

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM89057

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
SNAPPING 10 FEDERAL 3H

2. Name of Operator
DEVON ENERGY PRODUCTION CO
Contact: ERIN L WORKMAN
Email: ERIN.WORKMAN@DVN.COM

9. API Well No.
30-015-39866-00-X1

3a. Address
333 WEST SHERIDAN AVE
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)
Ph: 405-552-7970

10. Field and Pool, or Exploratory
BIG SINKS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 10 T26S R31E SESW 200FSL 2265FWL

11. County or Parish, and State
EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Change to Original A
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

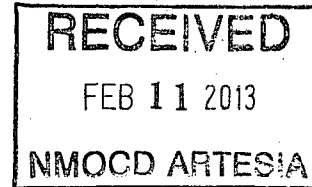
Devon Energy Production Co., LP respectfully request to add a pilot hole and change to the second bone spring target.

Please See Attachments:
Directional Plan
Drilling Plan

Thank You!

Accepted for record
NMOCD

TES
2/11/2013



14. I hereby certify that the foregoing is true and correct.

Electronic Submission #196168 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 02/05/2013 (13KMS4746SE)

Name (Printed/Typed) ERIN L WORKMAN

Title REGULATORY COMPLIANCE ASSOC.

Signature (Electronic Submission)

Date 02/05/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By CHRISTOPHER WALLS

Title PETROLEUM ENGINEER

Date 02/07/2013

Conditions of approval, if any, are attached. Approval of this notice 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.

Office Carlsbad

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

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Attachment to Exhibit #1
NOTES REGARDING BLOWOUT PREVENTERS
Devon Energy Production Company, LP
Snapping 10 Fed 3H

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.

Snapping 10 Fed 3H – APD DRILLING PLAN
JSL 02.05.13

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 – 1,700	13-3/8"	0 – 1,700	48#	STC	H-40
12-1/4"	1,700 – 4,050	9-5/8"	0 – 4,050	40#	LTC	J-55
8-3/4"	4,050 – 9,000	5-1/2"	0 – 9,000	17#	LTC	HCP-110
8-3/4"	9,000 – 14,603	5-1/2"	9,600 – 14,603	17#	BTC	HCP-110

An 8-3/4" pilot hole will be drilled to 10,400 ft and plugged back to KOP. Plugged back with 300 sks Class H, 15.6 ppg, 1.18 yield.

Design Factors

<u>Casing Size</u>	<u>Collapse Design Factor</u>	<u>Burst Design Factor</u>	<u>Tension Design Factor</u>
13-3/8"	1.96	4.41	8.89
9-5/8" 40# J-55 LTC	1.18	1.81	3.10
5-1/2" 17# HCP-110 LTC	1.91	2.37	2.73
5-1/2" 17# HCP-110 BTC	1.54	2.19	2.25

Mud Program

<u>Depth</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>Fluid Loss</u>	<u>Type System</u>
0 – 1,700	8.4 – 8.6	28 – 32	N/C	FW
1,700 – 4,050	9.9 – 10.1	28 – 29	N/C	Brine
4,050 – 14,603	8.7 – 9.4	28 – 29	N/C	FW

Pressure Control Equipment:

The BOP system used to drill the intermediate hole will consist of a 13-5/8" 3M Tipple 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 Tipple 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 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 **3,000 psi WP**.

Cementing Program

13-3/8" Surface

Lead: 380 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Poly-E-Flake + 4% bwoc Bentonite + 70.1% Fresh Water, 13.5 ppg

Yield: 1.75 cf/sk

TOC @ surface

Tail: 310 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Poly-E-Flake + 63.1% Fresh Water, 14.8 ppg

Yield: 1.35 cf/sk

9-5/8" Intermediate

Lead: 820 sacks (65:35) Class C Cement:Poz (Fly Ash): + 5% bwoc Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 6% bwoc Bentonite + 70.9% Fresh Water, 12.9 ppg

Yield: 1.85 cf/sk

TOC @ surface

Tail: 360 sacks Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Water, 14.8 ppg

Yield: 1.33 cf/sk

5-1/2" Production

1st Lead: 400 sacks (50:50) Class H Cement:Poz (Fly Ash) + 10% bwoc Bentonite + 8 lb/sk Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 0.3% bwoc HR-601 + 0.3% bwoc Econolite + 77.2% Fresh Water, 11.8 ppg

Yield: 2.52 cf/sk

2nd Lead: 325 sacks (65:35) Class H Cement:Poz (Fly Ash) + 6% bwoc Bentonite + 0.125 lbs/sack Poly-E-Flake + 0.1% bwoc HR-601 + 74.1% Fresh Water, 12.5 ppg

Yield: 1.95 cf/sk

Tail: 1600 sacks (50:50) Class H Cement:Poz (Fly Ash) + 1 lb/sk Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water, 14.5 ppg

Yield: 1.22 cf/sk

TOC for All Strings:

Surface:	0
Intermediate:	0
Production:	3550 ft

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

Project: Eddy County, NM (NAD 83)
 Site: Snapping "10" Federal
 Well: Snapping "10" Federal No 3H
 Wellbore: Wellbore #1
 Plan: Plan #1
 Rig: Cactus 126

SURFACE LOCATION

US State Plane 1983
 New Mexico Eastern Zone
 Elevation: GL 3240' + KB 25' @ 3265.00ft (Cactus 126)
 Northing Easting Latitude Longitude
 382635.86 716691.80 32° 3' 2.457 N 103° 46' 2.442 W

SECTION DETAILS

MD	Inc	Azi	TVD	+N-S	+E-W	DLeg	TFace	VSec	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9474.00	0.00	0.00	9474.00	0.00	0.00	0.00	0.00	0.00	KOP/Start Build
10376.52	90.24	358.66	10047.00	575.29	-13.47	10.00	358.66	575.45	End Build
14602.89	90.24	358.66	10029.00	4800.46	-112.40	0.00	0.00	4801.78	TD

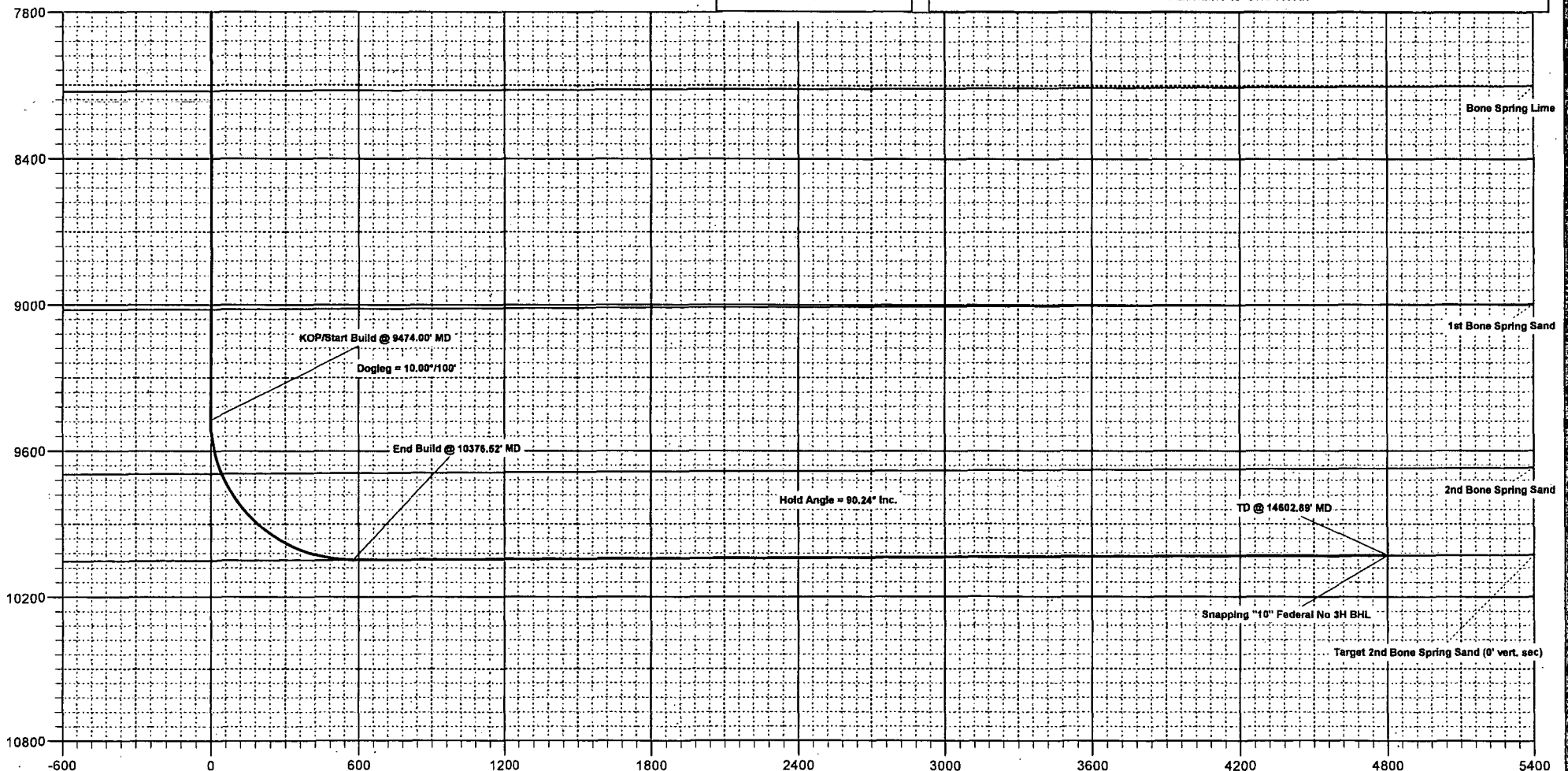
WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N-S	+E-W	Northing	Easting	Shape
Snapping "10" Federal No 3H BHL	10029.00	4800.46	-112.40	387436.32	716579.40	Point

