

OCD-ARTESIA

Form 3160-3
(February 2005)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No 1004-0137
Expires March 31, 20075 Lease Serial No.
SL: NM0107697 BL NMLC0029358

6 If Indian, Allottee or Tribe Name

7 If Unit or CA Agreement, Name and No

8. Lease Name and Well No.

Mimosa 24 Fed Com 1H

9. API Well No.

30-015-40626

10. Field and Pool, or Exploratory

Lusk; Bone Spring, West

11 Sec, T, R, M. or Blk and Survey or Area

Sec 24-T19S-R31E

12 County or Parish

Eddy

13 State

NM

1a. Type of work: ☒ DRILL ☐ REENTER1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2 Name of Operator

Devon Energy Production Co., LP

3a Address 20 North Broadway
OKC, OK 731023b Phone No. (include area code)
(405)-552-7802

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

At surface NWNW 582' FNL & 275' FWL Lot D

At proposed prod. zone NENE 400' FNL & 340' FEL Lot A

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

Approximately 19 miles southwest Maljamar, NM.

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

275'

16. No of acres in lease

SL: 2321.52 BHL: 240

17 Spacing Unit dedicated to this well

160 acres

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

See Plat

19 Proposed Depth

MTVD 9260' MD 13685'

20. BLM/BIA Bond No. on file

CO-1104

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

3537' GL

22. Approximate date work will start*

05/01/2012

23 Estimated duration

45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, must be attached to this form

1 Well plat certified by a registered surveyor

2 A Drilling Plan.

3 A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO must be filed with the appropriate Forest Service Office).4 Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above)

5. Operator certification

6 Such other site specific information and/or plans as may be required by the
BLM

25 Signature

Name (Printed/Typed)

Stephanie A. Ysasaga

Date

04/04/2012

Title

Sr. Staff Engineering Technician

Approved by (Signature)

Is/ Don Peterson

Name (Printed/Typed)

Is/ Don Peterson

Date

AUG 17 2012

Title

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to
conduct operations thereon.

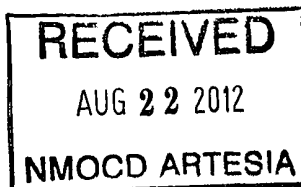
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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

*(Instructions on page 2)

Capitan Controlled Water Basin

Approval Subject to General Requirements
& Special Stipulations AttachedSEE ATTACHED FOR
CONDITIONS OF APPROVAL

Operators Representative:

The Devon Energy Production Company, L.P. representatives responsible for ensuring compliance of the surface use plan are listed below.

Steven Jones
Operations Engineer Advisor

Don Mayberry
Superintendent

Devon Energy Production Company, L.P.
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260

Devon Energy Production Company, L.P.
Post Office Box 250
Artesia, NM 88211-0250

(405) 552-7994 (office)
(405) 596-8041 (cell)

(505) 748-0164 (office)
(505) 748-5235 (cell)

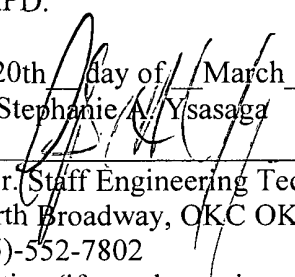
Certification

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

I hereby also certify that I, or Devon Energy Production Company, L.P. have made a good faith effort to provide the surface owner with a copy of the Surface Use Plan of Operations and any Conditions of Approval that are attached to the APD.

Executed this 20th day of March, 2012.

Printed Name: Stephanie A. Ysasaga

Signed Name: 

Position Title: Sr. Staff Engineering Technician

Address: 20 North Broadway, OKC OK 73102

Telephone: (405)-552-7802

Field Representative (if not above signatory): Don Mayberry (see above)

Address (if different from above):

Telephone (if different from above):

E-mail (optional):

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-40626		² Pool Code 41480		³ Pool Name LUSK; BONE SPRING, WEST	
⁴ Property Code 39413		⁵ Property Name MIMOSA 24 FED COM			⁶ Well Number 1H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3537.5

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
D	24	19 S	31 E		582	NORTH	275	WEST	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	24	19 S	31 E		400	NORTH	340	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160			13685 8/17

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.

Diagram details: SURFACE LOCATION at 1275' from NW corner. BOTTOM OF HOLE at 400' from NE corner. 1ST PERFORATION POINT: 400' FNL & 850' FWL. PROJECT AREA and PRODUCING AREA marked.			¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <i>[Signature]</i> Date: 03/26/2012 Printed Name: STEPHANIE YSASAGA
¹⁸ 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. MARCH 13 2012 Date of Survey: 03/26/2012 Signature and Seal of Professional Surveyor: <i>[Signature]</i> Certified Number: FILIMON F. JARAMILLO, PLS 12797 Survey No: 855			

SECTION LAND PLAT

County Eddy State New Mexico

Section 24 Township 19 S Range 31 E

Mimosa 24 Fed Com 1 H

SHL: 582' FNL, 275' FWL / BHL: 400' FNL, 340' FEL

SHL			BHL
USA NMNM 0107697			USA NMLC 0029358

DRILLING PROGRAM

Devon Energy Production Company, LP

Mimosa 24 Fed Com 1H

Surface Location: 582' FNL & 275' FWL, Unit D, Sec 24 T19S R31E, Eddy, NM

Bottom hole Location: 400' FNL & 340' FEL, Unit A, Sec 24 T19S R31E, Eddy, NM

1. Geologic Name of Surface Formation

- a. Quaternary

2. Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

a. Quaternary Alluvium	140'	Fresh Water
b. Rustler	645'	Barren
c. Salado	930'	Barren
d. Base Salado	2195'	Barren
e. Tansil Dolomite	2335'	Barren
f. Yates	2450'	Barren
g. Seven Rivers	2650'	Barren
h. Capitan	2750'	Barren
i. B/Capitan	4405'	Barren
j. Delaware	4830'	Oil
k. Bone Springs	7010'	Oil
l. 1 st Bone Spring Ss	8320'	Oil
m. 2 nd Bone Spring Lime	8640'	Oil
n. 2 nd Bone Spring Ss	9035'	Oil
o. 2 nd Bone Spring Up'r Ss	9095'	Oil
p. 2 nd Bone Spring Up'r Ss Base	9220'	Oil
q. 2 nd Bone Spring Middle Ss	9250'	Oil
r. 2 nd Bone Spring Middle Ss Base	9335'	Oil
s. 3 rd Bone Spring Lm	9490'	Oil
t. Total Depth	MTVD 9260' MD 13685'	

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 20" casing at 700' and circulating cement back to surface. The fresh water sands will be protected by setting 13 3/8" casing at 2600' and 9 5/8" casing at 4750' and circulating cement to surface. The Delaware intervals will be isolated by setting 5 1/2" casing to total depth and circulating cement above the base of the 9 5/8" casing. All casing is new and API approved.

3. Casing Program:

<u>Hole Size</u>	<u>Hole Interval</u>	<u>OD Csg</u>	<u>Casing Interval</u>	<u>Weight</u>	<u>Collar</u>	<u>Grade</u>
26"	0-700'	20"	0' - 700'	94#	BTC	J/K-55
17 1/2"	700'-2600'	13 3/8"	0' - 2600'	68#	BTC	J/K-55
12 1/4"	2600'-4750'	9 5/8"	0' - 4750'	40#	LTC	HCK-55
8 3/4"	4750'-8300'	5 1/2"	0' - 8300'	17#	LTC	HCP-110
8 3/4"	8300' - 13685'	5 1/2"	8300'-13685'	17#	BTC	HCP-110

Max TVD: 9,260'

Design Parameter Factors:

<u>Casing Size</u>	<u>Collapse Design Factor</u>	<u>Burst Design Factor</u>	<u>Tension Design Factor</u>
20"	2.36	9.11	25.42
13 3/8"	1.44	2.55	3.82
9 5/8"	1.25	1.78	2.99
5 1/2" LTC	1.70	1.98	1.55
5 1/2" BTC	1.64	2.07	4.22

4. Cement Program: (Note: All cement volumes are calculated with 25% excesses.)

<u>String</u>	<u>Slurry</u>	<u>Amount and Type of Cement</u>
Surface	Lead	1300 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 4% bwoc Bentonite + 81.4% Fresh Water, 13.5 ppg, 1.75 cf/sk
	Tail	300 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 56.3% Fresh Water, 14.8 ppg, 1.35 cf/sk
13-3/8" Intermediate	Lead	1,800 sacks (60:40) Poz (Fly Ash):Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 6% bwoc Bentonite + 107.8% Fresh Water, 12.5 ppg, 1.73 cf/sk
	Tail	400 sacks (60:40)Poz Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.4% bwoc Sodium Metasilicate + 4% bwoc MPA-5 + 52.7% Water, 13.8 ppg, 1.38 cf/sk
9-5/8" Intermediate	1st STAGE	
	Lead	600 sacks (60:40) Poz (Fly Ash):Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 6% bwoc Bentonite + 107.8% Fresh Water, 12.5 ppg, 1.73 cf/sk
	Tail	300 sacks (60:40)Poz Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.4% bwoc Sodium Metasilicate + 4% bwoc MPA-5 + 52.7% Water, 13.8 ppg, 1.38 cf/sk

Production	2nd STAGE (DV tool and ECP at 2,650 ft)	
	Lead	700 sacks (60:40) Poz (Fly Ash):Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 6% bwoc Bentonite + 107.8% Fresh Water, 12.5 ppg, 1.73 cf/sk
	Tail	200 sacks (60:40)Poz Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.4% bwoc Sodium Metasilicate + 4% bwoc MPA-5 + 52.7% Water, 13.8 ppg, 1.38 cf/sk
	1st STAGE	
	Lead	900 sacks (35:65) Poz (Fly Ash):Class H Cement + 5% bwow Sodium Chloride + 0.3% bwoc CD-32 + 0.5% bwoc FL-25 + 2% bwoc Bentonite + 0.6% bwoc Sodium Metasilicate + 0.5% bwoc FL-52A + 102.5% Fresh Water, 12.5 ppg, 2.00 cf/sk
	Tail	1,510 sacks (50:50) Poz (Fly Ash):Class H Cement + 1% bwow Sodium Chloride + 0.2% bwoc R-3 + 0.125 lbs/sack Cello Flake + 0.5% bwoc BA-10A + 4% bwoc MPA-5 + 58.3% Fresh Water, 14.2 ppg, 1.28 cf/sk
	2nd STAGE (DV tool at 5,500 ft)	
	Lead	800 sacks Class C Cement + 1% bwow Calcium Chloride + 0.125 lbs/sack Cello Flake + 157.8% Fresh Water, 11.4 ppg, 2.88 cf/sk
	Tail	150 sacks (60:40) Poz (Fly Ash):Class C Cement + 1% bwow Sodium Chloride + 0.2% bwoc R-3 + 0.125 lbs/sack Cello Flake + 0.5% bwoc BA-10A + 4% bwoc MPA-5 + 63.2% Fresh Water, 13.8 ppg, 1.38 cf/sk

String	TOC
20" Surface	Surface
13-3/8" Intermediate	Surface
9-5/8" Intermediate	Surface
5-1/2" Production	2,400'

The above cement volumes could be revised pending the caliper measurement from the open hole logs. Actual cement volumes will be adjusted bases on fluid caliper and caliper log data.

5. **Pressure Control Equipment:**

BOP DESIGN: BOP DESIGN: The BOP system used to drill the **17-1/2" hole** will consist of a **20" 2M Annular preventer**. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a **2M system** prior to drilling out the surface casing shoe.

The BOP system used to drill the **12-1/4" and 8-3/4" holes** will consist of a **13-5/8" 3M Triple Ram and Annular preventer**. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a **3M system** prior to drilling out each of the previous casing shoes. All tests will be in accordance with BLM Onshore Oil and Gas Order No. 2.

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP.

Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line). The line will be kept as straight as possible with minimal turns.

6. Proposed Mud Circulation System

<u>Depth</u>	<u>Mud Wt.</u>	<u>Visc</u>	<u>Fluid Loss</u>	<u>Type System</u>
0' - 700'	8.4-9.0	28-34	N/C	Fresh Water
700'-2600'	9.8-10.2	28-32	N/C	Brine
2600'-4750'	8.4-9.0	28-32	N/C	Fresh Water
4750'-13685'	8.4-9.0	28-30	N/C-12	Fresh Water

The necessary mud products for weight addition and fluid loss control will be on location at all times.

7. Auxiliary Well Control and Monitoring Equipment:

- a. A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.
- c. Hydrogen Sulfide detection equipment will be in operation after drilling out the 20" casing shoe until the 5 1/2" casing is cemented. Breathing equipment will be on location upon drilling the 20" shoe until total depth is reached.

8. Logging, Coring, and Testing Program: *See COA*

- a. Drill stem tests will be based on geological sample shows.
- b. If a drill stem test is anticipated; a procedure, equipment to be used and safety measures will be provided via sundry notice to the BLM.
- c. The open hole electrical logging program will be:
 - i. Total Depth to Intermediate Casing Dual Laterolog-Micro Laterolog with SP and Gamma Ray. Compensated Neutron - Z Density log with Gamma Ray and Caliper.
 - ii. Total Depth to Surface Compensated Neutron with Gamma Ray
 - iii. No coring program is planned
 - iv. Additional testing will be initiated subsequent to setting the 5 1/2" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

9. Potential Hazards:

- a. No abnormal pressures or temperatures are expected. There is no known presence of H2S in this area. If H2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. Possible lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 3175 psi and Estimated BHT 142°. No H2S is anticipated to be encountered.

10. Anticipated Starting Date and Duration of Operations:

- a. Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 32 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.



Devon Energy, Inc.

Eddy County

Mimosa 24 Federal

#1H

OH

Plan: Plan #1

PathfinderX & Y Report

02 April, 2012

A vertical rectangular bar with a dense, grainy texture, located on the right side of the page.

PATHFINDER[®]

A Schlumberger Company



Pathfinder
PathfinderX & Y Report

PATHFINDER
A Schlumberger Company

Company:	Devon Energy, Inc.	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County	TVD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Site:	Mimosa 24 Federal	MD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 5000.1 Single User Db

Project	Eddy County		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site:		Mimosa 24 Federal				
Site Position:		Northing:	601,165.150	usft	Latitude:	32° 39' 5.915 N
From:	Map	Easting:	696,100.350	usft	Longitude:	103° 49' 49.775 W
Position Uncertainty:	0.0	Slot Radius:	13-3/16	"	Grid Convergence:	0.27 °

Well:	#1H					
Well Position	+N/-S	0.0 usft	Northing:	601,165.150 usft	Latitude:	32° 39' 5.915 N
	+E/-W	0.0 usft	Easting:	696,100.350 usft	Longitude:	103° 49' 49.775 W
Position Uncertainty	0.0 usft		Wellhead Elevation:	usft	Ground Level:	3,537.5 usft

Wellbore		OH			
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
			(°)	(°)	(nT)
	IGRF200510	4/2/2012	7.63	60.54	48,804

Design:	Plan #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction: (°)
	0.0	0.0	0.0	87.39

Survey Tool Program		Date	4/2/2012		
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description	
0 0	13,684 5	Plan #1 (OH)	Pathfinder	Pathfinder MWD	



Pathfinder
PathfinderX & Y Report

PATHFINDER
A Schlumberger Company

Company:	Devon Energy, Inc.	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County	TVD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Site:	Mimosa 24 Federal	MD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 5000.1 Single User Db

Planned Survey											
MD (usft)	Inc. (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V' Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
0.0	0.00	0.00	0.0	-3,563.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
100.0	0.00	0.00	100.0	-3,463.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
200.0	0.00	0.00	200.0	-3,363.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
300.0	0.00	0.00	300.0	-3,263.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
400.0	0.00	0.00	400.0	-3,163.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
500.0	0.00	0.00	500.0	-3,063.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
600.0	0.00	0.00	600.0	-2,963.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
700.0	0.00	0.00	700.0	-2,863.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
800.0	0.00	0.00	800.0	-2,763.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
900.0	0.00	0.00	900.0	-2,663.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,000.0	0.00	0.00	1,000.0	-2,563.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,100.0	0.00	0.00	1,100.0	-2,463.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,200.0	0.00	0.00	1,200.0	-2,363.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,300.0	0.00	0.00	1,300.0	-2,263.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,400.0	0.00	0.00	1,400.0	-2,163.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,500.0	0.00	0.00	1,500.0	-2,063.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,600.0	0.00	0.00	1,600.0	-1,963.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,700.0	0.00	0.00	1,700.0	-1,863.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,800.0	0.00	0.00	1,800.0	-1,763.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
1,900.0	0.00	0.00	1,900.0	-1,663.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
2,000.0	0.00	0.00	2,000.0	-1,563.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
2,100.0	0.00	0.00	2,100.0	-1,463.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
2,200.0	0.00	0.00	2,200.0	-1,363.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
2,300.0	0.00	0.00	2,300.0	-1,263.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
2,400.0	0.00	0.00	2,400.0	-1,163.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
2,500.0	0.00	0.00	2,500.0	-1,063.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
2,600.0	0.00	0.00	2,600.0	-963.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	



Pathfinder
PathfinderX & Y Report

PATHFINDER
A Schlumberger Company

Company:	Devon Energy, Inc.	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County	TVD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Site:	Mimosa 24 Federal	MD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 5000:1 Single User Db

