure Control Equipment

A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре			Tested to:
			Ar	inular	x	50% of working pressure
			Blir	ld Ram		
12-1/4"	13-5/8"	3M	Pip	e Ram	·	21/
			Doul	ole Ram	x	514
			Other*			
	13-5/8"	3М	Annular		x	50% testing pressure
			Blind Ram			
Q 7/A"			Pipe Ram			
0-5/4			Double Ram		x	3M
			Other *			
			Ar	inular		
			Blin	ld Ram		
			Pip	e Ram		
			Dout	ole Ram		
			Other *			

*Specify if additional ram is utilized.

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

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

Y	Formation integrity test will be performed per Onshore Order #2.
	On Exploratory wells or on that portion of any well approved for a 5M BOPE system or
ĺ	greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.

Devon Energy, Cotton Draw Unit 239H

	A variance is requested for the use of a flexible choke line from the BOP to Choke
Y	Manifold. See attached for specs and hydrostatic test chart.
	N Are anchors required by manufacturer?
Y	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after
	installation on the surface casing which will cover testing requirements for a maximum of
	50 days. It any sear subject to test pressure is broken the system must be tested.
	Devon proposes using a multi-bowl wellhead assembly (FMC Uni-head). This assembly
	will only be tested when installed on the surface casing. 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.
	• Wellhead will be installed by FMC's representatives.
	• If the welding is performed by a third party, the FMC's representative will monitor
	the temperature to verify that it does not exceed the maximum temperature of the
	seal. • EMC representative will install the test plug for the initial BOP test
	• FMC will install a solid steel body pack-off to completely isolate the lower head
	after cementing intermediate casing. After installation of the pack-off, the pack-
	off and the lower flange will be tested to 5M, as shown on the attached schematic.
	Everything above the pack-off will not have been altered whatsoever from the
	initial nipple up. Therefore the BOP components will not be retested at that time.
	• If the cement does not circulate and one inch operations would have been possible
	with a standard wellhead, the well head will be cut and top out operations will be
	conducted.
	• Devon will pressure test all seals above and below the manufer (our still above the casing) to full working pressure rating.
	 Devon will test the casing to 0.22 psi/ft or 1500 psi, whichever is greater, as per
	Onshore Order #2.
	After running the 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum
	rating of 3M will be installed on the FMC Uni-head wellhead system and will undergo a
	250 psi low pressure test followed by a 3,000 psi high pressure test. The 3,000 psi high
	Onshore Order #2. If the well is not complete within 30 days of this BOP test, another full
	BOP test will be conducted as per Onshore Order #2.
	After running the 9-5/8' intermediate casing with a mandrel hanger, the 13-5/8"
	BOP/BOPE system with a minimum rating of 3M will already be installed on the FMC
	Uni-head.
	The pipe rams will be operated and checked each 24 hour period and each time the drill nine is out of the hole. These torts will be logged in the driller's log. A 2" bill bill
	pipe is out of the noise. These tests will be logged in the daily driller's log. A 2" kill line and 3" shoke line will be incorporated into the drilling speel below the ram BOD. In
	addition to the rams and annular preventer, additional ROP accessories include a kelly
	cock floor safety valve choke lines and choke manifold rated at 3 000 nsi WP
ŀ	took, noor survey furte, shoke mee, and shoke maintoid faced at 5,000 por 111.

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

See attached schematic.

5. Mud Program

De From	pth To	Туре	Weight (ppg)	Viscosity	Water Loss
0	750'	FW Gel	8.6-8.8	28-34	N/C
750'	4300'	Saturated Brine	10.0-10.2	28-34	N/C
4300'	15324'	Cut Brine	8.5-9.3	28-34	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain	PVT/Pason/Visual Monitoring
of fluid?	

6. Logging and Testing Procedures

Logg	ing, Coring and Testing.
X	Will run GR/CNL fromTD to surface (horizontal well - vertical portion of hole). Stated
	logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
	Coring? If yes, explain

Add	litional logs planned	Interval =
	Resistivity	Int. shoe to KOP
	Density	Int. shoe to KOP
X	CBL	Production casing
X	Mud log	Intermediate shoe to TD
	PEX	

Devon Energy, Cotton Draw Unit 239H

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4687 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

N	H2S is present	
Y	H2S Plan attached	

8. Other facets of operation

Is this a walking operation? No. Will be pre-setting casing? No.

Attachments

<u>x</u> Directional Plan Other, describe









,

,

,

· ,

Devon Eddy County, NM (NAD 83)

Plan Report for Cotton Draw Unit 239H - Plan #1 091114 RevA0

Measured		Grid	TVD below	Vertical	Local Cod	ordinates	Map Coon	dinates	Dogleg	Vertical	
Depth	Inclination	Azimuth	System	Depth	Northing	Easting	Northing	Easting	Rate	Section	Comments
(ft)	(*)	(°)	(ft)	(ft)	(ft)	(ft)	(usft)	(usft)	(°/100usft)	(ft)	
0.00	0.00	0.00	-3,429.40	0.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
100.00	0.00	0.00	-3,329.40	100.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
200.00	0.00	0.00	-3,229.40	200.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
300.00	0.00	0.00	-3,129.40	300.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
400.00	0.00	0.00	-3,029.40	400.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
500.00	0.00	0.00	-2,929.40	500.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
595.40	0.00	0.00	-2,834.00	595.40	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	Rustler
600.00	0.00	0.00	-2,829.40	600.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
700.00	0.00	0.00	-2,729.40	700.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
800.00	0.00	0.00	-2,629.40	800.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
900.00	0.00	0.00	-2,529.40	900.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
990.40	0.00	0.00	-2,439.00	990.40	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	Top of Salt
1,000.00	0.00	0.00	-2,429.40	1,000.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
1,100.00	0.00	0.00	-2,329.40	1,100.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
1,200.00	. 0.00	0.00	-2,229.40	1,200.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
1,300.00	0.00	0.00	-2,129.40	1,300.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
1,400.00	0.00	0.00	-2,029.40	1,400.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
1,500.00	0.00	0.00	-1,929.40	1,500.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
1,600.00	0.00	0.00	-1,829.40	1,600.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
1,700.00	0.00	0.00	-1.729.40	1,700.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
1,800.00	0.00	0.00	-1,629.40	1,800.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
1,900.00	0.00	0.00	-1,529.40	1,900.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,000.00	0.00	0.00	-1,429.40	2,000.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,100.00	0.00	0.00	-1,329.40	2,100.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,200.00	0.00	0.00	-1,229.40	2,200.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,300.00	0.00	0.00	-1,129.40	2,300.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,400.00	0.00	0.00	-1.029.40	2,400.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,500.00	. 0.00	0.00	-929.40	2,500.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,600.00	0.00	0.00	-829.40	2,600.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,700.00	0.00	0.00	-729.40	2,700.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,796.40	0.00	0.00	-633.00	2,796.40	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	Castile
2,800.00	0.00	0.00	-629.40	2,800.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
2,900.00	0.00	0.00	-529.40	2,900.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
3,000.00	0.00	0.00	-429.40	3,000.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
3,100.00	0.00	0.00	-329.40	3,100.00	0.00 N	0.00 E	414,088.54	/25,617.91	0.00	0.00	
3,200.00	0.00	0.00	-229.40	3,200.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
3,300.00	0.00	0.00	-129.40	3,300.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
3,400.00	. 0.00	0.00	-29.40	3,400.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
3,500.00	0.00	0.00	70.60	3,500.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
3,000.00	0.00	0.00	170.60	3,000.00	0.00 N	0.00 E	414,088.54	125,617.91	0.00	0.00	
3,700.00	0.00	0.00	270.60	3,700.00	0.00 N	0.00 E	414.088.54	725,617.91	0.00	0.00	

