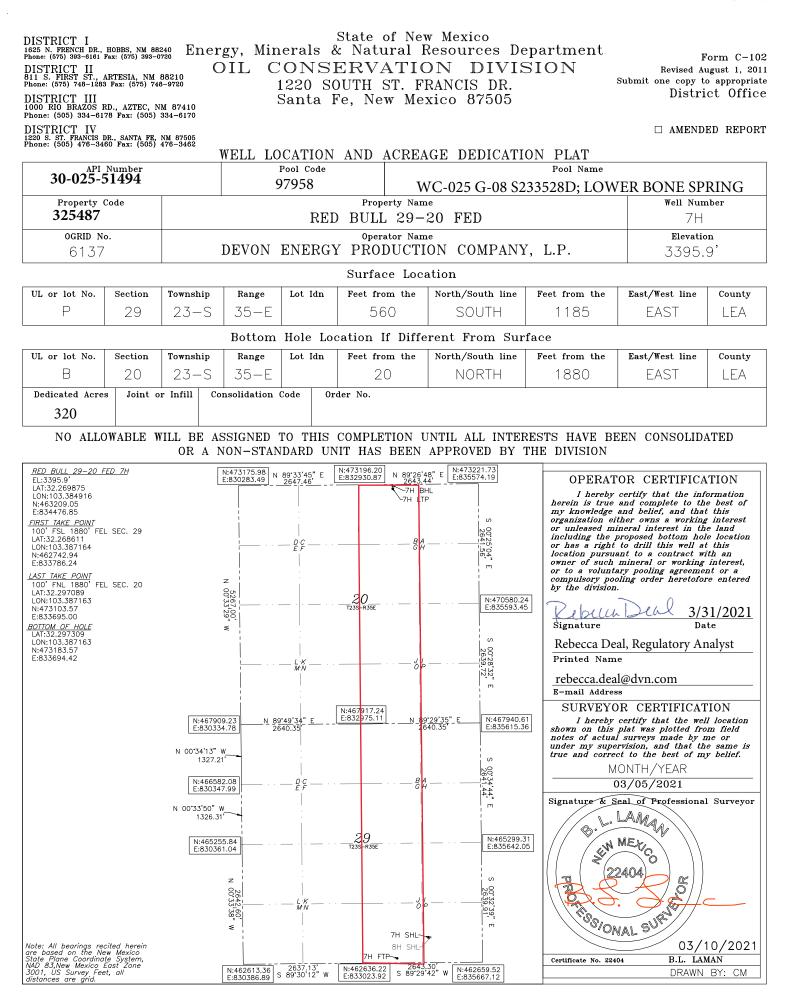
Form 3160-3 (June 2015)		OMB No	APPROVED 0. 1004-0137 nuary 31, 2018
UNITED STATES DEPARTMENT OF THE INTE BUREAU OF LAND MANAGE		5. Lease Serial No.	
APPLICATION FOR PERMIT TO DRILL	6. If Indian, Allotee	or Tribe Name	
1a. Type of work: DRILL REENT 1b. Type of Well: Oil Well Gas Well Other 1c. Type of Completion: Hydraulic Fracturing Single 2	_	7. If Unit or CA Agr 8. Lease Name and [32548	
2. Name of Operator [6137]		9. API Well No.	30-025-51494
	Phone No. (include area code)	10. Field and Pool, o	or Exploratory [97958]
 4. Location of Well (<i>Report location clearly and in accordance with a</i> At surface At proposed prod. zone 	ny State requirements.*)	11. Sec., T. R. M. or	Blk. and Survey or Area
14. Distance in miles and direction from nearest town or post office*		12. County or Parish	n 13. State
15. Distance from proposed*16. Ilocation to nearestproperty or lease line, ft.(Also to nearest drig. unit line, if any)	No of acres in lease 17. Spaci	ng Unit dedicated to th	nis well
18. Distance from proposed location* 19. 1 to nearest well, drilling, completed, applied for, on this lease, ft. 19. 1	Proposed Depth 20, BLM	/BIA Bond No. in file	
	Approximate date work will start*	23. Estimated durati	on
The following, completed in accordance with the requirements of Onsl	. Attachments	Avdraulic Fracturing r	ule ner 43 CER 3162 3-3
(as applicable)			
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System Lar SUPO must be filed with the appropriate Forest Service Office). 	 4. Bond to cover the operation Item 20 above). 5. Operator certification. 6. Such other site specific info BLM. 	-	
25. Signature	Name (Printed/Typed)		Date
Title	1		
Approved by (Signature)	Name (Printed/Typed)		Date
Title Application approval does not warrant or certify that the applicant hold applicant to conduct operations thereon. Conditions of approval, if any, are attached.	Office Is legal or equitable title to those rights	in the subject lease wh	hich would entitle the
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make in of the United States any false, fictitious or fraudulent statements or rep			ny department or agency
NGMP Rec 05/15/2023			
	ANDITIONS	K	Z 12023
SL) WITH CONDITIONS	03/23	
(Continued on page 2)	D. 4 02/00/2022	*(Ins	structions on page 2)



Released to Imaging: 5/23/2023 11:19:51 AM

Intent As Drille	d		
API # 30-025-51494			
Operator Name:		Property Name:	Well Number

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude Longitu			Longitude				NAD		

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitu	ide Longitude			Longitude				NAD	

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude			Longituc	le			NAD		

Is this well the defining well for the Horizontal Spacing Unit?	
IS THIS WELLTHE DETITING WELLTOF THE HOLIZOFILAL SUBCINE OFFICE	

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

Operator Name: Property Name: Well Number	API #		
	Operator Name:	Property Name:	Well Number

KZ 06/29/2018

1. Geologic Formations

TVD of target	9966	Pilot hole depth	N/A
MD at TD:	19825	Deepest expected fresh water	

Basin

	Depth	Water/Mineral	
Formation	(TVD)	Bearing/Target	Hazards*
	from KB	Zone?	
Rustler	744		
Salt	1071		
Base of Salt	4374		
Delaware	4627		
Brushy Canyon	6909		
1st Bone Spring Lime	8567		
Bone Spring 1st	9586		
		-	

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

		Wt			Casing	Interval	Casing Interval	
Hole Size	Csg. Size	(PPF)	Grade	Conn	From (MD)	To (MD)	From (TVD)	To (TVD)
17 1/2	13 3/8	48	H40	BTC	0	769	0	769
12 1/4	9 5/8	40	J-55	BTC	0	4474	0	4474
8 3/4	5 1/2	17	P110	BTC	0	19825	0	9966

2. Casing Program

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

Casing	# Sks	ТОС	Wt. (lb/gal)	Yld (ft3/sack)	Slurry Description
Surface	595	Surf	(ID/gal) 13.2	1.4	Lead: Class C Cement + additives
Tert 1	488	Surf	9.0	3.3	Lead: Class C Cement + additives
Int 1	154	500' above shoe	13.2	1.4	Tail: Class H / C + additives
Int 1	As Needed	Surf	9.0	3.3	Squeeze Lead: Class C Cement + additives
Intermediate	488	Surf	9.0	3.3	Lead: Class C Cement + additives
Squeeze	154	500' above shoe	13.2	1.4	Tail: Class H / C + additives
Production	473	500' tieback	9.0	3.3	Lead: Class H /C + additives
FIGUCTION	1988	КОР	13.2	1.4	Tail: Class H / C + additives

3. Cementing Program (3-String Primary Design)

If a DV tool is ran the depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Slurry weights will be adjusted based on estimated fracture gradient of the formation. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. If cement is not returned to surface during the primary cement job on the surface casing string, a planned top job will be conducted immediately after completion of the primary job.

Casing String	% Excess
Surface	50%
Intermediate	30%
Production	10%

4. Pressure Control Equipment (11)													
BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Ту	ype	~	Tested to:							
			Ann	nular	X	50% of rated working pressure							
Int 1	13-58"	514	Blind	l Ram	X								
	15-38	5M	Pipe	Ram		514							
			Doubl	le Ram	Х	5M							
			Other*										
			Ann	nular	X	50% of rated working pressure							
Production	13-5/8"	5M	Blind	l Ram	X								
Floduction	15-5/8		JIVI	JIVI	JIVI	JIVI	JIVI	JIVI	JIVI	JIVI	Pipe	Ram	
			Doubl	Double Ram X		5101							
			Other*										
			Annula	ar (5M)									
			Blind	l Ram									
			Pipe	Ram		1							
			Doubl	le Ram]							
			Other*										

4. Pressure Control Equipment (Three String Design)

5. Mud Program (Three String Design)

Section	Туре	Weight (ppg)
Surface	FW Gel	8.5-9
Intermediate	Brine	10-10.5
Production	WBM	8.5-9

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

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

6. Logging and Testing Procedures

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

Additional	logs planned	Interval
	Resistivity	
	Density	
Х	CBL	Production casing
Х	Mud log	KOP to TD
	PEX	

7. Drilling Conditions

Condition	Specfiy what type and where?
BH pressure at deepest TVD	4664
Abnormal temperature	No

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

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

N	H2S is present
Y	H2S plan attached.

8. Other facets of operation

Is this a walking operation? Potentially

- 1 If operator elects, drilling rig will batch drill the surface holes and run/cement surface casing; walking the rig to next wells on the pad.
- 2 The drilling rig will then batch drill the intermediate sections and run/cement intermediate casing; the wellbore will be isolated with a blind flange and pressure gauge installed for monitoring the well before walking to the next well.
- 3 The drilling rig will then batch drill the production hole sections on the wells with OBM, run/cement production casing, and install TA caps or tubing heads for completions.

NOTE: During batch operations the drilling rig will be moved from well to well however, it will not be removed from the pad until all wells have production casing run/cemented.

Will be pre-setting casing? Potentially

- 1 Spudder rig will move in and batch drill surface hole.
 - a. Rig will utilize fresh water based mud to drill surface hole to TD. Solids control will be handled entirely on a closed loop basis.
- 2 After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).

 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 pad.
- 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. At that time an approved BOP stack will be nippled up and tested on the wellhead before drilling operations commences on each well.
 - a. The 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

AFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

APD ID: 10400072160 Submission Date: 04/06/2021 Highlighted data reflects the most Operator Name: DEVON ENERGY PRODUCTION COMPANY LP recent changes Well Number: 7H Well Name: RED BULL 29-20 FED Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
3401963	UNKNOWN	3424	0	0	OTHER : Surface	NONE	N
3401964	RUSTLER	2680	744	744	SANDSTONE	NONE	N
3401965	TOP OF SALT	2353	1071	1071	SALT	NONE	N
3401973	BASE OF SALT	-950	4374	4374	ANHYDRITE	NONE	N
3401977	DELAWARE	-1203	4627	4627	SHALE	NATURAL GAS, OIL	N
3401985	BRUSHY CANYON	-3485	6909	6909	SANDSTONE	NATURAL GAS, OIL	N
3401962	BONE SPRING 1ST	-5143	8567	8567	LIMESTONE	NATURAL GAS, OIL	N
3401971	BONE SPRING 1ST	-6162	9586	9586	SANDSTONE	NATURAL GAS, OIL	N
3401986	BONE SPRING 2ND	-6735	10159	10159	SANDSTONE	NATURAL GAS, OIL	Y
3401987	BONE SPRING 3RD	-7342	10766	10766	LIMESTONE	NATURAL GAS, OIL	N
3401988	BONE SPRING 3RD	-8077	11501	11501	SANDSTONE	NATURAL GAS, OIL	Ν

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 9966

Equipment: BOP/BOPE will be installed per Onshore Oil & Gas Order #2 requirements prior to drilling below surface and intermediate casing, a BOP/BOPE system with the above minimum rating will be installed on the wellhead system. BOP/BOPE will be tested by an independent service company per Onshore Oil & Gas Order #2 requirements and MASP (Maximum Anticipated Surface Pressure) calculations. If the system is upgraded, all the components installed will be functional and tested.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP stack to the choke manifold. See attached for specs for hydrostatic test chart.

Testing Procedure: 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





Commitment Runs Deep



Design Plan Operation and Maintenance Plan Closure Plan

SENM - Closed Loop Systems June 2010

I. Design Plan

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

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

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

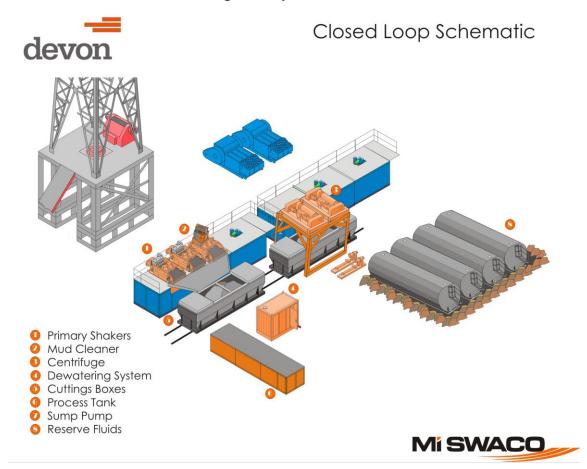
Prior to installing a closed-loop system on site, the topsoil, if present, will be stripped and stockpiled for use as the final cover or fill at the time of closure.

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

II. Operations and Maintenance Plan

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

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



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

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

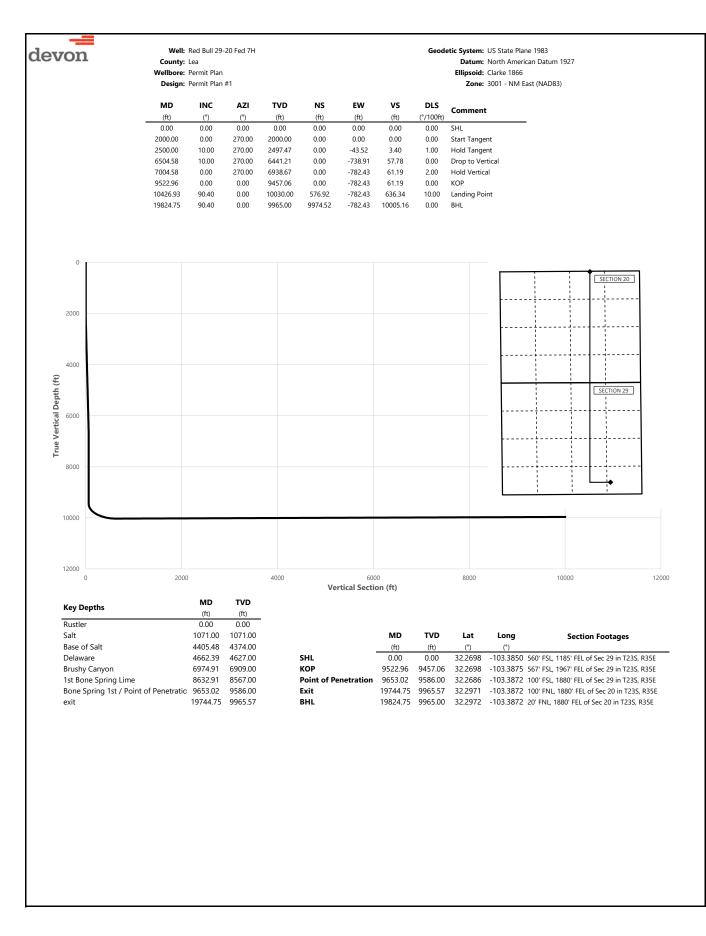
All trash is kept in a wire mesh enclosure and removed to an approved landfill when full. All spent motor oils are kept in separate containers and they are removed and sent to an approved recycling center. Any spilled lubricants, pipe dope, or regulated chemicals are removed from soil and sent to landfills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



on		County: Wellbore:	Red Bull 29 Lea Permit Plar Permit Plar	1					Geodetic System: US State Plane 1983 Datum: North American Datum 1927 Ellipsoid: Clarke 1866 Zone: 3001 - NM East (NAD83)
	MD	INC	AZI	TVD	NS	EW	vs	DLS	
	(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100ft)	Comment
-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	SHL
	100.00	0.00	270.00	100.00	0.00	0.00	0.00	0.00	
	200.00	0.00	270.00	200.00	0.00	0.00	0.00	0.00	
	300.00	0.00	270.00	300.00	0.00	0.00	0.00	0.00	
	400.00	0.00	270.00	400.00	0.00	0.00	0.00	0.00	
	500.00	0.00	270.00	500.00	0.00	0.00	0.00	0.00	
	600.00	0.00	270.00	600.00	0.00	0.00	0.00	0.00	
	700.00 744.00	0.00 0.00	270.00 270.00	700.00	0.00	0.00 0.00	0.00 0.00	0.00 0.00	Buctlor
	800.00	0.00	270.00	744.00 800.00	0.00 0.00	0.00	0.00	0.00	Rustler
	900.00	0.00	270.00	900.00	0.00	0.00	0.00	0.00	
	1000.00	0.00	270.00	1000.00	0.00	0.00	0.00	0.00	
	1071.00	0.00	270.00	1071.00	0.00	0.00	0.00	0.00	Salt
	1100.00	0.00	270.00	1100.00	0.00	0.00	0.00	0.00	
	1200.00	0.00	270.00	1200.00	0.00	0.00	0.00	0.00	
	1300.00	0.00	270.00	1300.00	0.00	0.00	0.00	0.00	
	1400.00	0.00	270.00	1400.00	0.00	0.00	0.00	0.00	
	1500.00	0.00	270.00	1500.00	0.00	0.00	0.00	0.00	
	1600.00	0.00	270.00	1600.00	0.00	0.00	0.00	0.00	
	1700.00	0.00	270.00	1700.00	0.00	0.00	0.00	0.00	
	1800.00	0.00	270.00	1800.00	0.00	0.00	0.00	0.00	
	1900.00	0.00	270.00	1900.00	0.00	0.00	0.00	0.00	
	2000.00	0.00	270.00	2000.00	0.00	0.00	0.00	0.00	Start Tangent
	2100.00	2.00	270.00	2099.98	0.00	-1.75	0.14	2.00	
	2200.00	4.00	270.00	2199.84	0.00	-6.98	0.55	2.00	
	2300.00	6.00	270.00	2299.45	0.00	-15.69	1.23	2.00	
	2400.00	8.00	270.00	2398.70	0.00	-27.88	2.18	2.00	Held Terrent
	2500.00 2600.00	10.00 10.00	270.00 270.00	2497.47 2595.95	0.00 0.00	-43.52 -60.89	3.40 4.76	1.00 0.00	Hold Tangent
	2700.00	10.00	270.00	2694.43	0.00	-78.25	6.12	0.00	
	2800.00	10.00	270.00	2792.91	0.00	-95.62	7.48	0.00	
	2900.00	10.00	270.00	2891.39	0.00	-112.98	8.84	0.00	
	3000.00	10.00	270.00	2989.87	0.00	-130.35	10.19	0.00	
	3100.00	10.00	270.00	3088.35	0.00	-147.71	11.55	0.00	
	3200.00	10.00	270.00	3186.83	0.00	-165.08	12.91	0.00	
	3300.00	10.00	270.00	3285.31	0.00	-182.44	14.27	0.00	
	3400.00	10.00	270.00	3383.79	0.00	-199.81	15.63	0.00	
	3500.00	10.00	270.00	3482.27	0.00	-217.17	16.98	0.00	
	3600.00	10.00	270.00	3580.75	0.00	-234.54	18.34	0.00	
	3700.00	10.00	270.00	3679.23	0.00	-251.90	19.70	0.00	
	3800.00	10.00	270.00	3777.72	0.00	-269.27	21.06	0.00	
	3900.00	10.00	270.00	3876.20	0.00	-286.63	22.41	0.00	
	4000.00	10.00	270.00	3974.68	0.00	-303.99	23.77	0.00	
	4100.00	10.00	270.00	4073.16	0.00	-321.36	25.13	0.00	
	4200.00 4300.00	10.00	270.00	4171.64 4270.12	0.00	-338.72	26.49	0.00	
	4300.00 4400.00	10.00 10.00	270.00 270.00	4270.12 4368.60	0.00 0.00	-356.09 -373.45	27.85 29.20	0.00 0.00	
	4400.00 4405.48	10.00	270.00	4368.60 4374.00	0.00	-373.45 -374.41	29.20 29.28	0.00	Base of Salt
	4403.48	10.00	270.00	4467.08	0.00	-374.41	30.56	0.00	Sale of Sur
	4600.00	10.00	270.00	4565.56	0.00	-408.18	31.92	0.00	
	4662.39	10.00	270.00	4627.00	0.00	-419.02	32.77	0.00	Delaware
	4700.00	10.00	270.00	4664.04	0.00	-425.55	33.28	0.00	-
	4800.00	10.00	270.00	4762.52	0.00	-442.91	34.64	0.00	
	4900.00	10.00	270.00	4861.00	0.00	-460.28	35.99	0.00	
	5000.00	10.00	270.00	4959.48	0.00	-477.64	37.35	0.00	
	5100.00	10.00	270.00	5057.97	0.00	-495.01	38.71	0.00	
	5200.00	10.00	270.00	5156.45	0.00	-512.37	40.07	0.00	
	5300.00	10.00	270.00	5254.93	0.00	-529.74	41.43	0.00	
	5400.00	10.00	270.00	5353.41	0.00	-547.10	42.78	0.00	
	5500.00	10.00	270.00	5451.89	0.00	-564.47	44.14	0.00	
	5600.00	10.00	270.00	5550.37	0.00	-581.83	45.50	0.00	
	5700.00	10.00	270.00	5648.85	0.00	-599.20	46.86	0.00	
	5800.00	10.00	270.00	5747.33	0.00	-616.56	48.22	0.00	
	5900.00	10.00	270.00	5845.81	0.00	-633.93	49.57	0.00	
	6000.00	10.00	270.00	5944.29	0.00	-651.29	50.93	0.00	
	6100.00	10.00	270.00	6042.77	0.00	-668.66	52.29	0.00	
	6200.00	10.00	270.00	6141.25	0.00	-686.02	53.65	0.00	
	6300.00	10.00	270.00	6239.73	0.00	-703.39	55.01	0.00	
	6400.00	10.00	270.00	6338.22	0.00	-720.75	56.36	0.00	

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alarrara		Well:	Red Bull 29	-20 Fed 7H					Geodetic System: US State Plane 1983
devon		County:							Datum: North American Datum 1927
			Permit Plan						Ellipsoid: Clarke 1866
		Design:	Permit Plar	1#1					Zone: 3001 - NM East (NAD83)
	MD	INC	AZI	TVD	NS	EW	vs	DLS	Comment
	(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100ft) 0.00	
	6504.58 6600.00	10.00 8.09	270.00 270.00	6441.21 6535.44	0.00 0.00	-738.91 -753.91	57.78 58.96	2.00	Drop to Vertical
	6700.00	6.09	270.00	6634.67	0.00	-766.26	59.92	2.00	
	6800.00	4.09	270.00	6734.27	0.00	-775.13	60.62	2.00	
	6900.00 6974.91	2.09 0.59	270.00 270.00	6834.12 6909.00	0.00 0.00	-780.52 -782.28	61.04 61.18	2.00 2.00	Brushy Canyon
	7000.00	0.09	270.00	6934.09	0.00	-782.43	61.19	2.00	
	7004.58	0.00	270.00	6938.67	0.00	-782.43	61.19	2.00	Hold Vertical
	7100.00 7200.00	0.00 0.00	0.00 0.00	7034.09 7134.09	0.00 0.00	-782.43 -782.43	61.19 61.19	0.00 0.00	
	7300.00	0.00	0.00	7234.09	0.00	-782.43	61.19	0.00	
	7400.00	0.00	0.00	7334.09	0.00	-782.43	61.19	0.00	
	7500.00 7600.00	0.00 0.00	0.00 0.00	7434.09 7534.09	0.00 0.00	-782.43 -782.43	61.19 61.19	0.00 0.00	
	7700.00	0.00	0.00	7634.09	0.00	-782.43	61.19	0.00	
	7800.00	0.00	0.00	7734.09	0.00	-782.43	61.19	0.00	
	7900.00	0.00	0.00	7834.09	0.00	-782.43	61.19	0.00	
	8000.00 8100.00	0.00 0.00	0.00 0.00	7934.09 8034.09	0.00 0.00	-782.43 -782.43	61.19 61.19	0.00 0.00	
	8200.00	0.00	0.00	8134.09	0.00	-782.43	61.19	0.00	
	8300.00	0.00	0.00	8234.09	0.00	-782.43	61.19	0.00	
	8400.00 8500.00	0.00 0.00	0.00 0.00	8334.09 8434.09	0.00 0.00	-782.43 -782.43	61.19 61.19	0.00 0.00	
	8600.00	0.00	0.00	8534.09	0.00	-782.43	61.19	0.00	
	8632.91	0.00	0.00	8567.00	0.00	-782.43	61.19	0.00	1st Bone Spring Lime
	8700.00 8800.00	0.00 0.00	0.00 0.00	8634.09 8734.09	0.00 0.00	-782.43 -782.43	61.19 61.19	0.00 0.00	
	8900.00	0.00	0.00	8834.09	0.00	-782.43	61.19	0.00	
	9000.00	0.00	0.00	8934.09	0.00	-782.43	61.19	0.00	
	9100.00 9200.00	0.00 0.00	0.00 0.00	9034.09	0.00	-782.43 -782.43	61.19	0.00 0.00	
	9200.00	0.00	0.00	9134.09 9234.09	0.00 0.00	-782.43	61.19 61.19	0.00	
	9400.00	0.00	0.00	9334.09	0.00	-782.43	61.19	0.00	
	9500.00	0.00	0.00	9434.09	0.00	-782.43	61.19	0.00	KOP
	9522.96 9600.00	0.00 7.70	0.00 0.00	9457.06 9533.86	0.00 5.17	-782.43 -782.43	61.19 66.34	0.00 10.00	NOP
	9653.02	13.01	0.00	9586.00	14.70	-782.43	75.84	10.00	Bone Spring 1st / Point of Penetration
	9700.00	17.70	0.00	9631.29	27.13	-782.43	88.24	10.00	
	9800.00 9900.00	27.70 37.70	0.00 0.00	9723.42 9807.46	65.68 119.64	-782.43 -782.43	126.67 180.47	10.00 10.00	
	10000.00	47.70	0.00	9880.86	187.38	-782.43	247.99	10.00	
	10100.00	57.70	0.00	9941.37	266.83	-782.43	327.20	10.00	
	10200.00 10300.00	67.70 77.70	0.00 0.00	9987.18 10016.87	355.58 450.94	-782.43 -782.43	415.68 510.74	10.00 10.00	
	10400.00	87.70	0.00	10029.55	550.00	-782.43	609.51	10.00	
	10426.93	90.40	0.00	10030.00	576.92	-782.43	636.34	10.00	Landing Point
	10500.00 10600.00	90.40 90.40	0.00 0.00	10029.49 10028.80	649.99 749.99	-782.43 -782.43	709.19 808.88	0.00 0.00	
	10700.00	90.40	0.00	10028.11	849.99	-782.43	908.57	0.00	
	10800.00	90.40	0.00	10027.42	949.99	-782.43	1008.27	0.00	
	10900.00 11000.00	90.40 90.40	0.00 0.00	10026.73 10026.04	1049.98 1149.98	-782.43 -782.43	1107.96 1207.65	0.00 0.00	
	11100.00	90.40	0.00	10025.35	1249.98	-782.43	1307.34	0.00	
	11200.00	90.40	0.00	10024.65	1349.98	-782.43	1407.03	0.00	
	11300.00 11400.00	90.40 90.40	0.00 0.00	10023.96 10023.27	1449.97 1549.97	-782.43 -782.43	1506.72 1606.41	0.00 0.00	
	11500.00	90.40	0.00	10022.58	1649.97	-782.43	1706.11	0.00	
	11600.00	90.40	0.00	10021.89	1749.97	-782.43	1805.80	0.00	
	11700.00 11800.00	90.40 90.40	0.00 0.00	10021.20 10020.50	1849.96 1949.96	-782.43 -782.43	1905.49 2005.18	0.00 0.00	
	11900.00	90.40 90.40	0.00	10020.50	2049.96	-782.43	2005.18 2104.87	0.00	
	12000.00	90.40	0.00	10019.12	2149.96	-782.43	2204.56	0.00	
	12100.00	90.40	0.00	10018.43	2249.95	-782.43	2304.25	0.00	
	12200.00 12300.00	90.40 90.40	0.00 0.00	10017.74 10017.05	2349.95 2449.95	-782.43 -782.43	2403.94 2503.64	0.00 0.00	
l	12400.00	90.40	0.00	10016.36	2549.95	-782.43	2603.33	0.00	
	12500.00	90.40	0.00	10015.66	2649.94	-782.43	2703.02	0.00	
	12600.00 12700.00	90.40 90.40	0.00 0.00	10014.97 10014.28	2749.94 2849.94	-782.43 -782.43	2802.71 2902.40	0.00 0.00	
	12800.00	90.40	0.00	10013.59	2949.94	-782.43	3002.09	0.00	

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. —		Wماام	Red Bull 20	9-20 Fed 7H					Geodetic System: US State Plane 1983
devon		County:		5-20 red /11					Datum: North American Datum 1927
		Wellbore:	Permit Pla	n					Ellipsoid: Clarke 1866
		Design:	Permit Pla	n #1					Zone: 3001 - NM East (NAD83)
	MD	INC	AZI	TVD	NS	EW	vs	DLS	- · · · ·
	(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100ft)	Comment
	12900.00	90.40	0.00	10012.90	3049.94	-782.43	3101.78	0.00	
	13000.00 13100.00	90.40 90.40	0.00 0.00	10012.21 10011.52	3149.93 3249.93	-782.43 -782.43	3201.48 3301.17	0.00 0.00	
	13200.00	90.40	0.00	10010.82	3349.93	-782.43	3400.86	0.00	
	13300.00	90.40	0.00	10010.13	3449.93	-782.43	3500.55	0.00	
	13400.00 13500.00	90.40 90.40	0.00 0.00	10009.44 10008.75	3549.92 3649.92	-782.43 -782.43	3600.24 3699.93	0.00 0.00	
	13600.00	90.40	0.00	10008.06	3749.92	-782.43	3799.62	0.00	
	13700.00	90.40	0.00	10007.37	3849.92	-782.43	3899.31	0.00	
	13800.00	90.40	0.00	10006.67	3949.91	-782.43	3999.01	0.00	
	13900.00 14000.00	90.40 90.40	0.00 0.00	10005.98 10005.29	4049.91 4149.91	-782.43 -782.43	4098.70 4198.39	0.00 0.00	
	14100.00	90.40	0.00	10004.60	4249.91	-782.43	4298.08	0.00	
	14200.00	90.40	0.00	10003.91	4349.90	-782.43	4397.77	0.00	
	14300.00 14400.00	90.40 90.40	0.00 0.00	10003.22 10002.53	4449.90 4549.90	-782.43 -782.43	4497.46 4597.15	0.00 0.00	
	14500.00	90.40 90.40	0.00	10002.33	4549.90 4649.90	-782.43	4696.85	0.00	
	14600.00	90.40	0.00	10001.14	4749.89	-782.43	4796.54	0.00	
	14700.00	90.40	0.00	10000.45	4849.89	-782.43	4896.23	0.00	
	14800.00 14900.00	90.40 90.40	0.00 0.00	9999.76 9999.07	4949.89 5049.89	-782.43 -782.43	4995.92 5095.61	0.00 0.00	
	15000.00	90.40	0.00	9998.38	5149.89	-782.43	5195.30	0.00	
	15100.00	90.40	0.00	9997.68	5249.88	-782.43	5294.99	0.00	
	15200.00 15300.00	90.40 90.40	0.00 0.00	9996.99 9996.30	5349.88 5449.88	-782.43 -782.43	5394.69 5494.38	0.00 0.00	
	15400.00	90.40	0.00	9995.61	5549.88	-782.43	5594.07	0.00	
	15500.00	90.40	0.00	9994.92	5649.87	-782.43	5693.76	0.00	
	15600.00 15700.00	90.40 90.40	0.00 0.00	9994.23 9993.54	5749.87 5849.87	-782.43 -782.43	5793.45 5893.14	0.00 0.00	
	15800.00	90.40	0.00	9992.84	5949.87	-782.43	5992.83	0.00	
	15900.00	90.40	0.00	9992.15	6049.86	-782.43	6092.52	0.00	
	16000.00	90.40	0.00	9991.46 9990.77	6149.86 6249.86	-782.43 -782.43	6192.22	0.00 0.00	
	16100.00 16200.00	90.40 90.40	0.00 0.00	9990.77 9990.08	6349.86	-782.43	6291.91 6391.60	0.00	
	16300.00	90.40	0.00	9989.39	6449.85	-782.43	6491.29	0.00	
	16400.00	90.40	0.00	9988.70	6549.85	-782.43	6590.98	0.00	
	16500.00 16600.00	90.40 90.40	0.00 0.00	9988.00 9987.31	6649.85 6749.85	-782.43 -782.43	6690.67 6790.36	0.00 0.00	
	16700.00	90.40	0.00	9986.62	6849.84	-782.43	6890.06	0.00	
	16800.00	90.40	0.00	9985.93	6949.84	-782.43	6989.75	0.00	
	16900.00 17000.00	90.40 90.40	0.00 0.00	9985.24 9984.55	7049.84 7149.84	-782.43 -782.43	7089.44 7189.13	0.00 0.00	
	17100.00	90.40	0.00	9983.85	7249.83	-782.43	7288.82	0.00	
	17200.00	90.40	0.00	9983.16	7349.83	-782.43	7388.51	0.00	
	17300.00 17400.00	90.40 90.40	0.00 0.00	9982.47 9981.78	7449.83 7549.83	-782.43 -782.43	7488.20 7587.89	0.00 0.00	
	17500.00	90.40	0.00	9981.09	7649.83	-782.43	7687.59	0.00	
	17600.00	90.40	0.00	9980.40	7749.82	-782.43	7787.28	0.00	
	17700.00 17800.00	90.40 90.40	0.00 0.00	9979.71 9979.01	7849.82 7949.82	-782.43 -782.43	7886.97 7986.66	0.00 0.00	
	17800.00	90.40 90.40	0.00	9979.01 9978.32	7949.82 8049.82	-782.43 -782.43	7986.66 8086.35	0.00	
	18000.00	90.40	0.00	9977.63	8149.81	-782.43	8186.04	0.00	
	18100.00	90.40	0.00	9976.94	8249.81	-782.43	8285.73	0.00	
	18200.00 18300.00	90.40 90.40	0.00 0.00	9976.25 9975.56	8349.81 8449.81	-782.43 -782.43	8385.43 8485.12	0.00 0.00	
	18400.00	90.40	0.00	9974.86	8549.80	-782.43	8584.81	0.00	
	18500.00	90.40	0.00	9974.17	8649.80	-782.43	8684.50	0.00	
	18600.00 18700.00	90.40 90.40	0.00 0.00	9973.48 9972.79	8749.80 8849.80	-782.43 -782.43	8784.19 8883.88	0.00 0.00	
	18800.00	90.40	0.00	9972.10	8949.79	-782.43	8983.57	0.00	
	18900.00	90.40	0.00	9971.41	9049.79	-782.43	9083.27	0.00	
	19000.00	90.40 90.40	0.00	9970.72 9970.02	9149.79 9249 79	-782.43	9182.96 9282.65	0.00	
	19100.00 19200.00	90.40 90.40	0.00 0.00	9970.02 9969.33	9249.79 9349.78	-782.43 -782.43	9282.65 9382.34	0.00 0.00	
	19300.00	90.40	0.00	9968.64	9449.78	-782.43	9482.03	0.00	
	19400.00	90.40	0.00	9967.95	9549.78	-782.43	9581.72	0.00	
	19500.00 19600.00	90.40 90.40	0.00 0.00	9967.26 9966.57	9649.78 9749.78	-782.43 -782.43	9681.41 9781.10	0.00 0.00	
	19700.00	90.40	0.00	9965.88	9849.77	-782.43	9880.80	0.00	
	19744.75	90.40	0.00	9965.57	9894.52	-782.43	9925.41	0.00	exit

levon		County: Wellbore:	Lea						Datum Ellipsoid	: US State Plane 19 : North American E : Clarke 1866 : 3001 - NM East (N	Datum 1927
	MD (ft)	INC (°)	AZI (°)	TVD (ft)	NS (ft)	EW (ft)	VS (ft)	DLS (°/100ft)	Comment		
	19800.00 19824.75	90.40 90.40	0.00	9965.18 9965.00	9949.77 9974.52	-782.43 -782.43	9980.49 10005.16	0.00	BHL		_

			Red Bull 29-2	0.5.4.7.1					Conduction of	US State Plane 1983	
		County:	ea	20 Fed 7H					Datum:	North American Da	
		Wellbore: Design:	Permit Plan Permit Plan #	¢1						Clarke 1866 3001 - NM East (NA	D83)
	MD	INC	AZI	TVD	NS	EW	vs	DLS	Comment		
-	(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100ft)	Comment		

Devon Energy APD VARIANCE DATA

OPERATOR NAME: Devon Energy

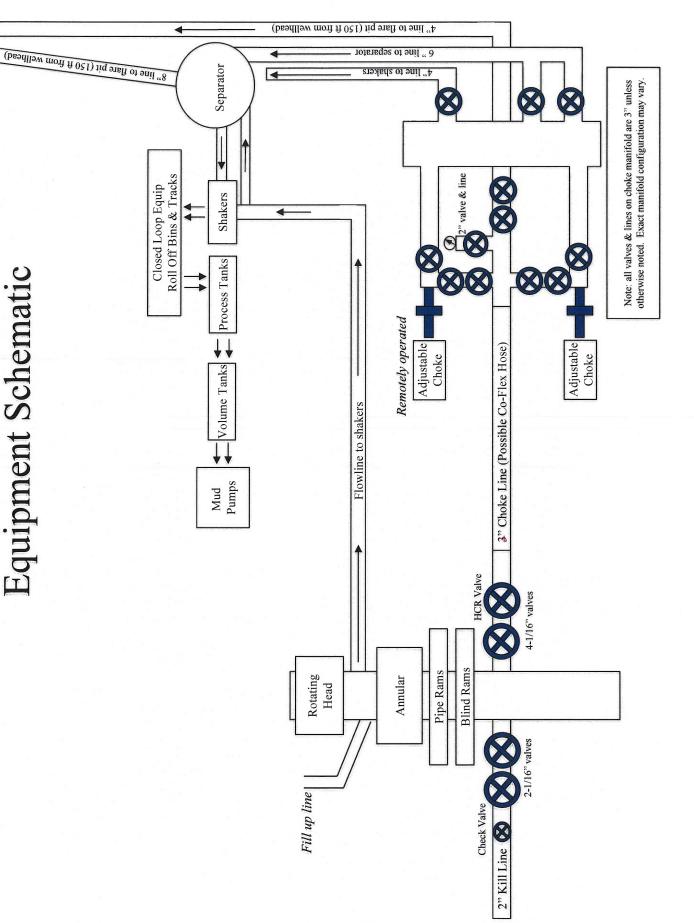
1. SUMMARY OF Variance:

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

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

2. Description of Operations

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



13-5/8" 5 M BOPE & Closed Loop

Equipment Schematic

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.

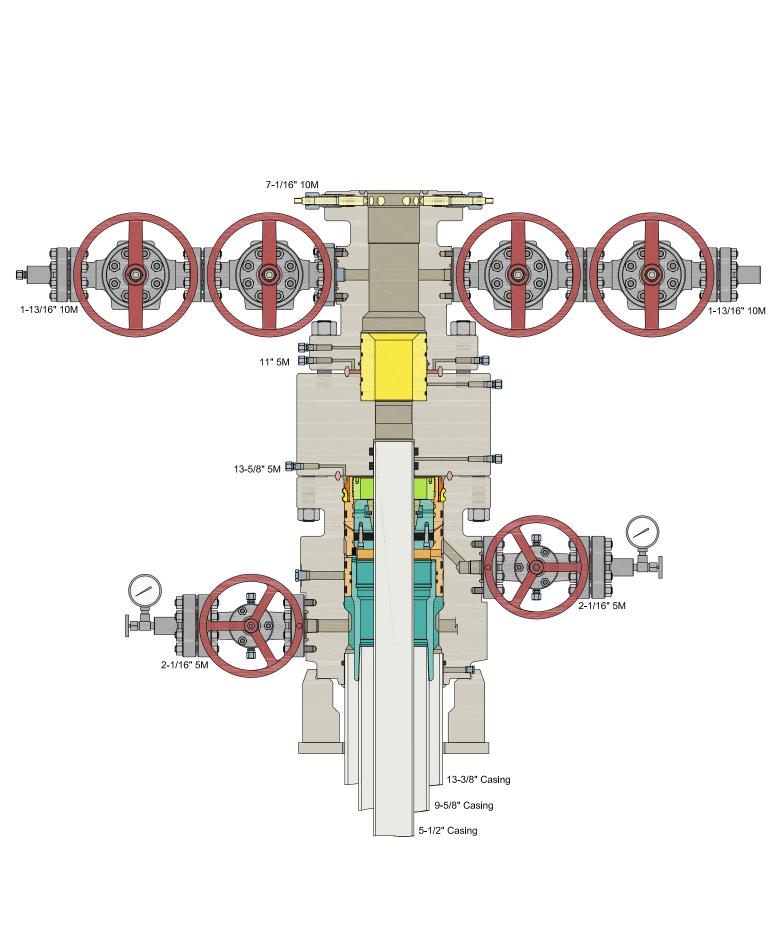
- Wellhead will be installed by wellhead representatives.
- If the welding is performed by a third party, the wellhead representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- Wellhead representative will install the test plug for the initial 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 pack-off, 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 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 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.



PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Devon Energy Production Company LP
LEASE NO.:	NMNM117588
LOCATION:	Section 29, T.23 S., R.35 E., NMPM
COUNTY:	Lea County, New Mexico
Sundry ID:	N/A
	·
WELL NAME & NO.:	Red Bull 29-20 Fed 5H
SURFACE HOLE FOOTAGE:	670'/S & 2285'/W
BOTTOM HOLE FOOTAGE	20'/N & 380'/W
WELL NAME & NO.:	Red Bull 29-20 Fed 6H
SURFACE HOLE FOOTAGE:	670'/S & 2315'/W
BOTTOM HOLE FOOTAGE	20'/N & 1880'/W
WELL NAME & NO.:	Red Bull 29-20 Fed 7H
SURFACE HOLE FOOTAGE:	560'/S & 1185'/E
BOTTOM HOLE FOOTAGE	20'/N & 1880'/E
WELL NAME & NO.:	Red Bull 29-20 Fed 8H
SURFACE HOLE FOOTAGE:	560'/S & 1155'/E
BOTTOM HOLE FOOTAGE	20'/N & 380'/E
	COA

H2S	🖸 Yes	🖸 No	
Potash	🖸 None	Secretary	🖸 R-111-P
Cave/Karst Potential	• Low	🖸 Medium	🖸 High
Cave/Karst Potential	Critical		
Variance	🖸 None	🖸 Flex Hose	C Other
Wellhead	Conventional	🖸 Multibowl	Both
Wellhead Variance	Diverter		
Other	□4 String Area	Capitan Reef	□ WIPP
Other	Fluid Filled	🗆 Pilot Hole	🗆 Open Annulus
Cementing	Cement Squeeze	EchoMeter	
Special Requirements	□ Water Disposal	СОМ	🗌 Unit
Special Requirements	□ Break Testing	□ Offline	
Variance		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 13-3/8 inch surface casing shall be set at approximately 1430 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of <u>8</u> <u>hours</u> 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 9-5/8 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, potash or capitan reef. Cement excess is less than 25%, more cement might be required.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

Page 2 of 9

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, potash or capitan reef. Cement excess is less than 25%, more cement might be required.
- In <u>Capitan Reef Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- Special Capitan Reef requirements. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:
 - Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
 - Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

Operator has proposed to pump down 13-3/8" X 9-5/8" annulus after primary cementing stage. <u>Operator must run a CBL from TD of the 9-5/8" casing to surface.</u> <u>Submit results to the BLM.</u>

If cement does not tie-back into the previous casing shoe, a third stage remediation BH may be performed. The appropriate BLM office shall be notified.

- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least 50 feet on top of Capitan Reef top or 200 feet into the previous casing, whichever is greater. 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, potash or capitan reef. Cement excess is less than 25%, more cement might be required.

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.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8** 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 **13-3/8** 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.

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) 393-3612
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- <u>Wait on cement (WOC) for Potash Areas:</u> 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 <u>24</u> <u>hours</u>. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. <u>Wait on cement (WOC) for Water Basin:</u> 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 <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.
- B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not

hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.
- C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.



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

Hydrogen Sulfide (H₂S) Contingency Plan

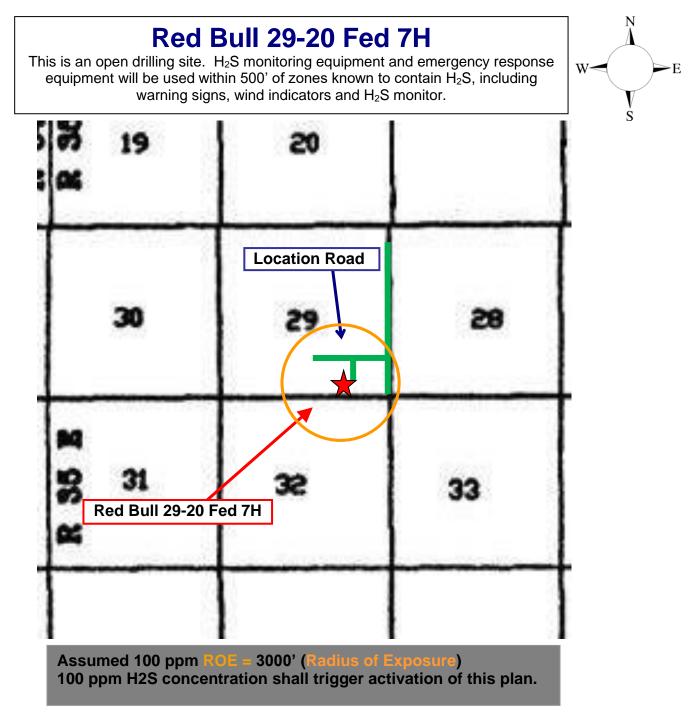
For

Red Bull 29-20 Fed 7H

Sec-29 T-23S R-35E 560' FSL & 1185' FEL LAT. = 32.269875' N (NAD83) LONG = 103.384916' W

Lea County NM

Devon Energy Corp. Cont Plan. Page 1



Escape

Crews shall escape upwind of escaping gas in the event of an emergency release of gas. Escape can be facilitated from the location entrance road. Crews should then block the entrance to the location from the lease road so as not to allow anyone traversing into a hazardous area. The blockade should be at a safe distance outside of the ROE. <u>There are no homes or buildings in or near the ROE</u>.

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the event of a release of gas containing H₂S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H₂S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the
 - \circ Detection of H₂S, and
 - Measures for protection against the gas,
 - Equipment used for protection and emergency response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

Common	Chemical	Specific	Threshold	Hazardous Limit	Lethal	
Name	Formula	Gravity	Limit		Concentration	
Hydrogen Sulfide	H₂S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm	
Sulfur	50	2.21	2	N/A	1000 mmm	
Dioxide	SO2	Air = 1	2 ppm		1000 ppm	

Characteristics of H₂S and SO₂

Contacting Authorities

Devon Energy Corp. personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Devon Energy Corp. Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

Hydrogen Sulfide Drilling Operation Plan

I. HYDROGEN SULFIDE (H₂S) TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- 1. The hazards and characteristics of hydrogen sulfide (H₂S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- 1. The effects of H₂S metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- 3. The contents and requirements of the H₂S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H_2S zone (within 3 days or 500 feet) and weekly H_2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H_2S Drilling Operations Plan and the Public Protection Plan.

II. HYDROGEN SULFIDE TRAINING

Note: All H_2S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H_2S .

1. Well Control Equipment

- A. Flare line
- B. Choke manifold Remotely Operated
- C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
- D. Auxiliary equipment may include if applicable: annular preventer and rotating head.
- E. Mud/Gas Separator

2. Protective equipment for essential personnel:

30-minute SCBA units located at briefing areas, as indicated on well site diagram, with escape units available in the top doghouse. As it may be difficult to communicate audibly while wearing these units, hand signals shall be utilized.

3. H₂S detection and monitoring equipment:

Portable H₂S monitors positioned on location for best coverage and response. These units have warning lights which activate when H₂S levels reach 10 ppm and audible sirens which activate at 15 ppm. Sensor locations:

- Bell nipple
 Possum Belly/Shale shaker
- Rig floor
 Choke manifold
- Cellar

Visual warning systems:

- A. Wind direction indicators as shown on well site diagram
- B. Caution/ Danger signs shall be posted on roads providing direct access to locations. Signs will be painted a high visibility yellow with black lettering of sufficient size to be reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

4. Mud program:

The mud program has been designed to minimize the volume of H₂S circulated to surface. Proper mud weight, safe drilling practices and the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.

5. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H₂S trim.
- B. All elastomers used for packing and seals shall be H₂S trim.

6. Communication:

- A. Company personnel have/use cellular telephones in the field.
- B. Land line (telephone) communications at Office

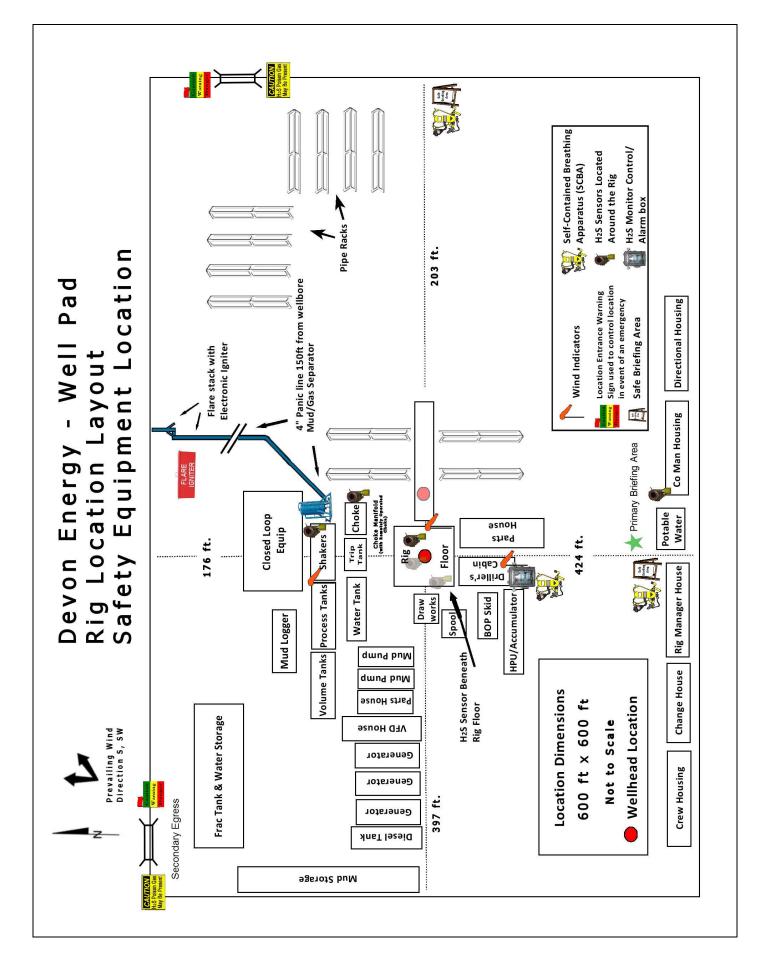
7. Well testing:

- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safety and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing operations conducted in an H₂S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

Devon En	ergy Corp. Company Call List	
Drilling Su	pervisor – Basin – Mark Kramer	405-823-4796
EHS Profe	essional – Laura Wright	405-439-8129
Agency	Call List	
Lea	Hobbs	
County	Lea County Communication Authority	393-3981
<u>(575)</u>	State Police	392-5588
	City Police	397-9265
	Sheriff's Office	393-2515
	Ambulance	911
	Fire Department	397-9308
	LEPC (Local Emergency Planning Committee)	393-2870
	NMOCD	393-6161
	US Bureau of Land Management	393-3612
Eddy	Carlsbad	
<u>County</u>	State Police	885-3137
<u>(575)</u>	City Police	885-2111
	Sheriff's Office	887-7551
	Ambulance	911
	Fire Department	885-3125
	LEPC (Local Emergency Planning Committee)	887-3798
	US Bureau of Land Management	887-6544
	NM Emergency Response Commission (Santa Fe)	(505) 476-9600
	24 HR	(505) 827-9126
	National Emergency Response Center	(800) 424-8802
	National Pollution Control Center: Direct	(703) 872-6000
	For Oil Spills	(800) 280-7118
	Emergency Services	(000) 200 7 7 10
	Wild Well Control	(281) 784-4700
	Cudd Pressure Control (915) 699-0139	(915) 563-3356
	Halliburton	(575) 746-2757
		v <i>i</i>
Cive	B. J. Services	(575) 746-3569
Give GPS	Native Air – Emergency Helicopter – Hobbs (TX & NM)	(800) 642-7828
position:	Flight For Life - Lubbock, TX	(806) 743-9911
	Aerocare - Lubbock, TX	(806) 747-8923
	Med Flight Air Amb - Albuquerque, NM	(575) 842-4433
	Lifeguard Air Med Svc. Albuquerque, NM	(800) 222-1222
	Poison Control (24/7)	(575) 272-3115
	Oil & Gas Pipeline 24 Hour Service	(800) 364-4366
	NOAA – Website - www.nhc.noaa.gov	

Prepared in conjunction with Dave Small





District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	216465
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date			
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104	5/23/2023			
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	5/23/2023			
pkautz	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	5/23/2023			
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing	5/23/2023			

CONDITIONS

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Action 216465