Form 3160-3 (June 2015)

UNITED STATES

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

CTITED STITLES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEPARTMENT OF THE INT	ERIOR		5. Lease Serial No.		
BUREAU OF LAND MANAG	NMLC062300				
APPLICATION FOR PERMIT TO DRI	6. If Indian, Allotee	or Tribe Name			
1a. Type of work: PRILL REEN	NTER		7. If Unit or CA Agi	reement, Name and No.	
1b. Type of Well: Oil Well Gas Well Other			8. Lease Name and	Well No.	
1c. Type of Completion: Hydraulic Fracturing Single	e Zone Multiple Zone		BIG SINKS DRAW	25-13 FED COM	
			524H		
Name of Operator DEVON ENERGY PRODUCTION COMPANY LP			9. API Well No.	015 47797	
3a. Address 3b.	Phone No. (include area code	2)	10. Field and Pool,	or Exploratory & Jennings;BS, Wes	
333 West Sheridan Avenue, Oklahoma City, OK 73102 (86	00) 583-3866		Paduca Bone Spri		
4. Location of Well (Report location clearly and in accordance with	any State requirements.*)			Blk. and Survey or Area	
At surface SENE / 2332 FNL / 510 FEL / LAT 32.1021395	/ LONG -103.7247004		SEC 25/T25S/R31	E/NMP	
At proposed prod. zone NENE / 20 FNL / 1290 FEL / LAT 32	2.1375227 / LONG -103.727	1721			
14. Distance in miles and direction from nearest town or post office*			12. County or Parish EDDY	h 13. State	
	6. No of acres in lease	17. Spacii	ng Unit dedicated to t	his well	
location to nearest property or lease line, ft.		800.0			
(Also to nearest drig. unit line, if any)		800.0			
18. Distance from proposed location*	P. Proposed Depth	20. BLM/	BIA Bond No. in file		
to nearest well, drilling, completed, applied for, on this lease, ft. 166 feet 89	39 feet / 21722 feet	FED: NM	MB000801		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22	2. Approximate date work will s	start*	23. Estimated durat	ion	
3341 feet 07	7/31/2021		45 days		
	24. Attachments				
The following, completed in accordance with the requirements of On (as applicable)	shore Oil and Gas Order No. 1	, and the H	Hydraulic Fracturing r	ule per 43 CFR 3162.3-3	
Well plat certified by a registered surveyor.	4 Bond to cover the	e operation	is unless covered by a	n existing bond on file (see	
2. A Drilling Plan.	Item 20 above).	орогинон	is amess covered by a	one of the contract of the con	
3. A Surface Use Plan (if the location is on National Forest System L SUPO must be filed with the appropriate Forest Service Office).			mation and/or plans as	may be requested by the	
25. Signature	Name (Printed/Typed)			Date	
(Electronic Submission)	JENNY HARMS / Ph: (80	00) 583-3	866	08/13/2020	
Title					
Regulatory Compliance Professional	N (D : 1/T I)			D-4-	
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed)	234-5959		Date 12/04/2020	
Title	Cody Layton / Ph: (575) 234-5959 12/04/2020 Office				
Assistant Field Manager Lands & Minerals	Carlsbad Field Office				
Application approval does not warrant or certify that the applicant ho	olds legal or equitable title to the	ose rights	in the subject lease w	hich 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.

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.

Will require a directional survey with the C-104 SL

APPROVED WITH CONDITIONS

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

KP 12/10/2020 GEO Review

*(Instructions on page 2)
Entered - KMS NMOCD

(Continued on page 2)

Approval Date: 12/04/2020

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) 7

Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

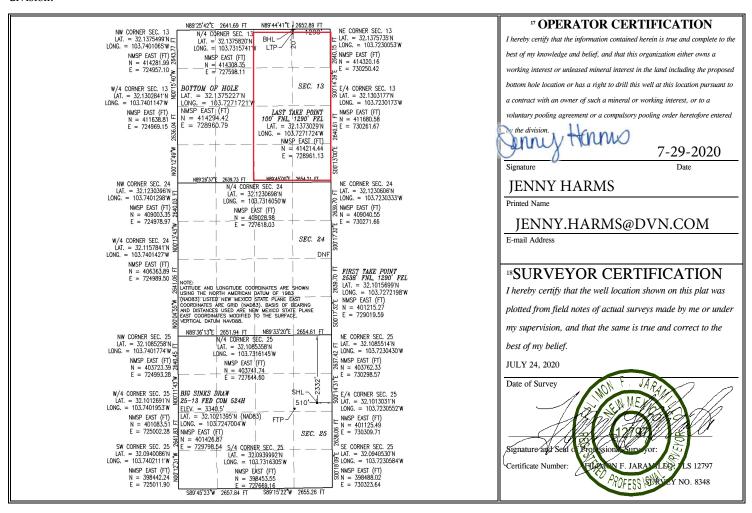
Santa Fe, NM 87505

(=== = 0 011101 (1 m /2 11011=102										
¹ API Numbe										
30 015 47797	96641	Paduca Bone Spring								
⁴ Property Code	⁵ Pr	⁵ Property Name								
329886	BIG SINKS DE	BIG SINKS DRAW 25-13 FED COM								
⁷ OGRID No.	8 O _l	8 Operator Name								
6137	DEVON ENERGY PRO	3340.5								

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
H	25	25 S	31 E		2332	NORTH	510	EAST	EDDY	
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	
A	13	25 S	31 E		20	NORTH	1290	EAST	EDDY	
12 Dedicated Acre	s ¹³ Joint	or Infill	⁴ Consolidation	1 Code	¹⁵ Order No.					
320										

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.



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

■ AMENDED REPORT

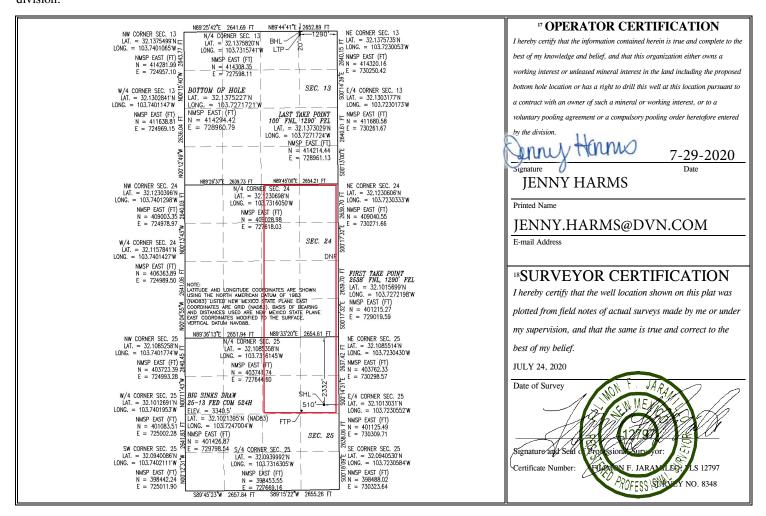
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	er	² Pool Code Jennings Bone Spring West 97860 ³ Pool Name			
⁴ Property Code		⁵ Pr	⁶ Well Number		
		BIG SINKS DR	524H		
⁷ OGRID No.		8 O _I	⁹ Elevation		
6137		DEVON ENERGY PRO	3340.5		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
H	25	25 S	31 E		2332	NORTH	510	EAST	EDDY		
	¹¹ Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
A	13	25 S	31 E		20	NORTH	1290	EAST	EDDY		
12 Dedicated Acre	s 13 Joint	or Infill 14	Consolidation	1 Code	¹⁵ Order No.						
480											

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.



