Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Page 1 of 33

Form C-101 August 1, 2011 Permit 389384

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

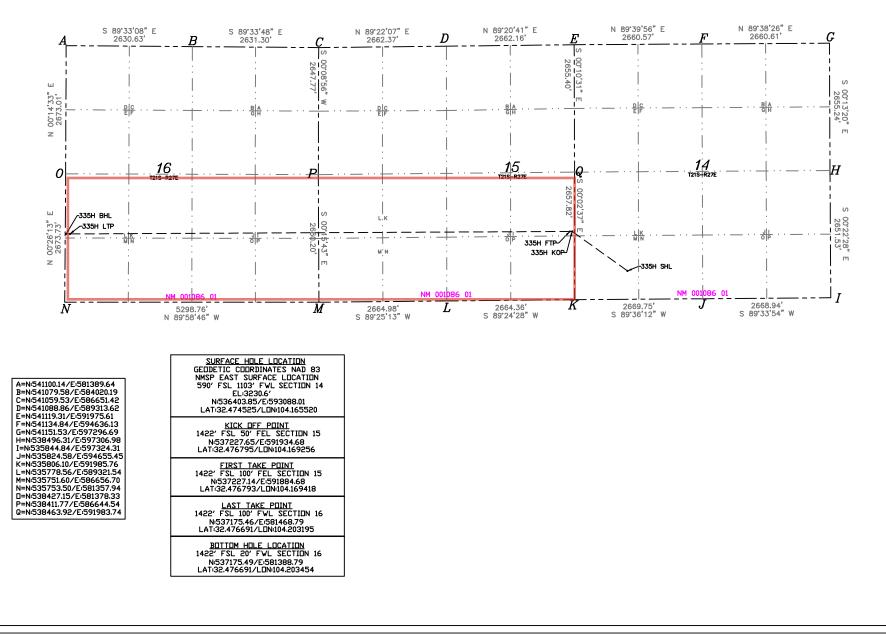
333	ne and Address ON ENERGY PRO West Sheridan Ave homa City, OK 73	e.	ompany,	LP								2. OGRID Nur 61 3. API Numbe 30	37	98
4. Property Cod			5. Proper								(6. Well No.		
337	368			CEDAR HI	ILLS 15	5 16 STATE COM						33	5H	
						7. Surfa	ce Location							
UL - Lot M	Section 14	Township 2'	1S	Range 27	Е	Lot Idn M	Feet From 590	N/	/S Line S	Feet Fr	om 1103	E/W	Line W	County Eddy
						8. Proposed Bo	tom Hole Loca	ation						
UL - Lot L	Section 16	Township 21		Range 27	E	Lot Idn E	Feet From 1422		N/S Line S		t From 20	E/W I	Line W	County Eddy
						9. Pool	nformation							
CARLSBAD;E	ONE SPRING, EA	ST											96144	
							lell Information	n						
11. Work Type		12. Well Typ			13. Ca	ble/Rotary		14. Le	ease Type		15. Gr	ound Level El	evation	
New 16. Multiple	Well	17. Propose)IL d Denth		18 Fo	rmation		10 0	State ontractor		20 50	3231 ud Date		
N			9379		10.10	Bone Spring		13. 0	ontractor		20. Op	11/21/20)25	
Depth to Groun	d water	•			Distand	ce from nearest fresh	water well				Distanc	ce to nearest s	surface wat	er
🛛 We will be u	sing a closed-loo	p system in li	eu of line	d pits							l			
					21.	Proposed Casin	a and Cement	Progra	am					
Туре	Hole Size	Casin	g Size			g Weight/ft		g Depth		Sad	cks of Ce	ment		Estimated TOC
Surf	17.5		375			54.5		60			81			0
Int1 Int2	12.25 9.875		.75 625		4	45.5 32		50 950			104.7 164			0
Prod	7.875		.5			20		379						550
•					Casir	ng/Cement Progra	m: Additional	Comm	nents				•	
			-			Proposed Blowd	ut Prevention	Progra				T		
	Туре		-			Pressure			Test Pres			Manufacturer		
	Annular		+		-	000		2500						
	Blind Double Ram		+			000 000			500 500					
	Annular		+			000			500			-		
	Double Ram		1			000			500			1		
	Blind					000			500	-				
an I haraku a	artify that the inform	notion diver -	hovo is t	up and carr	nlate t	a the heat of my	1					TION DIVISIO		
knowledge ar	fy I have complied						;			OIL CON	SERVA		JN	
Printed Name:	Electronical	ly filed by Jeff	Walla				Approved By:		Jeffrey Ha	arrison				
Title:	Supervisor						Title:		Petroleum		st III			
Email Address:	Jeff.Walla@	dvn.com					Approved Date	e:	6/24/2025	5		Expiratio	n Date: 6/2	24/2027
Date:	5/15/2025		1	Phone: 575-	748-99	25	Conditions of	of Appr	oval Attach	ed				

<u>C-1</u>	02				ls & Nat	ural	ew Mexico Resources Depa ION DIVISI			Rev	ised July, 2024
	lectronically Permitting				SERV	AII	ION DIVISI	UN		Initial Submittal	
	1 enning						Submit Type:			al Amended Report	
									51	As Drilled	
				W	ELL LOC	ATIC	ON INFORMATIC	DN	1		
	umber		Pool Cod				ool Name				
	15-568	98	961				Carlsbad, Bone Sp	oring, East			
337	rty Code 368		Property	Name	CEDAR H	IILLS	15 16 STATE C	ом		Well Number 335H	
OGRID	No.		Operator							Ground Level	Elevation
	6137			_		Y PR	ODUCTION COMP.			3230.6'	
Surfac	e Owner:	State 🗆	Fee 🗆 Trib	al 🔲 e	deral		Mineral Owner:	⊠State	□Fee □1	ribal □Federal	
						Surfa	ce Location				
UL	Section	Township	Range	Lot	1		Ft. from E/W	Latitude		Longitude	County
М	14	21-S	27-E		590'	S	1103' W	32.474	525	104.165520	EDDY
			I		IBo	ottom	Hole Location	I			
UL	Section	Township	Range	Lot	Ft. from			Latitude		Longitude	County
L	16	21-S	27-E		1422'	S	20' W	32.476	691	104.203454	EDDY
Dedicat 640		nfill or Def DEFININ	- 1	Defining N/A	Well API	0verla NO	apping Spacing Uni	it (Y/N)	Consolid	ation Code	
Order	Numbers	PENDING				Well s	setbacks are under	Common	Ownershi	ip: □Yes ⊠No	
			-				Point (KOP)				
	Section	Township 21-S	Range 27–E	Lot	ft. from 1422'	-	5 Ft. from E/W 50'E	Latitude		Longitude	County
I	15	21-5	~/-E					32.476	795	104.169256	EDDY
			-				ce Point (FTP)				
UL	Section 15	Township 21-S	Range 27–E	Lot	Ft. from	•	Ft. from E/W 100' E	Latitude 32.476		Longitude 104.169418	County EDDY
I	10	21-5	~/-E					32.470	795	104.109410	EDDI
			-		1		te Point (LTP)				
UL	Section 16	Township 21-S	Range 27-E	Lot	Ft. from 1422'	•	5 Ft. from E/W 100' W	Latitude		Longitude	County EDDY
L	10	21-3	~/-E		1422	2	100 ₩	32.476	091	104.203195	EDDI
					Spaci	ing U	nit Type Horizon	tal Verti	cal G	round Floor Ele	vation:
					-	-	RIZONTAL				
	CERTI Certify that the	FICATIONS	ntained herein i	s true and o	omplete to the		SURVEYOR CERTIFIC	CATIONS			
of my kn	owledge and b	elief, and, if the	well is a vertic	al or directi	ional well, that	this 1	I hereby certify that the wood of actual surveys made by				
		ns a working inte bottom hole loca				nu	correct to the best of my b		aper vision, a		
		ontract with an o voluntary pooli				der				GERT R. L	DEHOLOS
	re entered by the		ing ugreement (a eompuie	for pooring of					TO AN MEX	$\langle , \mathcal{G} \rangle$
		tal well, I furthe									\ [*] 0 \ \
consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's										23261)
completed interval will be located or obtained a compulsory pooling order from the division.										Ron Char	
Signą	ture	-	Date			s	Signature and Sea	l of Profe	ssional S		5UK
	handii	Thank	5/13/2	5							
Print	d Name	/ WINYL	/				ertificate Number	Date of	Surver		
	NDEE THON	ÍAS				Ľ	or minoute multiper		•		
Emai	Address						23261	04/20	25		
SF	IANDEE.THC	MAS@DVN.C	OM								

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



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State of New Mexico Energy, Minerals and Natural Resources **Oil Conservation Division** 1220 S. St Francis Dr. Santa Fe, NM 87505

PERMIT CONDITIONS OF APPROVAL

Operator Name ar	nd Address:	API Number:					
DEVO	N ENERGY PRODUCTION COMPANY, LP [6137]	30-015-56898					
333 W	/est Sheridan Ave.	Well:					
Oklah	oma City, OK 73102	CEDAR HILLS 15 16 STATE COM #335H					
OCD Reviewer	Condition						
jeffrey.harrison	Notify the OCD 24 hours prior to casing & cement.						
jeffrey.harrison	A [C-103] Sub. Drilling (C-103N) is required within (10) days of spud.						
jeffrey.harrison	File As Drilled C-102 and a directional Survey with C-104 completion packet.						
jeffrey.harrison	n Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string.						
jeffrey.harrison	Cement is required to circulate on both surface and intermediate1 strings of casing.						
jeffrey.harrison	Oil base muds are not to be used until fresh water zones are cased and cemented providing isol mud, drilling fluids and solids must be contained in a steel closed loop system.	ation from the oil or diesel. This includes synthetic oils. Oil based					
jeffrey.harrison	If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of	casing.					
jeffrey.harrison	This well is within the designated 4-string area. Four full casing strings must be utilized for this w	vell.					
jeffrey.harrison	This well is within the Capitan Reef. The first intermediate casing string shall be set and cemented back to surface immediately above the Capitan Reef. The second intermediate string shall be set and cemented back to surface immediately below the base of the Capitan Reef.						
jeffrey.harrison	In Capitan Reef areas if lost circulation (50% or greater) occurs below the base of the salt, the operator shall switch to freshwater mud until the intermediate casing is set. (The operator shall notify NMOCD of this switch.)						

Page 4 of 33

Section 2 - Blowout Preventer Testing Procedure

Variance Request

Devon Energy requests to only test BOP connection breaks after drilling out of surface casing and while skidding between wells which conforms to API Standard 53 and industry standards. The initial BOP test will follow 43 CFR 3172, and subsequent tests following a skid will only test connections that are broken. This test will at minimum include the Top Pipe Ram, HCR, Kill Line Check Valve, QDC (quick disconnect to wellhead) and BOP shell of the 10M BOPE to 5M for 10 minutes. Additional pressure testing is required for pressure-containing and pressure-controlling connections when the integrity of a pressure seal is broken. If a break to the flex hose that runs to the choke manifold is required due to repositioning from a skid, the HCR will remain open during the shell test to include that additional break. The variance only pertains to intermediate hole-sections. This variance will meet or exceed 43 CFR 3172 per the following: Devon Energy will perform a full BOP test per 43 CFR 3172 before drilling out of the intermediate casing string(s) and starting the production hole, testing the Annular during initial BOP testing to a minimum of 70% RWP and higher than MASP, and pressure testing at a 21-day interval frequency. The BLM will be contacted 4hrs prior to a BOPE test. The BLM will be notified if and when a well control event is encountered. In the event break testing is not utilized, then a full BOPE test would be conducted.

Devon Energy requests to perform offline BOP stump testing and offline BOPE testing. All pressurecontaining and pressure-controlling seals will be tested either online or offline as denoted in the table below and per BLM approval during initial BOP test following test pressure requirements set forth in 43 CFR 3172. Remaining components not tested offline or on the stump will be tested within 72-hours when the BOP is connected to the wellhead. If stump testing exceeds 72-hour window prior to connecting to the wellhead, the BLM will be notified and either stump testing restarted, or the BOP being tested online. The BLM will be contacted 4hrs prior to a BOPE test. The BLM will be notified if and when a well control event is encountered. In the event stump testing is not utilized, then a full BOPE test would be conducted.

Components	Offline	Offline, BOPE	Break	Online
Upper Rams		Х	Х	Х
Blind Rams		X		Х
Lower Rams				Х
Outside Kill Valve		X	Х	Х
Inside Kill Valve		X	Х	Х
Kill Line Check Valve		X	Х	Х
Inside Choke Valve		X	Х	Х
HCR		X	Х	Х
Kill Line	х			Х
Annular		X		Х
Choke Manifold Valves and Hose	Х			Х
Mudline (Mud Pumps, Rig Floor Valves, Kelly Hose, Mud Line)	х			Х
Standpipe Valve	Х			Х
IBOP (Upper and Lower)	Х			Х

Devon requests offline BOPE testing for the following components: Upper Rams, Blind Rams, Kill Valves, Choke Valves, and Annular Remaining well control equipment components will either be tested offline or online, per BLM approval

- Remaining BOPE will be tested online within 72-hours form completing the offline BOPE component testing
- Notify the BLM if the online BOPE testing exceeds 72-hours

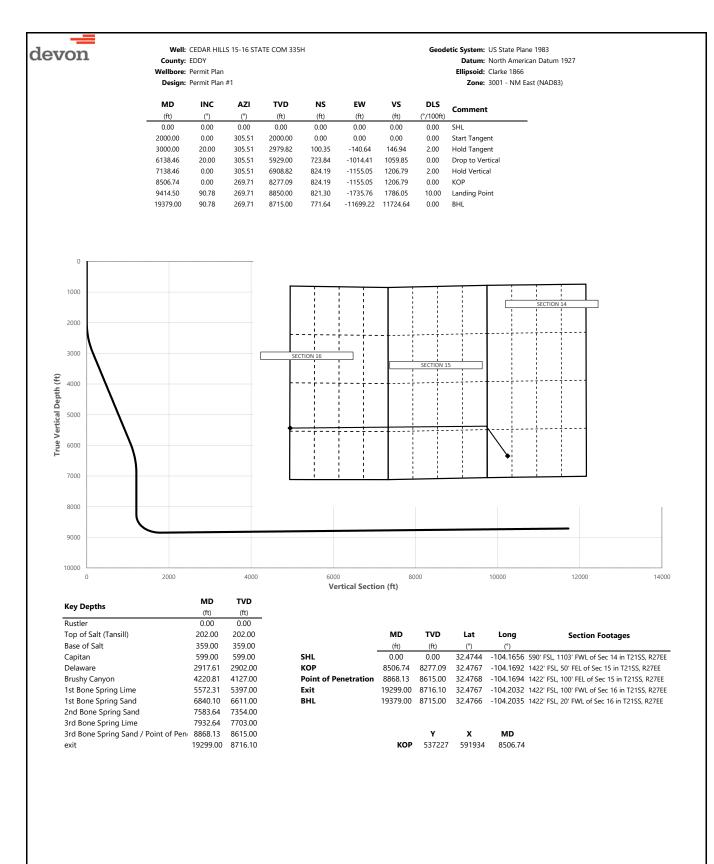
All Full Tests not completed "Offline" or "Offline, BOPE" are required to be complete Online

Devon requests Break testing as stated above for 5K tests, not including production hole

