

Form 3160-3
(June 2015)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM089057
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		8. Lease Name and Well No. SHETLAND 2-11 STATE FED COM 713H
3a. Address 333 West Sheridan Avenue, Oklahoma City, OK 73102	3b. Phone No. (include area code) (800) 583-3866	9. API Well No. 3001547136
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENE / 170 FNL / 1160 FEL / LAT 32.0790267 / LONG -103.7439982 At proposed prod. zone SWSE / 330 FSL / 2310 FEL / LAT 32.0510783 / LONG -103.7477462		10. Field and Pool, or Exploratory JENNINGS BONE SPRING WEST/BONE
14. Distance in miles and direction from nearest town or post office*		11. Sec., T. R. M. or Blk. and Survey or Area SEC 2/T26S/R31E/NMP
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 170 feet		12. County or Parish EDDY
16. No of acres in lease 2160		13. State NM
17. Spacing Unit dedicated to this well 320.0		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 195 feet		20. BLM/BIA Bond No. in file FED: NMB000801
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3293 feet		22. Approximate date work will start* 12/01/2020
24. Attachments		23. Estimated duration 45 days

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)

- | | |
|--|---|
| 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) Jenny Harms / Ph: (800) 583-3866	Date 11/21/2019
Title Regulatory Compliance Professional		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575) 234-5959	Date 05/27/2020
Title Assistant Field Manager Lands & Minerals Office Carlsbad Field Office		

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

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.

Entered 06/02/2020 - KMS NMOCD



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 3001547136	² Pool Code 98220	³ Pool Name Purple Sage Wolfcamp
⁴ Property Code 328255	⁵ Property Name SHETLAND 2-11 STATE FED COM	
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁶ Well Number 713H
		⁹ Elevation 3292.9

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	2	26 S	31 E		170	NORTH	1160	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	11	26 S	31 E		330	SOUTH	2310	EAST	EDDY

¹² Dedicated Acres 320.640 acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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. VERTICAL DATUM NAVD83.

BOTTOM OF HOLE
LAT. = 32.0510783°N
LONG. = 103.7477462°W
NMSP EAST (FT)
N = 382812.29
E = 722763.20

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

JENNY HARMS
 Date: **11-8-2019**

Printed Name: **JENNY.HARMS@DVN.COM**

E-mail Address:

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: **AUGUST 8, 2019**

Signature and Seal of Professional Surveyor:
 Certificate Number: **FILIMON F. JARAMILLO, PLS 12797**
 SURVEY NO. 7474

Intent As Drilled

API #

Operator Name: DEVON ENERGY PRODUCTION CO., L.P.	Property Name: SHETLAND 2-11 STATE FED COM	Well Number 713H
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Kick Off Point (KOP)

UL A	Section 2	Township 26S	Range 31E	Lot	Feet 50 FNL	From N/S	Feet 2240 FEL	From E/W	County EDDY
Latitude 32.07937400					Longitude -103.74748300			NAD 83	

First Take Point (FTP)

UL B	Section 2	Township 26S	Range 31E	Lot	Feet 330	From N/S NORTH	Feet 2310	From E/W EAST	County EDDY
Latitude 32.0785791					Longitude 103.7477109			NAD 83	

Last Take Point (LTP)

UL O	Section 11	Township 26S	Range 31E	Lot	Feet 330	From N/S SOUTH	Feet 2310	From E/W EAST	County EDDY
Latitude 32.0510783					Longitude 103.7477462			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
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1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: November 8, 2019

Original Devon & OGRID No.: Devon Energy Production Co., L.P. 6137
 Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Devon to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
SHETLAND 11 FED 332H		LOT N, SEC 11, 26S, 31E	350 FSL 2110 FWL			THOROUGHBRED 10 CTB 3
SHETLAND 11-2 FED STATE COM 711H		LOT N, SEC 11, 26S, 31E	15 FSL 475 FWL			SHETLAND 11 CTB 2
SHETLAND 11-2 FED STATE COM 611H		LOT M, SEC 11, 26S, 31E	15 FSL 505 FWL			SHETLAND 11 CTB 2
SHETLAND 11-2 FED STATE COM 731H		LOT M, SEC 11, 26S, 31E	15 FSL 535 FWL			SHETLAND 11 CTB 2
SHETLAND 11-2 FED STATE COM 712H		LOT N, SEC 11, 26S, 31E	350 FSL 2080 FWL			SHETLAND 11 CTB 2
SHETLAND 11-2 FED STATE COM 732H		LOT N, SEC 11, 26S, 31E	350 FSL 2140 FWL			SHETLAND 11 CTB 2
SHETLAND 2-11 FED STATE COM 613H		LOT A, SEC 2, 26S, 31E	170 FNL 1130 FEL			SHETLAND 11 CTB 2
SHETLAND 2-11 FED STATE COM 713H		LOT A, SEC 2, 26S, 31E	170 FNL 1160 FEL			SHETLAND 11 CTB 2
SHETLAND 2-11 FED STATE COM 733H		LOT A, SEC 2, 26S, 31E	170 FNL 1100 FEL			SHETLAND 11 CTB 2
SHETLAND 2-11 FED STATE COM 333H		LOT A, SEC 2, 26S, 31E	170 FNL 1070 FEL			SHETLAND 11 CTB 2
SHETLAND 11 FED 714H		LOT A, SEC 11, 26S, 31E	445 FNL 930 FEL			SNAPPING 12 CTB 2
SHETLAND 11 FED 734H		LOT A, SEC 11, 26S, 31E	445 FNL 900 FEL			SNAPPING 12 CTB 2

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if DCP system is in place. The gas produced from production facility is dedicated to DCP and will be connected to DCP low/high pressure gathering system located in Lea County, New Mexico. It will require 0' of pipeline to connect the facility to low/high pressure gathering system. Devon provides (periodically) to DCP a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Devon and DCP have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at DCP Processing Plant located in the reference table. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities.

Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on DCP system at that time. Based on current information, it is Devon's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

Reference Table:

DCP Plant locations

Artesia Sec. 7, T18S, R28E,

Eunice Sec. 5, T21S, R36E

Linam Sec. 6, T19S, R37E

Zia II Sec. 19, T19S, R32E

1. Geologic Formations

TVD of target	11800	Pilot hole depth	N/A
MD at TD:	21917	Deepest expected fresh water	

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone?	Hazards*
Rustler	850		
Salt	1205		
Base of Salt	4185		
Delaware	4335		
Bell Canyon	4485		
Cherry Canyon	5195		
Brushy Canyon	6545		
Bone Spring 1st	8160		
Bone Spring 2nd	9835		
Bone Spring 3rd	10330		
Wolfcamp	11480		

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

2. Casing Program (Primary Design)

Hole Size	Casing Interval		Csg. Size	Wt (PPF)	Grade	Conn	Min SF Collapse	Min SF Burst	Min SF Tension
	From	To							
17 1/2	0	875 TVD	13 3/8	48.0	H40	STC	1.125	1.25	1.6
9 7/8	0	10330 TVD	7 5/8	29.7	P110	Flushmax III	1.125	1.25	1.6
6 3/4	0	TD	5 1/2	20.0	P110	Vam SG	1.125	1.25	1.6
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 IILB.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.
- A variance is requested for collapse rating on intermediate casing. Operator will keep pipe full while running casing.
- Int casing shoe will be selected based on drilling data/gamma, setting depth with be revised accordingly if needed.
- A variance is requested to wave the centralizer requirement for the Intermediate casing and production casing.
- A variance is requested to set intermediate casing in the curve if hole conditions dictate that a higher shoe strength is required.

