Form 3160-3 (June 2015)

UNITED STATES

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

DEPARTMENT OF THE INT	-	5. Lease Serial No	0.
BUREAU OF LAND MANAG		NMNM112269	
APPLICATION FOR PERMIT TO DRI	LL OR REENTER	6. If Indian, Allot	ee or Tribe Name
1a. Type of work:	NTER	7. If Unit or CA A	Agreement, Name and No.
1b. Type of Well: Oil Well Gas Well Other	<u>.</u>	8. Lease Name an	nd Well No
1c. Type of Completion: Hydraulic Fracturing Singl	e Zone Multiple Zone		29-32 STATE FED CO
		734H	
2. Name of Operator		9. API Well No. 30 015 47643	
DEVON ENERGY PRODUCTION COMPANY LP			
	. Phone No. (include area code)		
333 West Sheridan Avenue, Oklahoma City, OK 73102 (8	00) 583-3866	PURPLE SAGE;	; WOLFCAMP/PURPLE
4. Location of Well (Report location clearly and in accordance with	any State requirements.*)		or Blk. and Survey or Area
At surface NWNE / 339 FNL / 1595 FEL / LAT 32.194495	/ LONG -104.209203	SEC 29/T24S/R2	27E/NMP
At proposed prod. zone SESE / 20 FSL / 330 FEL / LAT 32.	166447 / LONG -104.20519		
14. Distance in miles and direction from nearest town or post office		12. County or Par EDDY	rish 13. State NM
	6. No of acres in lease	17. Spacing Unit dedicated to	o this well
location to nearest	080	640.0	
(Also to nearest drig. unit line, if any)	,,00	040.0	
18. Distance from proposed location*	9. Proposed Depth	20. BLM/BIA Bond No. in fi	le
to nearest well, drilling, completed, applied for, on this lease, ft.	750 feet / 20130 feet	FED: NMB000801	
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	2. Approximate date work will st	art* 23. Estimated dur	ration
	9/22/2021	45 days	
	24. Attachments	I	
The following, completed in accordance with the requirements of Or	nshore Oil and Gas Order No. 1,	and the Hydraulic Fracturing	g rule per 43 CFR 3162.3-3
(as applicable)			
Well plat certified by a registered surveyor.	4. Bond to cover the	operations unless covered by	an existing bond on file (se
2. A Drilling Plan.	Item 20 above).	·F	
3. A Surface Use Plan (if the location is on National Forest System I			
SUPO must be filed with the appropriate Forest Service Office).	BLM.	ecific information and/or plans	as may be requested by the
25. Signature	Name (Printed/Typed)		Date
(Electronic Submission)	ERIN WORKMAN / Ph: (8	300) 583-3866	03/18/2020
Title			
Regulatory Compliance Professional			1-
Approved by (Signature)	Name (Printed/Typed)	24 5050	Date
(Electronic Submission) Title	Cody Layton / Ph: (575) 23	J4-J3J3	11/03/2020
Assistant Field Manager Lands & Minerals	Carlsbad Field Office		
Application approval does not warrant or certify that the applicant he		ose rights in the subject lease	which would entitle the
applicant to conduct operations thereon.		j j	
Conditions of approval, if any, are attached.			
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make	e it a crime for any person know	ingly and willfully to make to	o any department or agency

of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Approval Date: 11/03/2020

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
- NSL Will require an administrative order for non-standard location prior to placing the well on production

(Continued on page 2)



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 11/6/2020 GEO Review

*(Instructions on page 2)

Entered - KMS NMOCD

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

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

□ AMENDED REPORT

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

		HONEHGE DEDICHTION I EMI					
API Number	Pool Code	Pool Name					
30 015 47643	98220	PURPLE SAGE; WOLFCA	MP				
Property Code	Prop	Property Name					
329790	HUCKLEBERRY 29	-32 STATE FED COM	734H				
OGRID No.	Opera	ator Name	Elevation				
6137	DEVON ENERGY PRO	DUCTION COMPANY, L.P.	3308.2'				

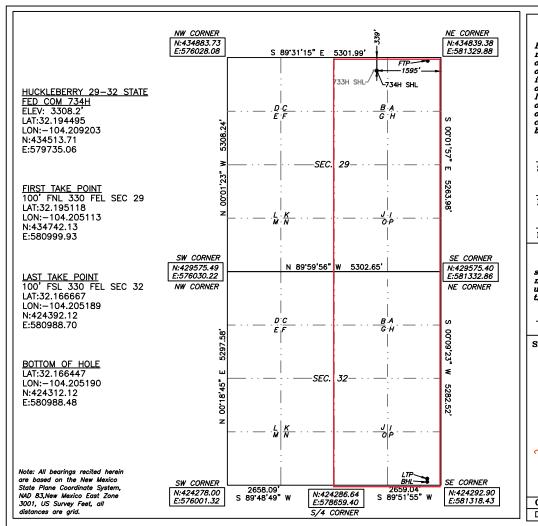
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	29	24-S	27-E		339	NORTH	1595'	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
Р	32	24-S	27-E		20	SOUTH	330	EAST	EDDY
Dedicated Acre	Dedicated Acres Joint or Infill Consolidation Code Order No.								
640					DEFINING WELL				

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



OPERATOR CERTIFICATION

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

Eric Workman 03/05/2020 Signature Date

Erin Workman

Printed Name

Erin.workman@dvn.com

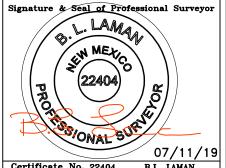
E-mail Address

SURVEYOR CERTIFICATION

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

07/2019

Date of Survey



B.L. LAMAN Certificate No. 22404 Date of Survey: 7/2/19 DRAWN BY: JR

Inten	t X	As Dril	led										
API#													
DΕ\	rator Nar /ON EN MPANY	IERGY F	PRODUC	CTION	l				: RY 29-3	2 ST	ATE	FED	Well Number 734H
Kick C	Off Point	(KOP)											
UL	Section	Township	Range	Lot	Feet		From N	I/S	Feet	Fror	n E/W	County	
	29	245	27E		50		NOR		330		AST	EDDY	
Latitu 32	^{ide} 2.195285	,			Longitu -104		112					NAD 83	
First 7	Take Poin	it (FTP)											
UL A	Section 29	Township 24-S	Range 27-E	Lot	Feet 100		From NOR		Feet 330	From	n E/W ST	County	,
Latitu	ide 195118	}		<u>I</u>	Longitu					NAD 83			
Last T UL P	Section 32	t (LTP) Township 24-S	Range 27-E	Lot	Feet 100		m N/S OUTH	Feet		n E/W ST	Count		
Latitu 32.1	ide 166667	7			Longitu	ude NAD 83							
Is this	well the	defining v	vell for th	e Horiz	ontal Sp	oacin	g Unit?		YES		1		
Is this	well an	infill well?		NO]								
Spacii	ng Unit.	lease prov	ide API if	availab	le, Opei	rator	Name	and v	vell numb	er for	Definiı	ng well fo	r Horizontal
API#													
Ope	rator Nar	ne:	•			Pro	perty N	lame	:				Well Number

