## 1. Geologic Formations

TVD of target	12,846'	Pilot hole depth	N/A
MD at TD:	23,035'	Deepest expected fresh water:	

## Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	726	Barren	
Top of Salt	1091	Barren	
Base of Salt	5041	Barren	
Delaware	5291	Hydrocarbon	
Lower Brushy Canyon	9386	Hydrocarbon	
1st BSPG Lime	9566	Hydrocarbon	
1st BSPG Sand	10496	Hydrocarbon	
2nd BSPG Lime	10716	Hydrocarbon	
2nd BSPG Sand	11066	Hydrocarbon	
3rd BSPG Lime	11531	Hydrocarbon	
3rd BSPG Sand	12131	Hydrocarbon	
Wolfcamp	12576	Hydrocarbon	
Wolfcamp "A"	12781	Hydrocarbon	
Wolfcamp "A" Target Base	12866	Hydrocarbon	
Wolfcamp "B" Shale	13796	Hydrocarbon	

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

## 2. Casing Program

Hole Size	Casing Interval	Csg.	Weight	Grade	Conn	SF	SF Burst	SF	
	From	To	Size	(lbs)			Collapse		Tension
17.5"	0	775'	13.375"	54.5	J-55	BTC	3.74	3.46	2.11
12.25"	0	11,600'	9.625"	40	P-110	BTC	1.25	1.59	2.58
8.75"	0	23,035	5.5"	17	P-110	BTC	1.27	1.26	1.83
	•			BLM Min	imum Safet	y Factor	1.125	1.00	1.6 Dry
			- 1						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

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

## 3. Cementing Program

Casing	# Sks	Wt. lb/ gal	H₂0 gal/sk	Yld ft3/ sack	500# Comp. Strength (hours)	Slurry Description
13-3/8" Surface	605	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
	1630	11.9	19.82	2.31	45	Lead: NeoCem®
9-5/8" Inter.	590	14.8	5.31	1.33	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
	750	11.9	19.82	2.31	45	1 <sup>st</sup> Stage Lead: NeoCem®
9-5/8" Interme	790	14.8	5.31	1.33	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
diate Two			12		D\	/ Tool = 5000ft
Stage	460	11.9	19.82	2.3	45	2 <sup>nd</sup> Stage Lead: NeoCem®
Stage	200	14.8	6.32	1.33	6	2 <sup>nd</sup> Stage Tail: Class C Cement + 0.125 lbs/sack Poly-E- Flake
	135	11.9	19.82	2.3	45	2 <sup>nd</sup> Stage Lead: NeoCem®
5-1/2" Prod	2485	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

If a DV tool is used, 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	TOC	% Excess
13-3/8" Surface	0'	100%
9-5/8" Intermediate	0'	50%
9-5/8" Intermediate – Two Stage Option	1 <sup>st</sup> Stage = 5000' / 2 <sup>nd</sup> Stage = 0'	50%
5-1/2" Production Casing	10,600'	25%

#### 4. Pressure Control Equipment

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

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Ту	ype	1	Tested to:
			Anr	nular	X	50% of working pressure
			Blind	l Ram		
12-1/4"	13-5/8"	5M	Pipe	Ram		5M
			Doub	le Ram	X	SIVI
			Other*			
			Anr	nular	X	50% testing pressure
		13-5/8" 5M	Blind Ram			
8-3/4"	13-5/8"		Pipe Ram			
0-3/4		3101	Doub	le Ram	X	5M
			Anr	nular		50% testing pressure
			Blind	Ram		-
			Pipe Ram			
			Double Ram			
			Other			
			*			

<sup>\*</sup>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.

- A variance is requested for the use of a flexible choke line from the BOP to Choke Y Manifold. See attached for specs and hydrostatic test chart.
  - Y Are anchors required by manufacturer?
- Y A multibowl wellhead may be 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.

Devon proposes using a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi.

- 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.
- Wellhead company will install a solid steel body pack-off to completely isolate
  the lower head after cementing intermediate casing. After installation of the packoff, the pack-off and the lower flange will be tested to 5M, as shown on the
  attached schematic. Everything above the pack-off will not have been altered
  whatsoever from the initial nipple up. Therefore the BOP components will not be
  retested at that time.
- If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head will be cut and top out operations will be conducted.
- Devon will pressure test all seals above and below the mandrel (but still above the casing) to full working pressure rating.
- Devon will test the casing to 0.22 psi/ft or 1500 psi, whichever is greater, as per Onshore Order #2.

