

Well Name: MULE 23-11 FED COM	Well Location: T25S / R31E / SEC 23 / NENW /	County or Parish/State:
Well Number: 612H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC061862	Unit or CA Name:	Unit or CA Number:
US Well Number:	Well Status: Approved Application for Permit to Drill	Operator: DEVON ENERGY PRODUCTION COMPANY LP

Notice of Intent

Sundry ID: 2674046

Type of Submission: Notice of Intent	Type of Action: APD Change
Date Sundry Submitted: 05/31/2022	Time Sundry Submitted: 09:51
Date proposed operation will begin: 05/31/2022	

Procedure Description: Devon Energy Production Co., L.P. (Devon) respectfully requests to change the drilling plan with surface casing changes, cement loss plan, and break test. Please see attachments.

NOI Attachments

Procedure Description

- MULE_23_11_FED_COM_612H_Sundry_20220628094749.pdf
- MB_Wellhd_WC_3_STRING_20_10.75_8.625_5.5_20220531095116.pdf
- 10M_BOPE_CHK_DR_CLS_RKL_20220531095116.pdf
- break_test_variance_BOP_20220531095116.pdf

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Conditions of Approval

Additional

23_25_31_C_Sundry_ID_2674046_Mule_23_11_Fed_Com_612H_Eddy_LC061862_13_22c_11_30_2021_LV_20220628131129.pdf

Mule_23_11_Fed_Com_612H_Dr_COA_Sundry_ID_2674046_20220628131129.pdf

Operator

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: JENNY HARMS	Signed on: JUN 28, 2022 09:47 AM
Name: DEVON ENERGY PRODUCTION COMPANY LP	
Title: Regulatory Compliance Professional	
Street Address: 333 West Sheridan Avenue	
City: Oklahoma City	State: OK
Phone: (405) 552-6560	
Email address: jennifer.harms@dvn.com	

Field

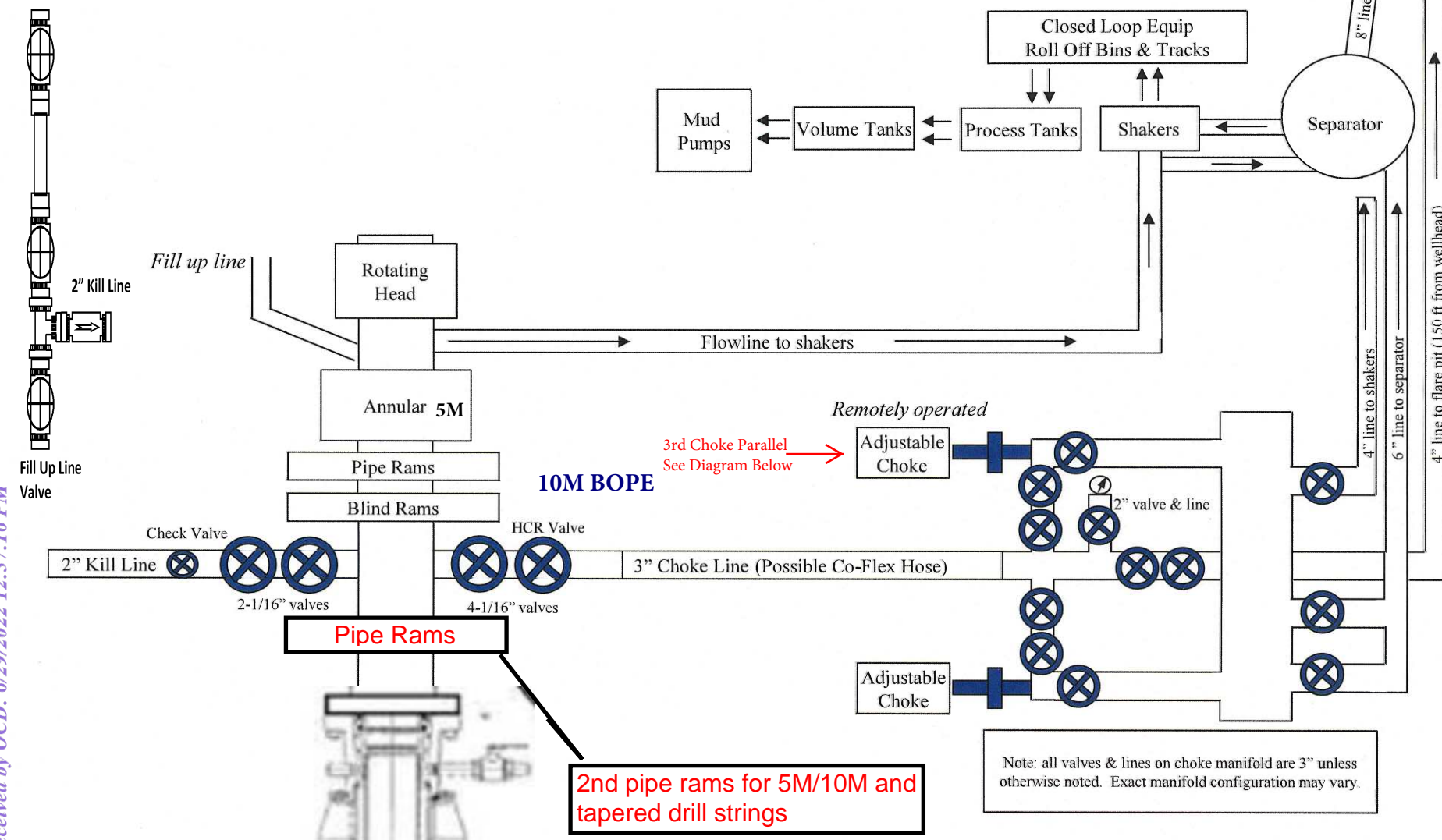
Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		

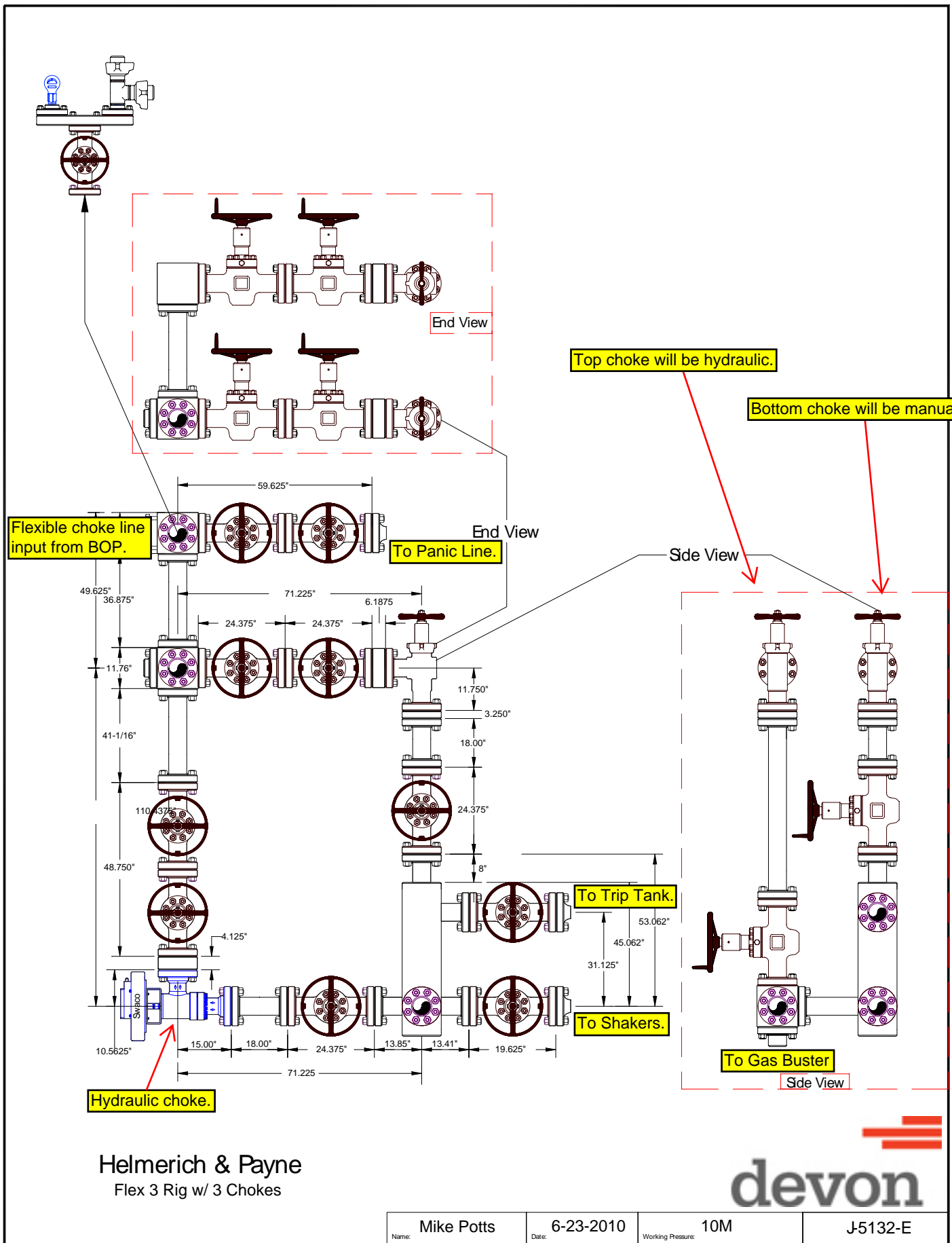
BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS	BLM POC Title: Petroleum Engineer
BLM POC Phone: 5752342234	BLM POC Email Address: cwalls@blm.gov
Disposition: Approved	Disposition Date: 06/29/2022
Signature: Chris Walls	

10M Remote Kill Line Schematic

Outside
Remote Kill
Line Valve





Section 2 - Blowout Preventer Testing Procedure

Variance Request

Devon Energy requests to only test BOP connection breaks after drilling out of surface casing and while skidding between wells which conforms to API Standard 53 and industry standards. This test will include the Top Pipe Rams, HCR, Kill Line Check Valve, QDC (quick disconnect to wellhead) and Shell of the 10M BOPE to 5M for 10 minutes. If a break to the flex hose that runs to the choke manifold is required due to repositioning from a skid, the HCR will remain open during the shell test to include that additional break. The variance only pertains to intermediate hole-sections and no deeper than the Bone Springs Formation where 5M BOP tests are required. The initial BOP test will follow OOGO2.III.A.2.i, and subsequent tests following a skid will only test connections that are broken. The annular preventer will be tested to 100% working pressure. This variance will meet or exceed OOGO2.III.A.2.i per the following: Devon Energy will perform a full BOP test per OOGO2.III.A.2.i before drilling out of the intermediate casing string(s) and starting the production hole, before starting any hole section that requires a 10M test, before the expiration of the allotted 14-days for 5M intermediate batch drilling or when the drilling rig is fully mobilized to a new well pad, whichever is sooner. We will utilize a 200' TVD tolerance between intermediate shoes as the cutoff for a full BOP test. The BLM will be contacted 4hrs prior to a BOPE test. The BLM will be notified if and when a well control event is encountered. Break test will be a 14 day interval and not a 30 day full BOPE test interval. If in the event break testing is not utilized, then a full BOPE test would be conducted.

1. Well Control Response:
 1. Primary barrier remains fluid
 2. In the event of an influx due to being underbalanced and after a realized gain or flow, the order of closing BOPE is as follows:
 - a) Annular first
 - b) If annular were to not hold, Upper pipe rams second (which were tested on the skid BOP test)
 - c) If the Upper Pipe Rams were to not hold, Lower Pipe Rams would be third

Cactus
Wellhead2-9-17
E Bell

80.7 °F

15:49



50

Date 02-09-17

Tested By E.BELL

Transducer bay2

Transducer Serial 181504

Calibration Date 9/6/15

	Job#	Part#	Serial#	Description	Test Pressure
1	TRJ0006341-0007	116966	TRJ6341-7-1	ADPT,DRLG,CW,MBU-3T,13-5/8 10M	15000
2					
3					
4					
5				TRANSDUCER CALIBRATION DUE 03/13/2017	
6					
7					
8					



Start



Stop



Zero



Config

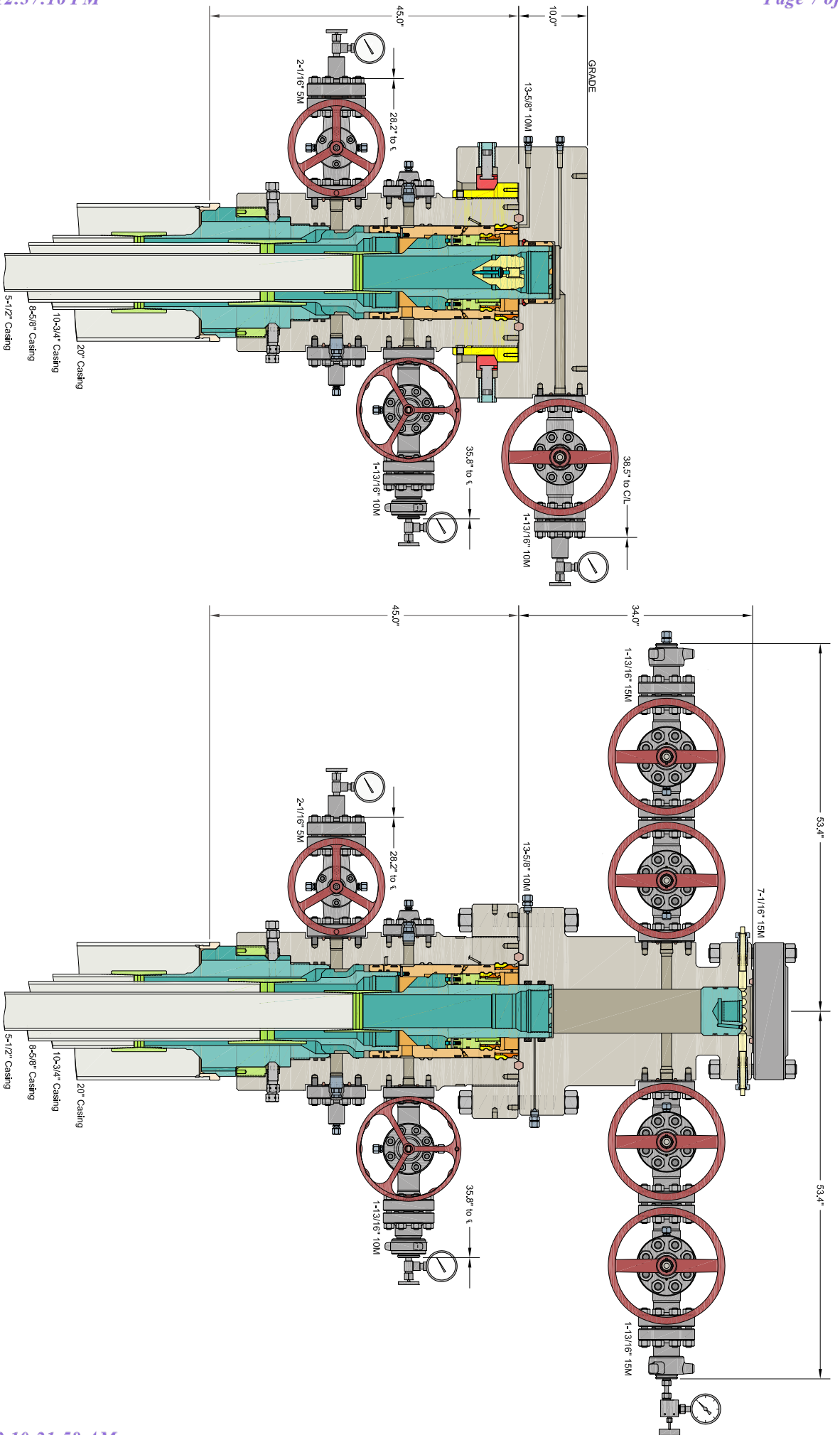


Save



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EXIT



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ALL DIMENSIONS APPROXIMATE

CACTUS WELLHEAD LLC

DEVON ENERGY CORPORATION
DELAWARE BASIN

10-3/4" x 8-5/8" x 5-1/2" 10M MBU-3T-CFL-R-DBLO Wellhead Sys.
With 8-5/8" And 5-1/2" Mandrel Casing Hangers
And 13-5/8" 10M x 7-1/16" 15M CTH-DBLHPS Tubing Head

DRAWN	DLE	16SEP21
APPRV		
DRAWING NO.	HBE0000595	

MULE 23-11 FED COM 612H

1. Geologic Formations

TVD of target	11884	Pilot hole depth	N/A
MD at TD:	23940	Deepest expected fresh water	

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone?	Hazards*
Rustler	665		
Salt	1090		
Base of Salt	4165		
Delaware	4387		
Cherry Canyon	5365		
Brushy Canyon	6676		
1st Bone Spring Lime	8307		
Bone Spring 1st	9332		
Bone Spring 2nd	9535		
3rd Bone Spring Lime	10433		
Bone Spring 3rd	11200		
Wolfcamp	11624		

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

MULE 23-11 FED COM 612H

2. Casing Program (Primary Design)

Hole Size	Csg. Size	Wt (PPF)	Grade	Conn	Casing Interval		Casing Interval	
					From (MD)	To (MD)	From (TVD)	To (TVD)
13 1/2	10 3/4	40 1/2	H40	BTC	0	690	0	690
9 7/8	8 5/8	32	P110	TLW	0	11200	0	11200
7 7/8	5 1/2	17	P110	BTC	0	23940	0	11884

• All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 IILB.1.h Must have table for contingency casing.

3. Cementing Program (Primary Design)

Assuming no returns are established while drilling, Devon requests to pump a two stage cement job on the intermediate casing string with the first stage being pumped conventionally with the calculated top of cement at the Brushy Canyon and the second stage performed as a bradenhead squeeze with planned cement from the Brushy canyon to surface.

If necessary, a top out consisting of 500 sacks of Class C cement will be executed as a contingency.

The final cement top will be verified by Echo-meter. Devon will include the Echo-meter verified fluid top and the volume of displacement fluid above the cement slurry in the annulus in all post-drill sundries on wells utilizing this cement program. Devon will report to the BLM the volume of fluid (limited to 1 bbls) used to flush intermediate casing valves following backside cementing procedures.

Casing	# Sks	TOC	Wt. ppg	Yld (ft3/sack)	Slurry Description
Surface	286	Surf	13.2	1.44	Lead: Class C Cement + additives
Int 1	500	Surf	13.0	2.3	2nd State: Bradenhead Squeeze - Lead: Class C Cement + additives
	517	6742	13.2	1.44	Tail: Class H / C + additives
Production	117	9273.522	9	3.27	Lead: Class H / C + additives
	1676	11273.52	13.2	1.44	Tail: Class H / C + additives

Casing String	% Excess
Surface	50%
Intermediate 1	30%
Prod	10%

MULE 23-11 FED COM 612H

4. Pressure Control Equipment (Three String Design)

BOP installed and tested before drilling which hole?		Size?	Min. Required WP	Type	✓	Tested to:	
Int 1		13-5/8"	5M	Annular		X	50% of rated working pressure
				Blind Ram		X	5M
				Pipe Ram			
				Double Ram		X	
				Other*			
Production		13-5/8"	5M	Annular (5M)		X	50% of rated working pressure
				Blind Ram		X	5M
				Pipe Ram			
				Double Ram		X	
				Other*			
				Annular (5M)			
				Blind Ram			
				Pipe Ram			
				Double Ram			
				Other*			
N	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.						
Y	A variance is requested to run a 5 M annular on a 10M system						

MULE 23-11 FED COM 612H

5. Mud Program (Three String Design)

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

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	Specify what type and where?
BH pressure at deepest TVD	6489
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	H ₂ S is present
Y	H ₂ S 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

MULE 23-11 FED COM 612H

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).
- 3 The wellhead will be installed and tested once the surface casing is cut off and the WOC time has been reached.
- 4 A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with a pressure gauge installed on the wellhead.
- 5 Spudder rig operations is expected to take 4-5 days per well on a multi-well 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 nipped 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

23-25-31-C Sundry ID 2674046 Mule 23-11 Fed Com 612H Eddy LC061862 13-22c 11-30-2021 LV.xlsm

Mule 23-11 Fed Com 612H

10 3/4		surface csg in a		13 1/2		inch hole.		Design Factors				Surface			
Segment	#/ft	Grade		Coupling		Joint		Collapse	Burst	Length	B@s	a-B	a-C	Weight	
"A"	40.50	h 40		btc		12.54		3.3	0.37	900	6	0.63	6.24	36,450	
"B"				btc						0				0	
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,203											900	36,450			
Comparison of Proposed to Minimum Required Cement Volumes										Tail Cmt	does not	circ to sfc.			
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd				Min Dist			
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE				Hole-Cplg			
13 1/2	0.3637	286	412	327	26	9.00	3645	5M				1.38			
Burst Frac Gradient(s) for Segment(s) A, B = , b All > 0.70, OK.															
Site plot (page racks S or E) as per O.O. 131 D.3 L not found															

8 5/8		casing inside the		10 3/4		Design Factors				Int 1		
Segment	#/ft	Grade		Coupling	Joint	Collapse	Burst	Length	B@s	a-B	a-C	Weight
"A"	32.00		p 110	tlw	3.01	0.69	1.38	11,200	1	2.31	1.16	358,400
"B"								0				0
w/8.4#/g mud, 30min Sfc Csg Test psig:								Totals:	11,200			358,400
The cement volume(s) are intended to achieve a top of						0	ft from surface or a		900			overlap.
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE				Min Dist Hole-Cplg
9 7/8	0.1261	517	744	1430	-48	10.50	3868	5M				0.44
D V Tool(s):			6676				sum of sx	Σ CuFt				Σ%excess
t by stage % :			30	34				1017	1894			33
Class 'C' tail cmt yld > 1.35												

Tail cmt		casing inside the		8 5/8		Design Factors				Prod 1		
Segment	#/ft	Grade		Coupling	Body	Collapse	Burst	Length	B@s	a-B	a-C	Weight
"A"	17.00		p 110	btc	2.70	1.15	1.64	23,940	2	2.75	1.93	406,980
"B"								0				0
w/8.4#/g mud, 30min Sfc Csg Test psig: 2,614								Totals:	23,940			406,980
The cement volume(s) are intended to achieve a top of								11000	ft from surface or a	200		overlap.
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE				Min Dist Hole-Cplg
7 7/8	0.1733	1793	2796	2243	25	10.50						0.91
Class 'C' tail cmt yld > 1.35												

#N/A											
0			5 1/2		Design Factors			<Choose Casing>			
Segment	#/ft	Grade	Coupling	#N/A	Collapse	Burst	Length	B@s	a-B	a-C	Weight
"A"			0.00				0				0
"B"			0.00				0				0
w/8.4#/g mud, 30min Sfc Csg Test psig:							Totals:	0			0
Cmt vol calc below includes this csg, TOC intended					#N/A	ft from surface or a	#N/A				overlap.
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE			Min Dist Hole-Cplg
0		#N/A	#N/A	0	#N/A						
#N/A Capitan Reef est top XXXX.											

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Devon Energy Production Company LP
LEASE NO.:	NMLC061862
LOCATION:	Section 23, T.25 S., R.31 E., NMPM
COUNTY:	Eddy County, New Mexico

WELL NAME & NO.:	Mule 23-11 Fed Com 612H
SURFACE HOLE FOOTAGE:	959'/N & 2000'/W
BOTTOM HOLE FOOTAGE:	20'/N & 1870'/W
ATS/API ID:	
Sundry ID:	2674046

COA

H2S	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Potash	<input checked="" type="checkbox"/> None	<input type="checkbox"/> Secretary	<input type="checkbox"/> R-111-P
Cave/Karst Potential	<input checked="" type="checkbox"/> Low	<input type="checkbox"/> Medium	<input type="checkbox"/> High
Cave/Karst Potential	<input type="checkbox"/> Critical		
Variance	<input type="checkbox"/> None	<input checked="" type="checkbox"/> Flex Hose	<input type="checkbox"/> Other
Wellhead	<input type="checkbox"/> Conventional	<input type="checkbox"/> Multibowl	<input checked="" type="checkbox"/> Both
Wellhead Variance	<input type="checkbox"/> Diverter		
Other	<input type="checkbox"/> 4 String	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP
Other	<input checked="" type="checkbox"/> Fluid Filled	<input type="checkbox"/> Pilot Hole	<input type="checkbox"/> Open Annulus
Cementing	<input checked="" type="checkbox"/> Cement Squeeze	<input checked="" type="checkbox"/> EchoMeter	
Special Requirements	<input type="checkbox"/> Water Disposal	<input checked="" type="checkbox"/> COM	<input type="checkbox"/> Unit
Special Requirements Variance	<input checked="" type="checkbox"/> Break Testing	<input type="checkbox"/> Offline Cementing	

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

1. The 10-3/4 inch surface casing shall be set at approximately **900 feet** (a minimum of **70 feet (Eddy County)** into the Rustler Anhydrite, above the salt, and below usable fresh water) 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:

Option 1 (Single Stage):

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

Option 2:

Operator has proposed to cement in two stages by conventionally cementing the first stage and performing a bradenhead squeeze on the second stage, contingent upon no returns to surface.

- a. First stage: Operator will cement with intent to reach the top of the Brushy Canyon.
- b. Second stage:
 - Operator will perform bradenhead squeeze and top-out. Cement to surface. If cement does not reach surface, the appropriate BLM office shall be notified.

Operator has proposed to pump down 10-3/4" X 8-5/8" annulus after primary cementing stage. Operator must run Echo-meter to verify Cement Slurry/Fluid top in the annulus Or operator shall run a CBL from TD of the 8-5/8" casing to surface after the second stage BH to verify TOC.

Submit results to the BLM. No displacement fluid/wash out shall be utilized at the top of the cement slurry between second stage BH and top out. Operator must run one CBL per Well Pad.

If cement does not reach surface, the next casing string must come to surface.

Operator must use a limited flush fluid volume of 1 bbl following backside cementing procedures.

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.

Option 1:

- a. 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. Annular which shall be tested to 5000 (5M) psi.**
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **8-5/8** inch intermediate casing shoe shall be **5000 (5M) psi.**

Option 2:

Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the **10-3/4** inch surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M) psi.**

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

- e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

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.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

BOPE Break Testing Variance

- BOPE Break Testing is ONLY permitted for 5M BOPE or less. **(Annular preventer must be tested to a minimum of 70% of BOPE working pressure and shall be higher than the MASP)**
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- Variance only pertains to the intermediate hole-sections and no deeper than the Bone Springs formation.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer **(575-706-2779)** prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOPE test will be required. (200' TVD tolerance between intermediate shoes is allowable).
- The BLM is to be contacted **(575-361-2822 Eddy County)** 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at **14-day** intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per Onshore Oil and Gas Order No. 2.
- If in the event break testing is not utilized, then a full BOPE test would be conducted.

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 County

Call 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)
689-5981

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 integrity 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 integrity 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.

LVO 6/28/2022

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 121566

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 121566
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Adhere to previous NMOCD Conditions of Approval	7/6/2022