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Da	te: $03/05/2020$		
X	Original	Devon & OGRID No.: <u>Devon Energy Prod Co., LP</u>	(6137)

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 – Huckleberry 29 CTB 3

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

Well Name	Well Lo		Footages	Expect ed	Flared/ Vented	Comments
Huckleberry 29-32 State Fed Com 733H	Sec 29,	T24S, R27E	339 FNL,1625 FEL			Huckleberry 29 CTB 3
Huckleberry 29-32 State Fed Com 734H	Sec 29,	T24S, R27E	339 FNL,1595 FEL			Huckleberry 29 CTB 3

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 <u>Eddy County</u>, New Mexico. It will require ______ 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 DCP 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 NENW in Sec.6, Twn. <u>24S</u>, Rng. <u>29E</u>, <u>Eddy County</u>, New Mexico. 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



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

Drilling Plan Data Report

11/05/2020

APD ID: 10400055261 **Submission Date:** 03/18/2020

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: HUCKLEBERRY 29-32 STATE FED COM Well Number: 734H

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
692284	UNKNOWN	0	0	0	ALLUVIUM	NONE	N
692285	RUSTLER	-188	188	188	ANHYDRITE	NONE	N
692286	TOP SALT	-492	492	492	SALT	NONE	N
692287	BASE OF SALT	-2012	2012	2012	SALT	NONE	N
692288	DELAWARE	-2200	2200	2200	SANDSTONE	NATURAL GAS	N
692289	BONE SPRING LIME	-5798	5798	5798	LIMESTONE	NONE	N
692290	BONE SPRING 1ST	-6740	6740	6740	SANDSTONE	NATURAL GAS, OIL	N
692291	BONE SPRING 2ND	-7343	7343	7343	SANDSTONE	NATURAL GAS, OIL	N
692292	BONE SPRING 3RD	-8595	8595	8595	SANDSTONE	NATURAL GAS, OIL	N
692293	WOLFCAMP	-8932	8932	8932	SANDSTONE	NATURAL GAS, OIL	N
692294	WOLFCAMP	-9750	9750	9750	SHALE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M Rating Depth: 9750

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

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP stack to the choke manifold. See attached for specs for hydrostatic test chart.

Testing Procedure: A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.

Huckleberry 29-32 State Fed Com 734H

1. Geologic Formations

TVD of target	9750	Pilot hole depth	N/A
MD at TD:	20130	Deepest expected fresh water	

Basin

Dasiii		777 . 577	
	Depth	Water/Mineral	
Formation	(TVD)	Bearing/Target	Hazards*
	from KB	Zone?	
Rustler	188		
Salt	492		
Base of Salt	2012		
Delaware	2200		
Bone Spring 1st	6740		
Bone Spring 2nd	7343		
Bone Spring 3rd	8595		
Wolfcamp	8932		

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

2. Casing Program (Primary Design)

		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	48.0	H40	STC	0	213	0	213
9 7/8	8 5/8	32.0	P110	TLW	0	8932	0	8932
7 7/8	5 1/2	17.0	P110	ВТС	0	20130	0	9750

[•] 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 (Primary Design)

Casing	Casing # Sks		TOC Wt.		Slurry Description		
Surface	193	Surf	ourf 13.2 1.44 Le		Lead: Class C Cement + additives		
Total	268	Surf	9	3.27	Lead: Class C Cement + additives		
Int 1	465	4000' above	13.2	1.44	Tail: Class H / C + additives		
Int 1	As Needed	Surf	13.2	1.44	Squeeze Lead: Class C Cement + additives		
Intermediate	268	Surf	9	3.27	Lead: Class C Cement + additives		
Squeeze	465	4000' above	13.2	1.44	Tail: Class H / C + additives		
Production	117	7313	9.0	3.3	Lead: Class H /C + additives		
Floduction	1432	9313	13.2	1.4	Tail: Class H / C + additives		

Casing String	% Excess
Surface	50%
Intermediate 1	30%
Intermediate 1 (Two Stage)	25%
Prod	10%

4. Pressure Control Equipment (Three String Design)

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре		✓	Tested to:			
			Annular		X	50% of rated working pressure			
Int 1	13-58"	5M		d Ram	X				
IIIt I	15-50	3111		Ram		5M			
				le Ram	X	3111			
			Other*						
	13-5/8"	5M	Annular (5M)		X	50% of rated working pressure			
Production			Blind Ram		X				
Troduction			Pipe Ram			5M			
			Double Ram		X	3111			
			Other*						
			Annular (5M)						
			Blind Ram						
			Pipe Ram						
			Double Ram						
			Other*						
	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.								
Y A variance is requested to r	A variance is requested to run a 5 M annular on a 10M system								

5. Mud Program (Three String Design)

Section	Туре	Weight (ppg)		
Surface	FW Gel	8.5-9		
Intermediate	DBE / Cut Brine	10-10.5		
Production	OBM	10-10.5		

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	PVT/Pason/Visual Monitoring

6. Logging and Testing Procedures

	00 0	and 100mg 1100ddd100
Logg	ging, C	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 shumitted to the BLM.
		No logs are planned based on well control or offset log information.
		Drill stem test? If yes, explain.
		Coring? If yes, explain.

Additional	logs planned	Interval		
	Resistivity	Int. shoe to KOP		
	Density	Int. shoe to KOP		
X	CBL	Production casing		
X	Mud log	Intermediate shoe to TD		
	PEX			

7. Drilling Conditions

Condition	Specfiy what type and where?
BH pressure at deepest TVD	5323
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 RLM

encounterec	encountered measured values and formations will be provided to the BLM.				
N	H2S is present				
Y	H2S plan attached.				

8. Other facets of operation

Is this a walking operation? Potentially

- 1 If operator elects, drilling rig will batch drill the surface holes and run/cement surface casing; walking the rig to next wells on the pad.
- 2 The drilling rig will then batch drill the intermediate sections and run/cement intermediate casing; the wellbore will be isolated with a blind flange and pressure gauge installed for monitoring the well before walking to the
- 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

Huckleberry 29-32 State Fed Com 734H

from the pad until all wells have production casing run/cemented.

Will be pre-setting casing? Potentially

- 1 Spudder rig will move in and batch drill surface hole.
 - a. Rig will utilize fresh water based mud to drill surface hole to TD. Solids control will be handled entirely on a closed loop basis.,
- 2 After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
- 3 The wellhead will be installed and tested once the surface casing is cut off and the WOC time has been reached.
- 4 A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with a pressure gauge installed on the wellhead.
- 5 Spudder rig operations is expected to take 4-5 days per well on a multi-well pa.
- 6 The NMOCD will be contacted and notified 24 hours prior to commencing spudder rig operations.
- 7 Drilling operations will be performed with drilling rig. A that time an approved BOP stack will be nippled up and tested on the wellhead before drilling operations commences on each well.
 - a. The NMOCD will be contacted / notified 24 hours before the drilling rig moves back on to the pad with the pre-set surface casing.

Attachments	
X	Directional Plan
	Other, describe

WCDSC Permian NM

Eddy County (NAD 83 NM Eastern) Sec 29-T24S-R27E Huckleberry 29-32 State Fed Com 734H

Wellbore #1

Plan: Permit Plan 1

Standard Planning Report - Geographic

07 February, 2020

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

Project: Eddy County (NAD 83 NM Eastern)

Sec 29-T24S-R27E Site:

Well: Huckleberry 29-32 State Fed Com 734H

Wellbore: Wellbore #1 Design: Permit Plan 1 **Local Co-ordinate Reference:**

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Huckleberry 29-32 State Fed Com 734H

RKB @ 3333.20ft RKB @ 3333.20ft

Grid

Minimum Curvature

Project Eddy County (NAD 83 NM Eastern)

US State Plane 1983 Map System: System Datum: Mean Sea Level

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

Site Sec 29-T24S-R27E

Northing: 434,883.73 usft Site Position: Latitude: 32.195523 -104.221186 576,028.08 usft Мар Easting: Longitude: From: 0.06 Position Uncertainty: 0.00 ft Slot Radius: 13-3/16 " **Grid Convergence:**

Well Huckleberry 29-32 State Fed Com 734H

Well Position +N/-S 0.00 ft Northing: 434,513.71 usft Latitude: 32.194495 +E/-W 0.00 ft Easting: 579,735.06 usft Longitude: -104.209203

0.50 ft Wellhead Elevation: Ground Level: **Position Uncertainty** 3,308.20 ft

Wellbore #1 Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (°) (nT) 2/7/2020 6.96 59.90 47,582.52117755 IGRF2015

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 0.00 173.00

Date 2/7/2020 **Plan Survey Tool Program**

Depth From Depth To **Tool Name**

Survey (Wellbore) (ft) (ft) Remarks

0.00 20,130.24 Permit Plan 1 (Wellbore #1) MWD+HDGM

OWSG MWD + HDGM

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,268.33	12.68	77.13	3,258.00	31.14	136.30	1.00	1.00	0.00	77.13	
8,116.98	12.68	77.13	7,988.34	268.24	1,174.13	0.00	0.00	0.00	0.00	
8,962.54	0.00	0.00	8,827.00	289.00	1,265.00	1.50	-1.50	0.00	180.00	
9,312.58	0.00	0.00	9,177.04	289.00	1,265.00	0.00	0.00	0.00	0.00	
10,212.58	90.00	180.06	9,750.00	-283.96	1,264.37	10.00	10.00	0.00	180.06 F	PBHL - Huckleberry 2
20,130.24	90.00	180.06	9,750.00	-10,201.61	1,253.42	0.00	0.00	0.00	0.00 F	BHL - Huckleberry 2

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

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 29-T24S-R27E

Well: Huckleberry 29-32 State Fed Com 734H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Huckleberry 29-32 State Fed Com 734H

RKB @ 3333.20ft RKB @ 3333.20ft

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	434,513.71	579,735.06	32.194495	-104.209203
100.00	0.00	0.00	100.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
200.00	0.00	0.00	200.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
300.00	0.00	0.00	300.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
400.00	0.00	0.00	400.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
500.00	0.00	0.00	500.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
600.00	0.00	0.00	600.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
700.00	0.00	0.00	700.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
800.00	0.00	0.00	800.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
900.00	0.00	0.00	900.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,000.00	0.00	0.00	1,000.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,100.00	0.00	0.00	1,100.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,200.00	0.00	0.00	1,200.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,300.00	0.00	0.00	1,300.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,400.00	0.00	0.00	1,400.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,500.00	0.00	0.00	1,500.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,600.00	0.00	0.00	1,600.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,700.00	0.00	0.00	1,700.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,800.00	0.00	0.00	1,800.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
1,900.00	0.00	0.00	1,900.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
2,000.00	0.00	0.00	2,000.00	0.00	0.00	434,513.71	579,735.06	32.194495	-104.209203
2,100.00	1.00	77.13	2,099.99	0.19	0.85	434,513.90	579,735.91	32.194495	-104.209200
2,200.00	2.00	77.13	2,199.96	0.78	3.40	434,514.49	579,738.47	32.194497	-104.209192
2,300.00	3.00	77.13	2,299.86	1.75	7.65	434,515.46	579,742.72	32.194499	-104.209178
2,400.00	4.00	77.13	2,399.68	3.11	13.61	434,516.82	579,748.67	32.194503	-104.209159
2,500.00	5.00 6.00	77.13 77.13	2,499.37 2,598.90	4.86 6.99	21.26 30.60	434,518.57	579,756.32 579,765.66	32.194508 32.194514	-104.209134 -104.209104
2,600.00 2,700.00	7.00	77.13	2,596.90	9.51	41.63	434,520.70 434,523.22	579,765.66	32.194514 32.194521	-104.209104
2,800.00	8.00	77.13	2,096.20	12.42	54.36	434,526.13	579,789.42	32.194529	-104.209008
2,900.00	9.00	77.13	2,797.40	15.71	68.77	434,529.42	579,803.83	32.194538	-104.208981
3,000.00	10.00	77.13	2,994.93	19.39	84.86	434,533.10	579,819.92	32.194548	-104.208929
3,100.00	11.00	77.13	3,093.26	23.45	102.62	434,537.16	579,837.69	32.194559	-104.208929
3,200.00	12.00	77.13	3,191.25	27.89	122.06	434,541.60	579,857.12	32.194571	-104.208808
3,268.33	12.68	77.13	3,258.00	31.14	136.30	434,544.85	579,871.36	32.194580	-104.208762
3,300.00	12.68	77.13	3,288.89	32.69	143.08	434,546.40	579,878.14	32.194584	-104.208740
3,400.00	12.68	77.13	3,386.45	37.58	164.48	434,551.29	579,899.54	32.194597	-104.208671
3,500.00	12.68	77.13	3,484.01	42.47	185.89	434,556.18	579,920.95	32.194611	-104.208602
3,600.00	12.68	77.13	3,581.57	47.36	207.29	434,561.07	579,942.35	32.194624	-104.208533
3,700.00	12.68	77.13	3,679.13	52.25	228.70	434,565.96	579,963.76	32.194638	-104.208464
3,800.00	12.68	77.13	3,776.69	57.14	250.10	434,570.85	579,985.16	32.194651	-104.208394
3,900.00	12.68	77.13	3,874.25	62.03	271.50	434,575.74	580,006.57	32.194664	-104.208325
4,000.00		77.13	3,971.81	66.92	292.91	434,580.63	580,027.97	32.194678	-104.208256
4,100.00		77.13	4,069.37	71.81	314.31	434,585.52	580,049.38	32.194691	-104.208187
4,200.00	12.68	77.13	4,166.93	76.70	335.72	434,590.41	580,070.78	32.194704	-104.208117
4,300.00	12.68	77.13	4,264.49	81.59	357.12	434,595.30	580,092.19	32.194718	-104.208048
4,400.00	12.68	77.13	4,362.05	86.48	378.53	434,600.19	580,113.59	32.194731	-104.207979
4,500.00	12.68	77.13	4,459.61	91.37	399.93	434,605.08	580,134.99	32.194745	-104.207910
4,600.00	12.68	77.13	4,557.17	96.26	421.34	434,609.97	580,156.40	32.194758	-104.207841
4,700.00	12.68	77.13	4,654.73	101.15	442.74	434,614.86	580,177.80	32.194771	-104.207771
4,800.00	12.68	77.13	4,752.29	106.04	464.15	434,619.75	580,199.21	32.194785	-104.207702
4,900.00	12.68	77.13	4,849.85	110.93	485.55	434,624.64	580,220.61	32.194798	-104.207633
5,000.00	12.68	77.13	4,947.41	115.82	506.96	434,629.53	580,242.02	32.194811	-104.207564
5,100.00	12.68	77.13	5,044.97	120.71	528.36	434,634.42	580,263.42	32.194825	-104.207495
5,200.00	12.68	77.13	5,142.53	125.60	549.77	434,639.31	580,284.83	32.194838	-104.207425
5,300.00	12.68	77.13	5,240.09	130.49	571.17	434,644.20	580,306.23	32.194852	-104.207356

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

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 29-T24S-R27E

Well: Huckleberry 29-32 State Fed Com 734H

Wellbore: Wellbore #1
Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Huckleberry 29-32 State Fed Com 734H

RKB @ 3333.20ft RKB @ 3333.20ft

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	12.68	77.13	5,337.65	135.38	592.57	434,649.09	580,327.64	32.194865	-104.207287
5,500.00	12.68	77.13	5,435.21	140.27	613.98	434,653.98	580,349.04	32.194878	-104.207218
5,600.00	12.68	77.13	5,532.77	145.16	635.38	434,658.87	580,370.45	32.194892	-104.207148
5,700.00	12.68	77.13	5,630.33	150.05	656.79	434,663.76	580,391.85	32.194905	-104.207079
5,800.00	12.68	77.13	5,727.89	154.94	678.19	434,668.65	580,413.25	32.194918	-104.207010
5,900.00	12.68	77.13	5,825.45	159.83	699.60	434,673.54	580,434.66	32.194932	-104.206941
6,000.00	12.68	77.13	5,923.01	164.72	721.00	434,678.43	580,456.06	32.194945	-104.206872
6,100.00	12.68	77.13	6,020.57	169.61	742.41	434,683.32	580,477.47	32.194959	-104.206802
6,200.00	12.68	77.13	6,118.13	174.50	763.81	434,688.21	580,498.87	32.194972	-104.206733
6,300.00	12.68	77.13	6,215.69	179.39	785.22	434,693.10	580,520.28	32.194985	-104.206664
6,400.00	12.68	77.13	6,313.25	184.28	806.62	434,697.99	580,541.68	32.194999	-104.206595
6,500.00	12.68	77.13	6,410.81	189.17	828.03	434,702.88	580,563.09	32.195012	-104.206525
6,600.00	12.68	77.13	6,508.37	194.06	849.43	434,707.77	580,584.49	32.195025	-104.206456
6,700.00	12.68	77.13	6,605.93	198.95	870.83	434,712.66	580,605.90	32.195039	-104.206387
6,800.00	12.68	77.13	6,703.49	203.84	892.24	434,717.55	580,627.30	32.195052	-104.206318
6,900.00	12.68	77.13	6,801.05	208.73	913.64	434,722.44	580,648.71	32.195066	-104.206249
7,000.00	12.68	77.13	6,898.61	213.62	935.05	434,727.33	580,670.11	32.195079	-104.206179
7,100.00	12.68	77.13	6,996.17	218.51	956.45	434,732.22	580,691.51	32.195092	-104.206110
7,200.00	12.68	77.13	7,093.73	223.40	977.86	434,737.11	580,712.92	32.195106	-104.206041
7,300.00	12.68	77.13	7,191.29	228.29	999.26	434,742.00	580,734.32	32.195119	-104.205972
7,400.00	12.68	77.13	7,288.85	233.18	1,020.67	434,746.89	580,755.73	32.195132	-104.205903
7,500.00	12.68	77.13	7,386.41	238.07	1,042.07	434,751.78	580,777.13	32.195146	-104.205833
7,600.00	12.68	77.13	7,483.97	242.96	1,063.48	434,756.67	580,798.54 580,819.94	32.195159 32.195173	-104.205764
7,700.00 7,800.00	12.68 12.68	77.13 77.13	7,581.53 7,679.09	247.85 252.74	1,084.88 1,106.29	434,761.56 434,766.45	580,841.35	32.195173	-104.205695 -104.205626
7,800.00	12.68	77.13 77.13	7,679.09	252.74	1,106.29	434,771.34	580,862.75	32.195199	-104.205556
8,000.00	12.68	77.13	7,770.03	262.52	1,149.10	434,776.23	580,884.16	32.195213	-104.205487
8,100.00	12.68	77.13	7,971.77	267.41	1,170.50	434,781.12	580,905.56	32.195226	-104.205418
8,116.98	12.68	77.13	7,988.34	268.24	1,174.13	434,781.95	580,909.20	32.195228	-104.205406
8,200.00	11.44	77.13	8,069.52	272.10	1,191.05	434,785.81	580,926.11	32.195239	-104.205352
8,300.00	9.94	77.13	8,167.78	276.23	1,209.12	434,789.94	580,944.19	32.195250	-104.205293
8,400.00	8.44	77.13	8,266.50	279.79	1,224.69	434,793.50	580,959.75	32.195260	-104.205243
8,500.00	6.94	77.13	8,365.59	282.77	1,237.73	434,796.48	580,972.79	32.195268	-104.205201
8,600.00	5.44	77.13	8,465.01	285.17	1,248.24	434,798.88	580,983.30	32.195275	-104.205167
8,700.00	3.94	77.13	8,564.67	286.99	1,256.21	434,800.70	580,991.27	32.195280	-104.205141
8,800.00	2.44	77.13	8,664.51	288.23	1,261.63	434,801.94	580,996.69	32.195283	-104.205123
8,900.00	0.94	77.13	8,764.47	288.89	1,264.50	434,802.60	580,999.56	32.195285	-104.205114
8,962.54	0.00	0.00	8,827.00	289.00	1,265.00	434,802.71	581,000.06	32.195285	-104.205112
9,000.00	0.00	0.00	8,864.46	289.00	1,265.00	434,802.71	581,000.06	32.195285	-104.205112
9,100.00	0.00	0.00	8,964.46	289.00	1,265.00	434,802.71	581,000.06	32.195285	-104.205112
9,200.00	0.00	0.00	9,064.46	289.00	1,265.00	434,802.71	581,000.06	32.195285	-104.205112
9,300.00	0.00	0.00	9,164.46	289.00	1,265.00	434,802.71	581,000.06	32.195285	-104.205112
9,312.58	0.00	0.00	9,177.04	289.00	1,265.00	434,802.71	581,000.06	32.195285	-104.205112
	313' MD, 50' F								
9,400.00	8.74	180.06	9,264.13	282.34	1,264.99	434,796.05	581,000.05	32.195267	-104.205113
9,500.00	18.74	180.06	9,361.14	258.62	1,264.97	434,772.33	581,000.03	32.195202	-104.205113
9,554.00	24.14	180.06	9,411.38	238.88	1,264.94	434,752.59	581,000.01	32.195147	-104.205113
	554' MD, 100'					, , , , ,	,		
9,600.00	28.74	180.06	9,452.56	218.41	1,264.92	434,732.12	580,999.98	32.195091	-104.205113
9,700.00	38.74	180.06	9,535.61	162.93	1,264.86	434,676.64	580,999.92	32.194938	-104.205113
9,800.00	48.74	180.06	9,607.76	93.88	1,264.78	434,607.59	580,999.85	32.194749	-104.205114
9,900.00	58.74	180.06	9,666.83	13.34	1,264.70	434,527.05	580,999.76	32.194527	-104.205115
10,000.00	68.74	180.06	9,711.01	-76.23	1,264.60	434,437.48	580,999.66	32.194281	-104.205115
10,100.00	78.74	180.06	9,738.97	-172.10	1,264.49	434,341.61	580,999.55	32.194018	-104.205116
.,	****		,		,	. ,	-,		

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

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 29-T24S-R27E

Well: Huckleberry 29-32 State Fed Com 734H

Wellbore: Wellbore #1
Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Huckleberry 29-32 State Fed Com 734H

RKB @ 3333.20ft RKB @ 3333.20ft

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
10,200.00	88.74	180.06	9,749.86	-271.38	1,264.38	434,242.33	580,999.44	32.193745	-104.205117
10,212.58	90.00	180.06	9,750.00	-283.96	1,264.37	434,229.75	580,999.43	32.193710	-104.205117
10,300.00	90.00	180.06	9,750.00	-371.38	1,264.27	434,142.33	580,999.33	32.193470	-104.205117
10,400.00	90.00	180.06	9,750.00	-471.38	1,264.16	434,042.33	580,999.22	32.193195	-104.205118
10,500.00	90.00	180.06	9,750.00	-571.38	1,264.05	433,942.33	580,999.11	32.192920	-104.205119
10,600.00	90.00	180.06	9,750.00	-671.38	1,263.94	433,842.33	580,999.00	32.192645	-104.205120
10,700.00	90.00	180.06	9,750.00	-771.38	1,263.83	433,742.33	580,998.89	32.192370	-104.205120
10,800.00	90.00	180.06	9,750.00	-871.38	1,263.72	433,642.33	580,998.78	32.192095	-104.205121
10,900.00	90.00	180.06	9,750.00	-971.38	1,263.61	433,542.33	580,998.67	32.191820	-104.205122
11,000.00	90.00	180.06	9,750.00	-1,071.38	1,263.50	433,442.33	580,998.56	32.191545	-104.205123
11,100.00	90.00	180.06	9,750.00	-1,171.38	1,263.39	433,342.33	580,998.45	32.191271	-104.205123
11,200.00	90.00	180.06	9,750.00	-1,271.38	1,263.28	433,242.33	580,998.34	32.190996	-104.205124
11,300.00	90.00	180.06	9,750.00	-1,371.38	1,263.17	433,142.33	580,998.23	32.190721	-104.205125
11,400.00	90.00	180.06	9,750.00	-1,471.38	1,263.06	433,042.33	580,998.12	32.190446	-104.205126
11,500.00	90.00	180.06	9,750.00	-1,571.38	1,262.95	432,942.33	580,998.01	32.190171	-104.205126
11,600.00	90.00	180.06	9,750.00	-1,671.38	1,262.84	432,842.33	580,997.90	32.189896	-104.205127
11,700.00	90.00	180.06	9,750.00	-1,771.38	1,262.73	432,742.33	580,997.79	32.189621	-104.205128
11,800.00	90.00	180.06	9,750.00	-1,871.38	1,262.62	432,642.33	580,997.68	32.189346	-104.205129
11,900.00	90.00	180.06	9,750.00	-1,971.38	1,262.51	432,542.33	580,997.57	32.189071	-104.205129
12,000.00	90.00	180.06	9,750.00	-2,071.38	1,262.40	432,442.33	580,997.46	32.188797	-104.205130
12,100.00	90.00	180.06	9,750.00	-2,171.38	1,262.28	432,342.33	580,997.35	32.188522	-104.205131
12,200.00	90.00	180.06	9,750.00	-2,271.38	1,262.17	432,242.33	580,997.23	32.188247	-104.205131
12,300.00	90.00	180.06	9,750.00	-2,371.38	1,262.06	432,142.33	580,997.12	32.187972	-104.205132
12,400.00	90.00	180.06	9,750.00	-2,471.38	1,261.95	432,042.33	580,997.01	32.187697	-104.205133
12,500.00	90.00	180.06	9,750.00	-2,571.38	1,261.84	431,942.33	580,996.90	32.187422	-104.205134
12,600.00	90.00	180.06	9,750.00	-2,671.38	1,261.73	431,842.34	580,996.79	32.187147	-104.205134
12,700.00	90.00	180.06	9,750.00	-2,771.38	1,261.62	431,742.34	580,996.68	32.186872	-104.205135
12,800.00	90.00	180.06	9,750.00	-2,871.38	1,261.51	431,642.34	580,996.57	32.186597	-104.205136
12,900.00	90.00	180.06	9,750.00	-2,971.38	1,261.40	431,542.34	580,996.46	32.186323	-104.205137
13,000.00	90.00	180.06	9,750.00	-3,071.38	1,261.29	431,442.34	580,996.35	32.186048	-104.205137
13,100.00	90.00	180.06	9,750.00	-3,171.38	1,261.18	431,342.34	580,996.24	32.185773	-104.205138
13,200.00	90.00	180.06	9,750.00	-3,271.38	1,261.07	431,242.34	580,996.13	32.185498	-104.205139
13,300.00	90.00	180.06	9,750.00	-3,371.38	1,260.96	431,142.34	580,996.02	32.185223	-104.205140
13,400.00	90.00	180.06	9,750.00	-3,471.38	1,260.85	431,042.34	580,995.91	32.184948	-104.205140
13,500.00	90.00	180.06	9,750.00	-3,571.38	1,260.74	430,942.34	580,995.80	32.184673	-104.205141
13,600.00	90.00	180.06	9,750.00	-3,671.38	1,260.63	430,842.34	580,995.69	32.184398	-104.205142
13,700.00	90.00	180.06	9,750.00	-3,771.38	1,260.52	430,742.34	580,995.58	32.184123	-104.205143
13,800.00	90.00	180.06	9,750.00	-3,871.38	1,260.41	430,642.34	580,995.47	32.183849	-104.205143
13,900.00	90.00	180.06	9,750.00	-3,971.38	1,260.30	430,542.34	580,995.36	32.183574	-104.205144
14,000.00	90.00	180.06	9,750.00	-4,071.38	1,260.19	430,442.34	580,995.25	32.183299	-104.205145
14,100.00	90.00	180.06	9,750.00	-4,171.38	1,260.08	430,342.34	580,995.14	32.183024	-104.205146
14,200.00	90.00	180.06	9,750.00	-4,271.38	1,259.97	430,242.34	580,995.03	32.182749	-104.205146
14,300.00	90.00	180.06	9,750.00	-4,371.38	1,259.86	430,142.34	580,994.92	32.182474	-104.205147
14,400.00	90.00	180.06	9,750.00	-4,471.38	1,259.75	430,042.34	580,994.81	32.182199	-104.205148
14,500.00	90.00	180.06	9,750.00	-4,571.38	1,259.64	429,942.34	580,994.70	32.181924	-104.205149
14,600.00	90.00	180.06	9,750.00	-4,671.38	1,259.53	429,842.34	580,994.59	32.181649	-104.205149
14,700.00	90.00	180.06	9,750.00	-4,771.38	1,259.42	429,742.34	580,994.48	32.181375	-104.205150
14,800.00	90.00	180.06	9,750.00	-4,871.38	1,259.31	429,642.34	580,994.37	32.181100	-104.205151
14,898.00	90.00	180.06	9,750.00	-4,969.38	1,259.20	429,544.34	580,994.26	32.180830	-104.205151
	ection @ 1489	8' MD, 0' FNL	., 330' FEL						
14,900.00	90.00	180.06	9,750.00	-4,971.38	1,259.19	429,542.34	580,994.26	32.180825	-104.205152
15,000.00	90.00	180.06	9,750.00	-5,071.38	1,259.08	429,442.34	580,994.14	32.180550	-104.205152
15,100.00	90.00	180.06	9,750.00	-5,171.38	1,258.97	429,342.34	580,994.03	32.180275	-104.205153
15,200.00	90.00	180.06	9,750.00	-5,271.38	1,258.86	429,242.34	580,993.92	32.180000	-104.205154

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

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 29-T24S-R27E

Well: Huckleberry 29-32 State Fed Com 734H

Wellbore: Wellbore #1
Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Huckleberry 29-32 State Fed Com 734H

RKB @ 3333.20ft RKB @ 3333.20ft

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
15,300.00	90.00	180.06	9,750.00	-5,371.38	1,258.75	429,142.34	580,993.81	32.179725	-104.205154
15,400.00	90.00	180.06	9,750.00	-5,471.38	1,258.64	429,042.34	580,993.70	32.179450	-104.205155
15,500.00	90.00	180.06	9,750.00	-5,571.38	1,258.53	428,942.34	580,993.59	32.179175	-104.205156
15,600.00	90.00	180.06	9,750.00	-5,671.38	1,258.42	428,842.34	580,993.48	32.178901	-104.205157
15,700.00	90.00	180.06	9,750.00	-5,771.38	1,258.31	428,742.34	580,993.37	32.178626	-104.205157
15,800.00	90.00	180.06	9,750.00	-5,871.38	1,258.20	428,642.34	580,993.26	32.178351	-104.205158
15,900.00	90.00	180.06	9,750.00	-5,971.38	1,258.09	428,542.34	580,993.15	32.178076	-104.205159
16,000.00	90.00	180.06	9,750.00	-6,071.38	1,257.98	428,442.34	580,993.04	32.177801	-104.205160
16,100.00	90.00	180.06	9,750.00	-6,171.38	1,257.87	428,342.34	580,992.93	32.177526	-104.205160
16,200.00	90.00	180.06	9,750.00	-6,271.38	1,257.76	428,242.34	580,992.82	32.177251	-104.205161
16,300.00	90.00	180.06	9,750.00	-6,371.38	1,257.65	428,142.34	580,992.71	32.176976	-104.205162
16,400.00	90.00	180.06	9,750.00	-6,471.38	1,257.54	428,042.34	580,992.60	32.176701	-104.205163
16,500.00	90.00	180.06	9,750.00	-6,571.38	1,257.43	427,942.35	580,992.49	32.176427	-104.205163
16,600.00	90.00	180.06	9,750.00	-6,671.38	1,257.32	427,842.35	580,992.38	32.176152	-104.205164
16,700.00	90.00	180.06	9,750.00	-6,771.38	1,257.21	427,742.35	580,992.27	32.175877	-104.205165
16,800.00	90.00	180.06	9,750.00	-6,871.38	1,257.10	427,642.35	580,992.16	32.175602	-104.205166
16,900.00	90.00	180.06	9,750.00	-6,971.38	1,256.99	427,542.35	580,992.05	32.175327	-104.205166
17,000.00	90.00	180.06	9,750.00	-7,071.38	1,256.88	427,442.35	580,991.94	32.175052	-104.205167
17,100.00	90.00	180.06	9,750.00	-7,171.38	1,256.77	427,342.35	580,991.83	32.174777	-104.205168
17,200.00	90.00	180.06	9,750.00	-7,271.38	1,256.66	427,242.35	580,991.72	32.174502	-104.205169
17,300.00	90.00	180.06	9,750.00	-7,371.38	1,256.55	427,142.35	580,991.61	32.174227	-104.205169
17,400.00	90.00	180.06	9,750.00	-7,471.38	1,256.44	427,042.35	580,991.50	32.173952	-104.205170
17,500.00	90.00	180.06	9,750.00	-7,571.38	1,256.33	426,942.35	580,991.39	32.173678	-104.205171
17,600.00	90.00	180.06	9,750.00	-7,671.38	1,256.21	426,842.35	580,991.28	32.173403	-104.205172
17,700.00	90.00	180.06	9,750.00	-7,771.38	1,256.10	426,742.35	580,991.16	32.173128	-104.205172
17,800.00	90.00	180.06	9,750.00	-7,871.38	1,255.99	426,642.35	580,991.05	32.172853	-104.205173
17,900.00	90.00	180.06	9,750.00	-7,971.38	1,255.88	426,542.35	580,990.94	32.172578	-104.205174
18,000.00	90.00	180.06	9,750.00	-8,071.38	1,255.77	426,442.35	580,990.83	32.172303	-104.205175
18,100.00	90.00	180.06	9,750.00	-8,171.38	1,255.66	426,342.35	580,990.72	32.172028	-104.205175
18,200.00	90.00	180.06	9,750.00	-8,271.38	1,255.55	426,242.35	580,990.61	32.171753	-104.205176
18,300.00	90.00	180.06	9,750.00	-8,371.38	1,255.44	426,142.35	580,990.50	32.171478	-104.205177
18,400.00	90.00	180.06	9,750.00	-8,471.38	1,255.33	426,042.35	580,990.39	32.171204	-104.205177
18,500.00	90.00	180.06	9,750.00	-8,571.38	1,255.22	425,942.35	580,990.28	32.170929	-104.205178
18,600.00	90.00	180.06	9,750.00	-8,671.38	1,255.11	425,842.35	580,990.17	32.170654	-104.205179
18,700.00	90.00	180.06	9,750.00	-8,771.38	1,255.00	425,742.35	580,990.06	32.170379	-104.205180
18,800.00	90.00	180.06	9,750.00	-8,871.38	1,254.89	425,642.35	580,989.95	32.170104	-104.205180
18,900.00	90.00	180.06	9,750.00	-8,971.38	1,254.78	425,542.35	580,989.84	32.169829	-104.205181
19,000.00	90.00	180.06	9,750.00	-9,071.38	1,254.67	425,442.35	580,989.73	32.169554	-104.205182
19,100.00	90.00	180.06	9,750.00	-9,171.38	1,254.56	425,342.35	580,989.62	32.169279	-104.205183
19,200.00	90.00	180.06	9,750.00	-9,271.38	1,254.45	425,242.35	580,989.51	32.169004	-104.205183
19,300.00	90.00	180.06	9,750.00	-9,371.38	1,254.34	425,142.35	580,989.40	32.168730	-104.205184
19,400.00	90.00	180.06	9,750.00	-9,471.38	1,254.23	425,042.35	580,989.29	32.168455	-104.205185
19,500.00	90.00	180.06	9,750.00	-9,571.38	1,254.12	424,942.35	580,989.18	32.168180	-104.205186
19,600.00	90.00	180.06	9,750.00	-9,671.38	1,254.01	424,842.35	580,989.07	32.167905	-104.205186
19,700.00	90.00	180.06	9,750.00	-9,771.38	1,253.90	424,742.35	580,988.96	32.167630	-104.205187
19,800.00	90.00	180.06	9,750.00	-9,871.38	1,253.79	424,642.35	580,988.85	32.167355	-104.205188
19,900.00	90.00	180.06	9,750.00	-9,971.38	1,253.68	424,542.35	580,988.74	32.167080	-104.205189
20,000.00	90.00	180.06	9,750.00	-10,071.38	1,253.57	424,442.35	580,988.63	32.166805	-104.205189
20,050.00	90.00	180.06	9,750.00	-10,121.38	1,253.51	424,392.35	580,988.57	32.166668	-104.205190
LTP @ 20	0050' MD, 100	' FSL, 330' FE	L						
20,100.00	90.00	180.06	9,750.00	-10,171.38	1,253.46	424,342.35	580,988.52	32.166530	-104.205190
20,130.23	90.00	180.06	9,750.00	-10,201.61	1,253.42	424,312.12	580,988.48	32.166447	-104.205190
PBHL; 20	0' FSL, 330' FI	EL							
20,130.24	90.00	180.06	9,750.00	-10,201.61	1,253.42	424,312.12	580,988.48	32.166447	-104.205190

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

Project: Eddy County (NAD 83 NM Eastern)

Site: Sec 29-T24S-R27E

Well: Huckleberry 29-32 State Fed Com 734H

Wellbore: Wellbore #1

Design: Permit Plan 1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Huckleberry 29-32 State Fed Com 734H

RKB @ 3333.20ft RKB @ 3333.20ft

Grid

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 - Huckleberry 29-0 - plan misses target		0.00 0.00ft at 201	0.00 30.24ft MD	-10,201.61 (9750.00 TVD,	1,253.42 -10201.61 N,	424,312.12 1253.42 E)	580,988.48	32.166447	-104.205190

Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Cod +N/-S (ft)	ordinates +E/-W (ft)	Comment
9.312.5	8 9.177.04	289.00	1,265.00	KOP @ 9313' MD, 50' FNL, 330' FEL
- ,	,		,	9 , ,
9,554.0	0 9,411.38	238.88	1,264.94	FTP @ 9554' MD, 100' FNL, 330' FEL
14,898.0	0 9,750.00	-4,969.38	1,259.20	Cross section @ 14898' MD, 0' FNL, 330' FEL
20,050.0	0 9,750.00	-10,121.38	1,253.51	LTP @ 20050' MD, 100' FSL, 330' FEL
20,130.2	3 9,750.00	-10,201.61	1,253.42	PBHL; 20' FSL, 330' FEL



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

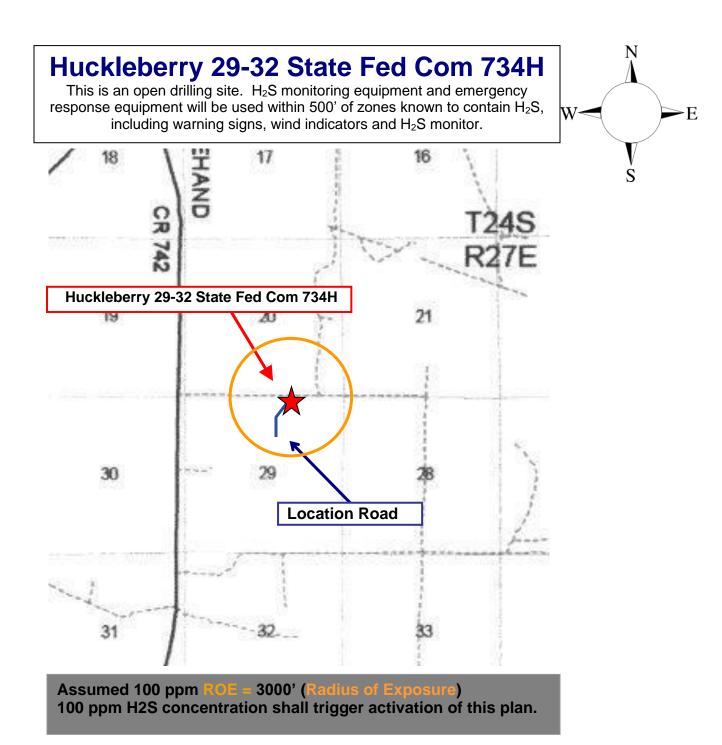
Hydrogen Sulfide (H₂S) Contingency Plan

For

Huckleberry 29-32 State Fed Com 734H

Sec-29 T-24S R-27E 339' FNL & 1595' FEL LAT. = 32.194495' N (NAD83) LONG = 104.209203' W

Eddy County NM



Escape

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

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

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

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

Ignition of Gas Source

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

Characteristics of H₂S and SO₂

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

Contacting Authorities

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

Hydrogen Sulfide Drilling Operation Plan

I. HYDROGEN SULFIDE (H₂S) TRAINING

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

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

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

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

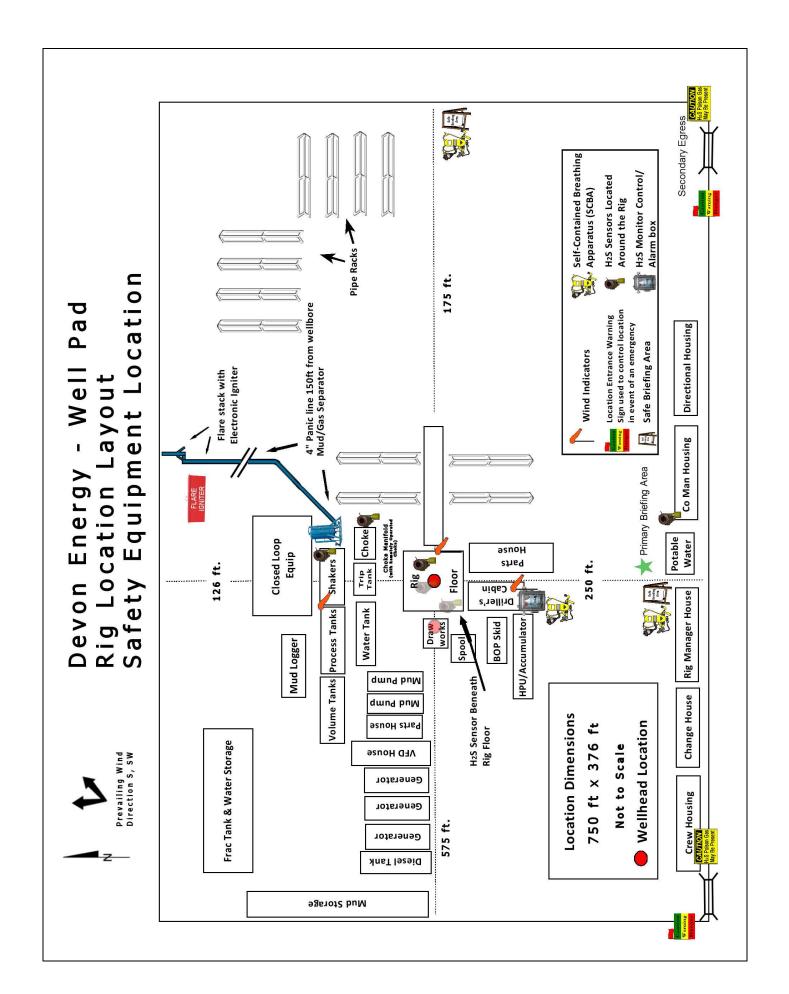
- Company personnel have/use cellular telephones in the field.
- B. Land line (telephone) communications at Office

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
<u>Agency</u>	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	
<u>Eddy</u> County	State Police	005 242
(575)	City Police	885-3137 885-2111
<u>(010)</u>	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) 24 HR	(505) 476-9600
		(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	(221) = 21 1= 2
	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) 743-9911
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) 272-3115
	Oil & Gas Pipeline 24 Hour Service	(800) 364-4366





PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:
LEASE NO.:
NMNM112269
LOCATION:
Section 29, T.24 S., R.27 E., NMPM
COUNTY: Eddy County, New Mexico

WELL NAME & NO.: Huckleberry 29-32 State Fed Com 733H
SURFACE HOLE FOOTAGE: 339'/N & 1625'/E
BOTTOM HOLE FOOTAGE 20'/S & 1870'/E

WELL NAME & NO.: Huckleberry 29-32 State Fed Com 734H SURFACE HOLE FOOTAGE: 339'/N & 1595'/E

SURFACE HOLE FOOTAGE: | 3397/N & 15957/E BOTTOM HOLE FOOTAGE | 207/S & 3307/E

COA

H2S	☐ Yes	☑ No	
Potash	■ None	☐ Secretary	R -111-P
Cave/Karst Potential	C Low		☐ 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 375 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

Page 1 of 8

Approval Date: 11/03/2020

- 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 8-5/8 inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
 Cement excess is less than 25%, more cement might be required.
 - ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

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

- 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.

Page 3 of 8

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.

Page 8 of 8