

0526

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

5. Lease Serial No.
NMNM0418220A A

6. If Indian, Allottee or Heir

7. If Unit of CA Agreement, Name and No.
RECEIVED
OCD - ARTESIA

8. Lease Name and Well No.
TODD 26B FEDERAL 21

9. API Well No.
30-010-35077

1a. Type of Work: ☒ DRILL ☐ REENTER

R-111-POTASH

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator
DEVON ENERGY PRODUCTION CO L P

Contact: KAREN COTTOM
E-Mail: karen.cottom@dvn.com

3a. Address
20 NORTH BROADWAY SUITE 1500
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)
Ph: 405.228.7512
Fx: 405.552.4621

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

At surface NWNW 660FNL 660FWL

At proposed prod. zone NWNW 660FNL 660FWL

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 26 T23S R31E Mer NMP

14. Distance in miles and direction from nearest town or post office*
35 MILES FROM JAL NEW MEXICO

12. County or Parish
EDDY

13. State
NM

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)

16. No. of Acres in Lease
720.00

17. Spacing Unit dedicated to this well
40.00

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.

19. Proposed Depth
8350 MD

20. BLM/BIA Bond No. on file

21. Elevations (Show whether DF, KB, RT, GL, etc.)
3427 GL

22. Approximate date work will start
11/15/2003

23. Estimated duration
45 DAYS

24. Attachments

Controlled Controlled Water Back

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

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission) Name (Printed/Typed) KAREN COTTOM Date 10/17/2003

Title
ENGINEERING TECHNICIAN

Approved by (Signature) /s/ Jesse J. Juen Name (Printed/Typed) /s/ Jesse J. Juen Date AUG 02 2006

Title FOR STATE DIRECTOR Office NM STATE OFFICE

Application approval does not warrant or certify 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 1 YEAR

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.

Additional Operator Remarks (see next page)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Electronic Submission #24366 verified by the BLM
For DEVON ENERGY PRODUCTION CO L P, s
Committed to FMSS for processing by LINDA ASKWIG

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

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

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 33745	Pool Name INGLE WELLS: DELAWARE
Property Code	Property Name TODD "26D" FEDERAL	Well Number 21
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3427'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	26	23 S	31 E		660	NORTH	660	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Karen Cottom</i> Signature Karen Cottom Printed Name Operations Technician Title October 17, 2003 Date</p>		
<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 08, 2003 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature of Gary L. Jones Professional Surveyor</p> <p>NEW MEXICO Professional Surveyor No. 3664 Certificate No. Gary L. Jones 7977</p>			

Additional Operator Remarks:

Devon Energy Productin Company, LP proposes to drill to a depth suffient to test the Delaware formation for oil. If productive, 5 1/2" casing will be cemented at TD. If non oroductive the well will be plugged and abandoned in a manner consistent with federal regulations: Detailed information on this proposed operation is provided in the attached documents.

DRILLING PROGRAM

Devon Energy Production Company, LP

Todd 26D Federal #21

Surface Location: 660' FNL & 660' FWL, Unit D, Sec 26 T23S R31E, Eddy, NM

Bottom hole Location: 660' FNL & 660' FWL, Unit D, Sec 26 T23S R31E, Eddy, NM

1. Geologic Name of Surface Formation

a. Permian

2. Estimated tops of geological markers:

a. Rustler	865'
b. Top of Salt	1190'
c. Base of Salt	3955'
d. Bell Canyon	4520'
e. Cherry Canyon	5680'
f. Brushy Canyon	7000'
g. 1 st Bone Spring Lime	8265'
h. Total Depth	8350'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas

a. Upper Permian Sands		Fresh Water
b. Delaware	4520'	Oil
c. Delaware (Cherry Canyon)	5680'	Oil
d. Delaware (Brushy Canyon)	7000'	Oil

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 850' and circulating cement back to surface. Potash and salt will be protected by setting 8 5/8" casing at 4400' 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 8 5/8" casing.

4. Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>OD Csg</u>	<u>Weight</u>	<u>Collar</u>	<u>Grade</u>
30"	0' - 40'	20"	Na	Na	Conductor
17 1/2"	0' - 850'	13 3/8"	48#	ST&C	H-40 WITNESS
11"	0' - 4400'	8 5/8"	32#	ST&C	J55 WITNESS
7 7/8"	0' - 8350'	5 1/2"	15.5# & 17#	LT&C	J55

5. Cement & Setting Depth:

a. 20"	Conductor	Cement with ready-mix to surface.
b. 13 3/8"	Surface	Cement to surface with 450 sx Poz C (35:65) + 6% Gel + 1/4# sx Flocele followed by 200 sx Class C + 2% CC

- c. 8 5/8" Intermediate Cement to surface with 1600 sx Poz C (35:65) + 6% Gel + 10% salt + 1/4# sx Flocele followed by 200 sx Class C + 2% CC + 0.25 lb/sx Flocele.
- d. 5 1/2" Production Cement with 500 sx Class H + 3% Salt + 0.6% Halad 322 + 10#/sx Silicalite + 1/4# sx Flocele. Stage Tool @ 5500'. Cement with 200 sx Poz H (35:65) + 6% Gel + 5% salt + 1/4# sx Flocele followed by 425 sx Class C + 4% gel.

The above cement volumes could be revised pending the caliper measurement from the open hole logs. The top of cement is designed to reach above the 8 5/8" casing seat @ 4400'

6. Pressure Control Equipment:

The blowout preventor equipment (BOP) shown in Exhibit #1 will consist of a (3M system) double ram type (3000 psi WP) preventor and a bag-type (Hydril) preventor (3000 psi WP). Both units will be hydraulically operated and the ram type preventor will be equipped with blind rams on top and 4 1/2" drill pipe rams on bottom. Both BOP's will be installed on the 13 3/8" surface casing and utilized continuously until total depth is reached. All BOP's and associated equipment will be tested to 1200 psi before drilling out the 13 3/8" casing shoe (70% of 48#, H-40 casing). Prior to drilling out the 8 5/8" casing shoe, the BOP's and Hydril will be tested as per BLM Drilling Operations Order #2.

Pipe rams will be operated and checked each 24-hour period and each time the drill pipe is out of the hole. These functional tests will be documented on the daily drillers log. A 2" kill line and 3" choke line will be incorporated in the drilling spool below the ram-type BOP. Other accessory BOP equipment will include a Kelly cock, floor safety valve, choke lines and choke manifold having 3000 psi WP rating.

7. Proposed Mud Circulation System

<u>Depth</u>	<u>Mud Wt.</u>	<u>Visc</u>	<u>Fluid Loss</u>	<u>Type System</u>
0' - 850'	8.8	34 - 36	NC	Fresh Water
850' - 4400'	10.0	28	NC	Brine Water
4400' - TD	8.8	32 - 36	10-20	Fresh water Polymer

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

8. 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 operations after drilling out the 13 3/8" casing shoe until the 8 5/8" casing is cemented. Breathing equipment will be on location upon drilling the 13 3/8" shoe until total depth is reached.

9. Logging, Coring, and Testing Program:

- a. Drill stem tests will be based on geological sample shows.

- b. 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 ½" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

10. 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 2900 psi and Estimated BHT 125°.

11. 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.

SURFACE USE PLAN

Devon Energy Production Company, LP

Todd 26D Federal #21

Surface Location: 660' FNL & 660' FWL, Unit D, Sec 26 T23S R31E, Eddy, NM

Bottom hole Location: 660' FNL & 660' FWL, Unit D, Sec 26 T23S R31E, Eddy, NM

1. Existing Roads:

- a. The well site and elevation plat for the proposed are reflected on Exhibit 2. The well was staked by John West Engineering Company.
- b. All roads into the location are depicted on Exhibit 3.
- c. Directions to Location: From the junction of Co. Rd. 799 and State Hwy 128, go north on 799 for approx. 2.0 miles to a lease road; thence west on lease road for approx. 0.3 mile; thence north for approx 0.3 mile; thence northwest for approx 0.75 mile; thence south for approx. 0.75 mile to proposed lease road to the Todd 26D Fed 22 thence south 1186 feet to the proposed #22 and the proposed lease road to the #21.

2. Access Road

- a. Exhibit #3 shows the existing lease road. Approximately 1020' of new access road will be required. It will be constructed as follows:
- b. The maximum width of the road will be 15'. It will be crowned and made of 6" of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
- c. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location. The average grade will be approximately 1%.
- d. No cattle guards, grates or fence cuts will be required. No turnouts are planned.

