

ATS-11-847

OCD-ARTESIA

Form 3160-3
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

11/48

5 Lease Serial No.
SL: NM 99039 SHL: NM 101599

6 If Indian, Allottee or Tribe Name

7 If Unit or CA Agreement, Name and No

8. Lease Name and Well No.
Capella 14 Federal Com 4H

9. API Well No.

30-015-39418

10 Field and Pool, or Exploratory

41480 Hackberry, Bone Spring, NW

11. Sec, T. R. M. or Blk. and Survey or Area

Sec 14 T19S R31E

12 County or Parish

Eddy County

13. State

NM

1a. Type of work ☒ DRILL ☐ REENTER1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2 Name of Operator

Devon Energy Production Company, LP

3a Address 20 North Broadway
Oklahoma City, Oklahoma City 73102-82603b. Phone No. (include area code)
405-552-7802

4 Location of Well (Report location clearly and in accordance with any State requirements *)

At surface NWNW 330' FNL & 400' FWL Lot D

At proposed prod zone SWSW 330' FSL & 400' FWL Lot M

14 Distance in miles and direction from nearest town or post office*
Approximately 13 miles southeast of Loco Hills, NM15 Distance from proposed* 284' along horizontal
location to nearest
property or lease line, ft
(Also to nearest drg. unit line, if any) 330'16 No. of acres in lease
SL: 480 BHL: 4017 Spacing Unit dedicated to this well
16018 Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft SL: 1300' BHL: 1320'19 Proposed Depth
9100' TVD 13443' MD20 BLM/BIA Bond No. on file
CO-110421 Elevations (Show whether DF, KDB, RT, GL, etc)
3549.8' GL22 Approximate date work will start*
08/15/201123 Estimated duration
45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, shall be attached to this form:

1 Well plat certified by a registered surveyor

2 A Drilling Plan

3 A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office)4 Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above)

5 Operator certification

6 Such other site specific information and/or plans as may be required by the
authorized officer.

25 Signature

Name (Printed/Typed)

Stephanie A. Ysasaga

Date

07/15/2011

Title

Sr. Staff Engineering Technician

Approved by (Signature)

/s/ Don Peterson

Name (Printed/Typed)

Date

SEP 16 2011

Title

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to
conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 USC Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United
States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Capitan Controlled Water Basin

SEE ATTACHED FOR
CONDITIONS OF APPROVALApproval Subject to General Requirements
& Special Stipulations Attached

DRILLING PROGRAM

Devon Energy Production Company, LP

Capella 14 Federal Com 4H

Surface Location: 330' FNL & 400' FWL, Unit D, Sec 14 T19S R31E, Eddy, NM
Bottom hole Location: 330' FSL & 330' FWL, Unit M, Sec 14 T19S R31E, Eddy, NM

1. Geologic Name of Surface Formation

- a. Permian

2. Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

a. Quaternary Alluvium	200'	Fresh Water
b. Rustler	600'	Barren
c. Salado	880'	Barren
d. Base Salado Tansil Dolomite	2200'	Barren
e. Yates	2400'	Oil
f. Seven Rivers	2620'	Oil
g. Capitan	2725'	Barren
h. Delaware (formation top)	4575'	Oil
i. Delaware (massive sand)	5125'	Oil
j. Lower Brushy Canyon	6510'	Oil
k. Bone Spring Lime	6850'	Oil
l. 1 st Bone Spring Ss	8170'	Oil
m. 2 nd Bone Spring Lime	8445'	Oil
n. 2 nd Bone Spring Ss	8935'	Oil
o. 2 nd Bone Spring Upper Ss	9000'	Oil
p. 2 nd Bone Spring Upper SS Base	9085'	Oil
q. 2 nd Bone Spring Lower Ss	9095'	Oil
r. 3 rd Bone Springs Lm	9325'	Oil
s. Total Depth	TVD 9100' MD 13443'	

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 13 3/8" casing at 675' and circulating cement back to surface. The fresh water sands will be protected by setting 9 5/8" casing at 4550' and circulating cement to surface. The Delaware intervals will be isolated by setting 5 1/2" casing to total depth and circulating cement above the base of the 9 5/8" casing. All casing is new and API approved. ✓

3. Casing Program: ✓

<u>Hole Size</u>	<u>Hole Interval</u>	<u>OD Csg</u>	<u>Casing Interval</u>	<u>Weight</u>	<u>Collar</u>	<u>Grade</u>
17 1/2"	0'-675'	13 3/8"	0'-675'	48#	STC	H-40
12 1/4"	675'-4550'	9 5/8"	0'-4550'	40#	LTC	J-55
8 3/4"	4550'-8400'	5 1/2"	0'-8400'	17#	LTC	HCP-110
8 3/4"	8400'-13443'	5 1/2"	8400'-13443'	17#	BTC	HCP-110

Capella 14 Fed Com 4H

330' FNL, 400' FWL

14-19S31E

KB 3576 (est.)

DEPTH

(tvd)

Surface

600

880

2200

2280

2400

2620

2725

3510

4575

5125

No Pilot Hole Planned

C

Capella 14 Fed Com 4H

330' FNL, 400' FWL

14-19S31E

KB 3576 (est.)

FORMATION

DEPTH

(tvd)

Surface

Quaternary alluvium

Rustler

600

Salado

880

Base Salado

2200

Tansil Dolomite

2280

Yates

2400

Seven Rivers

2620

Capitan

2725

Base Capitan

3510

Delaware (formation top)

4575

Delaware (massive sand)

5125

No

No Pilot Hole Planned

DEPTH TO FRESHWATER AT ALL LOCATIONS ~ 200' IN QUATERNARY ALLUVIUM

Design Parameter Factors:

<u>Casing Size</u>	<u>Collapse Design</u>	<u>Burst Design</u>	<u>Tension Design</u>
	<u>Factor</u>	<u>Factor</u>	<u>Factor</u>
13 3/8"	1.8	4.0	7.3
9 5/8" 40# J-55 LTC	1.2	1.8	3.0
5 1/2" 17# HCP-110 LTC	1.6	2.0	1.6
5 1/2" 17# HCP-110 BTC	1.6	1.9	5.2

NOTE REGARDING COLLAPSE DESIGN FACTOR FOR INTERMEDIATE CASING:

The maximum possible collapse load that the intermediate casing will experience will result from evacuated casing with the pore pressure exerting a collapse load at TD. The pore pressure is estimated to be 9.0 ppg for this calculation. This results in a collapse design factor of 1.2 for the 9-5/8" 40# J-55 LTC casing at a depth of 4,550 ft. While running the intermediate casing, the casing string will never be completely evacuated. There is no potential for the intermediate casing to be used as a production string. ** See COA*

4. Cement Program: (Note: All cement volumes are calculated with 25% excesses.)

a. 13 3/8" Surface **Lead:** 800 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 4% bwoc Bentonite + 81.4% Fresh Water, 13.5 ppg. **Yield:** 1.75 cf/sk

Tail: 250 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 56.3% Fresh Water, 14.8 ppg. **Yield:** 1.35 cf/sk.. **TOC @ surface.**

b. 9 5/8" Intermediate

Lead: 1200 sacks (35:65) Poz (Fly Ash):Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 6% bwoc Bentonite + 107.8% Fresh Water, 12.5 ppg. **Yield:** 2.04 cf/sk

Tail: 300 sacks Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.4% bwoc Sodium Metasilicate + 4% bwoc MPA-5 + 64.7% Water, 13.8 ppg. **Yield:** 1.37 cf/sk. **TOC @ surface.**

c. 5 1/2" Production

1st Stage

Lead: 500 sacks (35:65) Poz (Fly Ash):Class H Cement + 5% bwow Sodium Chloride + 0.3% bwoc CD-32 + 0.5% bwoc FL-25 + 2% bwoc Bentonite + 0.6% bwoc Sodium Metasilicate + 0.5% bwoc FL-52A + 102.5% Fresh Water, 12.5 ppg. **Yield:** 2.01 cf/sk

Tail: 1,500 sacks (50:50) Poz (Fly Ash):Class H Cement + 1% bwow Sodium Chloride + 0.2% bwoc R-3 + 0.125 lbs/sack Cello Flake + 0.5% bwoc BA-10A + 4% bwoc MPA-5 + 58.3% Fresh Water, 14.2 ppg. **Yield:** 1.28 cf/sk

DV TOOL at ~5,500 ft

CAPELLA 3 STRING JUSTIFICATION
MHC 9.2.11

There are 2 recently drilled wells in section 14 that were drilled without 4 strings (details below). Based on the history of a 3 string design in this section, a 3 string design for the Capella wells will be sufficient.

Chaparral 14 FC #1 (COG)
API # 30-015-34038
13-3/8" at 635 ft
8-5/8" at 4408 ft
5-1/2" at 12,762 ft
Drilled in 2005

Coyote 14 Fed #2Y (Devon)
API # 30-015-35423
13-3/8" at 601 ft
9-5/8" at 4,658 ft
5-1/2" at 11,220 ft
Drilled in 2007

** See COA
Special Capital Reef
Requirements*

In addition, the TOC for the production casing will be at least 50 ft above the Capital Reef at approx 2,700 ft. Cement volumes for production casing are as follows (approx 25% excess):

1st Stage

Lead: 500 sacks (35.65) Poz (Fly Ash) Class H Cement + 5% bwow Sodium Chloride + 0.3% bwoc CD-32 + 0.5% bwoc FL-25 + 2% bwoc Bentonite + 0.6% bwoc Sodium Metasilicate + 0.5% bwoc FL-52A + 102.5% Fresh Water, 12.5 ppg

Yield: 2.01 cf/sk

Tail: 1,500 sacks (50.50) Poz (Fly Ash) Class H Cement + 1% bwow Sodium Chloride + 0.2% bwoc R-3 + 0.125 lbs/sack Cello Flake + 0.5% bwoc BA-10A + 4% bwoc MPA-5 + 58.3% Fresh Water, 14.2 ppg

Yield: 1.28 cf/sk

DV TOOL at 5,500 ft

2nd Stage

Lead: 400 sacks Class C Cement + 1% bwow Calcium Chloride + 0.125 lbs/sack Cello Flake + 157.8% Fresh Water, 11.4 ppg

Yield: 2.89 cf/sk

Tail: 100 sacks (60.40) Poz (Fly Ash) Class C Cement + 1% bwow Sodium Chloride + 0.2% bwoc R-3 + 0.125 lbs/sack Cello Flake + 0.5% bwoc BA-10A + 4% bwoc MPA-5 + 63.2% Fresh Water, 13.8 ppg

Yield: 1.37 cf/sk

TOC @ 2,700 ft

** See COA*

ACTUAL CEMENT VOLUMES WILL BE ADJUSTED BASED ON FLUID CALIPER AND CALIPER LOG DATA.

