

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

RECEIVED

SEP 17 PM 2:31

070 17 SEP 2002

5. Lease Serial No.

SF-79010

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

Northeast Blanco Unit

8. Lease Name and Well No.

NEBU 325

9. API Well No.

30 045 31225

10. Field and Pool, or Exploratory

Blanco Mesaverde Basin Dakota

11. Sec., T., R., M., or Blk. And Survey or Area

Sec. 23 ,T 31N ,R 7W

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

Devon Energy Production Company, L.P. Attn: Diana Booher

3a. Address

20 North Broadway, Suite 1500, OKC, OK 73102

3b. Phone No. (include area code)

(405) 552-4512

4. Location of well (Report location clearly and in accordance with any State requirements. *)

At surface 1370' FNL & 30' FWL SW NW Unit E
At bottom hole Same
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approx. 27 miles SE of Ignacio, CO

15. Distance from proposed* location to nearest property or lease line, ft.

030'

16. No. of Acres in lease

2560.00

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

19. Proposed Depth

8120'

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

6433' 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, 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

Diana Booher

Name (Printed/ Typed)

Diana Booher

Date

9/13/02

Title

Operations Engineering Associate

Approved By (Signature)

David J. Mankiewicz

Name (Printed/ Typed)

Date

OCT - 4

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 to 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)

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

INMOCD

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-21206		*Pool Code 72319/71599	*Pool Name Blanco Mesaverde/Basin Dakota
*Property Code 019641	*Property Name NEBU		*Well Number 325
*OGRID No. 006137	*Operator Name DEVON ENERGY Production Company, L.P.		*Elevation 6433'

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
E	23	31-N	7-W		1370	NORTH	30	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
*Dedicated Acres MV-W/320 DK-W/320					*Joint or Infill		*Consolidation Code		*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

6 FD U.S.G.L.O. BC. 1914		N 89-57-25 E 2641.28'		FD U.S.G.L.O. BC. 1914		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Diana Booher</u> Printed Name <u>DIANA BOOHER</u> Title <u>OPERATIONS ENGR. ASSOC.</u> Date <u>9/14/02</u>	
1370' 53' 1290' 30' 1264' S 00-01-28 W 30' 2634.29'		LAT. 36°53'19" N LONG. 107°32'57" W		23		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 knowledge and belief Date of Survey <u>MARCH 14, 2002</u> Signature and Seal of Professional Surveyor: <u>[Signature]</u> 14827 Certificate Number	
CALC'D CORNER FROM FD. W.C. 1914 U.S.G.L.O.							

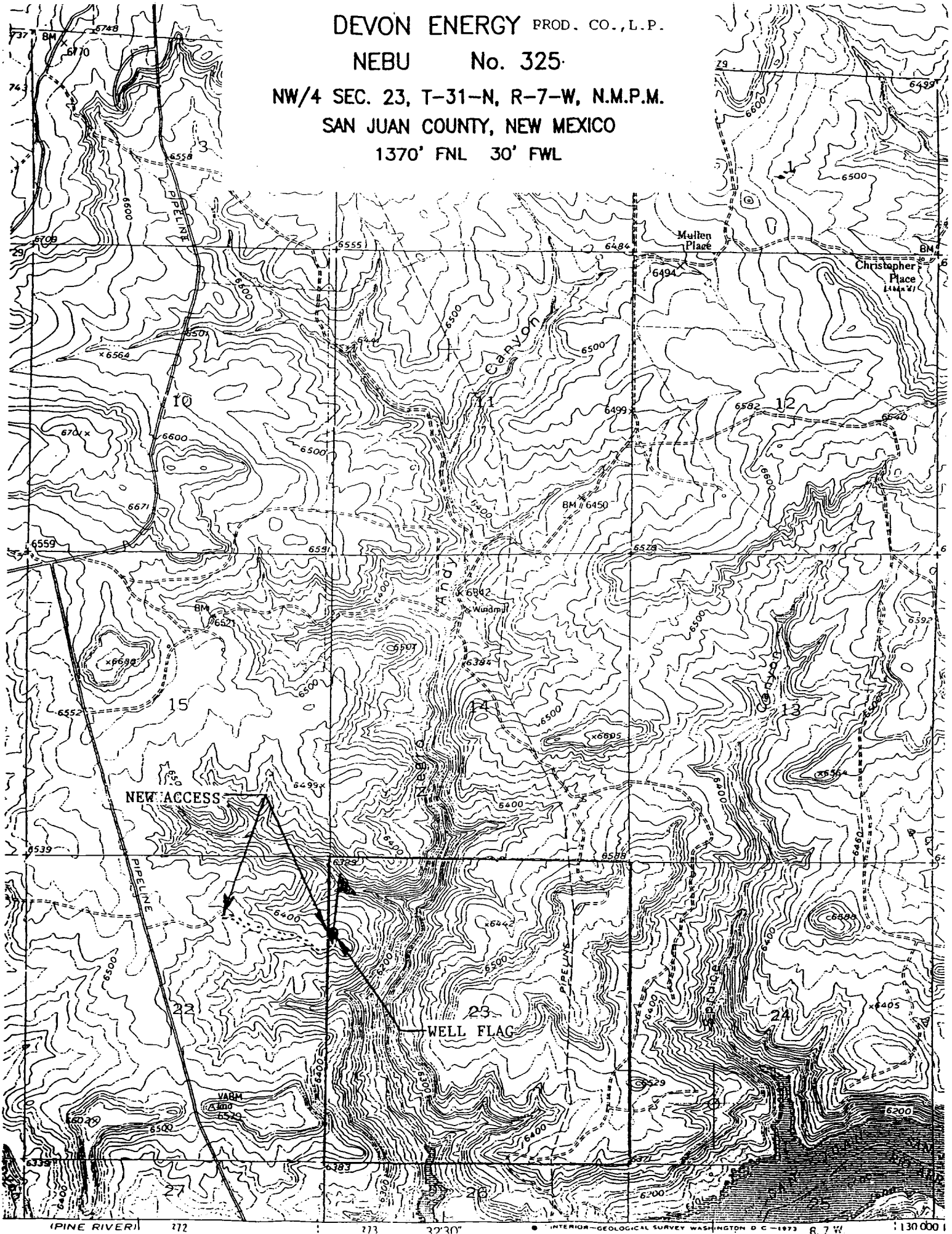
DEVON ENERGY PROD. CO., L.P.

NEBU No. 325

NW/4 SEC. 23, T-31-N, R-7-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

1370' FNL 30' FWL



NEBU 325
Unit E-23-31N-7W
San Juan Co., NM

DRILLING PLAN

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

Formation	Depth (ft)	Hydrocarbon/Water Bearing Zones
San Jose	Surface	
Ojo Alamo	2300	Aquifer
Kirtland	2410	
Fruitland	2890	Gas
Pictured Cliffs	3295	Gas
Lewis	3525	Gas
Intermediate TD	3625	
Mesaverde	4110	Gas
Chacra	4510	Gas
Massive Cliff House	4980	Gas
Menefee	5350	Gas
Point Lookout SS	5615	Gas
Mancos	5970	Gas
Gallup	6940	Gas
Sanostee	7345	Gas
Greenhorn	7690	
Graneros	7740	Gas
Dakota	7850	Gas
TD	8120	

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:

Depth	Hole Size	Size	Grade	Weight	Thread	Condition
0-250'	12-1/4"	9-5/8"	H-40	32#	STC	New
0-3625'	8-3/4"	7"	K-55	23#	LTC	New
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. Estimated volume (180% of theoretical value):

Lead: 200 sks Class "B" with additives mixed at 15.6 ppg, 1.18 ft³/sks.

Intermediate String: Cement will be circulated to surface.

Lead: 320 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: 70 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks.

Top Out Cement: 100 sks Class "B" with additives mixed at 15.6 ppg, 1.18 ft³/sks.

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 Slurry 1: 200 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks prior to foaming, 9 ppg, 2.14 ft³/sks after foaming.

Lead Slurry 2: 70 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks prior to foaming, 10 ppg, 1.98 ft³/sks after foaming.

Tail: 300 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks

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

4. DRILLING FLUIDS PROGRAM:

Interval	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-3625'	Spud-foam	8.4-9.0	29-70	8.0	NC	FW gel, LSND or stiff foam
3625-7740'	Air				NC	
7740'-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.

5. EVALUATION PROGRAM: