

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018**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.**5. Lease Serial No.  
NMLC061863A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
LIPPIZZAN 4 FED 2H

9. API Well No.

10. Field and Pool or Exploratory Area  
WILDCAT11. County or Parish, State  
LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other Instructions on page 2

## 1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

## 2. Name of Operator

DEVON ENERGY PRODUCTION COMPANY

Contact: JENNIFER HARMS

Email: jennifer.harms@dev.com

## 3a. Address

333 WEST SHERIDAN AVENUE  
OKLAHOMA CITY, OK 73102

## 3b. Phone No. (include area code)

Ph: 405-552-6560

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

Sec 33 T24S R32E SESW 170FSL 2190FWL  
32.167183 N Lat, 103.681046 W Lon

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

## TYPE OF SUBMISSION

## TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Hydraulic Fracturing☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other  
Change to Original A  
PD

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 recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Devon Energy Production Co., L.P. (Devon) respectfully requests to have the option to move intermediate casing down to 4900' due to the close proximity of depletion from the Cotton Draw Unit 73. The CDU 73 has perforations from 4,768' - 4,809' and has produced a significant amount of fluid to date. Setting our intermediate string deeper will allow for us to case off potential loss zones. This will allow us to increase mud weight as necessary for well conditions in the production hole, allowing us to better handle any well control issues that may arise while drilling the lateral. This is a contingency plan based on final drilling results. Please see attachment.

**Carlsbad Field Office**  
**OCD Hobbs**

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

Electronic Submission #463173 verified by the BLM Well Information System  
For DEVON ENERGY PRODUCTION COMPANY, sent to the Hobbs  
Committed to AFMSS for processing by PRISCILLA PEREZ on 04/30/2019 (19PP1691SE)

Name (Printed/Typed) JENNIFER HARMS

Title REGULATORY COMPLIANCE ANALYST

Signature (Electronic Submission)

Date 04/26/2019

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LONG VO

Title PETROLEUM ENGINEER

Date 05/23/2019

Conditions of approval, if any, are attached. Approval of this notice 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 conduct operations thereon.

Office Hobbs

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.

(Instructions on page 2)

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

# PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

<b>OPERATOR'S NAME:</b>	DEVON ENERGY PRODUCTION COMPANY LP
<b>LEASE NO.:</b>	NMLC0061863A
<b>WELL NAME &amp; NO.:</b>	2H - LIPPIZZAN 4 FED
<b>SURFACE HOLE FOOTAGE:</b>	170'/S & 2190'/W
<b>BOTTOM HOLE FOOTAGE:</b>	20'/S & 2332'/W
<b>LOCATION:</b>	SECTION 33, T24S, R32E, NMPM
<b>COUNTY:</b>	LEA

COA

H2S	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
Potash	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-P
Cave/Karst Potential	<input checked="" type="radio"/> Low	<input type="radio"/> Medium	<input type="radio"/> High
Variance	<input type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input type="radio"/> Other
Wellhead	<input type="radio"/> Conventional	<input type="radio"/> Multibowl	<input checked="" type="radio"/> Both
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP
Other	<input checked="" type="checkbox"/> Fluid Filled	<input type="checkbox"/> Cement Squeeze	<input type="checkbox"/> Pilot Hole
Special Requirements	<input type="checkbox"/> Water Disposal	<input type="checkbox"/> COM	<input type="checkbox"/> Unit

**All Previous COAs Still Apply**

## A. CASING

**Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.**

- The minimum required fill of cement behind the 9-5/8 inch intermediate casing shall be set at approximately 4900 feet is:

### Option 1 (Single Stage):

- Cement to surface. If cement does not circulate see B.1.a, c-d above.  
Cement excess is less than 25%, more cement might be required.

### Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
  - Cement to surface. If cement does not circulate, contact the appropriate BLM office.  
**Cement excess is less than 25%, more cement might be required.**

## GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ Chaves and Roosevelt Counties

Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.

During office hours call (575) 627-0272.

After office hours call (575)

☒ Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,  
(575) 361-2822

☒ Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)  
393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
  - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
  - b. When the operator proposes to set surface casing with Spudder Rig
    - Notify the BLM when moving in and removing the Spudder Rig.
    - Notify the BLM when moving in the 2<sup>nd</sup> Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
    - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

## Devon Energy – Lippizzan 4 Fed 2H - Sundry

### 1. Geologic Formations

TVD of target	10770	Pilot hole depth	N/A
MD at TD:	16053	Deepest expected fresh water:	

#### Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	896		
Salado	1106		
Base of Salt	4641		
Delaware	4671		
L Brushy Canyon	8301		
Bone Spring	8556		
Leonard 'A'	8706		
Leonard 'B'	9086		
Leonard 'C'	9306		
1st BSPG Sand	9836		
2nd BSPG Sand	10256		
L 2nd BSPG Sand	10746		
Landing Point	10770		
EOL	10710		

\*H2S, water flows, loss of circulation, abnormal pressures, etc.

## Devon Energy – Lippizzan 4 Fed 2H - Sundry

### 2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight (PPF)	Grade	Conn.
	From	To				
12.25"	0	4900	9.625"	40	J-55	BTC
BLM Minimum Safety Factor				Collapse: 1.125	Burst: 1.00	Tension: 1.6 Dry 1.8 Wet

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h Must have table for contingency casing
- Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.
- Variance is requested for collapse rating on intermediate casing. Operator will keep pipe full while running casing. No losses are expected in subsequent hole section.
- Int casing shoe will be selected based on drilling data, gamma, and flows experienced while drilling. Setting depth will be revised accordingly if needed.
- A variance is requested to waive the centralizer requirement for the intermediate and production casing strings if drilling conditions dictate



## Devon Energy – Lippizzan 4 Fed 2H - Sundry

### 3. Cementing Program (3-String Primary Design)

Casing	# Sk	TOC	Wt. (lb/gal)	H <sub>2</sub> O (gal/sk)	Yld (ft <sup>3</sup> /sack)	Slurry Description
Int	804	Surf	9	20.6	1.94	Lead: Class C Cement + additives
	196	500' above shoe	13.2	6.42	1.33	Tail: Class H / C + additives

If a DV tool is ran the depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Slurry weights will be adjusted based on estimated fracture gradient of the formation. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. If cement is not returned to surface during the primary cement job on the surface casing string, a planned top job will be conducted immediately after completion of the primary job.

Casing String	% Excess
Surface	100%
Intermediate	50%
Production	10%