devon

To convert a Magnetic Direction to a Grid Direction, Add 7.26°

Magnetic Model: BGGM2012 Date: 04-Feb-13
 Azimuths to Grid North



Vertical Section at 358.66° (600 ft/in)

Created By: Gustavo Moya

Date: 15:55, February 04 2013

Devon Energy Corporation

HALLIBURTON | Sperry Drilling

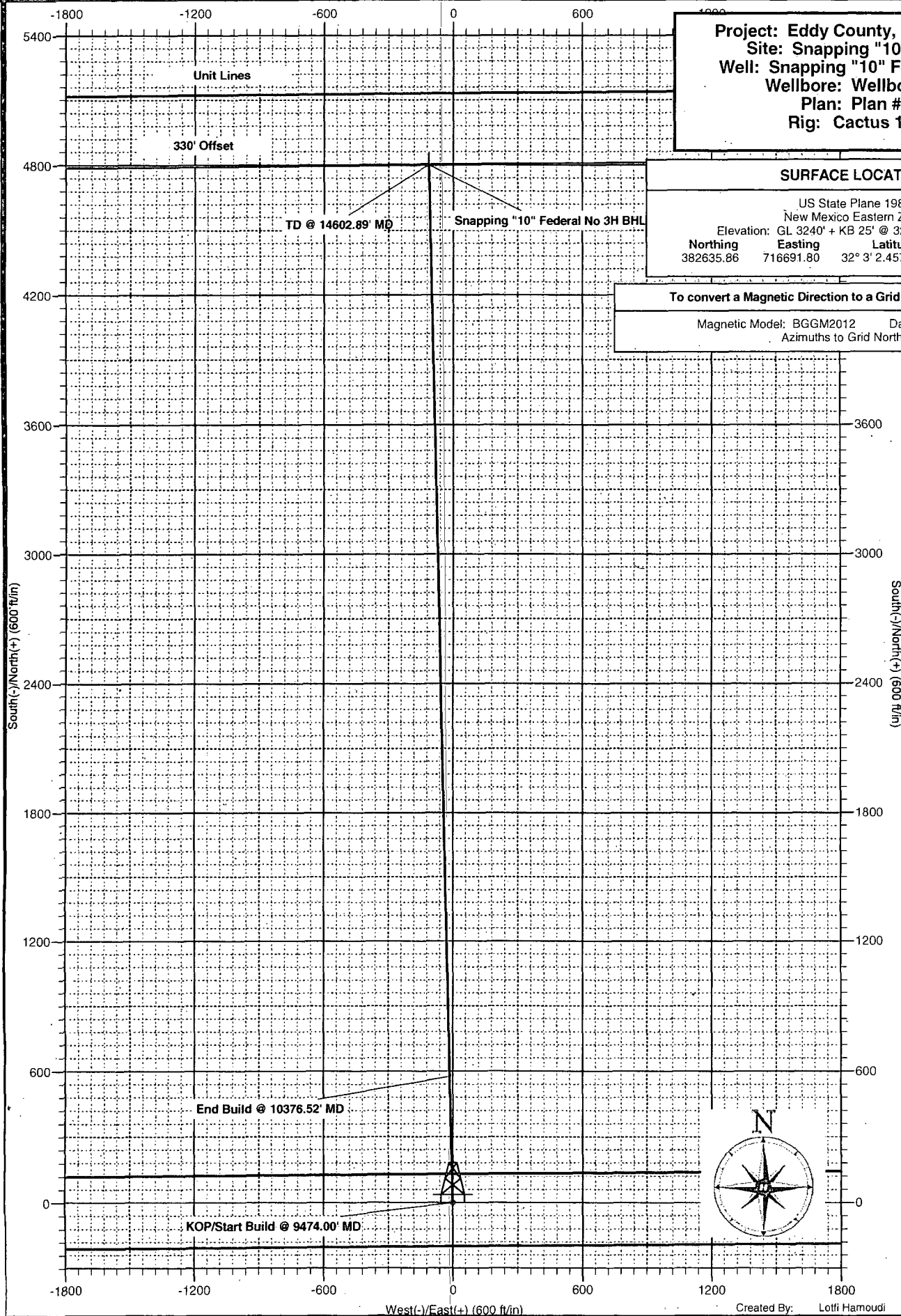
Project: Eddy County, NM (NAD 83)
Site: Snapping "10" Federal
Well: Snapping "10" Federal No 3H
Wellbore: Wellbore #1
Plan: Plan #1
Rig: Cactus 126

SURFACE LOCATION

US State Plane 1983
New Mexico Eastern Zone
Elevation: GL 3240' + KB 25' @ 3265.00ft (Cactus 126)
Northing 382635.86 Easting 716691.80 Latitude 32° 3' 2.457 N Longitude 103° 46' 2.442 W

To convert a Magnetic Direction to a Grid Direction, Add 7.26°

Magnetic Model: BGGM2012 Date: 04-Feb-13
Azimuths to Grid North



Devon Energy Corporation

Eddy County, NM (NAD 83)

Snapping "10" Federal

Snapping "10" Federal No 3H

Wellbore #1

Plan: Plan #1

Sperry Drilling Services Proposal Report

04 February, 2013

Well Coordinates: 382,635.86 N, 716,691.80 E (32° 03' 02.46" N, 103° 46' 02.44" W)

Ground Level: 3,240.00 ft

Local Coordinate Origin: Centered on Well Snapping "10" Federal No 3H

Viewing Datum: GL 3240' + KB 25' @ 3265.00ft (Cactus 126)

TVDs to System: N

North Reference: Grid

Unit System: API - US Survey Feet

Version: 2003.16 Build: 431

HALLIBURTON

Plan Report for Snapping "10" Federal No 3H - Plan #1

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	Toolface Azimuth (°)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,670.00	0.00	0.00	1,670.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RUSTLER										
2,050.00	0.00	0.00	2,050.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOP SALT										
3,895.00	0.00	0.00	3,895.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BASE SALT										
4,110.00	0.00	0.00	4,110.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DELAWARE										
8,125.00	0.00	0.00	8,125.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bone Spring Line										
9,020.00	0.00	0.00	9,020.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1st Bone Spring Sand										
9,474.00	0.00	0.00	9,474.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KOP/Start Build @ 9474.00 MD Dogleg = 10.00°/100'										
9,500.00	2.60	358.66	9,499.99	0.59	-0.01	0.59	10.00	10.00	0.00	358.66
9,600.00	12.60	358.66	9,598.99	13.79	-0.32	13.80	10.00	10.00	0.00	0.00
9,698.52	22.45	358.66	9,692.82	43.41	-1.02	43.43	10.00	10.00	0.00	0.00
2nd Bone Spring Sand										
9,700.00	22.60	358.66	9,694.19	43.98	-1.03	43.99	10.00	10.00	0.00	0.00
9,800.00	32.60	358.66	9,782.70	90.24	-2.11	90.26	10.00	10.00	0.00	0.00
9,900.00	42.60	358.66	9,861.83	151.15	-3.54	151.19	10.00	10.00	0.00	0.00
10,000.00	52.60	358.66	9,929.18	224.88	-5.27	224.94	10.00	10.00	0.00	0.00
10,100.00	62.59	358.66	9,982.70	309.18	-7.24	309.26	10.00	10.00	0.00	0.00
10,200.00	72.59	358.66	10,020.77	401.48	-9.40	401.59	10.00	10.00	0.00	0.00
10,300.00	82.59	358.66	10,042.23	499.00	-11.68	499.13	10.00	10.00	0.00	0.00
10,376.52	90.24	358.66	10,047.00	575.29	-13.47	575.45	10.00	10.00	0.00	0.00
End/Build @ 10376.52 MD Hold Angle = 90.24° Inc										
10,400.00	90.24	358.66	10,046.90	598.76	-14.02	598.93	0.00	0.00	0.00	0.00
10,500.00	90.24	358.66	10,046.48	698.74	-16.36	698.93	0.00	0.00	0.00	0.00
10,600.00	90.24	358.66	10,046.05	798.71	-18.70	798.93	0.00	0.00	0.00	0.00
10,700.00	90.24	358.66	10,045.63	898.68	-21.04	898.93	0.00	0.00	0.00	0.00
10,800.00	90.24	358.66	10,045.20	998.65	-23.38	998.92	0.00	0.00	0.00	0.00
10,900.00	90.24	358.66	10,044.77	1,098.62	-25.72	1,098.92	0.00	0.00	0.00	0.00
11,000.00	90.24	358.66	10,044.35	1,198.59	-28.06	1,198.92	0.00	0.00	0.00	0.00
11,100.00	90.24	358.66	10,043.92	1,298.57	-30.41	1,298.92	0.00	0.00	0.00	0.00
11,200.00	90.24	358.66	10,043.50	1,398.54	-32.75	1,398.92	0.00	0.00	0.00	0.00
11,300.00	90.24	358.66	10,043.07	1,498.51	-35.09	1,498.92	0.00	0.00	0.00	0.00
11,400.00	90.24	358.66	10,042.64	1,598.48	-37.43	1,598.92	0.00	0.00	0.00	0.00
11,500.00	90.24	358.66	10,042.22	1,698.45	-39.77	1,698.92	0.00	0.00	0.00	0.00
11,600.00	90.24	358.66	10,041.79	1,798.42	-42.11	1,798.92	0.00	0.00	0.00	0.00
11,700.00	90.24	358.66	10,041.37	1,898.40	-44.45	1,898.92	0.00	0.00	0.00	0.00
11,800.00	90.24	358.66	10,040.94	1,998.37	-46.79	1,998.92	0.00	0.00	0.00	0.00
11,900.00	90.24	358.66	10,040.51	2,098.34	-49.13	2,098.91	0.00	0.00	0.00	0.00
12,000.00	90.24	358.66	10,040.09	2,198.31	-51.47	2,198.91	0.00	0.00	0.00	0.00
12,100.00	90.24	358.66	10,039.66	2,298.28	-53.81	2,298.91	0.00	0.00	0.00	0.00
12,200.00	90.24	358.66	10,039.24	2,398.25	-56.15	2,398.91	0.00	0.00	0.00	0.00
12,300.00	90.24	358.66	10,038.81	2,498.23	-58.49	2,498.91	0.00	0.00	0.00	0.00
12,400.00	90.24	358.66	10,038.38	2,598.20	-60.84	2,598.91	0.00	0.00	0.00	0.00
12,500.00	90.24	358.66	10,037.96	2,698.17	-63.18	2,698.91	0.00	0.00	0.00	0.00
12,600.00	90.24	358.66	10,037.53	2,798.14	-65.52	2,798.91	0.00	0.00	0.00	0.00
12,700.00	90.24	358.66	10,037.11	2,898.11	-67.86	2,898.91	0.00	0.00	0.00	0.00
12,800.00	90.24	358.66	10,036.68	2,998.08	-70.20	2,998.91	0.00	0.00	0.00	0.00
12,900.00	90.24	358.66	10,036.25	3,098.06	-72.54	3,098.91	0.00	0.00	0.00	0.00
13,000.00	90.24	358.66	10,035.83	3,198.03	-74.88	3,198.90	0.00	0.00	0.00	0.00
13,100.00	90.24	358.66	10,035.40	3,298.00	-77.22	3,298.90	0.00	0.00	0.00	0.00
13,200.00	90.24	358.66	10,034.98	3,397.97	-79.56	3,398.90	0.00	0.00	0.00	0.00
13,300.00	90.24	358.66	10,034.55	3,497.94	-81.90	3,498.90	0.00	0.00	0.00	0.00

Plan Report for Snapping "10" Federal No 3H - Plan #1

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	Toolface Azimuth (°)
13,400.00	90.24	358.66	10,034.12	3,597.91	-84.24	3,598.90	0.00	0.00	0.00	0.00
13,500.00	90.24	358.66	10,033.70	3,697.89	-86.58	3,698.90	0.00	0.00	0.00	0.00
13,600.00	90.24	358.66	10,033.27	3,797.86	-88.92	3,798.90	0.00	0.00	0.00	0.00
13,700.00	90.24	358.66	10,032.85	3,897.83	-91.27	3,898.90	0.00	0.00	0.00	0.00
13,800.00	90.24	358.66	10,032.42	3,997.80	-93.61	3,998.90	0.00	0.00	0.00	0.00
13,900.00	90.24	358.66	10,031.99	4,097.77	-95.95	4,098.90	0.00	0.00	0.00	0.00
14,000.00	90.24	358.66	10,031.57	4,197.74	-98.29	4,198.90	0.00	0.00	0.00	0.00
14,100.00	90.24	358.66	10,031.14	4,297.72	-100.63	4,298.89	0.00	0.00	0.00	0.00
14,200.00	90.24	358.66	10,030.72	4,397.69	-102.97	4,398.89	0.00	0.00	0.00	0.00
14,300.00	90.24	358.66	10,030.29	4,497.66	-105.31	4,498.89	0.00	0.00	0.00	0.00
14,400.00	90.24	358.66	10,029.86	4,597.63	-107.65	4,598.89	0.00	0.00	0.00	0.00
14,500.00	90.24	358.66	10,029.44	4,697.60	-109.99	4,698.89	0.00	0.00	0.00	0.00
14,600.00	90.24	358.66	10,029.01	4,797.58	-112.33	4,798.89	0.00	0.00	0.00	0.00
14,602.89	90.24	358.66	10,029.00	4,800.46	-112.40	4,801.78	0.00	0.00	0.00	0.00

TD @ 14602.89' MD Snapping "10" Federal No 3H BHL

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	+E/-W (ft)	Comment
9,474.00	9,474.00	0.00	0.00	KOP/Start Build @ 9474.00' MD
9,474.00	9,474.00	0.00	0.00	Dogleg = 10.00°/100'
10,376.52	10,047.00	575.29	-13.47	End Build @ 10376.52' MD
10,376.52	10,047.00	575.29	-13.47	Hold Angle = 90.24° Inc.
14,602.89	10,029.00	4,800.46	-112.40	TD @ 14602.89' MD

Vertical Section Information

Angle Type	Target	Azimuth (°)	Origin Type	Origin +N/-S (ft)	+E/-W (ft)	Start TVD (ft)
TD	No Target (Freehand)	358.66	Slot	0.00	0.00	0.00

Survey tool program

From (ft)	To (ft)	Survey/Plan	Survey Tool
0.00	14,602.86	Plan #1	

Plan Report for Snapping "10" Federal No 3H - Plan #1

Formation Details

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
	10,050.00	Target 2nd Bone Spring Sand (0' vert. sec)		-0.24	0.00
1,670.00	1,670.00	RUSTLER		-0.24	0.00
2,050.00	2,050.00	TOP SALT		-0.24	0.00
3,895.00	3,895.00	BASE SALT		-0.24	0.00
4,110.00	4,110.00	DELAWARE		-0.24	0.00
8,125.00	8,125.00	Bone Spring Lime		-0.24	0.00
9,020.00	9,020.00	1st Bone Spring Sand		-0.24	0.00
9,698.52	9,693.00	2nd Bone Spring Sand		-0.24	0.00

Targets associated with this wellbore

Target Name	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Shape
Snapping "10" Federal No 3H BHL	10,029.00	4,800.46	-112.40	Point

North Reference Sheet for Snapping "10" Federal - Snapping "10" Federal No 3H - Wellbore #1

All data is in US Feet unless otherwise stated. Directions and Coordinates are relative to Grid North Reference.

Vertical Depths are relative to GL 3240' + KB 25' @ 3265.00ft (Cactus 126). Northing and Easting are relative to Snapping "10" Federal No 3H
Coordinate System is US State Plane 1983, New Mexico Eastern Zone using datum North American Datum 1983, ellipsoid GRS 1980

Projection method is Transverse Mercator (Gauss-Kruger)

Central Meridian is -104.33°, Longitude Origin: 0° 0' 0.000 E°, Latitude Origin: 0° 0' 0.000 N°

False Easting: 541,337.50ft, False Northing: 0.00ft, Scale Reduction: 0.99994430

Grid Coordinates of Well: 382,635.86 ft N, 716,691.80 ft E

Geographical Coordinates of Well: 32° 03' 02.46" N, 103° 46' 02.44" W

Grid Convergence at Surface is: 0.30°

Based upon Minimum Curvature type calculations, at a Measured Depth of 14,602.89ft
the Bottom Hole Displacement is 4,801.78ft in the Direction of 358.66° (Grid).

Magnetic Convergence at surface is: -7.26° (4 February 2013, , BGGM2012)

