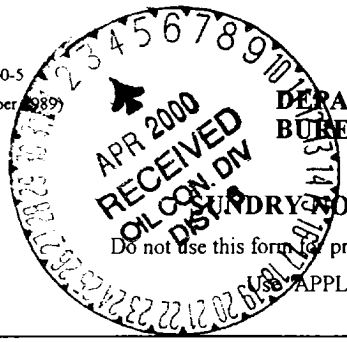
Form 3160-5
*(December 1989)



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

SUNDRY NOTICES AND REPORTS ON WELLS

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070 FARMINGTON, NM

Do not use this form for proposals to drill, deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals

5. Lease Designation and Serial No.: **SF-079010**

6. If Indian, Allottee or Tribe Name:

7. If Unit or CA, Agmt. Design.: **Northeast Blanco Unit**

SUBMIT IN TRIPLICATE

1. Type of Well: oil well ____ gas well **X** other ____

8. Well Name and No.: **N.E.B.U. #456**

2. Name of Operator: **Devon Energy Corporation**

3. Address of Operator: **3300 N. Butler Avenue, Suite 211, Farmington, NM 87401**

9. API Well No.: **30-045-27476**

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

10. Field & Pool/Exploratory Area: **Basin Fruitland Coal**

1340' FNL, 1105' FEL, Section 26, T31N, R7W

11. County or Parish, State: **San Juan, New Mexico**

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

TYPE OF SUBMISSION	TYPE OF ACTION	
X Notice of Intent	____ Abandonment	X Change of Plans
	____ Recompletion	____ New Construction
____ Subsequent Report	____ Plugging Back	____ Non-Routine Fracturing
	____ Casing Repair	____ Water Shut-Off
____ Final Abandonment Notice	____ Altering Casing	____ Conversion to Injection
	X Other: **Deepen to the base of Fruitland Coal & Re-cav** (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Devon Energy proposes to move in a coal cavitation rig and remove uncemented existing 5.5" liner. This well was originally drilled in 1989 and did not completely drill through the Fruitland Formation and through the basal coal interval. Therefore Devon Energy request approval to deepen the wellbore approximately 145' to the base of the Fruitland Coal Formation with 6 1/4" bit, air/water mixture as outlined in attached re-cavitation procedure. The base of the Fruitland Coal formation will be determined by Mud Logging techniques and drill rate. The Fruitland Coal open hole interval will undergo 11" under-reaming, re-cavititation and cleanout process. The end of the re-cavitation process, a 5 ½" pre-drilled liner will be installed across the open hole interval and set in the 7 inch casing with a liner hanger assembly.

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

Signed: _____ **Jim Abbey** Title: **Production Engineer** Date: 3-22-00

(This space for Federal or State office use)

Approved by /s/ Charlie Beecham Title _____ Date MAR 30 2000

Conditions of approval, if any:

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

Devon Energy Company

Northeast Blanco Unit #456

Fruitland Coal Deepening and Re-Cavitation Procedure

Purpose: This well was originally drilled in 1989 and did not completely drill through the Fruitland Formation and the basal coal interval. Therefore #456 well will be deepen an estimated 145' with 6 1/4" bit, air/water mixture as outlined in attached re-cavitation procedure. The base of the Fruitland Coal interval will be determined by Mud Logging techniques.

Under-ream open hole interval to a wellbore diameter of approximately 11". Re-cavitate open hole and remove near wellbore coal material. Re-install 5 ½" liner. Use a daylight workover rig (open hole) package and surge well during the night.

Comments: Current production 750 mcf/d and 3 bwpd. Bottom hole pressure no greater than 450 psig. Winter restrictions apply. No construction or drilling activity between 12/1 – 3/31 due to big game wintering habitat.

Well Information: NEBU #456 Fruitland Coal Formation
Legal Location: 1340' FNL, 1105' FEL, Sec. 26, T31N, R7W
San Juan County, New Mexico

Measured Depths: All perforations and tool setting depths are measured from KB which is 15 feet above ground level

Casing Size	Wt, Grade, Thread	Depth Set	Comments
9.625"	26 #/Ft, J-55, 8R	443' KB	
7.00"	23 #/Ft, J-55, 8R	2931' KB	
5.5" (Liner)	17 #/Ft, K-55	2865' KB Top 3124' KB Bottom	Baker
2.375" Tbg	4.7#/Ft, J-55	3023' (93 Jts)	

7.00", K-55 Internal Yield Pressure (New): 4360 psig. **Collapse:** 3270 psig

Plug Back TD: 3125'

Re-Cavitation and Liner Procedure.