Casing Program (Alternative Design)

Hole Size	Casing Interval		Csg. Size	Wt (PPF)	Grade	Conn	Min SF Collapse	Min SF Burst	Min SF Tension
	From	To							
17 1/2	0	875 TVD	13 3/8	48.0	H40	STC	1.125	1.25	1.6
9 7/8	0	10330 TVD	8 5/8	32.0	P110	TLW	1.125	1.25	1.6
7 7/8	0	TD	5 1/2	17.0	P110	BTC	1.125	1.25	1.6
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 IILB.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.
- A variance is requested for collapse rating on intermediate casing. Operator will keep pipe full while running casing.
- Int casing shoe will be selected based on drilling data/gamma, setting depth with be revised accordingly if needed.
- A variance is requested to wave the centralizer requirement for the Intermediate casing and production casing.
- Variance requested to drill 10.625" hole instead of 9.875" for intermediate 1, the 8.625" connection will change from TLW to BTC.
- A variance is requested to set intermediate casing in the curve if hole conditions dictate that a higher shoe strength is required.

Shetland 2-11 State Fed Com 713H

	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?	
If yes, does production casing cement tie back a minimum of 50' above the Reef?	N
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	N
Is well located in R-111-P and SOPA?	
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?	
If yes, are there two strings cemented to surface?	N
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	
If yes, are there three strings cemented to surface?	N

3. Cementing Program (Primary Design)

Casing	# Skis	TOC	Wt. (lb/gal)	Yld (ft3/sack)	Slurry Description
Surface	672	Surf	13.2	1.44	Lead: Class C Cement + additives
Int 1	617	Surf	9	3.27	Lead: Class C Cement + additives
	783	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
Int 1 Two Stage w/ DV @ TVD of Delaware	807	Surf	9	3.27	1st stage Lead: Class C Cement + additives
	93	500' above shoe	13.2	1.44	1st stage Tail: Class H / C + additives
	394	Surf	9	3.27	2nd stage Lead: Class C Cement + additives
	93	500' above DV	13.2	1.44	2nd stage Tail: Class H / C + additives
Int 1 Intermediate Squeeze	As Needed	Surf	9	1.44	Squeeze Lead: Class C Cement + additives
	617	Surf	9	3.27	Lead: Class C Cement + additives
	783	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
Production	59	9289	9.0	3.3	Lead: Class H / C + additives
	678	11289	13.2	1.4	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 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	50%
Intermediate 1	30%
Intermediate 1 (Two Stage)	25%
Prod	10%

3. Cementing Program (Alternative Design)

Casing	# Sks	TOC	Wt. ppg	Yld (ft ³ /sack)	Slurry Description
Surface	672	Surf	13.2	1.44	Lead: Class C Cement + additives
Int 1	401	Surf	9	3.27	Lead: Class C Cement + additives
	465	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
Int 1 Two Stage w DV @ ~4500	474	Surf	9	3.27	1st stage Lead: Class C Cement + additives
	55	500' above shoe	13.2	1.44	1st stage Tail: Class H / C + additives
	270	Surf	9	3.27	2nd stage Lead: Class C Cement + additives
	55	500' above DV	13.2	1.44	2nd stage Tail: Class H / C + additives
Int 1 Intermediate Squeeze	As Needed	Surf	13.2	1.44	Squeeze Lead: Class C Cement + additives
	401	Surf	9	3.27	Lead: Class C Cement + additives
	465	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
Int 1 (10.625" Hole Size)	583	Surf	9	3.27	Lead: Class C Cement + additives
	768	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
Production	117	9289	9.0	3.3	Lead: Class H / C + additives
	1407	11289	13.2	1.4	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 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	50%
Intermediate 1	30%
Intermediate 1 (Two Stage)	25%
Prod	10%

4. Pressure Control Equipment (Three String Design)

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
Int 1	13-5/8"	5M	Annular	X	50% of rated working pressure
			Blind Ram	X	5M
			Pipe Ram		
			Double Ram	X	
			Other*		
Production	13-5/8"	5M	Annular (5M)	X	50% of rated working pressure
			Blind Ram	X	5M
			Pipe Ram		
			Double Ram	X	
			Other*		
			Annular (5M)		
			Blind Ram		
			Pipe Ram		
			Double Ram		
			Other*		
N	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.				
Y	A variance is requested to run a 5 M annular on a 10M system				

5. Mud Program (Three String Design)

Section	Type	Weight (ppg)
Surface	FW Gel	8.5-9
Intermediate	DBE / Cut Brine	10-10.5
Production	OBM	10-10.5

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
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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
X	Mud log
	PEX
	Int. shoe to KOP
	Int. shoe to KOP
	Production casing
	Intermediate shoe to TD

7. Drilling Conditions

Condition	Specify what type and where?
BH pressure at deepest TVD	6443
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 batch drill surface hole.
 - 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 pa.
- 6 The NMOCD will be contacted and notified 24 hours prior to commencing spudder rig operations.
- 7 Drilling operations will be performed with drilling rig. A 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

- X Directional Plan
- Other, describe

WCDSC Permian NM

Eddy County (NAD 83 NM Eastern)

Sec 02-T26S-R31E

Shetland 2-11 State Fed Com 713H

Wellbore #1

Plan: Permit Plan 1

Standard Planning Report - Geographic

30 October, 2019

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Shetland 2-11 State Fed Com 713H
Company:	WCDCS Permian NM	TVD Reference:	RKB @ 3317.90ft
Project:	Eddy County (NAD 83 NM Eastern)	MD Reference:	RKB @ 3317.90ft
Site:	Sec 02-T26S-R31E	North Reference:	Grid
Well:	Shetland 2-11 State Fed Com 713H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permit Plan 1		

Project	Eddy County (NAD 83 NM Eastern)		
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 02-T26S-R31E				
Site Position:	Northing:	393,123.30 usft	Latitude:	32.079467	
From: Map	Easting:	719,706.10 usft	Longitude:	-103.757436	
Position Uncertainty:	5.00 ft	Slot Radius:	13-3/16 "	Grid Convergence:	0.31 °

Well	Shetland 2-11 State Fed Com 713H					
Well Position	+N/-S	0.00 ft	Northing:	392,985.68 usft	Latitude:	32.079027
	+E/-W	0.00 ft	Easting:	723,868.89 usft	Longitude:	-103.743999
Position Uncertainty		0.50 ft	Wellhead Elevation:		Ground Level:	3,292.90 ft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF2015	10/29/2019	(°)	(°)	(nT)
			6.77	59.87	47,592.07416815

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	186.20

Plan Survey Tool Program	Date	10/30/2019		
Depth From	Depth To	Survey (Wellbore)	Tool Name	Remarks
(ft)	(ft)			
1	0.00	21,917.25 Permit Plan 1 (Wellbore #1)	MWD+HDGM	
			OWSG MWD + HDGM	

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/-W	Dogleg	Build	Turn	TFO	Target
Depth	(°)	(°)	Depth	(ft)	(ft)	Rate	Rate	Rate	(°)	
(ft)			(ft)			(°/100usft)	(°/100usft)	(°/100usft)		
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,698.07	6.98	276.35	2,696.34	4.70	-42.21	1.00	1.00	0.00	276.35	
11,288.69	6.98	276.35	11,223.29	120.25	-1,079.85	0.00	0.00	0.00	0.00	
12,196.70	90.00	179.75	11,800.00	-452.95	-1,147.53	10.00	9.14	-10.64	-96.55	
21,917.25	90.00	179.75	11,800.00	-10,173.41	-1,105.69	0.00	0.00	0.00	0.00	PBHL - Shetland 2-11

