

JUL 23 2013

13-632

Form 3160-3  
(March 2012)

OCD Hobbs

FORM APPROVED  
OMB No. 1004-0137  
Expires October 31, 2014

**RECEIVED**  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

|                                                                                                                                                                                                                        |                                                     |                                                                                        |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------|--|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER                                                                                                                           |                                                     | 5. Lease Serial No.<br>NMNM 100568                                                     |  |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |                                                     | 6. If Indian, Allottee or Tribe Name                                                   |  |
| 2. Name of Operator Devon Energy Production Company, L.P.                                                                                                                                                              |                                                     | 7. If Unit or CA Agreement, Name and No.                                               |  |
| 3a. Address 333 W. Sheridan Ave.<br>Oklahoma City, OK 73102                                                                                                                                                            |                                                     | 8. Lease Name and Well No. <b>&lt;40039&gt;</b><br>MEAN GREEN 23 FED 1H                |  |
| 3b. Phone No. (include area code)<br>405-552-7848                                                                                                                                                                      |                                                     | 9. API Well No.<br><b>30-025-412921</b>                                                |  |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)*<br>At surface 25 FSL & 330 FEL Unit P PP: 25 FSL & 330 FEL<br>At proposed prod. zone 330 FNL & 330 FEL Unit A            |                                                     | 10. Field and Pool, or Exploratory <b>&lt;9759&gt;</b><br>DELAWARE; JABALINA SOUTHWEST |  |
| 14. Distance in miles and direction from nearest town or post office*<br>Approximately 15 miles southwest of Jal, NM                                                                                                   |                                                     | 11. Sec., T. R. M. or Blk. and Survey or Area<br>23-26S-34E                            |  |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'                                                                                             | 16. No. of acres in lease<br>1,920 acres            | 17. Spacing Unit dedicated to this well<br>160 acres                                   |  |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 50' from Mean Green 26 Fed 1H                                                                               | 19. Proposed Depth<br>TVD: 9,110' MD: 13,794'       | 20. BLM/BIA Bond No. on file<br>CO-1104 & NMB-000801                                   |  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>3,223.0' GL                                                                                                                                                     | 22. Approximate date work will start*<br>05/31/2013 | 23. Estimated duration<br>45 days                                                      |  |

**24. Attachments**

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

- |                                                                                                                                                                                                                           |                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Well plat certified by a registered surveyor.<br>2. A Drilling Plan.<br>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).<br>5. Operator certification<br>6. Such other site specific information and/or plans as may be required by the BLM. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                    |  |                                        |                            |
|----------------------------------------------------|--|----------------------------------------|----------------------------|
| 25. Signature                                      |  | Name (Printed/Typed)<br>David H. Cook  | Date<br>3/25/2013          |
| Title<br>Regulatory Specialist                     |  |                                        |                            |
| Approved by (Signature) <b>/s/George MacDonell</b> |  | Name (Printed/Typed)                   | Date<br><b>JUL 16 2013</b> |
| Title<br><b>FIELD MANAGER</b>                      |  | Office<br><b>CARLSBAD FIELD OFFICE</b> |                            |

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

Conditions of approval, if any, are attached.

**APPROVAL FOR TWO YEARS**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

\*(Instructions on page 2)

Carlsbad Controlled Water Basin

**Ka**  
**07/26/13**

Approval Subject to General Requirements  
& Special Stipulations Attached

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

**JUL 31 2013**

*jm*

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**DRILLING PROGRAM**

Devon Energy Production Company, LP  
**Mean Green 23 Fed 1H**

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Surface Location: 25 FSL & 330 FEL, Unit P, Sec 23 T26S R34E, Lea, NM  
 Bottom Hole Location: 330 FNL & 330 FEL, Unit A, Sec 23 T26S R34E, Lea, NM

**1. Geologic Name of Surface Formation**

a. Quaternary

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

|                  |        |         |
|------------------|--------|---------|
| a. Fresh Water   | 180'   |         |
| b. Rustler       | 960'   |         |
| c. Salado        | 1,100' |         |
| d. Top of Salt   | 1,290' |         |
| e. Castile       | 3,460' |         |
| f. Base of Salt  | 5,042' |         |
| g. Delaware      | 5,321' | Oil/Gas |
| h. Bell Canyon   | 5,357' | Oil     |
| i. Cherry Canyon | 6,365' | Oil     |
| j. Brushy Canyon | 7,946' | Oil     |

Total Depth                      13,794' MD                      9,110' TVD

**3. Casing Program: (All casing is new and API approved.)**

| <u>Hole Size</u> | <u>Hole Interval</u> | <u>OD Csg</u> | <u>Casing Interval</u> | <u>Weight</u> | <u>Collar</u> | <u>Grade</u> |
|------------------|----------------------|---------------|------------------------|---------------|---------------|--------------|
| 17-1/2"          | 0 - 1,000            | 13-3/8"       | 0 - 1,000              | 48#           | STC           | H-40         |
| 12-1/4"          | 1,000 - 5,300        | 9-5/8"        | 0 - 5,300              | 40#           | LTC           | HCK-55       |
| 8-3/4"           | 5,300 - 8,300        | 5-1/2"        | 0 - 8,300              | 17#           | LTC           | HCP-110      |
| 8-3/4"           | 8,300 - 13,794       | 5-1/2"        | 8,300 - 13,794         | 17#           | BTC           | HCP-110      |

MAXIMUM LATERAL TVD 9,110'

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**Design Parameter Factors:**

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| <u>Casing Size</u>       | <u>Collapse Design Factor</u> | <u>Burst Design Factor</u> | <u>Tension Design Factor</u> |
|--------------------------|-------------------------------|----------------------------|------------------------------|
| 13-3/8", 48#, H-40, ST&C | 1.65                          | 3.70                       | 6.71                         |
| 9-5/8" 40# HCK-55 LTC    | 1.51                          | 1.25                       | 2.92                         |
| 5-1/2" 17# HCP-110 LTC   | 1.75                          | 2.49                       | 1.91                         |
| 5-1/2" 17# HCP-110 BTC   | 1.92                          | 2.74                       | 6.19                         |

**Cement Program: (cement volumes Surface 100%/ Intermediate 50% Production based on at least 25% excess):**

**13 3/8" Surface**      **Lead: 200 sx** Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sx Poly-E-Flake + 4% bwoc Bentonite + 70.1% Fresh Water, 13.5 ppg, **Yield: 1.75 cf/sx**

*See COA*      **TOC @ surface**

**Tail: 258 sx** Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sx Poly-E-Flake + 63.1% Fresh Water, 14.8 ppg, **Yield: 1.35 cf/sx**

**9-5/8" Intermediate**      **Lead: 1020 sx** (65:35) Class C Cement:Poz (Fly Ash): + 5% bwoc Sodium Chloride + 0.125 lbs/sx Poly-E-Flake + 6% bwoc Bentonite + 70.9% Fresh Water, 12.9 ppg, **Yield: 2.04 cf/sx**

**TOC @ surface**

**Tail: 430 sx** Class C Cement + 0.125 lbs/sx Poly-E-Flake + 63.5% Water, 14.8 ppg, **Yield: 1.33 cf/sx**

**5-1/2" Production**

**Lead: 975 sx** (65:35) Class H Cement:Poz (Fly Ash) + 6% bwoc Bentonite + 0.2% bwoc HR-601 + 74.1% Fresh Water, 12.5 ppg, **Yield: 1.95 cf/sx**

**Tail: 1300 sx** (50:50) Class H Cement:Poz (Fly Ash) + 1 lb/sk Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water, 14.5 ppg, **Yield: 1.22 cf/sx**

**TOC @ 4800 ft**

**The above cement volumes could be revised pending the caliper measurement from the open hole logs.**

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**4. Pressure Control Equipment****RECEIVED**

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.

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

**5. Proposed Mud Circulation System**

*See  
COA*

| <u>Depth</u>           | <u>Mud Wt.</u> | <u>Visc</u> | <u>Fluid Loss</u> | <u>Type System</u> |
|------------------------|----------------|-------------|-------------------|--------------------|
| 0 - 1,000 <i>1060'</i> | 8.4-9.0        | 30-34       | NC                | FW                 |
| 1,000 - 5,300          | 9.8-10.0       | 28-32       | NC                | Brine              |
| 5,300 - 13,794         | 8.6-9.0        | 28-32       | N12               | 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. Auxiliary Well Control and Monitoring Equipment:**

- a. A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.
- c. Hydrogen Sulfide detection equipment will be in operation after drilling out the 13 3/8" casing shoe until the 5 1/2" casing is cemented. Breathing equipment will be on location upon drilling the 13 3/8" shoe until total depth is reached.

*See  
COA*

**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. The open hole electrical logging program will be:
  - i. Total Depth to Intermediate Casing Dual Laterolog-Micro Laterolog with SP and Gamma Ray. Compensated Neutron – Z Density log with Gamma Ray and Caliper.
  - ii. Total Depth to Surface Compensated Neutron with Gamma Ray
  - iii. No coring program is planned
  - iv. Additional testing will be initiated subsequent to setting the 5 1/2" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

**8. Potential Hazards:**

- a. No abnormal pressures or temperatures are expected. There is no known presence of H<sub>2</sub>S in this area. If H<sub>2</sub>S 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 of equipment being used to drill this well. Estimated BHP 4,000 psi and Estimated BHT 145°. No H<sub>2</sub>S is anticipated to be encountered.

**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.

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# DEVON ENERGY

Project: Lea County, NM (NAD-83)  
 Site: Mean Green 23 Fed  
 Well: 1H  
 Wellbore: OH  
 Design: Plan #1



Azimuths to Grid North  
 True North: -0.48°  
 Magnetic North: 6.82°  
 Magnetic Field  
 Strength: 48336.5 nT  
 Dip Angle: 59.98°  
 Date: 03/12/2013  
 Model: IGRF2010

devon

## DESIGN TARGET DETAILS

| Name             | TVD     | +N/-S   | +E/-W  | Northing  | Easting   | Latitude        | Longitude         |
|------------------|---------|---------|--------|-----------|-----------|-----------------|-------------------|
| SHL(MG-23-F 1H)  | 0.00    | 0.00    | 0.00   | 372787.16 | 820302.13 | 32° 1' 18.040 N | 103° 25' 59.582 W |
| PBHL(MG-23-F 1H) | 9110.00 | 4930.42 | -42.91 | 377717.58 | 820259.22 | 32° 2' 6.831 N  | 103° 25' 59.603 W |

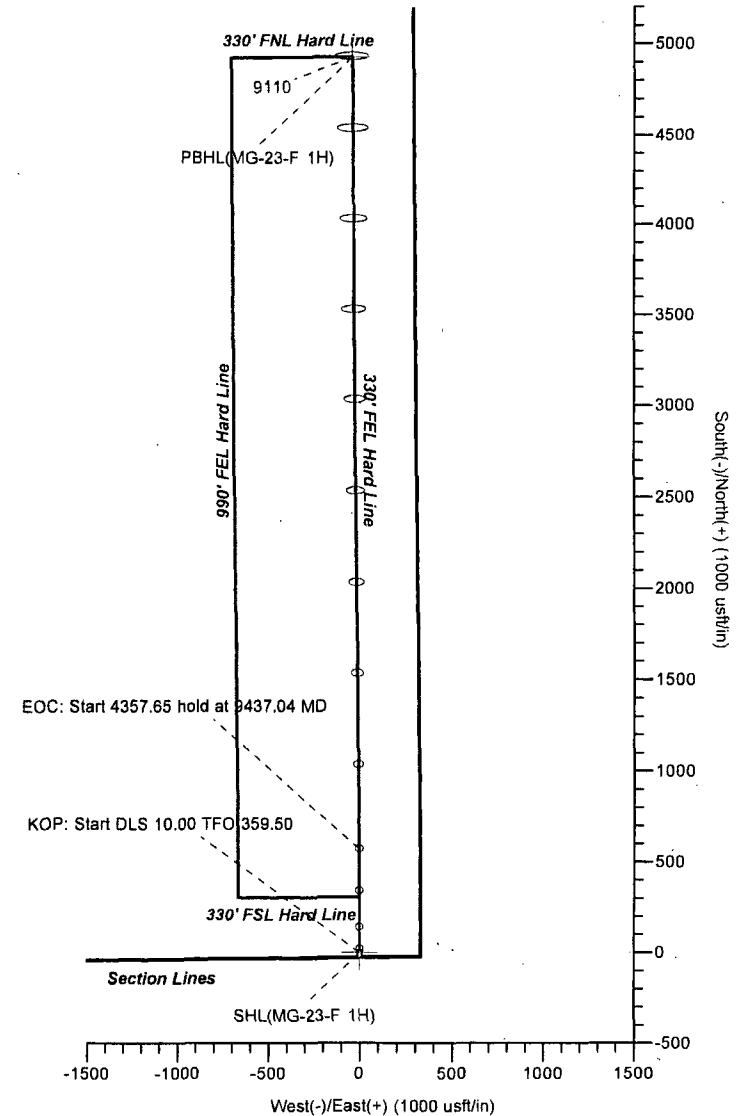
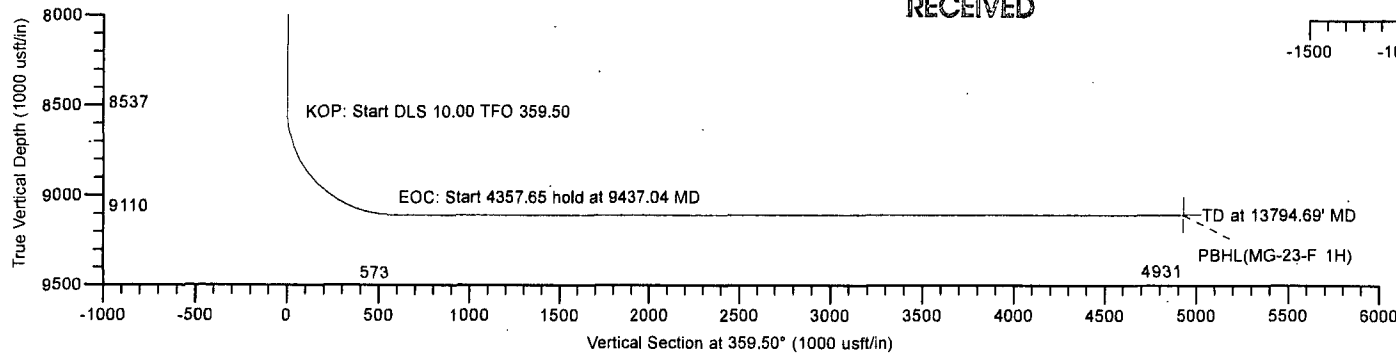
## SECTION DETAILS

| Sec | MD       | Inc   | Azi    | TVD     | +N/-S   | +E/-W  | Dleg  | TFace  | VSect   | Annotation                            |
|-----|----------|-------|--------|---------|---------|--------|-------|--------|---------|---------------------------------------|
| 1   | 0.00     | 0.00  | 0.00   | 0.00    | 0.00    | 0.00   | 0.00  | 0.00   | 0.00    |                                       |
| 2   | 8537.04  | 0.00  | 0.00   | 8537.04 | 0.00    | 0.00   | 0.00  | 0.00   | 0.00    | KOP: Start DLS 10.00 TFO 359.50       |
| 3   | 9437.04  | 90.00 | 359.50 | 9110.00 | 572.94  | -4.99  | 10.00 | 359.50 | 572.96  | EOC: Start 4357.65 hold at 9437.04 MD |
| 4   | 13794.69 | 90.00 | 359.50 | 9110.00 | 4930.42 | -42.91 | 0.00  | 0.00   | 4930.61 | TD at 13794.69' MD                    |

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LEAM DRILLING SYSTEMS LLC  
 2010 East Davis, Conroe, Texas 77301  
 Phone: 936/756-7577, Fax 936/756-7595

Plan: Plan #1 (1H/OH)  
 Mean Green 23 Fed  
 Created By: Tyler Carlson Date: 16:01, March 12 2013  
 Date: \_\_\_\_\_  
 Approved: \_\_\_\_\_ Date: \_\_\_\_\_

## LEAM Drilling Systems LLC

## Planning Report

JUL 23 2013

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|           |                           |                              |                                                      |
|-----------|---------------------------|------------------------------|------------------------------------------------------|
| Database: | EDM 5000.1 Single User Db | Local Co-ordinate Reference: | Well 1H                                              |
| Company:  | DEVON ENERGY              | TVD Reference:               | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |
| Project:  | Lea County, NM (NAD-83)   | MD Reference:                | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |
| Site:     | Mean Green 23 Fed         | North Reference:             | Grid                                                 |
| Well:     | 1H                        | Survey Calculation Method:   | Minimum Curvature                                    |
| Wellbore: | OH                        |                              |                                                      |
| Design:   | Plan #1                   |                              |                                                      |

|             |                           |               |                |
|-------------|---------------------------|---------------|----------------|
| Project:    | Lea County, NM (NAD-83)   |               |                |
| Map System: | US State Plane 1983       | System Datum: | Mean Sea Level |
| Geo Datum:  | North American Datum 1983 |               |                |
| Map Zone:   | New Mexico Eastern Zone   |               |                |

|                       |                   |                        |                              |
|-----------------------|-------------------|------------------------|------------------------------|
| Site:                 | Mean Green 23 Fed |                        |                              |
| Site Position:        | From:             | Map                    |                              |
|                       | Northings:        | 372,787.16 usft        | Latitude: 32° 1' 18.040 N    |
|                       | Easting:          | 820,302.13 usft        | Longitude: 103° 25' 59.582 W |
| Position Uncertainty: | 0.00 usft         | Slot Radius: 13-3/16 " | Grid Convergence: 0.48 °     |

|                      |           |                     |                             |
|----------------------|-----------|---------------------|-----------------------------|
| Well:                | 1H        |                     |                             |
| Well Position        | +N/-S     | 0.00 usft           | Northings: 372,787.16 usft  |
|                      | +E/-W     | 0.00 usft           | Easting: 820,302.13 usft    |
| Position Uncertainty | 0.00 usft | Wellhead Elevation: | Ground Level: 3,223.00 usft |

|           |            |             |                     |
|-----------|------------|-------------|---------------------|
| Wellbore: | OH         |             |                     |
| Magnetics | Model Name | Sample Date | Declination (°)     |
|           | IGRF2010   | 03/12/13    | 7.29                |
|           |            |             | Dip Angle (°)       |
|           |            |             | 59.98               |
|           |            |             | Field Strength (nT) |
|           |            |             | 48,336              |

|                   |                         |              |                    |
|-------------------|-------------------------|--------------|--------------------|
| Design:           | Plan #1                 |              |                    |
| Audit Notes:      |                         |              |                    |
| Version:          | Phase:                  | PLAN         | Tie On Depth: 0.00 |
| Vertical Section: | Depth From (TVD) (usft) | +N/-S (usft) | +E/-W (usft)       |
|                   | 0.00                    | 0.00         | 0.00               |
|                   |                         |              | Direction (°)      |
|                   |                         |              | 359.50             |

| Plan Sections         |                 |             |                       |              |              |                         |                        |                       |         |                  |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|------------------------|-----------------------|---------|------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | TFO (°) | Target           |
| 0.00                  | 0.00            | 0.00        | 0.00                  | 0.00         | 0.00         | 0.00                    | 0.00                   | 0.00                  | 0.00    |                  |
| 8,537.04              | 0.00            | 0.00        | 8,537.04              | 0.00         | 0.00         | 0.00                    | 0.00                   | 0.00                  | 0.00    |                  |
| 9,437.04              | 90.00           | 359.50      | 9,110.00              | 572.94       | -4.99        | 10.00                   | 10.00                  | -0.06                 | 359.50  |                  |
| 13,794.69             | 90.00           | 359.50      | 9,110.00              | 4,930.42     | -42.91       | 0.00                    | 0.00                   | 0.00                  | 0.00    | PBHL(MG-23-F 1H) |

## LEAM Drilling Systems LLC

## Planning Report

JUL 23 2013

|           |                           |                              |                                                      |                 |
|-----------|---------------------------|------------------------------|------------------------------------------------------|-----------------|
| Database: | EDM 5000.1 Single User Db | Local Co-ordinate Reference: | Well 1H                                              | <b>RECEIVED</b> |
| Company:  | DEVON ENERGY              | TVD/Reference:               | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |                 |
| Project:  | Lea County, NM (NAD-83)   | MD/Reference:                | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |                 |
| Site:     | Mean Green 23 Fed         | North Reference:             | Grid:                                                |                 |
| Well:     | 1H                        | Survey Calculation Method:   | Minimum Curvature                                    |                 |
| Wellbore: | OH                        |                              |                                                      |                 |
| Design:   | Plan #1                   |                              |                                                      |                 |

| Planned Survey        |                 |             |                       |              |              |                         |                         |                        |                       |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 0.00                  | 0.00            | 0.00        | 0.00                  | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 100.00                | 0.00            | 0.00        | 100.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 200.00                | 0.00            | 0.00        | 200.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 300.00                | 0.00            | 0.00        | 300.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 400.00                | 0.00            | 0.00        | 400.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 500.00                | 0.00            | 0.00        | 500.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 600.00                | 0.00            | 0.00        | 600.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 700.00                | 0.00            | 0.00        | 700.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 800.00                | 0.00            | 0.00        | 800.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 900.00                | 0.00            | 0.00        | 900.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,000.00              | 0.00            | 0.00        | 1,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,100.00              | 0.00            | 0.00        | 1,100.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,200.00              | 0.00            | 0.00        | 1,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,300.00              | 0.00            | 0.00        | 1,300.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,400.00              | 0.00            | 0.00        | 1,400.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,500.00              | 0.00            | 0.00        | 1,500.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,600.00              | 0.00            | 0.00        | 1,600.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,700.00              | 0.00            | 0.00        | 1,700.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,800.00              | 0.00            | 0.00        | 1,800.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,900.00              | 0.00            | 0.00        | 1,900.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,000.00              | 0.00            | 0.00        | 2,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,100.00              | 0.00            | 0.00        | 2,100.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,200.00              | 0.00            | 0.00        | 2,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,300.00              | 0.00            | 0.00        | 2,300.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,400.00              | 0.00            | 0.00        | 2,400.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,500.00              | 0.00            | 0.00        | 2,500.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,600.00              | 0.00            | 0.00        | 2,600.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,700.00              | 0.00            | 0.00        | 2,700.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,800.00              | 0.00            | 0.00        | 2,800.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 2,900.00              | 0.00            | 0.00        | 2,900.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,000.00              | 0.00            | 0.00        | 3,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,100.00              | 0.00            | 0.00        | 3,100.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,200.00              | 0.00            | 0.00        | 3,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,300.00              | 0.00            | 0.00        | 3,300.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,400.00              | 0.00            | 0.00        | 3,400.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,500.00              | 0.00            | 0.00        | 3,500.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,600.00              | 0.00            | 0.00        | 3,600.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,700.00              | 0.00            | 0.00        | 3,700.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,800.00              | 0.00            | 0.00        | 3,800.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 3,900.00              | 0.00            | 0.00        | 3,900.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,000.00              | 0.00            | 0.00        | 4,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,100.00              | 0.00            | 0.00        | 4,100.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,200.00              | 0.00            | 0.00        | 4,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,300.00              | 0.00            | 0.00        | 4,300.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,400.00              | 0.00            | 0.00        | 4,400.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,500.00              | 0.00            | 0.00        | 4,500.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,600.00              | 0.00            | 0.00        | 4,600.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,700.00              | 0.00            | 0.00        | 4,700.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,800.00              | 0.00            | 0.00        | 4,800.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 4,900.00              | 0.00            | 0.00        | 4,900.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 5,000.00              | 0.00            | 0.00        | 5,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 5,100.00              | 0.00            | 0.00        | 5,100.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |

JUL 23 2013

## LEAM Drilling Systems LLC

## Planning Report

RECEIVED

|           |                           |                              |                                                      |
|-----------|---------------------------|------------------------------|------------------------------------------------------|
| Database: | EDM 5000.1 Single User Db | Local Co-ordinate Reference: | Well 1H                                              |
| Company:  | DEVON ENERGY              | TVD Reference:               | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |
| Project:  | Lea County, NM (NAD-83)   | MD Reference:                | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |
| Site:     | Mean Green 23 Fed         | North Reference:             | Grid                                                 |
| Well:     | 1H                        | Survey Calculation Method:   | Minimum Curvature                                    |
| Wellbore: | OH                        |                              |                                                      |
| Design:   | Plan #1                   |                              |                                                      |

| Planned Survey                  |                 |             |                       |              |              |                         |                         |                        |                       |
|---------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft)           | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 5,200.00                        | 0.00            | 0.00        | 5,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 5,300.00                        | 0.00            | 0.00        | 5,300.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 5,400.00                        | 0.00            | 0.00        | 5,400.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 5,500.00                        | 0.00            | 0.00        | 5,500.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 5,600.00                        | 0.00            | 0.00        | 5,600.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 5,700.00                        | 0.00            | 0.00        | 5,700.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 5,800.00                        | 0.00            | 0.00        | 5,800.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 5,900.00                        | 0.00            | 0.00        | 5,900.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,000.00                        | 0.00            | 0.00        | 6,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,100.00                        | 0.00            | 0.00        | 6,100.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,200.00                        | 0.00            | 0.00        | 6,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,300.00                        | 0.00            | 0.00        | 6,300.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,400.00                        | 0.00            | 0.00        | 6,400.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,500.00                        | 0.00            | 0.00        | 6,500.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,600.00                        | 0.00            | 0.00        | 6,600.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,700.00                        | 0.00            | 0.00        | 6,700.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,800.00                        | 0.00            | 0.00        | 6,800.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 6,900.00                        | 0.00            | 0.00        | 6,900.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,000.00                        | 0.00            | 0.00        | 7,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,100.00                        | 0.00            | 0.00        | 7,100.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,200.00                        | 0.00            | 0.00        | 7,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,300.00                        | 0.00            | 0.00        | 7,300.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,400.00                        | 0.00            | 0.00        | 7,400.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,500.00                        | 0.00            | 0.00        | 7,500.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,600.00                        | 0.00            | 0.00        | 7,600.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,700.00                        | 0.00            | 0.00        | 7,700.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,800.00                        | 0.00            | 0.00        | 7,800.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 7,900.00                        | 0.00            | 0.00        | 7,900.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 8,000.00                        | 0.00            | 0.00        | 8,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 8,100.00                        | 0.00            | 0.00        | 8,100.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 8,200.00                        | 0.00            | 0.00        | 8,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 8,300.00                        | 0.00            | 0.00        | 8,300.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 8,400.00                        | 0.00            | 0.00        | 8,400.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 8,500.00                        | 0.00            | 0.00        | 8,500.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 8,537.04                        | 0.00            | 0.00        | 8,537.04              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| KOP: Start DLS 10.00 TFO 359.50 |                 |             |                       |              |              |                         |                         |                        |                       |
| 8,550.00                        | 1.30            | 359.50      | 8,550.00              | 0.15         | 0.00         | 0.15                    | 10.00                   | 10.00                  | 0.00                  |
| 8,600.00                        | 6.30            | 359.50      | 8,599.87              | 3.46         | -0.03        | 3.46                    | 10.00                   | 10.00                  | 0.00                  |
| 8,650.00                        | 11.30           | 359.50      | 8,649.27              | 11.10        | -0.10        | 11.10                   | 10.00                   | 10.00                  | 0.00                  |
| 8,700.00                        | 16.30           | 359.50      | 8,697.81              | 23.02        | -0.20        | 23.02                   | 10.00                   | 10.00                  | 0.00                  |
| 8,750.00                        | 21.30           | 359.50      | 8,745.13              | 39.12        | -0.34        | 39.12                   | 10.00                   | 10.00                  | 0.00                  |
| 8,800.00                        | 26.30           | 359.50      | 8,790.87              | 59.29        | -0.52        | 59.29                   | 10.00                   | 10.00                  | 0.00                  |
| 8,850.00                        | 31.30           | 359.50      | 8,834.67              | 83.36        | -0.73        | 83.37                   | 10.00                   | 10.00                  | 0.00                  |
| 8,900.00                        | 36.30           | 359.50      | 8,876.21              | 111.17       | -0.97        | 111.17                  | 10.00                   | 10.00                  | 0.00                  |
| 8,950.00                        | 41.30           | 359.50      | 8,915.16              | 142.48       | -1.24        | 142.49                  | 10.00                   | 10.00                  | 0.00                  |
| 9,000.00                        | 46.30           | 359.50      | 8,951.24              | 177.07       | -1.54        | 177.08                  | 10.00                   | 10.00                  | 0.00                  |
| 9,050.00                        | 51.30           | 359.50      | 8,984.17              | 214.68       | -1.87        | 214.69                  | 10.00                   | 10.00                  | 0.00                  |
| 9,100.00                        | 56.30           | 359.50      | 9,013.69              | 255.01       | -2.22        | 255.02                  | 10.00                   | 10.00                  | 0.00                  |
| 9,150.00                        | 61.30           | 359.50      | 9,039.59              | 297.76       | -2.59        | 297.77                  | 10.00                   | 10.00                  | 0.00                  |
| 9,200.00                        | 66.30           | 359.50      | 9,061.66              | 342.61       | -2.98        | 342.62                  | 10.00                   | 10.00                  | 0.00                  |
| 9,250.00                        | 71.30           | 359.50      | 9,079.74              | 389.21       | -3.39        | 389.22                  | 10.00                   | 10.00                  | 0.00                  |
| 9,300.00                        | 76.30           | 359.50      | 9,093.69              | 437.20       | -3.81        | 437.22                  | 10.00                   | 10.00                  | 0.00                  |

## LEAM Drilling Systems LLC

## Planning Report

JUL 23 2013

|           |                           |                              |                                                      |
|-----------|---------------------------|------------------------------|------------------------------------------------------|
| Database: | EDM 5000.1 Single User Db | Local Co-ordinate Reference: | Well 1H                                              |
| Company:  | DEVON ENERGY              | TVD Reference:               | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |
| Project:  | Lea County, NM (NAD-83)   | MD Reference:                | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |
| Site:     | Mean Green 23 Fed         | North Reference:             | Grid                                                 |
| Well:     | 1H                        | Survey Calculation Method:   | Minimum Curvature                                    |
| Wellbore: | OH                        |                              |                                                      |
| Design:   | Plan #1                   |                              |                                                      |

## Planned Survey

| Measured Depth (usft)                 | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|---------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 9,350.00                              | 81.30           | 359.50      | 9,103.40              | 486.23       | -4.23        | 486.25                  | 10.00                   | 10.00                  | 0.00                  |
| 9,400.00                              | 86.30           | 359.50      | 9,108.80              | 535.92       | -4.66        | 535.94                  | 10.00                   | 10.00                  | 0.00                  |
| 9,437.04                              | 90.00           | 359.50      | 9,110.00              | 572.94       | -4.99        | 572.96                  | 10.00                   | 10.00                  | 0.00                  |
| EOC: Start 4357.65 hold at 9437.04 MD |                 |             |                       |              |              |                         |                         |                        |                       |
| 9,500.00                              | 90.00           | 359.50      | 9,110.00              | 635.89       | -5.53        | 635.92                  | 0.00                    | 0.00                   | 0.00                  |
| 9,600.00                              | 90.00           | 359.50      | 9,110.00              | 735.89       | -6.40        | 735.92                  | 0.00                    | 0.00                   | 0.00                  |
| 9,700.00                              | 90.00           | 359.50      | 9,110.00              | 835.88       | -7.27        | 835.92                  | 0.00                    | 0.00                   | 0.00                  |
| 9,800.00                              | 90.00           | 359.50      | 9,110.00              | 935.88       | -8.15        | 935.92                  | 0.00                    | 0.00                   | 0.00                  |
| 9,900.00                              | 90.00           | 359.50      | 9,110.00              | 1,035.88     | -9.02        | 1,035.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,000.00                             | 90.00           | 359.50      | 9,110.00              | 1,135.87     | -9.89        | 1,135.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,100.00                             | 90.00           | 359.50      | 9,110.00              | 1,235.87     | -10.76       | 1,235.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,200.00                             | 90.00           | 359.50      | 9,110.00              | 1,335.87     | -11.63       | 1,335.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,300.00                             | 90.00           | 359.50      | 9,110.00              | 1,435.86     | -12.50       | 1,435.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,400.00                             | 90.00           | 359.50      | 9,110.00              | 1,535.86     | -13.37       | 1,535.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,500.00                             | 90.00           | 359.50      | 9,110.00              | 1,635.85     | -14.24       | 1,635.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,600.00                             | 90.00           | 359.50      | 9,110.00              | 1,735.85     | -15.11       | 1,735.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,700.00                             | 90.00           | 359.50      | 9,110.00              | 1,835.85     | -15.98       | 1,835.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,800.00                             | 90.00           | 359.50      | 9,110.00              | 1,935.84     | -16.85       | 1,935.92                | 0.00                    | 0.00                   | 0.00                  |
| 10,900.00                             | 90.00           | 359.50      | 9,110.00              | 2,035.84     | -17.72       | 2,035.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,000.00                             | 90.00           | 359.50      | 9,110.00              | 2,135.83     | -18.59       | 2,135.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,100.00                             | 90.00           | 359.50      | 9,110.00              | 2,235.83     | -19.46       | 2,235.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,200.00                             | 90.00           | 359.50      | 9,110.00              | 2,335.83     | -20.33       | 2,335.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,300.00                             | 90.00           | 359.50      | 9,110.00              | 2,435.82     | -21.20       | 2,435.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,400.00                             | 90.00           | 359.50      | 9,110.00              | 2,535.82     | -22.07       | 2,535.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,500.00                             | 90.00           | 359.50      | 9,110.00              | 2,635.82     | -22.94       | 2,635.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,600.00                             | 90.00           | 359.50      | 9,110.00              | 2,735.81     | -23.81       | 2,735.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,700.00                             | 90.00           | 359.50      | 9,110.00              | 2,835.81     | -24.68       | 2,835.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,800.00                             | 90.00           | 359.50      | 9,110.00              | 2,935.80     | -25.55       | 2,935.92                | 0.00                    | 0.00                   | 0.00                  |
| 11,900.00                             | 90.00           | 359.50      | 9,110.00              | 3,035.80     | -26.42       | 3,035.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,000.00                             | 90.00           | 359.50      | 9,110.00              | 3,135.80     | -27.29       | 3,135.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,100.00                             | 90.00           | 359.50      | 9,110.00              | 3,235.79     | -28.16       | 3,235.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,200.00                             | 90.00           | 359.50      | 9,110.00              | 3,335.79     | -29.03       | 3,335.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,300.00                             | 90.00           | 359.50      | 9,110.00              | 3,435.79     | -29.90       | 3,435.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,400.00                             | 90.00           | 359.50      | 9,110.00              | 3,535.78     | -30.77       | 3,535.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,500.00                             | 90.00           | 359.50      | 9,110.00              | 3,635.78     | -31.64       | 3,635.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,600.00                             | 90.00           | 359.50      | 9,110.00              | 3,735.77     | -32.51       | 3,735.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,700.00                             | 90.00           | 359.50      | 9,110.00              | 3,835.77     | -33.38       | 3,835.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,800.00                             | 90.00           | 359.50      | 9,110.00              | 3,935.77     | -34.25       | 3,935.92                | 0.00                    | 0.00                   | 0.00                  |
| 12,900.00                             | 90.00           | 359.50      | 9,110.00              | 4,035.76     | -35.12       | 4,035.92                | 0.00                    | 0.00                   | 0.00                  |
| 13,000.00                             | 90.00           | 359.50      | 9,110.00              | 4,135.76     | -35.99       | 4,135.92                | 0.00                    | 0.00                   | 0.00                  |
| 13,100.00                             | 90.00           | 359.50      | 9,110.00              | 4,235.76     | -36.86       | 4,235.92                | 0.00                    | 0.00                   | 0.00                  |
| 13,200.00                             | 90.00           | 359.50      | 9,110.00              | 4,335.75     | -37.73       | 4,335.92                | 0.00                    | 0.00                   | 0.00                  |
| 13,300.00                             | 90.00           | 359.50      | 9,110.00              | 4,435.75     | -38.60       | 4,435.92                | 0.00                    | 0.00                   | 0.00                  |
| 13,400.00                             | 90.00           | 359.50      | 9,110.00              | 4,535.74     | -39.48       | 4,535.92                | 0.00                    | 0.00                   | 0.00                  |
| 13,500.00                             | 90.00           | 359.50      | 9,110.00              | 4,635.74     | -40.35       | 4,635.92                | 0.00                    | 0.00                   | 0.00                  |
| 13,600.00                             | 90.00           | 359.50      | 9,110.00              | 4,735.74     | -41.22       | 4,735.92                | 0.00                    | 0.00                   | 0.00                  |
| 13,700.00                             | 90.00           | 359.50      | 9,110.00              | 4,835.73     | -42.09       | 4,835.92                | 0.00                    | 0.00                   | 0.00                  |
| 13,794.69                             | 90.00           | 359.50      | 9,110.00              | 4,930.42     | -42.91       | 4,930.61                | 0.00                    | 0.00                   | 0.00                  |
| TD at 13794.69' MD                    |                 |             |                       |              |              |                         |                         |                        |                       |

## LEAM Drilling Systems LLC

## Planning Report

JUL 23 2013

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|           |                           |                              |                                                      |
|-----------|---------------------------|------------------------------|------------------------------------------------------|
| Database: | EDM 5000.1 Single User Db | Local Co-ordinate Reference: | Well 1H                                              |
| Company:  | DEVON ENERGY              | TVD Reference:               | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |
| Project:  | Lea County, NM (NAD-83)   | MD Reference:                | GE 3223' + KB 25' @ 3248.00usft (Original Well Elev) |
| Site:     | Mean Green 23 Fed         | North Reference:             | Grid                                                 |
| Well:     | 1H                        | Survey Calculation Method:   | Minimum Curvature                                    |
| Wellbore: | OH                        |                              |                                                      |
| Design:   | Plan #1                   |                              |                                                      |

| Design Targets            |           |         |          |          |        |            |            |                 |                   |
|---------------------------|-----------|---------|----------|----------|--------|------------|------------|-----------------|-------------------|
| Target Name               | Dip Angle | Dip Dir | TVD      | +N/-S    | +E/-W  | Northing   | Easting    | Latitude        | Longitude         |
| - hit/miss target         | (°)       | (°)     | (usft)   | (usft)   | (usft) | (usft)     | (usft)     |                 |                   |
| - Shape                   |           |         |          |          |        |            |            |                 |                   |
| SHL(MG-23-F 1H)           | 0.00      | 0.00    | 0.00     | 0.00     | 0.00   | 372,787.16 | 820,302.13 | 32° 1' 18.040 N | 103° 25' 59.582 W |
| - plan hits target center |           |         |          |          |        |            |            |                 |                   |
| - Point                   |           |         |          |          |        |            |            |                 |                   |
| PBHL(MG-23-F 1H)          | 0.00      | 0.00    | 9,110.00 | 4,930.42 | -42.91 | 377,717.58 | 820,259.22 | 32° 2' 6.831 N  | 103° 25' 59.603 W |
| - plan hits target center |           |         |          |          |        |            |            |                 |                   |
| - Point                   |           |         |          |          |        |            |            |                 |                   |

| Plan Annotations |                |                   |        |                                       |
|------------------|----------------|-------------------|--------|---------------------------------------|
| Measured Depth   | Vertical Depth | Local Coordinates |        | Comment                               |
| (usft)           | (usft)         | +N/-S             | +E/-W  |                                       |
| (usft)           | (usft)         | (usft)            | (usft) |                                       |
| 8,537.04         | 8,537.04       | 0.00              | 0.00   | KOP: Start DLS 10.00 TFO 359.50       |
| 9,437.04         | 9,110.00       | 572.94            | -4.99  | EOC: Start 4357.65 hold at 9437.04 MD |
| 13,794.69        | 9,110.00       | 4,930.42          | -42.91 | TD at 13794.69' MD                    |

