Carlsbad Field Office
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Form 3160-3
(June 2015)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMNM114990

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☑ Single Zone ☐ Multiple Zone

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
JAYHAWK 6-7 FED FEE COM 322324
1H

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY LP (6137)

9. API Well No
30-025-45413

3a. Address
333 West Sheridan Avenue Oklahoma City OK 73102

3b. Phone No *(include area code)*
(405)552-6571

10. Field and Pool, or Exploratory
98094
BOBCAT DRAW / UPPER WOLFCAMP

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface NENE / 365 FNL / 230 FEL / LAT 32.0787266 / LONG -103.5012113

At proposed prod. zone SESE / 330 FSL / 360 FEL / LAT 32.0516061 / LONG -103.5016073

11. Sec., T. R. M. or Blk. and Survey or Area
SEC 6 / T26S / R34E / NMP

14. Distance in miles and direction from nearest town or post office*

12. County or Parish

13. State

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
230 feet	1241.6	320
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	**19. Proposed Depth**	**20. BLM/BIA Bond No. in file**
607 feet	12840 feet / 22750 feet	FED: CO1104
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	**22. Approximate date work will start***	**23. Estimated duration**
3333 feet	04/05/2019	45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
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).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
(Electronic Submission)	Rebecca Deal / Ph: (405)228-8429	04/12/2018
Title		
Regulatory Compliance Professional		
Approved by *(Signature)*	**Name *(Printed/Typed)***	**Date**
(Electronic Submission)	Cody Layton / Ph: (575)234-5959	08/23/2018
Title	**Office**	
Assistant Field Manager Lands & Minerals	CARLSBAD	

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.

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.

GCP Rec 09/06/18

09/07/18

APPROVED WITH CONDITIONS

Approval Date: 08/23/2018

(Continued on page 2)

*(Instructions on page 2)

MIN F
SURF P

Double Sided

Additional Operator Remarks

Location of Well

1. SHL: NENE / 365 FNL / 230 FEL / TWSP: 26S / RANGE: 34E / SECTION: 6 / LAT: 32.0787266 / LONG: -103.5012113 (TVD: 0 feet, MD: 0 feet)
   PPP: NENE / 1320 FNL / 360 FEL / TWSP: 26S / RANGE: 34E / SECTION: 6 / LAT: 32.07621 / LONG: -103.50164 (TVD: 12840 feet, MD: 13800 feet)
   PPP: NENE / 330 FNL / 343 FEL / TWSP: 26S / RANGE: 34E / SECTION: 6 / LAT: 32.078688 / LONG: -103.501578 (TVD: 12730 feet, MD: 12877 feet)
   BHL: SESE / 330 FSL / 360 FEL / TWSP: 26S / RANGE: 34E / SECTION: 7 / LAT: 32.0516061 / LONG: -103.5016073 (TVD: 12840 feet, MD: 22750 feet)

BLM Point of Contact

Name: Priscilla Perez
Title: Legal Instruments Examiner
Phone: 5752345934
Email: pperez@blm.gov

Approval Date: 08/23/2018

Application Data Report

08/23/2018

APD ID: 10400028992 **Submission Date:** 04/12/2018

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: JAYHAWK 6-7 FED FEE COM **Well Number:** 1H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent change

Show Final Text

Section 1 - General

APD ID: 10400028992 **Tie to previous NOS?** **Submission Date:** 04/12/2018

BLM Office: CARLSBAD **User:** Rebecca Deal **Title:** Regulatory Compliance Professional

Federal/Indian APD: FED **Is the first lease penetrated for production Federal or Indian?** FED

Lease number: NMNM114990 **Lease Acres:** 1241.6

Surface access agreement in place? **Allotted?** **Reservation:**

Agreement in place? NO **Federal or Indian agreement:**

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO **APD Operator:** DEVON ENERGY PRODUCTION COMPANY LP

Operator letter of designation:

Operator Info

Operator Organization Name: DEVON ENERGY PRODUCTION COMPANY LP

Operator Address: 333 West Sheridan Avenue **Zip:** 73102

Operator PO Box:

Operator City: Oklahoma City **State:** OK

Operator Phone: (405)552-6571

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NEW **Mater Development Plan name:** Rattlesnake 3 MDP

Well in Master SUPO? NO **Master SUPO name:**

Well in Master Drilling Plan? NO **Master Drilling Plan name:**

Well Name: JAYHAWK 6-7 FED FEE COM **Well Number:** 1H **Well API Number:**

Field/Pool or Exploratory? Field and Pool **Field Name:** BOBCAT DRAW **Pool Name:** UPPER WOLFCAMP

APD ID: 10400028992 **Submission Date:** 04/12/2018

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: JAYHAWK 6-7 FED FEE COM **Well Number:** 1H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1	---	3333	0	0	OTHER : Surface	NONE	No
2	RUSTLER	2458	875	875	SANDSTONE	NONE	No
3	TOP SALT	2106	1227	1227	SALT	NONE	No
4	BASE OF SALT	-1610	4943	4943	LIMESTONE	NONE	No
5	BELL CANYON	-1854	5187	5187	SANDSTONE	NATURAL GAS,OIL	No
6	CHERRY CANYON	-2943	6276	6276	SANDSTONE	NATURAL GAS,OIL	No
7	BRUSHY CANYON	-4575	7908	7908	SANDSTONE	NATURAL GAS,OIL	No
8	BONE SPRING	-6097	9430	9430	SHALE	NATURAL GAS,OIL	No
9	BONE SPRING 1ST	-7027	10360	10360	SANDSTONE	NATURAL GAS,OIL	No
10	BONE SPRING 2ND	-7672	11005	11005	SANDSTONE	NATURAL GAS,OIL	No
11	BONE SPRING 3RD	-8562	11895	11895	SANDSTONE	NATURAL GAS,OIL	No
12	WOLFCAMP	-9137	12470	12470	SHALE	NATURAL GAS,OIL	Yes
13	STRAWN	-11237	14570	14570	LIMESTONE	NATURAL GAS,OIL	No

Section 2 - Blowout Prevention

Operator Name: DEVON ENERGY P JCTION COMPANY LP

Well Name: JAYHAWK 6-7 FED FEE COM **Well Number:** 1H

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	14.75	10.75	NEW	API	N	0	905	0	905			905	J-55	40.5	STC	1.125	1.25	BUOY	1.6	BUOY	1.6
2	INTERMEDIATE	9.875	7.625	NEW	API	N	0	10360	0	10360			10360	P-110	29.7	OTHER - BTC	1.125	1.25	BUOY	1.6	BUOY	1.6
3	INTERMEDIATE	8.75	7.625	NEW	API	N	10360	12520	10360	12480			2160	P-110	29.7	OTHER - FLUSHMAX	1.125	1.25	BUOY	1.6	BUOY	1.6
4	PRODUCTION	6.75	5.5	NEW	API	N	0	22750	0	12840			22750	P-110	20	OTHER - VAM SG	1.125	1.25	BUOY	1.6	BUOY	1.6

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Jayhawk_6_7_Fed_Fee_Com_1H_Surf_Csg_Ass_20180402091412.pdf

Operator Name: DEVON ENERGY P. JCTION COMPANY LP

Well Name: JAYHAWK 6-7 FED FEE COM **Well Number:** 1H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
PRODUCTION	Lead		0	0	0	0	0	0		See Tail	n/a
PRODUCTION	Tail		12320	22750	830.09	1.33	14.8	1104.03	25	CLASS C	0.125 lbs/sack Poly-E-Flake
INTERMEDIATE	Lead		0	0	0	0	0	0		SEE DRLG PLAN	N/A
SURFACE	Lead		0	905	615.12	1.34	14.8	824.27	50	CLASS C	1% Calcium Chloride
INTERMEDIATE	Lead		0	11020	918.28	3.27	9	3002.77	30	TUNED	Tuned Light
INTERMEDIATE	Tail		11020	12520	186.76	1.2	14.5	224.12	30	CLASS H	Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Operator Name: DEVON ENERGY P. JCTION COMPANY LP

Well Name: JAYHAWK 6-7 FED FEE COM **Well Number:** 1H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Jayhawk_6_7_Fed_Fee_Com_1H_Dir_Svy_20180402092038.pdf

Jayhawk_6_7_Fed_Fee_Com_1H_Plot_Plan_20180402092039.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Jayhawk_6_7_Fed_Fee_Com_1H_10M_BOPE_Double_Ram_and_CLS_Exception_Schematic___For_Annular_Exception_20180402092126.pdf

Jayhawk_6_7_Fed_Fee_Com_1H_AC_Report_20180402092127.pdf

Jayhawk_6_7_Fed_Fee_Com_1H_Annular_Preventer_Sundry_20180402092127.pdf

Jayhawk_6_7_Fed_Fee_Com_1H_Clsd_Loop_20180402092128.pdf

Jayhawk_6_7_Fed_Fee_Com_1H_Drilling_Document_20180402092128.pdf

Jayhawk_6_7_Fed_Fee_Com_1H_MB_Wellhd_10M_20180402092129.pdf

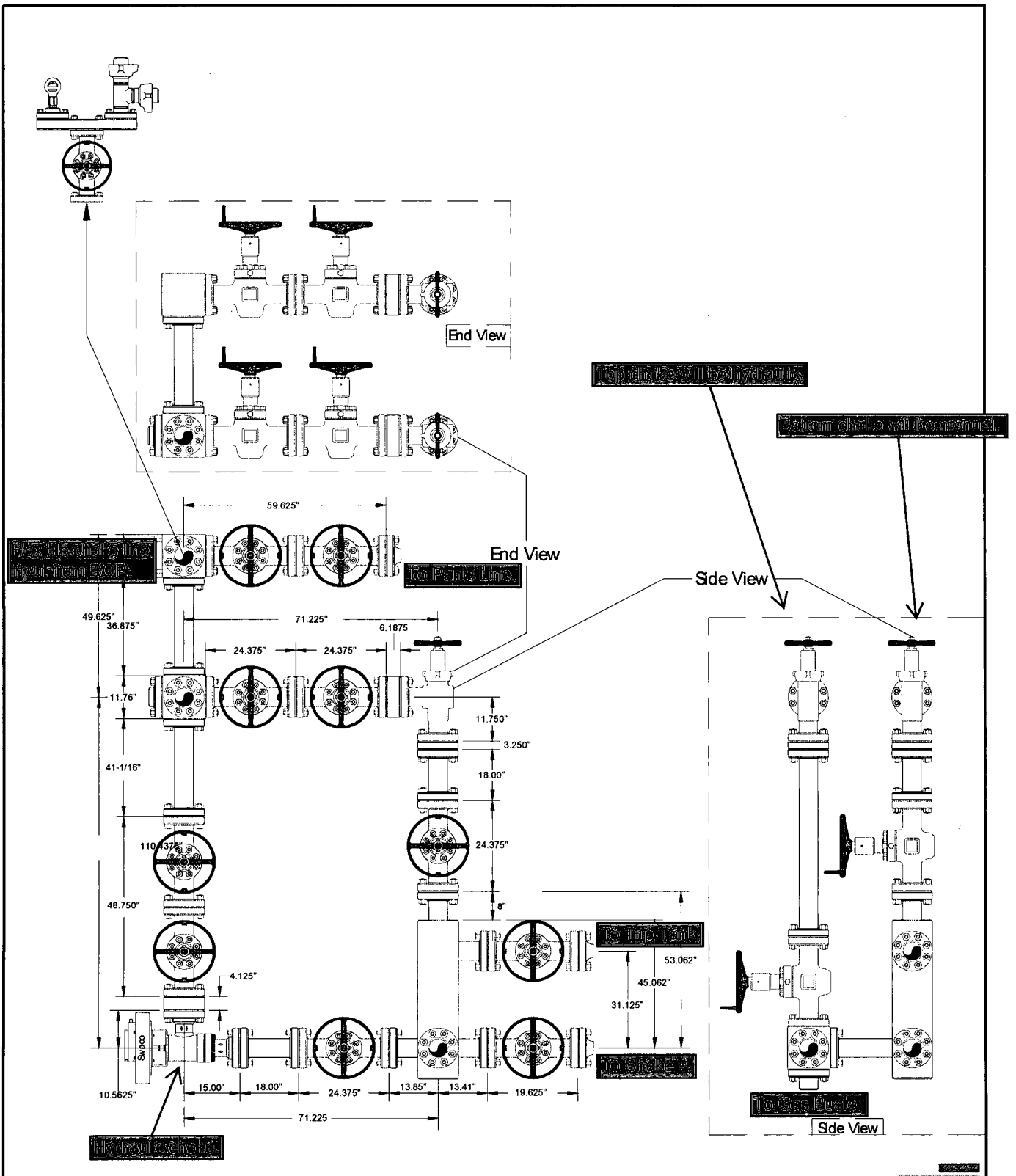
Jayhawk_6_7_Fed_Fee_Com_1H_MB_Verb_10M_20180402092129.pdf

Jayhawk_6_7_Fed_Fee_Com_1H_Spudder_Rig_Info_20180402092428.pdf

Jayhawk_6_7_Fed_Fee_Com_1H_GCP_Form_20180413085341.pdf

Other Variance attachment:

Jayhawk_6_7_Fed_Fee_Com_1H_Co_flex_20180402092259.pdf



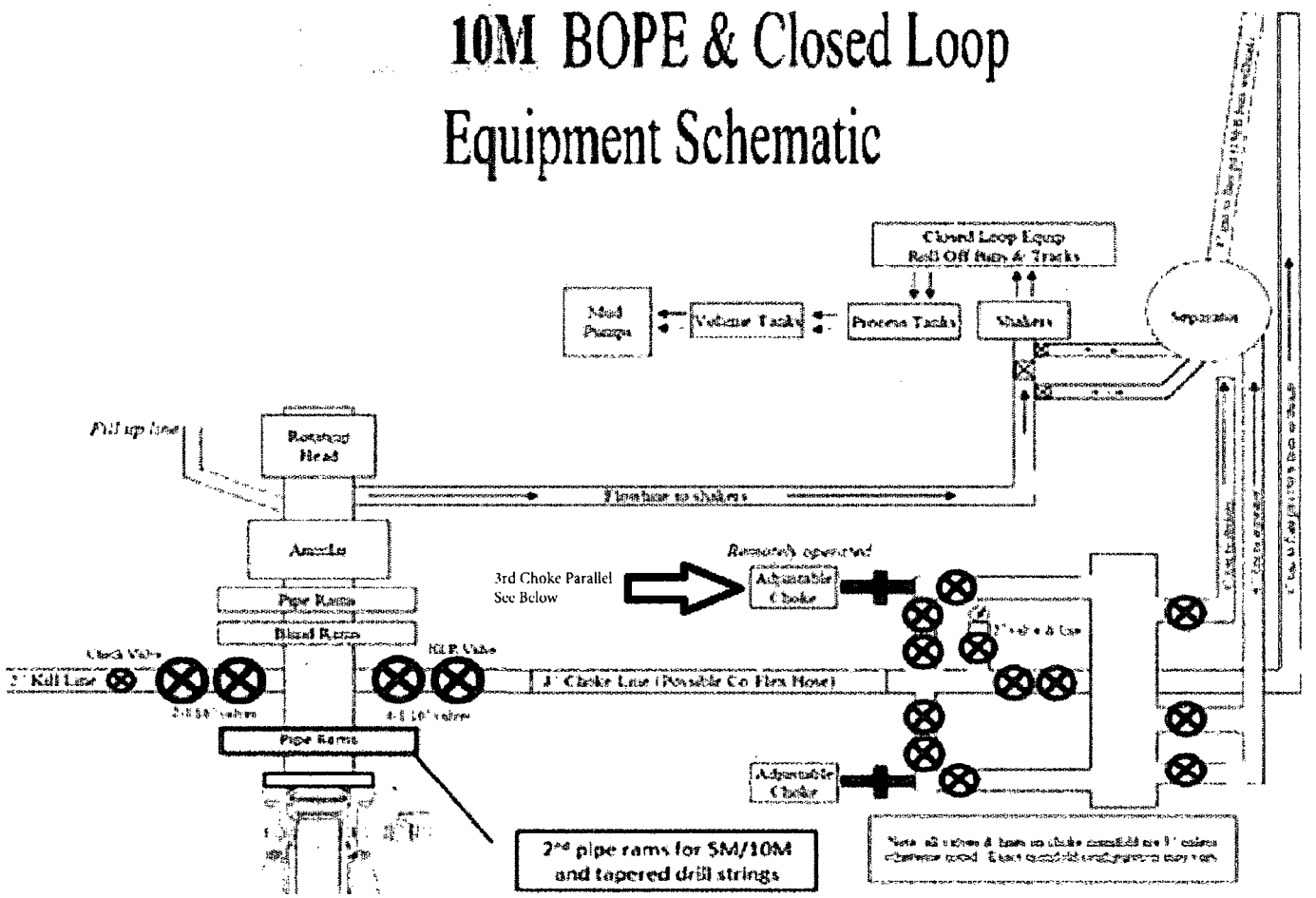
Helmerich & Payne

Flex 3 Rig w/ 3 Chokes

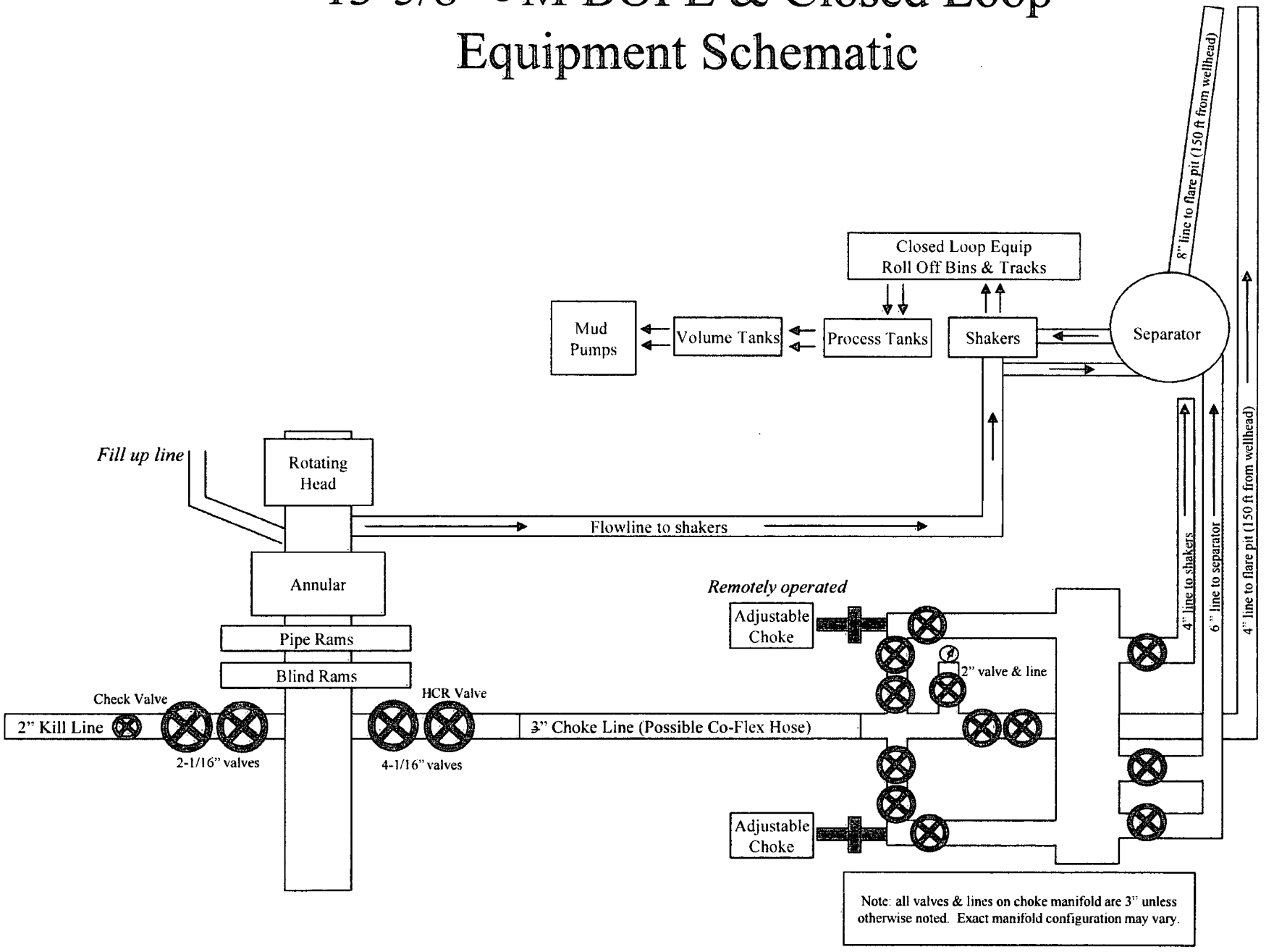
devon

Name:	Date:	Working Pressure:	
Mike Potts	6-23-2010	10M	J-5132-E

10M BOPE & Closed Loop Equipment Schematic



13-5/8" 5M BOPE & Closed Loop Equipment Schematic



Casing Assumptions and Load Cases

Intermediate

All casing design assumptions were ran in Stress Check to determine safety factor which meet or exceed both Devon Energy and BLM minimum requirements. All casing strings will be filled while running in hole in order to not exceed collapse rating of the pipe.

Intermediate Casing Burst Design		
Load Case	**External Pressure**	**Internal Pressure**
Pressure Test	Formation Pore Pressure	Max mud weight of next hole-section plus Test psi
Drill Ahead	Formation Pore Pressure	Max mud weight of next hole section
Fracture @ Shoe	Formation Pore Pressure	Dry gas

Intermediate Casing Collapse Design		
Load Case	**External Pressure**	**Internal Pressure**
Full Evacuation	Water gradient in cement, mud above TOC	None
Cementing	Wet cement weight	Water (8.33ppg)

Intermediate Casing Tension Design	
Load Case	**Assumptions**
Overpull	100kips
Runing in hole	2 ft/s
Service Loads	N/A

Devon Energy Annular Preventer Summary

1. Component and Preventer Compatibility Table

The table below, which covers the drilling and casing of the 10M MASP portion of the well, outlines the tubulars and the compatible preventers in use. This table, combined with the mud program, documents that two barriers to flow can be maintained at all times, independent of the rating of the annular preventer.

6-3/4" Production hole section, 10M requirement

Component	OD	Preventer	RWP
Drillpipe	4.5"	Fixed lower 4.5" Upper 4.5-7" VBR	10M
HWDP	4.5"	Fixed lower 4.5" Upper 4.5-7" VBR	10M
Drill collars and MWD tools	4.75"	Upper 4.5-7" VBR	10M
Mud Motor	4.75"	Upper 4.5-7" VBR	10M
Production casing	5.5"	Upper 4.5-7" VBR	10M
ALL	0-13-5/8"	Annular	5M
Open-hole	-	Blind Rams	10M

VBR = Variable Bore Ram. Compatible range listed in chart.

2. Well Control Procedures

Well control procedures are specific to the rig equipment and the operation at the time the kick occurs. Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. The pressure at which control is swapped from the annular to another compatible ram is variable, but the operator will document in the submission their operating pressure limit. The operator may chose an operating pressure less than or equal to RWP, but in no case will it exceed the RWP of the annular preventer.

<u>General Procedure While Drilling</u>

1. Sound alarm (alert crew)
2. Space out drill string
3. Shut down pumps (stop pumps and rotary)
4. Shut-in Well (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
    a. SIDPP and SICP
    b. Pit gain
    c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach the RWP of the annular preventer, confirm spacing and swap to the upper pipe ram.

Devon Energy Annular Preventer Summary

General Procedures While Pulling BHA thru Stack

1. PRIOR to pulling last joint of drillpipe thru the stack.
    a. Perform flowcheck, if flowing:
    b. Sound alarm (alert crew)
    c. Stab full opening safety valve and close
    d. Space out drill string with tool joint just beneath the upper pipe ram.
    e. Shut-in using upper pipe ram. (HCR and choke will already be in the closed position.)
    f. Confirm shut-in
    g. Notify toolpusher/company representative
    h. Read and record the following:
        i. SIDPP and SICP
        ii. Pit gain
        iii. Time
    i. Regroup and identify forward plan

2. With BHA in the stack and compatible ram preventer and pipe combo immediately available.
    a. Sound alarm (alert crew)
    b. Stab crossover and full opening safety valve and close
    c. Space out drill string with upset just beneath the compatible pipe ram.
    d. Shut-in using compatible pipe ram. (HCR and choke will already be in the closed position.)
    e. Confirm shut-in
    f. Notify toolpusher/company representative
    g. Read and record the following:
        i. SIDPP and SICP
        ii. Pit gain
        iii. Time
    h. Regroup and identify forward plan

3. With BHA in the stack and NO compatible ram preventer and pipe combo immediately available.
    a. Sound alarm (alert crew)
    b. If possible to pick up high enough, pull string clear of the stack and follow "Open Hole" scenario.
    c. If impossible to pick up high enough to pull the string clear of the stack:
    d. Stab crossover, make up one joint/stand of drillpipe, and full opening safety valve and close
    e. Space out drill string with tooljoint just beneath the upper pipe ram.
    f. Shut-in using upper pipe ram. (HCR and choke will already be in the closed position.)
    g. Confirm shut-in
    h. Notify toolpusher/company representative
    i. Read and record the following:
        i. SIDPP and SICP
        ii. Pit gain
        iii. Time
    j. Regroup and identify forward plan

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.

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

Devon Energy, Jayhawk 6-7 Fed Fee Com 1H

1. Geologic Formations

TVD of target	12,840'	Pilot hole depth	N/A
MD at TD:	22,750'	Deepest expected fresh water:	875'

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
RUSTLER	875		
TOP SALT	1227		
BASE OF SALT	4943		
BELL CANYON	5187		
CHERRY CANYON	6276		
BRUSHY CANYON	7908		
BONE SPRING	9430		
BONE SPRING 1ST	10360		
BONE SPRING 2ND	11005		
BONE SPRING 3RD	11895		
WOLFCAMP	12470		

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

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	H_20 gal/sk	Yld ft3/ sack	Slurry Description
10-3/4" Surface	615	14.8	6.34	1.34	Tail: Class C Cement + 1% Calcium Chloride
7-5/8" Int	918	9	13.5	3.27	Lead: Tuned Light® Cement
	187	14.5	5.31	1.2	Tail: (50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite
7-5/8" Intermediate Squeeze	1295	14.8	6.32	1.33	Class C Cement + 0.125 lbs/sack Poly-E-Flake
	178	9	13.5	3.27	Tuned Light® Cement
	144	14.5	5.31	1.2	Tail: (50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite
5-1/2" Producti on	830	14.8	6.32	1.33	Class H Cement + 0.125 lbs/sack Poly-E-Flake

If a DV tool is used, depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Casing String	TOC	% Excess
10-3/4" Surface	0'	50%
7-5/8" Intermediate	0'	30%
5-1/2" Production Casing	12,320'	25%

4. Pressure Control Equipment

N	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

Y	A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. Devon proposes using a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi. • Wellhead will be installed by wellhead representatives. • If the welding is performed by a third party, the wellhead representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal. • Wellhead representative will install the test plug for the initial BOP test. • Wellhead company will install a solid steel body pack-off to completely isolate the lower head after cementing intermediate casing. After installation of the pack-off, the pack-off and the lower flange will be tested to 3M, as shown on the attached schematic. Everything above the pack-off will not have been altered whatsoever from the initial nipple up. Therefore the BOP components will not be retested at that time. • If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head will be cut and top out operations will be conducted. • Devon will pressure test all seals above and below the mandrel (but still above the casing) to full working pressure rating. • Devon will test the casing to 0.22 psi/ft or 1500 psi, whichever is greater, as per Onshore Order #2. After running the 10-3/4" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 5M will be installed on the wellhead system and will undergo a 250 psi low pressure test followed by a 5,000 psi high pressure test. The 5,000 psi high and 250 psi low test will cover testing requirements a maximum of 30 days, as per Onshore Order #2. If the well is not complete within 30 days of this BOP test, another full BOP test will be conducted, as per Onshore 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 5,000 psi WP. Devon's proposed wellhead manufactures will be FMC Technologies, Cactus Wellhead, or Cameron. 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.

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H2S is present
Y	H2S Plan attached

8. Other facets of operation

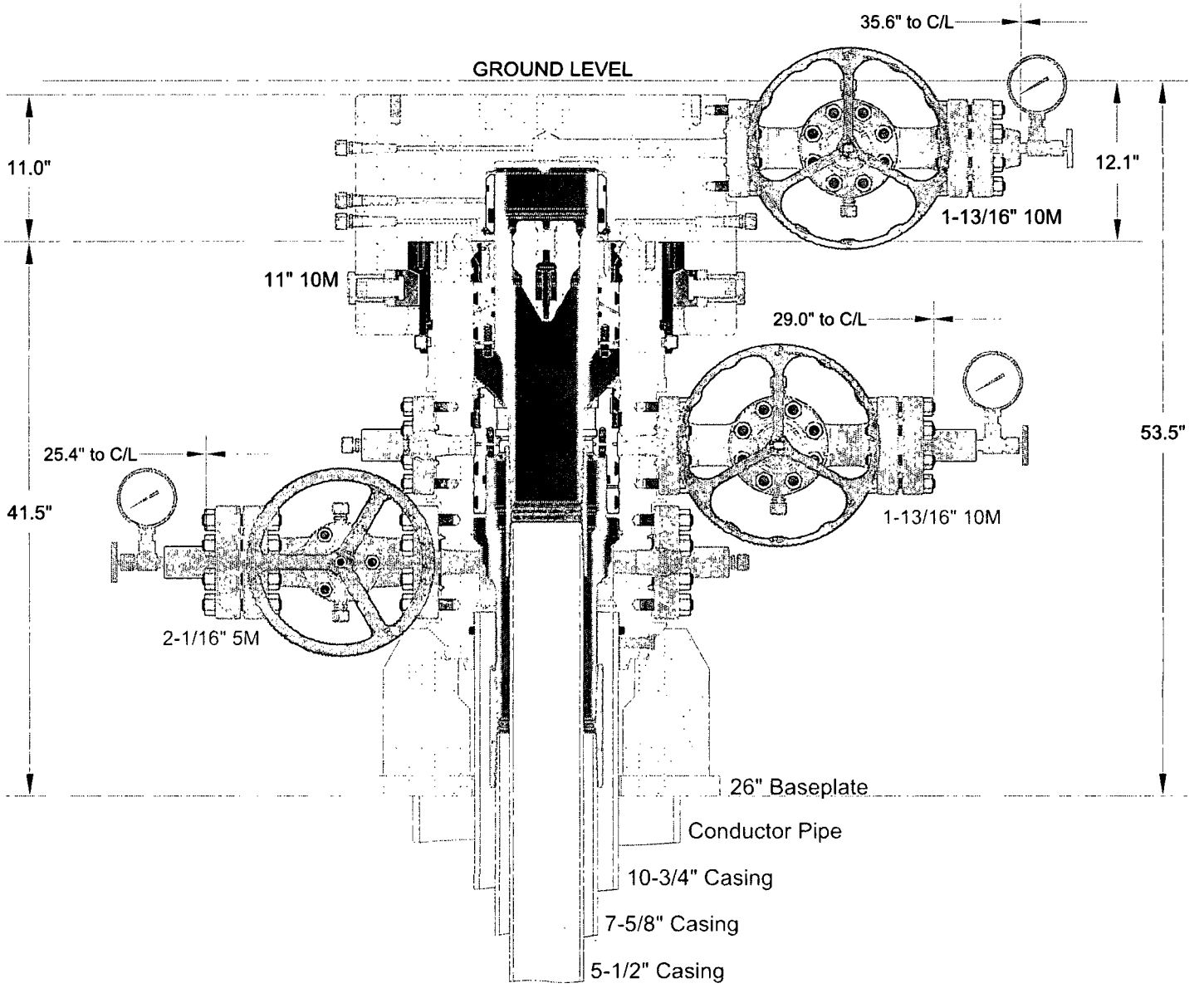
Is this a walking operation? Yes

1. In the event the spudder rig is unable to drill the surface holes the drilling rig will batch drill the surface holes and run/cement surface casing; walking the rig to next wells on the pad.
2. The drilling rig will then batch drill the intermediate sections with either OBM or cut brine and run/cement intermediate casing; the wellbore will be isolated with a blind flange and pressure gauge installed for monitoring the well before walking to the next well.
3. The drilling rig will then batch drill the production hole sections on the wells with OBM, run/cement production casing, and install TA caps or tubing heads for completions.

NOTE: During batch operations the drilling rig will be moved from well to well however, it will not be removed from the pad until all wells have production casing run/cemented.

Will be pre-setting casing? Yes

1. Spudder rig will move in and drill surface hole.
    a. Rig will utilize fresh water based mud to drill 14 ¾" surface hole to TD. Solids control will be handled entirely on a closed loop basis.
2. After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
3. The wellhead will be installed and tested once the 10-3/4" surface casing is cut off and the WOC time has been reached.
4. A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with a pressure gauge installed on the wellhead.
5. Spudder rig operations is expected to take 4-5 days per well on a multi well pad.
6. The NMOCD will be contacted and notified 24 hours prior to commencing spudder rig operations.
7. Drilling operations will be performed with the drilling rig. At that time an approved BOP stack will be nippled up and tested on the wellhead before drilling operations commences on each well.
    a. The NMOCD will be contacted / notified 24 hours before the drilling rig moves back on to the pad with the pre-set surface casing.



CACTUS WELLHEAD LLC	DEVON ENERGY CORPORATION		
16" x 11-7/8" x 7-5/8" MBU-T Wellhead Assembly With 7-5/8" & 5-1/2" Pin Bottom Mandrel Casing Hangers And 11" 10M MBU-T-HPS-F TA Cap	DRAWN	DLE	29NOV17
	APPRV		
	DRAWING NO.	OKE0001764	

- Gas flared would be nal, but might be uneconomical to operate v gas volume declines
- NGL Removal – On lease
  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

RIG 212

PHOENIX

QUALITY DOCUMENT

PHOENIX RUBBER INDUSTRIAL LTD.

6728 Szeged, Budapesti út 10. Hungary • H-6701 Szeged, P. O. Box 152
none: (3662) 566-737 • Fax: (3662) 568-738

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

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE				CERT. N°: 552	
PURCHASER: Phoenix Beattie Co.				P.O. N°: 1519FA-871	
PHOENIX RUBBER order N°: 170466		HOSE TYPE: 3" ID		Choke and Kill Hose	
HOSE SERIAL N°: 34128		NOMINAL / ACTUAL LENGTH:		11,43 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

See attachment. (1 page)

↑ 10 mm = 10 Min.

→ 10 mm = 25 MPa

COUPLINGS

Type	Serial N°	Quality	Heat N°
3" coupling with	720 719	AISI 4130	C7626
4 1/16" Flange end		AISI 4130	47357

API Spec 16 C
Temperature rate:"B"

All metal parts are flawless

WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.

Date:	Inspector	Quality Control
29. April. 2002.		PHOENIX RUBBER Industrial Ltd. Hose Inspection and Certification Dept.

CERTIFIED TRUE COPY
PHOENIX RUBBER Q.C.

APD ID: 10400028992 **Submission Date:** 04/12/2018

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: JAYHAWK 6-7 FED FEE COM **Well Number:** 1H

Well Type: OIL WELL **Well Work Type:** Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Jayhawk_6_7_Fed_Fee_Com_1H_Access_Rd_20180402092734.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT **Row(s) Exist?** NO

ROW ID(s)

ID:

Do the existing roads need to be improved? YES

Existing Road Improvement Description: Improve road to accommodate Drilling and Completion operations.

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

Jayhawk_6_7_Fed_Fee_Com_1H_New_Access_Rd_20180402092828.pdf

New road type: LOCAL

Length: 50.04 Feet **Width (ft.):** 30

Max slope (%): 6 **Max grade (%):** 4

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Water Drainage Ditch

New road access plan or profile prepared? YES

New road access plan attachment:

Jayhawk_6_7_Fed_Fee_Com_1H_New_Access_Rd_20180402092939.pdf

Access road engineering design? YES

Jayhawk_6_7_Fed_Fee_Com_1H_CTB_3_Ele_20180402144139.PDF
Jayhawk_6_7_Fed_Fee_Com_1H_FL_PAD_TO_CTB_20180402144144.pdf
Jayhawk_6_7_Fed_Fee_Com_1H_Jyhwk_6_Pad_3_Plat_20180402144201.pdf
Jayhawk_6_7_Fed_Fee_Com_1H_LAT_CRUDE_20180402144202.PDF
Jayhawk_6_7_Fed_Fee_Com_1H_WP_3_ELE_20180402144205.PDF
Jayhawk_6_7_Fed_Fee_Com_1H_CTB_PLAT_20180402144843.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: STIMULATION

Water source type: RECYCLED

Describe type:

Source latitude:

Source longitude:

Source datum:

Water source permit type: OTHER

Source land ownership: FEDERAL

Water source transport method: PIPELINE

Source transportation land ownership: FEDERAL

Water source volume (barrels): 350000

Source volume (acre-feet): 45.112583

Source volume (gal): 14700000

Water source and transportation map:

Jayhawk_6_7_Fed_Fee_Com_1H_Water_Map_20180402095659.pdf

Water source comments: The attached Water Transfer Map is a proposal only and the final route and documentation will be provided by a Devon contractor prior to installation. When available Devon will always follow existing disturbance.
New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Waste type: FLOWBACK

Waste content description: Average produced BWPD over the flowback period (first 30 days of production).

Amount of waste: 4000 barrels

Waste disposal frequency : Daily

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: OFF-LEASE INJECTION **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Produced water during flowback will be disposed of at our Rattlesnake 16 SWD.

Waste type: DRILLING

Waste content description: Water Based and Oil Based Cuttings

Amount of waste: 1740 barrels

Waste disposal frequency : Daily

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: All cuttings will disposed of at R360, Sundance, or equivalent.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) **Reserve pit width (ft.)**

Reserve pit depth (ft.) **Reserve pit volume (cu. yd.)**

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Operator Name: DEVON ENERGY . .ODUCTION COMPANY LP

Well Name: JAYHAWK 6-7 FED FEE COM **Well Number:** 1H

Total proposed disturbance: 8.721 **Total long term disturbance:** 3.289

Disturbance Comments:

Reconstruction method: Operator will use Best Management Practices"BMP" to mechanically recontour to obtain the desired outcome.
Topsoil redistribution: Topsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns.
Soil treatment: Topsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns.
Existing Vegetation at the well pad: Shinnery, yucca, grasses and mesquite.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Shinnery, yucca, grasses and mesquite.

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Shinnery, yucca, grasses and mesquite.

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: Shinnery, yucca, grasses and mesquite.

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed type: **Seed source:**

Seed name:

Source name: **Source address:**

Source phone:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: **USFS Ranger District:**

Disturbance type: EXISTING ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT,PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: **USFS Ranger District:**

Section 12 - Other Information

Right of Way needed? YES **Use APD as ROW?** YES

ROW Type(s): 281001 ROW - ROADS,288100 ROW – O&G Pipeline,FLPMA (Powerline),Other

ROW Applications

SUPO Additional Information: Part of Rattlesnake 3 MDP. See Section 4 for 9 Facility & Infrastructure Plats. See C-102 for grading plats.
Use a previously conducted onsite? YES

Previous Onsite information: 8/31/2017

Other SUPO Attachment

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

AFMSS

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

Bond Info Data Report

08/23/2018

Bond Information

Federal/Indian APD: FED

BLM Bond number: CO1104

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

Operator Name: DEVON ENERG DUCTION COMPANY LP

Well Name: JAYHAWK 6-7 FED FEE COM **Well Number:** 1H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
PPP Leg #1	1320	FNL	360	FEL	26S	34E	6	Aliquot NENE	32.07621	-103.50164	LEA	NEW MEXICO	NEW MEXICO	[redacted]	NMNM 114990	-9507	13800	12840
EXIT Leg #1	330	FSL	360	FEL	26S	34E	7	Aliquot SESE	32.0516061	-103.5016073	LEA	NEW MEXICO	NEW MEXICO	[redacted]	NMNM 114990	-9507	22750	12840
BHL Leg #1	330	FSL	360	FEL	26S	34E	7	Aliquot SESE	32.0516061	-103.5016073	LEA	NEW MEXICO	NEW MEXICO	[redacted]	NMNM 114990	-9507	22750	12840

Devon Energy
APD VARIANCE DATA

OPERATOR NAME: Devon Energy

1. **SUMMARY OF Variance:**

Devon Energy respectfully requests approval for the following additions to the drilling plan:

1. Potential utilization of a spudder rig to pre-set surface casing.

2. **Description of Operations**
   1. A spudder rig contractor may move in their rig to drill the surface hole section and pre-set surface casing on this well.
      a. After drilling the surface hole section, the rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
      b. Rig will utilize fresh water based mud to drill surface hole to TD.
   2. The wellhead will be installed and tested once the surface casing is cut off and the WOC time has been reached.
   3. A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with needle valves installed on two wingvalves.
      a. A means for intervention will be maintained while the drilling rig is not over the well.
   4. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.
   5. Drilling operation will be performed with the big rig. At that time an approved BOP stack will be nippled up and tested on the wellhead before drilling operations commences on each well.
      a. The BLM will be contacted / notified 24 hours before the big rig moves back on to the pad with the pre-set surface casing.
   6. Devon Energy will have supervision on the rig to ensure compliance with all BLM and NMOCD regulations and to oversee operations.
   7. Once the rig is removed, Devon Energy will secure the wellhead area by placing a guard rail around the cellar area.