UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD - HOBBS 06|02|2020 RECEIVED

FORM APPROVED

6. If Indian, Allotee or Tribe Name

5. Lease Serial No. NMNM094118

OMB	No. 100	4-01	37
Expires:	January	31,	2018

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: PRILL R	EENTER			7. If Unit or CA Agreemen	nt, Name and No.	
1b. Type of Well: Oil Well Gas Well O	ther			0.1 11 1111		
	8. Lease Name and Well N					
ic. Type of completion. I Hydraulic Tracturing	ingle Zone	Multiple Zone		RAILSPLITTER 15-22 F	[328254]	
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY LP [613	7]			9. API Well No. 30-02	5-47222	
3a. Address	3b. Phone N	o. (include area cod	le)	10. Field and Pool, or Exp	loratory [98105]	
333 West Sheridan Avenue, Oklahoma City, OK 73102	UNDESIGNATED/UPPE	ER WOLFCAMP				
4. Location of Well (Report location clearly and in accordance	with any State	requirements.*)		11. Sec., T. R. M. or Blk.		
At surface NWSE / 2390 FSL / 1649 FEL / LAT 32.042	2752 / LONG	-103.454574		SEC 15/T26S/R34E/NM	Р	
At proposed prod. zone SESE / 20 FSL / 1200 FEL / LA	Т 32.021725	LONG -103.453	121			
14. Distance in miles and direction from nearest town or post off	ice*			12. County or Parish LEA	13. State NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)	16. No of ac	res in lease	17. Spacin	ng Unit dedicated to this we	11	
18. Distance from proposed location*	19. Proposed	l Depth	20. BLM/	BIA Bond No. in file		
to nearest well, drilling, completed, applied for, on this lease, ft.	12760 feet	20370 feet	FED: NM	1B000801		
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approxi	nate date work will	start*	23. Estimated duration		
3269 feet 09/01/2020				45 days		
	24. Attac	hments		•		
The following, completed in accordance with the requirements o (as applicable)	f Onshore Oil	and Gas Order No.	1, and the F	Hydraulic Fracturing rule pe	r 43 CFR 3162.3-3	
Well plat certified by a registered surveyor. A Drilling Plan.		4. Bond to cover the Item 20 above).	ne operation	as unless covered by an exist	ing bond on file (see	
2. A Drilling Plan.3. A Surface Use Plan (if the location is on National Forest Syste	m Lands, the	5. Operator certifi	cation.			
SLIPO must be filed with the appropriate Forest Service Office				mation and/or plans as may b	ne requested by the	

25. Signature	Name (Printed/Typed)	Date
(Electronic Submission)	Rebecca Deal / Ph: (800) 583-3866	12/18/2019
Title		·
Regulatory Compliance Professional		
Approved by (Signature)	Name (Printed/Typed)	Date
(Electronic Submission)	Cody Layton / Ph: (575) 234-5959	05/27/2020
Title	Office	•
Assistant Field Manager Lands & Minerals	Carlsbad Field Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

GCP Rec 06/02/2020

APPROVED WITH CONDITIONS **Approval Date: 05/27/2020**



SL

*(Instructions on page 2)

Railsplitter 15-22 Fed Com 11H

1. Geologic Formations

TVD of target	12760	Pilot hole depth	N/A
MD at TD:	20370	Deepest expected fresh water	

Basin

F4	Depth	Water/Mineral	Hananda*
Formation	(TVD)	Bearing/Target	Hazards*
	from KB	Zone?	
Rustler	700		
Salt	1000		
Base of Salt	5100		
Delaware	5350		
Bone Spring 1st	9600		
Bone Spring 2nd	11125		
Bone Spring 3rd	12200		
Wolfcamp	12625		

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

2. Casing Program (Primary Design)

Hole Size	Casing	Interval	Csg. Size	Wt	Grade	Conn	Min SF	Min SF	Min SF
Hole Size	From	To	Csg. Size	(PPF)	Graue	Conn	Collapse	Burst	Tension
17 1/2	0	725 TVD	13 3/8	48.0	H40	STC	1.125	1.25	1.6
9 7/8	0	12200 TVD	7 5/8	29.7	P110	Flushmax III	1.125	1.25	1.6
6 3/4	0	TD	5 1/2	20.0	P110	Vam SG	1.125	1.25	1.6
				BLM N	Minimum Sa	fety Factor	1.125	1	1.6 Dry 1.8 Wet

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 IILB.1.h Must have table for continengcy casing.
- Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.
- A variance is requested for collapse rating on intermediate casing. Operator will keep pipe full while running casing.
- 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.
- A variance is requested to set intermediate casing in the curve if hole conditions dictate that a higher shoe strength is required.

Casing Program (Alternative Design)

Hole Size	Casing	Interval	Csg. Size Wt	Grade	Grade Conn	Min SF	Min SF	Min SF	
Hole Size	From	To	Csg. Size	(PPF)	Graue	Conn	Collapse	Burst	Tension
17 1/2	0	725 TVD	13 3/8	48.0	H40	STC	1.125	1.25	1.6
9 7/8	0	12200 TVD	8 5/8	32.0	P110	TLW	1.125	1.25	1.6
7 7/8	0	TD	5 1/2	17.0	P110	ВТС	1.125	1.25	1.6
				BLM Minimum Safety Factor			1.125	1	1.6 Dry 1.8 Wet

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 IILB.1.h Must have table for continengcy casing.
- Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.
- A variance is requested for collapse rating on intermediate casing. Operator will keep pipe full while running casing.
- 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.
- •Variance requested to drill 10.625" hole instead of 9.875" for intermediate 1, the 8.625" connection will change from TLW to BTC.
- A variance is requested to set intermediate casing in the curve if hole conditions dictate that a higher shoe strength is required.

Railsplitter 15-22 Fed Com 11H

	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 specficition 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	Y
of the casing?	1
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 rd 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 nd string set 100' to 600' below the base of salt?	
	N
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?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program (Primary Design)

5. Cementing 1 rogram	Wt. Yld		Vld		
Casing	# Sks	TOC	(lb/gal)	(ft3/sack)	Slurry Description
Surface	563	Surf	13.2	1.44	Lead: Class C Cement + additives
Total	763	Surf	9	3.27	Lead: Class C Cement + additives
Int 1	783	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
	961	Surf	9	3.27	1st stage Lead: Class C Cement + additives
Int 1 Two Stage	93	500' above shoe	13.2	1.44	1st stage Tail: Class H / C + additives
w/ DV @ TVD of Delaware	464	Surf	9	3.27	2nd stage Lead: Class C Cement + additives
	93	500' above DV	13.2	1.44	2nd stage Tail: Class H / C + additives
Int 1	As Needed	Surf	9	1.44	Squeeze Lead: Class C Cement + additives
Intermediate	763	Surf	9	3.27	Lead: Class C Cement + additives
Squeeze	783	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
Production	62	10200	9.0	3.3	Lead: Class H /C + additives
Froduction	521	12200	13.2	1.4	Tail: 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%

3. Cementing Program (Alternative Design)

3. Cementing Program (Alternative 1	esign)			
Casing	# Sks	TOC	Wt. ppg	Yld (ft3/sack)	Slurry Description
Surface	563	Surf	13.2	1.44	Lead: Class C Cement + additives
Total	480	Surf	9	3.27	Lead: Class C Cement + additives
Int 1	465	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
	564	Surf	9	3.27	1st stage Lead: Class C Cement + additives
Int 1 Two Stage	55	500' above shoe	13.2	1.44	1st stage Tail: Class H / C + additives
w DV @ ∼4500	304	Surf	9	3.27	2nd stage Lead: Class C Cement + additives
	55	500' above DV	13.2	1.44	2nd stage Tail: Class H / C + additives
Int 1	As Needed	Surf	13.2	1.44	Squeeze Lead: Class C Cement + additives
Intermediate	480	Surf	9	3.27	Lead: Class C Cement + additives
Squeeze	465	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
Int 1 (10.625" Hole Size)	730	Surf	9	3.27	Lead: Class C Cement + additives
int 1 (10.023 1101e 31ze)	768	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
5 1 1	117	10200	9.0	3.3	Lead: Class H /C + additives
Production	1081	12200	13.2	1.4	Tail: 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. Require d WP	Туре		4	Tested to:									
				Annular		Annular		50% of rated working pressure							
Int 1	13-58"	5M		d Ram	X]									
IIIt I	13-36	JIVI	1	Ram		5M									
			Doub	le Ram	X	3101									
			Other*												
			Annular (5M)		X	100% of rated working pressure									
Production	13-5/8"	10M	Blind Ram		X										
Troduction		TUM	1 TOW	TOW	TOW	TOW	TOW	TOW	TOWI	10111	TOWI	10111	Pipe	Ram	
			Doub	le Ram	X] TOWI									
			Other*												
			Annul	ar (5M)											
			Blind Ram												
			Pipe Ram			1									
			Double Ram]									
			Other*												
N A variance is requested for	the use of a	diverter on	the surface	casing. See	attached for s	chematic.									
Y A variance is requested to 1	A variance is requested to run a 5 M annular on a 10M system														

5. Mud Program (Three String Design)

Section	Туре	Weight (ppg)
Surface	FW Gel	8.5-9
Intermediate	DBE / Cut Brine	10-10.5
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
30 3	Will run GR/CNL from TD to surface (horizontal well - vertical portion of hole). Stated logs run will be in the
X	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.

Additional	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	Specfiy what type and where?
BH pressure at deepest TVD	6967
Abnormal temperature	No

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

Hydrogren 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.

	s measured variety and remainded will be provided to the Billin.
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 (OnShore Order 2, all COAs and NMOCD regulations).
- 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

Devon Energy Annular Preventer Summary

1. Component and Preventer Compatibility Table

The table below, which covers the drilling and casing of the 10M MASP portion of the well, outlines the tubulars and the compatible preventers in use. This table, combined with the mud program, documents that two barriers to flow can be maintained at all times, independent of the rating of the annular preventer.

6-3/4" Production hole section, 10M requirement

Component	OD	Preventer	RWP
Drillpipe	4.5"	Fixed lower 4.5"	10M
		Upper 4.5-7" VBR	
HWDP	4.5"	Fixed lower 4.5"	10M
		Upper 4.5-7" VBR	
Drill collars and MWD tools	4.75"	Upper 4.5-7" VBR	10M
Mud Motor	4.75"	Upper 4.5-7" VBR	10M
Production casing	5.5"	Upper 4.5-7" VBR	10M
ALL	0-13-5/8"	Annular	5M
Open-hole	-	Blind Rams	10M

VBR = Variable Bore Ram. Compatible range listed in chart.

2. Well Control Procedures

Well control procedures are specific to the rig equipment and the operation at the time the kick occurs. Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. The pressure at which control is swapped from the annular to another compatible ram is variable, but the operator will document in the submission their operating pressure limit. The operator may chose an operating pressure less than or equal to RWP, but in no case will it exceed the RWP of the annular preventer.

General Procedure While Drilling

- 1. Sound alarm (alert crew)
- 2. Space out drill string
- 3. Shut down pumps (stop pumps and rotary)
- 4. Shut-in Well (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach the RWP of the annular preventer, confirm spacing and swap to the upper pipe ram.

Devon Energy Annular Preventer Summary

General Procedure While Tripping

- 1. Sound alarm (alert crew)
- 2. Stab full opening safety valve and close
- 3. Space out drill string
- 4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach the RWP of the annular preventer, confirm spacing and swap to the upper pipe ram.

General Procedure While Running Casing

- 1. Sound alarm (alert crew)
- 2. Stab crossover and full opening safety valve and close
- 3. Space out string
- 4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach the RWP of the annular preventer, confirm spacing and swap to compatible pipe ram.

General Procedure With No Pipe In Hole (Open Hole)

- 1. Sound alarm (alert crew)
- 2. Shut-in with blind rams or BSR. (HCR and choke will already be in the closed position.)
- 3. Confirm shut-in
- 4. Notify toolpusher/company representative
- 5. Read and record the following:
 - a. SICP
 - b. Pit gain
 - c. Time
- 6. Regroup and identify forward plan

Devon Energy Annular Preventer Summary

General Procedures While Pulling BHA thru Stack

- 1. PRIOR to pulling last joint of drillpipe thru the stack.
 - a. Perform flowcheck, if flowing:
 - b. Sound alarm (alert crew)
 - c. Stab full opening safety valve and close
 - d. Space out drill string with tool joint just beneath the upper pipe ram.
 - e. Shut-in using upper pipe ram. (HCR and choke will already be in the closed position.)
 - f. Confirm shut-in
 - g. Notify toolpusher/company representative
 - h. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - i. Regroup and identify forward plan
- 2. With BHA in the stack and compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. Stab crossover and full opening safety valve and close
 - c. Space out drill string with upset just beneath the compatible pipe ram.
 - d. Shut-in using compatible pipe ram. (HCR and choke will already be in the closed position.)
 - e. Confirm shut-in
 - f. Notify toolpusher/company representative
 - g. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - h. Regroup and identify forward plan
- 3. With BHA in the stack and NO compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. If possible to pick up high enough, pull string clear of the stack and follow "Open Hole" scenario.
 - c. If impossible to pick up high enough to pull the string clear of the stack:
 - d. Stab crossover, make up one joint/stand of drillpipe, and full opening safety valve and close
 - e. Space out drill string with tooljoint just beneath the upper pipe ram.
 - f. Shut-in using upper pipe ram. (HCR and choke will already be in the closed position.)
 - g. Confirm shut-in
 - h. Notify toolpusher/company representative
 - i. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - i. Regroup and identify forward plan

Devon Energy APD VARIANCE DATA

OPERATOR NAME: Devon Energy

1. SUMMARY OF Variance:

Devon Energy respectfully requests approval for the following additions to the drilling plan:

1. Potential utilization of a spudder rig to pre-set surface casing.

2. Description of Operations

- 1. A spudder rig contractor may move in their rig to drill the surface hole section and pre-set surface casing on this well.
 - **a.** After drilling the surface hole section, the rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
 - **b.** Rig will utilize fresh water based mud to drill surface hole to TD.
- 2. The wellhead will be installed and tested once the surface casing is cut off and the WOC time has been reached.
- **3.** A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with needle valves installed on two wingvalves.
 - **a.** A means for intervention will be maintained while the drilling rig is not over the well.
- 4. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.
- **5.** Drilling operation will be performed with the big 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 BLM will be contacted / notified 24 hours before the big rig moves back on to the pad with the pre-set surface casing.
- **6.** Devon Energy will have supervision on the rig to ensure compliance with all BLM and NMOCD regulations and to oversee operations.
- 7. Once the rig is removed, Devon Energy will secure the wellhead area by placing a guard rail around the cellar area.



Commitment Runs Deep



Design Plan
Operation and Maintenance Plan
Closure Plan

SENM - Closed Loop Systems June 2010

I. Design Plan

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

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

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

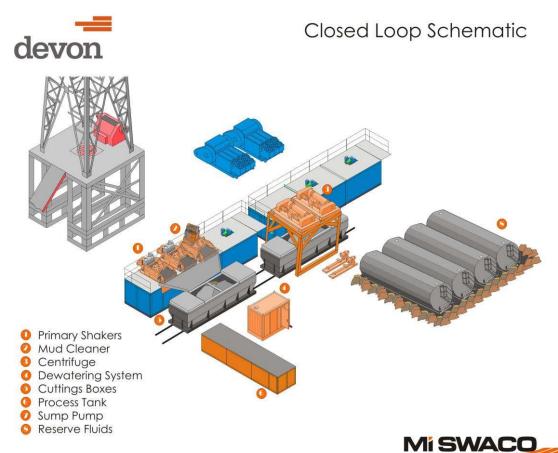
Prior to installing a closed-loop system on site, the topsoil, if present, will be stripped and stockpiled for use as the final cover or fill at the time of closure.

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

II. Operations and Maintenance Plan

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

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



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

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

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

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

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

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

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

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

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

All trash is kept in a wire mesh enclosure and removed to an approved landfill when full. All spent motor oils are kept in separate containers and they are removed and sent to an approved recycling center. Any spilled lubricants, pipe

dope, or regulated chemicals are removed from soil and sent to landfills approved for these products.

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

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

III. Closure Plan

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

WCDSC Permian NM

Lea County (NAD83 New Mexico East) Sec 15-T26S-R34E Railsplitter 15-22 Fed Com 11H

Wellbore #1

Plan: Permit Plan 1

Standard Planning Report - Geographic

12 December, 2019

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

Project: Lea County (NAD83 New Mexico East)

Site:

Sec 15-T26S-R34E Railsplitter 15-22 Fed Com 11H

Well: Wellbore: Wellbore #1 Permit Plan 1 Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Railsplitter 15-22 Fed Com 11H

RKB @ 3293.90ft RKB @ 3293.90ft

Grid

Minimum Curvature

Project Lea County (NAD83 New Mexico East)

US State Plane 1983 Map System: North American Datum 1983 Geo Datum:

Map Zone: New Mexico Eastern Zone

Mean Sea Level System Datum:

Site Sec 15-T26S-R34E

Northing: 383,264.34 usft Site Position: Latitude: 32.050709 809,962.78 usft -103.466304 Мар Easting: From: Longitude: Position Uncertainty: 0.46 0.00 ft Slot Radius: 13-3/16 " **Grid Convergence:**

Well Railsplitter 15-22 Fed Com 11H

Well Position +N/-S 0.00 ft Northing: 380,399.44 usft Latitude: 32.042753 +E/-W 0.00 ft Easting: 813,620.62 usft Longitude: -103.454574 0.50 ft Wellhead Elevation: Ground Level: 3,268.90 ft **Position Uncertainty**

Wellbore #1 Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (°) (nT) 6.61 59.88 47,588.38836656 IGRF2015 12/12/2019

Design	Permit Plan 1					
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	176.16	