After running the 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 5M will be installed on the wellhead system and will undergo a 250 psi low pressure test followed by a 5,000 psi high pressure test. The 5,000 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 5M will already be installed on the wellhead.

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 5,000 psi WP.

Devon's proposed wellhead manufactures will be FMC Technologies, Cactus Wellhead, or Cameron.

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

See attached schematic.

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss	
From	To					
0	775'	FW Gel	8.4-8.5	28-34	N/C	
775'	11,600'	Oil Based Mud	8.4-9.0	40-50	10-15	
11,600	23,035	Oil Based Mud	10.5-11.0	40-50	10-15	

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

Logg	ring, Coring and Testing.
X	Will run GR/CNL fromTD to surface (horizontal well – vertical portion of hole). Stated
	logs run will be in the Completion Report and submitted to the BLM.
	Quad Combo is planned on being taken from intermediate shoe to TD
	Drill stem test? If yes, explain
	Coring? If yes, explain

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

### 7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	7317 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.

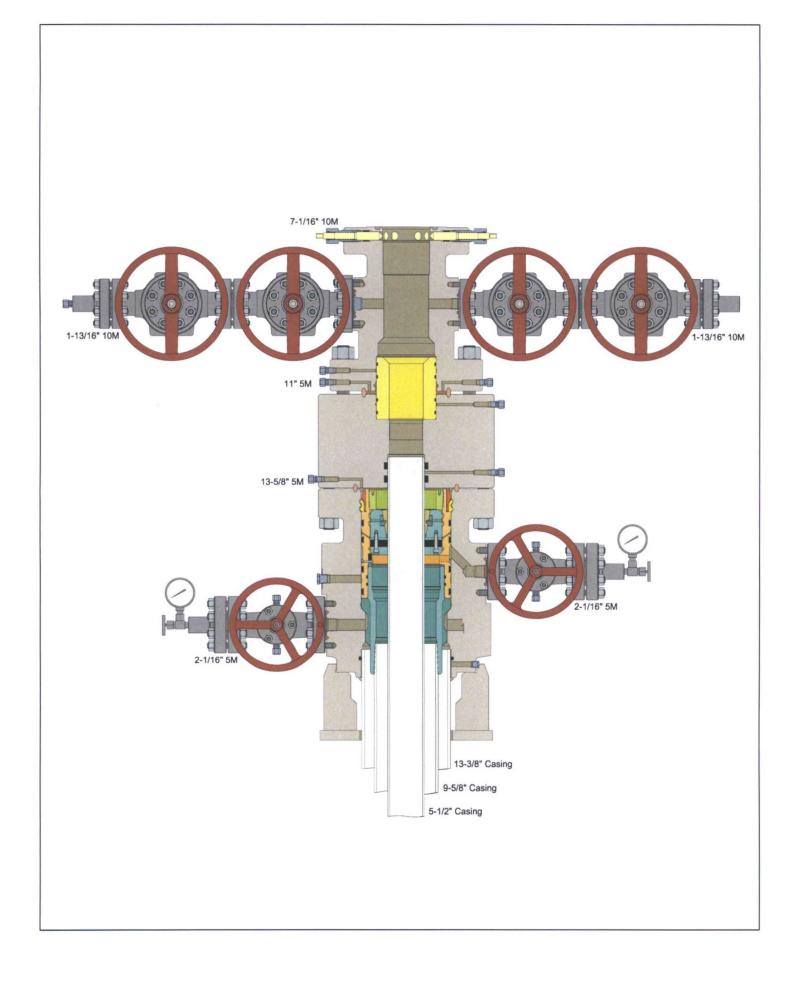
N	H2S is present
Y	H2S Plan attached

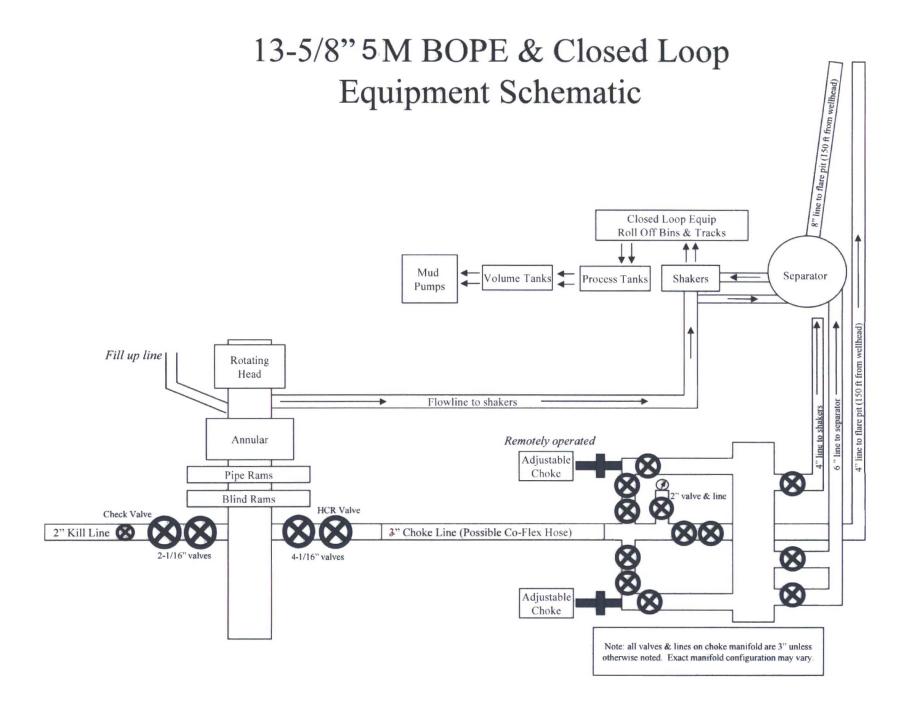
#### 8. Other facets of operation

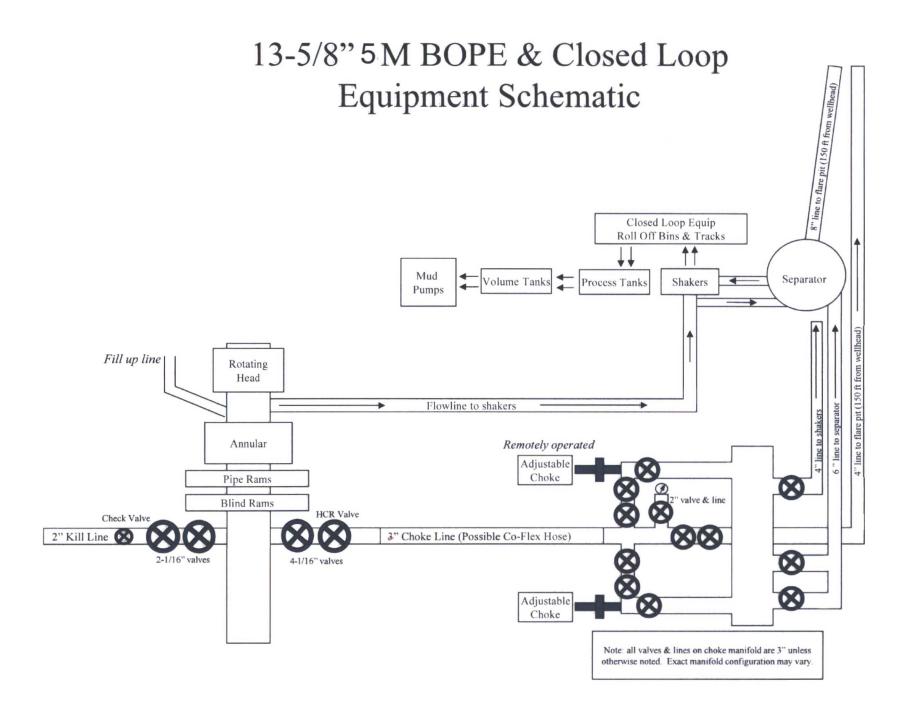
Is this a walking operation? No. Will be pre-setting casing? No.

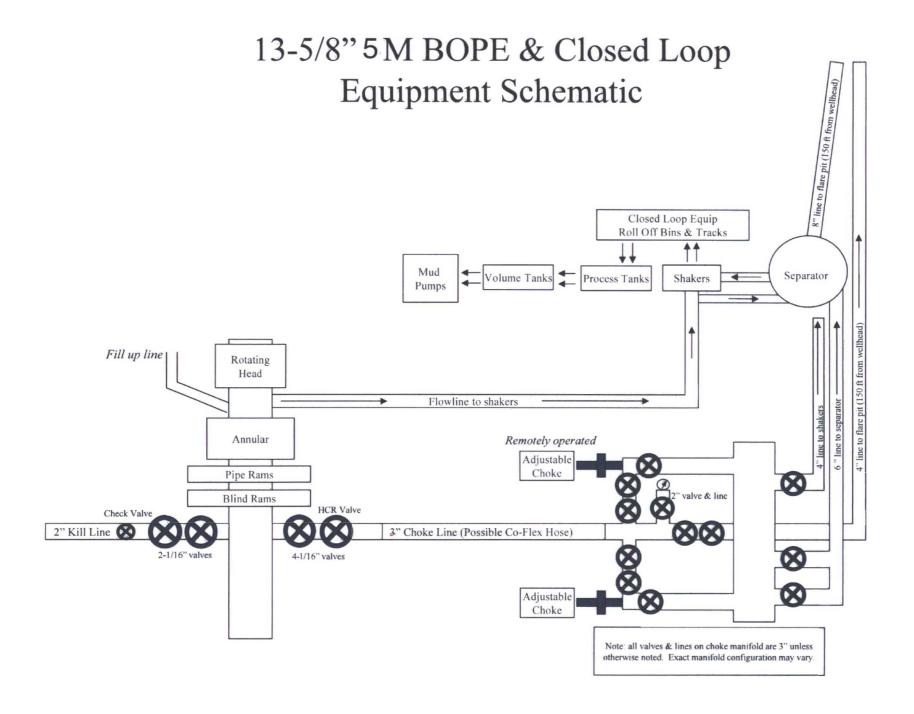
Attachments

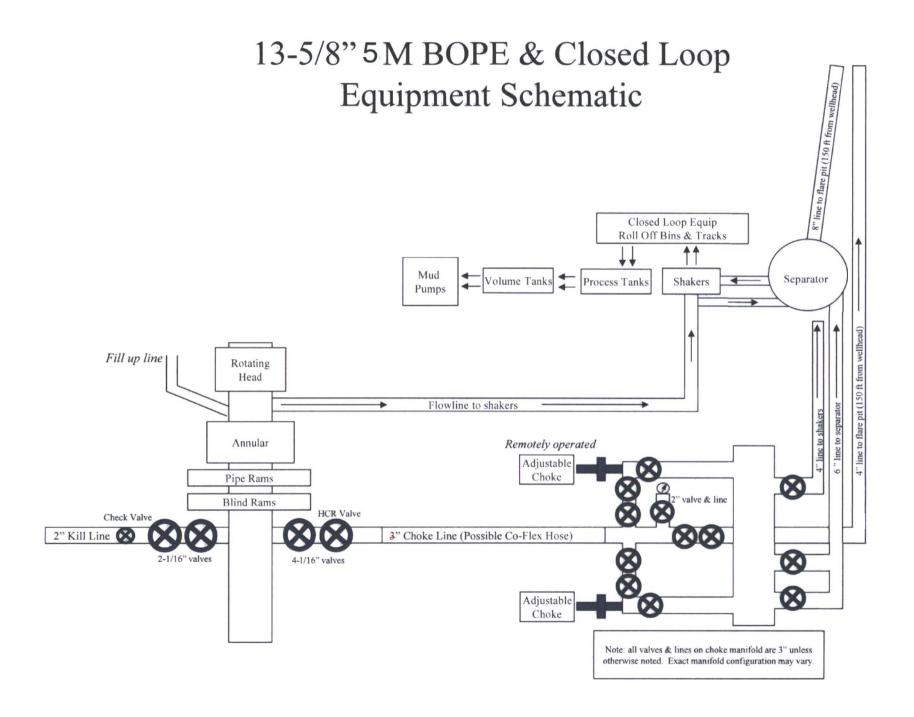
\_x\_ Directional Plan \_\_ Other, describe