Annular Preventer will be tested to minimum of 70% RWP and higher than MASP during initial BOP test

Pressure testing is required for pressure-containing connections if the integrity of a pressure seal is broken during a break test Full Tests required when entering production hole





evon		County: Wellbore:	EDDY Permit Plar		TE COM 335	Н	Geodetic System: US State Plane 1983 Datum: North American Datum 1927 Ellipsoid: Clarke 1866 Zone: 2001. NM Eart (NA D82)				
		Design:	Permit Plar	n #1					Zone: 3001 - NM East (NAD83)		
	MD	INC	AZI	TVD	NS	EW	VS	DLS	Comment		
-	(ft) 0.00	(°) 0.00	(°) 0.00	(ft) 0.00	(ft) 0.00	(ft) 0.00	(ft) 0.00	(°/100ft) 0.00	SHL		
	100.00	0.00	305.51	100.00	0.00	0.00	0.00	0.00	SHE		
	200.00	0.00	305.51	200.00	0.00	0.00	0.00	0.00			
	202.00	0.00	305.51	202.00	0.00	0.00	0.00	0.00	Top of Salt (Tansill)		
	300.00	0.00	305.51	300.00	0.00	0.00	0.00	0.00			
	359.00	0.00	305.51	359.00	0.00	0.00	0.00	0.00	Base of Salt		
	400.00	0.00	305.51	400.00	0.00	0.00	0.00	0.00			
	500.00	0.00	305.51	500.00	0.00	0.00	0.00	0.00			
	599.00	0.00	305.51	599.00	0.00	0.00	0.00	0.00	Capitan		
	600.00	0.00	305.51	600.00	0.00	0.00	0.00	0.00			
	700.00	0.00	305.51	700.00	0.00	0.00	0.00	0.00			
	800.00	0.00	305.51	800.00	0.00	0.00	0.00	0.00			
	900.00 1000.00	0.00	305.51	900.00	0.00 0.00	0.00	0.00	0.00 0.00			
	1100.00	0.00 0.00	305.51 305.51	1000.00 1100.00	0.00	0.00 0.00	0.00 0.00	0.00			
	1200.00	0.00	305.51	1200.00	0.00	0.00	0.00	0.00			
	1200.00	0.00	305.51 305.51	1200.00	0.00	0.00	0.00	0.00			
	1400.00	0.00	305.51	1400.00	0.00	0.00	0.00	0.00			
	1500.00	0.00	305.51	1500.00	0.00	0.00	0.00	0.00			
	1600.00	0.00	305.51	1600.00	0.00	0.00	0.00	0.00			
	1700.00	0.00	305.51	1700.00	0.00	0.00	0.00	0.00			
	1800.00	0.00	305.51	1800.00	0.00	0.00	0.00	0.00			
	1900.00	0.00	305.51	1900.00	0.00	0.00	0.00	0.00			
	2000.00	0.00	305.51	2000.00	0.00	0.00	0.00	0.00	Start Tangent		
	2100.00	2.00	305.51	2099.98	1.01	-1.42	1.48	2.00			
	2200.00	4.00	305.51	2199.84	4.05	-5.68	5.94	2.00			
	2300.00	6.00	305.51	2299.45	9.12	-12.77	13.35	2.00			
	2400.00	8.00	305.51	2398.70	16.19	-22.69	23.71	2.00			
	2500.00	10.00	305.51	2497.47	25.28	-35.43	37.02	2.00			
	2600.00 2700.00	12.00 14.00	305.51 305.51	2595.62 2693.06	36.36 49.43	-50.96 -69.27	53.24 72.37	2.00 2.00			
	2800.00	14.00	305.51	2789.64	49.45 64.46	-90.34	94.38	2.00			
	2900.00	18.00	305.51	2885.27	81.44	-114.14	119.25	2.00			
	2917.61	18.35	305.51	2902.00	84.63	-118.61	123.92	2.00	Delaware		
	3000.00	20.00	305.51	2979.82	100.35	-140.64	146.94	2.00	Hold Tangent		
	3100.00	20.00	305.51	3073.78	120.22	-168.48	176.02	0.00	5		
	3200.00	20.00	305.51	3167.75	140.08	-196.32	205.11	0.00			
	3300.00	20.00	305.51	3261.72	159.95	-224.16	234.20	0.00			
	3400.00	20.00	305.51	3355.69	179.82	-252.00	263.29	0.00			
	3500.00	20.00	305.51	3449.66	199.68	-279.84	292.38	0.00			
	3600.00	20.00	305.51	3543.63	219.55	-307.68	321.46	0.00			
	3700.00	20.00	305.51	3637.60	239.41	-335.52	350.55	0.00			
	3800.00	20.00	305.51	3731.57	259.28	-363.36	379.64	0.00			
	3900.00	20.00	305.51	3825.54 3919.51	279.14	-391.20	408.73	0.00			
	4000.00 4100.00	20.00 20.00	305.51 305.51	3919.51 4013.48	299.01 318.88	-419.05 -446.89	437.82 466.90	0.00 0.00			
	4100.00	20.00	305.51 305.51	4013.48	338.74	-446.89 -474.73	466.90 495.99	0.00			
	4220.00	20.00	305.51	4107.43	342.88	-480.52	493.99 502.04	0.00	Brushy Canyon		
	4300.00	20.00	305.51	4201.42	358.61	-502.57	525.08	0.00	··· ,··,-··		
	4400.00	20.00	305.51	4295.39	378.47	-530.41	554.17	0.00			
	4500.00	20.00	305.51	4389.35	398.34	-558.25	583.26	0.00			
	4600.00	20.00	305.51	4483.32	418.21	-586.09	612.34	0.00			
	4700.00	20.00	305.51	4577.29	438.07	-613.93	641.43	0.00			
	4800.00	20.00	305.51	4671.26	457.94	-641.77	670.52	0.00			
	4900.00	20.00	305.51	4765.23	477.80	-669.61	699.61	0.00			
	5000.00	20.00	305.51	4859.20	497.67	-697.46	728.70	0.00			
	5100.00	20.00	305.51	4953.17	517.54	-725.30	757.78	0.00			
	5200.00	20.00	305.51	5047.14	537.40	-753.14	786.87	0.00			
	5300.00	20.00	305.51	5141.11	557.27	-780.98	815.96	0.00			
	5400.00	20.00	305.51	5235.08	577.13	-808.82	845.05	0.00			
	5500.00 5572.31	20.00 20.00	305.51 305.51	5329.05 5397.00	597.00 611.37	-836.66 -856.79	874.14 895.17	0.00 0.00	1st Rone Spring Lime		
	5572.31 5600.00	20.00	305.51 305.51	5397.00 5423.02	611.37 616.87	-856.79 -864.50	903.23	0.00	1st Bone Spring Lime		
	5700.00	20.00	305.51 305.51	5423.02 5516.99	636.73	-864.50	903.23 932.31	0.00			
	5700.00 5800.00	20.00	305.51 305.51	5610.99 5610.96	656.60	-892.34 -920.18	932.31 961.40	0.00			
	5900.00	20.00	305.51	5704.92	676.46	-948.02	990.49	0.00			
	6000.00	20.00	305.51	5798.89	696.33	-975.87	1019.58	0.00			
	6100.00	20.00	305.51	5892.86	716.20	-1003.71	1048.67	0.00			
	6138.46	20.00	305.51	5929.00	723.84	-1014.41	1059.85	0.00	Drop to Vertical		
	6200.00	18.77	305.51	5987.05	735.70	-1031.04	1077.22	2.00	•		

. —		Wall.		LS 15-16 STA	TE COM 325	н			Geodetic System: US State Plane 1983
devon		County:		23 13-10 31A		••			Datum: North American Datum 1927
			Permit Plar	1					Ellipsoid: Clarke 1866
		Design:	Permit Plar	n #1					Zone: 3001 - NM East (NAD83)
	MD	INC	AZI	TVD	NS	EW	vs	DLS	
	(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100ft)	Comment
-	6300.00	16.77	305.51	6082.28	753.43	-1055.88	1103.18	2.00	
	6400.00	14.77	305.51	6178.51	769.21	-1078.00	1126.29	2.00	
	6500.00 6600.00	12.77 10.77	305.51 305.51	6275.63 6373.52	783.04 794.88	-1097.37 -1113.98	1146.53 1163.88	2.00 2.00	
	6700.00	8.77	305.51	6472.07	794.88 804.74	-1127.79	1178.31	2.00	
	6800.00	6.77	305.51	6571.15	812.59	-1138.79	1189.80	2.00	
	6840.10	5.97	305.51	6611.00	815.17	-1142.41	1193.58	2.00	1st Bone Spring Sand
	6900.00	4.77	305.51	6670.63	818.43	-1146.97	1198.35	2.00	
	7000.00 7100.00	2.77 0.77	305.51 305.51	6770.41 6870.36	822.25 824.04	-1152.32 -1154.84	1203.94 1206.57	2.00 2.00	
	7138.46	0.00	305.51	6908.82	824.19	-1155.05	1206.79	2.00	Hold Vertical
	7200.00	0.00	269.71	6970.36	824.19	-1155.05	1206.79	0.00	
	7300.00	0.00	269.71	7070.36	824.19	-1155.05	1206.79	0.00	
	7400.00 7500.00	0.00 0.00	269.71 269.71	7170.36 7270.36	824.19 824.19	-1155.05 -1155.05	1206.79 1206.79	0.00 0.00	
	7583.64	0.00	269.71	7354.00	824.19	-1155.05	1206.79	0.00	2nd Bone Spring Sand
	7600.00	0.00	269.71	7370.36	824.19	-1155.05	1206.79	0.00	
	7700.00	0.00	269.71	7470.36	824.19	-1155.05	1206.79	0.00	
	7800.00	0.00	269.71	7570.36	824.19	-1155.05	1206.79	0.00	
	7900.00 7932.64	0.00 0.00	269.71 269.71	7670.36 7703.00	824.19 824.19	-1155.05 -1155.05	1206.79 1206.79	0.00 0.00	3rd Bone Spring Lime
	8000.00	0.00	269.71	7770.36	824.19 824.19	-1155.05	1206.79	0.00	
	8100.00	0.00	269.71	7870.36	824.19	-1155.05	1206.79	0.00	
	8200.00	0.00	269.71	7970.36	824.19	-1155.05	1206.79	0.00	
	8300.00	0.00	269.71	8070.36	824.19	-1155.05	1206.79	0.00	
	8400.00 8500.00	0.00 0.00	269.71 269.71	8170.36 8270.36	824.19 824.19	-1155.05 -1155.05	1206.79 1206.79	0.00 0.00	
	8506.74	0.00	269.71	8277.09	824.19	-1155.05	1206.79	0.00	КОР
	8600.00	9.33	269.71	8369.95	824.15	-1162.62	1214.34	10.00	
	8700.00	19.33	269.71	8466.71	824.03	-1187.33	1238.99	10.00	
	8800.00 8868.13	29.33 36.14	269.71 269.71	8557.72 8615.00	823.83 823.64	-1228.47 -1265.29	1280.03 1316.76	10.00 10.00	3rd Bone Spring Sand / Point of Penetration
	8900.00	39.33	269.71	8640.20	823.54	-1284.79	1336.21	10.00	Sid bolle spring said / Fornt of Feneration
	9000.00	49.33	269.71	8711.65	823.20	-1354.58	1405.82	10.00	
	9100.00	59.33	269.71	8769.89	822.79	-1435.71	1486.75	10.00	
	9200.00 9300.00	69.33 79.33	269.71 269.71	8813.16 8840.14	822.34 821.86	-1525.72 -1621.88	1576.53 1672.45	10.00 10.00	
	9300.00 9400.00	89.33	269.71	8850.01	821.80	-1721.26	1771.59	10.00	
	9414.50	90.78	269.71	8850.00	821.30	-1735.76	1786.05	10.00	Landing Point
	9500.00	90.78	269.71	8848.84	820.87	-1821.25	1871.33	0.00	
	9600.00	90.78	269.71	8847.49	820.37	-1921.24	1971.07	0.00	
	9700.00 9800.00	90.78 90.78	269.71 269.71	8846.13 8844.78	819.87 819.37	-2021.23 -2121.22	2070.81 2170.55	0.00 0.00	
	9900.00	90.78	269.71	8843.42	818.88	-2221.21	2270.29	0.00	
	10000.00	90.78	269.71	8842.07	818.38	-2321.20	2370.03	0.00	
	10100.00	90.78	269.71	8840.71	817.88	-2421.19	2469.77	0.00	
	10200.00 10300.00	90.78 90.78	269.71 269.71	8839.36 8838.00	817.38 816.88	-2521.18 -2621.17	2569.51 2669.25	0.00 0.00	
	10400.00	90.78	269.71	8836.65	816.38	-2721.16	2768.99	0.00	
	10500.00	90.78	269.71	8835.29	815.88	-2821.15	2868.73	0.00	
	10600.00	90.78	269.71	8833.94	815.38	-2921.14	2968.47	0.00	
	10700.00 10800.00	90.78 90.78	269.71 269.71	8832.59 8831.23	814.89 814.39	-3021.13 -3121.12	3068.21 3167.95	0.00 0.00	
	10800.00	90.78 90.78	269.71	8829.88	814.39 813.89	-3121.12	3167.95	0.00	
	11000.00	90.78	269.71	8828.52	813.39	-3321.10	3367.43	0.00	
	11100.00	90.78	269.71	8827.17	812.89	-3421.09	3467.17	0.00	
	11200.00	90.78	269.71	8825.81	812.39	-3521.08	3566.91	0.00	
	11300.00 11400.00	90.78 90.78	269.71 269.71	8824.46 8823.10	811.89 811.39	-3621.07 -3721.06	3666.65 3766.39	0.00 0.00	
	11500.00	90.78	269.71	8821.75	810.90	-3821.04	3866.13	0.00	
	11600.00	90.78	269.71	8820.39	810.40	-3921.03	3965.87	0.00	
	11700.00	90.78	269.71	8819.04	809.90	-4021.02	4065.61	0.00	
	11800.00	90.78	269.71	8817.68	809.40 808.90	-4121.01	4165.35	0.00	
	11900.00 12000.00	90.78 90.78	269.71 269.71	8816.33 8814.97	808.90 808.40	-4221.00 -4320.99	4265.09 4364.83	0.00 0.00	
	12100.00	90.78	269.71	8813.62	807.90	-4420.98	4464.57	0.00	
	12200.00	90.78	269.71	8812.27	807.40	-4520.97	4564.31	0.00	
	12300.00	90.78	269.71	8810.91	806.91	-4620.96	4664.05	0.00	
	12400.00 12500.00	90.78 90.78	269.71 269.71	8809.56 8808.20	806.41 805.91	-4720.95 -4820.94	4763.79 4863.53	0.00 0.00	
	12300.00	50.70	205.11	0000.20	555.51	-020.34		0.00	

