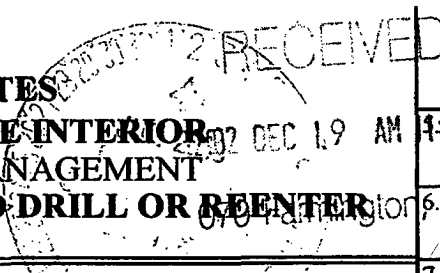


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER



4. Lease Serial No.
SF-079060

6. Indian, Allottee or Tribe Name
N/A

7. If Unit or CA Agreement, Name and No.
NORTHEAST BLANCO UNIT

8. Lease Name and Well No.
NEBU 13B

9. API Well No.
30-039-27480

10. Field and Pool, or Exploratory
Blanco Mesaverde Basin Dakota

11. Sec., T., R., M., or Blk. And Survey or Area
Sec. **20**, T **30N**, R **7W**
K

12. County or Parish
San Juan

13. State
NM

1a. Type of Work DRILL REENTER

1b. Type of Well Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
Attn: Diane Busch Devon Energy Production Company, L.P.

3a. Address
20 N. Broadway Oklahoma City, OK 73102

3b. Phone No. (include area code)
(405) 228-4362

4. Location of well (Report location clearly and in accordance with any State requirements. *)
At surface **2560 FSL & 1800' FWL SW Unit K**
At bottom hole **660' FSL & 660' FWL SW SW Unit M**
At proposed prod. zone **Same as BHL**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 27.4 miles NE of Aztec, New Mexico

15. Distance from proposed* location to nearest property or lease line, ft.
(Also to nearest drlg unit line, if any)
1800'

16. No. of Acres in lease
2236

17. Spacing Unit dedicated to this well
320.03 W/2-320'

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.

19. Proposed Depth
8000'

20. BLM/ BIA Bond No. on file
CO-1104

21. Elevations (Show whether DF, RT, GR, etc.)
6407' GL

22. Aproximate date work will start*
Upon Approval

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:

- 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, SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by 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 *Diane Busch* Name (Printed/ Typed) **Diane Busch** Date **12-16-02**

Title **Sr. Operations Technician**

Approved By (Signature) *Dm* Name (Printed/ Typed) _____ Date **5-30-03**

Title _____ Office _____

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 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* (Instructions on reverse)
This action is subject to technical and procedural review pursuant to 43 CFR 3165.2 and appeal pursuant to 43 CFR 3165.4
HOLD C114 FOR Directional Survey
DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".
NMOCGD

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 30-045-31292		2 Pool Code 72319/71599		3 Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
4 Property Code 19641		5 Property Name NEBU			6 Well Number # 13B
7 OGRID No. 6137		8 Operator Name Devon Energy Production Company, L.P.			9 Elevation 6407

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
K	20	30 N	7 W		2560	SOUTH	1800	WEST	Rio Arriba

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
M	20	30 N	7 W		660	SOUTH	660	WEST	Rio Arriba

12 Dedicated Acres mV - w/ 37003 DK - w/ 37003	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>16</p>	<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><i>Diane Busch</i> Signature DIANE BUSCH Printed Name SR. OPERATIONS TECH Title 12-16-02 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>November 5, 2002 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>7016 Certificate Number</p>	

(R) - GLO Record

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: July 31, 1996

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.

SUBMIT IN TRIPLICATE- Other Instructions on the reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Devon Energy Production Company, L.P. Attn: Diane Busch

3a. Address **20 N. Broadway Oklahoma City, OK 73102**
 3b. Phone No. (include area code) **(405) 228-4362**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2560' FSL & 1800' FWL SW/4, 14, Sec. 20, T 30N R. 7W
 Latitude Longitude
San Juan NM

5. Lease Serial No. **SF-079060**
 6. If Indian, Allottee, or Tribe Name
 7. (If Unit or CA. Agreement Designation)
Northeast Blanco Unit
 8. Well Name and No.
NEBU 13B
 9. API Well No.
 10. Field and Pool, or Exploratory Area
Blanco Mesaverde Basin Dakota
 11. County or Parish, State
San Juan NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering 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 Changes to submitted
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	2003 APD
	<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 recomplate horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required susequet reports shqll be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in anew interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

- #1. Anticipated bottom hole pressure is 3400 psi.
- #2. Under #3, Intermediate String, the Yield should be 1.47
- #3. Anticipated # of centralizers for intermediate & production casing are as follows:
 - 1. **Intermediate:** The bottom three joints will have a minimum of one centralizer per joint and one centralizer every fifth joint to 2000' (estamatd 12 centralizers used). Centralizers will be open bow spring or basket bow spring type.
 - 2. **Production:** The bottom three joints will have a minimum of one centralizer per joint and one centralizer every fifth joint to 4500' (estimated 22 centralizers used). Centralizers will be open bow spring or basket bow spring type.
- #4. Density's: Should be 13 ppg
- #5. The inconsistency with #4 chart: The hole will be air drilled from 3630'-7585'. The well will be mud drilled from 7585'-TD.
- #6. Please see attached 3 APD pages showing the distinction between TVD & TMD.
- #7. Please see the attached 2 pages - directional survey.

14. I hereby certify that the foregoing is true and correct.
 Name (Printed/ Typed) **Diane Busch** Title **Sr. Operations Technician**
 Signature *Diane Busch* Date **1-27-03**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE
 Approved by **/s/ David J. Markiewicz** Title Date

Conditions of approval, if any are attached. Approval of this notice does not warrant Office 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. **MAY 30 2003**

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictit or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

NMOC

**NEBU 13B
Unit K 20-30N-7W
San Juan Co., NM**

DRILLING PLAN

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

Formation	TMD (ft)	TVD (ft)	Hydrocarbon/Water Bearing Zones
San Jose	Surface	Surface	
Ojo Alamo	2661'	2330	Aquifer
Kirtland	2824'	2465	
Fruitland	3324'	2880	Gas
Pictured Cliffs	3903'	3360	Gas
Lewis	4048'	3480	Gas
Intermediate TD	4198	3630	
Huerfanito bentonite	4741'	4110	
Massive Cliff House	5766'	5135	Gas
Menefee	5871'	5240	Gas
Massive Point Lookout	6191'	5560	Gas
Mancos	6541'	5910	Gas
Gallup	7407'	6775	Gas
Greenhorn	8167'	7535	
Graneros	8217'	7585	
Dakota	8362'	7730	Gas
TD	8633	8000	

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
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.

3. CASING & CEMENTING PROGRAM:

A. The proposed casing program will be as follows:

TMD	TVD	Hole Size	Size	Grade	Weight	Thread	Condition
0-250'	0-250'	12-1/4"	9-5/8"	H-40	32#	STC	New
0-4198'	0-3630'	8-3/4"	7"	K-55	23#	LTC	New
0-TD	0-TD	6-1/4"	4-1/2"	K-55	11.6 #	LTC	New

All casing strings below the conductor 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.

The bottom three joints of the surface casing will have a minimum of one centralizer per joint and one centralizer every fourth joint thereafter.

B. The proposed cementing program will be as follows:

Surface String: Cement will be circulated to surface.

Lead: 200 sks Class "B" with additives mixed at 15.6 ppg, 1.19 ft³/sks.

Intermediate String: Cement will be circulated to surface.

Lead: 575 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks prior to foaming, 9 ppg, 2.18 ft³/sks after foaming.

Tail: 75 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks.

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# Gilsomite, 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# Gilsomite, 1/4# Flocele, .1% CFR 3, .2% Halad 344, Yield 1.47 ft³/sks. Cement designed to circulate to surface.

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

Lead: 500 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.47 ft³/sks.

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

4. **DRILLING FLUIDS PROGRAM:**

TMD	TVD	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-4198'	0-3630'	Spud-foam	8.4-9.0	29-70	8.0	NC	FW gel, LSND or stiff foam
4198'-8362'	3630'-7730'	Air				NC	
8362'-TD	7730'-TD	Mud	8.5-9.0*	30-50	8.0-10.0	8-10cc @ TD	Low solids – nondispersed. * 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.