SECRET
11/10/09 11:00 AM

2nd Stage

Lead: 500 sacks Class C Cement + 1% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 157.8% Fresh Water, 11.4 ppg. **Yield:** 2.89 cf/sk

Tail: 100 sacks (60:40) Poz (Fly Ash): Class C Cement + 1% bwoc Sodium Chloride + 0.2% bwoc R-3 + 0.125 lbs/sack Cello Flake + 0.5% bwoc BA-10A + 4% bwoc MPA-5 + 63.2% Fresh Water, 13.8 ppg. **Yield:** 1.37cf/sk. **TOC @ 4,050'**

TOC for All Strings:

Surface: 0'
Intermediate: 0'
Production: 4,050'

See COA

The above cement volumes could be revised pending the caliper measurement from the open hole logs. Actual cement volumes will be adjusted bases on fluid caliper and caliper log data.

5. **Pressure Control Equipment:** * See COA

The BOP system used to drill the intermediate hole will consist of a 13-5/8" 3M Triple Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the surface casing shoe.

The BOP system used to drill the production hole will consist of a 13-5/8" 3M Triple Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the intermediate casing shoe.

The pipe rams will be operated and checked as per Onshore Order No 2. 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 3,000 psi WP.

* See COA

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

6. **Proposed Mud Circulation System**

<u>Depth</u>	<u>Mud Wt.</u>	<u>Visc</u>	<u>Fluid Loss</u>	<u>Type System</u>
0' - 675'	8.4-9.0	30-34	NC	Fresh Water
675' - 4550'	9.8-10.0	28-32	NC	Brine
4550' - 13443'	8.6-9.0	28-32	NC-12	Fresh Water

The necessary mud products for weight addition and fluid loss control will be on location at all times.

See COA
For CAPITAN Reef Requirements

7. Auxiliary Well Control and Monitoring Equipment:

- a. A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.
- c. Hydrogen Sulfide detection equipment will be in operation after drilling out the 13 3/8" casing shoe until the 5 1/2" casing is cemented. Breathing equipment will be on location upon drilling the 13 3/8" shoe until total depth is reached.

8. Logging, Coring, and Testing Program: * See COA

- a. Drill stem tests will be based on geological sample shows.
- b. If a drill stem test is anticipated; a procedure, equipment to be used and safety measures will be provided via sundry notice to the BLM.
- c. The open hole electrical logging program will be:
 - i. Total Depth to Intermediate Casing Dual Laterolog-Micro Laterolog with SP and Gamma Ray. Compensated Neutron – Z Density log with Gamma Ray and Caliper.
 - ii. Total Depth to Surface Compensated Neutron with Gamma Ray
 - iii. No coring program is planned
 - iv. Additional testing will be initiated subsequent to setting the 5 1/2" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

9. Potential Hazards:

- a. No abnormal pressures or temperatures are expected. There is no known presence of H2S in this area. If H2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6 No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 3600 psi and Estimated BHT 130°. No H2S is anticipated to be encountered.

10. Anticipated Starting Date and Duration of Operations:

- a. Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 32 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.



Weatherford[®]

Drilling Services

Proposal



devon

CAPELLA 14 FEDERAL COM 4H

EDDY COUNTY, NM

WELL FILE: **PLAN 1**

JUNE 22, 2011

Weatherford International, Ltd.

P.O. Box 61028

Midland, TX 79711 USA

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www.weatherford.com



Capella 14 Federal Com 4H Eddy Co., New Mexico

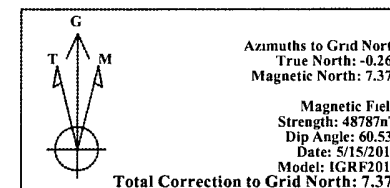
SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	179.60	0.00	0.00	0.00	0.00	0.00	0.00	
2	8524.18	0.00	179.60	8524.18	0.00	0.00	0.00	0.00	0.00	
3	9335.39	89.23	179.60	9045.00	-513.88	3.63	11.00	179.60	513.90	
4	13443.40	89.23	179.60	9100.00	-4621.43	32.61	0.00	0.00	4621.55	PBHL

WELL DETAILS						
Name+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
4H 0.00	0.00	606665.83	690902.53	32°40'00.572N	103°50'50.292W	N/A

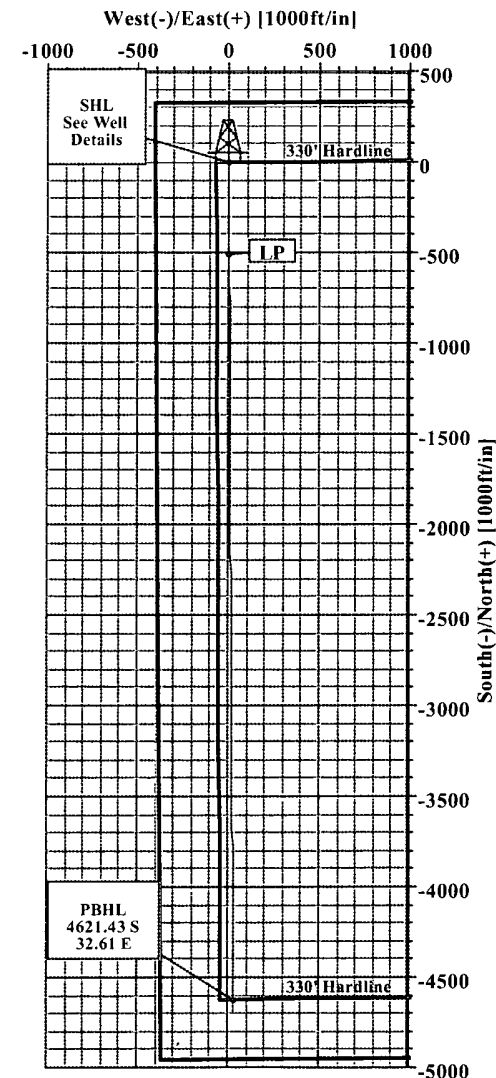
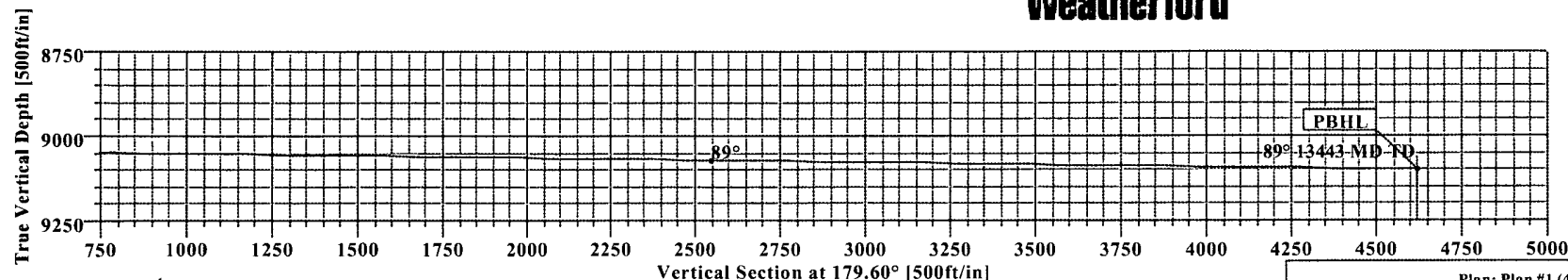
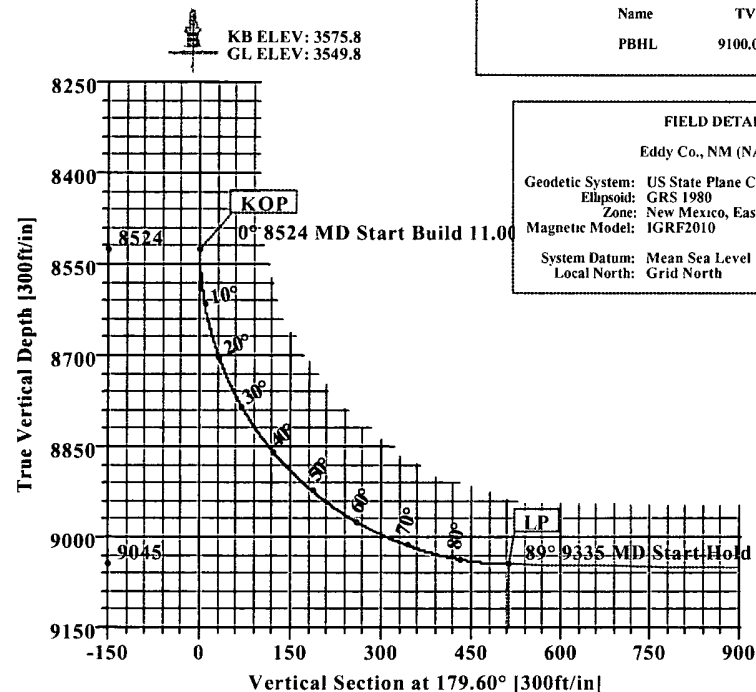
TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL	9100.00	-4621.43	32.61	602044.40	690935.14	Point

FIELD DETAILS	
Eddy Co., NM (NAD 83)	
Geodetic System:	US State Plane Coordinate System 1983
Ellipsoid:	GRS 1980
Zone:	New Mexico, Eastern Zone
Magnetic Model:	IGRF2010
System Datum:	Mean Sea Level
Local North:	Grid North

SITE DETAILS	
Capella 14 Federal Com 4H	
Site Centre Northing:	606665.83
Easting:	690902.53
Ground Level:	3549.80
Positional Uncertainty:	0.00
Convergence:	0.26



LEGEND	
	1
	Plan #1





Weatherford International Ltd.

