

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF 078988
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator DEVON ENERGY CORP.		7. If Unit or CA Agreement, Name and No.
Contact: CHARLES MUZZY E-Mail: charles.muzzy@dnv.com		8. Lease Name and Well No. NEBU 333
3a. Address 20 NORTH BOARDWAY OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405.552.7955 Fx: 405.552.4553	9. API Well No. 30045 32246
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface SWNE Lot G 1780FNL 1930FEL At proposed prod. zone SWNE Lot G 1780FNL 1930FEL		10. Field and Pool, or Exploratory BLANCO MESA VERDE BASIN DAKO Rosa Pictorial
14. Distance in miles and direction from nearest town or post office* 25 MILES SOUTHEAST OF IGNACIO CO.		11. Sec., T., R., M., or Blk. and Survey or Area 6 Sec 19 T31N R6W Mer NMP
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 2560.00	12. County or Parish SAN JUAN
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 8020 MD 8020 TVD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6323 GL	22. Approximate date work will start 09/10/2004	17. Spacing Unit dedicated to this well 320.00 E/2dk 160 NE/4 PC
		20. BLM/BIA Bond No. on file
		23. Estimated duration 20 DAYS

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) CHARLES MUZZY	Date 03/25/2004
Title SR. STAFF OPERATIONS TECH		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 6/24/04
Title Acting Field Manager - Minerals		

Application approval does not warrant or certify 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.

Additional Operator Remarks (see next page)

Electronic Submission #28930 verified by the BLM Well Information System
For DEVON ENERGY CORP., sent to the Farmington

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

NM000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
NMSF078988

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM78402A8. Well Name and No.
NEBU 3339. API Well No.
30-045-32246-00-X110. Field and Pool, or Exploratory
BASIN DAKOTA11. County or Parish, and State
SAN JUAN COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

DEVON ENERGY PRODUCTION CO LP

Contact:

CHARLES MUZZY

E-Mail: charles.muzzy@dvn.com

3a. Address

20 NORTH BROADWAY SUITE 1500
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)

Ph: 405.552.7955

Fx: 405.552.4553

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

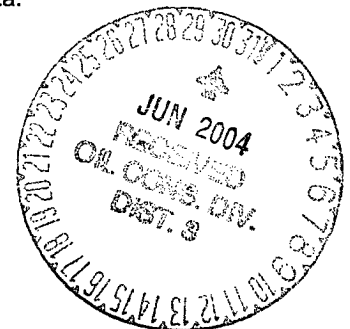
Sec 19 T31N R6W SWNE Lot G 1780FNL 1930FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Need to change production pools from Blanco MesaverdeBasin Dakota to Pictured CliffsBasin Dakota.
I have attached a revised Form C-102.



14. I hereby certify that the foregoing is true and correct.

Electronic Submission #29131 verified by the BLM Well Information System

For DEVON ENERGY PRODUCTION CO LP, sent to the Farmington

Committed to AFMSS for processing by ADRIENNE GARCIA on 04/01/2004 (04AXG2158SE)

Name (Printed/Typed) CHARLES MUZZY

Title SR. OPERATIONS TECH

Signature (Electronic Submission)

Date 04/01/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>[Signature]</u>	Title <u>Acting Field Manager</u>	Date <u>6/24/04</u>
Conditions of approval, if any, are attached. Approval of this notice 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.	Office <u>Minerals</u>	

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMNOCN

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30015-32246		* Pool Code 96175	* Pool Name Rosa
* Property Code 19641	* Property Name NEBU		* Well Number # 333
* OGRID No. 6137	* Operator Name Devon Energy Production Company, L.P.		* Elevation 6323

10 Surface Location


UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	19	31 N	6 W		1780	NORTH	1930	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

* Dedicated Acres 320/140	* Joint or Infill	* Consolidation Code	* Order No.
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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

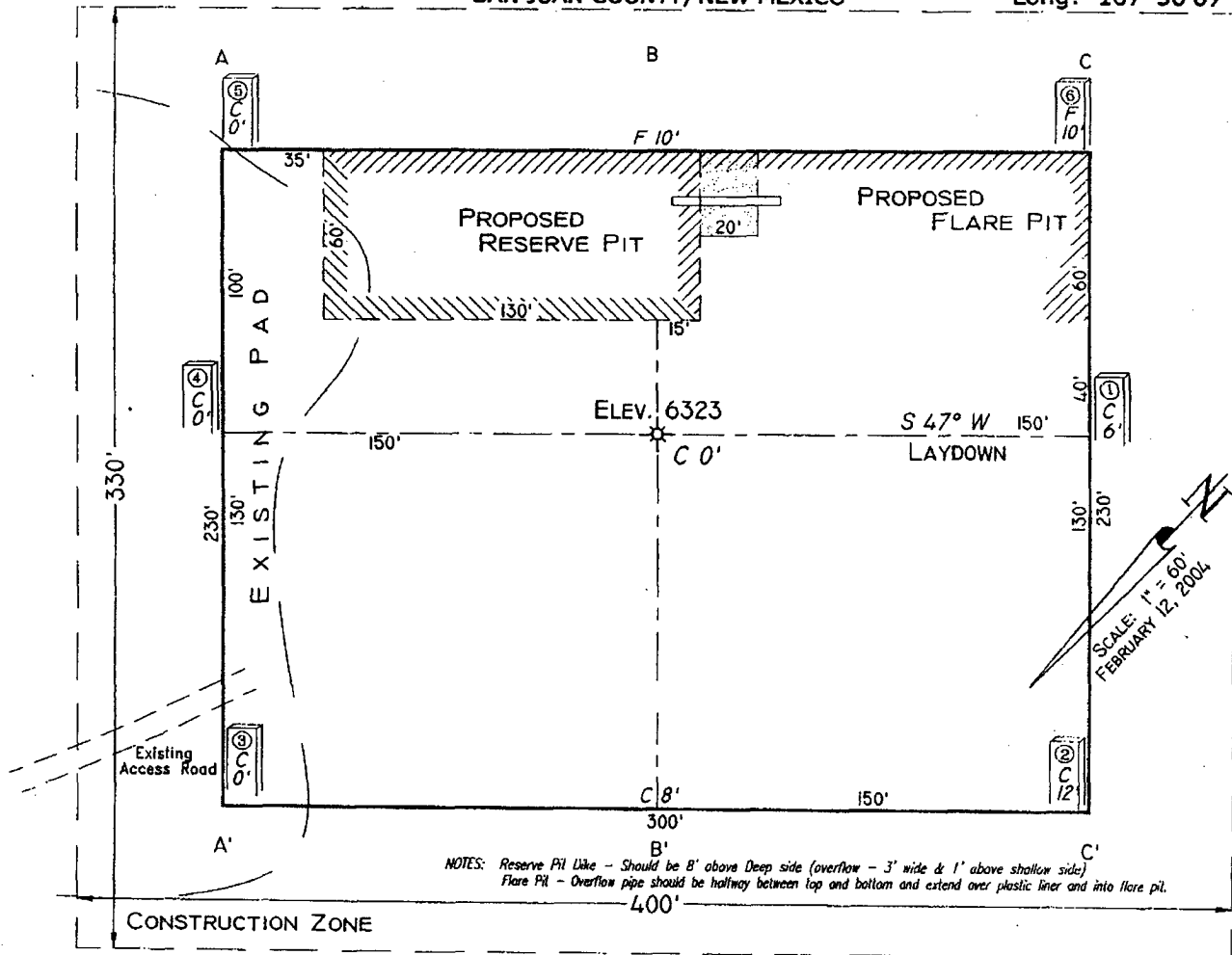
<div style="position: relative; height: 400px;"> <div style="position: absolute; top: 0; left: 0; width: 100%; height: 100%; border: 1px solid black; background: repeating-linear-gradient(45deg, transparent, transparent 2px, black 2px, black 4px);"></div> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%);"> <div style="text-align: center;"> <p>1780'</p> <p>1930'</p> </div> </div> </div>	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>Charles Muzzy</u> Printed Name: <u>Charles Muzzy</u> Title: <u>St. Operations Tech</u> Date: <u>3-31-04</u>	
	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey: <u>February 12, 2004</u> Signature and Seal of Professional Surveyor:	
		
	7016 Certificate No.	

(R) - GEO Record

PAD LAYOUT PLAN & PROFILE
DEVON ENERGY PRODUCTION COMPANY, L.P.

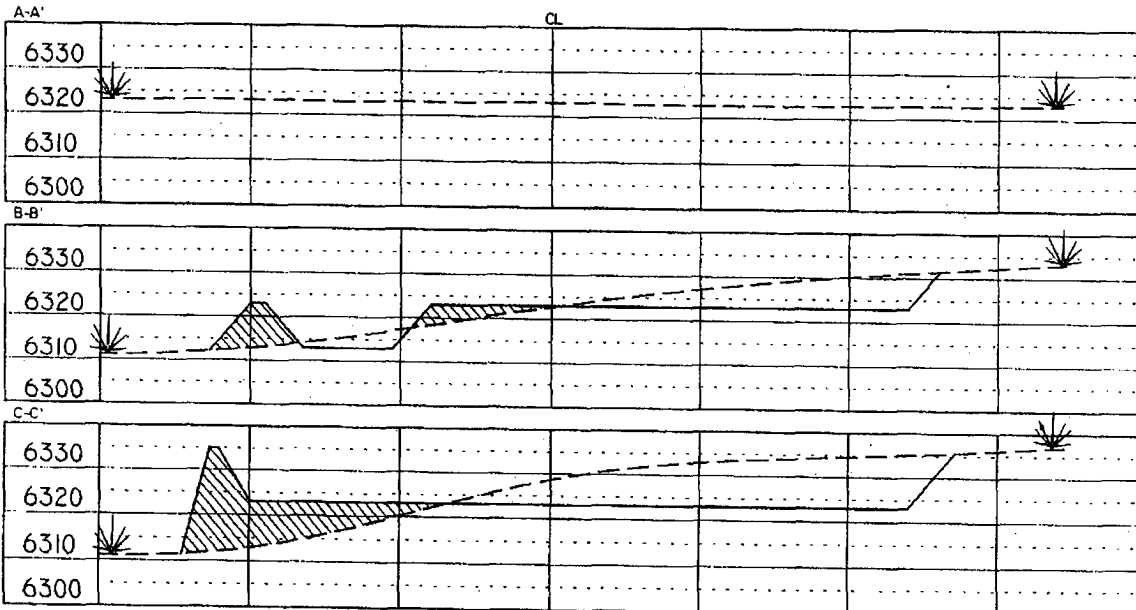
NEBU # 333
 1780' F/NL 1930' F/EL
 SEC. 19, T31N, R6W, N.M.P.M.
 SAN JUAN COUNTY, NEW MEXICO

Lat: 36°53'14"
 Long: 107°30'07"



Area of Construction Zone - 330'x400' or 3.03 acres, more or less.

SCALE: 1"=60'-HORIZ.
 1"=40'-VERT.



NOTE: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction.

Cuts and fills shown are approximate - final finished elevation is to be adjusted so earthwork will balance. Corner stakes are approximate and do not include additional areas needed for sideslopes and drainages. Final Pad Dimensions are to be verified by Contractor.

VANN SURVEYS
 P. O. Box 1306
 Farmington, NM

NEBU 333
Unit G 19-31N-6W
San Juan Co., NM

DRILLING PLAN

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS & ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:

Formation	TVD (ft)	Hydrocarbon/Water Bearing Zones
San Jose	Surface	
Ojo Alamo	2285	Aquifer
Kirtland	2400	
Fruitland	2840	Gas
Upper Pictured Cliffs	3180	Gas
Lewis	3420	Gas
Intermediate TD	3520	
Mesaverde	4069	Gas
Chacra \ Otera	4475	Gas
Cliff House	5269	Gas
Menefee	5319	Gas
Point Lookout	5569	Gas
Mancos	5960	Gas
Gallup	6900	Gas
Greenhorn	7630	
Graneros	7680	Gas
Dakota	7770	Gas
Cubero	7785	Gas
Oak Canyon	7870	Gas
Encinal Canyon	7890	Gas
Lower Encinal Canyon	7915	Gas
Burro Canyon	7930	Gas

Morrison	7990	
TD	8020	

*All shows of fresh water and minerals will be adequately protected and reported.

2. PRESSURE CONTROL EQUIPMENT:

All well control equipment shall be in accordance with Onshore Order #2 for 2M systems.

The minimum specifications for pressure control equipment that will be provided are included on the attached schematic diagram, which shows the size, and pressure ratings.

2000# BOP With Pipe Rams and 2000# BOP With Blind Rams

Auxiliary equipment to be used:

- Upper kelly cock with handle available.

The manifold includes appropriate valves and adjustable chokes. The kill line will have one check valve. Ram type preventers will be pressure tested to full working pressure (utilizing a test plug) or 70% of the internal yield pressure (without a test plug) at:

- Initial installation
- Whenever any seal subject to test pressure is broken
- Following related repairs
- At 30 day intervals

Pipe and blind rams shall be activated each trip.

A BOPE pit level drill will be conducted weekly for each drilling crew.
All tests and drills will be recorded in the drilling log.

The accumulator will have sufficient capacity to close all rams and retain 200 psi above pre-charge pressure without the use of closing unit pumps.

Master controls will be at the accumulator. Anticipated bottom hole pressure is 3400 psi.

3. CASING & CEMENTING PROGRAM:

A. The proposed casing program will be as follows:

TVD	Hole Size	Size	Grade	Weight	Thread	Condition
0-285	12-1/4"	9-5/8"	H-40	32#	STC	New
0-3520	8-3/4"	7"	K-55	23#	LTC	New
0- TD	6-1/4"	4-1/2"	J-55	11.6 #	LTC	New

The 9-5/8" surface pipe will be tested to 750 psi. All casing strings below the surface shoe shall be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi, whichever is greater, but not to exceed 70% minimum internal yield.

Surface: The bottom three joints of the surface casing will have a minimum of one centralizer per joint and one centralizer every joint thereafter (Total 5 centralizers estimated)

Intermediate: The bottom three joints of the 7" casing will have a minimum of one centralizer per joint and one centralizer every fifth joint thereafter to above Ojo Alamo with turbolizers below and throughout the Ojo Alamo. (Total 12 centralizers, 3 turbolizers estimated).

Production: The bottom three joints will have a minimum of one centralizer per joint and one centralizer every fifth joint to 3400' (estimated 25 centralizers used). Centralizers will be open bow spring or basket bow spring type.

B. The proposed cementing program will be as follows:

Surface String: Cement will be circulated to surface.

Lead: 200 sks Class "B" with 100% Standard Cement, 2.00% CaCl₂, .25 #/sk Flocele. Density: 15.6 lb/gal; Yield: 1.18 cuft/sk; Water: 5.24 gal/sk *

*** Minor variations possible due to existing conditions**

Intermediate String: Cement will be circulated to surface.

Lead: 575 sks 50/50 Poz with 50% Class B Cement, 50% San Juan Poz, .4% Halad-344, .1% CFR-3, 3% Bentonite, 5#/sk Gilsonite, .25#/sk Flocele. Density: 13.0 lb/gal; Yield: 1.46 cuft/sk; Water: 6.42 gal/sk *

Tail: 75 sks 50/50 Poz with 94#/sk Standard Cement, 0.3% Halad-344, .25 #/sk Flocele. Density: 15.6 lb/gal; Yield: 1.18 cuft/sk; Water: 5.23 gal/sk *

If hole conditions dictate, an alternate, two stage cement design Will be used:

Stage 1: 85 sacks Class B 50/50 POZ, 3% gel, 5# Gilsonite, 1/4# Flocele, 1/10% CFR 3, .2% Halad 344, Yield 1.47 ft³/sks. *

Stage 2: 450 sacks Class B 50/50 POZ, 3% gel, 5# Gilsonite, 1/4# Flocele, .1% CFR 3, .2% Halad 344, Yield 1.47 ft³/sks. *

*** Minor variations possible due to existing conditions**

Production String: TOC designed to circulate 1000' into intermediate string, cement will tie into the intermediate casing as a minimum. Volumes may vary with actual well characteristics.

Lead: 450 sks 50/50 Poz with 50% Standard Cement, 50% San Juan POZ, 3% Bentonite, 1.40% Halad-9, .10% CFR-3, .10% HR-5, 5 #/sk Gilsonite, 0.25 #/sk Flocele. Density: 13.0 lb/gal; Yield: 1.47 cuft/sk; Water: 6.35 gal/sk *

*** Minor variations possible due to existing conditions**

Actual volumes will be calculated and adjusted with caliper log prior to cementing.

If hole conditions dictate, an alternate, two stage cement design will be used.

Stage 1: 325 sxs 50/50 POZ, 3% gel, .9% Halad 9, .2% CFR 3, %# Gilsonite & ¼# Flocele. Yield 1.47 13#. *

Stage 2: Lead: 450 sx 50/50 POZ, 3% Gel, .9% Halad 9, .2% CFR 3, 5# Gilsonite & ¼# Flocele. Yield 1.47 13 ppg. *

Tail: 25 sx (5 bbls) Class B .4% Halad 9. Yield 1.18 15.6#. *

*** Minor variations possible due to existing conditions**

4. DRILLING FLUIDS PROGRAM:

Interval	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-3629'	Spud-foam	8.4-9.0	29-70	8.0	NC	FW gel, LSND or stiff foam
3520'-7770'	Air				NC	
7770' - TD	Air/N2 or Mud	8.5-9.0*	30-50	8.0-10.0	8-810cc @ TD	Low solids-non-dispersed. * min Wt. to control formation pressure

NC = no control

Sufficient quantities of mud material will be maintained on site or be readily accessible for the purpose of assuring well control. SPR will be recorded on daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

5. EVALUATION PROGRAM:

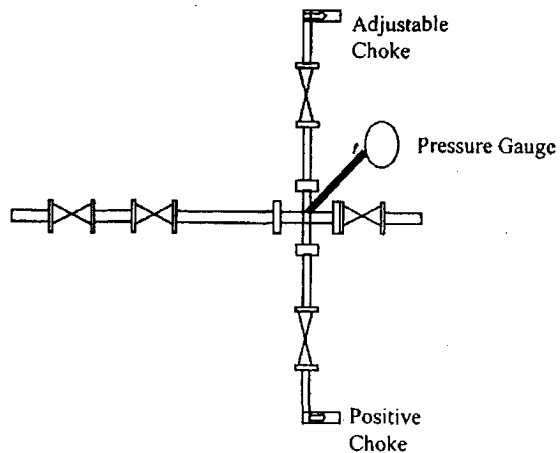
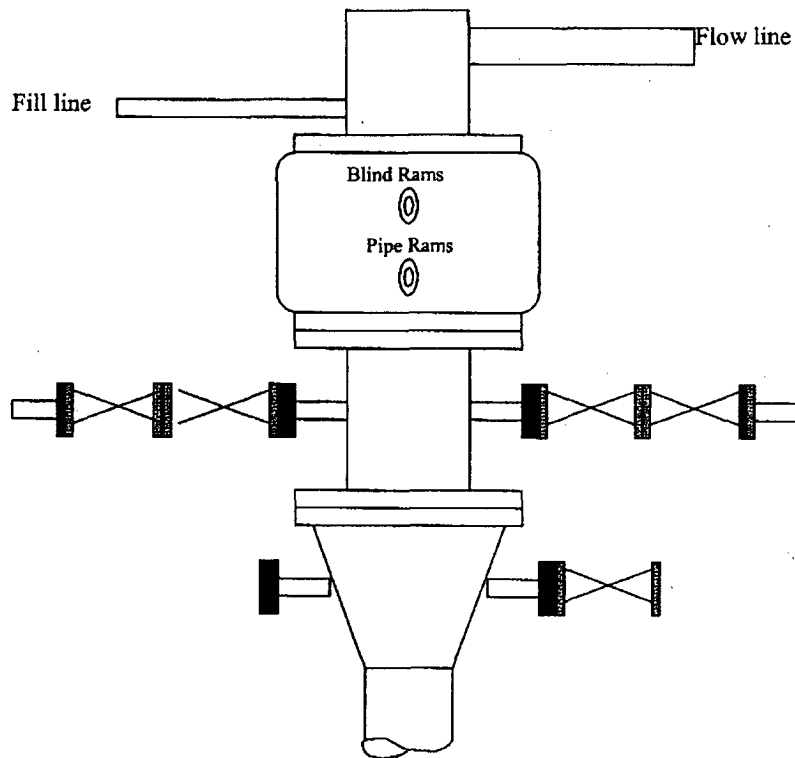
Logs: Density
Neutron
Induction

In the event open hole logs are not run in the well, a cased hole evaluation log will Be run from

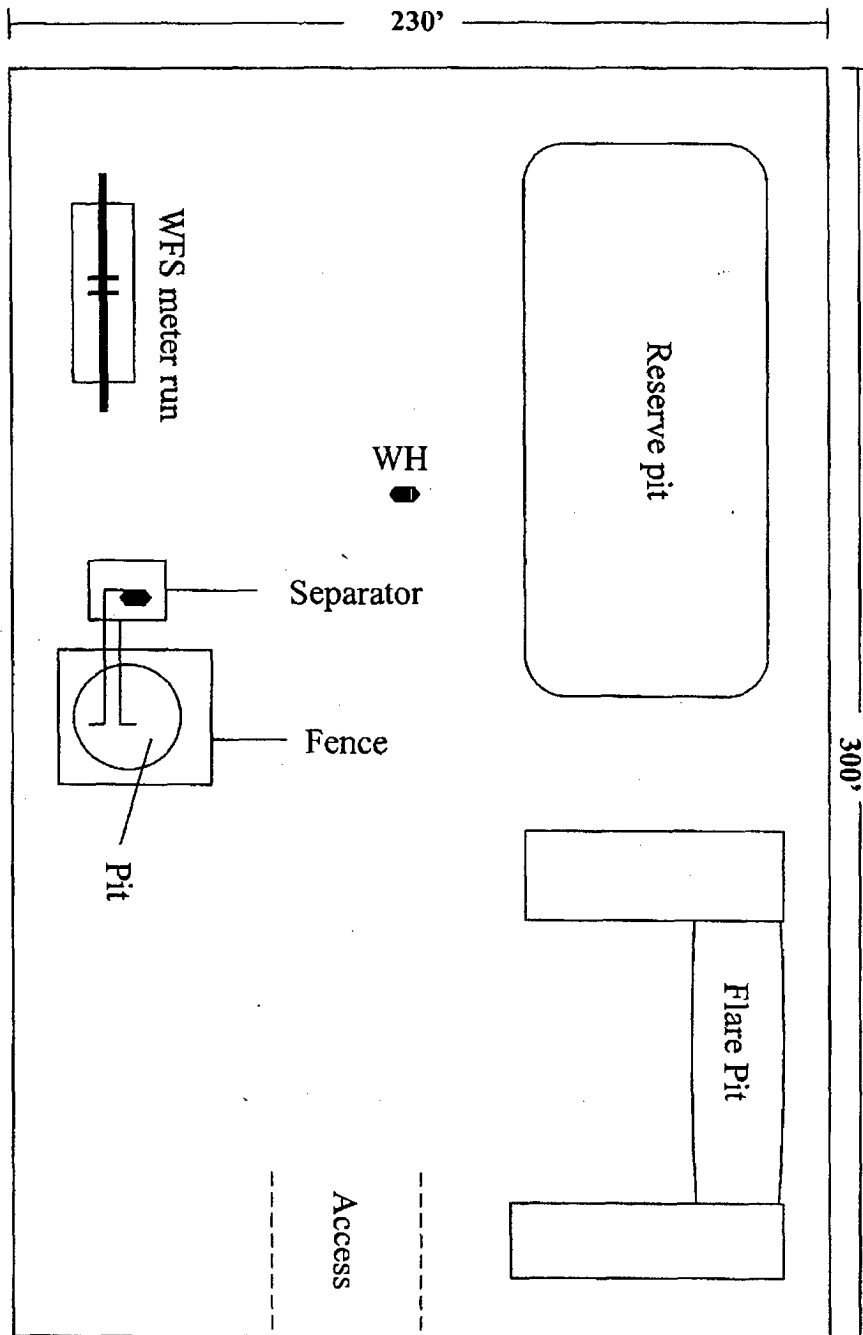
Survey: Deviation surveys will be taken every 500' of the 8 ¾" hole, or first succeeding bit change. The hole will be air drilled from intermediate TD – well TD. The equipment used in this type of operation will not allow for single shot suveys without considerable operational delays. A survey will be taken at TD. Similar wells in this area have not shown significant deviation in this section of the hole.

Cores: None anticipated.

NEBU 333
Well Control Equipment
2,000 psi Configuration



All well control equipment designed to meet or exceed the Onshore Oil and Gas Order No. 2, BLM 43 CFR 3160 requirements for 2M systems.



All locations will have a gas separator, and an 80 bbl pit (double wall, double bottom) enclosed with a fence. It is WFS responsibility to install the meter run. It could be on either end of pad, but will always be on working side of the pad.