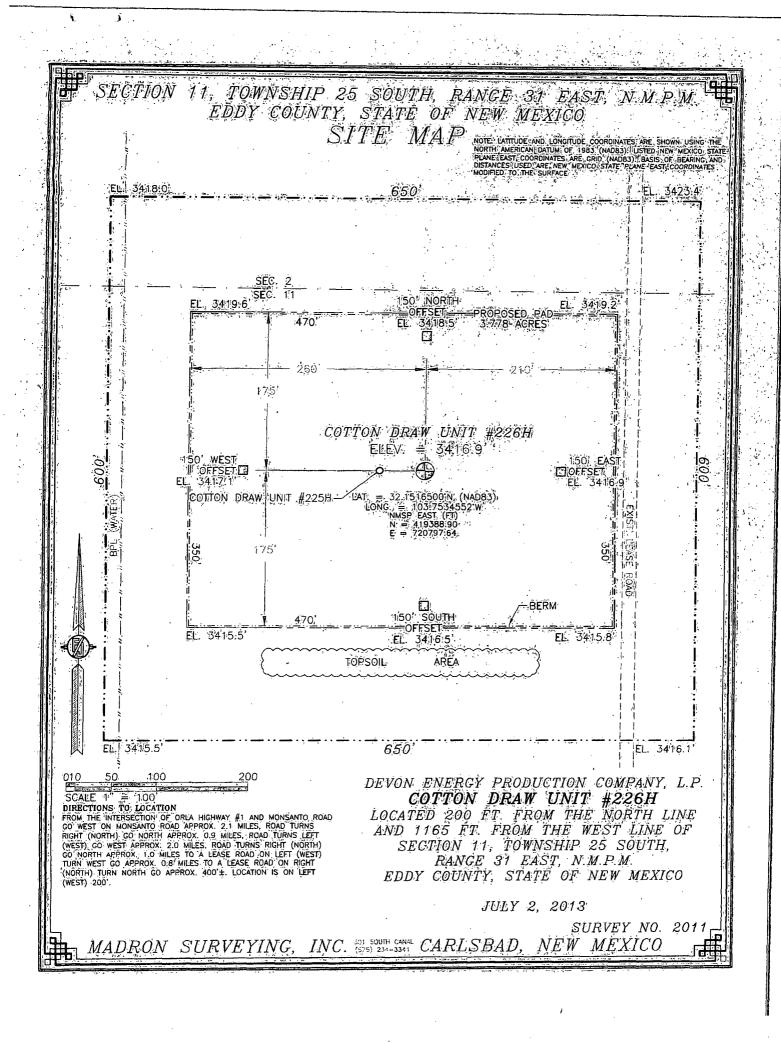
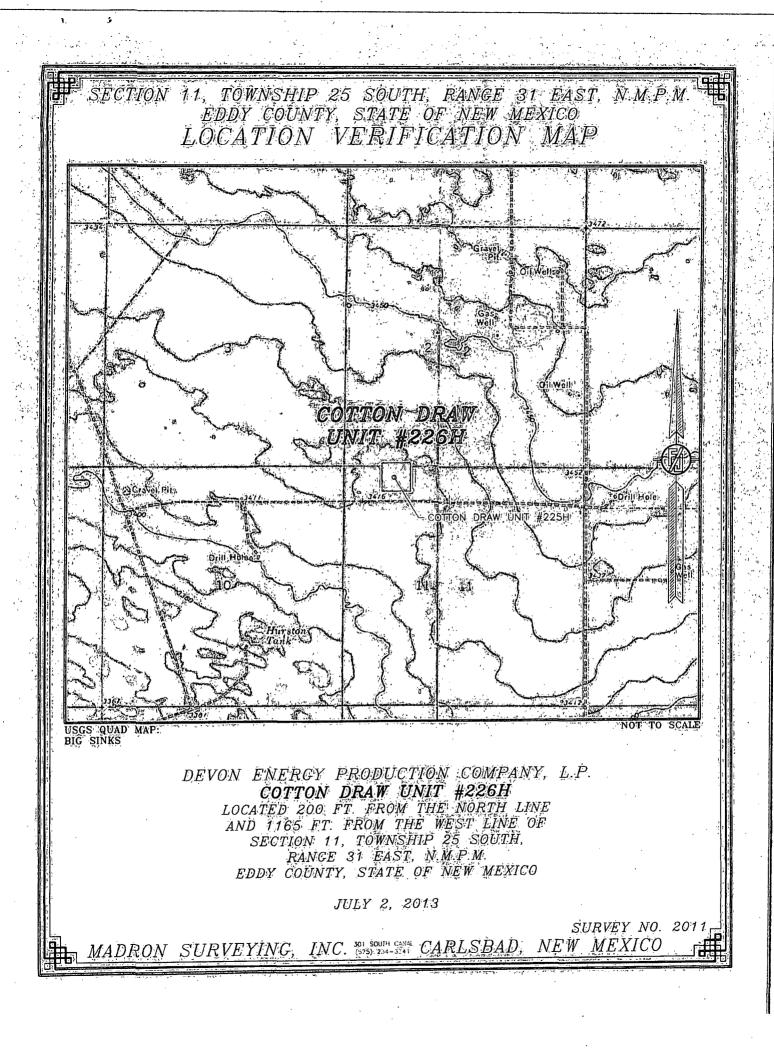
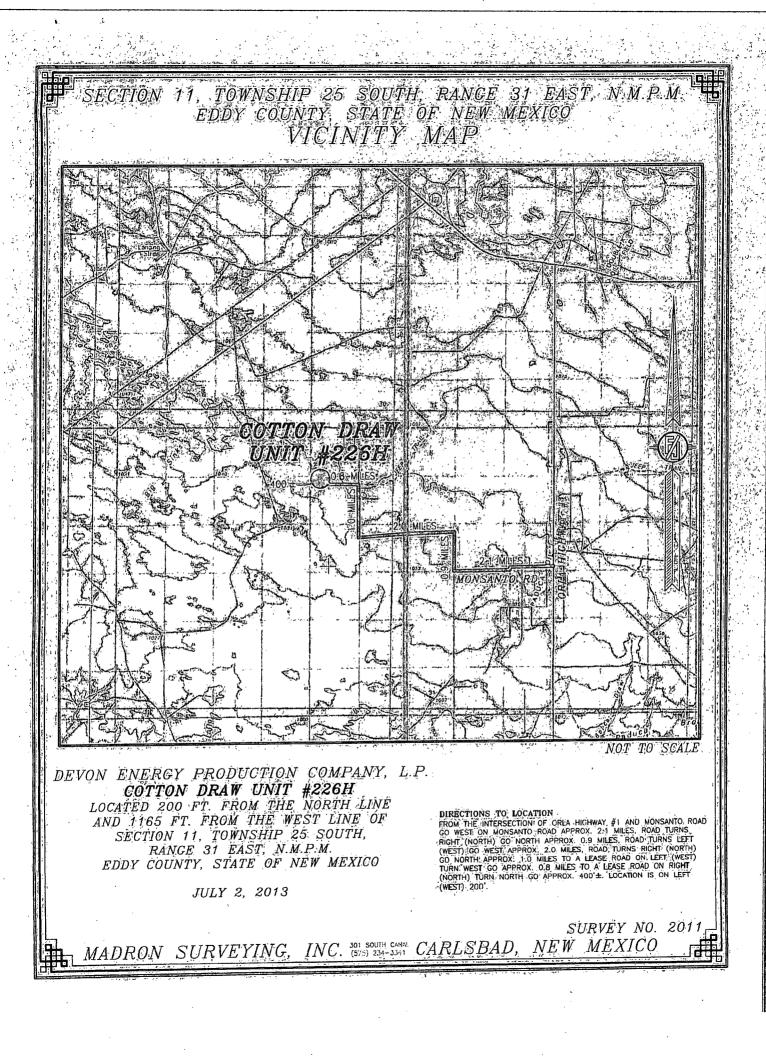
	د میگر	-		/	4-629
Form 3160-3 (March 2012) UNITED STAT		O Artesia			APPROVED 1004-0137 10ber 31, 2014
RTHODOX       UNITED STATI         DCATION       BUREAU OF LAND' MA         APPLICATION FOR PERMIT       CONTICULAR	E INTERIOR ANAGEMEN	Т		<ol> <li>Lease Serial No. BH: NMNM0005</li> <li>If Indian, Allotee of</li> </ol>	C
la. Type of work: DRILL	TER			7 If Unit or CA Agree Cotton Draw Uni	t C-02-0398 3004
Ib. Type of Well: 🗹 Oil Well 🔲 Gas Well 🛄 Other	<b>√</b> s	ingle Zone 🚺 Mult	tiple Zone	8. Lease Name and W	ell No Jack
2. Name of Operator Devon Energy Production Company,	L.P.	clel	37=	9. API Well No.	5-47.415
3a. Address 333 W. Sheridan Oklahoma City, OK 73102	3b. Phone N 405.228.7	0. (include area code)	F	10. Field and Pool, or E:	xploratory ne Spring 29664
4. Location of Well (Report location clearly and in accordance with				11. Sec., T. R. M. or Bl	
•••	0 FNL & 1200	FWL		Sec. 11 T25S-R3	1E
At proposed prod. zone 330 FSL & 1980 FWL Unit N 4. Distance in miles and direction from nearest town or post office* 19 miles SE of Malaga, NM	·			12. County or Parish Eddy County	13. State NM
<ul> <li>5. Distance from proposed* See attached map location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)</li> </ul>		acres in lease 00503 2,360 ac	17. Spaci 160	ng Unit dedicated to this we	
<ol> <li>Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.</li> </ol>	1			1/BIA Bond No. on file 04; NBM-000801	
11. Elevations (Show whether DF, KDB, RT, GL, etc.)		imate date work will st	art*	23. Estimated duration	
3416.9'	10/13/20	ichments		45 Days	
<ol> <li>The following, completed in accordance with the requirements of Ons</li> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office).</li> </ol>		<ol> <li>Bond to cover Item 20 above)</li> <li>Operator certif</li> </ol>	the operation	ons unless covered by an e formation and/or plans as r	
25. Signature -		e <i>(Printed/Typed)</i> a C. Couch			Date 03/11/2014
Fille	,, .l			··	
Approved by (Signa Steve Caffey	Name	e (Printed/Typed)		A	RAY 3 0 2014
itle FIELD MANAGER	Offic	CARL	* . * . * *	LDOFFICE	
Application approval does not warrant or certify that the applicant he onduct operations thereon. Conditions of approval, if any, are attached.	olds legal or equ	itable title to those rig	hts in the pu	CVAL FOR T	itle the applicant to WOYEARS
itle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a tates any false, fictitious or fraudulent statements or representations	crime for any as to any matter	person knowingly and within its jurisdiction.	willfully to i	nake to any department or	agency of the United
(Continued on page 2)				*(Instru	uctions on page 2)
	NM (	DIL CONSERV ARTESIA DISTRIC			
Carlsbad Controlled Water Basin					
Carlsbad Controlled Water Basin		JUN 0.6 2014	4	SEE ATTA	CHED FOR
	proval Subje & Specia	JUN 0.6 2014 RECEIVED ect to General Re Stipulations Att	1 quiremen ached	SEE ATTA tsCONDITIO	CHED FOR NS OF APPRO