11 September, 2014 - 14:32

Page 2 of 8

.

Devon Eddy County, NM (NAD 83)

.

Plan Report for Cotton Draw Unit 239H - Plan #1 091114 RevA0

Measured		Grid	TVD below	Vertical	Local Cod	ordinates	Map Coord	linates	Doalea	Vertical	
Depth	Inclination	Azimuth	System	Depth	Northing	Easting	Northing	Easting	Rate	Section	Comments
(ft)	(*)	(°)	(ft)	(ft)	(ft)	(ft)	(usft)	(usft)	(°/100usft)	(ft)	
3,800.00	0.00	0.00	370.60	3,800.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
3,900.00	0.00	0.00	470.60	3,900.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
4,000.00	0.00	0.00	570.60	4,000.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
4,100.00	0.00	0.00	070.00	4,100.00	0.00 N	0.00 E	414,000.04	120,017.91	0.00	0.00	
4,200.00	0.00	0.00	770.60	4,200.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
4,300.00	0.00	0.00	870.60	4,300.00	0.00 N	0.00 E	414,088.54	725,617,91	0.00	0.00	
4,400.00	0.00	0.00	970.00	4,400.00	0.00 N	0.00 E	414,000.04	725 817 01	0.00	0.00	Bell Canvon
4,500.00	0.00	0.00	1 070 60	4,500.00	0.00 N	0.00 E	414 088 54	725 817 91	0.00	0.00	Dell Ganyon
4 600 00	0.00	0.00	1 170 60	4 600 00	0.00 N	0.00 5	414 088 54	725 617 01	0.00	0.00	
4,700.00	0.00	0.00	1,270.60	4,700.00	0.00 N	0.00 E	414.088.54	725 617 91	0.00	0.00	
4,800.00	0.00	0.00	1,370.60	4,800.00	0.00 N	0.00 E	414.088.54	725.617.91	0.00	0.00	
4,900.00	0.00	0.00	1,470.60	4,900.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
5,000.00	0.00	0.00	1,570.60	5,000.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
5,100.00	0.00	0.00	1,670.60	5,100.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
5,200.00	0.00	0.00	1,770.60	5,200.00	0.00 N	0.00 E	414,088.54	725,817.91	0.00	0.00	
5,292.40	0.00	0.00	1,863.00	5,292.40	0.00 N	0.00 E	414,088.54	725,817.91	0.00	0.00	Cherry Canyon
5,300.00	0.00	0.00	1,870.60	5,300.00	0.00 N	0.00 E	414,088.54	725,617,91	0.00	0.00	
5,400.00	0.00	0.00	1,970.60	5,400.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
5,500.00	0.00	0.00	2,070.60	5,500.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
5,000.00	0.00	0.00	2,170.60	5,600.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
5,700.00	0,00	0.00	2,270.00	5,700.00	0.00 N	0.00 E	414,000.54	725,017.91	0.00	0.00	
5,900.00	0.00	0.00	2,470.60	5,900.00	0.00 N	0.00 E	414.088.54	725.617.91	0.00	0.00	
6 000 00	0.00	0.00	2 570 60	6 000 00	0.00 N	0.00 E	414 088 54	725 817 91	0.00	0.00	
6,100.00	0.00	0.00	2,670.60	8,100.00	0.00 N	0.00 E	414.088.54	725.817.91	0.00	0.00	
6,200.00	0.00	0.00	2,770.60	6,200.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
6,300.00	0.00	0.00	2,870.60	6,300.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
6,400.00	0.00	0.00	2,970.60	6,400.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
6,500.00	0.00	0.00	3,070.60	6,500.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
6,600.00	0.00	0.00	3,170.60	6,600.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
6,617.40	0.00	0.00	3,188.00	6,617.40	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	Brushy Canyon
6,700.00	0.00	0.00	3,270.60	6,700.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
0,000.00	0.00	0.00	3,370.60	0,000.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
6,900.00	0.00	0.00	3,470.60	6,900.00	0.00 N	0.00 E	414,088.54	725,617,91	0.00	0.00	
7 100 00	0.00	0.00	3,070.00	7,000.00	0.00 N	0.00 E	414,088.54	725,617,91	0.00	0.00	
7.200.00	0.00	0.00	3,770.60	7,200.00	0.00 N	0.00 E	414 088 54	725,617,91	0.00	0.00	
7,300.00	0.00	0.00	3,870.60	7,300.00	0.00 N	0.00 E	414.088.54	725.617.91	0.00	0.00	
7.400.00	0.00	0,00	3.970.60	7.400.00	0.00 N	0.00 F	414.088.54	725.617.91	0.00	0.00	
7,500.00	0.00	0.00	4,070.60	7,500.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	

11 September, 2014 - 14:32

Page 3 of 8

COMPASS

.

.

Devon Eddy County, NM (NAD 83)

Plan Report for Cotton Draw Unit 239H - Plan #1 091114 RevA0

Measured		Grid	TVD below	Vertical	Local Coo	rdinates	Map Coord	tinates	Doalea	Vertical	
Depth (ft)	Inclination	Azimuth	System (ft)	Depth (ff)	Northing	Easting	Northing	Easting	Rate (*(100usft)	Section	Comments
7,600.00	0.00	0.00	4,170.60	7,600.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
7,700.00	0.00	0.00	4,270.60	7,700.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
7,800.00	0.00	0.00	4,370.60	7,800.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
8.000.00	0.00	0.00	4,470.60	7,900.00	0.00 N	0.00 E	414,088.54	725,617,91	0.00	0.00	
8,100.00	0.00	0.00	4,670.60	8,100.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
8,199.40	0.00	0.00	4,770.00	8,199.40	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	1st BSPG Lime
8,200.00	0.00	0.00	4,770.60	8,200.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
8,300.00	0.00	0.00	4,870.60	8,300.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
8,500.00	0.00	0.00	5,070,60	8,500.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
8,600.00	0.00	0.00	5,170.60	8,600.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
8,700.00	0.00	0.00	5,270.60	8,700.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
8,800.00	0.00	0.00	5,370.60	8,800.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
9,900,00	0.00	0.00	5,470.60	9,900.00	0.00 N	0.00 E	414,088.54	725,617,91	0.00	0.00	
9,100.00	0.00	0.00	5,670.60	9,100.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
9,200.00	0.00	0.00	5,770.60	9,200.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
9,300.00	0.00	0.00	5,870.60	9,300.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	· · · · · · · · · · · · · · · · · · ·
9,330.40	0.00	0.00	5,901.00	9,330.40	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	1st BSPG Sand
9,500.00	0.00	0.00	6.070.60	9,500.00	0.00 N	0.00 E	414,088,54	725.617.91	0.00	0.00	
9,600.00	0.00	0.00	6,170.60	9,600.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
9,700.00	0.00	0.00	6,270.60	9,700.00	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	
9,707.40	0.00	0.00	6,278.00	9,707.40	0.00 N	0.00 E	414,088.54	725,617.91	0.00	0.00	2nd BSPG Lime - 2nd BSPG Sand
9,800.00	0.00	0.00	6,370.00	9,800.00	0.00 N	0.00 E	414,088.54	725.617.91	0.00	0.00	Start Build 10.00
9,900.00	5.79	359.69	6,470.50	9,899.90	2.92 N	0.02 W	414,091.46	725,617.89	10.00	2.92	
10,000.00	15.79	359.69	6,568.61	9,998.01	21.61 N	0.12 W	414,110.15	725,617.79	10.00	21.61	
10,100.00	25.79	359.69	6,661.98	10,091.38	57.06 N	0.31 W	414,145.60	725,617.60	10.00	57.08	
10,200.00	35.79	359.69	6,747.78 8 823 40	10,177.18	108.17 N 173.42 N	0.58 W	414,196.71	725,617.33	10.00	108.18	
10,400.00	55.79	359.69	6,886.54	10,315.94	250.80 N	1.35 W	414,339.34	725,616.56	10.00	250.80	
10,500.00	65.79	359.69	6,935.28	10,364.68	337.97 N	1.81 W	414,426.50	725,616.10	10.00	337.97	
10,600.00	75.79	359.69	6,968.15	10,397.55	432.27 N	2.32 W	414,520.81	725,615.59	10.00	432.28	
10,700.00	85.79	359.69	6,984.14	10,413.54	530.86 N	2.85 W	414,619:40	725,815.06	10.00	530.87	Start 4572 18 bold at 10752 16 MD
10,800.00	91.00	359,69	6,965.00	10,415.00	630,81 N	3.38 W	414,719,35	725,614.78	0.00	630.82	Start 4572, 10 1000 at 10752, 10 MD
10,900.00	91.00	359.69	6,983.01	10,412.41	730.79 N	3.92 W	414,819.33	725,613.99	0.00	730.80	
11,000.00	91.00	359.69	6,981.26	10,410.66	830.78 N	4.46 W	414,919.32	725,613.45	0.00	830.79	
11,100.00	91.00	359.69	6,979.51	10,408.91	930.76 N	4.99 W	415,019.30	725,612.92	0.00	930.77	

11 September, 2014 - 14:32

Page 4 of 8

,

.

Devon Eddy County, NM (NAD 83)

