

**SURFACE USE PLAN**

Devon Energy Production Company, LP

**Cotton Draw Unit 117H**

Surface Location: 160' FSL &amp; 1980' FEL, Unit O, Sec 34 T24S R31E, Eddy, NM

Bottom hole Location: 660' FNL &amp; 1980' FEL, Unit B, Sec 34 T24S R31E, Eddy, NM

**1. Existing Roads:**

- a. The well site and elevation plat for the proposed well are reflected on the well site layout; Form C-102. The well was staked by Basin Surveys.
- b. All roads into the location are depicted on Exhibit 3.
- c. Directions to Location: From the junction of Buck Jackson and Buck Thorn, go east 0.8 miles to lease road, thence go southeast 2.3 miles, thence east 1.9 miles, thence north 0.7 miles; thence west 0.3 miles thence north 0.4 miles to fence line, go past fence for 75' to proposed lease road.

**2. New or Reconstructed Access Roads:**

- a. The well site layout, Form C-102 shows the existing County road. Approximately 330.5' of new access road will be constructed as follows. The maximum width of the road will be 15'. It will be crowned and made of 6" rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
- b. 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%.
- c. No cattle guards, grates or fence cuts will be required. No turnouts are planned.

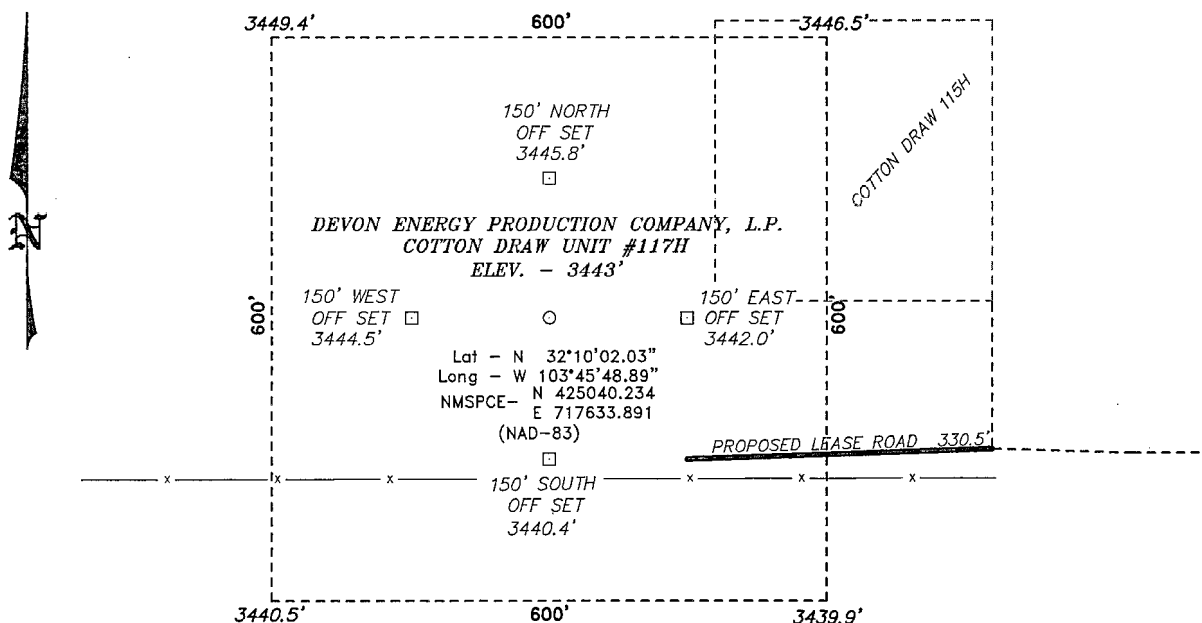
**3. Location of Existing Wells:**

One Mile Radius Plat shows all existing and proposed wells within a one-mile radius of the proposed location. See attached plat.

**4. Location of Existing and/or Proposed Production Facilities:**

- a. In the event the well is found productive it will go to a battery on site and the necessary production equipment will be installed at the well site.
- b. If necessary, the well will be operated by means of an electric prime mover. Electric power poles will be set along side of the access road.
- c. All flow lines will adhere to API standards.
- d. If the well is productive, rehabilitation plans are as follows:
  - i. 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.

SECTION 34, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



200 0 200 400 FEET

SCALE: 1" = 200'

Directions to Location:

FROM THE JUNCTION OF BUCK JACKSON AND BUCK THORN, GO EAST FOR 0.8 MILES TO LEASE ROAD, THENCE GO SOUTHEAST 2.3 MILES, THENCE EAST 1.9 MILES, THENCE NORTH 0.7 MILES; THENCE WEST 0.3 MILES THENCE NORTH 0.4 MILES TO FENCE LINE, GO PAST FENCE FOR 75' TO PROPOSED LEASE ROAD.

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

|                    |                    |
|--------------------|--------------------|
| W.O. Number: 22573 | Drawn By: J. SMALL |
|--------------------|--------------------|

|                  |                 |
|------------------|-----------------|
| Date: 04-07-2010 | Disk: JMS 22573 |
|------------------|-----------------|

**DEVON ENERGY PRODUCTION COMPANY, L.P.**

REF: COTTON DRAW UNIT #117H / WELL PAD TOPO

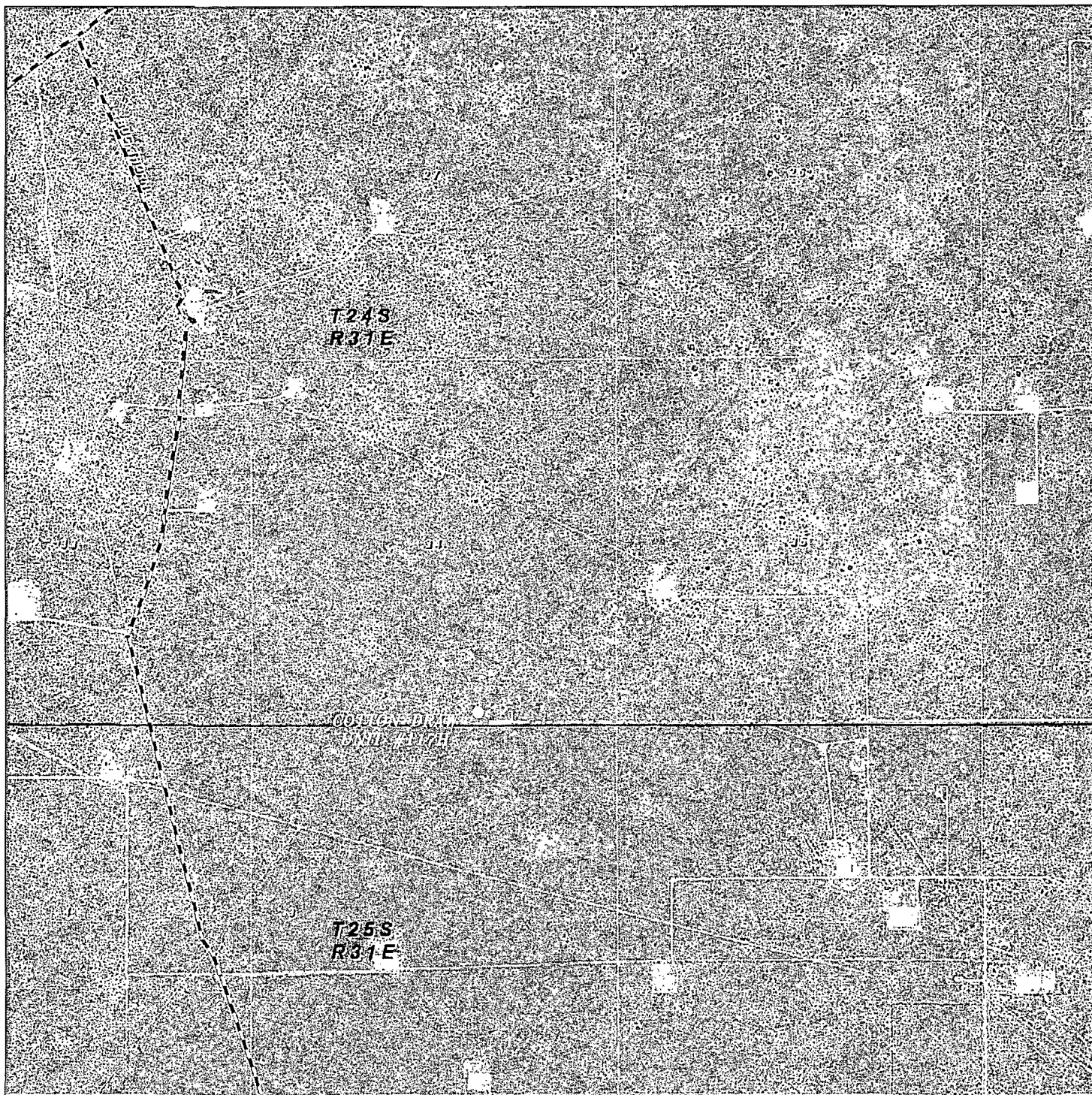
THE COTTON DRAW UNIT #117H LOCATED 160'

FROM THE SOUTH LINE AND 1980' FROM THE EAST LINE OF

SECTION 34, TOWNSHIP 24 SOUTH, RANGE 31 EAST,

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

Survey Date: 04-01-2010 Sheet 1 of 1 Sheets



COTTON DRAW UNIT #117H  
Located 160' FSL and 1980' FEL  
Section 34, Township 24 South, Range 31 East,  
N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786  
1120 N. West County Rd.  
Hobbs, New Mexico 88241  
(575) 393-7316 - Office  
(575) 392-2206 - Fax  
basinsurveys.com

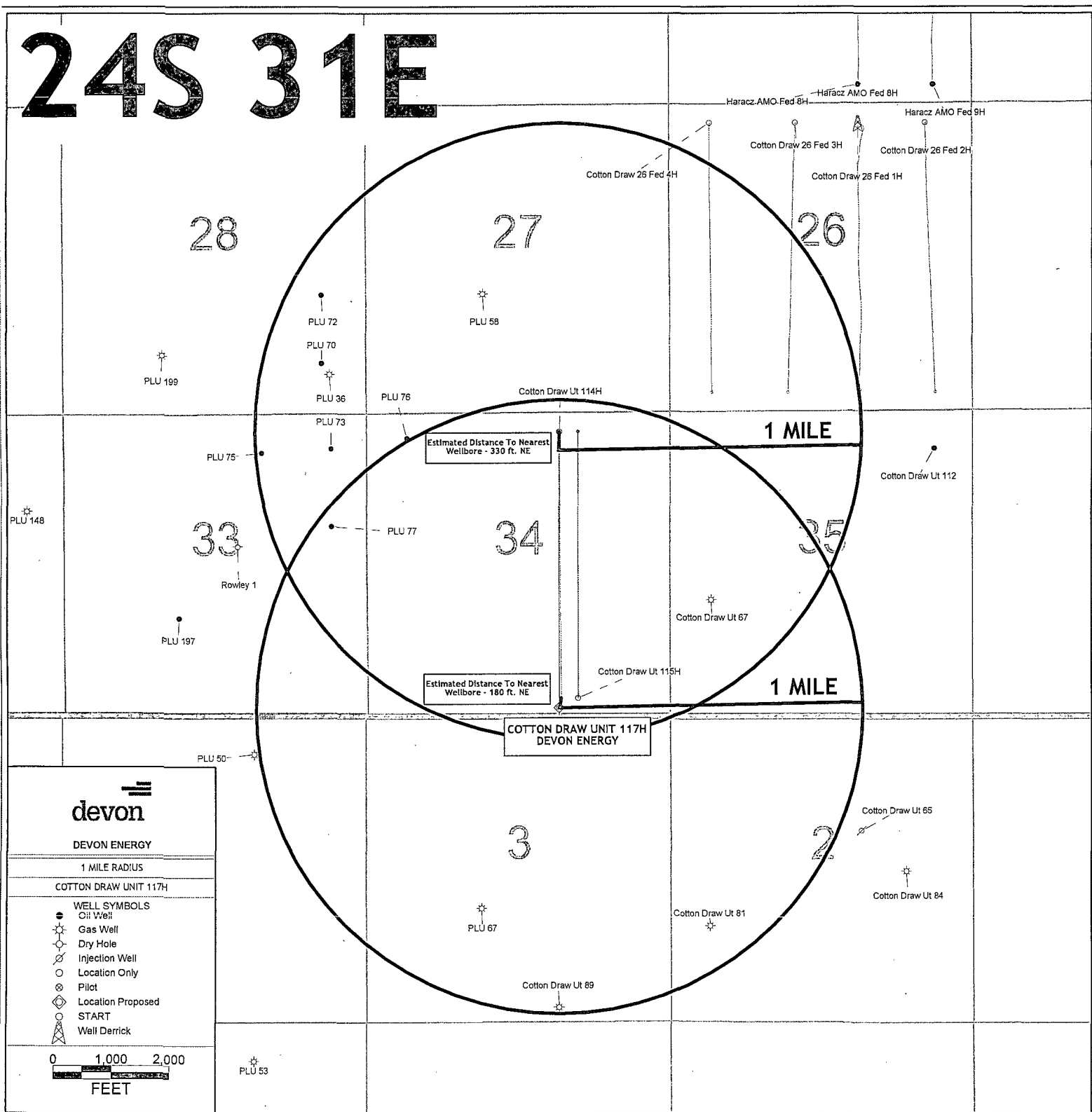
W.O. Number: JMS 22573

Scale: 1" = 2000'

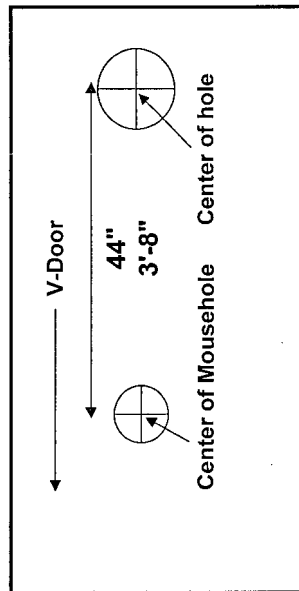
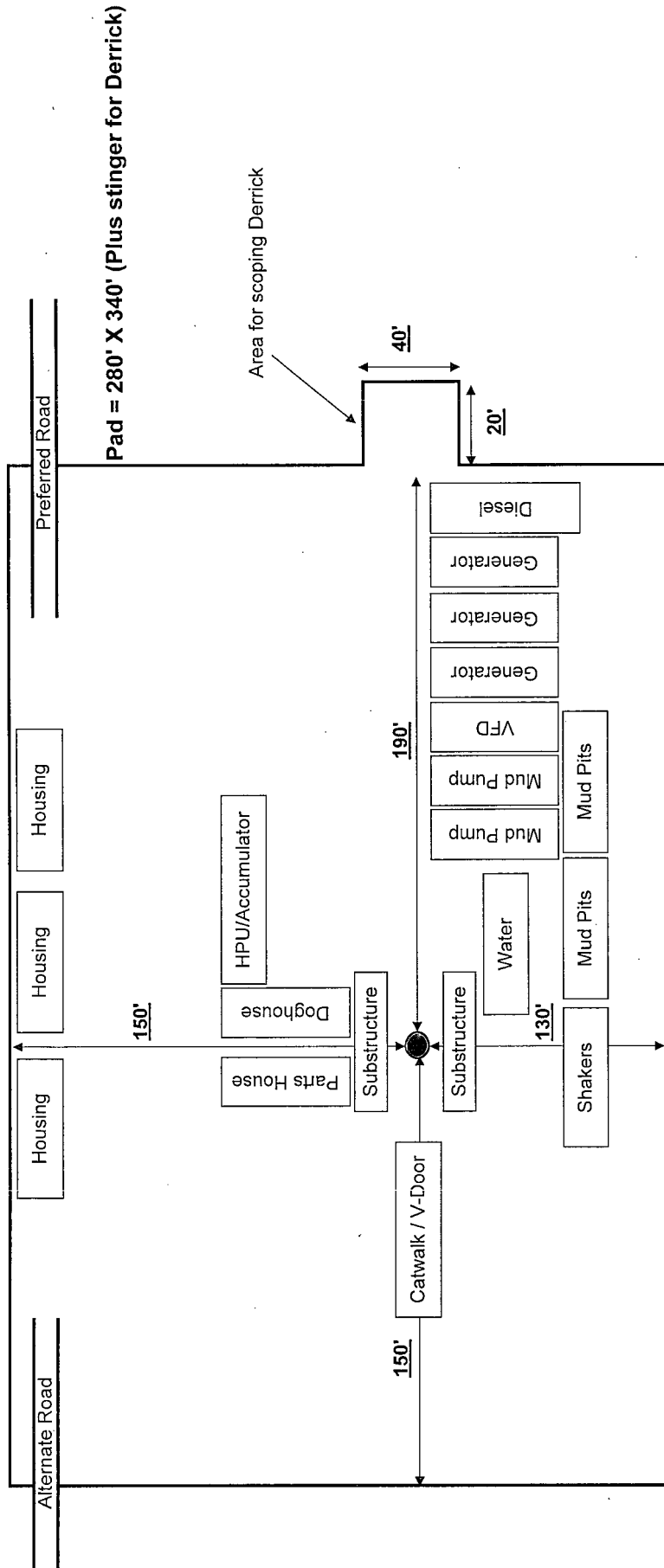
YELLOW TINT - USA LAND  
BLUE TINT - STATE LAND  
NATURAL COLOR - FEE LAND

DEVON ENERGY  
PRODUCTION  
COMPANY, L.P.

# 24S 31E



# H&P 214 & 232 Location Dimensions



## Notes for Rotating Mouse hole for a FlexRig3 & 25' Substructure:

- 1) 70" of mouse hole below ground level
- 2) If conductor pipe is less than 85' below ground level, recommend cement mouse hole in place in order to prevent break thru & circulation / washout thru mouse hole.
- 3) Use 12" (mini. Nominal size) pipe. This can be spiral weld or low pressure pipe, 10 3/4" is used in some applications but due to inaccuracies in location of mouse hole & potential out of alignment or centered in hole, 12" pipe recommended.
- 4) Cement mouse hole in 13 1/2" or 14 3/4" hole.
- 5) Cellar will need to be oblong in order to accommodate mouse hole (i.e. 5' x 10', 6' x 10', ....) .... Operator decision


**PHOENIX RUBBER  
INDUSTRIAL LTD.**
**QUALITY DOCUMENT**

H-6728 Szeged, Budapesti út 10. Hungary • H-6701 Szeged, P. O. Box 152  
Phone: (3662) 566-737 • Fax: (3662) 566-738

SALES & MARKETING: H-1092 Budapest, Ráday ut. 42-44. Hungary • H-1440 Budapest, P. O. Box 26  
Phone: (361) 456-4200 • Fax: (361) 217-2972, 456-4273 • www.taurumenergia.hu

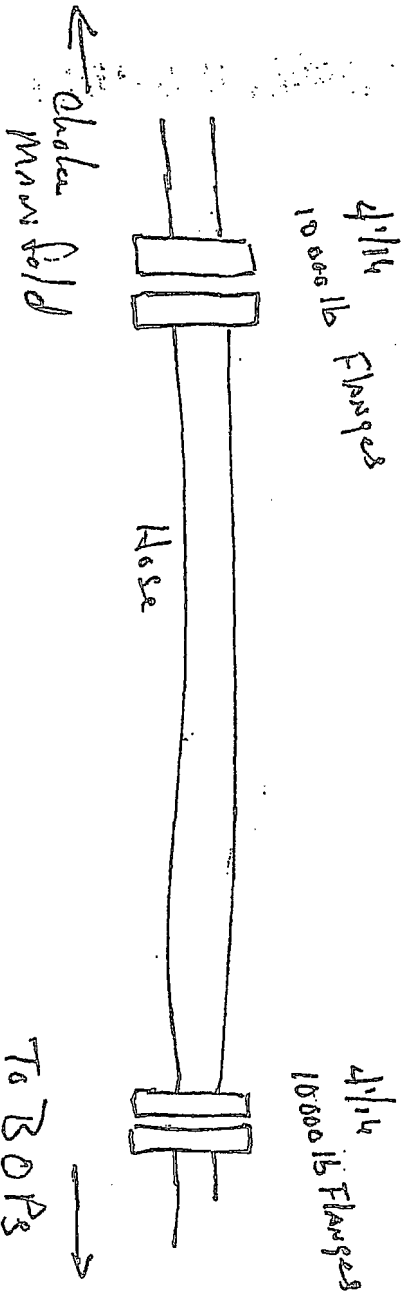
| QUALITY CONTROL<br>INSPECTION AND TEST CERTIFICATE  |           |   |         | CERT. N°: 555       |  |
|---|-----------|---|---------|---------------------|--|
| PURCHASER: Phoenix Beattie Co.  |           |   |         | P.O. N°: 1519FA-871 |  |
| PHOENIX RUBBER order N°: 170466   |           | HOSE TYPE: 3" ID Choke and Kill Hose  |         |                     |  |
| HOSE SERIAL N°: 34137   |           | NOMINAL / ACTUAL LENGTH: 11,43 m  |         |                     |  |
| W.P. 68,96 MPa 10000 psi  |           | T.P. 103,4 MPa 15000 psi  |         | Duration: 60 min.   |  |
| Pressure test with water at ambient temperature<br><br><div style="text-align: center;">See attachment. (1 page)</div>                                |           |   |         |                     |  |
| ↑ 10 mm = 10 Min.<br>→ 10 mm = 16 MPa   |           |   |         |                     |  |
| COUPLINGS   |           |   |         |                     |  |
| Type  | Serial N° | Quality   | Heat N° |                     |  |
| 3" coupling with<br>4 1/16" Flange end  | 714 715   | AISI 4130   | C7626   |                     |  |
|   |           | AISI 4130   | 47357   |                     |  |
|   |           |   |         |                     |  |
|   |           |   |         |                     |  |
| API Spec 16 C<br>Temperature rate: "B"  |           |   |         |                     |  |
| All metal parts are flawless  |           |   |         |                     |  |
| WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT. |           |   |         |                     |  |
| Date:<br><br>30. April. 2002.   | Inspector | Quality Control<br><b>PHOENIX RUBBER</b><br>Industrial Ltd.<br>Hose Inspection and<br>Pressure Testing Department |         |                     |  |



H&P 2/14



Choke hose

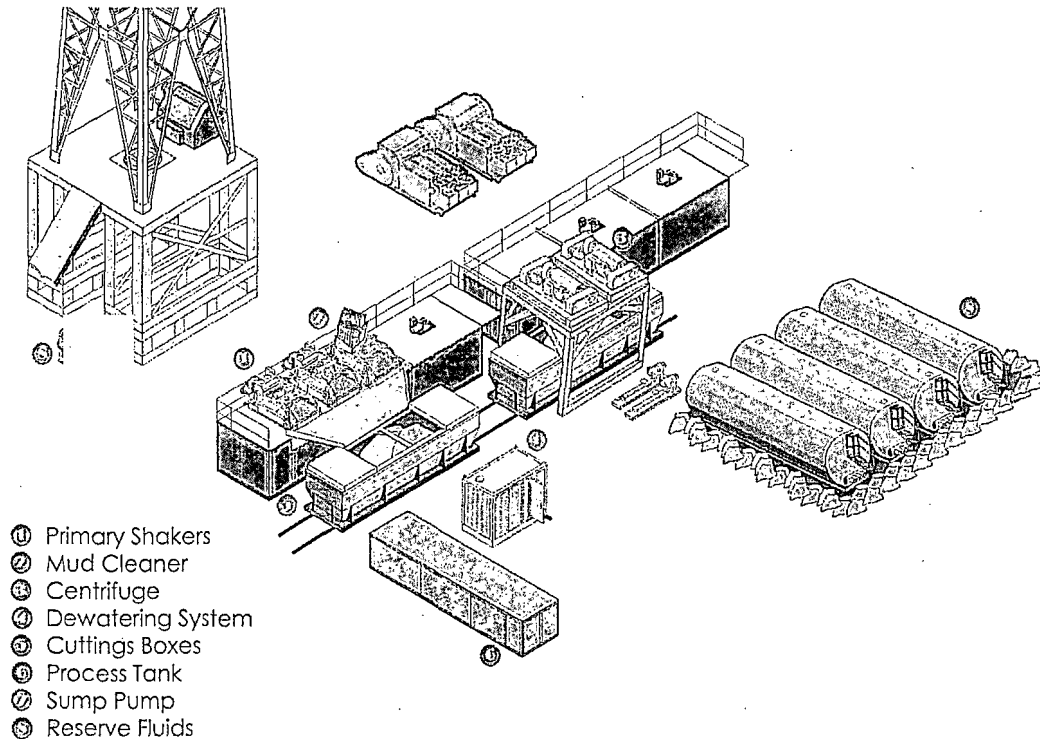




**Mud Cleaner:** The Mud Cleaner cleans the fluid after it leaves the shakers. A set of hydrocyclones are sized to handle 1.25 to 1.5 times the maximum circulating rate. This ensures all the fluid is being processed to an average cut point of 25 microns. The wet discharged is dewatered on a shaker equipped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



## Closed Loop Schematic



**Centrifuges:** The centrifuges can be utilized depending on the well's anticipated solids volume. One or two centrifuges can be used 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 dependant 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 Solids Control 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.

### **III. Closure Plan**

A maximum 170' X 170' 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.