# M.M. Oil Cons. DIV-Dist. 2

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5. Lease Serial No.

6. If Indian, Allotee or Tribe Name

# BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR REENTER

DEPARTMENT OF THE INTERIOR

				·····
la. Type of work:  DRILL REENTER	CRETARY'S P	OTAS	7 If Unit or CA Agreem	ent, Name and No.
			8. Lease Name and Wel	,
Ib. Type of Well: ✓ Oil Well Gas Well Other	✓ Single ZoneMultip	ple Zone	North Pure Gold	9 Federal 8
2. Name of Operator  Devon Energy Production Company, LP	6137		9. API Well No.	- 34533
3a. Address 20 North Broadway Oklahoma City, Oklahoma City 73102-8260	Phone No. (include area code) 405-552-78PECEIV	Entes	10. Field and Pool, or Exp	loratory, laware: 40297
4. Location of Well (Report location clearly and in accordance with any Su			11. Sec., T. R. M. or Bik.:	and Survey or Area
At surface Lot K 1905' FSL & 1918' FWL	JAN 0 5 2	006		a mass
At proposed prod. zone Lot K 1905' FSL & 1918' FWL	CODINATI	FOM	Lot K Sec 9 T23	S R31E
14. Distance in miles and direction from nearest town or post office*			12. County or Parish	13. State
Approximately 18 miles east of Loving, New Mexico.		· · · · · · · · · · · · · · · · · · ·	Eddy County	NM
location to nearest	6. No. of acres in lease	17. Spacin	g Unit dedicated to this well	
property or lease line, ft. (Also to nearest drig. unit line, if any)	1200	40		
18. Distance from proposed location*	19. Proposed Depth 20. BLM/BIA Bond No. o		BIA Bond No. on file	
to nearest well, drilling, completed, applied for, on this lease, ft	8200'			
	2. Approximate date work will sta	rt*	23. Estimated duration	
3345'	12/15/2005		45 days	
:	24. Attachments Can	spec C	ontrolled Water E	2947
The following, completed in accordance with the requirements of Onshore C	oil and Gas Order No.1, shall be a	ttached to th	is form:	
1. Well plat certified by a registered surveyor.		he operation	ns unless covered by an exi	sting bond on file (see
2. A Drilling Plan.	Item 20 above).	:		
<ol> <li>A Surface Use Plan of the location is on National Forest System Lan SUPO shall be filed with the appropriate Forest Service Office).</li> </ol>		specific info	ormation and/or plans as ma	y be required by the
25. Signature	Name (Printed/Typed)		Da	te
M / / /-	Stephanie A. Ysasa	ga		11/14/2005
Title Senior Engineering/Technician				
Approved by (Signature), 17:-40 & C. Pundell	Name (Printed/Typed)			nte
Approved by (Signature) s/ Linda S. C. Rundell	/s/ Linda S.	. C. Rı	undell	JAN 0 4 200
Tide STATE DIRECTOR	Office NM	STATE	OFFICE	
Application approval does not warrant or certify that the applicant holds le	gal or equitable title to those righ	its in the sub	ject lease which would entit	le the applicant to
conduct operations thereon. Conditions of approval, if any, are attached.	A	PPRC	OVAL FOR '	YEAR

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.

\*(Instructions on page 2)

Form 3160-3

(April 2004)

Witness Surface & Intermediate Casing

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

# **Additional Operator Remarks:**

Devon Energy Production Company, LP proposes to drill an Undesignated Delaware well to 8200' for commercial quantities of oil and gas. If the well is deemed noncommercial, the wellbore will be plugged and abandoned per Federal regulations. Devon Energy Production Co., LP plans to drill the well per the currently attached Drilling and Surface Use Plan.

**Directions:** Form the Lea/Eddy County on State Highway 128, go West 6.2 miles on State Highway 128. Turn northeasterly (at the orange cattleguard) onto existing lease road and travel 1.4 miles then easterly 0.4 mile to a point 200' north of the location.

#### H2S:

No H2S is expected to be encountered.

DISTRICT I P. O. Box 1980 Hobbs, NM 88240

DISTRICT II P. O. Drawer DD Artesia, NM 88210

# OIL CONSERVATION DIVISION P. O. Box 2088 Santa Fe. New Mexico 87504-2088

DISTRICT III 1000 Rio Brazos Rd

# WELL LOCATION AND ACREAGE DEDICATION PLAT

Aztec, NM 87410 All distances must be from the outer boundaries of the section. Operator Lease Well No. Devon Energy Production Co., LP NORTH PURE GOLD 9 FEDERAL 8 Unit Letter Section Township Range K 23 SOUTH 31 EAST, N.M.P.M. **EDDY** Actual Pootage Location of Well SOUTH WEST feet from the 1918 feet from the line and line Ground Level Elev. Producing Formation Pool 3345' Delaware 25 Delaware 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interest of all the owners been consolidated by communitization, unitization, forced-pooling, etc.?

Yes No If answer is "yes", type of consolidation the reverse side of this form if neccessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the division. OPERATOR CERTIFICATION I hereby certify that the information) herein is true and complete to the best of my knowledge and belief. Signatur Printed/No tephanie A Ysasaga Senior Engineering Technician Company Devon Energy Production Co., LP Date 11/14/05 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of W. BUSBI actual surveys made by me or 1918 under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed **JANUARY 27, 1993** 1905' Signature and Seal of APPESS 10N Professional Surveyor Certificate No LARRY W. BUSBY #11398 R.P.S. 1320 1650 1980 2310 2640 2000 1500 1000 500

#94173

JOB

48 SE

V.H.B.

# **DRILLING PROGRAM**

Devon Energy Production Co., LP North Pure Gold 9 Federal No. 8

In conjunction with Form 3160-3, Application to Drill the subject well, Santa Fe Energy Operating Partners, L.P., submits the following ten items of pertinent information in accordance with Onshore Oil & Gas Order No. 10.

1. Geologic Name of Surface Formation: Alluvium

2. Estimated Tops of Significant Geologic Markers:

Rustler Anhydrite	750'
Base of Salt	3840'
Delaware "Ramsey" Sand	4170'
Cherry Canyon	5070'
Brushy Canyon	7790'
Bone Spring	8060'
Total Depth	8200'

3. The estimated depths at which water, oil, or gas formations are expected:

Water None expected in area
Oil Delaware Sand @ 4170'
Oil Lower Brushy Canyon @ 7790'

4. Proposed Casing Program: See Form 3160-3 and Exhibit A.

5. Pressure Control Equipment: See Exhibit B.

6. Drilling Fluid Program: See Exhibit C.

7. Auxiliary Equipment: A mud logging unit will be utilized to monitor penetration rate and hydrocarbon shows while drilling below the intermediate casing at 4100'.

8. Testing, Logging and Coring Program:

None

#### DRILLING PROGRAM

North Pure Gold 9 Federal No. 8 Page 2

#### Logging:

Dual Laterolog w/MSFL and Gamma Ray 4100'-8200' Compensated Neutron/Litho-Density/Gamma Ray 4100'-8200' Compensated Neutron/Gamma Ray (thru csg) Surface-4100'

Coring: No conventional cores are planned.

### 9. Abnormal Conditions, Pressures, Temperatures, & Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature is 135 °F and the estimated bottom hole pressure is 3500 psi. No Hydrogen Sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. No major lost circulation zones have been reported in the offsetting wells.

# 10. Anticipated Starting Date and Duration of Operations:

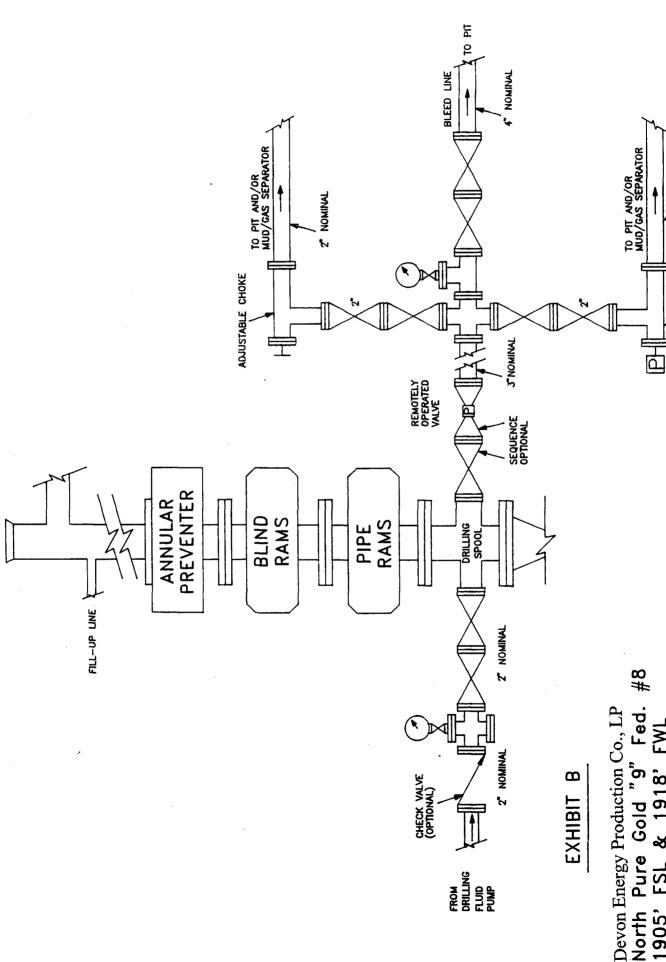
Road and location work will not begin until approval has been received from the BLM. The anticipated spud date is Dec 15th, 2005. Once spudded, the drilling operation should be completed in approximately 16 days. If the well is productive, an additional 30 days will be required for completion and testing before permanent facilities are installed.

# Devon Energy Production Co., LP OPERATIONS PLAN North Pure Gold 9 Federal No. 8

1. Drill a 17 1/2" hole to approximately 600'.

- Run 13 3/8" 48.0 ppf H-40 ST&C casing. Cement with 600 sx Class "C" cement containing 2% CaCl<sub>2</sub>. Run centralizers on every other joint above the shoe. Apply thread lock to bottom two joints and guide shoe.
  - 3. Wait on cement four hours prior to cutting off. Test BOP & casing to 70% of casing burst pressure with rig pump.
  - 4. Nipple up a annular BOP system and test casing to 600 psi.
  - 5. Drill a 12 1/4" hole to approximately 4130'.
- pps salt and 1/4 pps celloflake followed by 250 sx Class "C" with 2% CaCl<sub>2</sub>. Run guide shoe on bottom and float collar two joints of bottom. Centralize every other joint for bottom 400' of casing and place two centralizers in surface casing. Thread lock bottom 2 joints.
  - 7. Wait on cement for six hours prior to cutting off.
  - 8. Nipple up and install a 3000 psi. Double Ram and Annular BOP system with choke manifold.
  - 9. Test BOP system to 3000 psi per Onshore Order No. 2. Test casing to 1500 psi.
  - 10. Drill 7 7/8" hole to 8200'. Run logs.
- 11. Either run and cement 5 1/2" 15.50 ppf K-55 LT&C casing or plug and abandon as per BLM requirements. CIRCULATE

Exhibit A
Devon Energy Production Co., LP
North Pure Gold 9 Federal No. 8
Section 9, T-23S, R-31E
Eddy County, New Mexico



**%** Fed. Cold "9" North Pure 1905' FSL Sec.

2" NOMINAL

REMOTELY OPERATED OR ADJUSTABLE CHOKE

#### PROPOSED DRILLING FLUID PROGRAM

# 0 - 600'

Spud mud consisting of fresh water gel flocculated with Lime. Use ground paper for seepage control and to sweep the hole. MW-8.5 ppg and Vis-40.

#### 600-4130'

Drill out with brine water circulating the inner portion of the reserve pit. Utilize ground paper mixed in prehydrated fresh gel to sweep the hole. MW-10.0 ppg and Vis-28.

#### 4130-8200'

Drill out with cut brine (30,000 ppm chlorides minimum) circulating the outer portion of the reserve pit. Maintain pH at 8.5-9.5 with caustic and sweep the hole as necessary with ground paper. If it becomes necessary to mud up due to hole conditions, utilize a cut brine/Drispac system for 15-20 WL and a Vis of 30-32. MW-8.5/8.9 ppg.

Exhibit C
Devon Energy Production Co., LP
North Pure Gold 9 Federal No. 8
Section 9, T-23S, R-31E
Eddy County, New Mexico

# **AUXILIARY EQUIPMENT**

DRAWWORKS BDW 650M 650 HP, with Parmac Hydromatic brake

ENGINES Two Caterpillar D-353 diesels rated at 425 HP each

ROTARY Ideco 23", 300 ton capacity

MAST/SUB Ideal 132',550,000 lb rated static hook load with 10 line

Wagner 15' high substructure

TRAVELLING Gardner-Denver, 300 ton, 5 sheave w/ BJ 250 ton hook.

EQUIPMENT Brewster Model 7 SX 300 ton swivel.

PUMPS Continental-EMSCO DC-700 and DB-550, 5 1/2 X 16" Duplex, Compound

driven.

PIT SYSTEM 1-Shale Pit 6X7X35', 1-Settling Pit 6X7X38', 1-Suction Pit 6X7X34' w/ 5 mud

agitators. Two centrifugal mud mixing pumps and a Double Screen Shale

Shaker.

LIGHT Two CAT 3306 diesel electric sets 180 KW prime power.

**PLANT** 

BOP 13 5/8" 5000 psi WP double ram and 13 5/8" 5000 psi WP Shaffer Annular

EQUIP Preventer. Choke manifold rated at 5000 psi. Valvcon 5-station 80 gallon

closing unit.

Exhibit D

Devon Energy Production Co., LP

North Pure Gold 9 Federal No. 8

Section 9, T-23S, R-31E

Eddy County, New Mexico

PLAT SHOWING PROPOSED
WELL LOCATION
SECTION 9, T-23-S, R-31-E, N.M.P.M.
EDDY COUNTY, NEW MEXICO

5 4		(N 89'58' W - G.L.O 529 (S 89'56'28' E - MEAS 5	17.16') <i>294.66')</i>	i	3
FND. BRASS CAP 8 9				9	VD. BRASS CAF 10
	05	. 6	•		
		. 6			
		`,			
		•			
5280.00') - 5284.54')	04	07		1	.00.) 10.98')
					- 5280.98') S. – 5280.98')
G.L.O					MEAS.
1.31		PROPOSED LOCATION			(N 0002" W - 0.1.0 (S 000000" W - MEKS.
(N 0002: W	o <sup>3</sup>		010		2000 2000 2000
38	0,	0	,		<u> </u>
		• /	0 <i>9</i>		
8 9	0.2			9	10
FND. BRUSS CUP 17 16		(N 89'57' W - G.L.O 52' (N 89'58'46" W - MEAS	.85.94') <i>5290.58')</i>	16	<del>NO. BRUSS</del> CA 15

# EXHIBIT F

Devon Energy Production Co., LP
North Pure Gold "9" Fed. #8
1905' FSL & 1918' FWL
Sec. 9, T-23-S,R-31-E
EDDY COUNTY, NEW MEXICO

#### MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Devon Energy Production Co., LP
North Pure Gold 9 Federal No. 8
1905' FSL & 1918' FWL
Section 9, T-23S, R-31E
Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed by rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effects associated with the operation.

#### 1. EXISTING ROADS.

A. Exhibit E is a 15 minute topographic map which shows location of the proposed wellsite and roads in the vicinity. The proposed location is situated approximately 18 miles northeast of Loving, New Mexico.

#### **DIRECTIONS:**

1. From the Lea/Eddy County line on State Highway 128, go West 6.2 miles on State Highway 128. Turn northeasterly (at the orange cattleguard) onto existing lease road and travel 1.4 miles then easterly 0.4 mile to a point 200' north of the location.

#### 2. PLANNED ACCESS ROAD.

A 14' wide access road will extend from the existing lease road 800' northeast to the No. 3 location, then 918' northeasterly to the No. 8 location.

# 3. LOCATION OF EXISTING WELLS.

A. The well Locations in the vicinity of the proposed well are shown Exhibits E & F.

#### 4. LOCATION OF EXISTING AND/ OR PROPOSED FACILITIES.

- A. There is one producing oil well (North Pure Gold 9 Fed. No. 1) and one producing gas well (P. G. 4 Fed. No. 1) with a bottom hole location in Section 4, on this lease at this time.
- B. In the event the well is productive, the necessary production equipment will be installed on the drilling pad. If the well is productive of oil, a gas or diesel self-contained unit will be used to the necessary power.

# Multi-Point Surface Use and Operations Plan

North Pure Gold 9 Federal No. 8

Page 2

#### 5. LOCATION AND TYPE OF WATER SUPPLY

A. It is planned to drill the well with both fresh water and brine water systems. Both types of waters will be hauled to the location by truck over existing roads. Both types will be obtained from commercial sources.

#### 6. SOURCES OF CONSTRUCTION MATERIALS.

A. Any caliche required for construction of the drilling pad will be obtained from a pit located in NW/4 of SW/4 Section 20, which is 3/4 mile south on Twin Wells Road.

#### 7. METHODS OF HANDLING WASTE DISPOSAL

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be either placed in the reserve pits and allowed to evaporate or collected in tanks until hauled to an approved disposal system or a separate disposal application will be submitted to the BLM for appropriate approval.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Human waste will be disposed of per current standards.
- F. Trash, waste paper, garbage, and junk will be collected in trash trailers and disposed of in an approved waste facility such as a land fill. The trash trailers contain all of the material to prevent scattering by the wind.
- G. All debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.

#### 8. ANCILLARY FACILITIES.

None required

#### 9. WELLSITE LAYOUT

A. Exhibit G shows the dimensions of the well pad and reserve pits, and the location of major rig components.

# Multi-Point Surface Use and Operations Plan

North Pure Gold 9 Federal No. 8

Page 3

- B. The ground surface of the location is located among several sand dunes with vegetation growing on them. The location will constructed by leveling the necessary dune and covering the sand with at least six inches of compacted caliche.
- C. The reserve pits will be plastic lined.
- D. A 400' X 400' work area which will contain the pad and pit area has been staked and flagged.

#### 10. PLAN FOR RESTORATION OF THE SURFACE.

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleared of all trash and junk, to leave the wellsite in an aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluid will be fenced until they have been filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management and the United States Geological Survey will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and levelled within 300 days after abandonment.

#### 11. TOPOGRAPHY

- A. The wellsite and access route are located in a relatively flat area.
- B. The top soil at the wellsite is sandy.
- C. The vegetation cover at the wellsite is moderately sparse, with prairie grasses, some mesquite bushes, and shinnery oak.
- D. No wildlife was observed but it is likely that deer, rabbits, coyotes, and rodents traverse the area.
- E. There are no ponds, lakes, streams, or rivers within one mile of the wellsite.
- F. There is no evidence of any archaeological, historical, or cultural sites in the vicinity of the location.

Multi-Point Surface Use and Operations Plan North Pure Gold 9 Federal No. 8 Page 4

# 12. OPERATOR'S REPRESENTATIVES.

A. The field representatives responsible for assuring compliance with the approved surface use plan are:

James Blount Operations Engineer Advisor Don Mayberry Superintendent

Devon Energy Production Company, L.P. 20 North Broadway, Suite 1500 Oklahoma City, OK 73102-8260

Devon Energy Production Company, L.P. Post Office Box 250
Artesia, NM 88211-0250

(405) 228-4301 (office) (405) 834-9207 (Cellular) (505) 748-3371 (office) (505) 746-4945 (home)

#### 13. CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access road; that I am familiar with the conditions that presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Devon Energy Production Company, L.P. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Signed: Stephanie A. Ysasada

Date: November 11th, 2005

Serior Engineering/Technician

#### **CONDITIONS OF APPROVAL - DRILLING**

Operator's Name:

**Devon Energy Production Company, L.P.** 

Well Name & No.

North Pure Gold 9 Federal #8

Location:

1905' FSL, 1918' FWL, Section 9, T. 23 S., R. 31 E., Eddy County, New Mexico

Lease:

NM-77046

#### I. DRILLING OPERATIONS REQUIREMENTS:

- 1. The Bureau of Land Management (BLM) is to be notified at the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 for wells in Eddy County in sufficient time for a representative to witness:
  - A. Well spud
  - B. Cementing casing: <u>13-3/8</u> inch <u>8-5/8</u> inch <u>5-1/2</u> inch
  - C. BOP tests
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
- 3. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15-day time frame.
- 4. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.
- 5. Gamma-Ray/Neutron logs shall be run from the base of the Salado formation to the surface; cable speed not to exceed 30 feet per minute.

#### II. CASING:

- 1. The 13-3/8 inch surface casing shall be set at approximately 450 feet or 25 feet into the top of the Rustler Anhydrite and cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.
- 2. The minimum required fill of cement behind the <u>8-5/8</u> inch intermediate casing is <u>to be circulated to the surface</u>.
- 3. The minimum required fill of cement behind the  $\underline{\textbf{5-1/2}}$  inch production casing is  $\underline{\textbf{to be circulated to the}}$   $\underline{\textbf{surface}}$ . Or tiehack at least 2001 into 8  $\underline{\textbf{5-1/2}}$  inch production casing is  $\underline{\textbf{to be circulated to the}}$
- 4. Whenever a casing string is cemented in the R-111-P Potash Area, cement shall be allowed to stand a minimum of twelve (12) hours under pressure and a total of twenty-four (24) hours before drilling the plug or initiating tests.

#### **III. PRESSURE CONTROL:**

- 1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the <u>13-3/8</u> inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.
- 2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be 3000 psi.

- 3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the tests.
- The tests shall be done by an independent service company.
- The results of the test shall be reported to the appropriate BLM office.
- Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
- Testing must be done in a safe workman-like manner. Hard line connections shall be required.

11/21/2005 acs