

Well Name: SEAWOLF 12-1 FED	Well Location: T26S / R33E / SEC 12 / SESW / 32.051752 / -103.527295	County or Parish/State: LEA / NM
Well Number: 3H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM114988	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547762	Well Status: Approved Application for Permit to Drill	Operator: DEVON ENERGY PRODUCTION COMPANY LP

Notice of Intent

Sundry ID: 2692201

Type of Submission: Notice of Intent	Type of Action: APD Change
Date Sundry Submitted: 09/13/2022	Time Sundry Submitted: 12:57
Date proposed operation will begin: 09/13/2022	

Procedure Description: Devon Energy Production Company, L.P. respectfully requests approval for optional surface casing/drilling plan of 10-3/4" surface casing inside of 12-1/4" surface hole at previously permitted set depths. Devon Energy Production Company, L.P. will circulate class C cement to surface behind the 10-3/4" casing. Devon Energy is also requesting a break test variance. Please see the attached documentation.

NOI Attachments

Procedure Description

- Seawolf_12_1_Fed_3H___Drill_Plan_20220913125648.pdf
- break_test_variance_BOP_20220913125620.pdf
- 10.75_45.50_J55_BTC_SC_BLP_Devon_20220913125616.pdf

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Conditions of Approval

Additional

12_26_33_N_Sundry_ID_2692201_Seawolf_12_1_Fed_3H_Lea_NM114988_Devon_Energy_Production_Company_LP_13_22b_7_22_2020_LV_20220920133637.pdf
Seawolf_12_1_Fed_3H_Dr_COA_Sundry_ID_2692201_20220920133637.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: CHELSEY GREEN
Signed on: SEP 13, 2022 12:55 PM
Name: DEVON ENERGY PRODUCTION COMPANY LP
Title: Regulatory Compliance Professional
Street Address: 333 West Sheridan Avenue
City: Oklahoma City **State:** OK
Phone: (405) 228-8595
Email address: Chelsey.Green@dvn.com

Field

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

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS
BLM POC Phone: 5752342234
Disposition: Approved
Signature: Chris Walls
BLM POC Title: Petroleum Engineer
BLM POC Email Address: cwalls@blm.gov
Disposition Date: 09/23/2022

Seawolf 12-1 Fed 3H

1. Geologic Formations

TVD of target	13335	Pilot hole depth	N/A
MD at TD:	18925	Deepest expected fresh water	

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone?	Hazards*
Rustler	980		
Salt	1280		
Base of Salt	5000		
Delaware	5135		
Cherry Canyon	6217		
Brushy Canyon	7815		
1st Bone Spring Lime	9290		
Bone Spring 1st	10245		
Bone Spring 2nd	10795		
3rd Bone Spring Lime	11266		
Bone Spring 3rd	11880		
Wolfcamp	12340		

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

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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)
12 1/4	10 3/4	45.5	J55	BTC	0	1005	0	1005
9 7/8	8 5/8	32	P110	Sprint FJ	0	12340	0	12340
7 7/8	5 1/2	20	P110	BTC	0	18925	0	13335

• 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 8-5/8" intermediate casing string with the first stage being pumped conventionally with the calculated top of cement at the Brushy Canyon (7,815') 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 + 3% Salt + 1% PreMag-M + 6% Bentonite Gel (2.30 yld, 12.91 ppg) 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.

3. Cementing Program (Primary Design)

Casing	# Sks	TOC	Wt. ppg	Yld (ft3/sack)	Slurry Description
Surface	250	Surf	13.2	1.44	Lead: Class C Cement + additives
Int 1	425	Surf	9	3.27	Lead: Class C Cement + additives
	550	7815'	13.2	1.44	Tail: Class H / C + additives
Production	117	10818	9	3.27	Lead: Class H / C + additives
	808	12818	13.2	1.44	Tail: Class H / C + additives

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

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4. Pressure Control Equipment (Three String Design)

BOP installed and tested before drilling which hole?		Size?	Min. Required WP	Type	✓	Tested to:
Int 1	13-58"	5M	Annular		X	50% of rated working pressure
			Blind Ram		X	5M
			Pipe Ram			
			Double Ram		X	
			Other*			
Production	13-5/8"	10M	Annular (5M)		X	100% of rated working pressure
			Blind Ram		X	10M
			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					

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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	7281
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

Seawolf 12-1 Fed 3H

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



10-3/4" 45.50# 0.400" J-55

Dimensions (Nominal)

Outside Diameter	10.750	in.
Wall	0.400	in.
Inside Diameter	9.950	in.
Drift	9.875	in.
Weight, T&C	45.500	lbs/ft
Weight, PE	44.260	lbs/ft

Performance Properties

Collapse	2090	psi
Internal Yield Pressure at Minimum Yield		
PE	3580	psi
STC	3580	psi
BTC	3580	psi
Yield Strength, Pipe Body	715	1000 lbs
Joint Strength		
STC	493	1000 lbs
BTC	796	1000 lbs
BTC Special Clearance (11.25" OD Cplg)	506	1000 lbs

Note: SeAH Steel has produced this specification sheet for general information only. SeAH does not assume liability or responsibility for any loss or injury resulting from the use of information or data contained herein. All applications for the material described are at the customer's own risk and responsibility.

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.

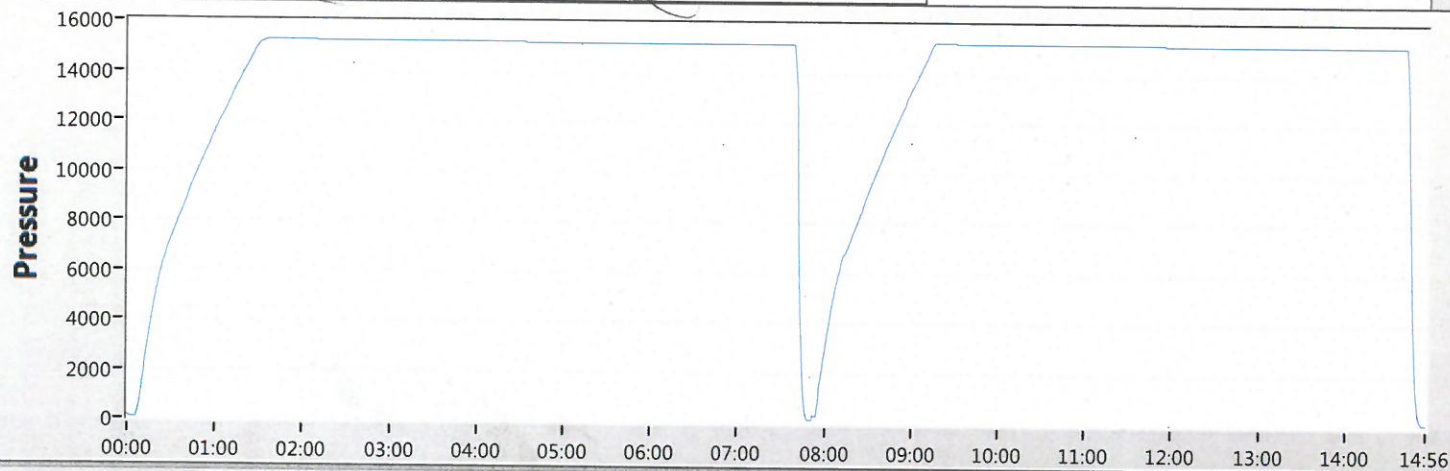
1. Well Control Response:
 1. Primary barrier remains fluid
 2. In the event of an influx due to being underbalanced and after a realized gain or flow, the order of closing BOPE is as follows:
 - a) Annular first
 - b) If annular were to not hold, Upper pipe rams second (which were tested on the skid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

Cactus
Wellhead

2-9-17
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



Print

EXIT

12-26-33-N Sundry ID 2692201 Seawolf 12-1 Fed 3H Lea NM114988 Devon Energy Production Company LP 13-22b 7-22-2020 LV.xlsm

Seawolf 12-1 Fed 3H

10 3/4	surface csg in a	12 1/4	inch hole.	Design Factors					Surface			
Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	Length	B@s	a-B	a-C	Weight	
"A"	45.50	j 55	special coup	9.79	3.94	0.53	1,136	7	0.89	7.43	51,688	
"B"			special coup				0				0	
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,500							Tail Cmt	does not	circ to sfc.	Totals:	1,136	51,688
Comparison of Proposed to Minimum Required Cement Volumes												
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	
12 1/4	0.1882	250	360	214	68	9.00	4016	5M			0.50	
Burst Frac Gradient(s) for Segment(s) A, B = , b All > 0.70, OK.												
Site plat (pipe racks 5 or 6) as per O.O.I.III D.4.1: 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	vam sprint fj	1.88	0.59	0.98	12,340	1	1.65	1.00	394,880	
"B"							0				0	
w/8.4#/g mud, 30min Sfc Csg Test psig:							Totals:	12,340			394,880	
The cement volume(s) are intended to achieve a top of					0	ft from surface or a	1136				overlap.	
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	
9 7/8	0.1261	550	792	1566	-49	10.50	4340	5M			0.61	
r D V Tool(s):							sum of sx	Σ CuFt			Σ%excess	
t by stage % :							975	2182			39	
Class 'H' tail cmt yld > 1.20												
Burst Frac Gradient(s) for Segment(s): A, B, C, D = 0.58, b, c, d <0.70 a Problem!!												

5 1/2	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"	20.00	p 110	btc	2.40	1.52	1.74	18,925	2	2.91	2.55	378,500	
"B"							0				0	
w/8.4#/g mud, 30min Sfc Csg Test psig: 2,934							Totals:	18,925			378,500	
The cement volume(s) are intended to achieve a top of					12140	ft from surface or a	200				overlap.	
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	
7 7/8	0.1733	925	1546	1176	31	10.50					0.91	
Class 'C' tail cmt yld > 1.35												

#N/A		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	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	
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.:	NMNM114988
LOCATION:	Section 12, T.26 S., R.33 E., NMPM
COUNTY:	Lea County, New Mexico

WELL NAME & NO.:	Seawolf 12-1 Fed 3H
SURFACE HOLE FOOTAGE:	382'/S & 2261'/W
BOTTOM HOLE FOOTAGE:	550'/N & 1680'/W
ATS/API ID:	
Sundry ID:	2692201

COA

H2S	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Potash	<input checked="" type="checkbox"/> None	<input type="checkbox"/> Secretary	<input type="checkbox"/> R-111-P
Cave/Karst Potential	<input type="checkbox"/> Low	<input checked="" 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 type="checkbox"/> COM	<input type="checkbox"/> Unit
Special Requirements Variance	<input checked="" type="checkbox"/> Break Testing	<input type="checkbox"/> Offline Cementing	

A. HYDROGEN SULFIDE

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

B. CASING

1. The **10-3/4** inch surface casing shall be set at approximately **1136 feet** (a minimum of **25 feet (Lea 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.
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

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 at 7815' (550 sxs Class H)**.
 - 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. **(Squeeze 425 sxs Class C)**
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
- ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

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)

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 (**575-689-5981 Lea 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 9/20/2022

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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 149995

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 149995
	Action Type: [C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
jagarcia	None	1/20/2023