Form 3160-3 (June 2015)		FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018		
UNITED STATE	ES	Expires. January 51, 2018		
DEPARTMENT OF THE		5. Lease Serial No.		
BUREAU OF LAND MAN				
APPLICATION FOR PERMIT TO I	6. If Indian, Allotee or Tribe Name			
		7. If Unit or CA Agreement, Name and No.		
1a. Type of work:   DRILL	REENTER	7. If Unit of CA Agreement, Name and No.		
1b. Type of Well:   Oil Well   Gas Well	Other	9 Janes Name and Wall Na		
1c. Type of Completion: Hydraulic Fracturing	Single Zone Multiple Zone	8. Lease Name and Well No.		
2. Name of Operator		9. API Well No. 30-025-52757		
3a. Address	3b. Phone No. (include area code)	10. Field and Pool, or Exploratory		
4. Location of Well ( <i>Report location clearly and in accordance</i>	with any State requirements.*)	11. Sec., T. R. M. or Blk. and Survey or Area		
At surface				
At proposed prod. zone				
14. Distance in miles and direction from nearest town or post of	fice*	12. County or Parish 13. State		
15. Distance from proposed* location to nearest property or lease line, ft.	16. No of acres in lease 17. Spac	ing Unit dedicated to this well		
(Also to nearest drig. unit line, if any)				
<ol> <li>Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.</li> </ol>	19. Proposed Depth 20. BLM	//BIA Bond No. in file		
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration		
	24. Attachments			
The following, completed in accordance with the requirements of (as applicable)	of Onshore Oil and Gas Order No. 1, and the	Hydraulic Fracturing rule per 43 CFR 3162.3-3		
1. Well plat certified by a registered surveyor.	4. Bond to cover the operatio	ns unless covered by an existing bond on file (see		
2. A Drilling Plan.	Item 20 above).			
3. A Surface Use Plan (if the location is on National Forest Syst SUPO must be filed with the appropriate Forest Service Office		rmation and/or plans as may be requested by the		
25. Signature	Name (Printed/Typed)	Date		
Title				
Approved by (Signature)	Name (Printed/Typed)	Date		
Title	Office	1		
Application approval does not warrant or certify that the applicat applicant to conduct operations thereon. Conditions of approval, if any, are attached.	Int holds legal or equitable title to those rights	in the subject lease which would entitle the		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, of the United States any false, fictitious or fraudulent statements				
	-	-		



(Continued on page 2)

\*(Instructions on page 2)

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¥										SEC 23	<u> </u>
District I 1625 N. French Dr., H	Hobbs, NM 88	3240			State of N	New Mexico					Form C-102
PhonE: (575) 393-61 District II 811 S. First St., Artes PhonE: (575) 748-12	161 Fax: (575) sia, NM 88210	) <sup>393-0720</sup> Ei	nergy, l			iral Resources ATION DIVIS		artmen	t F	Revised	August 1, 2011
District III 1000 Rio Brazos Road	d, Aztec, NM 8	87410				St. Francis Dr	-				mit one copy to
PhonE: (505) 334-61 District IV 1220 S. St. Francis Dr						, NM 87505	•				e District Office
PhonE: (505) 476-34		476-3462				CREAGE DED	ICAT	ION PL	AT	AMEN	NDED REPORT
	API Numb	per		<sup>2</sup> Pool Co	ode			<sup>3</sup> Pool Na	ame		
<b>30-02</b>	5-5275 v Code	7		5150		BELL LA erty Name	<u>AKE;B</u>	BONE SPR	<u>ling, n</u>		Well Number
33571	3			ŀ	HOGNOSE	VIPER FED COM					202H
<sup>7</sup> OGRID 6137			DI			ator Name DUCTION COMP	ANY.	<u>.</u>			<sup>9</sup> Elevation 3702.0
					<sup>10</sup> Surface	e Location					3702.0
UL or lot no.	Section	Township 23-S	Range 33-E	Lot Idn	Feet from th	North/South line		t from the		/est line	County
D	23	23-3		N/A	540	If Different Fro		528	WE	51	LEA
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th			t from the	East/W	/est line	County
N	26	23-S	33-E	N/A	20	SOUTH		1300	WE		LEA
<sup>12</sup> Dedicated Ac 320	res <sup>13</sup> Join	nt or Infill	<sup>4</sup> Consolidat	tion Code	<sup>15</sup> Order No.						
320		No allow;				etion until all intere been approved by t			olidated		I
16				Thom-stark		been approved by t					FICATION
HOGNOSE VIP FED COM 202 SHL 540' FNL - 528' F ELEV:3702.0' N: 472287.97 E: 783392.18 LAT: 32.295962 LON: -103.54996 <b>KOP</b> 63 FNL - 130 N: 472768 E: 7841 LAT: 32.2972 LON: -103.5476 FTP (PPP 1) 100' FNL - 1300' I N:472730.46 E:784160.58 LAT. 32.297163 LON103.54746 PPP 2 0' FSL - 1300' FV N:467548.17 E:784199.47 LAT. 32.282918 LON. 103.5476	2H     A       FWL     C       7     E       277°     G       5555°     H       00     FWL       1     J       1     J       00     FWL       1     N       1     N       2     N       0     P       2     N       355°     S84°       355°     S85°	N: 472826.10 N: 472834.90 N: 472844.97 N: 470187.22 N: 470206.64 N: 467541.82 N: 467554.65 N: 467568.31 N: 464902.14 N: 464902.14 N: 464902.14 N: 464902.14 N: 462270.91 N: 462270.93 N: 462270.93 N: 45924.00 N: 459674.43 N: 456974.43 N: 456991.43	0 E: 785497.8 7 E: 788132.5	83 51 42 55 14 64 87 57 66 95 55 88 61 97 27 27 27	TP S 89°48'32" W 2638.23' FTP Z SHL D C E F 528' FWL NMNM 12148 MNNM 12148 S 89°43'14" W 2636.07' PPP 2	BIA GIH -23- → B9 NMNM 114986 	"W = N00°26'22"W = N00°26'22"W =	I hereby certi true and com belief, and th interest or un the proposed this well at th owner of such voluntary poo order hereto Signature Rebecca De Printed Nam <u>rebecca.de</u> E-mail Addre <b>NOTES:</b> 1. BASIS OF BEARIN CONICAL PROJECT PLANE GROUP 3. EXISTING GROUP	ify that the in poletic to the inplete to the at this organ leased mine d bottom ho is location h a mineral oling agreem fore entere- cal, Regulat ne al@dvn.co ess NGS, COORDINAT ION OF THE NEW WO AC GROUN ND ELEVATIONS	information ie best of m nization eiti eral interes ole location pursuant to or working ment or a cc ed by the div div the div div tory Analys tory Analys om	n contained herein is hy knowledge and ther owns a working st in the land including o r has a right to drill o a contract with an tinterest, or to a ompulsory pooling vision. st 7/31/2023 Date NCES ARE A LAMBERT RDINATE SYSTEM, STATE WITH A CONVERGENCE ANGLE S OF LO00236530 BASED ON 8' E. 777536.734'. NDS. SURVEY FET. VD88 USING THE 128 GEOID.
LON103.54746 LTP 100' FSL - 1300' F N:462366.59 E:784238.36 LAT. 32.268675 LON103.54746 BHL 20' FSL - 1300' F N:462286.61 E:784238.95 LAT. 32.268455 LON103.54746	FWL 56° 524° FWL 57° 524°	M010101010	SECTION LIN 1/4 SECTION 1/16 SECTIO WELL PATH LEASE ID NU LEASE ID NU FOUND USG		DC ETF NMNM 12649 LK MN BHL 2639.14' S 89°48'59" W	05 NMNM 121489 	2645.09 <sup>1</sup> 30 <sup>2</sup> 38 <sup>1</sup> 19 <sup>11</sup> 30 <sup>2</sup> 38 <sup>1</sup> 19 <sup>11</sup> 30 <sup>2</sup> 38 <sup>1</sup> 19 <sup>11</sup> 30 <sup>2</sup>	Date of Sur Signature a	and Seal o	of <b>Professi</b>	ional Surveyor:
		•	ON 1"PIPE, " CALCULATED	"1913"			ŀ	Certificate N Drawn by: El		ked by: AR	Albert Dehoyos RD Date: 06/28/2023

