

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**DEC 21 2012**
SUNDAY
DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO RE-ENTER AN
ABANDONED WELL. USE FORM 3160-3 (APD) FOR SUCH PROPOSALS.**RECEIVED**
SUBMIT IN TRIPLICATE - Other instructions on reverse side.

HOBBS

5. Lease Serial No.
NMNM53239

6. If Indian, Allottee or Tribe Name

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

DEVON ENERGY PRODUCTION CO., LP

Contact: DAVID H COOK

E-Mail: david.cook@dvn.com

3a. Address

333 WEST SHERIDAN AVENUE
OKLAHOMA CITY, OK 73102-5010

3b. Phone No. (include area code)

Ph: 405-552-7848

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

Sec 1 T18S R32E NESE 1750FSL 990 FEL

Unit I

8. Well Name and No.
SHINNERY 1 FEDERAL 019. API Well No.
30-025-3062710. Field and Pool Name
QUEEN, DELAWARE, West

11. County or Parish, and State

LEA COUNTY, NM

12. CHECK 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☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☒ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 recompletable 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall 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., LP respectfully requests approval to plug off Bone Spring and recompletable to the Queen, Delaware formation as follows:

1. MIRU PU. POOH w/rods, ND WH, NU 5K BOP and test. POOH with tubing and TAC.
2. TIH w/tbg. Circulate sand off, and release RBP set @ 7100?. POOH w/RBP.
3. TIH w/CIBP, set @ 6807?. Test to 500 psi. Dump bail 35? of cmt on top (~3 sx).
4. RU WL, TIH & perf. Queen, 4060? ? 4090? w/62 holes. TOOH. RDMOL WL.
5. TIH w/pkr on 2 7/8? tbg. Set pkr @ 3050?. Test casing to 500 psi. ND BOP, NU WH.
6. Pump 3,000 gals of 7.5% HCL acid. Let acid react 1 hour.
7. Swab back load and hourly swab test for oil cut and report to engineering.
8. Frac perfs w/30,000 gal fluid, 50,000 # 20/40 sand at 20 bpm. Flowback.
9. ND WH. NU BOP. Release and POOH w/pkr.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****SUBJECT TO LIKE
APPROVAL BY STATE**

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

Electronic Submission #156185 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO., LP, sent to the Hobbs
Committed to AFMSS for processing by KURT SIMMONS on 10/24/2012 ()

Name (Printed/Typed) DAVID H COOK

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 10/24/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved By

Title

DEC 19 2012 Date

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

BUREAU OF LAND MANAGEMENT

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.

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

MAY 15 2013

Additional data for EC transaction #156185 that would not fit on the form

32. Additional remarks, continued

10. TIH with sand screen, SN, TAC, production tubing. Set EOT at 4200?.
11. TIH w/pump and rods. Load tbg and test to 500 psi.
12. RDPU, turn well back to production.

Conditions of Approval

Devon Energy Production Co.

Shinnery 1 Federal 01

API 30-025-30627

T18S-R32E, Sec 01

December 19, 2012

Notify BLM at 575-393-3612 a minimum of 24 hours prior to commencing work.

Work to be completed by March 19, 2012.

1. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Johnny Chopp <jchopp@blm.gov> 575.234.2227 or Bob Ballard <bballard@blm.gov> 575.234.5973.
2. Functional H₂S monitoring equipment shall be on location.
3. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
4. Subject to like approval by the New Mexico Oil Conservation Division.
5. Notify BLM 575-200-7902 before plug back procedures. The procedures are to be witnessed. If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. If there is no response, 575-361-2822. Note the contact, time, & date in your subsequent report.
6. Surface disturbance beyond the originally approved pad must have prior approval.
7. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations; no excavated pits.
8. A minimum of 2,000 (2M) BOPE shall be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M) Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
9. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

10. The BLM PET witness is to run tbq tally and agree to cement placement. Sample each plug for cement curing time and tag and/or pressure test (WOC time of 4 hours recommended) as requested by BLM PET witness.
11. Class H > 7,500' & Class C < 7,500') cement plugs(s) will be necessary. The minimum pumped volume of 25 sacks of cement slurry is to exceed a 100' cement plug across the drilled wellbore. Add 10% to the 100' slurry volume for each 1,000' of plug depth when calculations indicate the need. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 15.6#/gal, 1.18ft³/sx, 5.2gal/sx water.
12. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
13. **CIBP to be set at 6874' (50' above the top perforation): A minimum of 35' of Class C cement shall be placed on top of the CIBP.**
14. **A solid Class C cement plug shall also be set at 6178' (50' below the top of the Bone Springs formation). A minimum of 25 sx shall be placed on top and a minimum length of 165'.**
15. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry. File the subsequent sundry for the frac separately if it is delayed as much as 20 days.
16. Submit the BLM Form 3160-4 **Completion Report** within 30 days of the date all BLM approved procedures are complete. **Include all formation tops.**
17. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.
18. Submit evidence to support your determination that the well has been returned to active "beneficial use" for BLM approval on the Sundry Notice Form 3160-5 (the original and 3 copies) before 05/10/2013.
19. Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment.

JAM 121812

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.