

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.***HOBBS OCD****OCT 20 2017****RECEIVED****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. NMNM100864
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY Contact: REBECCA DEAL E-Mail: Rebecca.Deal@devon.com		6. If Indian, Allottee or Tribe Name
3a. Address 6488 SEVEN RIVERS HIGHWAY ARTESIA, NM 88211	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 4 T23S R34E SWNW 2630FNL 400FWL		8. Well Name and No. RIO BLANCO 4 33 FED COM 3H
		9. API Well No. 30-025-43246-00-X1
		10. Field and Pool or Exploratory Area GRAMA RIDGE
		11. County or Parish, State LEA COUNTY, NM

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 recomplete 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 recompletion 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 to change the casing design from 3 string to 4 string design by adding an additional intermediate string.

Please see attached sundry docs.

All previous COAs still apply

14. I hereby certify that the foregoing is true and correct. Electronic Submission #384485 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION COMPANY, sent to the Hobbs Committed to AFMSS for processing by CHRISTOPHER WALLS on 10/02/2017 (18CRW0003SE)	
Name (Printed/Typed) REBECCA DEAL	Title REGULATORY COMPLIANCE PROFESSI
Signature (Electronic Submission)	Date 08/14/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>CHARLES NIMMER</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>10/04/2017</u>
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 ****

1. Geologic Formations

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	2293		
Salado	2674		
Capitan Reef	3540		
Base of Salt	5126		
Delaware	5126		
Lwr Brushy	8252		
1st BSPG Lime	8433		
LNRD A	8611		
LNRD A Target	8767		
LNRD A Target Base	8837		

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

2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight (lbs)	Grade	Conn	SF Collapse	SF Burst	SF Tension
	From	To							
26"	0	1,600'	20"	106.5	J-55	BTC	1.125	1.00	1.8
	1,600'	2,318'	20"	133	K-55	BTC	1.125	1.00	1.8
17.5"	0	3,500'	13.375"	68	J-55	BTC	1.125	1.00	1.8
12.25"	0	5,100'	9.625"	40	J-55	BTC	1.125	1.00	1.8
BLM Minimum Safety Factor							1.125	1.00	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

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	H ₂ O gal/sk	Yld ft ³ / sack	500# Comp. Strength (hours)	Slurry Description
20" Surface	3185	13.7	8.89	1.73	7	Lead: Class C Cement + 2% Bentonite + 5lb/sk Salt
	1135	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
13.375" Inter.	1480	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	690	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
13.375" Inter. Two Stage	1020	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	390	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
	DV Tool = 2368ft					
	915	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
9.625" Inter.	840	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	355	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
9.625" Inter. Two Stage	575	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	145	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
	DV Tool = 3550ft					
	290	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	180	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake

DV tool 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
20" Surface	0ft	100%
13.375" Intermediate	0ft	75%
13.375" Intermediate (Two Stage)	1 st Stage = 2368ft / 2 nd Stage = 0ft	75%
9.625" Intermediate	0ft	50%
9.625" Intermediate (Two Stage)	1 st Stage = 3550ft / 2 nd Stage = 0ft	50%

4. Pressure Control Equipment

N	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.
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BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
17-1/2"	21-1/4"	2M	Annular	x	50% of working pressure
			Blind Ram		2M
			Pipe Ram		
			Double Ram		
			Other*		
12-1/4"	13-5/8"	3M	Annular	x	50% testing pressure
			Blind Ram		3M
			Pipe Ram		
			Double Ram	x	
			Other*		
8-3/4"	13-5/8"	3M	Annular	x	50% testing pressure
			Blind Ram		3M
			Pipe Ram		
			Double Ram	x	
			Other*		

*Specify if additional ram is utilized.

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	2,318'	FW Gel	8.6-8.8	28-34	N/C
2,318'	3,500'	Saturated Brine	10.0-10.2	28-34	N/C
3,500'	5,100'	Cut brine/brine	8.8-10	28-34	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	PVT/Pason/Visual Monitoring
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District I
1625 N French Dr., Hobbs, NM 88241
Phone (575) 393-6161 Fax (575) 393-0770

District II
5115 First St., Artesia, NM 88210
Phone (505) 748-1283 Fax (505) 718-9770

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6177

District IV
1220 S St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-44345		2 Pool Code 98220		3 Pool Name Purple Sage; Wolfcamp (Gas)	
4 Property Code 318938		5 Property Name HH CE 35 02 FED 006		6 Well Number 5H	
7 OGRID No. 4323		8 Operator Name CHEVRON U.S.A. INC.		9 Elevation 3145'	

Surface Location

UT or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	35	25 SOUTH	27 EAST, N.M.P.M.		2414'	SOUTH	475'	EAST	EDDY

Bottom Hole Location If Different From Surface

UT or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	26 SOUTH	27 EAST, N.M.P.M.		180'	SOUTH	330'	EAST	EDDY

10 Dedicated Acres 640	11 Joint or Infill	12 Consolidation Code	13 Order No.
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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.

PROPOSED FIRST TAKE POINT X= 555,916 NAD 27 Y= 395,094 LAT 32 086101 LONG 104 152788 X= 597,100 NAD83 Y= 395,152 LAT 32 086224 LONG 104 153279 MID POINT X= 555,868 NAD 27 Y= 392,443 LAT 32 078813 LONG 104 152955 X= 597,052 NAD83 Y= 392,500 LAT 32 078935 LONG 104 153447 PROPOSED LAST TAKE POINT X= 555,821 NAD 27 Y= 387,446 LAT 32 065077 LONG 104 153134 X= 597,005 NAD83 Y= 387,503 LAT 32 065199 LONG 104 153625		HH CE 35 02 FED 006 NO 5H WELL X= 555,767 NAD 27 Y= 394,857 LAT 32 085450 LONG 104 153271 X= 596,951 NAD83 Y= 394,915 LAT 32 085573 LONG 104 153763 ELEVATION +3145' NAVD 88 CORNER COORDINATES TABLE NAD 27 A - Y=397933.25 X=553702.88 B - Y=397744.31 X=556293.47 C - Y=392440.48 X=553545.40 D - Y=392443.13 X=556195.44 E - Y=387033.94 X=553461.53 F - Y=387127.27 X=556146.39 PROPOSED BOTTOM HOLE LOCATION X= 555,820 NAD 27 Y= 387,296 LAT 32 064864 LONG 104 153139 X= 597,004 NAD83 Y= 387,353 LAT 32 064786 LONG 104 153631				OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or an undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <i>[Signature]</i> Date: 8-29-17 Printed Name: <i>[Name]</i> Email Address: <i>[Email]</i>	
				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 belief. Date of Survey: 11-10-2016 Signature and Seal of Professional Surveyor: <i>[Signature]</i> Certificate Number: 23006			