Amoco DB Federal 1 30-015-24155 Devon May 5, 2011 Conditions of Approval

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- 1. Contact BLM 575-361-2822 a minimum of 24 hours prior to setting CIBP above Wolfcamp perfs.
- 2. If Wolfcamp proves to be non productive set the following plugs and move on to the Bone Springs.
 - a. Set CIBP 50 to 100' above top perf. at approximately 12600' and dump 35' of class H cmt on top.
 - b. Spot a 230' plug (minimum 25 sx class H) across the 7-5/8" shoe from 11940-12170', WOC and tag.
 - c. Spot a 220' plug (minimum 25 sx class H) across the top of the Wolfcamp and the liner top from 11500-11720''. (Top of Wolfcamp-11670')
- 3. If Bone Springs proves to be non productive set the following plugs and move uphole to the Delaware.
 - a. Set CIBP 50 to 100' above top perf. at approximately 10390' and dump 35' of class H cmt on top.
 - b. Spot a 180' plug (minimum 25 sx class H) across the top of the Bone Spring formation from 8122-8302'. (Top of Bone Spring-8252')
- 4. Surface disturbance beyond the originally approved pad must have prior approval.
- 5. Closed loop system required.
- 6. **5000** (**5M**) psi workover BOP to be used with pulling unit. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The precharge test shall follow requirements in Onshore Order #2. 5M systems shall require two independent power sources, one of which may be nitrogen bottles (three minimum) maintaining a charge equal to the manufacturer's recommendations.
- 7. Operator to have H2S monitoring equipment on location as H2S has been reported from wells in the area.
- 8. Subsequent sundry with well test and wellbore schematic and completion report required.

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