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Shetland 2-11 State Fed Com 713H
Company:	WCDSO Permian NM	TVD Reference:	RKB @ 3317.90ft
Project:	Eddy County (NAD 83 NM Eastern)	MD Reference:	RKB @ 3317.90ft
Site:	Sec 02-T26S-R31E	North Reference:	Grid
Well:	Shetland 2-11 State Fed Com 713H	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	392,985.68	723,868.89	32.079027	-103.743999	
100.00	0.00	0.00	100.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
200.00	0.00	0.00	200.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
300.00	0.00	0.00	300.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
400.00	0.00	0.00	400.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
500.00	0.00	0.00	500.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
600.00	0.00	0.00	600.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
700.00	0.00	0.00	700.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
800.00	0.00	0.00	800.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
900.00	0.00	0.00	900.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,000.00	0.00	0.00	1,000.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,100.00	0.00	0.00	1,100.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,200.00	0.00	0.00	1,200.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,300.00	0.00	0.00	1,300.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,400.00	0.00	0.00	1,400.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,500.00	0.00	0.00	1,500.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,600.00	0.00	0.00	1,600.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,700.00	0.00	0.00	1,700.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,800.00	0.00	0.00	1,800.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
1,900.00	0.00	0.00	1,900.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	392,985.68	723,868.89	32.079027	-103.743999	
2,100.00	1.00	276.35	2,099.99	0.10	-0.87	392,985.78	723,868.02	32.079027	-103.744001	
2,200.00	2.00	276.35	2,199.96	0.39	-3.47	392,986.07	723,865.42	32.079028	-103.744010	
2,300.00	3.00	276.35	2,299.86	0.87	-7.80	392,986.55	723,861.08	32.079029	-103.744024	
2,400.00	4.00	276.35	2,399.68	1.54	-13.87	392,987.22	723,855.02	32.079031	-103.744043	
2,500.00	5.00	276.35	2,499.37	2.41	-21.67	392,988.09	723,847.22	32.079034	-103.744068	
2,600.00	6.00	276.35	2,598.90	3.47	-31.19	392,989.15	723,837.69	32.079037	-103.744099	
2,698.07	6.98	276.35	2,696.34	4.70	-42.21	392,990.38	723,826.68	32.079040	-103.744135	
2,700.00	6.98	276.35	2,698.26	4.73	-42.44	392,990.41	723,826.44	32.079040	-103.744135	
2,800.00	6.98	276.35	2,797.52	6.07	-54.52	392,991.75	723,814.36	32.079044	-103.744174	
2,900.00	6.98	276.35	2,896.78	7.42	-66.60	392,993.10	723,802.28	32.079048	-103.744213	
3,000.00	6.98	276.35	2,996.04	8.76	-78.68	392,994.44	723,790.21	32.079052	-103.744252	
3,100.00	6.98	276.35	3,095.29	10.11	-90.76	392,995.79	723,778.13	32.079056	-103.744291	
3,200.00	6.98	276.35	3,194.55	11.45	-102.84	392,997.13	723,766.05	32.079060	-103.744330	
3,300.00	6.98	276.35	3,293.81	12.80	-114.92	392,998.48	723,753.97	32.079064	-103.744369	
3,400.00	6.98	276.35	3,393.07	14.14	-127.00	392,999.82	723,741.89	32.079068	-103.744408	
3,500.00	6.98	276.35	3,492.33	15.49	-139.07	393,001.17	723,729.81	32.079071	-103.744447	
3,600.00	6.98	276.35	3,591.59	16.83	-151.15	393,002.51	723,717.73	32.079075	-103.744486	
3,700.00	6.98	276.35	3,690.85	18.18	-163.23	393,003.86	723,705.65	32.079079	-103.744525	
3,800.00	6.98	276.35	3,790.11	19.52	-175.31	393,005.20	723,693.58	32.079083	-103.744564	
3,900.00	6.98	276.35	3,889.36	20.87	-187.39	393,006.55	723,681.50	32.079087	-103.744603	
4,000.00	6.98	276.35	3,988.62	22.21	-199.47	393,007.89	723,669.42	32.079091	-103.744642	
4,100.00	6.98	276.35	4,087.88	23.56	-211.55	393,009.24	723,657.34	32.079095	-103.744681	
4,200.00	6.98	276.35	4,187.14	24.90	-223.63	393,010.58	723,645.26	32.079099	-103.744720	
4,300.00	6.98	276.35	4,286.40	26.25	-235.70	393,011.93	723,633.18	32.079103	-103.744759	
4,400.00	6.98	276.35	4,385.66	27.59	-247.78	393,013.27	723,621.10	32.079106	-103.744798	
4,500.00	6.98	276.35	4,484.92	28.94	-259.86	393,014.62	723,609.02	32.079110	-103.744837	
4,600.00	6.98	276.35	4,584.18	30.28	-271.94	393,015.96	723,596.95	32.079114	-103.744876	
4,700.00	6.98	276.35	4,683.43	31.63	-284.02	393,017.31	723,584.87	32.079118	-103.744915	
4,800.00	6.98	276.35	4,782.69	32.97	-296.10	393,018.65	723,572.79	32.079122	-103.744954	
4,900.00	6.98	276.35	4,881.95	34.32	-308.18	393,020.00	723,560.71	32.079126	-103.744993	
5,000.00	6.98	276.35	4,981.21	35.66	-320.26	393,021.34	723,548.63	32.079130	-103.745032	
5,100.00	6.98	276.35	5,080.47	37.01	-332.33	393,022.69	723,536.55	32.079134	-103.745071	
5,200.00	6.98	276.35	5,179.73	38.35	-344.41	393,024.03	723,524.47	32.079137	-103.745110	
5,300.00	6.98	276.35	5,278.99	39.70	-356.49	393,025.38	723,512.39	32.079141	-103.745149	