WFT Plan Report - X & Y's

**Weatherford**

Company: Devon Energy		Date: 6/23/2011	Time: 08:26:32	Page: 1						
Field: Eddy Co., NM (NAD 83)		Co-ordinate(NE) Reference: Well: 4H, Grid North								
Site: Capella 14 Federal Com 4H		Vertical (TVD) Reference: SITE 3575.8								
Well: 4H		Section (VS) Reference: Well: (0.00N, 0.00E, 179.60Az)								
Wellpath: 1		Survey Calculation Method: Minimum Curvature Db: Sybase								
Plan: Plan #1		Date Composed: 6/23/2011								
Principal: Yes		Version: 1								
		Tied-to: From Surface								
Field: Eddy Co., NM (NAD 83)										
Map System: US State Plane Coordinate System 1983		Map Zone: New Mexico, Eastern Zone								
Geo Datum: GRS 1980		Coordinate System: Well Centre								
Sys Datum: Mean Sea Level		Geomagnetic Model: IGRF2010								
Site: Capella 14 Federal Com 4H										
Site Position:		Northing: 606665.83 ft	Latitude: 32 40 0.572 N							
From: Map		Easting: 690902.53 ft	Longitude: 103 50 50.292 W							
Position Uncertainty: 0.00 ft			North Reference: Grid							
Ground Level: 3549.80 ft			Grid Convergence: 0.26 deg							
Well: 4H Slot Name:										
Well Position: +N/-S 0.00 ft		Northing: 606665.83 ft	Latitude: 32 40 0.572 N							
	+E/-W 0.00 ft	Easting: 690902.53 ft	Longitude: 103 50 50.292 W							
Position Uncertainty: 0.00 ft										
Wellpath: 1										
Current Datum: SITE		Height: 3575.80 ft	Drilled From: Surface							
Magnetic Data: 5/15/2012			Tie-on Depth: 0.00 ft							
Field Strength: 48787 nT			Above System Datum: Mean Sea Level							
Vertical Section: Depth From (TVD)			Declination: 7.64 deg							
	ft	+N/-S ft	Mag Dip Angle: 60.53 deg							
		ft	+E/-W ft	Direction deg						
	9100.00	0.00	0.00	179.60						
Plan Section Information										
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	179.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8524.18	0.00	179.60	8524.18	0.00	0.00	0.00	0.00	0.00	0.00	
9335.39	89.23	179.60	9045.00	-513.88	3.63	11.00	11.00	0.00	179.60	
13443.40	89.23	179.60	9100.00	-4621.43	32.61	0.00	0.00	0.00	0.00	PBHL
Survey										
MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
8500.00	0.00	179.60	8500.00	0.00	0.00	0.00	0.00	606665.83	690902.53	
8524.18	0.00	179.60	8524.18	0.00	0.00	0.00	0.00	606665.83	690902.53	KOP
8600.00	8.34	179.60	8599.73	-5.51	0.04	5.51	11.00	606660.32	690902.57	
8700.00	19.34	179.60	8696.68	-29.39	0.21	29.39	11.00	606636.44	690902.74	
8800.00	30.34	179.60	8787.29	-71.34	0.50	71.34	11.00	606594.49	690903.03	
8900.00	41.34	179.60	8868.23	-129.80	0.92	129.80	11.00	606536.03	690903.45	
9000.00	52.34	179.60	8936.53	-202.63	1.43	202.63	11.00	606463.20	690903.96	
9100.00	63.34	179.60	8989.68	-287.15	2.03	287.16	11.00	606378.68	690904.56	
9200.00	74.34	179.60	9025.72	-380.27	2.68	380.27	11.00	606285.56	690905.21	
9300.00	85.34	179.60	9043.33	-478.54	3.38	478.56	11.00	606187.29	690905.91	
9335.39	89.23	179.60	9045.00	-513.88	3.63	513.90	11.00	606151.95	690906.16	LP
9400.00	89.23	179.60	9045.87	-578.49	4.08	578.50	0.00	606087.34	690906.61	
9500.00	89.23	179.60	9047.21	-678.48	4.79	678.49	0.00	605987.35	690907.32	
9600.00	89.23	179.60	9048.55	-778.47	5.49	778.49	0.00	605887.36	690908.02	
9700.00	89.23	179.60	9049.89	-878.45	6.20	878.48	0.00	605787.38	690908.73	
9800.00	89.23	179.60	9051.22	-978.44	6.90	978.47	0.00	605687.39	690909.43	
9900.00	89.23	179.60	9052.56	-1078.43	7.61	1078.46	0.00	605587.40	690910.14	



Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company: Devon Energy
Field: Eddy Co., NM (NAD 83)
Site: Capella 14 Federal Com 4H
Well: 4H
Wellpath: 1

Date: 6/23/2011
Co-ordinate(NE) Reference: Well: 4H, Grid: North
Vertical (TVD) Reference: SITE 3575 8
Section (VS) Reference: Well (0.00N, 0.00E, 179 60Azi)
Survey Calculation Method: Minimum Curvature
Db: Sybase

