Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	ß.		
OCD	A	rte	esia

FORM APPROVED OMB NO. 1004-0135

Expires: July 31, 2010

5. Lease Serial No. NMLC061862

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

CUDMIT IN TD	Do not use this form for proposals to drill or to re abandoned well. Use form 3160-3 (APD) for such p			0. If flidiall, Allottee (c	or Tribe Name
יחו אוו וווווסטכ	verse side.	· · · · · · · · · · · · · · · · · · ·	7. If Unit or CA/Agree	ement, Name and/or No.	
I. Type of Well			·	8. Well Name and No.	
Oil Well Gas Well Ot		•		. COTTON DRAW	14 FED COM 2H
2. Name of Operator DEVON ENERGY PRODUCT	Contact: TRINA C CO TION CO EFMail: trina.couch@dvn.com	OUCH		9. API Well-No. 30-015-42092-0	00-X ₁ 1
3a. Address 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 7310	Ph: 405-2	lo. (include area code) 28-7203		10. Field and Pool, or PADUCA	Exploratory
· 4. Location of Well (Footage, Sec., 7	C., R., M., or Survey Description)		·	11. County or Parish,	and State
Sec 14 T25S R31E NWNW 0 32.136753 N Lat, 103.753336				EDDY COUNTY	Y, NM
12. CHECK APP	ROPRIATE BOX(ES) TO INDICAT	E NATURE OF 1	NOTICE, R	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION		TYPE OI	F ACTION		
Notice of Intent	☐ Acidize ☐ De	epen	☐ Produc	tion (Start/Resume)	☐ Water Shut-Off
_	l –		Reclam		■ Well Integrity
☐ Subsequent Report		w Construction	☐ Recom		
☐ Final Abandonment Notice		ig and Abandon		rarily Abandon	PD PD
<u> </u>	☐ Convert to Injection ☐ Plu	ig Back .	☐ Water I	Disposal 	
Devon Energy Production Co (FMC Uni-head). This assemt	mpany, L.P. respectfully proposes using the services with the services when installed o	ng a multi-bowl w In the surface cas	ellhead ass ing. Minimu	embly 	OR OUN
working pressure of the blowd below the surface casing sho * Wellhead will be installed by * If the welding is performed be temperature to verify that it do * FMC representative will install * FMC will install a solid steel intermediate casing. After inst tested to 5M, as shown on the altered whatsoever from the in	out preventer (BOP) and related equipes shall be 5000 (5M) psi. FMC's representatives. By a third party, the FMC's representatives not exceed the maximum temperall the test plug for the initial BOP test body pack-off to completely isolate the allation of the pack-off, the pack-off are attached schematic. Everything abounitial nipple up. Therefore the BOP control.	ment (BOPE) requive will monitor the ture of the seal. e lower head afte and the lower flangue the pack-off will mponents will not	e r cementing le will be ll not have b be retested	EE ATTACHE EE ATTACHE EEONDITION 100 810	CEPTED FOR PROCESSING OIL CONSERVANTESIA DISTRI
working pressure of the blowd below the surface casing sho * Wellhead will be installed by * If the welding is performed to temperature to verify that it do * FMC representative will install a solid steel intermediate casing. After install tested to 5M, as shown on the altered whatsoever from the install a solid steel intermediate casing.	out preventer (BOP) and related equipe shall be 5000 (5M) psi. FMC's representatives. by a third party, the FMC's representatives not exceed the maximum temperal all the test plug for the initial BOP test body pack-off to completely isolate the allation of the pack-off, the pack-off are attached schematic. Everything abounitial nipple up. Therefore the BOP constructions and correct.	ment (BOPE) requive will monitor the ture of the seal. e lower head aftend the lower flangue the pack-off will monents will not	e r cementing le will be ll not have b be retested	EE ATTACHE	Copied for recommon NMOCDERN OIL CONSERVANTESIA DISTRI
working pressure of the blowd below the surface casing sho * Wellhead will be installed by * If the welding is performed be temperature to verify that it do * FMC representative will install a solid steel intermediate casing. After install tested to 5M, as shown on the altered whatsoever from the install a solid steel intermediate casing.	out preventer (BOP) and related equipe shall be 5000 (5M) psi. r FMC's representatives. y a third party, the FMC's representatives not exceed the maximum tempera all the test plug for the initial BOP test body pack-off to completely isolate the allation of the pack-off, the pack-off are attached schematic. Everything abounitial nipple up. Therefore the BOP construction is true and correct. Electronic Submission #254948 verifications are properly the structure of the properly the properly the structure and correct. Electronic Submission #254948 verifications are properly the prope	ment (BOPE) requive will monitor the ture of the seal. e lower head aftend the lower flange the pack-off will monents will not ed by the BLM Welflon COLP, sent	e r cementing le will be ll not have be be retested	TELLATTACHE SECOND TO System and	Copied for recommon NMOCDEN ARTESIA DISTRI