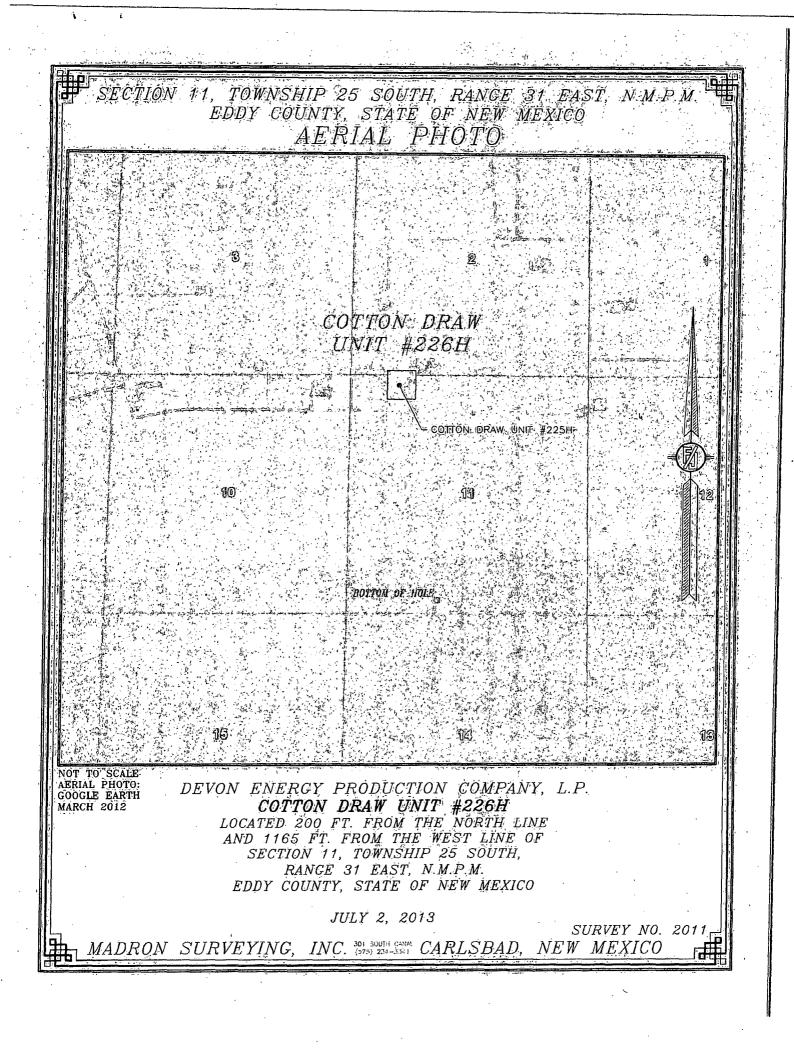
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12 (m. 19)			nie Nationalista (nationalista) Nationalista (nationalista)			Form C=102
District <sup>1</sup> 1625 N. French Dr., Hobbs, NM 882 Phone: (575) 393-6161 Fax: (575) 3		State of N gy, Minerals & Nat	lew Mexico	12 march line	Revi	sed August 1, 2014
District II 811 S. First St., Artesia, NM 88210			ATION DIVISION			copy to appropriate
Phone: (575) 748-1283 Fax: (575) 74		1	St. Francis Dr.			District Office
1000 Rio Binzos Road, Aztec, NM 8 Phone: (\$05) 334-6178 Fax: (\$05) 33 District IV			NM 87505	· · ·	ÁM	ENDEDREPORT
1220 S. St. Francis Dr., Santa Fe. NN Phone: (505) 476-3460 Fax: (505) 47		1999 - 1999 -	the contraction of the set of the set of the set			
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2 Property Cade	300635		erty Name DRAW UNIT			Well'Number 226H
OGRID.No. 6137		<sup>8</sup> Operation Operation Operation	ator Name	NV. I. P		<sup>2</sup> Elevation 3416.9
		12 - FOR RESPECT Research Co Conditions	ce Location	A LA	1 11 11 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5410.7
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D. II	25.S 31 E	200	NORTH	1165	WEST	EDDY
UL or lot no. Section.	Downship Range	Ntom Hole Location		Fcet from the	East/West line	County
N 11	25 S 31 Ē	330	SOUTH	1980	WEST	EDDY
<sup>13</sup> Dedicated Acres 13 Joint o 160	r Infill	Code <sup>15</sup> Order No.	5	a mini a mini mini na mini a mini		
t <u>iti shara a ake waxa</u> ti Na ba shara ake	<u> </u>			<u>a sha a a sa sa sa sa sa sa</u> Tangan na sa	<u>, and an construction</u> waveled a state of the	
No allowable will be as division.	signed to this complet	tion until all interests ha	ive been consolidated	or(a non;standai	d unit has been ap	proved by the
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	2640.53	\$8 <sup>6</sup> 9'50'46''E	2658/23.6		ERATOR CERT	1991 ANTA 2000 St. 1 1 1
S89 34 51%Er	2640.53 FT		NE CORNER, SEC: 1	I hereby certify	that the information containe	d herein is true and complete
	IAT = 32 1522404 N LAT = 32 1522404 N LONG = 103.7572193	TN Q CORNER SEC. 1.1 LAT: = 32,1521482'N	NE CORNER SEC LAT: = 32,1520886 LONC. = 103,7401028 W	I hereby, cei ild	that the lifernation containe when ledge and belief and th Finterest of unleased mineral	d herein is trig and complete hat this organization either inferest in the land hichuling
	NW. CORNER SEC. 11.	$\begin{array}{rcl} \hline & & & \\ \hline \\ \hline$	NE CORNER, SEC: 1 AT: = 32.1520886.N	I hereby certify to the best of a owns a working the proposed b	Thai the Information containe when tedes and belief, and t	d licietin is frig and complete hat his organization either inferest in the land including ight to drift this well or this
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S8934.516E.   	NW CORNER SEC         LAT       32.1522404%,         LAT       32.1522404%,         JAMSP EAST (FT)         JAT659         JAT659         JAT659         Z.15165001N (NAD8.         = 103.7534552*W         EST (FT)         J38890         Z0797.64         J385338*N         D3.7508122*W         ST (FT)         IAS         J385338*N         D3.7508122*W         ST (FT)         IAS         J385338*N         J38454	NOTE:         NOTE:           NASP         EAST. (T)           N. = 419578.11         E           E         7.73           J.         AME           J.         SOURCE           LATITUDE         AND           J.         SOURCE           LATITUDE         AND           J.         SOURCE           J.         SOURDINATE	INE         CORNER, SEC.           LAT:         = 32.1520886/N           LONC.         = 103.74010286/N           NMSP-EAST (FF)         N           N         = 4.19570.97           E         = 72.4929:13           E         = 72.4939.4           LONC:         = 103.7401166'W           NMSP, EAST. (FT)         N. = 416925.12           E         = 724939.4           LONG:         = 103.7401166'W           NMSP, EAST. (FT)         N. = 416925.12           E         = 724939.4           LONGIUDE COORDINATÉS.         JUN OF 1983 (MAD83).           AFE GRU (NAD83). DASIS         AASIS           AFE GRU (NAD83). DASIS         ASIS           AND DISTANCES USED ARE         STATE PLANE EAST           MODIFIED TO THE         Integration of the state	I hereby ceirify in the best of n investigation of the investigation of the investigation of the order bereinfor order bereinfor order bereinfor Tring C C Printed Name trina coucl Email Addre Diate of Sur Date of Sur Date of Sur	that the information container when the information container when tensor of inflexed minoral attain rate togetion or has a ri- into a contract with an owner in whether pooling attraction would by the difference outen, Regulatory Ane 1@dvn.com se EXOR CERTI rupy, inat, the well, local outed from field notes gor under my subprif eventor rectuality in 12797	in herein is tria to implete his arguitzation either interess in the land tuchaling ight is acht a miteni or working or a computery proting 214144 Date alyst FICAFION ittori showin on this of actual sin veys sign and that the strong working.
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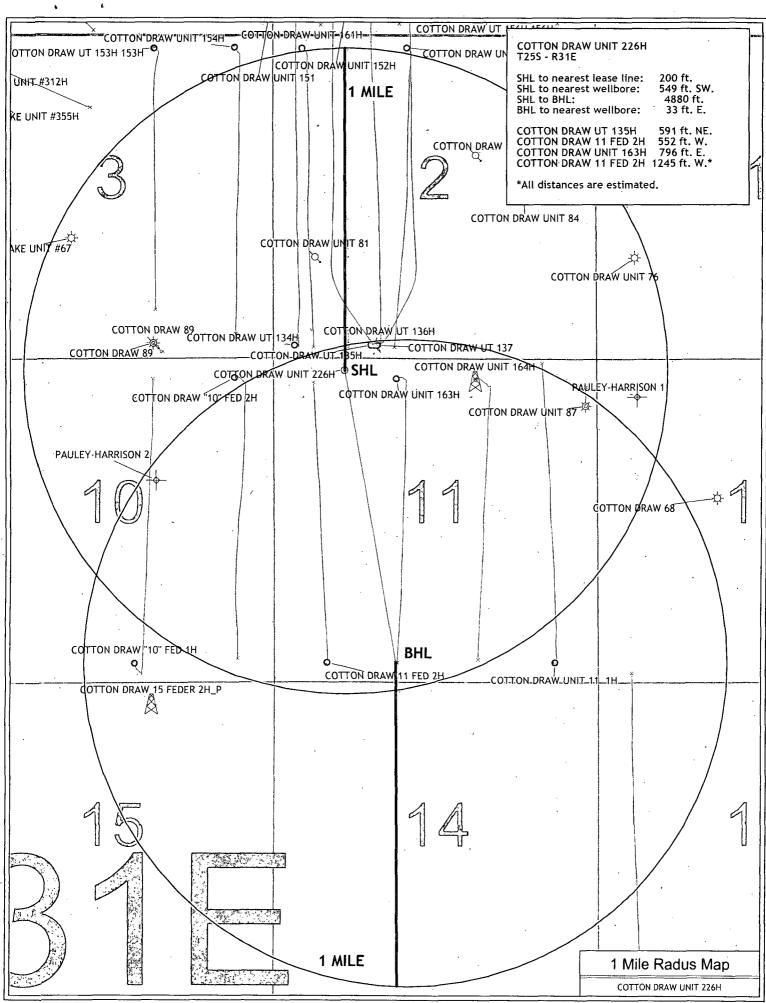
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### **DRILLING PROGRAM**

### Devon Energy Production Company, L.P. Cotton Draw Unit 226H

### 1. Geologic Name of Surface Formation: Quaternary

2.

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Estimated Tops of Geological Markers & Depths of Anticipated FW, Oil, or Gas:

a.	Fresh Water	350'	
b.	Rustler	599'	Barren
c.	Top of Salt/Salado	994'	Barren
d.	Base of Salt/L. Castile	2800′	Barren
e.	Bell Canyon	4407′	Oil / Gas
f.	Cherry Canyon	5296'	Oil / Gas
g.	Brushy Canyon	6621'	Oil / Gas
h.	1 <sup>st</sup> Bone Spring Lime	8203′	Oil / Gas
i.	1 <sup>st</sup> Bone Spring SS	9334'	Oil / Gas
j.	2 <sup>nd</sup> Bone Spring Lime	9711'	Oil / Gas
k.	2 <sup>nd</sup> Bone Spring SS	9890'	Oil / Gas
	Total Depths	10,431' TVD	14,961' MD

### 3. Pressure Control Equipment:

A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the surface casing shoe. The BOP system used to drill the intermediate hole will be tested per BLM Onshore Oil and Gas Order 2.

A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the intermediate casing shoe. The BOP system used to drill the production hole will be tested per BLM Onshore Oil and Gas Order 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); **if an H&P rig drills this well. Otherwise no flex line is needed**. The line will be kept as straight as possible with minimal turns.

### **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.

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### Casing Program:

Hole Size	Hole Interval	Casing { OD	Casing Interval	Weight (lb/ft)	Collar	Grade	Collapse Design Factor	Burst Design Factor	Tension Design Factor
17-1/2"	0-750,61	13-3/8"	0-750	48#	STC	H-40	2.19	4.93	15.03
12-1/4"	750'-4,300'	9-5/8"	0-4,300'	.40#	BTC	J-55	1.28	1.77	3.02
8-3/4"	4,300' - 14,961'	5-1/2"	0-14,961'	17#	BTC	P-110	1.53	2.18	3.08

### **Casing Notes:**

• All casing is new and API approved

Maximum Lateral TVD: 10,431'

Depth (75	Mud Weight	Viscosity	Fluid Loss	Type System
0 - 7505 615	8.4-9.0	30-34	N/C	FW
750' - 4,300'	10-10.2	28-32	N/C	Brine
4,300' - 14,961'	8.6-9.0	28-32	N/C	FW

The necessary mud products for weight addition and fluid loss control will be on location at all times. Visual mud monitoring equipment will be in place to detect volume changes indicating loss or gain of circulating fluid volume. If abnormal pressures are encountered, electronic/mechanical mud monitoring equipment will be installed.

### 6. Cementing Table:

String	Numbe r of sx	Weight Ibs/gal	Water Volume g/sx	Yield cf/sx	Stage; Lead/Tail	Slurry Description		
13-3/8" Surface	820	14.8	6.32	1.33	Tail	Class C Cement + 63.5% Fresh Water		
9-5/8" Intermediate	910	12.9	9.81	1.85	Lead	(65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E- Flake + 70.9 % Fresh Water		
-	430	14.8	6.32	1.33	Tail	Class C Cement + 63.5% Fresh Water		
See COA	610	12.5	10.86	1.96	Lead	·(65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E- Flake + 74.1 % Fresh Water		
5-1/2"	1350	14.5	5.38	1.22	Tail	(50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD- 344 + 0.25% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water		
Production		DV Tool @ 6000ft						
Casing 2-Stage	190	11.0	15.23	2.71	Lead	Tuned Light Blend + 0.125 lb/sk Pol-E-Flake + 76.3% Fresh Water		
	120	·14.8	6.32	1.33	Tail	Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water		

TOC for all Strings:

13-3/8" Surface	Oft
9-5/8" Intermediate	Oft
5-1/2" Production 2-Stage	Stage #1 = 6000ft
	Stage #2 = 3800ft

#### Notes:

- Cement volumes Surface 100%, Intermediate 75% and Production based on at least 25% excess
- Actual cement volumes will be adjusted based on fluid caliper and caliper log data
- If lost circulation is encountered while drilling the production and/or the intermediate wellbores, a DV tool will be installed a minimum of 50' below the previous casing shoe and a minimum of 200' above the current shoe. If the DV tool has to be moved, the cement volumes will be adjusted proportionately. The cement will tie back 500' into the 9-5/8" casing shoe.

### 7. Logging, Coring, and Testing Program:

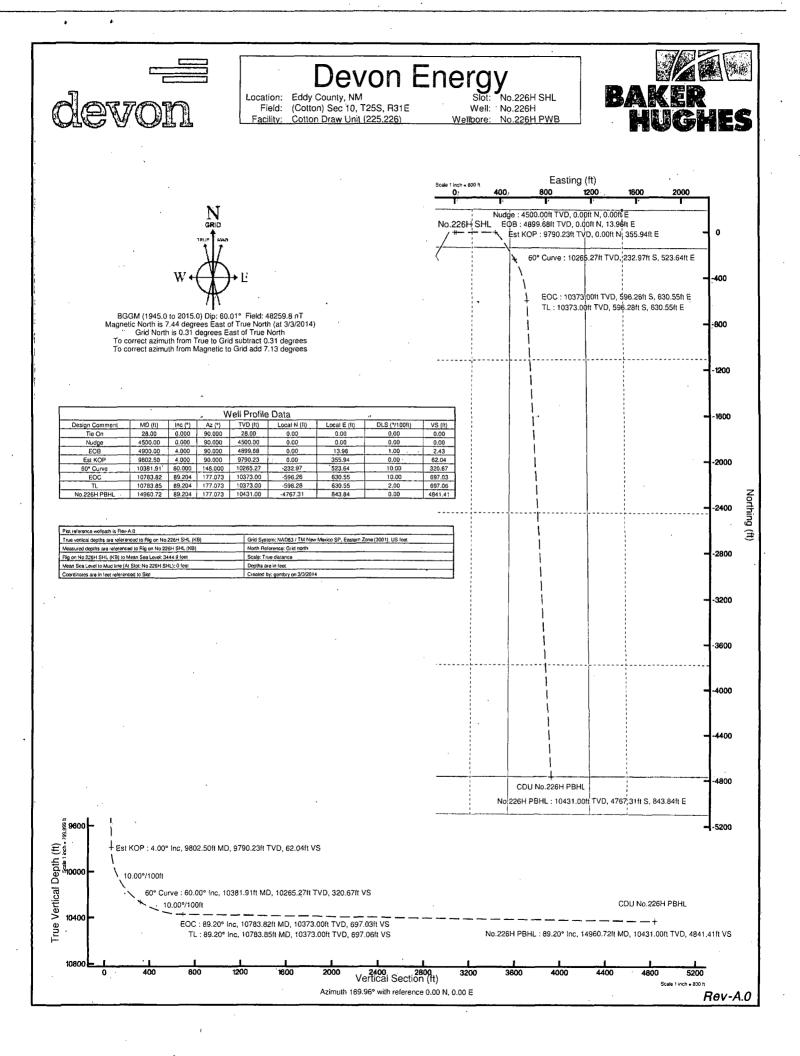
- a. Drill stem tests will be based on geological sample shows.
- b. If a drill stem test is anticipated, a procedure, equipment to be used, and safety measures will be provided via sundry notice to the BLM.
- c... No logs are planned
- d. No coring program is planned
- e. Additional Testing will be initiated subsequent to setting the production casing. Specific intervals will be targeted based on log evaluation, geological sample shows, and drill stem tests.

### 8. **Potential Hazards**:

- a. No abnormal pressures or temperatures are expected. There is no known presence of H2S in this area, and none is anticipated to be encountered. If H2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation being used to drill this, well. Estimated BHP: 4700 psi, and estimated BHT: 155 degrees.
- b. Hydrogen Sulfide detection equipment will be in operation after drilling out the surface casing shoe until the production string is cemented. Breathing equipment will be on location upon drilling the surface casing shoe until total depth is reached.

### 9. 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 20 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.



# Planned Wellpath Report Rev-A.0 Page 1 of 6





REARS	IBNOEAMELERPAYEINIDENTHIFICATION		
Operator	Devon Energy	Slot	No.226H SHL
Area	Eddy County, NM	Well	No.226H
Field	(Cotton) Sec 10, T25S, R31E	Wellbore	No.226H PWB
Facility	Cotton Draw Unit (225,226)		

RIPPORTESPICOL	<b>ZINEORMATEION</b>	Salar Priz Carlinda	
Projection System	NAD83 / TM New Mexico SP, Eastern Zone (3001), US feet	Software System	WellArchitect <sup>®</sup> 4.0.1
North Reference	Grid	User	Gentbry
Scale	0.999946	Report Generated	3/3/2014 at 9:17:59 AM
Convergence at slot	0.31° East	Database/Source file	MidlandDB/No.226H_PWB.xml

	Local coordinates		Grid co	ordinates	Geographic coordinates	
•• • •	North[ft]	East[ft]	Easting[US ft]	Northing[US ft]	Latitude	Longitude
Slot Location	-0.34	50.01	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W
Facility Reference Pt			720747.63	419389.24	32°09'05.946"N	103°45'13.020"W
Field Reference Pt			718969.84	419273.98	32°09'04.900''N	103°45'33.707"W

Calculation method	Minimum curvature	Rig on No.226H SHL (KB) to Facility Vertical Datum	3444.90ft
Horizontal Reference Pt	Slot	Rig on No.226H SHL (KB) to Mean Sea Level	
Vertical Reference Pt	Rig on No.226H SHL (KB)	Rig on No.226H SHL (KB) to Mud Line at Slot (No.226H SHL)	3444.90ft
MD Reference Pt	Rig on No.226H SHL (KB)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	169.96°

## Planned Wellpath Report Rev-A.0 Page 2 of 6





RIEIDER	ENCLEMELLPATINDENINFICATIO		an a
Operator	Devon Energy	Slot	No.226H SHL
Area	Eddy County, NM	Well	No.226H
Field	(Cotton) Sec 10, T25S, R31E	Wellbore	No.226H PWB
Facility	Cotton Draw Unit (225,226)		

WELLP	ATH DA	FA (168	stations	) † = inte	erpolat	ed/ex	rapolatedist	ition				
MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
0.00†	0.000	90.000	0.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
28.00	0.000	90.000	28.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	in the second	Tie On
128.00†	0.000	90.000	128.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
228.00†	0.000	90.000	228.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
		<u>90.000 '</u>	6328.00	0.00	0:00	i0:00	720797.64	419388.90	<u>-32°09'05'940"N</u>	103°45 12.439",W	0.00	e e to interio
428.00†	0.000	90.000	428.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
528.00†	0.000	90.000	528.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
599.00†	0.000	90.000		0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	Rustler
628.00†	0.000	90.000	628.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
728.00	<u>. 0.000</u>	90.000	728.00	0:00	0.00	0.00	720797.64	419388.90	32°09'05'940"N	103°45,12,439"W	0.00	
828.00†	0.000	90.000	828.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
928.00†	0.000	90.000	928.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
994.00†	0.000	90.000	994.00	. 0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	Top Salt
1028.00†	0.000	90.000	1028.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
1128.001	• 0:000	90:000	1128.00	<u>0.00</u>	× 0:00	0.00	<u>720797.64</u>	419388.90	32°09'05.940"N	103°45'12,439"W	0:00	
1228.00†	0.000	90.000	1228.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
1328.00†	0.000	90.000	1328.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
1428.00†	0.000	90.000	and the second s	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
1528.00†	0.000	90.000	and the second se	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
1628:00†	01000	<u>90.000</u>	1628:00	<u>. 0.00</u>	0.00	0:00	720797.64	419388.90	32°09[05 940] N	103°45112'439''W'	0:00	1
1728.00†	0.000	90.000	1728.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
1828.00†	0.000	90.000	1828.00	0.00	0.00	0.00	720797.64	. 419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
1928.00†	0.000	90.000	1928.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
2028.00†	0.000	90.000	2028.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
2128.00	0.000	- 90:000	2128.00		0.00	0:00	720797.64	419388.90	<u>, 32°09'05.940"N</u>	103°45;12,439,"W	s. s0!00	1. 1. 1. 1. 1.
2228.00†	0.000	90.000	2228.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
2328.00†	0.000	90.000	2328.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'·12.439"W	0.00	
2428.00†	0.000	90.000	2428.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
2528.00†	0.000	90.000	2528.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
2628.00	0.000	90.000	2628.00		<u>,0.00</u>	0.00	720797.64	419388.90		103°45'12.439"W	0.00	
2728.00†	0.000	90.000	2728.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940''N	103°45'12.439"W	0.00	
2800.00†	0.000	90.000	2800.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W		Castile
2828.00†	0.000	90.000	2828.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
2928.00†	0.000	90.000	2928.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940''N	103°45'12.439"W	0.00	
3028:00†	0.000	<u></u>	3028.00	and the second se	, 0.00	0.00	720797.64	419388.90	32°09'05.940"N	' <u>103°45'12.439"</u> W	harry and the set for a set of the set of th	
3128.00+	0.000	90.000	3128.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
3228.00†	0.000	90.000	3228.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439".W	0.00	<u> </u>
3328.00†	0.000		3328.00	0.00		0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
3428.00†	0.000		3428.00	0.00	0.00		720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
3528:00:	and the second		.3528.00		0.00		720797:64			and a state of a second state of the second st	and the second s	
3628.00†	0.000	Second and a second second second	3628.00	0.00		0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	· · · · · · · · · · · · · · · · · · ·
3728.00†	0.000		3728.00	0.00		0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
3828.00†	0.000		3828.00	0.00	0.00	0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	
3928.00†	0.000		3928.00	0.00		0.00	720797.64	419388.90	32°09'05.940"N	103°45'12.439"W	0.00	a las a secondarias de la companya d
<u>,4028.00†</u>	0.000	<u>490.000</u>	+4028.00		40.00	0.00	<u>* 720797.64</u>	419388.90	<u>.* 32°09;05.940"N</u>	~ <u>\$10384512.439</u> "W	<u>\$ ; `0.00</u>	

### Planned Wellpath Report Rev-A.0 Page 3 of 6





RIBAR	ENCEW	DELER/	VINHID	BUNKIN	CAT	ION		the lot of the	at form the set	An an Anthe A		
Operator	Devon Er	nergy					S	lot	No.226H SHL			
Area	Eddy Co	unty, NN	1	. //inaniii			W	/ell	No.226H			
Field	(Cotton)			1E				/ellbore	No.226H PWB		·····	
	Cotton D									·····		
1 activey			(225,22	. <del></del>								
WELLP	ATH DA	TA (16	8 statio	ns) †=	nterpo	olated/ex	trapolated	station			at y die de lanca	
MD	Inclination			Vert Sect		East	Grid East	Grid North	Latitude	Longitude	DLS	Comments
[1]	· [°]	[°]	[ <u>ft]</u>	[ft]	[fi]	<u>[ft]</u>	[US ft]	[US ft]	22202105 0 101121	102045110 4201114	[°/100ft]	
4128.00†	0.000		4128.00 4228.00	0.00	0.00	0.00	720797.64 720797.64	419388.90 419388.90		103°45'12.439"W	0.00	
4228.00† 4328.00†	0.000		4228.00	0.00	0.00	0.00	720797.64	419388.90		103°45'12.439"W 103°45'12.439"W	0.00	
4328.001	0.000		4328.00	0.00	0.00	0.00	720797.64	419388.90		103°45'12.439 W		Bell Canyon
4428.001	0:000		4428.00	Lange in the second	0.00	0.00	720797:64			103°45'12.439"W	the second s	Ben Canyon
4500.00	0.000	and the second se	4500.00	0.00	0.00	0.00	720797.64	419388.90		103°45'12.439"W		Nudge
4528.00†	0.280		4528.00	0.00	0.00	0.07	720797.71	419388.90		103°45'12.438"W	1.00	i tudge
4628.00†	1.280	the second se	4627.99	0.25	0.00	1.43	720799.07	419388.90		103°45'12.422"W	1.00	
4728.00†	2.280		4727.94	0.79	0.00	4.54	720802.18	419388.90		103°45'12.386"W	1.00	
4828.00		the second se	4827.82	[1,64]	0:00	9.39	720807:03	and the second s		103°4'5'12:330"W	1.00	
4900.00	4.000	90.000	4899.68	2.43	0.00	13.96	720811.60	419388.90	and the second se	103°45'12.276"W	1.00	EOB
4928.00†	4.000		4927.61	2.77	0.00	15.91	720813.55	419388.90	and the second s	103°45'12.254"W	0.00	· · · ·
5028.00†	4.000		5027.36	3.99	0.00	22.89	720820.52	419388.90		103°45'12.173"W	0.00	
5128.00	4.000	90.000	5127.12	5.20	0.00	29.86	720827.50	419388.90	32°09'05.938"N	103°45'12.091"W	0.00	
5228.00†	4:000	. 90.000	5226.88	6.42	0.00	36.84	720834.48	419388.90	32°09'05:938"N;	103°45'12:010. W	0.00	
5297.29†	4.000	90.000	5296.00	7.26	0.00	41.67	720839.31	419388.90	32°09'05.938"N	103°45'11.954"W	0.00	Cherry Canyon
5328.00†	4.000	90.000	5326.63	7.64	0.00	43.81	720841.45	419388.90	32°09'05.938"N	.103°45'11.929"W	0.00	
5428.00†	4.000	90.000	5426.39	8.85	0.00	50.79	720848.43	419388.90	32°09'05.937"N	103°45'11.848"W	0.00	
5528.00†	4.000		5526.15	10.07	0.00	57.76	720855.40	419388.90		103°45'11.767"W	0.00	
5628.00+	4.000		5625.90	and the second second second	0:00	64.74	720862:38	and the set of the set		-103º45 14:686 W	and the second second second	Street Bring Street
5728.00†	4.000		5725.66	12.50	0.00	71.72	720869.35	419388.90		103°45'11.605"W	0.00	
5828.00†	4.000		5825.41	13.72	0.00	78.69	720876.33	419388.90		103°45'11.524"W	0.00	
5928.00†	4.000		5925.17	14.93	0.00	85.67	720883.30	419388.90		103°45'11.442"W	0.00	
6028.00†	4.000		6024.93	16.15	0.00	92.64	720890.28	419388.90		103°45'11.361"W	0.00	
6128.00	4.000	and a second	6124.68	and the second second second	0:00	99.62	720897.25	419388.90		103°45'11:280"W	0.00	
6228.00†	4.000		6224.44	18.58	0.00	106.59	720904.23	419388.90		103°45'11.199"W	0.00	
6328.00†	4.000	and the second s	6324.20	19.79 21.01	0.00	113.57 120.54	720911.20 720918.18	419388.90		103°45'11.118"W 103°45'11.037"W	0.00	+
6428.00† 6528.00†	4.000		6423.95 6523.71	22.23	0.00	120.34	720918.18	419388.90 419388.90		103°45'10.956"W	0.00	a second s
6625.53	4.000		6621.00	-23.41	0.00 <sup>1</sup>	the second s	720925.15			103°45'10.936 W		Brushy Cânyon
6628.00†	4.000	the second se	6623.47	23.44	0.00	134.50	720932.13	419388.90		103°45'10.874"W	0.00	the second s
6728.001	4.000		6723.22			134.30		419388.90		103°45'10.793"W	0.00	
6828.001	4.000		6822.98	25.87		148.45	720946.08	419388.90		103°45'10.712"W	0.00	dana and an and a second s
6928.00†	4.000		6922.74	27.09	0.00	155.42	720953.05	419388.90		103°45'10.631"W	0.00	
7028.00+	4.000		7022.49	28.31		162.40		·····	and the second sec	and the second sec	0:00	
7128.00†	4.000		7122.25	29.52	0.00	169.37	720967.00	Contraction of the second seco	The second s	103°45'10.469"W	0.00	
7228.00†	4.000		7222.00	30.74		176.35	720973.98			103°45'10.388"W		
7328.00†	4.000		7321.76	31.95		183.33	720980.96			103°45'10.306"W	0.00	a and a second
7428.00†	4.000		7421.52	33.17		190.30	720987.93			103°45'10.225"W	0.00	
7528.00	4.000	90.000	7521.27			197.28				103°45'10.144"W		
7628.00†	4.000		7621.03	35.60		204.25	721001.88	the second se		103°45'10.063"W	0.00	a second a statement of the second seco
7728.00†	4.000	90.000	7720.79	36.82		211.23	721008.86	419388.90	and the second	103°45'09.982"W	0.00	
7828.00†	4.000	90.000	7820.54	38.03	The local division of	218.20	721015.83			103°45'09.901"W	0.00	
7928.00†	4.000	90.000	7920.30	39.25		225.18	721022.81	419388.90	32°09'05.928"N	103°45'09.820"W	0.00	
8028.00t	4.000	90.000	8020.06	40.46	0.00	232.16	721029.78	419388.90	32°09'05'928"N	103°45'09 739"W	0:00	

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<u> राधहास</u>	IENO BAMERIERAMMIDIENSHIPICAMIO		
Operator	Devon Energy	Slot	No.226H SHL
Area	Eddy County, NM	Well	No.226H
Field	(Cotton) Sec 10, T25S, R31E	Wellbore	No.226H PWB
Facility	Cotton Draw Unit (225,226)		