Plan Report for Cotton Draw Unit 239H - Plan #1 091114 RevA0

Measured		Grid	TVD below	Vertical	Local Cod	ordinates	Map Coord	linates	Dogleg	Vertical	
Depth (#)	Inclination	Azimuth	System	Depth	Northing	Easting	Northing	Easting	Rate (*/100uc#)	Section /#\	0
11 200 00	()	250.60	607778	10 407 18	1 020 74 N	(IT) 5 52 W	(UBR) 415 110 28	725 612 38	0.00	1 030 78	
11,200.00	91.00	359.69	6.976.02	10,407.10	1 130 73 N	6.07 W	415,219,26	725.611.84	0.00	1,130.74	
11 400 00	91.00	359.69	8 974 27	10 403 67	1 230 71 N	6 60 W	415 319 25	725 611 31	0.00	1,230,73	
11.500.00	91.00	359.69	6.972.52	10,401.92	1.330.69 N	7.14 W	415,419,23	725.610.77	0.00	1.330.71	
11,600.00	91.00	359.69	6,970,77	10,400.17	1,430.68 N	7.67 W	415,519.21	725,610.24	0.00	1,430.70	
11,700.00	91.00	359.69	6,969.02	10,398.42	1,530.66 N	8.21 W	415,619.20	725,609.70	0.00	1,530.68	
11,800.00	91.00	359.69	6,967.27	10,396.67	1,630.64 N	8.75 W	415,719.18	725,809.16	0.00	1,630.67	
11,900.00	91.00	359.69	6,965.52	10,394.92	1,730.63 N	9.28 W	415,819.16	725,608.63	0.00	1,730.65	
12,000.00	91.00	359.69	6,963.77	10,393.17	1,830.61 N	9.82 W	415,919.15	725,608.09	0.00	1,830.64	
12,100.00	91.00	359.69	6,962.02	10,391.42	1,930.59 N	10.36 W	416,019.13	725,607.55	0.00	1,930.62	
12,200.00	91.00	350.69	6 058 52	10,369.07	2,030.58 N	10.89 W	410,119,11	725,607.02	0.00	2,030.00	
12,000.00	01.00	250.50	0,000.02	10,007.52	0.000 EA N	11.40 14	418 240 09	725,005.40	0.00	2,100.00	
12,400.00	91.00	359.69	6 955 02	10,300.17	2,230,54 N	12 50 W	416,319.00	725,605,94	0.00	2,230.57	
12,600.00	91.00	359.69	6.953.27	10.382.67	2,430.51 N	13.04 W	418.519.04	725.604.87	0.00	2,430.54	
12,700.00	91.00	359.69	6,951.52	10,380.92	2,530.49 N	13.57 W	416,619.03	725,604.34	0.00	2,530.53	
12,800.00	91.00	359.69	6,949.77	10,379.17	2,630.48 N	14.11 W	418,719.01	725,603.80	0.00	2,630.51	
12,900.00	91.00	359.69	6,948.02	10,377.42	2,730.46 N	14.65 W	416,818.99	725,603.26	0.00	2,730.50	
13,000.00	91.00	359.69	6,946.27	10,375.67	2,830.44 N	15.18 W	416,918.98	725,602.73	0.00	2,830.48	
13,100.00	91.00	359.69	6,944.52	10,373.92	2,930.43 N	15.72 W	417,018.96	725,602.19	0.00	2,930.47	
13,200.00	91.00	359.69	6,942.77	10,372.17	3,030.41 N	16.26 W	417,118.94	725,601.65	0.00	3,030.45	
13,300.00	91.00	359.69	6,941.02	10,370.42	3,130.39 N	16.79 W	417,218.93	725,601.12	0.00	3,130.44	
13,400.00	91.00	359.69	6,939.27	10,368.67	3,230.37 N	17.33 W	417,318.91	725,600.58	0.00	3,230.42	
13,500.00	91.00	359.09	6,937.52	10,300.92	3,330,30 N	17.87 W	417,418.89	725,600.04	0.00	3,330.41	
13,000.00	91.00	359.69	6 934 02	10,363.42	3,530.32 N	18.94 W	417.618.86	725.598.97	0.00	3,530.38	
13.800.00	91.00	359.69	6,932.27	10,361.67	3.630.31 N	19.47 W	417,718.84	725,598.44	0.00	3,630.36	
13,900.00	91.00	359.69	6,930,52	10.359.92	3.730.29 N	20.01 W	417,818,82	725.597.90	0.00	3.730.34	
14,000.00	91.00	359.69	6,928,77	10,358.17	3,830.27 N	20.55 W	417,918.81	725,597.36	0.00	3,830.33	
14,100.00	91.00	359.69	6,927.02	10,356.42	3,930.26 N	21.08 W	418,018.79	725,596.83	0.00	3,930.31	
14,200.00	91.00	359.69	6,925.27	10,354.67	4,030.24 N	21.62 W	418,118.77	725,596.29	0.00	4,030.30	
14,300.00	91.00	359.69	6,923.52	10,352.92	4,130.22 N	22.18 W	418,218,76	725,595.75	0.00	4,130.28	
14,400.00	91.00	359.69	6,921.77	10,351.17	4,230.21 N	22.69 W	418,318.74	725,595.22	0.00	4,230.27	
14,500.00	91.00	359.69	6,920.02	10,349.42	4,330.19 N	23.23 W	418,418.72	725,594.68	0.00	4,330.25	
14,600.00	91.00	359.69	6,918.27	10,347.67	4,430.17 N	23.77 W	418,518.70	725,594.14	0.00	4,430.24	
14,700.00	91.00	359.69	6 914 77	10,343.92	4,530,16 N	24.30 W	418 718.67	725,593.07	0.00	4,030.22	
14 000 00	91.00	350.60	6 013 02	10 342 42	4 730 12 N	25 37 W	418 818 85	725 502 54	0.00	4 730 10	
15.000.00	91.00	359,69	6.911.27	10.340.67	4.830.11 N	25.91 W	418.918.64	725.592.00	0.00	4,830,18	
15,100.00	91.00	359.69	6,909.52	10,338.92	4,930.09 N	26.45 W	419,018.82	725,591.46	0.00	4,930.16	
15,200.00	91.00	359.69	6,907.77	10,337.17	5,030.07 N	26.98 W	419,118.60	725,590.93	0.00	5,030.15	

11 September, 2014 - 14:32

Page 5 of 8

Devon Eddy County, NM (NAD 83)

HALLIBURTON

•

•

Plan Report for Cotton Draw Unit 239H - Plan #1 091114 RevA0

Measured		Grid	TVD below	Vertical	Local Cod	ordinates	Map Coor	dinates	Dogleg	Vertical	
Depth (ft)	Inclination (°)	Azimuth (°)	System (ft)	Depth (ft)	Northing (ft)	Easting (ft)	Northing (usft)	Easting (usft)	Rate (°/100usft)	Section (ft)	Comments
15,300.00	91.00	359.69	9 6,906.02	10,335.42	5,130.06 N	27.52 W	419,218.59	725,590.39	0.00	5,130.13	
15,324.34	91.00	359.6	9 6,905.60	10,335.00	5,154.39 N	27.65 W	419,242.92	725,590.26	0.00	5,154.46	TD at 15324.34

Plan Annotations

Measured	Vertical	Local Coor	dinates			
Depth (ft)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Comment		
9,842.13	9,842:13	0.00	0.00	Start Build 10.00		
10,752.16	10,415.00	582.98	-3.13	Start 4572.18 hold at 10752.16 MD		
15,324.34	10,335.00	5,154.39	-27.65	TD at 15324.34		

Vertical Section Information

	Angle			Origin	Origin		Start
	Туре	Target	Azimuth (°)	Туре	+N/_S (ft)	+E/-W (ft)	TVD (ft)
TD		No Target (Freehand)	359.69	Slot	0.00	0.00	0.00
Survey tool pr	ogram						
From	То		Survey/Plan			Survi	ey Tool

(ft) (ft) 0.00 15,324.32 Plan #1 091114 RevA0 MWD

11 September, 2014 - 14:32

,

Page 6 of 8

.

Devon Eddy County, NM (NAD 83)

Plan Report for Cotton Draw Unit 239H - Plan #1 091114 RevA0

Formation Deta	ails								
Measured Depth (ft)	Vertica Depth (ft)	ł	TVDSS (ft)	Name		Lithology	Dip (°)	Dip Direction (°)	
595.40	595	.40	-2,834.00	Rustler			0.00		
990.40	990	.40	-2,439.00	Top of Salt			0.00		
2,796.40	2,796	.40	-633.00	Castile			0.00		
4,403.40	4,403	.40	974.00	Bell Canyon					
5,292.40	5,292	.40	1,863.00	Cherry Canyon					
6,617.40	6,617	.40	3,188.00	Brushy Canyon					
8,199.40	8,199	.40	4,770.00	1st BSPG Lime					
9,330.40	9,330	.40	5,901.00	1st BSPG Sand					
9,707.40	9,707	.40	6,278.00	2nd BSPG Lime					
9,707.40	9,707	.40	6,278.00	2nd BSPG Sand					
<u>Design Targets</u>									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dír. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
CDU 239H BHL ()									
	0.00	0.00	10,335.	00 5,154.39	-27.65	419,242.92	725,590.2	26 32° 9' 4.237 N	103° 44' 16.701 W
 plan hits target of Point 	center								

Directional Difficulty Index

Average Dogleg over Survey:	0.59 °/100usft	Maximum Dogleg over Survey:	10.00 °/100usft at 10.752.16 ft
Net Tortousity applicable to Plans:	0.59 */100usft	Directional Difficulty Index:	6.027

Audit Info

SAP=346244

11 September. 2014 - 14:32

Page 7 of 8

Devon Eddy County, NM (NAD 83)

North Reference Sheet for Sec.13 T. 25 S, R31E - Cotton Draw Unit 239H - Wellbore #1

All data is in Feet unless otherwise stated. Directions and Coordinates are relative to Grid North Reference.

Vertical Depths are relative to WELL @ 3429.40ft (HP212 25'KB). Northing and Easting are relative to Cotton Draw Unit 239H

Coordinate System is US State Plane 1983, New Mexico Eastern Zone using datum North American Datum 1983, ellipsoid GRS 1980

Projection method is Transverse Mercator (Gauss-Kruger)

Central Mendian is 104° 20' 0.000 W°. Longitude Origin:0° 0' 0.000 E°, Latitude Origin:0° 0' 0.000 N° False Easting: 541,337.50usft, False Northing: 0.00usft, Scale Reduction: 0.99994799

Grid Coordinates of Well: 414,088.54 usft N, 725,617.91 usft E Geographical Coordinates of Well: 32° 08' 13.23" N, 103° 44' 16.71" W Grid Convergence at Surface is: 0.32"

Based upon Minimum Curvature type calculations, at a Measured Depth of 15,324.34ft the Bottom Hole Displacement is 5,154.46ft in the Direction of 359.69° (Grid). Magnetic Convergence at surface is: -7.10° (11 September 2014, , BGGM2014)



11 September, 2014 - 14:32

Page 8 of 8

,


NOTES REGARDING BLOWOUT PREVENTERS

Devon Energy Production Company, L.P. Cotton Draw Unit 239H

- 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 filings will be in operable condition to withstand a minimum of 3000psi working pressure.
- 4. All fittings will be flanged.
- 5. A fill bore safety valve tested to a minimum of 3000psi 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.

Ontinental & construct

Fluid Technology

ContiTech Beattie Corp. Website: <u>www.contitechbeattie.com</u>

Monday, June 14, 2010

RE: Drilling & Production Hoses Lifting & Safety Equipment

To Helmerich & Payne,

A Continental ContiTech hose assembly can perform as intended and suitable for the application regardless of whether the hose is secured or unsecured in its configuration. As a manufacturer of High Pressure Hose Assemblies for use in Drilling & Production, we do offer the corresponding lifting 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 failure; but in no way does the lifting and safety equipment affect the performance of the hoses providing the hose 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

ContiTech Beattie Corp, 11535 Brittmoore Park Drive, Houston, TX 77041 Phone: +1 (832) 327-0141 Fax: +1 (832) 327-0148 www.contitechbeattle.com



R16212



QUALITY DOCUMENT

A

•

PHOENIX RUBBER INDUSTRIAL LTD.

ŧ

6728 Szeged, Budapest úl 10. Hungary • H-6701 Szeged, P. O. Box 152 none: (3662) 568-737 • Fax: (3662) 568-738 SALES & MARKETING: H-1092 Budapest, Réday u. 42-44, Hungary • H-1440 Budapest, P. O. Box 26 Phone: (361) 456-4200 • Fax: (361) 217-2972, 455-4273 • www.taurusemerge.hu

PURCHASER:	Pho	penix Beat	tie C	0.			P.O. Nº	151	9FA-871	
PHOENIX RUBBER order No. 170466			ноз	HOSE TYPE: 3" ID			Ch	oke and Kil	l Hose	
HOSE SERIAL Nº	:	34128	NOM	IINAL I AC	TUAL LE	ENGTH:	<u> </u>	11,43 m	•	
W.P. 68,96 MP	a 10000) psi	T.P.	103,4	MPa	1500	0 psi	Duration:	. 60	mi
Pressure test with wa ambient temperature	ater at			- -		· · · · · · · ·	<u> </u>	-		
	• • • • •	· · · ·				· ·			- -	
L					· ·		· .	· ·	· . ·	
	·	See atta	achn	nent. (1	page)	•	. :	•		•
					-	:				••
				• • • •			•	· · ·		-51
		•			•	•				
		÷.	l		· . ·	•				
1 10 mm = 1	0 Min.					•				
\rightarrow 10 mm = 2	5 MPa	s 1	_		•					i
	· · ·			COUPLI	NGS			·····		
Туре	· · ·		Seria	I Nº			Quality		Heat N°	
3" coupling	g with	72	10 ¹	719		A	SI 4130	•	C7626	
4 1/16" Fla	inge end					AI	SI 4130		47357	
		· ·					:			
		-								
· · · · · · · · · · · · · · · · · · ·									·····	
· · ·					API S	pec 16	C			
					remp	erature	e rate. r			
NI METAI PARTS ARE IIA										
RESSURE TESTED A	ABOVE HUS	SATISFACT	DRY R	ESULT.		CORDAN		THE TERMS	OF THE URDE	:K AF
ate:	Inspe	ector			Quali	ty Contr	01			
• .						. (rHOE	NIX RUB	BER	
29. April. 2002	2.				130	ian l	Hose	Inspection	and A	, , ,
						<u> </u>	N WEE	研究所的平均	HHLUNTERO	~





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.

2

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 dependent 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.

5

H&P Flex Rig Location Layout 2 Well Pad





2

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

Hydrogen Sulfide (H₂S) Contingency Plan

For

Cotton Draw Unit 239H

Sec-13, T-25S R-31E 200' FNL & 660' FWL LAT. = 32.1370081 N (NAD83) LONG = 103.7379752 W"

Eddy County NM



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. <u>There are no homes or buildings in or near the ROE</u>.

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
 - \circ 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

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H₂S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO2	2.21 Air = 1	2 ppm	N/A	1000 ppm

Characteristics of H₂S and SO₂

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

I. 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:

- 1. The effects of H₂S metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- 2. 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 H_2S zone (within 3 days or 500 feet) and weekly H_2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H_2S Drilling Operations Plan and the Public Protection Plan.

II. HYDROGEN SULFIDE TRAINING

Note: All H_2S 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 reasonably expected to contain H_2S .

1. Well Control Equipment

- A. Flare line
- B. Choke manifold Remotely Operated
- 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.
- E. Mud/Gas Separator

2. Protective equipment for essential personnel:

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

3. H₂S detection and monitoring equipment:

Portable H_2S monitors positioned on location for best coverage and response. These units have warning lights which activate when H_2S levels reach 10 ppm and audible sirens which activate at 15 ppm. Sensor locations:

- Bell nipple
 Shale shaker
 Trip tank
- Suction pit
 Rig floor
 Cellar
- Choke manifold
 Living Quarters (usually the company man's trailer stairs.)

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.

4. Mud program:

The mud program has been designed to minimize the volume of H_2S circulated to surface. Proper mud weight, safe drilling practices and the use of H_2S scavengers will minimize hazards when penetrating H_2S bearing zones.

5. 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.

6. Communication:

- A. Company personnel have/use cellular telephones in the field.
- B. Land line (telephone) communications at Office

7. 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

Artesia (575)	Cellular	Office	Home
	740 7440	740.0470	740.0004
Foreman – Robert Bell	/48-/448		746-2991
Asst. Foreman Tommy Poll	y.748-5290		748-2846
Don Mayberry	748-5235		746-4945
Montral Walker	390-5182		936) 414-6246
Engineer - Marcos Ortiz(405) 317-0666	6…(405) 552-8152(405) 381-4350

Agency Call List

<u>Lea</u> <u>County</u> (575)	HobbsLea County Communication Authority393-3981State Police392-5588City Police397-9265Sheriff's Office393-2515Ambulance911Fire Department397-9308
	LEPC (Local Emergency Planning Committee)
Eddy County (575)	Carlsbad State Police State Pol

Emergency Services

	Boots & Coots IWC	(800)-256-9688 or (281) 931-8884
	Cudd Pressure Control	(915) 699-0139 or (915) 563-3356
	Halliburton	(575) 746-2757
	B. J. Services	(575) 746-3569
Give	Native Air – Emergency Helicopter – Hobbs	(575) 392-6429
GPS	Flight For Life - Lubbock, TX	(806) 743-9911
position:	Aerocare - Lubbock, TX	
	Med Flight Air Amb - Albuquerque, NM	(575) 842-4433
	Lifeguard Air Med Svc. Albuquerque, NM	(575) 272-3115

Prepared in conjunction with

Dave Small UNICATIONS & CONSULTING, LLC







	TO COTTON DRAW UNIT 219H & 220H BATTERY
	DEVON ENERGY PRODUCTION COMPANY, L.P. CENTERLINE SURVEY OF A PIPELINE CROSSING SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO DECEMBER 8, 2014
	DESCRIPTION A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF T FOLLOWING DESCRIBED CENTERLINE SURVEY:
	BEGINNING AT A POINT WITHIN THE NW/4 NW/4 OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE NORTH QUARTER CORNER OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., DEADE, NROLEGAS, AND ADDRESS OF ADDRESS
	N.M.P.M. BEARS N82 48 45 E, A DISTANCE OF 1996.19 FEET; THENCE S00'00'02'W A DISTANCE OF 185.11 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N86'23'13'W A DISTANCE OF 660.72 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE V QUARTER CORNER OF SAID SECTION 13, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS SOO'15'40''E, A DISTANCE OF 2276.91 FEET;
	SAID STRIP OF LAND BEING 845.83 FEET OR 51.26 RODS IN LENGTH, CONTAINING 0.583 ACRES MORE OR LESS BEING ALLOCATED BY FORTIES AS FOLLOWS:
	NW/4 NW/4 845.83 L.F. 51.26 RODS 0.583 ACRES
	SURVEYOR CERTIFICATE
<i>GEN</i> 1.) ACQ	I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR N HEREBY CERTIFY THAT I HAVE COMPUTED AND AM RESPONSIBLE FOR THIS THAT THIS SURVEY IS TO BELIEF, AND THAT THIS SURVEY AND REAT THE BEST OF MY KNOWLEDG BELIEF, AND THAT THIS SURVEY, AND REAT THE MINIMUM STANDARDS SURVEYING IN THE STATE OF NEW MEXICO
2.) MOD	BASIS OF BEARING IS NMSP EAST IFIED TO SURFACE COORDINATES. IFIED TO SURFACE COORDINATES. IFIED TO SURFACE COORDINATES. IFIED TO SURFACE COORDINATES.
Ls	HEET: 2-12 FILMENT JABURES FILMENT SURVEY NO