Page: 2

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
10000.00	89.23	179.60	9053.90	-1178.42	8.32	1178.45	0.00	605487.41	690910.85	
10100.00	89.23	179.60	9055.24	-1278.41	9.02	1278.44	0.00	605387.42	690911.55	
10200.00	89.23	179.60	9056.58	-1378.40	9.73	1378.43	0.00	605287.43	690912.26	
10300.00	89.23	179.60	9057.92	-1478.39	10.43	1478.42	0.00	605187.44	690912.96	
10400.00	89.23	179.60	9059.26	-1578.37	11.14	1578.41	0.00	605087.46	690913.67	
10500.00	89.23	179.60	9060.60	-1678.36	11.84	1678.40	0.00	604987.47	690914.37	
10600.00	89.23	179.60	9061.93	-1778.35	12.55	1778.40	0.00	604887.48	690915.08	
10700.00	89.23	179.60	9063.27	-1878.34	13.25	1878.39	0.00	604787.49	690915.78	
10800.00	89.23	179.60	9064.61	-1978.33	13.96	1978.38	0.00	604687.50	690916.49	
10900.00	89.23	179.60	9065.95	-2078.32	14.67	2078.37	0.00	604587.51	690917.20	
11000.00	89.23	179.60	9067.29	-2178.31	15.37	2178.36	0.00	604487.52	690917.90	
11100.00	89.23	179.60	9068.63	-2278.29	16.08	2278.35	0.00	604387.54	690918.61	
11200.00	89.23	179.60	9069.97	-2378.28	16.78	2378.34	0.00	604287.55	690919.31	
11300.00	89.23	179.60	9071.31	-2478.27	17.49	2478.33	0.00	604187.56	690920.02	
11400.00	89.23	179.60	9072.64	-2578.26	18.19	2578.32	0.00	604087.57	690920.72	
11500.00	89.23	179.60	9073.98	-2678.25	18.90	2678.32	0.00	603987.58	690921.43	
11600.00	89.23	179.60	9075.32	-2778.24	19.60	2778.31	0.00	603887.59	690922.13	
11700.00	89.23	179.60	9076.66	-2878.23	20.31	2878.30	0.00	603787.60	690922.84	
11800.00	89.23	179.60	9078.00	-2978.21	21.02	2978.29	0.00	603687.62	690923.55	
11900.00	89.23	179.60	9079.34	-3078.20	21.72	3078.28	0.00	603587.63	690924.25	
12000.00	89.23	179.60	9080.68	-3178.19	22.43	3178.27	0.00	603487.64	690924.96	
12100.00	89.23	179.60	9082.02	-3278.18	23.13	3278.26	0.00	603387.65	690925.66	
12200.00	89.23	179.60	9083.35	-3378.17	23.84	3378.25	0.00	603287.66	690926.37	
12300.00	89.23	179.60	9084.69	-3478.16	24.54	3478.24	0.00	603187.67	690927.07	
12400.00	89.23	179.60	9086.03	-3578.15	25.25	3578.23	0.00	603087.68	690927.78	
12500.00	89.23	179.60	9087.37	-3678.13	25.95	3678.23	0.00	602987.70	690928.48	
12600.00	89.23	179.60	9088.71	-3778.12	26.66	3778.22	0.00	602887.71	690929.19	
12700.00	89.23	179.60	9090.05	-3878.11	27.36	3878.21	0.00	602787.72	690929.89	
12800.00	89.23	179.60	9091.39	-3978.10	28.07	3978.20	0.00	602687.73	690930.60	
12900.00	89.23	179.60	9092.73	-4078.09	28.78	4078.19	0.00	602587.74	690931.31	
13000.00	89.23	179.60	9094.06	-4178.08	29.48	4178.18	0.00	602487.75	690932.01	
13100.00	89.23	179.60	9095.40	-4278.07	30.19	4278.17	0.00	602387.76	690932.72	
13200.00	89.23	179.60	9096.74	-4378.05	30.89	4378.16	0.00	602287.78	690933.42	
13300.00	89.23	179.60	9098.08	-4478.04	31.60	4478.15	0.00	602187.79	690934.13	
13400.00	89.23	179.60	9099.42	-4578.03	32.30	4578.14	0.00	602087.80	690934.83	
13443.40	89.23	179.60	9100.00	-4621.43	32.61	4621.55	0.00	602044.40	690935.14	PBHL

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	Latitude Deg Min Sec	Longitude Deg Min Sec
PBHL			9100.00	-4621.43	32.61	602044.40	690935.14	32 39 14.842 N	103 50 50.158 W

Casing Points

MD	TVD	Diameter	Hole Size	Name



Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company:	Devon Energy	Date:	6/23/2011	Time:	08:26:32	Page:	3
Field:	Eddy Co., NM (NAD 83)	Co-ordinate(NE) Reference:	Well: 4H, Grid North				
Site:	Capella-14 Federal Com 4H	Vertical (TVD) Reference:	SITE 3575.8				
Well:	4H	Section (VS) Reference:	Well (0.00N,0.00E,179.60Azi)				
Wellpath:	1	Survey Calculation Method:	Minimum Curvature	Db:	Sybase		

Annotation

MD ft	TVD ft	
8524.18	8524.18	KOP
9335.39	9045.00	LP
13443.40	9100.00	PBHL

Formations

MD	TVD	Formations	Lithology	Dip Angle	Dip Direction

**Weatherford®****Weatherford Drilling Services**

GeoDec v5.03

Report Date: June 22, 2011
Job Number: _____
Customer: Devon
Well Name: Capella 14 Federal Com 4H
API Number: _____
Rig Name: _____
Location: Eddy Co., NM
Block: _____
Engineer: KRN

US State Plane 1983	Geodetic Latitude / Longitude
System: New Mexico Eastern Zone	System: Latitude / Longitude
Projection: Transverse Mercator/Gauss Kruger	Projection: Geodetic Latitude and Longitude
Datum: North American Datum 1983	Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: GRS 1980	Ellipsoid: Clarke 1866
North/South 606665.830 USFT	Latitude 32.6667090 DEG
East/West 690902.530 USFT	Longitude -103.8467967 DEG
Grid Convergence: .26°	
Total Correction: +7.38°	

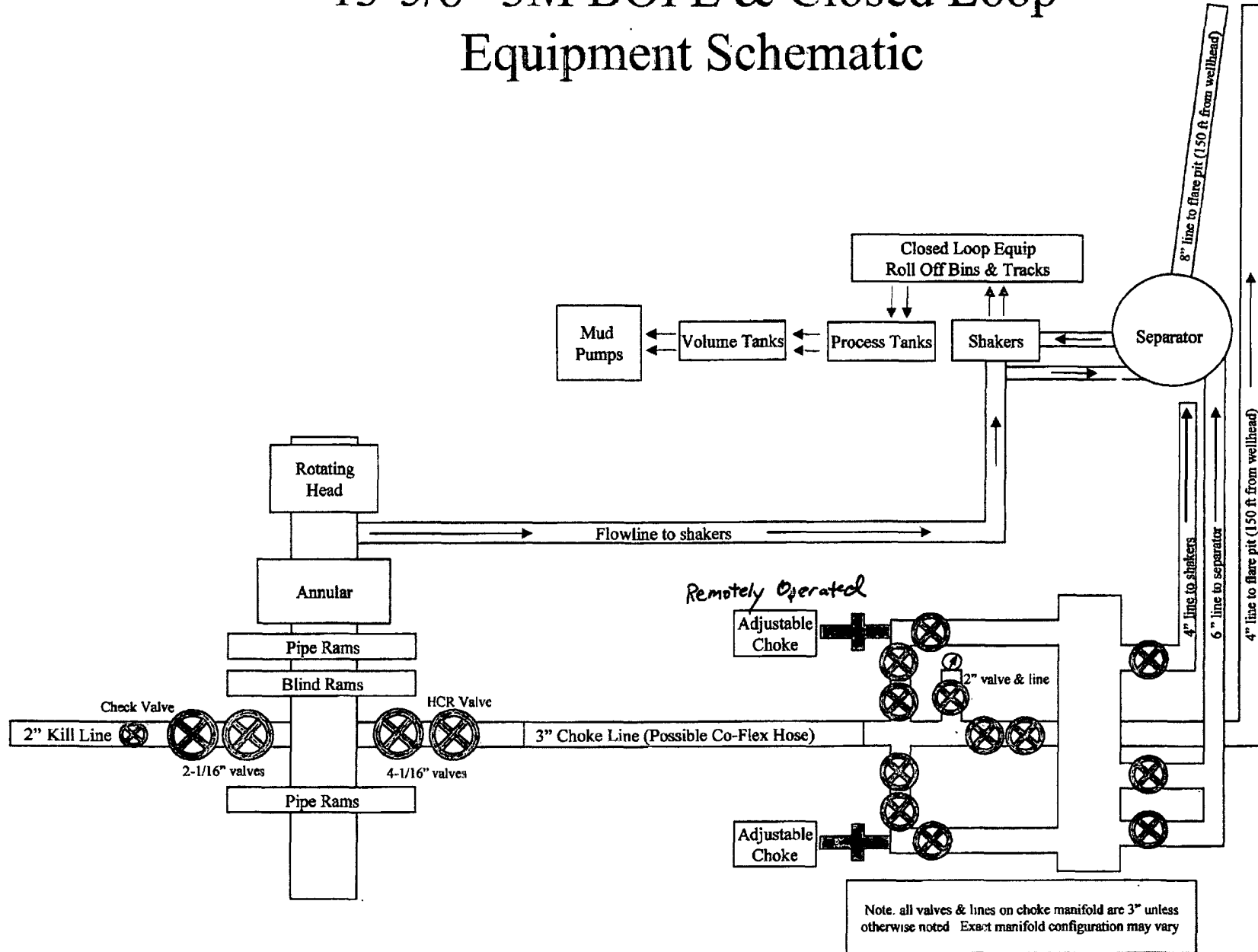
Geodetic Location WGS84	Elevation =	0.0 Meters
Latitude =	32.66671° N	32° 40 min .152 sec
Longitude =	103.84680° W	103° 50 min 48.468 sec

Magnetic Declination =	7.64°	[True North Offset]
Local Gravity =	.9988 g	Checksum = 6651
Local Field Strength =	48783 nT	Magnetic Vector X = 23789 nT
Magnetic Dip =	60.53°	Magnetic Vector Y = 3189 nT
Magnetic Model =	IGRF-2010g11	Magnetic Vector Z = 42469 nT
Spud Date =	May 15, 2012	Magnetic Vector H = 24002 nT

Signed: _____

Date: _____

13-5/8" 3M BOPE & Closed Loop Equipment Schematic



Attachment to Exhibit #1
NOTES REGARDING BLOWOUT PREVENTERS
Devon Energy Production Company, LP
Capella 14 Federal Com 4H

Surface Location: 330' FNL & 400' FWL, Unit D, Sec 14 T19S R31E, Eddy, NM
Bottom hole Location: 330' FSL & 330' FWL, Unit M, Sec 14 T19S R31E, Eddy, NM

1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.
2. Wear ring will be properly installed in head.
3. Blowout preventer and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.
4. All fittings will be flanged.
5. A full bore safety valve tested to a minimum 3000 psi WP with proper thread connections will be available on the rotary rig floor at all times.
6. All choke lines will be anchored to prevent movement.
7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
8. Will maintain a kelly cock attached to the kelly.
9. Hand wheels and wrenches will be properly installed and tested for safe operation.
10. Hydraulic floor control for blowout preventer will be located as near in proximity to driller's controls as possible.
11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.

Hydrostatic Test Certificate

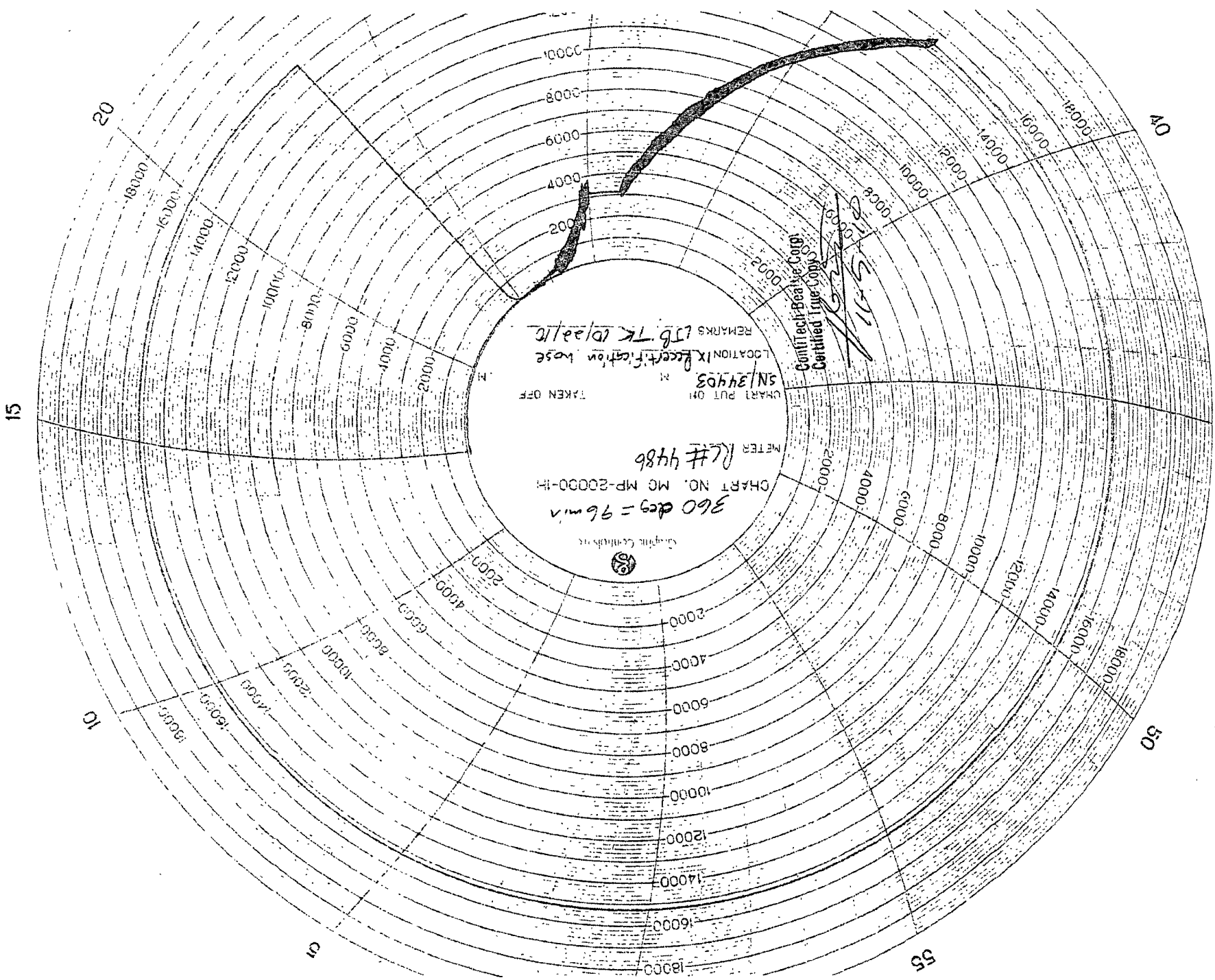


Certificate Number: 4520	PBC No: 10321	Customer Name & Address
Customer Purchase Order No: RIG 300		HELMERICH & PAYNE INT'L DRILLING CO 1437 SOUTH BOULDER TULSA, OK 74119
Project:		
Test Centre Address	Accepted by ContiTech Beattie Inspection	Accepted by Client Inspection
ContiTech Beattie Corp. 11535 Brittmoore Park Drive Houston, TX 77041 USA	Signed: Josh Sims Date: 10/27/10	

We certify that the goods detailed hereon have been inspected by our Quality Management System, and to the best of our knowledge are found to conform to relevant industrial standards within the requirements of the purchase order as issued to ContiTech Beattie Corporation

These goods were made in the United States of America.

Item	Part No.	Description	Qty	Serial Number	As-Built Length (m)	Work Press.	Test Press.	Test Time (minutes)
1		3" ID 10K Choke & Kill Hose x 35ft OAL End A 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange End B 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange Working Pressure: 10,000psi Test Pressure: 15,000psi Serial#: 49106	1	49106		10 kpsi	15 kpsi	60





Fluid Technology

ContiTech Beattie Corp.
Website: www.contitechbeattie.com

Monday, June 14, 2010

RE: Drilling & Production Hoses
Lifting & Safety Equipment

To Helmerich & Payne,

A Continental ContiTech hose assembly can perform as intended and suitable for the application regardless of whether the hose is secured or unsecured in its configuration. As a manufacturer of High Pressure Hose Assemblies for use in Drilling & Production, we do offer the corresponding lifting and safety equipment, this has the added benefit of easing the lifting and handling of each hose assembly whilst affording hose longevity by ensuring correct handling methods and procedures as well as securing the hose in the unlikely event of a failure; but in no way does the lifting and safety equipment affect the performance of the hoses providing the hoses have been handled and installed correctly. It is good practice to use lifting & safety equipment but not mandatory.

Should you have any questions or require any additional information/clarifications then please do not hesitate to contact us.

ContiTech Beattie is part of the Continental AG Corporation and can offer the full support resources associated with a global organization.

Best regards,

Robin Hodgson
Sales Manager
ContiTech Beattie Corp

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Fax: +1 (832) 327-0148
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