

NATURAL CONSERVATION
ARTESIA DISTRICT

APR 06 2018

Form 3160-3
(March 2012)

RECEIVED
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM077046
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		7. If Unit or CA Agreement, Name and No.
3a. Address 333 West Sheridan Avenue Oklahoma City OK		8. Lease Name and Well No. 32475 KO LANTA 9-4 FED COM 518H
3b. Phone No. (include area code) (405)552-6571		9. API Well No. 30-015. 44864
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface LOT P / 610 FSL / 210 FEL / LAT 32.313414 / LONG -103.7749114 At proposed prod. zone LOT 1 / 290 FNL / 700 FEL / LAT 32.3399478 / LONG -103.7765255		10. Field and Pool, or Exploratory BONESPRING / LOS MEDANOS
14. Distance in miles and direction from nearest town or post office*		11. Sec., T. R. M. or Blk. and Survey or Area SEC 9 / T23S / R31E / NMP
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 210 feet	16. No. of acres in lease 1320	12. County or Parish EDDY
17. Spacing Unit dedicated to this well 320	18. Distance from proposed location* to nearest well, drilling, completed, 530 feet applied for, on this lease, ft.	13. State NM
19. Proposed Depth 8028 feet / 17606 feet	20. BLM/BIA Bond No. on file FED: CO1104	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3371 feet	22. Approximate date work will start* 06/01/2018	23. Estimated duration 45 days

24. Attachments

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

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature (Electronic Submission)	Name (Printed Typed) Chance Bland / Ph: (405)228-8593	Date 09/07/2017
Title Regulatory Compliance Professional		
Approved by (Signature) (Electronic Submission)	Name (Printed Typed) Cody Layton / Ph: (575)234-5959	Date 03/29/2018
Title Supervisor Multiple Resources		

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.

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.

(Continued on page 2)

*(Instructions on page 2)

APPROVED WITH CONDITIONS
Approval Date: 03/29/2018

RWP 4-10-18

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications.

Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

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Approval Date: 03/29/2018

Additional Operator Remarks

Location of Well

- 1. SHL: LOT P / 610 FSL / 210 FEL / TWSP: 23S / RANGE: 31E / SECTION: 9 / LAT: 32.313414 / LONG: -103.7749114 (TVD: 7637 feet, MD: 7637 feet)
PPP: LOT P / 330 FSL / 700 FEL / TWSP: 23S / RANGE: 31E / SECTION: 9 / LAT: 32.313414 / LONG: -103.7749114 (TVD: 7637 feet, MD: 7669 feet)
BHL: LOT I / 290 FNL / 700 FEL / TWSP: 23S / RANGE: 31E / SECTION: 4 / LAT: 32.3399478 / LONG: -103.7765255 (TVD: 8028 feet, MD: 17606 feet)

BLM Point of Contact

Name: Priscilla Perez

Title: Legal Instruments Examiner

Phone: 5752345934

Email: pperez@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Devon Energy Production Company, L.P.
LEASE NO.:	NMNM-77046
WELL NAME & NO.:	Ko Lanta 9-4 Fed Com 518H
SURFACE HOLE FOOTAGE:	0610' FSL & 0210' FEL
BOTTOM HOLE FOOTAGE	0290' FNL & 0700' FEL Sec. 04, T. 23 S., R 31 E.
LOCATION:	Section 09, T. 23 S., R 31 E., NMPM
COUNTY:	County, New Mexico

I. 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

Communitization Agreement

· The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

· If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.

· In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

1. A Hydrogen Sulfide (H₂S) Drilling Plan shall be activated 500 feet prior to drilling into the **Delaware** formation. **As a result, the Hydrogen Sulfide area must meet**

Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please 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. Option – Setting surface casing with Spudder Rig
 - a. Notify the BLM when removing the Spudder Rig.
 - b. Notify the BLM when moving in the H&P Flex Rig. Rig to be moved in within 60 days of notification that Spudder Rig has left the location. Failure to notify or have rig on location within 60 days will result in an Incident of Non-Compliance.
 - c. Once the H&P Flex Rig is on location, it shall not be removed from over the hole without prior approval unless the production casing has been run and cemented or the well has been properly plugged. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
 - d. BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as H&P Flex Rig is rigged up on well. CIT for the surface casing shall be performed and results recorded on subsequent sundry – pressure to be 1200 psi.
4. 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.
5. **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 Potash Areas:

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 for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log.

Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

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

Secretary's Potash/WIPP

Possible water flows in the Salado and Castile.

Possible lost circulation in the Red Beds, Rustler, and Delaware.

1. The 13-3/8 inch surface casing shall be set at approximately 554 feet (**in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, 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. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash.**

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

3. The minimum required fill of cement behind the **5-1/2** inch production casing is:

- ☐ Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. **Excess calculates to 20% - Additional cement may be required**

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 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 hours in advance for a representative to witness the tests.
 - a. In potash areas, 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. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.
 - 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.

F. WIPP Requirements

The proposed well is located within 330' of the WIPP Land Withdrawal Area boundary. As a result, Devon Energy Production Company, L.P. is required to submit daily drilling reports, logs and deviation survey information to the Bureau of Land Management and the Department of Energy per requirements of the Joint Powers Agreement until a total vertical depth of 7,000 feet is reached. These reports will have at a minimum the rate of penetration and a clearly marked section showing the deviation for each 500 foot interval. Operator may be required to do more frequent deviation surveys based on the daily information submitted and may be required to take other corrective measures. Information from this well will be included in the Quarterly Drilling Report. Information will also be provided to the New Mexico Oil Conservation Division after drilling activities have been completed. Upon completion of the well, the operator shall submit a complete directional survey. Any future entry into the well for purposes of completing additional drilling will require supplemental information.

Devon Energy Production Company, L.P. can email the required information to Mr. Melvin Balderrama at Melvin.Balderama@wipp.ws or Mr. J. Neatherlin at Jimmy.Neatherlin@wipp.ws fax to his attention at 575-234-6062.

Jam 030118

PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:	DEVON ENERGY PRODUCTION COMPANY LLC.
LEASE NO.:	NMNM77046
WELL NAME & NO.:	518H –KO LANTA 9-4 FED COM
SURFACE HOLE FOOTAGE:	610'S & 210'E
BOTTOM HOLE FOOTAGE	290'N & 700'E
LOCATION:	Section 9.,T23S., R.31E., NMP
COUNTY:	EDDY County, New Mexico

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

- ☐ **General Provisions**
- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☐ **Noxious Weeds**
- ☒ **Special Requirements**
 - Lesser Prairie-Chicken Timing Stipulations
 - Ground-level Abandoned Well Marker
 - Potash
 - Range
- ☐ **Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- ☐ **Road Section Diagram**
- ☒ **Production (Post Drilling)**
 - Well Structures & Facilities
 - Pipelines
 - Electric Lines
- ☐ **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.

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. 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.

Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all power line structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. The holder without liability or expense shall make such modifications and/or additions to the United States.

Livestock Watering Requirement

Devon must contact the allotment holder prior to construction to identify the location of the livestock water pipeline. Devon must take measures to protect the livestock water pipeline from compression or other damages. During construction of the buried pipelines, Devon must brace off the livestock water pipeline until backfill of the trench has occurred. If the livestock water pipeline is damaged or compromised in any way near the proposed project as a result of oil and gas activity, Devon is responsible for repairing the pipeline immediately. Devon must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

During construction, Devon shall minimize disturbance to existing fences, water lines, troughs, windmills, and other improvements on public lands. Devon is required to promptly repair improvements to at least their former state. Functional use of these improvements will be

maintained at all times. The holder will contact the grazing permittee/allottee prior to disturbing any range improvement projects. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

During the onsite examination, Devon worked with the BLM to locate the proposed pad off of dune features identified within the drill island area. Devon would be required to keep all oil and gas development and construction activities off of dunes.

Temporary Fencing Requirement

The BLM would require Devon to install temporary fencing along the length of the north side of the proposed well pad. This fencing would be installed before construction begins and be maintained throughout construction activities to protect nearby dune land habitat from harm.

Permitted Exceptions for Drilling in the Designated Potash Area

1. Drilling within the Designated Potash Area. It is the intent of the Department of the Interior to administer oil and gas operations throughout the Designated Potash Area in a manner which promotes safe, orderly co-development of oil, gas, and potash resources. It is the policy of the Department of the Interior to deny approval of most applications for permits to drill oil and gas wells from surface locations within the Designated Potash Area. Three exceptions to this policy will be permitted if the drilling will occur under the following conditions from:
 - a. A Drilling Island associated with a Development Area established under this Order or a Drilling Island established under a prior Order;
 - b. A Barren Area and the Authorized Officer determines that such operations will not adversely affect active or planned potash mining operations in the immediate vicinity of the proposed drill-site; or
 - c. A Drilling Island, not covered by (a) above or single well site established under this Order by the approval and in the sole discretion of the Authorized Officer, provided that such site was jointly recommended to the Authorized Officer by the oil and gas lessee(s) and the nearest potash lessee(s).

Development Areas

2. When processing an application for permit to drill (APD) an oil or gas well in the Designated Potash Area that complies with regulatory requirements, the Authorized Officer will determine whether to establish a Development Area in connection with the application, and if so, will determine the boundaries of the Development Area and the location within the Development Area of one or more Drilling Islands from which drilling will be permitted. The BLM may also designate a Development Area outside of the APD process based on information in its possession, and may modify the boundaries of a Development Area. Existing wells may be included within the boundaries of a Development Area. A Development Area may include Federal oil and gas leases and other Federal and non-Federal lands.
 - a. After designating or modifying a Development Area, the BLM will issue a Notice to Lessees, consistent with its authorities under 43 CFR Subpart 3105 and part

3180, information lessees that future drilling on lands under an oil and gas lease within that Development Area will:

- i. occur, under most circumstances, from a Barren Area or A Drilling Island within the Development Area; and
 - ii. be managed under a unit or communitization agreement, generally by a single operator, consistent with BLM regulations and this Order. Unit and communitization agreements will be negotiated among lessees. The BLM will consider whether a specific plan of development is necessary or advisable for a particular Drilling Island.
- b. The Authorized Officer reserves the right to approve an operator or successor operator of a Development Area and/or a Drilling Island, if applicable, to ensure that the operator has the resources to operate and extract the oil and gas resources consistent with the requirements of this Order and all applicable laws and regulations, and has provided financial assurance in the amount required by the Authorized Officer.
- c. The Authorized Officer will determine the appropriate designation of a Development Area in terms of location, shape and size. In most cases, a single Drilling Island will be established for each Development Area. In establishing the location, shape and size of a Development Area and an associated Drilling Island, the Authorized Officer will consider:
 - i. the appropriate location, shape, and size of a Development Area and associated Drilling Island to allow effective extraction of oil and gas resources while managing the impact on potash resources;
 - ii. the application of available oil and gas drilling and production technology in the Permian Basin;
 - iii. the applicable geology of the Designated Potash Area and optimal locations to minimize loss of potash ore while considering co-development of both resources;
 - iv. any long term exploration and/or mining plans provided by the potash industry;
 - v. whether a Barren Area may be the most appropriate area for a Drilling Island;
 - vi. the requirements of this Order; and
 - vii. any other relevant factors
- d. As the Authorized Officer establishes a Development Area, the Authorized Officer will more strictly apply the factors listed in Section 6.e.(2)(d), especially the appropriate application of the available oil and gas drilling and production technology in the Permian Basin, when closer to current traditional (non-solution) potash mining operations. Greater flexibility in the application of the factors listed in Section 6.e(2)(d) will be applied further from current and near-term traditional (non-solution) potash mining operations. No Drilling Islands will be established within one mile of any area where approved potash mining operations will be conducted within 3 years consistent with the 3-year mine plan referenced above (Section 6.d.(8)) without the consent of the affected potash lessee(s).

- e. The Authorized Officer may establish a Development Area associated with a well or wells drilled from a Barren Area as appropriate and necessary.
- f. As part of the consideration for establishing Development Areas and Drilling Islands, the BLM will consider input from the potash lessees and the oil and gas lessees or mineral right owner who would be potentially subject to a unitization agreement supporting the Development Area, provided that the input is given timely.

Buffer Zones

- 3. Buffer Zones of ¼ mile for oil wells and ½ mile for gas wells are hereby established. These Buffer Zones will stay in effect until such time as revised distances are adopted by the BLM Director or other BLM official, as delegated. However, the Authorized Officer may adjust the Buffer Zones in an individual case, when the facts and circumstances demonstrate that such adjustment would enhance conservation and would not compromise safety. The Director will base revised Buffer Zones on science, engineering, and new technology and will consider comments and reports from the Joint Industry Technical Committee and other interested parties in adopting any revisions.

Unitization and Communitization

- 4. To more properly conserve the potash, oil and gas resources in the Designated Potash Area and to adequately protect the rights of all parties in interest, including the United States, it is the policy of the Department of the Interior that all Federal oil and gas leases within a Development Area should be unitized or subject to an approved communitization agreement unless there is a compelling reason for another operating system. The Authorized Officer will make full use of his/her authorities wherever necessary or advisable to require unitization and/or communitization pursuant to the regulations in 43 CFR Subparts 3105 and 3180. The Authorized Officer will use his/her discretion to the fullest extent possible to assure that any communitization agreement and any unit plan of operations hereafter approved or prescribed within the Designated Potash Area will adhere to the provisions of this Order. The Authorized Officer will work with Federal lessees, and with the State Of New Mexico as provided below, to include non-Federal mineral rights owners in unit or communitization agreements to the extent possible.
- 5. Coordination with the State of New Mexico.
 - a. If the effective operation of any Development Area requires that the New Mexico Oil Conservation Division (NMOCD) revise the State's mandatory well spacing requirements, the BLM will participate as needed in such a process. The BLM may adopt the NMOCD spacing requirements and require lessees to enter into communitization agreements based on those requirements.
 - b. The BLM will cooperate with the NMOCD in the implementation of that agency's rules and regulations.
 - c. In taking any action under Section 6.e. of this Order, the Authorized Officer will take into consideration the applicable rules and regulations of the NMOCD.

To minimize impacts to potash resources, the proposed wells are confined within the boundaries of the established Uber North Drill Island (See Potash Memo and Map in attached file for Drill Island description).

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.

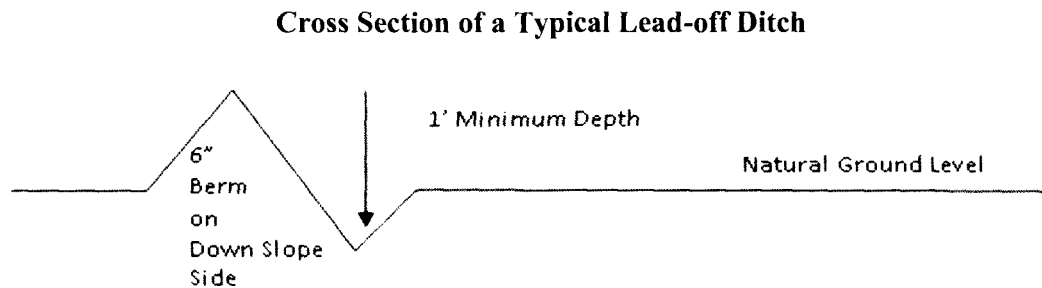
Turnouts

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.



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:

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

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards 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 cattle guards 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.

Construction Steps

1. Salvage topsoil
2. Construct road

3. Redistribute topsoil
4. Revegetate slopes

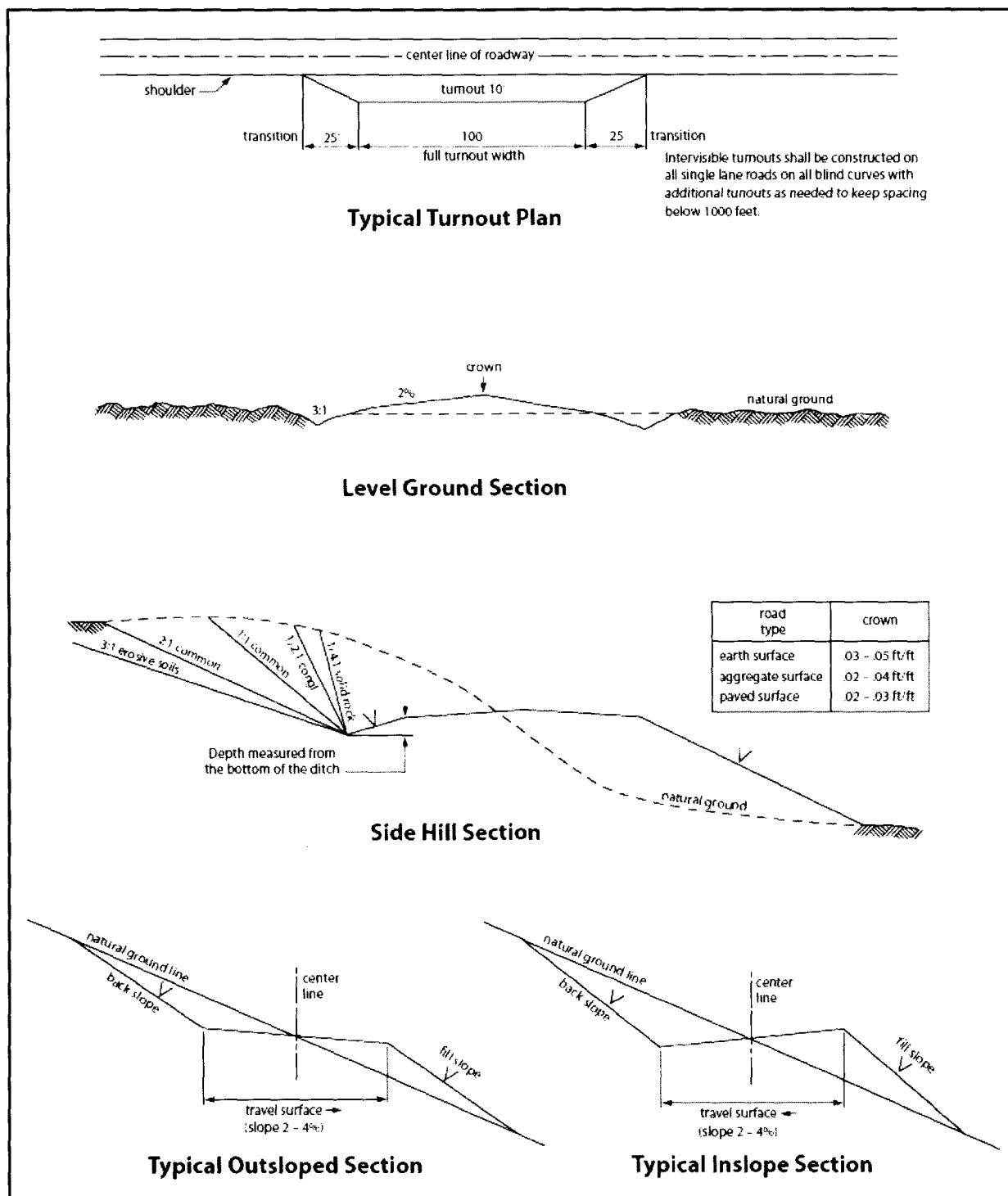


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. 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 until the operator removes 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, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-of-way.
6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.
7. The maximum allowable disturbance for construction in this right-of-way will be 30 feet:
 - Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed 20 feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)
 - Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed 30 feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)
 - The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)
8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.
9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.
11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

- | | |
|--|--|
| <input type="checkbox"/> seed mixture 1 | <input type="checkbox"/> seed mixture 3 |
| <input type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4 |
| <input checked="" type="checkbox"/> seed mixture 2/LPC | <input type="checkbox"/> Aplomado Falcon Mixture |

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder 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 will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. 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 associated roads, 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.

18. Escape Ramps - The operator will construct and maintain pipeline/utility trenches that are not otherwise fenced, screened, or netted to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or

other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

19. Special Stipulations:

Lesser Prairie-Chicken

Oil and gas activities 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, geophysical exploration other than 3-D operations, and 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. 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 ft. from the source of the noise.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 *et seq.* (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b.

A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006 . The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply

with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder 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 will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

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, geophysical exploration other than 3-D operations, and 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 ft. from the source of the noise.

VIII. 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).

IX. FINAL ABANDONMENT & RECLAMATION

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

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

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

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

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

Seed Mixture for LPC Sand/Shinnery Sites

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

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

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

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

*Pounds of pure live seed:

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

**PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	DEVON ENERGY PRODUCTION COMPANY LLC.
LEASE NO.:	NMNM77046
WELL NAME & NO.:	518H –KO LANTA 9-4 FED COM
SURFACE HOLE FOOTAGE:	610'/S & 210'/E
BOTTOM HOLE FOOTAGE:	290'/N & 700'/E
LOCATION:	Section 9.,T23S., R.31E., NMP
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**
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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.

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. 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.

Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all power line structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. The holder without liability or expense shall make such modifications and/or additions to the United States.

Livestock Watering Requirement

Devon must contact the allotment holder prior to construction to identify the location of the livestock water pipeline. Devon must take measures to protect the livestock water pipeline from compression or other damages. During construction of the buried pipelines, Devon must brace off the livestock water pipeline until backfill of the trench has occurred. If the livestock water pipeline is damaged or compromised in any way near the proposed project as a result of oil and gas activity, Devon is responsible for repairing the pipeline immediately. Devon must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

During construction, Devon shall minimize disturbance to existing fences, water lines, troughs, windmills, and other improvements on public lands. Devon is required to promptly repair improvements to at least their former state. Functional use of these improvements will be

maintained at all times. The holder will contact the grazing permittee/allottee prior to disturbing any range improvement projects. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

During the onsite examination, Devon worked with the BLM to locate the proposed pad off of dune features identified within the drill island area. Devon would be required to keep all oil and gas development and construction activities off of dunes.

Temporary Fencing Requirement

The BLM would require Devon to install temporary fencing along the length of the north side of the proposed well pad. This fencing would be installed before construction begins and be maintained throughout construction activities to protect nearby dune land habitat from harm.

Permitted Exceptions for Drilling in the Designated Potash Area

1. Drilling within the Designated Potash Area. It is the intent of the Department of the Interior to administer oil and gas operations throughout the Designated Potash Area in a manner which promotes safe, orderly co-development of oil, gas, and potash resources. It is the policy of the Department of the Interior to deny approval of most applications for permits to drill oil and gas wells from surface locations within the Designated Potash Area. Three exceptions to this policy will be permitted if the drilling will occur under the following conditions from:
 - a. A Drilling Island associated with a Development Area established under this Order or a Drilling Island established under a prior Order;
 - b. A Barren Area and the Authorized Officer determines that such operations will not adversely affect active or planned potash mining operations in the immediate vicinity of the proposed drill-site; or
 - c. A Drilling Island, not covered by (a) above or single well site established under this Order by the approval and in the sole discretion of the Authorized Officer, provided that such site was jointly recommended to the Authorized Officer by the oil and gas lessee(s) and the nearest potash lessee(s).