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
2,700.0	0.00	0.00	2,700.0	-863.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
2,800.0	0.00	0.00	2,800.0	-763.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
2,900.0	0.00	0.00	2,900.0	-663.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,000.0	0.00	0.00	3,000.0	-563.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,100.0	0.00	0.00	3,100.0	-463.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,200.0	0.00	0.00	3,200.0	-363.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,300.0	0.00	0.00	3,300.0	-263.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,400.0	0.00	0.00	3,400.0	-163.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,500.0	0.00	0.00	3,500.0	-63.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,600.0	0.00	0.00	3,600.0	36.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,700.0	0.00	0.00	3,700.0	136.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,800.0	0.00	0.00	3,800.0	236.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
3,900.0	0.00	0.00	3,900.0	336.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,000.0	0.00	0.00	4,000.0	436.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,100.0	0.00	0.00	4,100.0	536.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,200.0	0.00	0.00	4,200.0	636.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,300.0	0.00	0.00	4,300.0	736.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,400.0	0.00	0.00	4,400.0	836.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,500.0	0.00	0.00	4,500.0	936.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,600.0	0.00	0.00	4,600.0	1,036.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,700.0	0.00	0.00	4,700.0	1,136.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,800.0	0.00	0.00	4,800.0	1,236.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
4,900.0	0.00	0.00	4,900.0	1,336.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
5,000.0	0.00	0.00	5,000.0	1,436.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
5,100.0	0.00	0.00	5,100.0	1,536.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
5,200.0	0.00	0.00	5,200.0	1,636.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
5,300.0	0.00	0.00	5,300.0	1,736.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	



Pathfinder
PathfinderX & Y Report

PATHFINDER
A Schlumberger Company

Company:	Devon Energy, Inc.	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County	TVD Reference:	KB = 26 @ 3563 5usft (H&P 300)
Site:	Mimosa 24 Federal	MD Reference:	KB = 26 @ 3563 5usft (H&P 300)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 5000.1 Single User Db

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
5,400.0	0.00	0.00	5,400.0	1,836.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
5,500.0	0.00	0.00	5,500.0	1,936.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
5,600.0	0.00	0.00	5,600.0	2,036.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
5,700.0	0.00	0.00	5,700.0	2,136.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
5,800.0	0.00	0.00	5,800.0	2,236.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
5,900.0	0.00	0.00	5,900.0	2,336.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,000.0	0.00	0.00	6,000.0	2,436.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,100.0	0.00	0.00	6,100.0	2,536.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,200.0	0.00	0.00	6,200.0	2,636.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,300.0	0.00	0.00	6,300.0	2,736.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,400.0	0.00	0.00	6,400.0	2,836.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,500.0	0.00	0.00	6,500.0	2,936.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,600.0	0.00	0.00	6,600.0	3,036.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,700.0	0.00	0.00	6,700.0	3,136.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,800.0	0.00	0.00	6,800.0	3,236.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
6,900.0	0.00	0.00	6,900.0	3,336.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,000.0	0.00	0.00	7,000.0	3,436.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,100.0	0.00	0.00	7,100.0	3,536.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,200.0	0.00	0.00	7,200.0	3,636.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,300.0	0.00	0.00	7,300.0	3,736.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,400.0	0.00	0.00	7,400.0	3,836.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,500.0	0.00	0.00	7,500.0	3,936.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,600.0	0.00	0.00	7,600.0	4,036.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,700.0	0.00	0.00	7,700.0	4,136.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,800.0	0.00	0.00	7,800.0	4,236.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
7,900.0	0.00	0.00	7,900.0	4,336.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
8,000.0	0.00	0.00	8,000.0	4,436.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	



Pathfinder
PathfinderX & Y Report



Company:	Devon Energy, Inc.	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County	TVD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Site:	Mimosa 24 Federal	MD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 5000 1 Single User Db

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
8,100.0	0.00	0.00	8,100.0	4,536.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
8,200.0	0.00	0.00	8,200.0	4,636.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
8,300.0	0.00	0.00	8,300.0	4,736.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
8,400.0	0.00	0.00	8,400.0	4,836.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
8,500.0	0.00	0.00	8,500.0	4,936.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
8,600.0	0.00	0.00	8,600.0	5,036.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
8,687.0	0.00	0.00	8,687.0	5,123.5	0.0	0.0	0.0	0.00	601,165.15	696,100.35	
8,700.0	1.30	87.39	8,700.0	5,136.5	0.0	0.1	0.1	10.00	601,165.16	696,100.50	
8,750.0	6.30	87.39	8,749.9	5,186.4	0.2	3.5	3.5	10.00	601,165.31	696,103.81	
8,800.0	11.30	87.39	8,799.3	5,235.8	0.5	11.1	11.1	10.00	601,165.65	696,111.45	
8,850.0	16.30	87.39	8,847.8	5,284.3	1.0	23.0	23.0	10.00	601,166.20	696,123.36	
8,900.0	21.30	87.39	8,895.1	5,331.6	1.8	39.1	39.1	10.00	601,166.93	696,139.45	
8,950.0	26.30	87.39	8,940.9	5,377.4	2.7	59.2	59.3	10.00	601,167.85	696,159.60	
9,000.0	31.30	87.39	8,984.7	5,421.2	3.8	83.3	83.4	10.00	601,168.94	696,183.65	
9,050.0	36.30	87.39	9,026.2	5,462.7	5.1	111.1	111.2	10.00	601,170.20	696,211.43	
9,100.0	41.30	87.39	9,065.2	5,501.7	6.5	142.4	142.5	10.00	601,171.63	696,242.72	
9,150.0	46.30	87.39	9,101.2	5,537.7	8.1	176.9	177.1	10.00	601,173.20	696,277.28	
9,200.0	51.30	87.39	9,134.2	5,570.7	9.8	214.5	214.7	10.00	601,174.91	696,314.85	
9,250.0	56.30	87.39	9,163.7	5,600.2	11.6	254.8	255.1	10.00	601,176.74	696,355.14	
9,300.0	61.30	87.39	9,189.6	5,626.1	13.5	297.5	297.8	10.00	601,178.69	696,397.85	
9,350.0	66.30	87.39	9,211.6	5,648.1	15.6	342.3	342.7	10.00	601,180.73	696,442.65	
9,400.0	71.30	87.39	9,229.7	5,666.2	17.7	388.9	389.3	10.00	601,182.84	696,489.21	
9,450.0	76.30	87.39	9,243.7	5,680.2	19.9	436.8	437.3	10.00	601,185.03	696,537.16	
9,500.0	81.30	87.39	9,253.4	5,689.9	22.1	485.8	486.3	10.00	601,187.25	696,586.14	
9,550.0	86.30	87.39	9,258.8	5,695.3	24.4	535.4	536.0	10.00	601,189.51	696,635.78	
9,589.8	90.28	87.39	9,260.0	5,696.5	26.2	575.2	575.7	10.00	601,191.32	696,675.50	
9,600.0	90.28	87.39	9,259.9	5,696.4	26.6	585.4	586.0	0.00	601,191.79	696,685.70	



Pathfinder
PathfinderX & Y Report

PATHFINDER
A Schlumberger Company

Company:	Devon Energy, Inc.	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County	TVD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Site:	Mimosa 24 Federal	MD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 5000.1 Single User Db

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
9,700.0	90.28	87.39	9,259.4	5,695.9	31.2	685.2	686.0	0.00	601,196.33	696,785.60	
9,800.0	90.28	87.39	9,258.9	5,695.4	35.7	785.1	786.0	0.00	601,200.88	696,885.49	
9,900.0	90.28	87.39	9,258.4	5,694.9	40.3	885.0	886.0	0.00	601,205.42	696,985.39	
10,000.0	90.28	87.39	9,258.0	5,694.5	44.8	984.9	986.0	0.00	601,209.97	697,085.28	
10,100.0	90.28	87.39	9,257.5	5,694.0	49.4	1,084.8	1,086.0	0.00	601,214.51	697,185.18	
10,200.0	90.28	87.39	9,257.0	5,693.5	53.9	1,184.7	1,186.0	0.00	601,219.06	697,285.07	
10,300.0	90.28	87.39	9,256.5	5,693.0	58.5	1,284.6	1,285.9	0.00	601,223.60	697,384.97	
10,400.0	90.28	87.39	9,256.0	5,692.5	63.0	1,384.5	1,385.9	0.00	601,228.15	697,484.87	
10,500.0	90.28	87.39	9,255.5	5,692.0	67.5	1,484.4	1,485.9	0.00	601,232.70	697,584.76	
10,600.0	90.28	87.39	9,255.0	5,691.5	72.1	1,584.3	1,585.9	0.00	601,237.24	697,684.66	
10,700.0	90.28	87.39	9,254.5	5,691.0	76.6	1,684.2	1,685.9	0.00	601,241.79	697,784.55	
10,800.0	90.28	87.39	9,254.1	5,690.6	81.2	1,784.1	1,785.9	0.00	601,246.33	697,884.45	
10,900.0	90.28	87.39	9,253.6	5,690.1	85.7	1,884.0	1,885.9	0.00	601,250.88	697,984.34	
11,000.0	90.28	87.39	9,253.1	5,689.6	90.3	1,983.9	1,985.9	0.00	601,255.42	698,084.24	
11,100.0	90.28	87.39	9,252.6	5,689.1	94.8	2,083.8	2,085.9	0.00	601,259.97	698,184.13	
11,200.0	90.28	87.39	9,252.1	5,688.6	99.4	2,183.7	2,185.9	0.00	601,264.51	698,284.03	
11,300.0	90.28	87.39	9,251.6	5,688.1	103.9	2,283.6	2,285.9	0.00	601,269.06	698,383.92	
11,400.0	90.28	87.39	9,251.1	5,687.6	108.5	2,383.5	2,385.9	0.00	601,273.61	698,483.82	
11,500.0	90.28	87.39	9,250.6	5,687.1	113.0	2,483.4	2,485.9	0.00	601,278.15	698,583.72	
11,600.0	90.28	87.39	9,250.2	5,686.7	117.5	2,583.3	2,585.9	0.00	601,282.70	698,683.61	
11,700.0	90.28	87.39	9,249.7	5,686.2	122.1	2,683.2	2,685.9	0.00	601,287.24	698,783.51	
11,800.0	90.28	87.39	9,249.2	5,685.7	126.6	2,783.1	2,785.9	0.00	601,291.79	698,883.40	
11,900.0	90.28	87.39	9,248.7	5,685.2	131.2	2,882.9	2,885.9	0.00	601,296.33	698,983.30	
12,000.0	90.28	87.39	9,248.2	5,684.7	135.7	2,982.8	2,985.9	0.00	601,300.88	699,083.19	
12,100.0	90.28	87.39	9,247.7	5,684.2	140.3	3,082.7	3,085.9	0.00	601,305.42	699,183.09	
12,200.0	90.28	87.39	9,247.2	5,683.7	144.8	3,182.6	3,185.9	0.00	601,309.97	699,282.98	
12,300.0	90.28	87.39	9,246.7	5,683.2	149.4	3,282.5	3,285.9	0.00	601,314.52	699,382.88	



Pathfinder
PathfinderX & Y Report



Company:	Devon Energy, Inc.	Local Co-ordinate Reference:	Well #1H
Project:	Eddy County	TVD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Site:	Mimosa.24 Federal	MD Reference:	KB = 26 @ 3563.5usft (H&P 300)
Well:	#1H	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 5000.1 Single User.Db

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
12,400.0	90.28	87.39	9,246.3	5,682.8	153.9	3,382.4	3,385.9	0.00	601,319.06	699,482.77	
12,500.0	90.28	87.39	9,245.8	5,682.3	158.5	3,482.3	3,485.9	0.00	601,323.61	699,582.67	
12,600.0	90.28	87.39	9,245.3	5,681.8	163.0	3,582.2	3,585.9	0.00	601,328.15	699,682.57	
12,700.0	90.28	87.39	9,244.8	5,681.3	167.5	3,682.1	3,685.9	0.00	601,332.70	699,782.46	
12,800.0	90.28	87.39	9,244.3	5,680.8	172.1	3,782.0	3,785.9	0.00	601,337.24	699,882.36	
12,900.0	90.28	87.39	9,243.8	5,680.3	176.6	3,881.9	3,885.9	0.00	601,341.79	699,982.25	
13,000.0	90.28	87.39	9,243.3	5,679.8	181.2	3,981.8	3,985.9	0.00	601,346.33	700,082.15	
13,100.0	90.28	87.39	9,242.8	5,679.3	185.7	4,081.7	4,085.9	0.00	601,350.88	700,182.04	
13,200.0	90.28	87.39	9,242.4	5,678.9	190.3	4,181.6	4,185.9	0.00	601,355.43	700,281.94	
13,300.0	90.28	87.39	9,241.9	5,678.4	194.8	4,281.5	4,285.9	0.00	601,359.97	700,381.83	
13,400.0	90.28	87.39	9,241.4	5,677.9	199.4	4,381.4	4,385.9	0.00	601,364.52	700,481.73	
13,500.0	90.28	87.39	9,240.9	5,677.4	203.9	4,481.3	4,485.9	0.00	601,369.06	700,581.62	
13,600.0	90.28	87.39	9,240.4	5,676.9	208.5	4,581.2	4,585.9	0.00	601,373.61	700,681.52	
13,684.5	90.28	87.39	9,240.0	5,676.5	212.3	4,665.6	4,670.4	0.00	601,377.45	700,765.96	

Checked By: _____	Approved By: _____	Date: _____
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Project: Eddy County
Site: Mimosa 24 Federal
Well: #1H
Wellbore: OH
Plan: Plan #1 (#1H/OH)

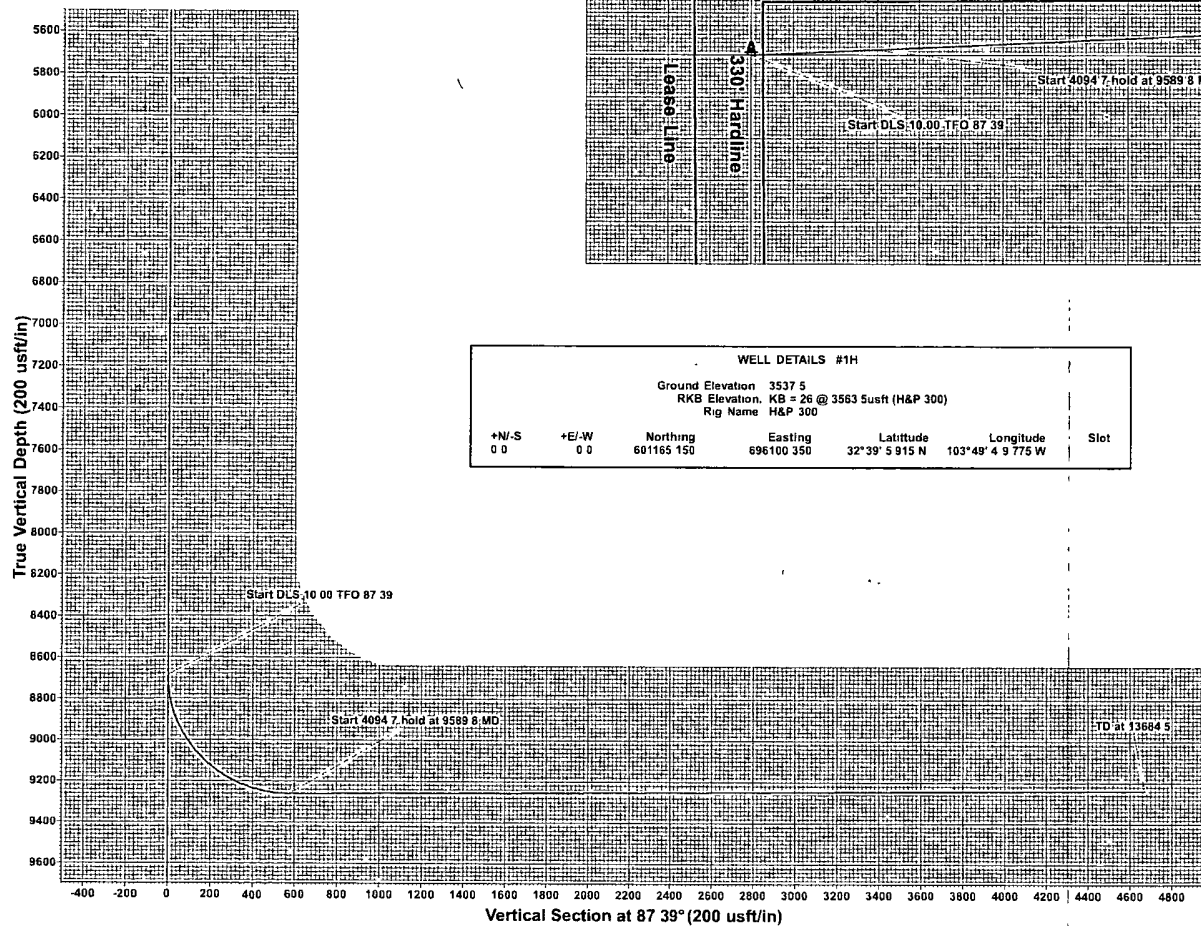
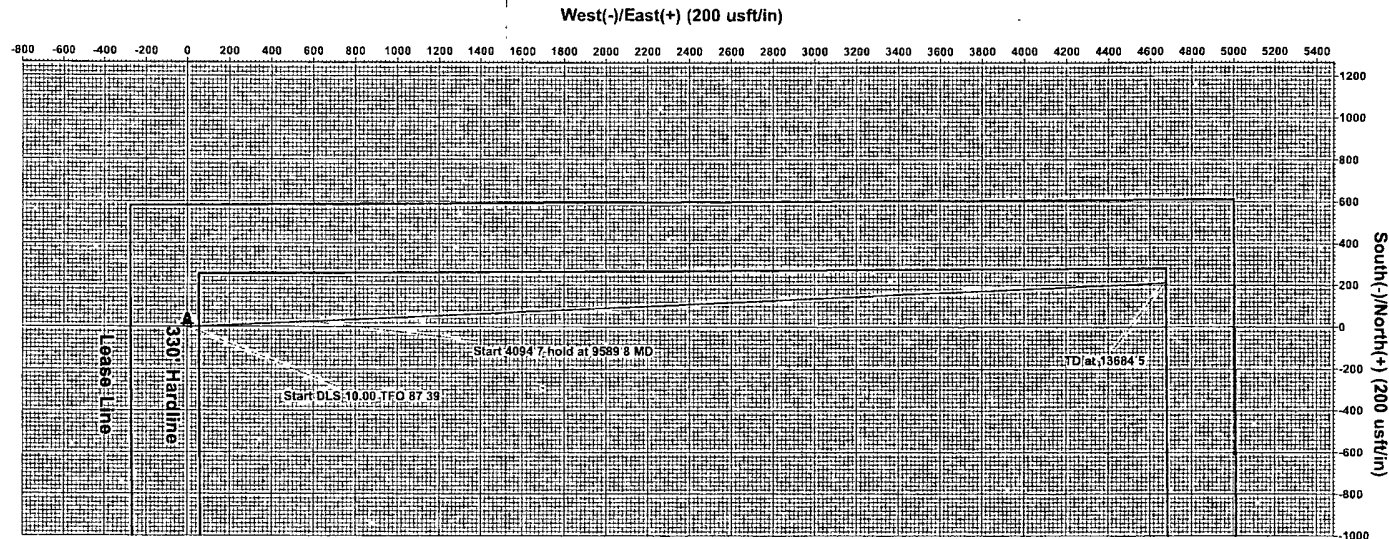


Azimuths to Grid North
True North: -0.27°
Magnetic North: 7.36°

Magnetic Field
Strength: 48803.6snT
Dip Angle: 60.54°
Date: 4/2/2012
Model: IGRF200510

PATHFINDER®
A Schlumberger Company

PROJECT DETAILS: Eddy County
Geodetic System US State Plane 1983
Datum North American Datum 1983
Ellipsoid GRS 1980
Zone New Mexico Eastern Zone
System Datum: Mean Sea Level
Local North: Grid



WELL DETAILS #1H					
Ground Elevation 3537.5					
RKB Elevation: KB = 26 @ 3563.5usft (H&P 300)					
Rig Name H&P 300					
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0 0	0 0	601165.150	696100.350	32°39'5.915 N	103°49'4.9775 W
					Slot

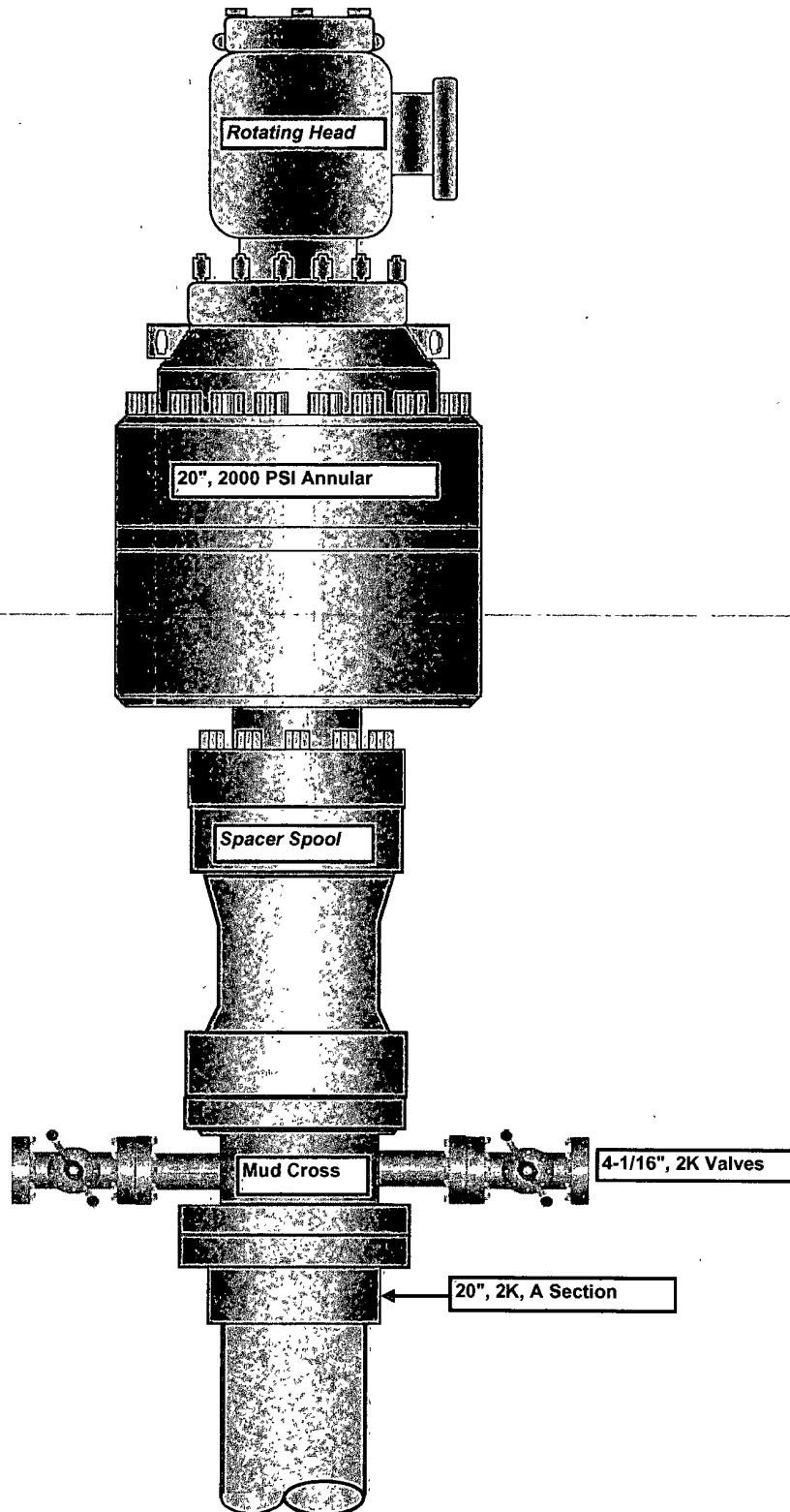
SECTION DETAILS									
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dip	TFace	VSect Target
1	0 0	0 00	0 00	0 0	0 0	0 0	0 00	0 00	0 0
2	8687.0	0 00	0 00	8687.0	0 0	0 0	0 00	0 00	0 0
3	9589.8	90.28	87.39	9260.0	26.2	575.2	10.00	87.39	575.7
4	13684.5	90.28	87.39	9240.0	212.3	4665.6	0 00	0 00	4670.4 PBHL (MIM 24 #1H)

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL (MIM 24 #1H)	9240.0	212.3	4665.6	601377.450	700765.960	Point

Plan Plan #1 (#1H/OH)	
Created By Sam Biffle	Date 9/23 April 02 2012
Checked _____	Date _____

Small text block containing technical details or notes.

20" 2K Annular



Attachment to Exhibit #1
NOTES REGARDING BLOWOUT PREVENTERS
Devon Energy Production Company, LP

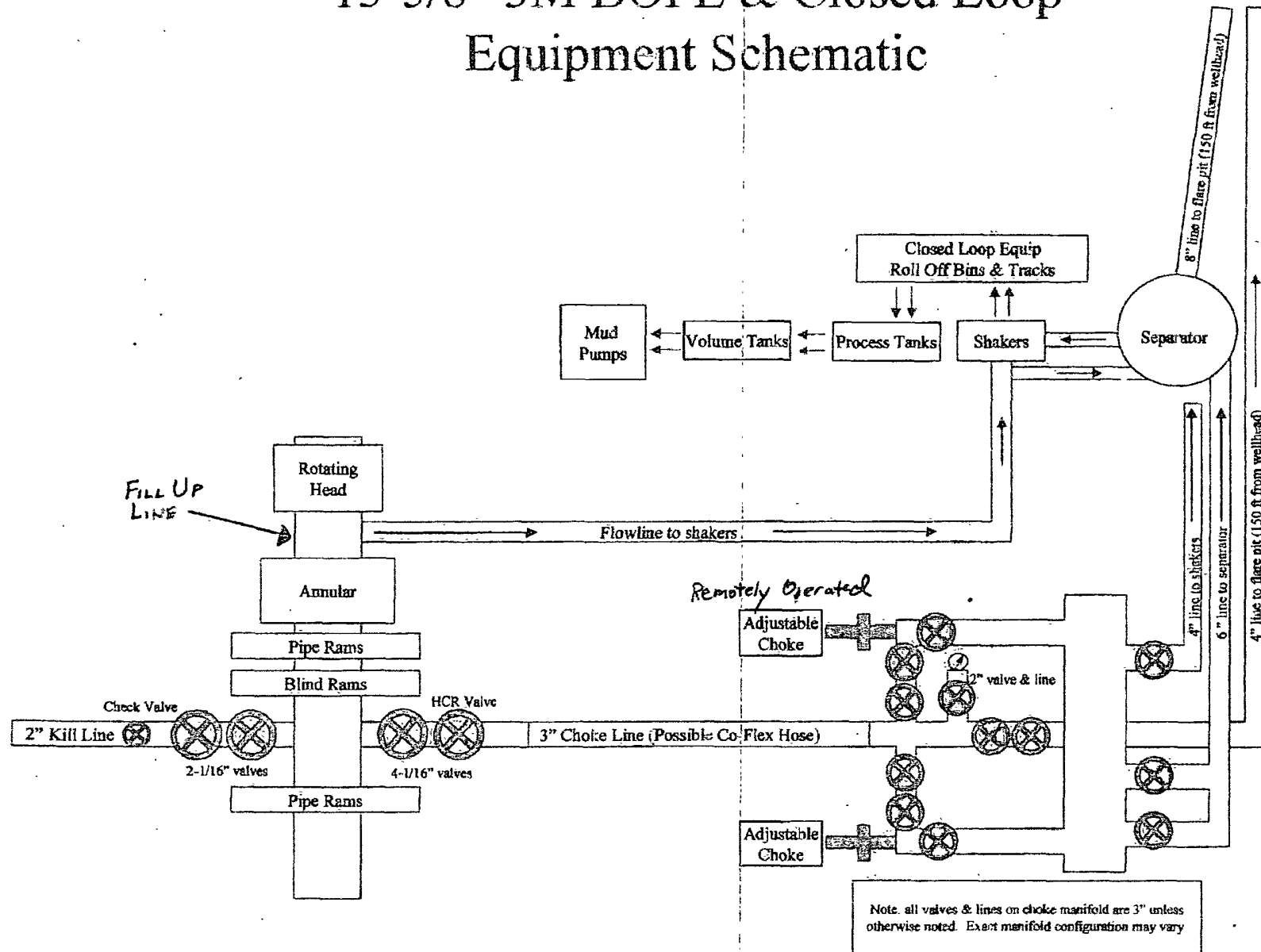
Mimosa 24 Fed Com 1H

Surface Location: 582' FNL & 275' FWL, Unit D, Sec 24 T19S R31E, Eddy, NM

Bottom hole Location: 400' FNL & 340' FEL, Unit A, Sec 24 T19S R31E, Eddy, NM

1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.
2. Wear ring will be properly installed in head.
3. Blowout preventer and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.
4. All fittings will be flanged.
5. A full bore safety valve tested to a minimum 3000 psi WP with proper thread connections will be available on the rotary rig floor at all times.
- ~~6. All choke lines will be anchored to prevent movement.~~
7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
8. Will maintain a kelly cock attached to the kelly.
9. Hand wheels and wrenches will be properly installed and tested for safe operation.
10. Hydraulic floor control for blowout preventer will be located as near in proximity to driller's controls as possible.
11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.

13-5/8" 3M BOPE & Closed Loop Equipment Schematic



Hydrostatic Test Certificate

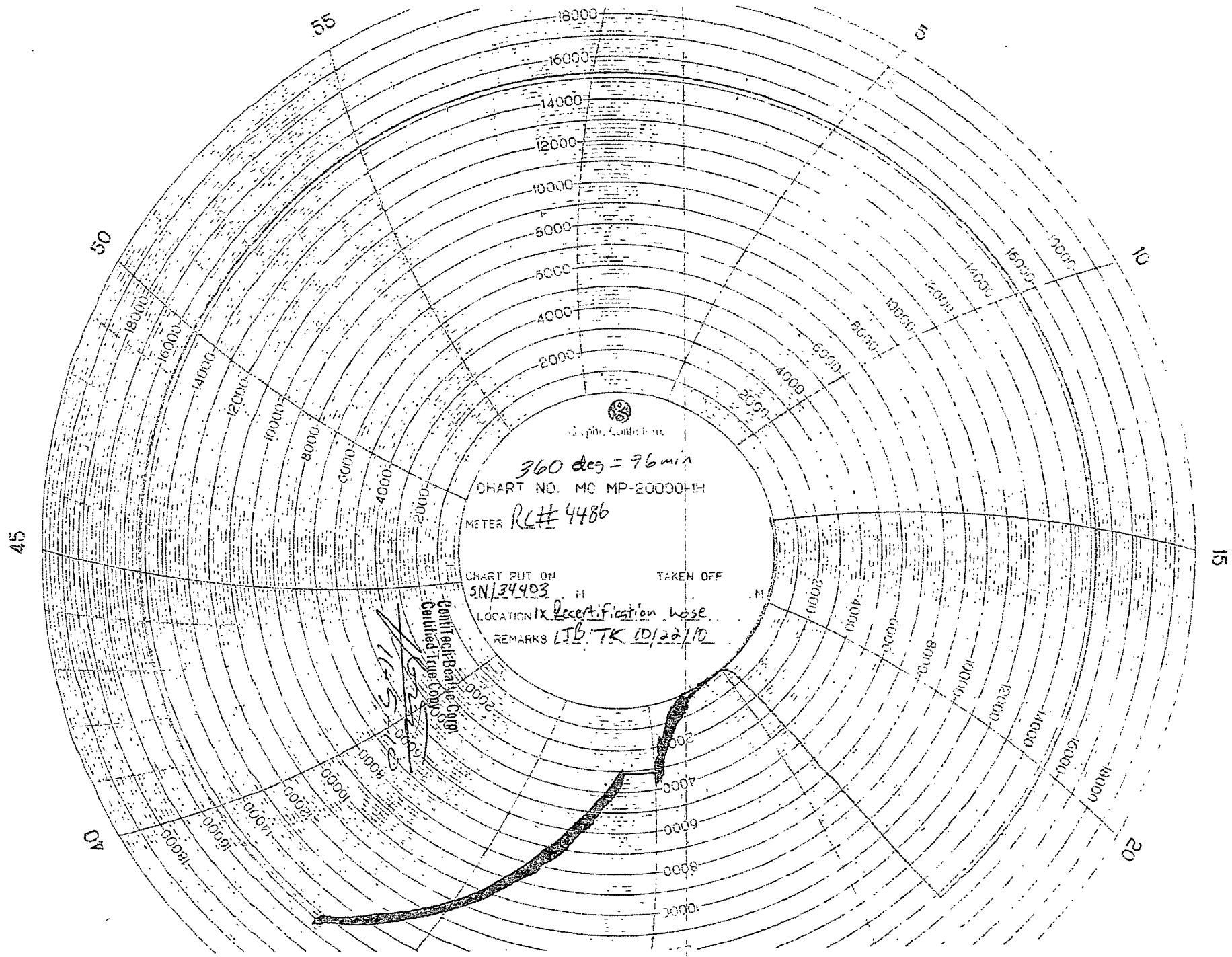


Certificate Number: 4520	PBC No: 10321	Customer Name & Address	
Customer Purchase Order No: RIG 300		HELMERICH & PAYNE INT'L DRILLING CO 1437 SOUTH BOULDER TULSA, OK 74119	
Project:			
Test Centre Address	Accepted by ContiTech Beattie Inspection	Accepted by Client Inspection	
ContiTech Beattie Corp. 11535 Brittmoore Park Drive Houston, TX 77041 USA	Signed: Josh Sims Date: 10/27/10		

We certify that the goods detailed hereon have been inspected by our Quality Management System, and to the best of our knowledge are found to conform to relevant industrial standards within the requirements of the purchase order as issued to ContiTech Beattie Corporation.

These goods were made in the United States of America.

Item	Part No	Description	Qty	Serial Number	As-Built Length (m)	Work Press	Test Press	Test Time (minutes)
1		3" ID 10K Choke & Kill Hose x 35ft OAL End A: 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange End B: 4 1/16" 10Kpsi API Spec 6A Type 6BX Flange Working Pressure: 10,000psi Test Pressure: 15,000psi Serial#: 49106	1	49106		10 kpsi	15 kpsi	60





Fluid Technology

ContiTech Beattie Corp.
Website: www.contitechbeattie.com

Monday, June 14, 2010

RE: Drilling & Production Hoses
Lifting & Safety Equipment

To Helmerich & Payne,

A Continental ContiTech hose assembly can perform as intended and suitable for the application regardless of whether the hose is secured or unsecured in its configuration. As a manufacturer of High Pressure Hose Assemblies for use in Drilling & Production, we do offer the corresponding lifting and safety equipment, this has the added benefit of easing the lifting and handling of each hose assembly whilst affording hose longevity by ensuring correct handling methods and procedures as well as securing the hose in the unlikely event of a failure; but in no way does the lifting and safety equipment affect the performance of the hoses providing the hoses have been handled and installed correctly. It is good practice to use lifting & safety equipment but not mandatory.

Should you have any questions or require any additional information/clarifications then please do not hesitate to contact us.

ContiTech Beattie is part of the Continental AG Corporation and can offer the full support resources associated with a global organization.

Best regards,

Robin Hodgson
Sales Manager
ContiTech Beattie Corp

ContiTech Beattie Corp,
11535 Brittmoore Park Drive,
Houston, TX 77041
Phone: +1 (832) 327-0141
Fax: +1 (832) 327-0148
www.contitechbeattie.com





**Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260**

Hydrogen Sulfide (H₂S) Contingency Plan

For

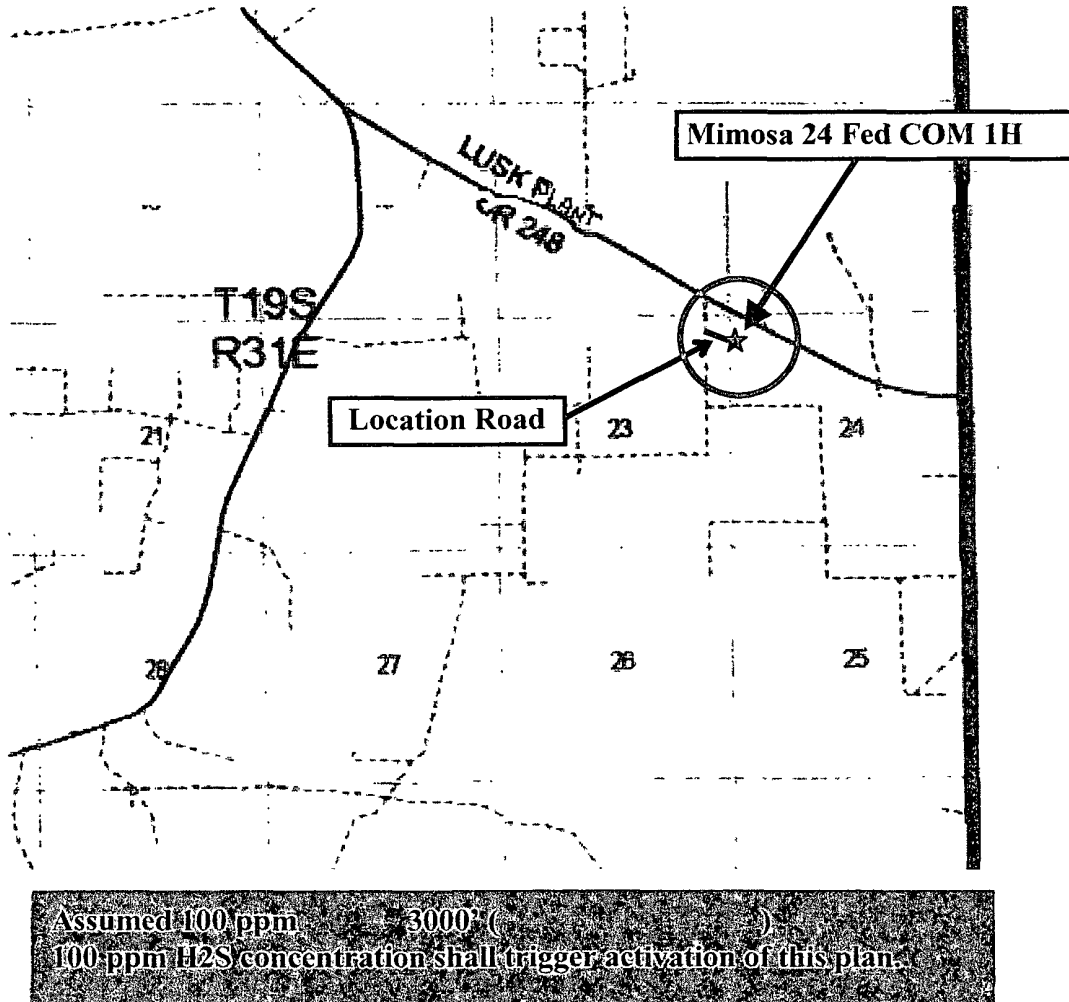
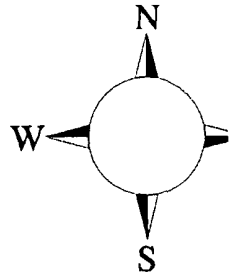
Mimosa 24 Fed COM 1H

**Sec-24, T-19S R-31E
582' FNL & 275' FWL,
LAT. = 32.6516432°N (NAD83)
LONG = 103.8304930°W**

Eddy County NM

Mimosa 24 Fed COM 1H

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.



Escape

Crews shall escape upwind of escaping gas in the event of an emergency release of gas. Escape can be facilitated Northwest then North to Lusk Plant Road. Then travel Northwest on Lusk Plant road (CR248) until out of the ROE. Crews should then block the road from both directions so as not to allow anyone traversing into a hazardous area. The blockade should be at a safe distance outside of the ROE. Evacuation should continue if necessary West or South outside of the affected area. 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 tubular 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 reasonable expected to contain H₂S.

1. Well Control Equipment

- A. Flare line
- B. Choke manifold
- 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.

2. Protective equipment for essential personnel:

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

3. H₂S detection and monitoring equipment:

- A. Portable H₂S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H₂S levels of 20 PPM are reached. These units are usually capable of detecting SO₂, which is a byproduct of burning H₂S.

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:

- A. 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:

- 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.

7. Communication:

- A. Radio communications in company vehicles including cellular telephones and 2-way radio
- 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.

Devon Energy Corp. Company Call List

<u>Artesia (575)</u>	<u>Cellular</u>	<u>Office</u>	<u>Home</u>
Foreman – Robert Bell	748-7448	748-0178	746-2991
Asst. Foreman –Tommy Polly.....	748-5290	748-0165	748-2846
Don Mayberry	748-5235	748-0164	746-4945
Montral Walker	390-5182	748-0193	936-414-6246
Engineer – Marcos Ortiz.....	(405) 317-0666....	(405) 552-8152....	(405) 381-4350

Agency Call List

<u>Lea</u>	<u>Hobbs</u>
<u>County</u>	State Police
<u>(575)</u>	City Police
	Sheriff's Office
	Ambulance
	Fire Department
	LEPC (Local Emergency Planning Committee).....
	NMOCD
	US Bureau of Land Management

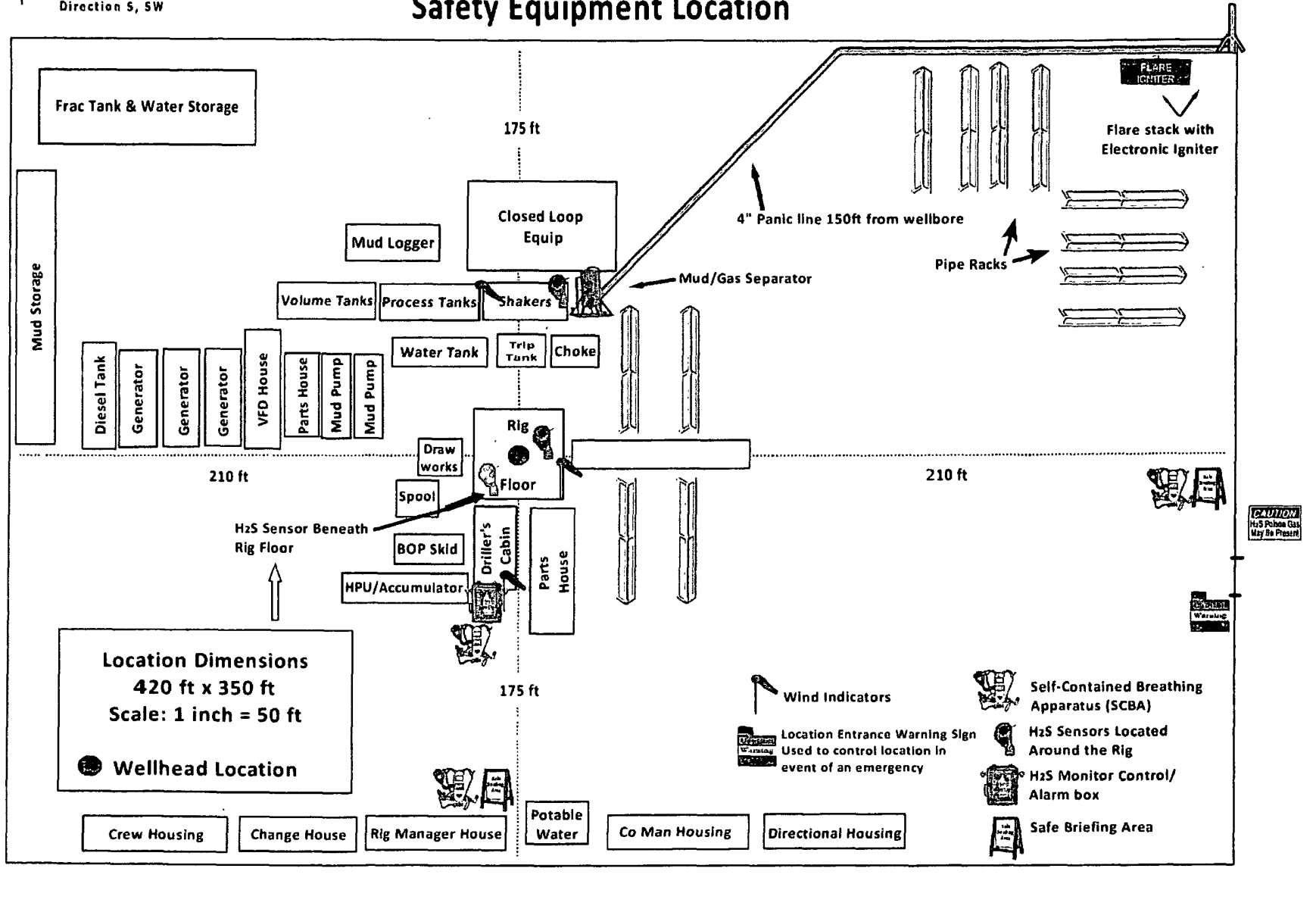
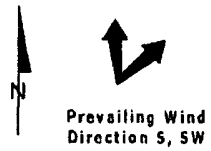
<u>Eddy</u>	<u>Carlsbad</u>
<u>County</u>	State Police
<u>(575)</u>	City Police
	Sheriff's Office
	Ambulance.....
	Fire Department.....
	LEPC (Local Emergency Planning Committee).....
	US Bureau of Land Management
	New Mexico Emergency Response Commission (Santa Fe) ...
	24 HR
	National Emergency Response Center (Washington, DC) ..

<u>Emergency Services</u>
Boots & Coots IWC
Cudd Pressure Control.....
Halliburton
B. J. Services.....
<i>Give</i> Flight For Life - Lubbock, TX
<i>GPS</i> Aerocare - Lubbock, TX
<i>position:</i> Med Flight Air Amb - Albuquerque, NM
Lifeguard Air Med Svc. Albuquerque, NM

Prepared in conjunction with
Wade Rohloff



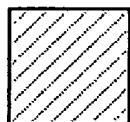
Devon Energy - Well Pad Rig Location Layout Safety Equipment Location




devon

Proposed Interim Site Reclamation

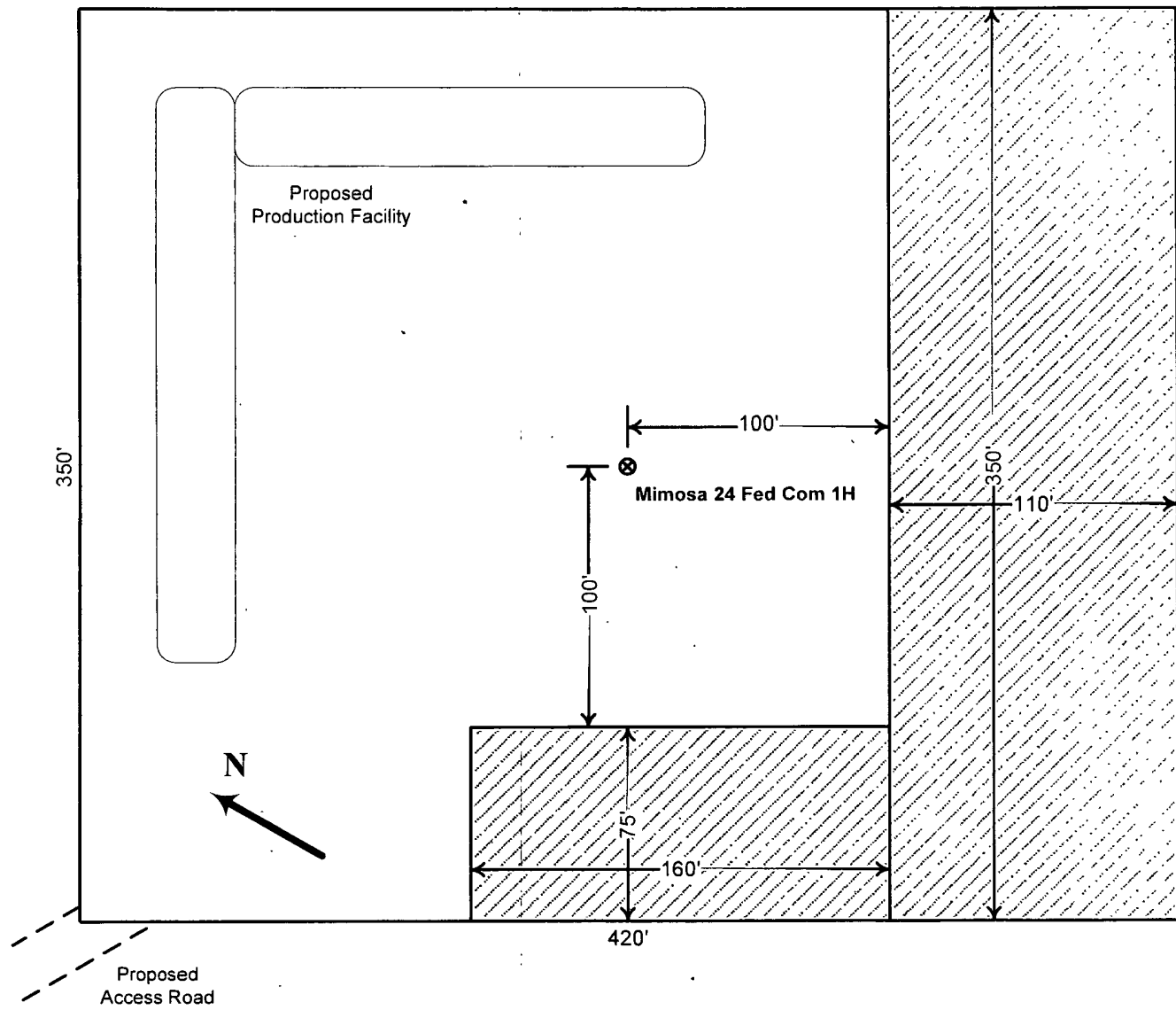
Devon Energy Production Co.
Mimosa 24 Fed Com 1H
582' FNL & 275' FWL
Sec. 24-T19S-R31E
Eddy County, NM



Proposed
Reclamation
Area



Scale: 1in = 60ft.



PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	DEVON ENERGY
LEASE NO.:	NMLC029358
WELL NAME & NO.:	1H MIMOSA 24 FED COM
SURFACE HOLE FOOTAGE:	582' FNL & 275' FWL
BOTTOM HOLE FOOTAGE:	400' FNL & 340' FWL
LOCATION:	Section 243, T.19 S., R.31 E., NMPPM
COUNTY:	Eddy County, New Mexico

TABLE OF CONTENTS

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

- ☐ **General Provisions**
- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☐ **Noxious Weeds**
- ☒ **Special Requirements**
 - Lesser Prairie-Chicken Timing Stipulations
 - Ground-level Abandoned Well Marker
 - Communitization Agreement
- ☒ **Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- ☐ **Road Section Diagram**
- ☒ **Drilling**
 - H₂S – Onshore Order #6
 - Logging Requirements
 - Waste Material and Fluids
- ☐ **Production (Post Drilling)**
 - Well Structures & Facilities
- ☐ **Interim Reclamation**
- ☒ **Final Abandonment & Reclamation**