

HOBBS OCD

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APR 18 2019

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	5. Lease Serial No. NMLC0061863A
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	6. If Indian, Allottee or Tribe Name
1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone	7. If Unit or CA Agreement, Name and No.

2. Name of Operator DEVON ENERGY PRODUCTION COMPANY LP (6137)	8. Lease Name and Well No. LIPPIZZAN 4 FED 2H (913193)
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3a. Address 333 West Sheridan Avenue Oklahoma City OK 73102	3b. Phone No. (include area code) (800)583-3866	9. API-Well No. 30-025-45835 (96715)
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4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESW / 170 FSL / 2190 FWL / LAT 32.1671813 / LONG -103.6810481 At proposed prod. zone SESW / 20 FSL / 2332 FWL / LAT 32.1522598 / LONG -103.6811019	10. Field and Pool, or Exploratory WC-025 G-06 S253206M / BONE SPRING
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14. Distance in miles and direction from nearest town or post office*	12. County or Parish LEA	13. State NM
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15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 170 feet	16. No of acres in lease 1882.6	17. Spacing Unit dedicated to this well 160
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18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 340 feet	19. Proposed Depth 10770 feet / 16053 feet	20. BLM/BIA Bond No. in file FED: CO1104
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21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3493 feet	22. Approximate date work will start* 07/20/2019	23. Estimated duration 30 days
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24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- | | |
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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office) | 6. Such other site specific information and/or plans as may be requested by the BLM. |

25. Signature (Electronic Submission)	Name (Printed/Typed) Linda Good / Ph: (405)552-6558	Date 11/08/2018
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Title Regulatory Compliance Professional		
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Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575)234-5959	Date 03/21/2019
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Title Assistant Field Manager Lands & Minerals	Office CARLSBAD
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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.

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.

SCP Rec 4/18/19

APPROVED WITH CONDITIONS

KZ
04/18/19

REQUIRES NSL
*(Instructions on page 2)

(Continued on page 2)

Approval Date: 03/21/2019

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM connects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Connection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

- 1. SHL: SESW / 170 FSL / 2190 FWL / TWSP: 24S / RANGE: 32E / SECTION: 33 / LAT: 32.1671813 / LONG: -103.6810481 (TVD: 0 feet, MD: 0 feet)
- PPP: LOT 3 / 100 FNL / 2332 FWL / TWSP: 25S / RANGE: 32E / SECTION: 4 / LAT: 32.167457 / LONG: -103.6811014 (TVD: 10694 feet, MD: 10890 feet)
- BHL: SESW / 20 FSL / 2332 FWL / TWSP: 25S / RANGE: 32E / SECTION: 4 / LAT: 32.1522598 / LONG: -103.6811019 (TVD: 10770 feet, MD: 16053 feet)

BLM Point of Contact

Name: Deborah Ham
Title: Legal Landlaw Examiner
Phone: 5752345965
Email: dham@blm.gov

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Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

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**PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	DEVON ENERGY PRODUCTION COMPANY LP
LEASE NO.:	NMLC0061863A
WELL NAME & NO.:	2H - LIPPIZZAN 4 FED
SURFACE HOLE FOOTAGE:	170'S & 2190'W
BOTTOM HOLE FOOTAGE:	20'S & 2332'W
LOCATION:	SECTION 33, T24S, R32E, NMPM
COUNTY:	LEA

COA

H2S	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
Potash	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-P
Cave/Karst Potential	<input checked="" type="radio"/> Low	<input type="radio"/> Medium	<input type="radio"/> High
Variance	<input type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input type="radio"/> Other
Wellhead	<input type="radio"/> Conventional	<input type="radio"/> Multibowl	<input checked="" type="radio"/> Both
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP
Other	<input checked="" type="checkbox"/> Fluid Filled	<input type="checkbox"/> Cement Squeeze	<input type="checkbox"/> Pilot Hole
Special Requirements	<input type="checkbox"/> Water Disposal	<input type="checkbox"/> COM	<input type="checkbox"/> Unit

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

1. The 13-3/8 inch surface casing shall be set at approximately **921 feet** (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing shall be set at approximately 4771 feet is:

Option 1 (Single Stage):

- Cement to surface. If cement does not circulate see B.1.a, c-d above.
Cement excess is less than 25%, more cement might be required.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
 - b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
Cement excess is less than 25%, more cement might be required.
3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.
Cement excess is less than 25%, more cement might be required.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2.

Option 1:

- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **5000 (5M)** psi.

Option 2:

1. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Chaves and Roosevelt Counties
Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
During office hours call (575) 627-0272.
After office hours call (575)

Eddy County
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the

plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

**PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	DEVON ENERGY PRODUCTION COMPANY LP
LEASE NO.:	
WELL NAME & NO.:	2H – LIPPIZZAN 4 FED
SURFACE HOLE FOOTAGE:	170'S & 2190'W
BOTTOM HOLE FOOTAGE:	20'S & 2332'W
LOCATION:	SECTION 33, T24S, R32E, NMPM
COUNTY:	LEA

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- General Provisions**
- Permit Expiration**
- Archaeology, Paleontology, and Historical Sites**
- Noxious Weeds**
- Special Requirements**
 - Lesser Prairie-Chicken Timing Stipulations
 - Ground-level Abandoned Well Marker
 - Range
- Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- Road Section Diagram**
- Production (Post Drilling)**
 - Well Structures & Facilities
 - Pipelines
 - Electric Lines
- Interim Reclamation**
- Final Abandonment & Reclamation**

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

V. SPECIAL REQUIREMENT(S)

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

Livestock Watering Requirement

Any damage to structures that provide water to livestock throughout the life of the well, caused by operations from the well site, must be immediately corrected by the operator. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

Fence Requirement

Where entry is granted across a fence line, the fence must be braced and tied off on both sides of the passageway with H-braces prior to cutting. Once the work is completed, the fence will be restored to its prior condition, or better. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

The operator must contact the allotment holder prior to construction to identify the location of the pipeline. The operator must take measures to protect the pipeline from compression or other damages. If the pipeline is damaged or compromised in any way near the proposed project as a result of oil and gas activity, the operator is responsible for repairing the pipeline immediately. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

During construction, the proponent shall minimize disturbance to existing fences, water lines, troughs, windmills, and other improvements on public lands. The proponent is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the grazing permittee/allottee prior to disturbing any range improvement projects. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS**Road Width**

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

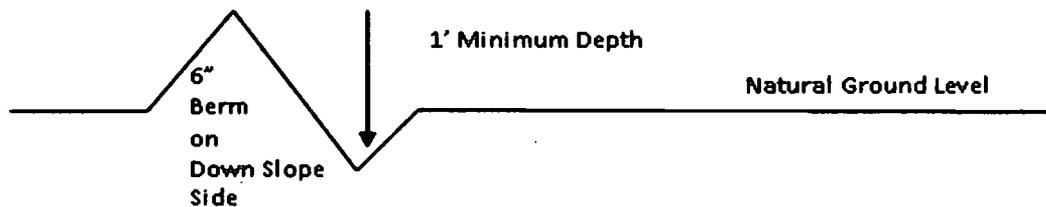
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

$$400 \text{ foot road with } 4\% \text{ road slope: } \frac{400'}{4\%} + 100' = 200' \text{ lead-off ditch interval}$$

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Construction Steps

1. Salvage topsoil
2. Construct road

3. Redistribute topsoil
4. Revegetate slopes

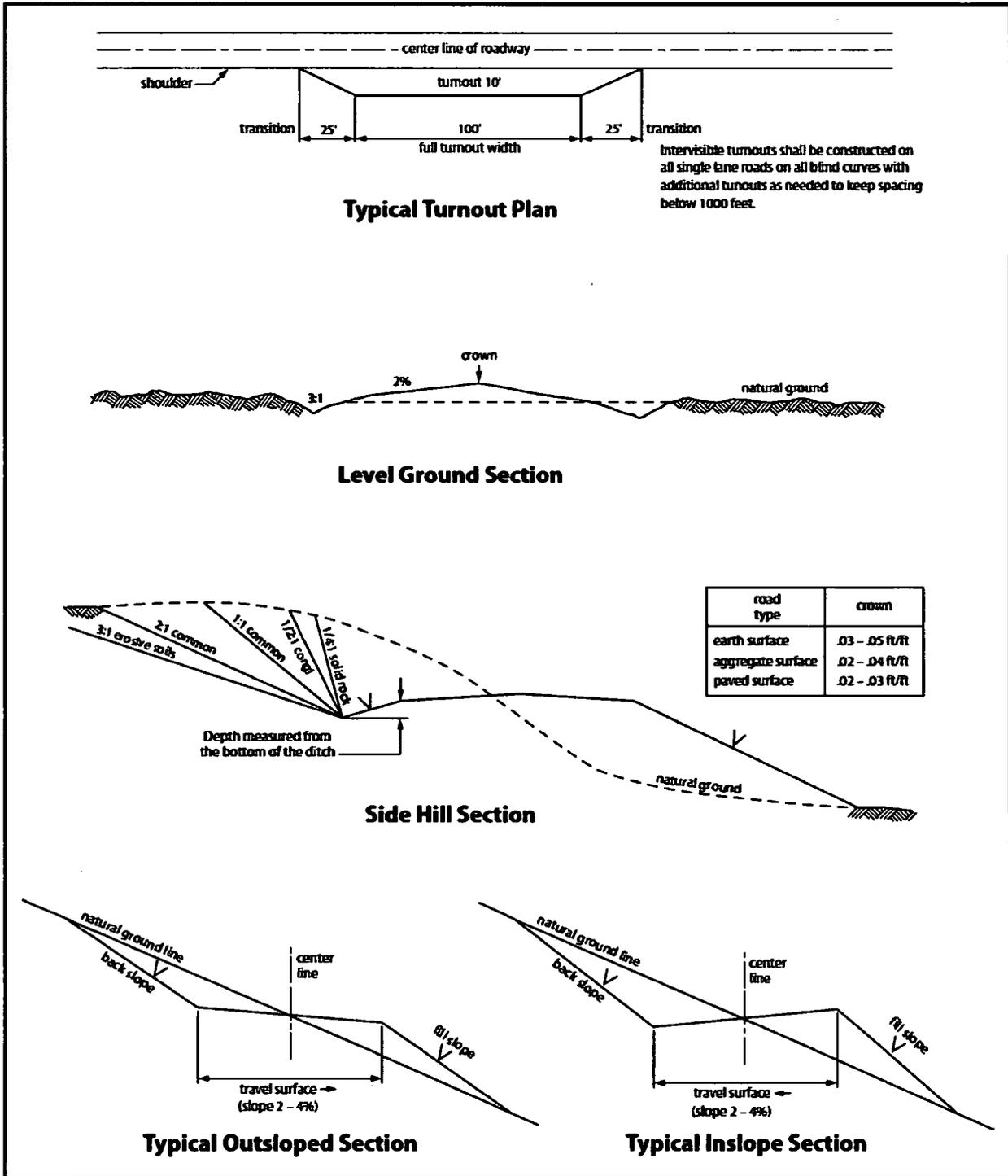


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-of-way.
6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.
7. The maximum allowable disturbance for construction in this right-of-way will be 30 feet:
 - Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed 20 feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)
 - Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed 30 feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)
 - The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)
8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.
9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.
11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

- | | |
|--|--|
| <input type="checkbox"/> seed mixture 1 | <input type="checkbox"/> seed mixture 3 |
| <input type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4 |
| <input checked="" type="checkbox"/> seed mixture 2/LPC | <input type="checkbox"/> Aplomado Falcon Mixture |

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes associated roads, pipeline corridor and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

18. Escape Ramps - The operator will construct and maintain pipeline/utility trenches that are not otherwise fenced, screened, or netted to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or

other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

19. Special Stipulations:

Lesser Prairie-Chicken

Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 *et seq.* (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b.

A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006 . The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply

with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce

the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Below Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

Seed Mixture for LPC Sand/Shinnery Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. Seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

<u>Species</u>	<u>lb/acre</u>
Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A

***Pounds of pure live seed:**

Pounds of seed x percent purity x percent germination = pounds pure live seed



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Operator Certification Data Report

03/21/2019

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Linda Good

Signed on: 11/08/2018

Title: Regulatory Compliance Professional

Street Address: 333 West Sheridan Avenue

City: Oklahoma City

State: OK

Zip: 73102

Phone: (405)552-6558

Email address: jenny.harms53@gmail.com

Field Representative

Representative Name: Ray Vaz

Street Address: 333 West Sheridan Ave.

City: Oklahoma City

State: OK

Zip: 73102

Phone: (405)552-4902

Email address: ray.vaz@dvn.com



APD ID: 10400035922

Submission Date: 11/08/2018

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Well Type: OIL WELL

Well Work Type: Drill

[Show Final Text](#)

Section 1 - General

APD ID: 10400035922

Tie to previous NOS?

Submission Date: 11/08/2018

BLM Office: CARLSBAD

User: Linda Good

Title: Regulatory Compliance
Professional

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMLC0061863A

Lease Acres: 1882.6

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO

APD Operator: DEVON ENERGY PRODUCTION COMPANY LP

Operator letter of designation:

Operator Info

Operator Organization Name: DEVON ENERGY PRODUCTION COMPANY LP

Operator Address: 333 West Sheridan Avenue

Zip: 73102

Operator PO Box:

Operator City: Oklahoma City State: OK

Operator Phone: (800)583-3866

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO

Master Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: WC-025 G-06
S253206M

Pool Name: BONE SPRING

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? YES New surface disturbance? Y

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: PAINT Number: 2H

Well Class: HORIZONTAL

33 FED

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town:

Distance to nearest well: 340 FT

Distance to lease line: 170 FT

Reservoir well spacing assigned acres Measurement: 160 Acres

Well plat: Lippizzan_4_Fed_2H_C_102_signed_20181108092653.pdf

Lippizzan_4_Fed_2H_Additional_points_rev_20190116124118.pdf

Well work start Date: 07/20/2019

Duration: 30 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number: 3186A

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
SHL Leg #1	170	FSL	219 0	FWL	24S	32E	33	Aliquot SESW	32.16718 13	- 103.6810 481	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 113964	349 3	0	0
KOP Leg #1	100	FNL	233 2	FWL	25S	32E	4	Lot 3	32.16745 7	- 103.6811 14	LEA	NEW MEXI CO	NEW MEXI CO	F	NMLCO 061863 A	- 670 4	101 97	101 97
PPP Leg #1	100	FNL	233 2	FWL	25S	32E	4	Lot 3	32.16745 7	- 103.6811 14	LEA	NEW MEXI CO	NEW MEXI CO	F	NMLCO 061863 A	- 720 1	108 90	106 94

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
EXIT Leg #1	20	FSL	233 2	FWL	25S	32E	4	Aliquot SESW	32.15225 98	- 103.6811 019	LEA	NEW MEXI CO	NEW MEXI CO	F	NMLC0 061863 A	- 727 7	159 73	107 70
BHL Leg #1	20	FSL	233 2	FWL	25S	32E	4	Aliquot SESW	32.15225 98	- 103.6811 019	LEA	NEW MEXI CO	NEW MEXI CO	F	NMLC0 061863 A	- 727 7	160 53	107 70

Intent As Drilled

API #

Operator Name: DEVON ENERGY PRODUCTION CO., L.P.	Property Name: LIPPIZZAN 4 FED	Well Number 2H
--	--	--------------------------

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	4	25S	32E		100	NORTH	2332	WEST	LEA
Latitude 32.1664390					Longitude 103.6811085				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	4	25S	32E		100	SOUTH	2332	WEST	LEA
Latitude 32.1524796					Longitude 103.6811019				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------



APD ID: 10400035922

Submission Date: 11/08/2018

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1	UNKNOWN	3493	0	0	ALLUVIUM	NONE	No
2	RUSTLER	2597	896	896	SALT	NONE	No
3	BASE OF SALT	-1148	4641	4641	SALT	NONE	No
4	DELAWARE	-1178	4671	4671	SANDSTONE	NATURAL GAS,OIL	No
5	BONE SPRING	-5063	8556	8556	LIMESTONE	NATURAL GAS,OIL	No
6	BONE SPRING 2ND	-7277	10770	15770	SANDSTONE	NATURAL GAS,OIL	Yes

Section 2 - Blowout Prevention

Pressure Rating (PSI): 3M

Rating Depth: 4771

Equipment: BOP/BOPE will be installed per Onshore Oil & Gas Order #2 requirements prior to drilling below surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 3M will be installed on the wellhead system. BOP/BOPE will be tested by an independent service company per Onshore Oil & Gas Order #2 requirements and MASP (Maximum Anticipated Surface Pressure) calculations. If the system is upgraded, all the components installed will be functional and tested.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP stack to the choke manifold. See attached for specs for hydrostatic test chart.

Testing Procedure: A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.

Choke Diagram Attachment:

Lippizzan_4_Fed_2H_3M_BOPE_CK_20181102102532.pdf

BOP Diagram Attachment:

Lippizzan_4_Fed_2H_3M_BOPE_CK_20181102102549.pdf

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Pressure Rating (PSI): 5M

Rating Depth: 10770

Equipment: BOP/BOPE will be installed per Onshore Oil & Gas Order #2 requirements prior to drilling below surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 3M will be installed on the wellhead system. BOP/BOPE will be tested by an independent service company per Onshore Oil & Gas Order #2 requirements and MASP (Maximum Anticipated Surface Pressure) calculations. If the system is upgraded, all the components installed will be functional and tested.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP stack to the choke manifold. See attached for specs for hydrostatic test chart.

Testing Procedure: A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.

Choke Diagram Attachment:

Lippizzan_4_Fed_2H_5M_BOPE__CK_20181102102710.pdf

BOP Diagram Attachment:

Lippizzan_4_Fed_2H_5M_BOPE__CK_20181102102719.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	921	0	921			921	H-40	48	STC	1.125	1	BUOY	1.6	BUOY	1.6
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	4771	0	4771			4771	J-55	40	LTC	1.125	1	BUOY	1.6	BUOY	1.6
3	PRODUCTION	8.75	5.5	NEW	API	N	0	16053	0	10770			16053	P-110	17	OTHER - BTC	1.125	1	BUOY	1.6	BUOY	1.6

Casing Attachments

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Lippizzan_4_Fed_2H_Surf_Csg_Ass_20181102102903.pdf

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Lippizzan_4_Fed_2H_Int_Csg_Ass_20181102103024.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Lippizzan_4_Fed_2H_Prod_Csg_Ass_20181102103153.pdf

Section 4 - Cement

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	921	962	1.33	13.2	1280	100	C	CLASS C + ADDS

INTERMEDIATE	Lead		0	4271	774	1.94	9	1501	50	C	CLASS C + ADDS
INTERMEDIATE	Tail		4271	4771	197	1.33	13.2	262	50	C	CLASS C + ADDS
PRODUCTION	Lead		4271	1019 7	463	3.27	9	1651	10	TUNED	CLASS C + ADDS
PRODUCTION	Tail		1019 7	1605 3	1027	1.2	13.2	1499	10	H	(50:50) Clas H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	921	WATER-BASED MUD	8.5	9							

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
921	4771	SALT SATURATED	10	10.5							
4771	10197	WATER-BASED MUD	8.5	9							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Will run GRMWD from TD to from KOP. Cement bond logs will be run in vertical to determine top of cement. Stated logs run will be in the Completion Report and submitted to the BLM.

List of open and cased hole logs run in the well:

CALIPER,CBL,DS,GR,MUDLOG

Coring operation description for the well:

N/A

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5040

Anticipated Surface Pressure: 2670.6

Anticipated Bottom Hole Temperature(F): 172

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geohazards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Lippizzan_4_Fed_2H_H2S_Plan_20181105054831.pdf

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Lippizzan_4_Fed_2H_Permit_Plan_20181105054923.pdf

Lippizzan_4_Fed_2H_AC_Rpt_20181105054938.pdf

Lippizzan_4_Fed_2H_Dir_Plan_rev_20190115120921.pdf

Lippizzan_4_Fed_2H_Plot_rev_20190115120932.pdf

Other proposed operations facets description:

DRILLING PLAN

MB VERB

MB WELLHEAD

CLOSED LOOP DESIGN

GAS CAPTURE PLAN

Other proposed operations facets attachment:

Lippizzan_4_Fed_2H_Drilling_Plan_20181105055031.pdf

Lippizzan_4_Fed_2H_MB_Verb_20181105055031.pdf

Lippizzan_4_Fed_2H_MB_Wellhd_20181105055032.pdf

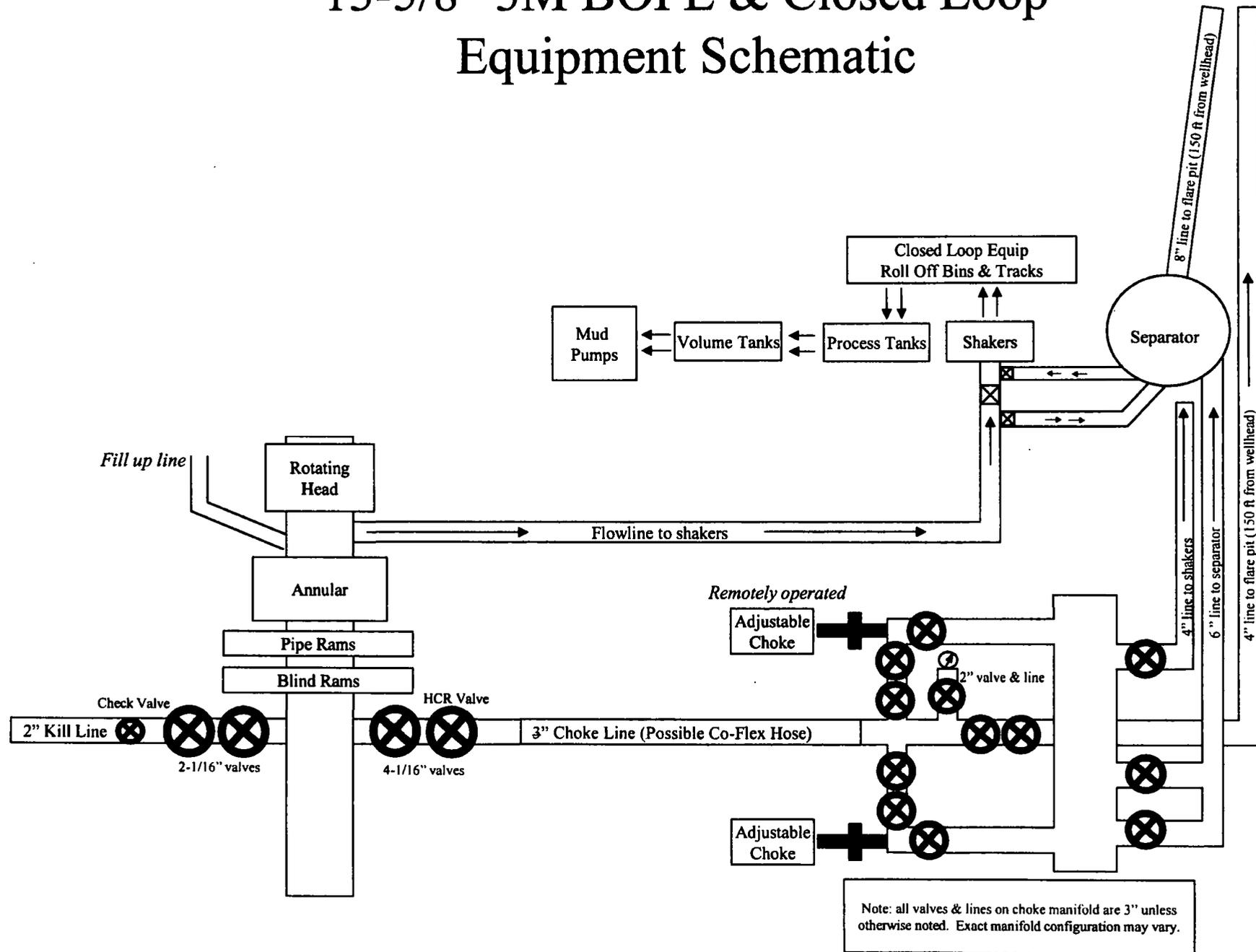
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Lippizzan_4_Fed_2H_Gas_Capture_Plan_20181108054728.pdf

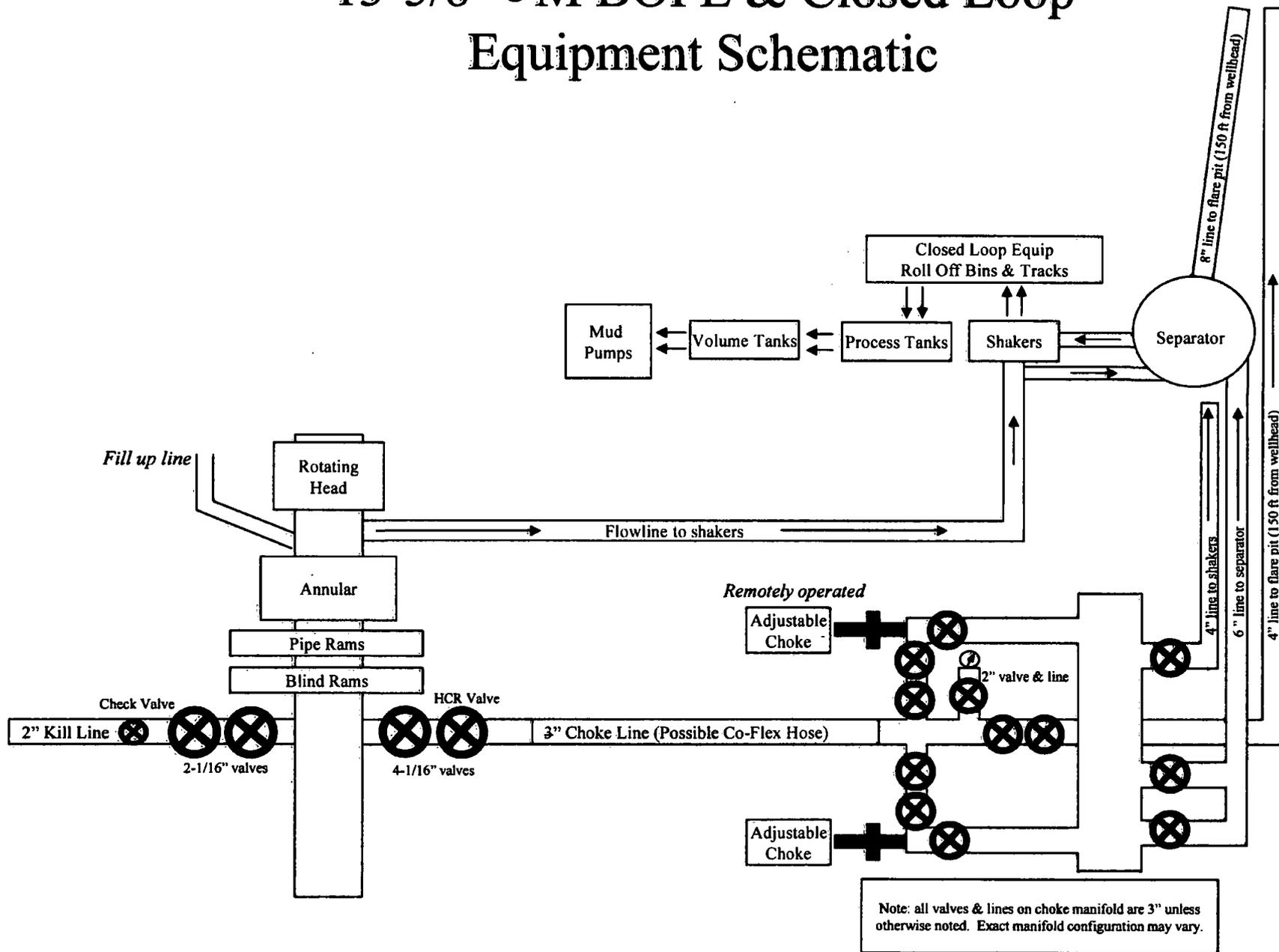
Other Variance attachment:

Lippizzan_4_Fed_2H_Co_flex_20181105055118.pdf

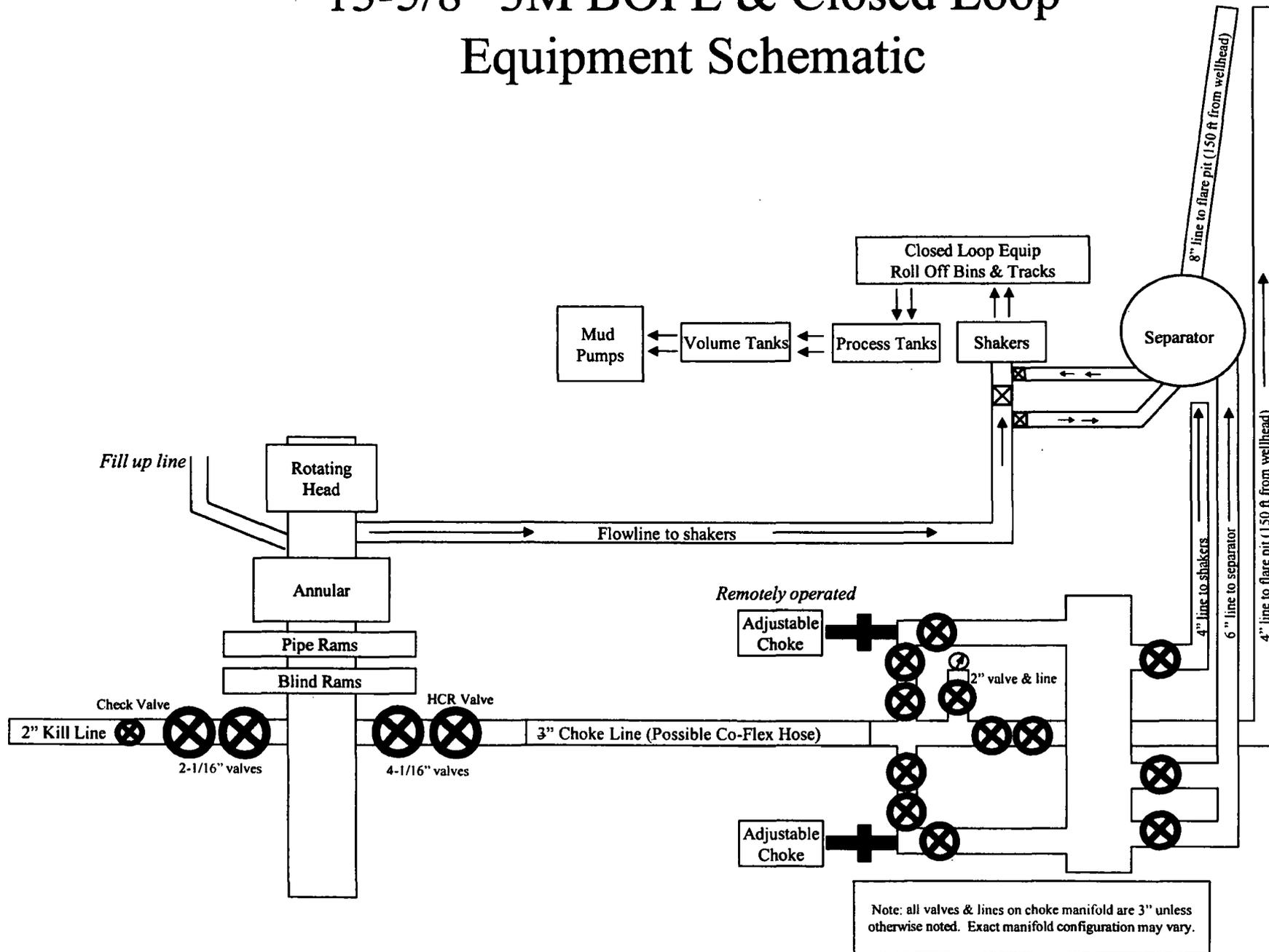
13-5/8" 3M BOPE & Closed Loop Equipment Schematic



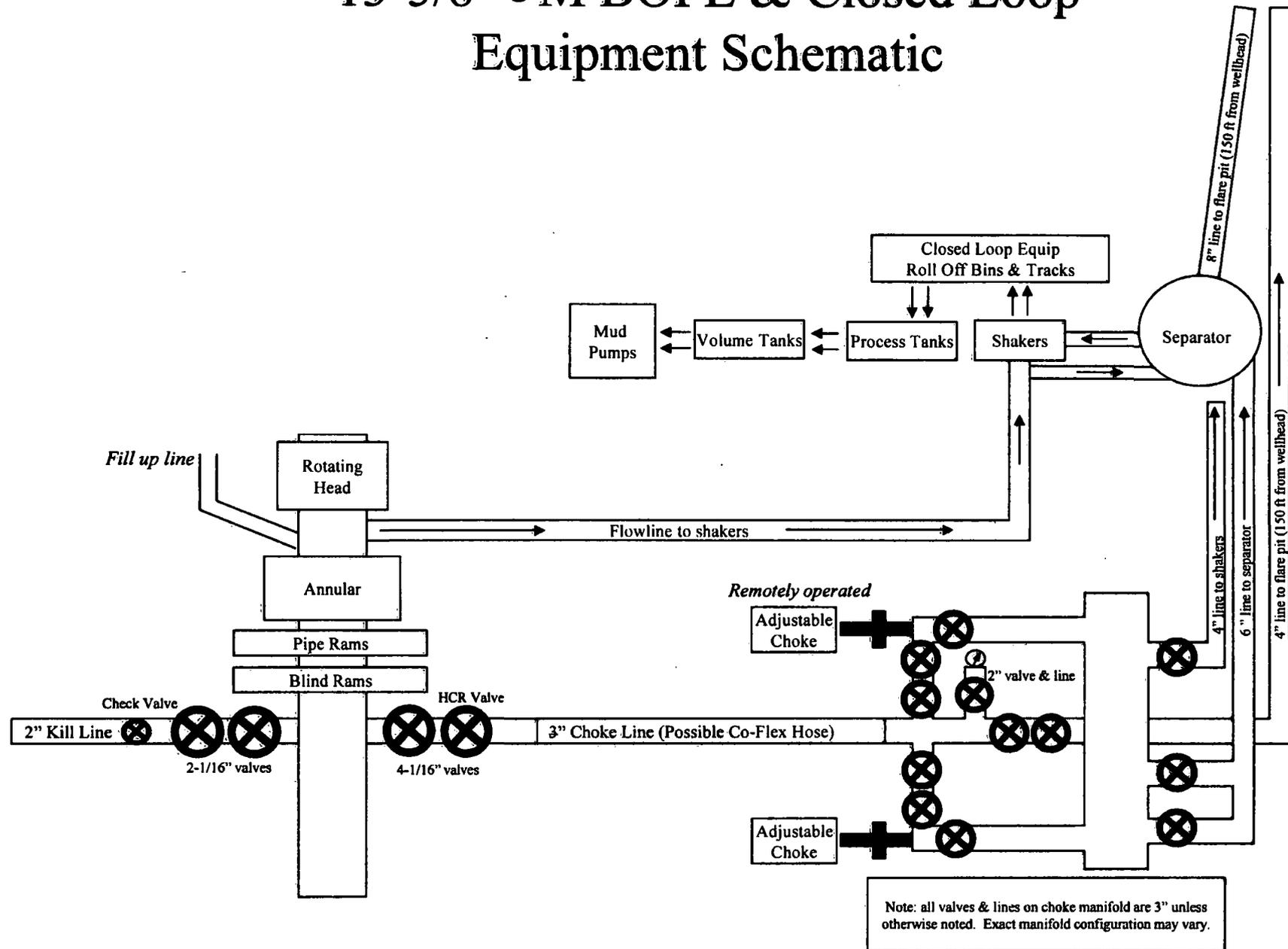
13-5/8" 5M BOPE & Closed Loop Equipment Schematic



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



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



Casing Assumptions and Load Cases

Surface

All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Surface Casing Burst Design		
Load Case	External Pressure	Internal Pressure
Pressure Test	Formation Pore Pressure	Max mud weight of next hole-section plus Test psi
Drill Ahead	Formation Pore Pressure	Max mud weight of next hole section
Displace to Gas	Formation Pore Pressure	Dry gas from next casing point

Surface Casing Collapse Design		
Load Case	External Pressure	Internal Pressure
Full Evacuation	Water gradient in cement, mud above TOC	None
Cementing	Wet cement weight	Water (8.33ppg)

Surface Casing Tension Design	
Load Case	Assumptions
Overpull	100kips
Runing in hole	3 ft/s
Service Loads	N/A

Casing Assumptions and Load Cases

Intermediate

All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Intermediate Casing Burst Design		
Load Case	External Pressure	Internal Pressure
Pressure Test	Formation Pore Pressure	Max mud weight of next hole-section plus Test psi
Drill Ahead	Formation Pore Pressure	Max mud weight of next hole section
Fracture @ Shoe	Formation Pore Pressure	Dry gas

Intermediate Casing Collapse Design		
Load Case	External Pressure	Internal Pressure
Full Evacuation	Water gradient in cement, mud above TOC	None
Cementing	Wet cement weight	Water (8.33ppg)

Intermediate Casing Tension Design	
Load Case	Assumptions
Overpull	100kips
Runing in hole	2 ft/s
Service Loads	N/A

Casing Assumptions and Load Cases

Production

All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Production Casing Burst Design		
Load Case	External Pressure	Internal Pressure
Pressure Test	Formation Pore Pressure	Fluid in hole (water or produced water) + test psi
Tubing Leak	Formation Pore Pressure	Packer @ KOP, leak below surface 8.6 ppg.packer fluid
Stimulation	Formation Pore Pressure	Max frac pressure with heaviest frac fluid

Production Casing Collapse Design		
Load Case	External Pressure	Internal Pressure
Full Evacuation	Water gradient in cement, mud above TOC.	None
Cementing	Wet cement weight	Water (8.33ppg)

Production Casing Tension Design	
Load Case	Assumptions
Overpull	100kips
Runing in hole	2 ft/s
Service Loads	N/A



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

Hydrogen Sulfide (H₂S) Contingency Plan

For

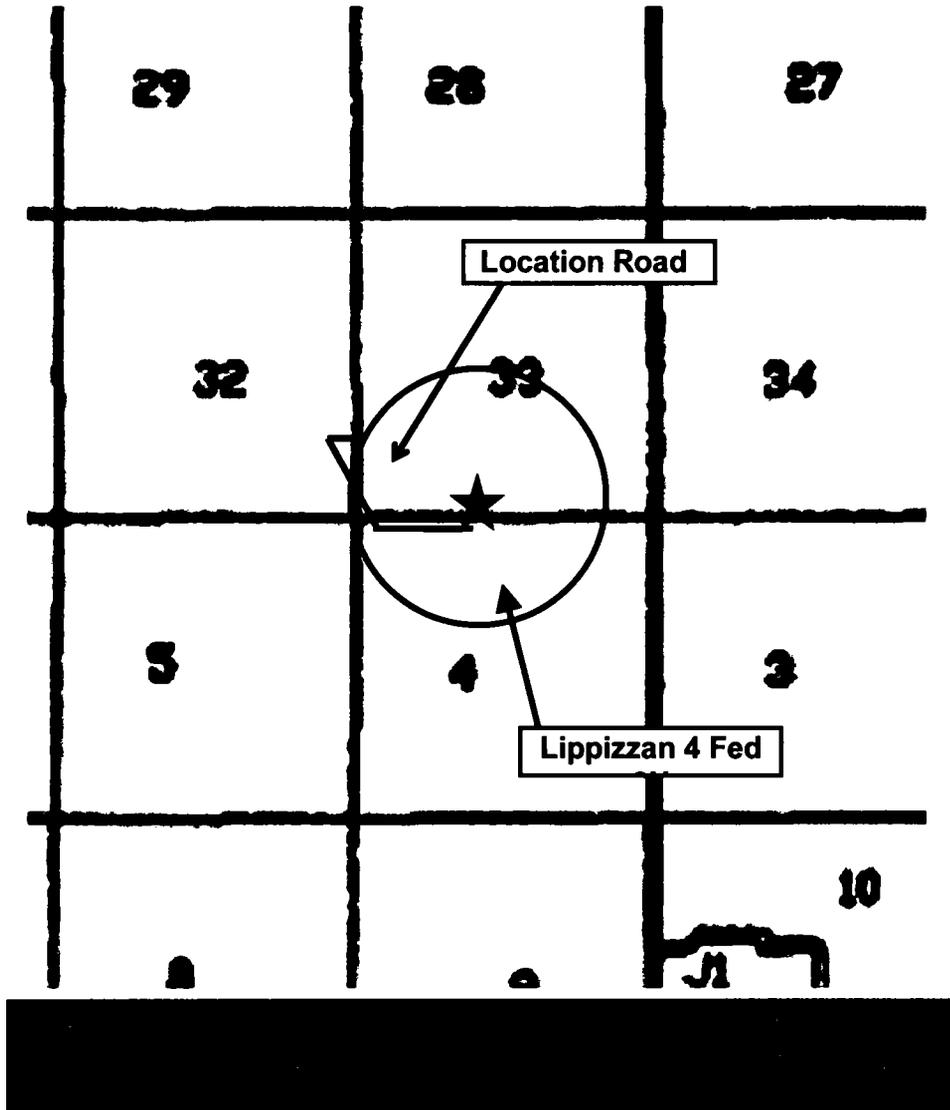
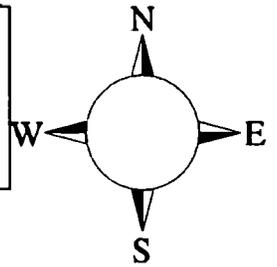
Lippizzan 4 Fed 2H

**Sec-33 T-24S R-32E
170' FSL & 2190' FWL
LAT. = 32.1671813' N (NAD83)
LONG = 103.6810481' W**

Lea County NM

Lippizzan 4 Fed 2H

This is an open drilling site. H₂S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H₂S, including warning signs, wind indicators and H₂S monitor.



Escape

Crews shall escape upwind of escaping gas in the event of an emergency release of gas. Escape can be facilitated from the location entrance road. Crews should then block the entrance to the location from the lease road so as not to allow anyone traversing into a hazardous area. The blockade should be at a safe distance outside of the ROE. There are no homes or buildings in or near the ROE.

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the event of a release of gas containing H₂S, the first responder(s) must

- **Isolate the area and prevent entry by other persons into the 100 ppm ROE.**
- **Evacuate any public places encompassed by the 100 ppm ROE.**
- **Be equipped with H₂S monitors and air packs in order to control the release.**
- **Use the “buddy system” to ensure no injuries occur during the response**
- **Take precautions to avoid personal injury during this operation.**
- **Contact operator and/or local officials to aid in operation. See list of phone numbers attached.**
- **Have received training in the**
 - **Detection of H₂S, and**
 - **Measures for protection against the gas,**
 - **Equipment used for protection and emergency response.**

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

Characteristics of H₂S and SO₂

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H₂S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO₂	2.21 Air = 1	2 ppm	N/A	1000 ppm

Contacting Authorities

Devon Energy Corp. personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Devon Energy Corp. Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

Hydrogen Sulfide Drilling Operation Plan

I. HYDROGEN SULFIDE (H₂S) TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H₂S)
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H₂S metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H₂S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan.

II. HYDROGEN SULFIDE TRAINING

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S.

1. Well Control Equipment

- A. Flare line
- B. Choke manifold – Remotely Operated
- C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
- D. Auxiliary equipment may include if applicable: annular preventer and rotating head.
- E. Mud/Gas Separator

2. Protective equipment for essential personnel:

30-minute SCBA units located at briefing areas, as indicated on well site diagram, with escape units available in the top doghouse. As it may be difficult to communicate audibly while wearing these units, hand signals shall be utilized.

3. H₂S detection and monitoring equipment:

Portable H₂S monitors positioned on location for best coverage and response. These units have warning lights which activate when H₂S levels reach 10 ppm and audible sirens which activate at 15 ppm. Sensor locations:

- Bell nipple
- Possum Belly/Shale shaker
- Rig floor
- Choke manifold
- Cellar

Visual warning systems:

- A. Wind direction indicators as shown on well site diagram
- B. Caution/ Danger signs shall be posted on roads providing direct access to locations. Signs will be painted a high visibility yellow with black lettering of sufficient size to be reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

4. Mud program:

The mud program has been designed to minimize the volume of H₂S circulated to surface. Proper mud weight, safe drilling practices and the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.

5. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H₂S trim.
- B. All elastomers used for packing and seals shall be H₂S trim.