1. MIRU daylight open hole rig with air package. Set pump through plug in F nipple. Remove wellhead and install 6" 900 series double BOP, 7 1/16" ID, 3000 psi flow cross with two – 4" flanged outlets with inside 4" manual and outside 4" hydraulic valve on either side. Dress BOP's with blind rams on bottom and tubing rams in the top three positions.

2. Lay and tie down two 7" blouie lines and 2 7/8" relief line and choke manifold.

3. Kill well with produced water, if necessary. TOH *stand back* tbg string. Pick up a bit and csg scraper and TIH with tubing and csg scraper. TOH.

4. Pick up a 7" RBP and trip in hole to within 1 jt of 7" casing point. Set RBP and TOOH.. Pressure test csg and BOP stack to minimum BLM standards (1200 psig).

5. When required replace existing tubing head with a new tubing head including 3 1/8" casing valves (Full open). Retest csg to 1200 psig. TIH and retrieve RBP.

Liner Removal Procedure

6. TIH with tbg and notched collar. Clean out inside of 5 ½" liner to TD. TOOH and lay down tubing string. Visually inspect 2 3/8" joints for corrosion, scale and damage. Replace 2 3/8" joints as need for production string. Note, on wells that are using 2 7/8"production string replace with 2 3/8' production tubing.

7. TIH with liner retrieving tool or mill as per the following two options:

   - If liner hanger is Texas Iron Works (TIW) or equivalent (see comments column on first page), TIH with retrieving tool, bumper sub, Jars and 4 ¾" collars. Screw into liner and attempt to free liner assembly. TOH and send in and redress liner hanger if undamaged. Or:
   - TIH with 6 ¼"mill and 4 ¾" collars and drill pipe. Cut slips on top of liner hanger. TOH. TIH with spear, bumper sub, Jars and 4 ¾" Collars and jar liner until free. TOH

8. If liner does not come free consult Devon team members for side-track procedure. Proceed to step 9 after liner has been successfully removed.

Deepening Procedure

9. Pick up 6 ¼" bit and 4 3/4" drill collars and drill pipe. TIH. Clean out from bottom of 7" csg to TD.

10. Rig up Mud Logging Unit. Condition hole and clean out to PBTD at 3125' KB. Stabilize hole before drilling. Drill with air/water/foam mixture. Catch cutting samples off blouie line. Drill approximately145' through Fruitland Coal basal coal. Estimated PC top 3268'. Devon geologist and mud logging company will help determine base of Fruitland Coal interval. Mud logger will record sample description, drill rate and prepare a supplemental mud log report.

11. If basal coal is not present below Pictured Cliffs Tongue then place a cement plug from TD to 3175'.

12. WOC and then RIH tag top of plug, TOOH.

13. Pick up 6 ¼" bit, under-reamer tools and 4 3/4" drill collars and drill pipe. TIH. Under-ream across open hole interval to a wellbore diameter of approximately 10" to 11". Clean out from bottom of 7" csg to TD.Continue with re-cavitation procedure.

Re-Cavitation Procedure

14. Pull bit into csg and run a pitot test on well as per foremen's schedule. Determine if well will be recavitated or if liner will be installed. Use foam, air and polymer sweeps as necessary to cavitate well. Go to step 12 if well will not respond to re-cavity/cleanout process.

15. Continue to bust up the coal until pitot tests stabilize. Work the open hole until coal returns diminish, pitot volumes level off and foremen approves to run liner.

16. Run pre-perforated liner. Set liner hanger. Release from setting sleeve and TOH. Lay down drill pipe.

17. TIH with 2 3/8" tbg string and mill. Mill out port plugs. TOH Pick up 2 3/8" tubing configured for existing or future bottom hole rod pump assembly, SN and lock collar and pump out plug as per foremen recommendations. TIH with 2 3/8" tbg. Land tbg at bottom of perforated interval.

18. Remove BOP's and install wellhead. Connect wellhead annulus to flare lines. Pump out tubing plug with water air mixture. Attempt to unload well with air compressors going down tbg. Flare well until all oxygen is removed from system. Run ¾" rods and pump on applicable wells. SI. RDMO.