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NOTES REGARDING BLOWOUT PREVENTERS

Devon Energy Production Company, LP  
**Mean Green 23 Fed 1H**

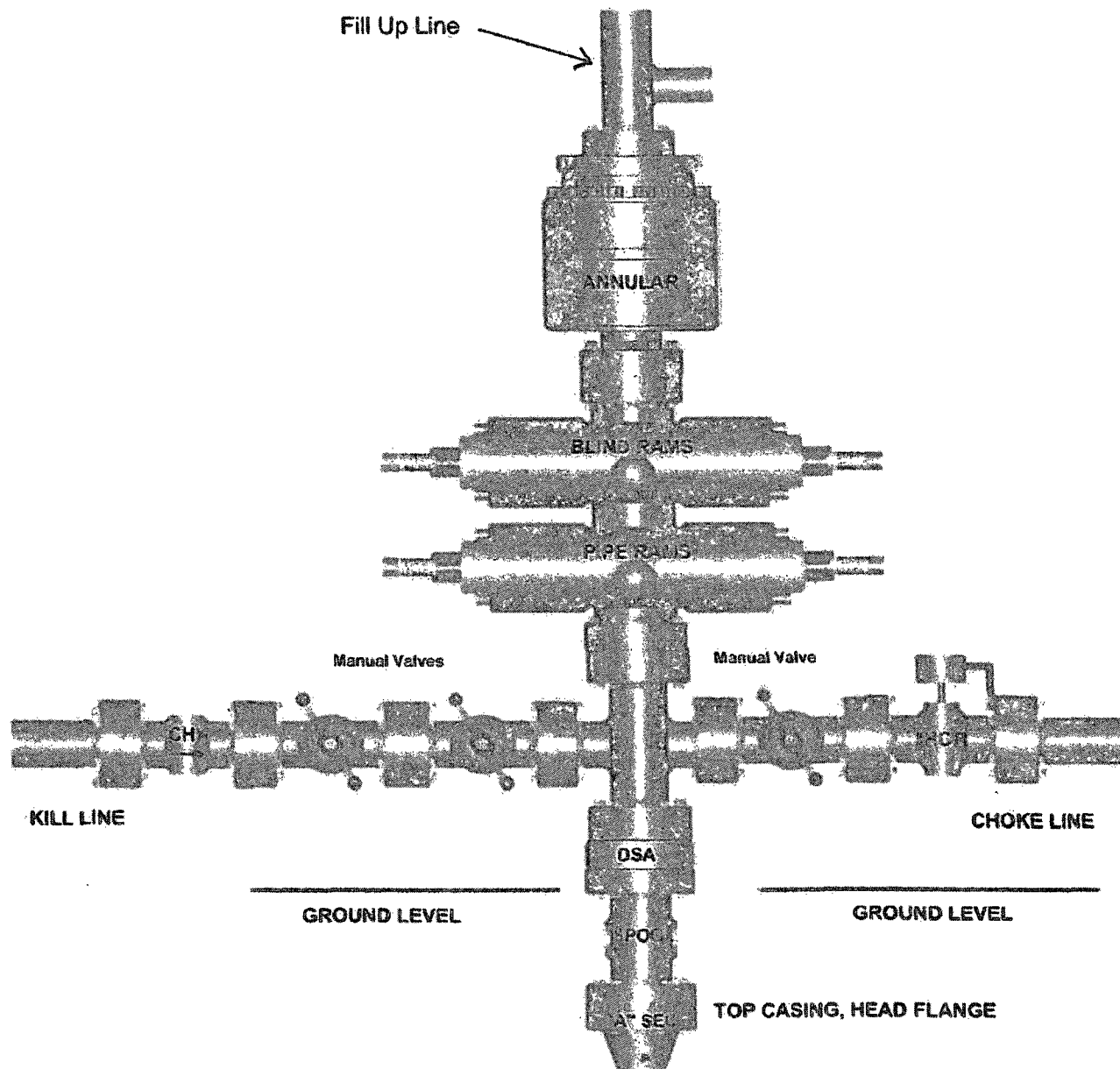
Surface Location: 25 FSL & 330 FEL, Unit P, Sec 23 T26S R34E, Lea, NM  
Bottom Hole Location: 330 FNL & 330 FEL, Unit A, Sec 23 T26S R34E, Lea, NM

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

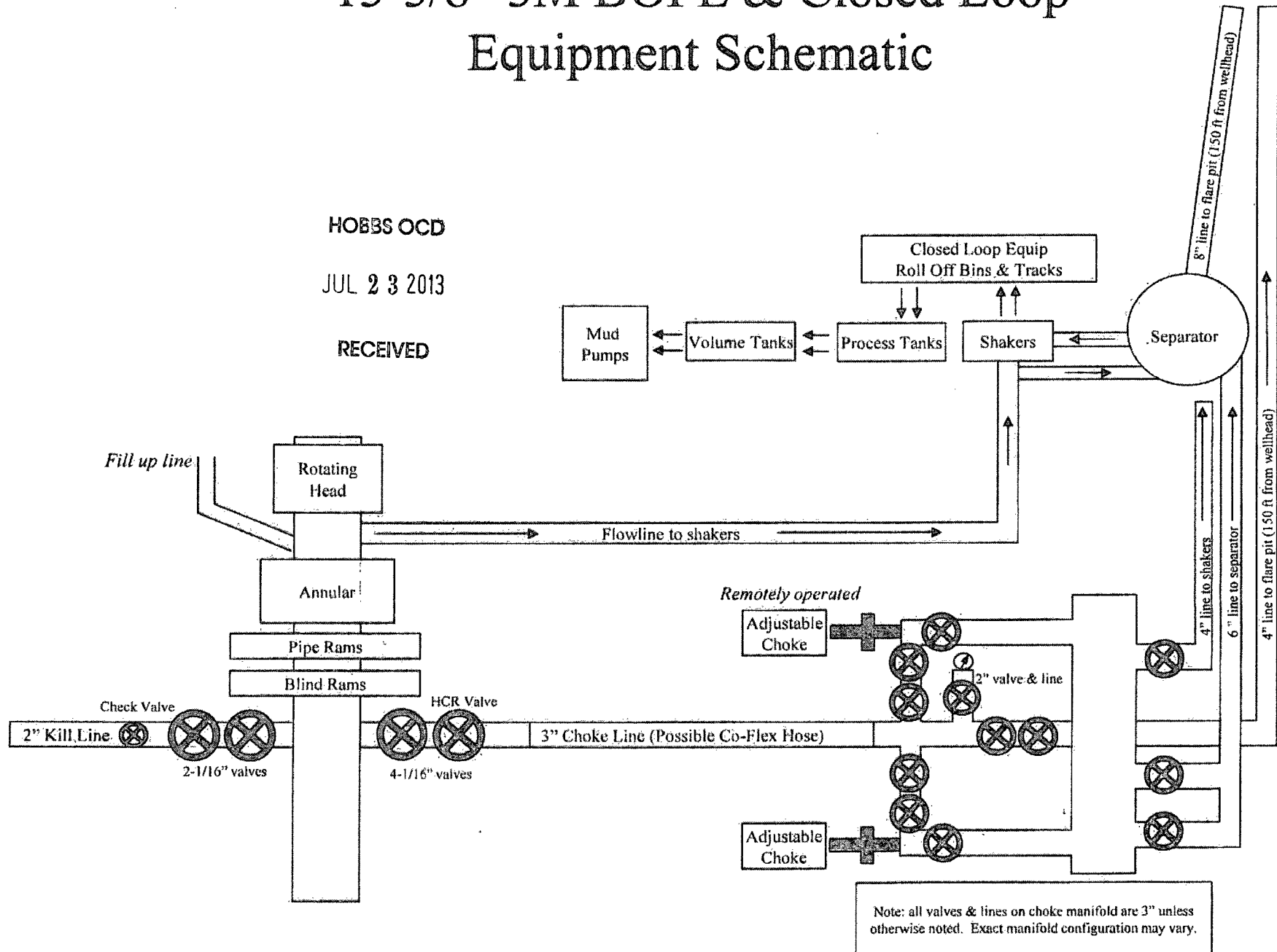
JUL 23 2013

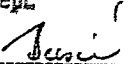
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# 13-5/8" x 3,000 psi BOP Stack



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|                                                                                                                                                                                                                                                                                                                                                                                                    |           |                                      |                                                                                                                                                                                                                                            |                                                |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|--|
| <b>QUALITY CONTROL<br/>INSPECTION AND TEST CERTIFICATE</b>                                                                                                                                                                                                                                                                                                                                         |           |                                      |                                                                                                                                                                                                                                            | CERT. N°: 1713                                 |  |
| PURCHASER: ContiTech Beattie Co.                                                                                                                                                                                                                                                                                                                                                                   |           |                                      |                                                                                                                                                                                                                                            | P.O. N°: 002808                                |  |
| CONTITECH ORDER N°: 426127                                                                                                                                                                                                                                                                                                                                                                         |           | HOSE TYPE: 3" ID Choke and Kill Hose |                                                                                                                                                                                                                                            |                                                |  |
| HOSE SERIAL N°: 53622                                                                                                                                                                                                                                                                                                                                                                              |           | NOMINAL / ACTUAL LENGTH: 10,67 m     |                                                                                                                                                                                                                                            |                                                |  |
| W.P. 68,96 MPa 10000 psi                                                                                                                                                                                                                                                                                                                                                                           |           | T.P. 103,4 MPa 15000 psi             |                                                                                                                                                                                                                                            | Duration: 60 min.                              |  |
| Pressure test with water at ambient temperature<br><br><div style="text-align: right;">HOBBS OCD</div> <div style="text-align: right;">JUL 23 2013</div> <div style="text-align: center;">See attachment. (1 page)</div> <div style="text-align: right;">RECEIVED</div>                                                                                                                            |           |                                      |                                                                                                                                                                                                                                            |                                                |  |
| ↑ 10 mm = 10 Min.<br>→ 10 mm = 25 MPa                                                                                                                                                                                                                                                                                                                                                              |           |                                      |                                                                                                                                                                                                                                            |                                                |  |
| COUPLINGS Type                                                                                                                                                                                                                                                                                                                                                                                     | Serial N° |                                      | Quality                                                                                                                                                                                                                                    | Heat N°                                        |  |
| 3" coupling with<br>4 1/16" Flange end                                                                                                                                                                                                                                                                                                                                                             | 5503 2029 |                                      | AISI 4130<br>AISI 4130                                                                                                                                                                                                                     | N1590P<br>27566                                |  |
| <b>INFOCHIP INSTALLED</b>                                                                                                                                                                                                                                                                                                                                                                          |           |                                      |                                                                                                                                                                                                                                            | <b>API Spec 16 C<br/>Temperature rate: "B"</b> |  |
| All metal parts are flawless                                                                                                                                                                                                                                                                                                                                                                       |           |                                      | Hose conform to NACE MR 01-75                                                                                                                                                                                                              |                                                |  |
| WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER INSPECTED AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.                                                                                                                                                                                                                                    |           |                                      |                                                                                                                                                                                                                                            |                                                |  |
| STATEMENT OF CONFORMITY: We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements. |           |                                      |                                                                                                                                                                                                                                            |                                                |  |
| COUNTRY OF ORIGIN HUNGARY/EU                                                                                                                                                                                                                                                                                                                                                                       |           |                                      |                                                                                                                                                                                                                                            |                                                |  |
| Date:                                                                                                                                                                                                                                                                                                                                                                                              | Inspector |                                      | Quality Control                                                                                                                                                                                                                            |                                                |  |
| 25. August. 2008                                                                                                                                                                                                                                                                                                                                                                                   |           |                                      | ContiTech Rubber<br>Industrial Kft.<br>Quality Control Dept.<br>  |                                                |  |





Fluid Technology

ContiTech Beattie Corp.  
Website: [www.contitechbeattie.com](http://www.contitechbeattie.com)

Monday, June 14, 2010

RE: Drilling & Production Hoses  
Lifting & Safety Equipment

HOBBS OCD

JUL 23 2013

To Helmerich & Payne,

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

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

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

Best regards,

Robin Hodgson  
Sales Manager  
ContiTech Beattie Corp

ContiTech Beattie Corp,  
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