District I State of New Mexico 1625 N. French Dr., Hobbs, NM 88240 Revised August 1, 2011 Phone: (575) 393-6161 Fax: (575) 393-0720 Energy, Minerals & Natural Resources Department District II OC Submit one copy to appropriate 811 S. First St., Artesia, NM 88210 OIL CONSERVATION DIVISION 285 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1220 South St. Francis Dr. 1000 Rio Brazos Road, Aztec, NM 87410 JUL 06 2016 Phone. (505) 334-6178 Fax: (505) 334-6170 Santa Fe, NM 87505 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

AMENDED REPORT

Form C-102

District Office

WELL LOCATION AND ACREAGE DEDICATION PLA

30-025- 43 350	² Pool Code 97899	Bone Spring			
⁴ Property Code 300635	COTT		[°] Well Number 320H		
⁷ OGRID No. 6137	⁹ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.				
	10 St	Irface Location			1. 19:20
UL or lot no Section Township	Range Lot Idn Foot 6	am the North/South line	Foot from the	Fact/Wast line	Coun

0	7	25 S	32 E	LOT III	640	SOUTH	1405	EAST	LEA
			" Bo	ttom Hol	e Location If	f Different From	m Surface		
UL or lot no. A	Section 7	Township 25 S	Range 32 E	Lot Idn	Feet from the 330	North/South line NORTH	Feet from the 990	East/West line EAST	County LEA
² Dedicated Acres 160.00	¹³ Joint of	r Infill ¹⁴ C	Consolidation	Code ¹⁵ Or	der No.	1.2 × 1.5 × 1		1.5	

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.















PETRA 1/27/2016 8:47:07 AM

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Commitment Runs Deep



Design Plan Operation and Maintenance Plan Closure Plan

SENM - Closed Loop Systems June 2010

I. Design Plan

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

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

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

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

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

II. Operations and Maintenance Plan

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

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



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

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

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

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

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

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

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

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

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

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

Ontinental & CONTITECH

Fluid Technology

ContiTech Beattle Corp. Website: <u>www.contitechbeattle.com</u>

Monday, June 14, 2010

RE: Drilling & Production Hoses Lifting & Safety Equipment

To Helmerich & Payne,

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

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

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

Best regards,

Robin Hodgson Sales Manager ContiTech Beattle Corp

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



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PHOENIX RUBBER

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QUALITY DOCUMENT

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6728 Szeged, Budapesti út 10. Hungary • H-6701 Szeged, P. O. Box 152 hone: (3662) 556-737 • Fax: (3662) 566-738 SALES & MARKETING: H-1092 Budapest, Ráday u. 42-44. Hungary • H-1440 Budapest, P. O. Box 26 Phone: (361) 456-4200 · Fax: (361) 217-2972, 456-4273 · www.taurusemerge.hu

QUAL	CERT. Nº: 552						
PURCHASER:	P.O. Nº.	P.O. Nº 1519FA-871					
PHOENIX RUBBER order No-	HOSE TYPE:	3" ID	Choke and Kill Hose				
HOSE SERIAL Nº.	34128	NOMINALIAC	TUAL LENGTH	:	11,43 m	1	
W.P. 68,96 MPa 1	0000 psi	T.P. 103,4	MPa 1500	00 psi	Duration:	60	min.
Pressure test with water at ambient temperature ↑ 10 mm = 10 Min. → 10 mm = 25 MPa	See atta	achment. (1					الله الله الله الله الله الله الله الله
Туре		COUPLI Serial N°	NGS	Quality		Heat N°	
3" coupling with	72			AISI 4130		C7626	
4 1/16" Flange end				AISI 4130		47357	
				:			
All metal parts are flawiess WE CERTIFY THAT THE ABOVE			API Spec 1 Temperatu	re rate:"E		OF THE ORD	ER AN
PRESSURE TESTED AS ABOVE Date: 29. April. 2002.	WITH SATISFACT	ORY RESULT.	Quality Con	HOE Hose	NIX RUE dustrial Ltd Inspection	and And	in



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VERIFIED TRUE CG. PHOENIX RUBBER Q.C.

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RIG LOCATION LAYOUT

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