Plan Survey Tool Program 12/12/2019 Date

Depth From Depth To

(ft) (ft) Survey (Wellbore) **Tool Name** Remarks

0.00 20,370.33 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	
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,809.12	3.09	66.31	2,808.97	3.35	7.63	1.00	1.00	0.00	66.31	
11,644.03	3.09	66.31	11,631.02	194.77	443.91	0.00	0.00	0.00	0.00	
11,850.11	0.00	0.00	11,837.00	197.00	449.00	1.50	-1.50	0.00	180.00	
12,200.15	0.00	0.00	12,187.04	197.00	449.00	0.00	0.00	0.00	0.00	
13,100.15	90.00	179.54	12,760.00	-375.94	453.64	10.00	10.00	0.00	179.54	PBHL - Railsplitter 15
20,370.33	90.00	179.54	12,760.00	-7,645.89	512.54	0.00	0.00	0.00	0.00	PBHL - Railsplitter 15

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

Project: Lea County (NAD83 New Mexico East)

Site: Sec 15-T26S-R34E

Well: Railsplitter 15-22 Fed Com 11H

Wellbore: Wellbore #1
Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Railsplitter 15-22 Fed Com 11H

RKB @ 3293.90ft RKB @ 3293.90ft

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	380,399.44	813,620.62	32.042753	-103.454574
100.00	0.00	0.00	100.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
200.00	0.00	0.00	200.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
300.00	0.00	0.00	300.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
400.00	0.00	0.00	400.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
500.00	0.00	0.00	500.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
600.00	0.00	0.00	600.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
700.00	0.00	0.00	700.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
800.00	0.00	0.00	800.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
900.00	0.00	0.00	900.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,000.00	0.00	0.00	1,000.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,100.00	0.00	0.00	1,100.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,200.00	0.00	0.00	1,200.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,300.00	0.00	0.00	1,300.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,400.00	0.00	0.00	1,400.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,500.00	0.00	0.00	1,500.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,600.00	0.00	0.00	1,600.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,700.00	0.00	0.00	1,700.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,800.00	0.00	0.00	1,800.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
1,900.00	0.00	0.00	1,900.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
2,000.00	0.00	0.00	2,000.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
2,100.00 2,200.00	0.00 0.00	0.00 0.00	2,100.00 2,200.00	0.00 0.00	0.00 0.00	380,399.44 380,399.44	813,620.62 813,620.62	32.042753 32.042753	-103.454574 -103.454574
2,300.00	0.00	0.00	2,200.00	0.00	0.00	380,399.44	813,620.62	32.042753 32.042753	-103.454574
2,400.00	0.00	0.00	2,300.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
2,500.00	0.00	0.00	2,500.00	0.00	0.00	380,399.44	813,620.62	32.042753	-103.454574
2,600.00	1.00	66.31	2,599.99	0.00	0.80	380,399.79	813,621.42	32.042754	-103.454572
2,700.00	2.00	66.31	2,699.96	1.40	3.20	380,400.84	813,623.81	32.042756	-103.454564
2,800.00	3.00	66.31	2,799.86	3.15	7.19	380,402.59	813,627.81	32.042761	-103.454551
2,809.12	3.09	66.31	2,808.97	3.35	7.63	380,402.79	813,628.25	32.042762	-103.454550
2,900.00	3.09	66.31	2,899.72	5.32	12.12	380,404.76	813,632.74	32.042767	-103.454535
3,000.00	3.09	66.31	2,999.57	7.49	17.06	380,406.92	813,637.68	32.042773	-103.454519
3,100.00	3.09	66.31	3,099.43	9.65	22.00	380,409.09	813,642.62	32.042779	-103.454503
3,200.00	3.09	66.31	3,199.28	11.82	26.94	380,411.26	813,647.55	32.042784	-103.454487
3,300.00	3.09	66.31	3,299.14	13.98	31.87	380,413.42	813,652.49	32.042790	-103.454471
3,400.00	3.09	66.31	3,398.99	16.15	36.81	380,415.59	813,657.43	32.042796	-103.454455
3,500.00	3.09	66.31	3,498.84	18.32	41.75	380,417.76	813,662.37	32.042802	-103.454439
3,600.00	3.09	66.31	3,598.70	20.48	46.69	380,419.92	813,667.31	32.042808	-103.454423
3,700.00	3.09	66.31	3,698.55	22.65	51.63	380,422.09	813,672.24	32.042814	-103.454407
3,800.00	3.09	66.31	3,798.41	24.82	56.56	380,424.26	813,677.18	32.042820	-103.454391
3,900.00	3.09	66.31	3,898.26	26.98	61.50	380,426.42	813,682.12	32.042825	-103.454375
4,000.00	3.09	66.31	3,998.12	29.15	66.44	380,428.59	813,687.06	32.042831	-103.454359
4,100.00	3.09	66.31	4,097.97	31.32	71.38	380,430.76	813,692.00	32.042837	-103.454343
4,200.00	3.09	66.31	4,197.83	33.48	76.32	380,432.92	813,696.94	32.042843	-103.454327
4,300.00	3.09	66.31	4,297.68	35.65	81.26	380,435.09	813,701.87	32.042849	-103.454311
4,400.00	3.09	66.31	4,397.54	37.82	86.19	380,437.26	813,706.81	32.042855	-103.454295
4,500.00	3.09	66.31	4,497.39	39.98	91.13	380,439.42	813,711.75	32.042860	-103.454279
4,600.00	3.09	66.31	4,597.24	42.15	96.07	380,441.59	813,716.69	32.042866	-103.454263
4,700.00	3.09	66.31	4,697.10	44.32	101.01	380,443.76	813,721.63	32.042872	-103.454247
4,800.00	3.09	66.31	4,796.95	46.48	105.95	380,445.92	813,726.56	32.042878	-103.454231
4,900.00	3.09	66.31	4,896.81	48.65	110.88	380,448.09	813,731.50	32.042884	-103.454215
5,000.00	3.09	66.31	4,996.66	50.82	115.82	380,450.26	813,736.44	32.042890	-103.454199
5,100.00	3.09	66.31	5,096.52	52.98	120.76	380,452.42	813,741.38	32.042896	-103.454183
5,200.00	3.09	66.31	5,196.37	55.15	125.70	380,454.59	813,746.32	32.042901	-103.454167
5,300.00	3.09	66.31	5,296.23	57.32	130.64	380,456.76	813,751.25	32.042907	-103.454151

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

Project: Lea County (NAD83 New Mexico East)

Site: Sec 15-T26S-R34E

Well: Railsplitter 15-22 Fed Com 11H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Railsplitter 15-22 Fed Com 11H

RKB @ 3293.90ft RKB @ 3293.90ft

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
5,400.00	3.09	66.31	5,396.08	59.48	135.57	380,458.92	813,756.19	32.042913	-103.454135
5,500.00	3.09	66.31	5,495.93	61.65	140.51	380,461.09	813,761.13	32.042919	-103.454119
5,600.00	3.09	66.31	5,595.79	63.82	145.45	380,463.26	813,766.07	32.042925	-103.454103
5,700.00	3.09	66.31	5,695.64	65.98	150.39	380,465.42	813,771.01	32.042931	-103.454087
5,800.00	3.09	66.31	5,795.50	68.15	155.33	380,467.59	813,775.94	32.042936	-103.454071
5,900.00	3.09	66.31	5,895.35	70.32	160.26	380,469.76	813,780.88	32.042942	-103.454055
6,000.00	3.09	66.31	5,995.21	72.48	165.20	380,471.92	813,785.82	32.042948	-103.454039
6,100.00	3.09	66.31	6,095.06	74.65	170.14	380,474.09	813,790.76	32.042954	-103.454023
6,200.00	3.09	66.31	6,194.92	76.82	175.08	380,476.25	813,795.70	32.042960	-103.454007
6,300.00	3.09	66.31	6,294.77	78.98	180.02	380,478.42	813,800.64	32.042966	-103.453991
6,400.00	3.09	66.31	6,394.63	81.15	184.96	380,480.59	813,805.57	32.042971	-103.453975
6,500.00	3.09	66.31	6,494.48	83.32	189.89	380,482.75	813,810.51	32.042977	-103.453959
6,600.00	3.09	66.31	6,594.33	85.48	194.83	380,484.92	813,815.45	32.042983	-103.453943
6,700.00	3.09	66.31	6,694.19	87.65	199.77	380,487.09	813,820.39	32.042989	-103.453927
6,800.00	3.09	66.31	6,794.04	89.82	204.71	380,489.25	813,825.33	32.042995	-103.453911
6,900.00	3.09	66.31	6,893.90	91.98	209.65	380,491.42	813,830.26	32.043001	-103.453895
7,000.00	3.09	66.31	6,993.75	94.15	214.58	380,493.59	813,835.20	32.043007	-103.453879
7,100.00	3.09	66.31	7,093.61	96.32	219.52	380,495.75	813,840.14	32.043012	-103.453863
7,200.00	3.09	66.31	7,193.46	98.48	224.46	380,497.92	813,845.08	32.043018	-103.453847
7,300.00	3.09	66.31	7,293.32	100.65	229.40	380,500.09	813,850.02	32.043024	-103.453831
7,400.00	3.09	66.31	7,393.17	102.82	234.34	380,502.25	813,854.95	32.043030	-103.453815
7,500.00	3.09	66.31	7,493.02	104.98	239.27	380,504.42	813,859.89	32.043036	-103.453799
7,600.00	3.09	66.31	7,592.88	107.15	244.21	380,506.59	813,864.83	32.043042	-103.453783
7,700.00	3.09	66.31	7,692.73	109.32	249.15	380,508.75	813,869.77	32.043047	-103.453767
7,800.00	3.09	66.31	7,792.59	111.48	254.09	380,510.92	813,874.71	32.043053	-103.453751
7,900.00	3.09	66.31	7,892.44	113.65	259.03	380,513.09	813,879.64	32.043059	-103.453735
8,000.00	3.09	66.31	7,992.30	115.82	263.96	380,515.25	813,884.58	32.043065	-103.453719
8,100.00	3.09	66.31	8,092.15	117.98	268.90	380,517.42	813,889.52	32.043071	-103.453703
8,200.00	3.09	66.31	8,192.01	120.15	273.84	380,519.59	813,894.46	32.043077	-103.453687
8,300.00	3.09	66.31	8,291.86	122.32	278.78	380,521.75	813,899.40	32.043083	-103.453671
8,400.00	3.09	66.31	8,391.72	124.48	283.72	380,523.92	813,904.34	32.043088	-103.453655
8,500.00	3.09	66.31	8,491.57	126.65	288.66	380,526.09	813,909.27	32.043094	-103.453639
8,600.00	3.09	66.31	8,591.42	128.82	293.59	380,528.25	813,914.21	32.043100	-103.453623
8,700.00	3.09	66.31	8,691.28	130.98	298.53	380,530.42	813,919.15	32.043106	-103.453607
8,800.00	3.09	66.31	8,791.13	133.15	303.47	380,532.59	813,924.09	32.043112	-103.453591
8,900.00	3.09	66.31	8,890.99	135.31	308.41	380,534.75	813,929.03	32.043118	-103.453576
9,000.00	3.09	66.31	8,990.84	137.48	313.35	380,536.92	813,933.96	32.043123	-103.453560 -103.453544
9,100.00	3.09	66.31	9,090.70	139.65	318.28 323.22	380,539.09	813,938.90 813,943.84	32.043129	
9,200.00	3.09	66.31 66.31	9,190.55	141.81	323.22 328.16	380,541.25	,	32.043135	-103.453528
9,300.00 9,400.00	3.09 3.09		9,290.41 9,390.26	143.98	326.16	380,543.42 380,545.59	813,948.78 813,953.72	32.043141 32.043147	-103.453512 -103.453496
9,500.00	3.09	66.31		146.15	338.04				-103.453480
9,600.00	3.09	66.31	9,490.11 9,589.97	148.31	336.04 342.97	380,547.75	813,958.65	32.043153 32.043159	-103.453464
9,700.00		66.31	9,589.97	150.48	342.97 347.91	380,549.92 380,552.09	813,963.59	32.043164	-103.453464
9,800.00	3.09	66.31 66.31	9,009.62	152.65 154.81	352.85	380,554.25	813,968.53 813,973.47		-103.453448
9,900.00	3.09 3.09	66.31	9,769.66	156.98	352.65 357.79	380,556.42	813,978.41	32.043170 32.043176	-103.453416
,			•			•	813,983.34		
10,000.00 10,100.00	3.09 3.09	66.31 66.31	9,989.39 10,089.24	159.15 161.31	362.73 367.67	380,558.59 380,560.75	813,988.28	32.043182 32.043188	-103.453400 -103.453384
10,100.00	3.09	66.31	10,089.24	163.48	372.60	380,562.92	813,993.22	32.043194	-103.453368
10,300.00	3.09	66.31	10,169.10	165.65	372.60 377.54	380,565.09	813,998.16	32.043199	-103.453352
10,300.00	3.09	66.31	10,288.95	167.81	377.54 382.48	380,567.25	814,003.10	32.043199	-103.453336
10,500.00	3.09	66.31	10,366.61	169.98	387.42	380,569.42	814,008.03	32.043203	-103.453330
10,600.00	3.09	66.31	10,466.66	172.15	392.36	380,571.59	814,012.97	32.043217	-103.453320
10,700.00	3.09	66.31	10,568.37	174.31	392.30	380,573.75	814,017.91	32.043217	-103.453288
10,800.00	3.09	66.31	10,788.22	174.31	402.23	380,575.92	814,022.85	32.043229	-103.453272

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

Project: Lea County (NAD83 New Mexico East)

Site: Sec 15-T26S-R34E

Well: Railsplitter 15-22 Fed Com 11H

Wellbore: Wellbore #1
Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Railsplitter 15-22 Fed Com 11H

RKB @ 3293.90ft RKB @ 3293.90ft

Grid

10,900.00 3.09 66.31 10,888.08 178.65 407.17 380,578.09 814,027.79 32.043234 11,000.00 3.09 66.31 10,987.93 180.81 412.11 380,580.25 814,032.73 32.043240 11,100.00 3.09 66.31 11,087.79 182.98 417.05 380,582.42 814,037.66 32.043246 11,200.00 3.09 66.31 11,187.64 185.15 421.98 380,584.58 814,042.60 32.043252 11,300.00 3.09 66.31 11,287.50 187.31 426.92 380,586.75 814,047.54 32.043258 11,400.00 3.09 66.31 11,387.35 189.48 431.86 380,588.92 814,052.48 32.043264 11,500.00 3.09 66.31 11,487.21 191.65 436.80 380,591.08 814,057.42 32.043270 11,600.00 3.09 66.31 11,587.06 193.81 441.74 380,593.25 814,062.35 32.043275 11,644.03 3.09 66.31 11,686.93 195.82 446.30 380,594.21 814,06	-103.453256 -103.453240 -103.453224 -103.453208 -103.453192 -103.453176 -103.453160 -103.453144 -103.453137 -103.453129
11,000.00 3.09 66.31 10,987.93 180.81 412.11 380,580.25 814,032.73 32.043240 11,100.00 3.09 66.31 11,087.79 182.98 417.05 380,582.42 814,037.66 32.043246 11,200.00 3.09 66.31 11,187.64 185.15 421.98 380,584.58 814,042.60 32.043252 11,300.00 3.09 66.31 11,287.50 187.31 426.92 380,586.75 814,047.54 32.043258 11,400.00 3.09 66.31 11,387.35 189.48 431.86 380,588.92 814,052.48 32.043264 11,500.00 3.09 66.31 11,487.21 191.65 436.80 380,591.08 814,057.42 32.043270 11,600.00 3.09 66.31 11,587.06 193.81 441.74 380,593.25 814,062.35 32.043275 11,644.03 3.09 66.31 11,686.93 194.77 443.91 380,594.21 814,064.53 32.043278 11,700.00 2.25 66.31 11,686.93 195.82 446.30 380,595.25 814,06	-103.453240 -103.453224 -103.453208 -103.453192 -103.453176 -103.453160 -103.453144 -103.453137 -103.453129
11,100.00 3.09 66.31 11,087.79 182.98 417.05 380,582.42 814,037.66 32.043246 11,200.00 3.09 66.31 11,187.64 185.15 421.98 380,584.58 814,042.60 32.043252 11,300.00 3.09 66.31 11,287.50 187.31 426.92 380,586.75 814,047.54 32.043258 11,400.00 3.09 66.31 11,387.35 189.48 431.86 380,588.92 814,052.48 32.043264 11,500.00 3.09 66.31 11,487.21 191.65 436.80 380,591.08 814,057.42 32.043270 11,600.00 3.09 66.31 11,587.06 193.81 441.74 380,593.25 814,062.35 32.043275 11,644.03 3.09 66.31 11,631.02 194.77 443.91 380,594.21 814,064.53 32.043278 11,700.00 2.25 66.31 11,686.93 195.82 446.30 380,595.25 814,066.92 32.043284 11,800.00 0.75 66.31 11,786.90 196.87 448.70 380,596.44 814,06	-103.453224 -103.453208 -103.453192 -103.453176 -103.453160 -103.453144 -103.453137 -103.453129
11,200.00 3.09 66.31 11,187.64 185.15 421.98 380,584.58 814,042.60 32.043252 11,300.00 3.09 66.31 11,287.50 187.31 426.92 380,586.75 814,047.54 32.043258 11,400.00 3.09 66.31 11,387.35 189.48 431.86 380,588.92 814,052.48 32.043264 11,500.00 3.09 66.31 11,487.21 191.65 436.80 380,591.08 814,057.42 32.043270 11,600.00 3.09 66.31 11,587.06 193.81 441.74 380,593.25 814,062.35 32.043275 11,644.03 3.09 66.31 11,631.02 194.77 443.91 380,594.21 814,064.53 32.043278 11,700.00 2.25 66.31 11,686.93 195.82 446.30 380,595.25 814,066.92 32.043284 11,800.00 0.75 66.31 11,786.90 196.87 448.70 380,596.31 814,069.62 32.043284 11,900.00 0.00 0.00 11,886.90 197.00 449.00 380,596.44 814,069	-103.453208 -103.453192 -103.453176 -103.453160 -103.453144 -103.453137 -103.453129
11,300.00 3.09 66.31 11,287.50 187.31 426.92 380,586.75 814,047.54 32.043258 11,400.00 3.09 66.31 11,387.35 189.48 431.86 380,588.92 814,052.48 32.043264 11,500.00 3.09 66.31 11,487.21 191.65 436.80 380,591.08 814,057.42 32.043270 11,600.00 3.09 66.31 11,587.06 193.81 441.74 380,593.25 814,062.35 32.043275 11,644.03 3.09 66.31 11,631.02 194.77 443.91 380,594.21 814,064.53 32.043278 11,700.00 2.25 66.31 11,686.93 195.82 446.30 380,595.25 814,066.92 32.043281 11,800.00 0.75 66.31 11,786.90 196.87 448.70 380,596.31 814,069.32 32.043284 11,900.00 0.00 0.00 11,886.90 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.	-103.453192 -103.453176 -103.453160 -103.453144 -103.453137 -103.453129
11,400.00 3.09 66.31 11,387.35 189.48 431.86 380,588.92 814,052.48 32.043264 11,500.00 3.09 66.31 11,487.21 191.65 436.80 380,591.08 814,057.42 32.043270 11,600.00 3.09 66.31 11,587.06 193.81 441.74 380,593.25 814,062.35 32.043275 11,644.03 3.09 66.31 11,631.02 194.77 443.91 380,594.21 814,064.53 32.043278 11,700.00 2.25 66.31 11,686.93 195.82 446.30 380,595.25 814,066.92 32.043281 11,800.00 0.75 66.31 11,786.90 196.87 448.70 380,596.31 814,069.32 32.043284 11,900.00 0.00 0.00 11,837.00 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.6	-103.453176 -103.453160 -103.453144 -103.453137 -103.453129
11,500.00 3.09 66.31 11,487.21 191.65 436.80 380,591.08 814,057.42 32.043270 11,600.00 3.09 66.31 11,587.06 193.81 441.74 380,593.25 814,062.35 32.043275 11,644.03 3.09 66.31 11,631.02 194.77 443.91 380,594.21 814,064.53 32.043278 11,700.00 2.25 66.31 11,686.93 195.82 446.30 380,595.25 814,066.92 32.043281 11,800.00 0.75 66.31 11,786.90 196.87 448.70 380,596.31 814,069.32 32.043284 11,850.11 0.00 0.00 11,837.00 197.00 449.00 380,596.44 814,069.62 32.043284 11,900.00 0.00 0.00 11,886.90 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.62 32.043284	-103.453160 -103.453144 -103.453137 -103.453129
11,600.00 3.09 66.31 11,587.06 193.81 441.74 380,593.25 814,062.35 32.043275 11,644.03 3.09 66.31 11,631.02 194.77 443.91 380,594.21 814,064.53 32.043278 11,700.00 2.25 66.31 11,686.93 195.82 446.30 380,595.25 814,066.92 32.043281 11,800.00 0.75 66.31 11,786.90 196.87 448.70 380,596.31 814,069.32 32.043284 11,850.11 0.00 0.00 11,837.00 197.00 449.00 380,596.44 814,069.62 32.043284 11,900.00 0.00 0.00 11,886.90 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.62 32.043284	-103.453144 -103.453137 -103.453129
11,644.03 3.09 66.31 11,631.02 194.77 443.91 380,594.21 814,064.53 32.043278 11,700.00 2.25 66.31 11,686.93 195.82 446.30 380,595.25 814,066.92 32.043281 11,800.00 0.75 66.31 11,786.90 196.87 448.70 380,596.31 814,069.32 32.043284 11,850.11 0.00 0.00 11,837.00 197.00 449.00 380,596.44 814,069.62 32.043284 11,900.00 0.00 0.00 11,886.90 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.62 32.043284	-103.453137 -103.453129
11,700.00 2.25 66.31 11,686.93 195.82 446.30 380,595.25 814,066.92 32.043281 11,800.00 0.75 66.31 11,786.90 196.87 448.70 380,596.31 814,069.32 32.043284 11,850.11 0.00 0.00 11,837.00 197.00 449.00 380,596.44 814,069.62 32.043284 11,900.00 0.00 0.00 11,886.90 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.62 32.043284	-103.453129
11,800.00 0.75 66.31 11,786.90 196.87 448.70 380,596.31 814,069.32 32.043284 11,850.11 0.00 0.00 11,837.00 197.00 449.00 380,596.44 814,069.62 32.043284 11,900.00 0.00 0.00 11,886.90 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.62 32.043284	
11,850.11 0.00 0.00 11,837.00 197.00 449.00 380,596.44 814,069.62 32.043284 11,900.00 0.00 0.00 11,886.90 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.62 32.043284	
11,900.00 0.00 0.00 11,886.90 197.00 449.00 380,596.44 814,069.62 32.043284 12,000.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.62 32.043284	-103.453121
12,000.00 0.00 11,986.90 197.00 449.00 380,596.44 814,069.62 32.043284	-103.453120
	-103.453120
40.400.00 0.00 0.00 40.000 40.000 440.00 000.500.44 044.000.60 00.040004	-103.453120
12,100.00 0.00 0.00 12,086.90 197.00 449.00 380,596.44 814,069.62 32.043284	-103.453120
12,200.00 0.00 0.00 12,186.90 197.00 449.00 380,596.44 814,069.62 32.043284	-103.453120
KOP @ 12200' MD, 2586' FSL, 1200' FEL	
12,200.15 0.00 0.00 12,187.04 197.00 449.00 380,596.44 814,069.62 32.043284	-103.453120
12,300.00 9.99 179.54 12,286.39 188.32 449.07 380,587.76 814,069.69 32.043260	-103.453120
12,400.00 19.99 179.54 12,382.87 162.50 449.28 380,561.94 814,069.90 32.043189	-103.453120
12,441.00 24.09 179.54 12,420.86 147.12 449.40 380,546.56 814,070.02 32.043147	-103.453120
FTP @ 12441' MD, 2536' FSL, 1200' FEL	
12,500.00 29.99 179.54 12,473.39 120.31 449.62 380,519.75 814,070.24 32.043073	-103.453120
12,600.00 39.99 179.54 12,555.22 63.05 450.09 380,462.49 814,070.70 32.042916	-103.453120
12,700.00 49.99 179.54 12,625.86 -7.55 450.66 380,391.89 814,071.27 32.042722	-103.453120
12,800.00 59.99 179.54 12,683.16 -89.34 451.32 380,310.10 814,071.94 32.042497	-103.453120
12,900.00 69.99 179.54 12,725.40 -179.85 452.05 380,219.59 814,072.67 32.042248	-103.453120
13,000.00 79.99 179.54 12,751.27 -276.31 452.83 380,123.13 814,073.45 32.041983	-103.453120
13,100.00 89.99 179.54 12,760.00 -375.79 453.64 380,023.65 814,074.26 32.041709	-103.453120
13,100.15 90.00 179.54 12,760.00 -375.94 453.64 380,023.50 814,074.26 32.041709	-103.453120
13,200.00 90.00 179.54 12,760.00 -475.79 454.45 379,923.65 814,075.07 32.041435	-103.453120
13,300.00 90.00 179.54 12,760.00 -575.79 455.26 379,823.65 814,075.88 32.041160	-103.453120
13,400.00 90.00 179.54 12,760.00 -675.78 456.07 379,723.66 814,076.69 32.040885	-103.453120
13,500.00 90.00 179.54 12,760.00 -775.78 456.88 379,623.66 814,077.50 32.040610	-103.453120
13,600.00 90.00 179.54 12,760.00 -875.78 457.69 379,523.66 814,078.31 32.040335	-103.453120
13,700.00 90.00 179.54 12,760.00 -975.77 458.50 379,423.67 814,079.12 32.040060	-103.453120
13,800.00 90.00 179.54 12,760.00 -1,075.77 459.31 379,323.67 814,079.93 32.039785	-103.453120
13,900.00 90.00 179.54 12,760.00 -1,175.77 460.12 379,223.67 814,080.74 32.039510	-103.453120
14,000.00 90.00 179.54 12,760.00 -1,275.76 460.93 379,123.68 814,081.55 32.039236	-103.453120
14,100.00 90.00 179.54 12,760.00 -1,375.76 461.74 379,023.68 814,082.36 32.038961	-103.453120
14,200.00 90.00 179.54 12,760.00 -1,475.76 462.55 378,923.68 814,083.17 32.038686	-103.453120
14,300.00 90.00 179.54 12,760.00 -1,575.75 463.36 378,823.69 814,083.98 32.038411	-103.453120
14,400.00 90.00 179.54 12,760.00 -1,675.75 464.17 378,723.69 814,084.79 32.038136	-103.453120
14,500.00 90.00 179.54 12,760.00 -1,775.75 464.98 378,623.69 814,085.60 32.037861	-103.453120
14,600.00 90.00 179.54 12,760.00 -1,875.74 465.79 378,523.70 814,086.41 32.037586	-103.453121
14,700.00 90.00 179.54 12,760.00 -1,975.74 466.60 378,423.70 814,087.22 32.037311	-103.453121
14,800.00 90.00 179.54 12,760.00 -2,075.74 467.41 378,323.70 814,088.03 32.037037	-103.453121
14,900.00 90.00 179.54 12,760.00 -2,175.73 468.22 378,223.71 814,088.84 32.036762	-103.453121
15,000.00 90.00 179.54 12,760.00 -2,275.73 469.03 378,123.71 814,089.65 32.036487	-103.453121
15,100.00 90.00 179.54 12,760.00 -2,375.73 469.84 378,023.72 814,090.46 32.036212	-103.453121
15,114.00 90.00 179.54 12,760.00 -2,389.73 469.96 378,009.72 814,090.57 32.036174	-103.453121
Cross section @ 15114' MD, 0' FNL, 1200' FEL	
15,200.00 90.00 179.54 12,760.00 -2,475.72 470.65 377,923.72 814,091.27 32.035937	-103.453121
15,300.00 90.00 179.54 12,760.00 -2,575.72 471.46 377,823.72 814,092.08 32.035662	-103.453121

