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District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
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1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-42355
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Devon Energy Production Company, LP 405-228-7203		6. State Oil & Gas Lease No.
3. Address of Operator 333 West. Sheridan Avenue Oklahoma City, OK 73102-5015 405-228-7203		7. Lease Name or Unit Agreement Name Rattlesnake 16 SWD
4. Well Location Lot Number <u>E</u> : <u>2375</u> feet from the <u>NORTH</u> line and <u>210</u> feet from the <u>WEST</u> line Section <u>16</u> Township <u>26S</u> Range <u>34E</u> NMPM Lea County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3337.3' GL		9. OGRID Number 6137
		10. Pool name or Wildcat SWD; Dev-Fus-Simp (98109)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP-SYSTEM <input type="checkbox"/>			
OTHER: Casing Change <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Company, L.P. is respectfully requesting to set 7" casing shallower at ~17,950' TVD which is ~30 ft into the Mississippian Lime; then reduce mud weight to ~10ppg saturated brine to drill 6" hole through the Mississippian line and Woodford shale; reduce mud weight further to 8.5-9.0 ppg and continue drilling to TD.

Please see summary of requested changes attached

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Trina C. Couch TITLE: Regulatory Analyst DATE 7/31/2015

Type or print name: Trina C. Couch E-mail address: trina.couch@dvn.com PHONE: 405-228-7203

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 07/31/15
Conditions of Approval (if any):

JUL 31 2015

Rattlesnake 16 SWD 1

Current Well Status

- Drilling 8-1/2" hole w/ 15.5ppg oil based mud at 17,830' MD/17,826' TVD
- Preparing to run 7" 32# HCP110 liner

Change Requested

- Original 7" casing seat was planned to be ~18,470' TVD (top of the Devonian and the injection zone); and then drill a 6" hole w/ ~8.5-9.0ppg cut brine to TD of injection interval
- Requesting to set 7" casing shallower at ~17,950' TVD which is ~30ft into the Mississippian Lime; then reduce mud weight to ~10ppg saturated brine to drill 6" hole through the Mississippian lime and Woodford shale; reduce mud weight further to 8.5-9.0ppg and continue drilling to TD

Reason For Change

- Offset wells indicate that a lost returns risk exists within the Mississippian lime which poses significant well control risk if we are unable to maintain our current mud weight of 15.0-15.5ppg
- Setting 7" prior to the loss zone is supported by our immediate Devonian offsets which share a similar casing seat and drilling through the Miss Lime and Woodford shale with 8.5-9.0ppg cut brine

Summary of Design Changes below:

1. Casing Program:

Hole Size	Hole Interval	Casing OD	Casing Interval	Weight (lb/ft)	Collar	Grade	Collapse Design Factor	Burst Design Factor	Tension Design Factor
26"	0 - 750'	20"	0 - 750'	94	BTC	J-55	1.41	5.71	20.16
17-1/2"	750-5300'	13-3/8"	0-5300'	68	BTC	HCP-110	1.09	1.25	3.16
12-1/4"	5300-12900'	9-5/8"	0-12900'	47	BTC	HCP-110	1.28	1.14	1.75
8-1/2"	12900-17950'	7"	12400-17950'	32	BTC	HCP-110	1.10	1.29	3.4
6"	17,950'-18,470'	5"	17,800'-18,470'	18	FMJ	P-110	2.69	1.34	31.0
6"	~18470-21000'	Open hole							

Casing Notes:

- All casing is new and API approved
- Casing will never be completely evacuated

Maximum TVD: 21000'

2. Proposed mud Circulations System:

Depth	Mud Weight	Viscosity	Fluid Loss	Type System
0 - 750'	8.3	30-34	N/C	FW
750-5300'	10.0	28-32	N/C	Brine
5300-12900'	9.0-9.5	28-32	N/C	FW
12900-17950'	13.0-16.0	35-45	<10	OBM
17950-21000'	8.3-10.0	28-32	N/C	Cut Brine