| Form 3160-3 (Decemb <r 1990)<="" th=""><th>UNITED DEPARTMEN)</th><th>STATES THE INTERNAL</th><th>SUBMIT IN —</th><th>ision</th><th>Form approved.</th><th>0151</th></r> | UNITED DEPARTMEN) | STATES THE INTERNAL | SUBMIT IN — | ision | Form approved. | 0151 |
|---|---|--|---|---|------------------------------------|-------------------------|
| 818 | | ID MANAGEMENT | 811 S. TST S1. | 5. LRASE 1 | DESIGNATION AND SE | RIAL NO. |
| | PPLICATION FOR PERM | | ATTESIA. NM 88210-289 EPEN | | 95-B | RIBE NAME |
| la TYPE OF WORK: | DRILL 🔯 | DEEPEN | | NA | , | |
| b. TYPE OF WELL: | | SINGLE | MULTIPLE | 7.UNIT AC | GREEMENT NAME | 127 |
| 2 NAME OF OPERAT | WELL CUICI | ZONE | ZONE | 8.FARM OF | R LEASE NAME, WELL | NO. |
| | PRODUCTION COMPANY, I | P. 6/37 | | | R "B" #140 | |
| 3. ADDRESS AND TE | LEPHONE NO. ', SUITE 1500, OKC, OK 7310 | 12 (405) 552-8194 | | SAMPI WEI | | 31979 |
| | L (Report location clearly and in ac | | nents)* | | AND POOL, OR WILD URG-JACKSON I | |
| At surface 950' F | SL & 1175' FEL UNIT P | | | | | AND SURVEY OR AREA |
| At top proposed prod. | zone (SAME) SUBJ | ECT TO LIKE APPROV | AL BY STATE | 1 | ON 17, T17S - R311 | |
| | nd direction from nearest town or North of Loco Hills, N.M. | POST OFFICE* | | 12. COUN EDDY | TY OR PARISH | 13. STATE NM |
| 15.DISTANCE FROM PROPO | SED | 16.NO. OF ACRES IN LEASE | | | 17.NO. OF ACRES | ASSIGNED |
| LOCATION TO NEAREST PROPERTY OR LEASE LI | 272 | 1786.15 | | | TO THIS WELL | |
| (Also to nearest drig, unit line 18.DISTANCE FROM PROPO | SED LOCATION* | 19.PROPOSED DEPTH | | - | 20.ROTARY OR CA | BLE TOOLS* |
| TO NEAREST WELL, DRI OR APPLIED FOR, ON T | THIS LEASE, PT. 856' | 3700' | | | Rotary | |
| 21.ELEVATIONS (Show whet GR=3723' | ther DF, RT, GR, etc.) | | | | APPROX. DATE WORK e 15, 2001 | WILL START* |
| | | | | | | |
| 23. | GRADE, SIZE OF CASING | PROPOSED CASING AND CE | MENTING PROGRAM SETTING DEPTH | Roswell | Controlled W | Y OF CENENT |
| 12 1/4" | 8 5/8" J-55 | 24.0# | 325' | 1 | .25 sxs Lite cmt + | |
| 7 7/8" | 5 1/2" J-55 | 15.5# | 3700' | - | 50 sxs Lite cmt + | 425 sxs Class "H" |
| the wellbore will loutlined in the fol Drilling Program Exhibits #1/1-A = Exhibit #2 = Exhibit #3/3-A = Exhibit #4 = Exhibit #5/5A = Exhibit #6 = Exhibit #7 = H2S Operating Pl | Blowout Prevention Equip Location and Elevation Pla Road Map and Topo Map Wells Within 1 Mile Radiu Production Facilities Plat Rotary Rig Layout CEMENT BEHIN | oer Federal Regulations. In the undersion of the undersio | gned accepts all applicants, condition, stipulations, condition, stipulation arietions concerning operations on the leased latter of, as described below C-029395-B iption: Section 17-T17S age: Statewide in CO, BLM Bond No.: CAPPROLEM | onshore of able ons and erations nd or por v: S-R31E NM, UT, CO1151 VAL SU | tions CO BJECT TO UIREMENT | CEIVED ARTESIA |
| 24. | | | I. Carleton | | | |
| | ilis of factition | | Engineering Technican | | _DATE _May 9 | , 2001 |
| *(This space for Fede | eral or State office use) | | | | | |
| PERMIT NO | | | APPROVAL DATE _ | | | |
| Application approval does n | not warrant or certify that the applicant PROVAL, IF ANY: | , | | vould entitle (| he applicant to condu | ict operations thereon. |
| APPROVED BY | /S/ JOE G. LARA | Activity FIELD | MANAGER | DAT | ne AUG 2 9 | 2001 |

See Instructions On Reverse Side

BONE STATE OF OF 11 STATE OF 1

IS JOE G. LARA

SURFACE USE AND OPERATING PLAN

Turner "B" # 140 950' FSL & 1175' FEL Section 17-T17S-R31E Eddy County, New Mexico

1. Existing Roads:

- A. The well site and elevation plat for the proposed Turner "B" #140 is reflected on Exhibit #2. It was staked by Topographic Land Surveyors, Midland, Texas.
- B. All roads into the location are depicted in Exhibit #3. County Road 221 will be used to access the location. No upgrades to roads other than the access into location from County Road 221 will be necessary.
- C. Directions to location: From the JCT of SH 82 & Cnty Rd 217 in Loco Hills, go East 5.1 miles on U.S. Hwy 82, thence Northeasterly 0.7 mile on lease road, thence East 0.1 mile on lease road, thence North 0.1 mile on lease road, thence Westerly 0.1 mile on lease road to a point +/- 100' North of the location.

2. Proposed Access Road:

Exhibit #3 shows the new access road to be constructed from County Road 221. It will be constructed as follows:

- A. The maximum width of the road will be fifteen (15) feet.
- B. It will be crowned and made of 6 inches of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
- C. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location.
- D. The average grade will be approximately 1%.
- E. No cattleguards, grates or fence cuts will be required.
- F. No turnouts are planned.
- G. Electric lines and flowlines will run parallel to the roadway approximately 50' from the center line of the road.

3. <u>Location of Existing Wells</u>:

Exhibit #4 shows all existing wells within a one-mile radius.

4. <u>Location of Existing and/or Proposed Facilities</u>:

- A. In the event the well is found productive, it will be added to the Turner 'B' North Battery located in Sec. 20-17S-31E (refer to Exhibit #5). All Turner 'B' wells will go to Turner 'B' North Battery located in Section 20-T17S-R31E or to the Turner 'B' South (Premier) Battery located in Sec. 29-17S-31E.
- B. The well will be operated by means of an electric motor.
- C. If the well is productive, rehabilitation plans are as follows:
 - a. The reserve pit will be back-filled after the contents of the pit are dry (within 120 days after completion, weather permitting).
 - b. Caliche from unused portions of the drill pad will be removed. The original topsoil from the wellsite will be returned to the location. The drill site will then be contoured to the original natural state.

5. <u>Location and Type of Water Supply:</u>

The Turner "B" #140 will be drilled using a combination of brine and fresh water mud systems (outlined in Drilling Program). The water will be obtained from the existing water line presently supplying fresh water to the unit. Additionally, produced salt water from lease gathering tanks may be used. No water well will be drilled on the location.

6. Source of Construction Materials:

All caliche utilized for the drilling pad and proposed access road will be obtained from a existing BLM approved pit. All roads will be constructed of 6" rolled and compacted caliche.

7. Methods of Handling Water Disposal:

- A. Drill cuttings will be disposed into the reserve pit.
- B. Drilling fluids will be contained in lined earthern mud pit and the reserve pit. The reserve pit will contain excess drilling fluid or fluid from the well during drilling, cementing, and completion operations. The reserve pit will be an earthen pit roughly 100' x 100' x 5', or smaller, in size.
- C. The reserve pit will be fenced on three sides throughout drilling operations and will be totally isolated upon removal of the rotary rig. The pit will be lined using a 5-7 mil plastic to minimize loss of drilling fluids.
- D. Water produced from the well during completion operations will be disposed into a steel tank or reserve pit, if volumes prove excessive. After placing the well on production through the production facilities, all water will be collected in tanks and injected into the water injection system. Produced oil will be separated into steel stock tanks until sold.
- E. A portable chemical toilet will be available on the location for human waste during the drilling operations.
- F. Garbage, trash and waste paper produced during drilling operations will be collected in a contained trailer and disposed at a approved landfill. All waste material will be contained to prevent scattering by the wind. All water, fluids, salt or other chemicals will be disposed into the reserve pit. No toxic waste or hazardous chemicals will be generated by this operation.
- G. All waste material will be removed within 30 days after the well is either completed or abandoned. The reserve pit will be completely fenced until it has dried. At the point the reserve pit is found sufficiently dry, it will be backfilled and reclaimed as per the surface owner's specifications. Only the portion of the drilling pad used by the production equipment (pumping unit) will remain in use. If the well is deemed non-commercial, only a dry hole marker will remain.

8. Ancillary Facilities:

No campsite or other facilities will be constructed as a result of this well.

9. Well Site Layout:

- A. The drill pad is shown on Exhibit #6. Approximate dimensions of the pad, pits and general location of the rig equipment is displayed. Top soil will be stored adjacent to the pad until reclamation efforts are undertaken. Only modest cuts will be necessary to build the pad which will be covered with 6" of compacted caliche.
- B. No permanent living facilities are planned, but temporary trailers for the toolpusher, drilling foreman and mud logger may be on location throughout drilling operations.
- C. The reserve pit will be lined using plastic sheeting of 5-7 mil thickness.

10. Plans for Restoration of Surface:

- A. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed as directed by the surface owner. The reserve pit area will be broken out and leveled after drying to a condition where these efforts are feasible. The original top soil will again be returned to the pad and contoured, as close as possible, to the original topography.
- B. The pit lining will be buried or hauled away in order to return the location and road to their pristine nature. All pits will be filled and location leveled, weather permitting, within 120 days after abandonment.
- C. The location and road will be rehabilitated as recommended by the surface owner.
- D. The reserve pit will be fenced on three sides throughout drilling operations. After the rotary rig is removed, the reserve pit will be fenced on the fourth side to preclude endangering wildlife. The fencing will be in place until the pit is reclaimed.
- E. If the well is deemed commercially productive, the reserve pit will be restored as described in 10(A) within 120 days subsequent to the completion date. Caliche from areas of the pad site not required for operations will be reclaimed. The original top soil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography.

11. <u>Surface Ownership</u>:

The Bureau of Land Management is the surface owner.

12. Other Information:

- A. The area surrounding the well side is grassland. The top soil is very sandy in nature. The vegetation cover is one of a grassland environment and a scrub-grass scrub disclimax community.
- B. There is permanent water (Nakee Ishee Lake) approximately 15 miles W/NW of the location. There is potential water (Cedar Lake Draw) approximately 3 miles SW of the location.
- C. A Cultural Resources Examination has been completed by Southern New Mexico Archaeological Services Inc. and forwarded to the Carlsbad, New Mexico BLM office.

13. Lessees's and Operator's Representative:

The Devon Energy Production Company, L.P. representatives responsible for assuring compliance of the surface use plan are:

Charles H. Carleton Senior Engineering Technician 20 North Broadway, Suite 1500 Oklahoma City, OK 73102-8260 Don Mayberry Production Superintendent P. O. Box 250 Artesia, NM 88211-0250

(405) 552-4528 (office) (405) 392-2471 (home)

(505) 748-3371 (office) (505) 370-6552 (pager)

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access road; that I am familiar with the conditions that presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Devon Energy Operating Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: May 9, 2001

Charles H. Carleton

Senior Engineering Technician

DRILLING PROGRAM

Turner "B" # 140 950' FSL & 1175' FEL Section 17-T17S-R31E Eddy County, New Mexico

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

| Zones | <u>Tops</u> |
|-----------------|-------------|
| Rustler | 300' |
| Salado | 535' |
| Tansill | 1290' |
| Yates | 1450' |
| Seven Rivers | 1765' |
| Artesia (Queen) | 2370' |
| Grayburg | 2720' |
| San Andres | 3060' |
| | |

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas:

Water

Upper Permian:

Surface - 300'

Oil

Grayburg/San Andres

2720' - TD

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 8 5/8" casing at 325' and circulating cement back to surface. The Grayburg and San Andres intervals will be isolated by setting 5 1/2" casing to total depth (± 3700 ') and circulating cement to surface.

4. <u>Casing Program:</u>

| Hole Size | <u>Interval</u> | <u>Csg OD</u> | Weight, Grade, Type |
|-----------|-----------------|---------------|-----------------------------|
| 17-1/2" | 0-40' | 14" | Conductor, 0.30" wall |
| 12-1/4" | 0-325' | 8-5/8" | 24#, J-55 ERW, FBN ST&C R-3 |
| 7-7/8" | 0-TD | 5-1/2" | 15.5# J-55, LT&C seamless |

Casing Cementing Program:

14" Conductor Casing: Cemented with redimix to surface.

8 5/8" Surface Casing: Cemented to surface with 125 sxs Lite cmt

+ 6% GeI + 2% CaCl + 1/4 lb/sx Cellophane Flakes and 200 sxs Class C + 2% CaCl + 1/4 lb/sx Cellophane Flakes.

5 1/2" Production Casing: Cemented to surface with 550 sxs Lite +

6% Gel + 5% NaCl + 1/4 lb/sx Cellophane Flakes and 425 sxs Class "H" + 10% Gypsum + 1/4 lb/sx Cellophane Flakes.

The above cement volumes are subject to revision pending the caliper measurement from the open hole logs. The top of cement is designed to reach surface.

5. Minimum Specifications for Pressure Control:

A 2000 psi blowout prevention system (BOP), as shown in Exhibit #1, will be utilized. The BOP equipment will consist of a double ram type preventor and/or a bag-type (Hydril) preventor. Both units will be hydraulically operated and the ram type preventor will be equipped with blind rams on top and 4 1/2" drill pipe rams on bottom. Both BOP's will be installed on the 8 5/8" surface casing head(2000 psi WP) and utilized continuously until total depth is reached. As per BLM Operations Order #2, prior to drilling out the 8 5/8" casing shoe, the BOP's and Hydril will be function tested. Pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These functional tests will be documented on the daily drillers log. A 2" kill line and 3" choke line will be incorporated in the drilling spool below the ram-type BOP.

Additional accessory BOP equipment will include a kelly cock, floor safety valve, choke lines and choke manifold having a minimum 2000 psi WP rating. The BOP equipment to be utilized is illustrated in Exhibit #1 and #1-A. As the Exhibits reflect, 3000 psig BOP equipment will be utilized during drilling operations. This equipment will be utilized as it is the more readily available BOP equipment; however, the BOP systems maximum pressure will be limited to 2000 psig, which is, the maximum working pressure of the 8 5/8" casing head.

6. Types and Characteristics of the Proposed Mud System:

The well will be drilled to total depth using brine, cut brine and polymer mud systems. Depths of systems are as follows:

| , , | | Weight | Viscosity | Water Loss |
|--------------|-------------------|--------|-----------|-------------|
| <u>Depth</u> | <u>Type</u> | (ppg) | (1/sec) | <u>(cc)</u> |
| 0' - 325' | Fresh Water | 8.8 | 34-36 | No Control |
| 325' - TD | Cut Brine Polymer | 10.0 | 32-36 | 10-20 |

The necessary mud products for weight addition and fluid loss control will be on location at all times.

7. Auxiliary Well Control and Monitoring Equipment:

- A. A kelly cock will be in the drill string at all times.
- B. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.

8. Logging, Testing and Coring Program:

- A. No drillstem tests are planned.
- B. The open hole electrical logging program will be:

| TD to base of salt(±1400'): | Compensated Neutron - Litho Density w/Gamma Ray, Caliper & SP | | | |
|-----------------------------|---|--|--|--|
| TD to base of salt(±1400'): | Dual Laterlog – Micro SFL w/Gamma Ray & Caliper | | | |
| TD to surface: | Gamma Ray/Neutron and Caliper, | | | |

- C. No coring program is planned.
- D. Additional testing will be initiated subsequent to setting the 5 1/2" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

9. Abnormal Pressures, Temperatures and Potential Hazards:

No abnormal pressures or temperatures are foreseen. The anticipated bottom hole temperature at total depth is 104 degrees and maximum bottom hole pressure is 800 psig. Hydrogen sulfide gas has been reported, or, is known to exist in the Grayburg and San Andres formations. An H2S Drilling Operation Plan is included. Loss circulation has been experienced when drilling the surface hole at offset wells. Loss circulation intervals are isolated with the 8 5/8" surface casing. No major loss circulation intervals have been experienced when drilling the production hole in offset wells.

10. Anticipated Starting Date and Duration of Operations:

Barry Hunt of Carlsbad, New Mexico BLM office will review the proposed pad site for the location. A Cultural Resources Examination has been completed by Southern New Mexico Archaeological Services Inc. and a copy forwarded to the Carlsbad, New Mexico BLM office.

Road and location preparation will not be undertaken until approval has been received from the BLM. The anticipated spud date is approximately June 15, 2001. The drilling operation should require approximately 10 days. If the well is deemed productive, completion operations will require, at minimum, an additional 30 days of testing to ascertain whether permanent production facilities will be constructed.

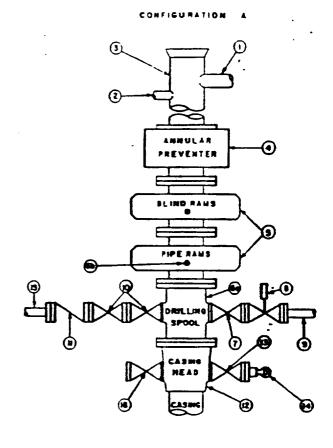
MINIMUM BLOWOUT PREVENTER REQUIREM.

2000# BOP system utilized 3000# WP BOP Equipment 2000# psig WP casing head

EXHIBIT #1

STACK REQUIREMENTS

| | | | Min. | Mirt. |
|-----|---|--------------------|-----------------|---------|
| No. | Item | | 1. D . | Nominal |
| 1 | Flowline | | | |
| 2 | Fill up line | | | 2- |
| 3 | Orilling nipple | | | |
| 4 | Annular preventer | | | |
| 5 | Two single or one dual hy operated rams | | | |
| 64 | Orilling spool with 2" min. 3" min choke line outlets | | | |
| 60 | 2" min. kill line and 3" mi outlets in ram. (Alternate | | | |
| 7 | Valve | Gate [] Plug [] | 3-1/8* | |
| 8 | Gale valve power opera | ted | 3-1/8" | |
| 9 | Line to choke manifold | | | 3- |
| 10 | Val ves | Gate C Plug C | 2-1/16" | |
| 11 | Check valve | | 2-1/1 6" | |
| 12 | Casing head | | | |
| 13 | Valve | Gate D Plug D | 1-13/16* | |
| 14 | Pressure gauge with need | tie valve | | |
| 15 | Kill line to rig mud pump r | manifold | | 2- |



| | OPT ION AL | |
|------------------|-------------------|--|
| 16 Flanged valve | 1-13/16" | |

CONTRACTOR'S OPTION TO FURNISH:

- All equipment and connections above bradenhead or casinghead. Working pressure of preventors to be 3,000 psi, minimum.
- Automatic accumulator (80 gallon, minimum) capable of clessing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
- 3.BOP controls, to be located near drillers position.
- 4. Kelly equipped with Kelly cock.
- S.Inside blowout prevventer or its equivalent on derrick floor at all times with proper threads to fill pipe being used.
- &.Kelly saver-sub equipped with rubber casing protector at all times.
- 7.Plug type blowous preventer lester.
- Extra set pipe rams to fit drill pipe in use on location at all times.
- 8. Type RX ring gaskets in place of Type R.

MEC TO FURHISH:

- Bracenhead of casinghead and side valves.
- 2. Wear bushing, if required.

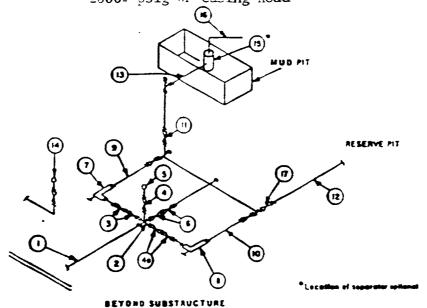
GENERAL MOTES:

- Devalors from this drawing may be made only with the express permission of MEC's Drilling Manager.
- 2.All connections, valves, littings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through chore. Valves must be full opening and suitable for high pressure staud service.
- Controls to be of standard design and each marked, shewing opening and closing position.
- 4. Chokes will be positioned so as not to hemper or delay changing of choke beens. Replaceable parts for adjustable choke, other been sizes, retainers, and choke wrenches to be conveniently located for immediate use.
- S.All valves to be equipped with handwheels or handles ready for immediate use.
- 6. Choke lines must be suitably anchored.

- Handwheels and extensions to be connected and ready for use.
- Valves adjacent to drilling speal to be kept open. Use outside valves except for emergency.
- P.All seemiess seel control piping (3000 pel working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
- Casinghead connections shall not be used except in case of emergency.
- 11. Do not use kill line for routine Mi-up operations.

EXHIBIT FI-A

2000# BOP system utilized 3000# WP BOP equipment 2000# osig MP casing head



| | | | MINI | MUM REOL | PEMENTS | 5 | | | | |
|-----|--|----------|-----------|----------|----------|-----------|--------|----------|------------|--------|
| | | 1 | 3,000 MWP | | | 5,000 MWP | | | 10,000 MWF | |
| No. | | I.D. | MOMINAL | RATING | LD. | NOMENAL | RATING | 1.0. | NOMINAL | RATING |
| 1 | Line from drilling spool | | 3- | 3,000 | | 3" | 5,000 | | 3. | 10,000 |
| 2 | Cross 3"13"13"12" | | | 1.000 | | | 5,000 | | | |
| _ | Cross 3"x3"x3"x3" | l | | | 1 | | | | | 10,000 |
| 3 | Valves(1) Gate [] Plug [](2) | 3-1/6" | | 3,000 | 3-1/6" | | 5.000 | 3-1/6* | | 10,000 |
| 4 | Valve Gate □ Plug □(2) | 1-13/16* | | 3,000 | 1-13/16" | | 5.000 | 1-13/16* | | 10,000 |
| 43 | Valves(1) | 2-1/16" | | 3.000 | 2-1/16° | | 5,000 | 3-1/8" | | 10,000 |
| 5 | Pressure Gauge | | | 3,000 | | | 5,000 | | | 10,000 |
| 6 | Valves Gate C Plug □(Z) | 3-1/6" | | 3,000 | 3-1/6" | - | 5,000 | 3-1/8" | | 10,000 |
| 7 | Adjustable Choke(3) | 2" | | 3.000 | 2- | | 5.000 | 2" | | 10,000 |
| | Adjustable Choke | 1. | | 3.000 | 1- | | 5,000 | 2" | | 10,000 |
| • | Line | | 3. | 3,000 | L | 3- | 5,000 | | 3* | 10,000 |
| 10 | Line | | 2" | 3,000 | | 2- | 5,000 | | 3. | 10,000 |
| 11 | Valves Gate [] Plug [](2) | 3-1/4" | | 3,000 | 3-1/6" | | 5,000 | 3-1/6" | | 10,000 |
| 12 | Lines | | 3. | 1,000 | | 3" | 1,000 | | 3- | 2,000 |
| 13 | Lines | | 3. | 1,000 | | 3" | 1,000 | | 3- | 2,000 |
| 14 | Remote reading compound standpipe pressure gauge | | | 3.000 | | | 5,000 | | | 10,000 |
| 15 | Gas Separator | | 3.x2. | | | 27:5' | | | 2'15' | |
| 16 | Une | | 4" | 1.000 | | 4" | 1,000 | | 4" | 2,000 |
| 17 | Valves Gate () (2) | 3-1/8" | | 3.000 | 3-1/8" | | 5,000 | 3-1/6" | | 10,000 |

- (1) Only one required in Class 3M.
- (2) Gate velves only shall be used for Class 10ML
- (3) Flemose operated hydraulic choice required on 5,000 pai and 10,000 psi for drilling.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- 1. All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comperable rating.
- 2. All flanges shall be API 68 or 68X and ring gaskets shall be API RX or BX, Use only BX for 10 MWP.
- 3. All lines shall be securely anchored.
- 4. Chokes shall be equipped with tungsten carbide seats and needles, and reprecements shall be evailable.
- Choke manifold pressure and standpipe pressure gauges shall be available as the choke manifold to assist in requesting chokes. As an alternate with automatic chokes, a choice manifold pressure gauge shall be located on the ng floor in conjunction with the standpipe pressure gauge.
- Line from drilling spool to choke manifold should be as straight as possible. Lines downstream from chokes shall make turns by large bends or 90° bends using bull plugged tees.
- 7. Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well.

Attachment to Exhibit #1 NOTES REGARDING BLOWOUT PREVENTORS Grayburg-Jackson Field

Eddy County, New Mexico

- 1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOPE bore.
- 2. Wear ring will be properly installed in head.
- 3. Blowout preventor and all associated fittings will be in operable condition to withstand a minimum 2000 psi working pressure.
- 4. All fittings will be flanged.
- 5. A full bore safety valve tested to a minimum 2000 psi W.P. with proper thread connections will be available on the rotary rig floor at all times.
- 6. All choke lines will be anchored to prevent movement.
- 7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
- 8. Will maintain a kelly cock attached to the kelly.
- 9. Hand wheels and wrenches will be properly installed and tested for safe operation.
- 10. Hydraulic floor control for blowout preventor will be located as near in proximity to driller's controls as possible.
- 11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.

<u>DISTRICT I</u> P. O. Box 1980 Hobbs, NM 88241-1980

State of New Mexico
Enf , Minerals, and Natural Resources D rtment

Form 0-102 Revised 02-10-94 Instructions on back

Submit to the Appropriate District Office State Lease — 4 copies Fee Lease — 3 copies

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

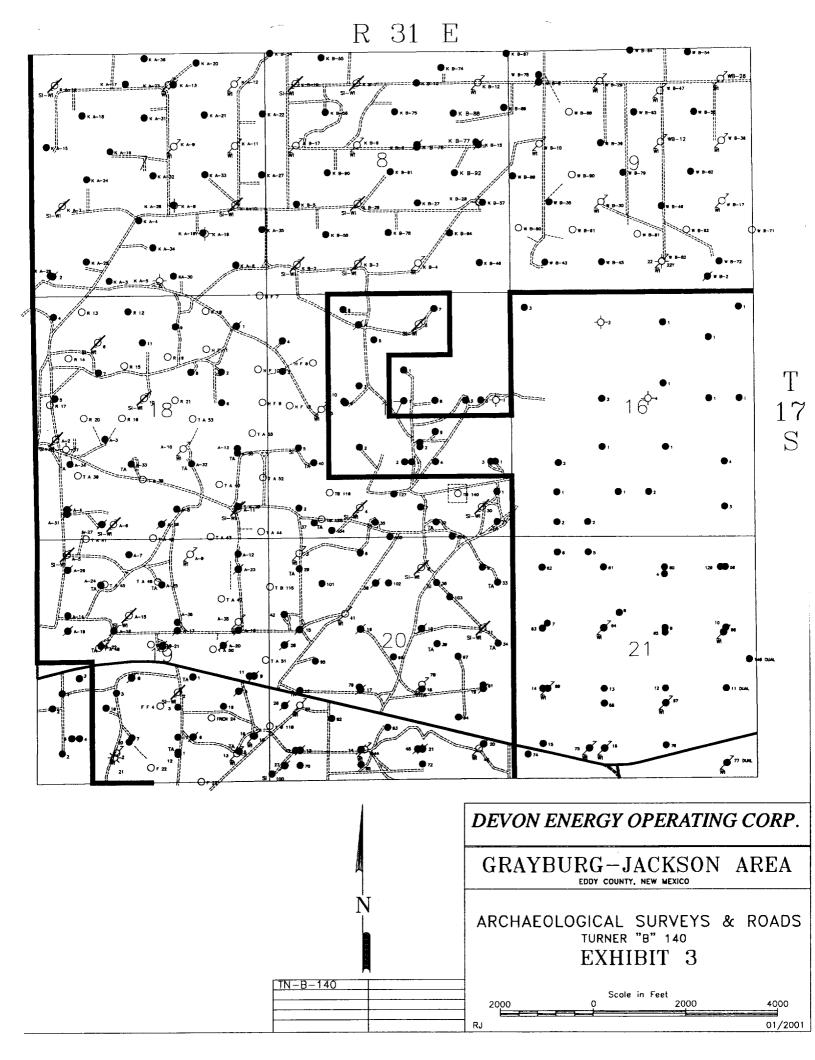
<u>DISTRICT III</u> 1000 Rio Brazos Rd. Aztec, NM 87410

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

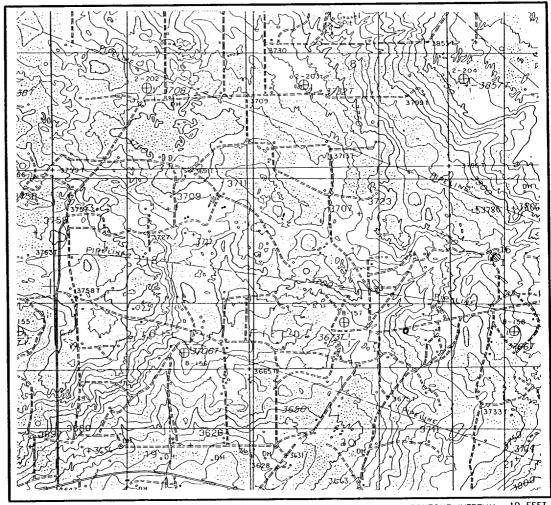
AMENDED REPORT

P. O. Box 2088
Santa Fe, NM 87507-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | | | ² Pool Code | | 2 Poo | l Name | | | | | |
|----------------|-------------|----------------|------------------------|--------------|----------|-------------------|-------------|-------------------|----------------------------------|--|-------------------|
| 4 Property Cod | le | 5 Property No | ame | | | | | | | * Well Number | L. |
| | | | | | TURI | VER 'B' | | | | 140 | |
| OGRID No. | · · · · · · | * Operator No | | ENERG | Y PRE | DUCTION | COMPANY | , L | .P. | * Elevation 3723 | , |
| | | 1 | | " SUR | RFACE | LOCATION | | • | | | |
| UL or lot no. | Section | Township | Range | : | Lot Ida | Feet from the | North/South | line | Feet from the | East/West line | County |
| P | 17 | 17 SOUTH | 31 EAST, N | I.M.P.M. | | 950' | SOUTH | | 1175' | EAST | EDDY |
| | | "BOTTO | M HOLE | LOCATI | | DIFFEREN | | | | | |
| UL or lot no. | Section | Township | Range | | Lot Ida | Feet from the | North/South | line | Feet from the | East/West line | County |
| 12 Dedicated A | cres 13 Jo | oint or Infill | 14 Consolidatio | n Code | 15 Order | No. | <u> </u> | | | | |
| 40 | | | | | | | | | | | |
| | | | | | | COMPLETION | | | | | |
| 16 | CO: | NSOLIDATED | OR A NON- | -STANDA | LRD UNI | T HAS BEEN | APPROVE | וא ט | THE DIVIS | ION | |
| | | | | | | | | \mathbb{R}^{-1} | | R CERTIFICA | |
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| | | | | | | | | | | en is true und f my knowledge a | |
| | | i | İ | | | į | | 1 | Signature | (100 | |
| | | İ | | i | | İ | | | | Harliton | |
| | | į | | i i | | į | | | Printed Name | H. Carlet | -on |
| | | | | | | | | - | Title | n. Carle | |
| | | İ | | } } | | | | | | neering 5 | rech. |
| | • • • | | | | | | | | Date | 0003 | |
| | | 1 | | | | 1 | | | May 9, 2 | .001 | |
| | | | | | | | | | SURVEYO: | R CERTIFICA | ATION |
| | | | | | | | | | I hereby o | ertify that ti | he well |
| | | | | | | | | _] | location she | own on this p | lat was |
| | | | | | | | | | | n field notes of ade by me of | |
| | | | | <u> </u> | | į | | | my superv | ision, and th | nat the |
| | | | | | | | | | same is tru best of my | ie and correct beli <mark>ef</mark> . | to the |
| | | | | ; ! | | | | | Date of Surve | , | |
| | | | | | | | | | JANU | ARY 10, 200 | 1 |
| | | i + | | i ∔ | | | | | Signature, and Professional S | urveyor . | |
| | | | | ! ! | | | | | | | |
| | | | | <u> </u> | | 9- | -1175' | ╼┤│ | | | 3. |
| | | | | | | | | | χM | 72 | 2. |
| | | į | | 1 | | <i>950'</i> | | | Valuaria | 1 de mai | -16-01 |
| | | ! | | † ! | | | | | Certificate No | . 0 | |
| | | | | <u> </u> | | | | | | ER R.P.S. 2 / 98 SW / | #7920 / J.C.P. |
| | | | | | | | | | 100 #1303 | 7 30 2W / | U.C.F. |



LOCATION & ELEVATION VF FICATION MAP



SCALE : 1" = 2000

SCALED LAT. ---

LONG. _____

CONTOUR INTERVAL 10 FEET

| SECTION | 17 TWP | 17-S | RGE | 31-E | | | | |
|---------------------------------------|---------------|-------------|----------|----------|--|--|--|--|
| SURVEY | NEW MEXICO | PRINCIPAL M | IERIDIAN | | | | | |
| COUNTY | EDDY | STAT | ENM | <u> </u> | | | | |
| DESCRIPTION | 950 | FSL & 11 | 75' FEL | | | | | |
| ELEVATION | LEVATION3723' | | | | | | | |
| OPERATOR DEVON ENERGY PROD. CO., L.P. | | | | | | | | |
| LEASE | TUR | NER "B" #1 | 40 | | | | | |
| U.S.G.S. TOP | OGRAPHIC MAP | | | | | | | |
| | LOCO HILLS | S, NEW MEX | ICO | | | | | |
| | | | | | | | | |

N 32'49'47"

W 103'53'12

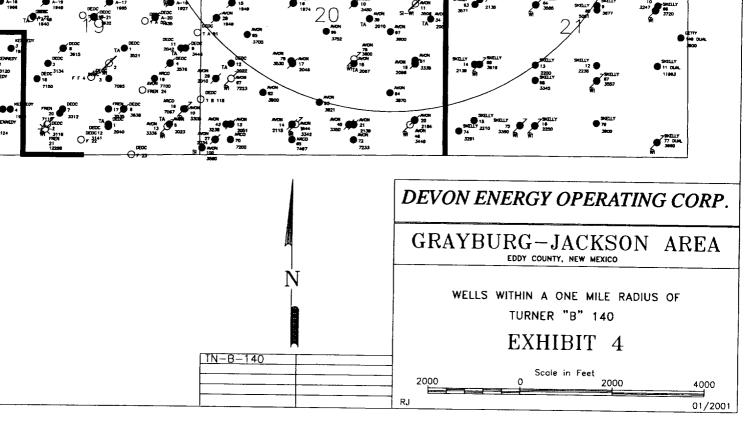
This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us.

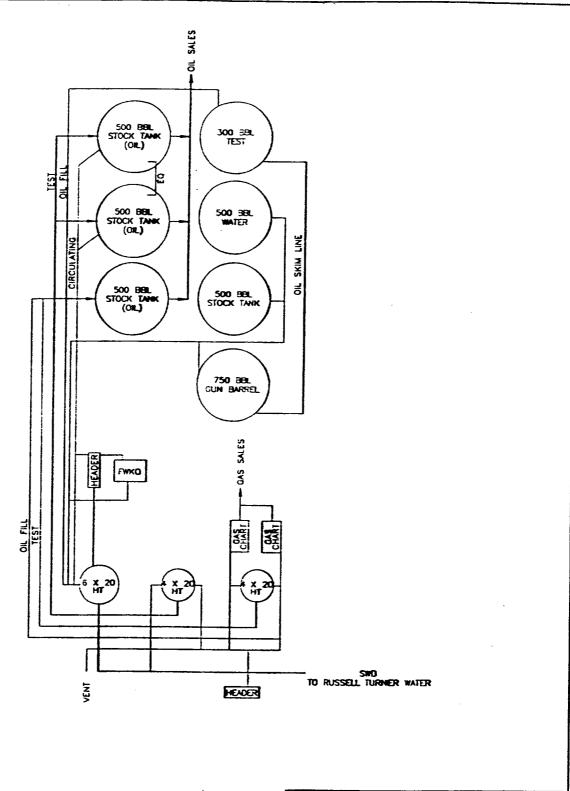
Review this plat and notify us immediately of any possible discrepancy.

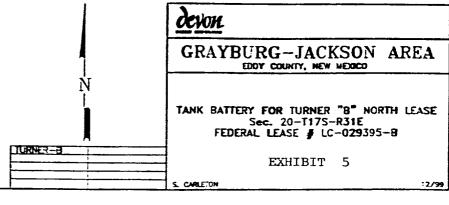
possible discrepancy.

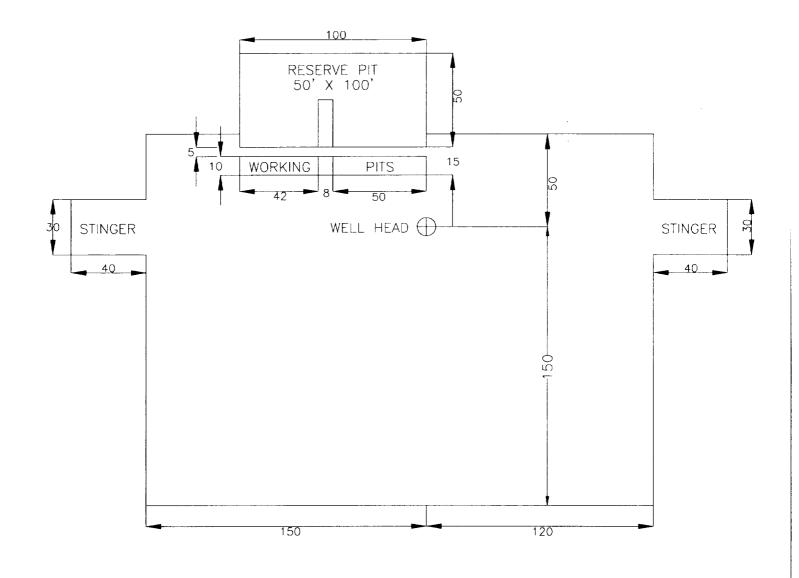
TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

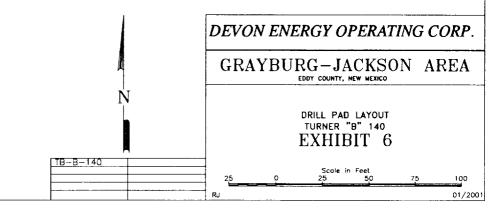








ELEV. 3723 FEET



Turner B 140 Well name:

Devon Energy Corporation(Nevada) Operator:

Surface String type:

Grayburg-Jackson Field Location:

Design parameters:

Collapse

Mud weight: 8.339 ppg Design is based on evacuated pipe.

Minimum design factors:

Collapse:

1.125 Design factor

Environment:

H2S considered? Surface temperature: Bottom hole temperature: No 60 °F 63 °F

Temperature gradient: Minimum section length:

1.05 °F/100ft 325 ft

Burst:

Design factor

1.00

Burst

Max anticipated surface

pressure: Internal gradient: Calculated BHP

Annular backup:

1,478 psi 0.120 psi/ft 1,517 psi

8.33 ppg

Tension:

8 Round STC:

8 Round LTC: **Buttress:** Premium:

Body yield:

1.50 (J) 1.50 (B)

1.80 (J)

1.80 (J)

1.60 (J)

Tension is based on buoyed weight. Neutral point: 284 ft

Re subsequent strings:

Non-directional string.

Next setting depth: Next mud weight: Next setting BHP:

10.000 ppg 1,922 psi 19.250 ppg

3,700 ft

Fracture mud wt: Fracture depth: Injection pressure

3,700 ft 3,700 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|------------|----------------------------------|---------------------------------------|--------------------------------------|--------------------------------|------------------------------------|-----------------------------------|--------------------------------|--------------------------------------|--|
| 1 | 325 | 8.625 | 24.00 | J -55 | ST&C | 325 | 325 | 7.972 | 15.7 |
| Run Seq | Collapse Load (psi) 141 | Collapse Strength (psi) 1370 | Collapse Design Factor 9.73 | Burst Load (psi) 1478 | Burst Strength (psi) 2950 | Burst Design Factor 2.00 | Tension Load (Kips) 7 | Tension Strength (Kips) 244 | Tension Design Factor 35.76 J |

Prepared by:

C.H. Carleton **Devon Energy** Phone: (405) 552-4528

Date: January 9,2001 Oklahoma City, Oklahoma

Remarks:

Collapse is based on a vertical depth of 325 ft, a mud weight of 8.34 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

Turner B 140

Operator:

Devon Energy Corporation(Nevada)

String type:

Production

Location:

Grayburg-Jackson Field

Design parameters:

Collapse

Mud weight:

10.000 ppg

Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor

1.125

Environment:

H2S considered? Surface temperature: Yes 75 °F 127 °F

Bottom hole temperature: Temperature gradient:

1.40 °F/100ft

Minimum section length:

450 ft

Design factor

1.00

Burst:

Non-directional string.

Burst

Max anticipated surface

pressure: Internal gradient: 1,478 psi 0.120 psi/ft

1,922 psi Calculated BHP

No backup mud specified.

Tension:

8 Round STC: 8 Round LTC: **Buttress:**

Premium: Body yield:

1922

1.50 (J) 1.50 (B)

1.80 (J)

1.80 (J)

1.60 (J)

2.50

49

Tension is based on buoyed weight. 3.140 ft

Neutral point:

Drift Internal True Vert Measured Nominal End Run Segment Capacity Diameter Depth Depth Weight Grade **Finish** Length Size Seq (ft³) (ft) (ft) (in) (lbs/ft) (ft) (in) 3700 3700 4.825 116 LT&C J-55 3700 5.5 15.50 1 **Tension** Tension **Tension Burst** Burst Collapse Burst Collapse Collapse Run Strength Design Load Strength Design Design Load Strength Load Seq (Kips) **Factor Factor** (Kips) **Factor** (psi) (psi) (psi) (psi)

4810

Prepared by:

1922

1

C.H. Carleton

Devon Energy

4040

2.10

Phone: (405) 552-4528

Date: January 9,2001 Oklahoma City, Oklahoma

217

4.46 J

Collapse is based on a vertical depth of 3700 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

DEVON ENERGY CORPORATION (Nevada)

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

A. Hydrogen Sulfide Training

All rig crews and company personnel will receive training from a qualified instructor in the following areas prior to penetrating any hydrogen sulfide bearing formations during drilling operations:

- 1. The hazards and characteristics of hydrogen sulfide (H2S).
- 2. The proper use and maintenance of the H2S safety equipment and of personal protective equipment to be utilized at the location such as H2S detection monitors, alarms and warning systems, and breathing equipment. Briefing areas and evacuation procedures will also be discussed and established.
- 3. Proper rescue techniques and procedures will be discussed and established.

In addition to the above, supervisory personnel will be trained in the prevention of oil and gas well blowouts in accordance with Minerals Management Service Standards Subpart - 0 - 250 - 212.

Prior to penetrating any known H2S bearing formation, H2S training will be required at the rig sight for all rig crews and company personnel that have not previously received such training. This instruction will be provided by a qualified instructor with each individual being required to pass a 20 question test regarding H2S safety procedures. All contract personnel employed on an unscheduled basis will be required to have received appropriate H2S training.

This Hydrogen Sulfide Drilling And Operations Plan shall be available at the wellsite during drilling operations.

B. H2S Safety Equipment And Systems

All H2S safety equipment and systems will be installed, tested, and operational when drilling operations reach a depth approximately 500' above any known or probable H2S bearing formation. The safety systems to be utilized during drilling operations are as follows:

1. Well Control Equipment

- (a) Double ram BOP with a properly sized closing unit and pipe rams to accommodate all pipe sizes in use.
- (b) A choke manifold with a minimum of one remote choke.

2. H2S Detection And Monitoring Equipment

- (a) Three (3) H2S detection monitors will be placed in service at the location. One monitor will be placed near the bell nipple on the rig floor; one will be placed at the rig substructure; and, one will be at the working mud pits or shale shaker. This monitoring system will have warning lights and audible alarms that will alert personnel when H2S levels reach 10 ppm.
- (b) One (1) Sensidyne Pump with the appropriate detection tubes will also be available to perform spot checks for H2S concentrations in any remote or isolated areas.
- 3. Protective Equipment For Essential Personnel

Protective equipment will consist of the following:

- (a) Four (4) five minute escape packs located at strategic points around the rig.
- (b) Two (2) thirty minute rescue packs to be located at the designated briefing areas.

4. Visual Warning System

Visual warning system will consist of the following:

- (a) Two wind direction indicators.
- (b) One condition / warning sign which will be posted on the road providing direct access to the location. The sign will contain lettering of sufficient size to be readable at a reasonable distance from the immediate location. The sign will inform the public that a hydrogen sulfide gas environment could be encountered at the location.

5. Mud Program

(a) The mud program has been designed to minimize the volume of H2S circulated to surface. Proper mud weight and safe drilling practices (for example, keeping the hole filled during trips) will minimize hazards when drilling in H2S bearing formations.

6. Metallurgy

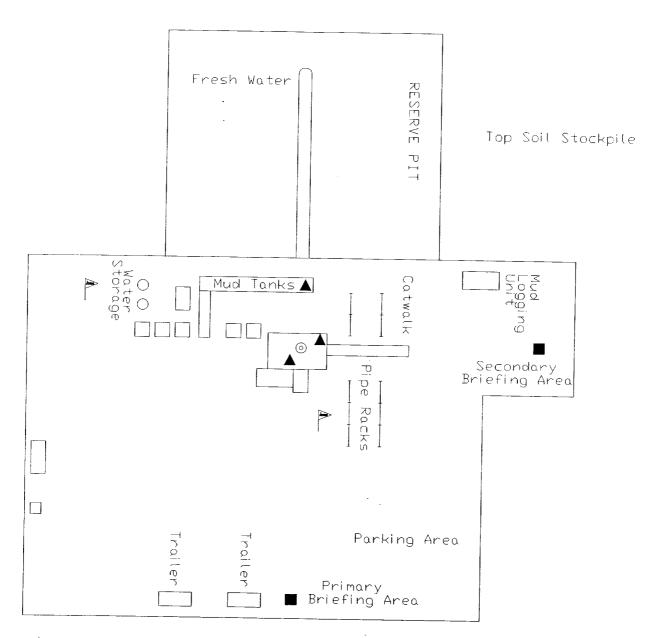
(a) All drill strings, casings, tubing, wellhead, blowout preventers, drilling spools, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

7. Communication

(a) Two way radio and cellular telephone communication will be available in company vehicles.

C. Diagram of Drilling Location

1. Attached is a diagram representing a typical location layout as well as the location of H2S monitors, briefing areas, and wind direction indicators.



- H2S MONITORS WITH ALARMS AT THE BELL NIPPLE, SUBSTRUCTURE, AND SHALE SHAKER WIND DIRECTION INDICATORS
- SAFE BRIEFING AREAS WITH CAUTION SIGNS AND PROTECTIVE BREATHING EQUIPMENT