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

Project: Lea County (NAD83 New Mexico East)

Site: Sec 15-T26S-R34E

Well: Railsplitter 15-22 Fed Com 11H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Railsplitter 15-22 Fed Com 11H

RKB @ 3293.90ft RKB @ 3293.90ft

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
15,400.00	90.00	179.54	12,760.00	-2,675.72	472.27	377,723.73	814,092.89	32.035387	-103.453121
15,500.00	90.00	179.54	12,760.00	-2,775.71	473.08	377,623.73	814,093.70	32.035112	-103.453121
15,600.00	90.00	179.54	12,760.00	-2,875.71	473.89	377,523.73	814,094.51	32.034838	-103.453121
15,700.00	90.00	179.54	12,760.00	-2,975.71	474.70	377,423.74	814,095.32	32.034563	-103.453121
15,800.00	90.00	179.54	12,760.00	-3,075.71	475.51	377,323.74	814,096.13	32.034288	-103.453121
15,900.00	90.00	179.54	12,760.00	-3,175.70	476.32	377,223.74	814,096.94	32.034013	-103.453121
16,000.00	90.00 90.00	179.54 179.54	12,760.00 12,760.00	-3,275.70 -3,375.70	477.13 477.95	377,123.75 377,023.75	814,097.75 814,098.56	32.033738 32.033463	-103.453121 -103.453121
16,100.00 16,200.00	90.00	179.54	12,760.00	-3,375.70 -3,475.69	477.93 478.76	376,923.75	814,099.37	32.033463	-103.453121
16,300.00	90.00	179.54	12,760.00	-3,575.69	479.57	376,823.76	814,100.18	32.032913	-103.453121
16,400.00	90.00	179.54	12,760.00	-3,675.69	480.38	376,723.76	814,100.99	32.032639	-103.453121
16,500.00	90.00	179.54	12,760.00	-3,775.68	481.19	376,623.76	814,101.80	32.032364	-103.453121
16,600.00	90.00	179.54	12,760.00	-3,875.68	482.00	376,523.77	814,102.61	32.032089	-103.453121
16,700.00	90.00	179.54	12,760.00	-3,975.68	482.81	376,423.77	814,103.42	32.031814	-103.453121
16,800.00	90.00	179.54	12,760.00	-4,075.67	483.62	376,323.77	814,104.23	32.031539	-103.453121
16,900.00	90.00	179.54	12,760.00	-4,175.67	484.43	376,223.78	814,105.04	32.031264	-103.453121
17,000.00	90.00	179.54	12,760.00	-4,275.67	485.24	376,123.78	814,105.85	32.030989	-103.453121
17,100.00	90.00	179.54	12,760.00	-4,375.66	486.05	376,023.78	814,106.66	32.030714	-103.453121
17,200.00	90.00	179.54	12,760.00	-4,475.66	486.86	375,923.79	814,107.47	32.030440	-103.453121
17,300.00	90.00	179.54	12,760.00	-4,575.66	487.67	375,823.79	814,108.28	32.030165	-103.453121
17,400.00	90.00	179.54	12,760.00	-4,675.65	488.48	375,723.80	814,109.09	32.029890	-103.453121
17,500.00	90.00	179.54	12,760.00	-4,775.65	489.29	375,623.80	814,109.90	32.029615	-103.453121
17,600.00	90.00	179.54	12,760.00	-4,875.65	490.10	375,523.80	814,110.71	32.029340	-103.453121
17,700.00	90.00	179.54	12,760.00	-4,975.64	490.91	375,423.81	814,111.52	32.029065	-103.453121
17,800.00	90.00	179.54	12,760.00	-5,075.64	491.72	375,323.81	814,112.33	32.028790	-103.453121
17,900.00	90.00	179.54	12,760.00	-5,175.64	492.53	375,223.81	814,113.14	32.028515	-103.453121
18,000.00	90.00	179.54	12,760.00	-5,275.63	493.34	375,123.82	814,113.96	32.028241	-103.453121
18,100.00	90.00	179.54	12,760.00	-5,375.63 5,475.63	494.15	375,023.82	814,114.77	32.027966	-103.453121
18,200.00 18,300.00	90.00	179.54 179.54	12,760.00 12,760.00	-5,475.63	494.96 495.77	374,923.82 374,823.83	814,115.58	32.027691 32.027416	-103.453121 -103.453121
18,400.00	90.00 90.00	179.54	12,760.00	-5,575.62 -5,675.62	495.77 496.58	374,023.83 374,723.83	814,116.39 814,117.20	32.027416	-103.453121
18,500.00	90.00	179.54	12,760.00	-5,075.62 -5,775.62	490.30	374,623.83	814,118.01	32.026866	-103.453121
18,600.00	90.00	179.54	12,760.00	-5,875.61	498.20	374,523.84	814,118.82	32.026591	-103.453121
18,700.00	90.00	179.54	12,760.00	-5,975.61	499.01	374,423.84	814,119.63	32.026316	-103.453121
18,800.00	90.00	179.54	12,760.00	-6,075.61	499.82	374,323.84	814,120.44	32.026042	-103.453121
18,900.00	90.00	179.54	12,760.00	-6,175.60	500.63	374,223.85	814,121.25	32.025767	-103.453121
19,000.00	90.00	179.54	12,760.00	-6,275.60	501.44	374,123.85	814,122.06	32.025492	-103.453121
19,100.00	90.00	179.54	12,760.00	-6,375.60	502.25	374,023.85	814,122.87	32.025217	-103.453121
19,200.00	90.00	179.54	12,760.00	-6,475.59	503.06	373,923.86	814,123.68	32.024942	-103.453121
19,300.00	90.00	179.54	12,760.00	-6,575.59	503.87	373,823.86	814,124.49	32.024667	-103.453121
19,400.00	90.00	179.54	12,760.00	-6,675.59	504.68	373,723.86	814,125.30	32.024392	-103.453121
19,500.00	90.00	179.54	12,760.00	-6,775.58	505.49	373,623.87	814,126.11	32.024117	-103.453121
19,600.00	90.00	179.54	12,760.00	-6,875.58	506.30	373,523.87	814,126.92	32.023843	-103.453121
19,700.00	90.00	179.54	12,760.00	-6,975.58	507.11	373,423.88	814,127.73	32.023568	-103.453121
19,800.00	90.00	179.54	12,760.00	-7,075.57	507.92	373,323.88	814,128.54	32.023293	-103.453121
19,900.00	90.00	179.54	12,760.00	-7,175.57	508.73	373,223.88	814,129.35	32.023018	-103.453121
20,000.00	90.00	179.54	12,760.00	-7,275.57	509.54	373,123.89	814,130.16	32.022743	-103.453121
20,100.00	90.00	179.54	12,760.00	-7,375.56	510.35	373,023.89	814,130.97	32.022468	-103.453121
20,200.00	90.00	179.54	12,760.00	-7,475.56	511.16	372,923.89	814,131.78	32.022193	-103.453121
20,290.00	90.00	179.54	12,760.00	-7,565.56	511.89	372,833.90	814,132.51	32.021946	-103.453121
_	0290' MD, 100			7	F11 ==	070 000 00	044 400 ==	00.001010	100 1=015
20,300.00	90.00	179.54	12,760.00	-7,575.56 7,645.00	511.97	372,823.90	814,132.59	32.021918	-103.453121
20,370.32	90.00	179.54	12,760.00	-7,645.88	512.54	372,753.58	814,133.16	32.021725	-103.453121
PBHL; 20	D' FSL, 1200' I	-EL							

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

Project: Lea County (NAD83 New Mexico East)

Site: Sec 15-T26S-R34E

Well: Railsplitter 15-22 Fed Com 11H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Railsplitter 15-22 Fed Com 11H

RKB @ 3293.90ft RKB @ 3293.90ft

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
20,370.33	90.00	179.54	12,760.00	-7,645.89	512.54	372,753.57	814,133.16	32.021725	-103.453121

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 - Railsplitter 15-22 - plan misses target o - Point	0.00 center by 766	0.00 3.05ft at 0.00	0.00 ft MD (0.00	-7,645.89 TVD, 0.00 N,	512.54 0.00 E)	372,753.57	814,133.16	32.021725	-103.453121

Plan Annotations				
Measure			ordinates	
Depth (ft)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Comment
12,200	.00 12,186.90	` ,	449.00	KOP @ 12200' MD, 2586' FSL, 1200' FEL
12,441	,	147.12	449.40	FTP @ 12441' MD, 2536' FSL, 1200' FEL
15,114	,	,	469.96	Cross section @ 15114' MD, 0' FNL, 1200' FEL
20,290	,	,	511.89	LTP @ 20290' MD, 100' FSL, 1200' FEL
20,370	.32 12,760.00	-7,645.88	512.54	PBHL; 20' FSL, 1200' FEL

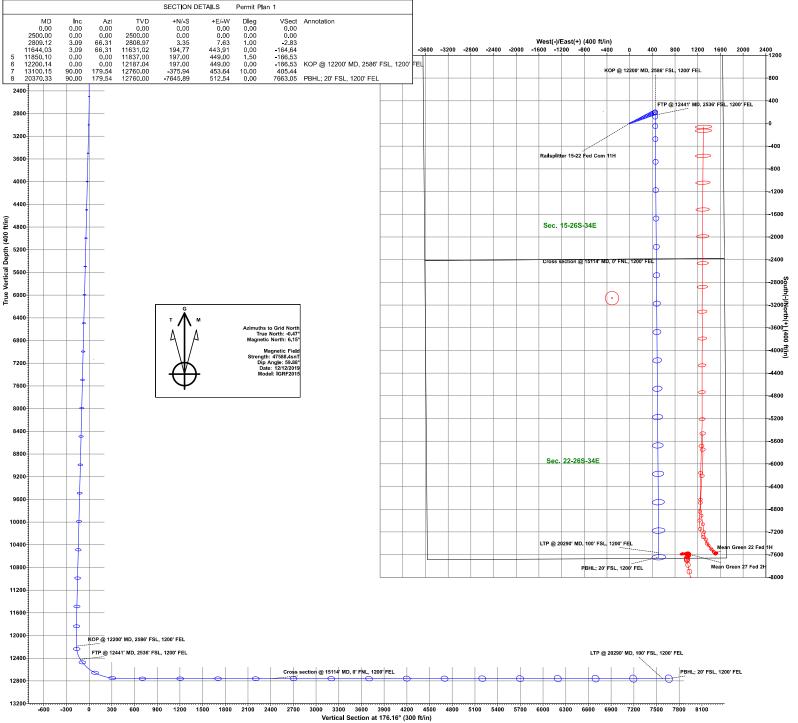
Devon Energy

WELL DETAILS: Railsplitter 15-22 Fed Com 11H

RKB @ 3293.90ft 3268.90

Northing Easting Latittude Longitude 380399.44 813620.62 32.042752 -103.454574





PECOS DISTRICT SURFACE USE

CONDITIONS OF APPROVAL

Railsplitter 15 Surface Bottom Hole	Section Section	FED 15 22	2H T26S, T26S,	R34E R34E	Well Pad 6 2290 20	FSL,	432 1010	FWL, FWL,	Lea County Lea County
Railsplitter 15 Surface Bottom Hole	Section Section	FED 15 22	3H T26S, T26S,	R34E R34E	Well Pad 6 2290 20	FSL, FSL,	402 360	FWL, FWL,	Lea County Lea County
Railsplitter 15 Surface Bottom Hole	Section Section	FED 15 22	4H T26S, T26S,	R34E R34E	Well Pad 7 2120 20	, FSL, FSL,	1421 2320	FWL, FWL,	Lea County Lea County
Railsplitter 15 Surface Bottom Hole	Section Section	FED 15 22	5H T26S, T26S,	R34E R34E	Well Pad 7 2120 20	, FSL, FSL,	1391 1660	FWL, FWL,	Lea County Lea County
Railsplitter 15 Surface Bottom Hole	Section Section	FED 15 22	10H T26S, T26S,	R34E R34E	Well Pad 7 2120 20	, FSL, FSL,	1361 1200	FWL, FWL,	Lea County Lea County
Railsplitter 15 Surface Bottom Hole	Section Section	FED 15 22	6H T26S, T26S,	R34E R34E	Well Pad 9 2390 20	FSL, FSL,	1679 1660	FEL, FEL,	Lea County Lea County
Railsplitter 15 Surface	Section Section	15	T26S,	R34E R34E	2390	FSL, FSL,		•	
Railsplitter 15 Surface Bottom Hole Railsplitter 15 Surface	Section Section Section	15 22 FED 15	T26S, T26S, 7H T26S,	R34E R34E V R34E R34E	2390 20 Well Pad 9 2390	FSL, FSL, FSL, FSL,	1660 1709	FEL,	Lea County Lea County
Railsplitter 15 Surface Bottom Hole Railsplitter 15 Surface Bottom Hole Railsplitter 15 Surface	Section Section Section Section Section	15 22 FED 15 22 FED 15	T26S, T26S, 7H T26S, T26S, 11H T26S,	R34E R34E R34E R34E R34E R34E	2390 20 Well Pad 9 2390 20 Well Pad 9 2390	FSL, FSL, FSL, FSL, FSL,	1660 1709 2300 1649	FEL, FEL, FEL,	Lea County Lea County Lea County

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites

Noxious Weeds
Special Requirements
Build as you go no Grading full pad
Lesser Prairie-Chicken Timing Stipulations
Ground-level Abandoned Well Marker
Hydrology
Range
☐ Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
☐ Road Section Diagram
☐ Production (Post Drilling)
Well Structures & Facilities
Pipelines
Electric Lines
☐ Interim Reclamation
☐ Final Abandonment & Reclamation

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

Page 3 of 20

V. SPECIAL REQUIREMENT(S)

Build as you go no Grading full pad!!!!

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Timing Limitation Exceptions:

The Carlsbad Field Office will publish an annual map of where the LPC timing and noise stipulations and conditions of approval (Limitations) will apply for the identified year (between March 1 and June 15) based on the latest survey information. The LPC Timing Area map will identify areas which are Habitat Areas (HA), Isolated Population Area (IPA), and Primary Population Area (PPA). The LPC Timing Area map will also have an area in red crosshatch. The red crosshatch area is the only area where an operator is required to submit a request for exception to the LPC Limitations. If an operator is operating outside the red crosshatch area, the LPC Limitations do not apply for that year and an exception to LPC Limitations is not required.

<u>Ground-level Abandoned Well Marker to avoid raptor perching</u>: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

Hydrology:

The entire well pad(s) will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. The compacted berm shall be constructed at a minimum of 12 inches with impermeable mineral material (e.g. caliche). Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required. The top soil shall be stockpiled in an appropriate location to prevent loss of soil

Page 4 of 20

due to water or wind erosion and not used for berming or erosion control. If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility. The berm would be maintained through the life of the wells and after interim reclamation has been completed.

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank or 24 hour production, whichever is greater. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

When crossing ephemeral drainages the pipeline(s) will be buried to a minimum depth of 48 inches from the top of pipe to ground level. Erosion control methods such as gabions and/or rock aprons should be placed on both up and downstream sides of the pipeline crossing. In addition, curled (weed free) wood/straw fiber wattles/logs and/or silt fences should be placed on the downstream side for sediment control during construction and maintained until soils and vegetation have stabilized. Water bars should be placed within the ROW to divert and dissipate surface runoff. A pipeline access road is not permitted to cross these ephemeral drainages. Traffic should be diverted to a preexisting route. Additional seeding may be required in floodplains and drainages to restore energy dissipating vegetation.

Prior to pipeline installation/construction a leak detection plan will be developed. The method(s) could incorporate gauges to detect pressure drops, situating valves and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

Any water erosion that may occur due to the construction of overhead electric line and during the life of the power line will be quickly corrected and proper measures will be taken to prevent future erosion. A power pole should not be placed in drainages, playas, wetlands, riparian areas, or floodplains and must span across the features at a distance away that would not promote further erosion.

Livestock Watering Requirement

Any damage to structures that provide water to livestock throughout the life of the well, caused by operations from the well site, must be immediately corrected by the operator. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

Page 7 of 20

Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

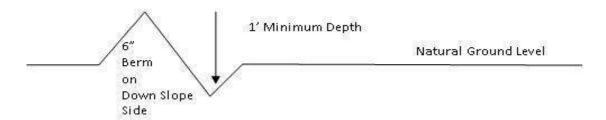
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope:
$$\frac{400'}{4\%} + 100' = 200'$$
 lead-off ditch interval

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Construction Steps

- 1. Salvage topsoil
- 3. Redistribute topsoil 2. Construct road 4. Revegetate slopes

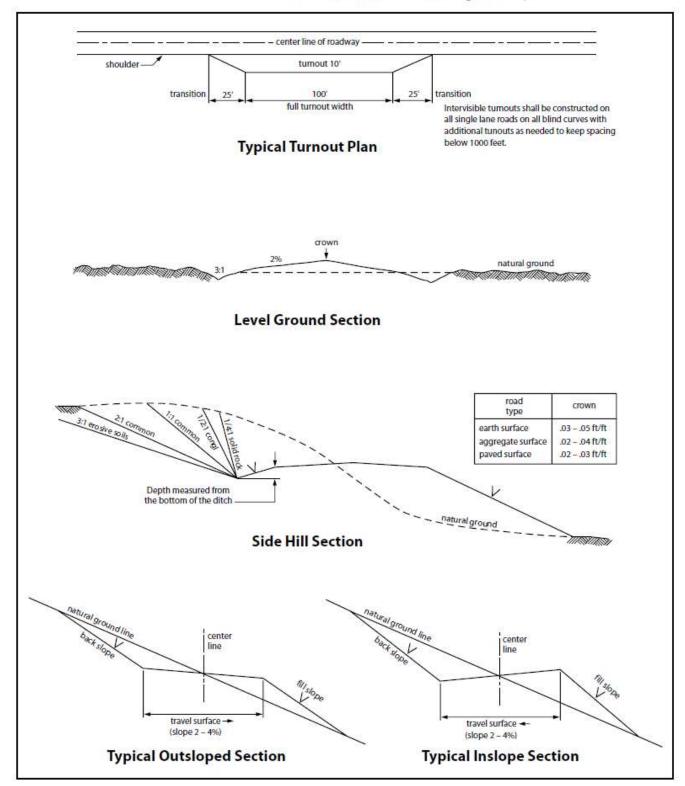


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

- 1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
- 3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to

Page 12 of 20

whether a release is caused by the holder, its agent, or unrelated third parties.

- 4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.
- 5. All construction and maintenance activity will be confined to the authorized right-of-way.
- 6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.
- 7. The maximum allowable disturbance for construction in this right-of-way will be 30 feet:
- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed 20 feet. The trench is included in this area. (Blading is defined as the complete removal of brush and ground vegetation.)
- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed 30 feet. The trench and bladed area are included in this area. (Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.)
- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (Compressing can be caused by vehicle tires, placement of equipment, etc.)
- 8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately ___6__ inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.
- 9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The

holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

- 10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.
- 11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

() seed mixture 1	() seed mixture 3
() seed mixture 2	() seed mixture 4
(X) seed mixture 2/LPC	() Aplomado Falcon Mixture

- 13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" Shale Green, Munsell Soil Color No. 5Y 4/2.
- 14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.
- 15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.
- 16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the

Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

- 17. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes associated roads, pipeline corridor and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.
- 18. Escape Ramps The operator will construct and maintain pipeline/utility trenches that are not otherwise fenced, screened, or netted to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:
- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

19. Special Stipulations:

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Timing Limitation Exceptions:

The Carlsbad Field Office will publish an annual map of where the LPC timing and noise stipulations and conditions of approval (Limitations) will apply for the identified year (between March 1 and June 15) based on the latest survey information. The LPC Timing Area map will identify areas which are Habitat Areas (HA), Isolated Population Area (IPA), and Primary Population Area (PPA). The LPC Timing Area map will also have an

area in red crosshatch. The red crosshatch area is the only area where an operator is required to submit a request for exception to the LPC Limitations. If an operator is operating outside the red crosshatch area, the LPC Limitations do not apply for that year and an exception to LPC Limitations is not required.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

- 1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
- 3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
- 4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.
- 5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006"

Page 16 of 20

Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

- 6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
- 7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.
- 8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.
- 9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.
- 10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.
- 11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

Timing Limitation Exceptions:

The Carlsbad Field Office will publish an annual map of where the LPC timing and noise stipulations and conditions of approval (Limitations) will apply for the identified year (between March 1 and June 15) based on the latest survey information. The LPC Timing Area map will identify areas which are Habitat Areas (HA), Isolated Population Area (IPA), and Primary Population Area (PPA). The LPC Timing Area map will also have an area in red crosshatch. The red crosshatch area is the only area where an operator is required to submit a request for exception to the LPC Limitations. If an operator is operating outside the red crosshatch area, the LPC Limitations do not apply for that year and an exception to LPC Limitations is not required.

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and

Page 18 of 20

loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

Page 19 of 20

Seed Mixture for LPC Sand/Shinnery Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. Seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

<u>Species</u>	<u>lb/acre</u>
Plains Bristlegrass Sand Bluestem Little Bluestem Big Bluestem Plains Coreopsis	5lbs/A 5lbs/A 3lbs/A 6lbs/A 2lbs/A 1lbs/A
Sand Dropseed	HD5/A

^{*}Pounds of pure live seed:

Pounds of seed **x** percent purity **x** percent germination = pounds pure live seed

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Devon Energy Production Company LP NMNM094118 LEASE NO.: Section 15, T.26 S., R.34 E., NMPM LOCATION: **COUNTY:** Lea County, New Mexico WELL NAME & NO.: Railsplitter 15-22 Fed Com 2H 2290'/S & 432'/W **SURFACE HOLE FOOTAGE: BOTTOM HOLE FOOTAGE** 20'/S & 1010'/W WELL NAME & NO.: Railsplitter 15-22 Fed Com 4H 2120'/S & 1421'/W **SURFACE HOLE FOOTAGE: BOTTOM HOLE FOOTAGE** 20'/S & 2320'/W WELL NAME & NO.: Railsplitter 15-22 Fed Com 7H **SURFACE HOLE FOOTAGE:** 2390'/S & 1709'/E **BOTTOM HOLE FOOTAGE** 20'/S & 2300'/E WELL NAME & NO.: Railsplitter 15-22 Fed Com 8H **SURFACE HOLE FOOTAGE:** 2390'/S & 405'/E **BOTTOM HOLE FOOTAGE** 20'/S & 360'/E WELL NAME & NO.: Railsplitter 15-22 Fed Com 11H **SURFACE HOLE FOOTAGE:** 2390'/S & 1649'/E **BOTTOM HOLE FOOTAGE** 20'/S & 1200'/E COA **©** No H2S T Yes None Potash Secretary **R**-111-P Cave/Karst Potential **□** Low ☐ Medium High Critical Cave/Karst Potential ☐ None **□** Flex Hose C Other Variance Wellhead Conventional Multibowl ☐ Both Other ☐ 4 String Area ☐ Capitan Reef □ WIPP ▼ Fluid Filled **☑** Cement Squeeze ☐ Pilot Hole Other Special Requirements ☐ Water Disposal ✓ COM Unit

Page 1 of 9

Approval Date: 05/27/2020

OPERATOR IS ONLY APPROVED FOR THE FOLLOWING DESIGN, OTHER DESIGNS SUBMITTED WILL BE VOID.

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

Alternate Casing Design:

- 1. The 13-3/8 inch surface casing shall be set at approximately 840 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 8-5/8 inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.

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.

- 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.

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 10,000 (10M) psi. Variance is approved to use a 5000 (5M) Annular which shall be tested to 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.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.

Page 3 of 9

numbers. <u>Whe</u> on the sign.	n the Communiti	zation Agreeme	ce and bottom h nt number is kn	own, it shall als	so be

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)
 - ☑ Eddy CountyCall the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
 - 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 2nd 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



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

Hydrogen Sulfide (H₂S) Contingency Plan

For

Railsplitter 15-22 Fed Com 11H

Sec-15 T-26S R-34E 2390 FSL & 1649' FEL LAT. = 32.042752' N (NAD83) LONG = 103.454574' W

Lea County NM

Railsplitter 15-22 Fed Com 11H This is an open drilling site. H₂S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H₂S, including warning signs, wind indicators and H₂S monitor. **Location Road** Railsplitter 15-22 Fed Com 11H

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'

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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 H₂S, and
 - Measures for protection against the gas,
 - o 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

Characteristics of H₂S and SO₂

Common	Chemical	Specific	Threshold	Hazardous Limit	Lethal
Name	Formula	Gravity	Limit	Hazardous Limit	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

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 and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan.

II. HYDROGEN SULFIDE TRAINING

Note: All H_2S 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_2S .

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 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 H₂S circulated to surface. Proper mud weight, safe drilling practices and the use of H₂S scavengers will minimize hazards when penetrating H₂S 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.

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	393-398
<u>(575)</u>	State Police	392-5588
	City Police	397-926
	Sheriff's Office	393-251
	Ambulance	91 ⁻
	Fire Department	397-930
	LEPC (Local Emergency Planning Committee)	393-287
	NMOCD	393-616
	US Bureau of Land Management	393-3612
Eddy	Carlsbad	
County	State Police	885-313
<u>(575)</u>	City Police	885-211
	Sheriff's Office	887-755
	Ambulance	91
	Fire Department	885-312
	LEPC (Local Emergency Planning Committee)	887-379
	US Bureau of Land Management	887-654
	NM Emergency Response Commission (Santa Fe)	(505) 476-960
	24 HR	(505) 827-912
	National Emergency Response Center	(800) 424-880
	National Pollution Control Center: Direct	(703) 872-600
	For Oil Spills	(800) 280-711
	Emergency Services	
	Wild Well Control	(281) 784-470
	Cudd Pressure Control (915) 699- 0139	(915) 563-335
	Halliburton	(575) 746-275
	B. J. Services	(575) 746-356
Give	Native Air – Emergency Helicopter – Hobbs (NM and TX)	(800)642-782
GPS position:	Flight For Life - Lubbock, TX	(806) 743-991
	Aerocare - Lubbock, TX	(806) 747-892
	Med Flight Air Amb - Albuquerque, NM	(575) 842-443
	Lifeguard Air Med Svc. Albuquerque, NM	(800) 222-122
	Poison Control (24/7)	(575) 272-311
	Oil & Gas Pipeline 24 Hour Service	(800) 364-436

Prepared in conjunction with Dave Small