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~								SEC 26	;
District I 1625 N. French Dr., Hobbs, NM 8					New Mexico				Form C-102
District II 811 S. First St., Artesia, NM 8821 PhonE: (575) 748-1283 Fax: (575	811 S. First St., Artesia, NM 88210 PhonE: (575) 748-1283 Fax: (575) 748-9720 OIL CONSERVATION DIVISION								
1000 Rio Brazos Road, Aztec, NM PhonE: (505) 334-6178 Fax: (505)	District III       Submit one copy to         1000 Rio Brazos Road, Aztec, NM 87410       1220 South St. Francis Dr.       Submit one copy to         Phone: (505) 334-6170       South St. Francis Dr.       appropriate District Office								
District IV 1220 S. St. Francis Dr., Santa Fe, PhonE: (505) 476-3460 Fax: (505)	5) 476-3462				, NM 87505		 Г	• •	NDED REPORT
<sup>1</sup> API Num		<u>ELL LOC</u>	2 Pool Co		CREAGE DEDI	CATION PL <sup>3</sup> Pool N	AT –	<u> </u>	
<sup>1</sup> API Num <b>30-025-527</b>	57		5990	00	TRIPLE	X;BONE SPRI			
<sup>4</sup> Property Code <b>335713</b>			ŀ	HOGNOSE	erty Name VIPER FED COM			6	Well Number 202H
<sup>7</sup> OGRID No. 6137		DE	EVON EN		rator Name DUCTION COMPA	ANY, L.P.			<sup>9</sup> Elevation 3702.0
	J			<sup>10</sup> Surface	e Location	-			
UL or lot no. Section D 23	Township	Range 33-E	Lot Idn N/A	Feet from th 540	ne North/South line NORTH	Feet from the 528	East/W	/est line ST	County LEA
					If Different Fron		<b>E</b>		
UL or lot no. Section	Township	Range 33-E	Lot Idn N/A	Feet from th	ne North/South line SOUTH	Feet from the 1300	East/W	/est line ST	County LEA
	int or Infill	<sup>4</sup> Consolidat	tion Code	<sup>15</sup> Order No.	I	<b></b>			
320	No allowa				letion until all interes		olidated		
16		or a	i non-stand	dard unit has	been approved by th	-			FICATION
FED COM 202H         A           SHL         B           540' FNL - 528' FWL         C           ELEV:3702.0'         D           N: 472287.97         E           E.783392.18         F           LAT: 32.2959627°         G           LON: -103.5499655°         H           KOP         J	N: 472834.90 N: 472844.97 N: 470187.22 N: 470206.64 N: 467541.83 N: 467554.65 N: 467568.33 N: 464902.14 N: 464902.14 N: 462270.97 N: 462270.97 N: 462270.93 N: 462270.93 N: 459624.00 N: 459674.43 N: 456974.43 N: 456991.43	0 E: 782860.1 0 E: 7828497.8 7 E: 788132.5 3 E: 782878.4 E: 788297.8 7 E: 782970.1 9 E: 785535.6 1 E: 788172.9 4 E: 788172.9 4 E: 788194.7 5 E: 782939.3 1 E: 782939.3 1 E: 785577.9 6 E: 788216.5 0 E: 788234.6 3 E: 782978.6 3 E: 78557.2	11 12 12 12 12 12 12 12 12 12	FIP S 89°48'32" W 2638.23' FTP Z SHL D C E F 528' FWL NMNM 1214 LK MN S 89°43'14" W	-23- — ОС		npiete to the nat this organization leased mini- d bottom hc nis location h a mineral oling agreere www. eal, Regulat ne eal, Regulat ne eal@dvn.co ess NGS, COORDINA' ION OF THE NEW 83, NEW MEXICO NO A COMBINED JORNED VIPER A' WIN ARE GROUN	te best of m nization eit eral interes ole location pursuant tu or working ment or a c d by the div by the div	vst 7/31/2023 Date
N:467548.17 E:784199.47 LAT. 32.2829185° LON103.5474654° <b>LTP</b> 100' FSL - 1300' FWL N:462366.59 E:784238.36 LAT. 32.2686756° LON103.5474624° <b>BHL</b> 20' FSL - 1300' FWL N:462286.61 E:784238.95 LAT. 32.2684557° LON103.5474624°	LEGEND	SECTION LIN 1/4 SECTION 1/16 SECTION WELL PATH LEASE ID NU FOUND USGI ON 1"PIPE, "	KO I LINE N LINE MBER LO B.C. '1913"	2636.07' PPP 2 D C ETF NMNM 12645 MNNM 12645 LLK MN LTP BHL 2639.14' S 89'48'59" W	-26	<ul> <li>me or under and correct t</li> <li>06/23/2023</li> <li>Date of Sur</li> </ul>	my supervise o the best o rvey and Seal o P & P P & P &	of Professi T R. D. 23261	ional Surveyor:

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Inter	nt 🔽		As Dri	lled						
API #	<u>.</u>									
	Operator NamE:     Property NamE:     Well Number       DEVON ENERGY PRODUCTION COMPANY, L.P.     HOGNOSE VIPER FED COM     202H									
Kick	Off Poin	t (KOP)								
UL	Section 23	Township 23S	Range 33E	Lot	Feet 63	From N/S FNL	Feet 1300	From E/W FWL	County	
Latitu	-	200	<u>_</u>		Longitude			1002	LEA NAD	
	32.29	72				-103.54	76		83	
		oint (FTP)								
UL C	Section	Township 23-S	Range 33-E	Lot N/A	Feet 100	From N/S NORTH	Feet 1300	From E/W WEST	County LEA	
Latitu		1		, ,	Longitude -103.5474	1		_	NAD 83	
L									I	
	Take Po	int (LTP)								
UL N	Section 26	Township 23-S	Range 33-E		Feet 100	From N/S SOUTH	Feet 1300	From E/W WEST	County LEA	
Latitu 32.2	<sup>ide</sup> 686756	0	1	<u> </u>	Longitude -103.5474	624°			NAD 83	
									1	
Is thi	s well th	ne definir	ng well	for t	he Horizont	al Spacin	g Unit? 🛛 Y			
Is thi	Is this well an infill well?									
	If infill is yes provide API if available, Operator name and well number for Defining well for Horizontal Spacing Unit.									
-										
Oper	ator Nam	E:				Pro	perty NamE:			Well Number
									ŀ	KZ 06/29/2018

Re	ceived by	OCD: 4/2	2/2024 6::	51:24 AM
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	Е	Stat nergy, Minerals a	te of New Me and Natural Res		ent	Sub Via	mit Electronically E-permitting		
Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505									
	Ν	ATURAL G	AS MANA	GEMENT P	LAN				
This Natural Gas Manag	gement Plan m	ust be submitted w	ith each Applica	tion for Permit to I	Orill (AP	PD) for a new o	or recompleted well		
			<u>1 – Plan D</u> ffective May 25						
I. Operator: <u>Devon E</u>	nergy Product	ion Company, L.P.	OGRID:	6137		<b>Date:</b>	12 / 2023		
II. Type: 🗵 Original 🛛	□ Amendment	due to □ 19.15.27	.9.D(6)(a) NMA	C 🗆 19.15.27.9.D(	(6)(b) NI	MAC 🗆 Other.			
If Other, please describe	:								
<b>III. Well(s):</b> Provide the be recompleted from a s					wells pro	pposed to be dr	illed or proposed t		
Well Name Hognose Viper Fed Com Well Package - See Attached	API	ULSTR	Footages	Anticipated Oil BBL/D		MCF/D F	Anticipated Produced Water BBL/D		
IV. Central Delivery P V. Anticipated Schedu							27.9(D)(1) NMAC		
proposed to be recomple						rr			
Well Name See Attached	API	Spud Date	TD Reached Date	Completion Commencement		Initial Flow Back Date	First Production Date		
VI. Separation Equipn	nent: 🛛 Attac	n a complete descri	ption of how Op	erator will size sep	aration e	equipment to o	ptimize gas captur		
VII. Operational Prac Subsection A through F			ription of the ac	tions Operator wil	l take to	comply with	the requirements		
VIII. Best Managemer during active and planne			te description of	f Operator's best n	nanagem	nent practices t	o minimize ventir		

# Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

 $\square$  Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

# IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

# X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

**XI.** Map.  $\Box$  Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

**XII.** Line Capacity. The natural gas gathering system  $\Box$  will  $\Box$  will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

**XIII.** Line Pressure. Operator  $\Box$  does  $\Box$  does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

□ Attach Operator's plan to manage production in response to the increased line pressure.

**XIV. Confidentiality:**  $\Box$  Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

# <u>Section 3 - Certifications</u> <u>Effective May 25, 2021</u>

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

 $\square$  Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

 $\Box$  Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. *If Operator checks this box, Operator will select one of the following:* 

**Well Shut-In.**  $\Box$  Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

**Venting and Flaring Plan.**  $\Box$  Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

# Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:							
Printed Name: Jeff Walla							
Title: Surface Land and Regulatory Manager							
E-mail Address:							
Date:							
Phone:							
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)							
Approved By:							
Title:							
Approval Date:							
Conditions of Approval:							

HOGNOSE VIPER 23 CTB 1							
Well Name	ΑΡΙ	ULSTR - SHL	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D	PHYSICAL SITE	PRODUCTION SITE
HOGNOSE VIPER FED COM 201H		23-23S-33E, 300 FNL & 450 FWL	(+/-) 1285 bopd	(+/-) 2790 mcfd	(+/-) 1525 bwpd	HOGNOSE VIPER 23 WELLPAD 2	HOGNOSE VIPER 23 CTB 1
HOGNOSE VIPER FED COM 202H		23-23S-33E, 300 FNL & 540 FWL	(+/-) 1285 bopd	(+/-) 2790 mcfd	(+/-) 1525 bwpd	HOGNOSE VIPER 23 WELLPAD 2	HOGNOSE VIPER 23 CTB 1
HOGNOSE VIPER FED COM 203H		23-23S-33E, 300 FNL & 1450 FWL	(+/-) 1285 bopd	(+/-) 2790 mcfd	(+/-) 1525 bwpd	HOGNOSE VIPER 23 WELLPAD 3	HOGNOSE VIPER 23 CTB 1
HOGNOSE VIPER FED COM 301H		23-23S-33E, 300 FNL & 480 FWL	(+/-) 1261 bopd	(+/-) 1395 mcfd	(+/-)4677 bwpd	HOGNOSE VIPER 23 WELLPAD 2	HOGNOSE VIPER 23 CTB 1
HOGNOSE VIPER FED COM 302H		23-23S-33E, 300 FNL & 1390 FWL	(+/-) 1261 bopd	(+/-) 1395 mcfd	(+/-)4677 bwpd	HOGNOSE VIPER 23 WELLPAD 3	HOGNOSE VIPER 23 CTB 1
HOGNOSE VIPER FED COM 601H		23-23S-33E, 300 FNL & 510 FWL	(+/-) 1261 bopd	(+/-) 1395 mcfd	(+/-)4677 bwpd	HOGNOSE VIPER 23 WELLPAD 2	HOGNOSE VIPER 23 CTB 1
HOGNOSE VIPER FED COM 602H		23-23S-33E, 300 FNL & 1420 FWL	(+/-) 1261 bopd	(+/-) 1395 mcfd	(+/-)4677 bwpd	HOGNOSE VIPER 23 WELLPAD 3	HOGNOSE VIPER 23 CTB 1
HOGNOSE VIPER FED COM 701H		23-23S-33E, 300 FNL & 420 FWL				HOGNOSE VIPER 23 WELLPAD 2	HOGNOSE VIPER 23 CTB 1
HOGNOSE VIPER FED COM 702H		23-23S-33E, 300 FNL & 1360 FWL				HOGNOSE VIPER 23 WELLPAD 3	HOGNOSE VIPER 23 CTB 1
Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date	
HOGNOSE VIPER FED COM 201H		6/1/2024	7/1/2024	10/29/2024	10/29/2024	10/29/2024	
HOGNOSE VIPER FED COM 202H		6/8/2024	7/8/2024	11/5/2024	11/5/2024	11/5/2024	
HOGNOSE VIPER FED COM 203H		6/15/2024	7/15/2024	11/12/2024	11/12/2024	11/12/2024	
HOGNOSE VIPER FED COM 301H		6/22/2024	7/22/2024	11/19/2024	11/19/2024	11/19/2024	1
HOGNOSE VIPER FED COM 302H		7/1/2024	7/31/2024	11/28/2024	11/28/2024	11/28/2024	1
HOGNOSE VIPER FED COM 601H		7/8/2024	8/7/2024	12/5/2024	12/5/2024	12/5/2024	
HOGNOSE VIPER FED COM 602H		7/15/2024	8/14/2024	12/12/2024	12/12/2024	12/12/2024	
HOGNOSE VIPER FED COM 701H		7/22/2024	8/21/2024	12/19/2024	12/19/2024	12/19/2024	
HOGNOSE VIPER FED COM 702H		7/29/2024	8/28/2024	12/26/2024	12/26/2024	12/26/2024	



Page 10 of 51

VI. Separation Equipment

Devon Energy Production Company, L.P. utilizes a "stage separation" process in which oil and gas separation is carried out through a series of separators operating at successively reduced pressures. Hydrocarbon liquids are produced into a high-pressure inlet separator, then carried through one or more lower pressure separation vessels before entering the storage tanks. The purpose of this separation process is to attain maximum recovery of liquid hydrocarbons from the fluids and allow maximum capture of produced gas into the sales pipeline. Devon utilizes a series of Low-Pressure Compression units to capture gas off the staged separation and send it to the sales pipeline. This process minimizes the amount of flash gas that enters the end-stage storage tanks that is subsequently vented or flared.



## **VII.** Operational Practices

Devon Energy Production Company, L. P. will employ best management practices and control technologies to maximize the recovery and minimize waste of natural gas through venting and flaring.

- During drilling operations, Devon will utilize flares and/or combustors to capture and control natural gas, where technically feasible. If flaring is deemed technically in-feasible, Devon will employ best management practices to minimize or reduce venting to the extent possible.
- During completions operations, Devon will utilize Green Completion methods to capture gas produced during well completions that is otherwise vented or flared. If capture is technically in-feasible, flares and/or combustors will be used to capture and control flow back fluids entering into frac tanks during initial flowback. Upon indication of first measurable hydrocarbon volumes, Devon will turn operations to onsite separation vessels and flow to the gathering pipeline.
- During production operations, Devon will take every practical effort to minimize waste of natural gas through venting and flaring by:
  - Designing and constructing facilities in a manner consistent to achieve maximum capture and control of hydrocarbon liquids & produced gas
  - Utilizing a closed-loop capture system to collect and route produced gas to sales line via low pressure compression, or to a flare/combustor
  - Flaring in lieu of venting, where technically feasible
  - Utilizing auto-ignitors or continuous pilots, with thermocouples connected to Scada, to quickly detect and resolve issues related to malfunctioning flares/combustors
  - Employ the use of automatic tank gauging to minimize storage tank venting during loading events
  - Installing air-driven or electric-driven pneumatics & combustion engines, where technically feasible to minimize venting to the atmosphere
  - Confirm equipment is properly maintained and repaired through a preventative maintenance and repair program to ensure equipment meets all manufacturer specifications
  - Conduct and document AVO inspections on the frequency set forth in Part 27 to detect and repair any onsite leaks as quickly and efficiently as is feasible



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Devon Energy Production Company, L.P. will utilize best management practices to minimize venting during active and planned maintenance activities. Devon is operating under guidance that production facilities permitted under NOI permits have no provisions to allow high pressure flaring and high pressure flaring is only allowed in disruption scenarios so long as the duration is less than eight hours. When technically feasible, flaring during maintenance activities will be utilized in lieu of venting to the atmosphere. Devon will work with third-party operators during scheduled maintenance of downstream pipeline or processing plants to address those events ahead of time to minimize venting. Actions considered include identifying alternative capture approaches or planning to temporarily reduce production or shut in the well to address these circumstances.

### 1. Geologic Formations

TVD of target	9725	Pilot hole depth	N/A
MD at TD:	20037	Deepest expected fresh water	

Basin

Basin			
	Depth	Water/Mineral	
Formation	(TVD)	Bearing/Target	Hazards*
	from KB	Zone?	
Rustler	1323		
Salt	1861		
Base of Salt	5275		
Delaware	5275		
Cherry Canyon	6060		
Brushy Canyon	7595		
1st Bone Spring Lime	9150		

\*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	1348	0	1348	
12 1/4	9 5/8	40	J-55	BTC	0	5375	0	5375	
8 3/4	5 1/2	17	P110	BTC	0	20037	0	9725	

• All casing strings will be tested in accordance with 43 CFR 3172. Must have table for contingency casing.

3. Cementing Program (3-String Primary Design)

Casing	# Sks	TOC	Wt. (lb/gal)	Yld (ft3/sack)	Slurry Description
Surface	1014	Surf	13.2	1.4	Lead: Class C Cement + additives
Int 1	594	Surf	9.0	3.3	Lead: Class C Cement + additives
Int I	154	4875	13.2	1.4	Tail: Class H / C + additives
Int 1	772	Surf	9.0	3.3	Squeeze Lead: Class C Cement + additives
Intermediate	594	Surf	9.0	3.3	Lead: Class C Cement + additives
Squeeze	154	4875	13.2	1.4	Tail: Class H / C + additives
Production	371	4875	9.0	3.3	Lead: Class H /C + additives
Froduction	2086	9229	13.2	1.4	Tail: Class H / C + additives

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

.

4. Pressure Control Equipment (Three String Design)

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	T	уре	~	Tested to:
			An	Annular X		50% of rated working pressure
Int 1	13-5/8"	5M	Blind	d Ram	Х	
Int I	15-5/8	5111	Pipe	Ram		5M
			Double Ram		Х	5111
			Other*			
	13-5/8"	5M	An	nular	х	50% of rated working pressure
Production			Blind Ram		Х	
Floduction	13-5/8	JIVI	Pipe Ram			5M
			Double Ram		Х	JIVI
			Other*			
			Annul	ar (5M)		
			Blind Ram			
			Pipe Ram			]
			Doub	le Ram		]
			Other*			

### 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 Monitor	ing
--	-----

### 6. Logging and Testing Procedures

Logging, Co	Logging, Coring 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.							

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

### 7. Drilling Conditions

Specfiy what type and where?						
4551						
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						
concentratio	concentrations greater than 100 ppm, the operator will comply with the provisions of 43 CFR 3176. If Hydrogen Sulfide is						
encountered	measured values and formations will be provided to the BLM.						
Ν	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 (43 CFR 3172, 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

# **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

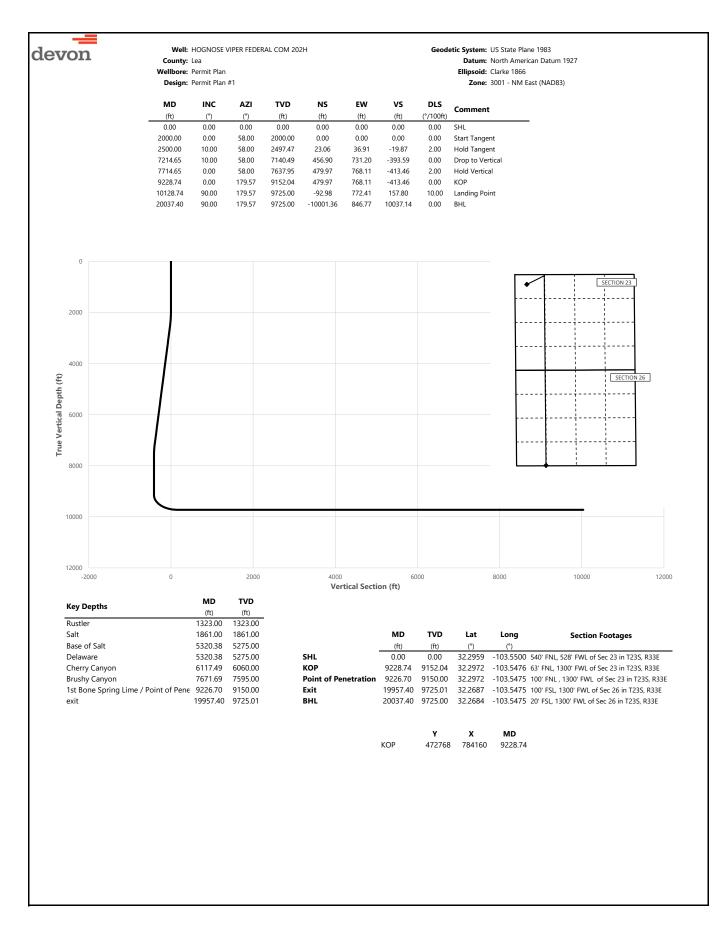
- **1.** A spudder rig contractor may move in their rig to drill the surface hole section and pre-set surface casing on this well.
  - **a.** After drilling the surface hole section, the rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and 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.



# **Section 1 - Geologic Formations**

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
13132482		3702	0	Ö	OTHER : Surface	NONE	N
13132483	RUSTLER	2379	1323	1323	SANDSTONE	NONE	N
13132484	TOP SALT	1841	1861	1861	SALT	NONE	N
13132492	BASE OF SALT	-1573	5275	5275	ANHYDRITE	NONE	N
13132493	DELAWARE	-1573	5275	5275	SANDSTONE	NATURAL GAS, OIL	N
13132479	BRUSHY CANYON	-3893	7595	7595	SANDSTONE	NATURAL GAS, OIL	N
13132480	BONE SPRING	-5448	9150	9150	LIMESTONE	NATURAL GAS, OIL	Y
13132481	BONE SPRING 1ST	-6565	10267	10267	SANDSTONE	NATURAL GAS, OIL	N
13132495	BONE SPRING 2ND	-6828	10530	10530	LIMESTONE	OIL	N
13132490	BONE SPRING 2ND	-7189	10891	10891	SANDSTONE	NATURAL GAS, OIL	N
13132488	BONE SPRING 3RD	-7644	11346	11346	LIMESTONE	NATURAL GAS, OIL	N
13132496	BONE SPRING 3RD	-8353	12055	12055	SANDSTONE	NATURAL GAS, OIL	N
13132491	WOLFCAMP	-8666	12368	12368	SHALE	NATURAL GAS, OIL	N

# **Section 2 - Blowout Prevention**



devon				VIPER FEDER	AL COM 202	н			Geodetic System: US State Plane 1983
		County: Wellbore:	Lea Permit Plar						Datum: North American Datum 1927 Ellipsoid: Clarke 1866
			Permit Plar						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
	100.00 200.00	0.00 0.00	58.00 58.00	100.00 200.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	
	300.00	0.00	58.00	300.00	0.00	0.00	0.00	0.00	
	400.00	0.00	58.00	400.00	0.00	0.00	0.00	0.00	
	500.00 600.00	0.00	58.00	500.00	0.00	0.00	0.00 0.00	0.00	
	700.00	0.00 0.00	58.00 58.00	600.00 700.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00	
	800.00	0.00	58.00	800.00	0.00	0.00	0.00	0.00	
	900.00	0.00	58.00	900.00	0.00	0.00	0.00	0.00	
	1000.00 1100.00	0.00 0.00	58.00 58.00	1000.00 1100.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	
	1200.00	0.00	58.00	1200.00	0.00	0.00	0.00	0.00	
	1300.00	0.00	58.00	1300.00	0.00	0.00	0.00	0.00	
	1323.00	0.00	58.00	1323.00	0.00	0.00	0.00	0.00	Rustler
	1400.00 1500.00	0.00 0.00	58.00 58.00	1400.00 1500.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	
	1600.00	0.00	58.00	1600.00	0.00	0.00	0.00	0.00	
	1700.00	0.00	58.00	1700.00	0.00	0.00	0.00	0.00	
	1800.00 1861.00	0.00	58.00	1800.00	0.00	0.00	0.00	0.00	Calt
	1900.00	0.00 0.00	58.00 58.00	1861.00 1900.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	Salt
	2000.00	0.00	58.00	2000.00	0.00	0.00	0.00	0.00	Start Tangent
	2100.00	2.00	58.00	2099.98	0.92	1.48	-0.80	2.00	
	2200.00 2300.00	4.00 6.00	58.00 58.00	2199.84 2299.45	3.70 8.32	5.92 13.31	-3.19 -7.16	2.00 2.00	
	2300.00	8.00	58.00	2299.45	0.52 14.77	23.64	-12.73	2.00	
	2500.00	10.00	58.00	2497.47	23.06	36.91	-19.87	2.00	Hold Tangent
	2600.00	10.00	58.00	2595.95	32.27	51.64	-27.79	0.00	
	2700.00 2800.00	10.00 10.00	58.00 58.00	2694.43 2792.91	41.47 50.67	66.36 81.09	-35.72 -43.65	0.00 0.00	
	2900.00	10.00	58.00	2891.39	59.87	95.81	-43.05	0.00	
	3000.00	10.00	58.00	2989.87	69.07	110.54	-59.50	0.00	
	3100.00	10.00	58.00	3088.35	78.28	125.27	-67.43	0.00	
	3200.00 3300.00	10.00 10.00	58.00 58.00	3186.83 3285.31	87.48 96.68	139.99 154.72	-75.35 -83.28	0.00 0.00	
	3400.00	10.00	58.00	3383.79	105.88	169.44	-91.21	0.00	
	3500.00	10.00	58.00	3482.27	115.08	184.17	-99.14	0.00	
	3600.00	10.00	58.00	3580.75	124.28	198.90	-107.06	0.00	
	3700.00 3800.00	10.00 10.00	58.00 58.00	3679.23 3777.72	133.49 142.69	213.62 228.35	-114.99 -122.92	0.00 0.00	
	3900.00	10.00	58.00	3876.20	151.89	243.08	-130.84	0.00	
	4000.00	10.00	58.00	3974.68	161.09	257.80	-138.77	0.00	
	4100.00 4200.00	10.00 10.00	58.00 58.00	4073.16 4171.64	170.29 179.50	272.53 287.25	-146.70 -154.62	0.00 0.00	
	4300.00	10.00	58.00	4270.12	188.70	301.98	-162.55	0.00	
	4400.00	10.00	58.00	4368.60	197.90	316.71	-170.48	0.00	
	4500.00	10.00	58.00	4467.08	207.10	331.43	-178.40	0.00	
	4600.00 4700.00	10.00 10.00	58.00 58.00	4565.56 4664.04	216.30 225.51	346.16 360.89	-186.33 -194.26	0.00 0.00	
	4800.00	10.00	58.00	4762.52	234.71	375.61	-202.18	0.00	
	4900.00	10.00	58.00	4861.00	243.91	390.34	-210.11	0.00	
	5000.00 5100.00	10.00 10.00	58.00 58.00	4959.48 5057.97	253.11 262.31	405.06 419.79	-218.04 -225.96	0.00 0.00	
	5200.00	10.00	58.00	5156.45	271.52	434.52	-233.89	0.00	
	5300.00	10.00	58.00	5254.93	280.72	449.24	-241.82	0.00	
	5320.38	10.00	58.00	5275.00	282.59	452.24	-243.43	0.00	Base of Salt, Delaware
	5400.00 5500.00	10.00 10.00	58.00 58.00	5353.41 5451.89	289.92 299.12	463.97 478.69	-249.74 -257.67	0.00 0.00	
	5600.00	10.00	58.00	5550.37	308.32	493.42	-265.60	0.00	
	5700.00	10.00	58.00	5648.85	317.53	508.15	-273.52	0.00	
	5800.00	10.00	58.00	5747.33	326.73	522.87	-281.45	0.00	
	5900.00 6000.00	10.00 10.00	58.00 58.00	5845.81 5944.29	335.93 345.13	537.60 552.33	-289.38 -297.30	0.00 0.00	
	6100.00	10.00	58.00	6042.77	354.33	567.05	-305.23	0.00	
	6117.49	10.00	58.00	6060.00	355.94	569.63	-306.62	0.00	Cherry Canyon
	6200.00	10.00	58.00	6141.25	363.54	581.78	-313.16	0.00	
	6300.00 6400.00	10.00 10.00	58.00 58.00	6239.73 6338.22	372.74 381.94	596.50 611.23	-321.08 -329.01	0.00 0.00	
	6500.00	10.00	58.00	6436.70	391.14	625.96	-336.94	0.00	

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r											
		MAL	HOCNOCE						Goodetic System LIS State Diano 1092		
devon	Well: HOGNOSE VIPER FEDERAL COM 202H County: Lea								Geodetic System: US State Plane 1983 Datum: North American Datum 1927		
	County: Lea Wellbore: Permit Plan								Ellipsoid: Clarke 1866		
		Design:	Permit Plar	n #1				Zone: 3001 - NM East (NAD83)			
	MD	INC	AZI	TVD	NS	EW	vs	DLS			
	(ft)	(°)	(°)	(ft)	(ft)	<b>E VV</b> (ft)	<b>VS</b> (ft)	(°/100ft)	Comment		
-	6600.00	10.00	58.00	6535.18	400.34	640.68	-344.87	0.00			
	6700.00	10.00	58.00	6633.66	409.55	655.41	-352.79	0.00			
	6800.00	10.00	58.00	6732.14	418.75	670.14	-360.72	0.00			
	6900.00	10.00	58.00	6830.62	427.95	684.86	-368.65	0.00			
	7000.00 7100.00	10.00 10.00	58.00 58.00	6929.10 7027.58	437.15 446.35	699.59 714.31	-376.57 -384.50	0.00 0.00			
	7200.00	10.00	58.00	7126.06	455.56	729.04	-392.43	0.00			
	7214.65	10.00	58.00	7140.49	456.90	731.20	-393.59	0.00	Drop to Vertical		
	7300.00	8.29	58.00	7224.75	464.09	742.70	-399.78	2.00			
	7400.00	6.29	58.00	7323.94	470.82	753.47	-405.57	2.00			
	7500.00 7600.00	4.29 2.29	58.00 58.00	7423.51 7523.34	475.71 478.75	761.29 766.16	-409.79 -412.41	2.00 2.00			
	7671.69	0.86	58.00	7595.00	479.80	767.83	-413.31	2.00	Brushy Canyon		
	7700.00	0.29	58.00	7623.30	479.95	768.08	-413.44	2.00			
	7714.65	0.00	58.00	7637.95	479.97	768.11	-413.46	2.00	Hold Vertical		
	7800.00	0.00	179.57	7723.30	479.97	768.11	-413.45	0.00			
	7900.00	0.00	179.57	7823.30	479.97	768.11	-413.45	0.00			
	8000.00 8100.00	0.00 0.00	179.57 179.57	7923.30 8023.30	479.97 479.97	768.11 768.11	-413.45 -413.45	0.00 0.00			
	8200.00	0.00	179.57	8123.30	479.97	768.11	-413.45	0.00			
	8300.00	0.00	179.57	8223.30	479.97	768.11	-413.45	0.00			
	8400.00	0.00	179.57	8323.30	479.97	768.11	-413.45	0.00			
	8500.00	0.00	179.57	8423.30	479.97	768.11	-413.45	0.00			
	8600.00	0.00	179.57	8523.30	479.97	768.11	-413.45	0.00			
	8700.00 8800.00	0.00 0.00	179.57 179.57	8623.30 8723.30	479.97 479.97	768.11 768.11	-413.45 -413.45	0.00 0.00			
	8900.00	0.00	179.57	8823.30	479.97	768.11	-413.45	0.00			
	9000.00	0.00	179.57	8923.30	479.97	768.11	-413.45	0.00			
	9100.00	0.00	179.57	9023.30	479.97	768.11	-413.45	0.00			
	9200.00	0.00	179.57	9123.30	479.97	768.11	-413.45	0.00			
	9226.70 9228.74	0.00 0.00	179.57 179.57	9150.00 9152.04	479.97 479.97	768.11 768.11	-413.45 -413.46	0.00 0.00	1st Bone Spring Lime / Point of Penetration KOP		
	9300.00	7.13	179.57	9223.12	475.54	768.14	-409.04	10.00			
	9400.00	17.13	179.57	9320.77	454.56	768.30	-388.12	10.00			
	9500.00	27.13	179.57	9413.28	416.95	768.58	-350.62	10.00			
	9600.00	37.13	179.57	9497.86	363.84	768.98	-297.66	10.00			
	9700.00 9800.00	47.13 57.13	179.57 179.57	9571.94 9633.25	296.85 218.01	769.48 770.07	-230.87 -152.27	10.00 10.00			
	9900.00	67.13	179.57	9679.94	129.73	770.74	-64.24	10.00			
	10000.00	77.13	179.57	9710.60	34.68	771.45	30.53	10.00			
	10100.00	87.13	179.57	9724.28	-64.25	772.19	129.17	10.00			
	10128.74	90.00	179.57	9725.00	-92.98	772.41	157.80	10.00	Landing Point		
	10200.00	90.00	179.57	9725.00	-164.24	772.94	228.86	0.00			
	10300.00 10400.00	90.00 90.00	179.57 179.57	9725.00 9725.00	-264.23 -364.23	773.69 774.44	328.56 428.27	0.00 0.00			
	10500.00	90.00	179.57	9725.00	-464.23	775.19	527.97	0.00			
	10600.00	90.00	179.57	9725.00	-564.22	775.95	627.68	0.00			
	10700.00	90.00	179.57	9725.00	-664.22	776.70	727.38	0.00			
	10800.00	90.00	179.57	9725.00	-764.22	777.45	827.08	0.00			
	10900.00 11000.00	90.00 90.00	179.57 179.57	9725.00 9725.00	-864.22 -964.21	778.20 778.95	926.79 1026.49	0.00 0.00			
	11100.00	90.00	179.57	9725.00	-1064.21	779.70	1126.20	0.00			
	11200.00	90.00	179.57	9725.00	-1164.21	780.45	1225.90	0.00			
	11300.00	90.00	179.57	9725.00	-1264.20	781.20	1325.60	0.00			
	11400.00	90.00	179.57	9725.00	-1364.20	781.95	1425.31	0.00			
	11500.00 11600.00	90.00 90.00	179.57 179.57	9725.00 9725.00	-1464.20 -1564.20	782.70 783.45	1525.01 1624.72	0.00 0.00			
	11700.00	90.00	179.57	9725.00 9725.00	-1664.19	784.20	1724.42	0.00			
	11800.00	90.00	179.57	9725.00	-1764.19	784.95	1824.12	0.00			
	11900.00	90.00	179.57	9725.00	-1864.19	785.70	1923.83	0.00			
	12000.00	90.00	179.57	9725.00	-1964.19	786.46	2023.53	0.00			
	12100.00	90.00	179.57	9725.00	-2064.18	787.21	2123.24	0.00			
	12200.00 12300.00	90.00 90.00	179.57 179.57	9725.00 9725.00	-2164.18 -2264.18	787.96 788.71	2222.94 2322.64	0.00 0.00			
	12300.00	90.00	179.57	9725.00 9725.00	-2264.18	789.46	2422.35	0.00			
	12500.00	90.00	179.57	9725.00	-2464.17	790.21	2522.05	0.00			
	12600.00	90.00	179.57	9725.00	-2564.17	790.96	2621.76	0.00			
	12700.00	90.00	179.57	9725.00	-2664.17	791.71	2721.46	0.00			
	12800.00 12900.00	90.00 90.00	179.57 179.57	9725.00 9725.00	-2764.16 -2864.16	792.46 793.21	2821.16 2920.87	0.00 0.00			
	12300.00	50.00	113.31	5125.00	2004.10	12.01	2320.01	0.00			

