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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

5. Lease Serial No.
NMLC0062300

6. If Indian, Allotee or Tribe Name
317584

1a. Type of work: ☑ DRILL ☐ REENTER

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☑ Single Zone ☐ Multiple Zone

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
BIG SINKS DRAW 25-24 FED COM 732H

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY LP

9. API Well No.
30 015 46760

3a. Address
333 West Sheridan Avenue Oklahoma City OK 73102

3b. Phone No. *(include area code)*
(800)583-3866

10. Field and Pool, or Exploratory
WC-025 G-09 S263416B / UPPER WOLF

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

At surface SENW / 2483 FNL / 2190 FWL / LAT 32.10171 / LONG -103.7331233

At proposed prod. zone NENW / 330 FNL / 2310 FWL / LAT 32.1221591 / LONG -103.7326714

11. Sec., T. R. M. or Blk. and Survey or Area
SEC 25 / T25S / R31E / NMP

14. Distance in miles and direction from nearest town or post office*

12. County or Parish
EDDY

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
2190 feet

16. No of acres in lease
2479.82

17. Spacing Unit dedicated to this well
240

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

19. Proposed Depth
12170 feet / 19471 feet

20. BLM/BIA Bond No. in file
FED: NMB000801

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3336 feet

22. Approximate date work will start*
11/30/2020

23. Estimated duration
45 days

24. Attachments

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

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
(Electronic Submission)	Jenny Harms / Ph: (405)552-6560	09/19/2019

Title
Regulatory Compliance Professional

Approved by *(Signature)*	Name *(Printed/Typed)*	Date
(Electronic Submission)	Cody Layton / Ph: (575)234-5959	01/29/2020

Title	Office
Assistant Field Manager Lands & Minerals	CARLSBAD

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.

APPROVED WITH CONDITIONS

Approval Date: 01/29/2020

KS 2-21-20

(Continued on page 2)

*(Instructions on page 2)

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

Operator Certification Data Report

02/10/2020

Operator Certification

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

NAME: Jenny Harms **Signed on:** 09/13/2019

Title: Regulatory Compliance Professional

Street Address: 333 West Sheridan Avenue

City: Oklahoma City **State:** OK **Zip:** 73102

Phone: (405)552-6560

Email address: jennifer.harms@dvn.com

Field Representative

Representative Name:

Street Address:

City: **State:** **Zip:**

Phone:

Email address:

AFMSS

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

Application Data Report

02/10/2020

APD ID: 10400047509 **Submission Date:** 09/19/2019

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - General

APD ID: 10400047509 **Tie to previous NOS?** N **Submission Date:** 09/19/2019

BLM Office: CARLSBAD **User:** Jenny Harms **Title:** Regulatory Compliance Professional

Federal/Indian APD: FED **Is the first lease penetrated for production Federal or Indian?** FED

Lease number: NMLC0062300 **Lease Acres:** 2479.82

Surface access agreement in place? **Allotted?** **Reservation:**

Agreement in place? NO **Federal or Indian agreement:**

Agreement number:

Agreement name:

Keep application confidential? Y

Permitting Agent? NO **APD Operator:** DEVON ENERGY PRODUCTION COMPANY LP

Operator letter of designation:

Operator Info

Operator Organization Name: DEVON ENERGY PRODUCTION COMPANY LP

Operator Address: 333 West Sheridan Avenue **Zip:** 73102

Operator PO Box:

Operator City: Oklahoma City **State:** OK

Operator Phone: (800)583-3866

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO **Master Development Plan name:**

Well in Master SUPO? NO **Master SUPO name:**

Well in Master Drilling Plan? NO **Master Drilling Plan name:**

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H **Well API Number:**

Field/Pool or Exploratory? Field and Pool **Field Name:** WC-025 G-09 S263416B **Pool Name:** UPPER WOLFCAMP

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H

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

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

Type of Well Pad: MULTIPLE WELL **Multiple Well Pad Name:** BIG SINKS DRAW 25- WELLPAD **Number:** 2

Well Class: HORIZONTAL **Number of Legs:** 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: **Distance to nearest well:** 237 FT **Distance to lease line:** 2190 FT

Reservoir well spacing assigned acres Measurement: 240 Acres

Well plat: AA000122161_BIG_SINKS_DRAW_25_24_FC_732H_SIGNED_C102_9_18_2019_20190918143842.pdf

Well work start Date: 11/30/2020 **Duration:** 45 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 **Vertical Datum:** NAVD88

Survey number: 7459 **Reference Datum:** GROUND LEVEL

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
SHL Leg #1	2483	FNL	2190	FWL	25S	31E	25	Aliquot SENW	32.10171	-103.7331233	EDDY	NEW MEXICO	NEW MEXICO	F	NMLC0062300	3336	0	0	Y
KOP Leg #1	2589	FNL	2310	FWL	25S	31E	25	Aliquot SENW	32.101417	-103.732738	EDDY	NEW MEXICO	NEW MEXICO	F	NMLC0062300	-8261	11598	11597	Y
PPP Leg #1-1	2538	FNL	2310	FWL	25S	31E	25	Aliquot SENW	32.101559	-103.7327362	EDDY	NEW MEXICO	NEW MEXICO	F	NMLC0062300	-8495	11840	11831	Y

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
PPP Leg #1-2	1	FSL	2310	FWL	25S	31E	24	Aliquot SESW	32.108769	-103.73214	EDDY	NEW MEXICO	NEW MEXICO	F	NMNM 125634	-8834	14600	12170	Y
EXIT Leg #1	330	FNL	2310	FWL	25S	31E	24	Aliquot NENW	32.1221591	-103.7326714	EDDY	NEW MEXICO	NEW MEXICO	F	NMLC0 061869	-8834	19417	12170	Y
BHL Leg #1	330	FNL	2310	FWL	25S	31E	24	Aliquot NENW	32.1221591	-103.7326714	EDDY	NEW MEXICO	NEW MEXICO	F	NMLC0 061869	-8834	19471	12170	Y

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

Drilling Plan Data Report

02/10/2020

APD ID: 10400047509 **Submission Date:** 09/19/2019

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
539092	UNKNOWN	3336	0	0	OTHER : SURFACE	NONE	N
539093	RUSTLER	2386	950	950	ANHYDRITE, SANDSTONE	NONE	N
539094	SALADO	1336	2000	2000	ANHYDRITE, SALT	NONE	N
539095	BASE OF SALT	-1014	4350	4350	ANHYDRITE, LIMESTONE, SANDSTONE	NATURAL GAS, OIL	N
539096	BELL CANYON	-1014	4350	4350	SANDSTONE	NATURAL GAS, OIL	N
539097	CHERRY CANYON	-2009	5345	5345	SANDSTONE	NATURAL GAS, OIL	N
539098	BRUSHY CANYON	-3349	6685	6685	SANDSTONE	NATURAL GAS, OIL	N
539105	BONE SPRING LIME	-5044	8380	8380	LIMESTONE	NATURAL GAS, OIL	N
539099	BONE SPRING	-6030	9366	9366	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, NONE, OIL	N
539101	BONE SPRING 2ND	-6649	9985	9985	SANDSTONE	NATURAL GAS, OIL	N
539106	BONE SPRING LIME	-7144	10480	10480	LIMESTONE	NATURAL GAS, OIL	N
539102	BONE SPRING 3RD	-7913	11249	11249	SANDSTONE	NATURAL GAS, OIL	N
539103	WOLFCAMP	-8334	11670	11670	SANDSTONE, SHALE	NATURAL GAS, OIL	Y
539104	STRAWN	-10674	14010	14010	LIMESTONE, SHALE	NATURAL GAS, OIL	N

Section 2 - Blowout Prevention

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H

Pressure Rating (PSI): 10M **Rating Depth:** 12170

Equipment: BOP/BOPE will be installed per Onshore Oil & Gas Order #2 requirements prior to drilling below intermediate casing, a BOP/BOPE system with the above minimum rating will be installed on the wellhead system. BOP/BOPE will be tested by an independent service company per Onshore Oil & Gas Order #2 requirements and MASP (Maximum Anticipated Surface Pressure) calculations. If the system is upgraded, all the components installed will be functional and tested.
Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP stack to the choke manifold. See attached for specs for hydrostatic test chart
Testing Procedure: A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.
Choke Diagram Attachment:

10M_BOPE_CHK_DR_CLS_RKL_20190912121402.pdf

BOP Diagram Attachment:

10M_BOPE_CHK_DR_CLS_RKL_20190912121404.pdf

Pressure Rating (PSI): 5M **Rating Depth:** 10480

Equipment: : BOP/BOPE will be installed per Onshore Oil & Gas Order #2 requirements prior to drilling below intermediate casing, a BOP/BOPE system with the above minimum rating will be installed on the wellhead system. BOP/BOPE will be tested by an independent service company per Onshore Oil & Gas Order #2 requirements and MASP (Maximum Anticipated Surface Pressure) calculations. If the system is upgraded, all the components installed will be functional and tested.
Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP stack to the choke manifold. See attached for specs for hydrostatic test chart.
Testing Procedure: A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.
Choke Diagram Attachment:

5M_BOPE__CK_20190912121147.pdf

BOP Diagram Attachment:

5M_BOPE__CK_20190912121200.pdf

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	975	0	975	3336	2361	975	H-40	48	OTHER - STC	1.125	1	BUOY	1.6	BUOY	1.6
2	INTERMEDIATE	9.875	7.625	NEW	API	N	0	10480	0	10480	3576	-7144	10480	P-110	29.7	OTHER - FLUSHMAX III	1.125	1	BUOY	1.6	BUOY	1.6
3	PRODUCTION	6.75	5.5	NEW	API	N	0	19471	0	12170	3576	-8834	19471	P-110	20	OTHER - VAM SG	1.125	1	BUOY	1.6	BUOY	1.6

Casing Attachments

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

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Surf_Csg_Ass_20190730113310.pdf

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H

Casing Attachments

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

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Int_Csg_Ass_20190730113522.pdf

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

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Prod_Csg_Ass_20190730113701.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	975	744.1	1.44	13.2	1071.5	50	C	Class C + adds
INTERMEDIATE	Lead		0	6480	638.3	3.27	9	2087.4	30	C	Class C + adds
INTERMEDIATE	Tail		6480	10480	783	1.44	13.2	1127.6	30	C	Class C + adds
PRODUCTION	Lead		9598	11598	58.9	3.27	9	192.7	10	TUNED	Class C + adds

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
PRODUCTION	Tail		11598	19471	502.3	1.44	13.2	723.3	10	H	Class H / C + additives

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

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

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

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	975	WATER-BASED MUD	8.5	9				2			
975	10480	SALT SATURATED	10	10.5				2			
10480	19471	WATER-BASED MUD	10	10.5				12			

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-24 FED COM **Well Number:** 732H

Section 6 - Test, Logging, Coring

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

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

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

CALIPER,CEMENT BOND LOG,DIRECTIONAL SURVEY,GAMMA RAY LOG,MUD LOG/GEOLOGICAL LITHOLOGY LOG,

Coring operation description for the well:

N/A

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 6645 **Anticipated Surface Pressure:** 3967

Anticipated Bottom Hole Temperature(F): 170

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Big_Sinks_Draw_25_24_Fed_Com_732H_H2S_20190917084055.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Devon_Big_Sinks_Draw_25_24_Fed_Com_732H__Permit_Plan_1_20190917084139.pdf
Devon_Big_Sinks_Draw_25_24_Fed_Com_732H_Permit_Plan_1_Plot_20190917084139.pdf
Big_Sinks_Draw_25_24_Fed_Com_732H_Permit_Plan_1_20190917084139.pdf
Devon_Big_Sinks_Draw_25_24_Fed_Com_732H__AC_Report_Permit_Plan_1_20190917084139.pdf

Other proposed operations facets description:

DIRECTIONAL SURVEY
PLOT
DRILLING PLAN
SPEC SHEETS
MB WELLHEAD
MB VERBIAGE
CLOSED LOOP DOC
SPUDDER RIG REQUEST
GAS CAPTURE PLAN
ANNULAR VARIANCE REQUEST DOC
COFLEX DOC

Other proposed operations facets attachment:

13.375_48_H40_20190730115538.pdf
5.5_17_P_110_BTC_20190730115614.pdf
5.5_20_P110_EC_VAMSG_20190730115304.pdf
7.625_29.70_P110_Flushmax_20190730115303.pdf
8.625_32.00_P110HSCY_TLW_20190730115304.PDF
Clsd_Loop_20190730115304.pdf
MB_Verb_10M_20190730115304.pdf
MB_Wellhd_10M_13.375_7.625_5.5__20190730115340.pdf
MB_Wellhd_10M_13.375_8.625_20190730115305.PDF
Spudder_Rig_Info_20190730115304.pdf

Other Variance attachment:

10M_BOPE_CHK_DR_CLS_RKL_20190730115411.pdf
Annular_Variance___Preventer_Summary_20190730115410.pdf
Co_flex_20190730115411.pdf

1. Geologic Formations

TVD of target	12170	Pilot hole depth	N/A
MD at TD:	19471	Deepest expected fresh water	

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone?	Hazards*
Rustler	950		
Salt	1315		
Base of Salt	4120		
Delaware	4350		
Bone Spring 1st	8325		
Bone Spring 2nd	9610		
Bone Spring 3rd	10480		
Wolfcamp	11670		

*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	975 TVD	13 3/8	48.0	H40	STC	1.125	1.25	1.6
9 7/8	0	10480 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 continengcy 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	975 TVD	13 3/8	48.0	H40	STC	1.125	1.25	1.6
9 7/8	0	10480 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 continengcy 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.

	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 specficition sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program (Primary Design)

Casing	# Sks	TOC	Wt. (lb/gal)	Yld (ft3/sack)	Slurry Description
Surface	744	Surf	13.2	1.44	Lead: Class C Cement + additives
Int 1	638	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	819	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
	404	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
	638	Surf	9	3.27	Lead: Class C Cement + additives
	783	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
Production	59	9598	9.0	3.3	Lead: Class H /C + additives
	502	11598	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 (ft3/sack)	Slurry Description
Surface	744	Surf	13.2	1.44	Lead: Class C Cement + additives
Int 1	418	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	481	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
	281	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
	418	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)	601	Surf	9	3.27	Lead: Class C Cement + additives
	768	4000' above shoe	13.2	1.44	Tail: Class H / C + additives
Production	117	9598	9.0	3.3	Lead: Class H /C + additives
	1042	11598	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	13-58"	5M	Annular	X	50% of rated working pressure
			Blind Ram	X	5M
			Pipe Ram		
			Double Ram	X	
			Other*		
Production	13-5/8"	10M	Annular (5M)	X	100% of rated working pressure
			Blind Ram	X	10M
			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

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 Rpeort and sbumitted 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	Int. shoe to KOP
	Density	Int. shoe to KOP
X	CBL	Production casing
X	Mud log	Intermediate shoe to TD
	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH pressure at deepest TVD	6645
Abnormal temperature	No

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

Hydrogren 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 nippled 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 25-T25S-R31E
Big Sinks Draw 25-24 Fed Com 732H

Wellbore #1

Plan: Permit Plan 1

Standard Planning Report - Geographic

11 September, 2019

Database:	EDM r5000.141_Prod US	**Local Co-ordinate Reference:**	Well Big Sinks Draw 25-24 Fed Com 732H
Company:	WCDSC Permian NM	**TVD Reference:**	RKB @ 3360.60ft
Project:	Eddy County (NAD 83 NM Eastern)	**MD Reference:**	RKB @ 3360.60ft
Site:	Sec 25-T25S-R31E	**North Reference:**	Grid
Well:	Big Sinks Draw 25-24 Fed Com 732H	**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 25-T25S-R31E

Site Position:		**Northing:**	403,723.39 usft	**Latitude:**	32.108526
From:	Map	**Easting:**	724,993.28 usft	**Longitude:**	-103.740178
Position Uncertainty:	5.00 ft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	0.32 °

Well Big Sinks Draw 25-24 Fed Com 732H

Well Position	**+N/-S**	0.00 ft	**Northing:**	401,256.02 usft	**Latitude:**	32.101710
	+E/-W	0.00 ft	**Easting:**	727,191.25 usft	**Longitude:**	-103.733124
Position Uncertainty		0.50 ft	**Wellhead Elevation:**		**Ground Level:**	3,335.60 ft

Wellbore Wellbore #1

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2015	9/9/2019	6.78	59.90	47,620.34456559

Design Permit Plan 1

Audit Notes:

Version:		**Phase:**	PROTOTYPE	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	0.76

Plan Survey Tool Program **Date** 9/11/2019

	Depth From (ft)	Depth To (ft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	19,471.37	Permit Plan 1 (Wellbore #1)	MWD+HDGM OWSG MWD + HDGM	

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,302.36	1.02	131.46	2,302.35	-0.61	0.69	1.00	1.00	0.00	131.46	
11,180.19	1.02	131.46	11,178.77	-105.60	119.54	0.00	0.00	0.00	0.00	
11,248.43	0.00	0.00	11,247.00	-106.00	120.00	1.50	-1.50	0.00	180.00	
11,598.47	0.00	0.00	11,597.04	-106.00	120.00	0.00	0.00	0.00	0.00	
12,498.47	90.00	359.84	12,170.00	466.96	118.37	10.00	10.00	0.00	359.84	PBHL - Big Sinks Dra
19,471.37	90.00	359.84	12,170.00	7,439.84	98.48	0.00	0.00	0.00	0.00	PBHL - Big Sinks Dra

Database:	EDM r5000.141_Prod US	**Local Co-ordinate Reference:**	Well Big Sinks Draw 25-24 Fed Com 732H
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Project:	Eddy County (NAD 83 NM Eastern)	**MD Reference:**	RKB @ 3360.60ft
Site:	Sec 25-T25S-R31E	**North Reference:**	Grid
Well:	Big Sinks Draw 25-24 Fed Com 732H	**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	401,256.02	727,191.25	32.101710	-103.733124
100.00	0.00	0.00	100.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
200.00	0.00	0.00	200.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
300.00	0.00	0.00	300.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
400.00	0.00	0.00	400.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
500.00	0.00	0.00	500.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
600.00	0.00	0.00	600.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
700.00	0.00	0.00	700.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
800.00	0.00	0.00	800.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
900.00	0.00	0.00	900.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,000.00	0.00	0.00	1,000.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,100.00	0.00	0.00	1,100.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,200.00	0.00	0.00	1,200.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,300.00	0.00	0.00	1,300.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,400.00	0.00	0.00	1,400.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,500.00	0.00	0.00	1,500.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,600.00	0.00	0.00	1,600.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,700.00	0.00	0.00	1,700.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,800.00	0.00	0.00	1,800.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
1,900.00	0.00	0.00	1,900.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
2,000.00	0.00	0.00	2,000.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
2,100.00	0.00	0.00	2,100.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
2,200.00	0.00	0.00	2,200.00	0.00	0.00	401,256.02	727,191.25	32.101710	-103.733124
2,300.00	1.00	131.46	2,299.99	-0.58	0.65	401,255.44	727,191.90	32.101708	-103.733121
2,302.36	1.02	131.46	2,302.35	-0.61	0.69	401,255.41	727,191.93	32.101708	-103.733121
2,400.00	1.02	131.46	2,399.98	-1.76	1.99	401,254.26	727,193.24	32.101705	-103.733117
2,500.00	1.02	131.46	2,499.96	-2.94	3.33	401,253.08	727,194.58	32.101702	-103.733113
2,600.00	1.02	131.46	2,599.95	-4.13	4.67	401,251.89	727,195.92	32.101699	-103.733109
2,700.00	1.02	131.46	2,699.93	-5.31	6.01	401,250.71	727,197.26	32.101695	-103.733104
2,800.00	1.02	131.46	2,799.92	-6.49	7.35	401,249.53	727,198.59	32.101692	-103.733100
2,900.00	1.02	131.46	2,899.90	-7.67	8.69	401,248.35	727,199.93	32.101689	-103.733096
3,000.00	1.02	131.46	2,999.88	-8.86	10.03	401,247.16	727,201.27	32.101686	-103.733091
3,100.00	1.02	131.46	3,099.87	-10.04	11.36	401,245.98	727,202.61	32.101682	-103.733087
3,200.00	1.02	131.46	3,199.85	-11.22	12.70	401,244.80	727,203.95	32.101679	-103.733083
3,300.00	1.02	131.46	3,299.84	-12.40	14.04	401,243.62	727,205.29	32.101676	-103.733078
3,400.00	1.02	131.46	3,399.82	-13.59	15.38	401,242.43	727,206.63	32.101673	-103.733074
3,500.00	1.02	131.46	3,499.80	-14.77	16.72	401,241.25	727,207.97	32.101669	-103.733070
3,600.00	1.02	131.46	3,599.79	-15.95	18.06	401,240.07	727,209.30	32.101666	-103.733066
3,700.00	1.02	131.46	3,699.77	-17.13	19.40	401,238.88	727,210.64	32.101663	-103.733061
3,800.00	1.02	131.46	3,799.76	-18.32	20.74	401,237.70	727,211.98	32.101659	-103.733057
3,900.00	1.02	131.46	3,899.74	-19.50	22.07	401,236.52	727,213.32	32.101656	-103.733053
4,000.00	1.02	131.46	3,999.72	-20.68	23.41	401,235.34	727,214.66	32.101653	-103.733048
4,100.00	1.02	131.46	4,099.71	-21.86	24.75	401,234.15	727,216.00	32.101650	-103.733044
4,200.00	1.02	131.46	4,199.69	-23.05	26.09	401,232.97	727,217.34	32.101646	-103.733040
4,300.00	1.02	131.46	4,299.68	-24.23	27.43	401,231.79	727,218.68	32.101643	-103.733035
4,400.00	1.02	131.46	4,399.66	-25.41	28.77	401,230.61	727,220.02	32.101640	-103.733031
4,500.00	1.02	131.46	4,499.64	-26.60	30.11	401,229.42	727,221.35	32.101637	-103.733027
4,600.00	1.02	131.46	4,599.63	-27.78	31.45	401,228.24	727,222.69	32.101633	-103.733023
4,700.00	1.02	131.46	4,699.61	-28.96	32.79	401,227.06	727,224.03	32.101630	-103.733018
4,800.00	1.02	131.46	4,799.60	-30.14	34.12	401,225.88	727,225.37	32.101627	-103.733014
4,900.00	1.02	131.46	4,899.58	-31.33	35.46	401,224.69	727,226.71	32.101623	-103.733010
5,000.00	1.02	131.46	4,999.56	-32.51	36.80	401,223.51	727,228.05	32.101620	-103.733005
5,100.00	1.02	131.46	5,099.55	-33.69	38.14	401,222.33	727,229.39	32.101617	-103.733001
5,200.00	1.02	131.46	5,199.53	-34.87	39.48	401,221.15	727,230.73	32.101614	-103.732997
5,300.00	1.02	131.46	5,299.52	-36.06	40.82	401,219.96	727,232.06	32.101610	-103.732992

Database:	EDM r5000.141_Prod US	**Local Co-ordinate Reference:**	Well Big Sinks Draw 25-24 Fed Com 732H
Company:	WCDSC Permian NM	**TVD Reference:**	RKB @ 3360.60ft
Project:	Eddy County (NAD 83 NM Eastern)	**MD Reference:**	RKB @ 3360.60ft
Site:	Sec 25-T25S-R31E	**North Reference:**	Grid
Well:	Big Sinks Draw 25-24 Fed Com 732H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permit Plan 1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
5,400.00	1.02	131.46	5,399.50	-37.24	42.16	401,218.78	727,233.40	32.101607	-103.732988
5,500.00	1.02	131.46	5,499.48	-38.42	43.50	401,217.60	727,234.74	32.101604	-103.732984
5,600.00	1.02	131.46	5,599.47	-39.60	44.83	401,216.42	727,236.08	32.101601	-103.732980
5,700.00	1.02	131.46	5,699.45	-40.79	46.17	401,215.23	727,237.42	32.101597	-103.732975
5,800.00	1.02	131.46	5,799.44	-41.97	47.51	401,214.05	727,238.76	32.101594	-103.732971
5,900.00	1.02	131.46	5,899.42	-43.15	48.85	401,212.87	727,240.10	32.101591	-103.732967
6,000.00	1.02	131.46	5,999.40	-44.33	50.19	401,211.68	727,241.44	32.101587	-103.732962
6,100.00	1.02	131.46	6,099.39	-45.52	51.53	401,210.50	727,242.77	32.101584	-103.732958
6,200.00	1.02	131.46	6,199.37	-46.70	52.87	401,209.32	727,244.11	32.101581	-103.732954
6,300.00	1.02	131.46	6,299.36	-47.88	54.21	401,208.14	727,245.45	32.101578	-103.732949
6,400.00	1.02	131.46	6,399.34	-49.06	55.55	401,206.95	727,246.79	32.101574	-103.732945
6,500.00	1.02	131.46	6,499.32	-50.25	56.88	401,205.77	727,248.13	32.101571	-103.732941
6,600.00	1.02	131.46	6,599.31	-51.43	58.22	401,204.59	727,249.47	32.101568	-103.732936
6,700.00	1.02	131.46	6,699.29	-52.61	59.56	401,203.41	727,250.81	32.101565	-103.732932
6,800.00	1.02	131.46	6,799.28	-53.80	60.90	401,202.22	727,252.15	32.101561	-103.732928
6,900.00	1.02	131.46	6,899.26	-54.98	62.24	401,201.04	727,253.49	32.101558	-103.732924
7,000.00	1.02	131.46	6,999.25	-56.16	63.58	401,199.86	727,254.82	32.101555	-103.732919
7,100.00	1.02	131.46	7,099.23	-57.34	64.92	401,198.68	727,256.16	32.101551	-103.732915
7,200.00	1.02	131.46	7,199.21	-58.53	66.26	401,197.49	727,257.50	32.101548	-103.732911
7,300.00	1.02	131.46	7,299.20	-59.71	67.59	401,196.31	727,258.84	32.101545	-103.732906
7,400.00	1.02	131.46	7,399.18	-60.89	68.93	401,195.13	727,260.18	32.101542	-103.732902
7,500.00	1.02	131.46	7,499.17	-62.07	70.27	401,193.95	727,261.52	32.101538	-103.732898
7,600.00	1.02	131.46	7,599.15	-63.26	71.61	401,192.76	727,262.86	32.101535	-103.732893
7,700.00	1.02	131.46	7,699.13	-64.44	72.95	401,191.58	727,264.20	32.101532	-103.732889
7,800.00	1.02	131.46	7,799.12	-65.62	74.29	401,190.40	727,265.53	32.101529	-103.732885
7,900.00	1.02	131.46	7,899.10	-66.80	75.63	401,189.21	727,266.87	32.101525	-103.732881
8,000.00	1.02	131.46	7,999.09	-67.99	76.97	401,188.03	727,268.21	32.101522	-103.732876
8,100.00	1.02	131.46	8,099.07	-69.17	78.31	401,186.85	727,269.55	32.101519	-103.732872
8,200.00	1.02	131.46	8,199.05	-70.35	79.64	401,185.67	727,270.89	32.101515	-103.732868
8,300.00	1.02	131.46	8,299.04	-71.53	80.98	401,184.48	727,272.23	32.101512	-103.732863
8,400.00	1.02	131.46	8,399.02	-72.72	82.32	401,183.30	727,273.57	32.101509	-103.732859
8,500.00	1.02	131.46	8,499.01	-73.90	83.66	401,182.12	727,274.91	32.101506	-103.732855
8,600.00	1.02	131.46	8,598.99	-75.08	85.00	401,180.94	727,276.25	32.101502	-103.732850
8,700.00	1.02	131.46	8,698.97	-76.27	86.34	401,179.75	727,277.58	32.101499	-103.732846
8,800.00	1.02	131.46	8,798.96	-77.45	87.68	401,178.57	727,278.92	32.101496	-103.732842
8,900.00	1.02	131.46	8,898.94	-78.63	89.02	401,177.39	727,280.26	32.101493	-103.732838
9,000.00	1.02	131.46	8,998.93	-79.81	90.35	401,176.21	727,281.60	32.101489	-103.732833
9,100.00	1.02	131.46	9,098.91	-81.00	91.69	401,175.02	727,282.94	32.101486	-103.732829
9,200.00	1.02	131.46	9,198.89	-82.18	93.03	401,173.84	727,284.28	32.101483	-103.732825
9,300.00	1.02	131.46	9,298.88	-83.36	94.37	401,172.66	727,285.62	32.101480	-103.732820
9,400.00	1.02	131.46	9,398.86	-84.54	95.71	401,171.48	727,286.96	32.101476	-103.732816
9,500.00	1.02	131.46	9,498.85	-85.73	97.05	401,170.29	727,288.29	32.101473	-103.732812
9,600.00	1.02	131.46	9,598.83	-86.91	98.39	401,169.11	727,289.63	32.101470	-103.732807
9,700.00	1.02	131.46	9,698.81	-88.09	99.73	401,167.93	727,290.97	32.101466	-103.732803
9,800.00	1.02	131.46	9,798.80	-89.27	101.06	401,166.75	727,292.31	32.101463	-103.732799
9,900.00	1.02	131.46	9,898.78	-90.46	102.40	401,165.56	727,293.65	32.101460	-103.732795
10,000.00	1.02	131.46	9,998.77	-91.64	103.74	401,164.38	727,294.99	32.101457	-103.732790
10,100.00	1.02	131.46	10,098.75	-92.82	105.08	401,163.20	727,296.33	32.101453	-103.732786
10,200.00	1.02	131.46	10,198.73	-94.00	106.42	401,162.01	727,297.67	32.101450	-103.732782
10,300.00	1.02	131.46	10,298.72	-95.19	107.76	401,160.83	727,299.01	32.101447	-103.732777
10,400.00	1.02	131.46	10,398.70	-96.37	109.10	401,159.65	727,300.34	32.101444	-103.732773
10,500.00	1.02	131.46	10,498.69	-97.55	110.44	401,158.47	727,301.68	32.101440	-103.732769
10,600.00	1.02	131.46	10,598.67	-98.74	111.78	401,157.28	727,303.02	32.101437	-103.732764
10,700.00	1.02	131.46	10,698.65	-99.92	113.11	401,156.10	727,304.36	32.101434	-103.732760
10,800.00	1.02	131.46	10,798.64	-101.10	114.45	401,154.92	727,305.70	32.101430	-103.732756

Database:	EDM r5000.141_Prod US	**Local Co-ordinate Reference:**	Well Big Sinks Draw 25-24 Fed Com 732H
Company:	WCDSC Permian NM	**TVD Reference:**	RKB @ 3360.60ft
Project:	Eddy County (NAD 83 NM Eastern)	**MD Reference:**	RKB @ 3360.60ft
Site:	Sec 25-T25S-R31E	**North Reference:**	Grid
Well:	Big Sinks Draw 25-24 Fed Com 732H	**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	1.02	131.46	10,898.62	-102.28	115.79	401,153.74	727,307.04	32.101427	-103.732751
11,000.00	1.02	131.46	10,998.61	-103.47	117.13	401,152.55	727,308.38	32.101424	-103.732747
11,100.00	1.02	131.46	11,098.59	-104.65	118.47	401,151.37	727,309.72	32.101421	-103.732743
11,180.19	1.02	131.46	11,178.77	-105.60	119.54	401,150.42	727,310.79	32.101418	-103.732739
11,200.00	0.73	131.46	11,198.58	-105.80	119.77	401,150.22	727,311.02	32.101417	-103.732739
11,248.43	0.00	0.00	11,247.00	-106.00	120.00	401,150.02	727,311.25	32.101417	-103.732738
11,300.00	0.00	0.00	11,298.57	-106.00	120.00	401,150.02	727,311.25	32.101417	-103.732738
11,400.00	0.00	0.00	11,398.57	-106.00	120.00	401,150.02	727,311.25	32.101417	-103.732738
11,500.00	0.00	0.00	11,498.57	-106.00	120.00	401,150.02	727,311.25	32.101417	-103.732738
11,598.47	0.00	0.00	11,597.04	-106.00	120.00	401,150.02	727,311.25	32.101417	-103.732738
KOP @ 11598' MD, 2589' FNL, 2310' FWL									
11,600.00	0.15	359.84	11,598.57	-106.00	120.00	401,150.02	727,311.25	32.101417	-103.732738
11,700.00	10.15	359.84	11,698.04	-97.03	119.97	401,158.99	727,311.22	32.101442	-103.732738
11,800.00	20.15	359.84	11,794.44	-70.92	119.90	401,185.10	727,311.15	32.101513	-103.732738
11,839.61	24.11	359.84	11,831.13	-56.00	119.86	401,200.02	727,311.10	32.101554	-103.732738
FTP @ 11840' MD, 2538' FNL, 2310' FWL									
11,900.00	30.15	359.84	11,884.85	-28.47	119.78	401,227.55	727,311.02	32.101630	-103.732737
12,000.00	40.15	359.84	11,966.50	29.03	119.61	401,285.05	727,310.86	32.101788	-103.732737
12,100.00	50.15	359.84	12,036.94	99.84	119.41	401,355.86	727,310.66	32.101983	-103.732736
12,200.00	60.15	359.84	12,094.00	181.81	119.18	401,437.83	727,310.43	32.102208	-103.732735
12,300.00	70.15	359.84	12,135.97	272.44	118.92	401,528.45	727,310.17	32.102457	-103.732735
12,400.00	80.15	359.84	12,161.56	368.97	118.65	401,624.99	727,309.89	32.102723	-103.732734
12,498.47	90.00	359.84	12,170.00	466.96	118.37	401,722.97	727,309.61	32.102992	-103.732733
12,500.00	90.00	359.84	12,170.00	468.49	118.36	401,724.51	727,309.61	32.102996	-103.732733
12,600.00	90.00	359.84	12,170.00	568.49	118.08	401,824.51	727,309.32	32.103271	-103.732732
12,700.00	90.00	359.84	12,170.00	668.49	117.79	401,924.51	727,309.04	32.103546	-103.732731
12,800.00	90.00	359.84	12,170.00	768.49	117.51	402,024.51	727,308.75	32.103821	-103.732730
12,900.00	90.00	359.84	12,170.00	868.49	117.22	402,124.50	727,308.47	32.104096	-103.732729
13,000.00	90.00	359.84	12,170.00	968.49	116.94	402,224.50	727,308.18	32.104370	-103.732729
13,100.00	90.00	359.84	12,170.00	1,068.49	116.65	402,324.50	727,307.90	32.104645	-103.732728
13,200.00	90.00	359.84	12,170.00	1,168.49	116.37	402,424.50	727,307.61	32.104920	-103.732727
13,300.00	90.00	359.84	12,170.00	1,268.49	116.08	402,524.50	727,307.33	32.105195	-103.732726
13,400.00	90.00	359.84	12,170.00	1,368.49	115.79	402,624.50	727,307.04	32.105470	-103.732725
13,500.00	90.00	359.84	12,170.00	1,468.49	115.51	402,724.50	727,306.76	32.105745	-103.732724
13,600.00	90.00	359.84	12,170.00	1,568.48	115.22	402,824.50	727,306.47	32.106020	-103.732723
13,700.00	90.00	359.84	12,170.00	1,668.48	114.94	402,924.50	727,306.19	32.106295	-103.732722
13,800.00	90.00	359.84	12,170.00	1,768.48	114.65	403,024.50	727,305.90	32.106570	-103.732722
13,900.00	90.00	359.84	12,170.00	1,868.48	114.37	403,124.50	727,305.62	32.106844	-103.732721
14,000.00	90.00	359.84	12,170.00	1,968.48	114.08	403,224.50	727,305.33	32.107119	-103.732720
14,100.00	90.00	359.84	12,170.00	2,068.48	113.80	403,324.50	727,305.04	32.107394	-103.732719
14,200.00	90.00	359.84	12,170.00	2,168.48	113.51	403,424.50	727,304.76	32.107669	-103.732718
14,300.00	90.00	359.84	12,170.00	2,268.48	113.23	403,524.50	727,304.47	32.107944	-103.732717
14,400.00	90.00	359.84	12,170.00	2,368.48	112.94	403,624.50	727,304.19	32.108219	-103.732716
14,500.00	90.00	359.84	12,170.00	2,468.48	112.66	403,724.50	727,303.90	32.108494	-103.732715
14,515.00	90.00	359.84	12,170.00	2,483.48	112.62	403,739.49	727,303.86	32.108535	-103.732715
Cross seciton @ 14515' MD, 0' FSL, 2310' FWL									
14,600.00	90.00	359.84	12,170.00	2,568.48	112.37	403,824.49	727,303.62	32.108769	-103.732714
14,700.00	90.00	359.84	12,170.00	2,668.48	112.09	403,924.49	727,303.33	32.109044	-103.732714
14,800.00	90.00	359.84	12,170.00	2,768.48	111.80	404,024.49	727,303.05	32.109318	-103.732713
14,900.00	90.00	359.84	12,170.00	2,868.48	111.52	404,124.49	727,302.76	32.109593	-103.732712
15,000.00	90.00	359.84	12,170.00	2,968.48	111.23	404,224.49	727,302.48	32.109868	-103.732711
15,100.00	90.00	359.84	12,170.00	3,068.48	110.95	404,324.49	727,302.19	32.110143	-103.732710
15,200.00	90.00	359.84	12,170.00	3,168.48	110.66	404,424.49	727,301.91	32.110418	-103.732709
15,300.00	90.00	359.84	12,170.00	3,268.48	110.38	404,524.49	727,301.62	32.110693	-103.732708

