(February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APROVED
OMB NO. 1004-0135
EXPIRES: March 31, 2007

	SUNDRY NO	TICES AND REPO	RTS ON WELLS			5. Lease Seria	al No.		
	Do not use this for	m for proposals to	drill or to re-ente	an			NM-77046		
	abandoned well. Us	se Form 3160-3 (AF	²ロ) tor such prop	dsals FOE	WED	6. If Indian, All	ottee or Tribe Name		
		UBMIT IN TRIPLIC	ATE	NEUE	IVED				
				1	0. 2040	7. Unit or CA	Agreement Name and No		
1a. Type of \	Nell ☐ Oil Well ☑ G	as Well Othe	r	MAR 2	3 2010 	1			
						8 Well Name	and No.		
2. Name of C	Operator			NMOCD A	ARTESIA	Nort	th Pure Gold 8 Federal 1	3	
1	DEVON ENERGY PRODUC	TION COMPANY,	LP			9. API Well N	0.		
3. Address a	nd Telephone No.] <i>31</i>	0-015-3765	5 <i>1.</i>	
	20 N. Broadway, Oklal	homa City, Ok 7310	2-8260	405-235-3611			Pool, or Exploratory		
	f Well (Report location clear					Umesianat	Λ		
660' FSL 153		8 T23S R31F		squirements)		11. County or			
	//a/b	1.	Fl			1			
BHL						Eddy	NM		
r r v6	12. CHECI E OS SUBMISSION	K APPROPRIATE	BOX(s) TO INDI	CATE NATURE OF	NOTICE, REPO YPE OF ACTION		DATA		
115	E OS SUBMISSION			···					
☑ Notice	of Intent	Acıdize	Ļ] Deepen		on (Start/Resum	· —	f	
		Alter Casi	_	Fracture Treat	Reclama		Well Integrity		
Subsequent Report ☐ Casing Repair ☐ New Construction ☐ Recomplete ☐ Other ☐ Final Abandonment Notice ☐ Change Plans ☐ Plug and Abandon ☐ Temporarily Abandon									
Convert to Injection Plug Back Water Disposal									
	oposed or Completed Operations (C	learly state all pertinent d	etails, and give pertine	int dates, including estima	ted date of starting an	y proposed work and			
	ally or recomplete honzontally, give su with BLM/BIA Required subsequent i								
a Form 3160-4 sh	all be filed once testing has been cor	npleted Final Abandonn	nent Notices shall be f	iled only after all requirem	ent, including reclama	tion, have been com	pleted, and the operator has deter	mined that the	
Site is ready for fir	nal inspection) gy Production Company L	P roppostfully ro	avanta ta daviata	from the original Al	20 to abanca fra	m a vertical Mar	rrow wall to Hanar Donn	Chala	
11	gy Froduction Company L See attached changes:(Cem		•	•	J		TOW Well to Opper Perin S	<u>Silale</u>	
Casing Prog	• •	enting Frocedures,	C-102 , Direction	nai Suivey, Geo Fic	y a bor scheili	auc.			
Hole Size	Hole Interval	OD Csg	Casir	a Interval	Wt	Collar	Grade		
26"	0' 400 '	20"	See COIT	g Interval 0' – 400' 500 l	94#	BTC	H-40		
17 1/2"	400' - 4000'	13 3/8")' - 4000'	68#	BTC	HCK-55	i	
12 1/4"	4,000' - 11,100'	9 5/8"	0	' 11,100'	40#	LTC	HCP-110		
8 3/4"	11,100' – 13,000' PH								
8 ¾"	11,900' 16,500'	5 ½"	C)-16,500'	23#	Vam Top	EC-P110		
Design Par	rameter Factors:								
Casing Siz	e Collapse Des	sign Factor	Burst D	esign Factor	Tensio	n Design Fac	tor		
20"	2.7	-	8.18			15.4	!		
13 3/8"	1.22		1.65			4.77			
9 5/8	1.68		1.67	SUBJECT TO	OTIKE	1.91			
5 ½"	1.63		1.67	SUDJECT I	DIANTATI				
(Attachme	ents)			APPROVAL	BA 2141	E			
H								H	
						Λ.	DDDAVED		
Signed (Jud SS	ma all	Name	Judy A. Barne Regulatory A		- Date A	rryytu		
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			Regulatory /	-indiyat	- Dale	3/4/2010		
(This space for	or Federal or State Office us	e)					10 0010		
Approved by			Title			Date M	AH 18 2010		
	approval, if any:					- "" <i> </i> s	/ Chris Walls		

*See Instruction on Reverse Side

within its jurisdiction

SEE ATTACHED FOR CONDITIONS OF APPROVAL Goodist 3/25/2010 900

REALLOGILANDS MADISGEMENT. CARLSBAD FIELD OFFICE

NORTH PURE GOLD 8 FED 13H SEC 08-23S-31E PILOT HOLE (PH)

The Collapse SF for the 9 5/8 is derived using a 9 lb fluid gradient behind the casing and a minimum of a 9 lb fluid gradient in the casing. This casing will not be evacuated.

Mud Program

Depth	Mud Wt.	<u>Visc</u>	Fluid Loss	Type System
0' – 4 00' -	8.4 - 8.8	32 - 34	N/C	FW/Gel
4 00' – 4,000'	9.7 - 10.0	28 - 30	N/C	Brine
4,000' - 11,100'	9.0 - 9.3	28-30	NC -40	Fresh
11,100' - 13,000'PH	10.5 - 14.0	40 - 60	12 - 8cc	Fresh
11,900-16,500'	14.0-15.0	40-60		80/20 Oil Base

BOP DESIGN: Will consist of a (10M system) triple ram type (10M psi WP) preventor and a bag-type (Hydril) preventor (10M psi WP) and a rotation head. All units will be hydraulically operated and the ram type preventor will be equipped with blind rams on top and 5" drill pipe rams on bottom. A 3M Annular BOP will be installed on the 20" surface casing and utilized continuously until total depth (~4000') is reached. The mentioned 10M preventer will be installed on the 13 3/8" casing. All BOP's will be tested with independent testers before drilling out the associated casing shoes. Prior to drilling out the 13 3/8" casing shoe, the BOP's and Hydril will be tested as per BLM Drilling Operations Order #2.

Pipe rams will be operated and checked each 24-hour period and each time the drill pipe is out of the hole. These functional tests will be documented on the daily driller's log. A 2" kill line and 3" choke line will be incorporated in the drilling spool below the ram-type BOP. Other accessory BOP equipment will include a Kelly cock, floor safety valve, choke lines and choke manifold having 10000 psi WP rating.

CEMENTING PROGRAM and WHIPSTOCK PROGRAM

Cement plug for the Pilot Hole:

Plug Geometry:

Plug Top 12200' to 13,000' 370 sx Class H +R-3, Yld 1.18 cf/sx

An 8 $\frac{3}{4}$ " Open Hole Whipstock with a packer type anchor will be set @ ~12,000' after the cement plug has been set.

20" Surface

Lead: 745 sx Cl C w/2% CC and 4% gel

Yld 1.75 cf/sx

Tail: 300 sx Cl C w/2% CC and .125#/sx CF

Yld: 1.35 cf/sx

13 3/8" Intermediate

Lead: 2360 sx (35:65) Poz (Fly Ash): Premium Plus C Cement + 5% bwow Sodium

Yld: 2.04 cf/sx. TOC @ surface.

Tail: 430 sx Premium Plus C Cement + 2% bwoc Calcium Chloride + 0.125#/sx CF +

56.3% FW Yld: 1.35 cf/sx.

Page 3 3/3/2010 NORTH PURE GOLD 8 FEDERAL 13H SEC 8 T23S R31E

9 5/8" Intermediate

Lead: 1100 sx (35:65) Poz (Fly Ash):Premium Plus C Cement + 5% bwow Sodium Chloride + 0.125#/sx CF + 6% bwoc Bentonite + 107.8% FW Yld: 2.04 cf/sx.

Tail: 850 sx Premium Plus Super C Cement + 5% bwow Sodium Chloride + $0.125 \, \text{\#/sx}$ CF + 0.4% bwoc Sodium Metasilicate + 4% bwoc MPA-5 + 64.7% FW

Yld: 1.56 cf/sx.

2 Stage DV Tool @ 5500'

 2^{nd} Stage Lead: 450 sx 35:65 Poz: Cl H w/ 6% gel and 2% SC

Yield: 1.98 cf/sx

Tail: 150 sx 60:40 Pox C1 C w/ 1% KCL and .125 #/sx CF

Yld: 1.56 cf/sx

5 1/2" Production

1950 sx Premium Plus H + 0.35% bwoc R-3 + 0.4% bwoc CD-32 + 1.4% bwoc FL-63 + 0.2% bwoc Sodium Metasilicate + 20#/sx ASCA-1 + 52.9% FW

Yld: 1.13 cf/sx.

TOC for All Strings:

Surface: 0, Intermediate: 0, Intermediate: 3500 Production: 4000 DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102 Revised October 15, 2009

Submit one copy to appropriate District Office

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

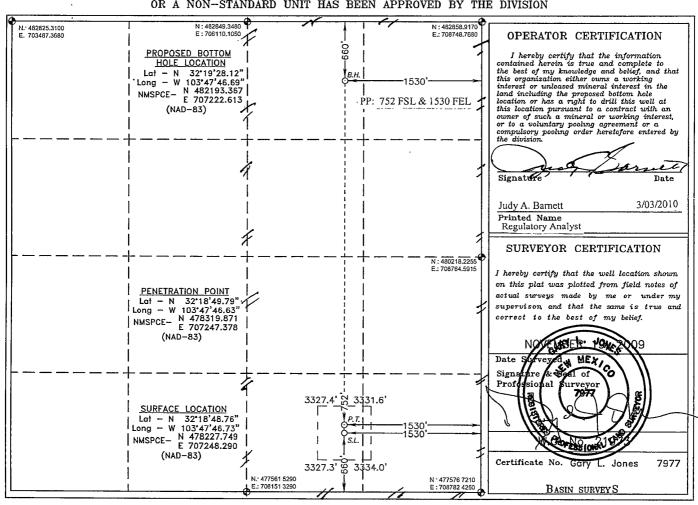
□ AMENDED REPORT

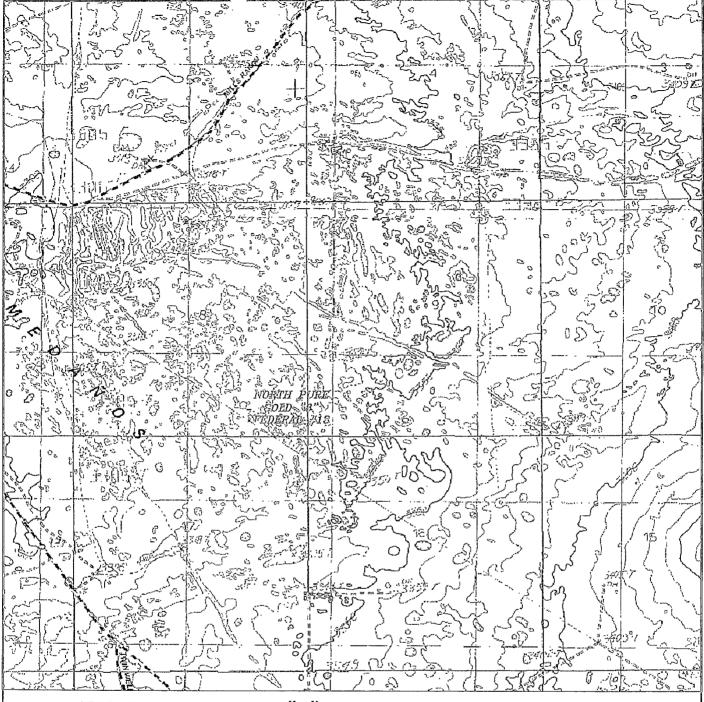
API	Number		1	Pool Code		Pool Name						
						M	PPER PENN S	HALE				
Property	Code			Well No	ımber							
	•		N	13	13 H							
OGRID N	0.		Operator Name									
6137		DEVON ENERGY PRODUCTION COMPANY, L.P. 3326'							6'			
					Surface Loc	ation						
UL or lot No.	. Section Township Range Lot Idn Feet from the North/South line Feet from the					East/West line	County					
0	8	23 S	31 E		660	SOUTH	1530	EAST ·	EDDY			

UL or lot No. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 23 S 31 Ε 660 NORTH 1530 **EAST EDDY** Dedicated Acres Consolidation Code Joint or Infill Order No. 320

Bottom Hole Location If Different From Surface

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





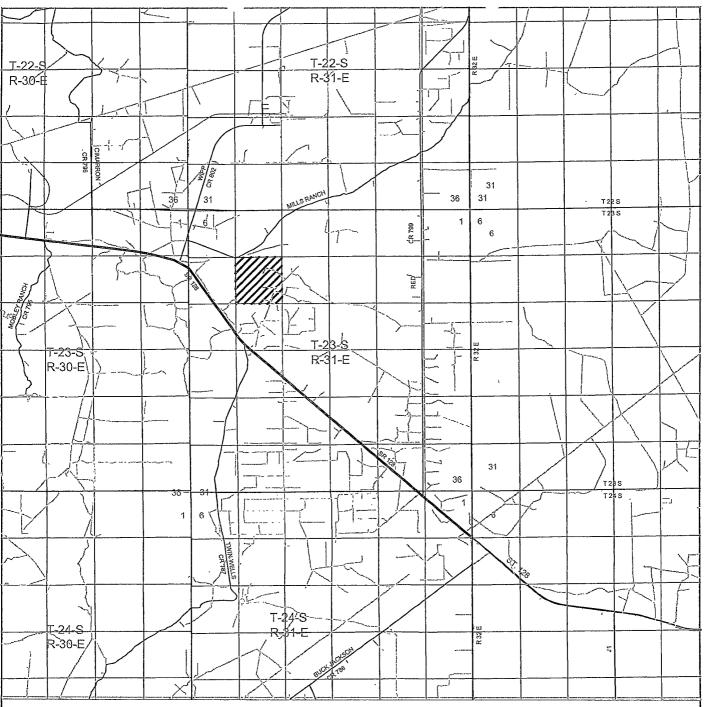
NORTH PURE GOLD "8" FEDERAL #13 Located 660' FSL and 1530' FEL Section 8, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 - Office (575) 392-2206 - Fax basinsurveys.com

W.O. Number: JMS 21973	
Survey Date: 11-19-2009	(
Scale: 1" = 2000'	9
Date: 11-23-2009	

DEVON ENERGY PRODUCTION COMPANY, L.P.



NORTH PURE GOLD "8" FEDERAL #13 Located 660' FSL and 1530' FEL Section 8, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

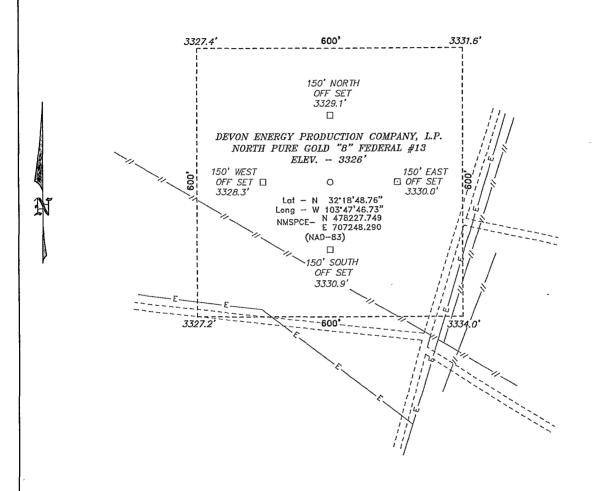


P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 — Office (575) 392-2206 — Fax basinsurveys.com

W.O. Number: JMS 21973] ,
Survey Date: 11-19-2009] {
Scale: 1" = 2 Miles	ď
Date: 11-23-2009]

DEVON ENERGY PRODUCTION COMPANY, L.P. SECTION 8, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY.

NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF HWY 128 AND TWIN WELLS, GO EAT 0.1 MILES TO LEASE ROAD, ON LEASE ROAD GO NORTH 1.3 MILES TO PROPOSED LOCATION.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 21973 Drawn By: J. SMALL

ate: 11-23-2009 Disk: JMS 21973

SCALE: 1" = 200'

200

DEVON ENERGY PRODUCTION COMPANY, L.P.

REF: NORTH PURE GOLD "8" FEDERAL #13 / WELL PAD TOPO

THE NORTH PURE GOLD "8" FEDERAL #13 LOCATED 660'

FROM THE SOUTH LINE AND 1530' FROM THE EAST LINE OF

SECTION 8, TOWNSHIP 23 SOUTH, RANGE 31 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 11-23-2009

200

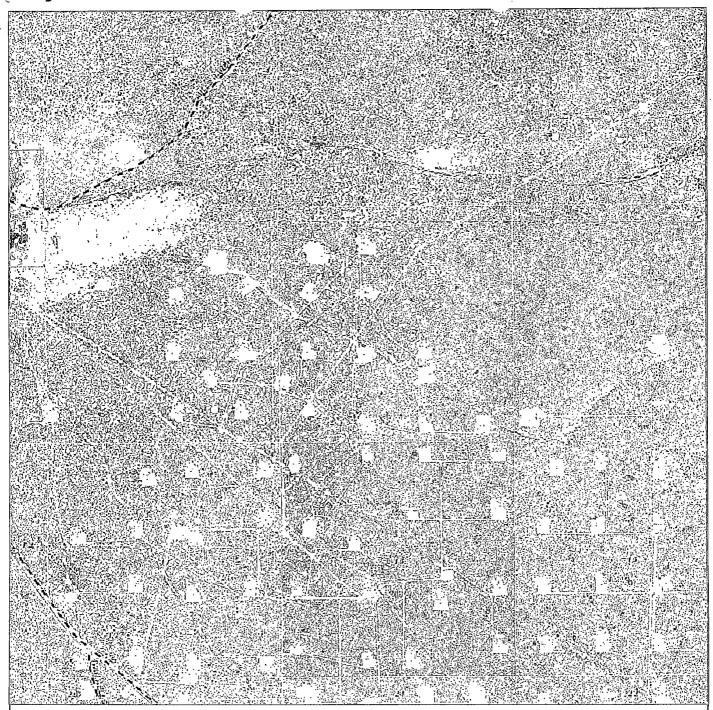
Sheet

1

of 1

Sheets

400 FEET



NORTH PURE GOLD "8" FEDERAL #13 Located 660' FSL and 1530' FEL Section 8, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 - Office (575) 392-2206 - Fax başinsurveys.com W.O. Number: JMS 21973

Scale: 1" = 2000'

YELLOW TINT — USA LAND
BLUE TINT — STATE LAND
NATURAL COLOR — FEE LAND



DEVON ENERGY PRODUCTION COMPANY, L.P.

				GEOL	OGIC MA	RKERS	6						
KB: 334	6 PRO	GNOSIS			MUDL	OG				E-LO	G_		
FORMATION	MD	Subsea	TVD	MD	Subsea	TVD	hi/lo	М	o s	Subsea	TVD	hi/lo	NOTES
ALLUVIUM	0	3346	0										
RUSTLER DOL	340	3006	. 340										
SALADO SALT	649	2697	649										
CASTILE	2666	680	2666										
BASE OF SALT	3792	-446	, 3792					L					
BELL CANYON	4041	-695	-4041		-			Ĺ	-	.			
CHERRY CANYON	4978	-1632	4978										
BRUSHY CANYON	6277	-2931	6277		-								
1ST BONE SPRINGS LM.	7908	-4562	7908			_							
AVALON; SHALE LOWER TOP	8482	-5136	8482	, .			1				,		y -
AVALON SHALE LOWER BOTTOM	8679	-5333	8679										
1ST BONE SPRINGS SS:	8928	-5582	8928		,								
2ND BONE SPRINGS LM	9374	-6028	9374										
2ND BONE SPRINGS SS	9717	-6371	9717	-							•		
3RD BONE SPRINGS LM.	10038	-6692	10038										
3RD BONE SPRINGS SS.	10737	-7391	10737	,		,		,		,		,	
WOLFCAMP	11211	-7865	11211										
WOLFCAMP HOT SHALE TOP	12095	-8749	12095				-	-	٠.	•	,		
WOLFCAMP HOT SHALE BOTTOM	12229	-8883	12229										core 12485-12885
TOP PENN SHALE	12497	-9151	12497	7.7				-					
STRAWN	12884	-9538	12884										
TD PILOT	12950	-9604	12950			.,		-			,		
	, ,		,		4		,						
КОР	12187	-8841	12187										
WOLFCAMP HOT SHALE BOTTOM	12229	-8883	12229							ž)			
TOP PENN SHALE	12497	-9136	12482										
HOLD 90 DEGREES (EST.)	. 12760	-9321	12667										
LATERAL TD	16500 «	-9443 ·	12760										
		 											



Devon Energy

Eddy Co., New Mexico (Nad 83) North Pure Gold 8 Fed #13H NPG 8 Fed #13H

Lateral #1

Plan: Design #1

Standard Planning Report

23 January, 2010





CUDD Drilling & Measurement Services

Planning Report



Database: Company:

EDM 2003.21 Single User Db

Devon Energy

Project: Site:

Design:

Eddy Co., New Mexico (Nad 83) North Pure Gold 8 Fed #13H

Well: Wellbore:

NPG 8 Fed #13H Lateral #1 Design #1

Local Co-ordinate Reference:

Survey Calculation Method:

TVD Reference:

MD Reference: North Reference: , Site North Pure Gold 8 Fed #13H

WELL @ 3346.00ft (Original Well Elev) WELL @ 3346.00ft (Original Well Elev)

Grid

Minimum Curvature

Eddy Co., New Mexico (Nad 83) Project

Map System: Geo Datum:

US State Plane 1983 North American Datum 1983 System Datum:

Mean Sea Level

New Mexico Eastern Zone Map Zone:

North Pure Gold 8 Fed #13H, Sec 8, T-23S, R-31E Site

Site Position: From: Position Uncertainty:

Lat/Long

Easting: 0.00 ft Slot Radius:

Northing:

482,547.59 ft 1,030,043.40 ft

Latitude: Longitude:

Grid Convergence:

32° 19' 0.047 N 102° 45' 5 138 W

0.85 °

NPG 8 Fed #13H Well Position

+N/-S +E/-W

0.00 ft 0 00 ft 0.00 ft

IGRF200510

Northing: Easting: Wellhead Elevation:

482,547.59 ft 1,030,043 40 ft 3,346.00 ft

Longitude: Ground Level:

60.47

Latitude:

32° 19' 0.047 N 102° 45' 5.138 W 3,326.00 ft

Wellbore Lateral #1

Position Uncertainty

*** ****

Model Name Magnetics

Sample Date 01/23/10

Declination 7.36 Dip Angle (°)

Field Strength

(nT) 48,932

Design	Design #1		** A\$ ~ 3 *#	and it seems outside . And the telephone		
Audit Notes:	a design and the second of the	- this is a summan is a solution		The server are some some above and a		n men e e e e e e e e e e e e e e e e e
Version:		Phase:	PLAN	Tie On Depth:	0.00	
Vertical Section:	a a grape a	Depth From (TVD)	+N/-S	+E/-W	Direction	
		(ft)	(ft)	(ft)	(°)	•
		0 00	0.00	0.00	0.00	

Measured Depth (ft)	Inclination (°),	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO • (°)	Target
				• •	-					
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	
12,187.04	0.00	0 00	12,187.04	0 00	0.00	0.00	0.00	0.00	0.00	
13,087.04	90.00	0.00	12,760 00	572.96	0 00	10.00	10.00	0.00	0 00	
16,474.08	90.00	0 00	12,760,00	3.960.00	0.00	0.00	0.00	0.00	0.00 PF	BHL - TD (NPG8



CUDD Drilling & Measurement Services

Planning Report



Company:

EDM 2003.21 Single User Db

Devon Energy

Project:

Eddy Co , New Mexico (Nad 83) North Pure Gold 8 Fed #13H

Site: Well:

NPG 8 Fed #13H

Wellbore: Design:

Lateral #1 Design #1

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference: Survey Calculation Method:

Site North Pure Gold 8 Fed #13H

WELL @ 3346.00ft (Original Well Elev)

WELL @ 3346.00ft (Original Well Elev)

Grid

Minimum Curvature

٠.				
D	lane	~4	e.,	rvev

Measured Depth (ft)	Inclination (°)	Azimuth ' (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0,00	0.00	0.00	0.00	0.00
11,211.00	0 00	0.00	11,211.00	0.00	0.00	0.00	0.00	0.00	0.00
Wolfcamp									
12,095.00	0 00	0.00	12,095.00	0.00	0.00	0.00	0.00	0.00	0.00
Wolfcamp H	ot Shale Top							•	
12,187.00	0.00	0.00	12,187.00	0.00	0.00	0.00	0.00	0.00	0.00
KOP - Build	10*/100'								
12,187.04	0 00	0.00	12,187.04	0.00	0.00	0.00	0.00	0.00	0.00
12,229.04	4 20	0.00	12,229.00	1.54	0.00	1.54	10.00	10.00	0.00
Wolfcamp H	ot Shale Btm								
12,514 55	32.75	0.00	12,497.00	91.08	0.00	91.08	10 00	10.00	0.00
Penn Shale	•								
13,087.00	90.00	0.00	12,760.00	572.92	0.00	572.92	10.00	10.00	0.00
EOC - Hold I	:90* @ A:0.0*								
13,087 04	90 00	0.00	12,760.00	572.96	0.00	572.96	10 00	10.00	0.00
16,474.08	90.00	0.00	12,760.00	3,960.00	0 00	3,960.00	0 00	0.00	0.00

Formations		e de la compansión de la c La compansión de la compa	2 Saft N. 10 N. 14 N. 14	 ety dr. fr. s. French et		n			
	Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)			
	11,211.00	11,211.00	Wolfcamp	 a than an a	0.00				
	12,095.00	12,095 00	Wolfcamp Hot Shale Top	0.00					
	12,229.04	12,229.00	Wolfcamp Hot Shale Btm	0 00					
	12,514.55	12,497.00	Penn Shale		0.00				
		12,884.00	Strawn		0.00				

Plan Annotations		aja wasansa a	* * ***	and the property of the second			* * * * *
Measured	Vertical	Local Coordi	nates				
Depth (ft)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	*Comment	•	•	, , ,
12,187.00		0.00	0.00	KOP - Build 10*/100'			
13,087.00	12,760 00	572.92	0.00	EOC - Hold I:90* @ A:0.0*		*	





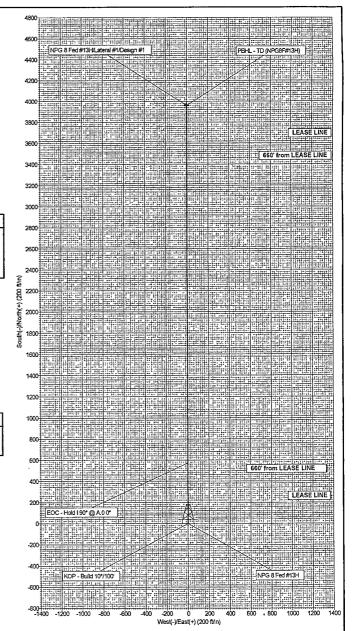
Project Eddy Co , New Mexico (Nad 83) Site. North Pure Gold 8 Fed #13H Wells. NPG 8 Fed #13H Wellbors Lateral #1 Design Design #1

SECTION DETAILS										
Sec 1 2	MD 0 00 12187 04	Inc 0 00 0 00	Azı 0 00 0 00	TVD 0 00 12187 04	+N/-S 0 00 0 00	+E/-W 0 00 0 00	DLeg 0 00 0 00	TFace 0.00 0.00	VSec 0 00 0 00	Target
3 4	13087 04 16474 08	90 00 90 00	0 00	12760 00 12760 00	572 96 3960 00	000	10 00 0 00	000	572 96 3960 00	PBHL - TD (NPG8F#13H)

ANNOTATIONS					
TVD	MD	Annotation			
12187 00	12187 00	KOP - Build 10"/100'			
12760 00	13087 00	EOC - Hold I 90" @ A 0 0"			

	WELL	BORE TARG	GET DETAIL	.S (MAP CO-O	RDINATES AN	D LAT/LONG)		
Name	TVD	+NV-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
PEHL - TD (NPG8F#13H)	12760 00	3960 00	0 00	486507 58	1030043 40	32° 19' 39 220 N	102° 45′ 4 457 W	Point

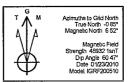
ı			-	WELL DETAILS	NPG 8 Fed #13H		
			w	33:	nd Level 26 00 ft (Original Well Elev)		
	+N/-S 0.00	+E/-W 0.00	Northing 482547 59	Easting 1030043 40	Latittude 32° 19′ 0 047 N	Longitude 102° 45' 5 138 W	Slot

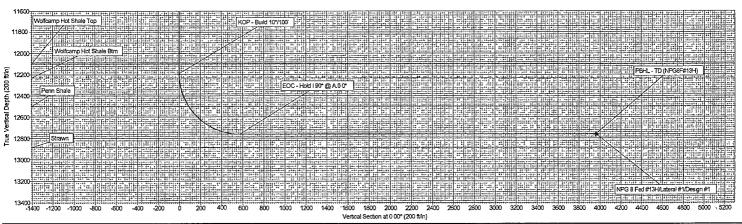


PROJECT DETAILS Eddy Co , New Mexico (Nad 63)

Geodebic System, US State Plane 1983
Datum North American Datum 1983
Ellipsord GRS 1990
Zone, New Medo Eastern Zone
System Datum, Mean Sea Level

Plan Design #1 (NPG 8 Fed #13H/Lateral #1)					
Created By Mike Star	rkey Date 14 47, January 23 2010				
Checked	Date				
Reviewed:	Date				
Approved	Date				





NPG 8 Fed #13H_Plan #1_Report_01-23-10.txt

Devon Energy NPG 8 Fed #13H - Design #1

Eddy Co., New Mexico (Nad 83) North Pure Gold 8 Fed #13H

Measured			Vertical			Vertical
Dogleg Depth	Incl.	Azim.	Depth	Northings	Eastings	Section
Rate (ft) (°/100ft)			(ft)	(ft)	(ft)	(ft)
0.00	0.00	0.00	0.00	0.00 N	0.00 E	0.00
0.00 12187.04	0.00	0.00	12187.04	0.00 N	0.00 E	0.00
0.00 12200.00	1.30	0.00	12200.00	0.15 N	0.00 E	0.15
10.00 12300.00	11.30	0.00	12299.27	11.10 N	0.00 E	11.10
10.00 12400.00	21.30	0.00	12395.13	39.12 N	0.00 E	39.12
10.00 12500.00	31.30	0.00	12484.67	83.37 N	0.00 E	83.37
10.00 12600.00	41.30	0.00	12565.16	142.49 N	0.00 E	142.49
10.00 12700.00	51.30	0.00	12634.17	214.69 N	0.00 E	214.69
10.00 12800.00	61.30	0.00	12689.59	297.77 N	0.00 E	297.77
10.00 12900.00	71.30	0.00	12729.74	389.22 N	0.00 E	389.22
10.00 13000.00	81.30	0.00	12753.40	486.25 N	0.00 E	486.25
10.00 13087.04	90.00	0.00	12760.00	572.96 N	0.00 E	-572.96
10.00 13100.00	90.00	0.00	12760.00	585.92 N	0.00 E	585.92
0.00 13200.00	90.00	0.00	12760.00	685.92 N	0.00 E	685.92
0!00 13300.00	90.00	0.00	12760.00	785.92 N	0.00 E	785.92
0!00 13400.00	90.00	0.00	12760.00	885.92 N	0.00 E	885.92
0/00 13500.00	90.00	0.00	12760.00	985.92 N	0.00 E	985.92
0100 13600.00	90.00	0.00	12760.00	1085.92 N	0.00 E	1085.92
0 0 0 13700.00 0 0 0	90.00	0.00	12760.00	1185.92 N	0.00 E	1185.92
13800.00	90.00	0.00	12760.00	1285.92 N	0.00 E	1285.92
0 00 13900.00	90.00	0.00	12760.00	1385.92 N	0.00 E	1385.92
0!00 14000.00	90.00	0.00	12760.00	1485.92 N	0.00 E	1485.92
0.00 14100.00	90.00	0.00	12760.00	1585.92 N	0.00 E	1585.92
0.00 14200.00	90.00	0.00	12760.00	1685.92 N	0.00 E	1685.92
0.00 14300.00	90.00	0.00	12760.00	1785.92 N	0.00 E	1785.92
0.00			D	ane 1		

14400.00	90.00	NPG 8 Fe 0.00	d #13H_Plan 12760.00	#1_Report_01-23 1885.92 N	-10.txt 0.00 E	1885.92
0.00 14500.00	90.00	0.00	12760.00	1985.92 N	0.00 E	1985.92
0.00						
14600.00 0.00	90.00	0.00	12760.00	2085.92 N	0.00 E	2085.92
14700.00 0.00	90.00	0.00	12760.00	2185.92 N	0.00 E	2185.92
14800.00	90.00	0.00	12760.00	2285.92 N	0.00 E	2285.92
0.00 14900.00	90.00	0.00	12760.00	2385.92 N	0.00 E	2385.92
0.00 15000.00	90.00	0.00	12760.00	2485.92 N	0.00 E	2485.92
0.00 15100.00	90.00	0.00	12760.00	2585.92 N	0.00 E	2585.92
0.00 15200.00	90.00	0.00	12760.00	2685.92 N	0.00 E	2685.92
0.00 15300.00	90.00	0.00	12760.00	2785.92 N	0.00 E	2785.92
0.00 15400.00	90.00	0.00	12760.00	2885.92 N	0.00 E	2885.92
0.00 15500.00 0.00	90.00	0.00	12760.00	2985.92 N	0.00 E	2985.92
15600.00 0.00	90.00	0.00	12760.00	3085.92 N	0.00 E	3085.92
15700.00	90.00	0.00	12760.00	3185.92 N	0.00 E	3185.92
0.00 15800.00 0.00	90.00	0.00	12760.00	3285.92 N	0.00 E	3285.92
15900.00	90.00	0.00	12760.00	3385.92 N	0.00 E	3385.92
0.00 16000.00	90.00	0.00	12760.00	3485.92 N	0.00 E	3485.92
0.00 16100.00	90.00	0.00	12760.00	3585.92 N	0.00 E	3585.92
0.00 16200.00	90.00	0.00	12760.00	3685.92 N	0.00 E	3685.92
0.00 16300.00 0.00	90.00	0.00	12760.00	3785.92 N	0.00 E	3785.92
16400.00	90.00	0.00	12760.00	3885.92 N	0.00 E	3885.92
0.00 16474.08 0.00	90.00	0.00	12760.00	3960.00 N	0.00 E	3960.00

All data are in feet unless otherwise stated. Directions and coordinates are relative to Grid North.

Vertical depths are relative to WELL. Northings and Eastings are relative to Site.

The Dogleg Severity is in Degrees per 100 feet. Vertical Section is from Slot and calculated along an Azimuth of 0.000° (Grid).

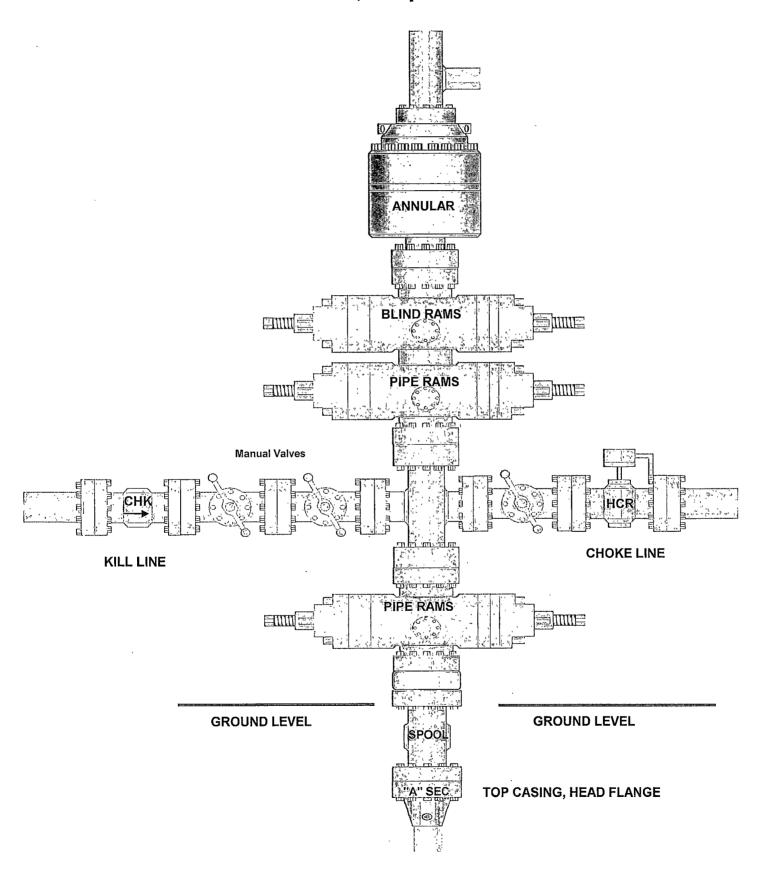
Coordinate System is North American Datum 1983 US State Plane 1983, New Mexico Eastern Zone.

Central meridian is -104.333°.

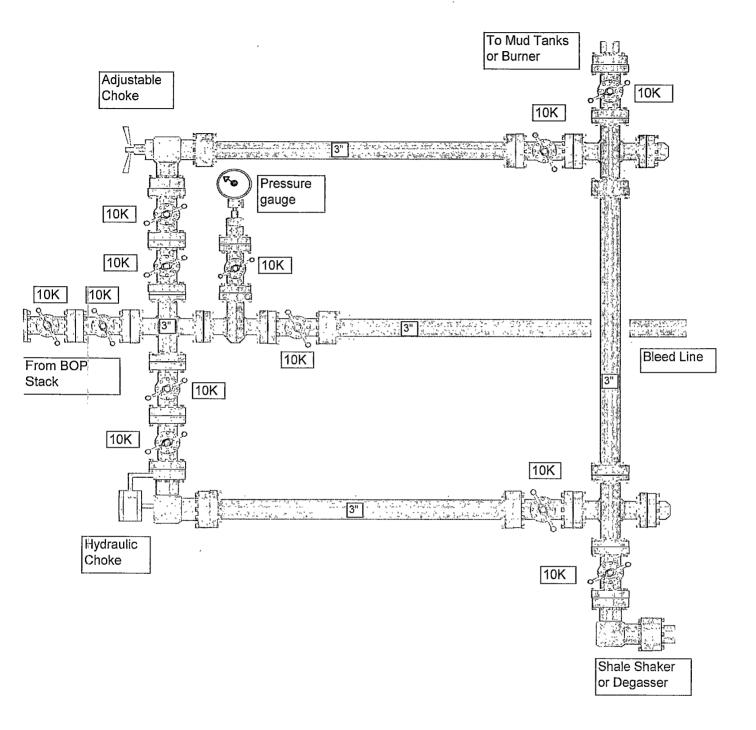
Grid Convergence at Surface is 0.846°.

Based upon Minimum Curvature type calculations, at a Measured Depth of 16474.08ft., the Bottom Hole Displacement is 3960.00ft., in the Direction of 0.000° (Grid).

13-5/8" x 10,000 psi BOP Stack



10,000 PSI CHOKE MANIFOLD



Well Name:

North Pure Gold 8 Federal 13

Job Description: Surface Casing Date:

February 9, 2010

Proposal No: 215855725A

JOB AT A GLANCE

500 ft Depth (TVD)

500 ft Depth (MD)

26 in **Hole Size**

Casing Size/Weight: 20 in, 94 lbs/ft

Pump Via 20" O.D. (19.124" .I.D) 94#

8,734 gals **Total Mix Water Required**

Spacer

10 bbls Fresh Water Density 8.3 ppg

Lead Slurry

745 sacks Class C 13.5 ppg Density 1.75 cf/sack Yield

Tail Slurry

300 sacks Class C 14.8 ppg Density 1.35 cf/sack Yield

Displacement

Mud 163 bbls Density 8.8 ppg

Well Name: North Pure Gold 8 Federal 13

Job Description: Surface Casing

Date:

February 9, 2010



Proposal No: 215855725A

WELL DATA

ANNULAR GEOMETRY

ANNULAR I.D.	DEPTH(ft)			
(in)	MEASURED	TRUE VERTICAL		
26.000 HOLE	500	500		

SUSPENDED PIPES

DIAMETE	ER (in)	WEIGHT	DEP'	TH(ft)
O.D.	I.D.	(lbs/ft)	MEASURED	TRUE VERTICAL
20.000	19.124	94	500	500

Float Collar set @ 460 ft

Mud Density 8.80 ppg

Mud Type Water Based

Est. Static Temp. 80 ° F

Est. Circ. Temp. 80 ° F

VOLUME CALCULATIONS

400 ft	х	1.5053 cf/ft	with	115 % excess	=	1294.4 cf
100 ft	х	1.5053 cf/ft	with	115 % excess	=	323.9 cf

40 ft x 1.9947 cf/ft with 0 % excess = 79.8 cf (inside pipe)

TOTAL SLURRY VOLUME = 1698.0 cf

= 303 bbls

Well Name: Job Description: Surface Casing

North Pure Gold 8 Federal 13

Date:

February 9, 2010



Proposal No: 215855725A

FLUID SPECIFICATIONS

Spacer

10.0 bbls Fresh Water @ 8.34 ppg

FLUID	VOLUME VOLUME CU-FT FACTOR AMOUNT AND TYPE OF CEMENT
Lead Slurry	1294 / 1.75 = 745 sacks Class C Cement + 2% bwoc Calciu Chloride + 0.25 lbs/sack Cello Flake + 4% bw Bentonite + 81.3% Fresh Water
T∣ail Slurry	404 / 1.35 = 300 sacks Class C Cement + 2% bwoc Calciu Chloride + 0.125 lbs/sack Cello Flake + 56.3% Fresh Water
Displacement	163 4 bbls Mud @ 8 8 ppg

Displacement

163.4 bbls Mud @ 8.8 ppg

CEMENT PROPERTIES

	SLURRY NO. 1	SLURRY NO. 2
Slurry Weight (ppg)	13.50	14.80
Slurry Yield (cf/sack)	1.75	1.35
Amount of Mix Water (gps)	9.17	6.35
Estimated Pumping Time - 70 BC (HH:MM)	3:30	2:30
©OMPRESSIVE STRENGTH		
8 hrs @ 80 ° F (psi)		500
12 hrs @ 80 ° F (psi)	400	1150
15 hrs @ 80 ° F (psi)	500	
24 hrs @ 80 ° F (psi)	700	2100
72 hrs @ 80 ° F (psi)		2700

Well Name:

North Pure Gold 8 Federal 13

Job Description: Intermediate Casing Date:

February 9, 2010



Proposal No: 215855725A

JOB AT A GLANCE

4,000 ft Depth (TVD)

4,000 ft Depth (MD)

17.5 in **Hole Size**

Casing Size/Weight: 13 3/8 in, 48 lbs/ft

13 3/8" O.D. (12.715" .I.D) 48 # Pump Via

Total Mix Water Required 29,290 gals

Spacer

Fresh Water 20 bbls Density 8.3 ppg

Lead Slurry

2,360 sacks 35:65:6 Poz:Class C **Density** 12.5 ppg Yield 2.04 cf/sack

Tail Slurry

60:40 Poz:Class C (MPA) 430 sacks Density 13.8 ppg 1.37 cf/sack Yield

Displacement

622 bbls Mud **Density** 10.0 ppg

Well Name: North Pure Gold 8 Federal 13

Job Description: Intermediate Casing Date:

February 9, 2010



Proposal No: 215855725A

WELL DATA

ANNULAR GEOMETRY

ANNULAR I.D.	DEPTH(ft)			
(in)	MEASURED	TRUE VERTICAL		
19.124 CASING	500	500		
17.500 HOLE	4,000	4,000		

SUSPENDED PIPES

DIAMETER (in)		WEIGHT	DEF	PTH(ft)
O.D.	I.D.	(lbs/ft)	MEASURED	TRUE VERTICAL
13.375	12.715	48	4,000	4,000

Float Collar set @ 3,960 ft **Mud Density** 10.00 ppg 112 ° F Est. Static Temp. 99°F Est. Circ. Temp.

VOLUME CALCULATIONS

500 ft	х	1.0190 cf/ft	with	0 % excess	=	509.5 cf
3,100 ft	X	0.6946 cf/ft	with	100 % excess	=	4310.4 cf
400 ft	X	0.6946 cf/ft	with	100 % excess	=	555.7 cf
40 ft	х	0.8818 cf/ft	with	0 % excess	=	35.3 cf (inside pipe)

5410.9 cf TOTAL SLURRY VOLUME = 965 bbls

North Pure Gold 8 Federal 13 Well Name:

Job Description: Intermediate Casing

Date:

February 9, 2010



Proposal No: 215855725A

FLUID SPECIFICATIONS

Spacer

20.0 bbls Fresh Water @ 8.34 ppg

FLUID	VOLUME CU-FT	VOLUM FACTO	
Lead Slurry	4820	<i>I</i> 2.04	= 2360 sacks (35:65) Poz (Fly Ash): Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 6% bwoc Bentonite + 0.25% bwoc FL-52A + 107.7% Fresh Water
Tail Slurry	591	<i>I</i> 1.37	= 430 sacks (60:40) Poz (Fly Ash):Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.1% bwoc Sodium Metasilicate + 4% bwoc MPA-5 + 65.4% Fresh Water

Displacement

621.9 bbls Mud @ 10 ppg

CEMENT PROPERTIES

	SLURRY NO. 1	SLURRY NO. 2
Slurry Weight (ppg)	12.50	13.80
Şlurry Yield (cf/sack)	2.04	1.37
Amount of Mix Water (gps)	11.24	6.43
stimated Pumping Time - 70 BC (HH:MM)	5:30	4:00
COMPRESSIVE STRENGTH		
8 hrs @ 107 ° F (psi)		500
12 hrs @ 107 ° F (psi)		1000
24 hrs @ 107 ° F (psi)		1900
72 hrs @ 107 ° F (psi)		2700
12 hrs @ 112 ° F (psi)	300	
24 hrs @ 112 ° F (psi)	650	
72 hrs @ 112 ° F (psi)	900	

ACTUAL CEMENT VOLUME MAY VARY BASED ON CALIPER.

1

Well Name:

North Pure Gold 8 Federal 13 Job Description: 2nd Intermediate Casing

Date:

February 9, 2010



Proposal No: 215855725A

JOB AT A GLANCE

Depth (TVD)

11,100 ft

Depth (MD)

11,100 ft

Hole Size

12.25 in

Casing Size/Weight:

9 5/8 in, 53.5 lbs/ft

Pump Via

9 5/8" O.D. (8.535" .I.D) 53.5 #

Total Mix Water Required

24,481 gals

Stage No: 1

Float Collar set @

11,060 ft

Spacer

Fresh Water

20 bbls

Density

8.3 ppg

Spacer

Surebond III

1,000 gals

Density

9.4 ppg

Spacer

Fresh Water

10 bbls

Density

8.3 ppg

Lead Slurry

35:65:6 Poz:Class H

1,100 sacks

Density

12.5 ppg

Yield

1.98 cf/sack

Tail Slurry

Super C Modified

850 sacks

Density

13.3 ppg

Yield

1.56 cf/sack

Displacement

Displacement Fluid

783 bbls

Well Name:

North Pure Gold 8 Federal 13 Job Description: 2nd Intermediate Casing

Date:

February 9, 2010



Proposal No: 215855725A

JOB AT A GLANCE (Continued)

Stage Collar set @ 5,500 ft Stage No: 2

Spacer

20 bbls Fresh Water **Density** 8.3 ppg

Lead Slurry

450 sacks 35:65:6 Poz:Class C Density 12.5 ppg 2.04 cf/sack Yield

Tail Slurry

150 sacks 60:40 Poz:Class C (MPA) 13.8 ppg Density Yield 1.37 cf/sack

Displacement

389 bbls Displacement Fluid

Well Name: North Pure Gold 8 Federal 13 Job Description: 2nd Intermediate Casing

Date:

February 9, 2010



Proposal No: 215855725A

WELL DATA

ANNULAR GEOMETRY

ANNULAR I.D.		PTH(ft)
(in)	MEASURED	TRUE VERTICAL
12.715 CASING	4,000	4,000
12.250 HOLE	11,100	11,100

SUSPENDED PIPES

		WEIGHT	DEP	TH(ft)
O.D.	I.D.	(lbs/ft)	MEASURED	TRUE VERTICAL
9.625	8.535	53.5	11,100	11,100

STAGE: 1

Float Collar set @

11,060 ft

Mud Density

9.10 ppg

Mud Type

Water Based 163 ° F

Est. Static Temp. Est. Circ. Temp.

136 ° F

VOLUME CALCULATIONS

3,500 ft	х	0.3132 cf/ft	with	100 % excess	=	2192.3 cf
2,100 ft	Х	0.3132 cf/ft	with	100 % excess	=	1315.4 cf

with

40 ft x 0.3973 cf/ft

0 % excess = 15.9 cf (inside pipe)

TOTAL SLURRY VOLUME = 3523.6 cf

= 628 bbls

STAGE: 2

Stage Collar set @

5,500 ft

Mud Density

9.10 ppg

Mud Type

Water Based

Est. Static Temp.

121 ° F

Est. Circ. Temp.

107 ° F

VOLUME CALCULATIONS

500 ft	Х	0.3765 cf/ft	with	0 % excess	=	188.3 cf
1,171 ft	х	0.3132 cf/ft	with	100 % excess	=	733.6 cf
329 ft	х	0.3132 cf/ft	with	100 % excess	=	206.0 cf

TOTAL SLURRY VOLUME =

1127.8 cf

= 201 bbls

Well Name:

North Pure Gold 8 Federal 13 Job Description: 2nd Intermediate Casing

Date:

February 9, 2010



Proposal No: 215855725A

FLUID SPECIFICATIONS

ST	Ά	GE	Ν	O	.:	1

20.0 bbls Fresh Water @ 8.34 ppg Spacer 1,000.0 gals Surebond III @ 9.35 ppg Spacer 10.0 bbls Fresh Water @ 8.34 ppg Spacer

VOLUME VOLUME

FLUID	CU-FT	FACTOR	AMOUNT AND TYPE OF CEMENT
Lead Slurry	2192	/ 1.98 =	: 1100 sacks (35:65) Poz (Fly Ash):Class H Cement + 2% bwow Sodium Chloride + 0.3% bwoc R-3 + 0.125 lbs/sack Cello Flake + 6% bwoc Bentonite + 0.4% bwoc FL-52A + 104.2% Fresh Water
Tail Slurry	1331	/ 1.56 =	* 850 sacks (15:61:11) Poz (Fly Ash):Class C Cement:CSE-2 + 1% bwow Potassium Chloride + 0.75% bwoc EC-1 + 0.125 lbs/sack Cello Flake + 0.4% bwoc CD-32 + 2 lbs/sack LCM-1 + 0.6% bwoc FL-25 + 0.6% bwoc FL-52A + 73.3% Fresh Water

Displacement

782.7 bbls Displacement Fluid

CEMENT PROPERTIES

	SLURRY NO. 1	SLURRY NO. 2
Slurry Weight (ppg)	12.50	13.30
Slurry Yield (cf/sack)	1.98	1.56
Amount of Mix Water (gps)	10.87	7.65
Estimated Pumping Time - 70 BC (HH:MM)	5:30	4:00
Free Water (mls) @ ° F @ 90 ° angle		0.0
Fluid Loss (cc/30min) at 1000 psi and ° F		50.0
COMPRESSIVE STRENGTH		
12 hrs @ 167 ° F (psi)	350	900
24 hrs @ 167 ° F (psi)	700	2100
72 hrs @ 167 ° F (psi)	100	2600

Well Name:

North Pure Gold 8 Federal 13 Job Description: 2nd Intermediate Casing

Date:

February 9, 2010



Proposal No: 215855725A

FLUID SPECIFICATIONS (Continued)

STAGE NO.: 2

Spacer 20.0 bbls Fresh Water @ 8.34 ppg Lead Slurry 922 1 2.04 = 450 sacks (35:65) Poz (Fly Ash):Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 6% bwoc Bentonite + 0.4% bwoc FL-52A + 107.7% Fresh Water 206 1 1.37 = 150 sacks (60:40) Poz (Fly Ash):Class C Cement + Tail Slurry 0.125 lbs/sack Cello Flake + 0.1% bwoc Sodium

Metasilicate + 4% bwoc MPA-5 + 5% bwow Sodium Chloride + 65.4% Fresh Water

Displacement

389.2 bbls Displacement Fluid

CEMENT PROPERTIES

	SLURRY NO. 1	SLURRY NO. 2
Slurry Weight (ppg)	12.50	13.80
Slurry Yield (cf/sack)	2.04	1.37
Amount of Mix Water (gps)	11.24	6.43
Estimated Pumping Time - 70 BC (HH:MM)	4:00	3:30
Free Water (mls) @ ° F @ 90 ° angle		
Fluid Loss (cc/30min) at 1000 psi and ° F		
COMPRESSIVE STRENGTH		
12 hrs @ 106 ° F (psi)	400	
15 hrs @ 106 ° F (psi)	500	
24 hrs @ 106 ° F (psi)	750	
12 hrs @ 121 ° F (psi)		1700
24 hrs @ 121 ° F (psi)		2500

CEMENT VOLUMES WILL VARY BASED ON CALIPER.

North Pure Gold 8 Federal 13 Well Name:

Job Description: Long String Date:

February 9, 2010



Proposal No: 215855725A

JOB AT A GLANCE

12,750 ft Depth (TVD)

16,500 ft Depth (MD)

8.5 in **Hole Size**

5 1/2 in, 23 lbs/ft Casing Size/Weight:

Pump Via 5 1/2" O.D. (4.670" .1.D) 23#

9,003 gals **Total Mix Water Required**

Spacer

50 bbls MCS-3 Density 15.5 ppg

Cement Slurry

1,950 sacks Class H 16.0 ppg **Density** 1.13 cf/sack Yield

Displacement

Displacement Fluid 349 bbls

North Pure Gold 8 Federal 13 Well Name:

Job Description: Long String

Date:

February 9, 2010



Proposal No: 215855725A

WELL DATA

ANNULAR GEOMETRY

ANNULAR I.D.	DEPTH(ft)		
(in) , s	MEASURED	TRUE VERTICAL	
8.535 CASING	11,100	11,100	
8.500 HOLE	16,500	12,750	

SUSPENDED PIPES

DIAMETER (in)		WEIGHT	DEPTH(ft)	
O.D.	1.D.	(lbs/ft)	MEASURED	TRUE VERTICAL
5.500	4.670	23	16,500	12,750

16,460 ft Float Collar set @ **Mud Density** 15.00 ppg Oil Based **Mud Type** 182 ° F Est. Static Temp. 178°F Est. Circ. Temp.

VOLUME CALCULATIONS

500 ft	Х	0.2323 cf/ft	with	0 % excess	=	116.2 cf
5,400 ft	х	0.2291 cf/ft	with	70 % excess	=	2105.3 cf
40 ft	Х	0.1189 cf/ft	with	0 % excess	=	4.8 cf (inside pipe)

TOTAL SLURRY VOLUME = 2226.2 cf

397 bbls =

Well Name: North Pure Gold 8 Federal 13

Job Description: Long String Date:

February 9, 2010



Proposal No: 215855725A

FLUID SPECIFICATIONS

Spacer

50.0 bbls MCS-3 + 13.88 lbs/bbl Bentonite + 383 lbs/bbl

Barite, Bulk + 2 gal/bbl SS-2 @ 15.5 ppg

VOLUME VOLUME

CU-FT **FACTOR AMOUNT AND TYPE OF CEMENT FLUID**

Cement Slurry 2226 / 1.13 = 1950 sacks Premium Plus H Cement + 0.8% bwoc

> FL-63 + 1% bwoc CD-32 + 0.7% bwoc Sodium Metasilicate + 0.5% bwoc BA-11 + 0.4% bwoc R-

21 + 41% Fresh Water

Displacement

348.7 bbls Displacement Fluid

CEMENT PROPERTIES

	SLURRY NO. 1
Slurry Weight (ppg)	16.00
Slurry Yield (cf/sack)	1.13
Amount of Mix Water (gps)	4.62
Estimated Pumping Time - 70 BC (HH:MM)	5:00
Free Water (mls) @ 178 ° F @ 90 ° angle	0.0
Fluid Loss (cc/30min) at 1000 psi and 178 ° F	40.0
COMPRESSIVE STRENGTH	
12 hrs @ 187 ° F (psi)	1600
24 hrs @ 187 ° F (psi)	2400
72 hrs @ 187 ° F (psi)	3200

CEMENT VOLUMES WILL VARY BASED ON CALIPER.

TEST SPACER SYSTEM WITH OIL BASED MUD.

BATCH MIX SPACER SYSTEM.

Well Name:

North Pure Gold 8 Federal 13 Job Description: Plug Back and Whipstock Plug

Date:

February 9, 2010



Proposal No: 215855725A

JOB AT A GLANCE

13,100 ft Depth (TVD)

Depth (MD) 13,100 ft

Hole Size 8.5 in

Casing Size/Weight: 9 5/8 in, 53.5 lbs/ft

Pump Via Casing 4 1/2" O.D. (3.920" .I.D) 13.5 #

Total Mix Water Required 3,808 gals

Plug No: 1

Spacer

Mud Clean II 15 bbls

Cement Slurry

Class H 550 sacks **Density** 15.6 ppg Yield 1.18 cf/sack

Plug No: 2

Spacer

Mud Clean II 15 bbls Density 8.3 ppg

Cement Slurry

Class H 250 sacks Density 17.0 ppg Yield 0.99 cf/sack

Well Name: North Pure Gold 8 Federal 13

Job Description: Plug Back and Whipstock Plug

Date: February 9, 2010



Proposal No: 215855725A

FLUID SPECIFICATIONS

Spacer = 15.0 bbls Mud Clean II

PLUG NO.	VOLUME CU-FT		VOLUME FACTOR	AMOUNT AND TYPE OF CEMENT
1	649	1	1.18	= 550 sacks Premium Plus H Cement + 0.15% bwoc R-3 + 46.4% Fresh Water
Spacer				= 15.0 bbls Mud Clean II @ 8.34 ppg
2	248	1	.99	 250 sacks Premium Plus H Cement + 1% bwoc CD-32 + 0.05% bwoc ASA-301 + 0.15% bwoc R-21 + 33.1% Fresh Water

CEMENT PROPERTIES

	PLUG NO. 1	PLUG NO. 2
Slurry Weight (ppg)	15.60	17.00
Slurry Yield (cf/sack)	1.18	0.99
Amount of Mix Water (gps)	5.23	3.73
Estimated Pumping Time - 70 BC (HH:MM)	4:00	5:00
COMPRESSIVE STRENGTH		
12 hrs @ 185 ° F (psi)	1500	3300
24 hrs @ 185 ° F (psi)	2700	5500
72 hrs @ 185 ° F (psi)	3500	

PLUG GEOMETRY

	PLUG TOP		PLUG BOTTOM	
1	11750 ft	to	13100 ft	with 8.5 inch Open Hole PDSqT = 160 ° F PDST = 184.8 ° F
2	11250 ft	to	11750 ft	with 8.5 inch Open Hole PDSqT = 150 ° F PDST = 174 ° F

PLUG #1 - 11750' - 13100'

PUMP 550 SACK PLUG (20% EXCESS OVER TRUE HOLE).

PLUG #2 - 11250' - 11750'

PUMP 250 SACKS FOR WHIPSTOCK PLUG (20% EXCESS OVER TRUE HOLE)

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PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: Devon Energy Production Company

LEASE NO.: | NM-77046

WELL NAME & NO.: | North Pure Gold 8 Federal 13

SURFACE HOLE | 660' FSL & 1530' FEL

FOOTAGE:

BOTTOM HOLE FOOTAGE | 660' FNL & 1530' FWL

LOCATION: | Section 9, T. 23 S., R 31 E., NMPM

COUNTY: Eddy County, New Mexico

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

Eddy County

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

- 1. Due to recent H2S encounters in the salt formation, it is recommended that monitoring equipment be onsite for potential Hydrogen Sulfide prior to drilling out the surface shoe. If Hydrogen Sulfide is encountered, please report measurements and formations to the BLM.
- 2. 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.
- 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 are located, this does not include the dog house or stairway area.

4. The record of the drilling rate along with the CAL/GR/N well log run from TD to surface will 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 and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

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

Wait on cement (WOC) time 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. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. 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.

Secretary's Potash

Possible brine and water flows in the Salado, Castile, Delaware and Bone Spring. Possible lost circulation in the Delaware and Bone Springs.

- 1. The 20 inch surface casing shall be set at approximately 500 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a 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 13-3/8 inch intermediate casing is:
 - □ Cement to surface. If cement does not circulate see B.1.a, c-d above.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash. Set intermediate casing in the Lamar Limestone.

Formation below the 13-3/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

- 3. The minimum required fill of cement behind the 9-5/8 inch second intermediate casing is:
 - a. First stage to DV tool, cement shall:
 - ☐ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job.
 - b. Second stage above DV tool, cement shall:
 - Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash.

Pilot hole is required to have a 1,000' plug at the bottom of the hole and it must be tagged. Tag depth to be recorded and reported on subsequent sundry with casing information.

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

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

- 4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least 7100 feet into previous casing string. Operator shall provide method of verification. Additional cement may be required as the excess calculates to -32%.
- 5. 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. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M)** 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.
- 3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 13-3/8 inch intermediate casing shoe shall be 10,000 (10M) psi. 10M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. Casing cut-off and BOP installation will not be initiated until the cement has had a minimum of 8 hours setup time for a water basin. The casing shall remain stationary and under pressure for at least eight hours after the operator places the cement. In the potash area, the minimum time is 12 hours and the casing shall remain stationary and under pressure during this time period. Casing shall be under pressure if the operator uses some acceptable means of holding pressure or if the operator employs one or more float valves to hold the cement in place. Testing the BOP/BOPE against a plug can commence after meeting the above conditions plus the BOP installation time.
 - b. The tests shall be done by an independent service company utilizing a test plug.

- c. The results of the test shall be reported to the appropriate BLM office.
- d. 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.
- e. 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.
- f. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the **Wolfcamp** formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

D. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** formation, and shall be used until production casing is run and cemented.

Proposed mud weight may not be adequate for drilling through Wolfcamp.

E. DRILL STEM TEST

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

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