

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

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

1a. Type of Work ☒ DRILL ☐ REENTER
1b. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
Attn: Dwane Oliver Devon Energy Production Company, L.P.

3a. Address
PO Box 6459 Navajo Dam NM, 87419

3b. Phone No. (include area code)
505-632-0244

4. Location of well (Report location clearly and in accordance with any State requirements. *)
At surface 125' FNL & 385' FWL NW NW Unit D
At bottom hole 660' FNL & 660' FWL NE NW Unit C
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 31 miles northeast of Aztec NM

15. Distance from proposed*
location to nearest
property or lease line, ft. 660'
(Also to nearest drlg unit line, if any)

16. No. of Acres in lease
320

17. Spacing Unit dedicated to this well
259.82 260

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

19. Proposed Depth
8150'

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

21. Elevations (Show whether DF, RT, GR, etc.)
6578' - 6502' GL

22. Approximate 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, the 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 *Dwane Oliver*

Name (Printed/ Typed)
Dwane Oliver

Date 9-18-03

Title
Sr. Operations Technician

Approved By (Signature) *F.F.O.*

Name (Printed/ Typed)

Date 1-8-04

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 of the 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

NMOCD

This action is subject to technical and procedural review pursuant to 43 CFR 3165.2
DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

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 30-065-32018	² Pool Code 72319/71599	³ Pool Name BLANCO mesaverde / BASIN DAKOTA
⁴ Property Code 19641	⁵ Property Name NEBU	⁶ Well Number # 42A
⁷ OGRID No. 6137	⁸ Operator Name Devon Energy Production Company, L.P.	⁹ Elevation 6578

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
D (Lot 5)	19	31 N	7 W		125	NORTH	385	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
C	19	31 N	7 W		660	NORTH	660	WEST	SAN JUAN

¹² Dedicated Acres MV-259.82 DAK-259.82	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. R-749-MV. R 2046 Tract L Basindak
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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

16	385	Lot 5	Bottom Hole Location 660' F/NL 660' F/WL Azimuth - 152°17' 604	19	30	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Devon W. Oliver</i> Printed Name: <i>Devon Rep.</i> Title: <i>11-20-03</i> Date: <i>11-20-03</i>
	Lot 6	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. Revised: September 29, 2003 March 14, 2003 Date of Survey Signature and Seal of Professional Surveyor GARY D. VANM NEW MEXICO REGISTERED PROFESSIONAL LAND 7016 Certificate Number				
	Lot 7					
	Lot 8					
	Lot 5					
	Lot 6					

NEBU 42A
Unit C Sec 19 31N 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	2391'	2345'	Aquifer
Kirtland	2545'	2495'	
Fruitland	3058'	2995'	Gas
Pictured Cliffs	3553	3340'	Gas
Lewis	3519'	3455'	Gas
Intermediate TD	3619'	3555'	
Huerfanito bentonite	4619'	4205'	
Massive Cliff House	5364'	5300'	Gas
Menefee	5394'	5330'	Gas
Massive Point Lookout	5714'	5650'	Gas
Mancos	6064'	6000'	Gas
Gallup	7104'	7040'	Gas
Greenhorn	7744'	7680'	
Graneros	7794'	7730'	
Dakota	7924'	7860'	Gas
TD	8212'	8150'	

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
0-3619'	0-3555'	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# Gilsonite, ¼# 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, ¼# 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.

If hole conditions dictate, an alternate, two stage cement design will be used. Stage 1: 275 sacks 50/50 POZ, 3% Gel, 5# Gilsonite, ¼# Flocele, 1/10% CFR 3, 9% Halad 9, Yield 1.47 ft³/sks. Stage 2: 375 sacks 50/50 POZ, 3% Gel, 5# Gilsonite, ¼# Flocele, .1% CFR 3, 9% Halad 9, Yield 1.47 ft³/sks. Cement designed to tie into intermediate.