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Shetland 2-11 State Fed Com 713H
Company:	WCDCS Permian NM	TVD Reference:	RKB @ 3317.90ft
Project:	Eddy County (NAD 83 NM Eastern)	MD Reference:	RKB @ 3317.90ft
Site:	Sec 02-T26S-R31E	North Reference:	Grid
Well:	Shetland 2-11 State Fed Com 713H	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	6.98	276.35	5,378.25	41.04	-368.57	393,026.72	723,500.32	32.079145	-103.745188	
5,500.00	6.98	276.35	5,477.50	42.39	-380.65	393,028.07	723,488.24	32.079149	-103.745227	
5,600.00	6.98	276.35	5,576.76	43.73	-392.73	393,029.41	723,476.16	32.079153	-103.745266	
5,700.00	6.98	276.35	5,676.02	45.08	-404.81	393,030.76	723,464.08	32.079157	-103.745305	
5,800.00	6.98	276.35	5,775.28	46.42	-416.89	393,032.10	723,452.00	32.079161	-103.745344	
5,900.00	6.98	276.35	5,874.54	47.77	-428.96	393,033.45	723,439.92	32.079165	-103.745383	
6,000.00	6.98	276.35	5,973.80	49.11	-441.04	393,034.79	723,427.84	32.079168	-103.745422	
6,100.00	6.98	276.35	6,073.06	50.46	-453.12	393,036.14	723,415.77	32.079172	-103.745461	
6,200.00	6.98	276.35	6,172.32	51.80	-465.20	393,037.48	723,403.69	32.079176	-103.745500	
6,300.00	6.98	276.35	6,271.57	53.15	-477.28	393,038.83	723,391.61	32.079180	-103.745538	
6,400.00	6.98	276.35	6,370.83	54.49	-489.36	393,040.17	723,379.53	32.079184	-103.745577	
6,500.00	6.98	276.35	6,470.09	55.84	-501.44	393,041.52	723,367.45	32.079188	-103.745616	
6,600.00	6.98	276.35	6,569.35	57.18	-513.52	393,042.86	723,355.37	32.079192	-103.745655	
6,700.00	6.98	276.35	6,668.61	58.53	-525.59	393,044.21	723,343.29	32.079196	-103.745694	
6,800.00	6.98	276.35	6,767.87	59.87	-537.67	393,045.55	723,331.21	32.079199	-103.745733	
6,900.00	6.98	276.35	6,867.13	61.22	-549.75	393,046.90	723,319.14	32.079203	-103.745772	
7,000.00	6.98	276.35	6,966.39	62.56	-561.83	393,048.24	723,307.06	32.079207	-103.745811	
7,100.00	6.98	276.35	7,065.64	63.91	-573.91	393,049.59	723,294.98	32.079211	-103.745850	
7,200.00	6.98	276.35	7,164.90	65.25	-585.99	393,050.93	723,282.90	32.079215	-103.745889	
7,300.00	6.98	276.35	7,264.16	66.60	-598.07	393,052.28	723,270.82	32.079219	-103.745928	
7,400.00	6.98	276.35	7,363.42	67.94	-610.15	393,053.62	723,258.74	32.079223	-103.745967	
7,500.00	6.98	276.35	7,462.68	69.29	-622.22	393,054.97	723,246.66	32.079227	-103.746006	
7,600.00	6.98	276.35	7,561.94	70.63	-634.30	393,056.31	723,234.58	32.079230	-103.746045	
7,700.00	6.98	276.35	7,661.20	71.98	-646.38	393,057.66	723,222.51	32.079234	-103.746084	
7,800.00	6.98	276.35	7,760.46	73.32	-658.46	393,059.00	723,210.43	32.079238	-103.746123	
7,900.00	6.98	276.35	7,859.71	74.67	-670.54	393,060.35	723,198.35	32.079242	-103.746162	
8,000.00	6.98	276.35	7,958.97	76.01	-682.62	393,061.69	723,186.27	32.079246	-103.746201	
8,100.00	6.98	276.35	8,058.23	77.36	-694.70	393,063.04	723,174.19	32.079250	-103.746240	
8,200.00	6.98	276.35	8,157.49	78.70	-706.78	393,064.38	723,162.11	32.079254	-103.746279	
8,300.00	6.98	276.35	8,256.75	80.05	-718.85	393,065.73	723,150.03	32.079258	-103.746318	
8,400.00	6.98	276.35	8,356.01	81.39	-730.93	393,067.07	723,137.95	32.079262	-103.746357	
8,500.00	6.98	276.35	8,455.27	82.74	-743.01	393,068.42	723,125.88	32.079265	-103.746396	
8,600.00	6.98	276.35	8,554.52	84.09	-755.09	393,069.76	723,113.80	32.079269	-103.746435	
8,700.00	6.98	276.35	8,653.78	85.43	-767.17	393,071.11	723,101.72	32.079273	-103.746474	
8,800.00	6.98	276.35	8,753.04	86.78	-779.25	393,072.45	723,089.64	32.079277	-103.746513	
8,900.00	6.98	276.35	8,852.30	88.12	-791.33	393,073.80	723,077.56	32.079281	-103.746552	
9,000.00	6.98	276.35	8,951.56	89.47	-803.41	393,075.14	723,065.48	32.079285	-103.746591	
9,100.00	6.98	276.35	9,050.82	90.81	-815.48	393,076.49	723,053.40	32.079289	-103.746630	
9,200.00	6.98	276.35	9,150.08	92.16	-827.56	393,077.83	723,041.32	32.079293	-103.746669	
9,300.00	6.98	276.35	9,249.34	93.50	-839.64	393,079.18	723,029.25	32.079296	-103.746708	
9,400.00	6.98	276.35	9,348.59	94.85	-851.72	393,080.52	723,017.17	32.079300	-103.746747	
9,500.00	6.98	276.35	9,447.85	96.19	-863.80	393,081.87	723,005.09	32.079304	-103.746786	
9,600.00	6.98	276.35	9,547.11	97.54	-875.88	393,083.21	722,993.01	32.079308	-103.746825	
9,700.00	6.98	276.35	9,646.37	98.88	-887.96	393,084.56	722,980.93	32.079312	-103.746864	
9,800.00	6.98	276.35	9,745.63	100.23	-900.04	393,085.90	722,968.85	32.079316	-103.746903	
9,900.00	6.98	276.35	9,844.89	101.57	-912.11	393,087.25	722,956.77	32.079320	-103.746942	
10,000.00	6.98	276.35	9,944.15	102.92	-924.19	393,088.59	722,944.70	32.079324	-103.746980	
10,100.00	6.98	276.35	10,043.41	104.26	-936.27	393,089.94	722,932.62	32.079327	-103.747019	
10,200.00	6.98	276.35	10,142.66	105.61	-948.35	393,091.28	722,920.54	32.079331	-103.747058	
10,300.00	6.98	276.35	10,241.92	106.95	-960.43	393,092.63	722,908.46	32.079335	-103.747097	
10,400.00	6.98	276.35	10,341.18	108.30	-972.51	393,093.97	722,896.38	32.079339	-103.747136	
10,500.00	6.98	276.35	10,440.44	109.64	-984.59	393,095.32	722,884.30	32.079343	-103.747175	
10,600.00	6.98	276.35	10,539.70	110.99	-996.67	393,096.66	722,872.22	32.079347	-103.747214	
10,700.00	6.98	276.35	10,638.96	112.33	-1,008.74	393,098.01	722,860.14	32.079351	-103.747253	
10,800.00	6.98	276.35	10,738.22	113.68	-1,020.82	393,099.35	722,848.07	32.079355	-103.747292	

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Shetland 2-11 State Fed Com 713H
Company:	WCDCS Permian NM	TVD Reference:	RKB @ 3317.90ft
Project:	Eddy County (NAD 83 NM Eastern)	MD Reference:	RKB @ 3317.90ft
Site:	Sec 02-T26S-R31E	North Reference:	Grid
Well:	Shetland 2-11 State Fed Com 713H	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	
10,900.00	6.98	276.35	10,837.48	115.02	-1,032.90	393,100.70	722,835.99	32.079358	-103.747331	
11,000.00	6.98	276.35	10,936.73	116.37	-1,044.98	393,102.05	722,823.91	32.079362	-103.747370	
11,100.00	6.98	276.35	11,035.99	117.71	-1,057.06	393,103.39	722,811.83	32.079366	-103.747409	
11,200.00	6.98	276.35	11,135.25	119.06	-1,069.14	393,104.74	722,799.75	32.079370	-103.747448	
11,288.69	6.98	276.35	11,223.28	120.25	-1,079.85	393,105.93	722,789.04	32.079374	-103.747483	
KOP @ 11289' MD, 50' FNL, 2240' FEL										
11,300.00	6.94	267.02	11,234.51	120.29	-1,081.22	393,105.97	722,787.67	32.079374	-103.747487	
11,400.00	12.42	213.27	11,333.23	110.96	-1,093.18	393,096.64	722,775.71	32.079348	-103.747526	
11,500.00	21.43	197.80	11,428.84	84.51	-1,104.70	393,070.18	722,764.19	32.079276	-103.747564	
11,600.00	31.04	191.41	11,518.45	41.73	-1,115.41	393,027.41	722,753.47	32.079158	-103.747599	
11,700.00	40.82	187.85	11,599.33	-16.07	-1,125.00	392,969.61	722,743.89	32.078999	-103.747631	
11,800.00	50.68	185.47	11,669.03	-87.13	-1,133.17	392,898.55	722,735.71	32.078804	-103.747659	
11,889.00	59.48	183.87	11,719.93	-159.79	-1,139.05	392,825.89	722,729.84	32.078605	-103.747679	
FTP @ 11889' MD, 330' FNL, 2310' FEL										
11,900.00	60.57	183.69	11,725.43	-169.30	-1,139.68	392,816.38	722,729.21	32.078579	-103.747681	
12,000.00	70.48	182.22	11,766.81	-260.08	-1,144.32	392,725.60	722,724.57	32.078329	-103.747698	
12,100.00	80.40	180.93	11,791.92	-356.71	-1,146.96	392,628.97	722,721.93	32.078063	-103.747708	
12,196.70	90.00	179.75	11,800.00	-452.95	-1,147.53	392,532.73	722,721.36	32.077799	-103.747711	
12,200.00	90.00	179.75	11,800.00	-456.25	-1,147.52	392,529.43	722,721.37	32.077790	-103.747711	
12,300.00	90.00	179.75	11,800.00	-556.25	-1,147.09	392,429.43	722,721.80	32.077515	-103.747712	
12,400.00	90.00	179.75	11,800.00	-656.25	-1,146.66	392,329.43	722,722.23	32.077240	-103.747712	
12,500.00	90.00	179.75	11,800.00	-756.25	-1,146.22	392,229.43	722,722.66	32.076965	-103.747712	
12,600.00	90.00	179.75	11,800.00	-856.25	-1,145.79	392,129.43	722,723.09	32.076690	-103.747713	
12,700.00	90.00	179.75	11,800.00	-956.25	-1,145.36	392,029.43	722,723.52	32.076415	-103.747713	
12,800.00	90.00	179.75	11,800.00	-1,056.25	-1,144.93	391,929.44	722,723.96	32.076141	-103.747713	
12,900.00	90.00	179.75	11,800.00	-1,156.24	-1,144.50	391,829.44	722,724.39	32.075866	-103.747714	
13,000.00	90.00	179.75	11,800.00	-1,256.24	-1,144.07	391,729.44	722,724.82	32.075591	-103.747714	
13,100.00	90.00	179.75	11,800.00	-1,356.24	-1,143.64	391,629.44	722,725.25	32.075316	-103.747715	
13,200.00	90.00	179.75	11,800.00	-1,456.24	-1,143.21	391,529.44	722,725.68	32.075041	-103.747715	
13,300.00	90.00	179.75	11,800.00	-1,556.24	-1,142.78	391,429.44	722,726.11	32.074766	-103.747715	
13,400.00	90.00	179.75	11,800.00	-1,656.24	-1,142.35	391,329.44	722,726.54	32.074491	-103.747716	
13,500.00	90.00	179.75	11,800.00	-1,756.24	-1,141.92	391,229.44	722,726.97	32.074216	-103.747716	
13,600.00	90.00	179.75	11,800.00	-1,856.24	-1,141.49	391,129.44	722,727.40	32.073941	-103.747716	
13,700.00	90.00	179.75	11,800.00	-1,956.24	-1,141.06	391,029.45	722,727.83	32.073667	-103.747717	
13,800.00	90.00	179.75	11,800.00	-2,056.24	-1,140.63	390,929.45	722,728.26	32.073392	-103.747717	
13,900.00	90.00	179.75	11,800.00	-2,156.24	-1,140.20	390,829.45	722,728.69	32.073117	-103.747717	
14,000.00	90.00	179.75	11,800.00	-2,256.23	-1,139.77	390,729.45	722,729.12	32.072842	-103.747718	
14,100.00	90.00	179.75	11,800.00	-2,356.23	-1,139.34	390,629.45	722,729.55	32.072567	-103.747718	
14,200.00	90.00	179.75	11,800.00	-2,456.23	-1,138.91	390,529.45	722,729.98	32.072292	-103.747719	
14,300.00	90.00	179.75	11,800.00	-2,556.23	-1,138.48	390,429.45	722,730.41	32.072017	-103.747719	
14,400.00	90.00	179.75	11,800.00	-2,656.23	-1,138.05	390,329.45	722,730.84	32.071742	-103.747719	
14,500.00	90.00	179.75	11,800.00	-2,756.23	-1,137.62	390,229.45	722,731.27	32.071467	-103.747720	
14,600.00	90.00	179.75	11,800.00	-2,856.23	-1,137.19	390,129.46	722,731.70	32.071193	-103.747720	
14,700.00	90.00	179.75	11,800.00	-2,956.23	-1,136.76	390,029.46	722,732.13	32.070918	-103.747720	
14,800.00	90.00	179.75	11,800.00	-3,056.23	-1,136.33	389,929.46	722,732.56	32.070643	-103.747721	
14,900.00	90.00	179.75	11,800.00	-3,156.23	-1,135.89	389,829.46	722,732.99	32.070368	-103.747721	
15,000.00	90.00	179.75	11,800.00	-3,256.22	-1,135.46	389,729.46	722,733.42	32.070093	-103.747721	
15,100.00	90.00	179.75	11,800.00	-3,356.22	-1,135.03	389,629.46	722,733.85	32.069818	-103.747722	
15,200.00	90.00	179.75	11,800.00	-3,456.22	-1,134.60	389,529.46	722,734.28	32.069543	-103.747722	
15,300.00	90.00	179.75	11,800.00	-3,556.22	-1,134.17	389,429.46	722,734.72	32.069268	-103.747723	
15,400.00	90.00	179.75	11,800.00	-3,656.22	-1,133.74	389,329.46	722,735.15	32.068993	-103.747723	
15,500.00	90.00	179.75	11,800.00	-3,756.22	-1,133.31	389,229.47	722,735.58	32.068719	-103.747723	
15,600.00	90.00	179.75	11,800.00	-3,856.22	-1,132.88	389,129.47	722,736.01	32.068444	-103.747724	
15,700.00	90.00	179.75	11,800.00	-3,956.22	-1,132.45	389,029.47	722,736.44	32.068169	-103.747724	

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Shetland 2-11 State Fed Com 713H
Company:	WCDSO Permian NM	TVD Reference:	RKB @ 3317.90ft
Project:	Eddy County (NAD 83 NM Eastern)	MD Reference:	RKB @ 3317.90ft
Site:	Sec 02-T26S-R31E	North Reference:	Grid
Well:	Shetland 2-11 State Fed Com 713H	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	
15,800.00	90.00	179.75	11,800.00	-4,056.22	-1,132.02	388,929.47	722,736.87	32.067894	-103.747724	
15,900.00	90.00	179.75	11,800.00	-4,156.22	-1,131.59	388,829.47	722,737.30	32.067619	-103.747725	
16,000.00	90.00	179.75	11,800.00	-4,256.22	-1,131.16	388,729.47	722,737.73	32.067344	-103.747725	
16,100.00	90.00	179.75	11,800.00	-4,356.21	-1,130.73	388,629.47	722,738.16	32.067069	-103.747725	
16,200.00	90.00	179.75	11,800.00	-4,456.21	-1,130.30	388,529.47	722,738.59	32.066794	-103.747726	
16,300.00	90.00	179.75	11,800.00	-4,556.21	-1,129.87	388,429.47	722,739.02	32.066520	-103.747726	
16,400.00	90.00	179.75	11,800.00	-4,656.21	-1,129.44	388,329.48	722,739.45	32.066245	-103.747727	
16,500.00	90.00	179.75	11,800.00	-4,756.21	-1,129.01	388,229.48	722,739.88	32.065970	-103.747727	
16,600.00	90.00	179.75	11,800.00	-4,856.21	-1,128.58	388,129.48	722,740.31	32.065695	-103.747727	
16,700.00	90.00	179.75	11,800.00	-4,956.21	-1,128.15	388,029.48	722,740.74	32.065420	-103.747728	
16,800.00	90.00	179.75	11,800.00	-5,056.21	-1,127.72	387,929.48	722,741.17	32.065145	-103.747728	
16,891.00	90.00	179.75	11,800.00	-5,147.21	-1,127.33	387,838.48	722,741.56	32.064895	-103.747728	
Cross section @ 16891' MD, 0' FNL, 2310' FEL										
16,900.00	90.00	179.75	11,800.00	-5,156.21	-1,127.29	387,829.48	722,741.60	32.064870	-103.747728	
17,000.00	90.00	179.75	11,800.00	-5,256.21	-1,126.86	387,729.48	722,742.03	32.064595	-103.747729	
17,100.00	90.00	179.75	11,800.00	-5,356.21	-1,126.43	387,629.48	722,742.46	32.064320	-103.747729	
17,200.00	90.00	179.75	11,800.00	-5,456.20	-1,126.00	387,529.49	722,742.89	32.064046	-103.747729	
17,300.00	90.00	179.75	11,800.00	-5,556.20	-1,125.57	387,429.49	722,743.32	32.063771	-103.747730	
17,400.00	90.00	179.75	11,800.00	-5,656.20	-1,125.13	387,329.49	722,743.75	32.063496	-103.747730	
17,500.00	90.00	179.75	11,800.00	-5,756.20	-1,124.70	387,229.49	722,744.18	32.063221	-103.747731	
17,600.00	90.00	179.75	11,800.00	-5,856.20	-1,124.27	387,129.49	722,744.61	32.062946	-103.747731	
17,700.00	90.00	179.75	11,800.00	-5,956.20	-1,123.84	387,029.49	722,745.04	32.062671	-103.747731	
17,800.00	90.00	179.75	11,800.00	-6,056.20	-1,123.41	386,929.49	722,745.48	32.062396	-103.747732	
17,900.00	90.00	179.75	11,800.00	-6,156.20	-1,122.98	386,829.49	722,745.91	32.062121	-103.747732	
18,000.00	90.00	179.75	11,800.00	-6,256.20	-1,122.55	386,729.49	722,746.34	32.061846	-103.747732	
18,100.00	90.00	179.75	11,800.00	-6,356.20	-1,122.12	386,629.50	722,746.77	32.061572	-103.747733	
18,200.00	90.00	179.75	11,800.00	-6,456.20	-1,121.69	386,529.50	722,747.20	32.061297	-103.747733	
18,300.00	90.00	179.75	11,800.00	-6,556.19	-1,121.26	386,429.50	722,747.63	32.061022	-103.747733	
18,400.00	90.00	179.75	11,800.00	-6,656.19	-1,120.83	386,329.50	722,748.06	32.060747	-103.747734	
18,500.00	90.00	179.75	11,800.00	-6,756.19	-1,120.40	386,229.50	722,748.49	32.060472	-103.747734	
18,600.00	90.00	179.75	11,800.00	-6,856.19	-1,119.97	386,129.50	722,748.92	32.060197	-103.747734	
18,700.00	90.00	179.75	11,800.00	-6,956.19	-1,119.54	386,029.50	722,749.35	32.059922	-103.747735	
18,800.00	90.00	179.75	11,800.00	-7,056.19	-1,119.11	385,929.50	722,749.78	32.059647	-103.747735	
18,900.00	90.00	179.75	11,800.00	-7,156.19	-1,118.68	385,829.50	722,750.21	32.059372	-103.747736	
19,000.00	90.00	179.75	11,800.00	-7,256.19	-1,118.25	385,729.51	722,750.64	32.059098	-103.747736	
19,100.00	90.00	179.75	11,800.00	-7,356.19	-1,117.82	385,629.51	722,751.07	32.058823	-103.747736	
19,200.00	90.00	179.75	11,800.00	-7,456.19	-1,117.39	385,529.51	722,751.50	32.058548	-103.747737	
19,300.00	90.00	179.75	11,800.00	-7,556.19	-1,116.96	385,429.51	722,751.93	32.058273	-103.747737	
19,400.00	90.00	179.75	11,800.00	-7,656.18	-1,116.53	385,329.51	722,752.36	32.057998	-103.747737	
19,500.00	90.00	179.75	11,800.00	-7,756.18	-1,116.10	385,229.51	722,752.79	32.057723	-103.747738	
19,600.00	90.00	179.75	11,800.00	-7,856.18	-1,115.67	385,129.51	722,753.22	32.057448	-103.747738	
19,700.00	90.00	179.75	11,800.00	-7,956.18	-1,115.24	385,029.51	722,753.65	32.057173	-103.747738	
19,800.00	90.00	179.75	11,800.00	-8,056.18	-1,114.80	384,929.51	722,754.08	32.056898	-103.747739	
19,900.00	90.00	179.75	11,800.00	-8,156.18	-1,114.37	384,829.52	722,754.51	32.056624	-103.747739	
20,000.00	90.00	179.75	11,800.00	-8,256.18	-1,113.94	384,729.52	722,754.94	32.056349	-103.747740	
20,100.00	90.00	179.75	11,800.00	-8,356.18	-1,113.51	384,629.52	722,755.37	32.056074	-103.747740	
20,200.00	90.00	179.75	11,800.00	-8,456.18	-1,113.08	384,529.52	722,755.81	32.055799	-103.747740	
20,300.00	90.00	179.75	11,800.00	-8,556.18	-1,112.65	384,429.52	722,756.24	32.055524	-103.747741	
20,400.00	90.00	179.75	11,800.00	-8,656.18	-1,112.22	384,329.52	722,756.67	32.055249	-103.747741	
20,500.00	90.00	179.75	11,800.00	-8,756.17	-1,111.79	384,229.52	722,757.10	32.054974	-103.747741	
20,600.00	90.00	179.75	11,800.00	-8,856.17	-1,111.36	384,129.52	722,757.53	32.054699	-103.747742	
20,700.00	90.00	179.75	11,800.00	-8,956.17	-1,110.93	384,029.52	722,757.96	32.054424	-103.747742	
20,800.00	90.00	179.75	11,800.00	-9,056.17	-1,110.50	383,929.53	722,758.39	32.054150	-103.747742	
20,900.00	90.00	179.75	11,800.00	-9,156.17	-1,110.07	383,829.53	722,758.82	32.053875	-103.747743	

Planning Report - Geographic

Database:	EDM r5000.141_Prod US	Local Co-ordinate Reference:	Well Shetland 2-11 State Fed Com 713H
Company:	WCDCS Permian NM	TVD Reference:	RKB @ 3317.90ft
Project:	Eddy County (NAD 83 NM Eastern)	MD Reference:	RKB @ 3317.90ft
Site:	Sec 02-T26S-R31E	North Reference:	Grid
Well:	Shetland 2-11 State Fed Com 713H	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	
21,000.00	90.00	179.75	11,800.00	-9,256.17	-1,109.64	383,729.53	722,759.25	32.053600	-103.747743	
21,100.00	90.00	179.75	11,800.00	-9,356.17	-1,109.21	383,629.53	722,759.68	32.053325	-103.747744	
21,200.00	90.00	179.75	11,800.00	-9,456.17	-1,108.78	383,529.53	722,760.11	32.053050	-103.747744	
21,300.00	90.00	179.75	11,800.00	-9,556.17	-1,108.35	383,429.53	722,760.54	32.052775	-103.747744	
21,400.00	90.00	179.75	11,800.00	-9,656.17	-1,107.92	383,329.53	722,760.97	32.052500	-103.747745	
21,500.00	90.00	179.75	11,800.00	-9,756.16	-1,107.49	383,229.53	722,761.40	32.052225	-103.747745	
21,600.00	90.00	179.75	11,800.00	-9,856.16	-1,107.06	383,129.53	722,761.83	32.051951	-103.747745	
21,700.00	90.00	179.75	11,800.00	-9,956.16	-1,106.63	383,029.54	722,762.26	32.051676	-103.747746	
21,800.00	90.00	179.75	11,800.00	-10,056.16	-1,106.20	382,929.54	722,762.69	32.051401	-103.747746	
21,900.00	90.00	179.75	11,800.00	-10,156.16	-1,105.77	382,829.54	722,763.12	32.051126	-103.747746	
21,917.24	90.00	179.75	11,800.00	-10,173.40	-1,105.69	382,812.30	722,763.20	32.051078	-103.747746	
PBHL & LTP @ 21917' MD, 330' FSL, 2310' FEL										
21,917.25	90.00	179.75	11,800.00	-10,173.41	-1,105.69	382,812.29	722,763.20	32.051078	-103.747746	

Design Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude	
- hit/miss target										
- Shape										
PBHL - Shetland 2-11 St	0.00	0.00	0.00	-10,173.41	-1,105.69	382,812.29	722,763.20	32.051078	-103.747746	
- plan misses target center by 10233.32ft 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)		
11,288.69	11,223.28	120.25	-1,079.85	KOP @ 11289' MD, 50' FNL, 2240' FEL	
11,889.00	11,719.93	-159.79	-1,139.05	FTP @ 11889' MD, 330' FNL, 2310' FEL	
16,891.00	11,800.00	-5,147.21	-1,127.33	Cross section @ 16891' MD, 0' FNL, 2310' FEL	
21,917.24	11,800.00	-10,173.40	-1,105.69	PBHL & LTP @ 21917' MD, 330' FSL, 2310' FEL	

Devon Energy

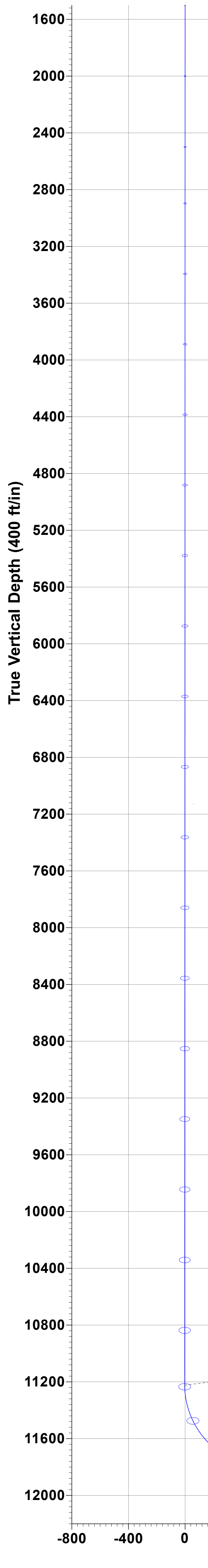
WELL DETAILS: Shetland 2-11 State Fed Com 713H

RKB @ 3317.90ft
3292.90

Northing 392985.68 Easting 723868.89 Latitude 32.079027 Longitude -103.743998

SECTION DETAILS Permit Plan 1

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	Vsect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2000.00	0.00	0.00	2000.00	0.00	0.00	0.00	0.00	
2698.07	6.98	276.35	2696.34	4.70	-42.21	1.00	-0.11	
11288.69	6.98	276.35	11223.29	120.25	-1079.85	0.00	-2.87	KOP @ 11289' MD, 50' FNL, 2240' FEL
12196.70	90.00	179.75	11800.00	-452.95	-1147.53	10.00	574.29	
21917.25	90.00	179.75	11800.00	-10173.41	-1105.69	0.00	10233.32	PBHL & LTP @ 21917' MD, 330' FSL, 2310' FEL

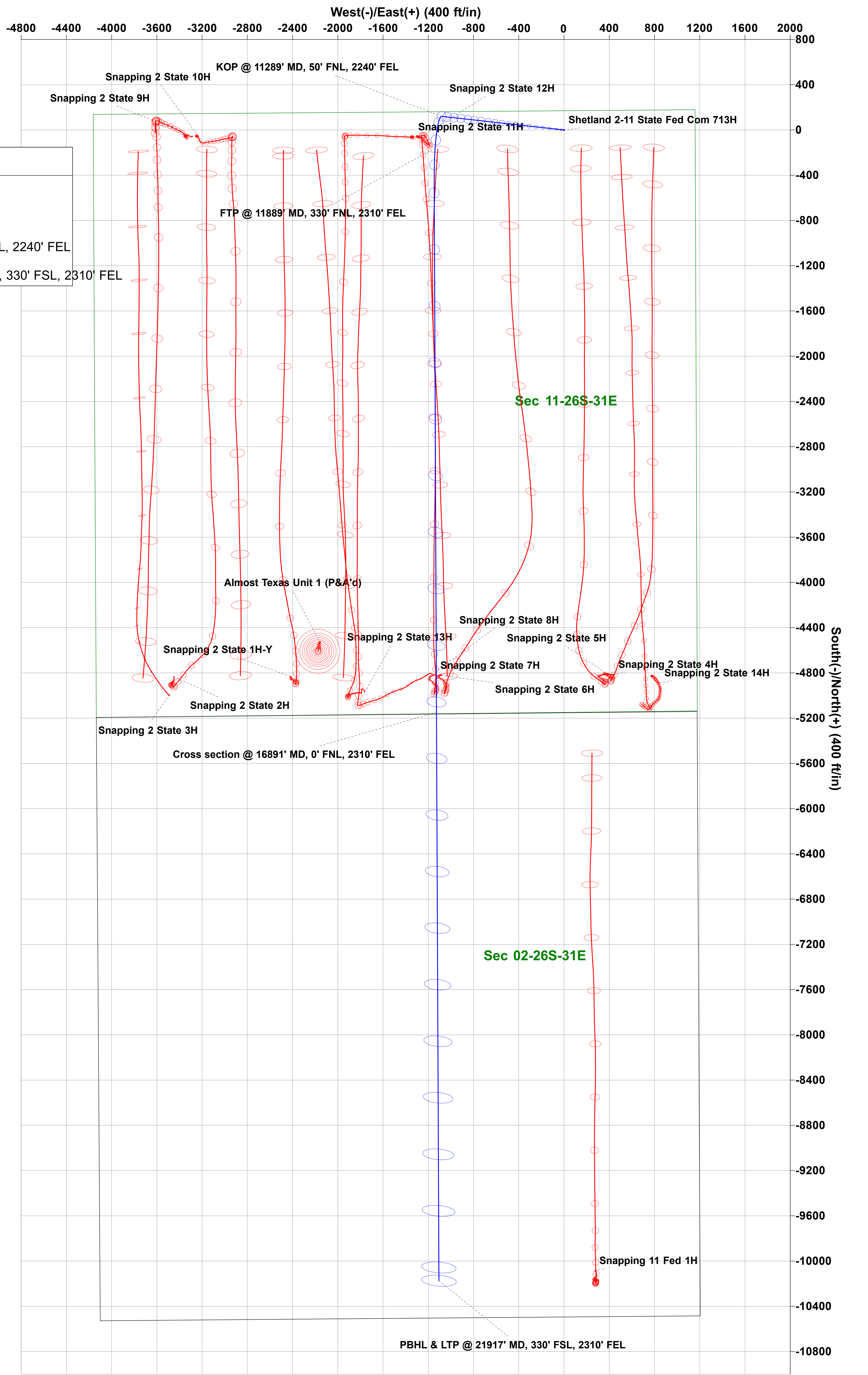
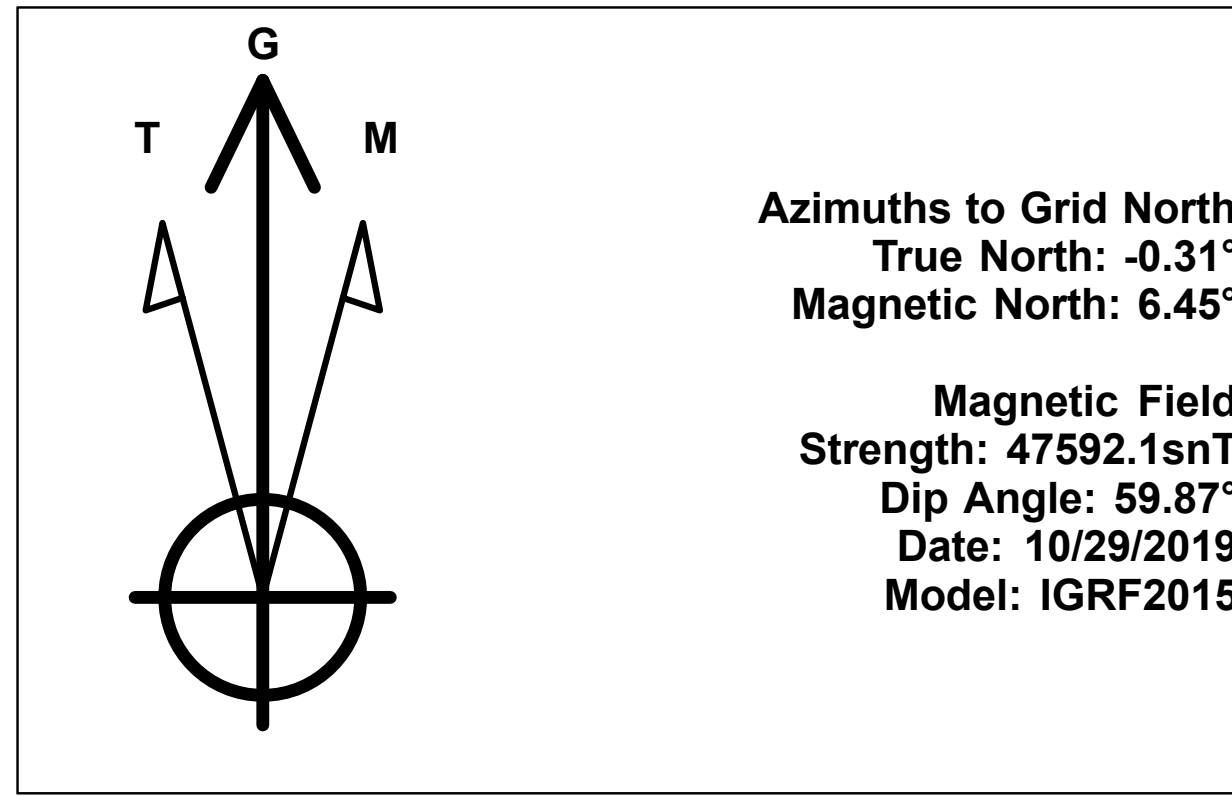


KOP @ 11289' MD, 50' FNL, 2240' FEL

FTP @ 11889' MD, 330' FNL, 2310' FEL

Cross section @ 16891' MD, 0' FNL, 2310' FEL

PBHL & LTP @ 21917' MD, 330' FSL, 2310' FEL



PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Devon Energy Production Company LP
LEASE NO.:	NMNM089057
LOCATION:	Section 2, T.26 S., R.31 E., NMPM
COUNTY:	Eddy County, New Mexico

WELL NAME & NO.:	Shetland 2-11 State Fed Com 333H
SURFACE HOLE FOOTAGE:	170'/N & 1070'/E
BOTTOM HOLE FOOTAGE:	20'/S & 630'/E

WELL NAME & NO.:	Shetland 2-11 State Fed Com 613H
SURFACE HOLE FOOTAGE:	170'/N & 1130'/E
BOTTOM HOLE FOOTAGE:	330'/S & 1750'/E

WELL NAME & NO.:	Shetland 2-11 State Fed Com 713H
SURFACE HOLE FOOTAGE:	170'/N & 1160'/E
BOTTOM HOLE FOOTAGE:	330'/S & 2310'/E

WELL NAME & NO.:	Shetland 2-11 State Fed Com 733H
SURFACE HOLE FOOTAGE:	170'/N & 1100'/E
BOTTOM HOLE FOOTAGE:	330'/S & 1650'/E

COA

H2S	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Potash	<input checked="" type="checkbox"/> None	<input type="checkbox"/> Secretary	<input type="checkbox"/> R-111-P
Cave/Karst Potential	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> High
Cave/Karst Potential	<input type="checkbox"/> Critical		
Variance	<input type="checkbox"/> None	<input checked="" type="checkbox"/> Flex Hose	<input type="checkbox"/> Other
Wellhead	<input type="checkbox"/> Conventional	<input checked="" type="checkbox"/> Multibowl	<input type="checkbox"/> 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 checked="" type="checkbox"/> Cement Squeeze	<input type="checkbox"/> Pilot Hole
Special Requirements	<input type="checkbox"/> Water Disposal	<input checked="" type="checkbox"/> COM	<input type="checkbox"/> Unit

OPERATOR IS ONLY APPROVED FOR THE FOLLOWING DESIGN, OTHER DESIGNS SUBMITTED WILL BE VOID.

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

Alternate Casing Design:

1. The **13-3/8** inch surface casing shall be set at approximately **994 feet** (a minimum of **70 feet (Eddy County)** 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 **8-5/8** inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
Cement excess is less than 25%, more cement might be required.
 - ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

Operator has proposed to pump down 13-3/8" X 8-5/8" annulus. Operator must run a CBL from TD of the 8-5/8" casing to surface. Submit results to BLM.

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. 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 **10,000 (10M)** psi. **Variance is approved to use a 5000 (5M) Annular which shall be tested to 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.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.

- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

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)

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. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
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. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
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: The flex line must meet the requirements of API 16C. 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, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- 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.



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

Hydrogen Sulfide (H₂S) Contingency Plan

For

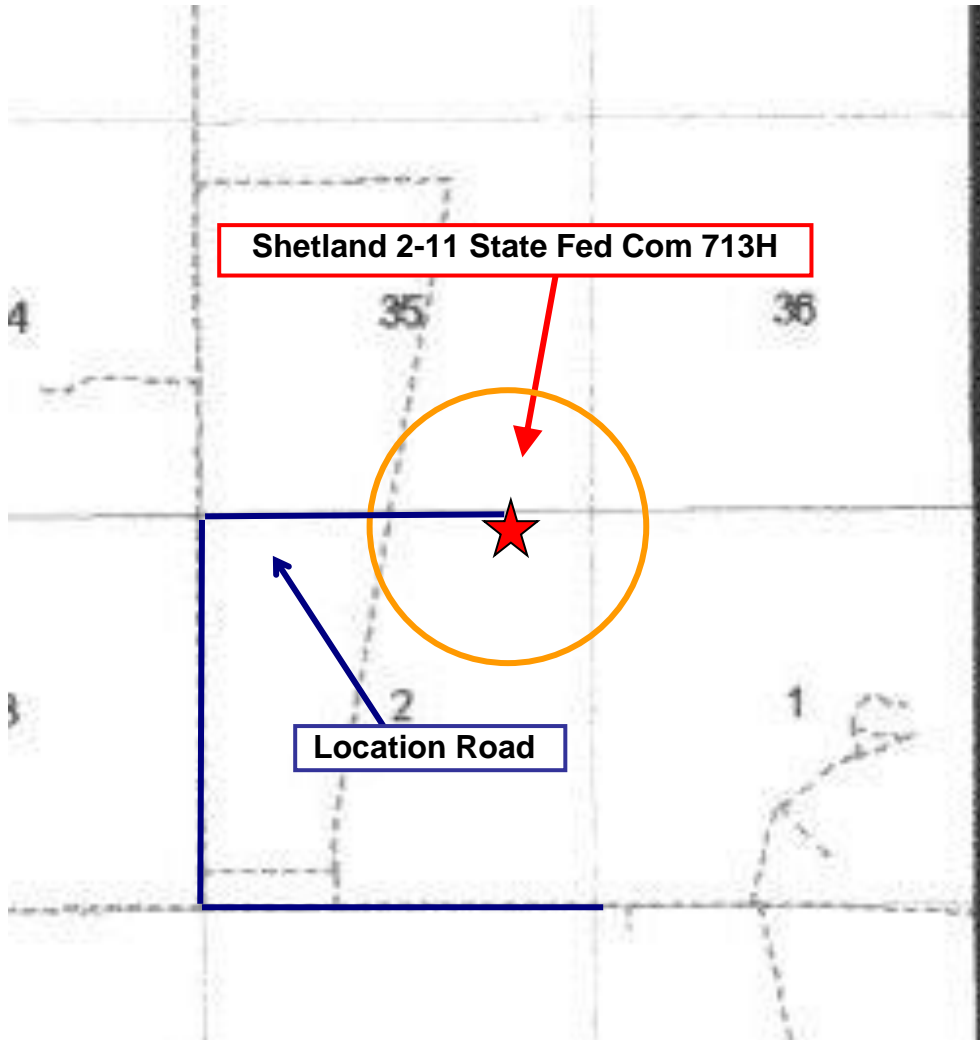
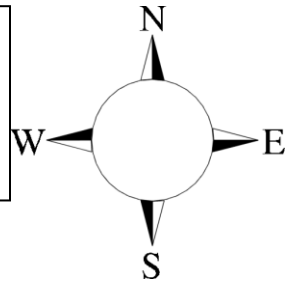
Shetland 2-11 State Fed Com 713H

**Sec-2 T-26S R-31E
170 FNL & 1160' FEL
LAT. = 32.0790267' N (NAD83)
LONG = 103.7439982' W**

Eddy County NM

Shetland 2-11 State Fed Com 713H

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.



Assumed 100 ppm **ROE = 3000'** (Radius of Exposure)
100 ppm H₂S concentration shall trigger activation of this plan.

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	H ₂ S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	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
- Rig floor
- Cellar
- Possum Belly/Shale shaker
- Choke manifold

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.

<u>Devon Energy Corp. Company Call List</u>		
Drilling Supervisor – Basin – Mark Kramer		405-823-4796
EHS Professional – Laura Wright		405-439-8129
<u>Agency Call List</u>		
<u>Lea County (575)</u>	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
	<u>Eddy County (575)</u>	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		(703) 872-6000
For Oil Spills		(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	
<u>Give GPS position:</u>	Native Air – Emergency Helicopter – Hobbs (NM and TX)	(800)642-7828
	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



Devon Energy - Well Pad Rig Location Layout Safety Equipment Location