6. Communication:

- A. Company personnel have/use cellular telephones in the field.
- B. Land line (telephone) communications at Office

7. Well testing:

- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safety and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing operations conducted in an H₂S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

Devon Energy Corp. Company Call List		
Drilling Supervisor – Basin – Mark Kramer		405-823-4796
EHS Professional – Laura Wright		405-439-8129
Agency Call List		
Lea County (575)	Hobbs	
	Lea County Communication Authority	393-3981
	State Police	392-5588
	City Police	397-9265
	Sheriff's Office	393-2515
	Ambulance	911
	Fire Department	397-9308
	LEPC (Local Emergency Planning Committee)	393-2870
	NMOCD	393-6161
	US Bureau of Land Management	393-3612
Eddy County (575)	Carlsbad	
	State Police	885-3137
	City Police	885-2111
	Sheriff's Office	887-7551
	Ambulance	911
	Fire Department	885-3125
	LEPC (Local Emergency Planning Committee)	887-3798
	US Bureau of Land Management	887-6544
	NM Emergency Response Commission (Santa Fe)	(505) 476-9600
	24 HR	(505) 827-9126
	National Emergency Response Center	(800) 424-8802
	National Pollution Control Center: Direct For Oil Spills	(703) 872-6000 (800) 280-7118
	Emergency Services	
	Wild Well Control	(281) 784-4700
	Cudd Pressure Control	(915) 699-0139 (915) 563-3356
	Halliburton	(575) 746-2757
	B. J. Services	(575) 746-3569
Give GPS position:	Native Air – Emergency Helicopter – Hobbs	(575) 392-6429
	Flight For Life - Lubbock, TX	(806) 743-9911
	Aerocare - Lubbock, TX	(806) 747-8923
	Med Flight Air Amb - Albuquerque, NM	(575) 842-4433
	Lifeguard Air Med Svc. Albuquerque, NM	(800) 222-1222
	Poison Control (24/7)	(575) 272-3115
	Oil & Gas Pipeline 24 Hour Service	(800) 364-4366
	NOAA – Website - www.nhc.noaa.gov	

Prepared in conjunction with
Dave Small



WCDSC Permian NM
Lippizzan 4 Fed 2H - Permit Plan 1

Lea County (NAD83 New Mexico East)
Sec 33-T24S-R32E
Your Ref:

Measured Depth (ft)	Incl.	Azim.	Vertical Depth (ft)	Northings (ft)	Eastings (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)
0		0	0	0	0	0	0
100		0	0	100	0	0	0
200		0	0	200	0	0	0
300		0	0	300	0	0	0
400		0	0	400	0	0	0
500		0	0	500	0	0	0
600		0	0	600	0	0	0
700		0	0	700	0	0	0
800		0	0	800	0	0	0
900		0	0	900	0	0	0
1000		0	0	1000	0	0	0
1100		0	0	1100	0	0	0
1200		0	0	1200	0	0	0
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1400		0	0	1400	0	0	0
1500		0	0	1500	0	0	0
1600		0	0	1600	0	0	0
1700		0	0	1700	0	0	0
1800		0	0	1800	0	0	0
1900		0	0	1900	0	0	0
2000		0	0	2000	0	0	0
2100		0	0	2100	0	0	0
2200		0	0	2200	0	0	0
2300		0	0	2300	0	0	0
2400		0	0	2400	0	0	0
2500		0	0	2500	0	0	0
2600		0	0	2600	0	0	0
2700		0	0	2700	0	0	0
2800		0	0	2800	0	0	0
2900		0	0	2900	0	0	0
3000		0	0	3000	0	0	0
3100		0	0	3100	0	0	0

3200	0	0	3200	0	0	0	0
3300	0	0	3300	0	0	0	0
3400	0	0	3400	0	0	0	0
3500	0	0	3500	0	0	0	0
3600	0	0	3600	0	0	0	0
3700	0	0	3700	0	0	0	0
3800	0	0	3800	0	0	0	0
3900	0	0	3900	0	0	0	0
4000	0	0	4000	0	0	0	0
4081.13	1.014	348.14	4081.12	0.7	-0.15	-0.7	1.25
4100	1.014	348.14	4099.99	1.03	-0.22	-1.03	0
4200	1.014	348.14	4199.98	2.76	-0.58	-2.76	0
4300	1.014	348.14	4299.96	4.49	-0.94	-4.5	0
4400	1.014	348.14	4399.95	6.23	-1.31	-6.23	0
4500	1.014	348.14	4499.93	7.96	-1.67	-7.96	0
4600	1.014	348.14	4599.91	9.69	-2.03	-9.7	0
4700	1.014	348.14	4699.9	11.42	-2.4	-11.43	0
4800	1.014	348.14	4799.88	13.15	-2.76	-13.16	0
4900	1.014	348.14	4899.87	14.89	-3.13	-14.9	0
5000	1.014	348.14	4999.85	16.62	-3.49	-16.63	0
5100	1.014	348.14	5099.84	18.35	-3.85	-18.36	0
5200	1.014	348.14	5199.82	20.08	-4.22	-20.09	0
5300	1.014	348.14	5299.8	21.81	-4.58	-21.83	0
5400	1.014	348.14	5399.79	23.55	-4.94	-23.56	0
5500	1.014	348.14	5499.77	25.28	-5.31	-25.29	0
5600	1.014	348.14	5599.76	27.01	-5.67	-27.03	0
5700	1.014	348.14	5699.74	28.74	-6.04	-28.76	0
5800	1.014	348.14	5799.73	30.47	-6.4	-30.49	0
5900	1.014	348.14	5899.71	32.21	-6.76	-32.23	0
6000	1.014	348.14	5999.7	33.94	-7.13	-33.96	0
6100	1.014	348.14	6099.68	35.67	-7.49	-35.69	0
6200	1.014	348.14	6199.66	37.4	-7.85	-37.43	0
6300	1.014	348.14	6299.65	39.13	-8.22	-39.16	0
6400	1.014	348.14	6399.63	40.87	-8.58	-40.89	0
6500	1.014	348.14	6499.62	42.6	-8.95	-42.63	0
6600	1.014	348.14	6599.6	44.33	-9.31	-44.36	0
6700	1.014	348.14	6699.59	46.06	-9.67	-46.09	0
6800	1.014	348.14	6799.57	47.79	-10.04	-47.82	0
6900	1.014	348.14	6899.55	49.53	-10.4	-49.56	0
7000	1.014	348.14	6999.54	51.26	-10.76	-51.29	0
7100	1.014	348.14	7099.52	52.99	-11.13	-53.02	0
7200	1.014	348.14	7199.51	54.72	-11.49	-54.76	0
7300	1.014	348.14	7299.49	56.45	-11.86	-56.49	0
7400	1.014	348.14	7399.48	58.19	-12.22	-58.22	0
7500	1.014	348.14	7499.46	59.92	-12.58	-59.96	0
7600	1.014	348.14	7599.44	61.65	-12.95	-61.69	0
7700	1.014	348.14	7699.43	63.38	-13.31	-63.42	0

7800	1.014	348.14	7799.41	65.11	-13.67	-65.16	0
7900	1.014	348.14	7899.4	66.85	-14.04	-66.89	0
8000	1.014	348.14	7999.38	68.58	-14.4	-68.62	0
8100	1.014	348.14	8099.37	70.31	-14.77	-70.35	0
8200	1.014	348.14	8199.35	72.04	-15.13	-72.09	0
8300	1.014	348.14	8299.33	73.78	-15.49	-73.82	0
8400	1.014	348.14	8399.32	75.51	-15.86	-75.55	0
8500	1.014	348.14	8499.3	77.24	-16.22	-77.29	0
8600	1.014	348.14	8599.29	78.97	-16.58	-79.02	0
8700	1.014	348.14	8699.27	80.7	-16.95	-80.75	0
8800	1.014	348.14	8799.26	82.44	-17.31	-82.49	0
8900	1.014	348.14	8899.24	84.17	-17.68	-84.22	0
9000	1.014	348.14	8999.23	85.9	-18.04	-85.95	0
9100	1.014	348.14	9099.21	87.63	-18.4	-87.69	0
9200	1.014	348.14	9199.19	89.36	-18.77	-89.42	0
9300	1.014	348.14	9299.18	91.1	-19.13	-91.15	0
9400	1.014	348.14	9399.16	92.83	-19.49	-92.89	0
9500	1.014	348.14	9499.15	94.56	-19.86	-94.62	0
9600	1.014	348.14	9599.13	96.29	-20.22	-96.35	0
9700	1.014	348.14	9699.12	98.02	-20.58	-98.08	0
9780.29	1.014	348.14	9779.4	99.41	-20.88	-99.48	0
9800	0.719	348.14	9799.1	99.71	-20.94	-99.77	1.5
9847.9	0	0	9847	100	-21	-100.06	1.5
9900	0	0	9899.1	100	-21	-100.06	0
10000	0	0	9999.1	100	-21	-100.06	0
10100	0	0	10099.1	100	-21	-100.06	0
10197.94	0	0	10197.04	100	-21	-100.06	0
10200	0.206	179.614	10199.1	100	-21	-100.06	10
10300	10.206	179.614	10298.56	90.93	-20.94	-91	10
10400	20.206	179.614	10394.94	64.74	-20.76	-64.8	10
10500	30.206	179.614	10485.3	22.21	-20.48	-22.27	10
10600	40.206	179.614	10566.91	-35.37	-20.09	35.31	10
10700	50.206	179.614	10637.27	-106.24	-19.61	106.18	10
10800	60.206	179.614	10694.26	-188.26	-19.06	188.2	10
10900	70.206	179.614	10736.15	-278.92	-18.45	278.87	10
11000	80.206	179.614	10761.65	-375.48	-17.8	375.43	10
11097.94	90	179.614	10770	-472.95	-17.14	472.89	10
11100	90	179.614	10770	-475	-17.13	474.95	0
11200	90	179.614	10770	-575	-16.45	574.95	0
11300	90	179.614	10770	-675	-15.78	674.95	0
11400	90	179.614	10770	-775	-15.11	774.95	0
11500	90	179.614	10770	-874.99	-14.43	874.95	0
11600	90	179.614	10770	-974.99	-13.76	974.95	0
11700	90	179.614	10770	-1074.99	-13.09	1074.95	0
11800	90	179.614	10770	-1174.99	-12.41	1174.95	0
11900	90	179.614	10770	-1274.99	-11.74	1274.94	0
12000	90	179.614	10770	-1374.98	-11.06	1374.94	0

12100	90	179.614	10770	-1474.98	-10.39	1474.94	0
12200	90	179.614	10770	-1574.98	-9.72	1574.94	0
12300	90	179.614	10770	-1674.98	-9.04	1674.94	0
12400	90	179.614	10770	-1774.97	-8.37	1774.94	0
12500	90	179.614	10770	-1874.97	-7.7	1874.94	0
12600	90	179.614	10770	-1974.97	-7.02	1974.94	0
12700	90	179.614	10770	-2074.97	-6.35	2074.94	0
12800	90	179.614	10770	-2174.97	-5.68	2174.94	0
12900	90	179.614	10770	-2274.96	-5	2274.94	0
13000	90	179.614	10770	-2374.96	-4.33	2374.94	0
13100	90	179.614	10770	-2474.96	-3.65	2474.94	0
13200	90	179.614	10770	-2574.96	-2.98	2574.94	0
13300	90	179.614	10770	-2674.95	-2.31	2674.93	0
13400	90	179.614	10770	-2774.95	-1.63	2774.93	0
13500	90	179.614	10770	-2874.95	-0.96	2874.93	0
13600	90	179.614	10770	-2974.95	-0.29	2974.93	0
13700	90	179.614	10770	-3074.94	0.39	3074.93	0
13800	90	179.614	10770	-3174.94	1.06	3174.93	0
13900	90	179.614	10770	-3274.94	1.73	3274.93	0
14000	90	179.614	10770	-3374.94	2.41	3374.93	0
14100	90	179.614	10770	-3474.94	3.08	3474.93	0
14200	90	179.614	10770	-3574.93	3.75	3574.93	0
14300	90	179.614	10770	-3674.93	4.43	3674.93	0
14400	90	179.614	10770	-3774.93	5.1	3774.93	0
14500	90	179.614	10770	-3874.93	5.78	3874.93	0
14600	90	179.614	10770	-3974.92	6.45	3974.93	0
14700	90	179.614	10770	-4074.92	7.12	4074.93	0
14800	90	179.614	10770	-4174.92	7.8	4174.92	0
14900	90	179.614	10770	-4274.92	8.47	4274.92	0
15000	90	179.614	10770	-4374.92	9.14	4374.92	0
15100	90	179.614	10770	-4474.91	9.82	4474.92	0
15200	90	179.614	10770	-4574.91	10.49	4574.92	0
15300	90	179.614	10770	-4674.91	11.16	4674.92	0
15400	90	179.614	10770	-4774.91	11.84	4774.92	0
15500	90	179.614	10770	-4874.9	12.51	4874.92	0
15600	90	179.614	10770	-4974.9	13.19	4974.92	0
15700	90	179.614	10770	-5074.9	13.86	5074.92	0
15800	90	179.614	10770	-5174.9	14.53	5174.92	0
15900	90	179.614	10770	-5274.89	15.21	5274.92	0
16000	90	179.614	10770	-5374.89	15.88	5374.92	0
16053.48	90	179.614	10770	-5428.37	16.24	5428.4	0

All data are in feet unless otherwise stated. Directions and coordinates are relative to Grid North. Vertical depths are relative to RKB. Northings and Eastings are relative to Well.

The Dogleg Severity is in Degrees per 100 feet.

Vertical Section is from Slot and calculated along an Azimuth of 179.829° (Grid).

Coordinate System is North American Datum 1983 US State Plane 1983, New Mexico Eastern Zone.

Central meridian is -104.333° .

Grid Convergence at Surface is 0.347° .

Based upon Minimum Curvature type calculations, at a Measured Depth of 16053.48ft., the Bottom Hole Displacement is 5428.40ft., in the Direction of 179.829° (Grid).

WCDSC Permian NM

Lea County (NAD83 New Mexico East)

Sec 33-T24S-R32E

Lippizzan 4 Fed 2H

Wellbore #1

Plan: Permit Plan 1

Standard Planning Report - Geographic

15 January, 2019

Planning Report - Geographic

Database: EDM r5000.141_Prod US	Local Co-ordinate Reference: Well Lippizzan 4 Fed 2H
Company: WCDSC Permian NM	TVD Reference: RKB @ 3517.50ft
Project: Lea County (NAD83 New Mexico East)	MD Reference: RKB @ 3517.50ft
Site: Sec 33-T24S-R32E	North Reference: Grid
Well: Lippizzan 4 Fed 2H	Survey Calculation Method: Minimum Curvature
Wellbore: Wellbore #1	
Design: Permit Plan 1	

Project	Lea County (NAD83 New Mexico East)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	Sec 33-T24S-R32E				
Site Position:	Northing:	429,942.75 usft	Latitude:	32.180323	
From:	Map	Easting:	742,290.44 usft	Longitude:	-103.683805
Position Uncertainty:	0.00 ft	Slot Radius:	13-3/16 "	Grid Convergence:	0.35 °

Well	Lippizzan 4 Fed 2H					
Well Position	+N/-S	0.00 ft	Northing:	425,167.23 usft	Latitude:	32.167181
	+E/-W	0.00 ft	Easting:	743,172.29 usft	Longitude:	-103.681048
Position Uncertainty		0.50 ft	Wellhead Elevation:		Ground Level:	3,492.50 ft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF2015	11/1/2018	(°)	(°)	(nT)
			6.85	59.98	47,751.06429983

Design	Permit Plan 1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction
	(ft)	(ft)	(ft)	(°)
	0.00	0.00	0.00	179.83

Plan Survey Tool Program	Date	1/15/2019		
Depth From	Depth To	Survey (Wellbore)	Tool Name	Remarks
(ft)	(ft)			
1	0.00	16,053.48 Permit Plan 1 (Wellbore #1)	MWD+HDGM	
			OWSG MWD + HDGM	

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
4,081.13	1.01	348.14	4,081.12	0.70	-0.15	1.25	1.25	0.00	348.14	
9,780.29	1.01	348.14	9,779.40	99.41	-20.88	0.00	0.00	0.00	0.00	
9,847.90	0.00	0.00	9,847.00	100.00	-21.00	1.50	-1.50	0.00	180.00	
10,197.94	0.00	0.00	10,197.04	100.00	-21.00	0.00	0.00	0.00	0.00	
11,097.94	90.00	179.61	10,770.00	-472.95	-17.14	10.00	10.00	0.00	179.61	PBHL - Lippizzan 4 Fed 2H
16,053.48	90.00	179.61	10,770.00	-5,428.37	16.24	0.00	0.00	0.00	0.00	PBHL - Lippizzan 4 Fed 2H

