Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

DEC 1 5 201

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

5. Lease Serial No. NMNM113964

| SUNDRY NOTICES AND REPORTS ON WELLS | |
|---|----|
| Do not use this form for proposals to drill or to re-enter an | |
| abandoned well. Use form 3160-3 (APD) for such proposals. | 原原 |

| RECEIVED |
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6. If Indian, Allottee or Tribe Name

| | | | | | | | |
|--|--|---|--|---|--|--|--|
| SUBMIT IN TI | RIPLICATE - Other instru | ctions on reverse side. | 7. If Unit or C | A/Agreement, Name and/or No. | | | |
| Type of Well | Other | | 8. Well Name a | and No. DRAW 33 FED 1H | | | |
| Name of Operator DEVON ENERGY PRODUC | Contact: | TRINA C COUCH 1@dvn.com | 9. API Well N 30-025-4 | o. 263-00-X1 | | | |
| 3a. Address 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 731 | | 3b. Phone No. (include area code Ph: 405-228-7203 | e) 10. Field and F PADUCA | Field and Pool, or Exploratory PADUCA County or Parish, and State | | | |
| 4. Location of Well (Footage, Sec., | |) | 11. County or | | | | |
| Sec 33 T24S R32E NWNW 32.150032 N Lat, 103.66396 | | | LEA COU | NTY, NM | | | |
| 12. CHECK API | PROPRIATE BOX(ES) TO | O INDICATE NATURE OF | NOTICE, REPORT, OR C | OTHER DATA | | | |
| TYPE OF SUBMISSION | | TYPE C | F ACTION | | | | |
| ■ Notice of Intent | ☐ Acidize | Deepen | ☐ Production (Start/Resur | ne) Water Shut-Off | | | |
| _ | ☐ Alter Casing | □ Fracture Treat | ■ Reclamation | ■ Well Integrity | | | |
| ☐ Subsequent Report | □ Casing Repair | ■ New Construction | □ Recomplete | Other | | | |
| ☐ Final Abandonment Notice | ☐ Change Plans | Plug and Abandon | ☐ Temporarily Abandon | | | | |
| | Convert to Injection | Plug Back | ■ Water Disposal | | | | |
| A multibowl wellhead is being on the surface casing which subject to test pressure is brown Please see attachment for pr | oken the system must be to | sted per Onshore Order #2 a ents for a maximum of 30 day ested. | fter installation /s. If any seat: ATTA CONDITIO | CHED FOR NS OF APPROVA | | | |
| | | | | | | | |
| 14. I hereby certify that the foregoing in the control of the c | Electronic Submission #2 For DEVON ENER | 284657 verified by the BLM We GY PRODUCTION CO LP, sen ssing by JENNIFER MASON or | t to the Hobbs | | | | |
| Name(Printed/Typed) TRINA C | COUCH | Title REGUL | ATORY ANALYST | DRAVER | | | |
| | | | AP | 'PRIMEII | | | |
| Signature (Electronic | Submission) | Date 12/09/2 | 014 | INOVED | | | |
| Signature (Electronic | | Date 12/09/2 | OFFICE LIGE | FC 1 2/2014) | | | |
| | | R FEDERAL OR STATE | OFFICE USE | Il Xinh | | | |
| Approved By Onditions of approval, if any, are attacherify that the applicant holds legal or equiple the applicant to conditions of the applicant to condi | THIS SPACE FO | Title | OFFICE USE / NE | Mm Bullanos | | | |

Cotton Draw Unit 33 Fed 1H - BOP change procedure

Devon energy requests to use FMC uni-head system. A multibowl wellhead is being used.

Selv

The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.

Devon proposes using a multi-bowl wellhead assembly (FMC Uni-head). This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 3000 (3M) psi. Wellhead will be installed by FMC's representatives. If the welding is performed by a third party, the FMC's representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal. FMC representative will install the test plug for the initial BOP test. FMC will install a solid steel body pack-off to completely isolate the lower head after cementing intermediate casing. After installation of the pack-off, the pack-off and the lower flange will be tested to 5M, as shown on the attached schematic. Everything above the pack-off will not have been altered whatsoever from the initial nipple up. Therefore the BOP components will not be retested at that time. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head will be cut and top out operations will be conducted.

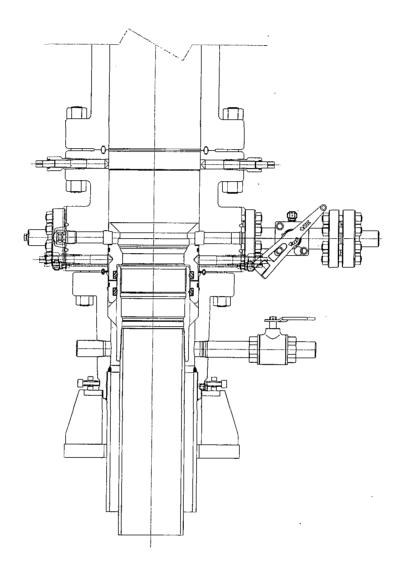
Devon will pressure test all seals above and below the mandrel (but still above the casing) to full working pressure rating. Devon will test the casing to 0.22 psi/ft or 1500 psi, whichever is greater, as per Onshore Order #2. After running the 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 3M will be installed on the FMC Uni-head wellhead system and will undergo a 250 psi low pressure test followed by a 3,000 psi high pressure test. The 3,000 psi high and 250 psi low test will cover testing requirements a maximum of 30 days, as per Onshore Order #2. If the well is not complete within 30 days of this BOP test, another full BOP test will be conducted, as per Onshore Order #2.

After running the 9-5/8' intermediate casing with a mandrel hanger, the 13-5/8" BOP/BOPE system with a minimum rating of 3M will already be installed on the FMC Uni-head. The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP.



Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line). The line will be kept as straight as possible with minimal turns.

45MG Technologies



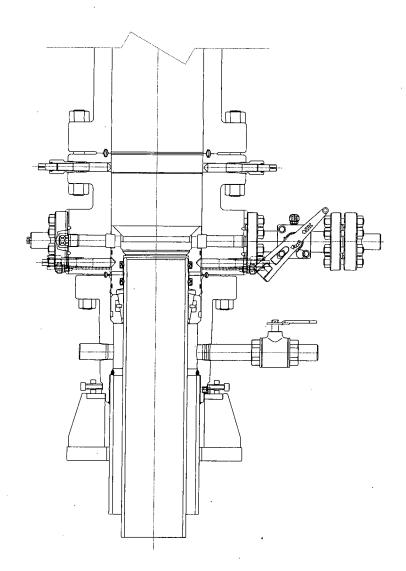
PRIMARY MODE

DEVON ENERGY ARTESIA S.E.N.M 13 3/8 X 9 5/8

QUOTE LAYOUT F18648 REF: DM100161737 DM100151315

| PRIVATE AND CONFIDENTIAL | | DESCRIPTION | | | |
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| THIS DOCUMENT AND ALL THE INFORMATION CONTAINED MEREIN ARE THE CONFIDENTIAL AND EXCLUSIVE PROPERTY OF FMC TECHNOLOGIES AND MAY NOT | A 05-08-13 | | | | |
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| ACCEPTED BY RECIPIENT PURSUANT TO AGREEMENT TO THE FOREGOING, AND | C 5-13-14 | SURFACE WELLHEAD LAYOUT | DRAFTING BEVIEW | | FMC Technologies |
| MUST BE RETURNED UPON DEMAND. | LC 1 2 14 | | Z. MARQUEZ | | |
| MOST BE RETURNED OF ON DEMAND. | -l | UNIHEAD. UH-1.SOW. | | 05-08-13 |] |
| MANUFACTURER AGREES THAT ARTICLES MADE IN ACCORDANCE WITH THIS | | | DESIGN REVIEW | | i t |
| DOCUMENT SHALL BE CONSIDERED FMC TECHNOLOGIES DESIGN AND THAT | | DEVON ENERGY, ODESSA | K. TAHA | 05-08-13 | DRAWING NUMBER |
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FMCTechnologies



CONTINGENCY MODE

DEVON ENERGY ARTESIA S.E.N.M 13 3/8 X 9 5/8

QUOTE LAYOUT F18648 REF: DMIO0161737 DMI00151315

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| | ACCEPTED BY RECIPIENT PURSUANT TO AGREEMENT TO THE FOREGOING, AND MUST BE RETURNED UPON DEMAND. | 0 3-13-14 | | | | _ | |
| П | MUST BE HETUMNED UPON DEMAND. | 4 | LINIDEAD, DOTING | Z. MARQUEZ | 05-08-13 | | |
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| | IDENTICAL ARTICLES OR PARTS THEREOF SHALL NOT BE MANUFACTURED | 1 1 | <u></u> | APPROVED BY | | | |
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| | WITHOUT THE PRIOR EXPRESS WRITTEN AUTHORIZATION BY FMC TECHNOLOGIES | }. J | | R. HAMILIUN | 05-08-13 | DIMITOOTOTTITI ZD | |

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: | DEVON ENERGY

LEASE NO.: LC061863A

WELL NAME & NO.: COTTON DRAW 33 FEDERAL 1H

SURFACE HOLE FOOTAGE: 330' FNL & 1295' FWL

BOTTOM HOLE FOOTAGE | 330' FSL & 660' FWL (Sec. 4, T. 25 S.)

LOCATION: Section 33, T. 24 S., R 32 E., NMPM

COUNTY: Lea County, New Mexico

API: | 30-025-41263

The original COAs still stand with the following drilling modifications:

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

- 1. Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, report measured amounts and formations to the BLM.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.

4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

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

Possibility of water and brine flows in the Salado, Castile, Delaware and Bone Springs Formations.

Possibility of lost circulation in the Delaware and Bone Springs.

- 1. The 13-3/8 inch surface casing shall be set at approximately 900 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

- b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is: (Set casing in the base of the Castile or the Lamar at approximately 4650')
 - ⊠ Cement to surface. If cement does not circulate see B.1.a, c-d above.

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

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

Operator has proposed DV tool at depth of 5000', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

- a. First stage to DV tool:
- □ Cement to circulate. If cement does not circulate, contact the appropriate
 □ BLM office before proceeding with second stage cement job. Operator should
 □ have plans as to how they will achieve approved top of cement on the next
 □ stage.
- b. Second stage above DV tool:
- □ Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. Excess calculates to 23% Additional cement may be required.
- 4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
- 3. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 3000 (3M) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Operator shall perform the intermediate casing integrity test to 70% of the casing burst. This will test the multi-bowl seals.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 4. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. The tests shall be done by an independent service company utilizing a test plug **not** a **cup** or **J-packer**.
- c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock.
- d. The results of the test shall be reported to the appropriate BLM office.
- a. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- b. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

E. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

JAM 121214