Form 3160-3 (March 2012) UNITED STATES DEPARTMENT OF THE I BUREAU OF LAND MAN APPLICATION FOR PERMIT TO	AGEMENT	0 2015 EVED	FORM	APPROVED No. 1004-0137 Detober 31, 201	14
Ia. Type of work: ✓ DRILL ■ REENTE Ib. Type of Well: ✓ Oil Well ■ Gas Well ● Other		tiple Zone	 If Unit or CA Age Lease Name and SALADO DRAW 6 	Well No.	/11
 Name of Operator Devon Energy Production Company, L. 3a. Address 333 W. Sheridan Ave. 	P. CI37		9. API Well No. 30-025- 10. Field and Pool, or	429 Exploratory	19
Oklahoma City, OK 73102 4. Location of Well (Report location clearly and in accordance with any At surface 200 FSL & 1980 FWL (Unit N) At proposed prod. zone 330 FNL & 1980 FWL (Unit C)	405-552-7848 y State requirements.*) PP: 200 FSL & 19	80 FWL	C-025 G-0 11. Sec., T. R. M. or F 6-26S-34E	9 526 31k. and Surve	7406D ey or Area
14. Distance in miles and direction from nearest town or post office* Approximately 19 miles SW of Jal, NM			12. County or Parish Lea County		 State NM
 Distance from proposed* 200' location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 	16. No. of acres in lease 160 acres	160 acr		well	
 Distance from proposed location* See attached map to nearest well, drilling, completed, applied for, on this lease, ft. 	19. Proposed Depth 15, 6 TVD: 12,456" MD: 1 6,960	Y	BIA Bond No. on file 4 & NMB-000801		
 Elevations (Show whether DF, KDB, RT, GL, etc.) 3,276' GL 	22. Approximate date work will 05/01/2015	itart*	23. Estimated duration 40 days	m	
N	24. Attachments				
 The following, completed in accordance with the requirements of Onshor Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System I SUPO must be filed with the appropriate Forest Service Office). Signature Signature 	4. Bond to cove Item 20 above Lands, the 5. Operator cert	r the operatio). fication	is form: ins unless covered by an ormation and/or plans a	s may be req	
Regulatory Specialist Approved by (Signature) ICI CTEDHEN I CAEEEV	Name (Printed/Typed)			TUCT 2	2 0 2015
FOR FIELD MANAGER	Office BLM-CAI	LSBA	D FIELD OF	FICE	
application approval does not warrant or certify that the applicant holds onduct operations thereon. Conditions of approval, if any, are attached.			FOR TWO YE		plicant to
itle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cr tates any false, fictitious or fraudulent statements or representations as to	ime for any person knowingly an o any matter within its jurisdiction	l willfully to r	nake to any department	or agency of	the United
(Continued on page 2) APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED			*(Inst CHED FO) ONS OF AP	R	VAL

1

HOBBS OCD

1. Geologic Formations

				OCT 3 0 2015
TVD of target	11,113'	Pilot hole depth	N/A	
MD at TD:	15,616'	Deepest expected fresh water:		
				RECEIVED

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	835	Water	
Salado	1,185	Water	
Base of Salt	4,990	Water	
Delaware	5,230	Oil	
Bell Canyon	5,270	Oil	
Cherry Canyon	6,330	Oil	
Brushy Canyon	7,890	Oil	
Lower Brushy	9,295	Oil	
1 st Bone Spring	9,495	Oil	
2 nd Bone Spring Lime	10,825	Oil	
2 nd Bone Spring SS	10,965	Oil	

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

2. Casing Program

Hole	Casing Interval		Interval Csg.		Weight Grade	Conn	SF	SF	SF
Size	From	То	Size	(lbs)			Collapse	Burst	Tension
17.5"	0	860'	13.375"	54.5	J-55	BTC	2.94	7.10	19.39
12.25"	0	4,300'	9.625"	40	J-55	BTC	1.15	3.43	4.69
12.25"	4,300'	5,200'	9.625	40	HCK-55	BTC	1.57	4.63	6.07
8.75"	0	15,616'	5.5"	17	P-110	BTC	1.44	1.79	2.68
				BLM Mini	imum Safet	y Factor	1.125	1.00	1.6 Dry 1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 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?	
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?	275

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	H ₂ 0 gal/sk	Yld ft3/ sack	500# Comp. Strength (hours)	Slurry Description		
13-3/8" Surface	920	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake		
9-5/8" Inter.	1150	12.9	9.81	1.85	17	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 Ibs/sack Poly-E-Flake		
	430	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake		
	690	11	14.81	2.55	14	Lead: Tuned Light [®] Cement + 0.125 lb/sk Pol-E-Flake		
5-1/2" Prod	1350	14.5	5.31	1.2	25	Tail: (50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite		
	660	11	14.81	2.55	22	1 st Stage Lead: Tuned Light [®] Cement + 0.125 lb/sk Pol- E-Flake		
5-1/2" Prod	1350	14.5	5.31	1.2	25	1 st Stage Tail: (50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite		
Two	DV Tool = 5250ft							
Stage	20	11	14.81	2.55	22	2 nd Stage Lead: Tuned Light [®] Cement + 0.125 lb/sk Pol-E-Flake		
	30	14.8	6.32	1.33	6	2 nd Stage Tail: Class C Cement + 0.125 lbs/sack Poly-E- Flake		

DV tool depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Casing String	тос	% Excess
13-3/8" Surface	0'	100%
9-5/8" Intermediate	0'	75%
5-1/2" Production Casing	5000'	25%
5-1/2" Production Casing Two Stage Option	1 St Stage = 5250' / 2 nd Stage = 5000'	25%

4. Pressure Control Equipment

1

N	A variance is requested for the use of a diverter on the surface casing. schematic.	See attached for
IN	schematic.	

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Т	уре	*	Tested to:	
		-		nular	X	50% of working pressure	
		5 ¢M	Blin	d Ram		F	
12-1/4"	13-5/8"	3M	Pipe Ram			5 \$M	
			Doub	le Ram	x	pivi	
			Other*				
		5	An	nular	X	50% testing pressure	
			5	5 8" [⋨] M	Blind Ram		
9 2/1"	12 5/0"	13-5/8"			Pipe Ram		
0-3/4	13-5/8	PIVI	Doub	le Ram	X	BM	
8-3/4" Operator 10/15/15 CLM			Other *				
1-1-1			An	nular			
			Blin	d Ram			
			Pipe Ram Double Ram				
			Other *				

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

Y	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or 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. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
~ ~ ~	

Y A variance is requested for the use of a flexible choke line from the BOP to Choke

	Manifold. See attached for specs and hydrostatic test chart.
	Y Are anchors required by manufacturer?
Y	A multibowl wellhead may be being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.
o Asi	 Devon may use a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 3000 (2M) psi. Wellhead will be installed by wellhead representatives. If the welding is performed by a third party, the wellhead representative will monitor the temperature to verify that it does not exceed the maximum temperature of the
	seal.
	• Wellhead representative will install the test plug for the initial BOP test.
Asi	• The wellhead company will install a solid steel body pack-off to completely isolate the lower head after cementing intermediate casing. After installation of the pack- off, the pack-off and the lower flange will be tested to pM, as shown on the attached schematic. Everything above the pack-off will not have been altered whatsoever
	from the initial NU. Therefore the BOP components will not be retested at that time
	• If the cement does not circulate and one inch operations would have been possible
	with a standard wellhead, the well head will be cut and top out operations will be
	conducted.
	 Devon will pressure test all seals above and below the mandrel (but still above the casing) to full working pressure rating.
	 Devon will test the casing to 0.22 psi/ft or 1500 psi, whichever is greater, as per Onshore Order #2.
	After running the 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of AM will be installed on the Uni-head wellhead system and will undergo a 250 psi low pressure test followed by a 3,000 psi high pressure test. The 3,000 psi high and 250 psi low test will cover testing requirements a maximum of 30 days, as per Onshore Order #2. If the well is not complete within 30 days of this BOP test, another full BOP test will be conducted, as per Onshore Order #2.
	After running the 9-5/8' intermediate casing with a mandrel hanger, the 13-5/8" BOP/BOPE system with a minimum rating of 3M will already be installed on the wellhead
	The pipe rams will be operated and checked each 24 hour period and each time the drill pip is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3"
	choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at $\frac{3}{2}$,000 psi WP.
	5
	Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line). The line will be kept as straight as possible with minimal

See attached schematic.

5. Mud Program

Depth		Туре	Weight (ppg)	Viscosity	Water Loss	
From	And the second					
0	860'	FW Gel	8.6-8.8	28-34	N/C	
860'	5,200'	Saturated Brine	10.0-10.2	28-34	N/C	
5,200'	15,616'	Cut Brine	8.5-9.3	28-34	N/C	

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

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

6. Logging and Testing Procedures

Log	ging, Coring and Testing.
х	Will run GR/CNL fromTD to surface (horizontal well - vertical portion of hole). Stated
	logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
1.10	Coring? If yes, explain

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

7. Drilling Conditions

Condition

Specify what type and where?

BH Pressure at deepest TVD	5330 1 psi	
Abnormal Temperature	No	

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

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

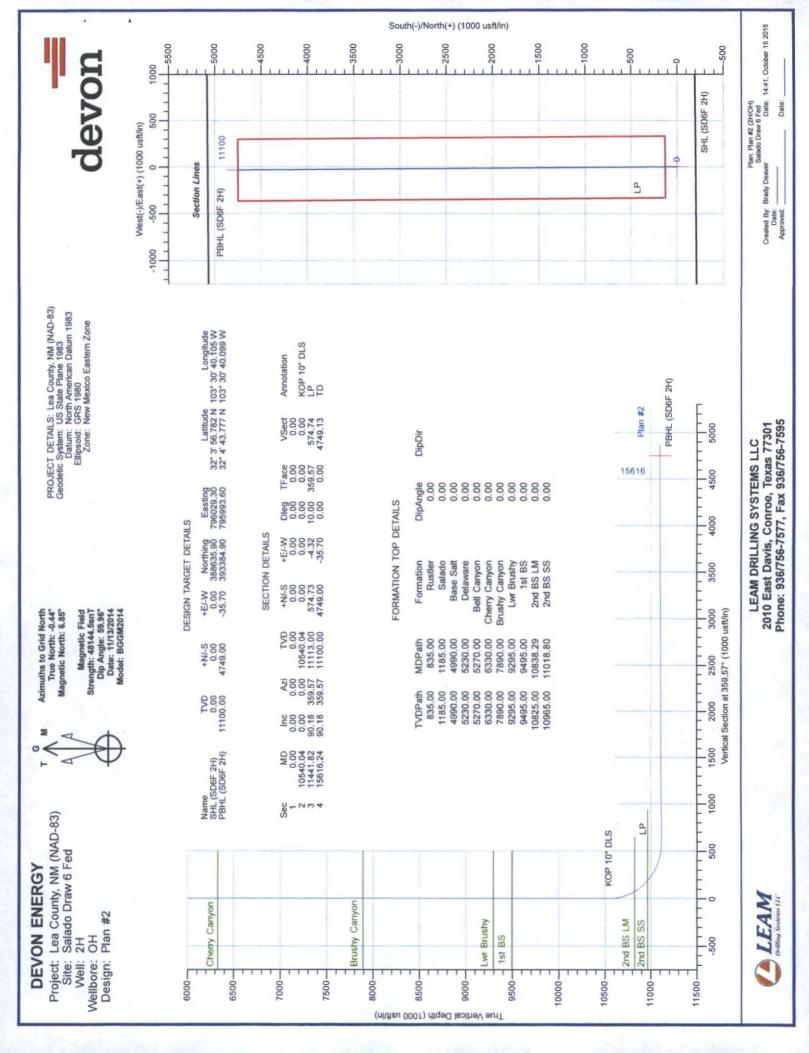
N H2S is present

Y H2S Plan attached

8. Other facets of operation

Is this a walking operation? No. Will be pre-setting casing? No.