r									
devon				LS 15-16 STA	TE COM 335	БН			Geodetic System: US State Plane 1983
0.0 / 011		County:	EDDY Permit Plar						Datum: North American Datum 1927 Ellipsoid: Clarke 1866
			Permit Plan						Zone: 3001 - NM East (NAD83)
	MD	INC	AZI	TVD	NS	EW	vs	DLS	Comment
	(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100ft))
	12600.00	90.78	269.71	8806.85	805.41	-4920.93	4963.27	0.00	
	12700.00	90.78	269.71	8805.49	804.91	-5020.92	5063.01	0.00	
	12800.00 12900.00	90.78 90.78	269.71 269.71	8804.14 8802.78	804.41 803.91	-5120.91 -5220.90	5162.75 5262.49	0.00 0.00	
	12900.00	90.78 90.78	269.71	8801.43	803.41	-5320.90	5262.49	0.00	
	13100.00	90.78	269.71	8800.07	802.92	-5420.88	5461.97	0.00	
	13200.00	90.78	269.71	8798.72	802.42	-5520.87	5561.71	0.00	
	13300.00	90.78	269.71	8797.36	801.92	-5620.86	5661.45	0.00	
	13400.00	90.78	269.71	8796.01	801.42	-5720.85	5761.19	0.00	
	13500.00	90.78	269.71	8794.65	800.92	-5820.84	5860.93	0.00	
	13600.00 13700.00	90.78 90.78	269.71 269.71	8793.30 8791.95	800.42 799.92	-5920.83 -6020.82	5960.67 6060.41	0.00 0.00	
	13800.00	90.78	269.71	8790.59	799.42	-6120.82	6160.15	0.00	
	13900.00	90.78	269.71	8789.24	798.93	-6220.79	6259.89	0.00	
	14000.00	90.78	269.71	8787.88	798.43	-6320.78	6359.63	0.00	
	14100.00	90.78	269.71	8786.53	797.93	-6420.77	6459.37	0.00	
	14200.00	90.78	269.71	8785.17	797.43	-6520.76	6559.11	0.00	
	14300.00	90.78	269.71	8783.82	796.93	-6620.75	6658.85	0.00	
	14400.00	90.78	269.71	8782.46	796.43	-6720.74 -6820.73	6758.59	0.00	
	14500.00 14600.00	90.78 90.78	269.71 269.71	8781.11 8779.75	795.93 795.44	-6920.73	6858.33 6958.07	0.00 0.00	
	14700.00	90.78	269.71	8778.40	794.94	-7020.71	7057.81	0.00	
	14800.00	90.78	269.71	8777.04	794.44	-7120.70	7157.55	0.00	
	14900.00	90.78	269.71	8775.69	793.94	-7220.69	7257.29	0.00	
	15000.00	90.78	269.71	8774.33	793.44	-7320.68	7357.03	0.00	
	15100.00	90.78	269.71	8772.98	792.94	-7420.67	7456.77	0.00	
	15200.00	90.78	269.71	8771.63	792.44	-7520.66	7556.51	0.00	
	15300.00 15400.00	90.78 90.78	269.71 269.71	8770.27 8768.92	791.94 791.45	-7620.65 -7720.64	7656.25 7755.99	0.00 0.00	
	15500.00	90.78	269.71	8767.56	790.95	-7820.63	7855.73	0.00	
	15600.00	90.78	269.71	8766.21	790.45	-7920.62	7955.47	0.00	
	15700.00	90.78	269.71	8764.85	789.95	-8020.61	8055.21	0.00	
	15800.00	90.78	269.71	8763.50	789.45	-8120.60	8154.95	0.00	
	15900.00	90.78	269.71	8762.14	788.95	-8220.59	8254.69	0.00	
	16000.00 16100.00	90.78 90.78	269.71 269.71	8760.79 8759.43	788.45 787.95	-8320.58 -8420.57	8354.43 8454.17	0.00 0.00	
	16200.00	90.78	269.71	8758.08	787.46	-8420.57	8553.91	0.00	
	16300.00	90.78	269.71	8756.72	786.96	-8620.54	8653.65	0.00	
	16400.00	90.78	269.71	8755.37	786.46	-8720.53	8753.39	0.00	
	16500.00	90.78	269.71	8754.01	785.96	-8820.52	8853.13	0.00	
	16600.00	90.78	269.71	8752.66	785.46	-8920.51	8952.87	0.00	
	16700.00	90.78	269.71	8751.30	784.96	-9020.50	9052.61	0.00	
	16800.00 16900.00	90.78 90.78	269.71 269.71	8749.95 8748.60	784.46 783.96	-9120.49 -9220.48	9152.35 9252.09	0.00 0.00	
	17000.00	90.78	269.71	8747.24	783.47	-9320.47	9351.83	0.00	
	17100.00	90.78	269.71	8745.89	782.97	-9420.46	9451.57	0.00	
	17200.00	90.78	269.71	8744.53	782.47	-9520.45	9551.31	0.00	
	17300.00	90.78	269.71	8743.18	781.97	-9620.44	9651.05	0.00	
	17400.00	90.78	269.71	8741.82	781.47	-9720.43	9750.79	0.00	
	17500.00 17600.00	90.78 90.78	269.71 269.71	8740.47	780.97 780.47	-9820.42 -9920.41	9850.53 9950.27	0.00	
	17700.00	90.78 90.78	269.71	8739.11 8737.76	779.97	-10020.40		0.00 0.00	
	17800.00	90.78	269.71	8736.40	779.48	-10120.39		0.00	
	17900.00	90.78	269.71	8735.05	778.98	-10220.38	10249.49	0.00	
	18000.00	90.78	269.71	8733.69	778.48	-10320.37		0.00	
	18100.00	90.78	269.71	8732.34	777.98	-10420.36		0.00	
	18200.00	90.78	269.71	8730.98	777.48	-10520.35		0.00	
	18300.00	90.78	269.71	8729.63	776.98	-10620.34		0.00	
	18400.00 18500.00	90.78 90.78	269.71 269.71	8728.28 8726.92	776.48 775.98	-10720.33 -10820.32		0.00 0.00	
	18600.00	90.78	269.71	8725.57	775.49	-10920.32		0.00	
	18700.00	90.78	269.71	8724.21	774.99	-11020.29		0.00	
	18800.00	90.78	269.71	8722.86	774.49	-11120.28		0.00	
	18900.00	90.78	269.71	8721.50	773.99	-11220.27		0.00	
	19000.00	90.78	269.71	8720.15	773.49	-11320.26		0.00	
	19100.00	90.78	269.71	8718.79	772.99	-11420.25		0.00	
	19200.00 19299.00	90.78 90.78	269.71 269.71	8717.44 8716.10	772.49 772.00	-11520.24 -11619.23		0.00 0.00	exit
	19299.00	90.78	269.71	8716.08	771.99	-11620.23		0.00	
	19379.00	90.78	269.71	8715.00	771.64	-11699.22		0.00	BHL



Devon Energy Center 333 West Sheridan Avenue

Oklahoma City, Oklahoma 73102-5015

Hydrogen Sulfide (H₂S) Contingency Plan

For

Cedar Hills 15-16 State Com 335H

Sec-14 T-21S R-27E 590' FSL & 1103' FWL LAT. = 32.474525' N (NAD83) LONG = 104.165520' W

Eddy County NM

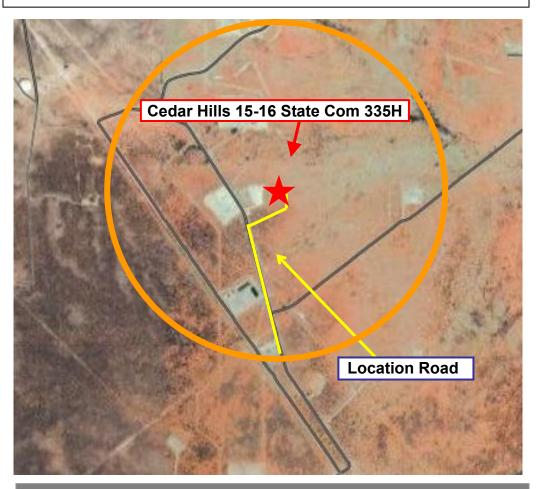
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Cedar Hills 15-16 State Com 335H

This is an open drilling site. H_2S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H_2S , including warning signs, wind indicators and H_2S monitor.