working pressure of the blowd below the surface casing sho * Wellhead will be installed by * If the welding is performed by temperature to verify that it do * FMC representative will install a solid steel intermediate casing. After inst tested to 5M, as shown on the altered whatsoever from the install a solid steel intermediate casing. After inst tested to 5M, as shown on the altered whatsoever from the install a solid steel intermediate casing.	out preventer (BOP) and related equipe shall be 5000 (5M) psi. FMC's representatives. by a third party, the FMC's representatives and exceed the maximum temperal all the test plug for the initial BOP test. body pack-off to completely isolate the allation of the pack-off, the pack-off are attached schematic. Everything abounitial nipple up. Therefore the BOP construction in the pack-off are attached schematic. Everything abounitial nipple up. Therefore the BOP construction is true and correct. Electronic Submission #254948 verification in the pack-off processing by JEN and the pack-off processing p	ment (BOPE) requive will monitor the ture of the seal. e lower head aftend the lower flangue the pack-off will monents will not the by the BLM Welfon CO LP, sent in the seal by the BLM on the bull of the bull	e r cementing e will be Cill not have be retested	System pad (14JAM0383SE)	Cepted for recommon NMOCD ARTESIA DISTRICT AUG 19 20 RECEIVE
working pressure of the blowd below the surface casing show a Wellhead will be installed by a lif the welding is performed by temperature to verify that it do a FMC representative will install a solid steel intermediate casing. After install tested to 5M, as shown on the altered whatsoever from the install a solid steel intermediate casing. After install tested to 5M, as shown on the altered whatsoever from the install a solid steel intermediate casing. After install tested to 5M, as shown on the altered whatsoever from the install solid steel. 14. I hereby certify that the foregoing is compared to the solid steel.	bandonment Notices shall be filed only after al final inspection.) mpany, L.P. respectfully proposes using by will only be tested when installed of out preventer (BOP) and related equipper shall be 5000 (5M) psi. FMC's representatives. By a third party, the FMC's representatives all the test plug for the initial BOP test body pack-off to completely isolate the allation of the pack-off, the pack-off are attached schematic. Everything above initial nipple up. Therefore the BOP constituted in the constitution of the pack-off are attached schematic. Everything above in the constitution of the pack-off are attached schematic. Everything above in the constitution of the pack-off are attached schematic. Everything above in the constitution of the pack-off are attached schematic. Everything above in the constitution of the pack-off are attached schematic. Everything above in the constitution of the pack-off are attached schematic. Everything above in the constitution of the pack-off are attached schematic. Everything above in the constitution of the pack-off are attached schematics. Everything above in the pack-off are attached schematics. Everything attached schematics are attached schematics. Everything above in the pack-off are attached schematics. Everything attached schematics are attached schematics. Everything attached schematics are attached schematics.	ment (BOPE) requive will monitor the ture of the seal. e lower head aftend the lower flangue the pack-off will mponents will not the butter of the butter of the pack-off will mponents will not the butter of the	e r cementing le will be ll not have b be retested ll Information to the Carlsk 08/11/2014 ATORY AN	System pad (14JAM0383SE)	Copied for recommon NMOCDERN OIL CONSERVATION OIL CONSERV
				System (14JAM0383SE) ALYST	Copied for recommon NMOCDEN NMOCDEN NMOCDEN NMOCDEN NMOCDEN NATESIA DISTRIBUTE NATESIA DI
working pressure of the blowd below the surface casing show a Wellhead will be installed by a lif the welding is performed by temperature to verify that it do a FMC representative will install a solid steel intermediate casing. After installed to 5M, as shown on the altered whatsoever from the installed to 5M. Thereby certify that the foregoing is compared to the surface of the		ment (BOPE) requive will monitor the ture of the seal. e lower head aftend the lower flangue the pack-off will mponents will not be by the BLM Wellon CO LP, sent INIFER MASON on Title REGUL		System old (14JAM0383SE) ADDDOL	Cepted for recommon NMOCDEN NMOCDEN NMOCDEN NMOCDEN NMOCDEN NARTESIA DISTRICATE NATE OF THE NATE OF TH
		Date 07/29/2	014	APPROL	Cepted for recommon NMOCDEN NMOCDEN NMOCDEN NMOCDEN NMOCDEN NATESIA DISTRIBUTE NATESIA DI
	Submission)	Date 07/29/2	014	APPROL	Cepted for recommon NMOCDERN OIL CONSERVATION OIL CONSERV

Additional data for EC transaction #254948 that would not fit on the form

32. Additional remarks, continued

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 70% of burst 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 FMC Uni-head 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 the 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 FMC Uni-head. Please find attached the wellhead schematic.

Cotton Draw 14 FED COM 2H– APD DRILLING PLAN JSP 11.6.13

Casing Program

Hole Size	Hole Interval	OD Csg	Casing Interval	Weight	Collar	Grade
17-1/2"	0 - 750	13-3/8"	0 - 870	48#*	STC	H-40
12-1/4"	750 - 4,300	9-5/8"	0 - 3,400	36#	LTC	J-55
12-1/4"	750 - 4,300	9-5/8"	3,400 – 4,300	40#	LTC	J-55
8-3/4"	4,300 - 14,810	5-1/2"	0 - 14,810	17#	BTC	P-110

The goal of the surface casing is to protect the water zones, casing will be set a minimum of 25 feet into the Rustler Anhydrite. If Salt is encountered, casing will be set at least 25 feet above the salt.

Design Factors

Casing Size	Collapse Design Factor	Burst Design Factor	Tension Design Factor
13 3/8" 48# H-40 STC	1.77	3.98	7.71
9 5/8" 36# J-55 LTC	1.15	1.66	1.97
9 5/8" 40# J-55 LTC	1.18	1.81	3.10
5-1/2" 17# HCP-110 BTC	1.56	1.93	2.26

Mud Program

Depth	Mud Wt.	Visc.	Fluid Loss	Type System
· 0 - 750	8.4 - 9.0	30 – 34	N/C	FW
750 - 4,300	9.8 - 10.0	28 - 32	N/C	Brine
4,300 - 14,810	8.5 – 9.0	28 - 32	N/C	FW

Pressure Control Equipment

Devon proposes using a multi-bowl wellhead assembly (FMC Uni-head). 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 FMC's representatives.
- If the welding is performed by a third party, the FMC's representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- FMC representative will install the test plug for the initial BOP test.
- FMC 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 70% of burst 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 FMC Uni-head 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 FMC Uni-head. Please find attached the wellhead schematic.

The pipe rams will be operated and checked as per Onshore Order #2. 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 requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line). The line will be kept as straight as possible with minimal turns.

Cotton Draw 14 Fed Com 2H

Cementing Program (cement volumes based on at least Surface 100% excess, Intermediate 75% excess and Production is 25% excess)

13-3/8" Surface

Tail: 940 sacks Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.1% Fresh Water, 14.8 ppg, Yield of 1.33 cf/sk, Water Requirement of 6.32 gal/sk, Mix Water Volume is

TOC @ surface

9-5/8" Intermediate

Lead: 880 sacks (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 70.9 % Fresh Water, 12.9 ppg, Yield of 1.85 cf/sk, Water Requirement of 9.81 gal/sk, Mix Water Volume is 206 bbls

TOC @ surface

Tail: 430 sacks Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.9% Fresh Water, 14.8 ppg, Yield of 1.33 cf/sk, Water Requirement of 6.32 gal/sk, Mix Water Volume is 65bbls

5-1/2" Production - Two Stage Option

Stage #1

Lead: 620 sacks (65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E-Flake + 74.1 % Fresh Water, 12.5 ppg, Yield of 1.95 cf/sk, Water Requirement of 10.79 gal/sk, 159bbls of Mix Water.

TOC @ 6000ft

Tail: 1290 sacks (50:50) Class H Cement: Poz (Fly Ash) + 1 lb/sk Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water, 14.5 ppg, Yield of 1.22 cf/sk, Water Requirement of 5.38 gal/sk, 165bbls of Mix Water

DV Tool @ 6000ft

Stage #2

Lead: 280 sacks (65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E-Flake + 74.1% Fresh Water, 12.5 ppg, Yield of 1.95 cf/sk, Water Requirement of 10.79 gal/sk, 72bbls of Mix Water.

TOC @ 3736ft (or Minimum of 500' tieback into previous casing string)

Tail: 120 sacks Class C Cement + 0.2% BWOC HR-800 + 64.4% Fresh Water, 14.8 ppg, Yield of 1.33 cf/sk, Water Requirement of 6.34 gal/sk, 19bbls of Mix Water.

TOC for All Strings:

Surface: 870ft

0ft (870ft of fill of Tail)

Intermediate: 4236ft

0ft (3236ft of fill of Lead & 1000ft of fill of Tail)

Production: 14810ft - Two Stage

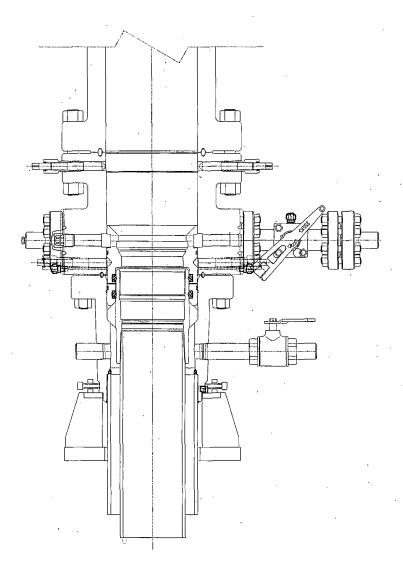
6000ft (1st Stage - 3825ft of fill of Lead & 4985ft of fill of Tail)

DV Tool at 6000ft

3700ft (2nd Stage - 1800ft of fill of Lead & 500ft of Tail) - Min 500' tie-back into 9 5/8"

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

45MG Technologies



PRIMARY MODE

DEVON ENERGY

ARTESIA S.E.N.M 13 3/8 X 9 5/8

QUOTE LAYOUT F18648 REF: DM100161737 DM100151315

PRIVATE AND CONFIDENTIAL
THIS DOCUMENT HID MALTHE HISDMANTON CONFIDENTIAL
THIS DOCUMENT HID MALTHE HISDMANTON CONTINUED HEEM ARE THE
CORRESPINAL AND EVOLUSING PROPERTY OF THE TECHNOLOGIES AND HAM NO
TOPPESS WHITEN AUTHORIZATION BY THAT TECHNOLOGIES. THIS DOCUMENT IS
ACCEPTED BY RECIPIANT PURSUANT TO AGRECIBINT TO THE FOREGOING, AND
HAST BE RETIRMED THEN DEALED.

I.tU	MUST BE RETURNED UPON DEMAND.				
	REFACTURER AGREES THAT ARTICLES MADE IN ACCORDANCE WITH THIS UMENT SHALL BE CONSIDERED FMC TECHNOLOGIES DESIGN AND THAT				
IDE	NTICAL ARTICLES OR PARTS THEREOF SHALL NOT BE MAIRFACTURED THE USE OR SALE BY MARGEACTURER OR ANY OTHER PERSON				
	HOUT THE PRIOR EXPRESS WRITTEN AUTHORIZATION BY FMC TECHNOLOGIES				

REVISIONS DESCRIPTION

A 05-08-13

B 1-22-14

C 5-13-14 SUR

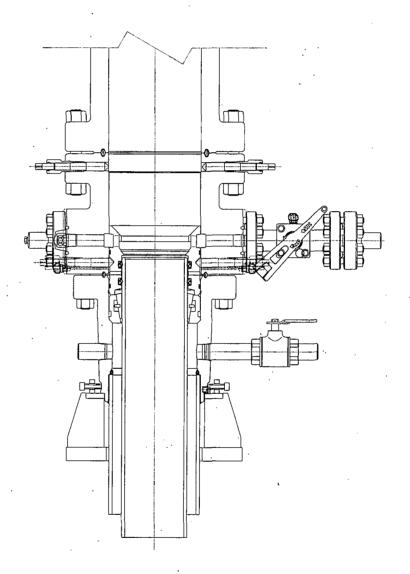
SURFACE WELLHEAD LAYOUT UNIHEAD, UH-I,SOW, DEVON ENERGY, ODESSA

	1
DRAWN BY	
K. VU	05-08-13
GRAFTING REVIEW	1
Z. MAROUEZ	05-08-13
DESIGN REVIEW	
V TAUA	05-09-13

FMGTechnologies

R. 14HA 05-08-13 DRAWING NUMBER
R. HAMILTON 05-08-13 DMI00161771-2A

45MG Technologies



CONTINGENCY MODE

DEVON ENERGY ARTESIA S.E.N.M 13 3/8 X 9 5/8

QUOTE LAYOUT F18648 REF: DMIODI61737

- 1	PRIVATE AND CONFIDENTIAL	REVISIONS	DESCRIPTION				
	THIS DOCUMENT AND ALL THE INFORMATION CONTAINED HEREIN ARE THE	A 05-08-13		1		·	
				CRAWN BY			
	BE REPRODUCED, USED, DISCLOSED, OR MADE PUBLIC IN ANY MANNER PRIOR TO	B 1-22-14		K. VU	05-08-13	ത്തെക	
	EXPRESS WRITTEN AUTHORIZATION BY FMC TECHNOLOGIES. THIS DOCUMENT IS	_		DRAFTING REVIEW	03 00 13	FMC Technologies	
	ACCEPTED BY RECIPIENT PURSUANT TO AGREEMENT TO THE FORECOING, AND	C 5-13-14	SURFACE WELLHEAD LAYOUT				
- 1	MUST BE RETURNED UPON DEWAND.	l i	UNIHEAD. UH-I.SOW.	Z. MAROUEZ	05-08-13		
- 1	MANUFACTURER AGREES THAT ARTICLES WADE IN ACCORDANCE WITH THIS			DESIGN REVIEW		ł	
	DOCUMENT SHALL BE CONSIDERED FMC TECHNOLOGIES DESIGN AND THAT		DEVON ENERGY, ODESSA	K. TAHA	05-08-13	DRAWING NUMBER	
	IDENTICAL ARTICLES OR PARTS THEREOF SHALL NOT BE MANAFACTURED	l . l		APPROVED BY			
	FOR THE USE OR SALE BY MANUFACTURER OR ANY OTHER PERSON					DM100161771-2B	
- 1	WITHOUT THE PRIOR EXPRESS WRITTEN AUTHORIZATION BY FMC TECHNOLOGIES	i I		R. HAMILTON	05-08-13	DMITOUTOTT A LD	

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: Devon Energy Production Company, L.P.

LEASE NO.: | NMLC-061862

WELL NAME & NO.: Cotton Draw 14 Fed Com 2H

SURFACE HOLE FOOTAGE: | 0330' FNL & 1200' FWL BOTTOM HOLE FOOTAGE | 0330' FSL & 1980' FWL

LOCATION: | Section 14, T. 25 S., R 31 E., NMPM

COUNTY: Eddy County, New Mexico

API: | 30-015-42092

Original COAs still stand with the following drilling modifications:

I. DRILLING

A. DRILLING OPERATIONS 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

- 1. Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, report measured amounts and formations to the BLM. Operator has stated that they will have monitoring equipment in place prior to drilling out of the surface shoe.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. 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 is located, this does not include the dog house or stairway area.

4. 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.

B. CASING

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.).

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. IF OPERATOR DOES NOT HAVE THE WELL SPECIFIC CEMENT DETAILS ONSITE PRIOR TO PUMPING THE CEMENT FOR EACH CASING STRING, THE WOC WILL BE 30 HOURS. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possibility of water flows in the Salado, Castile, and Delaware.

Possibility of lost circulation in the Rustler and Delaware.

Abnormal pressures may be encountered in the 3rd Bone Spring and Wolfcamp formations.

- 1. The 13-3/8 inch surface casing shall be set at approximately 750 feet (in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, and if salt is encountered, set casing at least 25 feet 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 is to include the lead cement slurry.
 - 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.

Formation below the 13-3/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe and the mud weight for the bottom of the hole. Report results to BLM office.

- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing, which shall be set at approximately 4300 feet, is:
 - ☑ Cement to surface. If cement does not circulate see B.1.a, c-d above.

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

Operator has proposed DV tool at depth of 6000'. Operator is to submit sundry if DV tool depth varies by more than 100' from approved depth.

- a. First stage to DV tool:
- Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve approved top of cement on the next stage.
- b. Second stage above DV tool:
- Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. Excess calculates to 20% Additional cement may be required.
- 4. 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.

C. 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. Variance approved to use flex line from BOP to choke manifold. 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. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).

- 3. 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. Operator shall perform the intermediate casing integrity test to 70% of the casing burst. This will test the multi-bowl seals.
 - 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.

5M 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. 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. The tests shall be done by an independent service company utilizing a test plug **not** a **cup or J-packer**.
 - c. 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.
 - d. The results of the test shall be reported to the appropriate BLM office.

- e. 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.
- f. 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.
- g. 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.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

E. 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.

JAM 081214