

Submit 1 Copy To Appropriate District
Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-015-42224
2. Name of Operator Devon Energy Production Company, LP 405-228-7203		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator 333 West. Sheridan Avenue Oklahoma City, OK 73102-5015 405-228-7203		6. State Oil & Gas Lease No.
4. Well Location Unit Letter <u>I</u> : <u>1980</u> feet from the <u>SOUTH</u> line and <u>175</u> feet from the <u>East</u> line Section <u>31</u> Township <u>22S</u> Range <u>26E</u> NMPM Eddy County		7. Lease Name or Unit Agreement Name Daisy Duke 31 State Com
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3369.8'		8. Well Number 3H
		9. OGRID Number 6137
		10. Pool name or Wildcat WC-015 G-04 S232615D; BS

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: PH Depth Chg ☒

SUBSEQUENT REPORT OF:
REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Co. L.P. respectfully requests altering the depth of the pilot hole from 8600' to 9000' (Wolfcamp) on the Daisy Duke 31 State Com 3H.

We will be pumping an additional cement proportional to the depth in order to plug back the pilot hole back up to kick off point for the curve – this will be about 1170 sks.

*Please refer to the attached/revised drilling plan
Thank you

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Trina C. Couch TITLE: Regulatory Analyst DATE 10/16/2014

Type or print name: Trina C. Couch E-mail address: trina.couch@dmr.com PHONE: 405-228-7203

For State Use Only

APPROVED BY: [Signature] TITLE Dist. Reg. Supervisor DATE 10/28/2014
Conditions of Approval (if any):

DRILLING PROGRAM

Devon Energy Production Company, L.P.
Daisy Duke State Com 3H

- Geologic Name of Surface Formation:** Quaternary
- Estimated Tops of Geological Markers & Depths of Anticipated FW, Oil, or Gas:**

a.	Fresh Water	367	-
b.	Rustler	105	Barren
c.	Capitan	688	Barren
d.	Capitan Base	1237	Barren
e.	Lamar	1241	Barren
f.	Delaware	1614	Oil / Gas
g.	Cherry Canyon	2418	Oil / Gas
h.	Brushy Canyon	3335	Oil / Gas
i.	Bone Spring Lm	4826	Oil / Gas
j.	1st Bone Spring Ss	5740	Oil / Gas
k.	2nd Bone Spring Lime	5947	Oil / Gas
l.	2nd Bone Spring Ss	6223	Oil / Gas
m.	3rd Bone Spring Lime	6432	Oil / Gas
n.	3rd Bone Spring Ss	8049	Oil / Gas
o.	3rd Bone Spring Ss Basal Mrkr	8446	Oil / Gas

Total Depths	6240' TVD	10842' MD	9000' PH
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3. Pressure Control Equipment:

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

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

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP.

Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line); **if an H&P rig drills this well. Otherwise no flex line is needed.** The line will be kept as straight as possible with minimal turns.

Auxiliary Well Control and Monitoring Equipment:

- a. A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.

4. Casing Program:

Hole Size	Hole Interval	Casing OD	Casing Interval	Weight (lb/ft)	Collar	Grade	Collapse Design Factor	Burst Design Factor	Tension Design Factor
17-1/2"	0 - 400'	13-3/8"	0 - 400'	48	BTC	H-40	4.30	9.67	28.18
12-1/4"	400-1700'	9-5/8"	0-1700'	36	LTC	J-55	2.29	3.98	7.40
8-3/4"	1700-10842'	5-1/2"	0-10842'	17	LTC	P-110	2.82	3.50	5.25

Casing Notes:

- All casing is new and API approved

Maximum Lateral TVD: 6362'

5. Proposed mud Circulations System:

Depth	Mud Weight	Viscosity	Fluid Loss	Type System
0-400'	8.4-8.6	30-34	N/C	FW
400-1700'	10.0	28-32	N/C	Brine
1700-10842'	8.6-9.2	28-32	N/C	FW

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

6. Cementing Table:

String	Number of sx	Weight lbs/gal	Water Volume g/sx	Yield cf/sx	Stage; Lead/Tail	Slurry Description
13-3/8" Surface	400	14.8	6.32	1.33	Tail	Class C Cement + 63.5% Fresh Water
9-5/8" Intermediate	330	12.9	9.81	1.85	Lead	(65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 70.9 % Fresh Water
	220	14.8	6.32	1.33	Tail	Class C Cement + 63.5% Fresh Water
Pilot Hole Plug Back	1170	15.6	5.39	1.19	Plug Cement	Class H Cement + 0.2% Halad-9 + 0.2% HR-601 + 60.5 % Fresh Water
5-1/2" Production Casing Single Stage	550	11.0	15.23	2.71	Lead	Tuned Light Blend + 0.125 lb/sk Pol-E-Flake + 76.3% Fresh Water
	1310	14.5	5.32	1.21	Tail	(50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.25% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water
5-1/2" Production Casing 2-Stage Option	230	12.5	10.86	1.96	Lead	(65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E-Flake + 74.1 % Fresh Water
	1310	14.5	5.38	1.22	Tail	(50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.25% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water
	DV Tool @ 4500ft					
	390	11.9	12.89	2.26	Lead	(50:50) Class H Cement: Poz (Fly Ash) + 10% BWOC Bentonite + 1 lb/sk of Kol-Seal + 0.3% BWOC HR-601 + 0.5lb/sk D-Air 5000 + 76.4% Fresh Water
	120	14.8	6.32	1.33	Tail	Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water

TOC for all Strings:

Surface @ 0'
 Intermediate @ 0'
 Production @ 1200'

Notes:

- Cement volumes Surface 100%, Intermediate 50%, Production based on at least 25% excess
- Actual cement volumes will be adjusted based on fluid caliper and caliper log data
- If lost circulation is encountered while drilling the production wellbore, a DV tool will be installed a minimum of 50' below the previous casing shoe and of 200' above the current shoe. If the DV tool has to be moved, the cement volumes will be adjusted proportionately.