3. Proposed Facilities

- a. Devon Energy Production Company, LP. Operates a production facility on this lease in the southeast quarter of Section 27.
- b. In the event the well is found productive, the probable production equipment will be as follows:
 - i. The well will be connected to the existing facility outlined on Exhibit #5 by boring under the road or a tank battery would be constructed on the pad of another proposed well in this section. The new tank battery would be configured similar to the existing battery.
 - ii. The well will be operated by means of a gas driven prime mover. No power will be required.
- c. The tank battery, all connections and all lines will adhere to API standards.
- d. If the well is productive, rehabilitation plans are as follows:
 - i. The reserve pit will be back-filled after the contents of the pit are dry (within 120 days after completion, weather permitting).
 - ii. The original topsoil from the well site will be returned to the location. The drill site will then be contoured as close as possible to the original state.

4. Methods of Handling Waste Material:

- a. Drill cuttings will be disposed of in the reserve pits.
- b. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in an approved sanitary landfill.

- c. The supplier, including broken sacks, will pick up salts remaining after completion of well.
- d. Wastewater from living quarters will be drained into hole with a minimum of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete
- e. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for further drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approved disposal site. Later pits will be broken out to speed dry. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in a storage tank and sold.

5. Well Site Layout

- a. Exhibit D Shows the proposed well site layout.
- b. This exhibit indicated proposed location of reserve and sump pits and living facilities.
- c. Mud pits in the active circulating system will be steel pits & the reserve pits is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- d. If needed, the reserve pit is to be lined with polyethylene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will b anchored down.
- e. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

6. Other Information:

- a. The area surrounding the well site is grassland. The topsoil is very sandy in nature. The vegetation is moderately sparse with native prairie grass, sagebrush, yucca and miscellaneous weeds.
- b. The surface and minerals are owned by the US Government and is administered by the Bureau of Land Management. The surface is of limited use except for the grazing of livestock and the production of oil and gas.
- c. An archaeological survey will be forward to the Bureau of Land Management.
- d. There are no dwellings within 2 miles of location.

Operators Representative:

The Devon Energy Production Company, L.P. representatives responsible for ensuring compliance of the surface use plan are listed below.

James Blount
Operations Engineer Advisor

Don Mayberry
Superintendent

Devon Energy Production Company, L.P.
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260

Devon Energy Production Company, L.P.
Post Office Box 250
Artesia, NM 88211-0250

(405) 228-4301 (office)

(505) 748-3371 (office)

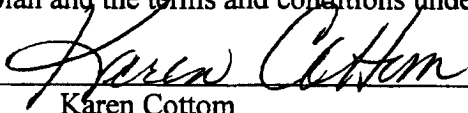
(405) 834-9207 (Cellular)

(505) 746-4945 (home)

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access road; that I am familiar with the conditions that presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Devon Energy Production Company, L.P. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Signed: _____



Karen Cottom

Operations Technician

Date: October 17, 2003

Attachment to Exhibit #1
NOTES REGARDING BLOWOUT PREVENTERS
Devon Energy Production Company, LP

Todd 26D Federal #21

Surface Location: 660' FNL & 660' FWL, Unit D, Sec 26 T23S R31E, Eddy, NM
Bottom hole Location: 660' FNL & 660' FWL, Unit D, Sec 26 T23S 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.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. If H₂S is present in this area the following will apply.
2. All Company and Contract personnel admitted on location must be trained by a qualified H₂S safety instructor to the following:
 - a. Characteristics of H₂S
 - b. Physical effects and hazards
 - c. Proper use of safety equipment and life support systems.
 - d. Principle and operation of H₂S detectors, warning system and briefing areas
 - e. Evacuation procedures, routes and first aid.
 - f. Proper use of 30-minute pressure demand air pack.
3. H₂S Detection and Alarm System
 - a. H₂S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
4. Windsock and/or wind streamers
 - a. Windsock at mud pit area should be high enough to be visible
 - b. Windsock at briefing area should be high enough to be visible
 - c. There should be a windsock at entrance to location
5. Condition Flags and Signs
 - a. Warning Sign on access road to location
 - b. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H₂S present in dangerous concentration. Only emergency personnel admitted to location.
6. Well Control Equipment
 - a. See Exhibit "E" & "E-1"
7. Communication
 - a. While working under masks chalkboards will be used for communication.
 - b. Hand signals will be used where chalk board is inappropriate
 - c. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.
8. Drill stem Testing
 - a. Exhausts will be watered
 - b. Flare line will be equipped with an electric igniter or a propane pilot light in case gas reaches the surface.
 - c. If the location is near to a dwelling a closed DST will be performed.
9. Drilling contractor supervisor will be required to be familiar with the effects H₂S has on tubular goods and other mechanical equipment.

If H₂S is encountered, mud system will be altered if necessary to maintain control or formation. A mud gas separator will be brought into service along with H₂S scavengers if necessary.

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name: **Devon Energy Production Company, LP**
Street or Box: **20 North Broadway, Suite 1500**
City, State: **Oklahoma City, Oklahoma**
Zip Code: **73102-8260**

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described below.


Lease No.: **NMNM0418220-A**

Legal Description of Land: **40 acres 27-T23S-R31E**

Formation(s): **Delaware**

Bond Coverage: **Nationwide**

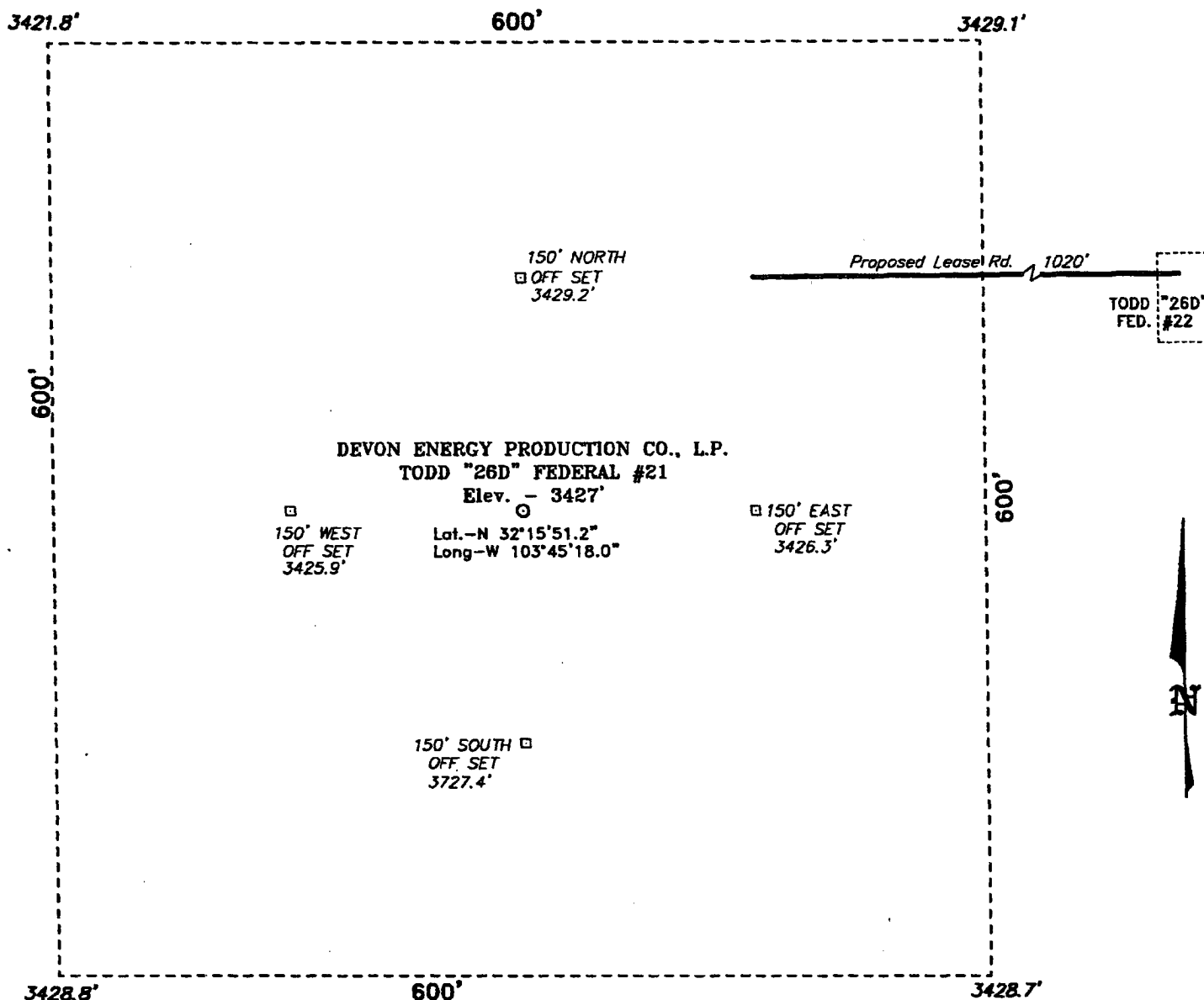
BLM Bond File No.: **CO-1104**

Authorized Signature: 
Karen Cotton

Title: **Operations Technician**

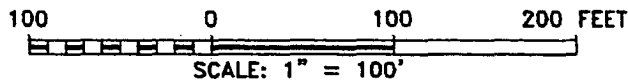
Date: **10/17/03**

**SECTION 26, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



Directions to Location:

FROM THE JUNCTION OF CO. RD. 799 AND STATE HWY 128, GO NORTH ON 799 FOR APPROX. 2.0 MILES TO A LEASE ROAD; THENCE WEST ON LEASE ROAD FOR APPROX. 0.3 MILE; THENCE NORTH FOR APPROX. 0.3 MILE; THENCE NORTHWEST FOR APPROX. 0.75 MILE; THENCE SOUTH FOR APPROX. 0.75 MILE TO PROPOSED LEASE ROAD TO THE TODD "26D" FED. #22; THENCE SOUTH 1186 FEET TO THE PROPOSED #22 AND THE PROPOSED LEASE ROAD TO THE #21.



DEVON ENERGY PROD. CO., L.P.

REF: TODD "26D" FED. No. 21 / Well Pad Topo

THE TODD "26D" FED. No. 21 LOCATED 660' FROM
THE NORTH LINE AND 660' FROM THE WEST LINE OF
SECTION 26, TOWNSHIP 23 SOUTH, RANGE 31 EAST.

N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786—HOBBS, NEW MEXICO

W.O. Number: 3664

Drawn By: K. GOAD

Date: 10-13-2003

Disk: KJG CD#4 - 3664A.DWG

Survey Date: 10-08-2003

Sheet 1 of 1 Sheets

MINIMUM BLOWOUT PREVENTER REQUIREMENTS

3,000 psi Working Pressure

3 MWP

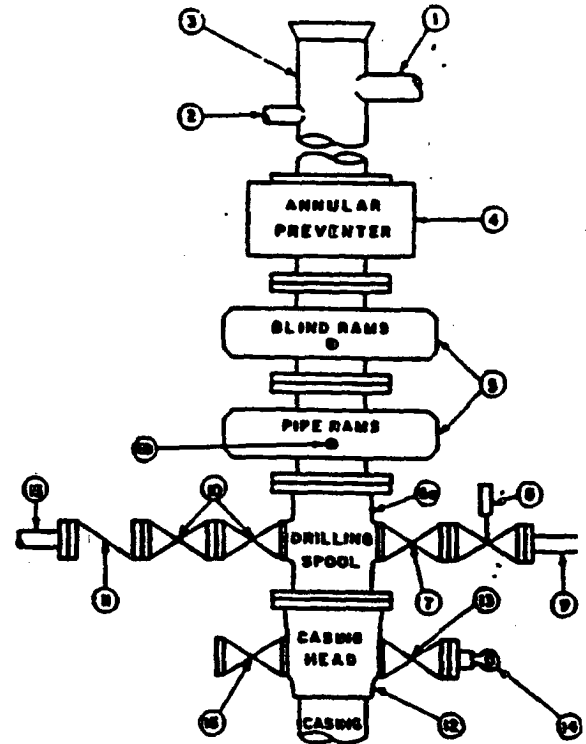
STACK REQUIREMENTS

No.	Item	Min. I.D.	Min. Nominal
1	Flowline		
2	Fill up line		2"
3	Drilling nipple		
4	Annular preventer		
5	Two single or one dual hydraulically operated rams		
6a	Drilling spool with 2" min. kill line and 3" min choke line outlets		
6b	2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above.)		
7	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	3-1/8"	
8	Gate valve—power operated	3-1/8"	
9	Line to choke manifold		3"
10	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/>	2-1/16"	
11	Check valve	2-1/16"	
12	Casing head		
13	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	1-13/16"	
14	Pressure gauge with needle valve		
15	Kill line to rig mud pump manifold		2"

OPTIONAL

16	Flanged valve	1-13/16"	
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CONFIGURATION A



CONTRACTOR'S OPTION TO FURNISH:

1. All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 3,000 psi, minimum.
2. Automatic accumulator (80 gallon, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
3. BOP controls, to be located near driller's position.
4. Kelly equipped with Kelly cock.
5. Inside blowout preventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
6. Kelly saver-sub equipped with rubber casing protector at all times.
7. Plug type blowout preventer tester.
8. Extra set pipe rams to fit drill pipe in use on location at all times.
9. Type RX ring gaskets in place of Type R.

MEC TO FURNISH:

1. Bradenhead or casinghead end side valves.
2. Wear bushing, if required.

GENERAL NOTES:

1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through chokes. Valves must be full opening and suitable for high pressure mud service.
3. Controls to be of standard design and each marked, showing opening and closing position.
4. Chokes will be positioned so as not to hamper or delay changing of choke beans. Replaceable parts for adjustable chokes, other bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.
5. All valves to be equipped with handwheels or handles ready for immediate use.
6. Choke lines must be suitably anchored.

7. Handwheels and extensions to be connected and ready for use.
8. Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
9. All seamless steel control piping (3000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
10. Casinghead connections shall not be used except in case of emergency.
11. Do not use kill line for routine fill-up operations.

Attachment to Exhibit #1

NOTES REGARDING BLOWOUT PREVENTORS

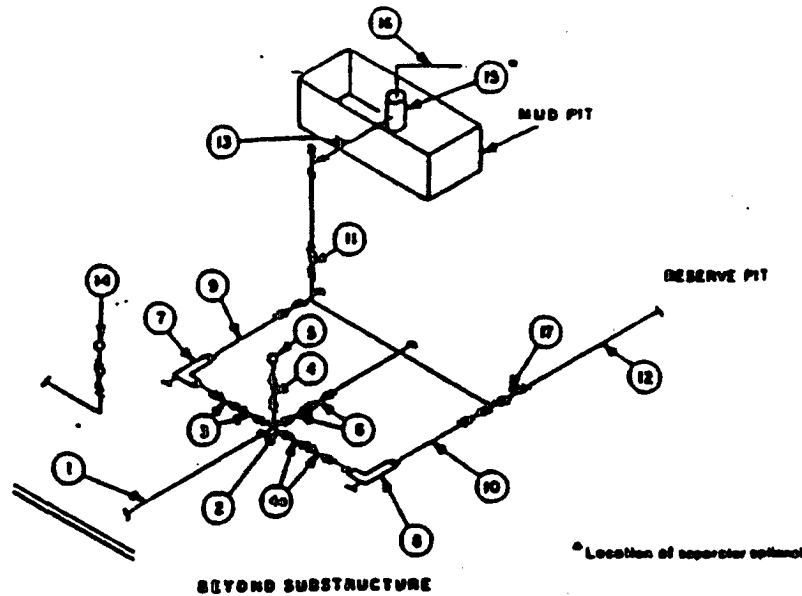
**Todd "27D" Federal #4
Eddy County, New Mexico**

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 preventor 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 preventor 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.

EXHIBIT #1-A

MINIMUM CHOKE MANIFOLD 3,000, 5,000 and 10,000 PSI Working Pressure

3 MWP - 5 MWP - 10 MWP



MINIMUM REQUIREMENTS										
No.		3,000 MWP			5,000 MWP			10,000 MWP		
		I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING
1	Line from drilling spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3"x3"x3"x2"			3,000			5,000			
	Cross 3"x3"x3"x3"									10,000
3	Valves(1) Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
4	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	1-13/16"		3,000	1-13/16"		5,000	1-13/16"		10,000
4a	Valves(1)	2-1/16"		3,000	2-1/16"		5,000	3-1/8"		10,000
5	Pressure Gauge			3,000			5,000			10,000
6	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
7	Adjustable Choke(3)	2"		3,000	2"		5,000	2"		10,000
8	Adjustable Choke	1"		3,000	1"		5,000	2"		10,000
9	Line		3"	3,000		3"	5,000		3"	10,000
10	Line		2"	3,000		2"	5,000		3"	10,000
11	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
12	Lines		3"	1,000		3"	1,000		3"	2,000
13	Lines		3"	1,000		3"	1,000		3"	2,000
14	Remote reading compound standpipe pressure gauge			3,000			5,000			10,000
15	Gas Separator		2'x5'			2'x5'			2'x5'	
16	Line		4"	1,000		4"	1,000		4"	2,000
17	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000

(1) Only one required in Class 3M.

(2) Gate valves only shall be used for Class 10M.

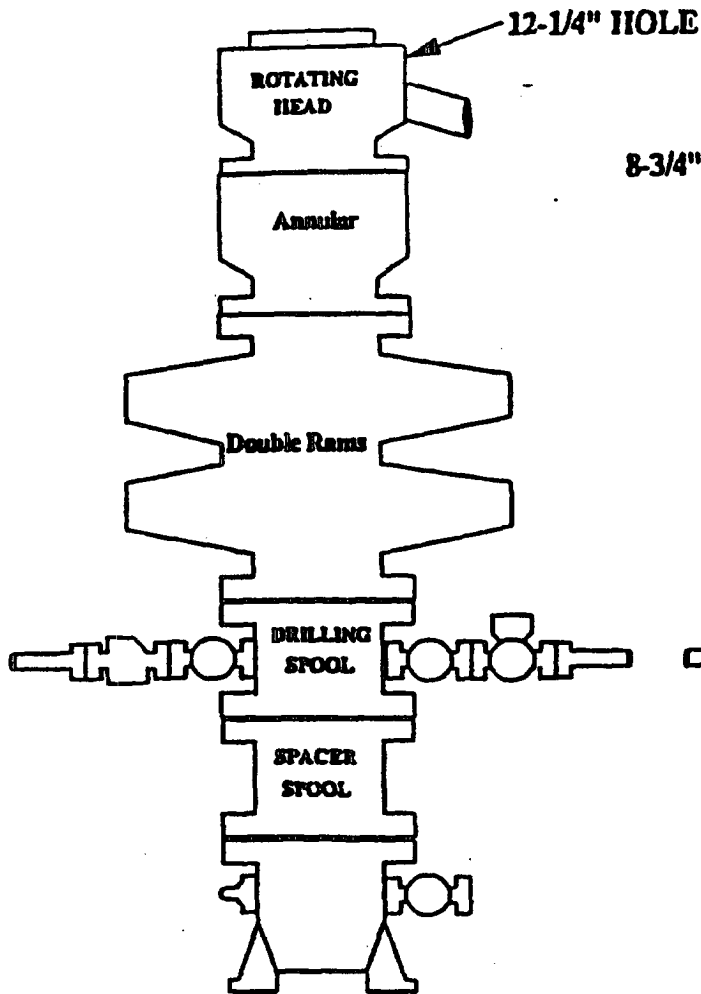
(3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

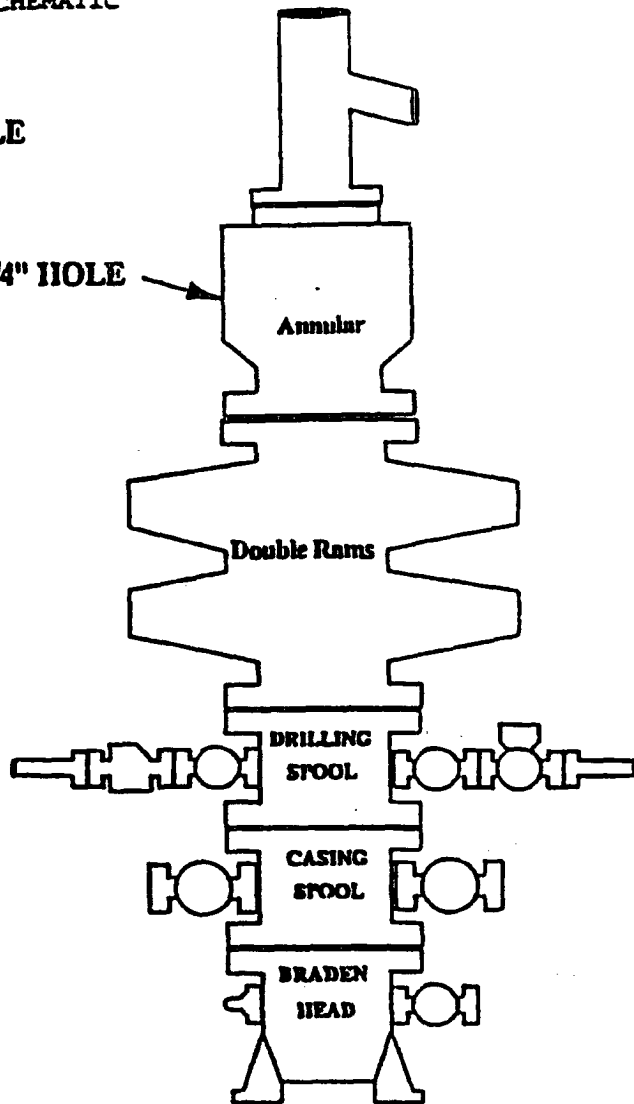
- All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
- All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
- All lines shall be securely anchored.
- Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
- Choke manifold pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
- Line from drilling spool to choke manifold should be as straight as possible. Lines downstream from chokes shall make turns by large bends or 90° bends using bull plugged tees.
- Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well.

BOPE SCHEMATIC

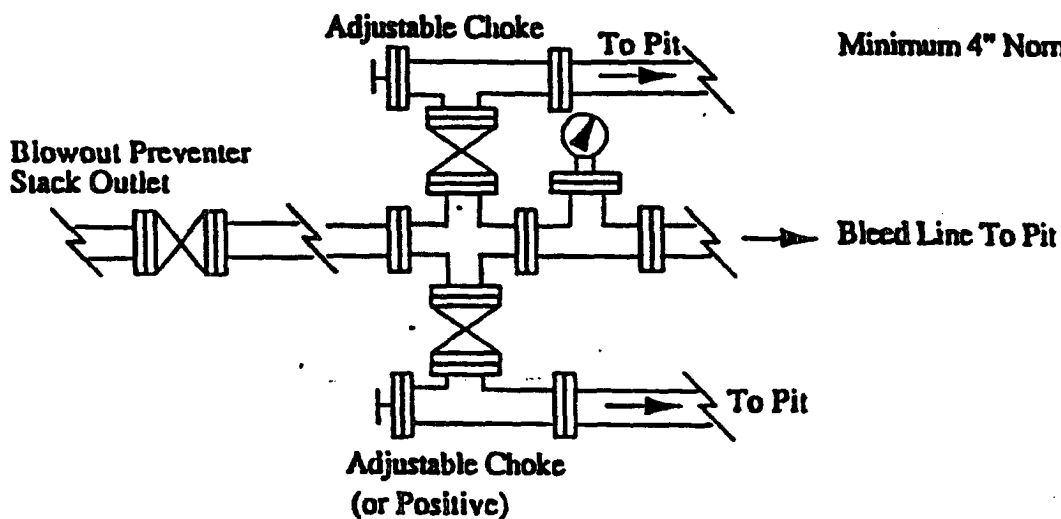
EXHIBIT #1-A



8-3/4" HOLE



Choke Manifold Requirement (3000 psi WP)



Minimum 4" Nominal choke and kill lines

CONDITIONS OF APPROVAL - DRILLING

Operator's Name: Devon Energy Production Company, L.P.
Well Name & No. Todd 26D Federal # 21
Location: 660' FNL, 660' FWL, Section 26, T. 23 S., R. 31 E., Eddy County, New Mexico
Lease: NM-0418220A

II. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 for wells in Eddy County in sufficient time for a representative to witness:
 - A. Well spud
 - B. Cementing casing: 13-3/8 inch 8-5/8 inch 5-1/2 inch
 - C. BOP tests
2. 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.
3. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15-day time frame.
4. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.
5. Gamma-Ray/Neutron logs shall be run from the base of the Salado formation to the surface; cable speed not to exceed 30 feet per minute.

II. CASING:

1. The 13-3/8 inch surface casing shall be set at approximately 850 feet in the top of the Rustler anhydrite and cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.
2. The minimum required fill of cement behind the 8-5/8 inch intermediate casing is to be sufficient to circulate to the surface.
3. The minimum required fill of cement behind the 5-1/2 inch production casing is to be sufficient to circulate to the surface.
4. Whenever a casing string is cemented in the R-111-P Potash Area, cement shall be allowed to stand a minimum of twelve (12) hours under pressure and a total of twenty-four (24) hours before drilling the plug or initiating tests.

III. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 13-3/8 inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.
2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be 2000 psi.
3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the tests.
 - The tests shall be done by an independent service company.
 - The results of the test shall be reported to the appropriate BLM office.
 - Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
 - Testing must be done in a safe workman-like manner. Hard line connections shall be required.