Development Areas

2. When processing an application for permit to drill (APD) an oil or gas well in the Designated Potash Area that complies with regulatory requirements, the Authorized Officer will determine whether to establish a Development Area in connection with the application, and if so, will determine the boundaries of the Development Area and the location within the Development Area of one or more Drilling Islands from which drilling will be permitted. The BLM may also designate a Development Area outside of the APD process based on information in its possession, and may modify the boundaries of a Development Area. Existing wells may be included within the boundaries of a Development Area. A Development Area may include Federal oil and gas leases and other Federal and non-Federal lands.
 - a. After designating or modifying a Development Area, the BLM will issue a Notice to Lessees, consistent with its authorities under 43 CFR Subpart 3105 and part

3180, information lessees that future drilling on lands under an oil and gas lease within that Development Area will:

- i. occur, under most circumstances, from a Barren Area or A Drilling Island within the Development Area; and
 - ii. be managed under a unit or communitization agreement, generally by a single operator, consistent with BLM regulations and this Order. Unit and communitization agreements will be negotiated among lessees. The BLM will consider whether a specific plan of development is necessary or advisable for a particular Drilling Island.
- b. The Authorized Officer reserves the right to approve an operator or successor operator of a Development Area and/or a Drilling Island, if applicable, to ensure that the operator has the resources to operate and extract the oil and gas resources consistent with the requirements of this Order and all applicable laws and regulations, and has provided financial assurance in the amount required by the Authorized Officer.
- c. The Authorized Officer will determine the appropriate designation of a Development Area in terms of location, shape and size. In most cases, a single Drilling Island will be established for each Development Area. In establishing the location, shape and size of a Development Area and an associated Drilling Island, the Authorized Officer will consider:
 - i. the appropriate location, shape, and size of a Development Area and associated Drilling Island to allow effective extraction of oil and gas resources while managing the impact on potash resources;
 - ii. the application of available oil and gas drilling and production technology in the Permian Basin;
 - iii. the applicable geology of the Designated Potash Area and optimal locations to minimize loss of potash ore while considering co-development of both resources;
 - iv. any long term exploration and/or mining plans provided by the potash industry;
 - v. whether a Barren Area may be the most appropriate area for a Drilling Island;
 - vi. the requirements of this Order; and
 - vii. any other relevant factors
- d. As the Authorized Officer establishes a Development Area, the Authorized Officer will more strictly apply the factors listed in Section 6.e.(2)(d), especially the appropriate application of the available oil and gas drilling and production technology in the Permian Basin, when closer to current traditional (non-solution) potash mining operations. Greater flexibility in the application of the factors listed in Section 6.e.(2)(d) will be applied further from current and near-term traditional (non-solution) potash mining operations. No Drilling Islands will be established within one mile of any area where approved potash mining operations will be conducted within 3 years consistent with the 3-year mine plan referenced above (Section 6.d.(8)) without the consent of the affected potash lessee(s).

- e. The Authorized Officer may establish a Development Area associated with a well or wells drilled from a Barren Area as appropriate and necessary.
- f. As part of the consideration for establishing Development Areas and Drilling Islands, the BLM will consider input from the potash lessees and the oil and gas lessees or mineral right owner who would be potentially subject to a unitization agreement supporting the Development Area, provided that the input is given timely.

Buffer Zones

- 3. Buffer Zones of ¼ mile for oil wells and ½ mile for gas wells are hereby established. These Buffer Zones will stay in effect until such time as revised distances are adopted by the BLM Director or other BLM official, as delegated. However, the Authorized Officer may adjust the Buffer Zones in an individual case, when the facts and circumstances demonstrate that such adjustment would enhance conservation and would not compromise safety. The Director will base revised Buffer Zones on science, engineering, and new technology and will consider comments and reports from the Joint Industry Technical Committee and other interested parties in adopting any revisions.

Unitization and Communitization

- 4. To more properly conserve the potash, oil and gas resources in the Designated Potash Area and to adequately protect the rights of all parties in interest, including the United States, it is the policy of the Department of the Interior that all Federal oil and gas leases within a Development Area should be unitized or subject to an approved communitization agreement unless there is a compelling reason for another operating system. The Authorized Officer will make full use of his/her authorities wherever necessary or advisable to require unitization and/or communitization pursuant to the regulations in 43 CFR Subparts 3105 and 3180. The Authorized Officer will use his/her discretion to the fullest extent possible to assure that any communitization agreement and any unit plan of operations hereafter approved or prescribed within the Designated Potash Area will adhere to the provisions of this Order. The Authorized Officer will work with Federal lessees, and with the State Of New Mexico as provided below, to include non-Federal mineral rights owners in unit or communitization agreements to the extent possible.
- 5. Coordination with the State of New Mexico.
 - a. If the effective operation of any Development Area requires that the New Mexico Oil Conservation Division (NMOCD) revise the State's mandatory well spacing requirements, the BLM will participate as needed in such a process. The BLM may adopt the NMOCD spacing requirements and require lessees to enter into communitization agreements based on those requirements.
 - b. The BLM will cooperate with the NMOCD in the implementation of that agency's rules and regulations.
 - c. In taking any action under Section 6.e. of this Order, the Authorized Officer will take into consideration the applicable rules and regulations of the NMOCD.

To minimize impacts to potash resources, the proposed wells are confined within the boundaries of the established Uber North Drill Island (See Potash Memo and Map in attached file for Drill Island description).

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.

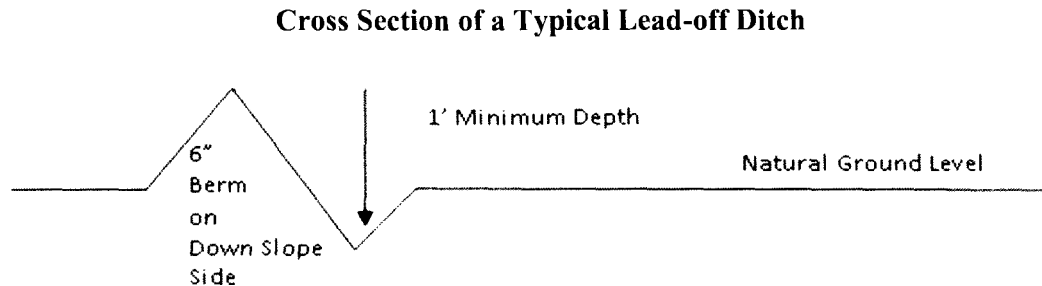
Turnouts

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 outslowing 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.



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:

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

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards 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 cattle guards 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.

Construction Steps

1. Salvage topsoil
2. Construct road

3. Redistribute topsoil
4. Revegetate slopes

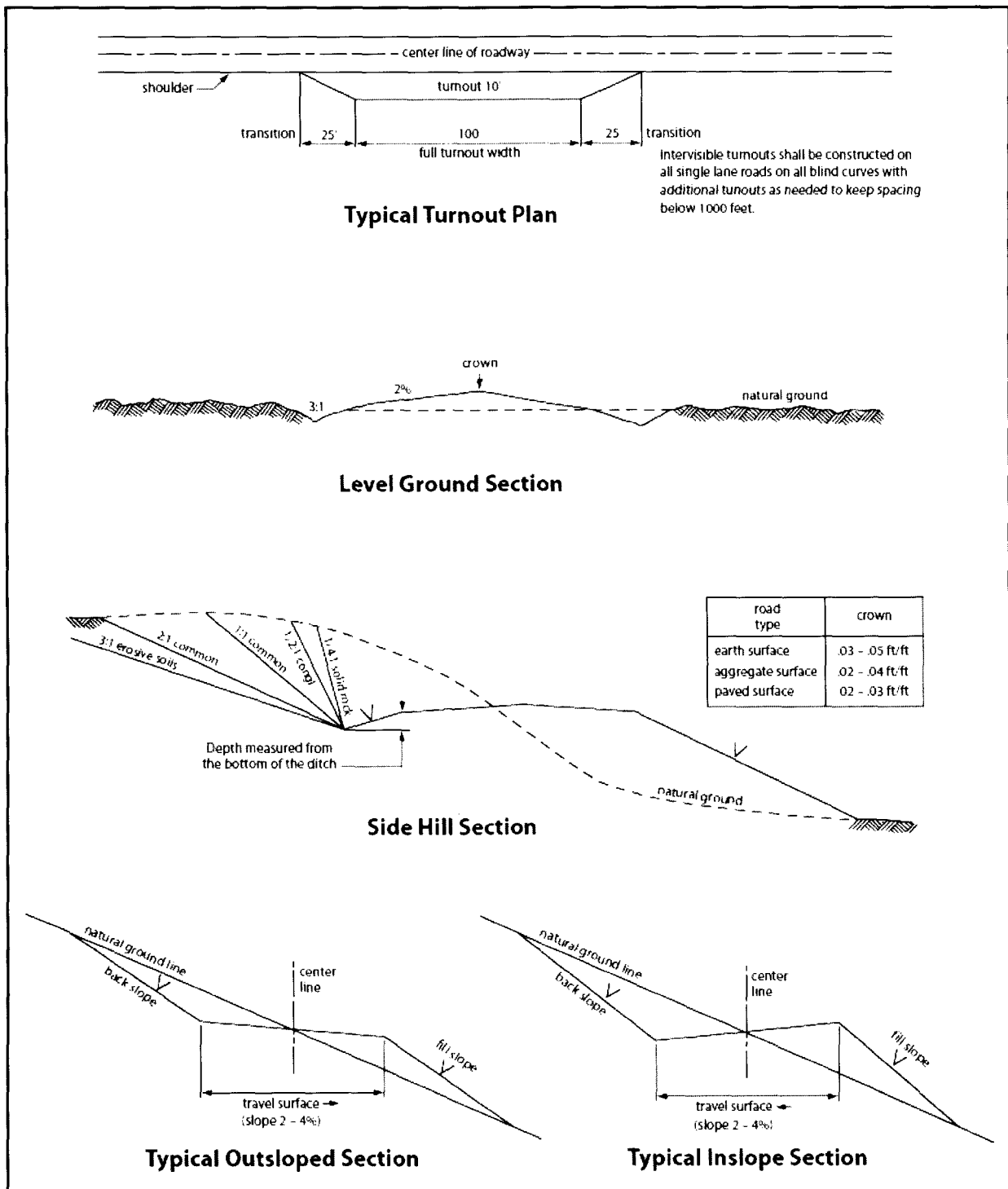


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. 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 until the operator removes 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, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-of-way.
6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.
7. The maximum allowable disturbance for construction in this right-of-way will be 30 feet:
- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed 20 feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)
 - Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed 30 feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)
 - The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)
8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.
9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.
11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

- | | |
|--|--|
| <input type="checkbox"/> seed mixture 1 | <input type="checkbox"/> seed mixture 3 |
| <input type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4 |
| <input checked="" type="checkbox"/> seed mixture 2/LPC | <input type="checkbox"/> Aplomado Falcon Mixture |

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates “Standard Environmental Colors” – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder’s name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder 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 will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. 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 associated roads, 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.

18. Escape Ramps - The operator will construct and maintain pipeline/utility trenches that are not otherwise fenced, screened, or netted to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or

other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

19. Special Stipulations:

Lesser Prairie-Chicken

Oil and gas activities 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, geophysical exploration other than 3-D operations, and 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. 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 ft. from the source of the noise.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b.

A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006 . The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply

with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder 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 will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

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, geophysical exploration other than 3-D operations, and 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 ft. from the source of the noise.

VIII. 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).

IX. FINAL ABANDONMENT & RECLAMATION

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

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

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

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

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

Seed Mixture for LPC Sand/Shinnery Sites

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

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

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

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

*Pounds of pure live seed:

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



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

APD Print Report

04/05/2018

APD ID: 10400021671

Submission Date: 09/07/2017

Highlighted data
reflects the most
recent changes

Operator Name: DEVON ENERGY PRODUCTION COMPANY
LP

Federal/Indian APD: FED

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Application

Section 1 - General

APD ID: 10400021671

Tie to previous NOS?

Submission Date: 09/07/2017

BLM Office: CARLSBAD

User: Chance Bland

Title: Regulatory Compliance
Professional

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM077046

Lease Acres: 1320

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO

APD Operator: DEVON ENERGY PRODUCTION COMPANY LP

Operator letter of designation:

Operator Info

Operator Organization Name: DEVON ENERGY PRODUCTION COMPANY LP

Operator Address: 333 West Sheridan Avenue

Zip: 73102

Operator PO Box:

Operator City: Oklahoma City State: OK

Operator Phone: (405)552-6571

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO

Master Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Approval Date: 03/29/2018

Page 1 of 23

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: BONESPRING

Pool Name: LOS MEDANOS

Is the proposed well in an area containing other mineral resources? USEABLE WATER,POTASH

Describe other minerals:

Is the proposed well in a Helium production area? N

Use Existing Well Pad? NO

New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: KO
LANTA 9-4

Number: 1

Well Class: HORIZONTAL

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: APPRAISAL

Describe sub-type:

Distance to town:

Distance to nearest well: 530 FT

Distance to lease line: 210 FT

Reservoir well spacing assigned acres Measurement: 320 Acres

Well plat: Ko_Lanta_9_4_Fed_Com_518H_C_102_20170906124802.pdf

Well work start Date: 06/01/2018

Duration: 45 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number: 5237

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
SHL Leg #1	610	FSL	210	FEL	23S	31E	9	Lot P	32.31341 4	- 103.7749 114	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 077046	337 1	763 7	763 7
KOP Leg #1	100	FSL	700	FEL	23S	31E	9	Lot P	32.31341 4	- 103.7749 114	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 077046	337 1	766 9	763 7
PPP Leg #1	330	FSL	700	FEL	23S	31E	9	Lot P	32.31341 4	- 103.7749 114	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 077046	337 1	766 9	763 7

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP**Well Name:** KO LANTA 9-4 FED COM**Well Number:** 518H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
EXIT Leg #1	330	FNL	700	FEL	23S	31E	4	Lot 1	32.33994 78	- 103.7765 255	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 081953	- 465 7	176 06	802 8
BHL Leg #1	290	FNL	700	FEL	23S	31E	4	Lot 1	32.33994 78	- 103.7765 255	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 081953	- 465 7	176 06	802 8

Drilling Plan

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1	---	3357.5	0	0	OTHER : Surface	NONE	No
2	RUSTLER	2903.5	454	454	SANDSTONE	NONE	No
3	BASE OF SALT	-508.5	3866	3866	SALT	NONE	No
4	DELAWARE	-805.5	4163	4163	SANDSTONE	NATURAL GAS,OIL	No
5	BONE SPRING	-4696.5	8054	8054	SANDSTONE	NATURAL GAS,OIL	Yes

Section 2 - Blowout Prevention

Pressure Rating (PSI): 3M**Rating Depth:** 4100

Equipment: BOP/BOPE will be installed per Onshore Oil & Gas Order #2 requirements prior to drilling below 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 3M will be installed on the wellhead system. BOP/BOPE will be tested by an independent service company per Onshore Oil & Gas Order #2 requirements and MASP (Maximum Anticipated Surface Pressure) calculations. If the system is upgraded, all the components installed will be functional and tested.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP stack to the choke manifold. See attached for specs for hydrostatic test chart.

Testing Procedure: A multibowl wellhead may be 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 30 days. If any seal subject to test pressure is broken the system must be tested.

Choke Diagram Attachment:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Ko_Lanta_9_4_Fed_Com_518H_3M_BOPE_CK_20170906125901.pdf

BOP Diagram Attachment:

Ko_Lanta_9_4_Fed_Com_518H_3M_BOPE_CK_20170906125930.pdf

Pressure Rating (PSI): 3M

Rating Depth: 8210

Equipment: BOP/BOPE will be installed per Onshore Oil & Gas Order #2 requirements prior to drilling below 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 3M will be installed on the wellhead system. BOP/BOPE will be tested by an independent service company per Onshore Oil & Gas Order #2 requirements and MASP (Maximum Anticipated Surface Pressure) calculations. If the system is upgraded, all the components installed will be functional and tested.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP stack to the choke manifold. See attached for specs for hydrostatic test chart.

Testing Procedure: A multibowl wellhead may be 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 30 days. If any seal subject to test pressure is broken the system must be tested.

Choke Diagram Attachment:

Ko_Lanta_9_4_Fed_Com_518H_3M_BOPE_CK_20170906125954.pdf

BOP Diagram Attachment:

Ko_Lanta_9_4_Fed_Com_518H_3M_BOPE_CK_20170906130011.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	780	0	480	-4657	-5421	780	H-40	48	STC	1.4	3.15	BUOY	14.27	BUOY	14.27
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	4100	0	4100	-4657	-8907	4100	J-55	40	LTC	1.15	1.77	BUOY	4.1	BUOY	4.1
3	PRODUCTION	8.75	5.5	NEW	API	N	0	17646	0	8205	-4657	-14657	17646	P-110	17	OTHER - BTC	1.45	2.07	BUOY	2.48	BUOY	2.48

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Ko_Lanta_9_4_Fed_Com_518H_Prod_Csg_Ass_20170906130102.pdf

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Ko_Lanta_9_4_Fed_Com_518H_Int_Csg_Ass_20170906130217.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Ko_Lanta_9_4_Fed_Com_518H_Prod_Csg_Ass_20170906130308.pdf

Section 4 - Cement

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	764	611	1.33	14.8	812	50	C	0.125 lbs/sack Poly-F-Flake

INTERMEDIATE	Lead		0	3100	682	1.85	12.9	1262	30	C	(65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sks Poly-E-Flake
INTERMEDIATE	Tail		3100	4100	306	1.33	14.8	407	30	C	0.125 lbs/sack Poly-F-Flake
PRODUCTION	Lead		3900	7669	364	3.27	9	1190	25	TUNED	Tuned light
PRODUCTION	Tail		7669	1764 6	2573	1.2	14.5	3088	25	H	(50:50) Clas H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	480	WATER-BASED MUD	8.5	9				2			
480	4100	SALT SATURATED	10	11				2			
4100	1764 6	WATER-BASED MUD	8.5	9.3							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Will run GRMWD from TD to from KOP. Cement bond logs will be run in vertical to determine top of cement. Stated logs run will be in the completion report and submitted to the BLM.

List of open and cased hole logs run in the well:

CALIPER,CBL,DS,GR,MUDLOG

Coring operation description for the well:

N/A

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 3970

Anticipated Surface Pressure: 2203.84

Anticipated Bottom Hole Temperature(F): 148

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geohazards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Ko_Lanta_9_4_Fed_Com_518H_H2S_Pln_20170906130647.pdf

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Ko_Lanta_9_4_Fed_Com_518H_Dir_Sur_20170906131300.pdf

Other proposed operations facets description:

Multi-Bowl Verbiage
Multi-Bowl Wellhead
Closed-Loop Design Plan
Gas Capture Plan

Other proposed operations facets attachment:

Ko_Lanta_9_4_Fed_Com_518H_MB_Verb_20170906130705.pdf
Ko_Lanta_9_4_Fed_Com_518H_MB_Wellhd_20170906130714.pdf
Ko_Lanta_9_4_Fed_Com_518H_Clsd_Loop_20170906130724.pdf
Ko_Lanta_9_4_Fed_Com_518H_Gas_Capture_Pln_20170906131249.pdf

Other Variance attachment:

Ko_Lanta_9_4_Fed_Com_518H_Co_flex_20170906130749.pdf
Ko_Lanta_9_4_Fed_Com_518H_Spudder_Rig_20170906130851.pdf

SUPO

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Ko_Lanta_9_4_Fed_Com_518H_Access_Rd_20170906131318.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? YES

Existing Road Improvement Description: Improve road to accommodate Drilling and Completion operations.

Existing Road Improvement Attachment:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

Ko_Lanta_9_4_Fed_Com_518H_New_Access_Rd_20170906131337.pdf

New road type: LOCAL

Length: 128 **Feet** **Width (ft.):** 30

Max slope (%): 6 **Max grade (%):** 4

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Water Drainage Ditch

New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Access surfacing type: GRAVEL

Access topsoil source: ONSITE

Access surfacing type description:

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: See attached Interim reclamation diagram.

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: na

Road Drainage Control Structures (DCS) description: na

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Ko_Lanta_9_4_Fed_Com_518H_One_Mile_Map_20170906143038.pdf

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: Wells will go to an existing production facility. Please refer to CTB plat.

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: STIMULATION

Water source type: OTHER

Describe type:

Source latitude:

Source longitude:

Source datum:

Water source permit type: OTHER

Source land ownership: FEDERAL

Water source transport method: PIPELINE

Source transportation land ownership: STATE

Water source volume (barrels): 170000

Source volume (acre-feet): 21.911827

Source volume (gal): 7140000

Water source and transportation map:

Ko_Lanta_9_4_FED_COM_518H_Water_X_Map_20170907143227.pdf

Water source comments: The attached Water Transfer Map is a proposal only and the final route and documentation will be provided by a Devon contractor prior to installation. When available Devon will always follow existing disturbance.

New water well? NO

New Water Well Info

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Dirt fill and caliche will be used to construct well pad. Map attached.

Construction Materials source location attachment:

Ko_Lanta_9_4_Fed_Com_518H_Caliche_Map_20170906132451.pdf

Section 7 - Methods for Handling Waste

Waste type: PRODUCED WATER

Waste content description: Average produced BWPD over the first year of production

Amount of waste: 1000 barrels

Waste disposal frequency : Daily

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: OFF-LEASE INJECTION **Disposal location ownership:** PRIVATE

Disposal type description:

Disposal location description: Multiple methods for handling waste will be utilized. Via trucking, Dvn owned disposal system and or third party pipeline take away.

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Waste type: COMPLETIONS/STIMULATION

Waste content description: Flow back water during completion operations.

Amount of waste: 3000 barrels

Waste disposal frequency : One Time Only

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Various disposal locations in Lea and Eddy counties.

Waste type: FLOWBACK

Waste content description: Average produced BWPD over the flowback period (first 30 days of production).

Amount of waste: 2000 barrels

Waste disposal frequency : Daily

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: OFF-LEASE INJECTION **Disposal location ownership:** STATE

Disposal type description:

Disposal location description: Produced water during flowback will be disposed of at various disposals in Lea and Eddy County.

Waste type: DRILLING

Waste content description: Water Based Cuttings

Amount of waste: 1980 barrels

Waste disposal frequency : Daily

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: All cuttings will disposed of at R360, Sundance, or equivalent.

Reserve Pit

Reserve Pit being used? NO

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.)

Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Ko_Lanta_9_4_Fed_Com_518H_Rig_Layout_20170906132630.pdf

Comments:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: KO LANTA 9-4

Multiple Well Pad Number: 1

Recontouring attachment:

Ko_Lanta_9_4_Fed_Com_518H_Int_Recl_20170906132715.pdf

Drainage/Erosion control construction: N/A

Drainage/Erosion control reclamation: N/A

Wellpad long term disturbance (acres): 1.49

Wellpad short term disturbance (acres): 3.679

Access road long term disturbance (acres): 0.09

Access road short term disturbance (acres): 0.09

Pipeline long term disturbance (acres): 1.7296144

Pipeline short term disturbance (acres): 1.7296144

Other long term disturbance (acres): 0

Other short term disturbance (acres): 0

Total long term disturbance: 3.3096144

Total short term disturbance: 5.4986143

Reconstruction method: Operator will use Best Management Practices "BMP" to mechanically recontour to obtain the desired outcome.

Topsoil redistribution: Topsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns.

Soil treatment: Topsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns.

Existing Vegetation at the well pad: Shinnery, yucca, grasses and mesquite.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Shinnery, yucca, grasses and mesquite.

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Shinnery, yucca, grasses and mesquite.

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: Shinnery, yucca, grasses and mesquite.

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed type:

Seed source:

Seed name:

Source name:

Source address:

Source phone:

Seed cultivar:

Seed use location:

PLS pounds per acre:

Proposed seeding season:

Seed Summary

Total pounds/Acre:

Seed Type	Pounds/Acre
-----------	-------------

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Cole

Last Name: Metcalf

Phone: (575)748-1872

Email: cole.metcalf@dvn.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: Maintain weeds on an as need basis.

Weed treatment plan attachment:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Monitoring plan description: Monitor as needed.

Monitoring plan attachment:

Success standards: N/A

Pit closure description: N/A

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: PIPELINE

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: EXISTING ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? YES

Use APD as ROW? YES

ROW Type(s): 281001 ROW - ROADS,288100 ROW – O&G Pipeline,FLPMA (Powerline),Other

ROW Applications

SUPO Additional Information: All electrical infrastructure needs and battery connections to the CTB will be submitted via sundry/SF-299 application subsequent and in addition to this application for permit to drill. Also, all gas and water connections will be submitted by a third party gatherer at a later date.

Use a previously conducted onsite? YES

Previous Onsite information: 5/2/2017

Other SUPO Attachment

Ko_Lanta_9_4_Fed_Com_518H_CTB_20170906132900.pdf

Ko_Lanta_9_4_Fed_Com_518H_Flowline_20170906132912.pdf

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Ko_Lanta_9_4_Fed_Com_518H_Grading_X_Pln_20170906132928.pdf

PWD

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Injection well name:

Assigned injection well API number?

Injection well API number:

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Bond Info

Bond Information

Federal/Indian APD: FED

BLM Bond number: CO1104

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

Operator Certification

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently 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 the company I represent, 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.

NAME: Chance Bland

Signed on: 09/06/2017

Title: Regulatory Compliance Professional

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Street Address: 333 West Sheridan Avenue

City: Oklahoma City

State: OK

Zip: 73102

Phone: (405)228-8593

Email address: Chance.Bland@dvn.com

Field Representative

Representative Name: Ray Vaz

Street Address: 6488 Seven Rivers Hwy

City: Artesia

State: NM

Zip: 88210

Phone: (575)748-1871

Email address: ray.vaz@dvn.com

Payment Info

Payment

APD Fee Payment Method: PAY.GOV

pay.gov Tracking ID: 264N5VJU



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

APD Attachment Report

04/05/2018

APD ID: 10400021671

Submission Date: 09/07/2017

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Well Type: OIL WELL

Well Work Type: Drill

Application

Operator letter of designation:

Well plat:

Ko_Lanta_9_4_Fed_Com_518H_C_102_20170906124802.pdf

Drilling Plan

Blowout Prevention

Diagram:

Choke Diagram Attachment :

Ko_Lanta_9_4_Fed_Com_518H_3M_BOPE_CK_20170906125901.pdf

BOP Diagram Attachment :

Ko_Lanta_9_4_Fed_Com_518H_3M_BOPE_CK_20170906125930.pdf

Diagram:

Choke Diagram Attachment :

Ko_Lanta_9_4_Fed_Com_518H_3M_BOPE_CK_20170906125954.pdf

BOP Diagram Attachment :

Ko_Lanta_9_4_Fed_Com_518H_3M_BOPE_CK_20170906130011.pdf

Casing Attachments

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Ko_Lanta_9_4_Fed_Com_518H_Prod_Csg_Ass_20170906130102.pdf

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Ko_Lanta_9_4_Fed_Com_518H_Int_Csg_Ass_20170906130217.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Ko_Lanta_9_4_Fed_Com_518H_Prod_Csg_Ass_20170906130308.pdf

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Contingency Plans geohazards attachment:

Hydrogen sulfide drilling operations plan:

Ko_Lanta_9_4_Fed_Com_518H_H2S_Pln_20170906130647.pdf

Proposed horizontal/directional/multi-lateral plan submission:

Ko_Lanta_9_4_Fed_Com_518H_Dir_Sur_20170906131300.pdf

Other Facets:

Ko_Lanta_9_4_Fed_Com_518H_MB_Verb_20170906130705.pdf

Ko_Lanta_9_4_Fed_Com_518H_MB_Wellhd_20170906130714.pdf

Ko_Lanta_9_4_Fed_Com_518H_Clsd_Loop_20170906130724.pdf

Ko_Lanta_9_4_Fed_Com_518H_Gas_Capture_Pln_20170906131249.pdf

Other Variances:

Ko_Lanta_9_4_Fed_Com_518H_Co_flex_20170906130749.pdf

Ko_Lanta_9_4_Fed_Com_518H_Spudder_Rig_20170906130851.pdf

Surface Use Plan of Operations

Existing Road Map:

Ko_Lanta_9_4_Fed_Com_518H_Access_Rd_20170906131318.pdf

New Road Map:

Ko_Lanta_9_4_Fed_Com_518H_New_Access_Rd_20170906131337.pdf

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Attach Well map:

Ko_Lanta_9_4_Fed_Com_518H_One_Mile_Map_20170906143038.pdf

Water source and transportation map:

Ko_Lanta_9_4_FED_COM_518H_Water_X_Map_20170907143227.pdf

Construction Materials source location attachment:

Ko_Lanta_9_4_Fed_Com_518H_Caliche_Map_20170906132451.pdf

Methods for Handling Waste

Waste type: PRODUCED WATER

Safe containment attachment:

Waste type: COMPLETIONS/STIMULATION

Safe containment attachment:

Waste type: FLOWBACK

Safe containment attachment:

Waste type: DRILLING

Safe containment attachment:

Well Site Layout Diagram:

Ko_Lanta_9_4_Fed_Com_518H_Rig_Layout_20170906132630.pdf

Recontouring attachment:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: KO LANTA 9-4 FED COM

Well Number: 518H

Ko_Lanta_9_4_Fed_Com_518H_Int_Recl_20170906132715.pdf

Other SUPO Attachment:

Ko_Lanta_9_4_Fed_Com_518H_CTB_20170906132900.pdf

Ko_Lanta_9_4_Fed_Com_518H_Flowline_20170906132912.pdf

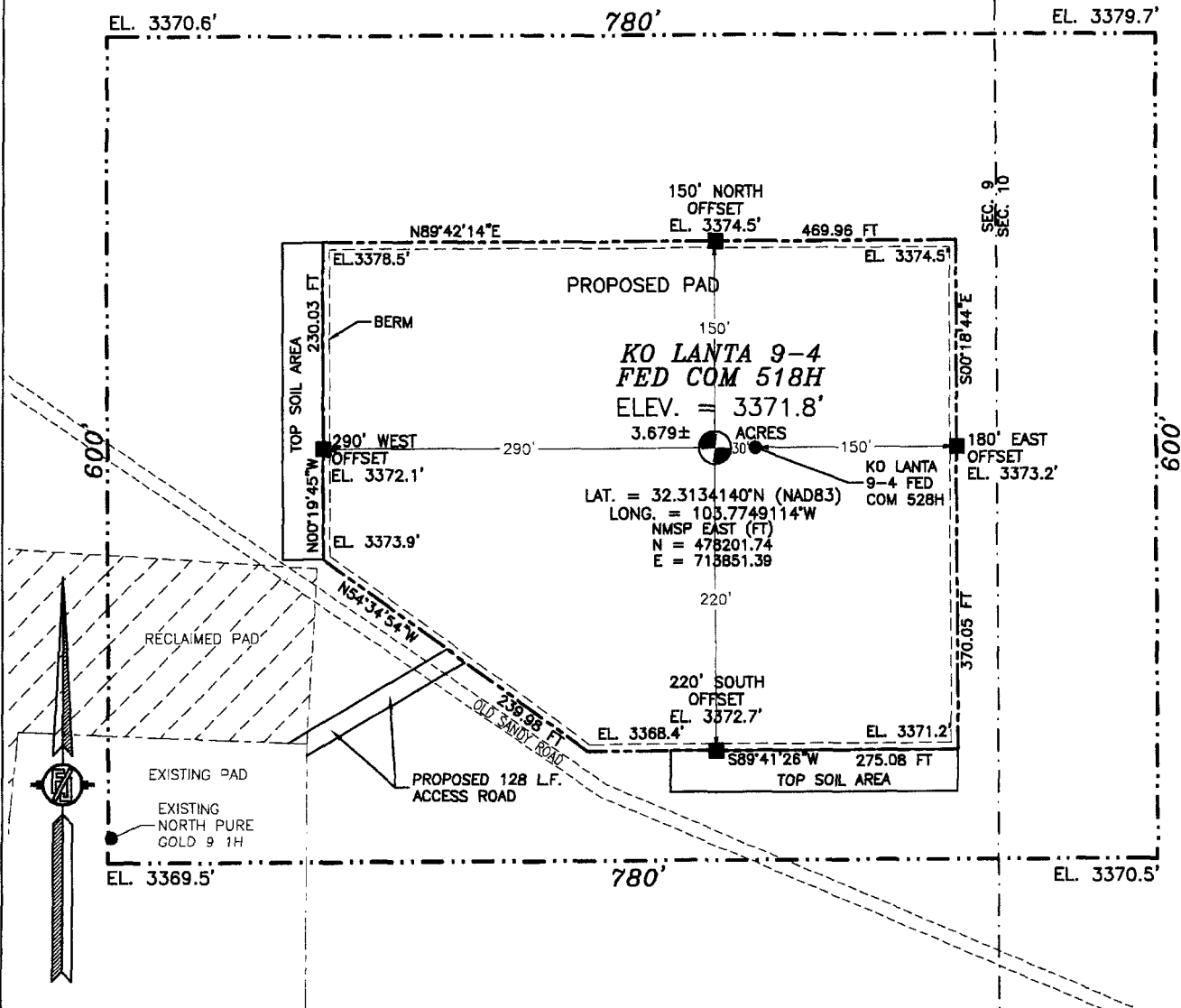
Ko_Lanta_9_4_Fed_Com_518H_Grading_X_Pln_20170906132928.pdf

Produced Water Disposal

Bonds

**SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
SITE MAP**

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE. ELEVATION VALUES ARE NAVD88.



012 60 120 240

SCALE 1" = 120'

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE HWY. 128 & CO. RD. 787 (TWIN WELLS) GO SOUTHEAST APPROX. 0.1 OF A MILE, TURN NORTH ON 20' CALICHE LEASE ROAD AND GO NORTHEAST APPROX. 1.3 MILES, TURN EAST AND GO APPROX. 1 MILE TO THE NORTH PURE GOLD 9 1H WELL. FROM NORTHEAST PAD CORNER GO NORTHEAST APPROX. 128' TO THE SOUTHWEST EDGE OF PAD FOR THIS LOCATION.

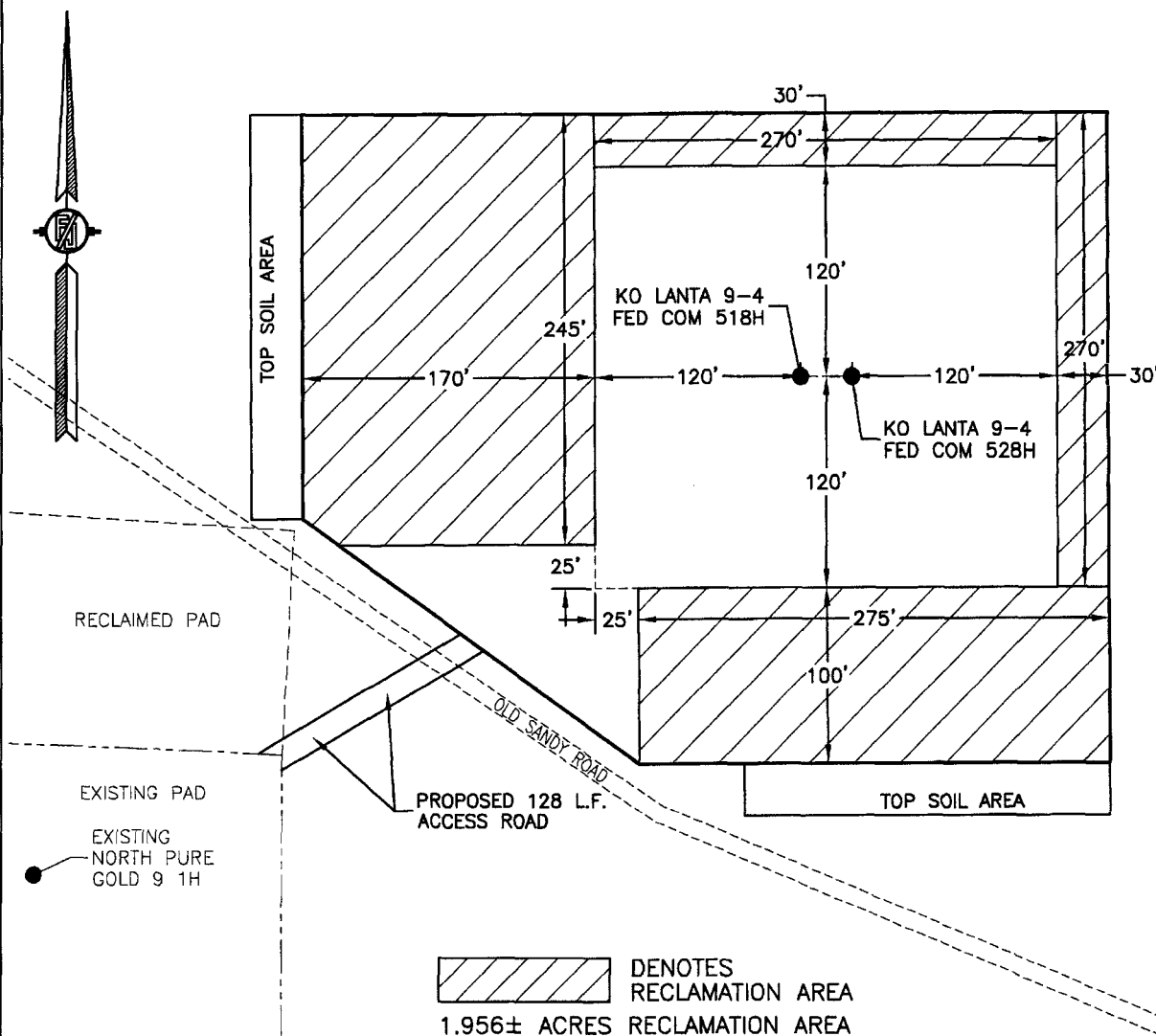
**DEVON ENERGY PRODUCTION COMPANY, L.P.
KO LANTA 9-4 FED COM 518H
LOCATED 610 FT. FROM THE SOUTH LINE
AND 210 FT. FROM THE EAST LINE OF
SECTION 9, TOWNSHIP 23 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO**

JUNE 2, 2017

SURVEY NO. 5237

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 **CARLSBAD, NEW MEXICO**

SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
INTERIM SITE RECLAMATION



DEVON ENERGY PRODUCTION COMPANY, L.P.
KO LANTA 9-4 FED COM 518H
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RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

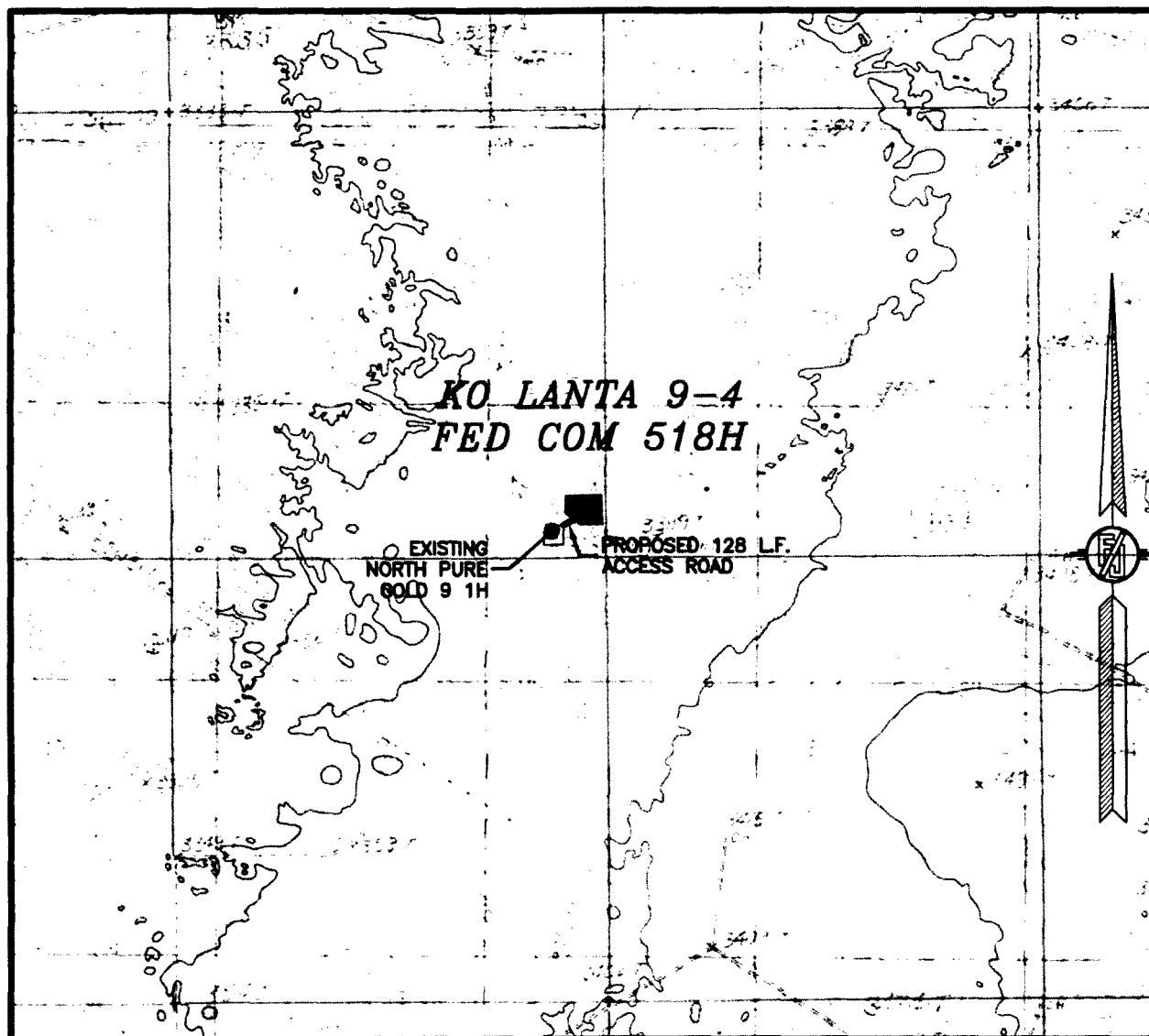
JUNE 2, 2017

SURVEY NO. 5237

MADRON SURVEYING, INC. 30' SOUTH CANAL (575) 234-3341

CARLSBAD, NEW MEXICO

SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



USGS QUAD MAP:
LOS MEDANOS

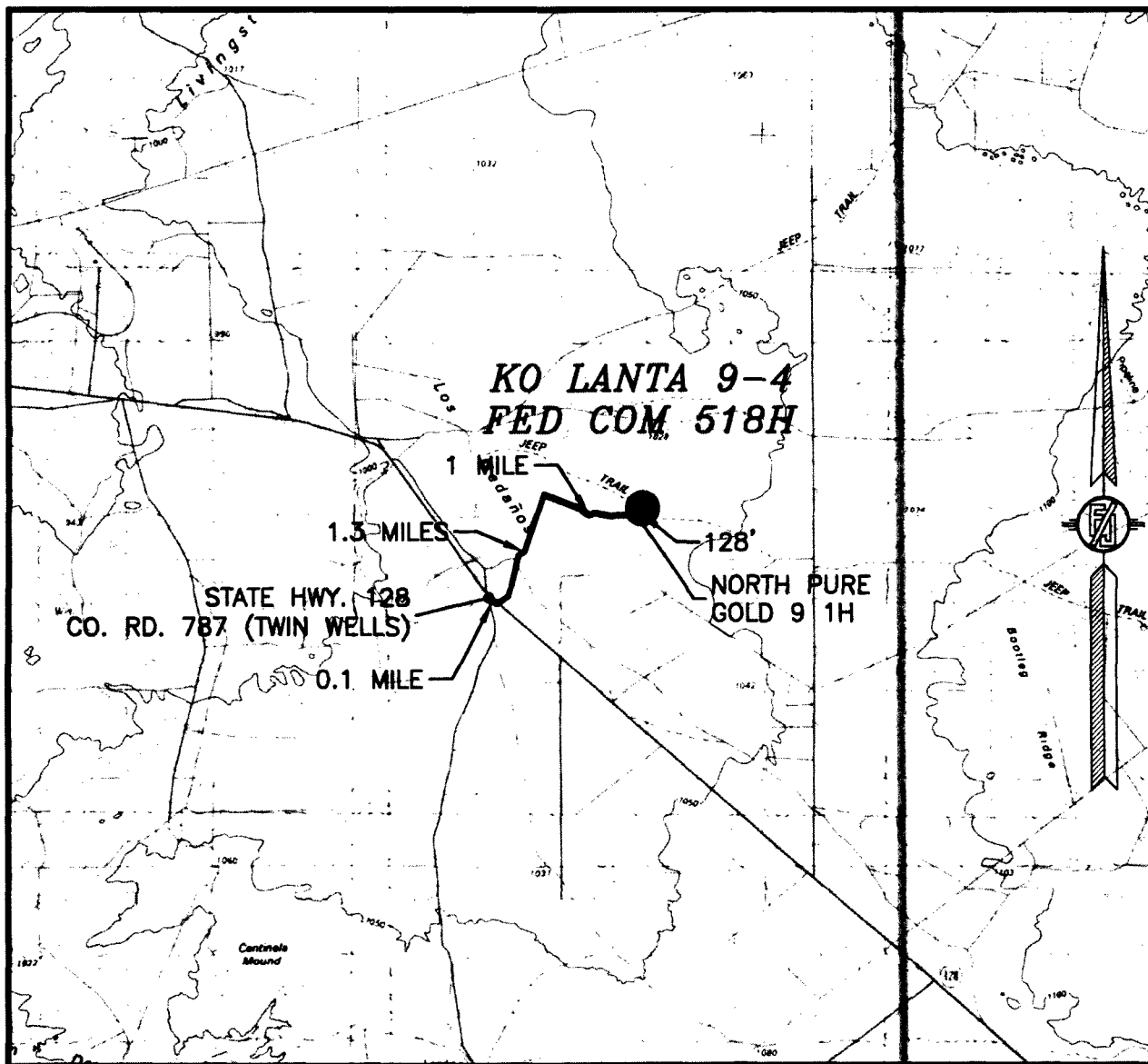
NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.
KO LANTA 9-4 FED COM 518H
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SECTION 9, TOWNSHIP 23 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 2, 2017

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO SURVEY NO. 5237

SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE HWY. 128 & CO. RD. 787 (TWIN WELLS) GO SOUTHEAST APPROX. 0.1 OF A MILE, TURN NORTH ON 20' CALICHE LEASE ROAD AND GO NORTHEAST APPROX. 1.3 MILES, TURN EAST AND GO APPROX. 1 MILE TO THE NORTH PURE GOLD 9 1H WELL, FROM NORTHEAST PAD CORNER GO NORTHEAST APPROX. 128' TO THE SOUTHWEST EDGE OF PAD FOR THIS LOCATION.

DEVON ENERGY PRODUCTION COMPANY, L.P.

KO LANTA 9-4 FED COM 518H

LOCATED 610 FT. FROM THE SOUTH LINE

AND 210 FT. FROM THE EAST LINE OF

SECTION 9, TOWNSHIP 23 SOUTH,

RANGE 31 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

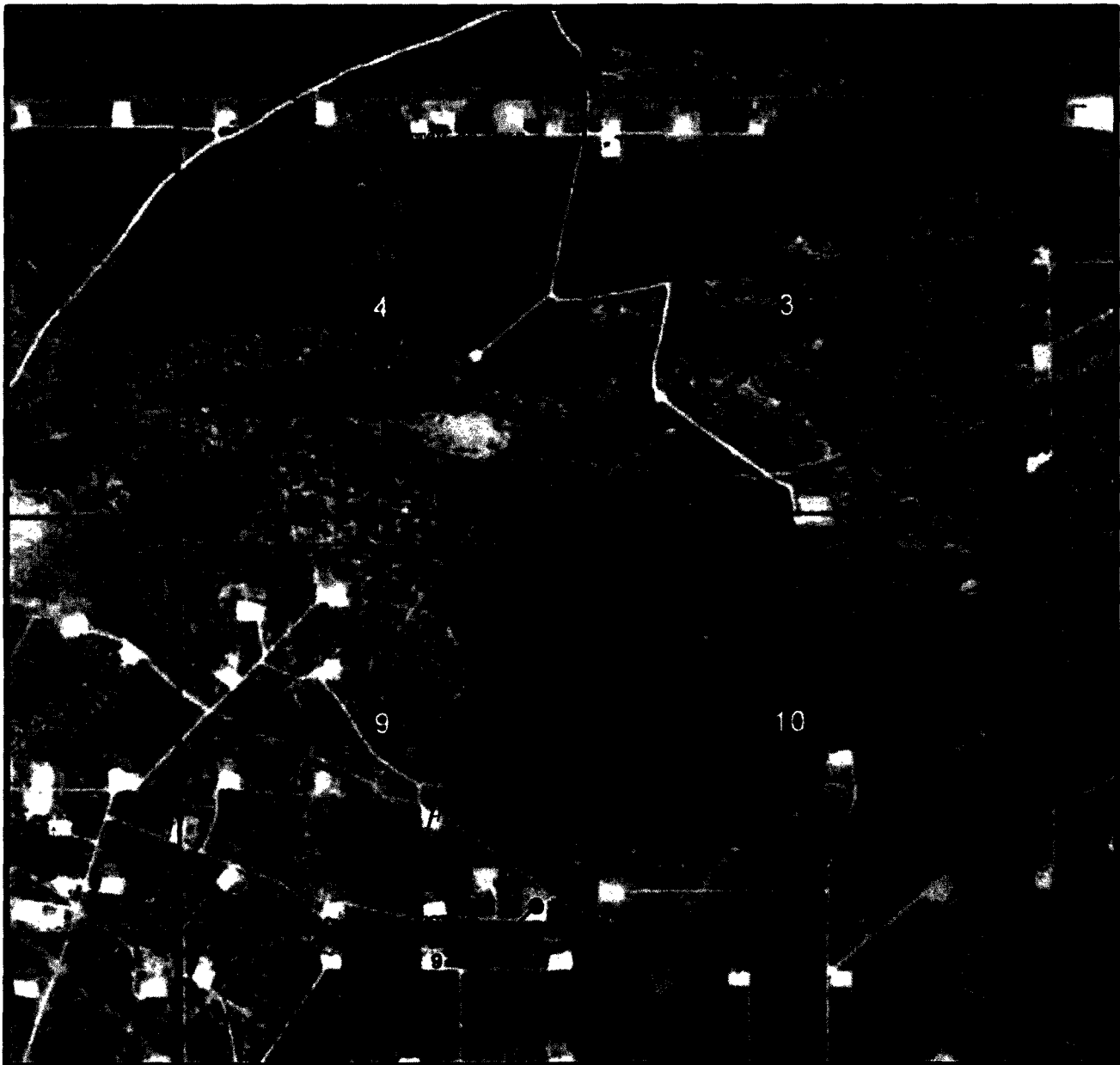
JUNE 2, 2017

SURVEY NO. 5237

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341

CARLSBAD, NEW MEXICO

SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
FEB. 2017

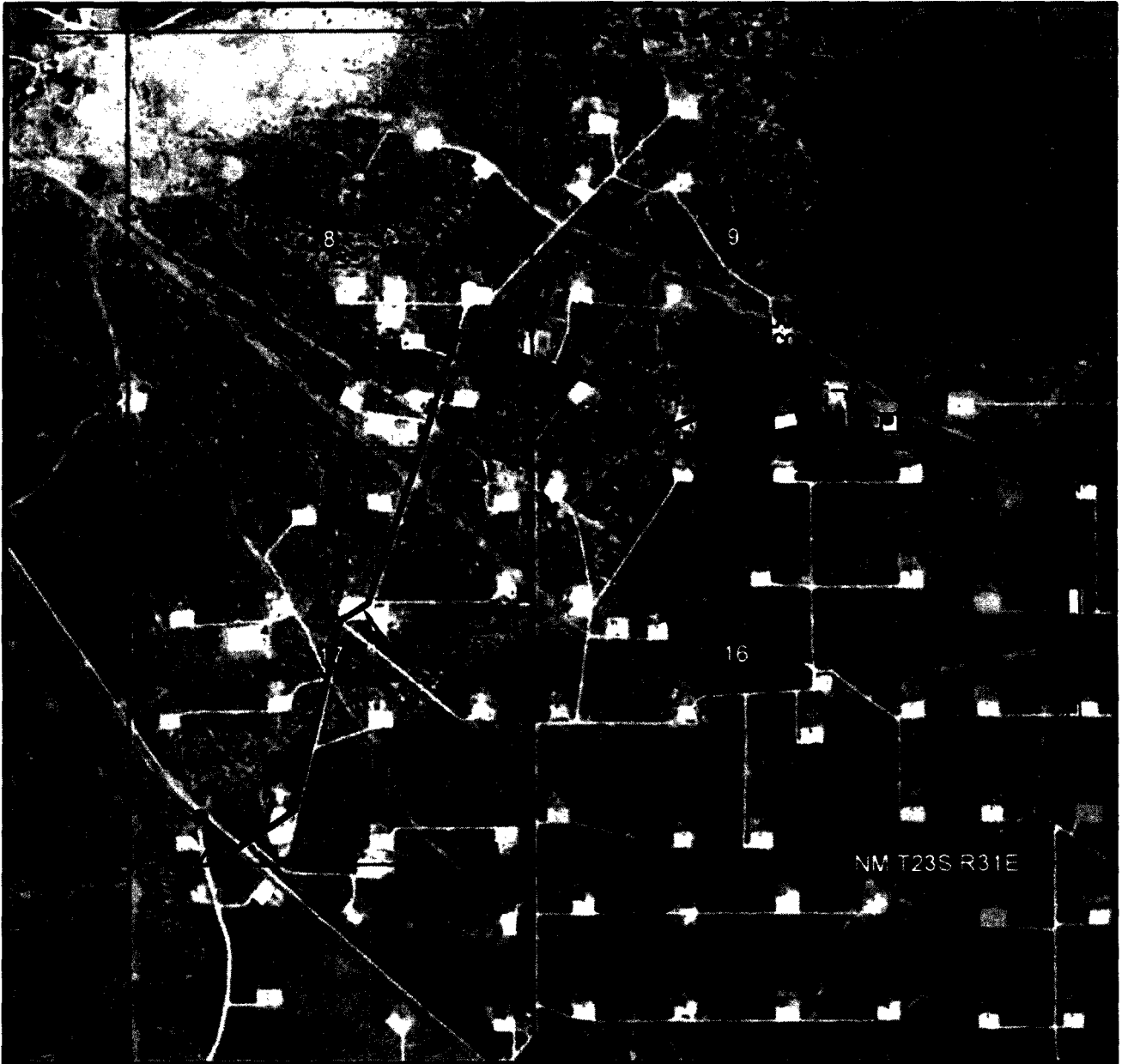
DEVON ENERGY PRODUCTION COMPANY, L.P.
KO LANTA 9-4 FED COM 518H
LOCATED 610 FT. FROM THE SOUTH LINE
AND 210 FT. FROM THE EAST LINE OF
SECTION 9, TOWNSHIP 23 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 2, 2017

SURVEY NO. 5237

MADRON SURVEYING, INC. 30" SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AERIAL ACCESS ROUTE MAP



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
FEB. 2017

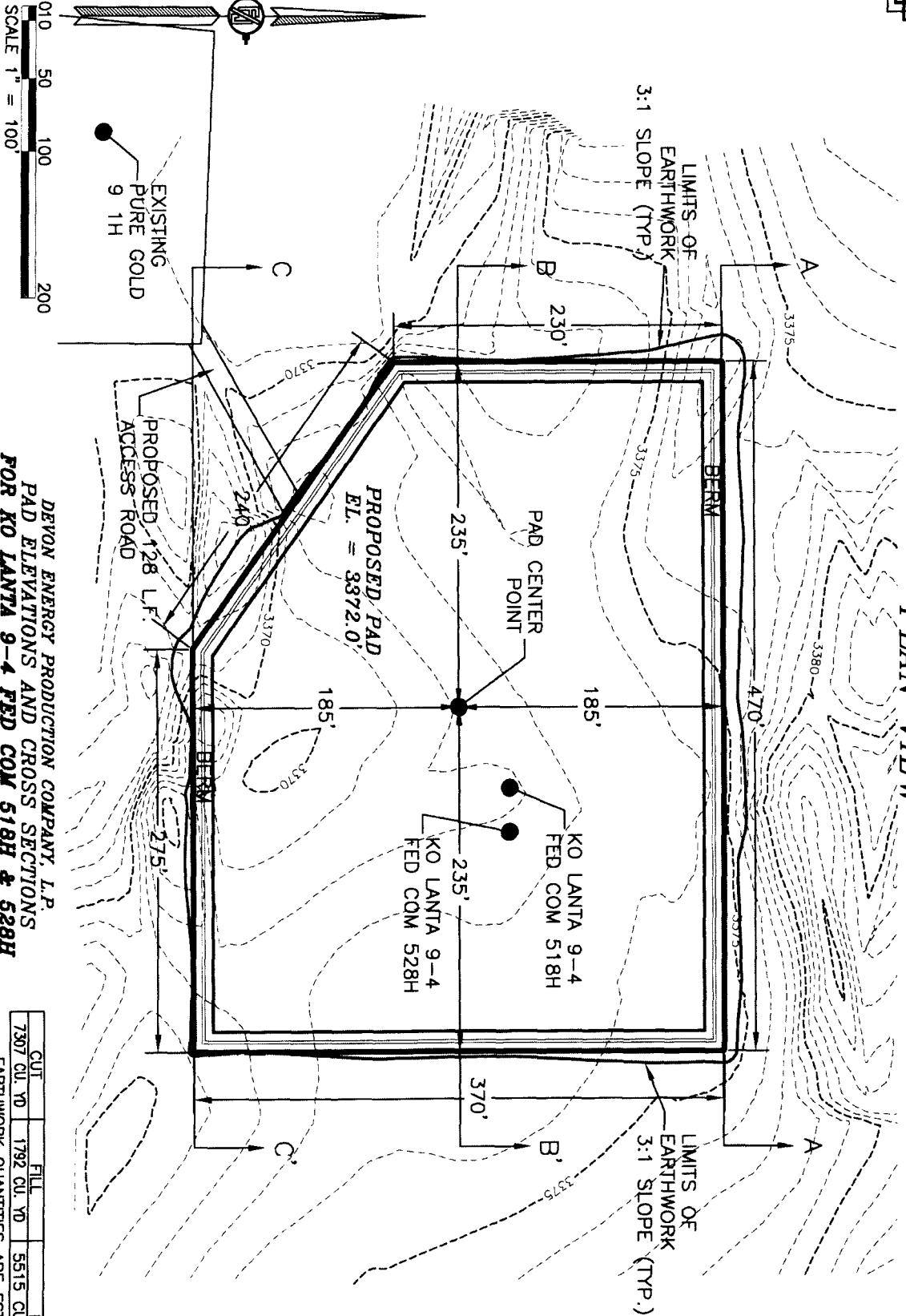
DEVON ENERGY PRODUCTION COMPANY, L.P.
KO LANTA 9-4 FED COM 518H
LOCATED 610 FT. FROM THE SOUTH LINE
AND 210 FT. FROM THE EAST LINE OF
SECTION 9, TOWNSHIP 23 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 2, 2017

SURVEY NO. 5237

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

PLAN VIEW



CUT	FILL	NET
7307 CU. YD	1792 CU. YD	5515 CU. YD (CUT)

EARTHWORK QUANTITIES ARE ESTIMATED

DEVON ENERGY PRODUCTION COMPANY, L.P.
PAD ELEVATIONS AND CROSS SECTIONS
FOR KO LANTA 9-4 FED COM 518H & 528H
SECTION 9, TOWNSHIP 23 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

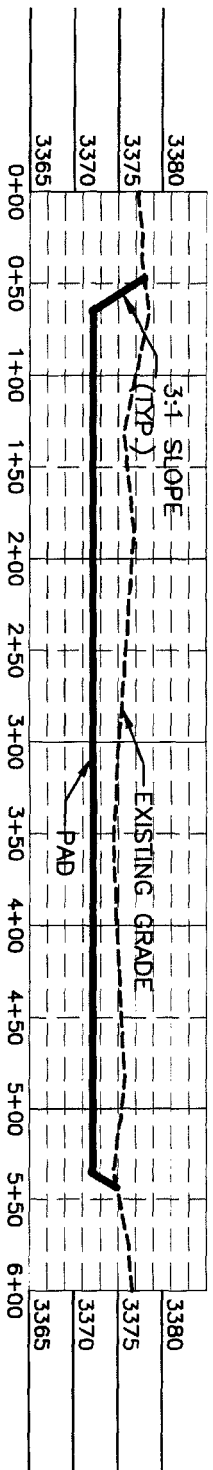
JUNE 2, 2017

MADRON SURVEYING, INC. 301 SOUTH CANAL (505) 234-3341 CARLSBAD, NEW MEXICO

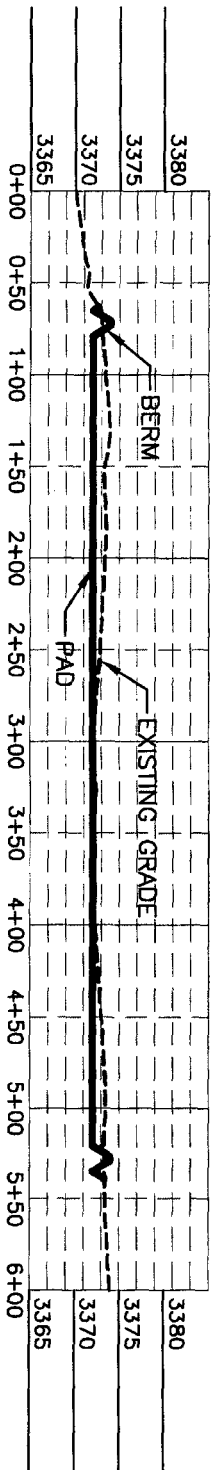
SURVEY NO. 6237
SHEET 1-2

CROSS-SECTIONS

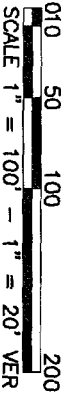
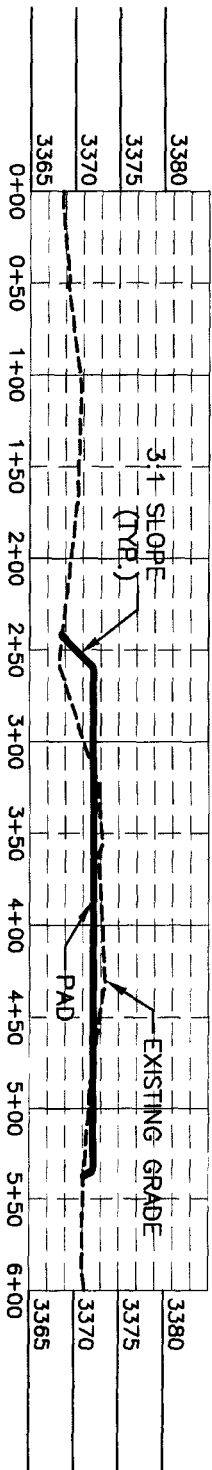
SECTION A-A'



SECTION B-B'



SECTION C-C'



DEVON ENERGY PRODUCTION COMPANY, L.P.
PAD ELEVATIONS AND CROSS SECTIONS
FOR KO LANTA 9-4 FED COM 518H & 528H
SECTION 9, TOWNSHIP 23 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

CUT	FILL	NET
7307 CU. YD	1792 CU. YD	5515 CU. YD (CUT)

EARTHWORK QUANTITIES ARE ESTIMATED

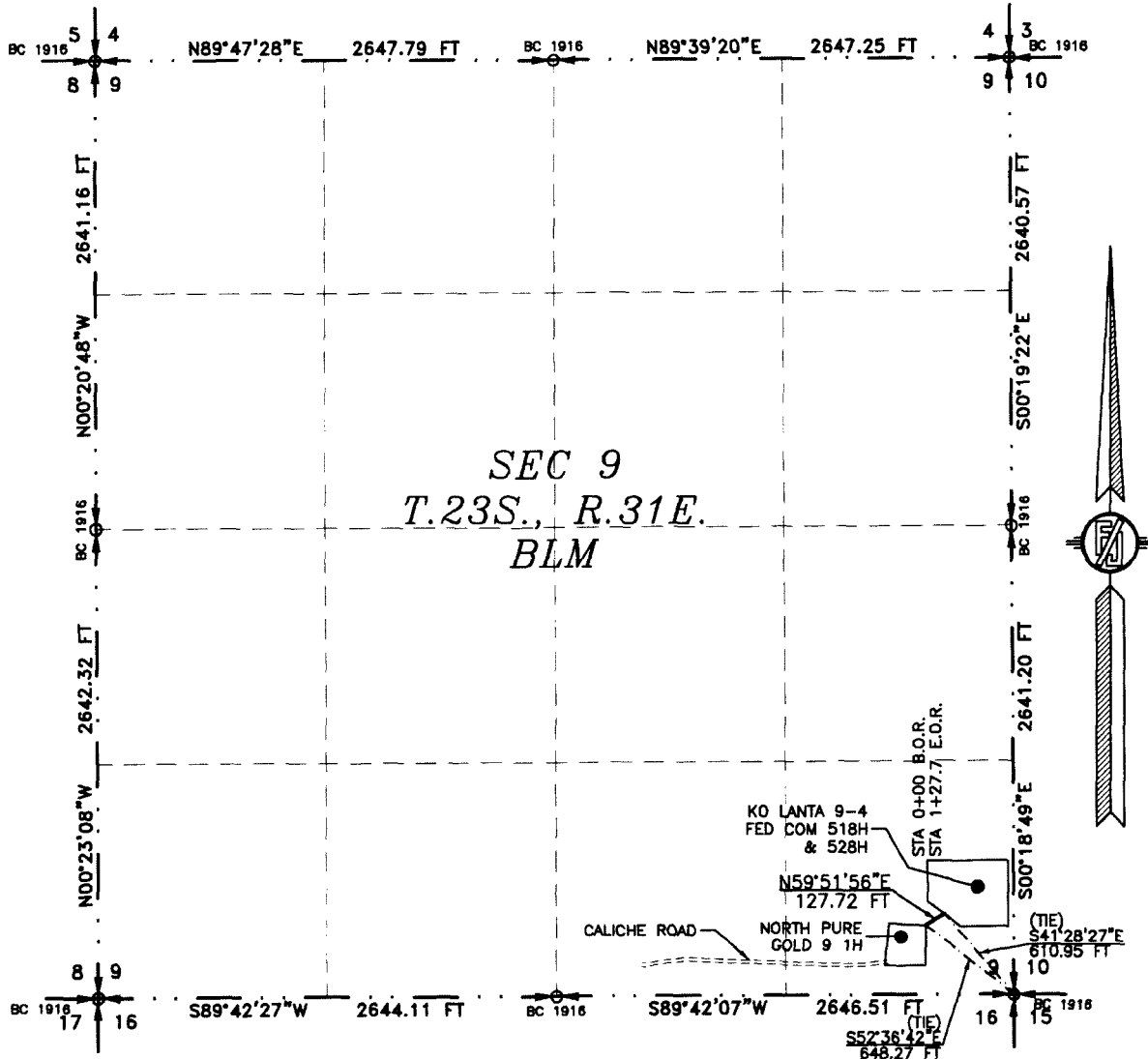
MADRON SURVEYING, INC. 301 SOUTH CANAL, JUNO 2, 2017 CARLSBAD, NEW MEXICO

SURVEY NO. 6287 SHEET 2-2

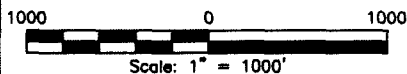
ACCESS ROAD PLAT

ACCESS ROAD FOR KO LANTA 9-4 FED COM 518H & 528H

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 2, 2017



SEE NEXT SHEET (2-2) FOR DESCRIPTION



GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 1-2

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO (575) 234-3341

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 6 DAY OF JUNE 2017

FILMON F. JARAMILLO, PLS. 12797

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 5237

ACCESS ROAD PLAT

ACCESS ROAD FOR KO LANTA 9-4 FED COM 518H & 528H

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 2, 2017

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 9, TOWNSHIP 23 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 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE SOUTHEAST CORNER OF SAID SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S52°36'42"E, A DISTANCE OF 648.27 FEET;
THENCE N59°51'56"E A DISTANCE OF 127.72 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE SOUTHEAST CORNER OF SAID SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S41°28'27"E, A DISTANCE OF 610.95 FEET;

SAID STRIP OF LAND BEING 127.72 FEET OR 7.74 RODS IN LENGTH, CONTAINING 0.088 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 SE/4 127.72 L.F. 7.74 RODS 0.088 ACRES

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 2 DAY OF JUNE 2017

FILIMON F. JARAMILLO, PLS 12797
MADRON SURVEYING, INC
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

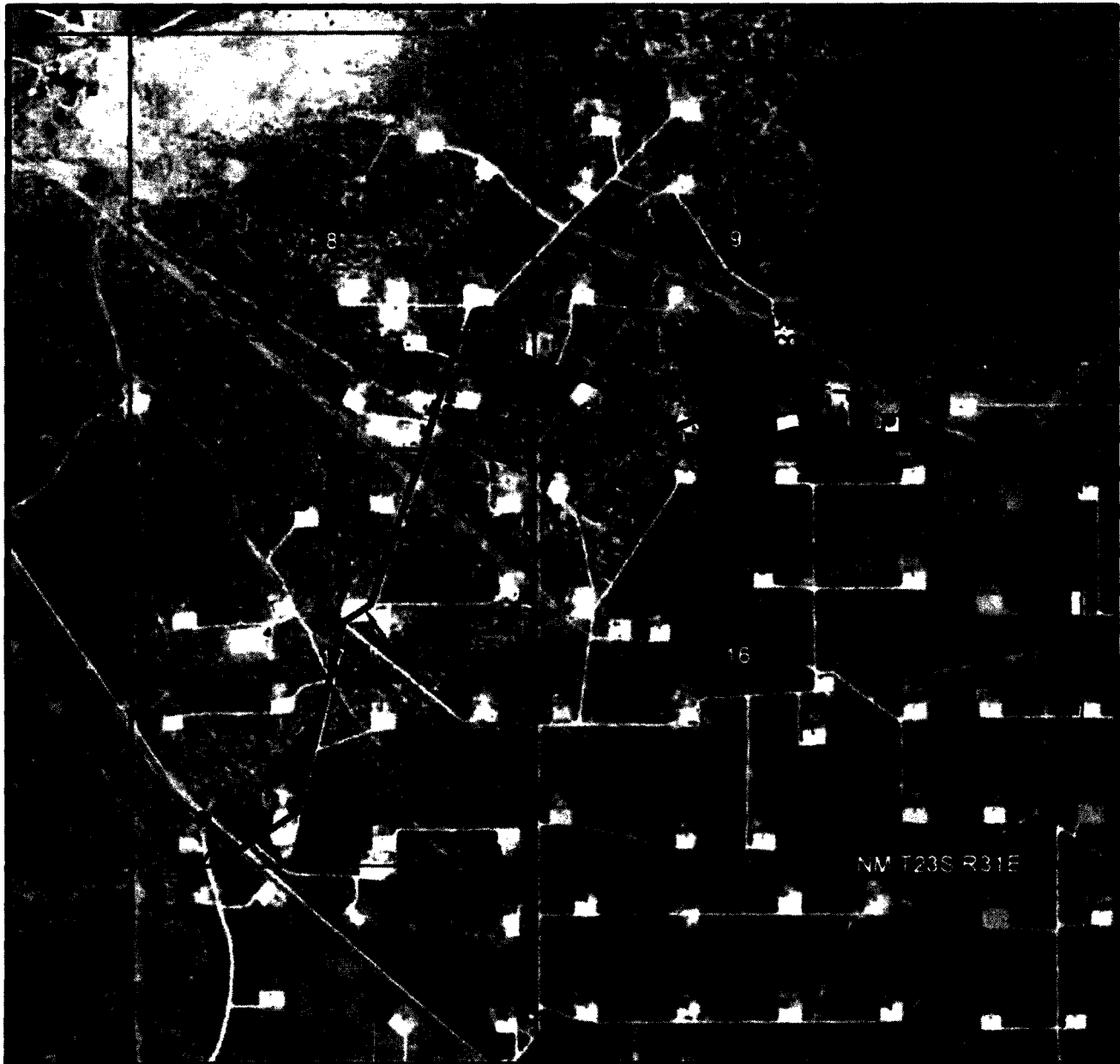
2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-2

MADRON SURVEYING, INC. CARLSBAD, NEW MEXICO

SURVEY NO. 5237

SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AERIAL ACCESS ROUTE MAP



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
FEB. 2017

DEVON ENERGY PRODUCTION COMPANY, L.P.
KO LANTA 9-4 FED COM 518H
LOCATED 610 FT. FROM THE SOUTH LINE
AND 210 FT. FROM THE EAST LINE OF
SECTION 9, TOWNSHIP 23 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 2, 2017

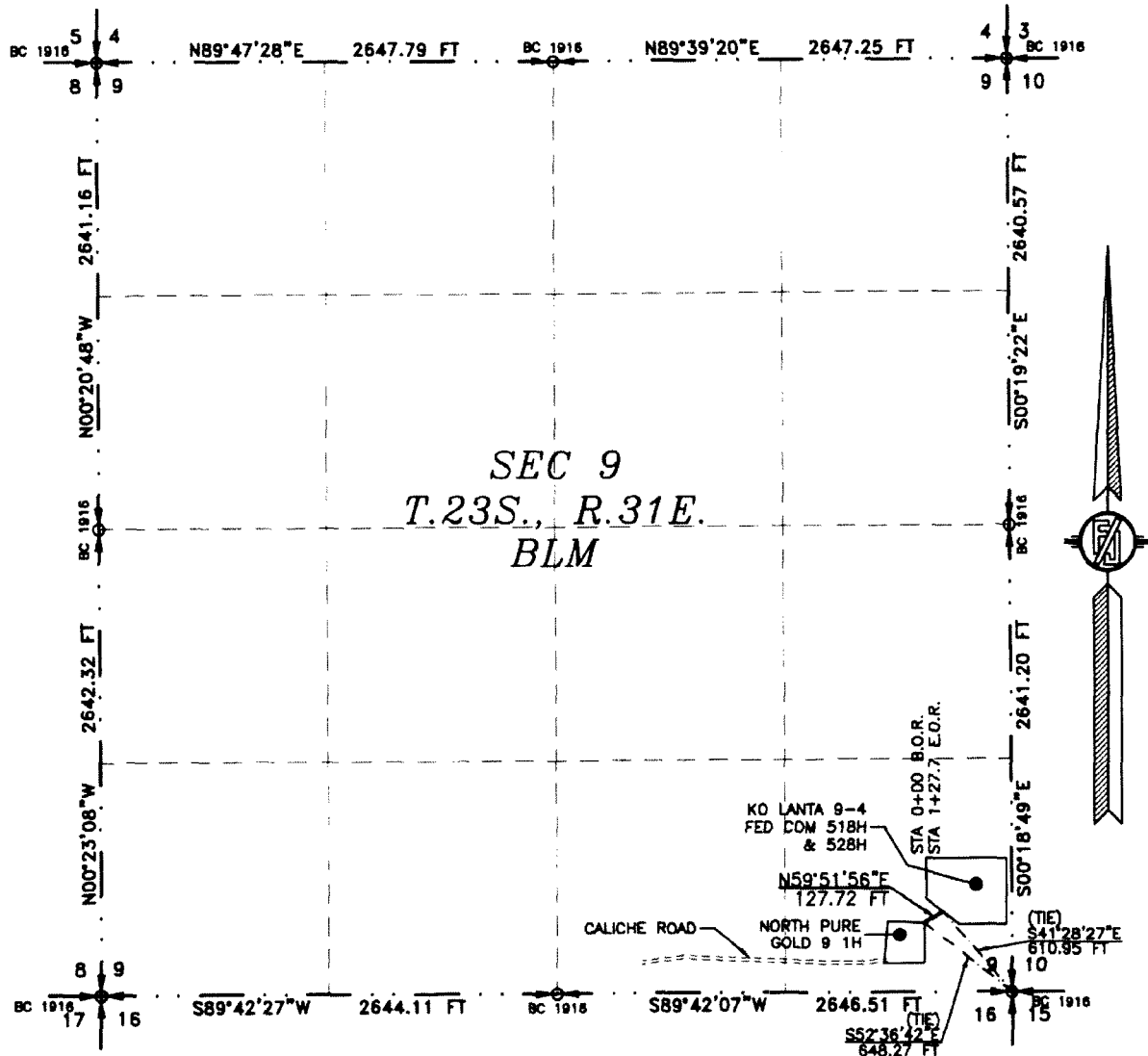
SURVEY NO. 5237

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

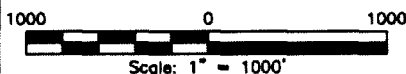
ACCESS ROAD PLAT

ACCESS ROAD FOR KO LANTA 9-4 FED COM 518H & 528H

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 2, 2017



SEE NEXT SHEET (2-2) FOR DESCRIPTION



GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 1-2

MADRON SURVEYING, INC. CARLSBAD, NEW MEXICO

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 6 DAY OF JUNE 2017

FILMON F. JARAMILLO SLS. 12797

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 5237

ACCESS ROAD PLAT

ACCESS ROAD FOR KO LANTA 9-4 FED COM 518H & 528H

**DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 2, 2017**

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 9, TOWNSHIP 23 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 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE SOUTHEAST CORNER OF SAID SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S52°36'42"E, A DISTANCE OF 648.27 FEET;
THENCE N59°51'56"E A DISTANCE OF 127.72 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE SOUTHEAST CORNER OF SAID SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S41°28'27"E, A DISTANCE OF 610.95 FEET;

SAID STRIP OF LAND BEING 127.72 FEET OR 7.74 RODS IN LENGTH, CONTAINING 0.088 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 SE/4 127.72 L.F. 7.74 RODS 0.088 ACRES

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 6 DAY OF JUNE 2017

GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-2

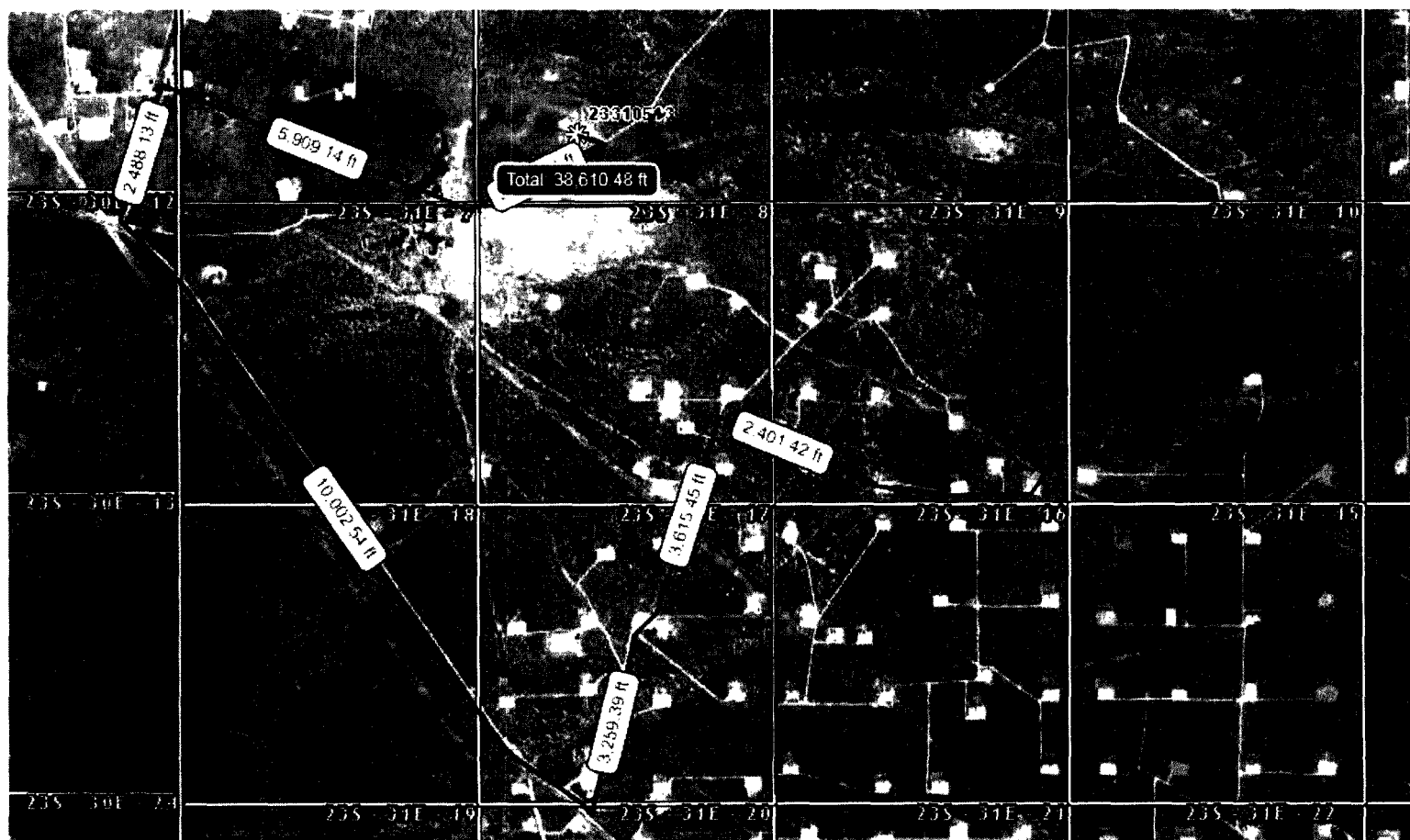
MADRON SURVEYING, INC.

FILIMON F. JARAMILLO, PLS. 12797
SOUTH CANAL
(575) 234-3341

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 5237

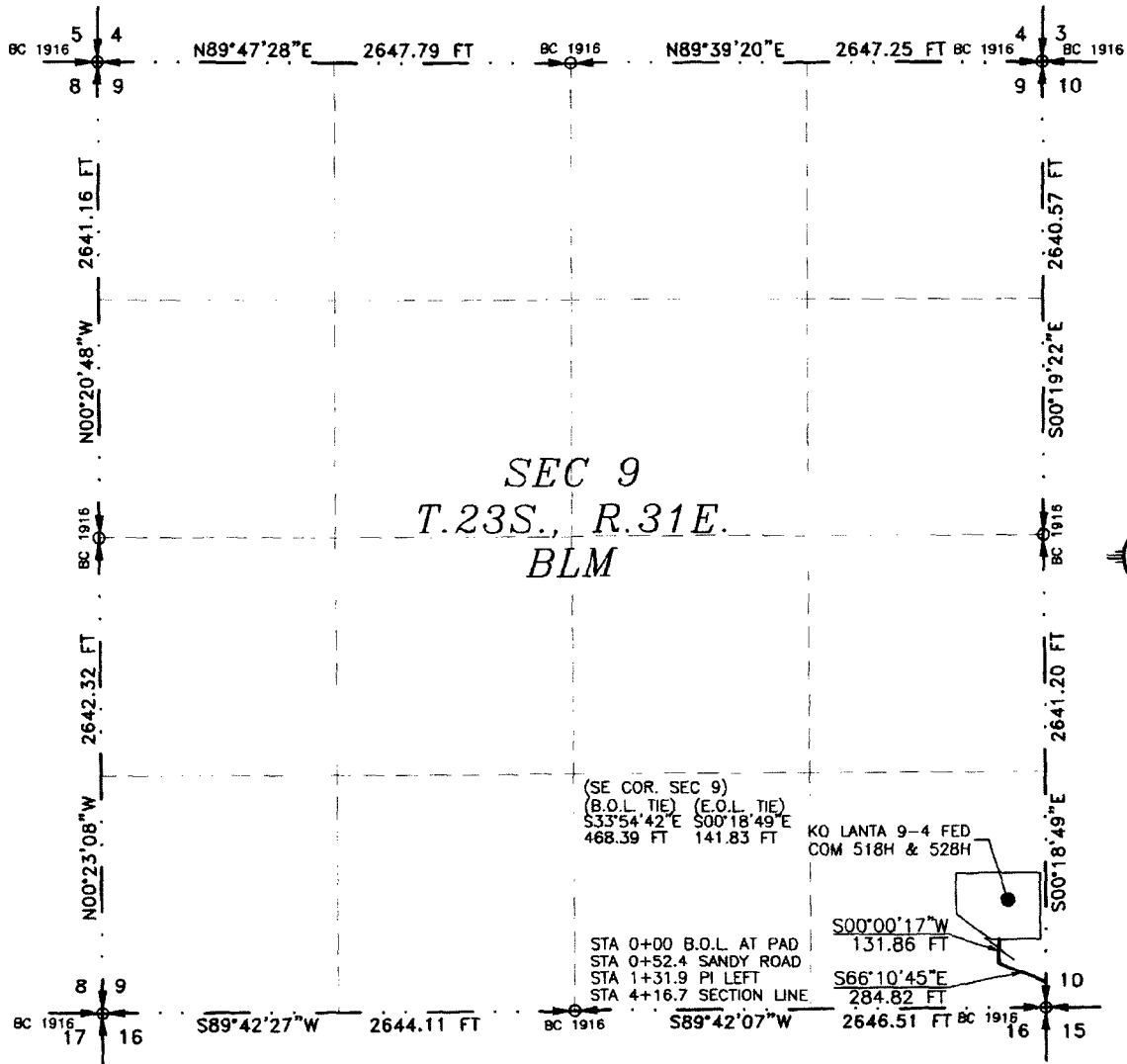
CARLSBAD, NEW MEXICO



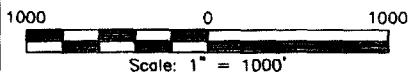
FLOWLINE PLAT

TWO-4" POLY FLOWLINES & ONE-6" GAS LIFT LINE (BURIED IN THE SAME DITCH)
FROM KO LANTA 9-4 FED COM 518H & 528H TO MALDIVES MDP 15 CTB 1

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 6, 2017



SEE NEXT SHEET (2-8) FOR DESCRIPTION



GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 1-8

MADRON SURVEYING, INC. CARLSBAD, NEW MEXICO

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 11 DAY OF JUNE, 2017

FILMON F. JARAMILLO, PLS. 12797

MADRON SURVEYING, INC.
207 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 5289

FLOWLINE PLAT

TWO-4" POLY FLOWLINES & ONE-6" GAS LIFT LINE (BURIED IN THE SAME DITCH)
FROM KO LANTA 9-4 FED COM 51BH & 528H TO MALDIVES MDP 15 CTB 1

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 6, 2017

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 9, TOWNSHIP 23 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 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE SOUTHEAST CORNER OF SAID SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S33°54'42"E, A DISTANCE OF 468.39 FEET;
THENCE S00°00'17"W A DISTANCE OF 131.86 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE S66°10'45"E A DISTANCE OF 284.82 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE SOUTHEAST CORNER OF SAID SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S00°18'49"E, A DISTANCE OF 141.83 FEET;

SAID STRIP OF LAND BEING 416.68 FEET OR 25.25 RODS IN LENGTH, CONTAINING 0.287 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 SE/4 416.68 L.F. 25.25 RODS 0.287 ACRES

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 11 DAY OF JUNE 2017

FILIMON F. JARAMILLO, PLS. 12797

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (505) 234-3341

SURVEY NO. 5289

GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

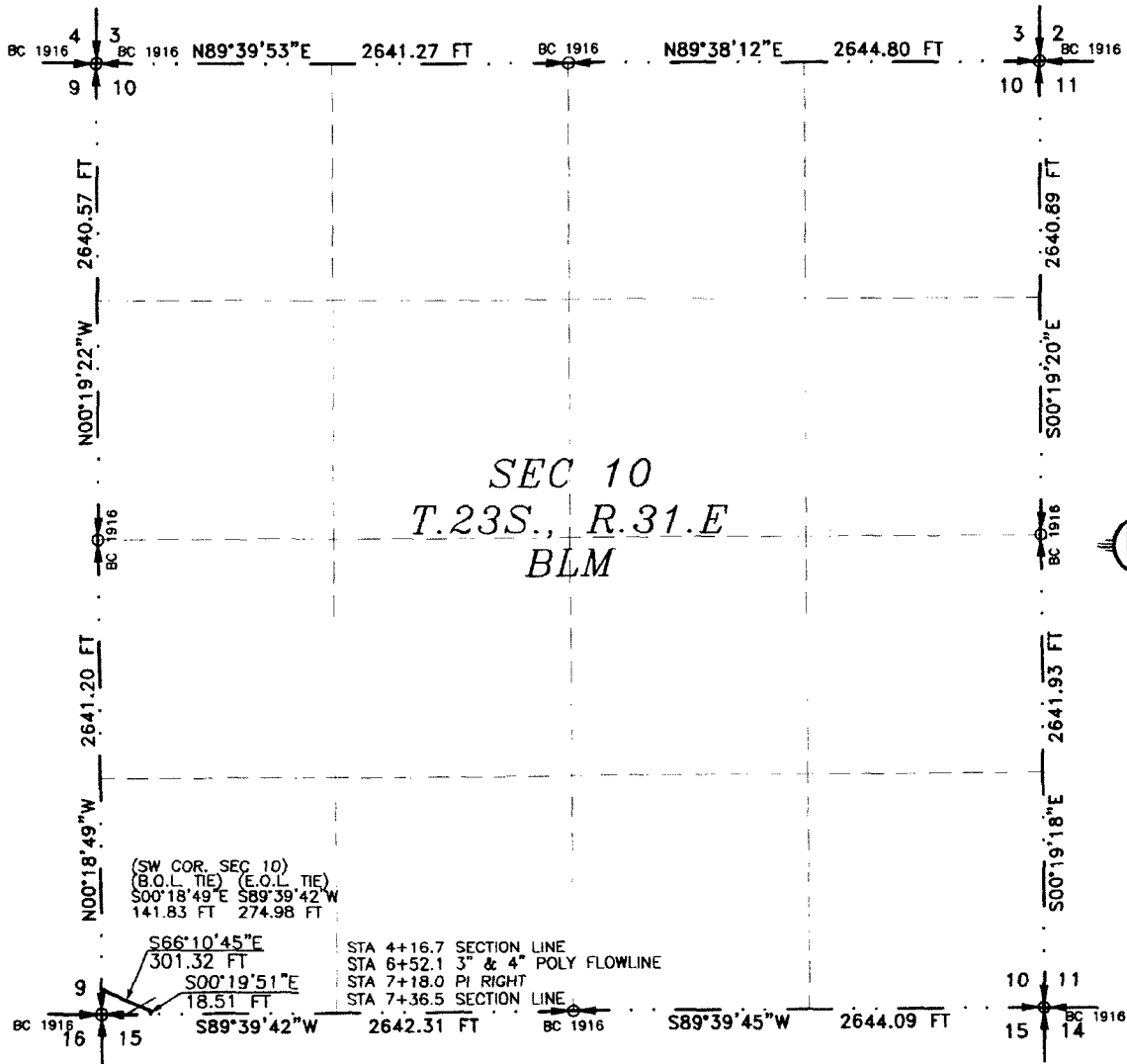
SHEET: 2-8

MADRON SURVEYING, INC. CARLSBAD, NEW MEXICO

FLOWLINE PLAT

TWO-4" POLY FLOWLINES & ONE-6" GAS LIFT LINE (BURIED IN THE SAME DITCH)
FROM KO LANTA 9-4 FED COM 518H & 528H TO MALDIVES MDP 15 CTB 1

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 10, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 6, 2017



SEE NEXT SHEET (4-8) FOR DESCRIPTION



GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 3-8

MADRON SURVEYING, INC. CARLSBAD, NEW MEXICO

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 11 DAY OF JUNE 2017

FILIMON F. JARAMILLO PLS. 12797

MADRON SURVEYING, INC.
301 SOUTH CANA,
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 5289

FLOWLINE PLAT

TWO-4" POLY FLOWLINES & ONE-6" GAS LIFT LINE (BURIED IN THE SAME DITCH)
FROM KO LANTA 9-4 FED COM 518H & 528H TO MALDIVES MDP 15 CTB 1

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 10, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 6, 2017

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 10, TOWNSHIP 23 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 SW/4 OF SAID SECTION 10, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE SOUTHWEST CORNER OF SAID SECTION 10, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S00°18'49"E, A DISTANCE OF 141.83 FEET;
THENCE S66°10'45"E A DISTANCE OF 301.32 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE S00°19'51"E A DISTANCE OF 18.51 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE SOUTHWEST CORNER OF SAID SECTION 10, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S89°39'42"W, A DISTANCE OF 274.98 FEET;

SAID STRIP OF LAND BEING 319.83 FEET OR 19.38 RODS IN LENGTH, CONTAINING 0.220 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SW/4 SW/4 319.83 L.F. 19.38 RODS 0.220 ACRES

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 11 DAY OF JUNE 2017

GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 4-8

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

FILIMON F. JARAMILLO PLS 12797

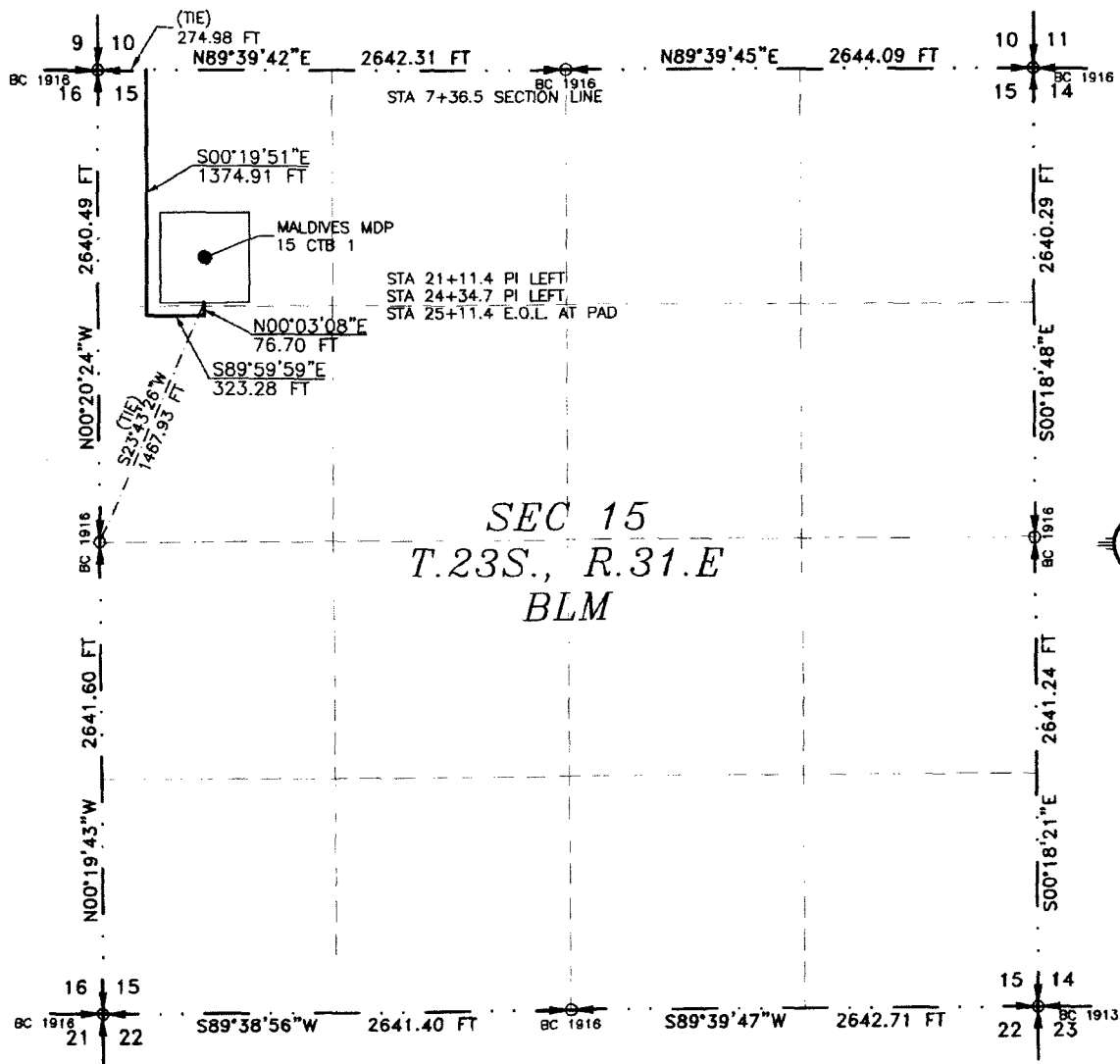
MADRON SURVEYING INC
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 5289

FLOWLINE PLAT

TWO-4" POLY FLOWLINES & ONE-6" GAS LIFT LINE (BURIED IN THE SAME DITCH)
FROM KO LANTA 9-4 FED COM 518H & 528H TO MALDIVES MDP 15 CTB 1

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 15, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 6, 2017



SEE NEXT SHEET (6-8) FOR DESCRIPTION

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 11 DAY OF JUNE 2017

FILMON F. JARAMILLO PLS. 12797
MADRON SURVEYING, INC.
20' SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 5289

MADRON SURVEYING, INC. 331 SOUTH CANAL CARLSBAD, NEW MEXICO
(575) 234-3341

GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 5-8

FLOWLINE PLAT

TWO-4" POLY FLOWLINES & ONE-6" GAS LIFT LINE (BURIED IN THE SAME DITCH)
FROM KO LANTA 9-4 FED COM 51BH & 528H TO MALDIVES MDP 15 CTB 1

DEVON ENERGY PRODUCTION COMPANY, L.P.
CENTERLINE SURVEY OF A PIPELINE CROSSING
SECTION 15, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JUNE 6, 2017

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 15, TOWNSHIP 23 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 NW/4 NW/4 OF SAID SECTION 15, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE NORTHWEST CORNER OF SAID SECTION 15, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S89°39'42"W, A DISTANCE OF 274.98 FEET;
THENCE S00°19'51"E A DISTANCE OF 1374.91 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE S89°59'59"E A DISTANCE OF 323.28 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N00°03'08"E A DISTANCE OF 76.70 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE WEST QUARTER CORNER OF SAID SECTION 15, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS S23°43'26"W, A DISTANCE OF 1467.93 FEET;

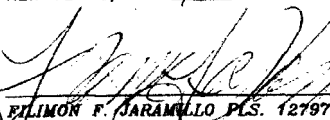
SAID STRIP OF LAND BEING 1774.89 FEET OR 107.57 RODS IN LENGTH, CONTAINING 1.222 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 NW/4	1340.37 L.F.	81.23 RODS	0.923 ACRES
SW/4 NW/4	434.52 L.F.	26.33 RODS	0.299 ACRES

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I 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 11 DAY OF JUNE 2017


FILIMON F. JARAMILLO PLS. 12797

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 5289

GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 6-8

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO
(575) 234-3341

FLOWLINE PLAT

TWO-4" POLY FLOWLINES & ONE-6" GAS LIFT LINE (BURIED IN THE SAME DITCH)
FROM KO LANTA 9-4 FED COM 518H & 528H TO MALDIVES MDP 15 CTB 1

DEVON ENERGY PRODUCTION COMPANY, L.P.

CENTERLINE SURVEY OF A PIPELINE CROSSING

SECTIONS 9, 10, & 15, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 6, 2017

SEC 9
T.23S., R.31E.

SEC 10
T.23S., R.31E.

KO LANTA 9-4 FED
COM 518H & 528H

B.O.L.
STA 0+00

MALDIVES MDP
15 CTB 1

E.O.L.
STA 25+11.4

SEC 15
T.23S., R.31E.

SHEET: 7-8

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

SURVEY NO. 5289
CARLSBAD, NEW MEXICO

FLOWLINE PLAT

TWO-4" POLY FLOWLINES & ONE-6" GAS LIFT LINE (BURIED IN THE SAME DITCH)
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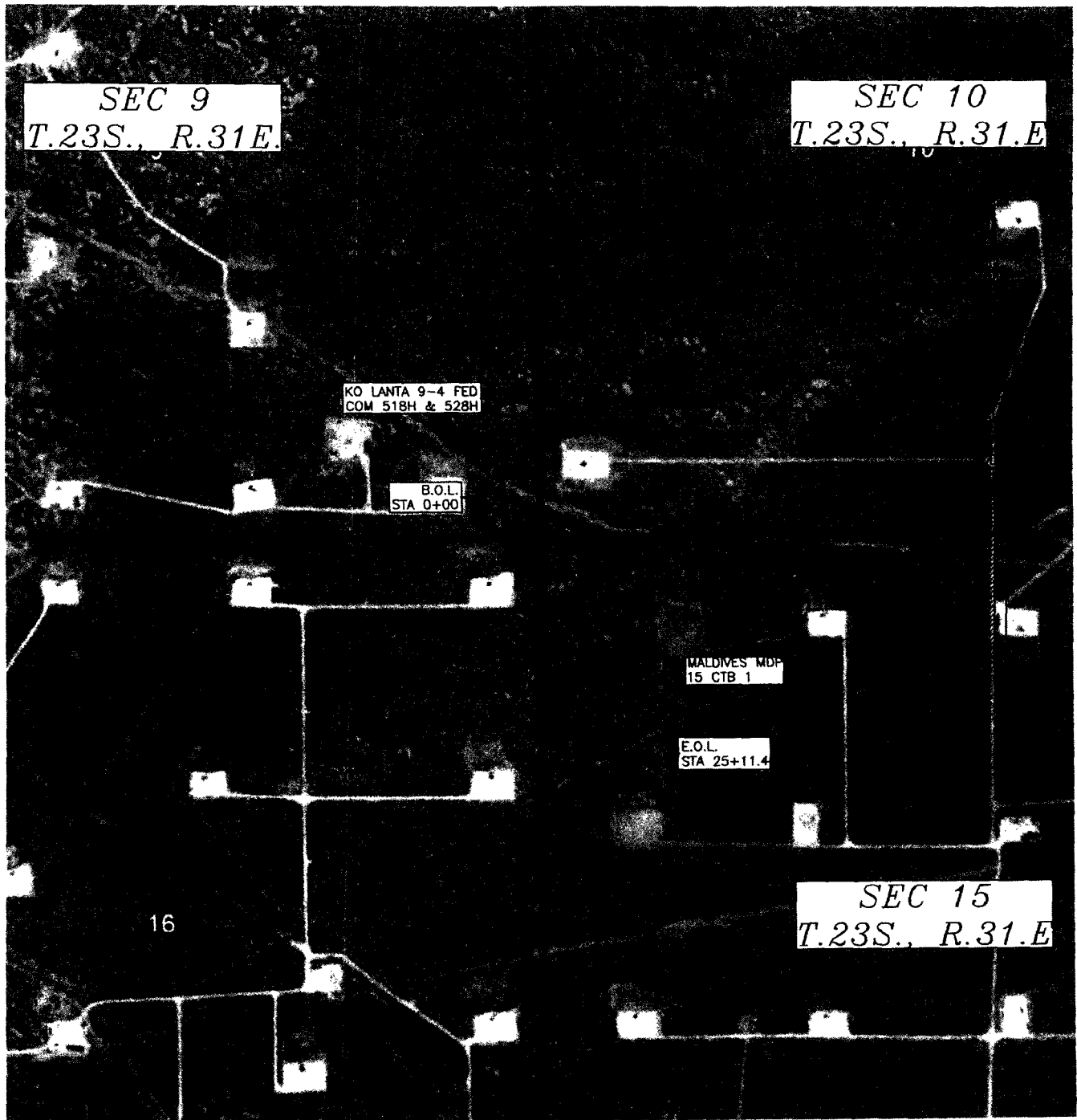
DEVON ENERGY PRODUCTION COMPANY, L.P.

CENTERLINE SURVEY OF A PIPELINE CROSSING

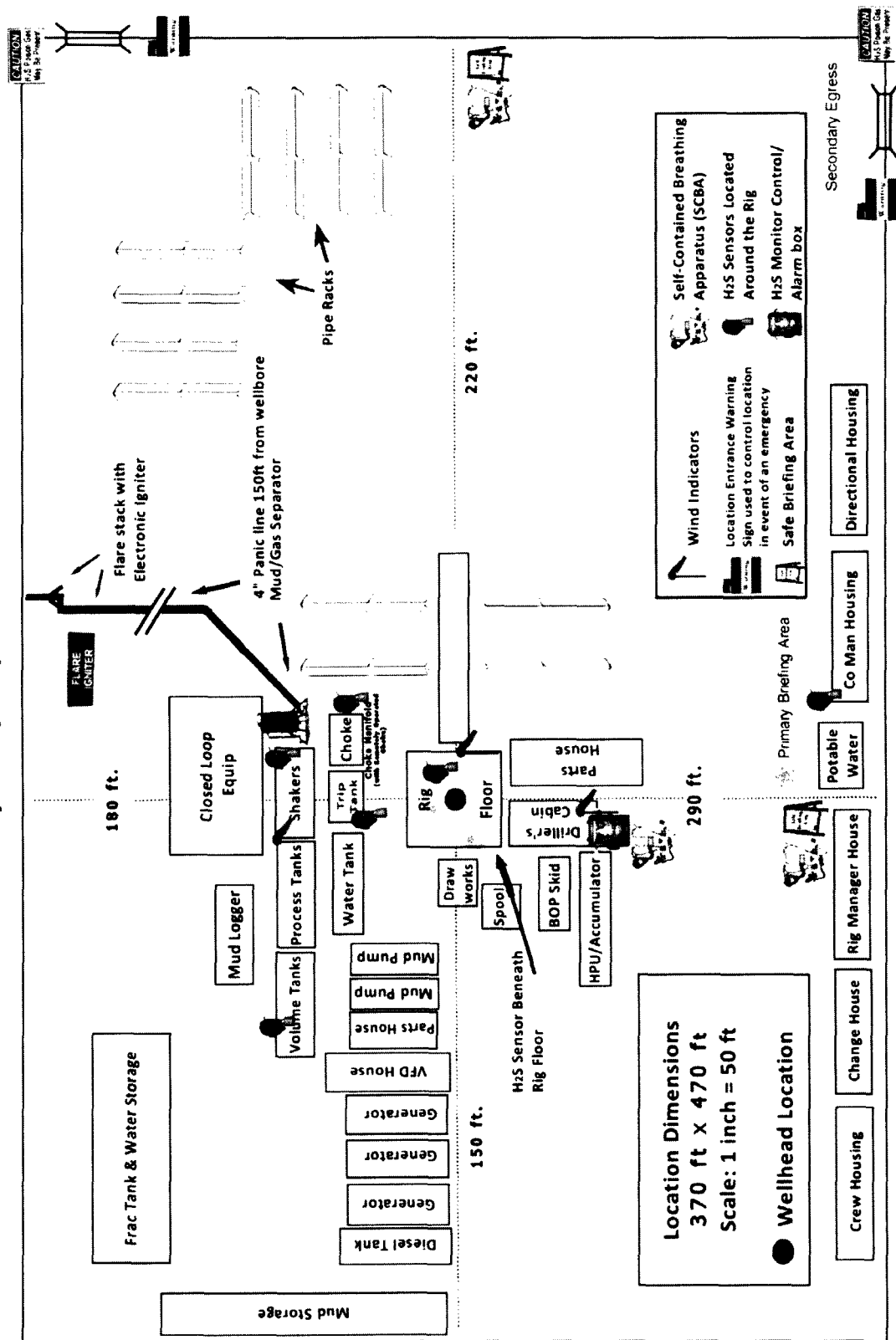
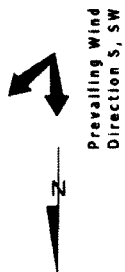
SECTIONS 9, 10, & 15, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

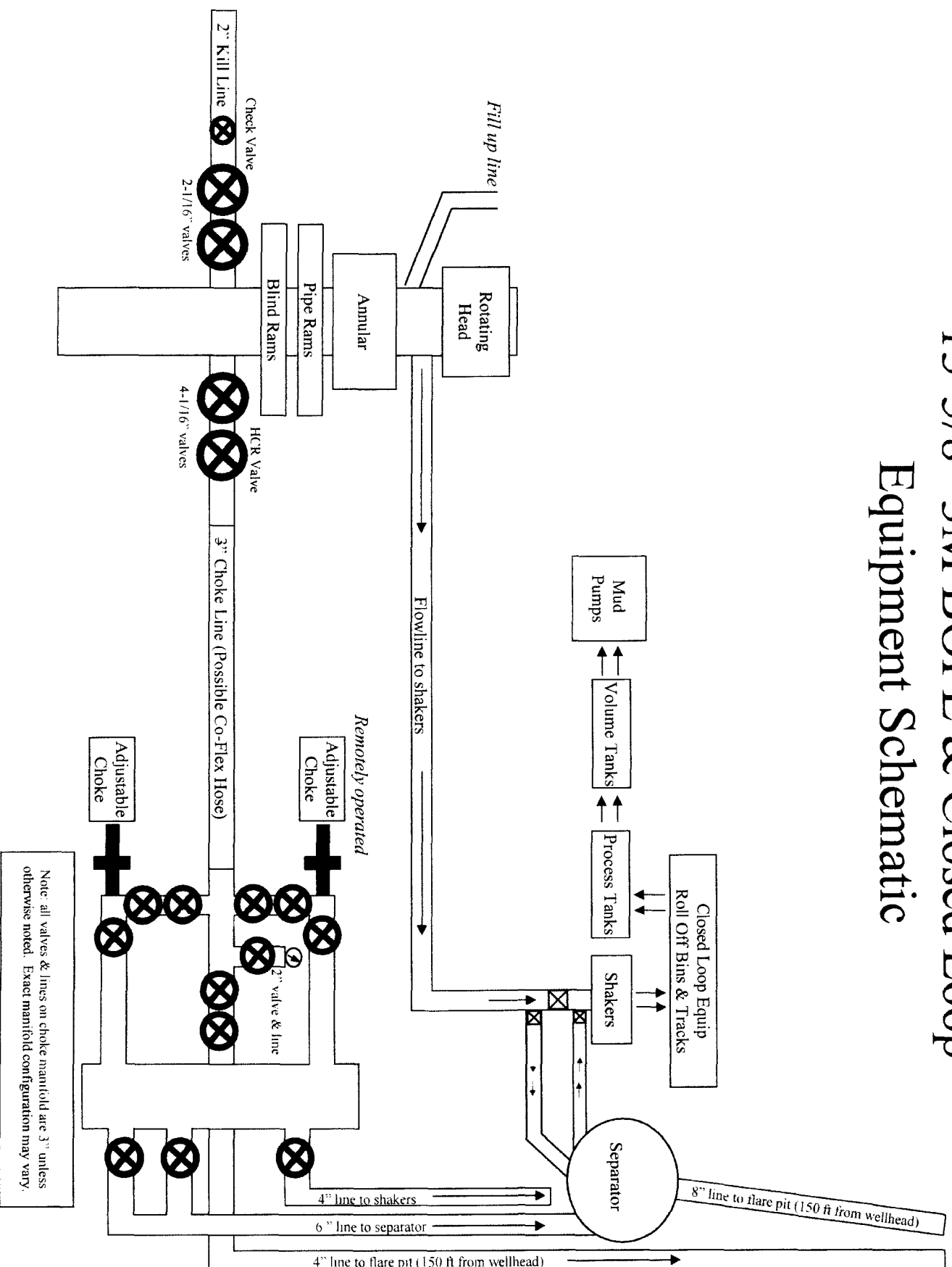
JUNE 6, 2017



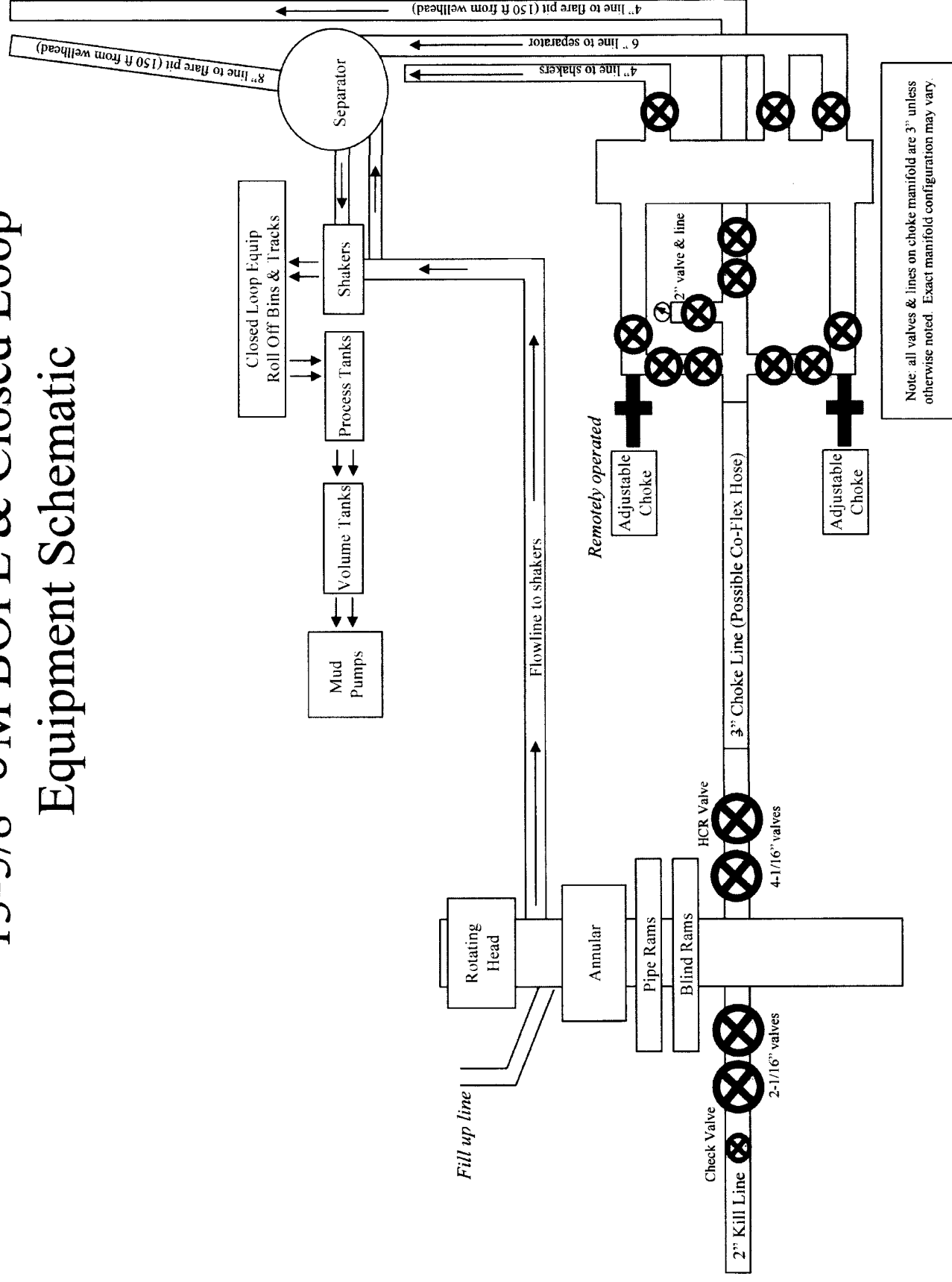
Devon Energy - Well Pad Rig Location Layout Safety Equipment Location



13-5/8" 3M BOPE & Closed Loop Equipment Schematic



13-5/8" 5M BOPE & Closed Loop Equipment Schematic





I. Design Plan

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

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

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

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

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

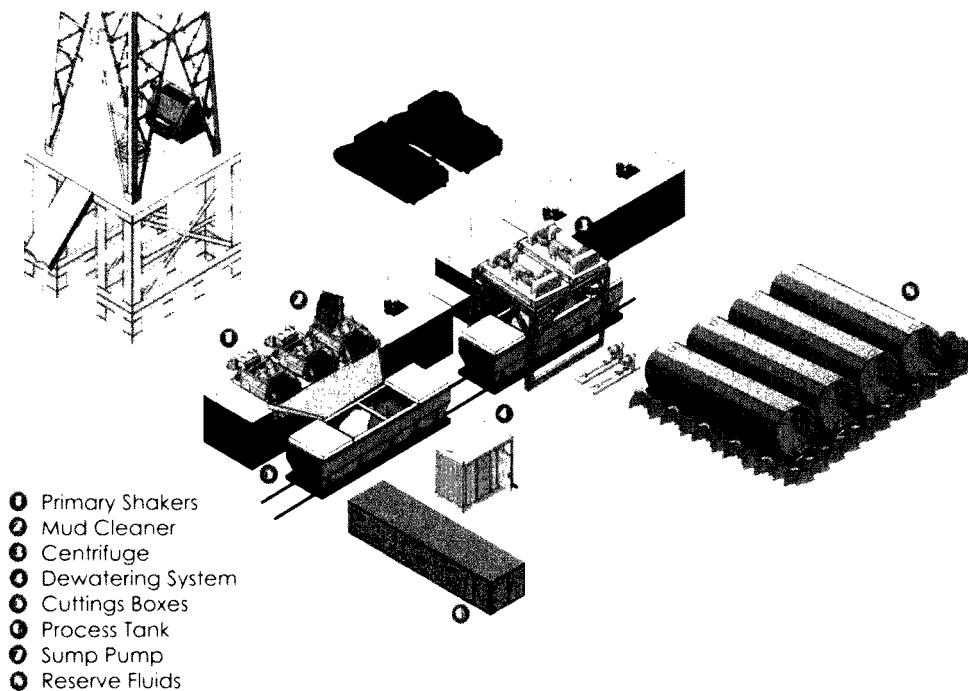
II. Operations and Maintenance Plan

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

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



Closed Loop Schematic



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

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

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

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

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

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

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

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

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

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

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

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

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

III. Closure Plan

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



Fluid Technology

ContiTech Beattie Corp.
Website: www.contitechbeattie.com

Monday, June 14, 2010

RE: Drilling & Production Hoses
Lifting & Safety Equipment

To Heimerich & 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 hoses have been handled and installed correctly. It is good practice to use lifting & safety equipment but not mandatory.

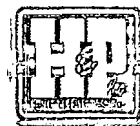
Should you have any questions or require any additional information/clarifications then please do not hesitate to contact us.

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 Beattie Corp

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





QUALITY DOCUMENT

**PHOENIX RUBBER
INDUSTRIAL LTD. ■**

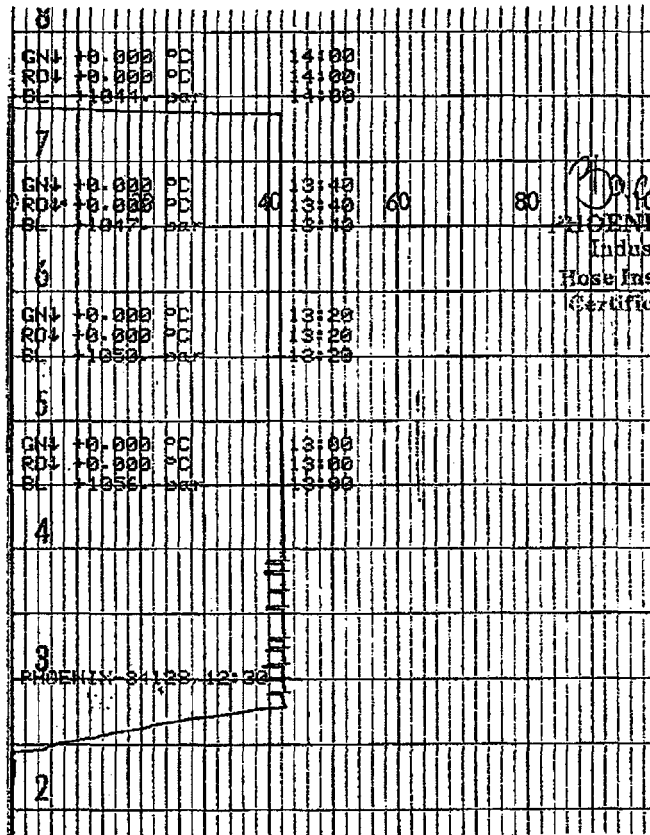
6728 Szeged, Budapesti út 10. Hungary • H-6701 Szeged, P. O. Box 152
phone: (3662) 556-737 • Fax: (3662) 556-738

SALES & MARKETING: H-1092 Budapest, Ráday u. 42-44. Hungary • H-1440 Budapest, P. O. Box 26
Phone: (361) 456-4200 • Fax: (361) 217-2972, 456-4273 • www.taurusemerge.hu

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE				CERT. N°: 552	
PURCHASER: Phoenix Beattie Co.				P.O. N°: 1519FA-871	
PHOENIX RUBBER order N°: 170466		HOSE TYPE: 3" ID Choke and Kill Hose			
HOSE SERIAL N°: 34128		NOMINAL / ACTUAL LENGTH: 11,43 m			
W.P. 68,96 MPa 10000 psi		T.P. 103,4 MPa 15000 psi		Duration: 60 min.	
Pressure test with water at ambient temperature					
See attachment. (1 page)					
↑ 10 mm = 10 Min. → 10 mm = 25 MPa					
COUPLINGS					
Type		Serial N°		Quality	
3" coupling with 4 1/16" Flange end		720 719		AISI 4130 AISI 4130	
				C7626 47357	
API Spec 16 C Temperature rate: "B"					
All metal parts are flawless					
WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.					
Date: 29. April. 2002.		Inspector		Quality Control PHOENIX RUBBER Industrial Ltd. Hose Inspection and Pressure Testing Dept.	

14094-66

40920-0-00015 NB00C



PHOENIX RUBBER
Industrial Ltd.
Hose Inspection and
Certification Dept.

VERIFIED TRUE CO.
PHOENIX RUBBER & C.



Devon Energy
Ko Lanta 9-4 Fed Com 518H
Eddy County, NM
Plan P1:V1

Plan Data for Ko Lanta 9-4 FC 518H

Plan Point Information:									
Dogleg Severity Unit: °/100.00ft									
Position offsets from Slot centre									
MD	Inc	Az	TVD	+N/-S	+E/-W	Northing	Easting	VSec	DLS Comments
(USft)	(°)	(°)	(USft)	(USft)	(USft)	(USft)	(USft)	(USft)	(DLSU)
0.00	0.00	0.00	-0.00	0.00	-0.00	478201.74	713851.39	0.00	0.00
2500.00	0.00	0.00	2500.00	0.00	-0.00	478201.74	713851.39	0.00	0.00 Nudge
3205.21	7.06	270.00	3204.42	0.00	-43.47	478201.74	713807.92	-0.00	1.00 Hold
6962.91	7.06	270.00	6932.62	0.00	-505.33	478201.74	713346.06	-0.00	0.00 Drop
7669.11	0.00	0.00	7637.04	0.00	-548.80	478201.74	713302.59	-0.00	1.00 KOP-Build @ 10° DLS
8569.43	90.03	0.00	8210.00	573.27	-548.80	478775.01	713302.59	573.27	10.00 Landing Pt
17646.44	90.03	0.00	8205.00	9650.28	-548.80	487852.02	713302.59	9650.28	0.00 PBHL 518H

Plan Data for Ko Lanta 9-4 FC 518H

Field: Eddy Co, NM (Nad 83 NME)
Map Unit: USFt Vertical Reference Datum (VRD): Mean Sea Level
Projected Coordinate System: NAD83 / New Mexico East (ftUS)

Site: Ko Lanta 9-4 Fed Com Pad
Unit: USFt TVD Reference:
Company Name: Devon Energy
Position: Northing: 478201.74USFt Latitude: 32.313414°
Easting: 713851.39USFt Longitude: -103.774911°
North Reference: Grid Grid Convergence: 0.30°
Elevation Above VRD: 3371.80USFt

Slot: Ko Lanta 9-4 Fed Com 518H

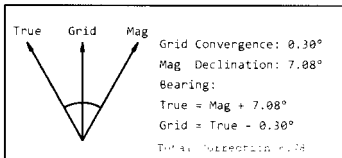
Position:
Offset is from Site centre
+N/-S: 0.00USFt Northing: 478201.74USFt Latitude: 32.313414°
+E/-W: 0.00USFt Easting: 713851.39USFt Longitude: -103.774911°
Elevation Above VRD: 3371.80USFt

Well: Ko Lanta 9-4 FC 518H

Type: Main-Well
File Number:
Plan Folder: P1 Plan: P1:V1
Vertical Section: Position offset of origin from Slot centre:
+N/-S: 0.00USFt Azimuth: 0.00°
+E/-W: -0.00USFt
Magnetic Parameters:
Model: Field Strength: Declination: Dip: Date:
bggm2017 48013(nT) 7.08° 60.08° 2017-11-01

Plan Data for Ko Lanta 9-4 FC 518H

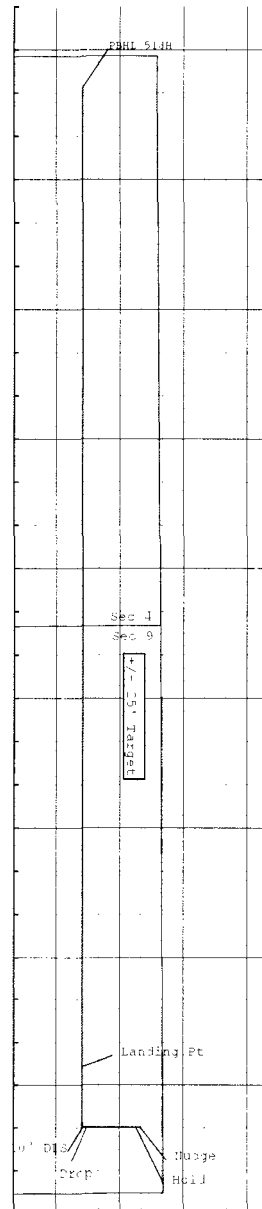
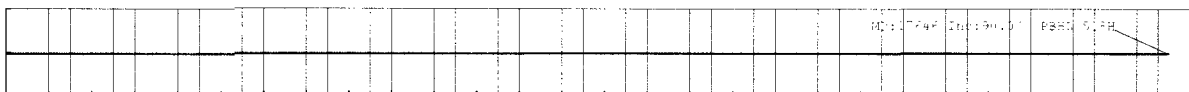
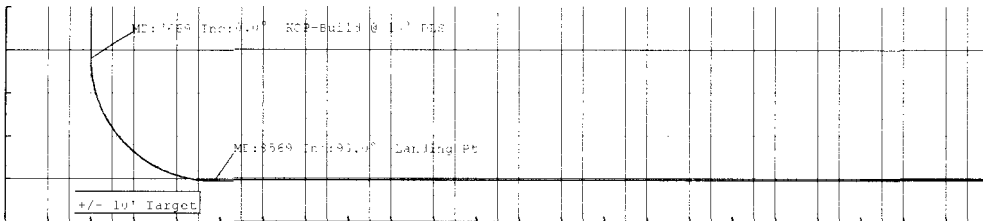
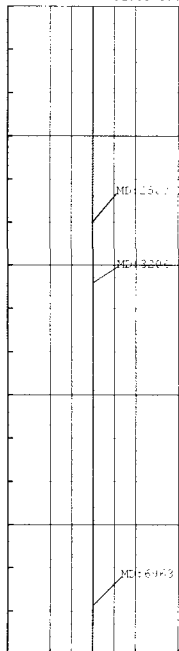
Target Set Information:									
Name: KL 9-4 FC 518H Tgts									
Position offsets from Slot centre									
Name	TVD Elevation	+N/-S	+E/-W	Northing	Easting	(USft)	(USft)	(USft)	(USft)
VP	7637.04	-4262.04	0.00	-548.80	478201.74	713302.59			
PBHL 518H	8205.00	-4830.00	9650.28	-548.80	487852.02	713302.59			



Plan Data for Ko Lanta 9-4 FC 518H

Formation Point Information:									
Name	TVD Elevation	(USft)	(USft)	MD	Dip	Direction	(°)	(°)	(°)
Leonard B	8685.00	0.00	-1.00	0.00	0.00				
Rustler	454.00	2921.00	454.00	0.00	0.00				
Salado	779.00	2596.00	779.00	0.00	0.00				
Top of Salt	789.00	2586.00	789.00	0.00	0.00				
Base of Salt	3866.00	-491.00	3872.84	0.00	0.00				
Delaware	4163.00	-788.00	4172.11	0.00	0.00				
Cherry Canyon	5059.00	-1684.00	5074.96	0.00	0.00				
Brushy Canyon	6413.00	-3038.00	6439.31	0.00	0.00				
Madera	7500.00	-4185.00	7592.07	0.00	0.00				
Lower Brushy	7744.00	-4369.00	7776.70	0.00	0.00				
1st BSG Line	8054.00	-4679.00	8136.00	0.00	0.00				
Top of Leonard	8141.00	-4766.00	8285.02	0.00	0.00				

Drawing By: L. Winkler Date: 11/01/17
Weatherford Licensing and Compliance
Weatherford Energy Services
Weatherford Energy Services
Weatherford Energy Services
Weatherford Energy Services



District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: 8/8/2017

☒ Original Devon & OGRID No.: Devon Energy Prod Co., LP (6137)
☐ Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Devon to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Ko Lanta 9-4 Fed Com 518H	N/A	Lot P, Sec 9, T23S, R 31E	610 FSL 210 FEL			Maldives 15 CTB 1

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if DCP system is in place. The gas produced from production facility is dedicated to DCP and will be connected to DCP low/high pressure gathering system located in Lea County, New Mexico. It will require 1000' of pipeline to connect the facility to low/high pressure gathering system. Devon provides (periodically) to DCP a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Devon and DCP have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at DCP Processing Plant located in Sec.19, Twn. 19S, Rng. 32E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on DCP system at that time. Based on current information, it is Devon's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

Proposed Well Information:

Name: Ko Lanta 9 4 Fed Com 518

API:

County, State: Eddy New Mexico

Field: Los Medanos

Formation: Leonard A

Proposed Unit:

Rig:

Surface Hole Location:	G10	FSL	210	FFL	9	235	31E
Bottom Hole Location:	290	FN1	700	FF1	4	245	31E

Total Permitted Depth:	_____	Pilot Hole:	_____
Projected TD:	18180	Pilot Hole TD:	_____
Ground Level Elevation:	4354	Estimated BHP:	_____
Kelly Bushing Elevation:	3375	Estimated BHT:	_____
Depth to Freshwater:	_____	Mud Type:	_____

Hard lines for directional plan:

West to East: _____
North to South: _____

Notes:

Hazards: Delaware producers: ssesw 9-235-31E North Pure Gold 9 Fed I (80 MBO 179 MBW) sswse 9-235-31E North Pure Gold 9 Fed 9 (53 MBO 110 MBW)

Devon Contacts:

	<u>Name</u>	<u>Office No.</u>	<u>Mobile No.</u>	<u>E-mail</u>
Primary Geologist:	Zach Poland	405 228 8849	405 173 1411	zach.poland@cbm.com
Secondary Geologist:	Kirk Malinowsky	405 228 8215	405 626 4420	kirk_malinowsky@cbm.com
Primary Geophysicist:	Tom Mooney	405 552 5378	405 902 1970	tom.mooney@cbm.com
Secondary Geophysicist:				
Primary Drilling Engineer:	Garrett Glaze	405 228 9043	405 446 0982	garrett_glaze@cbm.com
Secondary Drilling Engineer:				
Rig Contact:				

Geological Markers:

KB = 3375

[illegible]**Lateral Wellbore Information:**

***Inclination Note:**

[illegible]

Correlation Wells:

	<u>Well Name</u>	<u>API</u>	<u>Operator</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>KB</u>
1	North Pure Gold 9 Fed 1	1001571780000	Devon	9	23S	31E	3374
2	Pure Gold 4 Fed 1	1001576900000	Devon	9	23S	31E	1372
3							

Contractor Contacts:

	<u>Company</u>	<u>Name</u>	<u>Office No.</u>	<u>Mobile No.</u>	<u>Email</u>
Mudlogging:	_____	_____			
Mudlogging:	_____	_____			
Openhole Logs:	_____	_____			
Openhole Logs:	_____	_____			
Coring:	_____	_____			
Coring:	_____	_____			
Other Tests:	_____	_____			

Contractor Programs:

Mudlogging: _____
 Cuttings: SEND CUTTINGS TO : Tim Brown, Oklahoma Geological Survey 2020 Industrial Blvd. Norman, OK 73069. Contact phone: 405.325.8746
 Openhole Logs: _____
 Coring: _____
 Other Tests: _____

Directions to Wellsite:



Well Logging Program

Permian Delaware BU

Log Header Information:

Name: Ko Lanta 9-4 Fed Com 518
API: _____

County, State: Eddy, New Mexico
Field: Los Medanos
Formation: Leonard A

Surface Hole Location: 610 FSL 210 FEL 9 235 31E
Bottom Hole Location: 290 FNL 700 FEL 4 235 31E

Rig: _____ Estimated BHP: _____
Ground Level Elevation: 3354 Estimated BHT: _____
Kelly Bushing Elevation: 3375 Mud Type: _____

Instructions and Services:

Logging Company: _____
Logging Contact: _____
Logging Phone: _____
Estimated Job Date: mm/dd/yy
Logging Depth: _____
Bit: _____
Casing: _____

Logging Service(s):	Depth Intervals:
Descent 1	
1) <u>N/A</u>	<u>N/A</u>
2) <u>N/A</u>	<u>N/A</u>
3) <u>N/A</u>	<u>N/A</u>
4) <u>N/A</u>	<u>N/A</u>
5) <u>N/A</u>	<u>N/A</u>
Descent 2	
1) <u>N/A</u>	<u>N/A</u>
2) <u>N/A</u>	<u>N/A</u>
3) <u>N/A</u>	<u>N/A</u>
4) <u>N/A</u>	<u>N/A</u>
5) <u>N/A</u>	<u>N/A</u>
Descent 3	
1) <u>N/A</u>	<u>N/A</u>
2) <u>N/A</u>	<u>N/A</u>
3) <u>N/A</u>	<u>N/A</u>
4) <u>N/A</u>	<u>N/A</u>
5) <u>N/A</u>	<u>N/A</u>

General Instructions:

*Upon arrival on location, notify ZACH POLAND immediately!
1) _____
2) _____
3) _____
4) _____
5) _____
6) _____
7) _____
8) _____
9) _____

*SAFETY FIRST** CHECK WITH DRILLING REP ON LOCATION FOR PRESSURE CONTROL REQUIREMENTS

Calibrations: Before & After Checks of all tools on location; Tables/Summary of Calib./Checks on logs.
In Pipe Checks: 20' or more of Calipers in pipe; Present in-pipe checks on logs
Main Log Labels: Label Tools' First and Last Readings; Label Cycle Skips, Splices, Tension Pulls, Fluid Levels; Identify all Repeat Log(s).

PRESENT TOOL SKETCH

Data Specifications:

Distribution:
No. of Field Prints: 1 copy to Devon Drilling Rep.
Field Distribution: Email Neutron-Density & Resistivity per distribution for intervals specified by Geologist
Final Distribution: Distribute to all parties on the attached distribution list.

Data Processing:

- 1) Upload data to Client Access Point for real time viewing and email PDF to Geologist
- 2) DLIS, LAS and Vendor format uploaded after job
- 3) Data files (LAS and/or other) should include all curves presented plus recorded
- 4) ALL SPECIALTY PROCESSING SHOULD BE DONE IN VENDOR OFFICE IN OKC UNLESS OTHERWISE STATED
- 5) **0.5 ft sample increment**
- 6) **LOGSAFE ALL DATA**

Scales & Presentations:

ALL (Track 1): GR 0 to 100; Caliper 6 to 16; Tension; Apply Back Up Scaling.
Present 2"/100' (TD to Surf. or L.R.); 5"/100' (TD to Int. Csg.); Repeats @ 5"/100'; Casing Checks @ 5"/100'; Cal's/Param's.

DENSITY/NEUTRON (Track 2): 2" - DENSITY SCALED 2 to 3, NEUTRON POROSITY 0.30 to -0.10 (LS matrix), PE 0 to 10;
5" - X-PLOT POROSITY 0.3 to -0.1, DENSITY POROSITY 0.3 to -0.1 (2.71 matrix), NEUTRON POROSITY 0.3 to -0.1 (2.71 matrix), PE 0 to 10, DRHO -0.1 to 0.9
Use fluid density of 1.1
Caliper merged from neutron-density pass

RESISTIVITY (Track 2): 2" - RESISTIVITY: 0.2 to 2000 ohm.m (log) display; FULL RESISTIVITY ARRAY
5" - RESISTIVITY: 0.2 - 2000 ohm.m (log), display RXOZ, RMF, RMF, FULL RESISTIVITY ARRAY
RXOZ merged from neutron-density pass
No CGR on GR display
Caliper merged from neutron-density pass

ACOUSTIC (Track 2): 2" - delta T 40-100 ms/ft, LS porosity (47.6 dt matrix) (185 dt fluid)
5" - delta T 40-100 ms/ft, LS porosity (47.6 dt matrix) (185 dt fluid)
Include CGR on GR display for 2" and 5" presentations
Caliper merged from neutron-density pass

OTHER: Additional services presented as vendor standards



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

Hydrogen Sulfide (H₂S) Contingency Plan

For

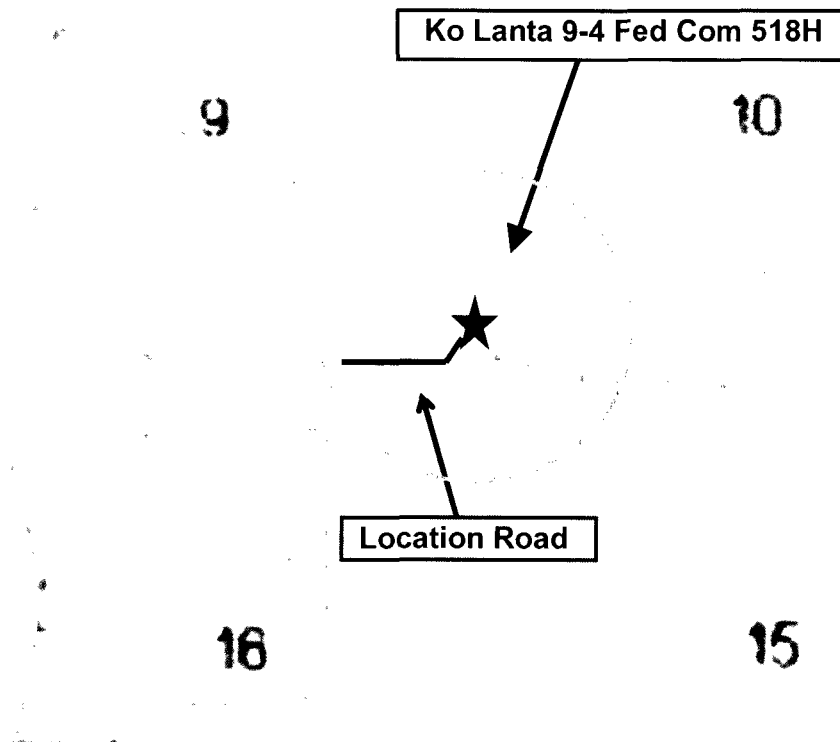
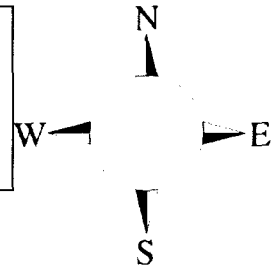
Ko Lanta 9-4 Fed Com 518H

**Sec-9 T-23S R-31E
610 FSL & 210' FEL
LAT. = 32.3134140' N (NAD83)
LONG = 103.7749114' W**

Eddy County NM

Ko Lanta 9-4 Fed Com 518H

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



ROE = Radius of Exposure

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. Crews should then block the entrance to the location from the lease road so as not to allow anyone traversing into a hazardous area. The blockade should be at a safe distance outside of the ROE. There are no homes or buildings in or near the ROE.

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

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

- **Isolate the area and prevent entry by other persons into the 100 ppm ROE.**
- **Evacuate any public places encompassed by the 100 ppm ROE.**
- **Be equipped with H₂S monitors and air packs in order to control the release.**
- **Use the “buddy system” to ensure no injuries occur during the response**
- **Take precautions to avoid personal injury during this operation.**
- **Contact operator and/or local officials to aid in operation. See list of phone numbers attached.**
- **Have received training in the**
 - **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 (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

Characteristics of H₂S and SO₂

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	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

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

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 H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan.

II. HYDROGEN SULFIDE TRAINING

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

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 one escape unit 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 H₂S monitors positioned on location for best coverage and response. These units have warning lights which activate when H₂S levels reach 10 ppm and audible sirens which activate at 10 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 H₂S circulated to surface. Proper mud weight, safe drilling practices and the use of H₂S scavengers will minimize hazards when penetrating H₂S 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:

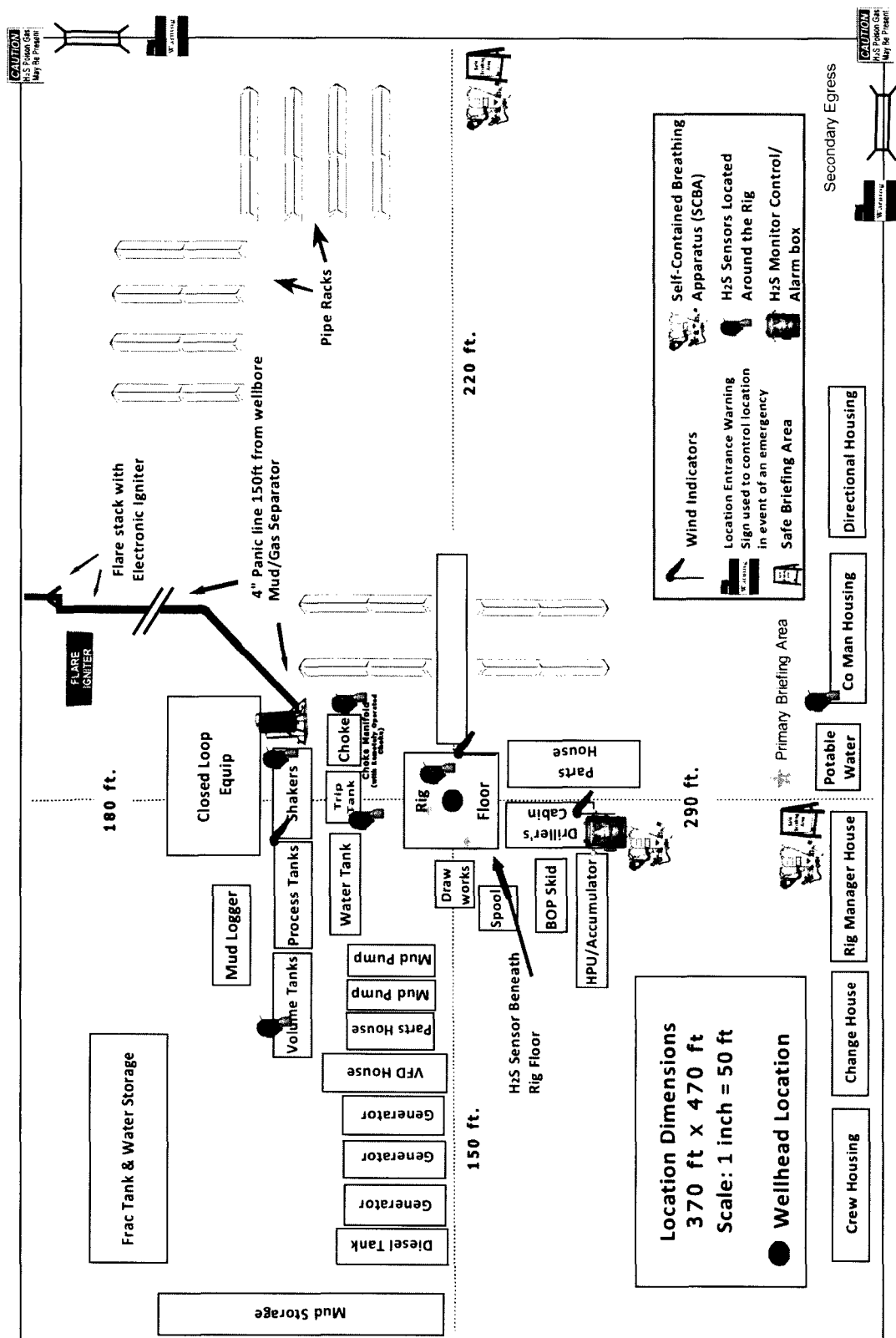
- A. There will be no drill stem testing.

<u>Devon Energy Corp. Company Call List</u>		
Drilling Supervisor – Basin – Mark Kramer		405-823-4796
Jerry Matthews – Day: 575-748-0161 Cell: 575-748-5234		
EHS Professional – Jason Robison		405-541-2841
<u>Agency Call List</u>		
<u>Lea County (575)</u>	Hobbs	
	Lea County Communication Authority	393-3981
	State Police	392-5588
	City Police	397-9265
	Sheriff's Office	393-2515
	Ambulance	911
	Fire Department	397-9308
	LEPC (Local Emergency Planning Committee)	393-2870
	NMOCD	393-6161
	US Bureau of Land Management	393-3612
<u>Eddy County (575)</u>	Carlsbad	
	State Police	885-3137
	City Police	885-2111
	Sheriff's Office	887-7551
	Ambulance	911
	Fire Department	885-3125
	LEPC (Local Emergency Planning Committee)	887-3798
	US Bureau of Land Management	887-6544
	NM Emergency Response Commission (Santa Fe)	(505) 476-9600
	24 HR	(505) 827-9126
	National Emergency Response Center	(800) 424-8802
	National Pollution Control Center: Direct	(703) 872-6000
	For Oil Spills	(800) 280-7118
	Emergency Services	
	Wild Well Control	(281) 784-4700
	Cudd Pressure Control	(915) 699-0139 (915) 563-3356
	Halliburton	(575) 746-2757
	B. J. Services	(575) 746-3569
<u>Give GPS position:</u>	Native Air – Emergency Helicopter – Hobbs	(575) 392-6429
	Flight For Life - Lubbock, TX	(806) 743-9911
	Aerocare - Lubbock, TX	(806) 747-8923
	Med Flight Air Amb - Albuquerque, NM	(575) 842-4433
	Lifeguard Air Med Svc. Albuquerque, NM	(800) 222-1222
	Poison Control (24/7)	(575) 272-3115
	Oil & Gas Pipeline 24 Hour Service	(800) 364-4366
	NOAA – Website - www.nhc.noaa.gov	

Prepared in conjunction with
Dave Small



Devon Energy - Well Pad Rig Location Layout Safety Equipment Location



Casing Assumptions and Load Cases

Intermediate

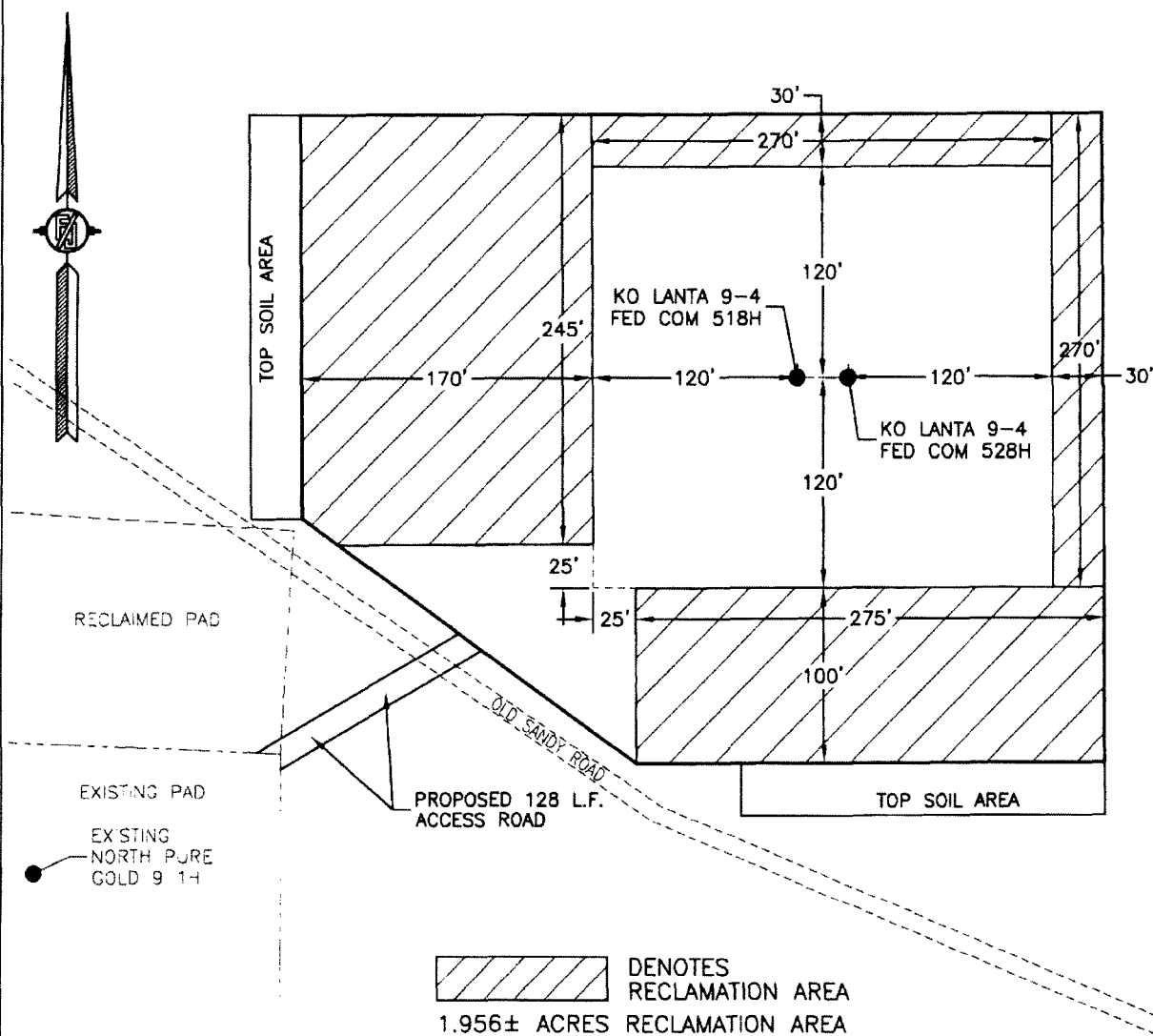
All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Intermediate Casing Burst Design		
Load Case	External Pressure	Internal Pressure
Pressure Test	Formation Pore Pressure	Max mud weight of next hole-section plus Test psi
Drill Ahead	Formation Pore Pressure	Max mud weight of next hole section
Fracture @ Shoe	Formation Pore Pressure	Dry gas

Intermediate Casing Collapse Design		
Load Case	External Pressure	Internal Pressure
Full Evacuation	Water gradient in cement, mud above TOC	None
Cementing	Wet cement weight	Water (8.33ppg)

Intermediate Casing Tension Design	
Load Case	Assumptions
Overpull	100kips
Runing in hole	2 ft/s
Service Loads	N/A

SECTION 9, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
INTERIM SITE RECLAMATION



DEVON ENERGY PRODUCTION COMPANY, L.P.
KO LANTA 9-4 FED COM 518H
LOCATED 610 FT. FROM THE SOUTH LINE
AND 210 FT. FROM THE EAST LINE OF
SECTION 9, TOWNSHIP 23 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JUNE 2, 2017

SURVEY NO. 5237

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 **CARLSBAD, NEW MEXICO**

A multibowl wellhead may be 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 30 days. If any seal subject to test pressure is broken the system must be tested.

Devon proposes using 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.

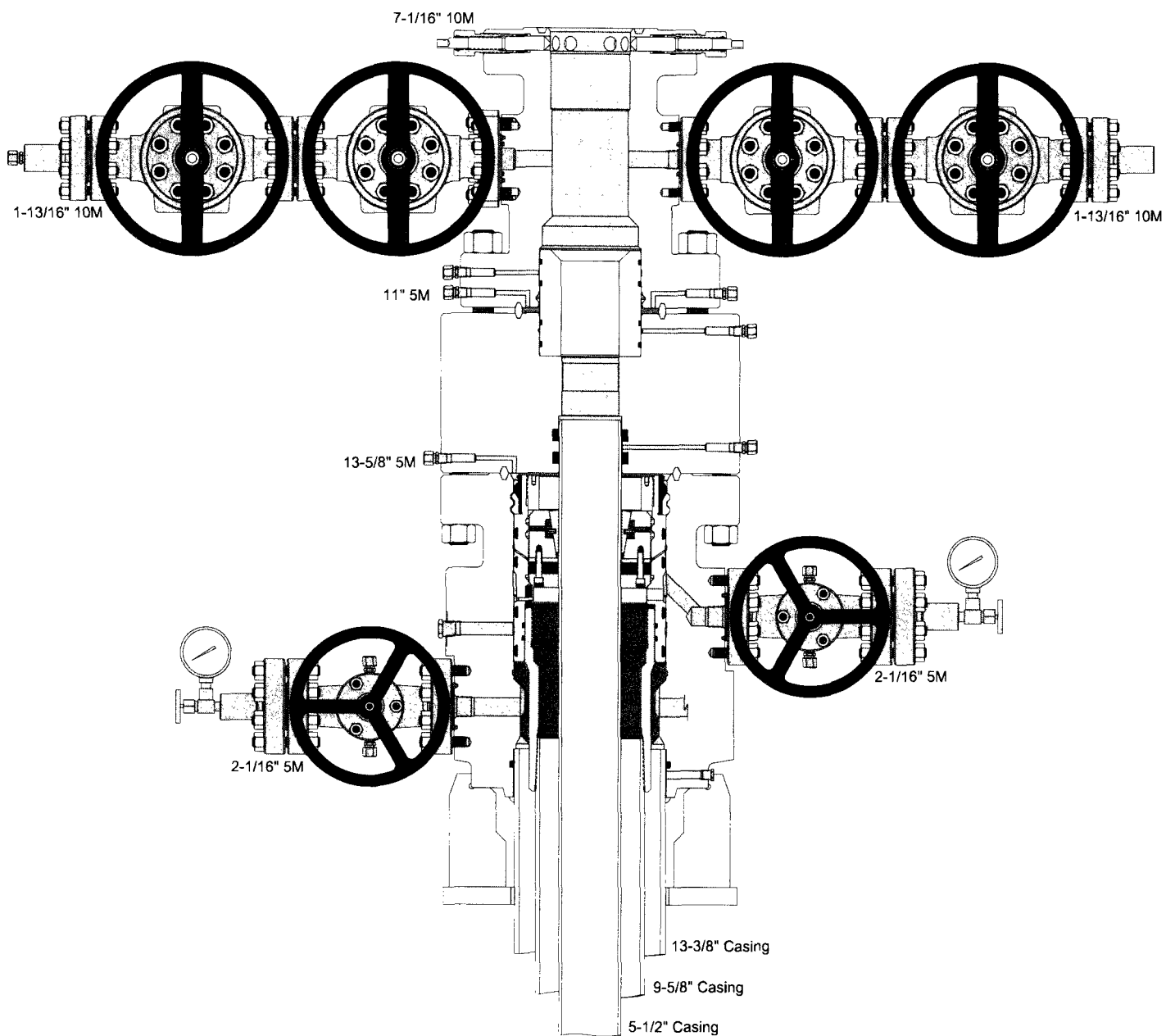
- Wellhead will be installed by wellhead representatives.
- If the welding is performed by a third party, the wellhead representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- Wellhead representative will install the test plug for the initial BOP test.
- Wellhead company 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 3M, 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 mandrel (but 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 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 and 250 psi low test will cover testing requirements a maximum of 30 days, as per 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 wellhead.

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

Devon's proposed wellhead manufactures will be FMC Technologies, Cactus Wellhead, or Cameron.



PLAT
One Mile Radius Map



This map is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one. Devon makes no warranty, representation, or guarantee of any kind regarding this map.

GCS North American 1983
Datum: North American 1983; Units: Degree
Created by: lemois
Map is current as of 9/6/2017.

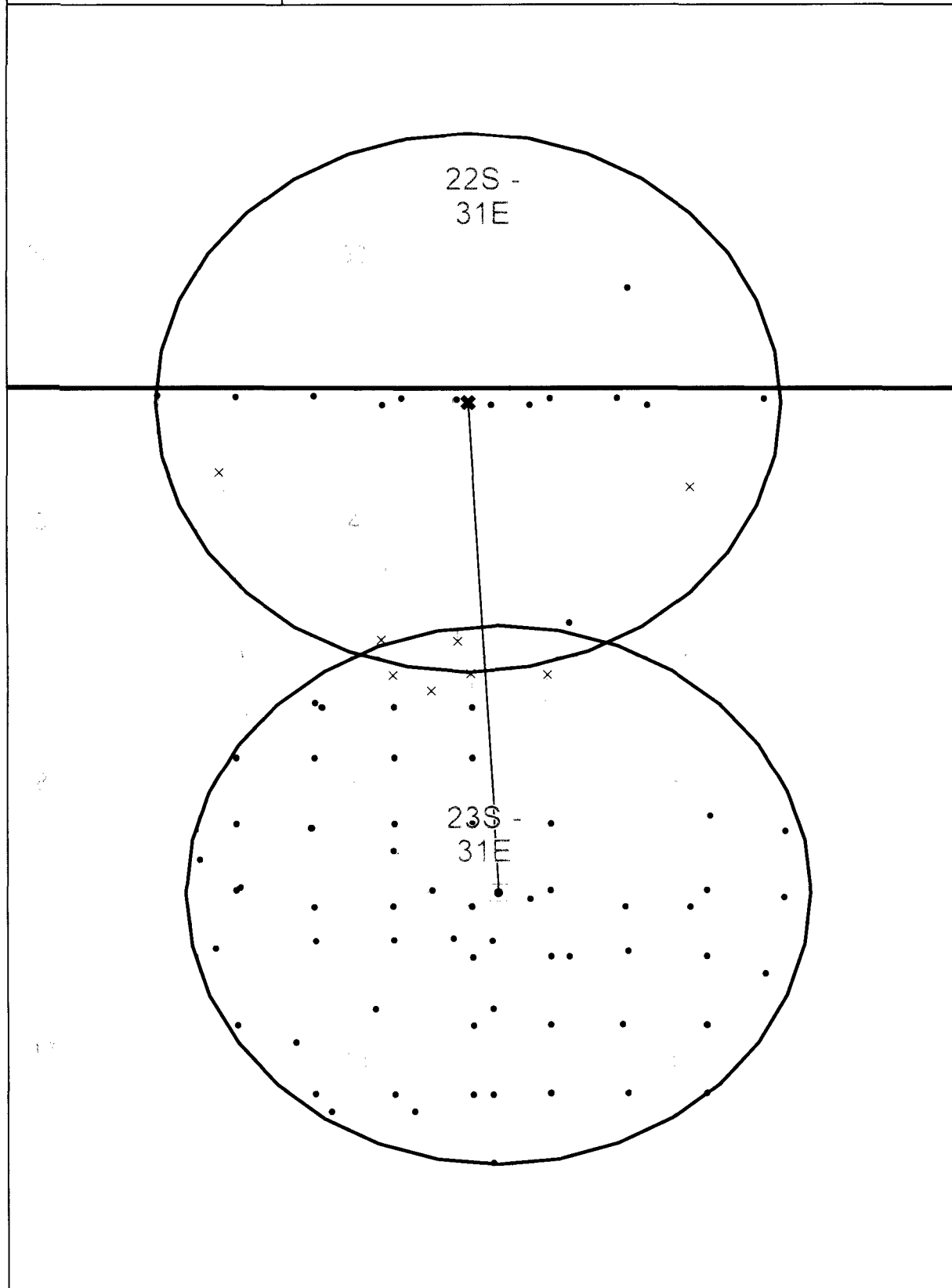


0 0.3 Miles
1 inch = 0 miles

KO LANTA 9-4 FED COM 518H
WA016897655

NORTH PURE GOLD 9 FED 11H
Nearest wellbore to SHL: 436 ft.

GLOW WORM ALX FEDERAL 16H
Nearest wellbore to BHL: 204 ft.



Casing Assumptions and Load Cases

Production

All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Production Casing Burst Design		
Load Case	External Pressure	Internal Pressure
Pressure Test	Formation Pore Pressure	Fluid in hole (water or produced water) + test psi
Tubing Leak	Formation Pore Pressure	Packer @ KOP, leak below surface 8.6 ppg packer fluid
Stimulation	Formation Pore Pressure	Max frac pressure with heaviest frac fluid

Production Casing Collapse Design		
Load Case	External Pressure	Internal Pressure
Full Evacuation	Water gradient in cement, mud above TOC.	None
Cementing	Wet cement weight	Water (8.33ppg)

Production Casing Tension Design	
Load Case	Assumptions
Overpull	100kips
Runing in hole	2 ft/s
Service Loads	N/A

Devon Energy

APD VARIANCE DATA

OPERATOR NAME: Devon Energy

1. SUMMARY OF Variance:

Devon Energy respectfully requests approval for the following additions to the drilling plan:

1. Potential utilization of a spudder rig to pre-set surface casing.

2. Description of Operations

1. A spudder rig contractor may move in their rig to drill the surface hole section and pre-set surface casing on this well.
 - a. After drilling the surface hole section, the rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
 - b. Rig will utilize fresh water based mud to drill surface hole to TD. Solids control will be handled entirely on a closed loop basis. No earth pits will be used.
2. The wellhead will be installed and tested once the surface casing is cut off and the WOC time has been reached.
3. A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with needle valves installed on two wingvalves.
 - a. A means for intervention will be maintained while the drilling rig is not over the well.
4. Spudder rig operations is expected to take 8-10 days on a multi well pad
5. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.
6. Drilling operation will be performed with the big rig. At that time an approved BOP stack will be nipped up and tested on the wellhead before drilling operations commences on each well.
 - a. The BLM will be contacted / notified 24 hours before the big rig moves back on to the pad with the pre-set surface casing.
7. Devon Energy will have supervision on the rig to ensure compliance with all BLM and NMOCD regulations and to oversee operations.
8. Once the rig is removed, Devon Energy will secure the wellhead area by placing a guard rail around the cellar area.

Casing Assumptions and Load Cases

Surface

All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Surface Casing Burst Design		
Load Case	External Pressure	Internal Pressure
Pressure Test	Formation Pore Pressure	Max mud weight of next hole-section plus Test psi
Drill Ahead	Formation Pore Pressure	Max mud weight of next hole section
Displace to Gas	Formation Pore Pressure	Dry gas from next casing point

Surface Casing Collapse Design		
Load Case	External Pressure	Internal Pressure
Full Evacuation	Water gradient in cement, mud above TOC	None
Cementing	Wet cement weight	Water (8.33ppg)

Surface Casing Tension Design	
Load Case	Assumptions
Overpull	100kips
Runing in hole	3 ft/s
Service Loads	N/A

Kolanta 9-4 FED COM 518H

TW route

devon

This map is for illustrative purposes only and is neither a legally recorded map nor survey and is not intended to be used as one. Devon makes no warranty, representation, or guarantee of any kind regarding this map.

WGS 1984 Web Mercator Auxiliary Sphere
Prepared by: STEPHEN RICHARDS
Map is current as of: 01-Sep-2017



Miles

0 0.14 0.28 0.56 1:28,457

- DVA Currently Drilling
- DVA Currently Frac'ing
- ▲ Frac Pond
- Centerpoint DVA
- Frac Pond DVA
- AS SULFATE BUILT
- CONSTRUCT ON
- PROPOSED
- Devon Google Maps Imagery

