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NOV 07 2013

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Drilling Services

Proposal



THISTLE UNIT 55H

LEA COUNTY, NM

WELL FILE: PLAN 2

SEPTEMBER 16, 2013

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





Weatherford Wft Plan Report X Y's.



Company: Devon Energy Field:Date: 10/16/2013Time: 14:10:50Page: 1Field:Lea County, New Mexico (NAD 83)Co-ordinate(NE) Reference:Well: Thistle Unit 55H, Grid NorthSite:Thistle Unit 55HVertical (TVD) Reference:SITE 3726.0Well:Thistle Unit 55HSection (VS) Reference:Well (0.00N,0.00E,179.57Azi)Wellpath:Survey Calculation Method:Minimum CurvatureDb: Sybase										
Plan:	Plan #2					Date Con	posed:	9/9/2013		
Principal:	Yes					version: Tied-to:		From Surface		
Site:	Thistle Ur	nit 55H				<u> </u>				
Site Position From: Position Un Ground Lev	n: Map certainty rel:	/: 0. 3701.	Nor East 00 ft 00 ft	thing: 467 ing: 778	666.03 ft 277.92 ft	Latitude: Longitud North Re Grid Con	32 e: 103 ference: vergence:	17 0.088 N 33 59.859 W Grid 0.41 de	9	OBBS OCD
Well:	Thistle Ur	nit 55H				Slot Nam	e:		N	ر 110 7 0 00
Well Position Position Un	on: +M +I certainty	N/-S 0. E/-W 0. y: 0.	00 ft Nor 00 ft East 00 ft	thing: 467 ting: 778	666.03 ft 277.92 ft	Latitude: Longitud	32 e: 103	17 0.088 N 33 59.859 W		RECEIVED
Wellpath: Current Da Magnetic Da Field Streng Vertical Sec	1 tum: Sl ata: gth: ction: De	TE 10/30/20 484 pth From (ft	113 40 nT TVD)	Height 3 +N/-: ft	726.00 ft S	Drilled F Tie-on De Above Sy Declinati Mag Dip +E/-W ft	rom: epth: stem Datum on: Angle:	Surface 0.00 ft : Mean Sea Leve 7.30 de 60.18 de Direction deg	g g	
		0.00		0.00		0.00		179.57		
Plan Section	n Inform	ation								
MD ft	lncl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100	Build htdeg/100ft	Turn TFO leg/100ft deg	Target	-
0.00 10771.62 11512.65 16146.20	0.00 0.00 88.92 88.92	179.57 179.57 179.57 179.57	0.00 10771.62 11249.00 11336.00	0.00 0.00 -468.49 -5101.09	0.00 0.00 3.48 37.85	0.00 0.00 12.00 0.00	0.00 0.00 12.00 0.00	0.000.000.000.000.00179.570.000.00	PBHL	
Survey										
MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comme
10700.00 10771.62 10800.00 10900.00 11000.00	0.00 0.00 3.41 15.41 27.41	179.57 179.57 179.57 179.57 179.57 179.57	10700.00 10771.62 10799.98 10898.46 10991.39	0.00 0.00 -0.84 -17.16 -53.58	0.00 0.00 0.01 0.13 0.40	0.00 0.00 0.84 17.16 53.59	0.00 0.00 12.00 12.00 12.00	467666.03 467666.03 467665.19 467648.87 467612.45	778277.92 778277.92 778277.93 778278.05 778278.32	КОР
11100.00 11200.00 11300.00 11400.00 11500.00	39.41 51.41 63.41 75.41 87.41	179.57 179.57 179.57 179.57 179.57 179.57	11074.72 11144.80 11198.57 11233.68 11248.60	-108.54 -179.62 -263.71 -357.15 -455.84	0.81 1.33 1.96 2.65 3.38	108.54 179.62 263.72 357.16 455.85	12.00 12.00 12.00 12.00 12.00	467557.49 467486.41 467402.32 467308.88 467210.19	778278.73 778279.25 778279.88 778280.57 778281.30	
11512.65 11600.00 11700.00 11800.00 11900.00	88.92 88.92 88.92 88.92 88.92 88.92	179.57 179.57 179.57 179.57 179.57 179.57	11249.00 11250.64 11252.52 11254.40 11256.27	-468.49 -555.81 -655.79 -755.77 -855.75	3.48 4.12 4.87 5.61 6.35	468.50 555.83 655.81 755.79 855.78	12.00 0.00 0.00 0.00 0.00	467197.54 467110.22 467010.24 466910.26 466810.28	778281.40 778282.04 778282.79 778283.53 778284.27	LP
12000.00 12100.00 12200.00 12300.00 12400.00	88.92 88.92 88.92 88.92 88.92 88.92	179.57 179.57 179.57 179.57 179.57 179.57	11258.15 11260.03 11261.91 11263.78 11265.66	-955.73 -1055.71 -1155.69 -1255.67 -1355.65	7.09 7.83 8.58 9.32 10.06	955.76 1055.74 1155.72 1255.71 1355.69	0.00 0.00 0.00 0.00 0.00	466710.30 466610.32 466510.34 466410.36 466310.38	778285.01 778285.75 778286.50 778287.24 778287.98	
12500.00 12600.00 12700.00	88.92 88.92 88.92	179.57 179.57 179.57	11267.54 11269.42 11271.29	-1455.63 -1555.61 -1655.59	10.80 11.54 12.28	1455.67 1555.65 1655.64	0.00 0.00 0.00	466210.40 466110.42 466010.44	778288.72 778289.46 778290.20	



