

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-079003
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name NEBU 330M
2. Name of Operator DEVON ENERGY PRODUCTION CO LP		7. If Unit or CA Agreement, Name and No.
Contact: PATTI RIECHERS E-Mail: patti.riechers@dmv.com		8. Lease Name and Well No. NORTHEAST BLANCO UNIT 330M
3a. Address 20 N BROADWAY, SUITE 1500 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405.228.4248 Fx: 405.228.4848	9. API Well No. 3004532141
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface NENW 1025FNL 1720FWL At proposed prod. zone NENW 1025FNL 1720FWL		10. Field and Pool, or Exploratory BLANCO MESAVERDE/BASIN DAKO
14. Distance in miles and direction from nearest town or post office* APPROXIMATELY 14 MILES SOUTH OF IGNACIO, CO		11. Sec., T., R., M., or Blk. and Survey or Area C Sec 27 T31N R7W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1025	16. No. of Acres in Lease 2560.00	12. County or Parish SAN JUAN
17. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	18. Proposed Depth 8028 MD	13. State NM
19. Elevations (Show whether DF, KB, RT, GL, etc.) 6378 GL	20. Approximate date work will start	14. Spacing Unit dedicated to this well 320.00 WL
21. 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 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 (Electronic Submission)	Name (Printed/Typed) PATTI RIECHERS	Date 01/23/2004
Title AUTHORIZED SIGNATURE		
Approved by (Signature) WAYNE TOWNSEND	Name (Printed/Typed) WAYNE TOWNSEND	Date 3/10/04
Title Acting AFM	Office FFO	

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 #27100 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO LP, sent to the Farmington

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

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

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

NWCCD

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-DJS-32141		² Pool Code 72319/71599		³ Pool Name Blanco Mesaverde / Basin Dakota	
⁴ Property Code 19641		⁵ Property Name NEBU			⁶ Well Number # 330M
⁷ OGRID No. 6137		⁸ Operator Name Devon Energy Production Company, L.P.			⁹ Elevation 6378

¹⁰ Surface Location

UL or Lot No. C	Section 27	Township 31 N	Range 7 W	Lot Idn	Feet from the 1025	North/South line NORTH	Feet from the 1720	East/West line WEST	County SAN JUAN
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¹¹ Bottom Hole Location If Different From Surface

¹² UL or lot no.	¹³ Section	¹⁴ Township	¹⁵ Range	¹⁶ Lot Idn	¹⁷ Feet from the	¹⁸ North/South line	¹⁹ Feet from the	²⁰ East/West line	²¹ County
²² Dedicated Acres		²³ Joint or Infill		²⁴ Consolidation Code		²⁵ 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

	<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>Signature <u>Patti Dieckers</u></p> <p>Printed Name <u>Patti Dieckers</u></p> <p>Title <u>Sr. Operations Tech</u></p> <p>Date <u>January 23, 2004</u></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>August 12, 2003</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>7016</p> <p>Certificate Number</p>

(R) - GLO Record

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
0-3452	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 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, 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. 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, Yield 1.47 ft³/sks.

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 & 1/4# Flocele. Yield 1.47 13#. Stage 2: Lead: 450 sx 50/50 POZ, 3% Gel, .9% Halad 9, .2% CFR 3, 5# Gilsonite & 1/4# Flocele. Yield 1.47 13 ppg. Tail: 25 sx (5 bbls) Class B .4% Halad 9. Yield 1.18 15.6#.

4. DRILLING FLUIDS PROGRAM:

Interval	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-3452'	Spud-foam	8.4-9.0	29-70	8.0	NC	FW gel, LSND or stiff foam
3452'-7738'	Air				NC	
7738' - 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' from 0-TD or first succeeding bit change. The hole will be air drilled from 3452' – TD. The equipment used in this type of operation will not allow for single shot surveys 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.

DST's: None anticipated.

6. ABNORMAL CONDITIONS:

The Fruitland Coal will be encountered at approximately 2903' 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: