

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM 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.***SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM114988
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY Contact: REBECCA DEAL Email: Rebecca.Deal@dvn.com		6. If Indian, Allottee or Tribe Name
3a. Address 333 WEST SHERIDAN AVENUE OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405-228-8429	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T26S R33E NWNW 200FNL 330FWL		8. Well Name and No. SEAWOLF 1-12 FED 91H
11. County or Parish, State LEA COUNTY, NM		9. API Well No. 30-025-43768
10. Field and Pool or Exploratory Area WC-025 G-09 S253336D;U WC		

HOBBS OCD**JUL 24 2017****12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	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 recompleat 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 recompleat 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 respectfully requests the following changes to the original APD:

? Casing change from a 17.5? hole with 13 3/8? casing to a 14.75? hole with 10.75? casing.

? Utilize a spudder rig to pre-set surface casing.

Please see attached drilling plan and description of spudder rig operations.

APPROVED**JUL 11 2017**

BUREAU OF LAND MANAGEMENT

CARRISBOW FIELD OFFICE

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #379564 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION COMPANY, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 06/30/2017 ()	
Name (Printed/Typed) REBECCA DEAL	Title REGULATORY COMPLIANCE PROFESSI
Signature (Electronic Submission)	Date 06/22/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Teungku Muchlis Krueng</u>		Title	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	

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)

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

Devon Energy Prod. Co., L.P./ Seawolf 1-12 Fed 91H

2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
	From	To							
14.75"	0	1,000'	10.75"	40.5	J-55	STC	1.125	1.25	1.6
8.75"	0	11,954'	7.625"	29.7	P110	Flushmax III	1.125	1.25	1.6
6.75"	0	22,695'	5.5"	20	P110	SF/Flush	1.125	1.25	1.6

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.

A variance is requested to wave the centralizer requirement for the 7-5/8" flush casing in the 8-3/4" hole and the 5-1/2" SF/Flush casing in the 6-3/4" hole.

1. Cementing Program

Casing	# Sks	Wt. lb/gal	H ₂ O gal/sk	Yld ft ³ /sack	Slurry Description
10-3/4" Surface	623	14.8	6.34	1.34	Tail: Class C Cement + 1% Calcium Chloride
7-5/8" Int	368	9	13.5	3.27	Lead: Tuned Light® Cement
	416	14.5	5.31	1.2	Tail: (50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite
7-5/8" Int Two Stage	122	10.9	20.6	3.31	1 st Stage Lead: (50:40:10) Class C: Silicalite: Enhancer 923 + 10% BWOC Bentonite + 0.05% BWOC SA-1015 + 0.3% BWOC HR-800 + 0.2% BWOC FE-2 + 0.125 lb/sk Pol-E-Flake + 0.5 lb/sk D-Air 5000
	416	14.5	5.31	1.2	1 st Stage Tail: (50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite
	225	10.9	20.6	3.31	2 nd Stage Lead: (50:40:10) Class C: Silicalite: Enhancer 923 + 10% BWOC Bentonite + 0.05% BWOC SA-1015 + 0.3% BWOC HR-800 + 0.2% BWOC FE-2 + 0.125 lb/sk Pol-E-Flake + 0.5 lb/sk D-Air 5000
	30	14.8	6.32	1.33	2 nd Stage Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
	846	14.8	6.32	1.33	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake

Devon Energy Prod. Co., L.P./ Seawolf 1-12 Fed 91H

If a DV tool is used, depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Casing String	TOC	% Excess
10-3/4" Surface	0'	50%
7-5/8" Intermediate	0'	30%
7-5/8" Intermediate Two Stage Option	1 st Stage = 4900' / 2 nd Stage = 0'	30%
5-1/2" Production Casing	11,754'	25%

8. Other facets of operation

Is this a walking operation? Yes

1. In the event the spudder rig is unable to drill the surface holes the drilling rig will batch drill the surface holes and run/cement surface casing; walking the rig to next wells on the pad.
2. The drilling rig will then batch drill the intermediate sections with either OBM or cut brine and run/cement intermediate casing; the wellbore will be isolated with a blind flange and pressure gauge installed for monitoring the well before walking to the next well.
3. The drilling rig will then batch drill the production hole sections on the wells with OBM, run/cement production casing, and install TA caps or tubing heads for completions.

NOTE: During batch operations the drilling rig will be moved from well to well however, it will not be removed from the pad until all wells have production casing run/cemented.

Will be pre-setting casing? Yes

1. Spudder rig will move in and drill surface hole.
 - a. Rig will utilize fresh water based mud to drill 14 3/4" surface hole to TD. Solids control will be handled entirely on a closed loop basis.
2. After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
3. The wellhead will be installed and tested once the 10 3/4" surface casing is cut off and the WOC time has been reached.
4. A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with a pressure gauge installed on the wellhead.
5. Spudder rig operations is expected to take 4-5 days per well on a multi well pad.
6. The NMOCD will be contacted and notified 24 hours prior to commencing spudder rig operations.
7. Drilling operations will be performed with the drilling rig. At that time an approved BOP stack will be nipped up and tested on the wellhead before drilling operations commences on each well.
 - a. The NMOCD will be contacted / notified 24 hours before the drilling rig moves back on to the pad with the pre-set surface casing.

All previous COA still apply except the following:

The 10 3/4 inch surface casing shall be set at approximately 1000 feet **(in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, and if salt is encountered, set casing at least 25 feet above the salt)** and cemented to the surface.

- a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
- b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

10 3/4 Segment	surface csg in a #/ft	Grade	14 3/4 Coupling	inch hole. Coupling	Joint	Design Factors		SURFACE	
"A"						Collapse	Burst	Length	Weight
"B"	40.50	J 55	ST&C	10.37	3.58	0.59		1,000	40,500
								0	0
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,500					Tail Cmt	does	circ to sfc.	Totals:	1,000 40,500
Comparison of Proposed to Minimum Required Cement Volumes									
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
14 3/4	0.5563	623	835	582	43	8.50	2797	3M	1.50

Burst Frac Gradient(s) for Segment(s) A, B = 3.13, b All > 0.70,

#N/A					Design Factors		INTERMEDIATE		
9 5/8	casing inside the	10 3/4							
Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	Length	Weight	
"A"	40.00	P 110	BUTT	2.80	1.2	1.23	11,300	452,000	
"B"							0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig:						Totals:	11,300	452,000	
The cement volume(s) are intended to achieve a top of				0	ft from surface or a		1000	overlap.	
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
12 1/4	0.3132	2170	4435	#N/A	#N/A	9.00	4481	5M	1.31

Class 'H' tail cmt yld > 1.20

*Assumed 1/3 fluid filled for collapse calculation

Tail cmt					Design Factors		PRODUCTION		
5 1/2	casing inside the	9 5/8							
Segment	#/ft	Grade	Coupling	Body	Collapse	Burst	Length	Weight	
"A"	20.00	P 110	BUTT	2.51	1.6	1.73	12,154	243,080	
"B"	20.00	P 110	BUTT	7.89	1.41	1.73	10,541	210,820	
w/8.4#/g mud, 30min Sfc Csg Test psig: 2,674					Totals:		22,695	453,900	
B	would be:			53.60	1.52	if it were a vertical wellbore.			
No Pilot Hole Planned		MTD	Max VTD	Csg VD	Curve KOP	Dogleg°	Severity°	MEOC	
		22695	12752	12752	12154	90	10	13051	
The cement volume(s) are intended to achieve a top of				11100	ft from surface or a		200	overlap.	
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
8 3/4	0.2526	2551	3221	#N/A	#N/A	11.00			1.35