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ſ	MD ft	Incl	Azim	TVD ft	N/S I ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Commen
	12800.00 12900.00	88.92 88.92	179.57 179.57	11273.17 11275.05	-1755.57 -1855.55	13.03 13.77	1755.62 1855.60	0.00	465910.46 465810.48	778290.95 778291.69	
	13000.00 13100.00 13200.00	88.92 88.92 88.92	179.57 179.57 179.57	11276.93 11278.80 11280.68	-1955.53 -2055.51 -2155.49	14.51 15.25 15.99	1955.58 2055.57 2155.55	0.00 0.00 0.00	465710.50 465610.52 465510.54	778292.43 778293.17 778293.91	
ŀ	13300.00 13400.00	88.92 88.92	179.57 179.57	11282.56 11284.44	-2255.47 -2355.45	16.74 17.48	2255.53 2355.51	0.00	465310.56 465310.58	778294.66 778295.40	
•	13500.00 13600.00 13700.00 13800.00 13900.00	88.92 88.92 88.92 88.92 88.92	179.57 179.57 179.57 179.57 179.57 179.57	11286.31 11288.19 11290.07 11291.95 11293.83	-2455.43 -2555.41 -2655.39 -2755.37 -2855.35	18.22 18.96 19.70 20.44 21.19	2455.50 2555.48 2655.46 2755.44 2855.42	0.00 0.00 0.00 0.00 0.00	465210.60 465110.62 465010.64 464910.66 464810.68	778296.14 778296.88 778297.62 778298.36 778299.11	
	14000.00 14100.00 14200.00 14300.00 14400.00	88.92 88.92 88.92 88.92 88.92	179.57 179.57 179.57 179.57 179.57 179.57	11295.70 11297.58 11299.46 11301.34 11303.21	-2955.33 -3055.31 -3155.28 -3255.26 -3355.24	21.93 22.67 23.41 24.15 24.90	2955.41 3055.39 3155.37 3255.35 3355.34	0.00 0.00 0.00 0.00 0.00	464710.70 464610.72 464510.75 464410.77 464310.79	778299.85 778300.59 778301.33 778302.07 778302.82	
	14500.00 14600.00 14700.00 14800.00 14900.00	88.92 88.92 88.92 88.92 88.92 88.92	179.57 179.57 179.57 179.57 179.57	11305.09 11306.97 11308.85 11310.72 11312.60	-3455.22 -3555.20 -3655.18 -3755.16 -3855.14	25.64 26.38 27.12 27.86 28.61	3455.32 3555.30 3655.28 3755.27 3855.25	0.00 0.00 0.00 0.00 0.00	464210.81 464110.83 464010.85 463910.87 463810.89	778303.56 778304.30 778305.04 778305.78 778306.53	
	15000.00 15100.00 15200.00 15300.00 15400.00	88.92 88.92 88.92 88.92 88.92 88.92	179.57 179.57 179.57 179.57 179.57 179.57	11314.48 11316.36 11318.23 11320.11 11321.99	-3955.12 -4055.10 -4155.08 -4255.06 -4355.04	29.35 30.09 30.83 31.57 32.31	3955.23 4055.21 4155.20 4255.18 4355.16	0.00 0.00 0.00 0.00 0.00 0.00	463710.91 463610.93 463510.95 463410.97 463310.99	778307.27 778308.01 778308.75 778309.49 778310.23	
	15500.00 15600.00 15700.00 15800.00 15900.00	88.92 88.92 88.92 88.92 88.92	179.57 179.57 179.57 179.57 179.57 179.57	11323.87 11325.74 11327.62 11329.50 11331.38	-4455.02 -4555.00 -4654.98 -4754.96 -4854.94	33.06 33.80 34.54 35.28 36.02	4455.14 4555.12 4655.11 4755.09 4855.07	0.00 0.00 0.00 0.00 0.00	463211.01 463111.03 463011.05 462911.07 462811.09	778310.98 778311.72 778312.46 778313.20 778313.94	
	16000.00 16100.00 16146.20	88.92 88.92 88.92	179.57 179.57 179.57	11333.25 11335.13 11336.00	-4954.92 -5054.90 -5101.09	36.77 37.51 37.85	4955.05 5055.04 5101.23	0.00 0.00 0.00	462711.11 462611.13 462564.94	778314.69 778315.43 778315.77	PBHL
	Targets										
	Name		Descript Dip.	ion T Dir. f	VD +N/-S t ft	+E/-W ft	Mi / Nor f	ap Map thing Eastin t ft	< La g Deg Mi	atitude>< in Sec Deg	Longitude> Min Sec
	PBHL -Recta	ngle (46	1.08 30x50)	179.57 11336	6.00 -5101.09	37.85	4625	64.94 778315.3	77 32 16	9.610 N 103	33 59.843 W
	Casing Points										
		1 * 0	Diaili								
											1



Weatherford Wft Plan Report X Y's.



Company Field: Site: Well: Wellpath	: Devon Ener Lea County Thistle Unit Thistle Unit : 1	gy , New Mexico (NAD 83) 55H 55H	Date:10/16/2013Time:14:10:50Page:3Co-ordinate(NE)Reference:Well:Thistle Unit 55H, Grid NorthVertical (TVD)Reference:SITE 3726.0Section (VS)Reference:Well (0.00N,0.00E,179.57Azi)SurveyCalculationMethod:MinimumCurvatureDb:Sybase				
Formatic	ons						
MD	TVD	Formations	Lithology	Dip Angle Dip Direction			
·		····					
Annotati	io n						
MD ft	TVD ft						
10771.62 11512.65 16146.20	10771.62 11249.00 11336.00	kop Lp PBHL					



Weatherford Drilling Services

GeoDec v5.03

Report Date:	October 16, 2013					
Customer	Devon Energy	en e				
Well Name:	Thistle Unit 55H					
API Number:						
Rig Name:						
Location:	Lea County, NM					
Block:						
Engineer:	Patrick Rudolph					
US State Plane 1983	3	Geodetic Latitude / Longitude				
System: New Mexico	b Eastern Zone	System: Latitude / Longitude				
Projection: Transver	se Mercator/Gauss Kruger	[·] Projection: Geodetic Latitude and Longitude				
Datum: North Americ	can Datum 1983	Datum: North American Datum 1983				
Ellipsoid: GRS 1980		Ellipsoid: GRS 1980 Latitude 32.2833603 DEG				
North/South 467666	3.030 USFT					
East/West 778277.9	920 USFT	Longitude -103.5666225 DEG				
Grid Convergence:	.41°	-				
Total Correction: +6	0.99°					
Geodetic Location W	VGS84 Elevatior	n= 0.0 Meters				
Latitude = 32	.28336° N 32° 3	17 min .097 sec				
Longitude = 103	.56662°W 103°3	33 min 59.841 sec				
Magnetic Declination	n = 7.40°	[True North Offset]				
Local Gravity =	.9988 g	CheckSum =	6704			
Local Field Strength	= 48428 nT	Magnetic Vector X =	23887 nT			
Magnetic Dip =	60.17°	Magnetic Vector Y =	3104 nT			
Magnetic Model =	bggm2013	Magnetic Vector Z =	42012 nT			
Spud Date =	Oct 30, 2013	Magnetic Vector H =	24088 nT			

Signed:_____

Date:_____

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Commitment Runs Deep



Design Plan Operation and Maintenance Plan Closure Plan

SENM - Closed Loop Systems August 2013

I. Design Plan

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

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

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

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

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

II. Operations and Maintenance Plan

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

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



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

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

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

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

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

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

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

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

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

All trash is kept in a wire mesh enclosure and removed to an approved landfill when full. All spent motor oils are kept in separate containers and they are removed and sent to an approved recycling center. Any spilled lubricants, pipe dope, or regulated chemicals are removed from soil and sent to landfills approved for these products.

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

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

III. Closure Plan

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

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