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
0-3619'	0-3555'	Spud	8.4-9.0	29-70	8.0	NC	FW gel, LSND or stiff foam
3619'-7924'	3555'-7860'	Air or Foam				NC	
7924'-TD	7860'-TD	Mud or Nitrogen	8.5-9.0*	30-50	8.0-10.0	8-10cc	Low solids – nondispersed. * Min Wt. to



Job Number:
 Company: Devon Energy Production Co.
 Lease/Well: NEBU #42A
 Location: San Juan County, Sec 19-31N-7W
 Rig Name:
 RKB:
 G.L. or M.S.L.:

State/Country: New Mexico / USA
 Declination:
 Grid:
 File name: C:\CUST03\SURVEY\DEVON\NEBU42A.SVY
 Date/Time: 20-Aug-03 / 12:21
 Curve Name: Proposal 8-20-03

INWELL INC.
DIRECTIONAL DRILLING SERVICES
HOUSTON, TEXAS
281-397-7614
888-397-7614

WINSERVE PROPOSAL REPORT
Minimum Curvature Method
Vertical Section Plane 152.80
Vertical Section Referenced to Wellhead
Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE Distance FT	Direction Deg	Dogleg Severity Deg/100
KOP @ 310'TVD, Begin Build @ 3.00°/100'									
310.00	.00	.00	310.00	.00	.00	.00	.00	.00	.00
410.00	3.00	152.80	409.95	2.62	-2.33	1.20	2.62	152.80	3.00
510.00	6.00	152.80	509.63	10.46	-9.31	4.78	10.46	152.80	3.00
610.00	9.00	152.80	608.77	23.51	-20.91	10.75	23.51	152.80	3.00
710.00	12.00	152.80	707.08	41.74	-37.12	19.08	41.74	152.80	3.00
744'MD/740'TVD, Begin Hold @ 13.03°Inc, 152.80°Azm									
744.25	13.03	152.80	740.52	49.16	-43.72	22.47	49.16	152.80	3.00
1744.25	13.03	152.80	1714.78	274.58	-244.21	125.53	274.58	152.80	.00
2744.25	13.03	152.80	2689.05	500.00	-444.69	228.58	500.00	152.80	.00
2867'MD/2809'TVD, Begin Drop @ -2.00°/100'									
2867.60	13.03	152.80	2809.22	527.80	-469.42	241.29	527.80	152.80	.00
2967.60	11.03	152.80	2907.02	548.64	-487.95	250.82	548.64	152.80	2.00
3067.60	9.03	152.80	3005.48	566.05	-503.44	258.78	566.05	152.80	2.00
3167.60	7.03	152.80	3104.50	580.02	-515.86	265.16	580.02	152.80	2.00
3267.60	5.03	152.80	3203.94	590.52	-525.20	269.96	590.52	152.80	2.00
3367.60	3.03	152.80	3303.69	597.54	-531.44	273.17	597.54	152.80	2.00
3467.60	1.03	152.80	3403.62	601.08	-534.59	274.79	601.08	152.80	2.00
3518'MD/3455'TVD, Begin Vertical Hold									
3518.98	.00	152.80	3455.00	601.54	-535.00	275.00	601.54	152.80	2.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE		Dogleg Severity Deg/100
Distance FT	Direction Deg								
Set 7" Casing @ 3618'MD/3555'TVD									
3618.98	.00	152.80	3555.00	601.54	-535.00	275.00	601.54	152.80	.00
4618.98	.00	152.80	4555.00	601.54	-535.00	275.00	601.54	152.80	.00
Massive Cliff House @ 5363'MD/5300'TVD									
5363.98	.00	152.80	5300.00	601.54	-535.00	275.00	601.54	152.80	.00
6363.98	.00	152.80	6300.00	601.54	-535.00	275.00	601.54	152.80	.00
7363.98	.00	152.80	7300.00	601.54	-535.00	275.00	601.54	152.80	.00
PBHL @ 8213'MD/8150'TVD									
8213.98	.00	152.80	8150.00	601.54	-535.00	275.00	601.54	152.80	.00

Surface location: $125' \text{ FNL} + 535' = 1660' \text{ FNL}$
 $385' \text{ FWL} + 275' = 1660' \text{ FWL}$

Company: Devon Energy Production Co.
Lease/Well: NEBU #42A
Location: San Juan County, Sec 19-31N-7W