Assumed 100 ppm ROE = 3000' (Radius of Exposure) 100 ppm H2S concentration shall trigger activation of this plan.

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

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

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

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H₂S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the
 - Detection of H_2S , 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

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

Characteristics of H₂S and SO₂

Contacting Authorities

Devon Energy Corp. personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Devon Energy Corp. Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

Hydrogen Sulfide Drilling Operation Plan

I. HYDROGEN SULFIDE (H₂S) TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- 1. The hazards and characteristics of hydrogen sulfide (H₂S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- 1. The effects of H₂S metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- 3. The contents and requirements of the H₂S Drilling Operations Plan.

There will be weekly H₂S and well control drills for all personnel in each crew.

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 escape units available in the top doghouse. As it may be difficult to communicate audibly while wearing these units, hand signals shall be utilized.

3. H₂S detection and monitoring equipment:

Portable 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
- Possum Belly/Shale shaker
- Rig floor
- Choke manifold
- Cellar

Visual warning systems:

- A. Wind direction indicators as shown on well site diagram
- B. Caution/ Danger signs shall be posted on roads providing direct access to locations. Signs will be painted a high visibility yellow with black lettering of sufficient size to be reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

4. Mud program:

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

5. Metallurgy:

A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H₂S trim.

B. All elastomers used for packing and seals shall be H₂S trim.

6. Communication:

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

7. Well testing:

- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safety and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing operations conducted in an H₂S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

Devon Energy Corp. Company Call List							
Employee/Company Contact Representative	Position	Phone Number	After Hours Number				
Jonathan Fisher (North)	Drilling Manager	832-967-7912					
Jason Hildebrand (South)	Drilling Manager	405-552-6514					
Rich Downey	Drilling VP	405-228-2415					
Josh Harvey	EHS Manager	405-228-2440	918-500-5536				
Laura Wright	EHS Supervisor	405-552-5334	832-969-8145				
Robert Glover	EHS Professional	575-703-5712	575-703-5712				
Lane Frank	Lead EHS	580-579-7052	580-579-7052				
Rickey Porter	Lead EHS	903-720-8315	903-720-8315				
Ronnie Handy	Lead EHS	918-839-2046	918-839-2046				
Brock Vise	Lead EHS	918-413-3291	918-413-3291				

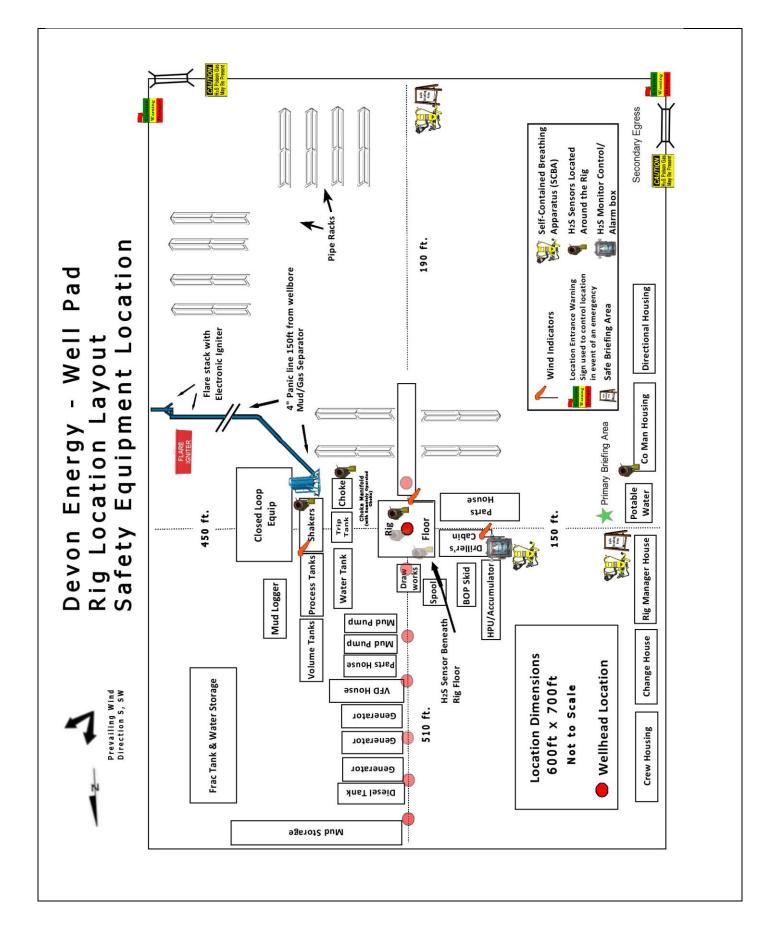
Agency	Call List	
Lea	Hobbs	
<u>County</u>	Lea County Communication Authority	397-9265
<u>(575)</u>	State Police	885-3138
	City Police	397-9265
	Sheriff's Office	396-3611
	Ambulance	911
	Fire Department	397-9308
	LEPC (Local Emergency Planning Committee)	393-2870
	NMOCD	393-6161
	US Bureau of Land Management (Closed)	393-0002
Eddy	Carlsbad	
<u>County</u>	State Police	885-3137
(575)	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	234-5972
	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
Give	Native Air – Emergency Helicopter – Hobbs	(575) 347-9836
GPS	For Air Ambulance - Eddy County Dispatch	(575)-616-7155
position:	For Air Ambulance - Lea County (LCCA)	(575)-397-9265
-	Poison Control (24/7)	(800) 222-1222
	Oil & Gas Pipeline 24 Hour Service	(800) 364-4366
	NOAA – Website - www.nhc.noaa.gov	
	National Pollution Control Center	202-795-6958
	NPCC – Oil Spills	800-280-7118

Prepared in conjunction with





.



1. Geologic Formations

TVD of target	8716	Pilot hole depth	N/A
MD at TD:	19379	Deepest expected fresh water	

Basin

Basin			
	Depth	Water/Mineral	
Formation	(TVD)	Bearing/Target	Hazards*
	from KB	Zone?	
Rustler	0		
Top of Salt (Tansill)	202		
Base of Salt	359		
Capitan	599		
Delaware	2902		
Brushy Canyon	4127		
1st Bone Spring Lime	5397		
1st Bone Spring Sand	6611		
2nd Bone Spring Sand	7354		
3rd Bone Spring Lime	7703		
3rd Bone Spring Sand	8615		

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

2. Casing Program (Primary Design)

Hole Size	Csg. Size	Wt (PPF)	Grade	Conn	Top (MD)	Bottom (MD)	Top (TVD)	Bottom (TVD)
17 1/2	13 3/8	54.5	J-55	BTC	0.0	60 MD	0	60 TVD
12 1/4	10 3/4	45.5	J-55	BTC SCC	0.0	550 MD	0	550 TVD
9 7/8	8 5/8	32.0	P110ICY	441	0	2950	0	2950
7 7/8	5 1/2	20.0	P110CY	461	0	19379 MD	0	8716 TVD

•All casing strings will be tested in accordance with 43 CFR 3172. Must have table for contingency casing.

• The Rustler top will be validated via drilling parameters (i.e. reduction in ROP), and the surface casing setting depth will be revised accordingly. In addition, surface casing will be set a minimum of 25' above the top of the salt.

3. Cementing Program (Primary Design)

Casing	# Sks	TOC	Wt. (lb/gal)	Yld (ft3/sack)	Slurry Description
Surface	81	Surf	13.2	1.44	Lead: Class C Cement + additives
Int	4	Surf	9	3.27	Lead: Class C Cement + additives
Int	101	50	13.2	1.44	Tail: Class H / C + additives
Int 1	97	Surf	9	3.27	Lead: Class C Cement + additives
Int I	67	2450	13.2	1.44	Tail: Class H / C + additives
Int 1	221	Surf	9	1.44	Squeeze Lead: Class C Cement + additives
Intermediate	97	Surf	9	3.27	Lead: Class C Cement + additives
Squeeze	67	2450	13.2	1.44	Tail: Class H / C + additives
Production	464	550	9	3.27	Lead: Class H /C + additives
Froutetion	1439	8507	13.2	1.44	Tail: Class H / C + additives

Assuming no returns are established while drilling, Devon requests to pump a two stage cement job on the intermediate casing string with the first stage being pumped conventionally with the calculated top of cement at the Brushy Canyon and the second stage performed as a bradenhead squeeze with planned cement from the Brushy Canyon to surface. The final cement top will be verified by Echo-meter. Devon will include the Echo-meter verified fluid top and the volume of displacement fluid above the cement slurry in the annulus in all post-drill sundries on wells utilizing this cement program. Devon will report to the BLM the volume of fluid (limited to 1 bbls) used to flush intermediate casing valves following

Casing String	% Excess
Surface	50%
Intermediate and Intermediate 1	30%
Intermediate 1 (Two Stage)	25%
Prod	10%

Devon Energy requests to offline cement on intermediate strings that are set in formations shallower than the Wolfcamp. Prior to commencing offline cementing operations, the well will be monitored for any abnormal pressures and confirmed to be static. A dual manifold system (equipped with chokes) for the returns will also be utilized as a redundancy. All equipment used for offline cementing will have a minimum 5M rating to match intermediate sections' 5M BOPE requirements

4. Pressure Control Equipment (Four String Design)

BOP installed and tested before drilling which hole?	Size?	Min. Require d WP	Ţ	уре	~	Tested to:	
			Annular		Х	50% of rated working pressure	
Int	13-5/8"	5M	Bline	d Ram	Х		
Int	15-5/0	5101		e Ram		5M	
			Doub	le Ram	X	5101	
			Other*				
	13-5/8"	5M	Annular (5M)		х	100% of rated working pressure	
Int 1			Blind Ram		Х		
Int I	15-5/8	5111	Pipe Ram			5M	
			Double Ram		Х	JIVI	
			Other*				
			Annular (5M)		Х	100% of rated working pressure	
Production	13-5/8"	5M	Blind Ram		Х		
Troduction	13-5/8	5111	Pipe Ram			5M	
			Double Ram		Х	5141	
			Other*				
	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.						
N A variance is requested to	A variance is requested to run a 5 M annular on a 10M system						

5. Mud Program (Four String Design)

Section	Туре	Weight (ppg)		
Surface	WBM	8.5-9		
Intermediate	DBE / Cut Brine	10-10.5		
Intermediate 1	WBM	8.5-9		
Production	OBM	10-10.5		

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

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

6. Logging and Testing Procedures

Logging, C	Coring and Testing
	Will run GR/CNL from TD to surface (horizontal well - vertical portion of hole). Stated logs run will be in the
Х	Completion Report and sbumitted to the BLM.
	No logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain.
	Coring? If yes, explain.

Additiona	l logs planned	Interval
	Resistivity	Int. shoe to KOP
	Density	Int. shoe to KOP
Х	CBL	Production casing
Х	Mud log	Intermediate shoe to TD
	PEX	

7. Drilling Conditions

Condition	Specfiy what type and where?
BH pressure at deepest TVD	4759
Abnormal temperature	No

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

Hydrogren S	Hydrogren Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations				
greater than	greater than 100 ppm, the operator will comply with the provisions of 43 CFR 3176. If Hydrogen Sulfide is encountered				
measured va	measured values and formations will be provided to the BLM.				
N	H2S is present				
Y	H2S plan attached.				

8. Other facets of operation

Is this a walking operation? Potentially

- 1 If operator elects, drilling rig will batch drill the surface holes and run/cement surface casing; walking the rig to next wells on the pad.
- 2 The drilling rig will then batch drill the intermediate sections and run/cement intermediate casing; the wellbore will be isolated with a blind flange and pressure gauge installed for monitoring the well before walking to the next well.
- 3 The drilling rig will then batch drill the production hole sections on the wells with OBM, run/cement production casing, and install TA caps or tubing heads for completions.

NOTE: During batch operations the drilling rig will be moved from well to well however, it will not be removed from the pad until all wells have production casing run/cemented.

Will be pre-setting casing? Potentially

- 1 Spudder rig will move in and batch drill surface hole.
 - a. Rig will utilize fresh water based mud to drill surface hole to TD. Solids control will be handled entirely on a closed loop basis.,
- 2 After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (43 CFR 3172, all COAs and NMOCD regulations).
- 3 The wellhead will be installed and tested once the surface casing is cut off and the WOC time has been reached.
- 4 A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with a pressure gauge installed on the wellhead.
- 5 Spudder rig operations is expected to take 4-5 days per well on a multi-well pa.
- 6 The NMOCD will be contacted and notified 24 hours prior to commencing spudder rig operations.
- 7 Drilling operations will be performed with drilling rig. A that time an approved BOP stack will be nippled up and tested on the wellhead before drilling operations commences on each well.
 - a. The NMOCD will be contacted / notified 24 hours before the drilling rig moves back on to the pad with the pre-set surface casing.

Attachments

X Directional Plan Other, describe

	E	Stat nergy, Minerals a	e of New Me nd Natural Res		ent	Sub Via	mit Electronically E-permitting
		1220 S	onservation D South St. Fran ta Fe, NM 87	cis Dr.			
	Ν	ATURAL GA	AS MANA	GEMENT P	LAN		
This Natural Gas Manaş	gement Plan m	ust be submitted wi	th each Applica	tion for Permit to I	Drill (A	PD) for a new c	or recompleted well.
			<u>1 – Plan D</u> fective May 25.				
I. Operator: DEVON E	NERGY PRODUC	CTION COMPANY, LP	OGRID:	6137		Date: /	28 / 2025
II. Type: 🖾 Original 🛛	□ Amendment	due to □ 19.15.27.	9.D(6)(a) NMA	C 🗆 19.15.27.9.D((6)(b) N	IMAC 🗆 Other.	
If Other, please describe							
III. Well(s): Provide the be recompleted from a s					wells pi	coposed to be dr	illed or proposed to
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D		icipated MCF/D I	Anticipated Produced Water BBL/D
See attachment							
IV. Central Delivery P V. Anticipated Schedu proposed to be recomple	le: Provide the	following informa			vell or s		27.9(D)(1) NMAC] osed to be drilled or
Well Name	API	Spud Date	TD Reached Date	Completion Commencement		Initial Flow Back Date	First Production Date
See attachment							
VI. Separation Equipn VII. Operational Prac Subsection A through F	tices: 🖾 Attac	h a complete descr	-	-			
VIII. Best Managemen during active and planne	nt Practices: [Attach a comple	te description of	f Operator's best n	nanagei	nent practices t	o minimize venting

.

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. \Box Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system \Box will \Box will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator \Box does \Box does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

□ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: \Box Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

NATURAL GAS MANAGEMENT PLAN

Section 1 - Plan Description

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III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR & FOOTAGE	Anticipated Gas/Oil/Water	Central Delivery Point Name:
CEDAR HILLS 15-16 STATE COM 332H	n/a	14-21S-27E, 1929 FNL & 1395 FWL	(+/-)2194mcfd/(+/-)973bopd/(+/-)2965bwpd	CEDAR HILLS 15 CTB 1
CEDAR HILLS 15-16 STATE COM 335H	n/a	14-21S-27E, 590 FSL & 1103 FWL	(+/-)2194mcfd/(+/-)973bopd/(+/-)2965bwpd	CEDAR HILLS 15 CTB 1
CEDAR HILLS 15-16 STATE COM 621H	n/a	14-21S-27E, 1906 FNL & 1415 FWL	(+/-)2995mcfd/(+/-)1245bopd/(+/-)3115bwpd	CEDAR HILLS 15 CTB 1
CEDAR HILLS 15-16 STATE COM 622H	n/a	14-21S-27E, 1951 FNL & 1375 FWL	(+/-)2995mcfd/(+/-)1245bopd/(+/-)3115bwpd	CEDAR HILLS 15 CTB 1
CEDAR HILLS 15-16 STATE COM 623H	n/a	14-215-27E, 620 FSL & 1103 FWL	(+/-)2995mcfd/(+/-)1245bopd/(+/-)3115bwpd	CEDAR HILLS 15 CTB 1
CEDAR HILLS 15-16 STATE COM 624H	n/a	14-215-27E, 560 FSL & 1103 FWL	(+/-)2995mcfd/(+/-)1245bopd/(+/-)3115bwpd	CEDAR HILLS 15 CTB 1

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

				Completion Commencement		
Well Name	API	Spud Date	TD Reached Date	Date	Initial Flow back Date	First Production Date
CEDAR HILLS 15-16 STATE COM 332H	n/a	11/28/2025	12/28/2025	4/27/2026	4/27/2026	4/27/2026
CEDAR HILLS 15-16 STATE COM 335H	n/a	11/15/2025	12/15/2025	4/14/2026	4/14/2026	4/14/2026
CEDAR HILLS 15-16 STATE COM 621H	n/a	11/13/2025	12/13/2025	4/12/2026	4/12/2026	4/12/2026
CEDAR HILLS 15-16 STATE COM 622H	n/a	10/29/2025	11/28/2025	3/28/2026	3/28/2026	3/28/2026
CEDAR HILLS 15-16 STATE COM 623H	n/a	10/31/2025	11/30/2025	3/30/2026	3/30/2026	3/30/2026
CEDAR HILLS 15-16 STATE COM 624H	n/a	12/1/2025	12/31/2025	4/30/2026	4/30/2026	4/30/2026

* Dates subject to change

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

 \square Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

D Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. *If Operator checks this box, Operator will select one of the following:*

Well Shut-In. \Box Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. \Box Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (t) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:
Printed Name: Jeffrey Walla Title: S. C. Jeffrey Ualla
Title: Surface Land & Regulatory Manager
E-mail Address: jeff.walla@dvn.com
Date:
Phone: (405) 552-8154
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:



VI. Separation Equipment

Devon Energy Production Company, L.P. utilizes a "stage separation" process in which oil and gas separation is carried out through a series of separators operating at successively reduced pressures. Hydrocarbon liquids are produced into a high-pressure inlet separator, then carried through one or more lower pressure separation vessels before entering the storage tanks. The purpose of this separation process is to attain maximum recovery of liquid hydrocarbons from the fluids and allow maximum capture of produced gas into the sales pipeline. Devon utilizes a series of Low-Pressure Compression units to capture gas off the staged separation and send it to the sales pipeline. This process minimizes the amount of flash gas that enters the end-stage storage tanks that is subsequently vented or flared.



VII. Operational Practices

Devon Energy Production Company, L. P. will employ best management practices and control technologies to maximize the recovery and minimize waste of natural gas through venting and flaring.

- During drilling operations, Devon will utilize flares and/or combustors to capture and control natural gas, where technically feasible. If flaring is deemed technically in-feasible, Devon will employ best management practices to minimize or reduce venting to the extent possible.
- During completions operations, Devon will utilize Green Completion methods to capture gas produced during well completions that is otherwise vented or flared. If capture is technically in-feasible, flares and/or combustors will be used to capture and control flow back fluids entering into frac tanks during initial flowback. Upon indication of first measurable hydrocarbon volumes, Devon will turn operations to onsite separation vessels and flow to the gathering pipeline.
- During production operations, Devon will take every practical effort to minimize waste of natural gas through venting and flaring by:
 - Designing and constructing facilities in a manner consistent to achieve maximum capture and control of hydrocarbon liquids & produced gas
 - Utilizing a closed-loop capture system to collect and route produced gas to sales line via low pressure compression, or to a flare/combustor
 - Flaring in lieu of venting, where technically feasible
 - Utilizing auto-ignitors or continuous pilots, with thermocouples connected to Scada, to quickly detect and resolve issues related to malfunctioning flares/combustors
 - Employ the use of automatic tank gauging to minimize storage tank venting during loading events
 - Installing air-driven or electric-driven pneumatics & combustion engines, where technically feasible to minimize venting to the atmosphere
 - Confirm equipment is properly maintained and repaired through a preventative maintenance and repair program to ensure equipment meets all manufacturer specifications
 - Conduct and document AVO inspections on the frequency set forth in Part 27 to detect and repair any onsite leaks as quickly and efficiently as is feasible



VIII. Best Management Practices during Maintenance

Devon Energy Production Company, L.P. will utilize best management practices to minimize venting during active and planned maintenance activities. Devon is operating under guidance that production facilities permitted under NOI permits have no provisions to allow high pressure flaring and high pressure flaring is only allowed in disruption scenarios so long as the duration is less than eight hours. When technically feasible, flaring during maintenance activities will be utilized in lieu of venting to the atmosphere. Devon will work with third-party operators during scheduled maintenance of downstream pipeline or processing plants to address those events ahead of time to minimize venting. Actions considered include identifying alternative capture approaches or planning to temporarily reduce production or shut in the well to address these circumstances.



Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, Oklahoma 73102 Phone: (405) 228-4800

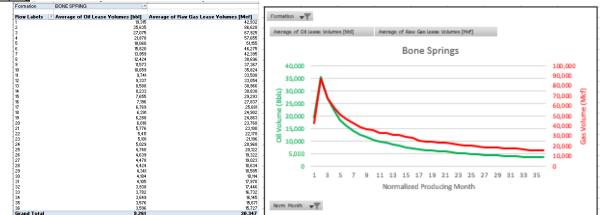
WASTE MINIMIZATION PLAN

Per 89 FR 25378 - Waste Prevention, Production Subject to Royalties, and Resource Conservation, requirements:

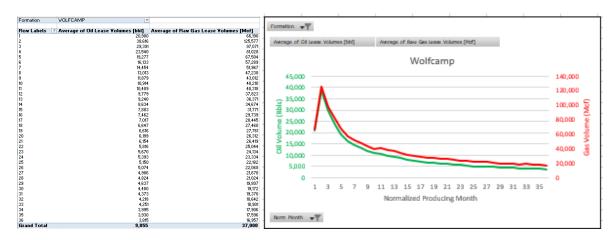
- (1) initial oil production estimates and decline,
- (2) initial gas production estimates and decline,
- (3) certification that the operator has an executed gas sales contract to sell 100 percent of the produced oil-well gas, and
- (4) any other information demonstrating the operator's plans to avoid the waste of gas.

(1), (2) 3 year Oil and Gas decline curves: Bone Spring and Wolfcamp formation decline curves below supply Year 1, 2, 3 cumulative values for oil and gas, in range format; based on peak IP rates for oil and gas based on Devon Energy Production Company, L.P. operated wells ID post 1/2019, 10K LL norm, P90-10 ranges, annualized rates. Please refer to NGMP for table of initial oil and gas volumes.

Bone Spring



Wolfcamp



(3) Certification (NGMP Section 3 – Certification): Operator (Devon Energy Production Company, L.P.) will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system;

(4) Addl waste avoidance information: Refer to NGMP Sec. VII. Operational Practices & VIII. Best Management Practices during Maintenance

Offline Cementing

Variance Request

Devon Energy requests to offline cement on intermediate 1 strings that are set in formations shallower than the Wolfcamp. Prior to commencing offline cementing operations, the well will be monitored for any abnormal pressures and confirmed to be static. A dual manifold system (equipped with chokes) for the returns will also be utilized as a redundancy. All equipment used for offline cementing will have a minimum 5M rating to match intermediate sections' 5M BOPE requirements.