Intent	X	As Drill	ed											
API#														
Ope	rator Nan	ne:				Prop	erty N	ame:					Well Number	
DEVON ENERGY PRODUCTION CO., L.P.							BIG	SINE	S DRAW	25-1 3	FED (СОМ	524H	
Kick O	Off Point (кор)												
UL	Section 25	Township 25S	Range 31E	Lot	^{Eeet} 2438 F	NL	From N	I/S	1290 FI	EL From	m E/W	County	EDDY	
Latitu 32.1	ide .018600	0	<u> </u>		Longitu -103	ide 3.7272	22100		<u> </u>	ı		NAD 83		
First T	Section 25	t (FTP) Township 25S	Range 31 E	Lot	Feet 2538		From N	I/S ГН	Feet 1290	From EA	m E/W ST	County EDDY		
Latitu			011		Longitu		.7272			-/.		NAD 83		
Last T	Section	Township 25S	Range 31E	Lot	Feet 100		n N/S RTH	Feet 12 9	Fro E A	m E/W	Count EDD	ty Y		
Latitu		373029	I	1	Longitu		3.727	 172	4		NAD	NAD 83		
Is this	well an i	defining w nfill well?		NO					YES well nur	nber fo	or Defi	ning well	for Horizontal	
	ng Unit.	•]		, .							Ü		
Ope	rator Nan	ne:				Prop	erty N	ame:					Well Number	

Additional Operator Remarks

Location of Well

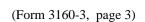
0. SHL: SENE / 2332 FNL / 510 FEL / TWSP: 25S / RANGE: 31E / SECTION: 25 / LAT: 32.1021395 / LONG: -103.7247004 (TVD: 0 feet, MD: 0 feet) PPP: NENE / 1 FNL / 1290 FEL / TWSP: 25S / RANGE: 31E / SECTION: 24 / LAT: 32.123074 / LONG: -103.727192 (TVD: 8939 feet, MD: 16466 feet) PPP: SESE / 1 FSL / 1290 FEL / TWSP: 25S / RANGE: 31E / SECTION: 24 / LAT: 32.108599 / LONG: -103.727212 (TVD: 8939 feet, MD: 11200 feet) PPP: SENE / 2538 FNL / 1290 FEL / TWSP: 25S / RANGE: 31E / SECTION: 25 / LAT: 32.1015699 / LONG: -103.7272198 (TVD: 8367 feet, MD: 8422 feet) BHL: NENE / 20 FNL / 1290 FEL / TWSP: 25S / RANGE: 31E / SECTION: 13 / LAT: 32.1375227 / LONG: -103.7271721 (TVD: 8939 feet, MD: 21722 feet)

BLM Point of Contact

Name: Candy Vigil

Title: LIE

Phone: (575) 234-5982 Email: cvigil@blm.gov



Approval Date: 12/04/2020

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10 2020

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

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

GAS CAPTURE PLAN

Date: August 10, 2020	
□ Original □	Devon & OGRID No.: Devon Energy Production Co., L.P. 6137
☐ Amended - Reason for Amendment:	

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

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

Well(s)/Production Facility - Name of facility

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

Well Name	API		AGES	Expected MCF/D	Flared or Vented	СТВ			
Big Sinks Draw 25-13 Fed Com 521H		25-25S-31E	925	FWL	2334	FNL			Big Sinks Draw 25 CTB 4
Big Sinks Draw 25-13 Fed Com 531H		25-25S-31E	955	FWL	2334	FNL			Big Sinks Draw 25 CTB 4
Big Sinks Draw 25-13 Fed Com 525H		25-25S-31E	985	FWL	2334	FNL			Big Sinks Draw 25 CTB 4
Big Sinks Draw 25-13 Fed Com 523H		25-25S-31E	1780	FEL	2333	FNL			Big Sinks Draw 25 CTB 4
Big Sinks Draw 25-13 Fed Com 533H		25-25S-31E	1750	FEL	2333	FNL			Big Sinks Draw 25 CTB 4
Big Sinks Draw 25-13 Fed Com 535H		25-25S-31E	1720	FEL	2333	FNL			Big Sinks Draw 25 CTB 4
Big Sinks Draw 25-13 Fed Com 524H		25-25S-31E	510	FEL	2332	FNL			Big Sinks Draw 25 CTB 4
Big Sinks Draw 25-13 Fed Com 534H		25-25S-31E	480	FEL	2332	FNL			Big Sinks Draw 25 CTB 4

Gathering System and Pipeline Notification

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

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on <u>DCP</u> system at that time. Based on current information, it is <u>Devon's</u> belief the system can take this gas upon completion of the well(s).

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

Alternatives to Reduce Flaring

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

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

Reference Table:

DCP Plant locations

Artesia Sec. 7, T18S, R28E, Eunice Sec. 5, T21S, R36E Linam Sec. 6, T19S, R37E Zia II Sec. 19, T19S, R32E



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

Drilling Plan Data Report

12/07/2020

APD ID: 10400060277 **Submission Date:** 08/13/2020

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: BIG SINKS DRAW 25-13 FED COM Well Number: 524H

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
820150	UNKNOWN	3341	0	0	ALLUVIUM, OTHER : Surface	NONE	N
820151	RUSTLER	2391	950	950	SANDSTONE	NONE	N
820155	TOP SALT	2026	1315	1315	SALT	NONE	N
820159	BELL CANYON	-779	4120	4120	SANDSTONE	NATURAL GAS, OIL	N
820153	BASE OF SALT	-779	4120	4120	SALT	NONE	N
820160	CHERRY CANYON	-2009	5350	5350	SANDSTONE	NATURAL GAS, OIL	N
820161	BRUSHY CANYON	-3334	6675	6675	SANDSTONE	NATURAL GAS, OIL	N
820162	BONE SPRING LIME	-4984	8325	8325	LIMESTONE	NATURAL GAS, OIL	Y
820152	BONE SPRING	-6039	9380	9380	SANDSTONE	NATURAL GAS, OIL	N
820149	BONE SPRING 2ND	-6269	9610	9610	SANDSTONE	NATURAL GAS, OIL	N
820163	BONE SPRING LIME	-7209	10550	10550	LIMESTONE	NATURAL GAS, OIL	N
820164	BONE SPRING 3RD	-8009	11350	11350	SANDSTONE	NATURAL GAS, OIL	N
820165	WOLFCAMP	-8329	11670	11670	SANDSTONE	NATURAL GAS, OIL	N
820166	STRAWN	-10654	13995	13995	LIMESTONE	NATURAL GAS, OIL	N

Section 2 - Blowout Prevention

Big Sinks Draw 25-13 Fed Com 524H

1. Geologic Formations

TVD of target	8939	Pilot hole depth	N/A
MD at TD:	21722	Deepest expected fresh water	

Basin

Dasin	D (1	XX7-4/N/21	
	Depth	Water/Mineral	
Formation	(TVD)	Bearing/Target	Hazards*
	from KB	Zone?	
Rustler	950		
Salt	1315		
Base of Salt	4120		
Delaware	4270		
Bone Spring 1st	9380		
Bone Spring 2nd	9610		
Bone Spring 3rd	11350		
Wolfcamp	11670		

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

Big Sinks Draw 25-13 Fed Com 524H

2. Casing Program

		Wt			Casing Interval		Casing Interval	
Hole Size	Csg. Size	(PPF)	Grade	Conn	From (MD)	To (MD)	From (TVD)	To (TVD)
17 1/2	13 3/8	48	H40	ВТС	0	975	0	975
12 1/4	9 5/8	40	J-55	ВТС	0	4245	0	4245
8 3/4	5 1/2	17	P110	ВТС	0	21722	0	8939

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

3. Cementing Program (3-String Primary Design)

Casing	# Sks	TOC	Wt. (lb/gal)	Yld (ft3/sack)	Slurry Description
Surface	744	Surf	13.2	1.4	Lead: Class C Cement + additives
Int 1	457	Surf	9.0	3.3	Lead: Class C Cement + additives
IIIt 1	154	500' above shoe	13.2	1.4	Tail: Class H / C + additives
Int 1	As Needed	Surf	9.0	3.3	Squeeze Lead: Class C Cement + additives
Intermediate	457	Surf	9.0	3.3	Lead: Class C Cement + additives
Squeeze	154	500' above shoe	13.2	1.4	Tail: Class H / C + additives
Production	399	500' tieback	9.0	3.3	Lead: Class H /C + additives
Production	2566	KOP	13.2	1.4	Tail: Class H / C + additives

Casing String	% Excess
Surface	50%
Intermediate	30%
Production	10%

4. Pressure Control Equipment (Three String Design)

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	T	ype	✓	Tested to:
			Anı	nular	X	50% of rated working pressure
Int 1	13-58"	5M	Blind	l Ram	X	
IIIt I	13-36	3101	Pipe	Ram		5M
			Doub	le Ram	X	31V1
			Other*			
			Anı	nular	X	50% of rated working pressure
Production	13-5/8"	5M	Blind Ram	X		
Floduction	13-3/6	Pipe Ram	Ram		5M	
			Doub	le Ram	X	31V1
			Other*			
			Annul	ar (5M)		
			Blind	l Ram		
			Pipe Ram]
			Double Ram			
			Other*			

5. Mud Program (Three String Design)

Section	Туре	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
What will be used to monitor the loss or gain of fluid?	r v 1/r ason/ v isuai Wollitoring

6. Logging and Testing Procedures

	ov nogging and resumptive dates				
L	Logging, Coring and Testing				
		Will run GR/CNL from TD to surface (horizontal well - vertical portion of hole). Stated logs run will be in the			
	X	Completion Report 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	
	Density	
X	CBL	Production casing
X	Mud log	KOP to TD
	PEX	

7. Drilling Conditions

Condition	Specfiy what type and where?
BH pressure at deepest TVD	4183
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.	-	ire o militer e m	measured values and formations will be provided to the BEIT.
Y H2S plan attached.	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 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 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 25-13 Fed Com 524H

Wellbore #1

Plan: Permit Plan 1

Standard Planning Report - Geographic

03 August, 2020

Database: EDM r5000.141_Prod US Company: WCDSC Permian NM

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 25-T25S-R31E

Well: Big Sinks Draw 25-13 Fed Com 524H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Big Sinks Draw 25-13 Fed Com 524H

RKB @ 3365.50ft RKB @ 3365.50ft

Grid

Minimum Curvature

Project Eddy County (NAD 83 NM Eastern)

Map System: US State Plane 1983 System Date North American Datum 1983

Geo Datum: North American Datum 1983
Map Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level

Site Sec 25-T25S-R31E

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

Well Big Sinks Draw 25-13 Fed Com 524H

 Well Position
 +N/-S
 0.00 ft
 Northing:
 401,426.87 usft
 Latitude:
 32.102140

 +E/-W
 0.00 ft
 Easting:
 729,798.54 usft
 Longitude:
 -103.724701

Position Uncertainty 0.50 ft Wellhead Elevation: Ground Level: 3,340.50 ft

Wellbore #1 Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (°) (nT) 59.89 47,529.29279862 IGRF2015 8/3/2020 6.68

Permit Plan 1 Design Audit Notes: Version: Phase: **PROTOTYPE** Tie On Depth: 0.00 Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (ft) (ft) (ft) (°) 0.00 0.00 0.00 356.27

Plan Survey Tool Program Date 8/3/2020

Depth From Depth To

(ft) (ft) Survey (Wellbore) Tool Name Remarks

1 0.00 21,722.25 Permit Plan 1 (Wellbore #1) MWD+HDGM

OWSG MWD + HDGM

Plan Sections Measured Vertical Dogleg Ruild Turn Inclination +N/-S Depth Azimuth Depth +E/-W Rate Rate Rate TFO (°/100usft) (ft) (°) (°) (ft) (ft) (ft) (°/100usft) (°/100usft) Target (°) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 2,000.00 0.00 0.00 2,000.00 0.00 0.00 0.00 0.00 0.00 0.00 2.842.86 8.43 262.26 2.839.83 -8.33 -61.32 1.00 1.00 0.00 262.26 8.43 7,509.56 262.26 7,456.12 -100.44 -739.12 0.00 0.00 0.00 0.00 8,071.47 0.00 0.00 8,016.00 -106.00 -780.00 1.50 -1.50 0.00 180.00 8,421.51 0.00 0.00 8,366.04 -106.00 -780.00 0.00 0.00 0.00 9,321.51 90.00 359.74 8,939.00 466.95 -782.55 10.00 10.00 0.00 359.74 PBHL - Big Sinks Dra 21,722.25 0.00 PBHL - Big Sinks Dra 90.00 359.74 8,939.00 12,867.58 -837.75 0.00 0.00 0.00

Database: EDM r5000.141_Prod US Company: WCDSC Permian NM

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 25-T25S-R31E

Well: Big Sinks Draw 25-13 Fed Com 524H

Wellbore: Wellbore #1
Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Big Sinks Draw 25-13 Fed Com 524H