WELLF	PATH DA					lated/ex						
MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
8128.00†	4.000	90.000		41.68			721036.76		32°09'05.927"N	103°45'09.657"W	0.00	
8211.39†	4.000	90.000	8203.00	42.69	0.00	244.95	721042.57	419388.90	32°09'05.927"N	103°45'09.590"W	0.00	1st Bone Spring Lime
8228.00†	4.000	90.000	8219.57	42.90	0.00	246.11	721043.73	419388.90	32°09'05.927"N	103°45'09.576"W	0.00	
8328.00	4.000	90.000		44.11	0.00	253.08	721050.71	419388.90	32°09'05.926"N	103°45'09.495"W	0.00	
8428:00		90:000	8419.08	45.33	0.00	260.06	721057:68	419388.90	32°09'05.926"N	103°45'09:414"W	0.00	
8528.00†	4.000	90.000		46.54						103°45'09.333"W	0.00	
8628.001	4.000	90.000		47.76						103°45'09.252"W	0.00	
8728.00†	4.000		8718.35	48.97						103°45'09.171"W	0.00	· · · · ·
8828.00†	4.000	90.000		50.19						103°45'09.089"W	0.00	
8928:00	4.000	Party Area, Marriel	8917.86	51.41	and the second s	promotion and and and		Participant and an analysis of the		103°45'09.008"W	0.00	
9028.00†	4.000		9017.62	52.62			and some diversity of the local diversity of the		Construction of the local division of the lo	103°45'08.9'27"W	0.00	
9128.00†	4.000		9117.38	53.84				· ····································		103°45'08.846"W	0.00	
9228.00†	4.000		9217.13	55.05						103°45'08.765"W	-0.00	
9328.00†	4.000	90.000		56.27						103°45'08.684"W	0.00	
9345.15†	4.000	90.000		.56:48	THE PARTY OF THE P				and the second s	103°45'08.670",W	and a sub-	1st Bone Spring Sand
9428.001	4.000		9416.65	57.49						103°45'08.603"W	0.00	
9528.00†	4.000	90.000		58.70		· · · · · · · · · · · · · · · · · · ·		······		103°45'08.522"W	0.00	·
9628.001	4.000	90.000		59.92					the second se	103°45'08.440"W	0.00	
9723.07	4.000	90.000	and the second se	61.07						103°45'08.363"W		2nd Bone Spring Lime
9728.001	4.000		9715.91	61.13						103°45'08.359"W	0.00	
9802.50	4.000	90.000	and the second se	62.04						103°45'08.299"W		Est KOP
9828.00		112.774		62.88 71.58						103°45'08.275"W 103°45'08.167"W	10.00	2nd Bone Spring Sand
9903.34† 9928.00†		134.234 136.892		76.42						103°45'08.119"W	10.00	izind Bone Spring Sand
10028.00			10007.90							103°45'07.869''W	10.00	Let be a top and a
10128.001	the second second		10094.62	150.39						103°45'07.532"W	10.00	
10128.001			10171.49	208.58						103°45'07.119"W	10.00	
10228.00	termine a second		10236.17	278.67						103°45'06.642"W	10.00	
10320.001			10265.27	320.67						103°45'06.363"W		60° Curve
10428.00 1			10287.24	358.74						103°45'06.129"W	10.00	
10528.00†			10326.97	447.61						103°45'05.699"W	10.00	in the second
10628.00†			10354.89	542.85						103°45'05.383"W	10.00	
10728.00†			10370.17	641.54						103°45'05.192"W	10.00	
10783.82	89.204	177.073	10373.00	697.03	-596.26	630.55	721428.15	418792.67	32°09'00.006"N	103°45'05.142"W	10.00	EOC
10783.85	89.204	177.073	10373.00	697.06						103°45'05.142"W.	2.00	
10828.00†	89.204	177.073	10373.61	740.87						103°45'05.119"W	0.00	· · · · · · · · · · · · · · · · · · ·
10928.00†	89.204	177.073	10375.00	840.09	-740.24	637.91	721435.51	418648.70	32°08'58.581"N	103°45'05.066"W	0.00	
11028.00†	89.204	177.073	10376.39	939.31	-840.10	643.02	721440.62	418548.85	32°08'57.593"N	103°45'05.013"W	0.00	
11128.00†										103°45'04.959"W	0.00	
11228.00†	89.204	177.073	10379.17	1137.76	-1039.82	653.23	721450:83	418349.14	32°08'55.616"N	103°45'04.906"W	0.00	
11328.00†										103°45'04.853"W	0.00	
11428.00†										103°45'04.800"W	0.00	
11528.00†			and the second s		and the second se		with the second s			103°45'04.747"W	0.00	
11628.00†										103°45'04.694"W	0.00	
11728.00	89.204	177.073	10386.11	1633.86	-1539.12	678.76	721476.36	417849.87	32°08'50.674"N	103°45'04.641"W	0.00	

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RECEDER	IBNGEAWERIJPAYINI IIDIBNINI PICAYINON	主要の基本の	A STATE OF A
Operator	Devon Energy	Slot	No.226H SHL
Area	Eddy County, NM	Well	No.226H
Field	(Cotton) Sec 10, T25S, R31E	Wellbore	No.226H PWB
Facility	Cotton Draw Unit (225,226)		

WELLP	ATH DA	TA (16	8 station	s) †=i	nterpolate	ed/extra	polated stat	lion			erendê erende erende Erende erende e	
MD	Inclination			Vert Sect		East	Grid East	Grid North	Latitude	Longitude	DLS	Comments
[ft]	[°]	[°]	[ft]	[ft]	[ft]	[ft]	[US ft]	[US ft]	· · · · · · · · · · · · · · · · · · ·		[°/100ft]	
11828.00†			10387.50		and the second se	4	and the second sec	the second se	32°08'49.686"N	103°45'04.588"W	0.00	
11928.00†			10388.89						32°08'48.697"N	103°45'04.534"W	0.00	
12028.00†					and the second sec		And the second sec	and the second sec	32°08'47.709"N	103°45'04.481"W	0.00	
12128.00†									32°08'46.720"N	103°45'04.428"W	0.00	
12228.00†										103°45'04.375"W	0.00	
12328.00†	89.204	177.073	10394.44	2229.19	-2138.27				32°08'44.744"N	103°45'04.322"W	0.00	
12428.00†	89.204	177.073	10395.83	2328.41	-2238.13	714.51	721512.11	417150.89	32°08'43.755"N	103°45'04.269"W	0.00	
12528.00†	89.204	177.073	10397.22	2427.63	-2337.99	719.61	721517.21	417051.04	32°08'42.767"N	103°45'04.216"W	0.00	
12628.00†									32°08'41.778"N	103°45'04.163"W	0.00	
12728.00	89:204	177.073	10400.00	2626.08	-2537.71	729.82	721527.42	416851.33	32°08'40.790" N	103°45'04 110" W	0.00	
12828.00†	89.204	177.073	10401.39	2725.30	-2637.57	734.93	721532.53	416751.47	32°08'39.802"N	103°45'04.056"W	0.00	
12928.00†	89.204	177.073	10402.77	2824.52	-2737.43	740.04	721537.64	416651.62	32°08'38.813"N	103°45'04.003"W	0.00	
13028.00†	89.204	177.073	10404.16	2923.74	-2837.29	745.14	721542.74	416551.76	32°08'37.825"N	103°45'03.950"W	0.00	
13128.00†							721547.85		32°08'36.836"N	103°45'03.897"W	0.00	·
13228.00#	89.204	177.073	10406.94	3122.18	-3037.01	755.36	721552.95	416352.06	32°08'35.848"N	103°45'03.844"W	0.00	and the state of the
13328.00†	89.204	177.073	10408.33	3221.40	-3136.87	760.46	721558.06	416252.20	32°08'34.860"N	103°45'03.791"W	0.00	
13428.00†	89.204	177.073	10409.72	3320.63	-3236.73	765.57	721563.17	416152.35	32°08'33.871"N	103°45'03.738"W	0.00	
13528.00†	89.204	177.073	10411.11	3419.85	-3336.59	770.68	721568.27	416052.49	32°08'32.883"N	103°45'03.685"W	0.00	
13628.00†	89.204	177.073	10412.49	3519.07	-3436.45	775.78	721573.38		32°08'31.894"N	103°45'03.632"W	0.00	
13728.00	89.204	177.073	10413.88	3618.29	-3536.31	780:89	721578.49	415852.78	:32°08'30.906"N	103°45'03.579"W	0:00	
13828.00†	89.204	177.073	10415.27	3717.51	-3636.17	786.00	721583.59	415752.93	32°08'29.918"N	103°45'03.525"W	0.00	
13928.00†	89.204	177.073	10416.66	3816.73	-3736.03	791.10	721588.70	415653.08	32°08'28.929"N	103°45'03.472"W	0.00	
14028.00†	89.204	177.073	10418.05	3915.95	-3835.89	796.21	721593.80		32°08'27.941"N	103°45'03.419"W	0.00	
14128.00†	89.204	177.073	10419.44	4015.18	-3935.75	801.31	721598.91	415453.37.	32°08'26.952"N	103°45'03.366"W	0.00	
14228.00+	89.204	177.073	10420.83	4114.40	-4035.61	806.42	721604.02		32°08'25.964"N	103°45'03.313"W	0.00	1
14328.00†	89.204		the second s		-4135.47				32°08'24.976"N	103°45'03.260"W	0.00	
14428.00†	89.204	177.073	10423.60	4312.84	-4235.33	816.63	721614.23	415153.80	32°08'23.987"N	103°45'03.207"W	0.00	,
14528.00†	89.204	177.073	10424.99	4412.06	-4335.19	821.74	721619.33	415053.95	32°08'22.999"N	103°45'03.154"W	0.00	
14628.00†	89.204	177.073	10426.38		-4435.05	and the second se	721624.44		32°08'22.010"N	·103°45'03.101"W	0.00	
14728.00	89.204	177.073	10427.77	4610.50	-4534.91				32°08'21.022"N	103°45'03.047"W	0.00	
14828.00†			10429.16		-4634.77		721634.65		32°08'20.034"N	103°45'02.994"W	0.00	
14928.00†			10430.55		-4734.63				32°08'19.045"N	103°45'02.941"W	0.00	
14960.72			10431.001		-4767.31	**************************************			32°08'18.722"N		0.00	No.226H PBHL
											0.00	

### Planned Wellpath Report Rev-A.0 Page 6 of 6

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रित्रिलेखाः	I BACE BAND BLAUPATHINIDI BANHIRI CATE	ON	
Operator	Devon Energy	Slot	No.226H SHL
Area	Eddy County, NM	Well	No.226H
Field	(Cotton) Sec 10, T25S, R31E	Wellbore	No.226H PWB
Facility	Cotton Draw Unit (225,226)	•	

TARGETS	an unit a ku								
Name	· MD [ft]	TVD [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	Shape
1) CDU No.226H PBHL	14960.72	10431.00	-4767.31	843.84	721641.43	414621.86	32°08'48.722 <sup>1</sup> 'N	45'02.924''W	point

ĺ	SURVEY PRO	DGRAM - Ref	Wellbore: No.226H PWB Ref Wellpath: Rev-A	1.0	
	Start MD	End MD	Positional Uncertainty Model	Log Name/Comment	Wellbore
- 1	[ft]	[ft]			
. [	28.00	14960.72	NaviTrak (Standard)		No.226H PWB

#### PLANNED WELLPATH REPORT (CSV version)

Prepared by Baker Hughes Software System: WellArchitect<sup>®</sup> 4.0.1

OperatorDevon EnergyAreaEddy County, NMField(Cotton) Sec 10, T25S, R31EFacilityCotton Draw Unit (225,226)SlotNo.226H SHLWellNo.226H PWBWellpathRev-A.0Sidetrack(none)

### **REPORT SETUP INFORMATION**

Projection NAD83 / TM New Mexico SP, Eastern Zone (3001), US feet North Refe Grid Scale 0.999946 Convergen 0.31° East Software S WellArchitect® 4.0.1 User Gentbry Report Ger 3/3/2014 at 9:18:01 AM DataBase/S MidlandDB/ev45.xml

WELLPATH	Local N	orth Loca	l East	Easting	Northing	Latitude	Longitude
	[ft]	[ft]		[US ft]	[US ft]		
Slot Location	: -0	).34	50.01	720797.6	419388.9	32°09'05.9	103°45'12.439"W
Facility Ref	:			720747.6	419389.2	32°09'05.9	103°45'13.020"W
Field Refer			•	718969.8	419274	32°09'04.9	103°45'33.707"W

#### WELLPATH DATUM

Calculation Minimum curvature Horizontal Slot Vertical Re Rig on No.226H SHL (KB) MD Refere Rig on No.226H SHL (KB) Field Vertic Mean Sea Level Rig on No.23444.90ft Rig on No.23444.90ft Rig on No.23444.90ft Section Ori N 0.00, E 0.00 ft Section Azi 169.96°

### WELLPATH DATA + = interpolated/extrapolated station

, ,	MD	Inclination	Azimuth	•	Vert Sect No	rth East	Grid East Grid North Latitude Longitude DLS Comments	;
	[ft]	[°]	[°]	[ft]	[ft] [ft]	[ft]	[US ft] [US ft] [°/100ft]	
+	0	0	90	0	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
	28	0	90	28	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0 Tie On	
†	128	0	90	128	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	2.28	· 0	90	228	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	328	0	90	328	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	428	0	90	428	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	528	0	90	528	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	599	0	90	599	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0 Rustler	
+	628	· 0	90	628	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	728	0	90	728	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	828	0	90	828	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	928	0	90	. 928	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	994	0	90	994	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0 Top Salt	
† <sup>.</sup>	1028	0	90	1028	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	1128	0	90	1128	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	1228	0	90	1228	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	1328	0	90	1328	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	1428	0	90	1428	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	1528	. 0	90	1528	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	1628	. 0	90	1628	· 0	. 0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	1728	· 0	90	1728	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	1828	0	90	1828	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	1928	0	90	1928	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	2028	0	.90	2028	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	2128	0	90	2128	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
+	2228	0	90	2228	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	2328	0	90	2328	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	2428	0	90	2428	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	
†	2528	0	90	2528	0	0	0 720797.6 419388.9 32°09'05.9 103°45'12. 0	

					•				
2628	0	·90	2628	0	0	0	720797 6	419388.9 32°09'05.9 103°45'12.	0
2728	0	90	2728	0	0	0		419388.9 32°09'05.9 103°45'12.	0
2800	0	90	2800	0	õ	-		419388.9 32°09'05.9 103°45'12.	0 Castile
2828	0	90	2828	0	0	0		419388.9 32°09'05.9 103°45'12.	0
2928	0	90	2928	0	0	0		419388.9 32°09'05.9 103°45'12.	0
3028	0	90	3028	0	0	0		419388.9 32°09'05.9 103°45'12.	0
3128	0	90	3128	0	0	0		419388.9 32°09'05.9 103°45'12.	0
3228	0	90	3228	0	0	0		419388.9 32°09'05.9 103°45'12.	0
3328	0	90	3328	0	0	-		419388.9 32°09'05.9 103°45'12.	0
3428	0	90	3428	0	0	0		419388.9 32°09'05.9 103°45'12.	0
3528	0	90	3528	0	0	0		419388.9 32°09'05.9 103°45'12.	0
3628	0	90	3628	0	0	0		419388.9 32°09'05.9 103°45'12.	0
3728	0	90	3728	0	0	0		419388.9 32°09'05.9 103°45'12.	0
3828	.0	90	3828	· 0	0	0		419388.9 32°09'05.9 103°45'12.	0
3928	0	90	3928	0	0	0		419388.9 32°09'05.9 103°45'12.	0
4028	0	90	4028	0	0	0		419388.9 32°09'05.9 103°45'12.	0
4128	0	90	4128	0	0	0		419388.9 32°09'05.9 103°45'12.	0
4228	0	90	4228	0	0			419388.9 32°09'05.9 103°45'12.	0
4328	0	90	4328	0	0	0	720797.6	419388.9 32°09'05.9 103°45'12.	0
4407	0	90	. 4407	0	0	0		419388.9 32°09'05.9 103°45'12.	0 Bell Canyon
4428	0	90	4428	0	0	0		419388.9 32°09'05.9 103°45'12.	0
4500	0	90	4500	0	0	0	720797.6	419388.9 32°09'05.9 103°45'12.	0 Nudge
4528	0.28	90	4528	0.01	0	0.07	720797.7	419388.9 32°09'05.9 103°45'12.	1
4628	1.28	90	4627.99	0.25	0	1.43	720799.1	419388.9 32°09'05.9 103°45'12.	1
4728	2.28	90	4727.94	0.79	0	4.54	720802.2	419388.9 32°09'05.9 103°45'12.	1
4828	´ 3.28	90	4827.82	1.64	0	9.39	720807	419388.9 32°09'05.9 103°45'12.	1
4900	4	90	4899.68	2.43	0	13.96	720811.6	419388.9 32°09'05.9 103°45'12.	1 EOB
4928	4	90	4927.61	2.77	0	15.91	720813.6	419388.9 32°09'05.9 103°45'12.	0
5028	4	90	5027.36	3.99	0	22.89	720820.5	419388.9 32°09'05.9 103°45'12.	0
5128	4	90	5127.12	5.2	0	29.86	720827.5	419388.9 32°09'05.9 103°45'12.	0
5228	4	90	5226.88	6.42	0	36.84	720834.5	419388.9 32°09'05.9 103°45'12.	0
5297.29	4	90	5296	7.26	0	41.67	720839.3	419388.9 32°09'05.9 103°45'11.	0 Cherry Canyon
5328	4	90	5326.63	7.64	0	43.81	720841.5	419388.9 32°09'05.9 103°45'11.:	0
5428	4	90	5426.39	8.85	0	50.79	720848.4	419388.9 32°09'05.9 103°45'11.	0
5528	4	90	5526.15	10.07	0	57.76	720855.4	419388.9 32°09'05.9 103°45'11.	0
5628	4	90	5625.9	11.28	0	64.74	720862.4	419388.9 32°09'05.9 103°45'11.	0
5728	4	90	5725.66	12.5	0 '	71.72	720869.4	419388.9 32°09'05.9 103°45'11.	0
5828	4	90	5825.41	13.72	· 0	78.69	720876.3	419388.9 32°09'05.9 103°45'11.	0

