

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Operator Copy

FORM APPROVED
OMB NO. 1004-0137
EXPIRES: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other <input type="checkbox"/> b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other: _____						5. Lease Serial No. SL: NM99039; BHL: NM0554775	
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY, LP						6. If Indian, Allottee or Tribe Name	
3. Address 333 WEST SHERIDAN, OKLAHOMA CITY, OK 73102				3a. Phone No. (include area code) 405-235-3611		7. Unit or CA Agreement Name and No.	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At Surface C 330 FNL 1700 FWL At top prod. Interval reported below At total Depth 337 FSL 1722 FWL PP:330 FNL & 1675 FWL						8. Lease Name and Well No. Cappella 14 Fed Com 3H	
10. Field and Pool or Exploratory Lusk; Bone Spring West						9. AFI Well No. 30-015-39417	
11. Sec, T., R., M., on Block and Survey or Area C 14 T19S R31E						12. County or Parish Eddy	
13. State NM						17. Elevations (DR, RKB, RT, GL)* 3557.1 GL	
14. Date Spudded 9/28/13		15. Date T.D. Reached 10/16/13		16. Date Completed <input checked="" type="checkbox"/> 11/29/13 D & A Ready to Prod.		20. Depth Bridge Plug Set: MD TVD	
18. Total Depth: MD 13,672' TVD 9120'		19. Plug Back T.D.: MD 13,624' TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each)			
22. Was well cored? <input type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit copy)						CBL; GR; PLTRM/EXPH/RES/LAT/LOG/ARRAY/MIC/CFL/HNGS; CALIPER; COMP/NEUT/THREE/DET/LITH/DENS	
23. Casing and Liner Record (Report all strings set in well)							
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type Cement	Slurry Vol. (BBL)
17 1/2"	13 3/8" H40	48#	0	721'		874 sx Cl C; Circ 168 sx	Surface
12 1/4"	9 5/8" K-55	40#	0	4556'		2593 sx CL C; Circ 575 sx	Surface
8 3/4"	5 1/2" P110	17#	0	13,672'	TOC 2912'	2067 sx H & 305 sx C; Circ 103 sx	CBL
					DV @ 4994'		
24. Tubing Record							
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)
2 7/8"	8653'						
25. Producing Intervals				26. Perforation Record			
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status	
A) Bone Spring	9,158	13,600	9158-13,600'			Producing	
B)							
C)							
D)							
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.							
Depth Interval	Amount and Type of Material						
9158-13600'	Frac 10 stages w/ Total proppant: 100 mesh 44,060#, 40/70 white 982,120#, Super LC 40/70 287,560#.						
28. Production - Interval A							
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API
11/29/13	11/29/13	24	→	308	231	1708	
Choke Size	Tbg. Press. Flwg SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio
			→	308	231	1708	
28a. Production - Interval B							
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API
E			→				
	Tbg. Press. Flwg SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio
			→				

*(See instructions and spaces for additional data on page 2)

5-29-14

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof; Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Salt	910'
				Base Salt	2190'
				Yates	2398'
				Capitan	2737'
				Delaware	5071'
				Bone Spring Fm	6895'

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate box:

- ☐ Electrical/Mechanical Logs (1 full set req'd) ☐ Geologic Report ☐ DST Report ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification ☐ Core Analysis ☐ Other ☒

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instruction)*

Name (please print) Judy A. Barnett x8699Title Regulatory SpecialistSignature Date 12/12/2013

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.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
NM133245
3107 (P0220)

Memorandum

To: State Director (9210)


From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM133245

Date of Completion:	11/29/13
Date of First Production:	11/29/13
Field:	Lusk
Operator, Well Name & No, API Number:	Devon; Cappella 14 Fed Com 3H; 3001539417
Surface Location:	E2W2 sec. 14, T. 19 S., R. 31 E.
Total Depth:	13,672 MD; TVD 9,120
Surface Elevation:	3,557.1 GL
Producing Formation:	Bone Spring (9,158 – 13,600)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 308 BBL; Gas 231 MCF; Water 1,708 BBL
Current Status:	Producing Oil Well

Remarks: CA NM133245, effective 11/10/13, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the E2W2 of sec. 14, T. 19 S., R.31 E., NMPM, and comprises 80 acres of Federal land in lease NMNM099039, and 80 acres of Federal land in lease NMNM0554775 for a 160 acre well spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please email Arthur Morrison at ajmorrison@blm.gov.


/S/ Arthur Morrison
September 5, 2014

cc:
ONRR-MS 63230B
First Production File
LLNM (P0220, File Room)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



2014 SEP -9 P 3:01

IN REPLY REFER TO:

NM133245

3105.2 (P0220)

Reference:

Cappella 14 Fed Com 3H

E2W2 of sec. 14, T. 19 S., R. 31 E.

Eddy County, NM

SEP 04 2014

Devon Energy Production Company

333 West Sheridan Avenue

Oklahoma City, OK 73102-5105

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133245 involving 80 acres of Federal land in lease NMNM099039, and 80 acres of Federal land in lease NMNM0554775, Eddy County, New Mexico, which comprise a 160 acre well spacing unit, whose leases are held by actual production.

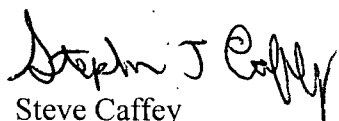
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the E2W2 of sec. 14, T. 19 S., R. 31 E., NMPM, and is effective 11/10/13. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve J. Caffey".

Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

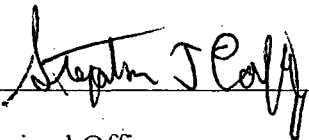
NM (P0220-CFO, File Room)

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the E2W2 of sec. 14, T. 19 S., R. 31 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:



Authorized Officer
Steve Caffey
Assistant Field Manager

Effective: 11/10/13

Contract No.: Com. Agr. NM133245