Attachments <u>x</u> Directional Plan Other, describe





DEVON ENERGY

Lea County, NM (NAD-83) Salado Draw 6 Fed 2H

OH

Plan: Plan #2

Standard Planning Report

15 October, 2015





.

LEAM Drilling Systems LLC

Planning Report



Plan Sections Measured Depth Ir (usft)	nclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Rate (°/100usft)	Rate (°/100usft)	Rate (*/100usft)	TFO (*)	Target
and the second se			1010			Dogleg	Build	Turn		
	AND COMPANY	1917.2019-00. 1918	0.00		0.00		5.00	35	10.01	
			(usft) 0.00		(usft) 0.00		usft)).00		(°) 9.57	
Vertical Section:		D	epth From (T)	/D)	+N/-S	+	E/-W	Dire	ection	
Version:			Phas	e: P	PLAN	ті	e On Depth:		0.00	
Design Audit Notes:	Plan #2	STATES AN AREA	and a second second second	A. 1			ar an is not interest		en original taken dati	
Doslan	Plan #2								CTOT TOWNER	
Magnetics	Mo	del Name BGGM2014	Sampl	e Date	Declina (°)		The second s	Angle (°) 59.96	Field St (n1	the second s
Wellbore	ОН							Cardinal States and Cards		
Position Uncertai	nty	0.0	00 usft W	ellhead Elevat	ion:	3,301.00	0 usft Gr	ound Level:		3,276.00 us
Well Position	+N/-S +E/-W	8.9 1,105.2		orthing: sting:		388,635.90 796,029.30		titude: ngitude:		32° 3' 56.782 103° 30' 40.105 \
Well	2H, 3rd	PROPERTY OF A DESCRIPTION OF	and a second second		a succession of a state of a					Company and the second
Position Uncertai	nty:	0.0) usft Slot R	adius:		13-3/16 "	Grid Conver	gence:		0.43
Site Position: From:	Мар		North	g:		,627.36 usft ,924.04 usft	Latitude: Longitude:			32° 3' 56.781 103° 30' 52.949 \
Site	Salado	Draw 6 Fed								
Map Zone:	New Mex	kico Eastern Zo	ne							
Map System: Geo Datum:		Plane 1983 herican Datum	1983		System Da	tum:	М	ean Sea Level		
Project	Lea Co	unty, NM (NAE	-83)							
Design:	Plan #	2								
Vell: Vellbore:	2H OH				Survey Ca	alculation Met	thod:	Minimum Curvat	lure	
lite:	BENG CONTRACT	Draw 6 Fed			North Ref			Well Elev) Grid		
Project:	Lea County, NM (NAD-83)		D-83)		MD Reference:			Well Elev) 3276' GL + 25' RKB @ 3301.00usft (O		
	DEVO				TVD Refe	rence:		3276' GL + 25' R	(KB @ 3301.00)	usft (Original

LEAM Drilling Systems LLC

Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well 2H
Company:	DEVON ENERGY	TVD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original Well Elev)
Project:	Lea County, NM (NAD-83)	MD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original Well Elev)
Site:	Salado Draw 6 Fed	North Reference:	Grid
Well:	2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #2		

Planned Survey

.

devon

De	sured pth sft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (*/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
	0.00	0.00	0.00	0.00	0.00	0.00	0.00		Colore and the second	A REAL PROPERTY IN COMPANY
CHI	(SD6F 2		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
	200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
	300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
	400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
	500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
	600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
	700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
	800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
	835.00	0.00	0.00	835.00	0.00	0.00	0.00	0.00	0.00	0.00
Rus	tler									
	900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,	00.000	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,	100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,	185.00	0.00	0.00	1,185.00	0.00	0.00	0.00	0.00	0.00	0.00
Sala	obe									
1,	200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1.	300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
	400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
	500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
	600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
	700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1	800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
	900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
	000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
	100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
	200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
	300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
	400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
	500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
	600.00 700.00	0.00	0.00	2,600.00 2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00			0.00
	800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
	900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
	000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
	100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,	200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,	300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,	400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,	500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
	600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,	700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3.	800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
	900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
	00.000	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
	100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00
	200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4	300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
	400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
	500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
	600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,1		0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00

COMPASS 5000.1 Build 74



.

÷

LEAM Drilling Systems LLC

Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well 2H
Company:	DEVON ENERGY	TVD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original
			Well Elev)
Project:	Lea County, NM (NAD-83)	MD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original
			Well Elev)
Site:	Salado Draw 6 Fed	North Reference:	Grid
Well:	2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #2		

Planned Survey

Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(*/100usft)	(°/100usft)
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,990.00	0.00	0.00	4,990.00	0.00	0.00	0.00	0.00	0.00	0.00
Base Salt	0.000								
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00				
	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,230.00	0.00	0.00	5,230.00	0.00	0.00	0.00	0.00	0.00	0.00
Delaware									
5,270.00	0.00	0.00	5,270.00	0.00	0.00	0.00	0.00	0.00	0.0
Bell Canyon					Sense	-0.0			
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00
						0.00			0.00
5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00
5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00
5,700.00	0.00	0.00	5,700.00	0.00	0.00	0.00	0.00	0.00	0.00
5,800.00	0.00	0.00	5,800.00	0.00	0.00	0.00	0.00	0.00	0.00
5,900.00	0.00	0.00	5,900.00	0.00	0.00	0.00	0.00	0.00	0.00
6,000.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00	0.0
6,100.00	0.00	0.00	6,100.00	0.00	0.00	0.00	0.00	0.00	0.00
6,200.00	0.00	0.00	6,200.00	0.00	0.00	0.00	0.00	0.00	0.00
6,300.00	0.00	0.00	6,300.00	0.00	0.00	0.00	0.00	0.00	0.0
6,330.00	0.00	0.00	6,330.00	0.00	0.00	0.00	0.00	0.00	0.0
Cherry Canyo		0.00	0,000.00	0.00	0.00	0.00	0.00	0.00	0.00
6,400.00	0.00	0.00	6,400.00	0.00	0.00	0.00	0.00	0.00	0.00
6,500.00	0.00	0.00	6,500.00	0.00	0.00	0.00	0.00	0.00	0.00
6,600.00	0.00	0.00	6,600.00	0.00	0.00	0.00	0.00	0.00	0.00
6,700.00	0.00	0.00	6,700.00	0.00	0.00	0.00	0.00	0.00	0.00
6,800.00	0.00	0.00	6,800.00	0.00	0.00	0.00	0.00	0.00	0.00
6,900.00	0.00	0.00	6,900.00	0.00	0.00	0.00	0.00	0.00	0.00
7,000.00	0.00	0.00	7,000.00	0.00	0.00	0.00	0.00	0.00	0.00
7,100.00	0.00	0.00	7,100.00	0.00	0.00	0.00	0.00	0.00	0.00
7,200.00	0.00	0.00	7,200.00	0.00	0.00	0.00	0.00	0.00	0.00
7,300.00	0.00	0.00	7,300.00	0.00	0.00	0.00	0.00	0.00	0.00
7,400.00	0.00	0.00	7,400.00	0.00	0.00	0.00	0.00	0.00	0.00
7,500.00	0.00	0.00	7,500.00	0.00	0.00	0.00	0.00	0.00	0.00
7,600.00	0.00	0.00	7,600.00	0.00	0.00	0.00	0.00	0.00	0.00
7,700.00	0.00	0.00	7,700.00	0.00	0.00	0.00	0.00	0.00	0.00
7,800.00	0.00	0.00	7,800.00	0.00	0.00	0.00	0.00	0.00	0.00
7,890.00	0.00	0.00	7,890.00	0.00	0.00	0.00	0.00	0.00	0.00
Brushy Canyo									
7,900.00	0.00	0.00	7,900.00	0.00	0.00	0.00	0.00	0.00	0.00
8,000.00	0.00	0.00	8,000.00	0.00	0.00	0.00	0.00	0.00	0.00
8,100.00	0.00	0.00	8,100.00	0.00	0.00	0.00	0.00	0.00	0.00
8,200.00	0.00	0.00	8,200.00	0.00	0.00	0.00	0.00	0.00	0.00
8,300.00	0.00	0.00	8,300.00	0.00	0.00	0.00	0.00	0.00	0.00
8,400.00	0.00	0.00	8,400.00	0.00	0.00	0.00	0.00	0.00	0.0
8,500.00	0.00	0.00	8,500.00	0.00	0.00	0.00	0.00	0.00	0.00
8,600.00	0.00	0.00	8,600.00	0.00	0.00	0.00	0.00	0.00	0.00
8,700.00	0.00	0.00	8,700.00	0.00	0.00	0.00	0.00	0.00	0.00

COMPASS 5000.1 Build 74

LEAM Drilling Systems LLC



.

.

Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well 2H
Company:	DEVON ENERGY	TVD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original Well Elev)
Project:	Lea County, NM (NAD-83)	MD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original Well Elev)
Site:	Salado Draw 6 Fed	North Reference:	Grid
Vell:	2H	Survey Calculation Method:	Minimum Curvature
Nellbore:	OH		
Design:	Plan #2		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (*/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
8.800.00	0.00	0.00	8,800.00	0.00	0.00	0.00	0.00	0.00	0.00
8,900.00	0.00	0.00	8,900.00	0.00	0.00	0.00	0.00	0.00	0.00
9,000.00	0.00	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00
9,100.00	0.00	0.00	9,100.00	0.00	0.00	0.00	0.00	0.00	0.00
9,200.00	0.00	0.00	9,200.00	0.00	0.00	0.00	0.00	0.00	0.00
9,295.00	0.00	0.00	9,295.00	0.00	0.00	0.00	0.00	0.00	0.00
Lwr Brushy									
9,300.00	0.00	0.00	9,300.00	0.00	0.00	0.00	0.00	0.00	0.00
9,400.00	0.00	0.00	9,400.00	0.00	0.00	0.00	0.00	0.00	0.00
9,495.00	0.00	0.00	9,495.00	0.00	0.00	0.00	0.00	0.00	0.00
1st BS									
9,500.00	0.00	0.00	9,500.00	0.00	0.00	0.00	0.00	0.00	0.00
9,600,00	0.00	0.00	9,600.00	0.00	0.00	0.00	0.00	0.00	0.00
9,700.00	0.00	0.00	9,700.00	0.00	0.00	0.00	0.00	0.00	0.00
9,800.00	0.00	0.00	9,800.00	0.00	0.00	0.00	0.00	0.00	0.00
9,900.00	0.00	0.00	9,900.00	0.00	0.00	0.00	0.00	0.00	0.00
10,000.00	0.00	0.00	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00
10,100.00	0.00	0.00	10,100.00	0.00	0.00	0.00	0.00	0.00	0.00
10,200.00	0.00	0.00	10,200.00	0.00	0.00	0.00	0.00	0.00	0.00
10,300.00	0.00	0.00	10,300.00	0.00	0.00	0.00	0.00	0.00	0.00
10,400.00	0.00	0.00	10,400.00	0.00	0.00	0.00	0.00	0.00	0.00
10,500.00	0.00	0.00	10,500.00	0.00	0.00	0.00	0.00	0.00	0.00
10,540.04	0.00	0.00	10,540.04	0.00	0.00	0.00	0.00	0.00	0.00
KOP 10° DLS									
10,550.00	1.00	359.57	10,550.00	0.09	0.00	0.09	10.00	10.00	0.00
10.600.00	6.00	359.57	10,599.89	3.13	-0.02	3.13	10.00	10.00	0.00
10,650.00	11.00	359.57	10,649.33	10.52	-0.08	10.52	10.00	10.00	0.00
10,700.00	16.00	359.57	10,697.93	22.18	-0.17	22.18	10.00	10.00	0.00
10,750.00	21.00	359.57	10,745.33	38.04	-0.29	38.04	10.00	10.00	0.00
10,800.00	26.00	359.57	10,791.17	57.97	-0.44	57.97	10.00	10.00	0.00
10,838.29	29.82	359.57	10,825.00	75.89	-0.57	75.89	10.00	10.00	0.00
2nd BS LM									
10,850.00	31.00	359.57	10,835.10	81.81	-0.62	81.82	10.00	10.00	0.00
10,900.00	36.00	359.57	10,876.78	109.40	-0.82	109.40	10.00	10.00	0.00
10,950.00	41.00	359.57	10,915.90	140.51	-1.06	140.51	10.00	10.00	0.00
11,000.00	46.00	359.57	10,952.16	174.91	-1.31	174.92	10.00	10.00	0.00
11,018.80	47.88	359.57	10,965.00	188.65	-1.42	188.65	10.00	10.00	0.00
2nd BS SS									
11,050.00	51.00	359.57	10,985.29	212.35	-1.60	212.35	10.00	10.00	0.00
11,100.00	56.00	359.57	11,015.02	252.52	-1.90	252.53	10.00	10.00	0.00
11,150.00	61.00	359.57	11,041.14	295.14	-2.22	295.15	10.00	10.00	0.00
11,200.00	66.00	359.57	11,063.45	339.87	-2.55	339.88	10.00	10.00	0.00
11,250.00	71.00	359.57	11,081.77	386.37	-2.90	386.38	10.00	10.00	0.00
11,300.00	76.00	359.57	11,095.97	434.30	-3.26	434.31	10.00	10.00	0.00
11,350.00	81.00	359.57	11,105.94	483.27	-3.63	483.29	10.00	10.00	0.00
11,400.00	86.00	359.57	11,111.60	532.94	-4.01	532.95	10.00	10.00	0.00
11,441.82	90.18	359.57	11,113.00	574.72	-4.32	574.74	10.00	10.00	0.00
LP									
11,500.00	90.18	359.57	11,112.81	632.90	-4.76	632.92	0.00	0.00	0.00
11,600.00	90.18	359.57	11,112.50	732.90	-5.51	732.92	0.00	0.00	0.00
11,700.00	90.18	359.57	11,112.19	832.89	-6.26	832.92	0.00	0.00	0.00

COMPASS 5000.1 Build 74

LEAM Drilling Systems LLC Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well 2H
Company:	DEVON ENERGY	TVD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original
	Las County MILAND 000		Well Elev)
Project:	Lea County, NM (NAD-83)	MD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original
			Well Elev)
Site:	Salado Draw 6 Fed	North Reference:	Grid
Well:	2H	Survey Calculation Method:	Minimum Curvature
Weilbore:	OH .		
Design:	Plan #2		

Planned Survey

devon

.

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
11,800.00	90.18	359.57	11,111.88	932.89	-7.01	932.92	0.00	0.00	0.00
11,900.00	90.18	359.57	11,111.57	1,032.89	-7.76	1,032.92	0.00	0.00	0.00
12,000.00	90.18	359.57	11,111.26	1,132.88	-8,52	1,132.92	0.00	0.00	0.00
12,100.00	90.18	359.57	11,110.95	1,232.88	-9.27	1,232.91	0.00	0.00	0.00
12,200.00	90.18	359.57	11,110.64	1,332.88	-10.02	1,332.91	0.00	0.00	0.00
12,300.00	90.18	359.57	11,110.32	1,432.87	-10.77	1,432.91	0.00	0.00	0.00
12,400.00	90.18	359.57	11,110.01	1,532.87	-11.52	1,532.91	0.00	0.00	0.00
12,500.00	90.18	359.57	11,109.70	1,632.87	-12.27	1,632.91	0.00	0.00	0.00
12,600.00	90.18	359.57	11,109.39	1,732.86	-13.03	1,732.91	0.00	0.00	0.00
12,700.00	90.18	359.57	11,109.08	1,832.86	-13.78	1,832.91	0.00	0.00	0.00
12,800.00	90.18	359.57	11,108.77	1,932.86	-14.53	1,932.91	0.00	0.00	0.00
12,900.00	90.18	359.57	11,108.46	2,032.85	-15.28	2,032.91	0.00	0.00	0.00
13,000.00	90.18	359,57	11,108.14	2,132.85	-16.03	2,132.91	0.00	0.00	0.00
13,100.00	90.18	359.57	11,107.83	2,232.85	-16.79	2,232.91	0.00	0.00	0.00
13,200.00	90.18	359.57	11,107.52	2,332.84	-17.54	2,332.91	0.00	0.00	0.00
13,300.00	90.18	359.57	11,107.21	2,432.84	-18.29	2,432.91	0.00	0.00	0.00
13,400.00	90.18	359.57	11,106.90	2,532.84	-19.04	2,532.91	0.00	0.00	0.00
13,500.00	90.18	359.57	11,106.59	2,632.83	-19.79	2,632.91	0.00	0.00	0.00
13,600.00	90.18	359.57	11,106.28	2,732.83	-20.54	2,732.91	0.00	0.00	0.00
13,700.00	90.18	359.57	11,105.97	2,832.83	-21.30	2,832.91	0.00	0.00	0.00
13,800.00	90.18	359.57	11,105.65	2,932.82	-22.05	2,932.91	0.00	0.00	0.00
13,900.00	90.18	359.57	11,105.34	3,032.82	-22.80	3,032.91	0.00	0.00	0.00
14,000.00	90.18	359.57	11,105.03	3,132.82	-23.55	3,132.91	0.00	0.00	· 0.00
14,100.00	90.18	359.57	11,104.72	3,232.81	-24.30	3,232.90	0.00	0.00	0.00
14,200.00	90.18	359.57	11,104.41	3,332.81	-25.05	3,332.90	0.00	0.00	0.00
14,300.00	90.18	359.57	11,104.10	3,432.81	-25.81	3,432.90	0.00	0.00	0.00
14,400.00	90.18	359.57	11,103.79	3,532.80	-26.56	3,532.90	0.00	0.00	0.00
14,500.00	90.18	359.57	11,103.48	3,632.80	-27.31	3,632.90	0.00	0.00	0.00
14,600.00	90.18	359.57	11,103.16	3,732.80	-28.06	3,732.90	0.00	0.00	0.00
14,700.00	90.18	359.57	11,102.85	3,832.79	-28.81	3,832.90	0.00	0.00	0.00
14,800.00	90.18	359.57	11,102.54	3,932.79	-29.56	3,932.90	0.00	0.00	0.00
14,900.00	90.18	359.57	11,102.23	4,032.79	-30.32	4,032.90	0.00	0.00	0.00
15,000.00	90.18	359.57	11,101.92	4,132.78	-31.07	4,132.90	0.00	0.00	0.00
15,100.00	90.18	359.57	11,101.61	4,232.78	-31.82	4,232.90	0.00	0.00	0.00
15,200.00	90.18	359.57	11,101.30	4,332.78	-32.57	4,332.90	0.00	0.00	0.00
15,300.00	90.18	359.57	11,100.98	4,432.77	-33.32	4,432.90	0.00	0.00	0.00
15,400.00	90.18	359.57	11,100.67	4,532.77	-34.07	4,532.90	0.00	0.00	0.00
15,500.00	90.18	359.57	11,100.36	4,632.77	-34.83	4,632.90	0.00	0.00	0.00
15,600.00	90.18	359.57	11,100.05	4,732.76	-35.58	4,732.90	0.00	0.00	0.00
15,616.24	90.18	359.57	11,100.00	4,749.00	-35.70	4,749.13	0.00	0.00	0.00

LEAM Drilling Systems LLC

Planning Report



.

٠



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well 2H
Company:	DEVON ENERGY	TVD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original
			Well Elev)
Project:	Lea County, NM (NAD-83)	MD Reference:	3276' GL + 25' RKB @ 3301.00usft (Original
			Well Elev)
Site:	Salado Draw 6 Fed	North Reference:	Grid
Well:	2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #2		

Design Targets

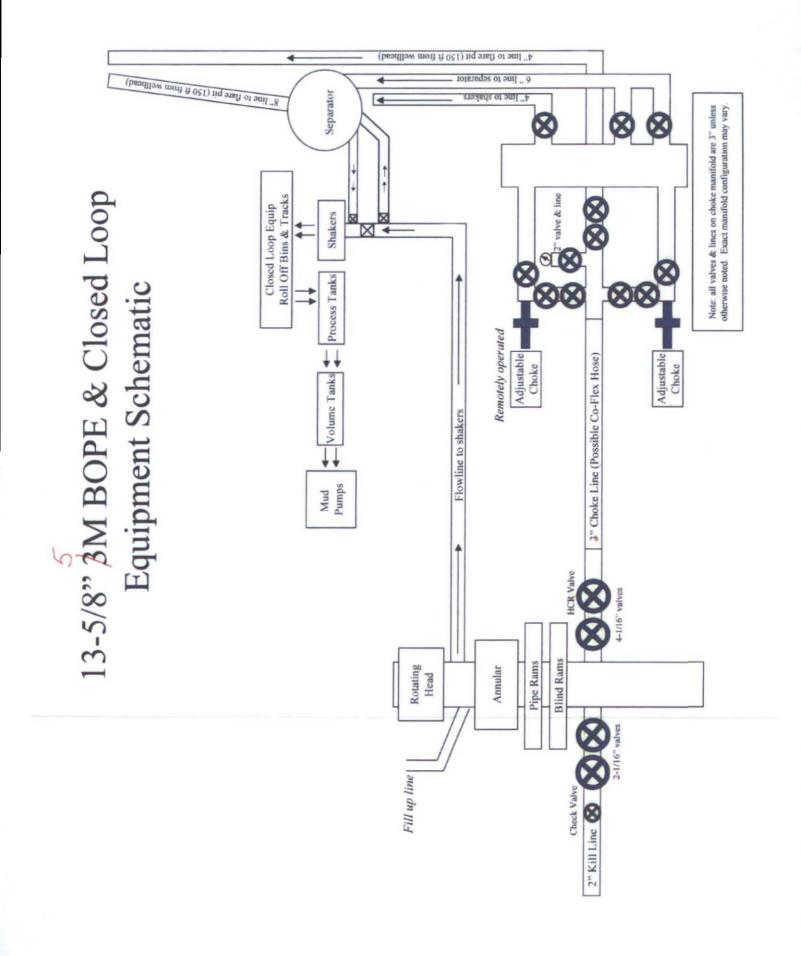
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (*)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SHL (SD6F 2H) - plan hits target cer - Point	0.00 nter	0.00	0.00	0.00	0.00	388,635.90	796,029.30	32° 3' 56.782 N	103° 30' 40.105 W
PBHL (SD6F 2H) - plan hits target cer - Point	0.00	0.00	11,100.00	4,749.00	-35.70	393,384.90	795,993.60	32° 4' 43.777 N	103° 30' 40.099 W

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Dip Dip Direction Lithology (°) (°)
835.00	835.00	Rustler	0.00
1,185.00	1,185.00	Salado	0.00
4,990.00	4,990.00	Base Salt	0.00
5,230.00	5,230.00	Delaware	0.00
5,270.00	5,270.00	Bell Canyon	0.00
6,330.00	6,330.00	Cherry Canyon	0.00
7,890.00	7,890.00	Brushy Canyon	0.00
9,295.00	9,295.00	Lwr Brushy	0.00
9,495.00	9,495.00	1st BS	0.00
10,838.29	10,825.00	2nd BS LM	0.00
11.018.80	10,965.00	2nd BS SS	0.00

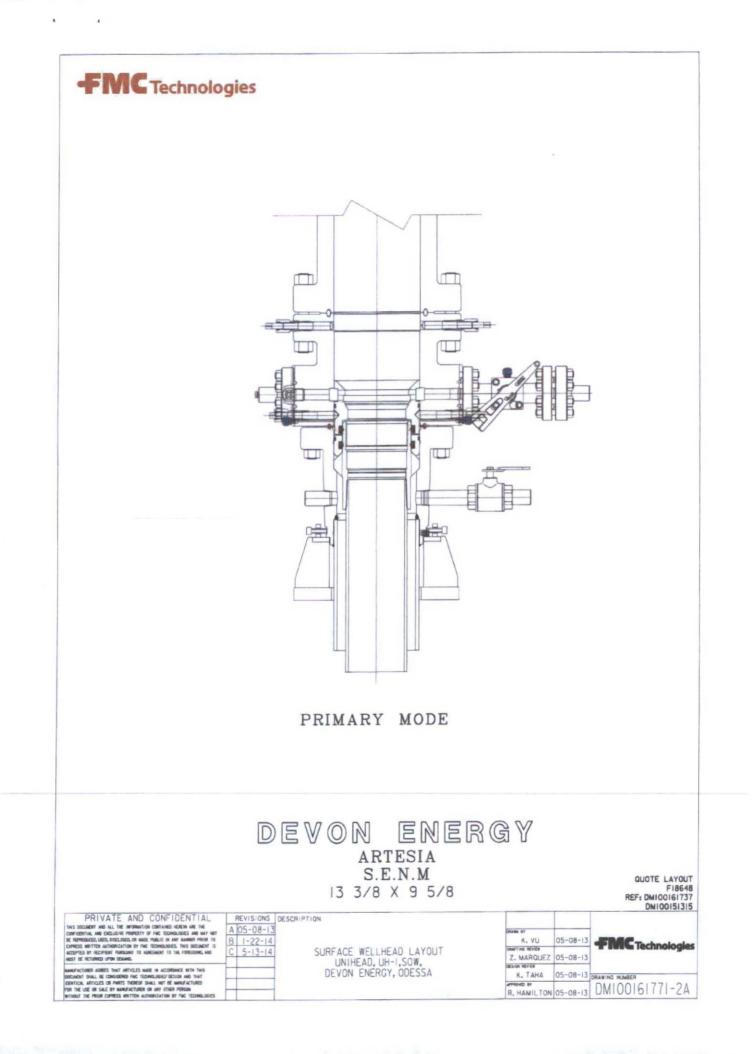
Plan Annotations

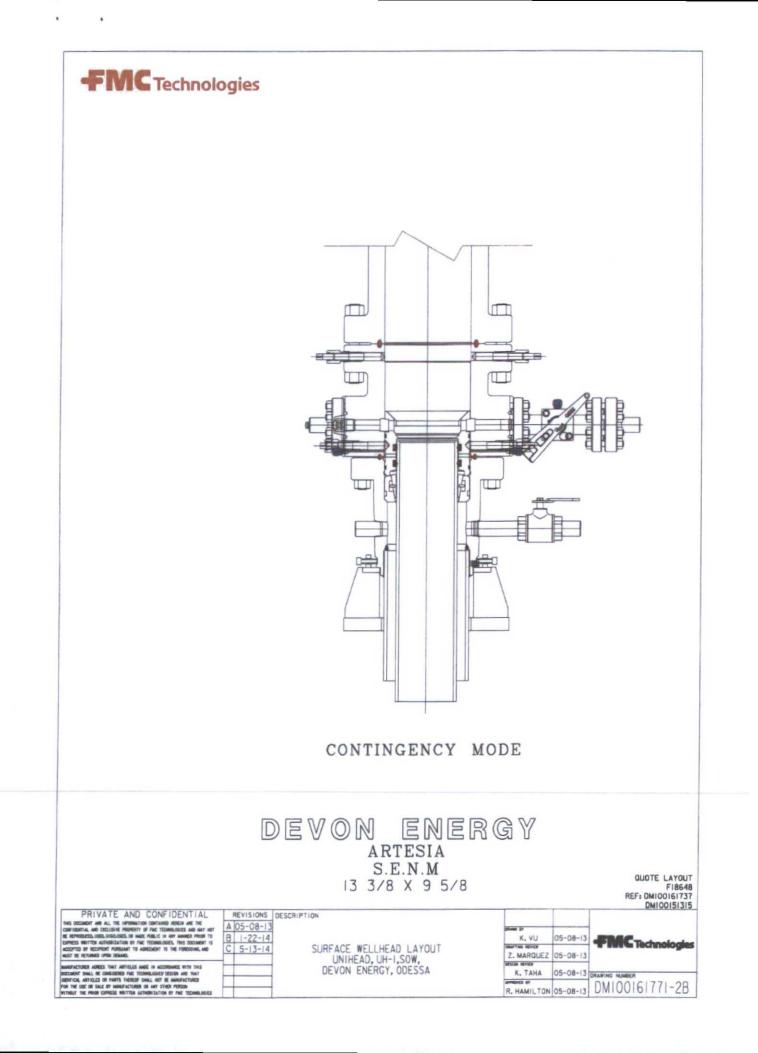
Measured	Vertical	Local Coor	dinates	
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
10,540.04	10,540.04	0.00	0.00	KOP 10° DLS
11,441.82	11,113.00	574.72	-4.32	LP
15,616,24	11,100.00	4,749.00	-35.70	TD



.

4





@mtinental @ contitech

Fluid Technology

ContiTech Beattie Corp. Website: <u>www.contitechbeattie.com</u>

Monday, June 14, 2010

RE: Drilling & Production Hoses Lifting & Safety Equipment

To Heimerich & Payne,

.

A Continental ContiTech hose assembly can perform as intended and suitable for the application regardless of whather the hose is secured or unsecured in its configuration. As a manufacturer of High Pressure Hose Assemblies for use in Drilling & Production, we do offer the corresponding lifting and safety equipment, this has the added benefit of easing the lifting and handling of each hose assembly whilst affording hose longevity by ensuring correct handling methods and procedures as well as securing the hose in the unlikely event of a failure; but in no way does the lifting and safety equipment affect the performance of the hoses providing the hoses have been handled and installed correctly. It is good practice to use lifting & safety equipment but not mandatory.

Should you have any questions or require any additional information/darifications then please do not hesitate to contact us.

ContiTech Beattie is part of the Continental AG Corporation and can offer the full support resources associated with a global organization.

Best regards,

Robin Hodgson Sales Manager ContiTech Beattie Corp

ContiTech Beattle Corp, 11535 Brittmoore Park Drive, Houston, TX 77041 Phone: +1 (832) 327-0141 Fax: +1 (832) 327-0148 www.contitechbeattle.com



R16 212

QUALITY DOCUMENT

.

Ł

1

*

...

4

÷

J.

.

PHOENIX RUBBER

÷

*6728 Szeged, Budapesti út 10. Hungary • H-6701 Szeged, P. O. Box 152 hone: (3662) 556-737 • Fax: (3662) 566-738 SALES & MARKETING: H-1092 Budapest, Ráday u. 42-44. Hungary • H-1440 Budapest, P. O. Box 26 Phone: (361) 458-4200 · Fax: (361) 217-2972, 456-4273 • www.taurusemerge.hs

INSPECTION A	AND TEST	CERTIFICA	AIE			-			-
PURCHASER:	Phoenix Beat	tie Co.			P.O. N°*	1	519FA	-871	
PHOENIX RUBBER order No-	170466	HOSE TYPE:	3"	(D	Cho	oke and	Kill Ho	ose	
HOSE SERIAL Nº	34128	NOMINAL / AC	TUAL LE	NGTH:		11,43	3 m		
W.P. 68,96 MPa 100	000 pst	T.P. 103,4	MPa	15000) psi	Duration	:	60	mi
Pressure test with water atambient temperature		•		*			•		
:	See atta	achment. (1	page)						
			-						
10 mm = 10 Min.									
10 mm = 10 Min. → 10 mm = 25 MPa	s /	COUPLI	NGS		-				<u>с ча</u>
→ 10 mm = 25 MPa,	¢ /	COUPLII Serial Nº	NGS		Quality			Heat N°	<u> 22</u>
\rightarrow 10 mm = 25 MPa Type 3" coupling with	72	Serial Nº	NGS	Al	SI 4130			C7626	<u>د منه</u>
→ 10 mm = 25 MPa,		Serial Nº	NGS	Al					4 1 4 1
\rightarrow 10 mm = 25 MPa Type 3" coupling with		Serial Nº		Al:	SI 4130 SI 4130			C7626	2.52
→ 10 mm = 25 MPa Type 3" coupling with 4 1/16" Flange end		Serial Nº	APIS	All All	SI 4130 SI 4130			C7626	. 2
→ 10 mm = 25 MPa	IOSE HAS BEEN	Serial N° 0 719 MANUFACTURE	API St Tempo	Al: Al: Dec 16 erature	SI 4130 SI 4130 C e rate:"E	3"	MS OF 1	C7626 47357	

CN1 +8-888 PC	14100	
GN1 18.888 PC RD1 18.888 PC BL 1841.987	14100 14100 13100	
7		$\square \square $
- 614 +8.832 PC RD4 +8.838 PC 8- 1017 - 55	40 13:40 60	80 100 400 Industrial Ltd. Hose Inspection an
B6 11017 par	1.15.15	Industrial Ltd.
5		Hose Inspection an
GN1 +0.000 PC RD1 +0.000 PC 86 +1050 PC	13:29 13:20	Gertification Dept
8. 1959 - 627	1-13-29	
5		
GN4 +0-000 PC RD4 +0-000 PC 8L +0-000 PC	13:00	
BL 1956 bar	113,90	
4		
	4	
PHOENIX 84128 12	5	
2		

in the to

theme .

12121

1

31-04

- 18

VERIFIED TRUE CO. PHOENIX RUBBER Q.C. 1

414 2 40

÷

1.000

ş

. :

41



Commitment Runs Deep



Design Plan Operation and Maintenance Plan Closure Plan

SENM - Closed Loop Systems September 2014

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.

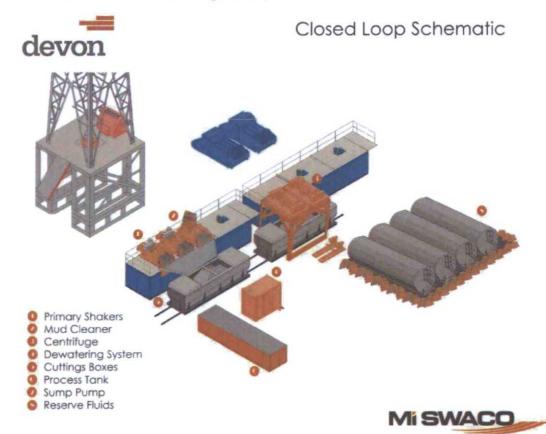
Prior to installing a closed-loop system on site, the topsoil, if present, will be stripped and stockpiled for use as the final cover or fill at the time of closure.

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.