†

+	5928	4	90	5925.17	14.93	0	85.67	720883.3	419388.9 32°09'05.9 103°45'11.	0	
†	6028	4	90	6024.93	16.15	0	92.64	720890.3	419388.9 32°09'05.9 103°45'11.	0	
†	6128	4	90	6124.68	17.36	0	99.62	720897.3	419388.9 32°09'05.9 103°45'11.	0	
†	6228	4	90	6224.44	18.58	0	106.59	720904.2	419388.9 32°09'05.9 103°45'11.	0	
†	6328	4	90	6324.2	19.79	0	113.57	720911.2	419388.9 32°09'05.9 103°45'11.	. 0	
+	6428	4	90	6423.95	21.01	0	120.54	720918.2	419388.9 32°09'05.9 103°45'11.	0	
+	6528	4	90	6523.71	22.23 ~	0	127.52	720925.2	419388.9 32°09'05.9 103°45'10.	0	,
+	6625.53	4	90	6621	23.41	0	134.32	720932	419388.9 32°09'05.9 103°45'10.	. 0	Brushy Canyon
†	6628	4	90	6623.47	23.44	0 ·	134.5	720932.1	419388.9 32°09'05.9 103°45'10.	0	
†	6728	4	90	6723.22	24.66	0	141.47	720939.1	419388.9 32°09'05.9 103°45'10.	0	
†	6828	· 4	90	6822.98	25.87	0	148.45	720946.1	419388.9 32°09'05.9 103°45'10.	0	
†	6928	4	90	6922.74	27.09	0	155.42	720953.1	419388.9 32°09'05.9 103°45'10.	0	
+	7028	4	90	7022.49	28.31	0	162.4	720960	419388.9 32°09'05.9 103°45'10.	0	
†	7128	4	90	7122.25	29.52	0	169.37	720967	419388.9 32°09'05.9 103°45'10.	0	
†	7228 .	4	90	7222	30.74	0	176.35	720974	419388.9 32°09'05.9 103°45'10.	0	
+	7328	4	90	7321.76	31.95	0	183.33	720981	419388.9 32°09'05.9 103°45'10.	0	
+	7428	4	90	7421.52	33.17	0	. 190.3	720987.9	419388.9 32°09'05.9 103°45'10.	0	
+	7528	4	90	7521.27	34.38	0	197.28	720994.9	419388.9 32°09'05.9 103°45'10.	0	
+	7628	4	90	7621.03	35.6	0	204.25	721001.9	419388.9 32°09'05.9 103°45'10.4	0	
+	7728	4	90	7720.79	36.82	0	211.23	721008.9	419388.9 32°09'05.9 103°45'09.:	0	
†	7828	4	90	7820.54	38.03	0	218.2	721015.8	419388.9 32°09'05.9 103°45'09.	0	
+	· 7928	4	- 90	7920.3	39.25	0	225.18	721022.8	419388.9 32°09'05.9 103°45'09.	0	
+	8028	4	· 90	8020.06	40.46	0	232.16	721029.8	419388.9 32°09'05.9 103°45'09.	0	
†	8128	4	90	8119.81	41.68	0	239.13	721036.8	419388.9 32°09'05.9 103°45'09.	0	
+	8211.39	4.	<i>,</i> 90	8203	42.69	0	244.95	721042.6	419388.9 32°09'05.9 103°45'09.	0	1st Bone Spring Lime
+	8228	4	90	8219.57	42.9	0	246.11	721043.7	419388.9 32°09'05.9 103°45'09.	0	
+	8328	4	90	8319.32	44.11	0	253.08	721050.7	419388.9 32°09'05.9 103°45'09.	0	
+	8428	4	90	8419.08	45.33	0	260.06	721057.7	419388.9 32°09'05.9 103°45'09.	0	
+	8528	4	90	8518.84	46.54	0	267.03	721064.7	419388.9 32°09'05.9 103°45'09.	0	
+	8628	• 4	90	8618.59	47.76	0	274.01	721071.6	419388.9 32°09'05.9 103°45'09.	0	
†	8728	4	90	8718.35	48.97	0	280.98	721078.6	419388.9 32°09'05.9 103°45'09.	• 0	
t	8828	4	90	8818.11	50.19	0	287.96	721085.6	419388.9 32°09'05.9 103°45'09.	0	
† <sup>.</sup>	8928	. 4	90	8917.86	51.41	0	294.94	721092.6	419388.9 32°09'05.9 103°45'09.	· 0	
†	9028	4	90	9017.62	52.62	0	301.91	721099.5	419388.9 32°09'05.9 103°45'08.	0	
+	9128	4	90	9117.38	53.84	· 0	308.89	721106.5	419388.9 32°09'05.9 103°45'08.	0	
†	9228	4	90	9217.13	55.05	0	315.86	721113.5	419388.9 32°09'05.9 103°45'08.	0	
+	9328	4	90	9316.89	56.27	0	322.84	721120.5	419388.9 32°09'05.9 103°45'08.	0	
+	9345.15	4	90	9334	56.48	0	324.04	721121.7	419388.9 32°09'05.9 103°45'08.	0.	1st Bone Spring Sand

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9428	4	90	9416.65	57.49	0	220 01	701107 /	419388.9 32°09'05.9 103°45'08.	0	
9528	4	90	9516.4	58.7	0			419388.9 32°09'05.9 103°45'08.	0	
9628	4	90	9616.16	59.92	0			419388.9 32°09'05.9 103°45'08.	0	
9723.07	4	90	9711	61.07	0	350.4		419388.9 32°09'05.9 103°45'08.	0 2nd Bone Spring Lime	•
9728	4	90	. 9715.91	61.13	0			419388.9 32°09'05.9 103°45'08.	0	
9802.5	4	90	9790.23	62.04	0			419388.9 32°09'05.9 103°45'08.	0 Est KOP	
9828	5.716	112.774	9815.64	62.88	-0.49			419388.4 32°09'05.9 103°45'08.	10	
9903.34	12.563	134.234	9890	71.58	-7.67	367.34	721165	419381.2 32°09'05.8 103°45'08.	10 2nd Bone Spring Sand	
9928	14.947	136.892	9913.95	76.42	-11.86	371.44	721169.1	419377 32°09'05.8 103°45'08.	10	
10028	24.777	142,465	10007.9	105.89	-37.96	393.07	721190.7	419350.9 32°09'05.5 103°45'07.	10	
10128	34.7	144.986	10094.62	150.39	-77.99	422.24	721219.9	419310.9 32°09'05.1 103°45'07.	10	
10228	44.655	146.49	10171.49	208.58	-130.74 ,	458.07	721255.7	419258.2 32°09'04.6 103°45'07.	10	
10328	54.623	147.539	10236.17	278.67	-194.6	499.46	721297.1	419194.3 32°09'03.9 103°45'06.	10	
10381.91	×60	148	10265.27	320.67	-232.97	523.64	721321.3	419155.9 32°09'03.6 103°45'06.	10 60° Curve	
10428	63.092	151.891	10287.24	358.74	-268.04	543.91	721341.5	419120.9 32°09'03.2 103°45'06.	10	
10528	70.124		10326.97	447.61	-351.67	581.36		419037.3 32°09'02.4 103°45'05.	10	
10628	77.462		10354.89	542.85	-443.49	608.99		418945.4 32°09'01.5 103°45'05.	10	
10728	84.975		10370.17	<u>6</u> 41.54	-540.72			418848.2 32°09'00.5 103°45'05.	10	
10783.82	89.204	177.073	10373	697.03	-596.26		•	418792.7 32°09'00.0 103°45'05.	10 EOC	
10783.85	89.204	177.073	10373	697.06	-596.28			418792.7 32°09'00.0 103°45'05.	2 TL	
10828	89.204		10373.61	740.87	-640.38			418748.6 32°08'59.5 103°45'05.	0	
10928	89.204	177.073	10375	840.09	-740.24			418648.7 32°08'58.5 103°45'05.	.0	
11028	89.204		10376.39	939.31	-840.1			418548.9 32°08'57.5:103°45'05.	0	
11128	89.204		10377.78	1038.53	-939.96		721445.7	418449 32°08'56.6 103°45'04.	0	
11228	89.204		10379.17	1137.76	-1039.82			418349.1 32°08'55.6 103°45'04.	0	
11328	89.204		10380.56	1236.98	-1139.68			418249.3 32°08'54.6 103°45'04.	0	
11428	89.204			1336.2	-1239.54	663.44		418149.4 32°08'53.6 103°45'04. 418049.6 32°08'52.6 103°45'04.	0	
11528	89.204		10383.33		-1339.4 -1439.26			417949.7 32°08'51.6 103°45'04.	· 0 0	
11628 11728	89.204 89.204		10384.72 10386.11		-1439.20 -1539.12			417849.9 32°08'50.6 103°45'04.	0	
11728	89.204 89.204		10387.5					417750 32°08'49.6 103°45'04.	0	
11928	89.204		10388.89		-1738.84			417650.2 32°08'48.6 103°45'04.	0	
12028	89.204		10390.28	1931.53	-1838.7			417550.3 32°08'47.7 103°45'04.	0	
12128	89.204		10391.67	2030.75	-1938.56			417450.5 32°08'46.7 103°45'04.	0	
12228	89.204		10393.05	2129.97	-2038.42			417350.6 32°08'45.7 103°45'04.	0	
12328	89.204		10394.44	2229.19	-2138.27	709.4		417250.7 32°08'44.7 103°45'04.	0	
12428	89.204		10395.83	2328.41	-2238.13		721512.1	417150.9 32°08'43.7 103°45'04.	0	
12528	89.204		10397.22		-2337.99		721517.2		0	
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12628	89.204	177.073	10398.61	2526.85	-2437.85	724.72	721522.3	416951.2 32°08'41.7 103°45'04.	0.
12728	89.204	177.073	10400	2626.08	-2537.71	729.82	721527.4	416851.3 32°08'40.7 103°45'04.	0
12828	89.204	177.073	10401.39	2725.3	-2637.57	734.93	721532.5	416751.5 32°08'39.8 103°45'04.	0
12928	89.204	177.073	10402.77	2824.52	-2737.43	740.04	721537.6	416651.6 32°08'38.8 103°45'04.4	0
13028	89.204	177.073	10404.16	2923.74	-2837.29	745.14	721542.7	416551.8 32°08'37.8 103°45'03.	0.
13128	89.204	177.073	10405.55	3022.96	-2937.15	750.25	721547.9	416451.9 32°08'36.8 103°45'03.	0
13228	89.204	177.073	10406.94	3122.18	-3037.01	755.36	721553	416352.1 32°08'35.8 103°45'03.	0
13328	89.204	177.073	10408.33	3221.4	-3136.87	760.46	721558.1	416252.2 32°08'34.8 103°45'03.	0
13428	89.204	177.073	10409.72	3320.63	-3236.73	765.57	721563.2	416152.4 32°08'33.8 103°45'03.	0
13528	89.204	177,073	10411.11	3419.85	-3336.59	770.68	721568.3	416052.5 32°08'32.8 103°45'03.	0
13628	89.204	177.073	10412.49	3519.07	-3436.45	775.78	721573.4	415952.6 32°08'31.8 103°45'03.	0
13728	89.204	177.073	10413.88	3618.29	-3536.31	780.89	721578.5	415852.8 32°08'30.9 103°45'03.	· 0
13828	89.204	177.073	10415.27	3717.51	-3636.17	786	721583.6	415752.9 32°08'29.9 103°45'03.	0
13928	89.204	177.073	10416.66	3816.73	-3736.03	791.1	721588.7	415653.1 32°08'28.9 103°45'03.	. 0
14028	89.204	177.073	10418.05	3915.95	-3835.89	796.21.	721593.8	415553.2 32°08'27.9 103°45'03.	0
14128	89.204	177.073	10419.44	4015.18	-3935.75	801.31	721598.9	415453.4 32°08'26.9 103°45'03.	0
14228	89.204	177.073	10420.83	4114.4	-4035.61	806.42	721604	415353.5 32°08'25.9 103°45'03.	0
14328	89.204	177.073	10422.21	4213.62	-4135.47	811.53	721609.1	415253.7 32°08'24.9 103°45'03.	0
14428	89.204	177.073	10423.6	4312.84	-4235.33	816.63	721614.2	415153.8 32°08'23.9 103°45'03.	0
14528	89.204	177.073	10424.99	4412.06	-4335.19	821.74	721619.3	415054 32°08'22.9: 103°45'03.	0
14628	89.204	177.073	10426.38.	4511.28	-4435.05	826.85	721624.4	414954.1 32°08'22.0 103°45'03.	0
14728	89.204	177.073	10427.77	4610.5	-4534.91	831.95	721629.6	414854.2 32°08'21.0 103°45'03.	0
14828	89.204	177.073	10429.16	4709.73	-4634.77	837.06	721634.7	414754.4 32°08'20.0 103°45'02.:	0
14928	89.204	177.073	10430.55	4808.95	-4734.63	842.17	721639.8	414654.5 32°08'19.0 103°45'02.	0
14960.72	89.204	177.073	10431	4841.41	-4767.31	843.84	721641.4	414621.9 32°08'18.7 103°45'02.	0 No.226H P