RKB @ 3365.50ft RKB @ 3365.50ft

Grid

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	401,426.87	729,798.54	32.102140	-103.724701
100.00	0.00	0.00	100.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
200.00	0.00	0.00	200.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
300.00	0.00	0.00	300.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
400.00		0.00	400.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
500.00		0.00	500.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
600.00		0.00	600.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
700.00		0.00	700.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
800.00		0.00	800.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
900.00		0.00	900.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
1,000.00	0.00	0.00	1,000.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
1,100.00		0.00	1,100.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
1,200.00	0.00	0.00	1,200.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
1,300.00		0.00	1,300.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
1,400.00	0.00	0.00	1,400.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
1,500.00		0.00	1,500.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
1,600.00		0.00	1,600.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
1,700.00		0.00	1,700.00 1.800.00	0.00	0.00	401,426.87	729,798.54	32.102140	-103.724701
1,800.00	0.00	0.00	,	0.00 0.00	0.00	401,426.87 401,426.87	729,798.54	32.102140	-103.724701
1,900.00	0.00	0.00 0.00	1,900.00	0.00	0.00 0.00	,	729,798.54 729,798.54	32.102140 32.102140	-103.724701 -103.724701
2,000.00		262.26	2,000.00	-0.12		401,426.87	729,796.54	32.102139	-103.724701
2,100.00 2,200.00		262.26	2,099.99 2,199.96	-0.12 -0.47	-0.86 -3.46	401,426.75 401,426.40	729,797.07	32.102138	-103.724703
2,300.00		262.26	2,199.96	-0.47 -1.06	-3.46 -7.78	401,425.81	729,795.06	32.102136	-103.724712
2,400.00		262.26	2,399.68	-1.88	-13.83	401,424.99	729,784.71	32.102137	-103.724725
2,500.00		262.26	2,499.37	-2.94	-21.60	401,423.93	729,776.93	32.102132	-103.724771
2,600.00	6.00	262.26	2,598.90	-4.23	-31.10	401,422.64	729,767.44	32.102128	-103.724801
2,700.00		262.26	2,698.26	-5.75	-42.32	401,421.12	729,756.22	32.102124	-103.724837
2,800.00		262.26	2,797.40	-7.51	-55.25	401,419.36	729,743.28	32.102120	-103.724879
2,842.86		262.26	2,839.83	-8.33	-61.32	401,418.54	729,737.22	32.102118	-103.724899
2,900.00		262.26	2,896.35	-9.46	-69.62	401,417.41	729,728.92	32.102115	-103.724926
3,000.00		262.26	2,995.27	-11.43	-84.14	401,415.43	729,714.39	32.102109	-103.724973
3,100.00		262.26	3,094.19	-13.41	-98.67	401,413.46	729,699.87	32.102104	-103.725020
3,200.00		262.26	3,193.11	-15.38	-113.19	401,411.49	729,685.35	32.102099	-103.725067
3,300.00	8.43	262.26	3,292.03	-17.36	-127.72	401,409.51	729,670.82	32.102094	-103.725113
3,400.00	8.43	262.26	3,390.95	-19.33	-142.24	401,407.54	729,656.30	32.102089	-103.725160
3,500.00	8.43	262.26	3,489.87	-21.30	-156.76	401,405.57	729,641.77	32.102083	-103.725207
3,600.00	8.43	262.26	3,588.79	-23.28	-171.29	401,403.59	729,627.25	32.102078	-103.725254
3,700.00	8.43	262.26	3,687.71	-25.25	-185.81	401,401.62	729,612.72	32.102073	-103.725301
3,800.00	8.43	262.26	3,786.63	-27.23	-200.34	401,399.64	729,598.20	32.102068	-103.725348
3,900.00	8.43	262.26	3,885.55	-29.20	-214.86	401,397.67	729,583.68	32.102063	-103.725395
4,000.00	8.43	262.26	3,984.47	-31.17	-229.39	401,395.70	729,569.15	32.102057	-103.725442
4,100.00	8.43	262.26	4,083.39	-33.15	-243.91	401,393.72	729,554.63	32.102052	-103.725489
4,200.00		262.26	4,182.31	-35.12	-258.43	401,391.75	729,540.10	32.102047	-103.725536
4,300.00		262.26	4,281.23	-37.09	-272.96	401,389.77	729,525.58	32.102042	-103.725583
4,400.00		262.26	4,380.15	-39.07	-287.48	401,387.80	729,511.06	32.102037	-103.725630
4,500.00		262.26	4,479.07	-41.04	-302.01	401,385.83	729,496.53	32.102031	-103.725677
4,600.00		262.26	4,577.99	-43.02	-316.53	401,383.85	729,482.01	32.102026	-103.725724
4,700.00		262.26	4,676.90	-44.99	-331.05	401,381.88	729,467.48	32.102021	-103.725771
4,800.00		262.26	4,775.82	-46.96	-345.58	401,379.91	729,452.96	32.102016	-103.725818
4,900.00		262.26	4,874.74	-48.94	-360.10	401,377.93	729,438.43	32.102011	-103.725864
5,000.00		262.26	4,973.66	-50.91	-374.63	401,375.96	729,423.91	32.102005	-103.725911
5,100.00		262.26	5,072.58	-52.88	-389.15	401,373.98	729,409.39	32.102000	-103.725958
5,200.00		262.26	5,171.50	-54.86	-403.68	401,372.01	729,394.86	32.101995	-103.726005
5,300.00	8.43	262.26	5,270.42	-56.83	-418.20	401,370.04	729,380.34	32.101990	-103.726052

Database: EDM r5000.141_Prod US Company: WCDSC Permian NM

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 25-T25S-R31E

Well: Big Sinks Draw 25-13 Fed Com 524H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Big Sinks Draw 25-13 Fed Com 524H

RKB @ 3365.50ft RKB @ 3365.50ft

Grid

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	8.43	262.26	5,369.34	-58.81	-432.72	401,368.06	729,365.81	32.101985	-103.726099
5,500.00	8.43	262.26	5,468.26	-60.78	-447.25	401,366.09	729,351.29	32.101979	-103.726146
5,600.00	8.43	262.26	5,567.18	-62.75	-461.77	401,364.12	729,336.77	32.101974	-103.726193
5,700.00	8.43	262.26	5,666.10	-64.73	-476.30	401,362.14	729,322.24	32.101969	-103.726240
5,800.00	8.43	262.26	5,765.02	-66.70	-490.82	401,360.17	729,307.72	32.101964	-103.726287
5,900.00	8.43	262.26	5,863.94	-68.68	-505.34	401,358.19	729,293.19	32.101959	-103.726334
6,000.00	8.43	262.26	5,962.86	-70.65	-519.87	401,356.22	729,278.67	32.101953	-103.726381
6,100.00	8.43	262.26	6,061.78	-72.62	-534.39	401,354.25	729,264.14	32.101948	-103.726428
6,200.00	8.43	262.26	6,160.70	-74.60	-548.92	401,352.27	729,249.62	32.101943	-103.726475
6,300.00	8.43	262.26	6,259.62	-76.57	-563.44	401,350.30	729,235.10	32.101938	-103.726522
6,400.00	8.43	262.26	6,358.54	-78.54	-577.97	401,348.33	729,220.57	32.101933	-103.726569
6,500.00	8.43	262.26	6,457.46	-80.52	-592.49	401,346.35	729,206.05	32.101927	-103.726615
6,600.00	8.43	262.26	6,556.38	-82.49	-607.01	401,344.38	729,191.52	32.101922	-103.726662
6,700.00		262.26	6,655.30	-84.47	-621.54	401,342.40	729,177.00	32.101917	-103.726709
6,800.00	8.43	262.26	6,754.22	-86.44	-636.06	401,340.43	729,162.48	32.101912	-103.726756
6,900.00		262.26	6,853.14	-88.41	-650.59	401,338.46	729,147.95	32.101907	-103.726803
7,000.00	8.43	262.26	6,952.06	-90.39	-665.11	401,336.48	729,133.43	32.101901	-103.726850
7,100.00	8.43	262.26	7,050.98	-92.36	-679.64	401,334.51	729,118.90	32.101896	-103.726897
7,200.00	8.43	262.26	7,149.90	-94.33	-694.16	401,332.53	729,104.38	32.101891	-103.726944
7,300.00	8.43	262.26	7,248.82	-96.31	-708.68	401,330.56	729,089.85	32.101886	-103.726991
7,400.00	8.43	262.26	7,347.74	-98.28	-723.21	401,328.59	729,075.33	32.101881	-103.727038
7,500.00		262.26	7,446.66	-100.26	-737.73	401,326.61	729,060.81	32.101875	-103.727085
7,509.56		262.26	7,456.12	-100.44	-739.12	401,326.42	729,059.42	32.101875	-103.727089
7,600.00		262.26	7,545.73	-102.09	-751.21	401,324.78	729,047.33	32.101871	-103.727128
7,700.00	5.57	262.26	7,645.12	-103.57	-762.12	401,323.30	729,036.42	32.101867	-103.727164
7,800.00	4.07	262.26	7,744.76	-104.70	-770.45	401,322.17	729,028.09	32.101864	-103.727191
7,900.00	2.57	262.26	7,844.59	-105.48	-776.19	401,321.39	729,022.35	32.101862	-103.727209
8,000.00	1.07	262.26	7,944.54	-105.91	-779.34	401,320.96	729,019.20	32.101860	-103.727219
8,071.47	0.00	0.00	8,016.00	-106.00	-780.00	401,320.87	729,018.54	32.101860	-103.727221
8,100.00	0.00	0.00	8,044.54	-106.00	-780.00	401,320.87	729,018.54	32.101860	-103.727221
8,200.00		0.00 0.00	8,144.54 8,244.54	-106.00 -106.00	-780.00	401,320.87	729,018.54 729,018.54	32.101860	-103.727221
8,300.00	0.00		,		-780.00	401,320.87	,	32.101860	-103.727221
8,400.00 8,421.51	0.00	0.00 0.00	8,344.54 8,366.04	-106.00 -106.00	-780.00 -780.00	401,320.87 401,320.87	729,018.54 729,018.54	32.101860 32.101860	-103.727221 -103.727221
8,422.00	0.00	359.74	8,366.54	-106.00	-780.00 -780.00	401,320.87	729,018.54	32.101860	-103.727221
				-100.00	-760.00	401,320.67	129,010.04	32.101000	-103.727221
	TP @ 8422' M	•		100.63	700.00	404 226 24	700 010 51	20 404075	102 707001
8,500.00 8,600.00	7.85 17.85	359.74 359.74	8,444.29 8,541.66	-100.63 -78.42	-780.02 -780.12	401,326.24 401,348.45	729,018.51 729,018.42	32.101875 32.101936	-103.727221 -103.727221
8,700.00	27.85	359.74	8,633.70	-76.42 -39.64	-780.12 -780.30	401,346.45	729,016.42	32.102043	-103.727221
-,	37.85	359.74 359.74	,	-39.64 14.53	-780.54		,	32.102043	-103.727221
8,800.00 8,900.00		359.74	8,717.60 8,790.82	82.45	-780.84	401,441.40 401,509.32	729,018.00 729,017.70	32.102378	-103.727221
9,000.00		359.74	8,851.14	162.06	-781.19	401,588.93	729,017.70	32.102597	-103.727220
9,100.00		359.74	8,896.71	250.93	-781.19	401,677.79	729,017.34	32.102397	-103.727220
9,200.00		359.74	8,926.16	346.36	-782.01	401,773.22	729,016.52	32.103104	-103.727220
9,300.00	87.85	359.74	8,938.60	445.45	-782.45	401,872.32	729,016.08	32.103376	-103.727219
9,321.51	90.00	359.74	8,939.00	466.95	-782.55	401,893.82	729,015.99	32.103435	-103.727219
9,400.00	90.00	359.74	8,939.00	545.45	-782.90	401,972.31	729,015.99	32.103651	-103.727219
9,500.00	90.00	359.74	8,939.00	645.44	-783.35	402,072.31	729,015.19	32.103926	-103.727219
9,600.00		359.74	8,939.00	745.44	-783.79	402,172.31	729,013.19	32.104201	-103.727218
9,700.00	90.00	359.74	8,939.00	845.44	-784.24	402,272.31	729,014.73	32.104476	-103.727218
9,800.00	90.00	359.74	8,939.00	945.44	-784.68	402,372.31	729,013.86	32.104751	-103.727218
9,900.00	90.00	359.74	8,939.00	1,045.44	-785.13	402,472.31	729,013.41	32.105025	-103.727217
10,000.00	90.00	359.74	8,939.00	1,145.44	-785.57	402,572.31	729,012.97	32.105300	-103.727217
10,100.00	90.00	359.74	8,939.00	1,245.44	-786.02	402,672.31	729,012.52	32.105575	-103.727216

Database: EDM r5000.141_Prod US Company: WCDSC Permian NM

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 25-T25S-R31E

Well: Big Sinks Draw 25-13 Fed Com 524H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Big Sinks Draw 25-13 Fed Com 524H

RKB @ 3365.50ft RKB @ 3365.50ft

Grid

Planned Survey	1								
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
10,200.00	90.00	359.74	8,939.00	1,345.44	-786.46	402,772.30	729,012.08	32.105850	-103.727216
10,300.00	90.00	359.74	8,939.00	1,445.44	-786.91	402,872.30	729,011.63	32.106125	-103.727216
10,400.00	90.00	359.74	8,939.00	1,545.44	-787.35	402,972.30	729,011.19	32.106400	-103.727215
10,500.00	90.00	359.74	8,939.00	1,645.43	-787.80	403,072.30	729,010.74	32.106675	-103.727215
10,600.00	90.00	359.74	8,939.00	1,745.43	-788.24	403,172.30	729,010.30	32.106950	-103.727214
10,700.00	90.00	359.74	8,939.00	1,845.43	-788.69	403,272.30	729,009.85	32.107224	-103.727214
10,800.00	90.00	359.74	8,939.00	1,945.43	-789.13	403,372.30	729,009.41	32.107499	-103.727214
10,900.00		359.74	8,939.00	2,045.43	-789.58	403,472.30	729,008.96	32.107774	-103.727213
11,000.00		359.74	8,939.00	2,145.43	-790.02	403,572.29	729,008.52	32.108049	-103.727213
11,100.00		359.74	8,939.00	2,245.43	-790.47	403,672.29	729,008.07	32.108324	-103.727213
11,187.00	90.00	359.74	8,939.00	2,332.43	-790.85	403,759.29	729,007.68	32.108563	-103.727212
	ection @ 1118		•						
11,200.00		359.74	8,939.00	2,345.43	-790.91	403,772.29	729,007.63	32.108599	-103.727212
11,300.00		359.74	8,939.00	2,445.43	-791.36	403,872.29	729,007.18	32.108874	-103.727212
11,400.00		359.74	8,939.00	2,545.43	-791.80	403,972.29	729,006.74	32.109149	-103.727211
11,500.00		359.74	8,939.00	2,645.42	-792.25	404,072.29	729,006.29	32.109424	-103.727211
11,600.00		359.74	8,939.00	2,745.42	-792.69	404,172.29	729,005.84	32.109698	-103.727211
11,700.00		359.74	8,939.00	2,845.42	-793.14	404,272.29	729,005.40	32.109973	-103.727210
11,800.00		359.74	8,939.00	2,945.42	-793.58	404,372.29	729,004.95	32.110248	-103.727210
11,900.00		359.74	8,939.00	3,045.42	-794.03	404,472.28	729,004.51	32.110523	-103.727210
12,000.00		359.74	8,939.00	3,145.42	-794.47	404,572.28	729,004.06	32.110798	-103.727209
12,100.00		359.74	8,939.00	3,245.42	-794.92	404,672.28	729,003.62	32.111073	-103.727209
12,200.00		359.74	8,939.00	3,345.42	-795.36	404,772.28	729,003.17	32.111348	-103.727208
12,300.00		359.74 359.74	8,939.00	3,445.42	-795.81	404,872.28	729,002.73 729,002.28	32.111623	-103.727208
12,400.00 12,500.00		359.74	8,939.00 8,939.00	3,545.42 3,645.42	-796.25 -796.70	404,972.28 405,072.28	729,002.26 729,001.84	32.111898 32.112172	-103.727208 -103.727207
12,600.00		359.74	8,939.00	3,745.41	-790.70 -797.14	405,172.28	729,001.84	32.112447	-103.727207
12,700.00		359.74	8,939.00	3,845.41	-797.59	405,272.27	729,001.39	32.112722	-103.727207
12,800.00		359.74	8,939.00	3,945.41	-798.03	405,372.27	729,000.93	32.112997	-103.727207
12,900.00		359.74	8,939.00	4,045.41	-798.48	405,472.27	729,000.06	32.113272	-103.727206
13,000.00		359.74	8,939.00	4,145.41	-798.93	405,572.27	728,999.61	32.113547	-103.727205
13,100.00		359.74	8,939.00	4,245.41	-799.37	405,672.27	728,999.17	32.113822	-103.727205
13,200.00		359.74	8,939.00	4,345.41	-799.82	405,772.27	728,998.72	32.114097	-103.727205
13,300.00		359.74	8,939.00	4,445.41	-800.26	405,872.27	728,998.28	32.114371	-103.727204
13,400.00		359.74	8,939.00	4,545.41	-800.71	405.972.27	728,997.83	32.114646	-103.727204
13,500.00		359.74	8,939.00	4,645.41	-801.15	406,072.26	728,997.39	32.114921	-103.727204
13,600.00		359.74	8,939.00	4,745.40	-801.60	406,172.26	728,996.94	32.115196	-103.727203
13,700.00	90.00	359.74	8,939.00	4,845.40	-802.04	406,272.26	728,996.50	32.115471	-103.727203
13,800.00	90.00	359.74	8,939.00	4,945.40	-802.49	406,372.26	728,996.05	32.115746	-103.727202
13,900.00	90.00	359.74	8,939.00	5,045.40	-802.93	406,472.26	728,995.61	32.116021	-103.727202
14,000.00		359.74	8,939.00	5,145.40	-803.38	406,572.26	728,995.16	32.116296	-103.727202
14,100.00	90.00	359.74	8,939.00	5,245.40	-803.82	406,672.26	728,994.72	32.116571	-103.727201
14,200.00	90.00	359.74	8,939.00	5,345.40	-804.27	406,772.26	728,994.27	32.116845	-103.727201
14,300.00	90.00	359.74	8,939.00	5,445.40	-804.71	406,872.26	728,993.83	32.117120	-103.727200
14,400.00	90.00	359.74	8,939.00	5,545.40	-805.16	406,972.25	728,993.38	32.117395	-103.727200
14,500.00	90.00	359.74	8,939.00	5,645.40	-805.60	407,072.25	728,992.94	32.117670	-103.727200
14,600.00		359.74	8,939.00	5,745.39	-806.05	407,172.25	728,992.49	32.117945	-103.727199
14,700.00		359.74	8,939.00	5,845.39	-806.49	407,272.25	728,992.05	32.118220	-103.727199
14,800.00		359.74	8,939.00	5,945.39	-806.94	407,372.25	728,991.60	32.118495	-103.727199
14,900.00		359.74	8,939.00	6,045.39	-807.38	407,472.25	728,991.16	32.118770	-103.727198
15,000.00		359.74	8,939.00	6,145.39	-807.83	407,572.25	728,990.71	32.119044	-103.727198
15,100.00		359.74	8,939.00	6,245.39	-808.27	407,672.25	728,990.26	32.119319	-103.727197
15,200.00		359.74	8,939.00	6,345.39	-808.72	407,772.24	728,989.82	32.119594	-103.727197
15,300.00	90.00	359.74	8,939.00	6,445.39	-809.16	407,872.24	728,989.37	32.119869	-103.727197

Database: EDM r5000.141_Prod US Company: WCDSC Permian NM

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 25-T25S-R31E

Well: Big Sinks Draw 25-13 Fed Com 524H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Big Sinks Draw 25-13 Fed Com 524H

RKB @ 3365.50ft RKB @ 3365.50ft

Grid

Planned Survey	1								
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	359.74	8,939.00	6,545.39	-809.61	407,972.24	728,988.93	32.120144	-103.727196
15,500.00	90.00	359.74	8,939.00	6,645.39	-810.05	408,072.24	728,988.48	32.120419	-103.727196
15,600.00	90.00	359.74	8,939.00	6,745.38	-810.50	408,172.24	728,988.04	32.120694	-103.727196
15,700.00	90.00	359.74	8,939.00	6,845.38	-810.94	408,272.24	728,987.59	32.120969	-103.727195
15,800.00	90.00	359.74	8,939.00	6,945.38	-811.39	408,372.24	728,987.15	32.121244	-103.727195
15,900.00	90.00	359.74	8,939.00	7,045.38	-811.83	408,472.24	728,986.70	32.121518	-103.727194
16,000.00	90.00	359.74	8,939.00	7,145.38	-812.28	408,572.24	728,986.26	32.121793	-103.727194
16,100.00	90.00	359.74	8,939.00	7,245.38	-812.72	408,672.23	728,985.81	32.122068	-103.727194
16,200.00	90.00	359.74	8,939.00	7,345.38	-813.17	408,772.23	728,985.37	32.122343	-103.727193
16,300.00	90.00	359.74	8,939.00	7,445.38	-813.61	408,872.23	728,984.92	32.122618	-103.727193
16,400.00		359.74	8,939.00	7,545.38	-814.06	408,972.23	728,984.48	32.122893	-103.727193
16,466.00	90.00	359.74	8,939.00	7,611.38	-814.35	409,038.23	728,984.18	32.123074	-103.727192
Cross se	ection @ 1646	6' MD, 0' FSL	., 1290' FEL						
16,500.00		359.74	8,939.00	7,645.38	-814.51	409,072.23	728,984.03	32.123168	-103.727192
16,600.00	90.00	359.74	8,939.00	7,745.37	-814.95	409,172.23	728,983.59	32.123443	-103.727192
16,700.00		359.74	8,939.00	7,845.37	-815.40	409,272.23	728,983.14	32.123718	-103.727191
16,800.00		359.74	8,939.00	7,945.37	-815.84	409,372.23	728,982.70	32.123992	-103.727191
16,900.00		359.74	8,939.00	8,045.37	-816.29	409,472.22	728,982.25	32.124267	-103.727191
17,000.00		359.74	8,939.00	8,145.37	-816.73	409,572.22	728,981.81	32.124542	-103.727190
17,100.00		359.74	8,939.00	8,245.37	-817.18	409,672.22	728,981.36	32.124817	-103.727190
17,200.00		359.74	8,939.00	8,345.37	-817.62	409,772.22	728,980.92	32.125092	-103.727189
17,300.00		359.74	8,939.00	8,445.37	-818.07	409,872.22	728,980.47	32.125367	-103.727189
17,400.00		359.74	8,939.00	8,545.37	-818.51	409,972.22	728,980.03	32.125642	-103.727189
17,500.00	90.00	359.74	8,939.00	8,645.37	-818.96	410,072.22	728,979.58	32.125917	-103.727188
17,600.00		359.74	8,939.00	8,745.36	-819.40	410,172.22	728,979.14	32.126191	-103.727188
17,700.00		359.74	8,939.00	8,845.36	-819.85	410,272.21	728,978.69	32.126466	-103.727188
17,800.00		359.74	8,939.00	8,945.36	-820.29	410,372.21	728,978.25	32.126741	-103.727187
17,900.00		359.74	8,939.00	9,045.36	-820.74	410,472.21	728,977.80	32.127016	-103.727187
18,000.00	90.00	359.74	8,939.00	9,145.36	-821.18	410,572.21	728,977.36	32.127291	-103.727186
18,100.00		359.74 359.74	8,939.00	9,245.36	-821.63 -822.07	410,672.21	728,976.91	32.127566	-103.727186
18,200.00			8,939.00	9,345.36		410,772.21	728,976.47	32.127841	-103.727186
18,300.00 18,400.00		359.74 359.74	8,939.00 8,939.00	9,445.36 9,545.36	-822.52 -822.96	410,872.21 410,972.21	728,976.02 728,975.58	32.128116 32.128391	-103.727185 -103.727185
18,500.00	90.00	359.74	8,939.00	9,545.36	-823.41	410,972.21	728,975.13	32.128665	-103.727185
18,600.00		359.74	8,939.00	9,745.35	-823.85	411,072.21	728,974.68	32.128940	-103.727184
18,700.00		359.74	8,939.00	9,745.35	-824.30	411,172.20	728,974.08	32.129215	-103.727184
18,800.00	90.00	359.74	8,939.00	9,945.35	-824.74	411,372.20	728,973.79	32.129490	-103.727183
18,900.00		359.74	8,939.00	10,045.35	-825.19	411,472.20	728,973.75	32.129765	-103.727183
19.000.00	90.00	359.74	8,939.00	10,145.35	-825.63	411,572.20	728,972.90	32.130040	-103.727183
19,100.00		359.74	8,939.00	10,145.35	-826.08	411,672.20	728,972.46	32.130315	-103.727182
19,200.00		359.74	8,939.00	10,345.35	-826.52	411,772.20	728,972.01	32.130590	-103.727182
19,300.00		359.74	8,939.00	10,445.35	-826.97	411,872.20	728,971.57	32.130864	-103.727182
19,400.00		359.74	8,939.00	10,545.35	-827.41	411,972.19	728,971.12	32.131139	-103.727181
19,500.00		359.74	8,939.00	10,645.35	-827.86	412,072.19	728,970.68	32.131414	-103.727181
19,600.00		359.74	8,939.00	10,745.34	-828.30	412,172.19	728,970.23	32.131689	-103.727180
19,700.00		359.74	8,939.00	10,845.34	-828.75	412,272.19	728,969.79	32.131964	-103.727180
19,800.00		359.74	8,939.00	10,945.34	-829.19	412,372.19	728,969.34	32.132239	-103.727180
19,900.00		359.74	8,939.00	11,045.34	-829.64	412,472.19	728,968.90	32.132514	-103.727179
20,000.00		359.74	8,939.00	11,145.34	-830.09	412,572.19	728,968.45	32.132789	-103.727179
20,100.00		359.74	8,939.00	11,245.34	-830.53	412,672.19	728,968.01	32.133064	-103.727178
20,200.00		359.74	8,939.00	11,345.34	-830.98	412,772.19	728,967.56	32.133338	-103.727178
20,300.00		359.74	8,939.00	11,445.34	-831.42	412,872.18	728,967.12	32.133613	-103.727178
20,400.00		359.74	8,939.00	11,545.34	-831.87	412,972.18	728,966.67	32.133888	-103.727177
20,500.00	90.00	359.74	8,939.00	11,645.34	-832.31	413,072.18	728,966.23	32.134163	-103.727177

Database: EDM r5000.141_Prod US Company: WCDSC Permian NM

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 25-T25S-R31E

Well: Big Sinks Draw 25-13 Fed Com 524H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Big Sinks Draw 25-13 Fed Com 524H

RKB @ 3365.50ft RKB @ 3365.50ft

Grid

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
20,600.00	90.00	359.74	8,939.00	11,745.34	-832.76	413,172.18	728,965.78	32.134438	-103.727177
20,700.00	90.00	359.74	8,939.00	11,845.33	-833.20	413,272.18	728,965.34	32.134713	-103.727176
20,800.00	90.00	359.74	8,939.00	11,945.33	-833.65	413,372.18	728,964.89	32.134988	-103.727176
20,900.00	90.00	359.74	8,939.00	12,045.33	-834.09	413,472.18	728,964.45	32.135263	-103.727175
21,000.00	90.00	359.74	8,939.00	12,145.33	-834.54	413,572.18	728,964.00	32.135537	-103.727175
21,100.00	90.00	359.74	8,939.00	12,245.33	-834.98	413,672.17	728,963.56	32.135812	-103.727175
21,200.00	90.00	359.74	8,939.00	12,345.33	-835.43	413,772.17	728,963.11	32.136087	-103.727174
21,300.00	90.00	359.74	8,939.00	12,445.33	-835.87	413,872.17	728,962.67	32.136362	-103.727174
21,400.00	90.00	359.74	8,939.00	12,545.33	-836.32	413,972.17	728,962.22	32.136637	-103.727174
21,500.00	90.00	359.74	8,939.00	12,645.33	-836.76	414,072.17	728,961.78	32.136912	-103.727173
21,600.00	90.00	359.74	8,939.00	12,745.33	-837.21	414,172.17	728,961.33	32.137187	-103.727173
21,642.00	90.00	359.74	8,939.00	12,787.32	-837.39	414,214.17	728,961.14	32.137302	-103.727173
LTP @ 21	1642' MD, 100	' FNL, 1290' I	FEL						
21,700.00	90.00	359.74	8,939.00	12,845.32	-837.65	414,272.17	728,960.89	32.137462	-103.727172
21,722.24	90.00	359.74	8,939.00	12,867.56	-837.75	414,294.41	728,960.79	32.137523	-103.727172
PBHL; 20	0' FNL, 1290' I	FEL							
21,722.25	90.00	359.74	8,939.00	12,867.58	-837.75	414,294.42	728,960.79	32.137523	-103.727172

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 2 - plan misses target of a Point		0.00 9.00ft at 2172	0.00 22.25ft MD (12,867.58 (8939.00 TVD	-837.75 , 12867.58 N,	414,294.42 -837.75 E)	728,960.79	32.137523	-103.727172

Plan Annotations				
Measured	Vertical	Local Coor	dinates	
Depth	Depth	+N/-S	+E/-W	
(ft)	(ft)	(ft)	(ft)	Comment
8,422.00	8,366.54	-106.00	-780.00	KOP & FTP @ 8422' MD, 2438' FNL, 1290' FEL
11,187.00	8,939.00	2,332.43	-790.85	Cross section @ 11187' MD, 0' FSL, 1290' FEL
16,466.00	8,939.00	7,611.38	-814.35	Cross section @ 16466' MD, 0' FSL, 1290' FEL
21,642.00	8,939.00	12,787.32	-837.39	LTP @ 21642' MD, 100' FNL, 1290' FEL
21,722.24	8,939.00	12,867.56	-837.75	PBHL; 20' FNL, 1290' FEL



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

Hydrogen Sulfide (H₂S) Contingency Plan

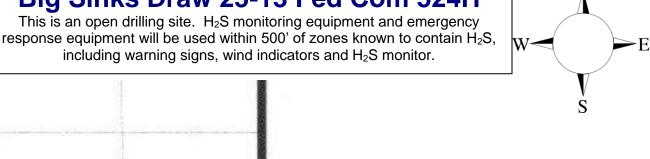
For

Big Sinks Draw 25-13 Fed Com 524H

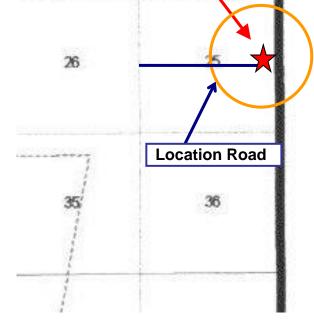
Sec-25 T-25S R-31E 2332' FNL & 510' FEL LAT. = 32.1021395' N (NAD83) LONG = 103.7247004' W

Eddy County NM

Big Sinks Draw 25-13 Fed Com 524H This is an open drilling site. H₂S monitoring equipment and emergency



Big Sinks Draw 25-13 Fed Com 524H



23

3000' (Re Assumed 100 ppm ROE 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

511di de 10110 di 1120 di 114 002							
Common	Chemical	Specific Threshold		Hazardous Limit	Lethal		
Name	Formula	Gravity	Limit	Hazardous Limit	Concentration		
Hydrogen Sulfide	H ₂ S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm		
Sulfur Dioxide	SO ₂	2.21 Air = 1	2 ppm	N/A	1000 ppm		

Contacting Authorities

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

Hydrogen Sulfide Drilling Operation Plan

I. HYDROGEN SULFIDE (H₂S) TRAINING

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

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

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

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

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan.

II. HYDROGEN SULFIDE TRAINING

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

1. Well Control Equipment

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

2. Protective equipment for essential personnel:

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

3. H₂S detection and monitoring equipment:

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

- Bell nipple
- 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 H₂S circulated to surface. Proper mud weight, safe drilling practices and the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.

5. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H₂S trim.
- B. All elastomers used for packing and seals shall be H₂S trim.

6. Communication:

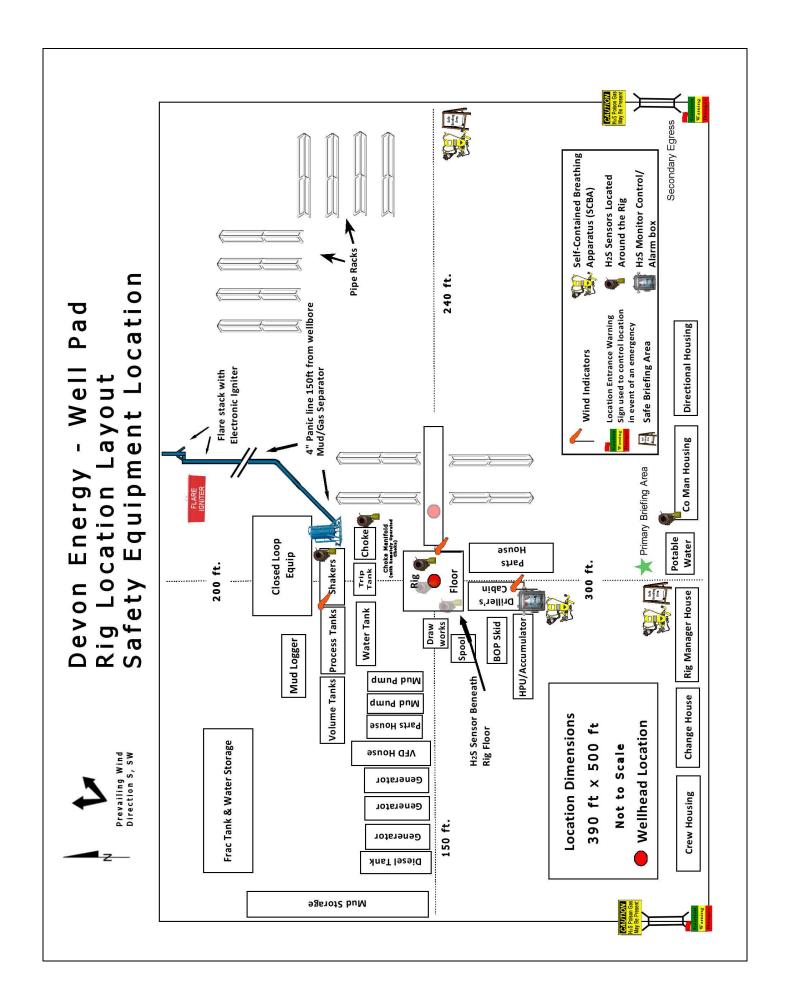
- Company personnel have/use cellular telephones in the field.
- B. Land line (telephone) communications at Office

7. Well testing:

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

Drilling Su	pervisor – Basin – Mark Kramer	405-823-4796						
EHS Profe	essional – Laura Wright	405-439-8129						
Agency	Call List							
<u>Lea</u>	Hobbs							
County	Lea County Communication Authority	393-3981						
<u>(575)</u>	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	Carlsbad							
County	State Police	885-3137						
<u>(575)</u>	City Police	885-211						
	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	Native Air – Emergency Helicopter – Hobbs	(575) 392-6429						
GPS	Flight For Life - Lubbock, TX	(806) 743-991						
position:	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) 272-311						
	Oil & Gas Pipeline 24 Hour Service (800) 364							





H2S	☐ Yes	☑ No	
Potash	■ None	☐ Secretary	R -111-P
Cave/Karst Potential	© Low	☐ Medium	☐ High
Cave/Karst Potential	Critical		
Variance	None	☑ Flex Hose	C 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

- 1. The 13-3/8 inch surface casing shall be set at approximately 1100 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 9-5/8 inch intermediate casing is:
 - 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.

Operator has proposed to pump down 13-3/8" X 9-5/8" annulus. Operator must run a CBL from TD of the 9-5/8" casing to surface. Submit results to BLM.

- 3. The minimum required fill of cement behind the **5-1/2** inch production casing is:
 - Cement should tie-back at least 200 feet into previous casing string.
 Operator shall provide method of verification.
 Cement excess is less than 25%, more cement might be required.

C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000** (**5M**) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

• The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New

Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

 - 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.

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