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Lippizzan 4 Fed 2H
Company:	WCDCS Permian NM	TVD Reference:	RKB @ 3517.50ft
Project:	Lea County (NAD83 New Mexico East)	MD Reference:	RKB @ 3517.50ft
Site:	Sec 33-T24S-R32E	North Reference:	Grid
Well:	Lippizzan 4 Fed 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permit Plan 1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
0.00	0.00	0.00	0.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
100.00	0.00	0.00	100.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
200.00	0.00	0.00	200.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
300.00	0.00	0.00	300.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
400.00	0.00	0.00	400.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
500.00	0.00	0.00	500.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
600.00	0.00	0.00	600.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
700.00	0.00	0.00	700.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
800.00	0.00	0.00	800.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
900.00	0.00	0.00	900.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,000.00	0.00	0.00	1,000.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,100.00	0.00	0.00	1,100.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,200.00	0.00	0.00	1,200.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,300.00	0.00	0.00	1,300.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,400.00	0.00	0.00	1,400.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,500.00	0.00	0.00	1,500.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,600.00	0.00	0.00	1,600.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,700.00	0.00	0.00	1,700.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,800.00	0.00	0.00	1,800.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
1,900.00	0.00	0.00	1,900.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,000.00	0.00	0.00	2,000.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,100.00	0.00	0.00	2,100.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,200.00	0.00	0.00	2,200.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,300.00	0.00	0.00	2,300.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,400.00	0.00	0.00	2,400.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,500.00	0.00	0.00	2,500.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,600.00	0.00	0.00	2,600.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,700.00	0.00	0.00	2,700.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,800.00	0.00	0.00	2,800.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
2,900.00	0.00	0.00	2,900.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,000.00	0.00	0.00	3,000.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,100.00	0.00	0.00	3,100.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,200.00	0.00	0.00	3,200.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,300.00	0.00	0.00	3,300.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,400.00	0.00	0.00	3,400.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,500.00	0.00	0.00	3,500.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,600.00	0.00	0.00	3,600.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,700.00	0.00	0.00	3,700.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,800.00	0.00	0.00	3,800.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
3,900.00	0.00	0.00	3,900.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
4,000.00	0.00	0.00	4,000.00	0.00	0.00	425,167.23	743,172.29	32.167181	-103.681048
4,081.13	1.01	348.14	4,081.12	0.70	-0.15	425,167.93	743,172.14	32.167183	-103.681049
4,100.00	1.01	348.14	4,099.99	1.03	-0.22	425,168.26	743,172.07	32.167184	-103.681049
4,200.00	1.01	348.14	4,199.98	2.76	-0.58	425,169.99	743,171.71	32.167189	-103.681050
4,300.00	1.01	348.14	4,299.96	4.49	-0.94	425,171.72	743,171.34	32.167194	-103.681051
4,400.00	1.01	348.14	4,399.95	6.23	-1.31	425,173.46	743,170.98	32.167199	-103.681052
4,500.00	1.01	348.14	4,499.93	7.96	-1.67	425,175.19	743,170.62	32.167203	-103.681054
4,600.00	1.01	348.14	4,599.91	9.69	-2.03	425,176.92	743,170.25	32.167208	-103.681055
4,700.00	1.01	348.14	4,699.90	11.42	-2.40	425,178.65	743,169.89	32.167213	-103.681056
4,800.00	1.01	348.14	4,799.88	13.15	-2.76	425,180.38	743,169.52	32.167218	-103.681057
4,900.00	1.01	348.14	4,899.87	14.89	-3.13	425,182.12	743,169.16	32.167222	-103.681058
5,000.00	1.01	348.14	4,999.85	16.62	-3.49	425,183.85	743,168.80	32.167227	-103.681059
5,100.00	1.01	348.14	5,099.84	18.35	-3.85	425,185.58	743,168.43	32.167232	-103.681060
5,200.00	1.01	348.14	5,199.82	20.08	-4.22	425,187.31	743,168.07	32.167237	-103.681062
5,300.00	1.01	348.14	5,299.80	21.81	-4.58	425,189.04	743,167.71	32.167241	-103.681063

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Lippizzan 4 Fed 2H
Company:	WCDSC Permian NM	TVD Reference:	RKB @ 3517.50ft
Project:	Lea County (NAD83 New Mexico East)	MD Reference:	RKB @ 3517.50ft
Site:	Sec 33-T24S-R32E	North Reference:	Grid
Well:	Lippizzan 4 Fed 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permit Plan 1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
5,400.00	1.01	348.14	5,399.79	23.55	-4.94	425,190.78	743,167.34	32.167246	-103.681064
5,500.00	1.01	348.14	5,499.77	25.28	-5.31	425,192.51	743,166.98	32.167251	-103.681065
5,600.00	1.01	348.14	5,599.76	27.01	-5.67	425,194.24	743,166.61	32.167256	-103.681066
5,700.00	1.01	348.14	5,699.74	28.74	-6.04	425,195.97	743,166.25	32.167260	-103.681067
5,800.00	1.01	348.14	5,799.73	30.47	-6.40	425,197.70	743,165.89	32.167265	-103.681068
5,900.00	1.01	348.14	5,899.71	32.21	-6.76	425,199.44	743,165.52	32.167270	-103.681070
6,000.00	1.01	348.14	5,999.70	33.94	-7.13	425,201.17	743,165.16	32.167275	-103.681071
6,100.00	1.01	348.14	6,099.68	35.67	-7.49	425,202.90	743,164.80	32.167280	-103.681072
6,200.00	1.01	348.14	6,199.66	37.40	-7.85	425,204.63	743,164.43	32.167284	-103.681073
6,300.00	1.01	348.14	6,299.65	39.13	-8.22	425,206.36	743,164.07	32.167289	-103.681074
6,400.00	1.01	348.14	6,399.63	40.87	-8.58	425,208.10	743,163.70	32.167294	-103.681075
6,500.00	1.01	348.14	6,499.62	42.60	-8.95	425,209.83	743,163.34	32.167299	-103.681076
6,600.00	1.01	348.14	6,599.60	44.33	-9.31	425,211.56	743,162.98	32.167303	-103.681078
6,700.00	1.01	348.14	6,699.59	46.06	-9.67	425,213.29	743,162.61	32.167308	-103.681079
6,800.00	1.01	348.14	6,799.57	47.79	-10.04	425,215.02	743,162.25	32.167313	-103.681080
6,900.00	1.01	348.14	6,899.55	49.53	-10.40	425,216.76	743,161.89	32.167318	-103.681081
7,000.00	1.01	348.14	6,999.54	51.26	-10.76	425,218.49	743,161.52	32.167322	-103.681082
7,100.00	1.01	348.14	7,099.52	52.99	-11.13	425,220.22	743,161.16	32.167327	-103.681083
7,200.00	1.01	348.14	7,199.51	54.72	-11.49	425,221.95	743,160.79	32.167332	-103.681084
7,300.00	1.01	348.14	7,299.49	56.45	-11.86	425,223.68	743,160.43	32.167337	-103.681086
7,400.00	1.01	348.14	7,399.48	58.19	-12.22	425,225.42	743,160.07	32.167342	-103.681087
7,500.00	1.01	348.14	7,499.46	59.92	-12.58	425,227.15	743,159.70	32.167346	-103.681088
7,600.00	1.01	348.14	7,599.44	61.65	-12.95	425,228.88	743,159.34	32.167351	-103.681089
7,700.00	1.01	348.14	7,699.43	63.38	-13.31	425,230.61	743,158.98	32.167356	-103.681090
7,800.00	1.01	348.14	7,799.41	65.11	-13.67	425,232.34	743,158.61	32.167361	-103.681091
7,900.00	1.01	348.14	7,899.40	66.85	-14.04	425,234.08	743,158.25	32.167365	-103.681092
8,000.00	1.01	348.14	7,999.38	68.58	-14.40	425,235.81	743,157.89	32.167370	-103.681094
8,100.00	1.01	348.14	8,099.37	70.31	-14.77	425,237.54	743,157.52	32.167375	-103.681095
8,200.00	1.01	348.14	8,199.35	72.04	-15.13	425,239.27	743,157.16	32.167380	-103.681096
8,300.00	1.01	348.14	8,299.34	73.78	-15.49	425,241.00	743,156.79	32.167384	-103.681097
8,400.00	1.01	348.14	8,399.32	75.51	-15.86	425,242.74	743,156.43	32.167389	-103.681098
8,500.00	1.01	348.14	8,499.30	77.24	-16.22	425,244.47	743,156.07	32.167394	-103.681099
8,600.00	1.01	348.14	8,599.29	78.97	-16.58	425,246.20	743,155.70	32.167399	-103.681100
8,700.00	1.01	348.14	8,699.27	80.70	-16.95	425,247.93	743,155.34	32.167403	-103.681102
8,800.00	1.01	348.14	8,799.26	82.44	-17.31	425,249.66	743,154.98	32.167408	-103.681103
8,900.00	1.01	348.14	8,899.24	84.17	-17.68	425,251.40	743,154.61	32.167413	-103.681104
9,000.00	1.01	348.14	8,999.23	85.90	-18.04	425,253.13	743,154.25	32.167418	-103.681105
9,100.00	1.01	348.14	9,099.21	87.63	-18.40	425,254.86	743,153.88	32.167423	-103.681106
9,200.00	1.01	348.14	9,199.19	89.36	-18.77	425,256.59	743,153.52	32.167427	-103.681107
9,300.00	1.01	348.14	9,299.18	91.10	-19.13	425,258.32	743,153.16	32.167432	-103.681108
9,400.00	1.01	348.14	9,399.16	92.83	-19.49	425,260.06	743,152.79	32.167437	-103.681110
9,500.00	1.01	348.14	9,499.15	94.56	-19.86	425,261.79	743,152.43	32.167442	-103.681111
9,600.00	1.01	348.14	9,599.13	96.29	-20.22	425,263.52	743,152.07	32.167446	-103.681112
9,700.00	1.01	348.14	9,699.12	98.02	-20.58	425,265.25	743,151.70	32.167451	-103.681113
9,780.29	1.01	348.14	9,779.40	99.41	-20.88	425,266.64	743,151.41	32.167455	-103.681114
9,800.00	0.72	348.14	9,799.10	99.71	-20.94	425,266.94	743,151.35	32.167456	-103.681114
9,847.90	0.00	0.00	9,847.00	100.00	-21.00	425,267.23	743,151.29	32.167457	-103.681114
9,900.00	0.00	0.00	9,899.10	100.00	-21.00	425,267.23	743,151.29	32.167457	-103.681114
10,000.00	0.00	0.00	9,999.10	100.00	-21.00	425,267.23	743,151.29	32.167457	-103.681114
10,100.00	0.00	0.00	10,099.10	100.00	-21.00	425,267.23	743,151.29	32.167457	-103.681114
10,197.94	0.00	0.00	10,197.04	100.00	-21.00	425,267.23	743,151.29	32.167457	-103.681114
KOP @ 10198' MD, 100' FSL, 2332' FWL									
10,200.00	0.21	179.61	10,199.10	100.00	-21.00	425,267.23	743,151.29	32.167457	-103.681114
10,300.00	10.21	179.61	10,298.56	90.93	-20.94	425,258.16	743,151.35	32.167432	-103.681114

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Lippizzan 4 Fed 2H
Company:	WCDCS Permian NM	TVD Reference:	RKB @ 3517.50ft
Project:	Lea County (NAD83 New Mexico East)	MD Reference:	RKB @ 3517.50ft
Site:	Sec 33-T24S-R32E	North Reference:	Grid
Well:	Lippizzan 4 Fed 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permit Plan 1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
10,400.00	20.21	179.61	10,394.94	64.74	-20.76	425,231.97	743,151.52	32.167360	-103.681114
10,500.00	30.21	179.61	10,485.30	22.21	-20.48	425,189.44	743,151.81	32.167243	-103.681114
10,600.00	40.21	179.61	10,566.91	-35.37	-20.09	425,131.86	743,152.20	32.167084	-103.681114
10,700.00	50.21	179.61	10,637.27	-106.24	-19.61	425,060.99	743,152.68	32.166890	-103.681114
10,778.73	58.08	179.61	10,683.35	-170.00	-19.18	424,997.23	743,153.11	32.166714	-103.681114
Cross Section @ 10779' MD, 0' FNL, 2332' FWL									
10,800.00	60.21	179.61	10,694.26	-188.26	-19.06	424,978.97	743,153.23	32.166664	-103.681114
10,890.49	69.25	179.61	10,732.85	-270.00	-18.51	424,897.23	743,153.78	32.166440	-103.681113
FTP @ 10890' MD, 100' FNL, 2332' FWL									
10,900.00	70.21	179.61	10,736.15	-278.92	-18.45	424,888.31	743,153.84	32.166415	-103.681113
11,000.00	80.21	179.61	10,761.65	-375.48	-17.80	424,791.75	743,154.49	32.166150	-103.681113
11,097.94	90.00	179.61	10,770.00	-472.95	-17.14	424,694.28	743,155.15	32.165882	-103.681113
11,100.00	90.00	179.61	10,770.00	-475.00	-17.13	424,692.23	743,155.16	32.165876	-103.681113
11,200.00	90.00	179.61	10,770.00	-575.00	-16.45	424,592.23	743,155.83	32.165601	-103.681113
11,300.00	90.00	179.61	10,770.00	-675.00	-15.78	424,492.23	743,156.51	32.165326	-103.681113
11,400.00	90.00	179.61	10,770.00	-775.00	-15.11	424,392.23	743,157.18	32.165051	-103.681112
11,500.00	90.00	179.61	10,770.00	-874.99	-14.43	424,292.24	743,157.85	32.164776	-103.681112
11,600.00	90.00	179.61	10,770.00	-974.99	-13.76	424,192.24	743,158.53	32.164502	-103.681112
11,700.00	90.00	179.61	10,770.00	-1,074.99	-13.09	424,092.24	743,159.20	32.164227	-103.681112
11,800.00	90.00	179.61	10,770.00	-1,174.99	-12.41	423,992.24	743,159.88	32.163952	-103.681111
11,900.00	90.00	179.61	10,770.00	-1,274.99	-11.74	423,892.25	743,160.55	32.163677	-103.681111
12,000.00	90.00	179.61	10,770.00	-1,374.98	-11.06	423,792.25	743,161.22	32.163402	-103.681111
12,100.00	90.00	179.61	10,770.00	-1,474.98	-10.39	423,692.25	743,161.90	32.163127	-103.681111
12,200.00	90.00	179.61	10,770.00	-1,574.98	-9.72	423,592.25	743,162.57	32.162852	-103.681111
12,300.00	90.00	179.61	10,770.00	-1,674.98	-9.04	423,492.26	743,163.24	32.162577	-103.681110
12,400.00	90.00	179.61	10,770.00	-1,774.97	-8.37	423,392.26	743,163.92	32.162303	-103.681110
12,500.00	90.00	179.61	10,770.00	-1,874.97	-7.70	423,292.26	743,164.59	32.162028	-103.681110
12,600.00	90.00	179.61	10,770.00	-1,974.97	-7.02	423,192.26	743,165.26	32.161753	-103.681110
12,700.00	90.00	179.61	10,770.00	-2,074.97	-6.35	423,092.27	743,165.94	32.161478	-103.681110
12,800.00	90.00	179.61	10,770.00	-2,174.97	-5.68	422,992.27	743,166.61	32.161203	-103.681109
12,900.00	90.00	179.61	10,770.00	-2,274.96	-5.00	422,892.27	743,167.28	32.160928	-103.681109
13,000.00	90.00	179.61	10,770.00	-2,374.96	-4.33	422,792.27	743,167.96	32.160653	-103.681109
13,100.00	90.00	179.61	10,770.00	-2,474.96	-3.65	422,692.28	743,168.63	32.160378	-103.681109
13,200.00	90.00	179.61	10,770.00	-2,574.96	-2.98	422,592.28	743,169.31	32.160104	-103.681108
13,300.00	90.00	179.61	10,770.00	-2,674.95	-2.31	422,492.28	743,169.98	32.159829	-103.681108
13,400.00	90.00	179.61	10,770.00	-2,774.95	-1.63	422,392.28	743,170.65	32.159554	-103.681108
13,500.00	90.00	179.61	10,770.00	-2,874.95	-0.96	422,292.29	743,171.33	32.159279	-103.681108
13,600.00	90.00	179.61	10,770.00	-2,974.95	-0.29	422,192.29	743,172.00	32.159004	-103.681108
13,700.00	90.00	179.61	10,770.00	-3,074.94	0.39	422,092.29	743,172.67	32.158729	-103.681107
13,800.00	90.00	179.61	10,770.00	-3,174.94	1.06	421,992.29	743,173.35	32.158454	-103.681107
13,900.00	90.00	179.61	10,770.00	-3,274.94	1.73	421,892.30	743,174.02	32.158179	-103.681107
14,000.00	90.00	179.61	10,770.00	-3,374.94	2.41	421,792.30	743,174.69	32.157904	-103.681107
14,100.00	90.00	179.61	10,770.00	-3,474.94	3.08	421,692.30	743,175.37	32.157630	-103.681106
14,200.00	90.00	179.61	10,770.00	-3,574.93	3.75	421,592.30	743,176.04	32.157355	-103.681106
14,300.00	90.00	179.61	10,770.00	-3,674.93	4.43	421,492.31	743,176.72	32.157080	-103.681106
14,400.00	90.00	179.61	10,770.00	-3,774.93	5.10	421,392.31	743,177.39	32.156805	-103.681106
14,500.00	90.00	179.61	10,770.00	-3,874.93	5.78	421,292.31	743,178.06	32.156530	-103.681106
14,600.00	90.00	179.61	10,770.00	-3,974.92	6.45	421,192.31	743,178.74	32.156255	-103.681105
14,700.00	90.00	179.61	10,770.00	-4,074.92	7.12	421,092.32	743,179.41	32.155980	-103.681105
14,800.00	90.00	179.61	10,770.00	-4,174.92	7.80	420,992.32	743,180.08	32.155705	-103.681105
14,900.00	90.00	179.61	10,770.00	-4,274.92	8.47	420,892.32	743,180.76	32.155431	-103.681105
15,000.00	90.00	179.61	10,770.00	-4,374.92	9.14	420,792.32	743,181.43	32.155156	-103.681104
15,100.00	90.00	179.61	10,770.00	-4,474.91	9.82	420,692.33	743,182.10	32.154881	-103.681104
15,200.00	90.00	179.61	10,770.00	-4,574.91	10.49	420,592.33	743,182.78	32.154606	-103.681104

