Form 3160-3 (June 2015)

# UNITED STATES

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

DEPARTMENT OF THE I		5. Lease Serial No.					
BUREAU OF LAND MAN  APPLICATION FOR PERMIT TO D				6. If Indian, Allotee of	or Tribe l	Name	
ALL EIGHTON TOTT ETIMIT TO E	JIIILL OII			0. 11 1141411, 1 1110100	,, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
1a. Type of work: DRILL R	REENTER			7. If Unit or CA Agree	eement, N	Name and No.	
1b. Type of Well: Oil Well Gas Well C	Other			8. Lease Name and V	Vell No		
1c. Type of Completion: Hydraulic Fracturing S	Single Zone [	Multiple Zone			5754		
2. Name of Operator 613	7			9. API Well No.	0-025	-47030	
3a. Address							
4. Location of Well (Report location clearly and in accordance	with any State	requirements.*)		11. Sec., T. R. M. or	Blk. and	Survey or Area	
At surface							
At proposed prod. zone							
14. Distance in miles and direction from nearest town or post of	fice*			12. County or Parish		13. State	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of ac	eres in lease	17. Spacin	g Unit dedicated to th	is well		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Propose	d Depth	20. BLM/	BIA Bond No. in file			
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approxi	mate date work will	start*	23. Estimated duration	on		
	24. Attac	hments					
The following, completed in accordance with the requirements of (as applicable)	of Onshore Oil	and Gas Order No. 1	, and the H	ydraulic Fracturing ru	ile per 43	CFR 3162.3-3	
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office</li> </ol>		Item 20 above). 5. Operator certific	ation.	s unless covered by an		`	
25. Signature	Name	(Printed/Typed)			Date		
Title				l			
Approved by (Signature)	Name	(Printed/Typed)			Date		
Title	Office						
Application approval does not warrant or certify that the applica applicant to conduct operations thereon.  Conditions of approval, if any, are attached.	nt holds legal	or equitable title to the	ose rights i	in the subject lease wh	nich woul	d entitle the	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, 1 of the United States any false, fictitious or fraudulent statements					ny depart	ment or agency	
GCP REC 03/26/2020			OVC	K	2020		





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# PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Devon Energy Production Company LP
LEASE NO.: NMLC0063798
LOCATION: Section 23, T.24 S., R.33 E., NMPM
COUNTY: Lea County, New Mexico

WELL NAME & NO.: Blue Krait 23 Fed 34H
SURFACE HOLE FOOTAGE: 200'/S & 1084'/E
BOTTOM HOLE FOOTAGE 20'/N & 380'/E

COA

H2S	<b>©</b> Yes	□ No	
Potash	None None	■ Secretary	□ R-111-P
Cave/Karst Potential	<b>©</b> Low	☐ Medium	☐ High
Cave/Karst Potential	Critical		
Variance	None	☑ Flex Hose	C Other
Wellhead	Conventional	Multibowl	□ Both
Other	□ 4 String Area	☐ Capitan Reef	□WIPP
Other	Fluid Filled	▼ Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	□ СОМ	□ Unit

#### A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Pitchfork Ranch Pool** formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

#### **B. CASING**

#### **Primary Casing Design:**

- 1. The 10-3/4 inch surface casing shall be set at approximately 1350 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of

- six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

# Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

2. The minimum required fill of cement behind the **7-5/8** inch intermediate casing is:

#### **Option 1 (Single Stage):**

• Cement to surface. If cement does not circulate see B.1.a, c-d above.

#### **Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
  - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

# Operator has proposed to pump down 10-3/4" X 7-5/8" annulus. Operator must run a CBL from TD of the 7-5/8" casing to surface. Submit results to BLM.

- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
  - Cement should tie-back at least 200 feet into previous casing string.
     Operator shall provide method of verification.
     Cement excess is less than 25%, more cement might be required.

#### **Alternate Casing Design:**

- 4. The 13-3/8 inch surface casing shall be set at approximately 1350 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - e. 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.
  - f. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
  - g. 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.
  - h. If cement falls back, remedial cementing will be done prior to drilling out that string.

# Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

5. The minimum required fill of cement behind the **8-5/8** inch intermediate casing is:

#### **Option 1 (Single Stage):**

• Cement to surface. If cement does not circulate see B.1.a, c-d above.

#### **Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- c. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- d. Second stage above DV tool:
  - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

Page 3 of 9

# Operator has proposed to pump down 13-3/8" X 8-5/8" annulus. Operator must run a CBL from TD of the 8-5/8" casing to surface. Submit results to BLM.

# Production casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 6. The minimum required fill of cement behind the 5-1/2 inch production casing is:
  - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

#### C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2. 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 **5000** (**5M**) 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. 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.
  - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

## GENERAL 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)

  - Lea County
     Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
     393-3612
- 1. 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.
  - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
  - b. When the operator proposes to set surface casing with Spudder Rig
    - Notify the BLM when moving in and removing the Spudder Rig.
    - Notify the BLM when moving in the 2<sup>nd</sup> Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
    - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. 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 are located, this does not include the dog house or stairway area.
- 3. 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.

#### A. CASING

- 1. 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.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. 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.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.
- B. 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. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
  - 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. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
  - 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.
- 5. 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. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. 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.
- g. 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.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

#### C. DRILLING MUD

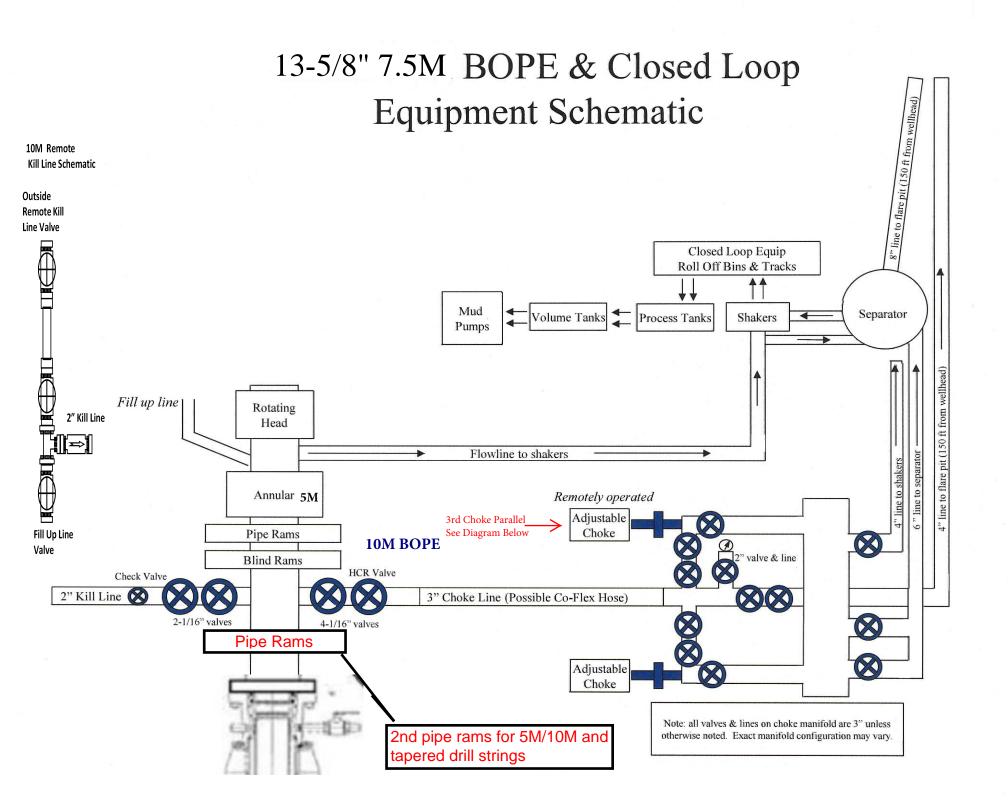
Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

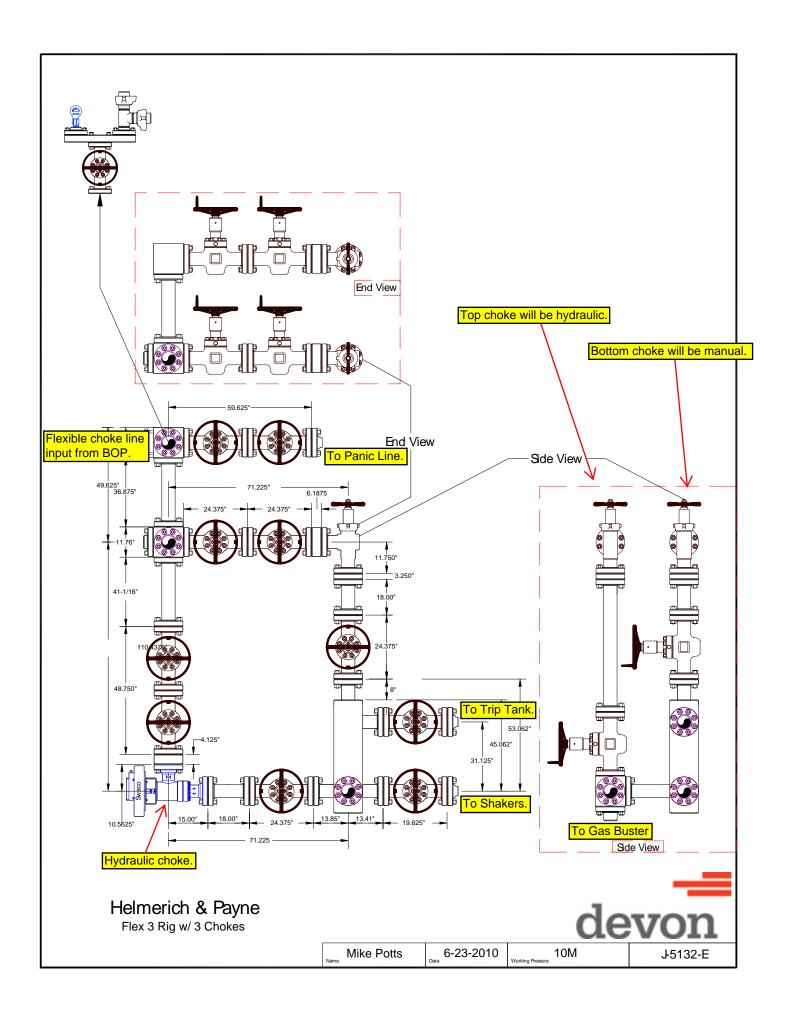
#### D. WASTE MATERIAL AND FLUIDS

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.

Page 9 of 9





# 4" line to flare pit (150 ft from wellhead) 8" line to flare pit (150 ft from wellhead) 6 " line to separator Separator 4" line to shakers Note: all valves & lines on choke manifold are 3" unless otherwise noted. Exact manifold configuration may vary. 13-5/8" 5 M BOPE & Closed Loop Roll Off Bins & Tracks Closed Loop Equip Shakers Process Tanks Equipment Schematic 88 Remotely operated Volume Tanks Adjustable Choke Adjustable Choke 3" Choke Line (Possible Co-Flex Hose) Flowline to shakers Mud Pumps Pipe Rams Blind Rams Rotating Head Annular Fill up line Check Valve 2" Kill Line 🚫



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

# Hydrogen Sulfide (H<sub>2</sub>S) Contingency Plan

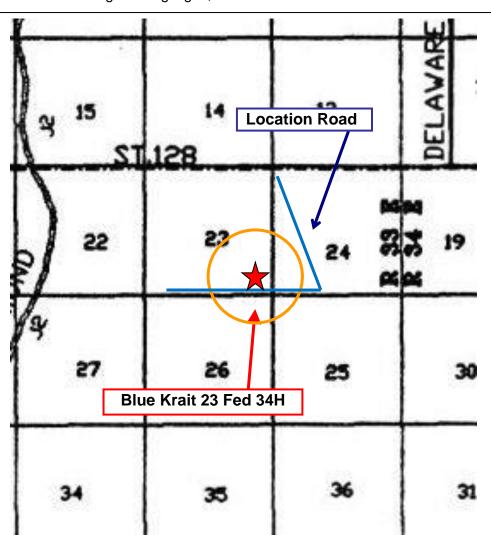
For

Blue Krait 23 Fed 34H

Sec-23 T-24S R-33E 200' FSL & 1084' FEL LAT. = 32.196398' N (NAD83) LONG = 103.538091' W

**Lea County NM** 

This is an open drilling site. H<sub>2</sub>S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H<sub>2</sub>S, including warning signs, wind indicators and H<sub>2</sub>S 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. There are no homes or buildings in or near the ROE.

## **Assumed 100 ppm ROE = 3000'**

100 ppm H<sub>2</sub>S concentration shall trigger activation of this plan.

#### **Emergency Procedures**

In the event of a release of gas containing H<sub>2</sub>S, 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 H<sub>2</sub>S 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<sub>2</sub>S, 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 (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

#### Characteristics of H<sub>2</sub>S and SO<sub>2</sub>

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

## **Contacting Authorities**

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

the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

### **Hydrogen Sulfide Drilling Operation Plan**

#### I. HYDROGEN SULFIDE (H<sub>2</sub>S) 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 (H<sub>2</sub>S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H<sub>2</sub>S 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 H<sub>2</sub>S 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 H<sub>2</sub>S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H<sub>2</sub>S zone (within 3 days or 500 feet) and weekly H<sub>2</sub>S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan.

#### II. HYDROGEN SULFIDE TRAINING

Note: All H<sub>2</sub>S 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 H<sub>2</sub>S.

#### 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. H<sub>2</sub>S detection and monitoring equipment:

Portable H<sub>2</sub>S monitors positioned on location for best coverage and response. These units have warning lights which activate when H<sub>2</sub>S levels reach 10 ppm and audible sirens which activate at 15 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<sub>2</sub>S circulated to surface. Proper mud weight, safe drilling practices and the use of H<sub>2</sub>S scavengers will minimize hazards when penetrating H<sub>2</sub>S bearing zones.

#### 5. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H<sub>2</sub>S trim.
- B. All elastomers used for packing and seals shall be H<sub>2</sub>S trim.

#### 6. Communication:

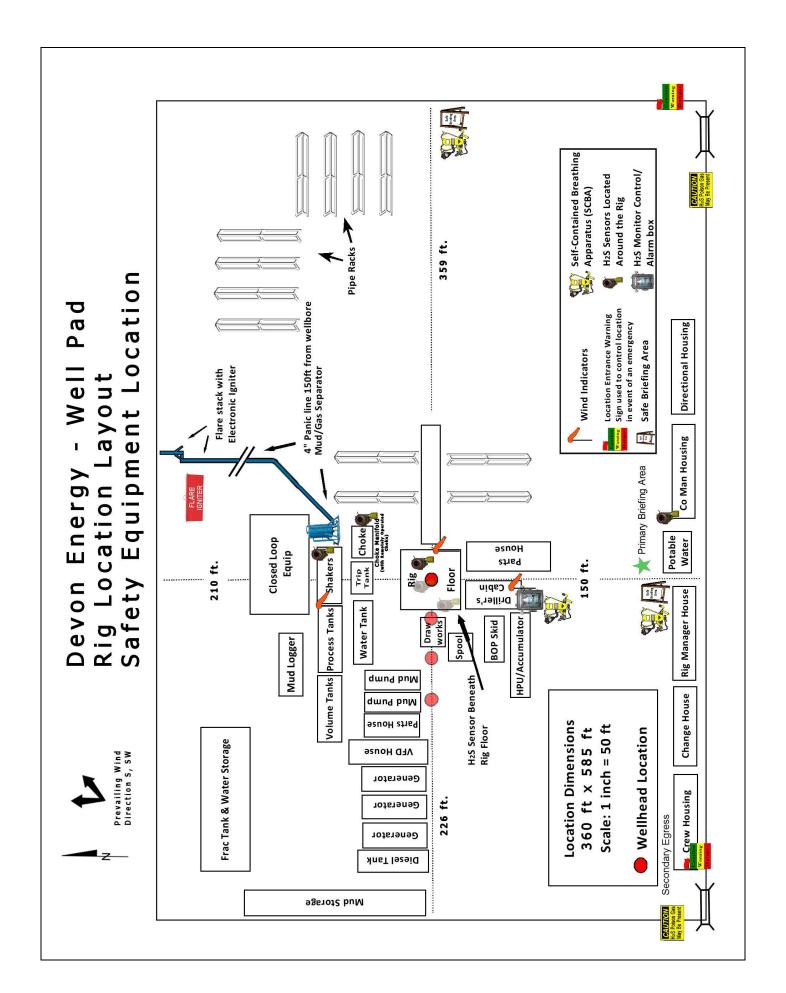
- Company personnel have/use cellular telephones in the field.
- B. Land line (telephone) communications at Office

#### 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 H<sub>2</sub>S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

Drilling Su	pervisor – Basin – Mark Kramer	405-823-4796							
EHS Profe	essional – Laura Wright	405-439-8129							
Agency	Call List								
<u>Lea</u>	Hobbs								
County	Lea County Communication Authority	393-3981							
<u>(575)</u>	State Police	392-5588							
	City Police	397-9265							
	Sheriff's Office	393-2515							
	Ambulance	911							
	Fire Department	397-9308							
	LEPC (Local Emergency Planning Committee)	393-2870							
	NMOCD	393-6161							
	US Bureau of Land Management	393-3612							
Eddy	Carlsbad								
County	State Police	885-3137							
<u>(575)</u>	City Police	885-211							
	Sheriff's Office	887-7551							
	Ambulance	911							
	Fire Department	885-3125							
	LEPC (Local Emergency Planning Committee)	887-3798							
	US Bureau of Land Management	887-6544							
	NM Emergency Response Commission (Santa Fe)	(505) 476-9600							
	24 HR	(505) 827-9126							
	National Emergency Response Center	(800) 424-8802							
	National Pollution Control Center: Direct	(703) 872-6000							
	For Oil Spills	(800) 280-7118							
	Emergency Services								
	Wild Well Control	(281) 784-4700							
	Cudd Pressure Control (915) 699- 0139	(915) 563-3356							
	Halliburton	(575) 746-2757							
	B. J. Services	(575) 746-3569							
Give	Native Air – Emergency Helicopter – Hobbs	(575) 392-6429							
GPS	Flight For Life - Lubbock, TX	(806) 743-991							
position:	Aerocare - Lubbock, TX	(806) 747-8923							
	Med Flight Air Amb - Albuquerque, NM	(575) 842-4433							
	Lifeguard Air Med Svc. Albuquerque, NM	(800) 222-1222							
	Poison Control (24/7)	(575) 272-3115							
	Oil & Gas Pipeline 24 Hour Service (800) 36								

Prepared in conjunction with Dave Small



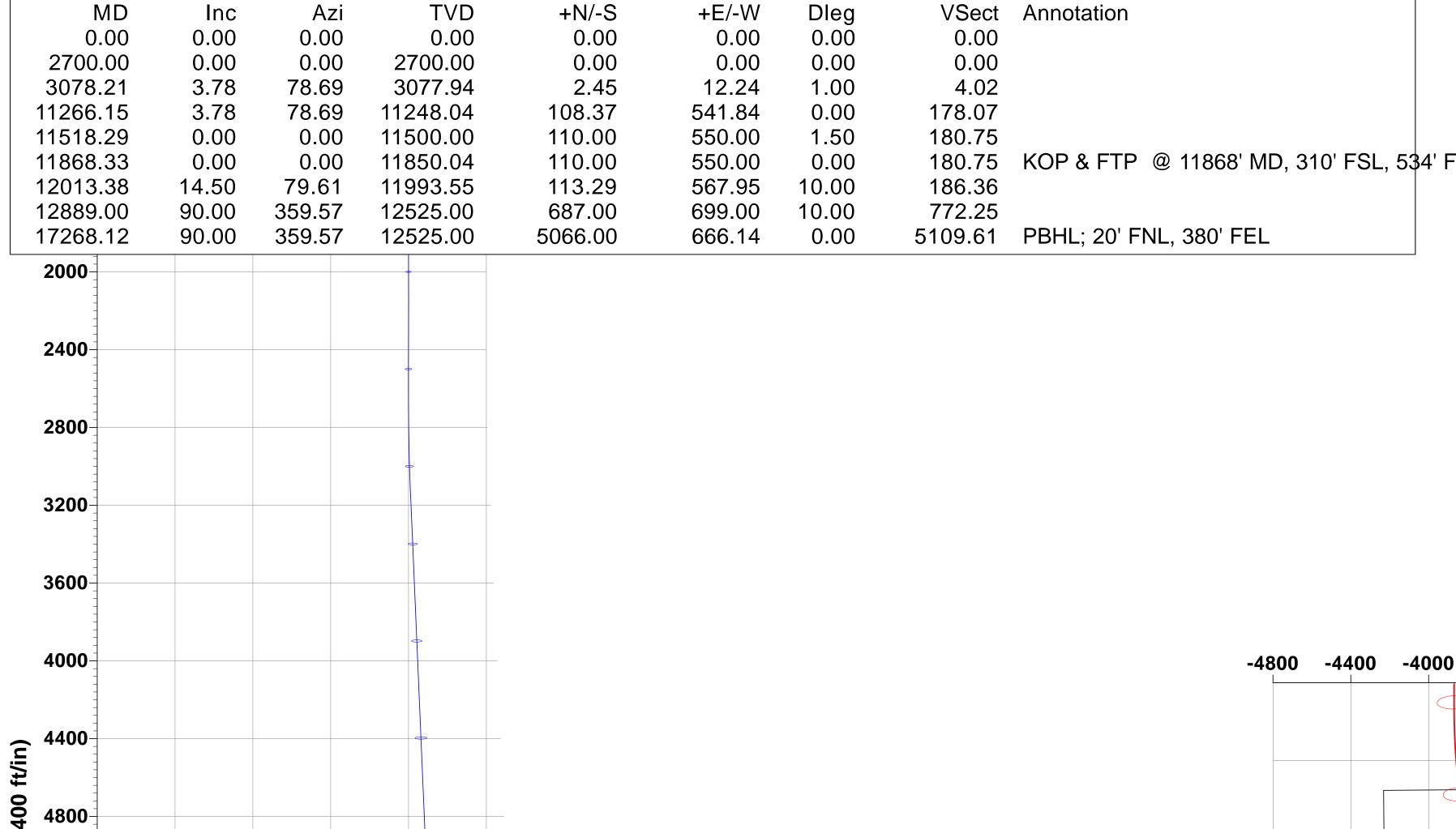
# **Devon Energy**

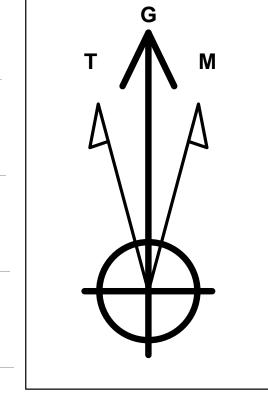
WELL DETAILS: Blue Krait 23 Fed 34H

RKB @ 3583.30ft

	3558	.30		
Northing	Easting	Latittude	Longitude	
436093.77	787329.70	32.196398	-103.538091	

6093.77	787329.		.196398	-103.5380				
	SECTIO	N DETAILS	Permi	t Plan 1				
TVD	+N/-S	+E/-W	Dleg	VSect	Annotation			
0.00	0.00	0.00	0.00	0.00				
00.00	0.00	0.00	0.00	0.00				
77.94	2.45	12.24	1.00	4.02				
18.04	108.37	541.84	0.00	178.07				
00.00	110.00	550.00	1.50	180.75				
50.04	110.00	550.00	0.00	180.75	KOP & FTP	@ 11868'	MD, 310' I	FSL, 534' F
93 55	113 29	567 95	10.00	186 36			•	,





Dept 5200-

9 6000-

6400

6800

7200-

7600-

8000

8400-

8800-

9200-

9600

10000

10400-

10800

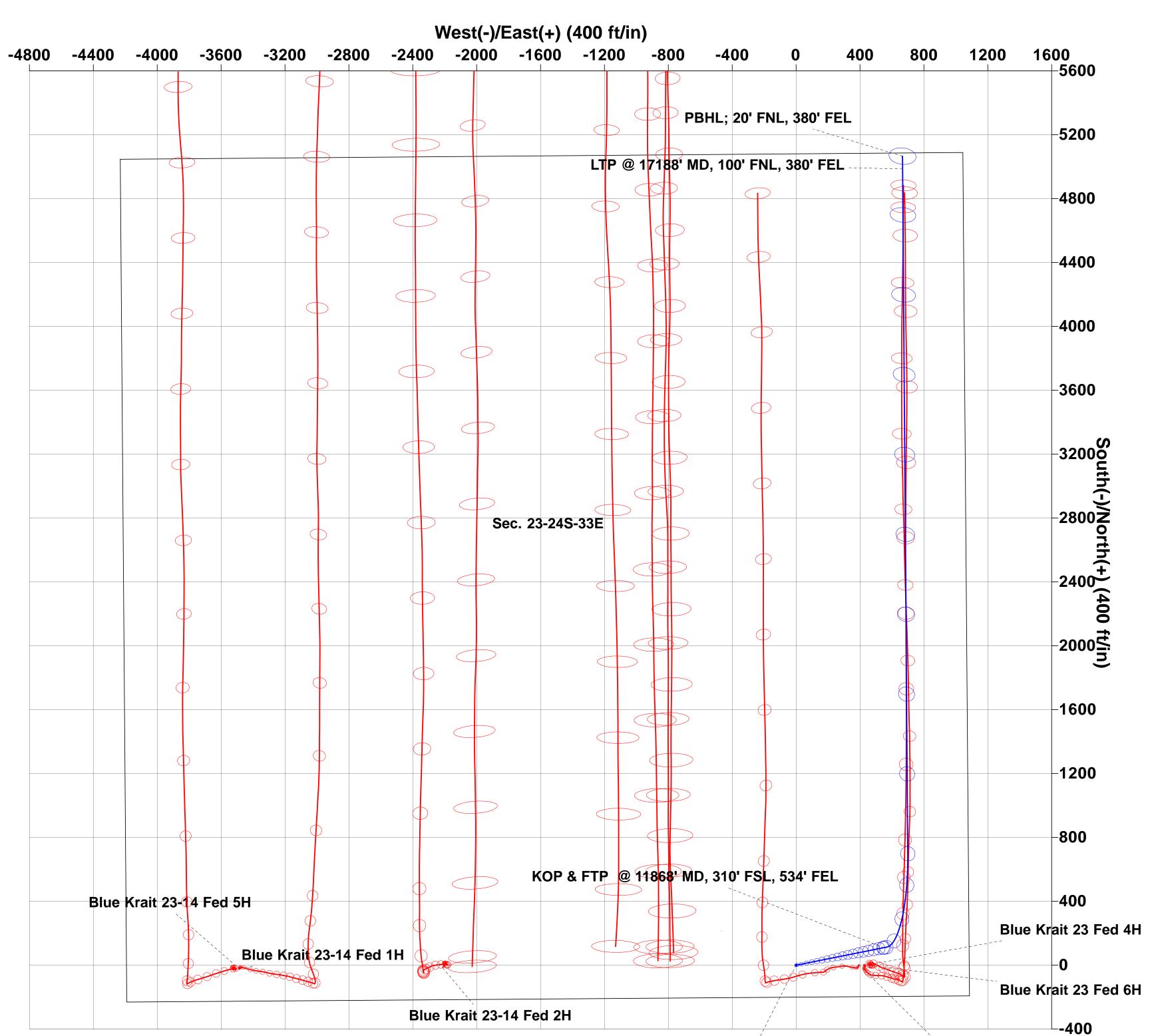
12400-

12800

**Azimuths to Grid North** True North: -0.42° Magnetic North: 6.35° Magnetic Field Strength: 47767.4snT

Dip Angle: 60.02° Date: 12/26/2018 Model: IGRF2015





Blue Krait 23 Fed 34H

Blue Krait 23 Fed 3H

-200

400

600

800

1000

1200

1400

1600

1800

2000

LTP @ 17188' MD, 100' FNL, 380' FEL

4400

4600

4800

5000

3200

3400 3600

3800

4000

4200

EDM r5000.141\_Prod US Database: WCDSC Permian NM Company:

Project: Lea County (NAD83 New Mexico East)

Sec 23-T24S-R33E Site: Well: Blue Krait 23 Fed 34H

Wellbore: Wellbore #1 Design: Permit Plan 1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well Blue Krait 23 Fed 34H

RKB @ 3583.30ft RKB @ 3583.30ft

Grid

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
15,600.00	90.00	359.57	12,525.00	3,397.93	678.65	439,491.69	788,008.35	32.205724	-103.535816
15,700.00	90.00	359.57	12,525.00	3,497.93	677.90	439,591.69	788,007.60	32.205999	-103.535816
15,800.00	90.00	359.57	12,525.00	3,597.92	677.15	439,691.68	788,006.85	32.206274	-103.535816
15,900.00	90.00	359.57	12,525.00	3,697.92	676.40	439,791.68	788,006.10	32.206549	-103.535816
16,000.00	90.00	359.57	12,525.00	3,797.92	675.65	439,891.68	788,005.35	32.206824	-103.535816
16,100.00	90.00	359.57	12,525.00	3,897.91	674.90	439,991.68	788,004.60	32.207099	-103.535816
16,200.00	90.00	359.57	12,525.00	3,997.91	674.15	440,091.67	788,003.85	32.207374	-103.535816
16,300.00	90.00	359.57	12,525.00	4,097.91	673.40	440,191.67	788,003.10	32.207649	-103.535816
16,400.00	90.00	359.57	12,525.00	4,197.91	672.65	440,291.67	788,002.35	32.207923	-103.535816
16,500.00	90.00	359.57	12,525.00	4,297.90	671.90	440,391.66	788,001.60	32.208198	-103.535816
16,600.00	90.00	359.57	12,525.00	4,397.90	671.15	440,491.66	788,000.85	32.208473	-103.535816
16,700.00	90.00	359.57	12,525.00	4,497.90	670.40	440,591.66	788,000.10	32.208748	-103.535816
16,800.00	90.00	359.57	12,525.00	4,597.89	669.65	440,691.65	787,999.34	32.209023	-103.535816
16,900.00	90.00	359.57	12,525.00	4,697.89	668.90	440,791.65	787,998.59	32.209298	-103.535816
17,000.00	90.00	359.57	12,525.00	4,797.89	668.15	440,891.65	787,997.84	32.209573	-103.535816
17,100.00	90.00	359.57	12,525.00	4,897.89	667.40	440,991.65	787,997.09	32.209848	-103.535816
17,188.12	90.00	359.57	12,525.00	4,986.00	666.74	441,079.76	787,996.43	32.210090	-103.535816
LTP @ 17	188' MD, 100	' FNL, 380' FI	≣L						
17,200.00	90.00	359.57	12,525.00	4,997.88	666.65	441,091.64	787,996.34	32.210122	-103.535816
17,268.12	90.00	359.57	12,525.00	5,066.00	666.14	441,159.76	787,995.83	32.210310	-103.535816
PBHL; 20	)' FNL, 380' FI	EL							

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL - Blue Krait 23 Fer - plan misses target - Point	0.00 center by 5109	0.00 9.61ft at 0.00	0.00 ft MD (0.00	5,066.26 TVD, 0.00 N,	664.18 0.00 E)	441,160.02	787,993.88	32.210310	-103.535823

Plan Annotations					
Measu	ured	Vertical	Local Coord	dinates	
Dep	oth	Depth	+N/-S	+E/-W	
(ft	:)	(ft)	(ft)	(ft)	Comment
11,8	69.01	11,850.72	110.00	550.00	KOP & FTP @ 11868' MD, 310' FSL, 534' FEL
17,1	88.12	12,525.00	4,986.00	666.74	LTP @ 17188' MD, 100' FNL, 380' FEL
17,2	268.12	12,525.00	5,066.00	666.14	PBHL; 20' FNL, 380' FEL

## **WCDSC Permian NM**

Lea County (NAD83 New Mexico East) Sec 23-T24S-R33E Blue Krait 23 Fed 34H

Wellbore #1

Plan: Permit Plan 1

## **Standard Planning Report - Geographic**

11 January, 2019

EDM r5000.141\_Prod US Database: Company: WCDSC Permian NM

Project: Lea County (NAD83 New Mexico East) Sec 23-T24S-R33E

Site: Well: Blue Krait 23 Fed 34H Wellbore: Wellbore #1 Design:

Permit Plan 1

**Local Co-ordinate Reference:** 

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well Blue Krait 23 Fed 34H

RKB @ 3583.30ft RKB @ 3583.30ft

Grid

Minimum Curvature

Project Lea County (NAD83 New Mexico East)

US State Plane 1983 Map System: System Datum: Mean Sea Level

North American Datum 1983 Geo Datum: Map Zone: New Mexico Eastern Zone

Site Sec 23-T24S-R33E

Northing: 446,417.68 usft Site Position: Latitude: 32.224862 -103.551658 783,057.71 usft Мар Easting: Longitude: From: 0.42 Position Uncertainty: 0.00 ft Slot Radius: 13-3/16 " **Grid Convergence:** 

Well Blue Krait 23 Fed 34H

**Well Position** +N/-S 0.00 ft Northing: 436,093.77 usft Latitude: 32.196399 +E/-W 0.00 ft Easting: 787,329.70 usft Longitude: -103.538091

0.50 ft Wellhead Elevation: Ground Level: **Position Uncertainty** 3,558.30 ft

Wellbore #1 Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (°) (nT) 12/26/2018 6.77 60.02 47,767.35537493 IGRF2015

Permit Plan 1 Design Audit Notes: Version: Phase: **PROTOTYPE** Tie On Depth: 0.00 **Vertical Section:** Depth From (TVD) +N/-S +E/-W Direction (ft) (ft) (ft) (°) 0.00 0.00 0.00 7.49

1/11/2019 **Plan Survey Tool Program** Date

Depth From Depth To **Tool Name** Survey (Wellbore) (ft) (ft) Remarks

0.00 17,268.12 Permit Plan 1 (Wellbore #1) MWD+HDGM

OWSG MWD + HDGM

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,078.21	3.78	78.69	3,077.94	2.45	12.24	1.00	1.00	0.00	78.69	
11,266.15	3.78	78.69	11,248.04	108.37	541.84	0.00	0.00	0.00	0.00	
11,518.29	0.00	0.00	11,500.00	110.00	550.00	1.50	-1.50	0.00	180.00	
11,868.33	0.00	0.00	11,850.04	110.00	550.00	0.00	0.00	0.00	0.00	
12,013.38	14.50	79.61	11,993.55	113.29	567.95	10.00	10.00	0.00	79.61	
12,889.00	90.00	359.57	12,525.00	687.00	699.00	10.00	8.62	-9.14	-80.35	
17,268.12	90.00	359.57	12,525.00	5,066.00	666.14	0.00	0.00	0.00	0.00	PBHL - Blue Krait 23

Database: EDM r5000.141\_Prod US Company: WCDSC Permian NM

Project: Lea County (NAD83 New Mexico East)

 Site:
 Sec 23-T24S-R33E

 Well:
 Blue Krait 23 Fed 34H

Wellbore: Wellbore #1
Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Blue Krait 23 Fed 34H

RKB @ 3583.30ft RKB @ 3583.30ft

Grid

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
0.00	0.00	0.00	0.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
100.00	0.00	0.00	100.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
200.00	0.00	0.00	200.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
300.00	0.00	0.00	300.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
400.00	0.00	0.00	400.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
500.00	0.00	0.00	500.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
600.00	0.00	0.00	600.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
700.00	0.00	0.00	700.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
800.00	0.00	0.00	800.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
900.00	0.00	0.00	900.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
1,000.00	0.00	0.00	1,000.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
1,100.00	0.00	0.00	1,100.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
1,200.00	0.00	0.00	1,200.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
1,300.00	0.00	0.00	1,300.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
1,400.00	0.00	0.00	1,400.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
1,500.00	0.00	0.00	1,500.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
1,600.00	0.00	0.00	1,600.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
1,700.00	0.00	0.00	1,700.00	0.00	0.00	436,093.77 436.093.77	787,329.70	32.196399	-103.538091
1,800.00	0.00	0.00	1,800.00	0.00	0.00	,	787,329.70	32.196399	-103.538091
1,900.00 2,000.00	0.00	0.00 0.00	1,900.00	0.00 0.00	0.00 0.00	436,093.77	787,329.70 787,329.70	32.196399 32.196399	-103.538091 -103.538091
	0.00	0.00	2,000.00	0.00	0.00	436,093.77 436.093.77	787,329.70 787,329.70	32.196399	-103.538091
2,100.00	0.00	0.00	2,100.00	0.00	0.00	436,093.77	787,329.70 787,329.70	32.196399	-103.538091
2,200.00 2,300.00	0.00	0.00	2,200.00 2,300.00	0.00	0.00	436,093.77	787,329.70 787,329.70	32.196399	-103.538091
2,400.00	0.00	0.00	2,400.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
2,500.00	0.00	0.00	2,500.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
2,600.00	0.00	0.00	2,600.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
2,700.00	0.00	0.00	2,700.00	0.00	0.00	436,093.77	787,329.70	32.196399	-103.538091
2,800.00	1.00	78.69	2,799.99	0.17	0.86	436,093.94	787,330.55	32.196399	-103.538088
2,900.00	2.00	78.69	2,899.96	0.68	3.42	436,094.45	787,333.12	32.196400	-103.538080
3,000.00	3.00	78.69	2,999.86	1.54	7.70	436,095.31	787,337.40	32.196403	-103.538066
3,078.21	3.78	78.69	3,077.94	2.45	12.24	436,096.22	787,341.93	32.196405	-103.538052
3,100.00	3.78	78.69	3,099.68	2.73	13.65	436,096.50	787,343.34	32.196406	-103.538047
3,200.00	3.78	78.69	3,199.46	4.02	20.11	436,097.79	787,349.81	32.196409	-103.538026
3,300.00	3.78	78.69	3,299.24	5.32	26.58	436,099.09	787,356.28	32.196413	-103.538005
3,400.00	3.78	78.69	3,399.02	6.61	33.05	436,100.38	787,362.75	32.196416	-103.537984
3,500.00	3.78	78.69	3,498.81	7.90	39.52	436,101.67	787,369.22	32.196419	-103.537963
3,600.00	3.78	78.69	3,598.59	9.20	45.99	436,102.97	787,375.68	32.196423	-103.537942
3,700.00	3.78	78.69	3,698.37	10.49	52.45	436,104.26	787,382.15	32.196426	-103.537921
3,800.00	3.78	78.69	3,798.15	11.78	58.92	436,105.55	787,388.62	32.196430	-103.537900
3,900.00	3.78	78.69	3,897.94	13.08	65.39	436,106.85	787,395.09	32.196433	-103.537879
4,000.00	3.78	78.69	3,997.72	14.37	71.86	436,108.14	787,401.56	32.196437	-103.537858
4,100.00	3.78	78.69	4,097.50	15.67	78.33	436,109.44	787,408.02	32.196440	-103.537838
4,200.00	3.78	78.69	4,197.28	16.96	84.79	436,110.73	787,414.49	32.196443	-103.537817
4,300.00	3.78	78.69	4,297.06	18.25	91.26	436,112.02	787,420.96	32.196447	-103.537796
4,400.00	3.78	78.69	4,396.85	19.55	97.73	436,113.32	787,427.43	32.196450	-103.537775
4,500.00	3.78	78.69	4,496.63	20.84	104.20	436,114.61	787,433.90	32.196454	-103.537754
4,600.00	3.78	78.69	4,596.41	22.13	110.67	436,115.90	787,440.36	32.196457	-103.537733
4,700.00	3.78	78.69	4,696.19	23.43	117.14	436,117.20	787,446.83	32.196461	-103.537712
4,800.00	3.78	78.69	4,795.98	24.72	123.60	436,118.49	787,453.30	32.196464	-103.537691
4,900.00	3.78	78.69	4,895.76	26.01	130.07	436,119.78	787,459.77	32.196467	-103.537670
5,000.00	3.78	78.69	4,995.54	27.31	136.54	436,121.08	787,466.24	32.196471	-103.537649
5,100.00	3.78	78.69	5,095.32	28.60	143.01	436,122.37	787,472.71	32.196474	-103.537628
5,200.00	3.78	78.69	5,195.10	29.90	149.48	436,123.66	787,479.17	32.196478	-103.537607
5,300.00	3.78	78.69	5,294.89	31.19	155.94	436,124.96	787,485.64	32.196481	-103.537586

Database: EDM r5000.141\_Prod US Company: WCDSC Permian NM

Project: Lea County (NAD83 New Mexico East)

 Site:
 Sec 23-T24S-R33E

 Well:
 Blue Krait 23 Fed 34H

Wellbore: Wellbore #1
Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Blue Krait 23 Fed 34H

RKB @ 3583.30ft RKB @ 3583.30ft

Grid

Planned Survey									
Measured			Vertical			Мар	Мар		
Depth (ft)	Inclination (°)	Azimuth (°)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
5,400.00	3.78	78.69	5,394.67	32.48	162.41	436,126.25	787,492.11	32.196485	-103.537565
5,500.00		78.69	5,494.45	33.78	168.88	436,127.55	787,498.58	32.196488	-103.537544
5,600.00	3.78	78.69	5,594.23	35.07	175.35	436,128.84	787,505.05	32.196491	-103.537523
5,700.00		78.69	5,694.02	36.36	181.82	436,130.13	787,511.51	32.196495	-103.537503
5,800.00		78.69	5,793.80	37.66	188.28	436,131.43	787,517.98	32.196498	-103.537482
5,900.00		78.69	5,893.58	38.95	194.75	436,132.72	787,524.45	32.196502	-103.537461
6,000.00		78.69	5,993.36	40.24	201.22	436,134.01	787,530.92	32.196505	-103.537440
6,100.00		78.69	6,093.14	41.54	207.69	436,135.31	787,537.39	32.196509	-103.537419
6,200.00	3.78	78.69	6,192.93	42.83	214.16	436,136.60	787,543.85	32.196512	-103.537398
6,300.00		78.69	6,292.71	44.13	220.63	436,137.89	787,550.32	32.196515	-103.537377
6,400.00	3.78	78.69	6,392.49	45.42	227.09	436,139.19	787,556.79	32.196519	-103.537356
6,500.00		78.69	6,492.27	46.71	233.56	436,140.48	787,563.26	32.196522	-103.537335
6,600.00		78.69	6,592.06	48.01	240.03	436,141.78	787,569.73	32.196526	-103.537314
6,700.00		78.69	6,691.84	49.30	246.50	436,143.07	787,576.20	32.196529	-103.537293
6,800.00		78.69	6,791.62	50.59	252.97	436,144.36	787,582.66	32.196532	-103.537272
6,900.00		78.69	6,891.40	51.89	259.43	436,145.66	787,589.13	32.196536	-103.537251
7,000.00	3.78	78.69	6,991.18	53.18	265.90	436,146.95	787,595.60	32.196539	-103.537230
7,100.00		78.69	7,090.97	54.47 55.33	272.37	436,148.24	787,602.07	32.196543 32.196546	-103.537209
7,200.00		78.69	7,190.75	55.77 57.06	278.84 285.31	436,149.54	787,608.54		-103.537188
7,300.00		78.69	7,290.53 7,390.31	58.36	285.31	436,150.83	787,615.00	32.196550	-103.537167
7,400.00		78.69 78.69	7,390.31	59.65	291.76	436,152.12 436,153.42	787,621.47 787,627.94	32.196553 32.196556	-103.537147 -103.537126
7,500.00 7,600.00		78.69	7,490.10 7,589.88	60.94	296.24 304.71	436,154.71	787,627.94 787,634.41	32.196560	-103.537126
7,700.00		78.69	7,569.66	62.24	311.18	436,156.01	787,640.88	32.196563	-103.537105
7,800.00	3.78	78.69	7,789.44	63.53	317.65	436,157.30	787,647.34	32.196567	-103.537064
7,900.00		78.69	7,769.44	64.82	324.12	436,158.59	787,653.81	32.196570	-103.537003
8,000.00		78.69	7,989.01	66.12	330.58	436,159.89	787,660.28	32.196574	-103.537021
8,100.00		78.69	8,088.79	67.41	337.05	436,161.18	787,666.75	32.196577	-103.537000
8,200.00		78.69	8,188.57	68.70	343.52	436,162.47	787,673.22	32.196580	-103.536979
8,300.00		78.69	8,288.35	70.00	349.99	436,163.77	787,679.69	32.196584	-103.536958
8,400.00		78.69	8,388.14	71.29	356.46	436,165.06	787,686.15	32.196587	-103.536937
8,500.00		78.69	8,487.92	72.58	362.92	436,166.35	787,692.62	32.196591	-103.536916
8,600.00	3.78	78.69	8,587.70	73.88	369.39	436,167.65	787,699.09	32.196594	-103.536895
8,700.00		78.69	8,687.48	75.17	375.86	436,168.94	787,705.56	32.196598	-103.536874
8,800.00		78.69	8,787.26	76.47	382.33	436,170.24	787,712.03	32.196601	-103.536853
8,900.00		78.69	8,887.05	77.76	388.80	436,171.53	787,718.49	32.196604	-103.536832
9,000.00	3.78	78.69	8,986.83	79.05	395.27	436,172.82	787,724.96	32.196608	-103.536812
9,100.00	3.78	78.69	9,086.61	80.35	401.73	436,174.12	787,731.43	32.196611	-103.536791
9,200.00	3.78	78.69	9,186.39	81.64	408.20	436,175.41	787,737.90	32.196615	-103.536770
9,300.00	3.78	78.69	9,286.18	82.93	414.67	436,176.70	787,744.37	32.196618	-103.536749
9,400.00	3.78	78.69	9,385.96	84.23	421.14	436,178.00	787,750.83	32.196621	-103.536728
9,500.00	3.78	78.69	9,485.74	85.52	427.61	436,179.29	787,757.30	32.196625	-103.536707
9,600.00	3.78	78.69	9,585.52	86.81	434.07	436,180.58	787,763.77	32.196628	-103.536686
9,700.00	3.78	78.69	9,685.30	88.11	440.54	436,181.88	787,770.24	32.196632	-103.536665
9,800.00	3.78	78.69	9,785.09	89.40	447.01	436,183.17	787,776.71	32.196635	-103.536644
9,900.00	3.78	78.69	9,884.87	90.70	453.48	436,184.47	787,783.18	32.196639	-103.536623
10,000.00	3.78	78.69	9,984.65	91.99	459.95	436,185.76	787,789.64	32.196642	-103.536602
10,100.00	3.78	78.69	10,084.43	93.28	466.41	436,187.05	787,796.11	32.196645	-103.536581
10,200.00		78.69	10,184.22	94.58	472.88	436,188.35	787,802.58	32.196649	-103.536560
10,300.00		78.69	10,284.00	95.87	479.35	436,189.64	787,809.05	32.196652	-103.536539
10,400.00		78.69	10,383.78	97.16	485.82	436,190.93	787,815.52	32.196656	-103.536518
10,500.00		78.69	10,483.56	98.46	492.29	436,192.23	787,821.98	32.196659	-103.536497
10,600.00		78.69	10,583.34	99.75	498.76	436,193.52	787,828.45	32.196663	-103.536476
10,700.00		78.69	10,683.13	101.04	505.22	436,194.81	787,834.92	32.196666	-103.536456
10,800.00	3.78	78.69	10,782.91	102.34	511.69	436,196.11	787,841.39	32.196669	-103.536435

Database: EDM r5000.141\_Prod US Company: WCDSC Permian NM

Project: Lea County (NAD83 New Mexico East)

 Site:
 Sec 23-T24S-R33E

 Well:
 Blue Krait 23 Fed 34H

Wellbore: Wellbore #1
Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Blue Krait 23 Fed 34H

RKB @ 3583.30ft RKB @ 3583.30ft

Grid

Planned Survey									
-									
Measured			Vertical			Мар	Мар		
Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Northing (usft)	Easting (usft)		
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(usit)	(uSit)	Latitude	Longitude
10,900.00	3.78	78.69	10,882.69	103.63	518.16	436,197.40	787,847.86	32.196673	-103.536414
11,000.00	3.78	78.69	10,982.47	104.93	524.63	436,198.70	787,854.32	32.196676	-103.536393
11,100.00	3.78	78.69	11,082.26	106.22	531.10	436,199.99	787,860.79	32.196680	-103.536372
11,200.00	3.78	78.69	11,182.04	107.51	537.56	436,201.28	787,867.26	32.196683	-103.536351
11,266.15	3.78	78.69	11,248.04	108.37	541.84	436,202.14	787,871.54	32.196685	-103.536337
11,300.00	3.27	78.69	11,281.83	108.78	543.89 548.20	436,202.55	787,873.58	32.196686	-103.536330 -103.536316
11,400.00 11,500.00	1.77 0.27	78.69 78.69	11,381.73 11,481.71	109.64 109.99	549.96	436,203.41 436,203.76	787,877.90 787,879.65	32.196689 32.196690	-103.536311
11,518.29	0.00	0.00	11,500.00	110.00	550.00	436,203.77	787,879.00	32.196690	-103.536311
11,600.00	0.00	0.00	11,581.71	110.00	550.00	436,203.77	787,879.70	32.196690	-103.536311
11,700.00	0.00	0.00	11,681.71	110.00	550.00	436,203.77	787,879.70	32.196690	-103.536311
11,800.00	0.00	0.00	11,781.71	110.00	550.00	436,203.77	787,879.70	32.196690	-103.536311
11,868.33	0.00	0.00	11,850.04	110.00	550.00	436,203.77	787,879.70	32.196690	-103.536311
11,869.01	0.07	79.61	11,850.72	110.00	550.00	436,203.77	787,879.70	32.196690	-103.536311
	TP @ 11868'					,	,		
11,900.00	3.17	79.61	11,881.69	110.16	550.86	436,203.93	787,880.56	32.196690	-103.536308
12,000.00	13.16	79.61	11,980.56	112.72	564.81	436,206.49	787,894.50	32.196697	-103.536263
12,013.38	14.50	79.61	11,993.55	113.29	567.95	436,207.06	787,897.65	32.196698	-103.536252
12,100.00	18.05	50.98	12,076.82	123.71	589.08	436,217.48	787,918.78	32.196727	-103.536184
12,200.00	25.33	32.13	12,169.79	151.65	612.55	436,245.42	787,942.25	32.196803	-103.536107
12,300.00	33.95	21.80	12,256.68	195.80	634.35	436,289.57	787,964.05	32.196924	-103.536036
12,400.00	43.12	15.35	12,334.85	254.84	653.82	436,348.61	787,983.51	32.197086	-103.535972
12,500.00	52.54	10.82	12,401.93	326.95	670.36	436,420.72	788,000.06	32.197284	-103.535916
12,600.00	62.09	7.32	12,455.89	409.97	683.48	436,503.74	788,013.17	32.197511	-103.535872
12,700.00	71.72	4.40	12,495.08	501.36	692.77	436,595.13	788,022.47	32.197763	-103.535840
12,800.00	81.38	1.78	12,518.32	598.35	697.96	436,692.12	788,027.66	32.198029	-103.535821
12,889.00	90.00	359.57	12,525.00	687.00	699.00	436,780.77	788,028.70	32.198273	-103.535815
12,900.00	90.00	359.57	12,525.00	698.00	698.92	436,791.77	788,028.61	32.198303	-103.535815
13,000.00	90.00	359.57	12,525.00	798.00	698.17	436,891.77	788,027.86	32.198578	-103.535815
13,100.00 13,200.00	90.00 90.00	359.57 359.57	12,525.00 12,525.00	898.00 998.00	697.42 696.67	436,991.77 437,091.76	788,027.11 788,026.36	32.198853 32.199128	-103.535815 -103.535815
13,300.00	90.00	359.57	12,525.00	1,097.99	695.92	437,091.76	788,025.61	32.199402	-103.535815
13,400.00	90.00	359.57	12,525.00	1,197.99	695.17	437,291.76	788,024.86	32.199677	-103.535815
13,500.00	90.00	359.57	12,525.00	1,297.99	694.41	437,391.75	788,024.11	32.199952	-103.535815
13,600.00	90.00	359.57	12,525.00	1,397.98	693.66	437,491.75	788,023.36	32.200227	-103.535815
13,700.00	90.00	359.57	12,525.00	1,497.98	692.91	437,591.75	788,022.61	32.200502	-103.535815
13,800.00	90.00	359.57	12,525.00	1,597.98	692.16	437,691.75	788,021.86	32.200777	-103.535815
13,900.00	90.00	359.57	12,525.00	1,697.98	691.41	437,791.74	788,021.11	32.201052	-103.535815
14,000.00	90.00	359.57	12,525.00	1,797.97	690.66	437,891.74	788,020.36	32.201326	-103.535815
14,100.00	90.00	359.57	12,525.00	1,897.97	689.91	437,991.74	788,019.61	32.201601	-103.535815
14,200.00	90.00	359.57	12,525.00	1,997.97	689.16	438,091.73	788,018.86	32.201876	-103.535815
14,300.00	90.00	359.57	12,525.00	2,097.96	688.41	438,191.73	788,018.11	32.202151	-103.535816
14,400.00	90.00	359.57	12,525.00	2,197.96	687.66	438,291.73	788,017.36	32.202426	-103.535816
14,500.00	90.00	359.57	12,525.00	2,297.96	686.91	438,391.72	788,016.61	32.202701	-103.535816
14,600.00	90.00	359.57	12,525.00	2,397.96	686.16	438,491.72	788,015.86	32.202976	-103.535816
14,700.00	90.00	359.57	12,525.00	2,497.95	685.41	438,591.72	788,015.10	32.203251	-103.535816
14,800.00	90.00	359.57	12,525.00	2,597.95	684.66	438,691.72	788,014.35	32.203525	-103.535816
14,900.00	90.00	359.57	12,525.00	2,697.95	683.91	438,791.71	788,013.60	32.203800	-103.535816
15,000.00	90.00	359.57	12,525.00	2,797.94	683.16	438,891.71	788,012.85	32.204075	-103.535816
15,100.00	90.00	359.57	12,525.00	2,897.94	682.41	438,991.71	788,012.10	32.204350	-103.535816
15,200.00	90.00	359.57 359.57	12,525.00	2,997.94	681.66 680.01	439,091.70	788,011.35	32.204625	-103.535816
15,300.00 15,400.00	90.00 90.00	359.57 359.57	12,525.00 12,525.00	3,097.94 3,197.93	680.91 680.16	439,191.70 439,291.70	788,010.60 788,009.85	32.204900 32.205175	-103.535816 -103.535816
15,500.00	90.00	359.57	12,525.00	3,197.93	679.40	439,391.69	788,009.10	32.205450	-103.535816
13,300.00	90.00	558.57	12,020.00	5,231.35	013.40	TUU,UU 1.UU	100,000.10	JZ.ZUJ <del>4</del> JU	-103.333010

## 1. Geologic Formations

TVD of target	12525	Pilot hole depth	N/A
MD at TD:	17268	Deepest expected fresh water:	

#### **Basin**

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target	Hazards*
		Zone?	
Rustler	1101		
Top of Salt	1622		
Base of Salt	5048		
Delaware	5267		
Lower Brushy Canyon	9010		
1st BSPG Lime	9196		
Leonard A	9274		
Leonard B	9617		
Leonard C	9895		
1st BSPG Sand	10200		
2nd BSPG Lime	10447		
2nd BSPG Sand	10860		
2BSSS Target Top	11127		
2BSSS Target Base	11211		
3rd BSPG Lime	11360		
3BSSS	11940		
WLFMP	12350		
WLFMP 100	12505		
WLFMP 120	12640		

<sup>\*</sup>H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program (Primary Design)

Hole	Casing	Interval	Csg.	Wt	Grade	Conn	Min SF	Min SF	Min SF
Size	From	To	Size	(PPF)	Grade	Conn	Collapse	Burst	Tension
14.75"	0	1350	10.75"	40.5	J-55	STC	1.125	1.25	1.6
9.875"	0	11965 TVD	7.625"	29.7	P110	BTC	1.125	1.25	1.6
6.75"	0	TD	5.5"	20	P110	Vam SG	1.125	1.25	1.6
, , ,			BLM	Minimum S	Safety Factor	1.125	1.00	1.6 Dry 1.8 Wet	

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h Must have table for contingency casing
- Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.
- Int casing shoe will be selected based on drilling data / gamma, setting depth with be revised accordingly if needed.
- A variance is requested to wave the centralizer requirement for the Intermediate casing and production casing.

**Casing Program (Alternate Design)** 

Casing 11	ogram	(Alternate	Design						
Hole	Casing Interval		Csg.	Wt.	Grade	Conn	Min SF	Min SF	Min SF
Size	From	To	Size	(PPF)	Grade	Com	Collapse	Burst	Tension
17.5"	0	Same as above	13.375"	48	H-40	STC	1.125	1.25	1.6
10.625"	0	Same as above	8.625"	32	P110EC	BTC	1.125	1.25	1.6
7.875"	0	TD	5.5"	17	P110	BTC	1.125	1.25	1.6
			BLM	Minimum S	Safety Factor	1.125	1.00	1.6 Dry 1.8 Wet	

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h Must have table for contingency casing
- Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.
- Int 1 casing shoe will be selected based on drilling data / gamma, setting depth with be revised accordingly if needed.
- Option to drill change intermediate 1 hole size to 9.875, (8.625" connection will change from BTC to TLW)
- Option to run 8.625" TLW connection for intermediate 1
- A variance is requested to wave the centralizer requirement for the Intermediate casing and production casing.
- Variance is requested for collapse rating on intermediate casing. Operator will keep pipe full while running casing. No losses are expected in subsequent hole section.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
	N.T.
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program (Primary Design)

5. Cementing Program (Primary Design)									
Casing	# Sks	тос	Wt. (lb/gal)	Yld (ft3/sack)	Slurry Description				
Surface	864	Surf	13.2	1.33	Lead: Class C Cement + additives				
T 1	1160	Surf	9	1.85	Lead: Class C Cement + additives				
Int 1	847	4000' above shoe	13.2	1.33	Tail: Class H / C + additives				
	1681	Surf	9	1.85	1 <sup>st</sup> stage Lead: Class C Cement + additives				
Int 1 Two Stage	101	500' above shoe	13.2	1.33	1 <sup>st</sup> stage Tail: Class H / C + additives				
w DV @ ~4500	555	Surf	9	1.85	2 <sup>st</sup> stage Lead: Class C Cement + additives				
	101	500' above DV	13.2	1.33	2 <sup>st</sup> stage Tail: Class H / C + additives				
	As Needed	Surf	13.2	1.33	Squeeze Lead: Class C Cement + additives				
Int 1 Intermediate Squeeze	1166	Surf	9	1.85	Lead: Class C Cement + additives				
54.0020	847	4000' above shoe	13.2	1.33	Tail: Class H / C + additives				
Production	409	500' tieback	13.2	1.33	Lead: Class H / C + additives				

If a DV tool is ran the depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Slurry weights will be adjusted based on estimated fracture gradient of the formation. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. If cement is not returned to surface during the primary cement job on the surface casing string, a planned top job will be conducted immediately after completion of the primary job.

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

**Cementing Program (Alternate Design)** 

Lementing Program (Alternate Design)									
Casing	# Sks	тос	Wt. (lb/gal)	Yld (ft3/sack)	Slurry Description				
Surface	1098	Surf	13.2	1.33	Lead: Class C Cement + additives				
	1313	Surf	9	1.85	Lead: Class C Cement + additives				
Int 1	831	4000' above shoe	13.2	1.33	Tail: Class H / C + additives				
	1869	Surf	9	1.85	1 <sup>st</sup> stage Lead: Class C Cement + additives				
Int 1 Two Stage	99	500' above shoe	13.2	1.33	1 <sup>st</sup> stage Tail: Class H / C + additives				
w DV @ ~4500	723	Surf	9 1.85		2 <sup>st</sup> stage Lead: Class C Cement + additives				
	99	500' above DV	13.2	1.33	2 <sup>st</sup> stage Tail: Class H / C + additives				
	As Needed	Surf	13.2	1.33	Squeeze Lead: Class C Cement + additives				
Int 1 Intermediate Squeeze	1313	Surf	9	1.85	Lead: Class C Cement + additives				
5446626	831	4000' above shoe	13.2	1.33	Tail: Class H / C + additives				
Production	835	500' tieback	13.2	1.33	Lead: Class H / C + additives				

If a DV tool is ran the depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Slurry weights will be adjusted based on estimated fracture gradient of the formation. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. If cement is not returned to surface during the primary cement job on the surface casing string, a planned top job will be conducted immediately after completion of the primary job.

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

4. Pressure Control Equipment (Three String Design)

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре		<b>✓</b>	Tested to:
			An	nular	X	50% of rated working pressure
Int 1	13-5/8"	5M	Blin	d Ram	X	
IIIt I	13-3/8	SIVI	Pipe	Ram		51/1
			Doub	le Ram	X	5M
			Other*			
			Annul	ar (5M)	X	100% of rated working pressure
			Blin	d Ram	X	-
Production	13-5/8"	10M	Pipe	Ram		
			Doub	le Ram	X	10M
			Other *			
			An	nular		
			Blin	d Ram		
			Pipe Ram			
				le Ram		
			Other *			
N A variance is:	requested for	or the use of a	diverter o	n the surface	ce casii	ng. See attached for schematic.

5. Mud Program (3 String Design)

Section	Туре	Weight (ppg)	Vis	Water Loss
Surface	FW Gel	8.5 - 9	28-34	N/C
Intermediate	DBE / Cut Brine	9 - 10	28-34	N/C
Production	OBM	10-10.5	28-34	N/C

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

Logg	Logging, Coring and Testing.		
X	Will run GR/CNL fromTD to surface (horizontal well – vertical portion of hole). Stated logs		
	run will be in the Completion Report and submitted 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		

Addit	ional logs planned	Interval
	Resistivity	Int. shoe to KOP
	Density	Int. shoe to KOP
X	CBL	Production casing
X	Mud log	Intermediate shoe to TD
	PEX	

#### 7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	6839 psi
Abnormal Temperature	No

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

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, 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 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 (OnShore Order 2, 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 pad.
- 6. The NMOCD will be contacted and notified 24 hours prior to commencing spudder rig operations.
- 7. Drilling operations will be performed with the drilling rig. At 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.

Atta	achments
<u>X</u>	Directional Plan
	Other, describe