Database:	EDM r5000.141_Prod US	**Local Co-ordinate Reference:**	Well Big Sinks Draw 25-24 Fed Com 732H
Company:	WCDSC Permian NM	**TVD Reference:**	RKB @ 3360.60ft
Project:	Eddy County (NAD 83 NM Eastern)	**MD Reference:**	RKB @ 3360.60ft
Site:	Sec 25-T25S-R31E	**North Reference:**	Grid
Well:	Big Sinks Draw 25-24 Fed Com 732H	**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
15,400.00	90.00	359.84	12,170.00	3,368.48	110.09	404,624.49	727,301.34	32.110968	-103.732707
15,500.00	90.00	359.84	12,170.00	3,468.48	109.81	404,724.49	727,301.05	32.111243	-103.732707
15,600.00	90.00	359.84	12,170.00	3,568.48	109.52	404,824.49	727,300.77	32.111517	-103.732706
15,700.00	90.00	359.84	12,170.00	3,668.48	109.24	404,924.49	727,300.48	32.111792	-103.732705
15,800.00	90.00	359.84	12,170.00	3,768.48	108.95	405,024.49	727,300.20	32.112067	-103.732704
15,900.00	90.00	359.84	12,170.00	3,868.48	108.67	405,124.49	727,299.91	32.112342	-103.732703
16,000.00	90.00	359.84	12,170.00	3,968.47	108.38	405,224.49	727,299.63	32.112617	-103.732702
16,100.00	90.00	359.84	12,170.00	4,068.47	108.09	405,324.49	727,299.34	32.112892	-103.732701
16,200.00	90.00	359.84	12,170.00	4,168.47	107.81	405,424.48	727,299.06	32.113167	-103.732700
16,300.00	90.00	359.84	12,170.00	4,268.47	107.52	405,524.48	727,298.77	32.113442	-103.732700
16,400.00	90.00	359.84	12,170.00	4,368.47	107.24	405,624.48	727,298.49	32.113717	-103.732699
16,500.00	90.00	359.84	12,170.00	4,468.47	106.95	405,724.48	727,298.20	32.113991	-103.732698
16,600.00	90.00	359.84	12,170.00	4,568.47	106.67	405,824.48	727,297.92	32.114266	-103.732697
16,700.00	90.00	359.84	12,170.00	4,668.47	106.38	405,924.48	727,297.63	32.114541	-103.732696
16,800.00	90.00	359.84	12,170.00	4,768.47	106.10	406,024.48	727,297.34	32.114816	-103.732695
16,900.00	90.00	359.84	12,170.00	4,868.47	105.81	406,124.48	727,297.06	32.115091	-103.732694
17,000.00	90.00	359.84	12,170.00	4,968.47	105.53	406,224.48	727,296.77	32.115366	-103.732693
17,100.00	90.00	359.84	12,170.00	5,068.47	105.24	406,324.48	727,296.49	32.115641	-103.732693
17,200.00	90.00	359.84	12,170.00	5,168.47	104.96	406,424.48	727,296.20	32.115916	-103.732692
17,300.00	90.00	359.84	12,170.00	5,268.47	104.67	406,524.48	727,295.92	32.116190	-103.732691
17,400.00	90.00	359.84	12,170.00	5,368.47	104.39	406,624.48	727,295.63	32.116465	-103.732690
17,500.00	90.00	359.84	12,170.00	5,468.47	104.10	406,724.48	727,295.35	32.116740	-103.732689
17,600.00	90.00	359.84	12,170.00	5,568.47	103.82	406,824.48	727,295.06	32.117015	-103.732688
17,700.00	90.00	359.84	12,170.00	5,668.47	103.53	406,924.48	727,294.78	32.117290	-103.732687
17,800.00	90.00	359.84	12,170.00	5,768.47	103.25	407,024.48	727,294.49	32.117565	-103.732686
17,900.00	90.00	359.84	12,170.00	5,868.47	102.96	407,124.47	727,294.21	32.117840	-103.732685
18,000.00	90.00	359.84	12,170.00	5,968.47	102.68	407,224.47	727,293.92	32.118115	-103.732685
18,100.00	90.00	359.84	12,170.00	6,068.47	102.39	407,324.47	727,293.64	32.118390	-103.732684
18,200.00	90.00	359.84	12,170.00	6,168.47	102.11	407,424.47	727,293.35	32.118664	-103.732683
18,300.00	90.00	359.84	12,170.00	6,268.47	101.82	407,524.47	727,293.07	32.118939	-103.732682
18,400.00	90.00	359.84	12,170.00	6,368.47	101.54	407,624.47	727,292.78	32.119214	-103.732681
18,500.00	90.00	359.84	12,170.00	6,468.46	101.25	407,724.47	727,292.50	32.119489	-103.732680
18,600.00	90.00	359.84	12,170.00	6,568.46	100.97	407,824.47	727,292.21	32.119764	-103.732679
18,700.00	90.00	359.84	12,170.00	6,668.46	100.68	407,924.47	727,291.93	32.120039	-103.732678
18,800.00	90.00	359.84	12,170.00	6,768.46	100.39	408,024.47	727,291.64	32.120314	-103.732678
18,900.00	90.00	359.84	12,170.00	6,868.46	100.11	408,124.47	727,291.36	32.120589	-103.732677
19,000.00	90.00	359.84	12,170.00	6,968.46	99.82	408,224.47	727,291.07	32.120863	-103.732676
19,100.00	90.00	359.84	12,170.00	7,068.46	99.54	408,324.47	727,290.79	32.121138	-103.732675
19,200.00	90.00	359.84	12,170.00	7,168.46	99.25	408,424.47	727,290.50	32.121413	-103.732674
19,300.00	90.00	359.84	12,170.00	7,268.46	98.97	408,524.47	727,290.21	32.121688	-103.732673
19,400.00	90.00	359.84	12,170.00	7,368.46	98.68	408,624.47	727,289.93	32.121963	-103.732672
19,471.36	90.00	359.84	12,170.00	7,439.82	98.48	408,695.82	727,289.73	32.122159	-103.732672
PBHL & LTP @ 19471' MD, 330' FNL, 2310' FWL									
19,471.37	90.00	359.84	12,170.00	7,439.84	98.48	408,695.84	727,289.73	32.122159	-103.732672

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL - Big Sinks Draw :	0.00	0.00	0.00	7,439.84	98.48	408,695.84	727,289.73	32.122159	-103.732672
- plan misses target center by 7440.49ft at 0.00ft MD (0.00 TVD, 0.00 N, 0.00 E)									
- Point									

Database:	EDM r5000.141_Prod US	**Local Co-ordinate Reference:**	Well Big Sinks Draw 25-24 Fed Com 732H
Company:	WCDSC Permian NM	**TVD Reference:**	RKB @ 3360.60ft
Project:	Eddy County (NAD 83 NM Eastern)	**MD Reference:**	RKB @ 3360.60ft
Site:	Sec 25-T25S-R31E	**North Reference:**	Grid
Well:	Big Sinks Draw 25-24 Fed Com 732H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permit Plan 1		

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
11,598.47	11,597.04	-106.00	120.00	KOP @ 11598' MD, 2589' FNL, 2310' FWL
11,839.61	11,831.13	-56.00	119.86	FTP @ 11840' MD, 2538' FNL, 2310' FWL
14,515.00	12,170.00	2,483.48	112.62	Cross seciton @ 14515' MD, 0' FSL, 2310' FWL
19,471.36	12,170.00	7,439.82	98.48	PBHL & LTP @ 19471' MD, 330' FNL, 2310' FWL

Devon Energy

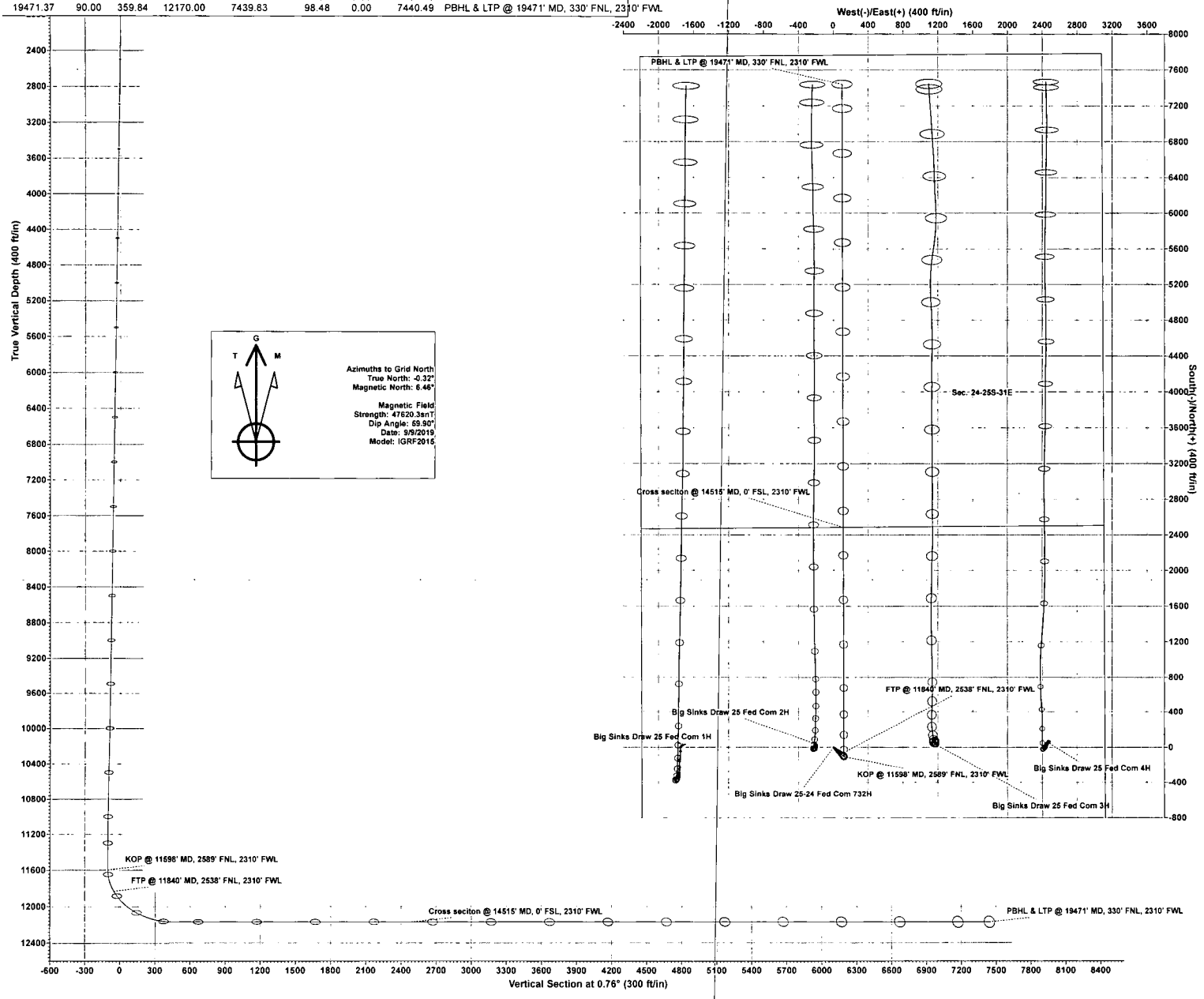
WELL DETAILS: Big Sinks Draw 25-24 Fed Com 732H

RKB @ 3360.60ft
3335.60

Northing	Easting	Latitude	Longitude
401256.02	727191.25	32.101710	-103.733123

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	
2200.00	0.00	0.00	2200.00	0.00	0.00	0.00	0.00	
2302.36	1.02	131.46	2302.35	-0.61	0.69	1.00	-0.60	
11180.19	1.02	131.46	11178.77	-105.60	119.54	0.00	-104.01	
11248.43	0.00	0.00	11247.00	-106.00	120.00	1.50	-104.40	
11598.47	0.00	0.00	11597.04	-106.00	120.00	0.00	-104.40	KOP @ 11598' MD, 2589' FNL, 2310' FWL
12498.47	90.00	359.84	12170.00	466.96	118.37	10.00	468.48	
19471.37	90.00	359.84	12170.00	7439.83	98.48	0.00	7440.49	PBHL & LTP @ 19471' MD, 330' FNL, 2310' FWL



devon

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

Hydrogen Sulfide (H_2S) Contingency Plan

For

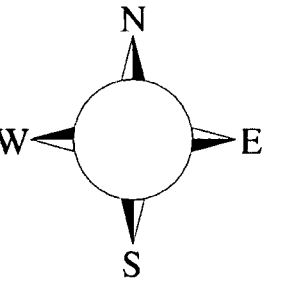
Big Sinks Draw 25-24 Fed Com 732H

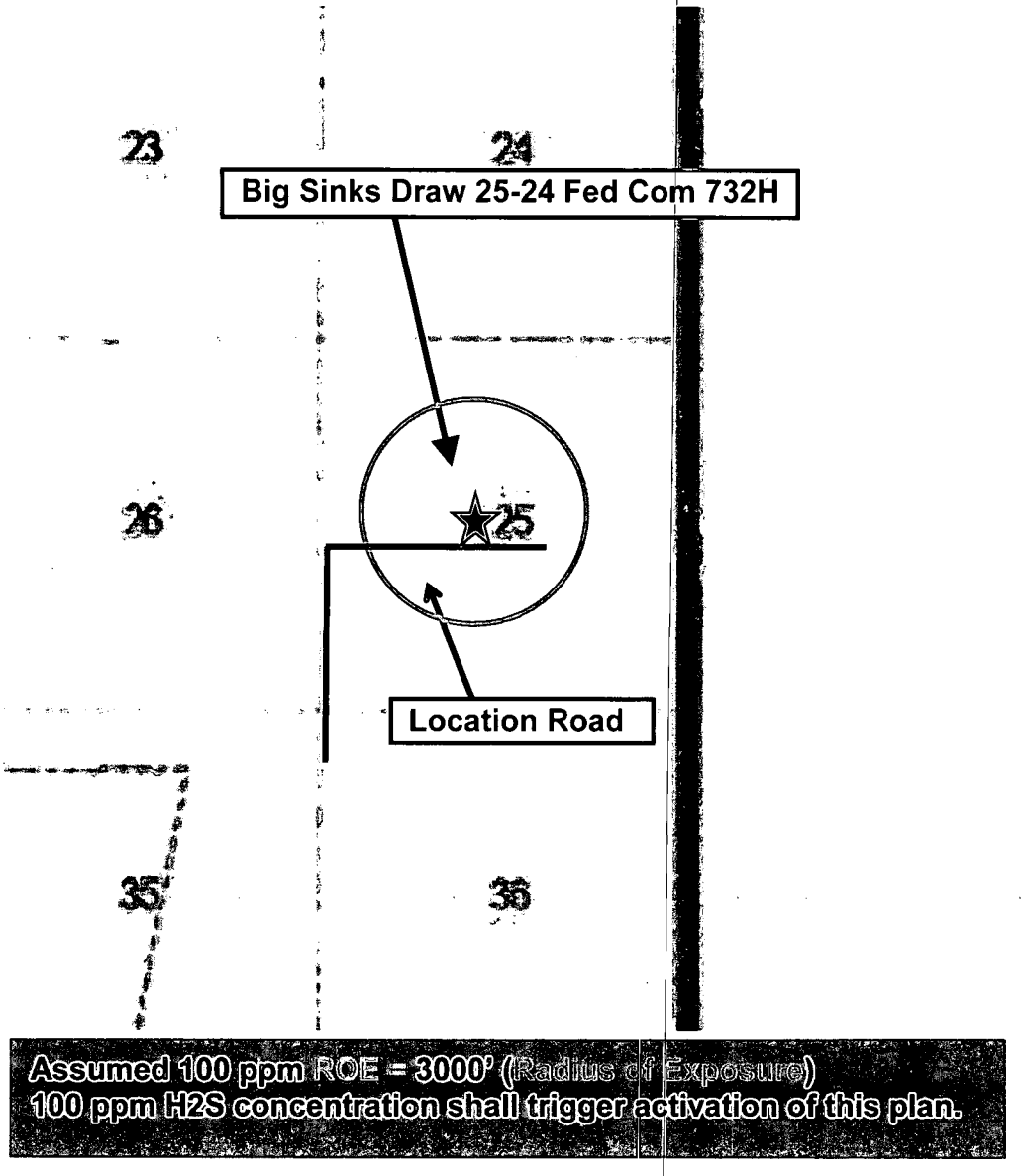
Sec-25 T-25S R-31E
2483' FNL & 2190' FWL
LAT. = 32.1017100' N (NAD83)
LONG = 103.7331233' W

Eddy County NM

Big Sinks Draw 25-24 Fed Com 732H

This is an open drilling site. H_2S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H_2S, including warning signs, wind indicators and H_2S monitor.





Escape

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

Assumed 100 ppm ROE = 3000'

100 ppm H_2S concentration shall trigger activation of this plan.

Emergency Procedures

In the event of a release of gas containing H_2S, 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 H_2S 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 H_2S, 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 (SO_2). 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 H_2S and SO_2

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H_2S	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 (H_2S) 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 (H_2S)
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H_2S 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 H_2S 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 H_2S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H_2S zone (within 3 days or 500 feet) and weekly H_2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H_2S Drilling Operations Plan and the Public Protection Plan.

II. HYDROGEN SULFIDE TRAINING

Note: All H_2S 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 H_2S.

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. **H_2S detection and monitoring equipment:**

   Portable H_2S monitors positioned on location for best coverage and response. These units have warning lights which activate when H_2S levels reach 10 ppm and audible sirens which activate at 15 ppm. Sensor locations:

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

   Visual warning systems:

   A. Wind direction indicators as shown on well site diagram

   B. Caution/ Danger signs shall be posted on roads providing direct access to locations. Signs will be painted a high visibility yellow with black lettering of sufficient size to be reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

4. **Mud program:**

   The mud program has been designed to minimize the volume of H_2S circulated to surface. Proper mud weight, safe drilling practices and the use of H_2S scavengers will minimize hazards when penetrating H_2S bearing zones.

5. **Metallurgy:**

   A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H_2S trim.

   B. All elastomers used for packing and seals shall be H_2S 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 H_2S environment will use the closed chamber method of testing.

   B. There will be no drill stem testing.

Devon Energy Corp. Company Call List			
Drilling Supervisor – Basin – Mark Kramer			405-823-4796
EHS Professional – Laura Wright			405-439-8129
Agency Call List			
Lea County (575)	**Hobbs**		
	Lea County Communication Authority		393-3981
	State Police		392-5588
	City Police		397-9265
	Sheriff's Office		393-2515
	Ambulance		**911**
	Fire Department		397-9308
	LEPC (Local Emergency Planning Committee)		393-2870
	NMOCD		393-6161
	US Bureau of Land Management		393-3612
Eddy County (575)	**Carlsbad**		
	State Police		885-3137
	City Police		885-2111
	Sheriff's Office		887-7551
	Ambulance		**911**
	Fire Department		885-3125
	LEPC (Local Emergency Planning Committee)		887-3798
	US Bureau of Land Management		887-6544
	NM Emergency Response Commission (Santa Fe)		(505) 476-9600
	24 HR		(505) 827-9126
	National Emergency Response Center		(800) 424-8802
	National Pollution Control Center: Direct		(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
Give GPS position:	Native Air – Emergency Helicopter – Hobbs (TX & NM)		(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

SHARP
communications and consulting

PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	**Devon Energy Production Company LP**
LEASE NO.:	**NMLC0062300**
WELL NAME & NO.:	BIG SINKS DRAW 25-24 FED COM 732H
SURFACE HOLE FOOTAGE:	2483'/N & 2190'/W
BOTTOM HOLE FOOTAGE	330'/N & 2310'/W
LOCATION:	Section 25, T.25 S., R.31 E., NMP
COUNTY:	Eddy County, New Mexico

COA

H2S	☐ Yes	☒ No	
Potash	☒ None	☐ Secretary	☐ R-111-P
Cave/Karst Potential	☒ Low	☐ Medium	☐ High
Cave/Karst Potential	☐ Critical		
Variance	☐ None	☒ Flex Hose	☐ Other
Wellhead	☐ Conventional	☐ Multibowl	☒ Both
Other	☐ 4 String Area	☐ Capitan Reef	☐ WIPP
Other	☑ Fluid Filled	☑ Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	☑ COM	☐ Unit

A. HYDROGEN SULFIDE

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

B. CASING

Primary Casing Design:

1. The **13-3/8** inch surface casing shall be set at approximately **1010 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 **7-5/8** inch intermediate casing is:

Option 1 (Single Stage):

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

Option 2:

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

a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

b. Second stage above DV tool:

- Cement to surface. If cement does not circulate, contact the appropriate BLM office.
  Cement excess is less than 25%, more cement might be required.

Operator has proposed to pump down 13-3/8" X 7-5/8" annulus. Operator must run a CBL from TD of the 7-5/8" 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.

Alternate Casing Design:

4. The **13-3/8** inch surface casing shall be set at approximately **1010 feet** (a minimum of **70 feet (Eddy County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.

    e. 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.
    f. 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)
    g. 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.
    h. 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.

5. The minimum required fill of cement behind the **8-5/8** inch intermediate casing is:

    Option 1 (Single Stage):

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

    Option 2:

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

    c. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

    d. Second stage above DV tool:

    - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
      Cement excess is less than 25%, more cement might be required.

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.

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

    - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.
      Cement excess is less than 25%, more cement might be required.

C. PRESSURE CONTROL

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

2.

Option 1:

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

b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate 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.**

Option 2:

1. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **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 Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, 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 intergrity 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 intergrity 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.

PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL

OPERATOR'S NAME:	DEVON ENERGY PRODUCTION COMPANY L.P
WELL NAME & NO.:	BIG SINKS DRAW 25-24 FED COM 732H
SURFACE HOLE FOOTAGE:	2483'/N & 2190'/W
BOTTOM HOLE FOOTAGE	330'/N & 2310'/W
LOCATION:	Section 25, T.25 S., R.31 E., NMP
COUNTY:	Eddy County, New Mexico

TABLE OF CONTENTS

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

Approval Date: 01/29/2020

I. GENERAL PROVISIONS

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

II. PERMIT EXPIRATION

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

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

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

IV. NOXIOUS WEEDS

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

V. SPECIAL REQUIREMENT(S)

In May 2008, the Pecos District Special Status Species Resource Management Plan Amendment (RMPA) was approved and is being implemented. In addition to the standard practices that minimize impacts, as listed above, the following COA will apply:

- Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken, to minimize noise associated impacts which could disrupt breeding and nesting activities.
- Upon abandonment, a low profile abandoned well marker will be installed to prevent raptor perching.

Wildlife Escape Ramps

Devon would need to construct and maintain escape ramps according to the following criteria:

- Earthen escape ramps would be required to be constructed to sufficiently support livestock at no more than a 30-degree slope and spaced no more than 500 feet apart.
- If trench is left open under an 8-hour time period, it would not be required to have an escape ramp; however, before the trench is backfilled, Devon would inspect the trench for wildlife and remove any species that are trapped at a distance of at least 100 yards away from the trench.

Raptor Nest Mitigation

- A BLM Wildlife Biologist must be contacted by the operator prior to construction activities to determine if the raptor nest is active.
- Determination to deconstruct inactive nest prior to pad construction will be made by BLM Wildlife Biologist.
- Raptor nests on special, natural habitat features, such as trees, large brush, cliff faces and escarpments, will be protected by not allowing surface disturbance within up to 200 meters of nests or by delaying activity for up to 90 days, or a combination of both. Exceptions to this requirement for raptor nests will be considered if the nests expected to be disturbed are inactive, the proposed activity is of short duration (e.g. habitat enhancement projects, fences, pipelines), and will not result in continuing activity in proximity to the nest.
- Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

Temporary Fencing Requirement

For the proposed Big Sinks 25 CTB 3 location, the BLM would require temporary fencing be installed before construction begins. This fencing would stay in place and be maintained throughout construction activities to protect nearby dune land habitat from harm.

Power Lines

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

Watershed/Water Quality:

For all the proposed actions; the entire perimeter of the well pad and CTB sites will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.

- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g. caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)

Tank Battery:

- Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.
- Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

Temporary Fence Crossing Requirement

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

Cattle Guard Requirement

Where entry is granted across a fence line for an access road, the fence must be braced and tied off on both sides of the passageway with H-braces prior to cutting. Once the work is completed, the fence will be restored to its prior condition with an appropriately sized cattle guard sufficient to carry out the project. Any new or existing cattle guards on the access route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations. Once the road is abandoned, the fence would be restored to its prior condition, or better. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Livestock Watering Requirement

Devon, in an agreement with the grazing allotment holder, would relocate a water pipeline affected by several proposed actions. Devon would also encase the water pipeline along its length where it would travel under access roads. See **Error! Reference source not found.** above.

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

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

Temporary Fencing Requirement

For the proposed Big Sinks 25 CTB 3 location, the BLM would require temporary fencing be installed before construction begins. This fencing would stay in place and be maintained throughout construction activities to protect nearby dune land habitat from harm.

VI. CONSTRUCTION

A. NOTIFICATION

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

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

B. TOPSOIL

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

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

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

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

D. FEDERAL MINERAL MATERIALS PIT

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

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

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

F. EXCLOSURE FENCING (CELLARS & PITS)

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

G. ON LEASE ACCESS ROADS

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

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

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

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

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

Ditching
Ditching shall be required on both sides of the road.

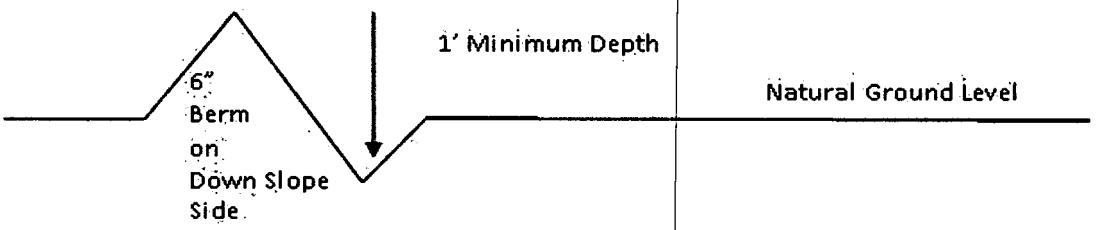
Turnouts
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

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

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

Cross Section of a Typical Lead-off Ditch



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

Formula for Spacing Interval of Lead-off Ditches

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

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

Cattle guards

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

Fence Requirement

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

Public Access

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

Construction Steps

1. Salvage topsoil
2. Construct road
3. Redistribute topsoil
4. Revegetate slopes

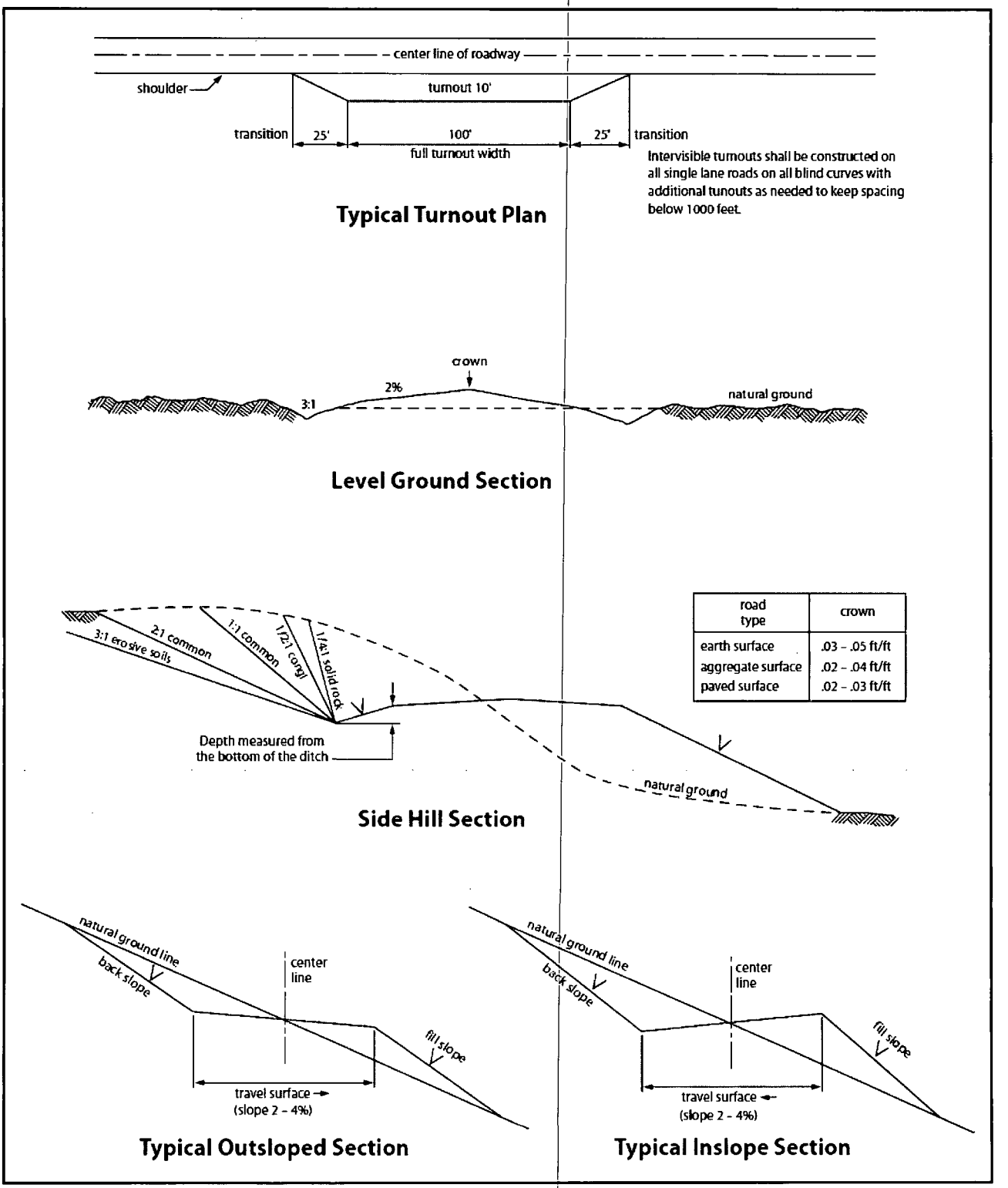


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

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

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

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

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

Containment Structures

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

Painting Requirement

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

B. PIPELINES

BURIED PIPELINE STIPULATIONS

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

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

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

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

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

5. All construction and maintenance activity will be confined to the authorized right-of-way.

6. The pipeline will be buried with a minimum cover of **36** inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be **30** feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed **20** feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)

- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed **30** feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)

- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

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

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

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

( ) seed mixture 1	( ) seed mixture 3
( ) seed mixture 2	( ) seed mixture 4
(X) seed mixture 2/LPC	( ) Aplomado Falcon Mixture

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

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

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

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

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

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

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

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

19. Special Stipulations:

Lesser Prairie-Chicken

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

This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

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

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

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and

especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

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

4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
b. Activities of other parties including, but not limited to:
    (1) Land clearing.
    (2) Earth-disturbing and earth-moving work.
    (3) Blasting.
    (4) Vandalism and sabotage.
c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars ($1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of

the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-of-way width of **20** feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.

9. The pipeline shall be buried with a minimum of **24** inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

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

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State

Interagency Committee.

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

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

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

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

17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

18. Special Stipulations:

a. **Lesser Prairie-Chicken:** Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted.

b. This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous

Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

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

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

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

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

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

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006 . The

holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

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

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

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

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

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

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

11. Special Stipulations:
- For reclamation remove poles, lines, transformer, etc. and dispose of properly.

- Fill in any holes from the poles removed.

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

This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

VIII. INTERIM RECLAMATION

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

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

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

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

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

IX. FINAL ABANDONMENT & RECLAMATION

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

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

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

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

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

Seed Mixture for LPC Sand/Shinnery Sites

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

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

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

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

*Pounds of pure live seed:

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