#### Casing Assumptions and Load Cases

Surface

All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Surface Casing Burst Design				
Load Case	External Pressure	Internal Pressure		
Pressure Test	Formation Pore Pressure	Max mud weight of next hole- section plus Test psi		
Drill Ahead	Formation Pore Pressure	Max mud weight of next hole section		
Displace to Gas	Formation Pore Pressure	Dry gas from next casing point		

Surface Casing Collapse Design					
Load Case	External Pressure	Internal Pressure			
Full Evacuation	Water gradient in cement, mud above TOC	None			
Cementing	Wet cement weight	Water (8.33ppg)			

Surface Casing Tension Design				
Load Case	Assumptions			
Overpull	100kips			
Runing in hole	3 ft/s			
Service Loads	N/A			

#### Casing Assumptions and Load Cases

Intermediate

All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Intermediate Casing Burst Design				
Load Case	External Pressure	Internal Pressure		
Pressure Test	Formation Pore Pressure	Max mud weight of next hole- section plus Test psi		
Drill Ahead	Formation Pore Pressure	Max mud weight of next hole section		
Fracture @ Shoe	Formation Pore Pressure	Dry gas		

Intermediate Casing Collapse Design					
Load Case	External Pressure	Internal Pressure			
Full Evacuation	Water gradient in cement, mud above TOC	None			
Cementing	Wet cement weight	Water (8.33ppg)			

Intermediate Casing Tension Design					
Load Case	Assumptions				
Overpull	100kips				
Runing in hole	2 ft/s				
Service Loads	N/A				

All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Production Casing Burst Design				
Load Case	External Pressure	Internal Pressure		
Pressure Test	Formation Pore Pressure	Fluid in hole (water or produced water) + test psi		
Tubing Leak	Formation Pore Pressure	Packer @ KOP, leak below surface 8.6 ppg packer fluid		
Stimulation	Formation Pore Pressure	Max frac pressure with heaviest frac fluid		

Production Casing Collapse Design					
Load Case	External Pressure	Internal Pressure			
Full Evacuation	Water gradient in cement, mud above TOC.	None			
Cementing	Wet cement weight	Water (8.33ppg)			

Production Casing Tension Design				
Load Case	Assumptions			
Overpull	100kips			
Runing in hole	2 ft/s			
Service Loads	N/A			



#### Fluid Technology

ContiTech Beattie Corp. Website: www.contitechbeattie.com

Monday, June 14, 2010

RE:

Drilling & Production Hoses Lifting & Safety Equipment

To Helmerich & Payne,

A Continental ContiTech hose assembly can perform as intended and suitable for the application regardless of whether 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/clarifications 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 Beattle Corp

ContiTech Beattie 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**

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INDUSTRIAL LTD.

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QUALITY CONTROL INSPECTION AND TEST CERTIFICATE  CERT. Nº: 552								
PURCHASER:	Phoenix Beat	tie Co.			P.O. N°	1519	FA-871	
PHOENIX RUBBER order N°	170466	HOSE TYPE:	3"	ID ·	Cho	ke and Kill	Hose	
HOSE SERIAL Nº	34128	NOMINAL / AC	TUAL LE	NGTH:		11,43 m		
W.P. 68,96 MPa 1	0000 psi	T.P. 103,4	MPa	1500	0 psi	Duration:	60	min.
Pressure test with water at ambient temperature					,			
•							· ·	
:	See atta	achment. (1	page)					1.3
					٠.,			A Ch. 1. 3
↑ 10 mm = 10 Min. → 10 mm = 25 MPa		COUPLIN	NGS.					. vin.
Туре		Serial N°	1		Quality		Heat N°	
3" coupling with	72			-	SI 4130		C7626	
4 1/16" Flange end	, ,				SI 4130		47357	
					:			
API Spec 16 C Temperature rate: "B"  All metal parts are flawless								
WE CERTIFY THAT THE ABOVE PRESSURE TESTED AS ABOVE			ED IN AC	CORDAN	ICE WITH	THE TERMS (	OF THE ORDE	R AND
29. April. 2002.	Inspector		Quali	ty Contr	HOE Inc	NIX RUB dustrial Ltd Inspection MERICATIVE	and favor	w.

> VERIFIED TRUE CG. PHOENIX RUBBER Q.C.