

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Devon Energy Production Company, L.P. PO Box 6459 Navajo Dam, NM 87419		² OGRID Number 6137
		³ API Number 30 - 039 - 30033
⁴ Property Code 19641	⁵ Property Name Northeast Blanco Unit	⁶ Well No. 415A
⁹ Proposed Pool 1 Basin Fruitland Coal		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	2	30N	7W		1,665	South	910	East	Rio Arriba

⁸ Proposed 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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code Private State	¹⁵ Ground Level Elevation 6,388'
¹⁶ Multiple N	¹⁷ Proposed Depth 3,343'	¹⁸ Formation Fruitland Coal	¹⁹ Contractor	²⁰ Spud Date Unknown
Depth to Groundwater >100'		Distance from nearest fresh water well >1,000'		Distance from nearest surface water >1,000' >100'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	9 5/8"	32#	0-285'	200	Surface
8 3/4"	7"	23#	0-2,995'	575	Surface
6 1/4"	5 1/2"	15.5#	2,812'-TD	0	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Sign: <i>M. S. Zimmerman</i>		Approved by: <i>[Signature]</i>	
Printed name: Melisa Zimmerman		Title: DEPUTY OIL & GAS INSPECTOR, DIST. 4	
Title: Senior Operations Technician		Approval Date: AUG 16 2006 Expiration Date: AUG 16 2007	
E-mail Address: Melisa.zimmerman@dvn.com			
Date: 8-14-06	Phone: 405-552-7917	Conditions of Approval Attached <input type="checkbox"/>	

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

¹ API Number 30-039-30032		² Pool Code 71629		³ Pool Name Basin Fruitland Coal	
⁴ Property Code 19641		⁵ Property Name NEBU			⁶ Well Number # 415A
⁷ OGRID No. 6137		⁸ Operator Name Devon Energy Production Company, L.P.			⁹ Elevation 6388

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
I	2	30 N	7 W		1665	SOUTH	910	EAST	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

⁷ UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 318.74		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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

¹⁶				¹⁷ OPERATOR CERTIFICATION			
				I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.			
				Signature M.S. Zimmerman			
				Printed Name M. S. Zimmerman			
				Title Sr. Operations Technician			
				Date August 14, 2006			
				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.			
				August 26, 2003			
				Date of Survey			
				Signature and Seal of Professional Surveyor			
				7016 Certificate Number			

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.

30-039-30032

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
E-289-23-
-2052

7. Lease Name or Unit Agreement Name

NORTHEAST BLANCO UNIT

8. Well Number
415A

9. OGRID Number
6137

10. Pool name or Wildcat
Basin Fruitland Coal

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 I : 1,665 feet from the South line and 910 feet from the East line

Section 2 Township 30N Range 7W NMPM County - SAN JUAN

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
GR 6,388'

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

Pit Location: UL 1 Sect 2 Twp 30N 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: CONSTRUCT DRILLING PIT ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND 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 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 8-14-06

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

(This space for State use)

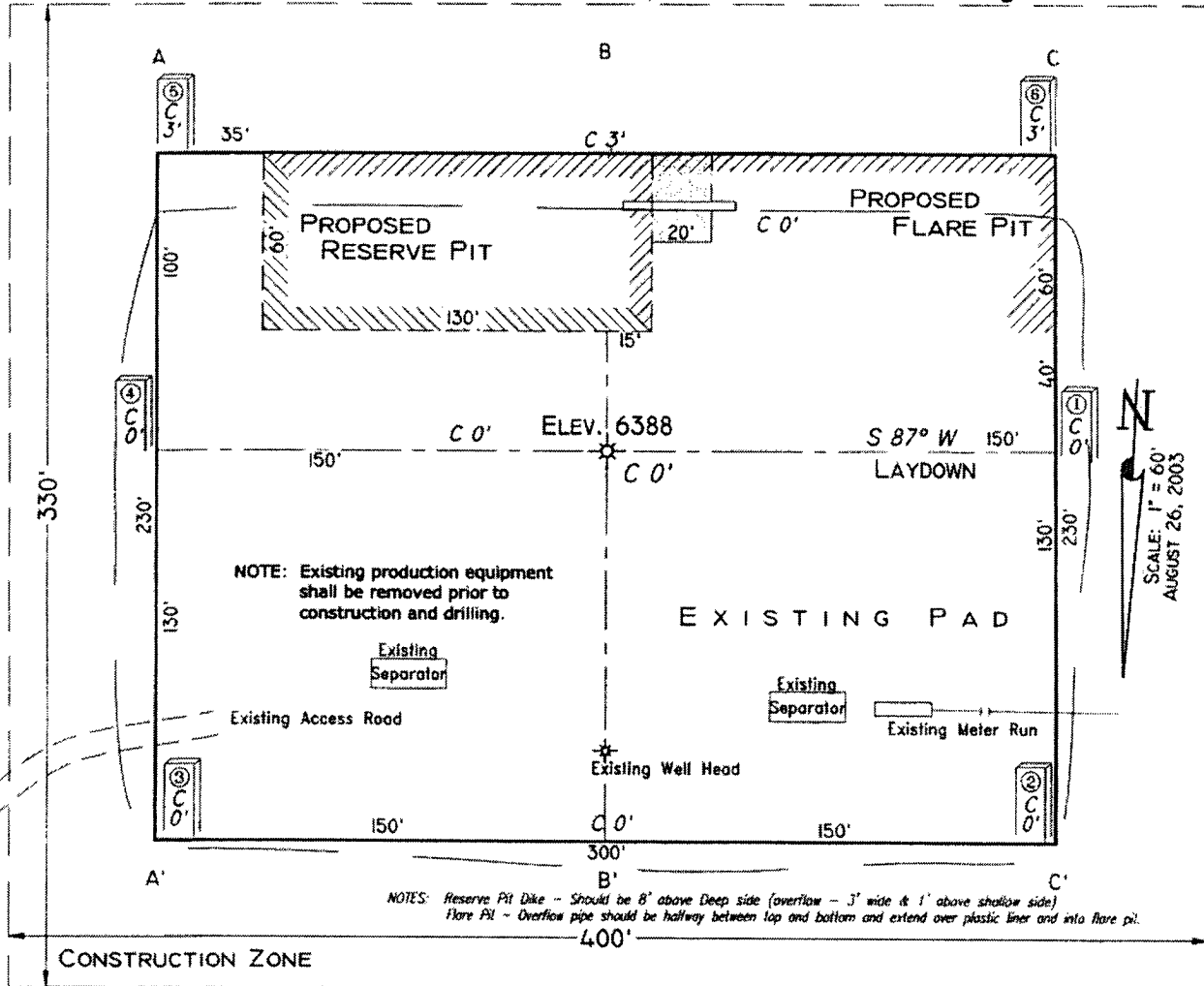
APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 89 DATE AUG 16 2006

Conditions of approval, if any:

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

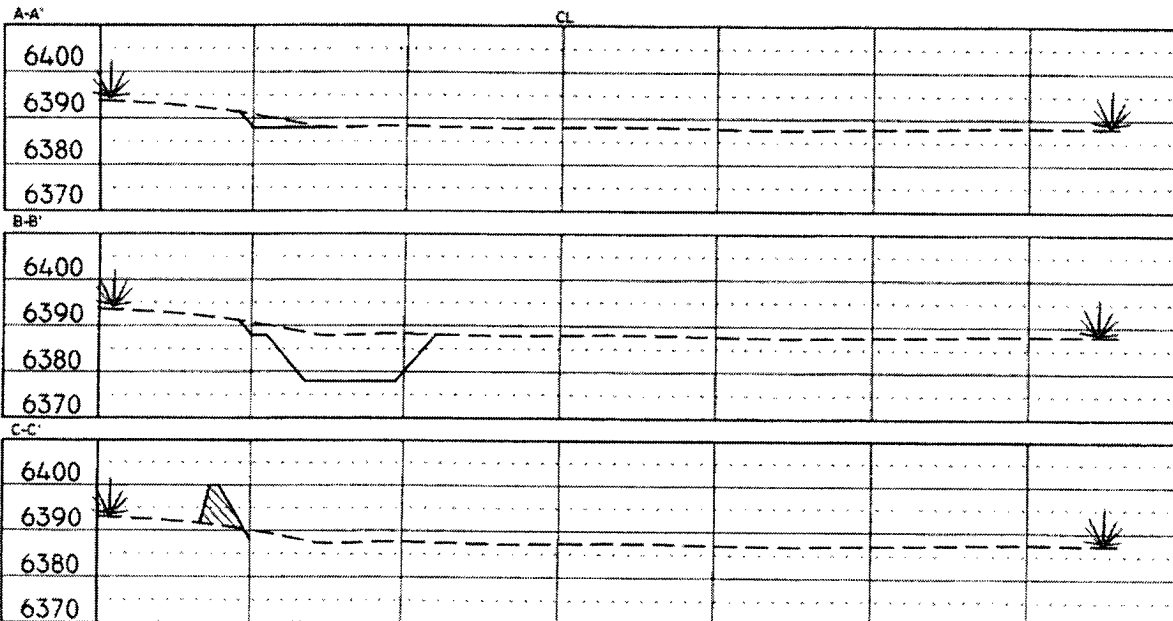
NEBU #415A
 1665' F/SL 910' F/EL
 SEC. 2, T30N, R7W, N.M.P.M.
 RIO ARRIBA COUNTY, NEW MEXICO

Lat: 36°50'20"
 Long: 107°32'04"



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

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



VANN SURVEYS
 P. O. Box 1306
 Farmington, NM

**NEBU 415A
Unit I 2-30N-7W
Rio Arriba 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	2247	Aquifer
Kirtland	2379	
Fruitland	2812	Gas
Fruitland 1 st Coal	2995	Gas
Pictured Cliffs Tongue	3228	
Pictured Cliffs Main	3314	Gas
PTD	3414	

All shows of fresh water and minerals will be adequately protected and reported. A 100' sump will be drilled into the Picture cliffs. A mud logger will be on location collecting samples and measuring gas levels. Should the Picture Cliffs interval appear to be productive the sump will be filled with cuttings and abandoned

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 300 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
0-2,812	8-3/4"	7"	J-55	23#	LTC	New
2,995'-TD	6-1/4"	5-1/2"*	J-55	15.5 #	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)

7" Casing: 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).

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 sacks Class B mixed at 15.6 ppg w/.25 pps
Celloflake, 2% calcium chloride. Yeild 1.19 ft3/sx ,cement
Designed to circulate to surface.

Production String: 7" Production casing cemented in an 8-3/4" hole
 23# J-55 LT&C 8 Rnd
 Float collar
 Joint
 Float Shoe
 Cement with 500 sacks Class B 50/50 POZ, 3% gel, 5# gilsonite, 1/4"# Flocele, .1% CFR 3, .2% Halad 344, yield 1.47 ft3/sx. *
 Cement designed to circulate to surface.
 Pending hole conditions, cement baskets may be installed above TD

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

Liner: 5-1/2" liner*
 15.5# J-55 LT&C 8 Rnd
 Shoe
 Not Cemented

* May not be run pending hole conditions.
 If well does not respond to proposed to completion, the 5 1/2 " liner will be cemented using class B 50/50 POZ, 3% gel, 5# gilsonite, 1/4"# Flocele, .1% CFR 3, .2% Halad 344, yield 1.47 ft3/sx. **

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

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,
285-2,812	LSND	8.4-9.0	29-70	8.0	10-12	LCM as needed
2,995-TD	Air					Foam 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: mud logging in Fruitland Coal.

Survey: Deviation surveys will be taken every 500' from 0-TD of 8 3/4" hole or first succeeding bit change.

Cores: None anticipated.

DST's: None anticipated.

6. ABNORMAL CONDITIONS:

The Fruitland Coal will be encountered within the 8 3/4" hole. Estimated formation pressure is 300 psi. No other abnormal pressures and/or temperatures are expected. No hydrogen sulfide should be present.

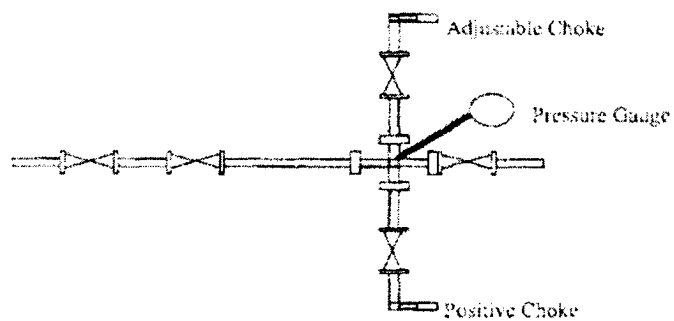
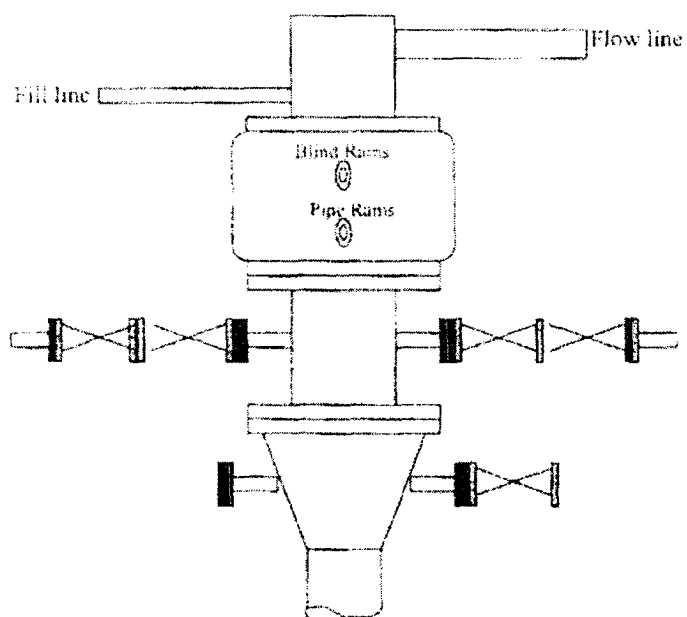
7. OTHER INFORMATION:

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 CFR 3160 requirements for 2M systems.



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

March 26, 2004

New Mexico Oil Conservation Commission
District 3
1000 Rio Brazos Road
Aztec, NM 87410

RE: Offset Operator Notification of Application for Permit to Drill
NEBU 415A Well
1665' FSL x 910' FEL Section 2, T-30N, R-7-W
San Juan County, New Mexico

ATTN: Steve Hayden

Enclosed, as required under Order R-8768-F dated July 17, 2003, you will find a copy of the notification letter to offset operator(s) of the intent to drill an Optional Infill Well in the High Productivity Area of the Basin-Fruitland Coal Pool by Devon Energy Production Company L.P.

You may contact me with any comments or questions at the (405) 228-7533.

Cordially,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in cursive script, reading "Teresia D. McGinnis".

Teresia D. McGinnis, CPL
Contract Landman
(405) 228-7533
teresia.mcginis@dev.com



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

April 2, 2004

(Certified Mail – Return Receipt Requested)

Burlington Resources Oil & Gas Co.
ATTN: Alan Alexander
P. O. Box 4289
Farmington, NM 87499-4289

RE: Notification of Application for Permit to Drill
NEBU 415A Well
1665' FSL x 910' FEL Section 2, T-30N, R-7-W
San Juan County, New Mexico

Attention: Alan Alexander

Devon Energy Production Company L.P. ("Devon") hereby gives notice the enclosed Application for Permit to Drill the Northeast Blanco Unit 415A Well has been submitted to the appropriate regulatory agency(s) for approval.

Pursuant to New Mexico Oil Conservation Commission Order R-8768-F dated July 17, 2003, consider the enclosed copy of this Application for Permit to Drill, including NMOC form C-102, to serve as notice of Devon's intent to drill an Optional Infill Well in the High Productivity Area of the Basin-Fruitland Coal Pool.

Affected parties have twenty (20) days from receipt of this notice in which to file with the District Office of the New Mexico Oil Conservation Division written objection to the proposed Application for Permit to Drill.

Cordially,

DEVON ENERGY PRODUCTION COMPANY L.P.

Teresia D. McGinnis, CPL
Contract Landman
(405) 228-7533
Teresia.mcginis@dvn.com

Attachments: OCD Form C-101
OCD Form C-102
NEBU Area Map

SENDER: COMPLETE THIS SECTION

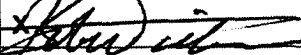
- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

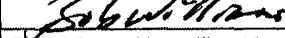
Burlington Resources Oil & Gas
ATTN: Alan Alexander
P.O. Box 4289
Farmington, NM 87499-4289

COMPLETE THIS SECTION ON DELIVERY

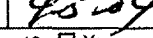
A. Signature


☐ Agent☐ Addressee

B. Received by (Printed Name)



C. Date of Delivery


D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☒ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

7003 1680 0002 1827 9703

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

• Sender: Please print your name, address, and ZIP+4 in this box •

Devon Energy Production Company LP
Attention: Teresa D. McGinnis MAT 12.12
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260

RECEIVED
APR - 8 2004
LAND DEPT.

NEBU 415A

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10



UNITED STATES POSTAL SERVICE