

# OCD-ARTESIA

Form 3160-3  
(April 2004)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

### APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER R-111-POTASH		5. Lease Serial No. NMNM-113963
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Devon Energy Production Company, LP 4137		7. If Unit or CA Agreement, Name and No.
3a. Address 20 North Broadway Oklahoma City, Oklahoma City 73102-8260	3b. Phone No. (include area code) 405-552-7802 96526	8. Lease Name and Well No. Norkota 19 Fed 3 35225
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 330' FSL & 615' FEL At proposed prod. zone 330' FSL & 615' FEL		9. API Well No. 30-015-34424
14. Distance in miles and direction from nearest town or post office* Approximately 23 miles Southeast of Carlsbad, New Mexico.		10. Field and Pool, or Exploratory Forty Niner Ridge Bone Spring Wes
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'		11. Sec., T. R. M. or Blk. and Survey or Area Unit P, Sec 19, T23S-R30E
16. No. of acres in lease 160	17. Spacing Unit dedicated to this well 40	12. County or Parish Eddy County
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1568'	19. Proposed Depth 7400'	13. State NM
20. BLM/BIA Bond No. on file	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3122' GL	22. Approximate date work will start* 09/20/2005
23. Estimated duration 45 days	24. Attachments	

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) Stephanie A. Ysasaga	Date 09/26/2005
Title Senior Engineering Technician		
Approved by (Signature) /s/ Linda S. C. Rundell	Name (Printed/Typed) /s/ Linda S. C. Rundell	Date NOV - 1 2005
Title STATE DIRECTOR		Office NM STATE OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

**APPROVAL FOR 1 YEAR**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

CARLSBAD CONTROLLED WATER BASIN

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

WITNESS: 13 3/8" and 8 5/8" Cement Jobs.

Please refer to revised strips from BLM. 5 1/2" casing  
to be circ. to surface.  
Arayan Anant. OCD.

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144  
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

RECEIVED

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

SEP 14 2005

OCD-ARTECO

Operator: Devon Energy Production Company, L.P. Telephone: (405)-552-7802 e-mail address: Stephanie.Ysasaga@devon.com  
Address: P.O. Box 250 Artesia, NM 88211  
Facility or well name: Norkota 19 Fed 3 API #: \_\_\_\_\_ U/L or Qtr/Qtr P Sec 19 T 23S R 30E  
County: Eddy Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927 ☐ 1983 ☐  
Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume _____ bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) <u>100 feet or more</u> (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) <u>No</u> (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) <u>200 feet or more, but less than 1000 feet</u> (10 points) <u>1000 feet or more</u> (0 points)
Ranking Score (Total Points)	

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 09/13/05

Printed Name/Title Stephanie A. Ysasaga/Senior Engineering Technician Signature \_\_\_\_\_

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval: Field Supervisor

Printed Name/Title \_\_\_\_\_ Signature \_\_\_\_\_

SEP 23 2005

**Additional Operator Remarks:**

Devon Energy Production Company, LP proposes to drill a Forty Niner Ridge Bone Spring West well to 7400' for commercial quantities of oil and gas. If the well is deemed noncommercial, the wellbore will be plugged and abandoned per Federal regulations. Devon Energy Production Co., LP plans to drill the well per the currently attached Drilling and Surface Use Plan.

**Directions:** Go east of Carlsbad on Highway 62-180 to State Road 31. Turn south on 31 and to Highway 128 (Jal Highway). Turn east on 128 and go approx. 4 miles to Rawhide Road (CR-793), Mississippi Potash Mine Shaft #5 here. Turn right on Rawhide Road and go and go approx. 3.4 miles. Turn left here on county road and go east for approx. .2 of a mile. The county road goes to the south here but continue east on lease road for approx. .2 of a mile. Turn south here and follow lease road south for .1 if a mile to cattleguard on the left. Turn left here and go east for approx .2 of a mile to Maralo's Gold Rush 30 Federal #6 well location. The new road will start here from the southeast corner of the #6 well pad.

**Other Operator Remarks:**

Well was previously APD'd by Yates Petroleum 5/03/04 and approved by the BLM on 06/22/04. Initial name was Baetz BDU Federal #3, API # 30-015-33487. APD was cancelled due to lease expiration. Devon Energy Production Co., LP presently owns the lease and will be drilling same exact location

**H2S:**

No H2S is expected to be encountered.

DISTRICT II  
 South First, Artesia, NM 88210  
 DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 DISTRICT IV  
 2040 South Pacheco, Santa Fe, NM 87505

Energy, Minerals and Natural Resources Department

Revised March 17, 1999  
 Instruction on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 8 Copies

**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number		Pool Code		Pool Name	
				Forty Niner Ridge Bone Spring West	
Property Code		Property Name			Well Number
		Norkota 19 Fed			3
OGRID No.		Operator Name			Elevation
6137		Devon Energy Production Co., LP			3122

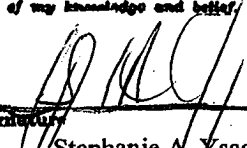

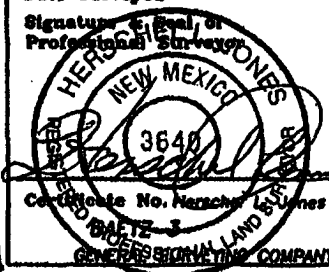
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	19	23S	30E		330	SOUTH	615	EAST	EDDY

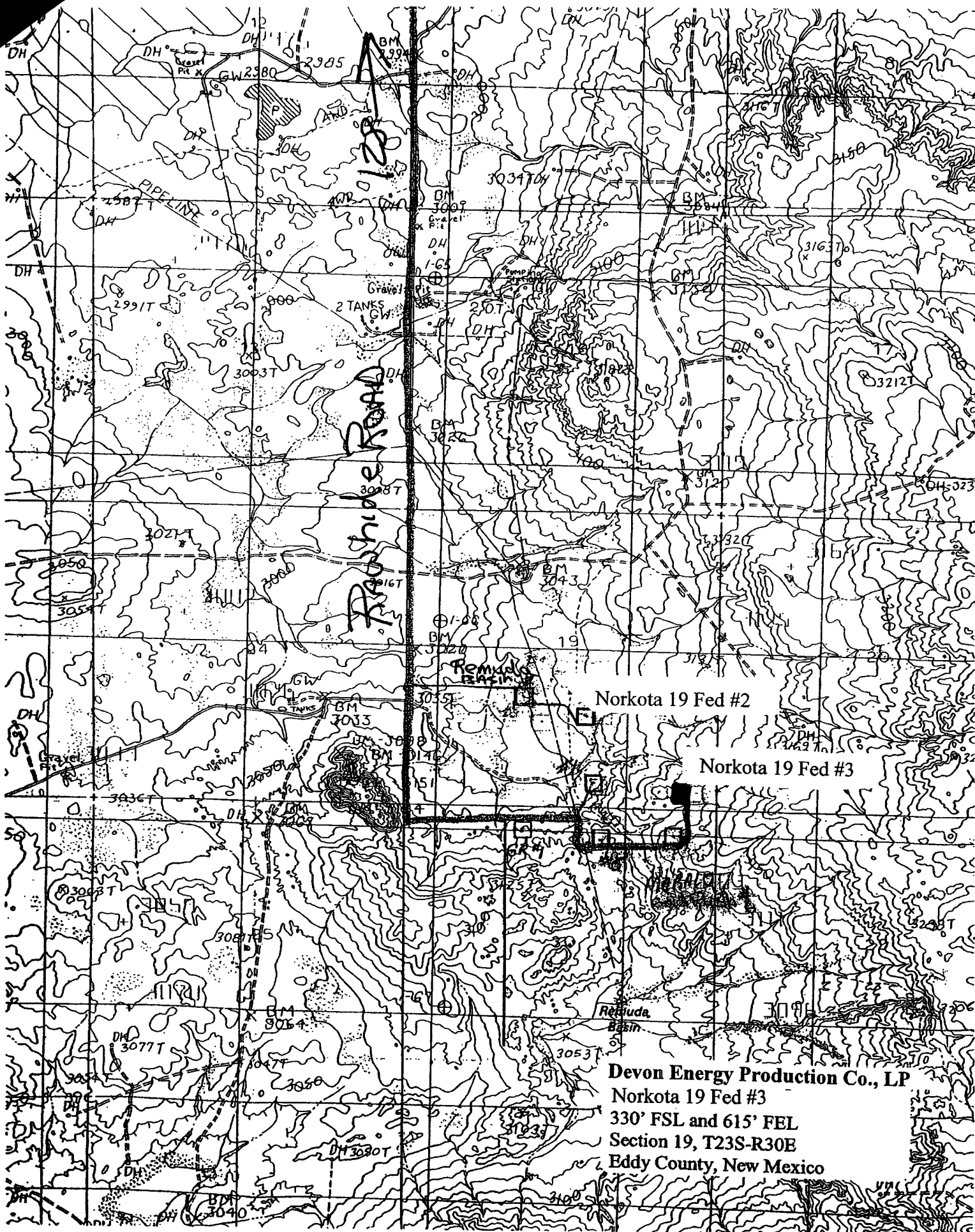
**Bottom Hole Location if Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Infill		Consolidation Code		Order No.			
40									

**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**

				<b>OPERATOR CERTIFICATION</b> I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.  Signature Stephanie A. Ysasaga Printed Name Senior Engineering Technician Title 09/13/05 Date	
				<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 4/30/2004 Date Surveyed  Signature of Real or Professional Surveyor  Certificate No. Herschel Jones RLS 3640 BATES J GENERAL SURVEYING COMPANY	
				N.32°17'02.6" W.103°54'51.3" NM-27729 3103 3123 3110 3121 615' 330'	

0 330' 660' 990' 1320' 1650' 1980' 2310' 2640' 2970' 3300' 0'



Devon Energy Production Co., LP  
Norkota 19 Fed #3  
330' FSL and 615' FEL  
Section 19, T23S-R30E  
Eddy County, New Mexico

## Devon Energy Production Co., LP

Norkota 19 Fed #3  
330' FSL & 615' FEL  
Section 19-T23S-R30E  
Eddy County, New Mexico

1. The estimated tops of geologic markers are as follows:

Top of Salt	340'
Base of Salt	3320
Bell Canyon	3340'
Cherry Canyon	4160'
Brushy Canyon	5470'
Bone Spring Lime	7070'
TD	7400'

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approx 150'

Oil or Gas: 5129' to 7400'

3. Pressure Control Equipment: BOPE will be installed on the 13 3/8" casing and rated for 3000 BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

### Auxiliary Equipment:

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig door in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

- A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Coupling</u>	<u>Interval</u>	<u>Length</u>
17 1/2"	13 3/8"	48#	H-40	ST&C	0-440'	440'
11"	8 5/8"	32#	J-55	ST&C	0-3200'	3200'
7 7/8"	5 1/2"	15.5#	J-55	LT&C	0-7400'	7400'

8 5/8" CSG must be set between 3400'-3900'.  
L. Babjak 9/21/05

Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Joint Strength 1.8

**B. CEMENTING PROGRAM:**

Surface casing: 250 sx Lite (YLD 1.96 WT.12.5); Tail in w/ 200 sx Class "C" + 2% CaCl<sub>2</sub> (YLD 1.34 WT 14.8).

Intermediate Casing: Lead w/ 650 sx Lite (YLD 2.5 WT 11.9); Tail in w/ 250 sx "C" + 2% CaCl<sub>2</sub> (YLD 1.34 WT. 14.8)

Production Casing: Stage I: TOC 5300' Lead w/ 450 sx Super H (YLD 16.7 WT 13.0)  
Tail in w/ 50 sx Thixotropic (YLD 1.4 WT 14.4).

Stage II: Lead w/ 450 sx Lite (YLD 2.5 WT 11.9); Tail in w/ 50 sx Premium (YLD 1.3 WT 14.8)

**5. Mud Program and Auxiliary Equipment:**

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-350'	FW/Native Mud	8.6-9.2	28-36	N/C
350'-3200'	Brine	10-10.2	28	N/C
3200'-7000'	Cut Brine	8.6-9.1	28	N/C
7000'-7400'	Cut Brine/Starch	8.6-9.1	28-32	<15cc

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

**6. EVALUATION PROGRAM:**

Samples: 10 samples out from under surface casing.

Logging: CNL/LDT TD to casing; GR w/CNL to Surface; DLL x/RXO TD to casing.

Coring: None Anticipated.

DST's: As warranted.

**7. Abnormal Conditions, Bottom hole pressure and potential hazards:**

Anticipated BHP:

From: 0	TO: 350'	Anticipated Max. BHP:	175	PSI
From: 350'	TO: 3200'	Anticipated Max. BHP:	1700	PSI
From: 3200'	TO: 7400'	Anticipated Max. BHP:	3500	PSI

No abnormal pressures or temperatures are anticipated.

Lost Circulation Zones Anticipated: None.

H<sub>2</sub>S Zones Anticipated: None

Maximum Bottom Hole Temperature: 198 F

**8. ANTICIPATED STARTING DATE:**

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 20 days to drill the well with completion taking another 15 days.

**MULTI-POINT SURFACE USE AND OPERATIONS PLAN**  
**Devon Energy Production Co., LP**  
Norkota 19 Fed #3  
330' FSL & 615' FEL  
Section. 19-T23S-R30E  
Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. **EXISTING ROADS:**

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 23 miles southeast of Carlsbad, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

**DIRECTIONS:**

Go east of Carlsbad on Highway 62-180 to State Road 31. Turn south on 31 and to Highway 128 (Jal Highway). Turn east on 128 and go approx. 4 miles to Rawhide Road (CR-793), Mississippi Potash Mine Shaft #5 here. Turn right on Rawhide Road and go approx. 3.4 miles. Turn left here on county road and go east for approx. .2 of a mile. The county road goes to the south here but continue east on lease road for approx. .2 of a mile. Turn south here and follow lease road south for .1 of a mile to cattleguard on the left. Turn left here and go east for approx. .2 of a mile to Maralo's Gold Rush 30 Federal #6 well location. The new road will start here from the southeast corner of the #6 well pad.

2. **PLANNED ACCESS ROAD.**

- A. The proposed new access will be approximately .1 of a mile going east then north to the southeast corner of the drilling pad. The road will lie in a east then north direction..
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. The new road will be bladed with drainage on one side. Traffic turnouts may be built.
- D. The route of the road is visible.
- E. Existing roads will be maintained in the same or better condition.

3. **LOCATION OF EXISTING WELL**

- A. There is drilling activity within a one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.



4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. There are production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to drill the proposed well with a fresh water system. The fresh water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

Dirt contractor will locate closest pit and obtain any permits and materials needed for construction.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill. Burial on site is not approved.

8. ANCILLARY FACILITIES: None

9. WELLSITE LAYOUT:

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach.
- B. The reserve pits will be plastic lined and will face to the north.
- C. A 600' x 600' area has been staked and flagged.

10. PLANS FOR RESTORATION

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level after they have evaporated and dried.

11. SURFACE OWNERSHIP: Federal surface, Administered by the Bureau of Land Management, Carlsbad, New Mexico.

12. OTHER INFORMATION:

- A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- B. The primary surface use is for grazing.

13. OPERATOR'S REPRESENTATIVE

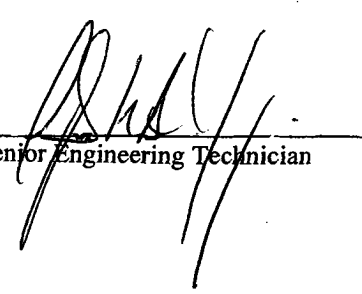
A. Through A.P.D. Approval:  
  
Stephanie A. Ysasaga  
Devon Energy Corporation  
20 North Broadway  
OKC, OK 73102  
Phone: (405)-552-7802

B. Through Drilling Operations,  
Completions and Production:  
  
Jim Blount, Operations Engineer  
Devon Energy Corporation  
20 North Broadway  
OKC, OK 73102

14. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and , that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

09/12/05

  
\_\_\_\_\_  
Senior Engineering Technician

**Attachment to Exhibit #1**  
**NOTES REGARDING BLOWOUT PREVENTERS**  
**Devon Energy Production Company, LP**  
**Norkota 19 Fed 3**

Surface Location: 330' FSL & 615' FEL, Unit P Sec 19 T23S R30E, Eddy, NM  
Bottom hole Location: 330' FSL & 615' FEL, Unit P Sec 19 T23S R30E, Eddy, NM

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

UNITED STATES DEPARTMENT OF THE INTERIOR

Bureau of Land Management

Roswell Field Office

2909 West Second Street

Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name:

**Devon Energy Production Company, LP**

Street or Box:

**20 North Broadway, Suite 1500**

City, State:

**Oklahoma City, Oklahoma**

Zip Code:

**73102-8260**

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described below.

Lease No.:

**NM-27729**

Legal Description of Land:

**40 acres 19-T23S-R30E**

Formation(s):

**Forty Niner Ridge Bone Spring  
West**

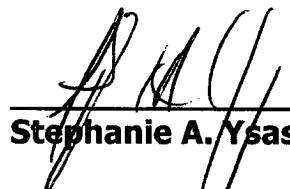
Bond Coverage:

**Nationwide**

BLM Bond File No.:

**CO-1104**

Authorized Signature:

  
\_\_\_\_\_

**Stephanie A. Ysasaga**

Title:

**Senior Engineering Technician**

Date:

**09/12/05**

## **HYDROGEN SULFIDE DRILLING OPERATIONS PLAN**

1. All Company and Contract personnel admitted on location must be trained by a qualified H2S safety instructor to the following:
  - a. Characteristics of H2S
  - b. Physical effects and hazards
  - c. Proper use of safety equipment and life support systems.
  - d. Principle and operation of H2S detectors, warning system and briefing areas
  - e. Evacuation procedures, routes and first aid.
  - f. Proper use of 30-minute pressure demand air pack.
2. H2S Detection and Alarm System
  - a. H2S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
3. Windsock and/or wind streamers
  - a. Windsock at mud pit area should be high enough to be visible
  - b. Windsock at briefing area should be high enough to be visible
  - c. There should be a windsock at entrance to location
4. Condition Flags and Signs
  - a. Warning Sign on access road to location
  - b. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H2S present in dangerous concentration. Only emergency personnel admitted to location.
5. Well Control Equipment
  - a. See Exhibit "E" & "E-1"
6. Communication
  - a. While working under masks chalkboards will be used for communication.
  - b. Hand signals will be used where chalk board is inappropriate
  - c. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.
7. Drill stem Testing
  - a. Exhausts will be watered
  - b. Flare line will be equipped with an electric igniter or a propane pilot light in case gas reaches the surface.
  - c. If the location is near to a dwelling a closed DST will be performed.
8. Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubular goods and other mechanical equipment.

If H2S is encountered, mud system will be altered if necessary to maintain control or formation. A mud gas separator will be brought into service along with H2S scavengers if necessary.

PB - L1

# Devon Energy Production Co., LP

Location Layout for Permian Basin

Up to 12,000'

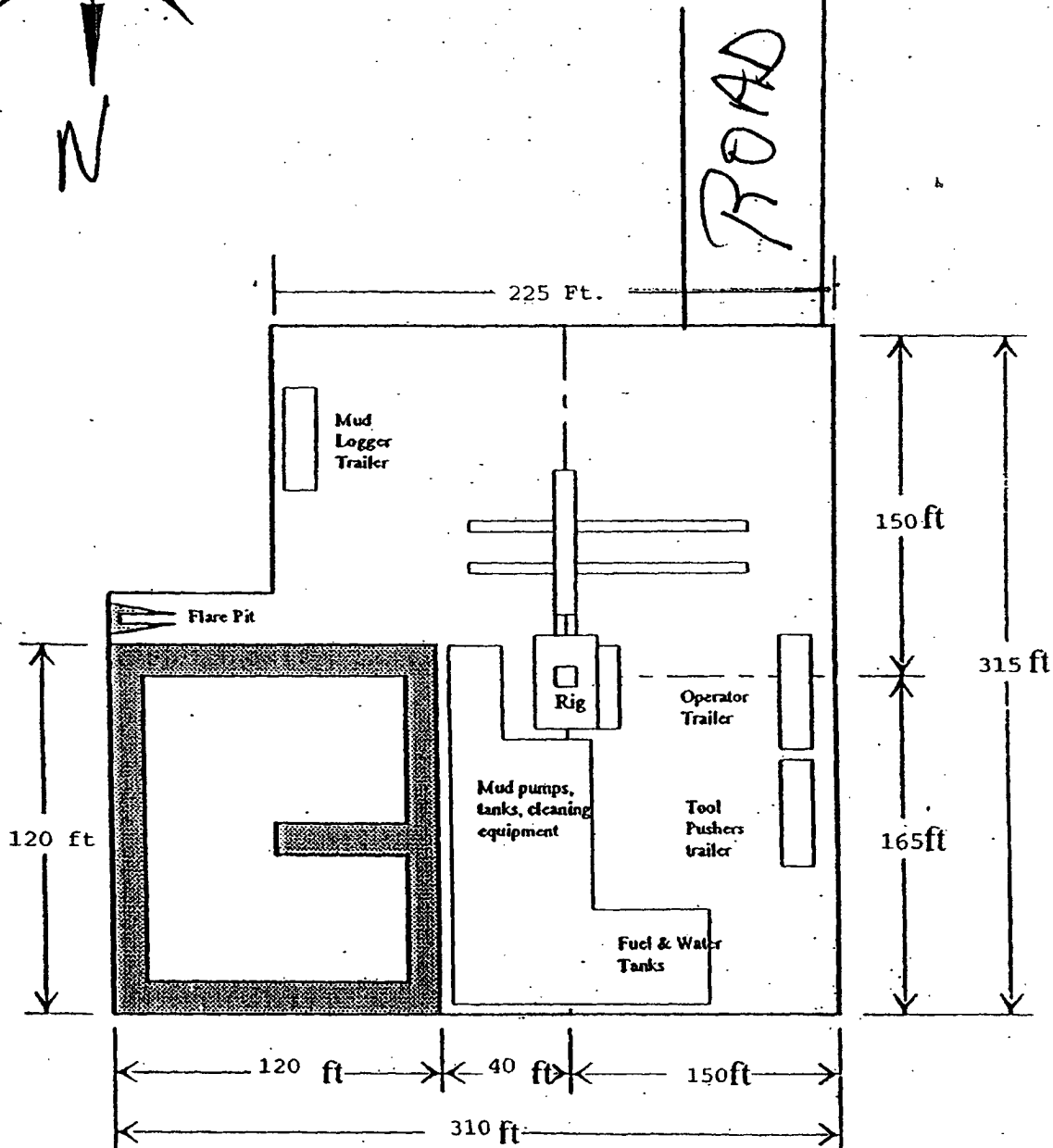
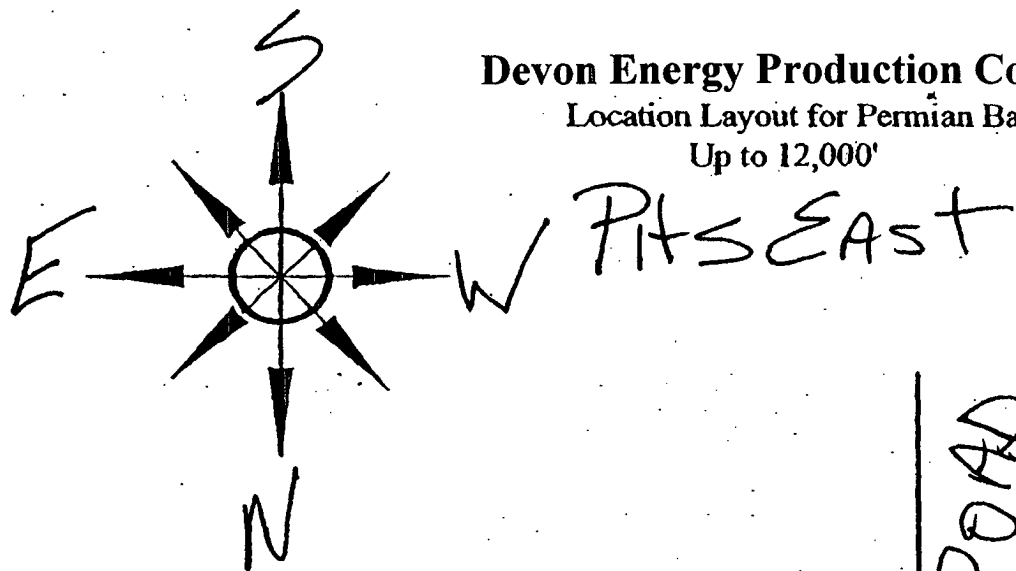
Devon Energy Production Co., LP

Norkota 19 Fed #3

330' FSL and 615' FEL

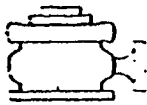
Section 19, T23S-R30E

Eddy County, New Mexico



Distance from Well Head to Reserve Pit will vary between rigs

The above dimension should be a maximum

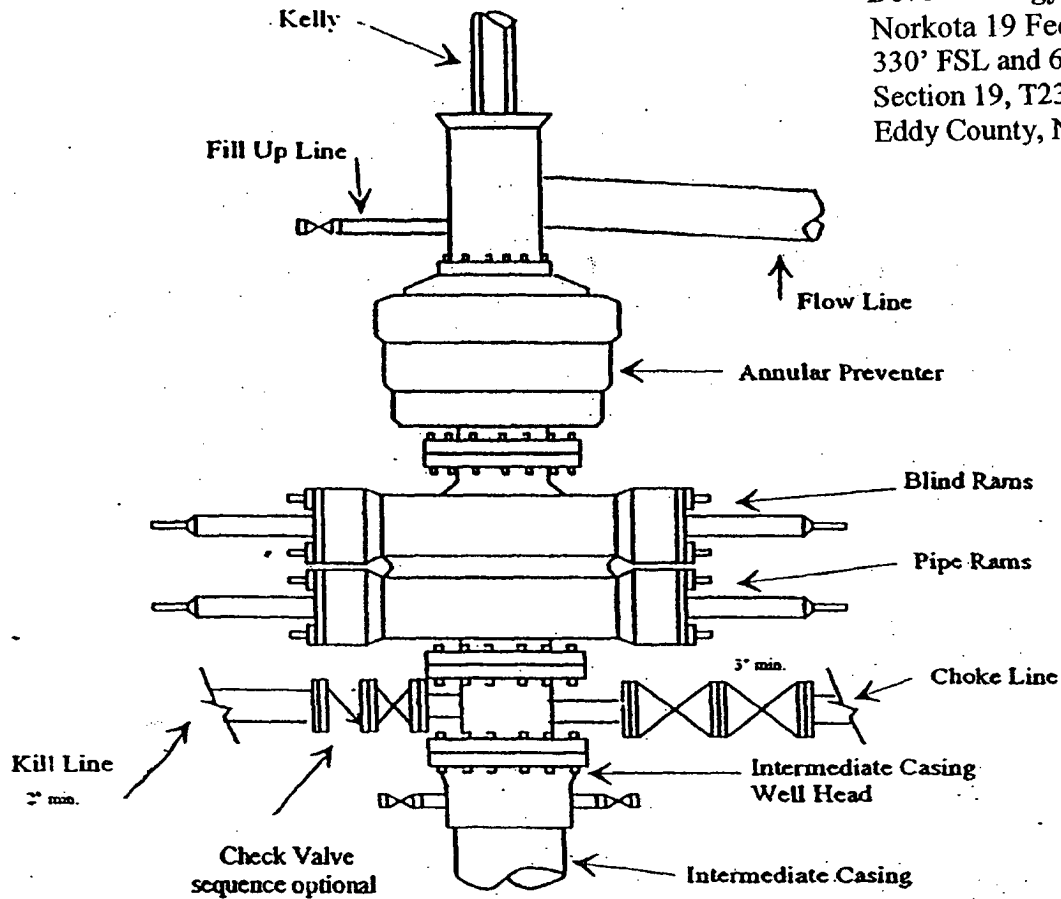


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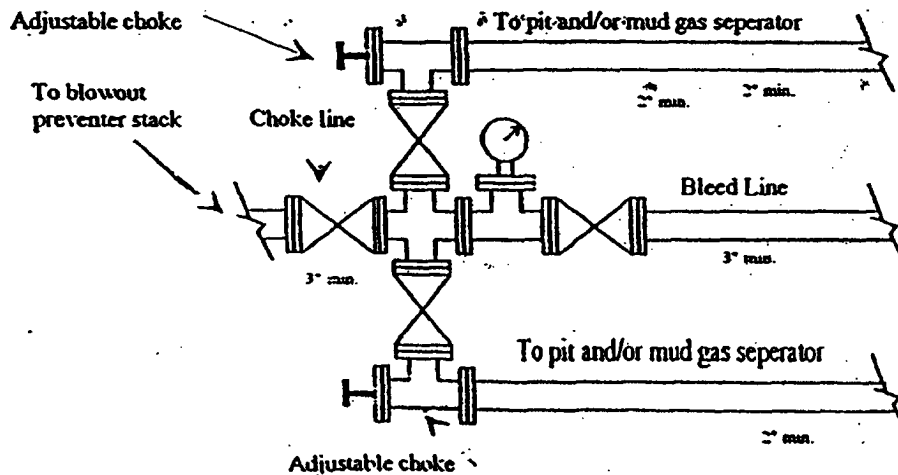
BOP-3

## Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack

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## Typical 3,000 psi choke manifold assembly with at least these minimum features



## CONDITIONS OF APPROVAL - DRILLING

Well Name & No. 3 - NORKOTA 19 FEDERAL  
Operator's Name: DEVON ENERGY PRODUCTION COMPANY, LP  
Location: 330' FSL & 615' FEL - SEC 19 - T23S - R30E - EDDY COUNTY  
Lease: NM-113963

### I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Roswell Field Office, 2909 West Second St., Roswell NM 88201, (505) 627-0272 for wells in Chaves and Roosevelt Counties; the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 234-5909 or (505) 361-2822 (After hours) - for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: 13-3/8 inch 8-5/8 inch 5-1/2 inch

C. BOP tests

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.

3. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing ( size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.

4. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

5. Gamma-Ray/Neutron logs shall be run from the base of the Salado Formation to the surface; cable speed not to exceed 30 feet per minute.

### II. CASING:

1. The 13-3/8 inch surface casing shall be set at 440 feet below usable water and cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.

2. The minimum required fill of cement behind the 8-5/8 inch salt protection casing is circulate cement to the surface. The 8-5/8 inch casing must be set between 3400 and 3900 feet (base/salt=3300 feet) according to R-111-P Order.

3. The minimum required fill of cement behind the 5-1/2 inch production casing is circulate cement to the surface.

4. Whenever a casing string is cemented in the R-111-P Potash Area, cement shall be allowed to stand a minimum of twelve (12) hours under pressure and a total of twenty-four (24) hours before drilling the plug or initiating tests.



### **III. PRESSURE CONTROL:**

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 3-3/8 inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) is 2000 psi.

3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the tests.

- The tests shall be done by an independent service company.
- The results of the test shall be reported to the appropriate BLM office.
- Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
- Testing must be done in a safe workman-like manner. Hard line connections shall be required.