Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

	BUKEAU OF LAND MAN	AGEMENI				
SUNDR	Y NOTICES AND REP	ORTS ON WELLS			5. Lease Serial No. NMNM98192	
	this form for proposals t vell. Use form 3160-3 (Al			_	If Indian, Allottee or	Tribe Name
SUBMIT	N TRIPLICATE - Other in:	structions on page	2 APR 1	1 2019	7. If Unit or CA/Agreer	nent, Name and/or No.
1. Type of Well Oil Well Gas Well Other				IVED	8. Well Name and No. BIG CAT 16-9 STA	TE FED COM 215H
2. Name of Operator DEVON ENERGY PRODU	Contact:	JENNIFER HARM			9. API Well No.	
					30-024-	
3a. Address 333 WEST SHERIDAN AV OKLAHOMA CITY, OK 73		3b. Phone No. (inch Ph: 405-552-656			10. Field and Pool or E WC-025 G07 S2	xploratory Area 33204D
4. Location of Well (Footage, Sec	, T., R., M., or Survey Description	on)		•	11. County or Parish, S	tate
Sec 16 T23S R32E NWSE 32.303715 N Lat, 103.6781					LEA COUNTY, N	IM
12. CHECK THE	APPROPRIATE BOX(ES) TO INDICATE N	ATURE O	F NOTICE,	REPORT, OR OTH	ER DATA
TYPE OF SUBMISSION			TYPE OF	ACTION		í
■ Notice of Intent	☐ Acidize	☐ Deepen		☐ Product	ion (Start/Resume)	☐ Water Shut-Off
_	☐ Alter Casing	☐ Hydraulic	Fracturing	☐ Reclam	ation	■ Well Integrity
☐ Subsequent Report	□ Casing Repair	□ New Cons	struction	□ Recomp	olete	Other O
☐ Final Abandonment Notice	□ Change Plans	☐ Plug and A	Abandon	□ Tempor	arily Abandon	Change to Original A PD
	Convert to Injection	n 🔲 Plug Back	;	■ Water I	Disposal	
If the proposal is to deepen direct Attach the Bond under which the following completion of the involtesting has been completed. Final determined that the site is ready for the production of the intermediate casing down to Delaware producers, prima 6,960? to 8,570? Setting of loss zones. This will allow the lateral. This is a conting Thank you.	work will be performed or provided operations. If the operations is Abandonment Notices must be for final inspection. Co., L.P. (Devon) respectful a 8800? due to the close prily the Tomcat wells. The four intermediate string dee is to increase mud weight a to better handle any well ency plan based on final decrease.	le the Bond No. on file we results in a multiple complified only after all required lily requests to have roximity of depletion Tomcat wells have per will allow for using as necessary for we control issues that necessary to the control issues that necessary that necessary for we control issues that necessary the control issues that nec	rith BLM/BIA pletion or recomments, include the option from multiperforations o case off ple conditions in conditions and a rise we see attact	a. Required submpletion in a ling reclamation to move ple active evarying from the hile drilling homent.	bsequent reports must be f new interval, a Form 3160 n, have been completed ar	iled within 30 days 4 must be filed once and the operator has
	Electronic Submission	RGY PRODUCTION C	OMPAN, se A PEREZ o	nt to the Hol n 03/20/2019	obs	iT
27 - 77 - 71111						
Signature (Electronic Submission) Date 03/20/2019						
	THIS SPACE F	OR FEDERAL O	RSTATE	OFFICE U	SE	
_Approved By LQNG VO		·	PETROLE	UM ENGIN	EER	Date 03/21/2019
Conditions of approval, if any, are atta certify that the applicant holds legal or which would entitle the applicant to co	he subject lease	ce Hobbs				
This to the C. C 1901 1 1701 10 10 C. C 1919 1 1 1 1 1 C.				711.6 11		Cal. III is a

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 **



PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Devon Energy Production Company LP

LEASE NO.: | NMNM098192

WELL NAME & NO.: | Big Cat 16-9 State Fed Com 215H

SURFACE HOLE FOOTAGE: 2314' FSL & 2184' FEL **BOTTOM HOLE FOOTAGE** 330' FNL & 2240' FEL

LOCATION: Section 16, T. 23 S., R 32 E., NMPM

COUNTY: Lea County, New Mexico

COA

H2S	• Yes	C No	
Potash	© None	Secretary	ℂ R-111-P
Cave/Karst Potential	€ Low	Medium	← High
Variance	None	Flex Hose	○ Other
Wellhead	Conventional		☞ Both
Other	□ 4 String Area	Capitan Reef	□ WIPP
Other	□ Fluid Filled	Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	▼ COM	☐ Unit

All Previous COAs Still Apply

A. CASING

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

1. The minimum required fill of cement behind the 9-5/8 inch intermediate casing 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 CountyCall 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 2nd 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.

B. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

Devon Energy, Big Cat 16-9 State Fed Com 215H

1. Geologic Formations

TVD of target	10,640'	Pilot hole depth	N/A
MD at TD:	18,250'	Deepest expected fresh water:	

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*	
Rustler	1215			
Salado	1560			
Delaware	4800			
L.Brushy	7020			
1st BSPG Lime	8700			
1st BSPG Sand	9855			
2nd BSPG Lime	10170			
2nd BSPG Sand	10455			
2nd BSPG Target	10600			

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

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2. Casing Program

Hole Size	Casing	Interval	Csg.	Weight	Grade	Conn	SF	SF Burst	SF
	From	To	Size	(lbs)			Collapse		Tension
10.05%	0	4,500'	9.625"	40	J-55	BTC	1.15	1.77	4.10
12.25"	4,500	8,800'	9.625"	40	HCK-55	BTC	1.18	1.32	3.75
	•			BLM Min	imum Safet	y Factor	1.125	1.00	1.6 Dry

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

3. Mud Program

Dept	h	Type	Weight (ppg)	Viscosity	Water Loss	
From	To					
1,200'	8,800'	Cut/Saturated Brine	9.4 -10.5	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	PVT/Pason/Visual Monitoring
of fluid?	

6. Logging and Testing Procedures

Log	Logging, Coring and Testing.				
х	Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole).				
	Stated logs run will be in the Completion Report and submitted to the BLM.				
-	No Logs are planned based on well control or offset log information.				
	Drill stem test? If yes, explain				
	Coring? If yes, explain				
	We plan to conduct whole cores through the Leonard Formation				

Add	litional logs planned	Interval
	Resistivity	Int. shoe to KOP
	Density	Int. shoe to KOP
	CBL	Production casing
X	Mud log	Intermediate shoe to TD
	PEX	1.