36		
HB-	FUDWLINE PLAT TWO BURIED IN SAME DITCH 4" POLY FLEX FLOWLINES FROM COTTON DRAW UNIT 238H & 239H TO COTTON DRAW UNIT 219H & 220H BATTERY	- 4 43
	DEVON ENERGY PRODUCTION COMPANY, L.P. Centerline survey of a pipeline crossing section 11, township 25 south, range 31 east, n.m.p.m. eddy county, state of new mexico december 8, 2014	
	DESCRIPTION A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 11, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:	
	SEGMENT 1 BEGINNING AT A POINT WITHIN THE SE/4 SE/4 OF SAID SECTION 11, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE SOUTHWEST CORNER OF SAID SECTION 11, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS N89'44'55"W, A DISTANCE OF 5274.97 FEET; THENCE N00'00'01"E A DISTANCE OF 2929.31 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE EAST QUARTER CORNER OF SAID SECTION 11, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS SOO'13'23"E, A DISTANCE OF 285.63 FEET;	
	SAID STRIP OF LAND BEING 2929.31 FEET OR 177.53 RODS IN LENGTH, CONTAINING 2.017 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:	
	SE/4 1321.84 L.F. 80.11 RODS 0.910 ACRES NE/4 SE/4 1321.85 L.F. 80.11 RODS 0.910 ACRES SE/4 NE/4 285.62 L.F. 17.31 RODS 0.197 ACRES	
	SEGMENT 2 BEGINNING AT A POINT WITHIN THE NE/4 NE/4 OF SAID SECTION 11, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE NORTHEAST CORNER OF SAID SECTION 11, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS NO0'13'23"W. A DISTANCE OF 1031.59 FEET; THENCE N81'12'32"W A DISTANCE OF 319.48 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N60'11'02"W A DISTANCE OF 214.77 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N00'00'23"W A DISTANCE OF 135.35 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N00'00'23"W A DISTANCE OF 208.48 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N42'52'10"E A DISTANCE OF 208.48 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N00'21'18"W A DISTANCE OF 571.72 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE S89'59'48"W A DISTANCE OF 1250.24 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N00'00'06"E A DISTANCE OF 18.06 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTH QUARTER CORNER OF SAID SECTION 11, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS N89'50'46"W, A DISTANCE OF 1339.28 FEET;	
	SAID STRIP OF LAND BEING 3010.16 FEET OR 182.43 RODS IN LENGTH, CONTAINING 2.073 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:	
	NE/4 NE/4 3010.16 L.F. 182.43 RODS 2.073 ACRES	
	SURVEYOR CERTIFICATE	
<i>GE</i> 1.) AC	NERAL NOTES THE INTENT OF THIS ROUTE SURVEY IS TO QUIRE AN EASEMENT.	ν, Υ, ND
2.) MO	BASIS OF BEARING IS NMSP EAST DIFIED TO SURFACE COORDINATES. NEW MEXICO, THIS Day OF DECEMBER 2014 MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341	
	SHEET: 6-12 MADRON SURVEYING, INC. (575) 234-3341 MADRON SURVEYING, INC. (575) 234-3341 CARLSBAD, NEW MEXICO	

•

٠



		- - - - - - - - - - -
旧	FLOWLINE PLAT TWO BURIED IN SAME DITCH 4" POLY FLEX FLOWLINES FROM COTTON DRAW UNIT 238H & 239H TO COTTON DRAW UNIT 219H & 220H BATTERY	
	DEVON ENERGY PRODUCTION COMPANY, L.P. Centerline survey of a pipeline crossing section 12, township 25 south, range 31 east, n.m.p.m. Eddy county, state of new mexico december 8, 2014	
	DESCRIPTION A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 12, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:	
	BEGINNING AT A POINT WITHIN THE SW/4 NW/4 OF SAID SECTION 12, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE WEST QUARTER CORNER OF SAID SECTION 12, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS SOO'13'23"E, A DISTANCE OF 285.63 FEET; THENCE NOO'00'01"E A DISTANCE OF 1328.37 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N81'12'32"W A DISTANCE OF 5.24 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTHWEST CORNER OF SAID SECTION 12, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS NOO'13'23"W, A DISTANCE OF 1031.59 FEET;	
	SAID STRIP OF LAND BEING 1333.61 FEET OR 80.82 RODS IN LENGTH, CONTAINING 0.918 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:	
	SW/4 NW/4 1037.58 L.F. 62.88 RODS 0.715 ACRES NW/4 NW/4 296.03 L.F. 17.94 RODS 0.204 ACRES	
GE. 1.) ACC 2.) MOI	NERAL NOTES NERAL NOTES THE INTENT OF THIS ROUTE SURVEY IS TO QUIRE AN EASEMENT. BASIS OF BEARING IS NMSP EAST DIFIED TO SURFACE COORDINATES. SHEET: 8-12 SHEET: 8-12 SURVEY IS TO 2017 SURVEY IS TO 2017 THE INTENT OF THIS ROUTE SURVEY IS TO 2017 BASIS OF BEARING IS NMSP EAST DIFIED TO SURFACE COORDINATES. SHEET: 8-12	197, Y, IND



H H	L FLOWLINE PLAT TWO BURIED IN SAME DITCH 4" POLY FLEX FLOWLINES FROM COTTON DRAW UNIT 238H & 239H TO COTTON DRAW UNIT 219H & 220H BATTERY	Ц
	DEVON ENERGY PRODUCTION COMPANY, L.P. CENTERLINE SURVEY OF A PIPELINE CROSSING SECTION 2, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO DECEMBER 8, 2014	
	DESCRIPTION A STRIP OF LAND 30 FEET WIDE CROSSING STATE OF NEW MEXICO LAND IN SECTION 2, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:	
	BEGINNING AT A POINT WITHIN THE SE/4 SE/4 OF SAID SECTION 2, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE SOUTH QUARTER CORNER OF SAID SECTION 2, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS N89'50'46'W, A DISTANCE OF 1339.28 FEET; THENCE N00'00'06''E A DISTANCE OF 264.39 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE N89'42'31''E A DISTANCE OF 10.03 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE SOUTH QUARTER CORNER OF SAID SECTION 2, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S79'03'31''W, A DISTANCE OF 1374.29 FEET;	
	SAID STRIP OF LAND BEING 274.42 FEET OR 16.63 RODS IN LENGTH, CONTAINING 0.189 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:	
	SE/4 SE/4 274.42 L.F. 16.63 RODS 0.189 ACRES	
<i>GEN</i> 1.) ACC	SURVEYOR CERTIFICATE I, FILMON, F. JARAMILLO, FA, NEW MEXICO PROFESSIONAL SURVEYOR NO. 127 HEREBY CERTIFY THAT: JAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY THAT THIS SURVEY IS TO BELLEF, AND SORBECT TO THE BEST OF MY KNOWLEDGE AND THE INTENT OF THIS ROUTE SURVEY IS TO UIRE AN EASEMENT.	97. Y, ND
2.) MOE	BASIS OF BEARING IS NMSP EAST IFIED TO SURFACE COORDINATES. IN WITNESS WHEREOF? (IFIE) CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO, THIS DAY, OF DECEMBER 2014 MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 38220 Phone (575) 234-3341	
ıц S	HEET: 10-12 CPULION F. GRAMITSOPPLE: 12797 SURVEY NO. 3384	۱B





SURFACE USE PLAN

Devon Energy Production Company, L.P. Cotton Draw Unit 238H and Cotton Draw Unit 239H

1. Existing Roads:

- a. The well site and elevation plat for the proposed well are reflected on the "Site Map". The well was staked by Madron Surveying, Inc.
- b. All roads into the location are depicted on the "Vicinity Map". The operator will repair pot holes, clear ditches, repair the crown, etc. All existing structures on the entire access route such as cattle guards, culverts, etc. will be properly repaired or replaced if they are damaged or have deteriorated beyond practical use. BLM written approval will be acquired before application of surfactants, binding agents, or other dust suppression chemicals on roadways.
- c. Directions to Location: From the intersection of State Road 128 and CR 1 (Orla Road) go South on CR 1 6.1 miles to Monsanto Road A Caliche Road on right. Go West 2.1 miles to road intersection, turn right go North 0.75 miles, then turn left go West 2.0 miles to road intersection, turn right go North 0.2 miles to proposed road on right. Follow flags East 356' to Southwest corner of proposed pad.

2. New or Reconstructed Access Roads:

- a. The "Site Map" shows new constructed access road, which will be approximately <u>356</u> LF from the existing Lease road.
- b. The maximum driving width of the access road will be 14 feet. The maximum width of surface disturbance when constructing the access road will not exceed 25 feet. The road will be crowned and ditched with 2% slope from the tip of the crown to the edge of the driving surface. The ditches will be 3 feet wide with 3:1 slopes. The driving surface will be made of 6" rolled and compacted caliche.
- c. No cattle guards, grates or fence cuts will be required. No turnouts are planned.

3. Location of Existing Wells:

The attached "One Mile Radius Map" shows all existing and proposed wells within a one-mile radius of the proposed location.

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

- a. In the event the well is found productive, the Cotton Draw Unit 219H & 220H tank battery would be utilized and shared, and the necessary production equipment will be installed at the well site. This facility is located in Sec 2-T25S-R31E. See "Proposed Flowline Plat".
- b. If necessary, the well will be operated by means of an electric prime mover. If electric power poles are needed, a plat and a sundry notice will be filed with your office.
- c. All flow lines will adhere to API standards.
- d. If the well is productive, rehabilitation plans are as follows:

- i. A closed loop system will be utilized.
- ii. 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 described and depicted on the "Vicinity Map". On occasion, water will be obtained from a pre-existing water well, running a pump directly to the drill rig. In 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:

Obtaining caliche: One primary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means caliche will be obtained from the actual well site. Actual amounts will vary for each pad. The procedure below has been approved by BLM personnel:

- a. The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
- b. Subsoil is removed and stockpiled within the surveyed well pad.
- c. When caliche is found, material will be stock piled within the pad site to build the location and road.
- d. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
- e. Once well is drilled, the stock piled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced.
- f. Neither caliche, nor subsoil will be stock piled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in the Well Site Layout or survey plat.

In the event that no caliche is found onsite, caliche will be hauled in from a BLM approved caliche pit or other established mineral pit. A BLM mineral material permit will be acquired prior to obtaining any mineral material from BLM pits or land.

7. Methods of Handling Waste Material:

- a. Drill cuttings will be safely contained in a closed loop system and disposed of properly at a NMOCD approved disposal site.
- 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 will pick up salts remaining after completion of well, including broken sacks.
- 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. The Rig Location Layout attachment shows the proposed well site layout and pad dimensions.
- b. The Rig Location Layout attachment proposes 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 provide a copy of the Design Plan 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.

Operators Representative:

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

James Allbee, Program Supervisor Devon Energy Production Company, L.P. 333 W. Sheridan Oklahoma City, OK 73102-5010 (405) 228-8698 (office) (405) 820-8682 (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)

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Devon Energy Production Company, L.P.
LEASE NO.:	NMNM-0503
WELL NAME & NO.:	Cotton Draw Unit 239H
SURFACE HOLE FOOTAGE:	0200' FNL & 0660' FWL
BOTTOM HOLE FOOTAGE	0330' FNL & 0660' FWL Sec. 12, T. 25 S., R 31 E.
LOCATION:	Section 13, T. 25 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

Commercial Well Determination

Unit Well Sign Specs

Lesser Prairie-Chicken Timing Stipulations

Ground-level Abandoned Well Marker

Construction

Notification

Topsoil

Closed Loop System

Federal Mineral Material Pits

Well Pads

Roads

Road Section Diagram

🛛 Drilling

Cement Requirements

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.

This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

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) 234-5909 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 strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area 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. EXCLOSURE FENCING (CELLARS & PITS)

Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. 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-five (25) 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 conform to Figure 1; cross section and plans for typical road construction.

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

Side

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: 400' + 100' = 200' lead-off ditch interval 4%

Cattleguards

An appropriately sized cattleguard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattleguards on the access road route 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 cattleguards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted 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 fences.

Public Access

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





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 there are no measured amounts of Hydrogen Sulfide reported, it is always a potential hazard. Operator has stated that they will have monitoring equipment in place prior to drilling out of the surface shoe. If Hydrogen Sulfide is encountered, provide measured values 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 or are Non-API. 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.). The initial wellhead installed on the well will remain on the well with spools used as needed.

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

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. 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 flows in the Salado and Castile. Possibility of lost circulation in the Red Beds, Rustler and Delaware.

- 1. The 13-3/8 inch surface casing shall be set at approximately 750 feet (in a competent bed <u>below the Magenta Dolomite</u>, which is a <u>Member of the Rustler</u>, and if salt is encountered, set casing at least 25 feet above the salt) and cemented to the surface.
 - 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.

Intermediate casing shall be kept fluid filled while running into hole to meet BLM minimum collapse requirements.

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing 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:

Operator has proposed DV tool at depth of 4500', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

- a. First stage to DV tool:
- Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.
- b. Second stage above DV tool:
- Cement should tie-back at least 200 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 53.
- 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. These documents shall be posted in the company man's trailer and on the rig floor. 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. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. 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. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Operator shall perform the intermediate casing integrity test to 70% of the casing burst. This will test the multi-bowl seals.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 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**.
 - 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. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two 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.

JAM 041315

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.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the

largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

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, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

VRM Facility Requirement

Low-profile tanks not greater than eight-feet-high shall be used.

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.