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### TARGETS

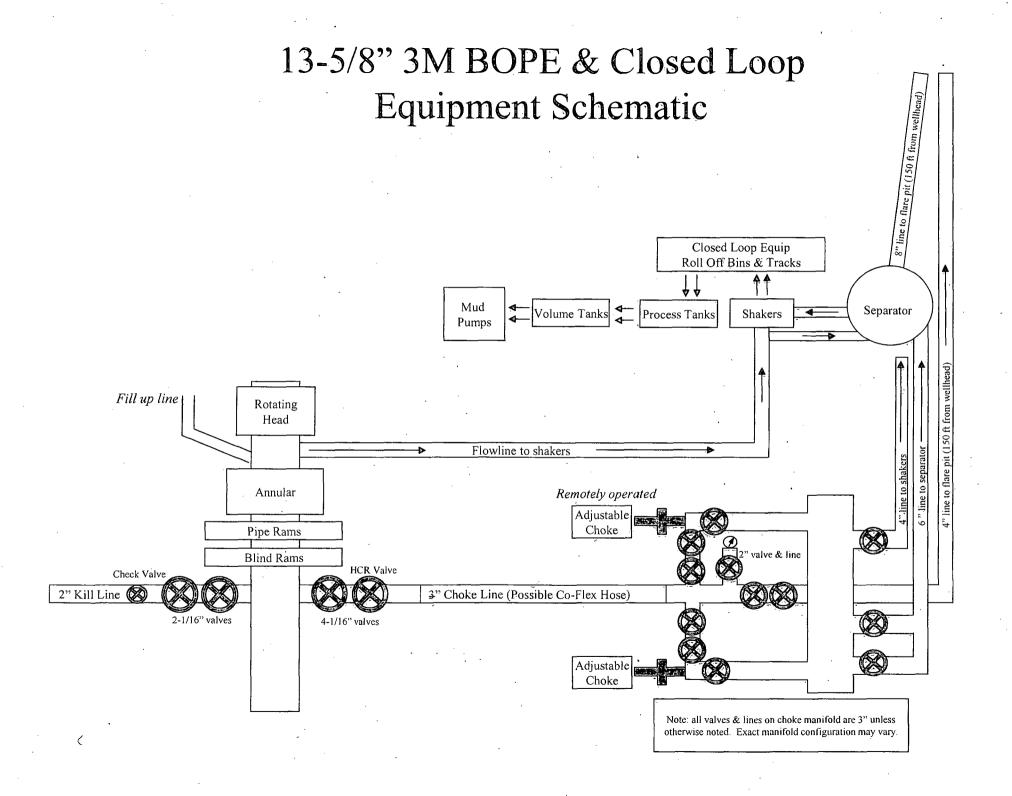
Name	MD	TVD	North	East	Grid East	Grid North Latitude	Longitude Shape	Comment
	[ft]	[ft]	[ft]	[ft]	[US ft]	[⊍S ft]		
(1) CDU N	o 14960.72	10431	-4767.31	843.84	721641.4	414621.9 32°08'18.	7 103°45'02.:.point	

### SURVEY PROGRAM Ref Wellbore: No.226H PWB Ref Wellpath: Rev-A.0

Start MD End MD Pos Unc Millog Name/ Wellbore

[ft] [ft]

28 14960.72 NaviTrak (Standard) No.226H PWB



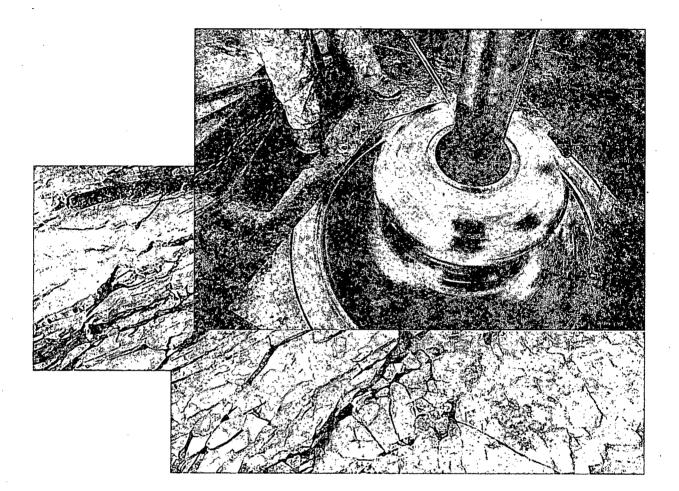
### NOTES REGARDING BLOWOUT PREVENTERS

### Devon Energy Production Company, L.P. Cotton Draw Unit 226H

- 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 filings will be in operable condition to withstand a minimum of 3000psi working pressure.
- 4. All fittings will be flanged.
- 5. A fill bore safety valve tested to a minimum of 3000psi 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.



Commitment Runs Deep



Design Plan Operation and Maintenance Plan Closure Plan

SENM - Closed Loop Systems June 2010

### I. Design Plan

Devon uses MI SWACO closed loop system (CLS). The MI SWACO CLS is designed to maintain drill solids at or below 5%. The equipment is arranged to progressively remove solids from the largest to the smallest size. Drilling fluids can thus be reused and savings is realized on mud and disposal costs. Dewatering may be required with the centrifuges to insure removal of ultra fine solids.

The drilling location is constructed to allow storm water to flow to a central sump normally the cellar. This insures no contamination leaves the drilling pad in the event of a spill. Storm water is reused in the mud system or stored in a reserve fluid tank farm until it can be reused. All lubricants, oils, or chemicals are removed immediately from the ground to prevent the contamination of storm water. An oil trap is normally installed on the sump if an oil spill occurs during a storm.

A tank farm is utilized to store drilling fluids including fresh water and brine fluids. The tank farm is constructed on a 20 ml plastic lined, bermed pad to prevent the contamination of the drilling site during a spill. Fluids from other sites may be stored in these tanks for processing by the solids control equipment and reused in the mud system. At the end of the well the fluids are transported from the tank farm to an adjoining well or to the next well for the rig.

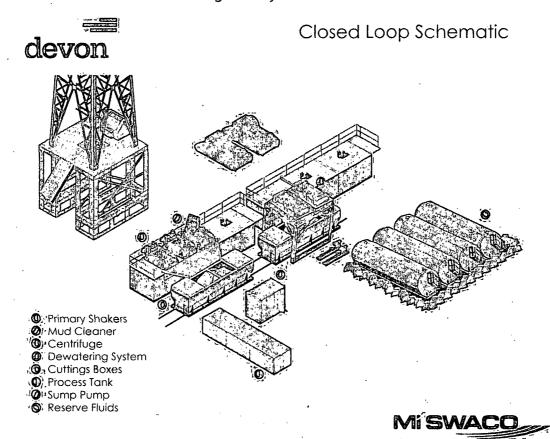
Prior to installing a closed-loop system on site, the topsoil, if present, will be stripped and stockpiled for use as the final cover or fill at the time of closure.

Signs will be posted on the fence surrounding the closed-loop system unless the closed-loop system is located on a site where there is an existing well, that is operated by Devon.

II. Operations and Maintenance Plan

*Primary Shakers*: The primary shakers make the first removal of drill solids from the drilling mud as it leaves the well bore. The shakers are sized to handle maximum drilling rate at optimal screen size. The shakers normally remove solids down to 74 microns.

*Mud Cleaner*: The Mud Cleaner cleans the fluid after it leaves the shakers. A set of hydrocyclones are sized to handle 1.25 to 1.5 times the maximum circulating rate. This ensures all the fluid is being processed to an average cut point of 25 microns. The wet discharged is dewatered on a shaker equipped with ultra fine mesh screens and generally cut at 40 microns.



*Centrifuges*: The centrifuges can be one or two in number depending on the well geometry or depth of well. The centrifuges are sized to maintain low gravity solids at 5% or below. They may or may not need a dewatering system to enhance the removal rates. The centrifuges can make a cut point of 8-10 microns depending on bowl speed, feed rate, solids loading and other factors.

The centrifuge system is designed to work on the active system and be flexible to process incoming fluids from other locations. This set-up is also dependant on well factors.

*Dewatering System*: The dewatering system is a chemical mixing and dosing system designed to enhance the solids removal of the centrifuge. Not commonly used in shallow wells. It may contain pH adjustment, coagulant mixing and dosing, and polymer mixing and dosing. Chemical flocculation binds ultra fine solids into a mass that is within the centrifuge operating design. The

dewatering system improves the centrifuge cut point to infinity or allows for the return of clear water or brine fluid. This ability allows for the ultimate control of low gravity solids.

*Cuttings Boxes:* Cuttings boxes are utilized to capture drill solids that are discarded from the solids control equipment. These boxes are set upon a rail system that allows for the removal and replacement of a full box of cuttings with an empty one. They are equipped with a cover that insures no product is spilled into the environment during the transportation phase.

*Process Tank:* (Optional) The process tank allows for the holding and process of fluids that are being transferred into the mud system. Additionally, during times of lost circulation the process tank may hold active fluids that are removed for additional treatment. It can further be used as a mixing tank during well control conditions.

Sump and Sump Pump: The sump is used to collect storm water and the pump is used to transfer this fluid to the active system or to the tank for to hold in reserve. It can also be used to collect fluids that may escape during spills. The location contains drainage ditches that allow the location fluids to drain to the sump.

*Reserve Fluids (Tank Farm):* A series of frac tanks are used to replace the reserve pit. These are steel tanks that are equipped with a manifold system and a transfer pump. These tanks can contain any number of fluids used during the drilling process. These can include fresh water, cut brine, and saturated salt fluid. The fluid can be from the active well or reclaimed fluid from other locations. A 20 ml liner and berm system is employed to ensure the fluids do not migrate to the environment during a spill.

If a leak develops, the appropriate division district office will be notified within 48 hours of the discovery and the leak will be addressed. Spill prevention is accomplished by maintaining pump packing, hoses, and pipe fittings to insure no leaks are occurring. During an upset condition the source of the spill is isolated and repaired as soon as it is discovered. Free liquid is removed by a diaphragm pump and returned to the mud system. Loose topsoil may be used to stabilize the spill and the contaminated soil is excavated and placed in the cuttings boxes. After the well is finished and the rig has moved, the entire location is scrapped and testing will be performed to determine if a release has occurred.

All trash is kept in a wire mesh enclosure and removed to an approved landfill when full. All spent motor oils are kept in separate containers and they are removed and sent to an approved recycling center. Any spilled lubricants, pipe

dope, or regulated chemicals are removed from soil and sent to landfills approved for these products.

These operations are monitored by Mi Swaco service technicians. Daily logs are maintained to ensure optimal equipment operation and maintenance. Screen and chemical use is logged to maintain inventory control. Fluid properties are monitored and recorded and drilling mud volumes are accounted for in the mud storage farm. This data is kept for end of well review to insure performance goals are met. Lessons learned are logged and used to help with continuous improvement.

A MI SWACO field supervisor manages from 3-5 wells. They are responsible for training personnel, supervising installations, and inspecting sites for compliance of MI SWACO safety and operational policy.

### III. Closure Plan

A maximum 340' X 340' caliche pad is built per well. All of the trucks and steel tanks fit on this pad. All fluid cuttings go to the steel tanks to be hauled by various trucking companies to an agency approved disposal.

R16 212



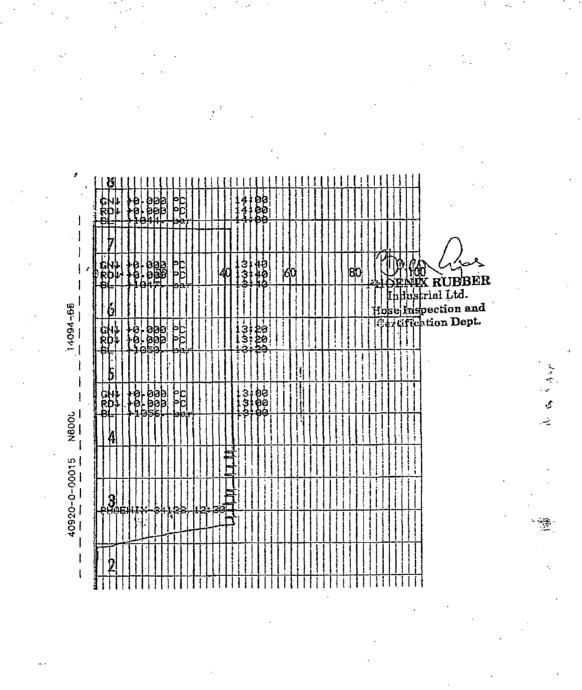
### PHOENIX RUBBER

OUALITY DOCUMENT 6728 Szeged, Budapest út 10. Hungary - H-6701 Szegéd, P. O. Box 152 fone: (3662) 556-737 - Fax: (3662) 566-738

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SALES & MARKETING: H-1092 Budapest, Réday u. 42-44. Hungary +H-1440 Budapest, P. O. Box 26 Phone: (361) 456-4200 : Fax: (361) 217-2972, 456-4273 · www.taurusemerge.hu

QUAI INSPECTION	ITY CONTR		ATE	CERT. N	۷°:	552	
PURCHASER:	Phoenix Beat	tie Co.		P.O. Nº	1519	FA-871	
PHOENIX RUBBER order No.	170466	HOSE TYPE:	3" ID	Ch	oke and Kill	Hose	
HOSE SERIAL Nº	34128	NOMINAL / AC	TUAL LENG	TH:	11,43 m		
W.P. 68,96 MPa 1	0000 psi	T.P. 103,4	MPa 15	6000 psi	Duration:	. 60	min.
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All metal parts are flawless WE CERTIFY THAT THE ABOVI PRESSURE TESTED AS ABOVI	E HOSE HAS BEEN WITH SATISFACTO	MANUFACTUR	ED IN ACCOR	DANCE WITH	I THE TERMS (	of the orde	er and
Date: 29. April. 2002.	Inspector		Quality C	rHOE Inc	NIX RUBI dustrial Ltd. Inspection a	and 1	Į.



VERIFIED TRUE CO. PHOENIX RUBBER C.C.

### Ontinental® continect

Fluid Technology

ContiTech Beattie Corp. Website: <u>www.contitechbeattie.com</u>

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.

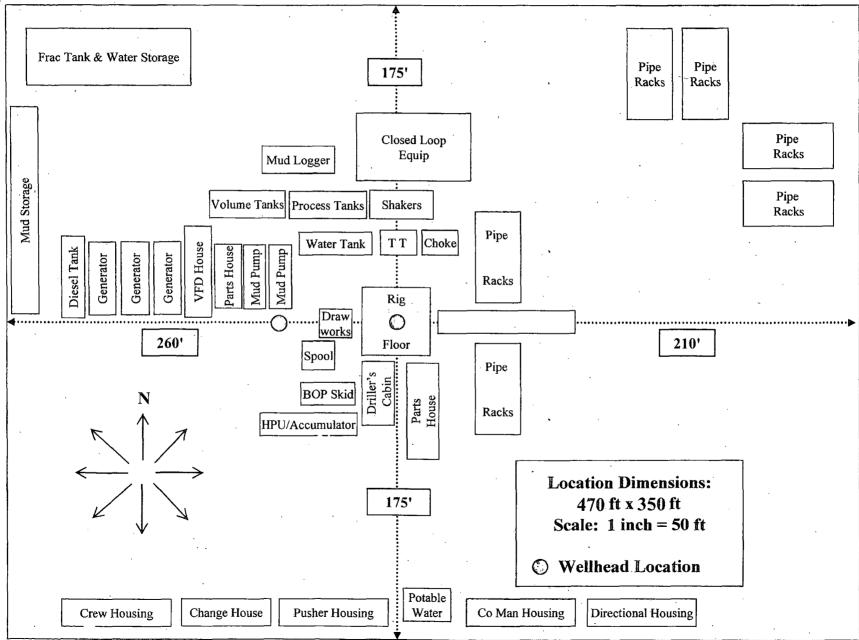
Best regards,

Robin Hodgson Sales Manager ContiTech Beattle Corp

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



### H&P Flex Rig Location Layout 2 Well Pad





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

# Hydrogen Sulfide (H<sub>2</sub>S) Contingency Plan

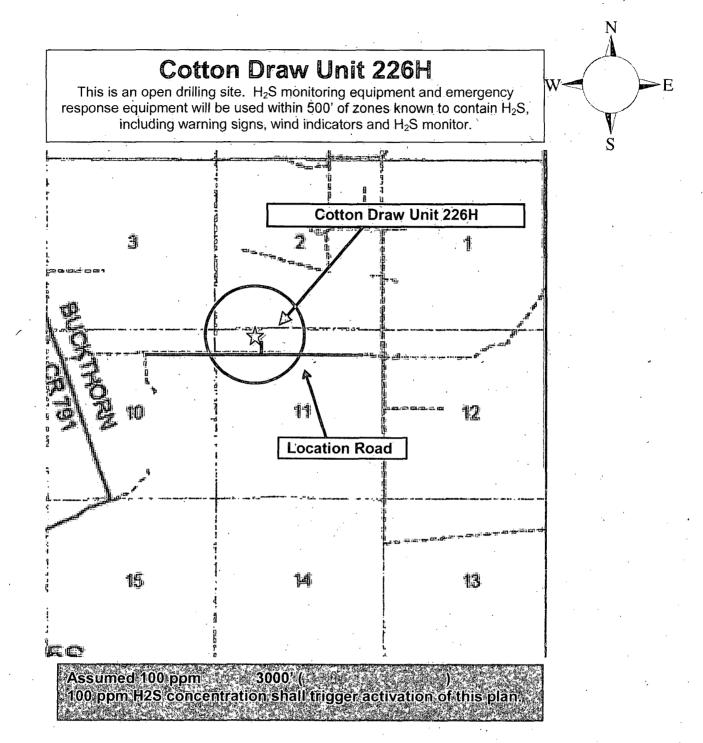
# For

Cotton Draw Unit 226H

Sec-11, T-25S R-31E 200' FNL & 1165' FWL, LAT. = 32.1516500'N (NAD83) LONG = 103.7534552'W

Eddy County NM

Devon Energy Corp. Cont Plan. Page 1



### 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, West then Northwest on lease road. Crews should then block 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 $H_2S$ concentration shall trigger activation of this plan.

# Emergency Procedures

In the event of a release of gas containing H<sub>2</sub>S, 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 H<sub>2</sub>S 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  $H_2S$ , and
  - Measures for protection against the gas,
  - o 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 (SO<sub>2</sub>). 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

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

#### Characteristics of H<sub>2</sub>S and SO<sub>2</sub>

# **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 (H<sub>2</sub>S) 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 ( $H_2S$ )

- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H<sub>2</sub>S 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:

- The effects of H<sub>2</sub>S metal components. If high tensile tubular are to be used, personnel will be trained in their special maintenance requirements.
- 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 H<sub>2</sub>S Drilling Operations Plan and Public Protection Plan.

Devon Energy Corp. Cont Plan. Page 4

There will be an initial training session just prior to encountering a known or probable  $H_2S$  zone (within 3 days or 500 feet) and weekly  $H_2S$  and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific  $H_2S$  Drilling Operations Plan and the Public Protection Plan.

# II. HYDROGEN SULFIDE TRAINING

Note: All  $H_2S$  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  $H_2S$ .

# 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:

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. H<sub>2</sub>S detection and monitoring equipment:

A. Portable  $H_2S$  monitors positioned on location for best coverage and response. These unites have warning lights and audible sirens when  $H_2S$  levels of 20 PPM are reached. These units are . usually capable of detecting  $SO_2$ , which is a byproduct of burning  $H_2S$ .

#### 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 H<sub>2</sub>S circulated to surface. Proper mud weight, safe drilling practices and the use of H<sub>2</sub>S scavengers will minimize hazards when penetrating H<sub>2</sub>S bearing zones.

#### 6. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H<sub>2</sub>S trim.
- B. All elastomers used for packing and seals shall be H<sub>2</sub>S 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 H<sub>2</sub>S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

# Devon Energy Corp. Company Call List

Artesia (575)	<u>Cellular</u>	Office	Home
Foreman – Robert Bell	748-7448		
Asst. Foreman –Tommy P	olly.748-5290	748-0165	
Don Mayberry	-		
Montral Walker			
Engineer – Marcos Ortiz			

# **Agency Call List**

<u>Lea</u>	Hobbs	١
<u>County</u>	Lea County Communication Authority	
<u>(575)</u>	State Police	
	City Police	
	Sheriff's Office	
	Ambulance	
	Fire Department	
	LEPC (Local Emergency Planning Committee)	
	NMOCD	
•	US Bureau of Land Management	
<u>Eddy</u> <u>County</u> (575)	Carlsbad State Police City Police Sheriff's Office	
	Ambulance Fire Department	911 885-2111
	LEPC (Local Emergency Planning Committee) US Bureau of Land Management	
	NM Emergency Response Commission (Santa Fe) 24 HR National Emergency Response Center (Washington, DC)	(505) 827-9126
	Emergency Services	(0,00) 424-0802

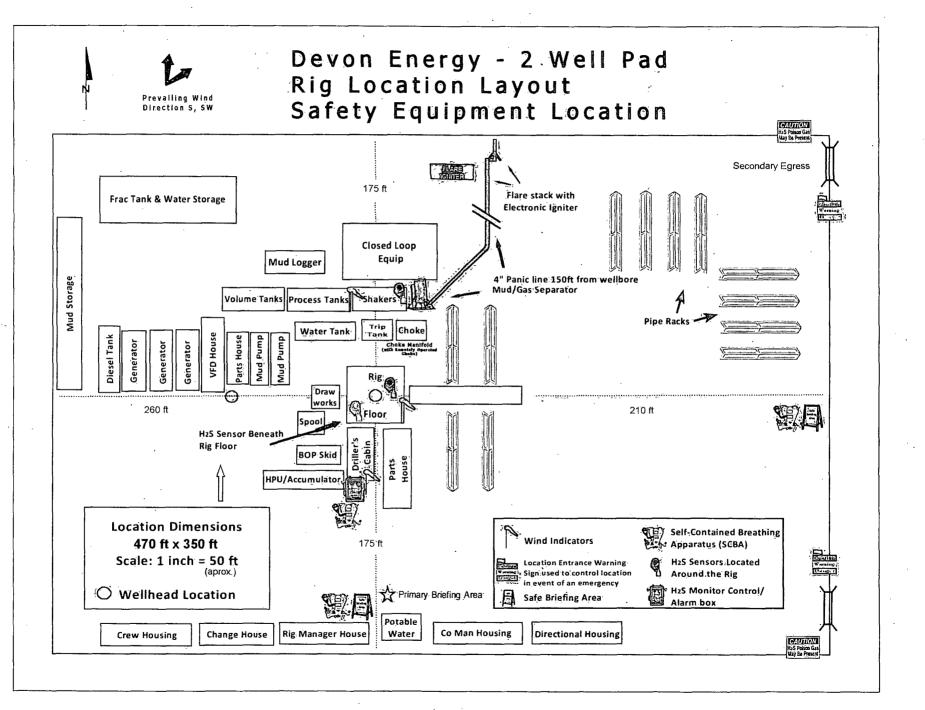
Boots & Coots IWC	(800)-256-9688 or (281) 931-8884
	(915) 699-0139 or (915) 563-3356
Halliburton	(5/5) /46-2/5/
B. J. Services	(575) 746-3569

Give	Native Air – Emergency Helicopter – Hobbs	(575) 392-6429
GPS	Flight For Life - Lubbock, TX	
position:	Aerocare - Lubbock, TX	(806) 747-8923
	Med Flight Air Amb - Albuquerque, NM	
	Lifeguard Air Med Svc. Albuquerque, NM	(575) 272-3115

Prepared in conjunction with Dave Small

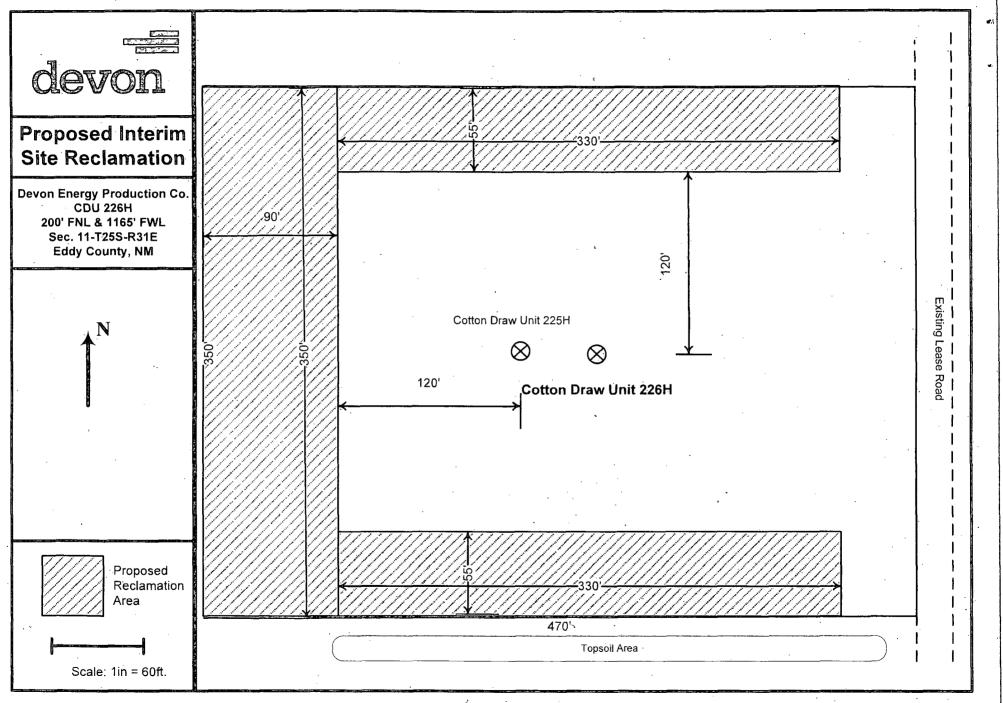


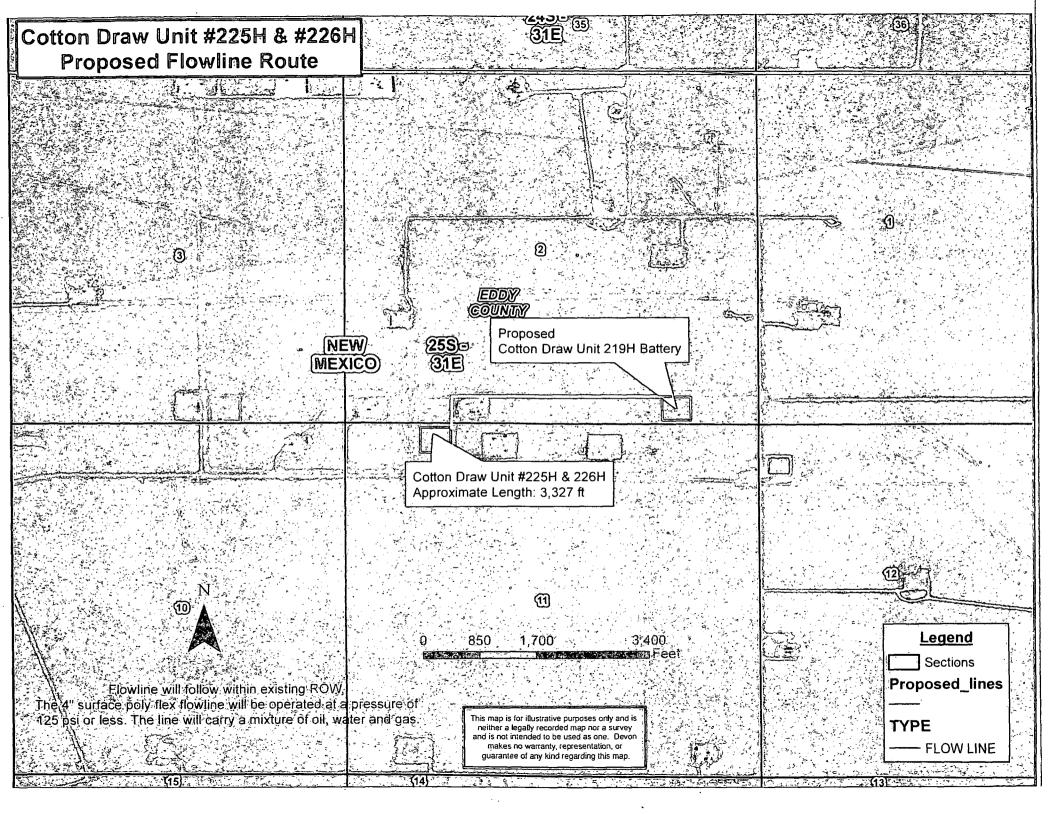
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Devon Energy Corp. Cont Plan. Page

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### SURFACE USE PLAN

# Devon Energy Production Company, L.P. Cotton Draw Unit 226H

# **1.** Existing Roads:

- a. The well site and elevation plat for the proposed well are reflected on the "Site Map". The well was staked by Madron Surveying, Inc.
- b. All roads into the location are depicted on the "Vicinity Map". The operator will repair pot holes, clear ditches, repair the crown, etc. All existing structures on the entire access route such as cattle guards, culverts, etc. will be properly repaired or replaced if they are damaged or have deteriorated beyond practical use. BLM written approval will be acquired before application of surfactants, binding agents, or other dust suppression chemicals on roadways.
- c. Directions to Location: From Intersection of Orla Hwy. #1 and Monsanto Road, go West on Monsanto Road approx. 2.1 miles. Road turns right (North) go North approx. 0.9 miles and road turns left (West) go West approx. 2.0 miles, road turns right (North) go North approx. 1.0 miles to a lease road on left (West), turn left (West) and go approx. 0.8 miles to a lease road on right (North) turn North and go approx. 400'. Location is on Left (West) 200'.

# 2. New or Reconstructed Access Roads:

- a. No new access road will be constructed.
- b. No cattle guards, grates or fence cuts will be required. No turnouts are planned.

### 3. Location of Existing Wells:

The attached "One Mile Radius Map" shows all existing and proposed wells within a one-mile radius of the proposed location.

# 4. Location of Existing and/or Proposed Production Facilities:

- a. In the event the well is found productive, the Cotton Draw Unit 219H tank battery would be utilized and shared, and the necessary production equipment will be installed at the well site. The tank battery would be located at Sec. 2, T25S, R31E. See "Proposed Flowline Route" map.
- b. If necessary, the well will be operated by means of an electric prime mover. If electric power poles are needed, a plat and a sundry notice will be filed with your office.
- c. All flow lines will adhere to API standards.
- d. If the well is productive, rehabilitation plans are as follows:
  - i. A closed loop system will be utilized.
  - ii. The original topsoil from the well site will be returned to the location. The drill site will then be contoured as close as possible to the original state.

# 5. Location and Types of Water Supply:

This location will be drilled using a combination of water mud systems (outlined in the Drilling Program). The water will be obtained from commercial water stations in the area and hauled to location by transport truck using the existing and proposed roads described and depicted on the "Vicinity Map". On occasion, water will be obtained from a pre-existing water well, running a pump directly to the drill rig. In cases where a poly pipeline is used to transport water for drilling purposes, proper authorizations will be secured. If a poly pipeline is used, the size, distance, and map showing route will be provided to the BLM via sundry notice.

### 6. Construction Materials:

Obtaining caliche: One primary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means caliche will be obtained from the actual well site. Actual amounts will vary for each pad. The procedure below has been approved by BLM personnel:

- a. The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
- b. Subsoil is removed and stockpiled within the surveyed well pad.
- c. When caliche is found, material will be stock piled within the pad site to build the location and road.
- d. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
- e. Once well is drilled, the stock piled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced.
- f. Neither caliche, nor subsoil will be stock piled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in the Well Site Layout or survey plat.

In the event that no caliche is found onsite, caliche will be hauled in from a BLM approved caliche pit or other established mineral pit. A BLM mineral material permit will be acquired prior to obtaining any mineral material from BLM pits or land.

# 7. Methods of Handling Waste Material:

- a. Drill cuttings will be safely contained in a closed loop system and disposed of properly at a NMOCD approved disposal site.
- b. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in an approved sanitary landfill.
- c. The supplier will pick up salts remaining after completion of well, including broken sacks.
- d. A Porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- e. Remaining drilling fluids will be sent to a closed loop system. Water produced during completion will be put into a closed loop system. Oil and condensate produced will be put into a storage tank and sold.
- f. Disposal of fluids to be transported by the following companies:
  - i. American Production Service Inc, Odessa TX
  - ii. Gandy Corporation, Lovington NM
  - iii. 1 & W Inc, Loco Hill NM

- iv. Jims Water Service of Co Inc, Denver CO
- 8. Ancillary Facilities: No campsite or other facilities will be constructed as a result of this well.

# 9. Well Site Layout

a. The Rig Location Layout attachment shows the proposed well site layout and pad dimensions.

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- b. The Rig Location Layout attachment proposes location of sump pits and living facilities.
- c. Mud pits in the active circulating system will be steel pits.
- d. A closed loop system will be utilized.
- e. If a pit or closed loop system is utilized, Devon will provide a copy of the Design Plan to the BLM.

# **10.** Plans for Surface Reclamation:

- a. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed as directed by the BLM. The original top soil will again be returned to the pad and contoured, as close as possible, to the original topography.
- b. The location and road will be rehabilitated as recommended by the BLM.
- c. If the well is deemed commercially productive, caliche from areas of the pad site not required for operations will be reclaimed. The original top soil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography.
- d. All disturbed areas not needed for active support of production operations will undergo interim reclamation. The portions of the cleared well site not needed for operational and safety purposes will be recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Topsoil will be respread over areas not needed for all-weather operations.

# **11.** Surface Ownership

- a. The surface is owned by the US Government and is administered by the Bureau of Land Management. The surface is multiple use with the primary uses of the region for the grazing of livestock and the production of oil and gas.
- b. The proposed road routes and the surface location will be restored as directed by the BLM.

# **12.** Other Information:

- a. The area surrounding the well site is grassland. The topsoil is very sandy in nature. The vegetation is moderately sparse with native prairie grass, sage bush, yucca and miscellaneous weeds. No wildlife was observed but it is likely that deer, rabbits, coyotes, and rodents traverse the area.
- b. There is no permanent or live water in the general proximity of the location.
- c. There are no dwellings within 2 miles of location.
- d. A Cultural Resources Examination will be completed by the Permian Basin Cultural Resource Fund in lieu of being required to conduct a Class III Survey for cultural resources associated with their project within the BLM office in Carlsbad, New Mexico.

#### 13. Bond Coverage:

Bond Coverage is Nationwide; Bond # is CO-1104 & NMB-000801.

#### **Operators Representative:**

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

Kim Henderson - Operations Engineer Devon Energy Production Company, L.P. 333 W. Sheridan Oklahoma City, OK 73102-5010 (405) 552-6505 (office) (405) 479-3869 (Cellular) Don Mayberry - Superintendent Devon Energy Production Company, L.P. Post Office Box 250 Artesia, NM 88211-0250 (575) 748-3371 (office) (575) 746-4945 (home)

#### 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 \_10th \_ day of \_\_March 2014. -Printed Name: Trina Couch Signed Name: \_\_\_\_\_\_ Position Title: Regulatory Analyst Address: 333 W. Sheridan, OKC OK 73102 Telephone: (405)-552-6559

# **PECOS DISTRICT CONDITIONS OF APPROVAL**

<b>OPERATOR'S NAME:</b>	Devon Energy Production Company, L.P.
LEASE NO.:	NMNM-0503
WELL NAME & NO.:	Cotton Draw Unit 226H
SURFACE HOLE FOOTAGE:	0200' FNL & 1165' FWL
<b>BOTTOM HOLE FOOTAGE</b>	0330' FSL & 1980' FWL
LOCATION:	Section 11, T. 25 S., R 31 E., NMPM
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 **Commercial Well Determination** Unit Well Sign Specs Construction Notification Topsoil **Closed Loop System** Federal Mineral Material Pits Well Pads Roads **Road Section Diagram** Drilling **Cement Requirements** H2S Requirements Logging Requirements Waste Material and Fluids **Production (Post Drilling)** Well Structures & Facilities **Pipelines Interim Reclamation Final Abandonment & Reclamation**

# **I. GENERAL PROVISIONS**

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

# II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

# **III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES**

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

# IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

# V. SPECIAL REQUIREMENT(S)

# **LPC: Conditions of Approval**

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1 through June 15 annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

Upon abandonment, a low profile abandoned well marker will be installed to prevent raptor perching.

The proponent of the proposed action is a Participating Cooperator in the Candidate Conservation Agreement (CCA) for the lesser prairie-chicken (*Tympanuchus pallidicinctus*) and dunes sagebrush lizard (*Sceloporus arenicolus*).

The goal of the Bureau of Land Management (BLM), U.S. Fish and Wildlife Service (USFWS), Center of Excellence for Hazardous Materials Management (CEHMM) and the Participating Cooperator is to reduce and/or eliminate threats to the LPC. By agreeing to conduct the conservation measures described by the CCA, and contribute funding or providing in-kind services for conservation.

The Certificate of Participation (CP) associated with the CCA is voluntary between CEHMM, BLM, USFWS and the Participating Cooperator. Through the CP, the Participating Cooperator voluntarily commits to implement or fund specific conservation actions that will reduce and/or eliminate threats to the LPC. Funds contributed as part of the CP will be used to implement conservation measures and associated activities. The funds will be directed to the highest priority projects to restore or reclaim habitat at the sole discretion of BLM and USFWS.

The following Conservation Measures are to be accomplished in addition to those described in the CCA and Pecos District Special Status Species Resource Management Plan Amendment (RMPA):

1. To the extent determined by the BLM representative at the Plan of Development stage, all infrastructures supporting the development of a well (including roads, power lines, and pipelines) will be constructed within the same corridor.

- 2. On enrolled parcels that contain inactive wells, roads and/or facilities that are not reclaimed to current standards, the Participating Cooperator shall remediate and reclaim their facilities within three years of executing this CP, unless the Cooperator can demonstrate they will put the facilities back to beneficial use for the enrolled parcel(s). If an extension is requested by the Cooperator, they shall submit a detailed plan (including dates) and receive BLM approval prior to the three year deadline. All remediation and reclamation shall be performed in accordance with BLM requirements and be approved in advance by the Authorized Officer.
- 3. Utilize alternative techniques to minimize new surface disturbance when required and as determined by the BLM representative at the Plan of Development stage.
- 4. Install fence markings along fences owned, controlled, or constructed by the Participating Cooperator that cross through occupied habitat within two miles of an active LPC lek.
- 5. Bury new powerlines that are within two (2) miles of LPC lek sites active at least once within the past 5 years (measured from the lek). The avoidance distance is subject to change based on new information received from peer reviewed science.
- Bury new powerlines that are within one (1) mile of historic LPC lek sites where at least one LPC has been observed within the past three years (measured from the historic lek). The avoidance distance is subject to change based on new information received from peer reviewed science.
- 7. Management recommendations may be developed based on new information received from peer reviewed science to mitigate impacts from H<sub>2</sub>S and/or the accumulation of sulfates in the soil related to production of gas containing H<sub>2</sub>S on the LPC. Such management recommendations will be applied by the Participating Cooperator as Conservation Measures under this CP in suitable and occupied LPC habitat where peer-reviewed science has shown that H<sub>2</sub>S levels threaten the LPC.

# **Drilling:**

# **Commercial Well Determination**

A commercial well determination shall be submitted after production has been established for at least six months.

# <u>Unit Wells</u>

The well sign for a unit well shall include the unit number in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number when the sign is replaced.

# VI. CONSTRUCTION

# A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

### **B.** TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

# C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

### D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

# E. WELL PAD SURFACING

Surfacing of the well pad' is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

# F. EXCLOSURE FENCING (CELLARS & PITS)

### **Exclosure Fencing**

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

### G. ON LEASE ACCESS ROADS

### Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

### Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

#### Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

#### Ditching

Ditching shall be required on both sides of the road.

#### Turnouts

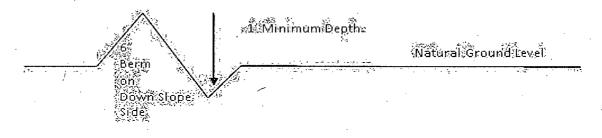
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

#### Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

# **Cross Section of a Typical Lead-off Ditch**



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

# Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: 400' + 100' = 200' lead-off ditch interval 4%

#### Cattleguards

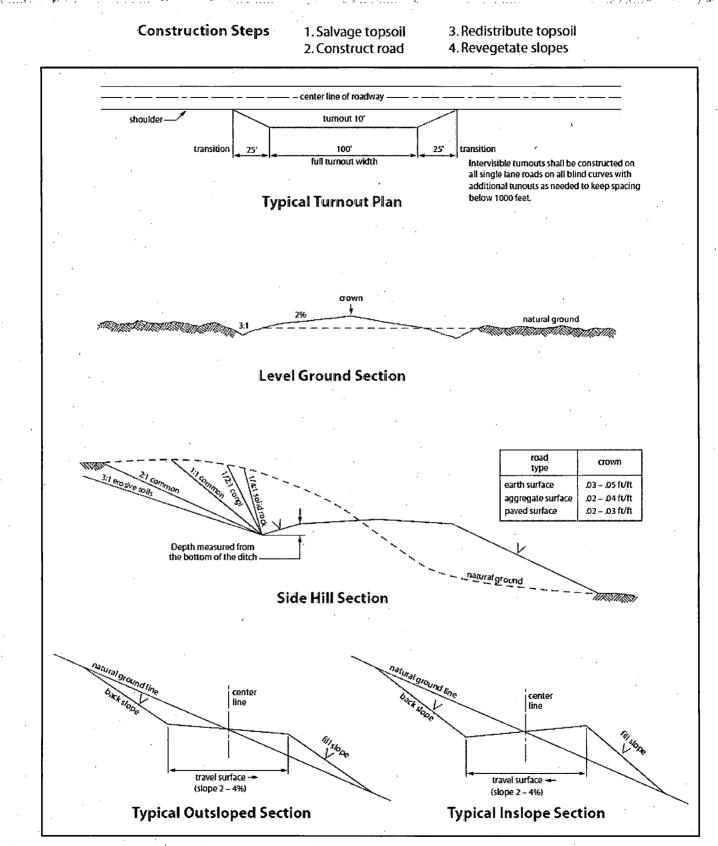
An appropriately sized cattleguard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattleguards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguards that are in place and are utilized during lease operations.

#### **Fence Requirement**

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

#### **Public Access**

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.





# VII. DRILLING

# A. DRILLING OPERATIONS 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)

Eddy County Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

- 1. Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, report measured amounts and formations to the BLM. Operator has stated that they will have monitoring equipment in place prior to drilling out of the surface shoe.
- 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. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. 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 is located, this does not include the dog house or stairway area.
- 4. 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.

#### **B. CASING**

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. 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.).

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. IF OPERATOR DOES NOT HAVE THE WELL SPECIFIC CEMENT DETAILS ONSITE PRIOR TO PUMPING THE CEMENT FOR EACH CASING STRING, THE WOC WILL BE 30 HOURS. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possibility of water flows in the Salado and Castile. Possibility of lost circulation in the Red Beds, Rustler and Delaware.

- 1. The 13-3/8 inch surface casing shall be set at approximately 675 feet (in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, and if salt is encountered, set casing at least 25 feet above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
  - 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.

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

Cement to surface. If cement does not circulate see B.1.a, c-d above.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

Operator has proposed DV tool at depth of 6000', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

- a. First stage to DV tool:
- Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve approved top of cement on the next stage.
- b. Second stage above DV tool:
- Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. Excess calculates to 20% Additional cement may be required.
- 4. 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.

### C. 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. Variance approved to use flex line from BOP to choke manifold. 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. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).

- 3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
  - a. For surface casing only: If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.
- 4. 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. 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 (18 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).
  - c. 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.
  - d. The results of the test shall be reported to the appropriate BLM office.
  - e. 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.
  - f. 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.

### **D. DRILL STEM TEST**

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

# E. 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.

### JAM 052814

# VIII. PRODUCTION (POST DRILLING)

# A. WELL STRUCTURES & FACILITIES

### **Placement of Production Facilities**

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

# **Exclosure Netting (Open-top Tanks)**

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

# Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

### **Open-Vent Exhaust Stack Exclosures**

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

#### **Containment Structures**

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the

largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

# **Painting Requirement**

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

# **B. PIPELINES**

The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq</u>. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
- b. Activities of other parties including, but not limited to:
  - (1) Land clearing.

- (2) Earth-disturbing and earth-moving work.
- (3) Blasting.
- (4) Vandalism and sabotage.

c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-ofway width of <u>20</u> feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.

9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies. 17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

# IX. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

# X. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM. Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

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Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

### Seed Mixture for LPC Sand/Shinnery Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)\* per acre. There shall be <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

lb/acre

Species to be planted in pounds of pure live seed\* per acre:

Plains Bristlegrass5lbs/ASand Bluestem5lbs/ALittle Bluestem3lbs/ABig Bluestem6lbs/APlains Coreopsis2lbs/ASand Dropseed1lbs/A

Species

\*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed.