

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101

August 1, 2011

Permit 304381

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------|
| 1. Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102 | | 2. OGRID Number 6137 |
| | | 3. API Number 30-025-49589 |
| 4. Property Code 322866 | 5. Property Name CHILES 28 21 STATE COM | 6. Well No. 005H |

7. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|
| UL - Lot O | Section 28 | Township 21S | Range 34E | Lot Idn O | Feet From 182 | N/S Line S | Feet From 2425 | E/W Line E | County Lea |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|--------------|-----------------|---------------|-------------------|---------------|---------------|
| UL - Lot B | Section 21 | Township 21S | Range 34E | Lot Idn B | Feet From 20 | N/S Line N | Feet From 1980 | E/W Line E | County Lea |
|---------------|---------------|-----------------|--------------|--------------|-----------------|---------------|-------------------|---------------|---------------|

9. Pool Information

| | |
|--------------------------|-------|
| BERRY;BONE SPRING, SOUTH | 96660 |
|--------------------------|-------|

Additional Well Information

| | | | | |
|---------------------------|-----------------------------|----------------------------------------|-------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type State | 15. Ground Level Elevation 3713 |
| 16. Multiple N | 17. Proposed Depth 21129 | 18. Formation Bone Spring | 19. Contractor | 20. Spud Date 7/10/2022 |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 48 | 1870 | 1392 | 0 |
| Int1 | 12.25 | 9.625 | 40 | 5628 | 775 | 0 |
| Prod | 8.75 | 5.5 | 17 | 21129 | 2529 | 5128 |

Casing/Cement Program: Additional Comments

| |
|--|
| |
|--|

22. Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular | 5000 | 5000 | |
| Blind | 5000 | 5000 | |
| Double Ram | 5000 | 5000 | |
| Annular | 5000 | 5000 | |
| Blind | 5000 | 5000 | |
| Double Ram | 5000 | 5000 | |

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.

Signature:

OIL CONSERVATION DIVISION

| | |
|--------------------------------------------------|-------------------------------------------------------|
| Printed Name: Electronically filed by Jeff Walla | Approved By: Paul F Kautz |
| Title: Supervisor Land | Title: Geologist |
| Email Address: Jeff.Walla@dmv.com | Approved Date: 11/23/2021 Expiration Date: 11/23/2023 |
| Date: 11/19/2021 Phone: 575-748-9925 | Conditions of Approval Attached |

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Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-----------------------------------|---------------------------------------------------------------|-----------------------------------------------|
| API Number 30-025-49589 | Pool Code 96660 | Pool Name BERRY; BONE SPRING, SOUTH |
| Property Code 322866 | Property Name CHILES 28-21 STATE COM | Well Number 5H |
| OGRID No. 6137 | Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | Elevation 3713.3' |

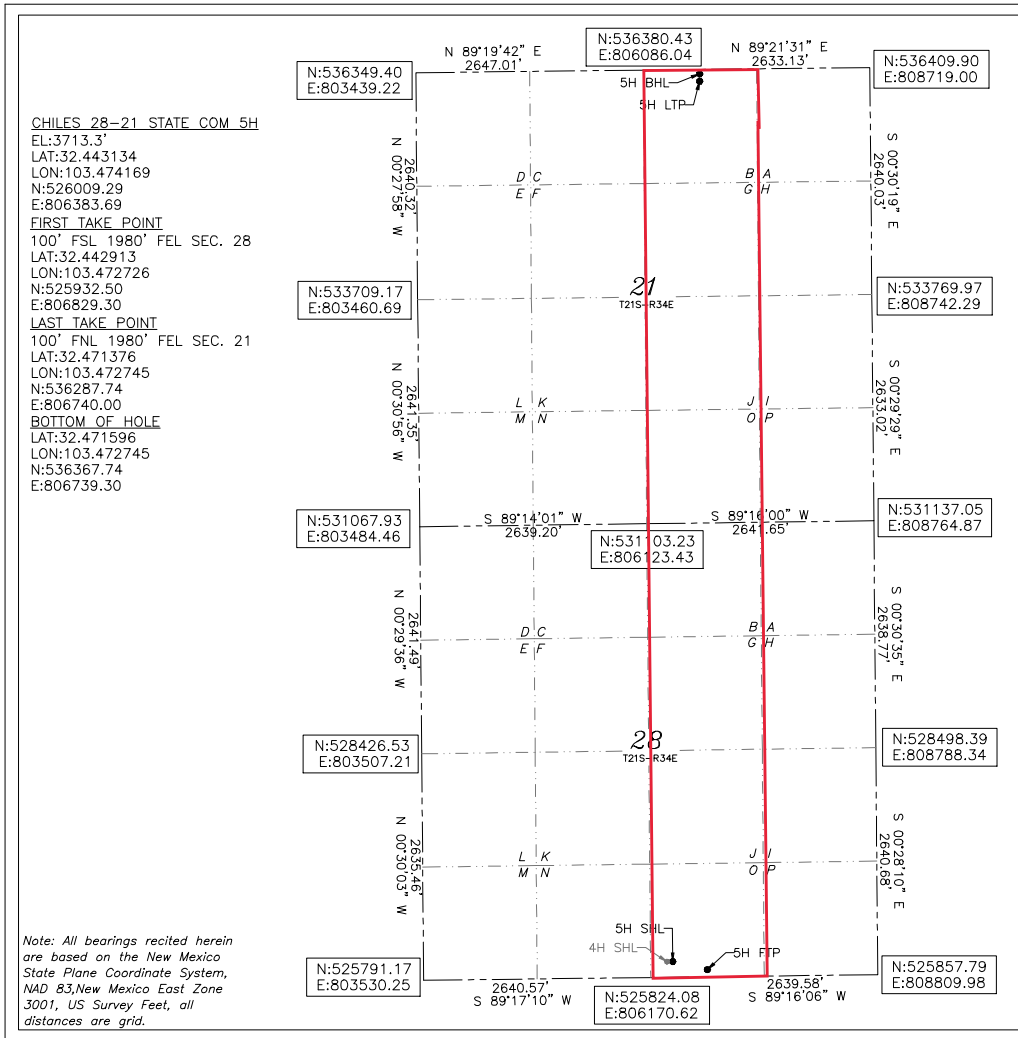
Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 28 | 21-S | 34-E | | 182 | SOUTH | 2425 | EAST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-------------------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| B | 21 | 21-S | 34-E | | 20 | NORTH | 1980 | EAST | LEA |
| Dedicated Acres 320 | Joint or Infill | Consolidation Code | Order No. | | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Rebecca Deal 11/10/2021
Signature Date

Rebecca Deal, Regulatory Analyst
Printed Name

rebecca.deal@div.com
E-mail Address

SURVEYOR CERTIFICATION

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

11/2021

Date of Survey

Signature & Seal of Professional Surveyor

B. L. LAMAN
NEW MEXICO
22404
PROFESSIONAL SURVEYOR
11/09/21
Certificate No. 22404 B.L. LAMAN
W.O. # DRAWN BY: CM

Intent ☒ As Drilled ☐

API #

| | | |
|-----------------------------------------------------------|------------------------------------------|-------------------|
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP. | Property Name: CHILES 28-21 STATE COM | Well Number 5H |
|-----------------------------------------------------------|------------------------------------------|-------------------|

Kick Off Point (KOP)

| | | | | | | | | | |
|---------------------|---------------|-----------------|--------------|-----|------------------------|-----------------|--------------|-----------------|---------------|
| UL | Section 28 | Township 21S | Range 34E | Lot | Feet 50 | From N/S FSL | Feet 1982 | From E/W FEL | County LEA |
| Latitude 32.4427 | | | | | Longitude -103.4728 | | | | NAD 83 |

First Take Point (FTP)

| | | | | | | | | | |
|-----------------------|---------------|------------------|---------------|-----|-------------------------|-------------------|--------------|------------------|---------------|
| UL O | Section 28 | Township 21-S | Range 34-E | Lot | Feet 100 | From N/S SOUTH | Feet 1980 | From E/W EAST | County LEA |
| Latitude 32.442913 | | | | | Longitude 103.472726 | | | | NAD 83 |

Last Take Point (LTP)

| | | | | | | | | | |
|-----------------------|---------------|------------------|---------------|-----|-------------------------|-------------------|--------------|------------------|---------------|
| UL B | Section 21 | Township 21-S | Range 34-E | Lot | Feet 100 | From N/S NORTH | Feet 1980 | From E/W EAST | County LEA |
| Latitude 32.471376 | | | | | Longitude 103.472745 | | | | NAD 83 |

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

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

API #

| | | |
|-----------------------------------------------------------|------------------------------------------|-------------------|
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP. | Property Name: CHILES 28-21 STATE COM | Well Number 2H |
|-----------------------------------------------------------|------------------------------------------|-------------------|

KZ 06/29/2018

CHILES 28 WELLPAD 1

DEVON ENERGY PRODUCTION COMPANY, L.P.

IN THE SOUTHEAST QUARTER (SE/4)

SECTION 28, TOWNSHIP 21 SOUTH, RANGE 34 EAST, N.M.P.M.

LEA COUNTY, NEW MEXICO

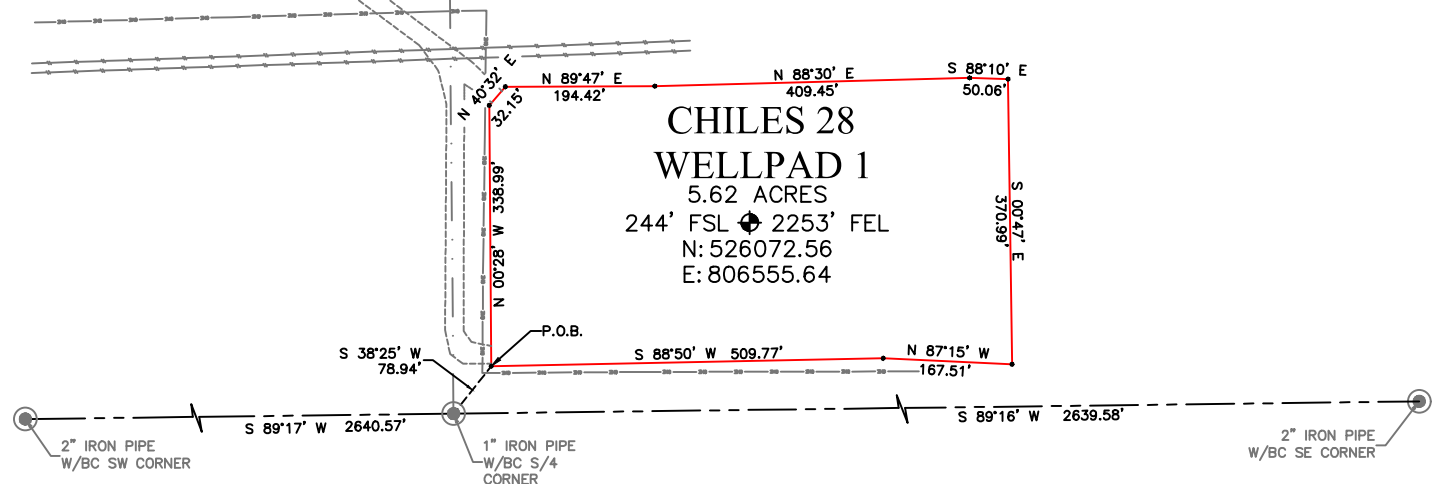
SEC. 28, T21S-R34E
STATE OF NEW
MEXICO
SW/4SEC. 28, T21S-R34E
STATE OF NEW
MEXICO
SE/4**CHILES 28
WELLPAD 1**

5.62 ACRES

244' FSL • 2253' FEL

N: 526072.56

E: 806555.64

**DESCRIPTION**

BEING A SURFACE SITE EASEMENT LYING IN THE SOUTHEAST QUARTER (SE/4) OF SECTION 28, TOWNSHIP 21 SOUTH, RANGE 34 EAST N.M.P.M., LEA COUNTY, NEW MEXICO.

BEGINNING AT THE SOUTHWEST CORNER OF SAID SITE EASEMENT, WHERE A 1" IRON PIPE W/BC FOR THE SOUTH QUARTER CORNER OF SECTION 28, TOWNSHIP 21 SOUTH, RANGE 34 EAST N.M.P.M. BEARS S 38°25' W, A DISTANCE 78.94';

THENCE N 00°28' W, A DISTANCE 338.99 FEET TO AN ANGLE POINT;
 THENCE N 40°32' E, A DISTANCE 32.15 FEET TO THE NORTHWEST CORNER OF THIS EASEMENT;
 THENCE N 89°47' E, A DISTANCE 194.42' FEET TO AN ANGLE POINT;
 THENCE N 88°30' E, A DISTANCE 409.45' FEET TO AN ANGLE POINT;
 THENCE S 88°10' E, A DISTANCE 50.06 FEET TO THE NORTHEAST CORNER OF THIS EASEMENT;
 THENCE S 00°47' E, A DISTANCE 370.99 FEET TO THE SOUTHEAST CORNER OF THIS EASEMENT,
 THENCE N 87°15' W, A DISTANCE 167.51' FEET TO AN ANGLE POINT;
 THENCE S 88°50' W, A DISTANCE 509.77' FEET TO THE SOUTHWEST CORNER OF THIS EASEMENT,
 TO THE POINT OF BEGINNING; CONTAINING 5.62 ACRES.

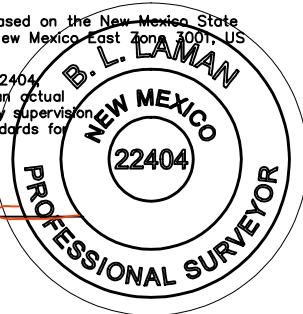
GENERAL NOTES:

1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A WELLPAD.

2.) All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 100N, US Survey Feet, all distances are grid.

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

B.L. Laman
 Horizonrow, LLC
 Date Signed: 11-05-2021
 P.O. Box 548, Dry Creek, La.
 (903) 388-3045 70637
 Employee of Horizonrow, LLC

**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF HWY 176 AND BERRY BOOSTER ROAD, HEAD SOUTH ON BERRY BOOSTER ROAD FOR 3.8 MILES. TURN LEFT ONTO AN ACCESS ROAD FOR 0.2 OF A MILE. TURN RIGHT AND HEAD SOUTH ONTO AN ACCESS ROAD FOR 1.0 MILE. TURN LEFT AND HEAD SOUTHEAST ONTO AN ACCESS ROAD FOR 0.8 OF A MILE TO THE NORTHWEST CORNER OF THE CHILES 28 WELLPAD 1.

0 250 500

**HORIZON ROW LLC**

Drawn for:

Drawn by:
CHRIS MAAS

Date: 11/02/2021

DEVON ENERGY PRODUCTION COMPANY, L.P.

CHILES 28 WELLPAD 1

SURVEY PLAT SHOWING
 A WELLPAD
 ON THE PROPERTY OF THE
 STATE OF NEW MEXICO

SITE NUMBER:
AA000210615

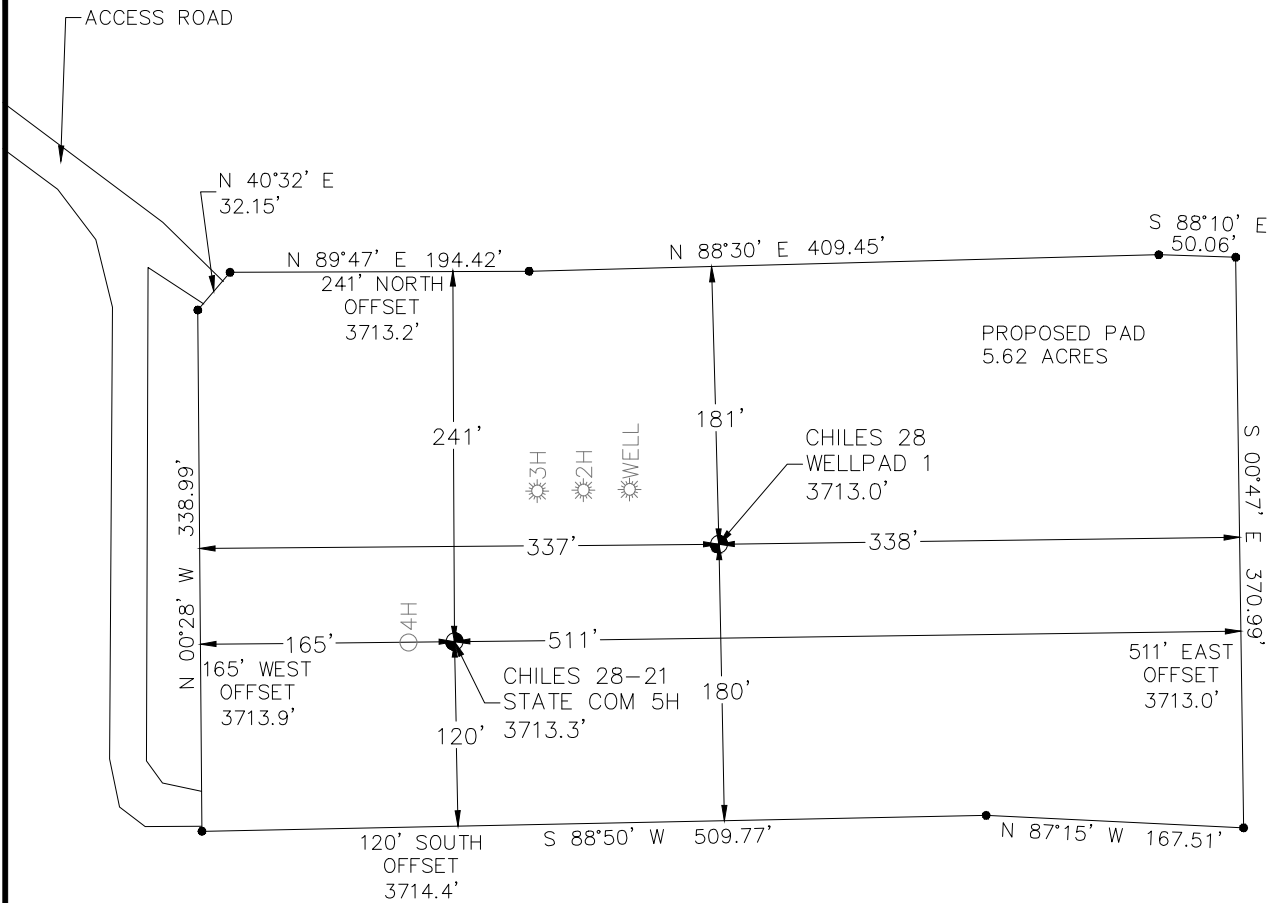
WBS NUMBER:

SCALE:
1" = 250'

REVISIONS:

DATE OF SURVEY:
11/1/2021

SECTION 28, TOWNSHIP 21 SOUTH, RANGE 34 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO SITE MAP



CHILES 28-21 STATE COM 4H
182' FSL 2455' FEL SEC. 28
EL: 3713.3'
N: 526008.68
E: 806353.69

CHILES 28-21 STATE COM 5H
182' FSL 2425' FEL SEC. 28
EL: 3713.3'
N: 526009.29
E: 806383.69

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

DEVON ENERGY PRODUCTION COMPANY, L.P.
CHILES 28-21 STATE COM 5H
LOCATED 182 FT. FROM THE SOUTH LINE
AND 2425 FT. FROM THE EAST LINE OF
SECTION 28, TOWNSHIP 21 SOUTH,
RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF HWY 176 AND BERRY BOOSTER ROAD, HEAD SOUTH ON BERRY BOOSTER ROAD FOR 3.8 MILES. TURN LEFT ONTO AN ACCESS ROAD FOR 0.2 OF A MILE. TURN RIGHT AND HEAD SOUTH ONTO AN ACCESS ROAD FOR 1.0 MILE. TURN LEFT AND HEAD SOUTHEAST ONTO AN ACCESS ROAD FOR 0.8 OF A MILE TO THE NORTHWEST CORNER OF THE CHILES 28 WELLPAD 1.

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

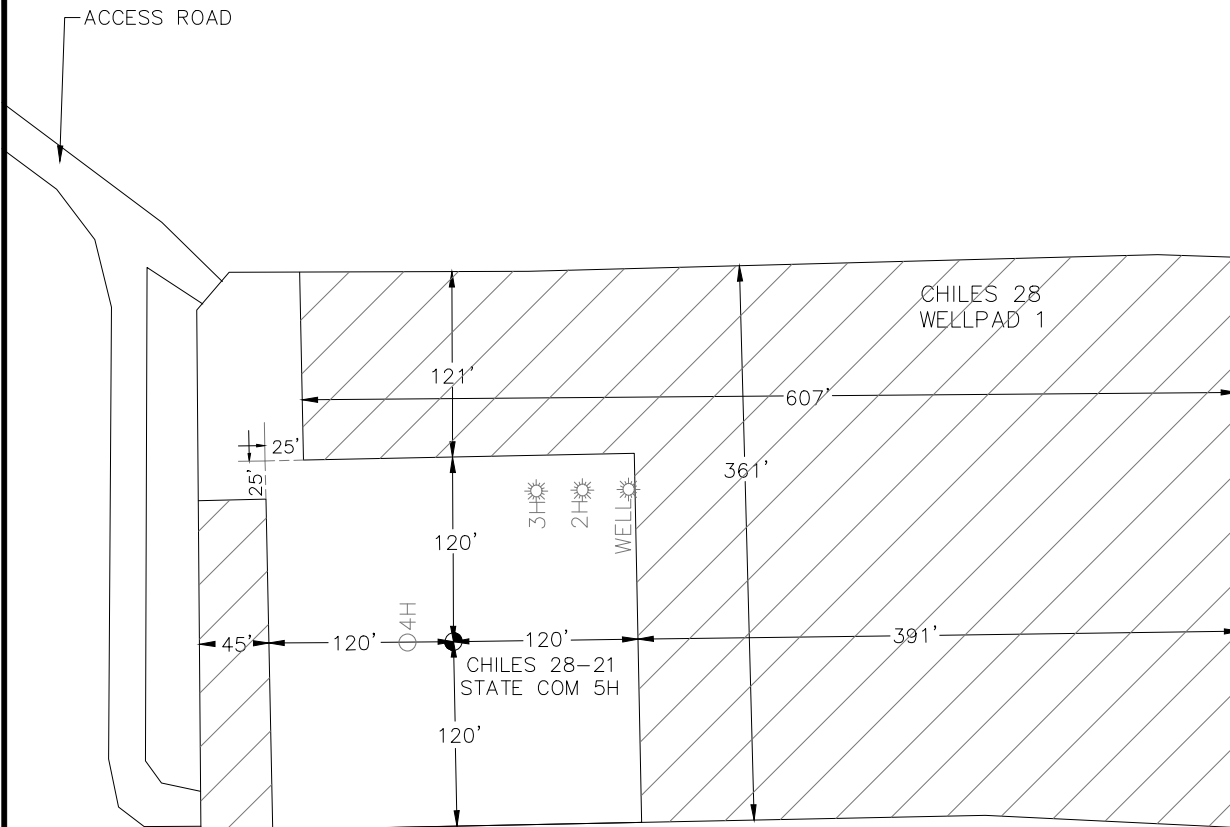
Drawn by:
CHRIS MAAS

Date: 11/04/2021

Drawn for:



SECTION 28, TOWNSHIP 21 SOUTH, RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
INTERIM SITE BUILD PLAN



CHILES 28-21 STATE COM 4H
182' FSL 2455' FEL SEC. 28
EL: 3713.3'
N: 526008.68
E: 806353.69

CHILES 28-21 STATE COM 5H
182' FSL 2425' FEL SEC. 28
EL: 3713.3'
N: 526009.29
E: 806383.69

 DENOTES INTERIM PAD RECLAMATION AREA

4.09 ± ACRES INTERIM PAD RECLAMATION AREA

1.53 ± ACRES NON-RECLAIMED AREA

5.62 ± ACRES GRADING SITE RECLAMATION AREA



DEVON ENERGY PRODUCTION COMPANY, L.P.
CHILES 28-21 STATE COM 5H
LOCATED 182 FT. FROM THE SOUTH LINE
AND 2425 FT. FROM THE EAST LINE OF
SECTION 28, TOWNSHIP 21 SOUTH,
RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

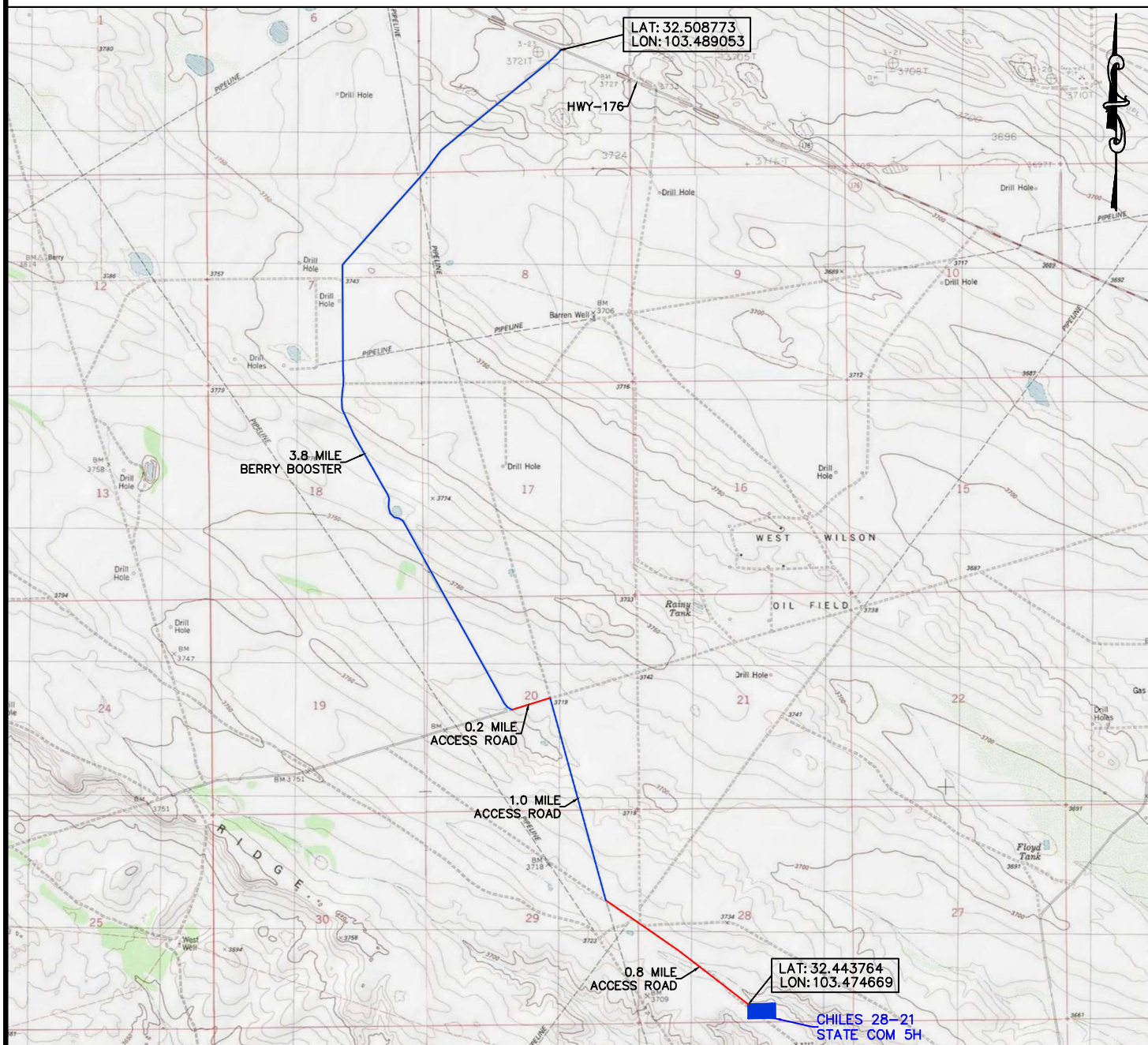
Drawn by:
CHRIS MAAS

Date: 11/04/2021

Drawn for:



SECTION 28 TOWNSHIP 21 SOUTH, RANGE 34 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO VICINITY MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
CHILES 28-21 STATE COM 5H
LOCATED 182 FT. FROM THE SOUTH LINE
AND 2425 FT. FROM THE EAST LINE OF
SECTION 28, TOWNSHIP 21 SOUTH,
RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

NOT TO SCALE

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF HWY 176 AND BERRY BOOSTER ROAD, HEAD SOUTH ON BERRY BOOSTER ROAD FOR 3.8 MILES. TURN LEFT ONTO AN ACCESS ROAD FOR 0.2 OF A MILE. TURN RIGHT AND HEAD SOUTH ONTO AN ACCESS ROAD FOR 1.0 MILE. TURN LEFT AND HEAD SOUTHEAST ONTO AN ACCESS ROAD FOR 0.8 OF A MILE TO THE NORTHWEST CORNER OF THE CHILES 28 WELLPAD 1.

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

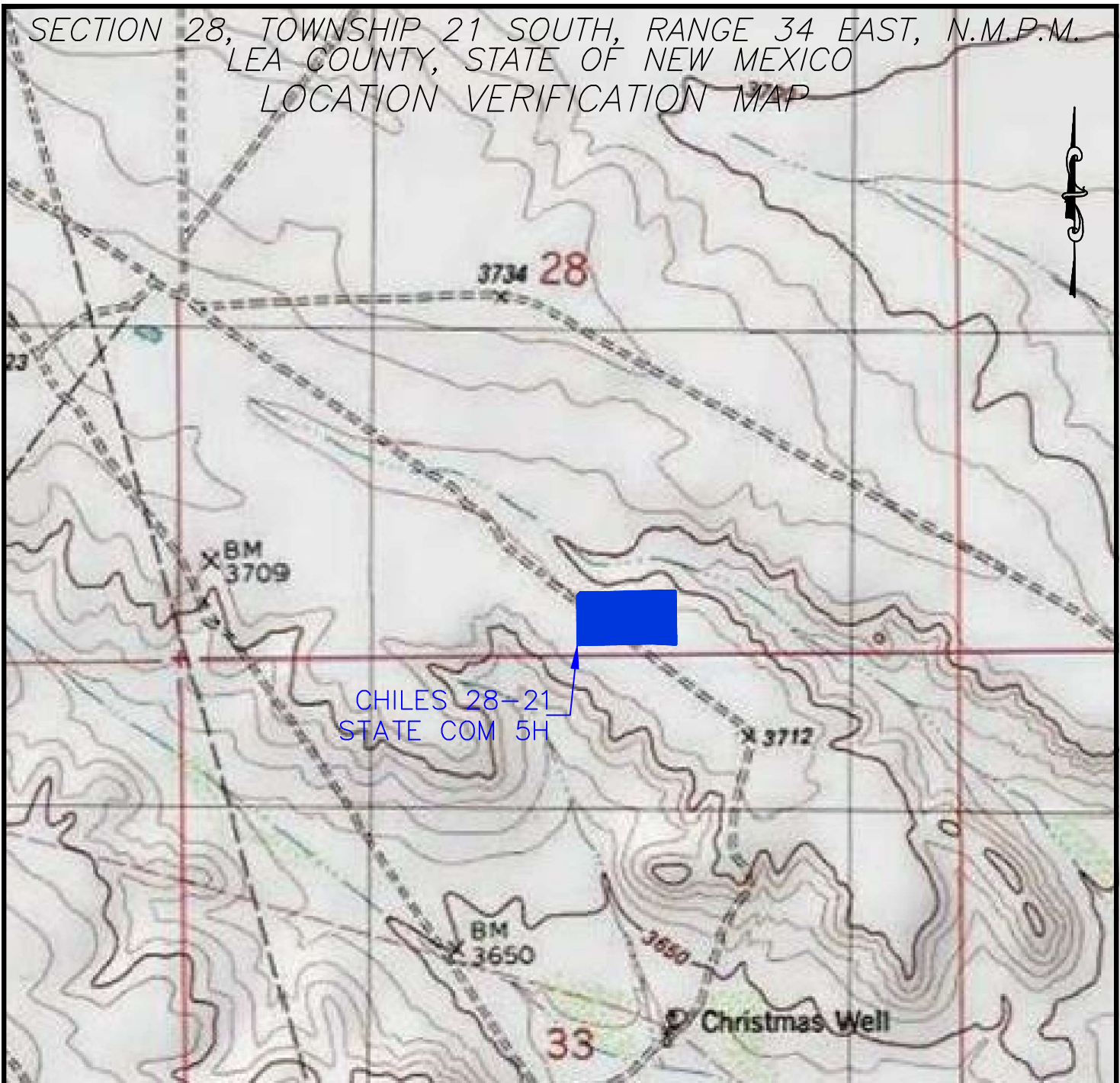
Drawn by:
CHRIS MAAS

Date: 11/04/2021

Drawn for:

devon

SECTION 28, TOWNSHIP 21 SOUTH, RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
CHILES 28-21 STATE COM 5H
LOCATED 182 FT. FROM THE SOUTH LINE
AND 2425 FT. FROM THE EAST LINE OF
SECTION 28, TOWNSHIP 21 SOUTH,
RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

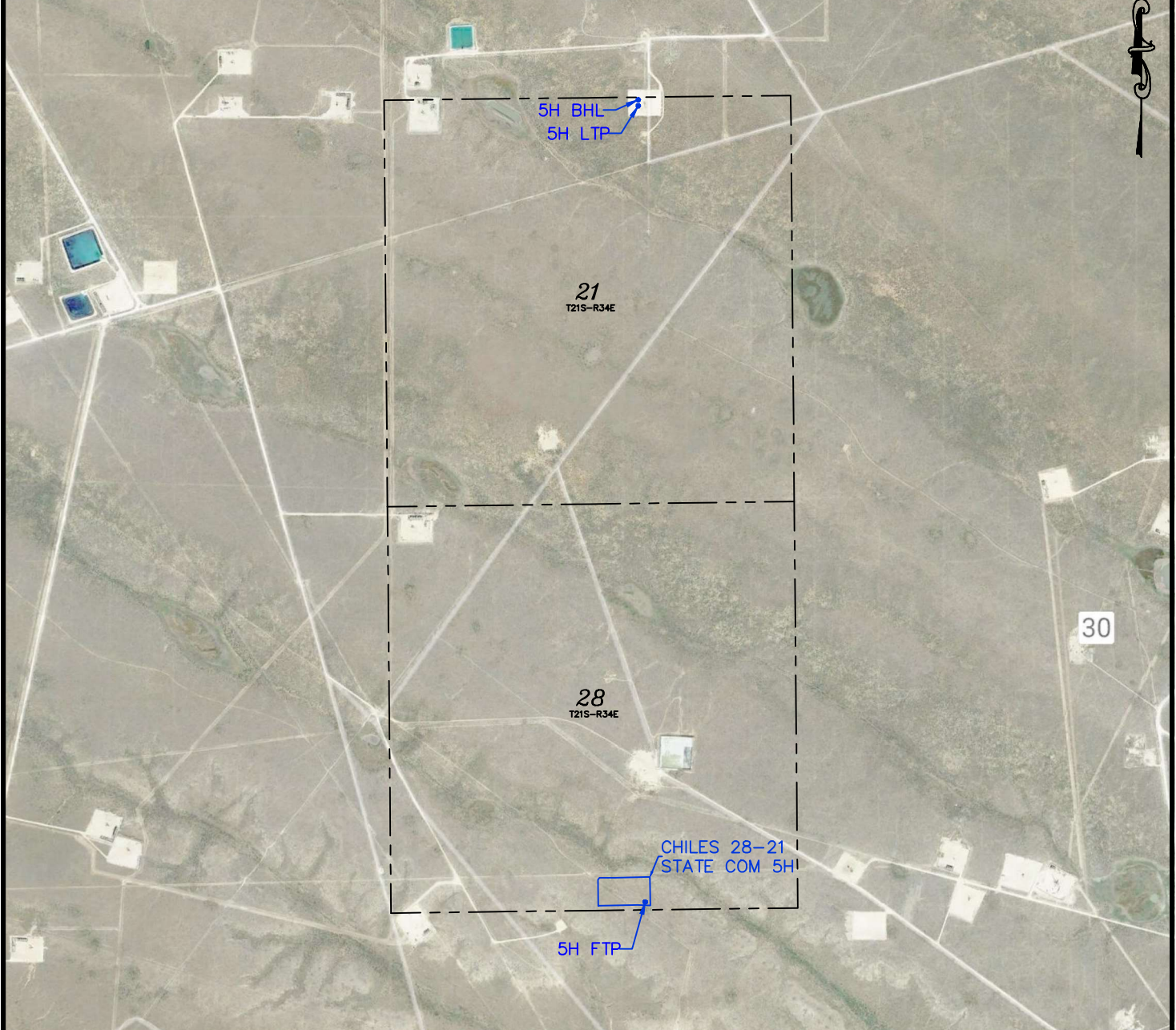
Drawn by:
CHRIS MAAS

Date: 11/04/2021

Drawn for:

devon

SECTION 28 TOWNSHIP 21 SOUTH, RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



DEVON ENERGY PRODUCTION COMPANY, L.P.
CHILES 28-21 STATE COM 5H
LOCATED 182 FT. FROM THE SOUTH LINE
AND 2425 FT. FROM THE EAST LINE OF
SECTION 28, TOWNSHIP 21 SOUTH,
RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

0 2000 4000



HORIZON ROW LLC

Drawn for:

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
CHRIS MAAS

Date: 11/04/2021

devon

SECTION 28 TOWNSHIP 21 SOUTH, RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL ACCESS ROUTE MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
CHILES 28-21 STATE COM 5H
LOCATED 182 FT. FROM THE SOUTH LINE
AND 2425 FT. FROM THE EAST LINE OF
SECTION 28, TOWNSHIP 21 SOUTH,
RANGE 34 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

NOT TO SCALE

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
CHRIS MAAS

Date: 11/04/2021

Drawn for:



District I

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 Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form APD Conditions

Permit 304381

PERMIT CONDITIONS OF APPROVAL

| | |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 West Sheridan Ave. Oklahoma City, OK 73102 | API Number: 30-025-49589 |
| | Well: CHILES 28 21 STATE COM #005H |

| OCD Reviewer | Condition |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| pkautz | Notify OCD 24 hours prior to casing & cement |
| pkautz | Will require a File As Drilled C-102 and a Directional Survey with the C-104 |
| pkautz | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string |
| pkautz | Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system |
| pkautz | 1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing -- |
| pkautz | The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud |

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Devon Energy Production Company, L.P. **OGRID:** 6137 **Date:** 11 / 10 / 2021

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name | API | ULSTR | Footages | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water BBL/D |
|--------------|-----|-------|----------|-----------------------|-----------------------|----------------------------------|
| See Attached | | | | | | |
| | | | | | | |

IV. Central Delivery Point Name: Chiles 28 Wellpad 1 [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name | API | Spud Date | TD Reached Date | Completion Commencement Date | Initial Flow Back Date | First Production Date |
|--------------|-----|-----------|-----------------|------------------------------|------------------------|-----------------------|
| See Attached | | | | | | |
| | | | | | | |

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan**EFFECTIVE APRIL 1, 2022**

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

| Well | API | Anticipated Average Natural Gas Rate MCF/D | Anticipated Volume of Natural Gas for the First Year MCF |
|------|-----|--------------------------------------------|----------------------------------------------------------|
| | | | |
| | | | |

X. Natural Gas Gathering System (NGGS):

| Operator | System | ULSTR of Tie-in | Anticipated Gathering Start Date | Available Maximum Daily Capacity of System Segment Tie-in |
|----------|--------|-----------------|----------------------------------|-----------------------------------------------------------|
| | | | | |
| | | | | |

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

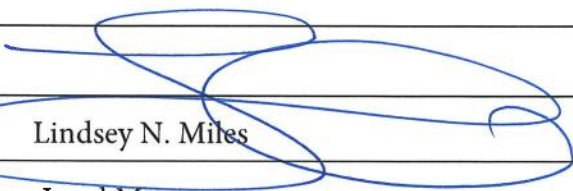
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

| | |
|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Signature: |  |
| Printed Name: | Lindsey N. Miles |
| Title: | Land Manager |
| E-mail Address: | |
| Date: | |
| Phone: | |
| OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form) | |
| Approved By: | |
| Title: | |
| Approval Date: | |
| Conditions of Approval: | |

| Chiles 28 Wellpad 1 | | | | | | | | | |
|---------------------------|-----|------------|-------------|------|-------------|------|-----------------------|-----------------------|----------------------------------|
| Well Name | API | ULSTR | N/S Footage | Call | E/W Footage | Call | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water BBL/D |
| Chiles 28-21 State Com 4H | | 28-21S-34E | 180 | FSL | 2455 | FEL | (+/-) 836mcf/d | (+/-)1075bopd | (+/-)2043bwpd |
| Chiles 28-21 State Com 5H | | 28-21S-34E | 180 | FSL | 2425 | FEL | (+/-) 836mcf/d | (+/-)1075bopd | (+/-)2043bwpd |

| Well Name | API | Spud Date | TD Reached Date | Completion Commencement Date | Initial Flow Back Date | First Production Date |
|---------------------------|-----|-----------|-----------------|------------------------------|------------------------|-----------------------|
| Chiles 28-21 State Com 4H | | 7/6/2022 | 8/5/2022 | 12/3/2022 | 12/3/2022 | 12/3/2022 |
| Chiles 28-21 State Com 5H | | 7/10/2022 | 8/9/2022 | 12/7/2022 | 12/7/2022 | 12/7/2022 |

*All dates and volumes are approximate and subject to change



VI. Separation Equipment

Devon Energy Production Company, L.P. utilizes a "stage separation" process in which oil and gas separation is carried out through a series of separators operating at successively reduced pressures. Hydrocarbon liquids are produced into a high-pressure inlet separator, then carried through one or more lower pressure separation vessels before entering the storage tanks. The purpose of this separation process is to attain maximum recovery of liquid hydrocarbons from the fluids and allow maximum capture of produced gas into the sales pipeline. Devon utilizes a series of Low-Pressure Compression units to capture gas off the staged separation and send it to the sales pipeline. This process minimizes the amount of flash gas that enters the end-stage storage tanks that is subsequently vented or flared.



VII. Operational Practices

Devon Energy Production Company, L. P. will employ best management practices and control technologies to maximize the recovery and minimize waste of natural gas through venting and flaring.

- During drilling operations, Devon will utilize flares and/or combustors to capture and control natural gas, where technically feasible. If flaring is deemed technically in-feasible, Devon will employ best management practices to minimize or reduce venting to the extent possible.
- During completions operations, Devon will utilize Green Completion methods to capture gas produced during well completions that is otherwise vented or flared. If capture is technically in-feasible, flares and/or combustors will be used to capture and control flow back fluids entering into frac tanks during initial flowback. Upon indication of first measurable hydrocarbon volumes, Devon will turn operations to onsite separation vessels and flow to the gathering pipeline.
- During production operations, Devon will take every practical effort to minimize waste of natural gas through venting and flaring by:
 - Designing and constructing facilities in a manner consistent to achieve maximum capture and control of hydrocarbon liquids & produced gas
 - Utilizing a closed-loop capture system to collect and route produced gas to sales line via low pressure compression, or to a flare/combustor
 - Flaring in lieu of venting, where technically feasible
 - Utilizing auto-ignitors or continuous pilots, with thermocouples connected to Scada, to quickly detect and resolve issues related to malfunctioning flares/combustors
 - Employ the use of automatic tank gauging to minimize storage tank venting during loading events
 - Installing air-driven or electric-driven pneumatics & combustion engines, where technically feasible to minimize venting to the atmosphere
 - Confirm equipment is properly maintained and repaired through a preventative maintenance and repair program to ensure equipment meets all manufacturer specifications
 - Conduct and document AVO inspections on the frequency set forth in Part 27 to detect and repair any onsite leaks as quickly and efficiently as is feasible



VIII. Best Management Practices during Maintenance

Devon Energy Production Company, L.P. will utilize best management practices to minimize venting during active and planned maintenance activities. Devon is operating under guidance that production facilities permitted under NOI permits have no provisions to allow high pressure flaring and high pressure flaring is only allowed in disruption scenarios so long as the duration is less than eight hours. When technically feasible, flaring during maintenance activities will be utilized in lieu of venting to the atmosphere. Devon will work with third-party operators during scheduled maintenance of downstream pipeline or processing plants to address those events ahead of time to minimize venting. Actions considered include identifying alternative capture approaches or planning to temporarily reduce production or shut in the well to address these circumstances.

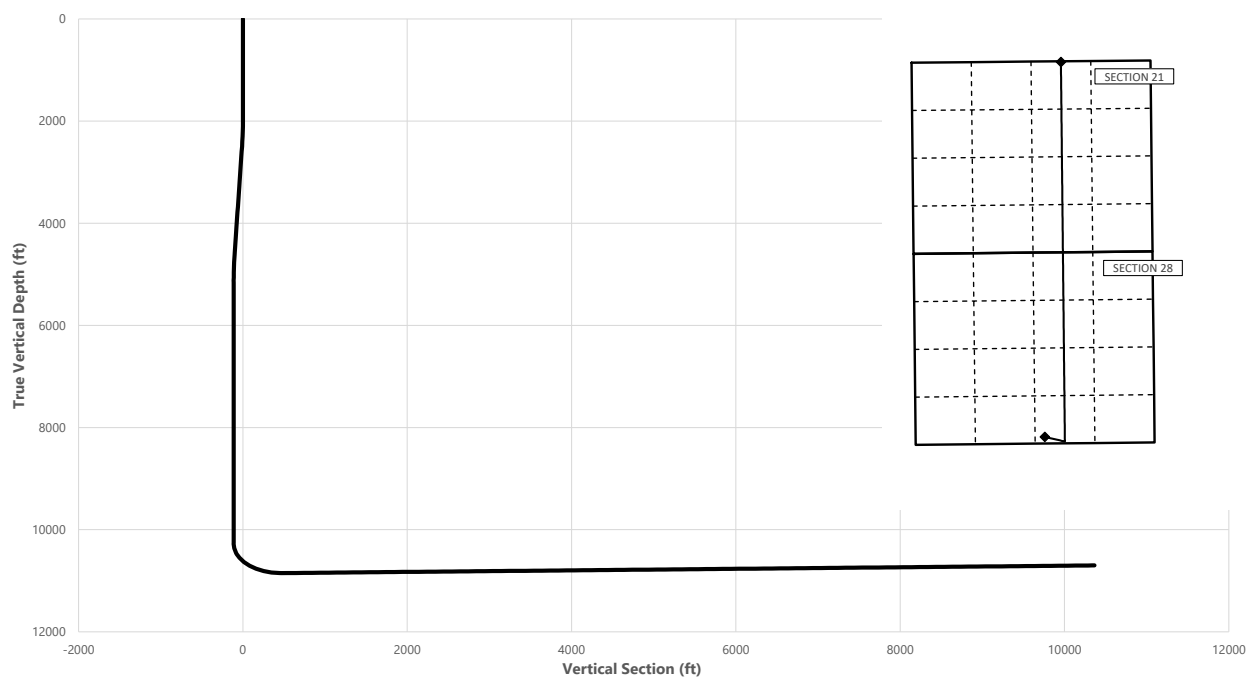
Chiles 28-21 State Com 5H



Well: Chiles 28-21 State Com 5H
County: Lea
Wellbore: Permit Plan
Design: Permit Plan #1

Geodetic System: US State Plane 1983
Datum: North American Datum 1927
Ellipsoid: Clarke 1866
Zone: 3001 - NM East (NAD83)

| MD (ft) | INC (°) | AZI (°) | TVD (ft) | NS (ft) | EW (ft) | VS (ft) | DLS (°/100ft) | Comment |
|------------|------------|------------|-------------|------------|------------|------------|------------------|------------------|
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | SHL |
| 2000.00 | 0.00 | 106.00 | 2000.00 | 0.00 | 0.00 | 0.00 | 0.00 | Start Tangent |
| 2500.00 | 10.00 | 106.00 | 2497.47 | -12.00 | 41.84 | -10.55 | 2.00 | Hold Tangent |
| 4655.42 | 10.00 | 106.00 | 4620.14 | -115.16 | 401.62 | -101.31 | 0.00 | Drop to Vertical |
| 5155.42 | 0.00 | 106.00 | 5117.61 | -127.16 | 443.46 | -111.87 | 2.00 | Hold Vertical |
| 10314.92 | 0.00 | 359.52 | 10277.11 | -127.16 | 443.46 | -111.87 | 0.00 | KOP |
| 11223.60 | 90.87 | 359.52 | 10850.00 | 454.45 | 438.59 | 469.23 | 10.00 | Landing Point |
| 21129.08 | 90.87 | 359.52 | 10700.00 | 10358.45 | 355.61 | 10364.55 | 0.00 | BHL |

**Key Depths**

| | MD (ft) | TVD (ft) |
|--------------------------------------|------------|-------------|
| Rustler | 1845.00 | 1845.00 |
| Salt | 2080.01 | 2080.00 |
| Base of Salt | 5565.81 | 5528.00 |
| Delaware | 5565.81 | 5528.00 |
| Cherry Canyon | 6107.81 | 6070.00 |
| Brushy Canyon | 7049.81 | 7012.00 |
| 1st Bone Spring Lime | 8672.81 | 8635.00 |
| Bone Spring 1st | 9912.81 | 9875.00 |
| Bone Spring 2nd / Point of Penetrati | 10522.31 | 10480.00 |
| exit | 21049.08 | 10701.22 |

SHL
KOP
Point of Penetration
Exit
BHL

| MD (ft) | TVD (ft) | Lat (°) | Long (°) | Section Footages |
|------------|-------------|------------|-------------|---------------------------------------------|
| 0.00 | 0.00 | 32.4430 | -103.4743 | 182' FSL, 2425' FEL of Sec 28 in T21S, R34E |
| 10314.92 | 10277.11 | 32.4427 | -103.4728 | 50' FSL, 1982' FEL of Sec 28 in T21S, R34E |
| 10522.31 | 10480.00 | 32.4429 | -103.4727 | 100' FSL, 1980' FEL of Sec 28 in T21S, R34E |
| 21049.08 | 10701.22 | 32.4714 | -103.4727 | 100' FNL, 1980' FEL of Sec 21 in T21S, R34E |
| 21129.08 | 10700.00 | 32.4715 | -103.4728 | 20' FNL, 1980' FEL of Sec 21 in T21S, R34E |

Chiles 28-21 State Com 5H



Well: Chiles 28-21 State Com 5H
County: Lea
Wellbore: Permit Plan
Design: Permit Plan #1

Geodetic System: US State Plane 1983
Datum: North American Datum 1927
Ellipsoid: Clarke 1866
Zone: 3001 - NM East (NAD83)

| MD (ft) | INC (°) | AZI (°) | TVD (ft) | NS (ft) | EW (ft) | VS (ft) | DLS (°/100ft) | Comment |
|------------|------------|------------|-------------|------------|------------|------------|------------------|------------------------|
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | SHL |
| 100.00 | 0.00 | 106.00 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 200.00 | 0.00 | 106.00 | 200.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 300.00 | 0.00 | 106.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 400.00 | 0.00 | 106.00 | 400.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 500.00 | 0.00 | 106.00 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 600.00 | 0.00 | 106.00 | 600.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 700.00 | 0.00 | 106.00 | 700.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 800.00 | 0.00 | 106.00 | 800.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 900.00 | 0.00 | 106.00 | 900.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1000.00 | 0.00 | 106.00 | 1000.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1100.00 | 0.00 | 106.00 | 1100.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1200.00 | 0.00 | 106.00 | 1200.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1300.00 | 0.00 | 106.00 | 1300.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1400.00 | 0.00 | 106.00 | 1400.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1500.00 | 0.00 | 106.00 | 1500.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1600.00 | 0.00 | 106.00 | 1600.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1700.00 | 0.00 | 106.00 | 1700.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1800.00 | 0.00 | 106.00 | 1800.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1845.00 | 0.00 | 106.00 | 1845.00 | 0.00 | 0.00 | 0.00 | 0.00 | Rustler |
| 1900.00 | 0.00 | 106.00 | 1900.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2000.00 | 0.00 | 106.00 | 2000.00 | 0.00 | 0.00 | 0.00 | 0.00 | Start Tangent |
| 2080.01 | 1.60 | 106.00 | 2080.00 | -0.31 | 1.07 | -0.27 | 2.00 | Salt |
| 2100.00 | 2.00 | 106.00 | 2099.98 | -0.48 | 1.68 | -0.42 | 2.00 | |
| 2200.00 | 4.00 | 106.00 | 2199.84 | -1.92 | 6.71 | -1.69 | 2.00 | |
| 2300.00 | 6.00 | 106.00 | 2299.45 | -4.33 | 15.09 | -3.81 | 2.00 | |
| 2400.00 | 8.00 | 106.00 | 2398.70 | -7.68 | 26.80 | -6.76 | 2.00 | |
| 2500.00 | 10.00 | 106.00 | 2497.47 | -12.00 | 41.84 | -10.55 | 2.00 | Hold Tangent |
| 2600.00 | 10.00 | 106.00 | 2595.95 | -16.78 | 58.53 | -14.76 | 0.00 | |
| 2700.00 | 10.00 | 106.00 | 2694.43 | -21.57 | 75.22 | -18.98 | 0.00 | |
| 2800.00 | 10.00 | 106.00 | 2792.91 | -26.36 | 91.91 | -23.19 | 0.00 | |
| 2900.00 | 10.00 | 106.00 | 2891.39 | -31.14 | 108.61 | -27.40 | 0.00 | |
| 3000.00 | 10.00 | 106.00 | 2989.87 | -35.93 | 125.30 | -31.61 | 0.00 | |
| 3100.00 | 10.00 | 106.00 | 3088.35 | -40.71 | 141.99 | -35.82 | 0.00 | |
| 3200.00 | 10.00 | 106.00 | 3186.83 | -45.50 | 158.68 | -40.03 | 0.00 | |
| 3300.00 | 10.00 | 106.00 | 3285.31 | -50.29 | 175.37 | -44.24 | 0.00 | |
| 3400.00 | 10.00 | 106.00 | 3383.79 | -55.07 | 192.07 | -48.45 | 0.00 | |
| 3500.00 | 10.00 | 106.00 | 3482.27 | -59.86 | 208.76 | -52.66 | 0.00 | |
| 3600.00 | 10.00 | 106.00 | 3580.75 | -64.65 | 225.45 | -56.87 | 0.00 | |
| 3700.00 | 10.00 | 106.00 | 3679.23 | -69.43 | 242.14 | -61.08 | 0.00 | |
| 3800.00 | 10.00 | 106.00 | 3777.72 | -74.22 | 258.83 | -65.29 | 0.00 | |
| 3900.00 | 10.00 | 106.00 | 3876.20 | -79.01 | 275.53 | -69.51 | 0.00 | |
| 4000.00 | 10.00 | 106.00 | 3974.68 | -83.79 | 292.22 | -73.72 | 0.00 | |
| 4100.00 | 10.00 | 106.00 | 4073.16 | -88.58 | 308.91 | -77.93 | 0.00 | |
| 4200.00 | 10.00 | 106.00 | 4171.64 | -93.36 | 325.60 | -82.14 | 0.00 | |
| 4300.00 | 10.00 | 106.00 | 4270.12 | -98.15 | 342.29 | -86.35 | 0.00 | |
| 4400.00 | 10.00 | 106.00 | 4368.60 | -102.94 | 358.99 | -90.56 | 0.00 | |
| 4500.00 | 10.00 | 106.00 | 4467.08 | -107.72 | 375.68 | -94.77 | 0.00 | |
| 4600.00 | 10.00 | 106.00 | 4565.56 | -112.51 | 392.37 | -98.98 | 0.00 | |
| 4655.42 | 10.00 | 106.00 | 4620.14 | -115.16 | 401.62 | -101.31 | 0.00 | Drop to Vertical |
| 4700.00 | 9.11 | 106.00 | 4664.10 | -117.20 | 408.73 | -103.11 | 2.00 | |
| 4800.00 | 7.11 | 106.00 | 4763.10 | -121.09 | 422.29 | -106.53 | 2.00 | |
| 4900.00 | 5.11 | 106.00 | 4862.52 | -124.02 | 432.52 | -109.11 | 2.00 | |
| 5000.00 | 3.11 | 106.00 | 4962.26 | -126.00 | 439.41 | -110.85 | 2.00 | |
| 5100.00 | 1.11 | 106.00 | 5062.19 | -127.01 | 442.94 | -111.74 | 2.00 | |
| 5155.42 | 0.00 | 106.00 | 5117.61 | -127.16 | 443.46 | -111.87 | 2.00 | Hold Vertical |
| 5200.00 | 0.00 | 359.52 | 5162.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 5300.00 | 0.00 | 359.52 | 5262.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 5400.00 | 0.00 | 359.52 | 5362.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 5500.00 | 0.00 | 359.52 | 5462.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 5565.81 | 0.00 | 359.52 | 5528.00 | -127.16 | 443.46 | -111.87 | 0.00 | Base of Salt, Delaware |
| 5600.00 | 0.00 | 359.52 | 5562.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 5700.00 | 0.00 | 359.52 | 5662.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 5800.00 | 0.00 | 359.52 | 5762.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 5900.00 | 0.00 | 359.52 | 5862.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 6000.00 | 0.00 | 359.52 | 5962.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 6100.00 | 0.00 | 359.52 | 6062.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 6107.81 | 0.00 | 359.52 | 6070.00 | -127.16 | 443.46 | -111.87 | 0.00 | Cherry Canyon |
| 6200.00 | 0.00 | 359.52 | 6162.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 6300.00 | 0.00 | 359.52 | 6262.19 | -127.16 | 443.46 | -111.87 | 0.00 | |

Chiles 28-21 State Com 5H



Well: Chiles 28-21 State Com 5H
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| MD (ft) | INC (°) | AZI (°) | TVD (ft) | NS (ft) | EW (ft) | VS (ft) | DLS (°/100ft) | Comment |
|------------|------------|------------|-------------|------------|------------|------------|------------------|----------------------------------------|
| 6400.00 | 0.00 | 359.52 | 6362.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 6500.00 | 0.00 | 359.52 | 6462.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 6600.00 | 0.00 | 359.52 | 6562.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 6700.00 | 0.00 | 359.52 | 6662.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 6800.00 | 0.00 | 359.52 | 6762.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 6900.00 | 0.00 | 359.52 | 6862.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7000.00 | 0.00 | 359.52 | 6962.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7049.81 | 0.00 | 359.52 | 7012.00 | -127.16 | 443.46 | -111.87 | 0.00 | Brushy Canyon |
| 7100.00 | 0.00 | 359.52 | 7062.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7200.00 | 0.00 | 359.52 | 7162.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7300.00 | 0.00 | 359.52 | 7262.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7400.00 | 0.00 | 359.52 | 7362.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7500.00 | 0.00 | 359.52 | 7462.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7600.00 | 0.00 | 359.52 | 7562.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7700.00 | 0.00 | 359.52 | 7662.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7800.00 | 0.00 | 359.52 | 7762.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 7900.00 | 0.00 | 359.52 | 7862.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8000.00 | 0.00 | 359.52 | 7962.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8100.00 | 0.00 | 359.52 | 8062.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8200.00 | 0.00 | 359.52 | 8162.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8300.00 | 0.00 | 359.52 | 8262.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8400.00 | 0.00 | 359.52 | 8362.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8500.00 | 0.00 | 359.52 | 8462.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8600.00 | 0.00 | 359.52 | 8562.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8672.81 | 0.00 | 359.52 | 8635.00 | -127.16 | 443.46 | -111.87 | 0.00 | 1st Bone Spring Lime |
| 8700.00 | 0.00 | 359.52 | 8662.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8800.00 | 0.00 | 359.52 | 8762.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 8900.00 | 0.00 | 359.52 | 8862.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9000.00 | 0.00 | 359.52 | 8962.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9100.00 | 0.00 | 359.52 | 9062.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9200.00 | 0.00 | 359.52 | 9162.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9300.00 | 0.00 | 359.52 | 9262.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9400.00 | 0.00 | 359.52 | 9362.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9500.00 | 0.00 | 359.52 | 9462.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9600.00 | 0.00 | 359.52 | 9562.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9700.00 | 0.00 | 359.52 | 9662.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9800.00 | 0.00 | 359.52 | 9762.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9900.00 | 0.00 | 359.52 | 9862.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 9912.81 | 0.00 | 359.52 | 9875.00 | -127.16 | 443.46 | -111.87 | 0.00 | Bone Spring 1st |
| 10000.00 | 0.00 | 359.52 | 9962.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 10100.00 | 0.00 | 359.52 | 10062.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 10200.00 | 0.00 | 359.52 | 10162.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 10300.00 | 0.00 | 359.52 | 10262.19 | -127.16 | 443.46 | -111.87 | 0.00 | |
| 10314.92 | 0.00 | 359.52 | 10277.11 | -127.16 | 443.46 | -111.87 | 0.00 | KOP |
| 10400.00 | 8.51 | 359.52 | 10361.87 | -120.86 | 443.41 | -105.57 | 10.00 | |
| 10500.00 | 18.51 | 359.52 | 10458.98 | -97.53 | 443.21 | -82.26 | 10.00 | |
| 10522.31 | 20.74 | 359.52 | 10480.00 | -90.03 | 443.15 | -74.78 | 10.00 | Bone Spring 2nd / Point of Penetration |
| 10600.00 | 28.51 | 359.52 | 10550.57 | -57.69 | 442.88 | -42.46 | 10.00 | |
| 10700.00 | 38.51 | 359.52 | 10633.84 | -2.56 | 442.41 | 12.62 | 10.00 | |
| 10800.00 | 48.51 | 359.52 | 10706.28 | 66.20 | 441.84 | 81.32 | 10.00 | |
| 10900.00 | 58.51 | 359.52 | 10765.68 | 146.48 | 441.17 | 161.54 | 10.00 | |
| 11000.00 | 68.51 | 359.52 | 10810.23 | 235.87 | 440.42 | 250.84 | 10.00 | |
| 11100.00 | 78.51 | 359.52 | 10838.58 | 331.63 | 439.61 | 346.52 | 10.00 | |
| 11200.00 | 88.51 | 359.52 | 10849.87 | 430.86 | 438.78 | 445.66 | 10.00 | |
| 11223.60 | 90.87 | 359.52 | 10850.00 | 454.45 | 438.59 | 469.23 | 10.00 | Landing Point |
| 11300.00 | 90.87 | 359.52 | 10848.84 | 530.84 | 437.95 | 545.56 | 0.00 | |
| 11400.00 | 90.87 | 359.52 | 10847.33 | 630.83 | 437.11 | 645.45 | 0.00 | |
| 11500.00 | 90.87 | 359.52 | 10845.81 | 730.81 | 436.27 | 745.35 | 0.00 | |
| 11600.00 | 90.87 | 359.52 | 10844.30 | 830.80 | 435.43 | 845.25 | 0.00 | |
| 11700.00 | 90.87 | 359.52 | 10842.79 | 930.78 | 434.59 | 945.15 | 0.00 | |
| 11800.00 | 90.87 | 359.52 | 10841.27 | 1030.77 | 433.76 | 1045.04 | 0.00 | |
| 11900.00 | 90.87 | 359.52 | 10839.76 | 1130.75 | 432.92 | 1144.94 | 0.00 | |
| 12000.00 | 90.87 | 359.52 | 10838.24 | 1230.74 | 432.08 | 1244.84 | 0.00 | |
| 12100.00 | 90.87 | 359.52 | 10836.73 | 1330.72 | 431.24 | 1344.74 | 0.00 | |
| 12200.00 | 90.87 | 359.52 | 10835.22 | 1430.71 | 430.40 | 1444.63 | 0.00 | |
| 12300.00 | 90.87 | 359.52 | 10833.70 | 1530.69 | 429.56 | 1544.53 | 0.00 | |
| 12400.00 | 90.87 | 359.52 | 10832.19 | 1630.68 | 428.73 | 1644.43 | 0.00 | |
| 12500.00 | 90.87 | 359.52 | 10830.67 | 1730.66 | 427.89 | 1744.33 | 0.00 | |
| 12600.00 | 90.87 | 359.52 | 10829.16 | 1830.65 | 427.05 | 1844.22 | 0.00 | |
| 12700.00 | 90.87 | 359.52 | 10827.64 | 1930.63 | 426.21 | 1944.12 | 0.00 | |

Chiles 28-21 State Com 5H



Well: Chiles 28-21 State Com 5H
County: Lea
Wellbore: Permit Plan
Design: Permit Plan #1

Geodetic System: US State Plane 1983
Datum: North American Datum 1927
Ellipsoid: Clarke 1866
Zone: 3001 - NM East (NAD83)

| MD (ft) | INC (") | AZI (") | TVD (ft) | NS (ft) | EW (ft) | VS (ft) | DLS (°/100ft) | Comment |
|------------|------------|------------|-------------|------------|------------|------------|------------------|---------|
| 12800.00 | 90.87 | 359.52 | 10826.13 | 2030.62 | 425.37 | 2044.02 | 0.00 | |
| 12900.00 | 90.87 | 359.52 | 10824.62 | 2130.60 | 424.54 | 2143.92 | 0.00 | |
| 13000.00 | 90.87 | 359.52 | 10823.10 | 2230.59 | 423.70 | 2243.81 | 0.00 | |
| 13100.00 | 90.87 | 359.52 | 10821.59 | 2330.57 | 422.86 | 2343.71 | 0.00 | |
| 13200.00 | 90.87 | 359.52 | 10820.07 | 2430.56 | 422.02 | 2443.61 | 0.00 | |
| 13300.00 | 90.87 | 359.52 | 10818.56 | 2530.54 | 421.18 | 2543.51 | 0.00 | |
| 13400.00 | 90.87 | 359.52 | 10817.05 | 2630.53 | 420.34 | 2643.40 | 0.00 | |
| 13500.00 | 90.87 | 359.52 | 10815.53 | 2730.51 | 419.51 | 2743.30 | 0.00 | |
| 13600.00 | 90.87 | 359.52 | 10814.02 | 2830.50 | 418.67 | 2843.20 | 0.00 | |
| 13700.00 | 90.87 | 359.52 | 10812.50 | 2930.48 | 417.83 | 2943.09 | 0.00 | |
| 13800.00 | 90.87 | 359.52 | 10810.99 | 3030.47 | 416.99 | 3042.99 | 0.00 | |
| 13900.00 | 90.87 | 359.52 | 10809.47 | 3130.45 | 416.15 | 3142.89 | 0.00 | |
| 14000.00 | 90.87 | 359.52 | 10807.96 | 3230.44 | 415.32 | 3242.79 | 0.00 | |
| 14100.00 | 90.87 | 359.52 | 10806.45 | 3330.42 | 414.48 | 3342.68 | 0.00 | |
| 14200.00 | 90.87 | 359.52 | 10804.93 | 3430.41 | 413.64 | 3442.58 | 0.00 | |
| 14300.00 | 90.87 | 359.52 | 10803.42 | 3530.39 | 412.80 | 3542.48 | 0.00 | |
| 14400.00 | 90.87 | 359.52 | 10801.90 | 3630.38 | 411.96 | 3642.38 | 0.00 | |
| 14500.00 | 90.87 | 359.52 | 10800.39 | 3730.36 | 411.12 | 3742.27 | 0.00 | |
| 14600.00 | 90.87 | 359.52 | 10798.88 | 3830.35 | 410.29 | 3842.17 | 0.00 | |
| 14700.00 | 90.87 | 359.52 | 10797.36 | 3930.33 | 409.45 | 3942.07 | 0.00 | |
| 14800.00 | 90.87 | 359.52 | 10795.85 | 4030.32 | 408.61 | 4041.97 | 0.00 | |
| 14900.00 | 90.87 | 359.52 | 10794.33 | 4130.30 | 407.77 | 4141.86 | 0.00 | |
| 15000.00 | 90.87 | 359.52 | 10792.82 | 4230.29 | 406.93 | 4241.76 | 0.00 | |
| 15100.00 | 90.87 | 359.52 | 10791.30 | 4330.27 | 406.10 | 4341.66 | 0.00 | |
| 15200.00 | 90.87 | 359.52 | 10789.79 | 4430.26 | 405.26 | 4441.56 | 0.00 | |
| 15300.00 | 90.87 | 359.52 | 10788.28 | 4530.24 | 404.42 | 4541.45 | 0.00 | |
| 15400.00 | 90.87 | 359.52 | 10786.76 | 4630.23 | 403.58 | 4641.35 | 0.00 | |
| 15500.00 | 90.87 | 359.52 | 10785.25 | 4730.21 | 402.74 | 4741.25 | 0.00 | |
| 15600.00 | 90.87 | 359.52 | 10783.73 | 4830.20 | 401.90 | 4841.15 | 0.00 | |
| 15700.00 | 90.87 | 359.52 | 10782.22 | 4930.18 | 401.07 | 4941.04 | 0.00 | |
| 15800.00 | 90.87 | 359.52 | 10780.70 | 5030.17 | 400.23 | 5040.94 | 0.00 | |
| 15900.00 | 90.87 | 359.52 | 10779.19 | 5130.15 | 399.39 | 5140.84 | 0.00 | |
| 16000.00 | 90.87 | 359.52 | 10777.68 | 5230.14 | 398.55 | 5240.73 | 0.00 | |
| 16100.00 | 90.87 | 359.52 | 10776.16 | 5330.12 | 397.71 | 5340.63 | 0.00 | |
| 16200.00 | 90.87 | 359.52 | 10774.65 | 5430.11 | 396.88 | 5440.53 | 0.00 | |
| 16300.00 | 90.87 | 359.52 | 10773.13 | 5530.09 | 396.04 | 5540.43 | 0.00 | |
| 16400.00 | 90.87 | 359.52 | 10771.62 | 5630.08 | 395.20 | 5640.32 | 0.00 | |
| 16500.00 | 90.87 | 359.52 | 10770.11 | 5730.06 | 394.36 | 5740.22 | 0.00 | |
| 16600.00 | 90.87 | 359.52 | 10768.59 | 5830.05 | 393.52 | 5840.12 | 0.00 | |
| 16700.00 | 90.87 | 359.52 | 10767.08 | 5930.03 | 392.68 | 5940.02 | 0.00 | |
| 16800.00 | 90.87 | 359.52 | 10765.56 | 6030.02 | 391.85 | 6039.91 | 0.00 | |
| 16900.00 | 90.87 | 359.52 | 10764.05 | 6130.00 | 391.01 | 6139.81 | 0.00 | |
| 17000.00 | 90.87 | 359.52 | 10762.53 | 6229.99 | 390.17 | 6239.71 | 0.00 | |
| 17100.00 | 90.87 | 359.52 | 10761.02 | 6329.97 | 389.33 | 6339.61 | 0.00 | |
| 17200.00 | 90.87 | 359.52 | 10759.51 | 6429.96 | 388.49 | 6439.50 | 0.00 | |
| 17300.00 | 90.87 | 359.52 | 10757.99 | 6529.94 | 387.66 | 6539.40 | 0.00 | |
| 17400.00 | 90.87 | 359.52 | 10756.48 | 6629.93 | 386.82 | 6639.30 | 0.00 | |
| 17500.00 | 90.87 | 359.52 | 10754.96 | 6729.91 | 385.98 | 6739.20 | 0.00 | |
| 17600.00 | 90.87 | 359.52 | 10753.45 | 6829.90 | 385.14 | 6839.09 | 0.00 | |
| 17700.00 | 90.87 | 359.52 | 10751.94 | 6929.88 | 384.30 | 6938.99 | 0.00 | |
| 17800.00 | 90.87 | 359.52 | 10750.42 | 7029.87 | 383.46 | 7038.89 | 0.00 | |
| 17900.00 | 90.87 | 359.52 | 10748.91 | 7129.85 | 382.63 | 7138.79 | 0.00 | |
| 18000.00 | 90.87 | 359.52 | 10747.39 | 7229.84 | 381.79 | 7238.68 | 0.00 | |
| 18100.00 | 90.87 | 359.52 | 10745.88 | 7329.82 | 380.95 | 7338.58 | 0.00 | |
| 18200.00 | 90.87 | 359.52 | 10744.36 | 7429.81 | 380.11 | 7438.48 | 0.00 | |
| 18300.00 | 90.87 | 359.52 | 10742.85 | 7529.79 | 379.27 | 7538.37 | 0.00 | |
| 18400.00 | 90.87 | 359.52 | 10741.34 | 7629.78 | 378.44 | 7638.27 | 0.00 | |
| 18500.00 | 90.87 | 359.52 | 10739.82 | 7729.76 | 377.60 | 7738.17 | 0.00 | |
| 18600.00 | 90.87 | 359.52 | 10738.31 | 7829.75 | 376.76 | 7838.07 | 0.00 | |
| 18700.00 | 90.87 | 359.52 | 10736.79 | 7929.73 | 375.92 | 7937.96 | 0.00 | |
| 18800.00 | 90.87 | 359.52 | 10735.28 | 8029.72 | 375.08 | 8037.86 | 0.00 | |
| 18900.00 | 90.87 | 359.52 | 10733.77 | 8129.71 | 374.24 | 8137.76 | 0.00 | |
| 19000.00 | 90.87 | 359.52 | 10732.25 | 8229.69 | 373.41 | 8237.66 | 0.00 | |
| 19100.00 | 90.87 | 359.52 | 10730.74 | 8329.68 | 372.57 | 8337.55 | 0.00 | |
| 19200.00 | 90.87 | 359.52 | 10729.22 | 8429.66 | 371.73 | 8437.45 | 0.00 | |
| 19300.00 | 90.87 | 359.52 | 10727.71 | 8529.65 | 370.89 | 8537.35 | 0.00 | |
| 19400.00 | 90.87 | 359.52 | 10726.19 | 8629.63 | 370.05 | 8637.25 | 0.00 | |
| 19500.00 | 90.87 | 359.52 | 10724.68 | 8729.62 | 369.22 | 8737.14 | 0.00 | |
| 19600.00 | 90.87 | 359.52 | 10723.17 | 8829.60 | 368.38 | 8837.04 | 0.00 | |
| 19700.00 | 90.87 | 359.52 | 10721.65 | 8929.59 | 367.54 | 8936.94 | 0.00 | |

Chiles 28-21 State Com 5H



Well: Chiles 28-21 State Com 5H
County: Lea
Wellbore: Permit Plan
Design: Permit Plan #1

Geodetic System: US State Plane 1983
Datum: North American Datum 1927
Ellipsoid: Clarke 1866
Zone: 3001 - NM East (NAD83)

| MD | INC | AZI | TVD | NS | EW | VS | DLS | Comment |
|----------|-------|--------|----------|----------|--------|----------|-----------|---------|
| (ft) | (°) | (°) | (ft) | (ft) | (ft) | (ft) | (°/100ft) | |
| 19800.00 | 90.87 | 359.52 | 10720.14 | 9029.57 | 366.70 | 9036.84 | 0.00 | |
| 19900.00 | 90.87 | 359.52 | 10718.62 | 9129.56 | 365.86 | 9136.73 | 0.00 | |
| 20000.00 | 90.87 | 359.52 | 10717.11 | 9229.54 | 365.02 | 9236.63 | 0.00 | |
| 20100.00 | 90.87 | 359.52 | 10715.59 | 9329.53 | 364.19 | 9336.53 | 0.00 | |
| 20200.00 | 90.87 | 359.52 | 10714.08 | 9429.51 | 363.35 | 9436.43 | 0.00 | |
| 20300.00 | 90.87 | 359.52 | 10712.57 | 9529.50 | 362.51 | 9536.32 | 0.00 | |
| 20400.00 | 90.87 | 359.52 | 10711.05 | 9629.48 | 361.67 | 9636.22 | 0.00 | |
| 20500.00 | 90.87 | 359.52 | 10709.54 | 9729.47 | 360.83 | 9736.12 | 0.00 | |
| 20600.00 | 90.87 | 359.52 | 10708.02 | 9829.45 | 360.00 | 9836.01 | 0.00 | |
| 20700.00 | 90.87 | 359.52 | 10706.51 | 9929.44 | 359.16 | 9935.91 | 0.00 | |
| 20800.00 | 90.87 | 359.52 | 10705.00 | 10029.42 | 358.32 | 10035.81 | 0.00 | |
| 20900.00 | 90.87 | 359.52 | 10703.48 | 10129.41 | 357.48 | 10135.71 | 0.00 | |
| 21000.00 | 90.87 | 359.52 | 10701.97 | 10229.39 | 356.64 | 10235.60 | 0.00 | |
| 21049.08 | 90.87 | 359.52 | 10701.22 | 10278.46 | 356.23 | 10284.63 | 0.00 | exit |
| 21100.00 | 90.87 | 359.52 | 10700.45 | 10329.38 | 355.80 | 10335.50 | 0.00 | |
| 21129.08 | 90.87 | 359.52 | 10700.00 | 10358.45 | 355.61 | 10364.55 | 0.00 | BHL |

Chiles 28-21 State Com 5H

Well: Chiles 28-21 State Com 5H

County: Lea

Wellbore: Permit Plan

Design: Permit Plan #1

Geodetic System: US State Plane 1983

Datum: North American Datum 1927

Ellipsoid: Clarke 1866

Zone: 3001 - NM East (NAD83)

| MD | INC | AZI | TVD | NS | EW | VS | DLS | Comment |
|------|-----|-----|------|------|------|------|-----------|---------|
| (ft) | (°) | (°) | (ft) | (ft) | (ft) | (ft) | (°/100ft) | |

Chiles 28-21 State Com 5H

1. Geologic Formations

| | | | |
|---------------|-------|------------------------------|-----|
| TVD of target | 10701 | Pilot hole depth | N/A |
| MD at TD: | 21129 | Deepest expected fresh water | |

Basin

| Formation | Depth (TVD) from KB | Water/Mineral Bearing/Target Zone? | Hazards* |
|----------------------|---------------------------|------------------------------------------|----------|
| Rustler | 1845 | | |
| Salt | 2080 | | |
| Base of Salt | 5528 | | |
| Delaware | 5528 | | |
| Cherry Canyon | 6070 | | |
| Brushy Canyon | 7012 | | |
| 1st Bone Spring Lime | 8635 | | |
| Bone Spring 1st | 9875 | | |
| Bone Spring 2nd | 10480 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

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

Chiles 28-21 State Com 5H

2. Casing Program

| Hole Size | Csg. Size | Wt (PPF) | Grade | Conn | Casing Interval | | Casing Interval | |
|-----------|-----------|-------------|-------|------|-----------------|---------|-----------------|----------|
| | | | | | From (MD) | To (MD) | From (TVD) | To (TVD) |
| 17 1/2 | 13 3/8 | 48 | H40 | BTC | 0 | 1870 | 0 | 1870 |
| 12 1/4 | 9 5/8 | 40 | J-55 | BTC | 0 | 5628 | 0 | 5628 |
| 8 3/4 | 5 1/2 | 17 | P110 | BTC | 0 | 21129 | 0 | 10701 |

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 IILB.1.h Must have table for contingency casing.

Chiles 28-21 State Com 5H

3. Cementing Program (3-String Primary Design)

| Casing | # Sks | TOC | Wt. (lb/gal) | Yld (ft ³ /sack) | Slurry Description |
|----------------------------------|--------------|--------------------|-----------------|--------------------------------|------------------------------------------|
| Surface | 1392 | Surf | 13.2 | 1.4 | Lead: Class C Cement + additives |
| Int 1 | 621 | Surf | 9.0 | 3.3 | Lead: Class C Cement + additives |
| | 154 | 500' above shoe | 13.2 | 1.4 | Tail: Class H / C + additives |
| Int 1 Intermediate Squeeze | As Needed | Surf | 9.0 | 3.3 | Squeeze Lead: Class C Cement + additives |
| | 621 | Surf | 9.0 | 3.3 | Lead: Class C Cement + additives |
| | 154 | 500' above shoe | 13.2 | 1.4 | Tail: Class H / C + additives |
| Production | 442 | 500' tieback | 9.0 | 3.3 | Lead: Class H / C + additives |
| | 2087 | KOP | 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 | 30% |
| Production | 10% |

Chiles 28-21 State Com 5H

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" | 5M | Annular | X | 50% of rated working pressure |
| | | | Blind Ram | X | 5M |
| | | | Pipe Ram | | |
| | | | Double Ram | X | |
| | | | Other* | | |
| | | | Annular (5M) | | |
| | | | Blind Ram | | |
| | | | Pipe Ram | | |
| | | | Double Ram | | |
| | | | Other* | | |

Chiles 28-21 State Com 5H

5. Mud Program (Three String Design)

| Section | Type | Weight (ppg) |
|--------------|--------|--------------|
| Surface | FW Gel | 8.5-9 |
| Intermediate | Brine | 10-10.5 |
| Production | WBM | 8.5-9 |

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 Report and submitted to the BLM. |
| | No logs are planned based on well control or offset log information. |
| | Drill stem test? If yes, explain. |
| | Coring? If yes, explain. |

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

7. Drilling Conditions

| Condition | Specify what type and where? |
|----------------------------|------------------------------|
| BH pressure at deepest TVD | 5008 |
| Abnormal temperature | No |

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

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

| | |
|---|---------------------------------|
| N | H ₂ S is present |
| Y | H ₂ S plan attached. |

Chiles 28-21 State Com 5H

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 pad.
- 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. At that time an approved BOP stack will be nipped up and tested on the wellhead before drilling operations commences on each well.
 - a. The NMOCD will be contacted / notified 24 hours before the drilling rig moves back on to the pad with the pre-set surface casing.

Attachments

X Directional Plan
 Other, describe



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

Hydrogen Sulfide (H₂S) Contingency Plan

For

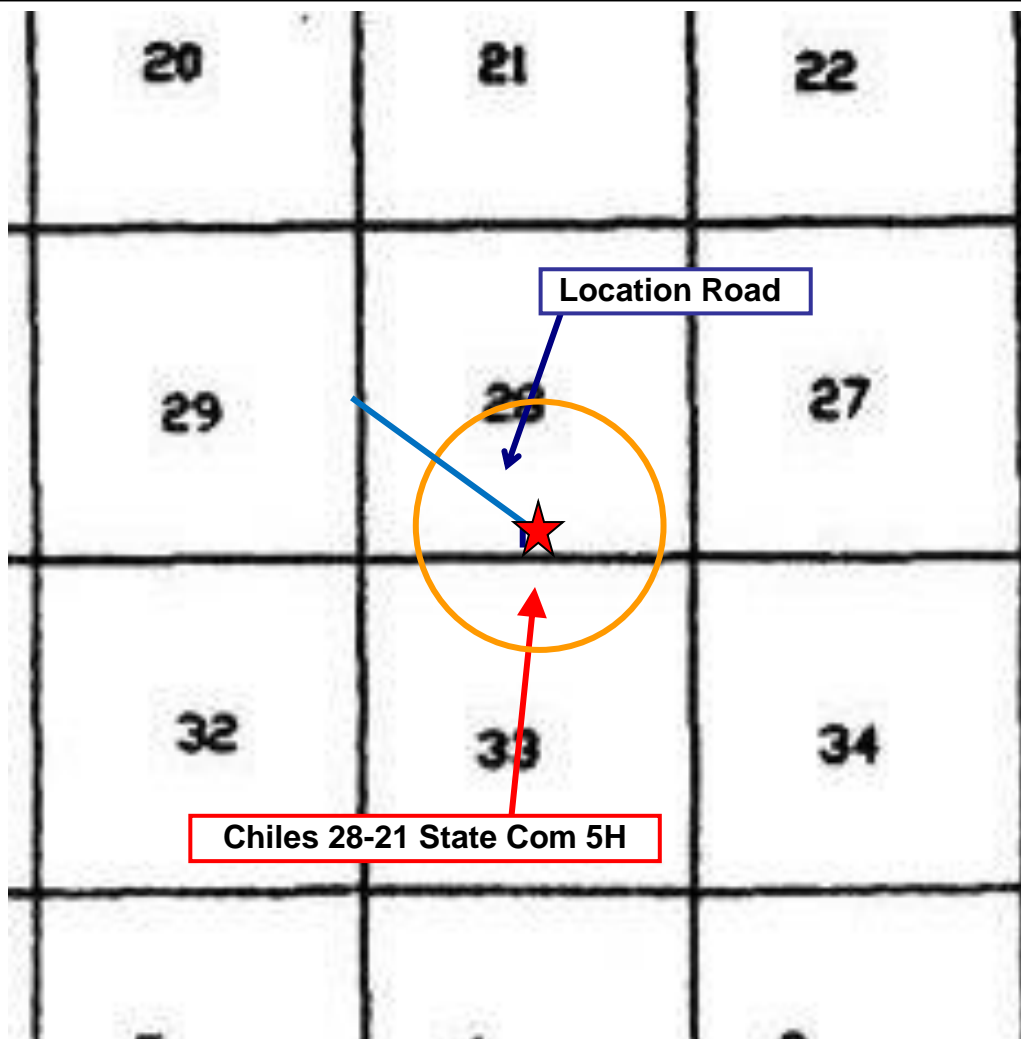
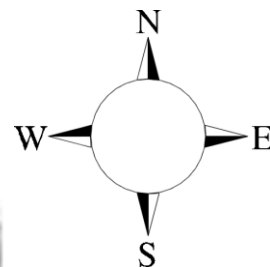
Chiles 28-21 State Com 5H

**Sec-28 T-21S R-34E
182 FSL & 2425' FEL
LAT. = 32.443134 N (NAD83)
LONG = 103.474169 W**

Lea County NM

Chiles 28-21 State Com 5H

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



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

Escape

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

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

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

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

Ignition of Gas Source

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

Characteristics of H₂S and SO₂

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

Contacting Authorities

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

Hydrogen Sulfide Drilling Operation Plan

I. HYDROGEN SULFIDE (H₂S) TRAINING

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

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

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

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

There will be weekly H₂S and well control drills for all personnel in each crew.

II. HYDROGEN SULFIDE TRAINING

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

1. Well Control Equipment

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

2. Protective equipment for essential personnel:

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

Fire extinguishers are located at various locations around the rig. First Aid supplies are located in the top doghouse and the rig manger's office.

3. H₂S detection and monitoring equipment:

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

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

4. 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.

5. Mud program:

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

6. Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H₂S trim.

All elastomers used for packing and seals shall be H₂S trim.

7. Communication:

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

8. Well testing:

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

| <u>Devon Energy Corp. Company Call List</u> | | | |
|----------------------------------------------------|----------------------------------------------------|---------------------|---------------------------|
| Employee/Company Contact Representative | Position | Phone Number | After Hours Number |
| Jonathan Fisher (North) | Drilling Manager | 832-967-7912 | |
| Jason Hildebrand (South) | Drilling Manager | 405-552-6514 | |
| Rich Downey | Drilling VP | 405-228-2415 | |
| Josh Harvey | EHS Manger | 405-228-2440 | 918-500-5536 |
| Laura Wright | EHS Supervisor | 405-552-5334 | 832-969-8145 |
| Robert Glover | EHS Professional | 575-703-5712 | 575-703-5712 |
| Lane Frank | Lead EHS | 580-579-7052 | 580-579-7052 |
| Rickey Porter | Lead EHS | 903-720-8315 | 903-720-8315 |
| Brock Vise | Lead EHS | 918-413-3291 | 918-413-3291 |
| | | | |
| <u>Agency Call List</u> | | | |
| <u>Lea County (575)</u> | Hobbs | | |
| | Lea County Communication Authority | | 397-9265 |
| | State Police | | 885-3138 |
| | City Police | | 397-9265 |
| | Sheriff's Office | | 396-3611 |
| | Ambulance | | 911 |
| | Fire Department | | 397-9308 |
| | LEPC (Local Emergency Planning Committee) | | 393-2870 |
| | NMOCD | | 393-6161 |
| | US Bureau of Land Management (Hobbs Office Closed) | | 393-0002 |
| | | | |
| | | | |
| <u>Eddy County (575)</u> | Carlsbad | | |
| | State Police | | 885-3137 |
| | City Police | | 885-2111 |
| | Sheriff's Office | | 887-7551 |
| | Ambulance | | 911 |
| | Fire Department | | 885-3125 |
| | LEPC (Local Emergency Planning Committee) | | 887-3798 |
| | US Bureau of Land Management (Carlsbad) | | (575)-706-1920 |
| | | | (575)-234-5909 |
| | 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 |
| | | | |
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|-----------------------------------|-------------------------------------------------------------------------|------------------------------|
| Give GPS position: | Native Air – Emergency Helicopter – Hobbs | (575) 347-9836 |
| | For Air Ambulance - Eddy County Dispatch | (575)-616-7155 |
| | For Air Ambulance - Lea County (LCCA) | (575)-397-9265 |
| | Poison Control (24/7) | (800) 222-1222 |
| | Oil & Gas Pipeline 24 Hour Service | (800) 364-4366 |
| | NOAA – Website - www.nhc.noaa.gov | |
| | National Pollution Control Center | 202-795-6958 |
| | NPCC – Oil Spills | 800-280-7118 |
| | BNSF Railroad Resource Operations | 800-832-5452 |
| | NM OSHA – Santa Fe | 505-222-9595 |
| | NM OSHA (Reporting) | 877-610-6742 505-476-8700 |

Prepared in conjunction with
Dave Small



Devon Energy - Well Pad Rig Location Layout Safety Equipment Location

