

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

2005 AUG 4 AM 10:25

RECEIVED

OTO FARMINGTON NM

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>SF 079010</b>
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 type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>Devon Energy Production Company, L.P.</b>		7. If Unit or CA Agreement, Name and No. <b>Northeast Blanco Unit</b>
3a. Address <b>PO Box 6459 Farmington, NM 87419</b>	3b. Phone No. (include area code) <b>505-632-0244</b>	8. Lease Name and Well No. <b>NEBU 236</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>SW SW, Unit M, 620' FSL &amp; 630' FWL</b> At proposed prod. zone <b>NW NW, Unit C, 520' FNL &amp; 440' FWL, Sec. 25, T31N, R7W</b>		9. API Well No. <b>30-045-33265</b>
14. Distance in miles and direction from nearest town or post office* <b>Approximately 12.8 miles</b>		10. Field and Pool, or Exploratory <b>S. Los Pinos Frt Snd Pictured Cliffs</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>620'</b>	16. No. of acres in lease <b>2560 Acres</b>	11. Sec., T. R. M. or Blk. and Survey or Area <b>M Sec. 24, T31N, R7W</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth <b>3,550'</b>	12. County or Parish <b>San Juan</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>GR 6,418'</b>	22. Approximate date work will start* <b>10/02/2005</b>	13. State <b>NM</b>
17. Spacing Unit dedicated to this well <b>160 Acres NW/4 Sec 25</b>		
20. BLM/BIA Bond No. on file		
23. Estimated duration <b>Unknown</b>		

24. Attachments

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

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 shall 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 required by the authorized officer.

25. Signature <i>M.S. Zimmerman</i>	Name (Printed/Typed) <b>Melisa Zimmerman</b>	Date <b>8-2-05</b>
Title <b>Senior Operations Technician</b>		

Approved by (Signature) <i>Jim Lovel</i>	Name (Printed/Typed)	Date <b>9/16/05</b>
Title <b>Acting Field Manager - Minerals</b>		

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.

\*(Instructions on page 2)

HOLD C104 FOR directional survey

NMOCD

District I  
PO Box 1980, Hobbs NM 88241-1980  
District II  
PO Draw# 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

2005 SEP 16 AM 8 19

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-33265		2 Pool Code 80690		3 Pool Name 070 FARMINGTON NM S. Los Pinos Frt Snd Pictured Cliffs	
4 Property Code 19641		5 Property Name NEBU			
6 OGRID No. 6137		7 Operator Name Devon Energy Production Company, L.P.			8 Well Number 236
					9 Elevation 6418

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
M	24	31 N	7 W		620	SOUTH	630	WEST	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
D	25	31 N	7 W		150	NORTH	1190	WEST	SAN JUAN

12 Dedicated Acres 160 AC	13 Joint or Infill	14 Consolidation Code	15 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

	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p></p> <p>Signature</p> <p>GLEN R. KENFIELD</p> <p>Printed Name</p> <p>DEVON AGENT</p> <p>Title</p> <p>9-27-05</p> <p>Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Revised: March 28, 2005</p> <p>September 13, 2004</p> <p>Date of Survey</p> <p></p> <p>Signature and Seal of Professional Surveyor</p> <p></p> <p>7016</p> <p>Certificate Number</p>

(R) - GLO Record

NMOCD

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM 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.

SEP 16 AM 8 19

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

DEVON ENERGY PROD. Co. LP

3a. Address

P.O. Box 6459 NAUJO DAM N.M. 505-632-0244

3b. Phone No. (include area code)

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

NEBU #236 620' FSL 630' FWL SEC 24-T31N-R7W

NEBU #493A 645' FSL 375' FWL SEC 24-T31N-R7W

5. Lease Serial No.

SF-079010

6. If Indian, Allottee or Tribe Name

N/A

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

NORTHEAST BLAND UNIT

8. Well Name and No.

#236 & 493A

9. API Well No.

3004533205

10. Field and Pool, or Exploratory Area

SAN JUAN BASIN

11. County or Parish, State

SAN JUAN Co. N.M.

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	NAME CHANGE
	<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 recomplete 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 recompletion 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.)

DEVON REQUESTS TO CHANGE NEBU #493A WELL TO NEBU #236 WELL NAME. & NEBU #236 WELL TO NEBU #493A WELL NAME DUE TO DOWN HOLE PLACEMENT FOOTAGE.

NEBU #493A WELL AT 645' FSL 375' FWL SEC 24-T31N-R7W  
NEBU #236 WELL AT 620' FSL 630' FWL SEC 24-T31N-R7W  
SURVEY plat ATTACHED

- Due to these changes, submit the original 493A APD as the 236

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

Name (Printed/Typed)

GLEN A. BENFIELD

Signature

*Glen A. Benfield*

Title

CONTRACT AGENT

Date

9-15-05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

*Jim Lovato*

Title

Acting Field Manager

Date

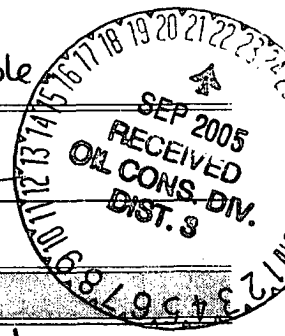
9/16/05

Office

Minerals

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.

NMOCB



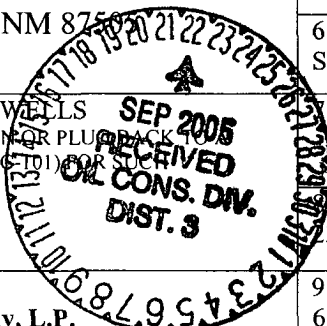
Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
March 4, 2004

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

WELL API NO. <b>30-045-33265</b>	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. SF 079010	
7. Lease Name or Unit Agreement Name NORTHEAST BLANCO UNIT	
8. Well Number 36	
9. OGRID Number 6137	
10. Pool name or Wildcat S. Los Pinos Frt Snd Pictured Cliffs	



**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 ☐ Gas Well ☒ Other

2. Name of Operator  
**Devon Energy Production Company, L.P.**

3. Address of Operator  
**PO Box 6459, Navajo Dam, NM 87419**

4. Well Location  
Unit Letter M: 620' feet from the South line and 630' feet from the West line  
Section 24 Township 31N Range 7W NMPM County - SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
GR

**Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)**

Pit Location: UL M Sect 24 Twp 31N Rng 7W Pit type Drilling Depth to Groundwater >100' Distance from nearest fresh water well >1000'  
Distance from nearest surface water >1000' Below-grade Tank Location UL  Sect  Twp  Rng  ;  
feet from the  line and  feet from the  line

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <b>CONSTRUCT DRILLING PIT</b> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

14. **Devon Energy will be constructing a lined drilling pit. The closure of said pit will be in accordance with the NMOCD regulations with the cutting of the liner applying to the BLM rules.**

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE M.S. Zimmerman TITLE Sr. Operations Technician DATE 8-2-05

Type or print name Melisa Zimmerman E-mail address: Melisa.zimmerman@dvn.com Telephone No. 405-552-7917

(This space for State use)

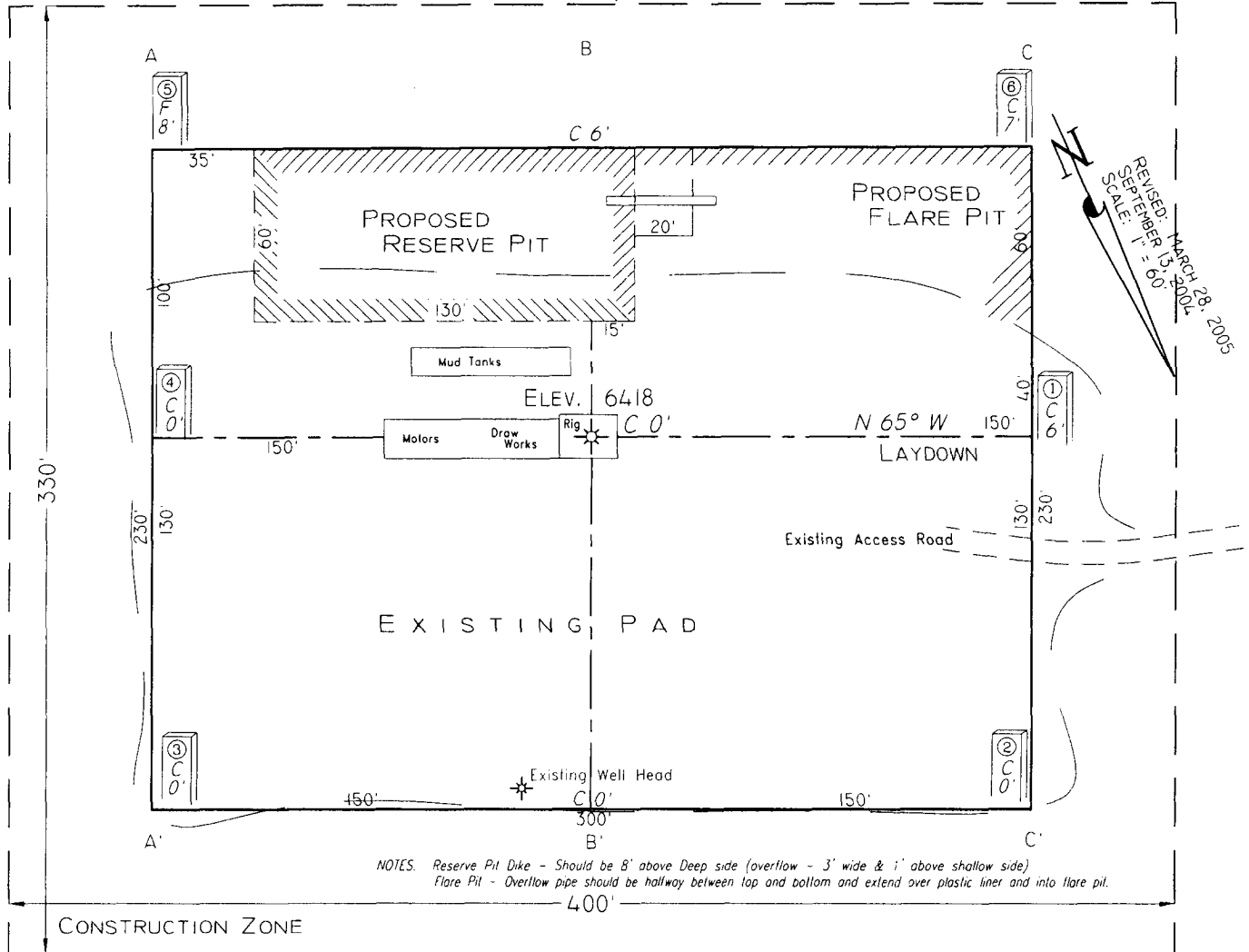
APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE SEP 22 2005

Conditions of approval, if any:

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

Nebu # 236  
 620' F/SL 630' F/WL  
 SEC. 24, T31N, R7W, N.M.P.M.  
 SAN JUAN COUNTY, NEW MEXICO

Lat: 36°52'46"  
 Long: 107°31'45"

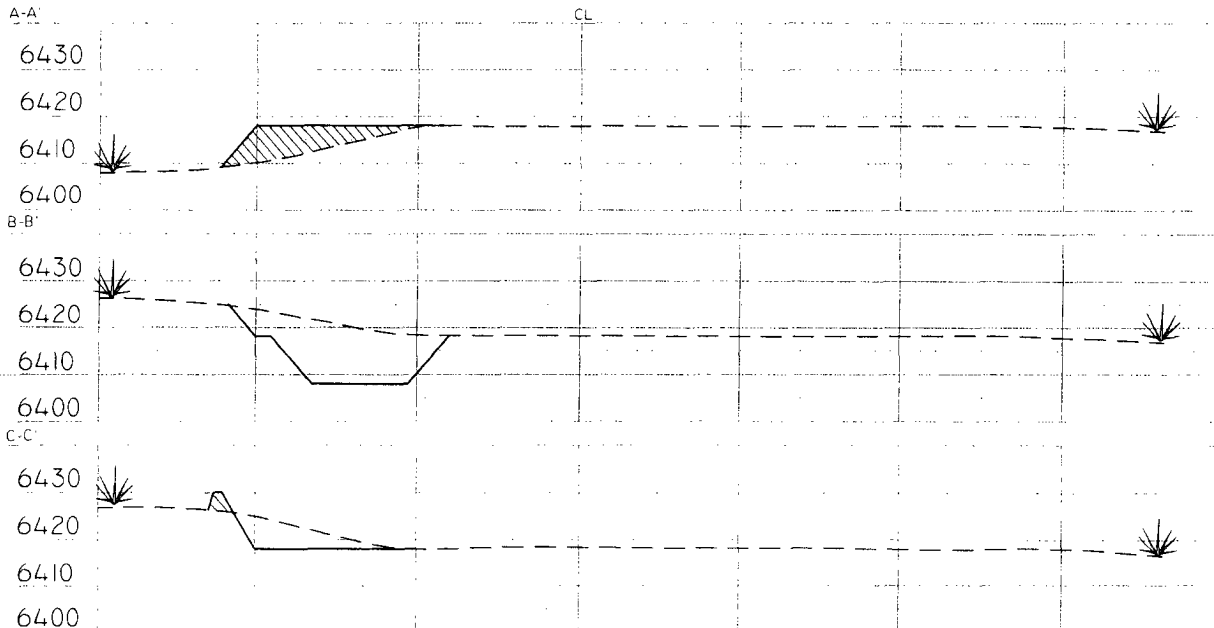


REVISED: MARCH 28, 2005  
 SCALE: 1" = 60'  
 SEPTEMBER 13, 2004

NOTES: Reserve Pit Dike - Should be 8" above Deep side (overflow - 3' wide & 1' above shallow side)  
 Flare Pit - Overflow pipe should be halfway between top and bottom and extend over plastic liner and into flare pit.

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 236  
Unit M 24-31N-7W  
San Juan Co., NM**

**DRILLING PLAN**

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

<b>Formation</b>	<b>TVD (ft)</b>	<b>TMD (FT)</b>	<b>Hydrocarbon/Water Bearing Zones</b>
San Jose	Surface	Surface	
Ojo Alamo	2300	2740	Aquifer
Kirtland	2424	2873	
Fruitland	2878	3335	Gas
Fruitland 1 <sup>st</sup> Coal	3061	3518	Gas
Pictured Cliffs Tongue	3203	3660	Gas
Pictured Cliffs	3325	3782	Gas
Lewis	3450	3907	
<b>TD</b>	3550	4007	

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 1500 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-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)

**4-1/2" Casing:** The bottom three joints of the 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).

B. The proposed cementing program will be as follows:

**Surface String:** 9-5/8" Surface cemented in a 12-1/4" hole at 285'.  
32.3# H-40 ST&C 8 Rnd  
Saw tooth guide shoe  
Cemented with 200 sx Class B mixed at 15.6 ppg w/.25 pps  
Celloflake, 2% calcium chloride. Yield 1.19 ft<sup>3</sup>/sx cement  
Designed to circulate to surface.  
\* **Minor variations possible due to existing conditions**

**Production String:** 4-1/2" Production casing cemented in an 6-1/4" hole  
11.6# J-55 LT&C 8 Rnd  
Float collar

Joint

Float Shoe

**Lead:** 500 sx 50/50 Poz, Yield-1.45 ft<sup>3</sup>/sx, Mixed @ 13ppg  
Foamed W/ N<sub>2</sub> Down To 9.0# Additives 2% Gel, 0.2% Versaset,  
0.1% Diacel Lwl.

**Tail:** 75 sx 50/50 Poz, Yield-1.45 ft<sup>3</sup>/sx, 13 lb/gal, Additives 2%  
Gel, 0.2% Versaset, 0.1% Diacel Lwl.

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

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

**4. DRILLING FLUIDS PROGRAM:**

TVD	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-285'	Spud	8.4-9.0	29-70	8.0	NC	FW gel,
285-TD	LSND/Air	8.4-9.0	29-70	8.0	10-12	LCM as needed

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:**

**Wireline Logs:** None

**Mud Logs:** Possible mud logging in Fruitland Coal & Pictured Cliffs.

**Survey:** Deviation surveys will be taken every 500' from 0-TD of 6-1/4" hole or first succeeding bit change.

**Cores:** None anticipated.

**DST's:** None anticipated.

**6. ABNORMAL CONDITIONS:**

The Fruitland Coal will be encountered at approximately 3030' TMD. Estimated formation pressure is 300 psi. No other abnormal pressures and/or temperatures are expected. No hydrogen sulfide should be present.

**7. OTHER INFORMATION:**

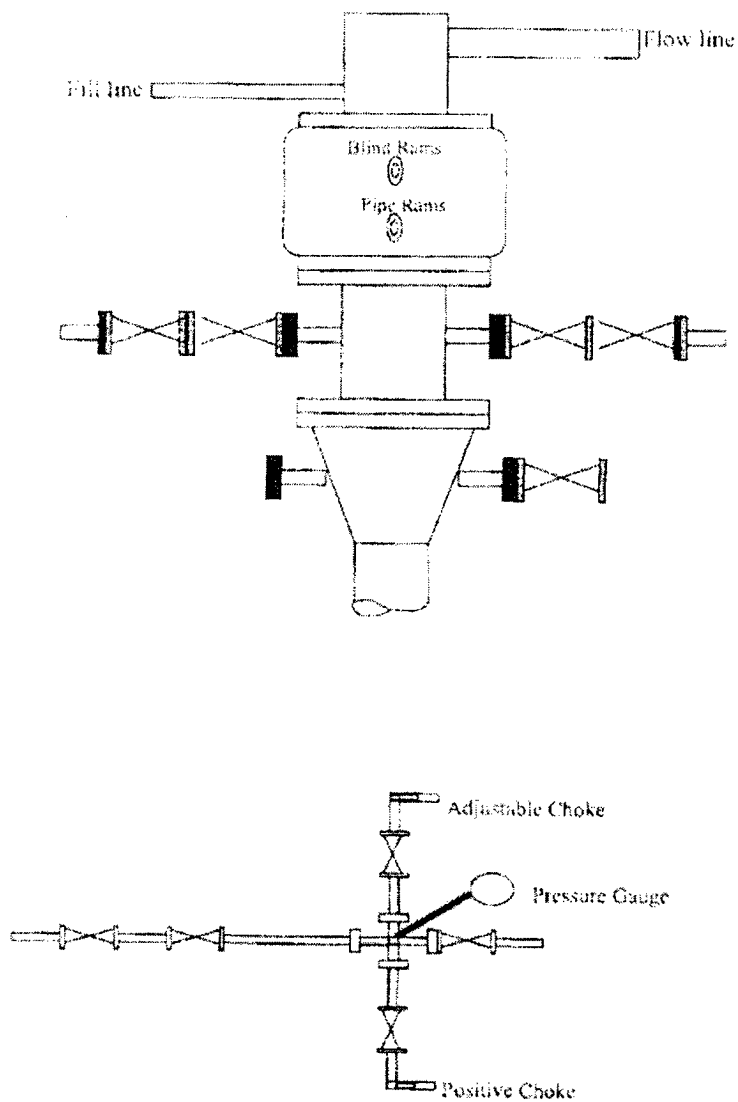


The anticipated starting date and duration of the operation will be as follows:

Starting Date:	Upon Approval
Duration:	20 days

If the well is completed as a dry hole or as a producer, Well Completion or Recompletion Report and Log (Form 3160-4) will be submitted within 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3160. Copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample descriptions, daily drilling reports, daily completion reports, and all other surveys or data obtained and compiled during the drilling, completion, and/or workover operations, will be submitted directly to the Authorized Officer or filed with Form 3160-4.

## 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 CTR 3160 requirements for 2M systems.