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. —		Molle	HOGNOST		AL COM 202H	_			Geodetic System: US State Plane 1983
devon		County:		VIPER FEDER	AL COM 2021	1			Datum: North American Datum 1927
			Permit Plar	1					Ellipsoid: Clarke 1866
			Permit Plar						Zone: 3001 - NM East (NAD83)
	MD (ft)	INC (°)	<b>AZI</b> (°)	TVD (ft)	NS (ft)	EW (ft)	VS (ft)	DLS (°/100ft)	Comment
-	13000.00	90.00	179.57	9725.00	-2964.16	793.96	3020.57	0.00	
	13100.00	90.00	179.57	9725.00	-3064.15	794.71	3120.28	0.00	
	13200.00	90.00	179.57	9725.00	-3164.15	795.46	3219.98	0.00	
	13300.00	90.00	179.57	9725.00 9725.00	-3264.15 -3364.15	796.22	3319.68	0.00	
	13400.00 13500.00	90.00 90.00	179.57 179.57	9725.00 9725.00	-3464.15	796.97 797.72	3419.39 3519.09	0.00 0.00	
	13600.00	90.00	179.57	9725.00	-3564.14	798.47	3618.80	0.00	
	13700.00	90.00	179.57	9725.00	-3664.14	799.22	3718.50	0.00	
	13800.00	90.00	179.57	9725.00	-3764.13	799.97	3818.20	0.00	
	13900.00 14000.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-3864.13 -3964.13	800.72 801.47	3917.91 4017.61	0.00 0.00	
	14000.00	90.00	179.57	9725.01	-4064.13	802.22	4017.01	0.00	
	14200.00	90.00	179.57	9725.01	-4164.12	802.97	4217.02	0.00	
	14300.00	90.00	179.57	9725.01	-4264.12	803.72	4316.72	0.00	
	14400.00	90.00	179.57	9725.01	-4364.12	804.47	4416.43	0.00	
	14500.00 14600.00	90.00	179.57	9725.01	-4464.11	805.22	4516.13	0.00	
	14600.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-4564.11 -4664.11	805.97 806.73	4615.84 4715.54	0.00 0.00	
	14800.00	90.00	179.57	9725.01	-4764.11	807.48	4815.24	0.00	
	14900.00	90.00	179.57	9725.01	-4864.10	808.23	4914.95	0.00	
	15000.00	90.00	179.57	9725.01	-4964.10	808.98	5014.65	0.00	
	15100.00 15200.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-5064.10 -5164.09	809.73 810.48	5114.36 5214.06	0.00 0.00	
	15300.00	90.00	179.57	9725.01	-5264.09	811.23	5313.76	0.00	
	15400.00	90.00	179.57	9725.01	-5364.09	811.98	5413.47	0.00	
	15500.00	90.00	179.57	9725.01	-5464.09	812.73	5513.17	0.00	
	15600.00	90.00	179.57	9725.01	-5564.08	813.48	5612.88	0.00	
	15700.00 15800.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-5664.08 -5764.08	814.23 814.98	5712.58 5812.28	0.00 0.00	
	15900.00	90.00	179.57	9725.01	-5864.08	815.73	5911.99	0.00	
	16000.00	90.00	179.57	9725.01	-5964.07	816.49	6011.69	0.00	
	16100.00	90.00	179.57	9725.01	-6064.07	817.24	6111.40	0.00	
	16200.00 16300.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-6164.07 -6264.06	817.99 818.74	6211.10 6310.80	0.00 0.00	
	16400.00	90.00	179.57	9725.01	-6364.06	819.49	6410.51	0.00	
	16500.00	90.00	179.57	9725.01	-6464.06	820.24	6510.21	0.00	
	16600.00	90.00	179.57	9725.01	-6564.06	820.99	6609.92	0.00	
	16700.00	90.00	179.57	9725.01	-6664.05	821.74	6709.62	0.00	
	16800.00 16900.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-6764.05 -6864.05	822.49 823.24	6809.32 6909.03	0.00 0.00	
	17000.00	90.00	179.57	9725.01	-6964.04	823.99	7008.73	0.00	
	17100.00	90.00	179.57	9725.01	-7064.04	824.74	7108.44	0.00	
	17200.00	90.00	179.57	9725.01	-7164.04	825.49	7208.14	0.00	
	17300.00 17400.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-7264.04 -7364.03	826.25 827.00	7307.85 7407.55	0.00 0.00	
	17400.00	90.00	179.57	9725.01 9725.01	-7364.03	827.00	7507.25	0.00	
	17600.00	90.00	179.57	9725.01	-7564.03	828.50	7606.96	0.00	
	17700.00	90.00	179.57	9725.01	-7664.02	829.25	7706.66	0.00	
	17800.00	90.00	179.57	9725.01	-7764.02	830.00	7806.37	0.00	
	17900.00 18000.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-7864.02 -7964.02	830.75 831.50	7906.07 8005.77	0.00 0.00	
	18100.00	90.00	179.57	9725.01	-8064.01	832.25	8105.48	0.00	
	18200.00	90.00	179.57	9725.01	-8164.01	833.00	8205.18	0.00	
	18300.00	90.00	179.57	9725.01	-8264.01	833.75	8304.89	0.00	
	18400.00	90.00	179.57	9725.01	-8364.00 -8464.00	834.50	8404.59	0.00	
	18500.00 18600.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-8464.00 -8564.00	835.25 836.00	8504.29 8604.00	0.00 0.00	
	18700.00	90.00	179.57	9725.01	-8664.00	836.76	8703.70	0.00	
	18800.00	90.00	179.57	9725.01	-8763.99	837.51	8803.41	0.00	
	18900.00	90.00	179.57	9725.01	-8863.99	838.26	8903.11	0.00	
	19000.00	90.00	179.57	9725.01	-8963.99	839.01	9002.81	0.00	
	19100.00 19200.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-9063.99 -9163.98	839.76 840.51	9102.52 9202.22	0.00 0.00	
	19200.00	90.00	179.57	9725.01 9725.01	-9263.98	840.51	9202.22	0.00	
	19400.00	90.00	179.57	9725.01	-9363.98	842.01	9401.63	0.00	
	19500.00	90.00	179.57	9725.01	-9463.97	842.76	9501.33	0.00	
	19600.00	90.00	179.57	9725.01	-9563.97	843.51	9601.04	0.00	
	19700.00 19800.00	90.00 90.00	179.57 179.57	9725.01 9725.01	-9663.97 -9763.97	844.26 845.01	9700.74 9800.45	0.00 0.00	
	19900.00	90.00	179.57	9725.01	-9863.96	845.76	9900.15	0.00	

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evon		HOGNOSE Lea Permit Plar Permit Plar	1	RAL COM 2021	4	Geodetic System: US State Plane 1983 Datum: North American Datum 1927 Ellipsoid: Clarke 1866 Zone: 3001 - NM East (NAD83)				
	MD (ft) 19957.40	INC (°) 90.00	<b>AZI</b> (°) 179.57	<b>TVD</b> (ft) 9725.01	NS (ft) -9921.36	<b>EW</b> (ft) 846.20	<b>VS</b> (ft) 9957.38	DLS (°/100ft) 0.00	<b>Comment</b> exit	
	20000.00 20037.40	90.00 90.00	179.57 179.57	9725.01 9725.00	-9963.96 -10001.36	846.52 846.77	9999.85 10037.14	0.00 0.00	BHL	

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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.

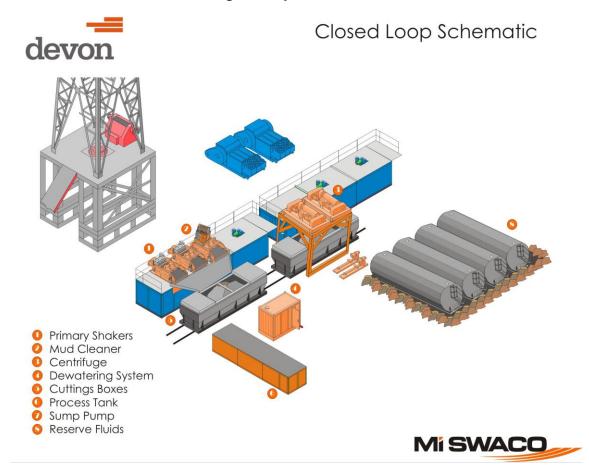
Prior to installing a closed-loop system on site, the topsoil, if present, will be stripped and stockpiled for use as the final cover or fill at the time of closure.

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.

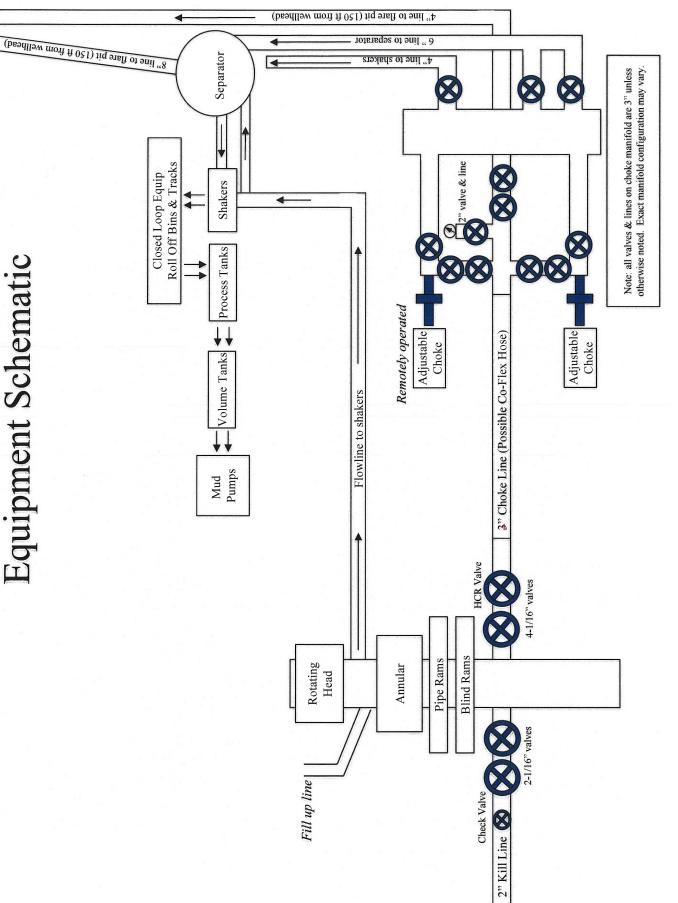
# III. Closure Plan

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.

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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.

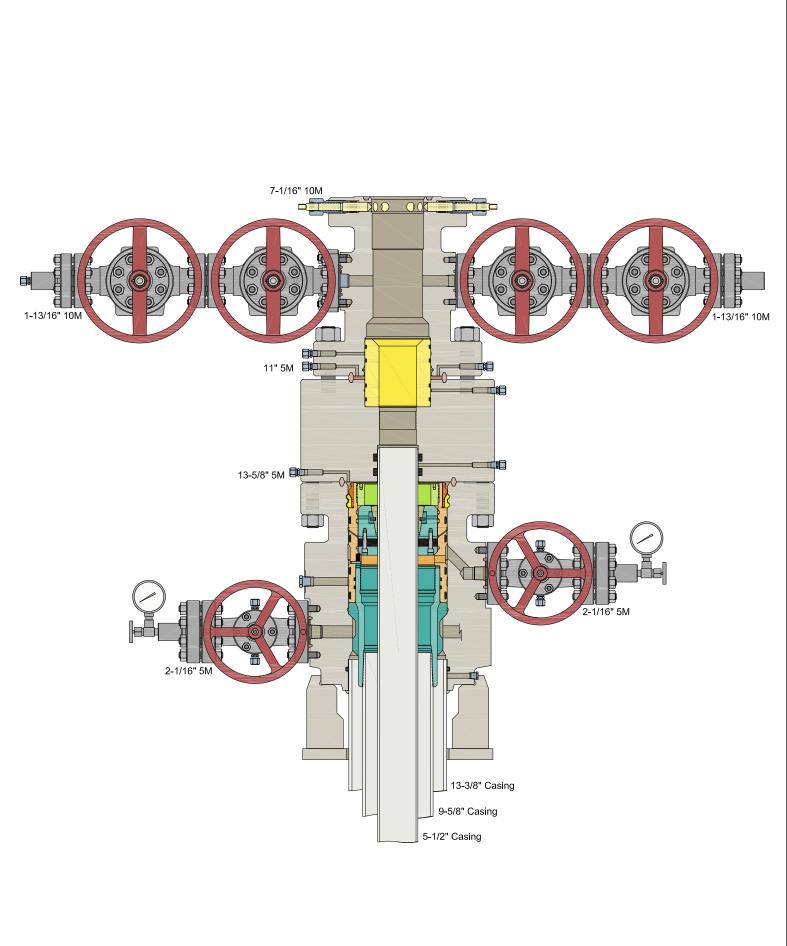
- Wellhead will be installed by wellhead representatives.
- If the welding is performed by a third party, the wellhead representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- Wellhead representative will install the test plug for the initial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

·	1					
<b>OPERATOR'S NAME:</b>	Devon Energy Production Company LP					
LEASE NO.:	NMNM121489					
LOCATION:	Section 23, T.23 S., R.33 E., NMPM					
COUNTY:	Lea County, New Mexico 🔻					
L	· · · · · · · · · · · · · · · · · · ·					
WELL NAME & NO.:	Hognose Viper Fed Com 201H					
SURFACE HOLE FOOTAGE:	540'/N & 438'/W					
<b>BOTTOM HOLE FOOTAGE</b>	20'/S & 350'/W					
ATS/API ID:	ATS-23-2098					
APD ID:	10400093705					
Sundry ID:	N/A					
WELL NAME & NO.:	Hognose Viper Fed Com 202H					
SURFACE HOLE FOOTAGE:	540'/N & 528'/W					
<b>BOTTOM HOLE FOOTAGE</b>	20'/S & 1300'/W					
ATS/API ID:	ATS-23-2099					
APD ID:	10400093739					
Sundry ID:	N/A					
v						
WELL NAME & NO.:	Hognose Viper Fed Com 203H					
SURFACE HOLE FOOTAGE:	540'/N & 1258'/W					
<b>BOTTOM HOLE FOOTAGE</b>	20'/S & 2290'/W					
ATS/API ID:	ATS-23-2100					
APD ID:	10400093782					
Sundry ID:	N/A					
¥						
WELL NAME & NO.:	Hognose Viper Fed Com 301H					
SURFACE HOLE FOOTAGE:	540'/N & 468'/W					
<b>BOTTOM HOLE FOOTAGE</b>	20'/S & 825'/W					
ATS/API ID:	ATS-23-2101					
APD ID:	10400093741					
Sundry ID:	N/A					
WELL NAME & NO.:	Hognose Viper Fed Com 302H					
<b>SURFACE HOLE FOOTAGE:</b>	540'/N & 1198'/W					
<b>BOTTOM HOLE FOOTAGE</b>	20'/S & 1815'/W					
ATS/API ID:	ATS-23-2012					
APD ID:	10400093783					
Sundry ID:	N/A					
· · · · ·	· · · · · · · · · · · · · · · · · · ·					

COA

Page 1 of 10

H2S	No		
Potash	Ochoa 🔻		
Cave/Karst Potential	Low		
Cave/Karst Potential	Critical		
Variance	🖸 None	• Flex Hose	O Other
Wellhead	Conventional and Multibov	vl 🔽	
Other	4 String	Capitan Reef	<b>WIPP</b>
		None 💌	
Other	Pilot Hole	🗆 Open Annulus	
	None 🔻		
Cementing	Contingency Squeeze	Echo-Meter	Primary Cement
	Int 1	None 🔻	Squeeze
	]		None 🗸
Special	□ Water	COM	Unit
Requirements	Disposal/Injection		
Special	□ Batch Sundry		
Requirements			
Special	Break Testing	□ Offline	$\Box$ Casing
Requirements		Cementing	Clearance
Variance			

# 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 **43 CFR part 3170 Subpart 3176**, 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 1425 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. The surface hole shall be 17 1/2 inch in diameter.
  - 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

Page 2 of 10

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>24 hours in the Potash Area</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:
  - 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.

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 500 feet into previous casing string. Operator shall provide method of verification.
     Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash. Cement excess is less than 25%, more cement is required if washout occurs. Adjust cement volume and excess based on a fluid caliper or similar method that reflects the as-drilled size of the wellbore.

# 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 3000 (3M) psi. Annular which shall be tested to 2100 (70% Working Pressure) 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 43 CFR 3172.6(b)(9) must be followed.

# **D. SPECIAL REQUIREMENT (S)**

# **Communitization Agreement**

• The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to

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the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in **43 CFR part 3170 Subpart 3171**
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. <u>When the Communitization Agreement number is known, it shall also be on the sign.</u>

#### **BOPE Break Testing Variance (Approved)**

- 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 **21**-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per 43 CFR part 3170 Subpart 3172.
- 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)
  - 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 2<sup>nd</sup> 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 **43** CFR part **3170** Subpart **3172** 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

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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 integrity 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 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

- All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in 43 CFR part 3170 Subpart 3172 and API STD 53 Sec. 5.3.
- 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 43 CFR 3172.6(b)(9) 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 cement), 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 cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to 43 CFR part 3170 Subpart 3172 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 43 CFR part 3170 Subpart 3172.
- 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 2/7/2024



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

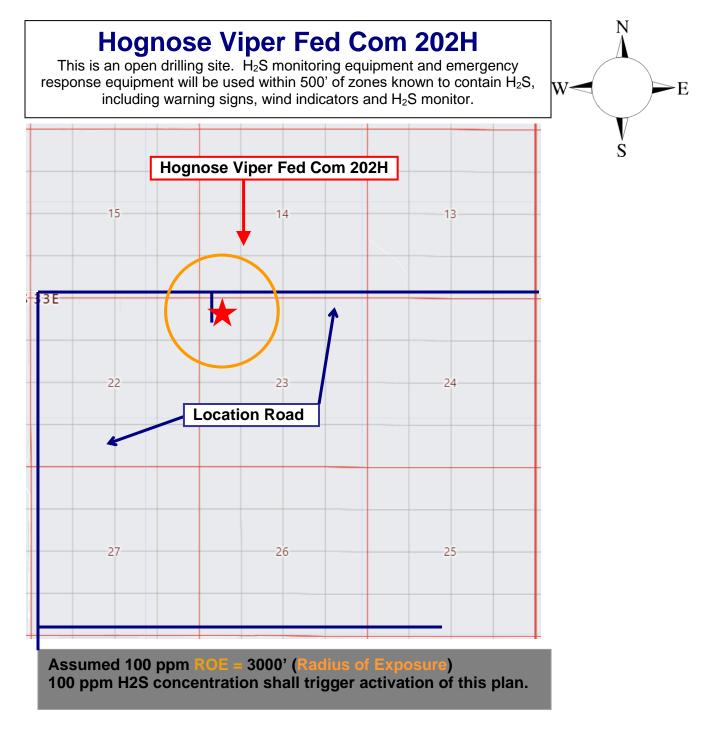
# Hydrogen Sulfide (H<sub>2</sub>S) Contingency Plan

For

## Hognose Viper Fed Com 202H

Sec-23 T-23S R-33E 540' FNL & 528' FWL LAT. = 32.2959627° N (NAD83) LONG = 103.5499655° W

Lea County NM



#### 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 H<sub>2</sub>S concentration shall trigger activation of this plan.

#### Emergency Procedures

In the event of a release of gas containing H<sub>2</sub>S, 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 H<sub>2</sub>S 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 H<sub>2</sub>S, 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 (SO<sub>2</sub>). 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 Dioxide	SO <sub>2</sub>	2.21 Air = 1	2 ppm	N/A	1000 ppm

#### Characteristics of H<sub>2</sub>S and SO<sub>2</sub>

## **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 (H<sub>2</sub>S) 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 (H<sub>2</sub>S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H<sub>2</sub>S 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 H<sub>2</sub>S 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 H<sub>2</sub>S Drilling Operations Plan.

There will be weekly H<sub>2</sub>S and well control drills for all personnel in each crew.

## 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. H<sub>2</sub>S detection and monitoring equipment:

Portable H<sub>2</sub>S monitors positioned on location for best coverage and response. These units have warning lights which activate when H<sub>2</sub>S 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  $H_2S$  circulated to surface. Proper mud weight, safe drilling practices and the use of  $H_2S$  scavengers will minimize hazards when penetrating  $H_2S$  bearing zones.

## 5. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H<sub>2</sub>S trim.
- B. All elastomers used for packing and seals shall be H<sub>2</sub>S 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 H<sub>2</sub>S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

Devon Energy Corp. Company Call List				
Employee/Company Contact Representative	Position	Phone Number	After Hours Number	
Jonathan Fisher (North)	Drilling Manager	832-967-7912		
Jason Hildebrand (South)	Drilling Manager	405-552-6514		
Rich Downey	Drilling VP	405-228-2415		
Josh Harvey	EHS Manager	405-228-2440	918-500-5536	
Laura Wright	EHS Supervisor	405-552-5334	832-969-8145	
Robert Glover	EHS Professional	575-703-5712	575-703-5712	
Lane Frank	Lead EHS	580-579-7052	580-579-7052	
Rickey Porter	Lead EHS	903-720-8315	903-720-8315	
Ronnie Handy	Lead EHS	918-839-2046	918-839-2046	
Brock Vise	Lead EHS	918-413-3291	918-413-3291	

Agency	Call List	
Lea	Hobbs	
<u>County</u>	Lea County Communication Authority	397-926
<u>(575)</u>	State Police	885-313
	City Police	397-926
	Sheriff's Office	396-361
	Ambulance	91
	Fire Department	397-930
	LEPC (Local Emergency Planning Committee)	393-287
	NMOCD	393-616
	US Bureau of Land Management (Closed)	393-000
Eddy	Carlsbad	
County	State Police	885-313
<u>(575)</u>	City Police	885-211
	Sheriff's Office	887-755
	Ambulance	91
	Fire Department	885-312
	LEPC (Local Emergency Planning Committee)	887-379
	US Bureau of Land Management	234-597
	NM Emergency Response Commission (Santa Fe)	(505) 476-960
	24 HR	(505) 827-912
	National Emergency Response Center	(800) 424-880
	National Pollution Control Center: Direct	(703) 872-600
	For Oil Spills	(800) 280-711
	Emergency Services	. ,
	Wild Well Control	(281) 784-470
	Cudd Pressure Control (915) 699-013	· · ·
	Halliburton	(575) 746-275
	B. J. Services	(575) 746-356
Give	Native Air – Emergency Helicopter – Hobbs	(575) 347-983
GPS	For Air Ambulance - Eddy County Dispatch	(575)-616-715
position:	For Air Ambulance - Lea County (LCCA)	(575)-397-926
peenterii	Poison Control (24/7)	(800) 222-122
	Oil & Gas Pipeline 24 Hour Service	(800) 364-436
	NOAA – Website - www.nhc.noaa.gov	
	National Pollution Control Center	202-795-695
	NPCC – Oil Spills	800-280-711



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Devon Energy - Well Pack Rig Location Layout Safety Equipment Locati Mudugger Mudugger Aso th. Filestronic Ignite Aso th. Filestronic Ignite Aso th. Filestronic Ignite Aso the Aso th	L O	e Pipe Racks	Self-Contained Breathing Apparatus (SCBA) Ars Sensors Located Around the Rig H2S Monitor Control/ Alarm box
Barts House     Barts House       Barts House     Barts House	evon Energy - We ig Location Layou afety Equipment I	450 ft. Flare stack with Flare stack sta	10 ft.
Crew Housing Crew Housing	Prevailing Wind Direction S, SW	A Solution A A Constant A A O ft. A O ft. A O ft. A O ft. A	Dimensions × 600 ft Scale d Location

.

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

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Action 328636

CONDITIONS

Operator:	OGRID:	
DEVON ENERGY PRODUCTION COMPANY, LP	6137	
333 West Sheridan Ave.	Action Number:	
Oklahoma City, OK 73102	328636	
	Action Type:	
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)	

#### CONDITIONS

CONDING		
Created By	Condition	Condition Date
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104	4/11/2024
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	4/11/2024
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	4/11/2024
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing	4/11/2024
pkautz	If cement does not circulate on any string, a CBL is required for that string of casing	4/11/2024