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Lippizzan 4 Fed 2H
Company:	WCDSC Permian NM	TVD Reference:	RKB @ 3517.50ft
Project:	Lea County (NAD83 New Mexico East)	MD Reference:	RKB @ 3517.50ft
Site:	Sec 33-T24S-R32E	North Reference:	Grid
Well:	Lippizzan 4 Fed 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permit Plan 1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
15,300.00	90.00	179.61	10,770.00	-4,674.91	11.16	420,492.33	743,183.45	32.154331	-103.681104
15,400.00	90.00	179.61	10,770.00	-4,774.91	11.84	420,392.33	743,184.12	32.154056	-103.681104
15,500.00	90.00	179.61	10,770.00	-4,874.90	12.51	420,292.34	743,184.80	32.153781	-103.681103
15,600.00	90.00	179.61	10,770.00	-4,974.90	13.19	420,192.34	743,185.47	32.153506	-103.681103
15,700.00	90.00	179.61	10,770.00	-5,074.90	13.86	420,092.34	743,186.15	32.153232	-103.681103
15,800.00	90.00	179.61	10,770.00	-5,174.90	14.53	419,992.34	743,186.82	32.152957	-103.681103
15,900.00	90.00	179.61	10,770.00	-5,274.89	15.21	419,892.35	743,187.49	32.152682	-103.681103
15,973.47	90.00	179.61	10,770.00	-5,348.36	15.70	419,818.88	743,187.99	32.152480	-103.681102
LTP @ 15973' MD, 100' FSL, 2332' FWL									
16,000.00	90.00	179.61	10,770.00	-5,374.89	15.88	419,792.35	743,188.17	32.152407	-103.681102
16,053.47	90.00	179.61	10,770.00	-5,428.36	16.24	419,738.88	743,188.53	32.152260	-103.681102
PBHL; 20' FSL, 2332' FWL									
16,053.48	90.00	179.61	10,770.00	-5,428.37	16.24	419,738.87	743,188.53	32.152260	-103.681102

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL - Lippizzan 4 Fed	0.00	0.00	0.00	-5,428.37	16.24	419,738.87	743,188.53	32.152260	-103.681102
- hit/miss target									
- Shape									
- plan misses target center by 5428.40ft at 0.00ft MD (0.00 TVD, 0.00 N, 0.00 E)									
- Point									

Plan Annotations					
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment	
		+N/-S (ft)	+E/-W (ft)		
10,197.94	10,197.04	100.00	-21.00	KOP @ 10198' MD, 100' FNL, 2332' FWL	
10,778.73	10,683.35	-170.00	-19.18	Cross Section @ 10779' MD, 0' FNL, 2332' FWL	
10,890.49	10,732.85	-270.00	-18.51	FTP @ 10890' MD, 100' FNL, 2332' FWL	
15,973.47	10,770.00	-5,348.36	15.70	LTP @ 15973' MD, 100' FSL, 2332' FWL	
16,053.47	10,770.00	-5,428.36	16.24	PBHL; 20' FSL, 2332' FWL	

WCDC Permian NM

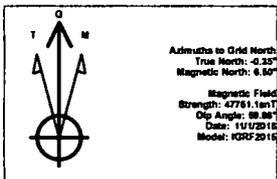
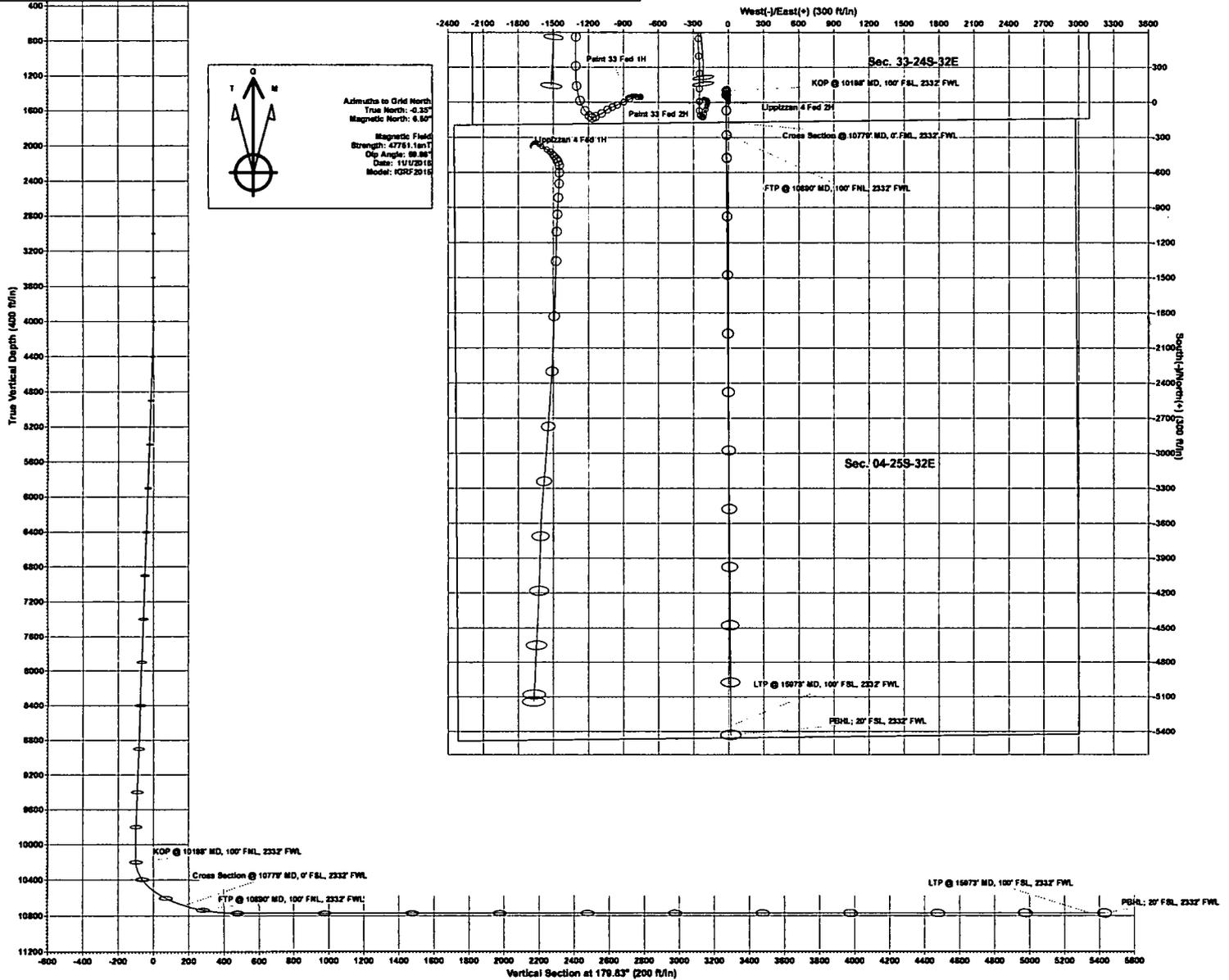
WELL DETAILS: Lippizzen 4 Fed 2H

RKB @ 3517.50R
3492.50

Northing 425187.23 Easting 743172.29 Latitude 32.187181 Longitude -103.681048

SECTION DETAILS Permit Plan 1

MD	Inc	Azi	TVD	+N-S	+E-W	Diag	Vsect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4000.00	0.00	0.00	4000.00	0.00	0.00	0.00	0.00	
4081.13	1.01	348.14	4081.12	0.70	-0.15	1.25	-0.70	
9750.29	1.01	348.14	9779.40	99.41	-20.88	0.00	-99.48	
5 9847.90	0.00	0.00	9847.00	100.00	-21.00	1.50	-100.06	
6 10197.94	0.00	0.00	10197.04	100.00	-21.00	0.00	-100.06	KOP @ 10198' MD, 100' FSL, 2332' FWL
7 11097.94	90.00	179.61	10770.00	-472.95	-17.14	10.00	472.89	
8 18053.48	90.00	179.61	10770.00	-5428.37	16.24	0.00	5428.40	PBHL: 20' FSL, 2332' FWL



Devon Energy – Lippizzan 4 Fed 2H

1. Geologic Formations

TVD of target	10770	Pilot hole depth	N/A
MD at TD:	16053	Deepest expected fresh water:	

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	896		
Salado	1106		
Base of Salt	4641		
Delaware	4671		
L Brushy Canyon	8301		
Bone Spring	8556		
Leonard 'A'	8706		
Leonard 'B'	9086		
Leonard 'C'	9306		
1st BSPG Sand	9836		
2nd BSPG Sand	10256		
L 2nd BSPG Sand	10746		
Landing Point	10770		
EOL	10710		

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight (PPF)	Grade	Conn.
	From	To				
17.5"	0	921	13.375"	48	H-40	STC
12.25"	0	4771	9.625"	40	J-55	BTC
8.75"	0	TD	5.5"	17	P-110	BTC
BLM Minimum Safety Factor				Collapse: 1.125	Burst: 1.00	Tension: 1.6 Dry 1.8 Wet

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h Must have table for contingency casing
- Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.
- Variance is requested for collapse rating on intermediate casing. Operator will keep pipe full while running casing. No losses are expected in subsequent hole section.
- Int casing shoe will be selected based on drilling data, gamma, and flows experienced while drilling. Setting depth will be revised accordingly if needed.
- A variance is requested to waive the centralizer requirement for the intermediate and production casing strings if drilling conditions dictate

Devon Energy – Lippizzan 4 Fed 2H

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program (3-String Primary Design)

Casing	# Sks	TOC	Wt. (lb/gal)	H ₂ O (gal/sk)	Yld (ft ³ /sack)	Slurry Description
Surface	962	Surf	13.2	6.33	1.33	Lead: Class C Cement + additives
Int	773	Surf	9	20.6	1.94	Lead: Class C Cement + additives
	196	500' above shoe	13.2	6.42	1.33	Tail: Class H / C + additives
Production	462	500' tieback	9	20.6	1.94	Lead: Class H / C + additives
	1026	KOP	13.2	5.31	1.6	Tail: Class H / C + additives

If a DV tool is ran the depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Slurry weights will be adjusted based on estimated fracture gradient of the formation. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet

Devon Energy – Lippizzan 4 Fed 2H

above current shoe. If cement is not returned to surface during the primary cement job on the surface casing string, a planned top job will be conducted immediately after completion of the primary job.

Casing String	% Excess
Surface	100%
Intermediate	50%
Production	10%

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
Int 1	13-5/8"	3M	Annular	X	50% of rated working pressure
			Blind Ram		
			Pipe Ram		3M
			Double Ram	X	
			Other*		
Production	13-5/8"	5M	Annular	X	50% of rated working pressure
			Blind Ram		
			Pipe Ram		5M
			Double Ram	X	
			Other*		
			Annular		
			Blind Ram		
			Pipe Ram		
			Double Ram		
			Other*		

5. Mud Program

6. Depth		Type	Weight (ppg)	Vis	Water Loss
From	To				
0	921	FW	8.5 – 9.0	28-34	N/C
921	4771	Brine	10 – 10.5	28-34	N/C
4771	TD	WBM	8.5 – 9.0	28-34	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	PVT/Pason/Visual Monitoring
---	-----------------------------

Devon Energy – Lippizzan 4 Fed 2H

6. Logging and Testing Procedures

Logging, Coring and Testing.	
X	Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
	Coring? If yes, explain

Additional logs planned	Interval
	Resistivity
	Density
X	CBL Production casing
X	Mud log KOP to TD

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	5040 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H2S is present
Y	H2S Plan attached

8. Other facets of operation

Is this a walking operation? Potentially

1. If operator elects, drilling rig will batch drill the surface holes and run/cement surface casing; walking the rig to next wells on the pad.
2. The drilling rig will then batch drill the intermediate sections and run/cement intermediate casing; the wellbore will be isolated with a blind flange and pressure gauge installed for monitoring the well before walking to the next well.
3. The drilling rig will then batch drill the production hole sections on the wells with OBM, run/cement production casing, and install TA caps or tubing heads for completions.

NOTE: During batch operations the drilling rig will be moved from well to well however, it will not be removed from the pad until all wells have production casing run/cemented.

Will be pre-setting casing? Potentially

1. Spudder rig will move in and drill surface hole.

Devon Energy – Lippizzan 4 Fed 2H

- a. Rig will utilize fresh water based mud to drill surface hole to TD. Solids control will be handled entirely on a closed loop basis.
2. After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
3. The wellhead will be installed and tested once the surface casing is cut off and the WOC time has been reached.
4. A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with a pressure gauge installed on the wellhead.
5. Spudder rig operations is expected to take 4-5 days per well on a multi well pad.
6. The NMOCD will be contacted and notified 24 hours prior to commencing spudder rig operations.
7. Drilling operations will be performed with the drilling rig. At that time an approved BOP stack will be nipped up and tested on the wellhead before drilling operations commences on each well.
 - a. The NMOCD will be contacted / notified 24 hours before the drilling rig moves back on to the pad with the pre-set surface casing.

Attachments

- Directional Plan
 Other, describe

A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.

Devon proposes using a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi.

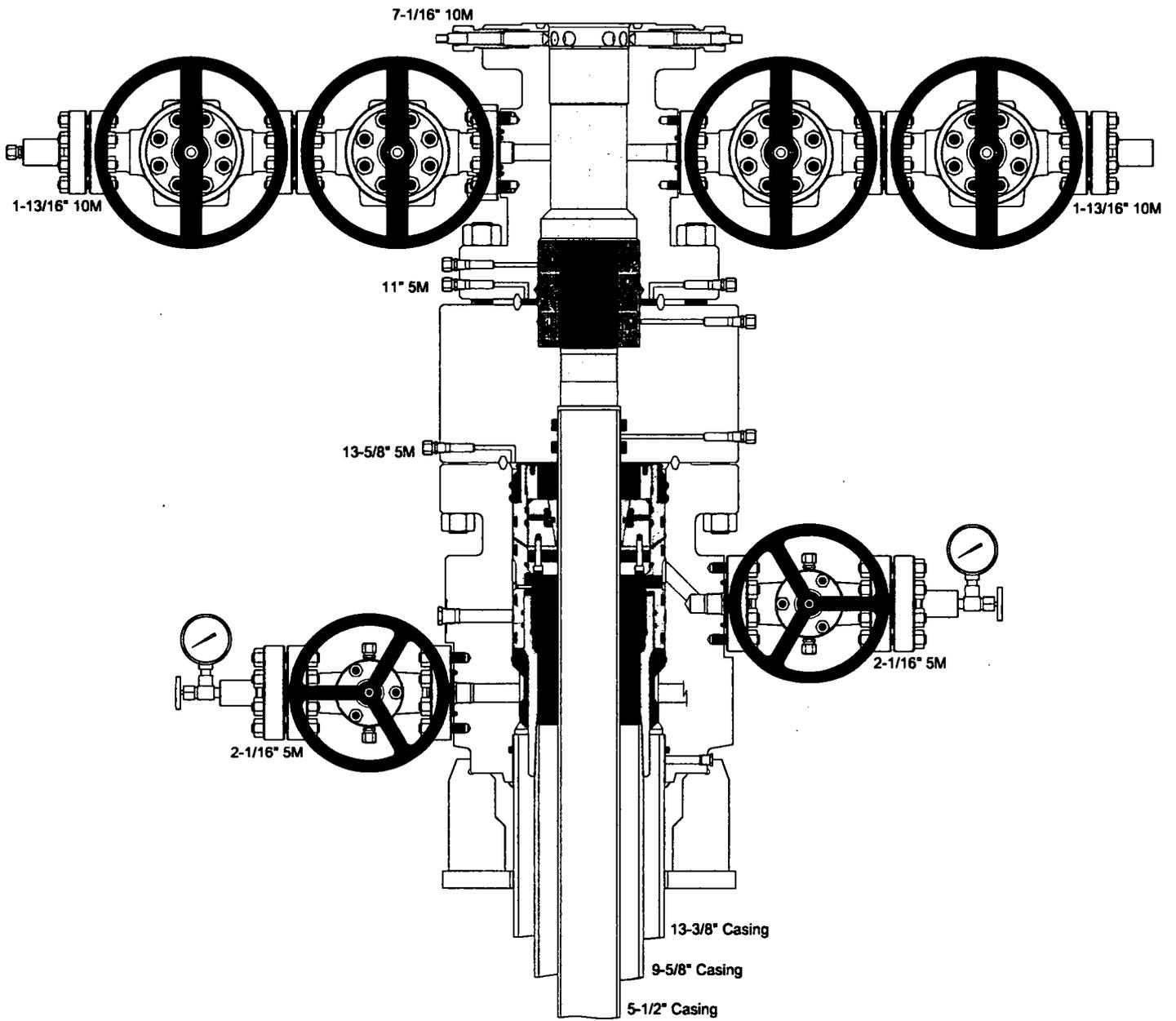
- Wellhead will be installed by wellhead representatives.
- If the welding is performed by a third party, the wellhead representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- Wellhead representative will install the test plug for the initial BOP test.
- Wellhead company will install a solid steel body pack-off to completely isolate the lower head after cementing intermediate casing. After installation of the pack-off, the pack-off and the lower flange will be tested to 5M, as shown on the attached schematic. Everything above the pack-off will not have been altered whatsoever from the initial nipple up. Therefore the BOP components will not be retested at that time.
- If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head will be cut and top out operations will be conducted.
- Devon will pressure test all seals above and below the mandrel (but still above the casing) to full working pressure rating.
- Devon will test the casing to 0.22 psi/ft or 1500 psi, whichever is greater, as per Onshore Order #2.

After running the 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 5M will be installed on the wellhead system and will undergo a 250 psi low pressure test followed by a 5,000 psi high pressure test. The 5,000 psi high and 250 psi low test will cover testing requirements a maximum of 30 days, as per Onshore Order #2. If the well is not complete within 30 days of this BOP test, another full BOP test will be conducted, as per Onshore Order #2.

After running the 9-5/8' intermediate casing with a mandrel hanger, the 13-5/8" BOP/BOPE system with a minimum rating of 5M will already be installed on the wellhead.

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 5,000 psi WP.

Devon's proposed wellhead manufactures will be FMC Technologies, Cactus Wellhead, or Cameron.





Commitment Runs Deep



Design Plan
Operation and Maintenance Plan
Closure Plan

SENM - Closed Loop Systems
June 2010

I. Design Plan

Devon uses MI SWACO closed loop system (CLS). The MI SWACO CLS is designed to maintain drill solids at or below 5%. The equipment is arranged to progressively remove solids from the largest to the smallest size. Drilling fluids can thus be reused and savings is realized on mud and disposal costs. Dewatering may be required with the centrifuges to insure removal of ultra fine solids.

The drilling location is constructed to allow storm water to flow to a central sump normally the cellar. This insures no contamination leaves the drilling pad in the event of a spill. Storm water is reused in the mud system or stored in a reserve fluid tank farm until it can be reused. All lubricants, oils, or chemicals are removed immediately from the ground to prevent the contamination of storm water. An oil trap is normally installed on the sump if an oil spill occurs during a storm.

A tank farm is utilized to store drilling fluids including fresh water and brine fluids. The tank farm is constructed on a 20 ml plastic lined, bermed pad to prevent the contamination of the drilling site during a spill. Fluids from other sites may be stored in these tanks for processing by the solids control equipment and reused in the mud system. At the end of the well the fluids are transported from the tank farm to an adjoining well or to the next well for the rig.

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

Signs will be posted on the fence surrounding the closed-loop system unless the closed-loop system is located on a site where there is an existing well, that is operated by Devon.

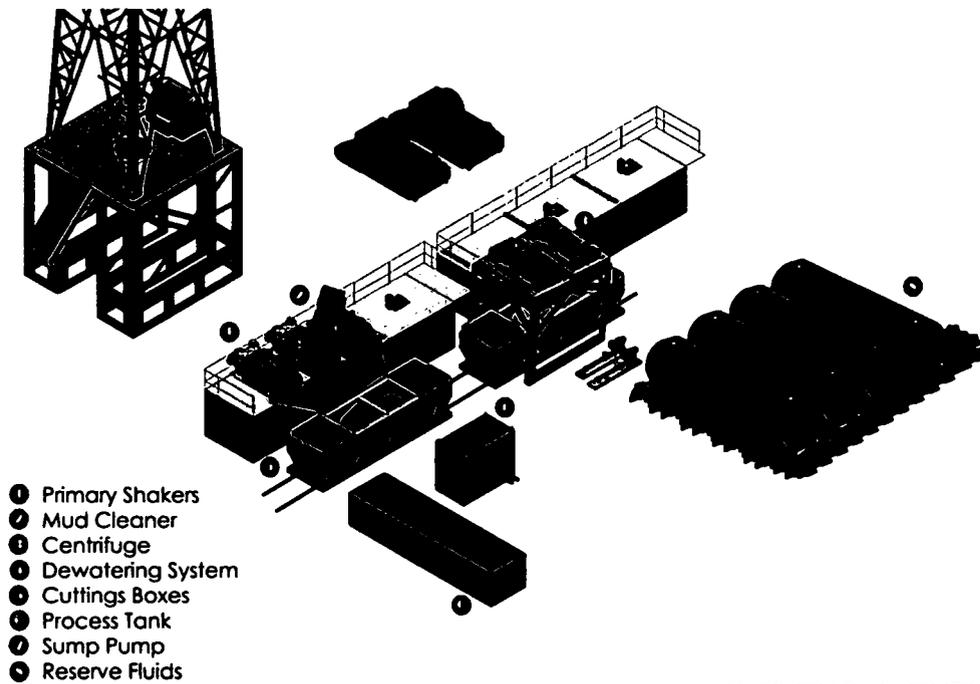
II. Operations and Maintenance Plan

Primary Shakers: The primary shakers make the first removal of drill solids from the drilling mud as it leaves the well bore. The shakers are sized to handle maximum drilling rate at optimal screen size. The shakers normally remove solids down to 74 microns.

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



Closed Loop Schematic



Centrifuges: The centrifuges can be one or two in number depending on the well geometry or depth of well. The centrifuges are sized to maintain low gravity solids at 5% or below. They may or may not need a dewatering system to enhance the removal rates. The centrifuges can make a cut point of 8-10 microns depending on bowl speed, feed rate, solids loading and other factors.

The centrifuge system is designed to work on the active system and be flexible to process incoming fluids from other locations. This set-up is also 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 Mi Swaco service technicians. Daily logs are maintained to ensure optimal equipment operation and maintenance. Screen and chemical use is logged to maintain inventory control. Fluid properties are monitored and recorded and drilling mud volumes are accounted for in the mud storage farm. This data is kept for end of well review to insure performance goals are met. Lessons learned are logged and used to help with continuous improvement.

A MI SWACO field supervisor manages from 3-5 wells. They are responsible for training personnel, supervising installations, and inspecting sites for compliance of MI SWACO safety and operational policy.

III. Closure Plan

A maximum 340' X 340' caliche pad is built per well. All of the trucks and steel tanks fit on this pad. All fluid cuttings go to the steel tanks to be hauled by various trucking companies to an agency approved disposal.



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

ContiTech Beattie Corp,
11535 Brittmoore Park Drive,
Houston, TX 77041
Phone: +1 (832) 327-0141
Fax: +1 (832) 327-0148
www.contitechbeattie.com



RIG 212



QUALITY DOCUMENT

PHOENIX RUBBER INDUSTRIAL LTD.

3728 Szeged, Budapesti út 10. Hungary • H-6701 Szeged, P. O. Box 152
Phone: (3682) 566-737 • Fax: (3682) 566-738

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

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE				CERT. N°: 552	
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°: 34128		NOMINAL / ACTUAL LENGTH: 11,43 m			
W.P. 68,96 MPa 10000 psi		T.P. 103,4 MPa 15000 psi		Duration: 60 min.	
<p>Pressure test with water at ambient temperature</p> <p style="text-align: center;">See attachment. (1 page)</p> <p>↑ 10 mm = 10 Min. → 10 mm = 25 MPa</p>					
COUPLINGS					
Type	Serial N°		Quality	Heat N°	
3" coupling with 4 1/16" Flange end	720 719		AISI 4130	C7626	
			AISI 4130	47357	
API Spec 16 C 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: 29. April. 2002.	Inspector		Quality Control		
			PHOENIX RUBBER Industrial Ltd. Hose Inspection and PHOENIX RUBBER S.C.		



APD ID: 10400035922

Submission Date: 11/08/2018

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Well Type: OIL WELL

Well Work Type: Drill

[Show Final Text](#)

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Lippizzan_4_Fed_2H_Ex_Access_Rd_20181106125428.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? NO

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Lippizzan_4_Fed_2H_1mile_Map_20181105055150.pdf

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: All flowlines will be buried going to the Lippizzan 4 Fed 1H CTB.

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: STIMULATION

Water source type: RECYCLED

Describe type:

Source latitude:

Source longitude:

Source datum:

Water source permit type: OTHER

Source land ownership: FEDERAL

Water source transport method: PIPELINE

Source transportation land ownership: FEDERAL

Water source volume (barrels): 103500

Source volume (acre-feet): 13.340435

Source volume (gal): 4347000

Water source and transportation map:

Lippizzan_4_Fed_2H_Wtr_Xfr_Map_20181106133147.pdf

Water source comments: The attached Water Transfer Map is a proposal only and the final route and documentation will be provided by a Devon contractor prior to installation. When available Devon will always follow existing disturbance.

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Dirt fill and caliche will be used to construct well pad. See attached map.

Construction Materials source location attachment:

Lippizzan_4_Fed_2H_Caliche_Pit_20181106130122.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Water based cuttings

Amount of waste: 1676 barrels

Waste disposal frequency : Daily

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL FACILITY

Disposal type description:

Disposal location description: All cuttings will be disposed of at R360, Sundance, or equivalent.

Waste type: COMPLETIONS/STIMULATION

Waste content description: Flow back water during completion operations.

Amount of waste: 3000 barrels

Waste disposal frequency : One Time Only

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL FACILITY

Disposal type description:

Disposal location description: Various disposal locations in Lea and Eddy counties.

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Waste type: PRODUCED WATER

Waste content description: Produced water during production operations. This amount is a daily average during the first year of production (BWPD).

Amount of waste: 1000 barrels

Waste disposal frequency : Daily

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: OFF-LEASE INJECTION **Disposal location ownership:** PRIVATE

Disposal type description:

Disposal location description: One of three company owned SWD facilities in the area: CDU 181, CDU 89, CDU 84.

Waste type: FLOWBACK

Waste content description: Produced water during flowback operations. This amount is a daily average during flowback (BWPD).

Amount of waste: 1500 barrels

Waste disposal frequency : Daily

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: OFF-LEASE INJECTION **Disposal location ownership:** PRIVATE

Disposal type description:

Disposal location description: One of three company owned SWD facilities in the area: CDU 181, CDU 89, CDU 84.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) **Reserve pit width (ft.)**

Reserve pit depth (ft.) **Reserve pit volume (cu. yd.)**

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Description of cuttings location

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Lippizzan_4_Fed_2H_Rig_Layout_20181105065216.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: PAINT 33 FED

Multiple Well Pad Number: 2H

Recontouring attachment:

Lippizzan_4_Fed_2H_Reclamation_20181106131107.pdf

Drainage/Erosion control construction: All areas disturbed shall be reclaimed as early and as nearly as practicable to their original condition or their final land use and shall be maintained to control dust and minimize erosion to the extent practicable.

Drainage/Erosion control reclamation: Topsoils and subsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns. The disturbed area then shall be reseeded in the first favorable growing season.

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Well pad proposed disturbance (acres): 2.974	Well pad interim reclamation (acres): 1.513	Well pad long term disturbance (acres): 1.461
Road proposed disturbance (acres): 0	Road interim reclamation (acres): 0	Road long term disturbance (acres): 0
Powerline proposed disturbance (acres): 0	Powerline interim reclamation (acres): 0	Powerline long term disturbance (acres): 0
Pipeline proposed disturbance (acres): 1.182	Pipeline interim reclamation (acres): 0	Pipeline long term disturbance (acres): 1.182
Other proposed disturbance (acres): 0	Other interim reclamation (acres): 0	Other long term disturbance (acres): 0
Total proposed disturbance: 4.156	Total interim reclamation: 1.513	Total long term disturbance: 2.643

Disturbance Comments: There will be a Pad Extension to the existing pad. See attached C-102 plat.

Reconstruction method: Operator will use Best Management Practices "BMP" to mechanically recontour to obtain the desired outcome.

Topsoil redistribution: Topsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns.

Soil treatment: Topsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns.

Existing Vegetation at the well pad:

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road:

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline:

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances:

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Seed Management

Seed Table

Seed type:

Seed source:

Seed name:

Source name:

Source address:

Source phone:

Seed cultivar:

Seed use location:

PLS pounds per acre:

Proposed seeding season:

Seed Summary

Total pounds/Acre:

Seed Summary	
Seed Type	Pounds/Acre

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Jacob

Last Name: Ochoa

Phone: (575)748-9934

Email: jacob.ochoa@dvn.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: Maintain weeds on an as need basis.

Weed treatment plan attachment:

Monitoring plan description: Monitor as needed.

Monitoring plan attachment:

Success standards: N/A

Pit closure description: N/A

Pit closure attachment:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

Section 11 - Surface Ownership

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: EXISTING ACCESS ROAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: WELL PAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: PIPELINE

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: LIPPIZZAN 4 FED

Well Number: 2H

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? NO

Use APD as ROW?

ROW Type(s):

ROW Applications

Use a previously conducted onsite? YES

Previous Onsite information: 5/15/2016 Paint 33 Fed 2H

Other SUPO Attachment

Lippizzan_4_Fed_2H_Flowline_20181106132745.pdf

Lippizzan_4_Fed_2H_Pad_Extension_20181106132746.pdf

Lippizzan_4_Fed_2H_Pad_Connect_Existing_Electric_20181106132747.pdf

Lippizzan_4_Fed_2H_Existing_CTB_20181108061716.pdf

Lippizzan_4_Fed_2H_Jeff_Robbins_SUA_3_18_15_20190131123234.pdf

**SECTION 33, T24S-R32E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ELECTRIC LINE PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

RICHARD JEFF ROBBINS

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW ¼) of Section 33, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land conveyed to Richard Jeff Robbins, by a Deed Recorded in Volume 464 Page 464 of the Deed Records of Lea County, New Mexico. Said centerline of easement being more particularly described as follows:

Commencing from a 1" iron pipe w/ BC 1916 found for the west quarter corner of Section 33, T24S-R32E, N.M.P.M., Lea County, New Mexico;

Thence S 04°34'50" E a distance of 637.38' to the **Point of Beginning** of this easement having coordinates of Northing=426980.34, Easting=741014.25 feet and continuing the following courses;

Thence S 12°34'58" E a distance of 30.63' to an angle point;

Thence S 00°22'24" E a distance of 1577.08' to an angle point;

Thence N 88°12'08" E a distance of 1258.77' to a point of intersection;

Thence S 01°49'38" E a distance of 55.75' to a point of termination of a portion of this easement where a 3" iron pipe w/BC 1916 for the southwest corner of said Section 33 bears for reference S 73°39'41" W a distance of 1361.90';

Thence resuming from the point of intersection N 88°12'08" E a distance of 666.10' to an angle point;

Thence S 01°47'22" E a distance of 60.05' to the **Point of Ending** having coordinates of Northing=425373.78, Easting=742956.99 feet from said point a 3" iron pipe w/ BC 1916 for the southeast corner of Section 33, T24S-R32E, bears S 84°05'17" E a distance of 3327.34', covering **3648.38' or 221.11 rods** and having an area of **2.502 acres**.

NOTES:

Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



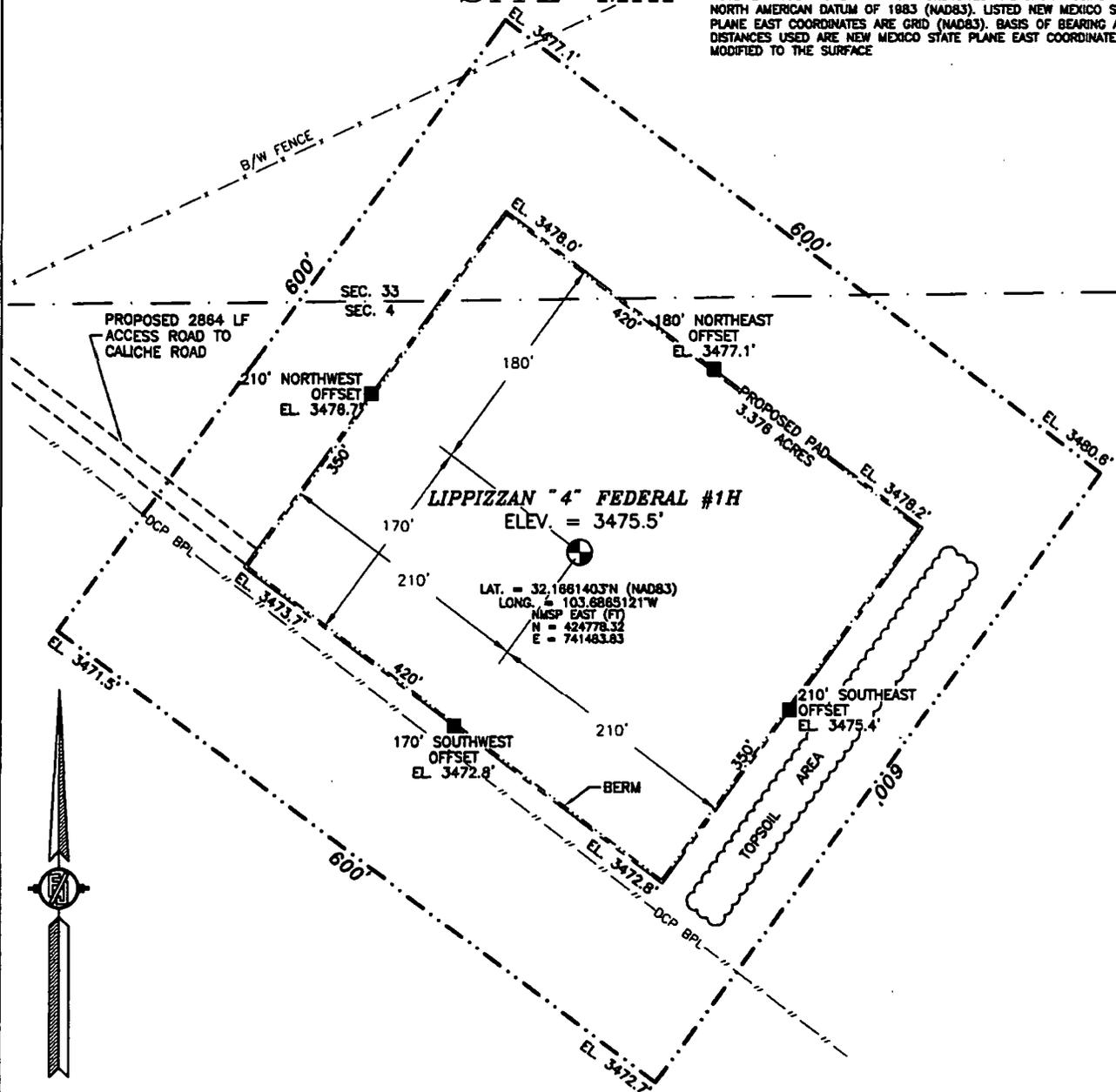
B.L. Laman PLS# 22404
Date Signed: 10-16-2015
Horizon Row, LLC
571 State Street Jasper, Tx
(409) 202-5111 75951
Employee of Horizon Row, LLC



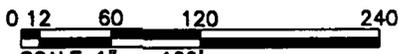
SECTION 4, TOWNSHIP 25 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE



LIPPIZZAN "4" FEDERAL #1H
ELEV. = 3475.5'
LAT. = 32.1661403°N (NAD83)
LONG. = 103.6865121°W
N.M.S.P. EAST (FT)
N = 424778.32
E = 741483.83



SCALE 1" = 120'
DIRECTIONS TO LOCATION
FROM STATE HIGHWAY 128 AND PAVED CR 1 (ORLA ROAD) GO SOUTH ON CR 1 2.4 MILES, TURN RIGHT ON CALICHE ROAD AND GO WEST 1.0 MILES, TURN LEFT AND GO SOUTH 0.35 MILES WHERE ROAD TURNS RIGHT, TURN RIGHT AND GO 489', TURN LEFT AND FOLLOW PROPOSED ROAD SURVEY FLAGS SOUTH 452', THEN SOUTHEAST FOR 2412' TO THE SOUTHWEST CORNER OF PROPOSED PAD FOR THIS LOCATION.

DEVON ENERGY PRODUCTION COMPANY, L.P.
LIPPIZZAN "4" FEDERAL #1H
LOCATED 200 FT. FROM THE NORTH LINE
AND 660 FT. FROM THE WEST LINE OF
SECTION 4, TOWNSHIP 25 SOUTH,
RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

OCTOBER 29, 2013

SURVEY NO. 2383

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO
(575) 234-3341

509

43612

PIPELINE, ELECTRIC LINE AND SURFACE EASEMENT AGREEMENT

Line Names: Lippizzan Lateral Segment 1
Lippizzan Lateral East Segment 2
CDU 32 Fed #1H Battery Connect
CDU 32 State Fed Com #1H Battery Connect
CDU 32 State Fed Com #3H Battery Connect
Lippizzan 4 Fed #1H Battery Connect

STATE OF NEW MEXICO

COUNTY OF LEA

This Pipeline, Electric Line and Surface Easement Agreement (the "Agreement") is entered into by and between Richard Jeff Robbins a.k.a. JEFF ROBBINS ("Grantor"), whose mailing address is 301 Orla Rd., Jal, New Mexico 88240, and DEVON ENERGY PRODUCTION COMPANY, L.P., ("Grantee"), whose mailing address is 333 West Sheridan, Oklahoma City, Oklahoma 73102-8260.

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants, bargains, sells, and conveys to Grantee, its successors and assigns, the right, privilege, right-of-way, and easement to construct, maintain, operate, inspect, repair, alter, replace, change the size of, and abandon in place or remove pipelines (either above or below the surface) and equipment and facilities appurtenant to those pipelines, including electric lines, as may be necessary or convenient for the transportation of oil, natural gas, petroleum products, or any other liquids (including freshwater and saltwater), gases (including inert gases), or substances by pipeline (the "Pipeline Easement") across, under, and through Grantor's lands in Lea County, New Mexico (the "Lands"), described as:

All that certain tract or parcel of land containing 640 acres, more or less, situated in the Section 33, Township 24 South, Range 32 East, Lea County, New Mexico and being the same lands described in that certain Quit Claim Deed dated September 18, 1990, conveyed from Odis Lee Robbins, a married man dealing with his sole and separate property, to Richard Jeff Robbins, also known as Jeff Robbins, a single man, recorded in Volume 466, Page 216, in the Deed Records of Lea County, New Mexico.

The Pipeline and Electric Line Easement will be located in the approximate locations depicted on the plats attached hereto as Exhibit "A" and incorporated herein for all purposes. During construction, maintenance, repair, replacement, or removal of any pipelines or electric lines, Grantee may temporarily utilize such additional work space adjacent to and parallel with the Easement as is necessary or convenient for purposes of moving and using vehicles and equipment and storing materials thereon. Moreover, if the route of the Pipeline and Electric Line Easement crosses any road, railroad, creek, waterway, uneven terrain, or other place requiring extra work space, Grantee will have the right and temporary access to such additional work space as may be reasonable and necessary. If Grantee must bore any portion of a pipeline, Grantor authorizes Grantee to dispose of the drilling mud generated during the pipeline boring operations by landfarming the drilling mud into the spoil piles located on or adjacent to the Easement.

For the same consideration recited above, Grantor also grants, bargains, sells, and conveys to Grantee, its successors and assigns, one (1) one hundred and twenty five-foot by one hundred and fifty-foot (125' x 150') above ground surface easement and one (1) thirty-foot by seventy five-foot (30' x 75') above ground surface easement and two (2) thirty-foot by fifty-foot (30' x 50') surface easements and two (2) thirty-foot by thirty-foot (30' x 30') surface easements (the "Surface Easements") for the purpose of erecting, constructing, maintaining, operating, inspecting, repairing, altering, changing the size of, and removing midstream operational facilities, including, but not limited to, vapor recovery units, tanks, valves, regulators, drips, meters, fittings, buildings, radio and electrical facilities, and such fittings and appropriate appurtenances to all those facilities as may be necessary or convenient for processing and/or transporting oil, natural gas, petroleum products, or any other liquids (including freshwater and saltwater), gases (including inert gases), or substances by pipeline. Grantee will have exclusive use and occupancy of the Surface Easements and Grantee may construct and maintain such telephone lines, electrical lines, or other utilities over, through, and across the Lands of Grantor as are reasonably necessary for Grantee's use of the Surface Easements. Grantee

may also enclose the Surface Easements with fencing and install facilities above or below the surface thereof. For purposes of this Agreement, the Pipeline Easement, Electric Line Easement and the Surface Easements are collectively referred to as the "Easement".

Grantee, its successors and assigns, have the right to hold the Easement so long as either the Pipeline Easement, Electric Line Easement or the Surface Easements is used by, or useful to, Grantee for the purposes stated herein. Grantor and Grantor's heirs, legal representatives, successors, and assigns are hereby bound to warrant and forever defend all and singular the Easement unto Grantee, its successors and assigns, against all persons whomsoever lawfully claiming or to claim the same, or any part thereof.

Grantor reserves the right to use the Lands in any manner that will not prevent or interfere with Grantee's exercise of the rights granted herein; provided, however, that Grantor may not: (a) construct, or permit to be constructed, any obstruction, building, improvement, or other structure on, over, or under the Easement without the express prior written consent of Grantee, to be given or withheld by Grantee in its sole discretion; (b) change the grade of the land over any of Grantee's pipelines; or (c) interfere with Grantee's exclusive use and occupancy of the Surface Easements in any way.

Grantee will have all of the rights and benefits necessary or convenient for Grantee's exercise of the rights granted herein, including, but not limited to, the right of ingress and egress over and across the Lands, the right to use any roads on the Lands of Grantor, and the right, from time to time, to cut all trees, undergrowth, and other obstructions on the Lands that, in Grantee's judgment, may injure, endanger, or interfere with the Easement.

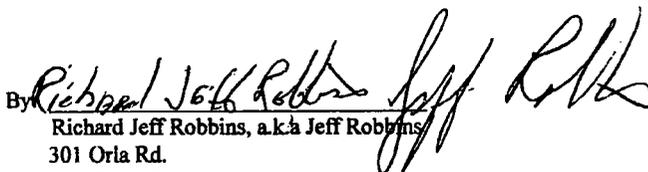
Grantee will bury all pipelines below normal plow depth. Grantee will pay for any physical damage to growing crops, timber, fences, or other structural improvements directly caused by Grantee's exercise of the rights granted herein, except for any damages caused by maintaining and clearing of the Easement as permitted herein. The parties agree that the consideration paid contemporaneously herewith includes payment for initial construction, crop, and land surface damages.

Grantee may assign this Agreement in whole or in part. This Agreement will be a covenant running with the land and will be binding on the parties and their respective heirs, executors, administrators, successors, and assigns.

This Agreement constitutes the complete and final expression of the parties' agreement relating to the subject matter and supersedes the parties' previous contracts, agreements, and understandings, whether oral or written, relating to such subject matter. This Agreement may not be modified, or any of the terms hereof waived, except by a written instrument referring specifically to this Agreement executed by the parties.

16 Grantor has executed this Pipeline, Electric Line and Surface Easement Agreement on this the day of March, 2015.

Grantor:

By 
Richard Jeff Robbins, a.k.a Jeff Robbins
301 Oria Rd.
Jal, NM 88240

BOOK 1997 PAGE 856

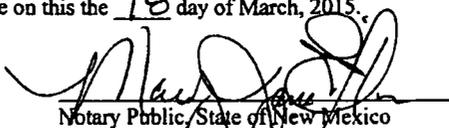
ACKNOWLEDGMENT

STATE OF NEW MEXICO

COUNTY OF Eddy

Before me, the undersigned authority, a Notary Public in and for the State of New Mexico, on this day personally appeared **Richard Jeff Robbins, a.k.a. Jeff Robbins**, known to me to be the person whose name is subscribed to the foregoing instrument, and he/she acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the 18th day of March, 2015.


Notary Public, State of New Mexico

My commission expires: 11-10-2015



Please return to:

Devon Energy Production Company, L.P.
Attn: Travis Phibbs
6488 7 Rivers Hwy
Artesia, NM 88210



Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Assigned injection well API number?

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Injection well name:

Injection well API number:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Bond Info Data Report

03/21/2019

Bond Information

Federal/Indian APD: FED

BLM Bond number: CO1104

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: