

request info 10/29/14

ABOVE THIS LINE FOR DIVISION USE ONLY

1513

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____

*- SWD
- DEVON ENERGY Production Company, LP
6137*

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

2014 SEP 10 A 10:14
RECEIVED OCD

*well
- Uncle Jesse 32
State SWD # 1
30-015-42623
Pool
- SWD, Devonian
96101*

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Stephanie A. Porter
Print or Type Name

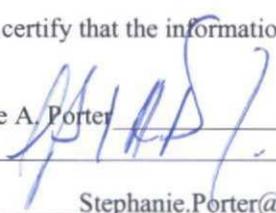
[Signature]
Signature

Operations Technician
Title

09/05/2014
Date

Stephanie.Porter@dvn.com
e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery ___ Pressure Maintenance X Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No
- II. OPERATOR: Devon Energy Production Company, LP
ADDRESS: 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102-5010
CONTACT PARTY: Stephanie A. Porter PHONE: 405-552-7802
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? _____ Yes X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Stephanie A. Porter TITLE: Operations Technician
SIGNATURE:  DATE: 09/09/2014
E-MAIL ADDRESS: Stephanie.Porter@dvn.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

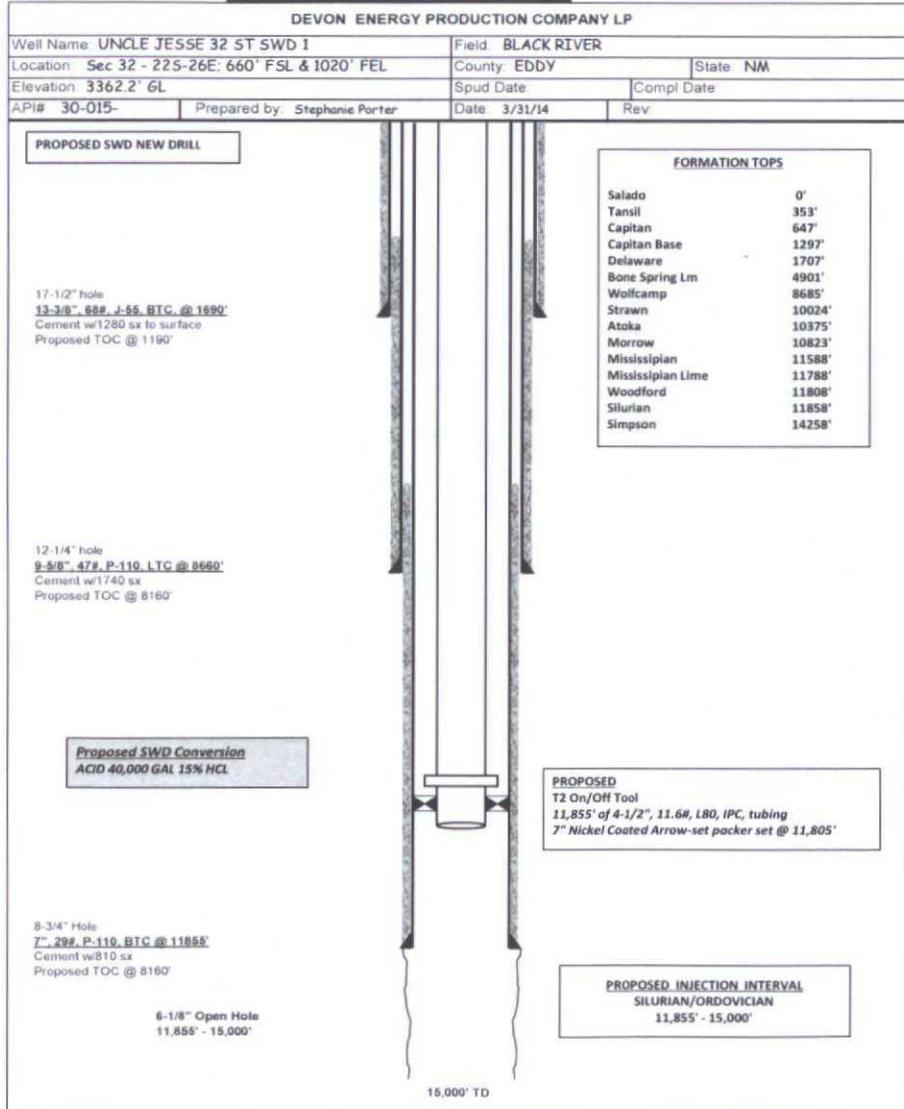
INJECTION WELL DATA SHEET

OPERATOR: Devon Energy Production Company, LP

WELL NAME & NUMBER: UNCLE JESSE 32 STATE SWD 1

WELL LOCATION: 660' FSL & 1020' FEL P Sec 32 T22S R26E
 FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17-1/2" Casing Size: 13-3/8, 68# @ 1690'
 Cemented with: 1280 sx. *or* _____ ft³
 Top of Cement: Surface Method Determined: Circ. cement

Intermediate Casing

Hole Size: 12-1/4" Casing Size: 9-5/8", 47#, @ 8660'
 Cemented with: 1740 sx. *or* _____ ft³
 Top of Cement: TOC @ 1190' Method Determined: Calc TOC

Production Casing

Hole Size: 8-3/4" Casing Size: 7", 29#, @ 11855'
 Cemented with: 810 sx. *or* _____ ft³
 Top of Cement: TOC @ 8160' Method Determined: Calc TOC

Total Depth: 15000'

Injection Interval (Open Hole)

11855' to 15000'

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 4-1/2" Lining Material: IPC

Type of Packer: 7" Nickel Coated Arrowset Packer

Packer Setting Depth: +/- 11805'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? Yes

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: Silurian/Ordovician

3. Name of Field or Pool (if applicable): (to be assigned)

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. n/a

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

Salado 0 (Barren); Tansil 353 (Barren); Capitan 647 (Barren); Capitan Base 1297 (Barren); Delaware 1707 (Oil); Bone Spring Lm 4901 (Oil); Wolfcamp 8685 (Oil/Gas); Strawn 10024 (Oil/Gas); Atoka 10375 (Oil/Gas); Morrow 10823 (Oil/Gas); Mississippian 11588 (Barren); Mississippian Lime 11788 (Barren); Woodford 11808 (Barren); Silurian 11858 (Barren); Simpson 14258 (Barren)

Proposed Injection Well: Uncle Jesse 32 State SWD 1
API: 30-015-
APPLICATION FOR INJECTION
Form C-108 Section VII to XIII

VII Attach data on the proposed operation, including:

- (1) Proposed average injection rate: 7500 BWPD
Proposed maximum injection rate: 15000 BWPD
- (2) The system will be a closed system.
- (3) Proposed average injection pressure: 2371 psi
Proposed max injection pressure: 1185 psi
- (4) The injection fluid will be produced water from area wells producing from the Bone Spring and/or Delaware formation that will be injected into the Devonian/Silurian.
- (5) No representative water analysis are submitted for the Delaware & Bone Spring formation(s).

VIII Geologic Injection Zone Data

The injection zone is the Silurian/Ordovician formation from 11,855' to 15,000'. The gross injection interval is 3145' thick. The average depth to fresh water is n/a in this area.

IX Proposed Stimulation

Based on injectivity results this interval could be acid stimulated.

X Log Data

Logs will be submitted to the OCD.

XI Fresh Water Analysis

Fresh water wells were identified in the vicinity of the proposed well, representative analysis' have been provided. See documentation.

XII Geologic / Engineering Statement

UNCLE JESSE 32 STATE SWD #1 application for conversion to saltwater disposal.

Name of the Injection Formation: **Silurian & Ordovician (Wristen Group, Fusselman, Montoya, and Simpson Group**

Field or Pool Name (if known):

Injection Interval: **11,855' - 15,000' open hole**

Depth to Fresh Water's Stratigraphic Unit Name: **Salado**

Depth to Ground Water: **Not Applicable**

Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well: Next Higher – **Mississippian (11,585')**; Next Lower – **N/A**

Potential Productivity of the target disposal interval: **See Comments Below**

Disposal water will be sourced from area wells from the **Bone Spring and/or Delaware** formation(s).

An examination of this area has determined there are no open faults or other hydrologic connection between the disposal zone and any underground drinking water.

UNCLE JESSE 32 STATE SWD #1 (660' FSL & 1020' FEL 32-22S-26E; PTD 15000')

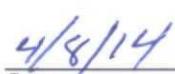
The proposed interval for disposal per the UNCLE JESSE 32 State SWD #1 APD is in the Wristen Group, Fusselman, Montoya, and Simpson Group from 11,855' to 15,000'. A review of the wells surrounding the drill site shows that the closest Silurian penetration is the MCKITTRICK-FED #1 in 25-22S-25E (2.7 miles WNW). Other Silurian penetrations within 10 miles of the proposed disposal site are shown on the subsequent map and cross-section along with the proposed new drill of the UNCLE JESSE 32 STATE SWD #1. All of the offset Silurian penetrations had at least one DST in the Silurian. None of the DSTs delivered hydrocarbons in quantities that warranted further testing and/or completion. These wells tested the Silurian were subsequently P&A'd or completed up hole in the Morrow formation.

See supporting documentation.


Raleigh Blumstein, Geologist

Direct #: (405)-552-3359

Cell #: (405)-635-7903


Date:

XIII Proof of Notice

Proof of notice to surface owner, and public legal notification are attached.

Proposed Injection Well: Uncle Jesse 32 State SWD 1
API: 30-015-
APPLICATION FOR INJECTION
Form C-108 Section III

III. Well Data--On Injection Well

A. Injection Well Information

- | | |
|-----------------------|--------------------------|
| (1) <u>Lease</u> | Uncle Jesse 32 State SWD |
| <u>Well No</u> | #1 |
| <u>Location</u> | 660' FSL & 1020' FEL |
| <u>Sec, Twn, Rnge</u> | Sec 32-T22S-R26E |
| <u>Cnty, State</u> | Eddy County, NM |
- (2) Casing
- 13-3/8", 68#, HCP-110, BTC, @ 1690'
Cmt'd w/1280 sx, circ cmt to surf
- 9-5/8", 47#, P-110, LTC @ 8,660'
Cmt'd w/1930, proposed toc @ 1190'
- 7", 29#, P110, BTC @ 11855'
Cmt w/800 sx, prop toc @ 10500'
- (3) Injection Tubing 4 -1/2" 11.6# L-80 IPC injection tubing
- (4) Packer 7" Nickel Coated Arrowset Packer @ +/- 11805'

1020'

B. Other Well Information

- (1) **Injection Formation:** Silurian/Ordovician
Field Name: (to be assigned)
- (2) **Injection Interval:** 11855' - 15000'

(3) **Original Purpose of Wellbore:**

Drill and convert to SWD

(4) **Other perforated intervals:**

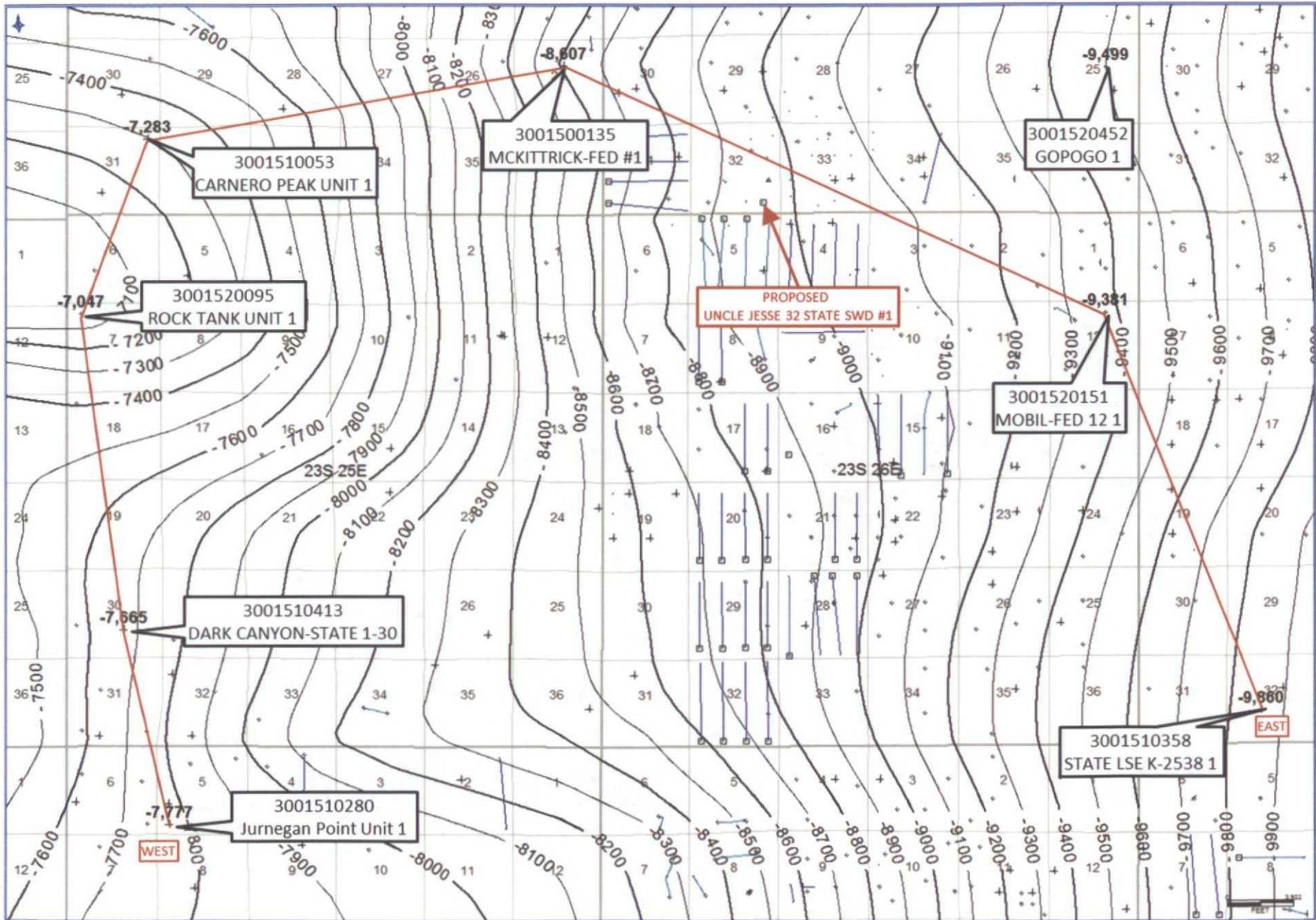
n/a

(5) **Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well if any.**

Salado 0 (Barren); Tansil 353 (Barren); Capitan 647 (Barren); Capitan Base 1297 (Barren); Delaware 1707 (Oil); Bone Spring Lm 4901 (Oil); Wolfcamp 8685 (Oil/Gas); Strawn 10024 (Oil/Gas); Atoka 10375 (Oil/Gas); Morrow 10823 (Oil/Gas); Mississippian 11588 (Barren); Mississippian Lime 11788 (Barren); Woodford 11808 (Barren); Silurian 11858 (Barren); Simpson 14258 (Barren)

REGIONAL TOP SILURIAN STRUCTURE MAP

(C.I. = 100 ft)

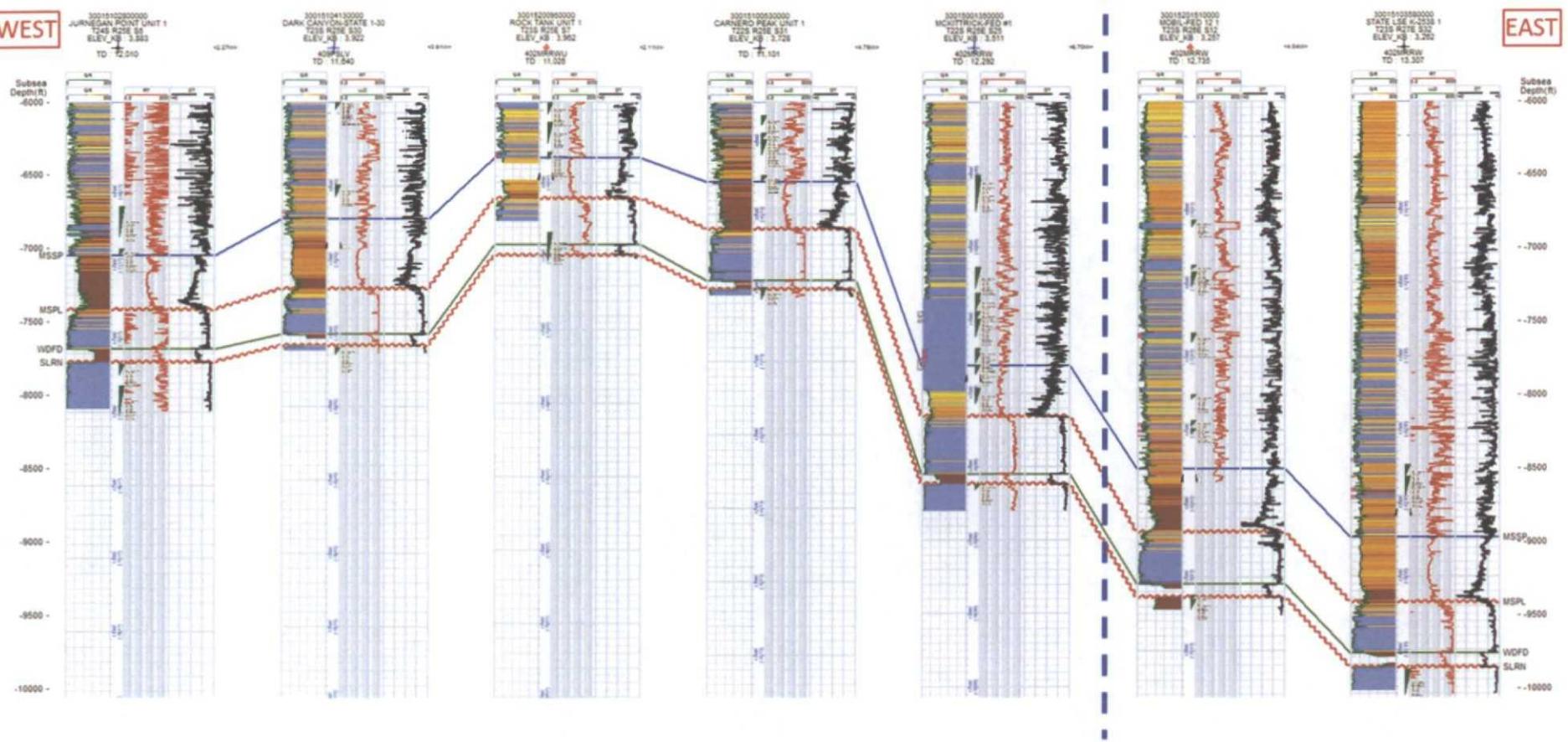


DEVON
UNCLE JESSE 32 STATE SWD 1



WEST

EAST



DEVON ENERGY PRODUCTION COMPANY LP

Well Name: UNCLE JESSE 32 ST SWD 1		Field: BLACK RIVER	
Location: Sec 32 - 22S-26E; 660' FSL & 1020' FEL		County: EDDY	State: NM
Elevation: 3362.2' GL		Spud Date:	Compl Date:
API#: 30-015-	Prepared by: Stephanie Porter	Date: 3/31/14	Rev:

PROPOSED SWD NEW DRILL

26" hole
20", 94#, J-55, BTC, @ 500'
 Cement w/1200 sx to surface

17-1/2" hole
13-3/8", 68#, J-55, BTC, @ 1690'
 Cement w/1220 sx to surface

12-1/4" hole
9-5/8", 47#, P-110, LTC @ 8660'
 Cement w/1720 sx
 Proposed TOC @ 1190'

Proposed SWD Conversion
ACID 40,000 GAL 15% HCL

8-3/4" Hole
7", 29#, P-110, BTC @ 11855'
 Cement w/820 sx
 Proposed TOC @ 8160'

6-1/8" Open Hole
 11,855' - 15,000'

FORMATION TOPS

Salado	0'
Tansil	353'
Capitan	647'
Capitan Base	1297'
Delaware	1707'
Bone Spring Lm	4901'
Wolfcamp	8685'
Strawn	10024'
Atoka	10375'
Morrow	10823'
Mississipian	11588'
Mississipian Lime	11788'
Woodford	11808'
Silurian	11858'
Simpson	14258'

Handwritten: Lost Proposal

PROPOSED
 T2 On/Off Tool
 11,855' of 4-1/2", 11.6#, L80, IPC, tubing
 7" Nickel Coated Arrow-set packer set @ 11,805'

PROPOSED INJECTION INTERVAL
 SILURIAN/ORDOVICIAN
 11,855' - 15,000'

15,000' TD

32

33

22S 26E

BARBADOS STATE #WD-1



DALL FED #2



DALL FED #3



UNCLE JESSE 32 STATE SWD 1



1/2 MILE

FEDERAL 4 1



RUSTLER HILLS 5 FED 2




devon

Uncle Jesse 32 State SWD 1

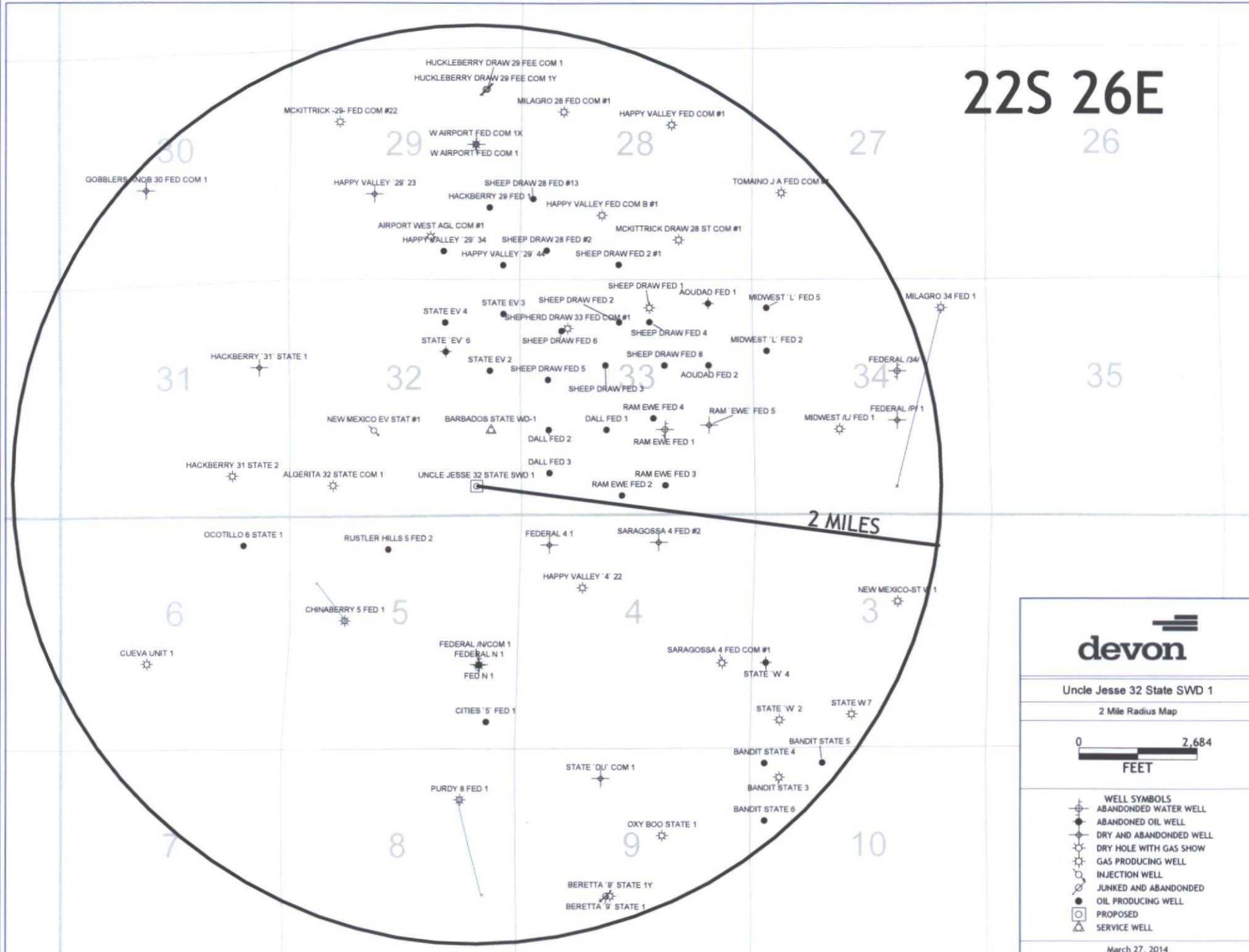
1/2 Mile Radius Map



WELL SYMBOLS
+ DRY AND ABANDONED WELL
● OIL PRODUCING WELL
◻ PROPOSED

February 5, 2014

22S 26E





Uncle Jesse 32 State SWD 1

2 Mile Radius Map



WELL SYMBOLS

-  ABANDONED WATER WELL
-  ABANDONED OIL WELL
-  DRY AND ABANDONED WELL
-  DRY HOLE WITH GAS SHOW
-  GAS PRODUCING WELL
-  INJECTION WELL
-  JUNKED AND ABANDONED OIL PRODUCING WELL
-  PROPOSED
-  SERVICE WELL

March 27, 2014

C108 ITEM VI--Well Tabulation in 1/2 Mile Review Area

Devon Energy Production Company, LP

Proposed Inj Well: UNCLE JESSE 32 STATE SWD 1

Proposed Formation: Silurian/Ordovician

Proposed Interval: 11,855' - 15,000'

Operator	Well Name	API NO	County	Surf Location	Sec	Twn	Rnge	Type	Status	Spud Date	Comp Date	TD	PBTD	Comp Zone	Comp Interval-Ft	Casing Program	Cement / TOC	CBL	DV Tool
Devon Energy Prod Co LP	Uncle Jesse 32 State SWD 1	30-015-	Eddy	660' FSL 1020' FEL	32	22S	26E	Inj	To Be Drilled	To Be Drilled	To Be Drilled	15000	15000	Silurian/ Ordovician	11855 - 15000	13-3/8", 68#, @ 1690' 9-5/8", 47#, @ 8660' 7", 29#, @ 11855'	1280 sx / surface 1740 sx /prop TOC ~1190 810 sx /prop TOC ~8160		
RKI Exploration & Production LLC	Dall Federal 2	30-015-27642	Eddy	1980' FSL 660' FWL	33	22S	26E	Oil	Active	7/5/1995	8/14/1995	5030	4986	Delaware	2470 - 2482 2558 - 2568	13-3/8", 54.5#, @ 370' 7", 29#, @ 11855' 5-1/2", 15.5#, @ 5030'	400 sx / surface 625 sx / surface 995 sx / surface		
RKI Exploration & Production LLC	Dall Federal 3	30-015-28567	Eddy	990' FSL 660' FWL	33	22S	26E	Oil	Active	11/10/1995	12/17/1995	5070	5058	Delaware	2550 - 2563	13-3/8", 54.5#, @ 361' 8-5/8", 24#, @ 1665' 5-1/2", 15.5#, @ 5070'	400 sx / surface 625 sx / surface 1200 sx / surface		
Union Oil Company of California	Federal 4 - 1	30-015-20217	Eddy	660' FNL 660' FWL	4	23S	26E	Dry Hole	P&A	4/24/1969	5/8/1969	3937	Surf	n/a	n/a	8-5/8", 24#, @ 400'	TOC surf		
Devon Energy Prod Co LP	Rustler Hills 5 Federal 2	30-015-36084	Eddy	760' FNL 2310' FWL	5	23S	26E	Oil	Active	3/10/2008	8/22/2008	5210	5115	Delaware	4806 - 4854	11-3/4", 42#, @ 532' 8-5/8", 32#, @ 1725' 5-1/2", 15.5#, @ 5210'	485 sx / surface 675 sx / surface 895 sx / surface		
RKI Exploration & Production LLC	Barbados State WD-1	30-015-27558	Eddy	1980' FSL 1980' FWL	32	22S	26E	Inj	Active	10/21/1995	2/8/1996	5040	4993	Delaware	4342 - 4344 (open) 4402 - 4426 (open) CIBP @ 4665 4712 - 4724 (plugged off) 4760 - 4783 (plugged off)	13-3/8", 54.5#, @ 358' 8-5/8", 24#, @ 1643' 5-1/2", 15.5#, @ 5040'	400 sx / surface 625 sx / surface 1200 sx / surface		

RKI EXPLORATION

Well Name: BARBADOS STATE 1		Field: SWD; DELAWARE	
Location: 1980' FSL & 660' FEL; SEC 32-T22S-R26E		County: EDDY	State: NM
Elevation: 3334' GL		Spud Date: 10/21/95	Compl Date: 2/8/96
API#: 30-015-27558	Prepared by: Stephanie Porter	Date: 4/29/14	Rev:

**Administrative Order SWD-629
Delaware 3166' - 4450'**

Note: This wellbore schemat is based on the SWD completion report filed by Louis Dreyfus Natural Corp dated 03/27/1996.

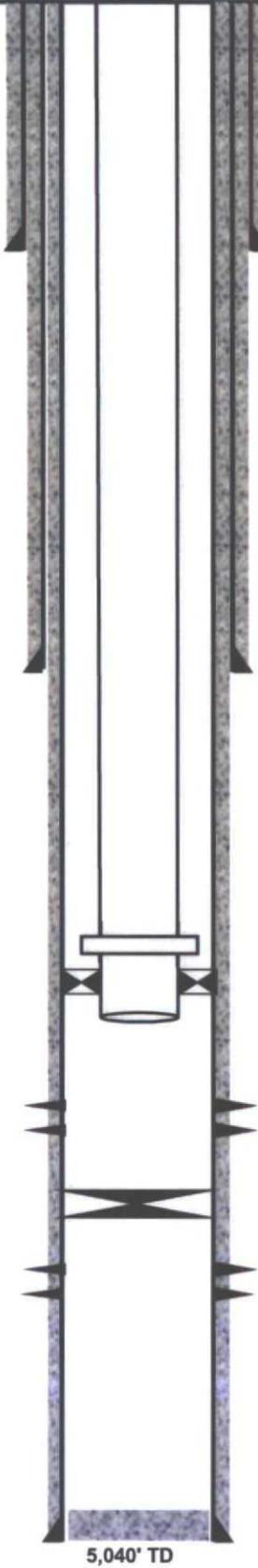
17-1/2" hole
13-3/8", 54.5#, K55, STC, @ 358'
Cmt'd w/400 sx to surf

12-1/4" hole
8-5/8", 24#, K55, STC, @ 1,643'
Cmt'd w/625 sx to surf

PERFS
4342' - 4344'
4402' - 4426'

PERFS
4712' - 4724
4760' - 4783

7-7/8" Hole
5-1/2", 15.5#, K55, LTC, @ 5,040'
Cmt'd w/1200 sx to surf



2-7/8" J-55 tubing @ 4,335'

CIBP @ 4,665' (PBTD)

4,993' PBTD

5,040' TD

RKI EXPLORATION

Well Name: DALL FEDERAL 2		Field: HAPPY VALLEY; DELAWARE	
Location: 1980' FSL & 660' FWL; SEC 33-T22S-R26E		County: EDDY	State: NM
Elevation: 3332' GL		Spud Date: 7/5/95	Compl Date: 8/14/95
API#: 30-015-27642	Prepared by: Stephanie Porter	Date: 4/29/14	Rev:

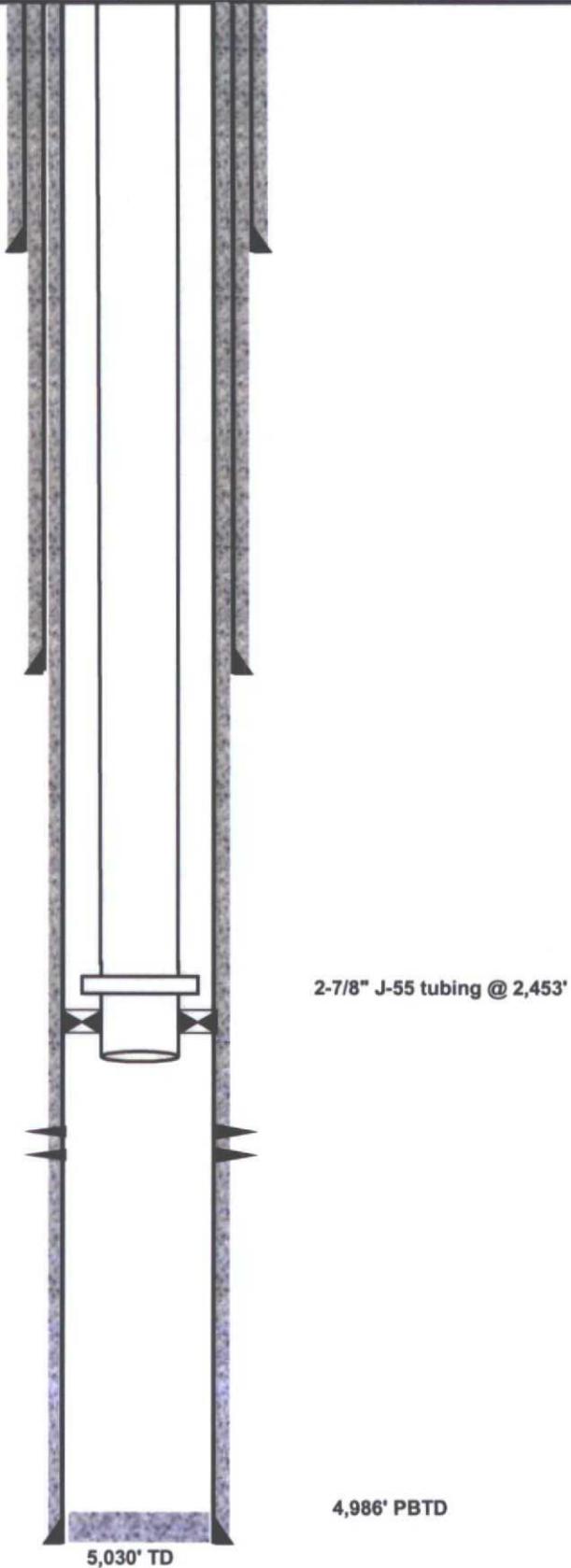
Note: This wellbore schemat is based on the completion report filed by Louis Dreyfus Natural Corp dated 11/22/1996.

17-1/2" hole
13-3/8", 54.5#, K55, STC, @ 370'
 Cmt'd w/400 sx to surf

12-1/4" hole
8-5/8", 24#, K55, STC, @ 1,582'
 Cmt'd w/625 sx to surf

PERFS
 2,470' - 2,482'
 2,558' - 2,568'

7-7/8" Hole
5-1/2", 15.5#, K55, LTC, @ 5,030'
 Cmt'd w/995 sx to surf



2-7/8" J-55 tubing @ 2,453'

4,986' PBT

5,030' TD

RKI EXPLORATION

Well Name: DALL FEDERAL 3		Field: HAPPY VALLEY; DELAWARE	
Location: 990' FSL & 660' FWL; SEC 33-T22S-R26E		County: EDDY	State: NM
Elevation: 3364' GL		Spud Date: 11/10/95	Compl Date: 12/17/95
API#: 30-015-28567	Prepared by: Stephanie Porter	Date: 4/29/14	Rev:

Note: This wellbore schemat is based on the completion report filed by Louis Dreyfus Natural Corp dated 01/03/1996.

17-1/2" hole
13-3/8", 54.5#, K55, STC, @ 361'
 Cmt'd w/400 sx to surf

12-1/4" hole
8-5/8", 24#, K55, STC, @ 1,665'
 Cmt'd w/625 sx to surf

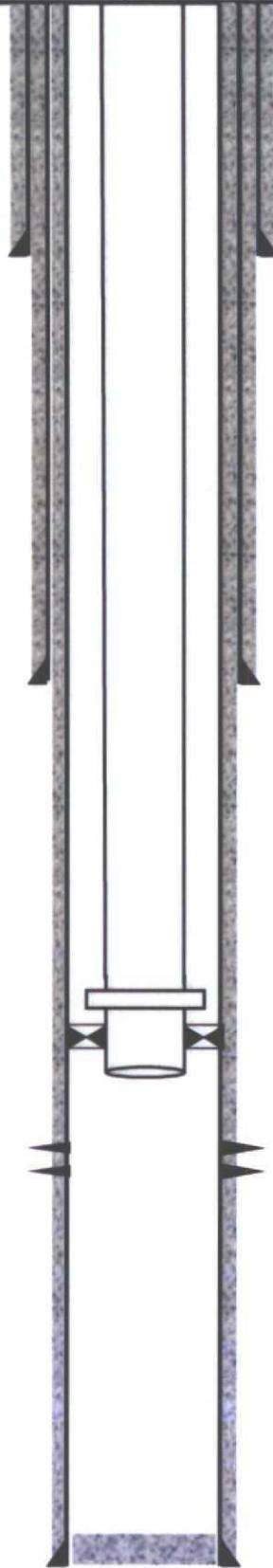
2-7/8" J-55 tubing @ 2,638'

PERFS
 2,550' - 2,563'

7-7/8" Hole
5-1/2", 15.5#, K55, LTC, @ 5,070'
 Cmt'd w/1200 sx to surf

5,058' PBD

5,070' TD



UNION OIL COMPANY OF CALIFORNIA

Well Name: FEDERAL 4 - 1		Field: DELAWARE	
Location: 660' FNL & 660' FWL; SEC 4-T23S-R26E		County: EDDY	State: NM
Elevation: 3382'		Spud Date: 4/24/69	Compl Date: P&A - 5/07/69
API#: 30-015-20217	Prepared by: Stephanie Porter	Date: 4/28/14	Rev:

SCHEMAT BASED ON PLUGGING REPORT
FILED WITH OCD DATED 7/11/1969

11" Hole
8-5/8", 24#, J-55 casing @ 400'
250 sx cement

8-5/8" Hole



Cement plug @ 0' - 30'
10 sx cement

40 sx cement @ 310' - 450'

40 sx cement @ 1660' - 1800'

40 sx cement @ 3,060' - 3,200'

3,937' TD

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TR. WILDCAT*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

FM 029322

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal "4"

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Section 4, T-23-S, R-26-E.

12. COUNTY OR PARISH

Eddy

13. STATE

N. Mexico

1. OIL WELL GAS WELL OTHER **Dry Hole**

2. NAME OF OPERATOR

Union Oil Company of California

3. ADDRESS OF OPERATOR

P. O. Box 671, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)

**At surface
660' FWL and 660' FWL**

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

3382' GR

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

5-7-69

Spotted cement plugs as follows:

**40 sx. 3200 - 3060'
40 sx. 1800 - 1660'
40 sx. 450 - 310'
10 sx. 30' - Surface**

**Welded plate on 8 5/8" casing and installed dry hole marker.
Well plugged and abandoned 5-8-69.**

Verbal permission to plug obtained from Mr. Knauf 5-7-69.

**RECEIVED
SEP 17 1969
O. C. C.
ARTESIA, OFFICE**

**RECEIVED
JUL 15 1969
U. S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO**

18. I hereby certify that the foregoing is true and correct

SIGNED

R.G. Ladd, Jr.

R.G. Ladd, Jr.

TITLE **District Drilling Supt.**

DATE **7-11-69**

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

APPROVED

A.L. BEEKMA

TITLE

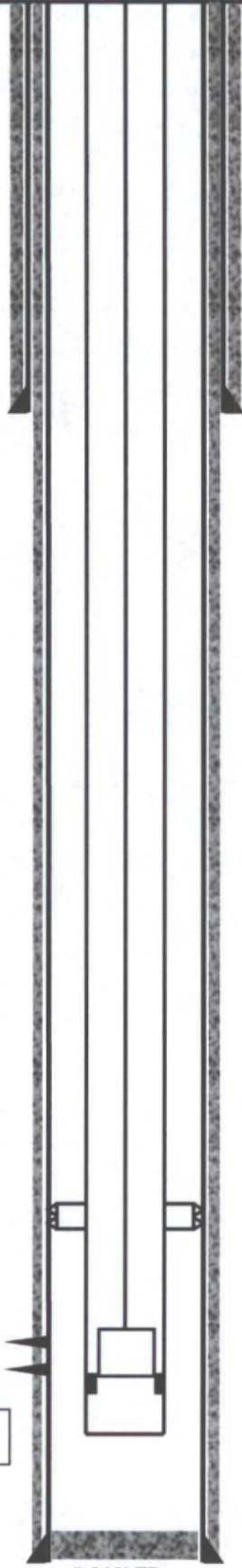
DATE

*See Instructions on Reverse Side

DEVON ENERGY PRODUCTION COMPANY LP

Well Name: RUSTLER HILLS 5 FED 2		Field: CATCLAW DRAW	
Location: 760' FNL & 2310' FWL; SEC 5-T235-R26E		County: EDDY	State: NM
Elevation: 3379' KB; 3365' GL		Spud Date: 6/20/08	Compl Date:
API#: 30-015-36084	Prepared by: Ronnie Slack	Date: 8/27/08	Rev:

14-3/4" Hole
11-3/4", 42#, H40, STC, @ 532'
 Cmt'd w/485 sx



2-7/8", 6.4#, production tubing

TAC @ 4676'

SN @ 4898'
 EOT @ 4936'

Float Collar @ 5,115'

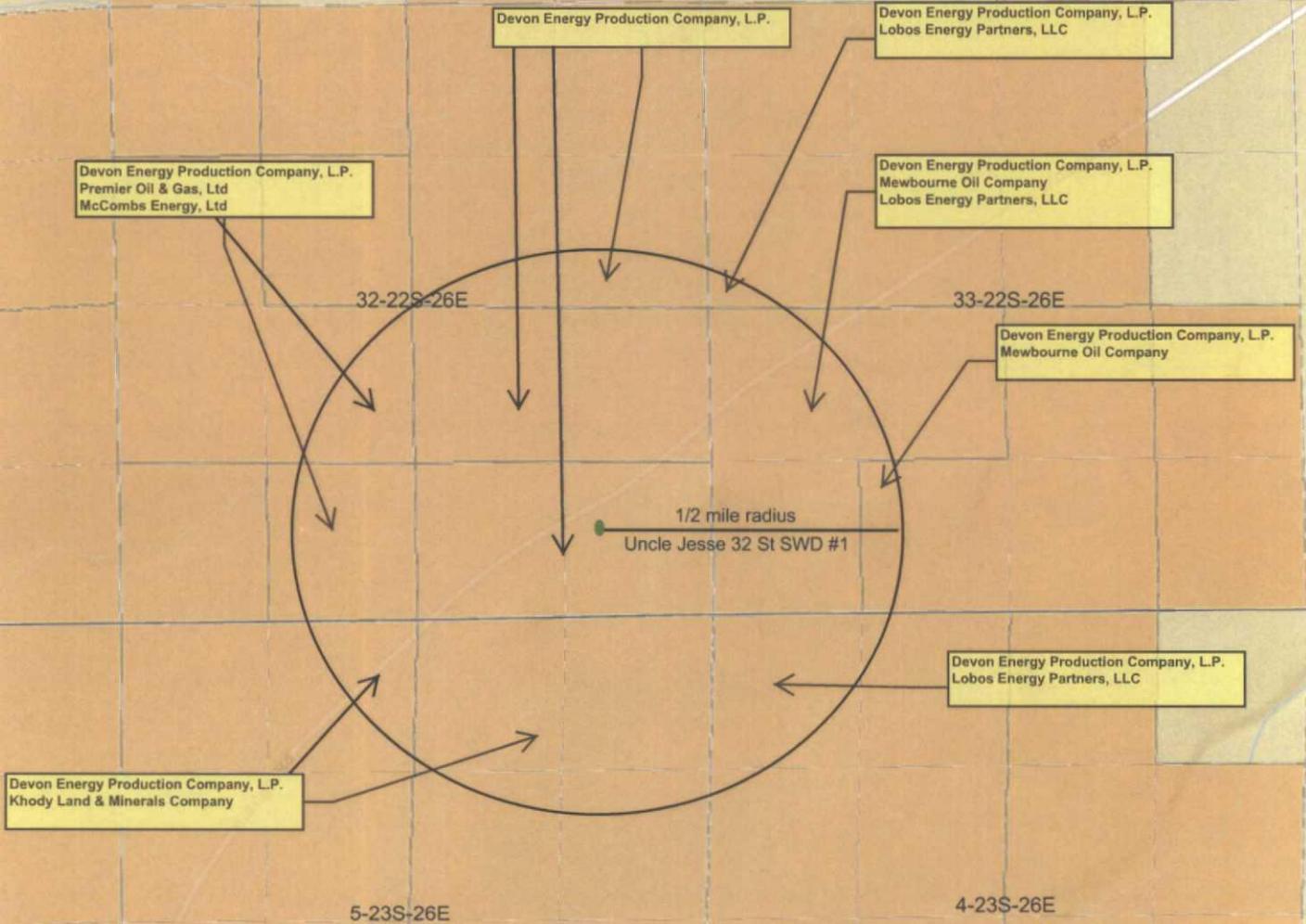
5,210' TD

DELAWARE LOWER BRUSHY CANYON (7/23/08)
 4806' - 4812'
 4848' - 4854'

7/29/08-attempt acid job. 7/31/08-reperfed. 8/1/08-acidized. 8/2/08-fraced.

7-7/8" Hole
5-1/2", 15.5#, J55, LTC, @ 5,210'
 Cmt'd w/895 sx to surface

Leasehold Owners Uncle Jesse 32 St SWD #1 Eddy County, NM



Devon GIS Mapping

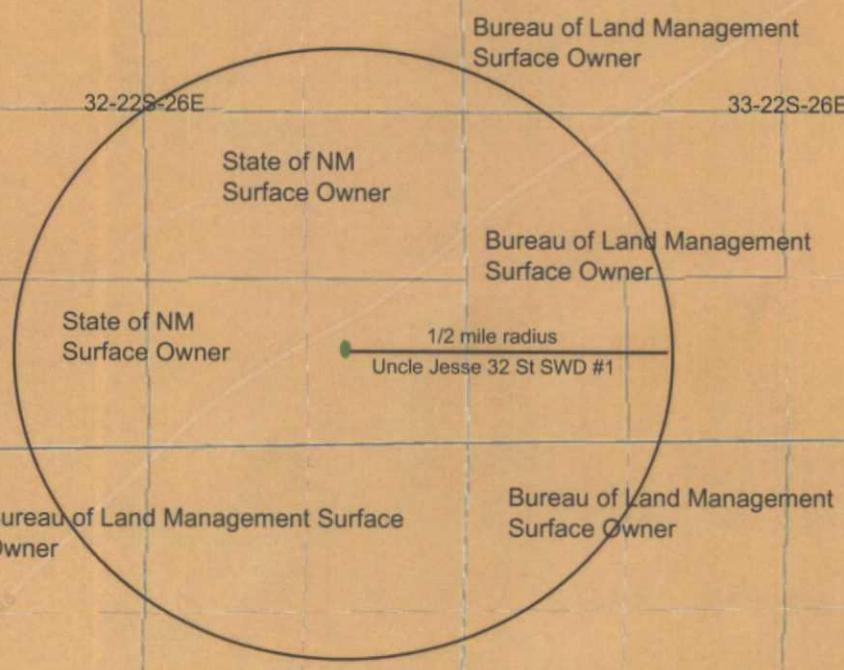


Disclaimer: This plat is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one.

Scale: 1:18,056

Date Printed: 3/21/2014 10:29:57 AM

**Surface Owners
Uncle Jesse 32 St SWD #1
Eddy County, NM**



Devon GIS Mapping

 **Disclaimer:** This plat is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one.

Scale: 1:18,056
Date Printed: 3/21/2014 10:29:57 AM

Leasehold Operator Ownership
½ mile Uncle Jesse 32 St SWD #1

Township 22 South, Range 26 East
Section 32: SE/4; NE/4

Devon Energy Production Company, LP
333 W Sheridan Ave
Oklahoma City, OK 73102-5015

Township 22 South, Range 26 East
Section 32: NE/4 SW/4; SE/4 SW/4

Devon Energy Production Company, LP
333 W Sheridan Ave
Oklahoma City, OK 73102-5015

McCombs Energy, Ltd.
5599 San Felipe, Suite 1200
Houston, TX 77056

Premier Oil & Gas, Inc.
P O Box 1246
Artesia, NM 88210

Township 22 South, Range 26 East
Section 33: SW/4 NW/4

Devon Energy Production Company, LP
333 W Sheridan Ave
Oklahoma City, OK 73102-5015

Lobos Energy Partners, LLC
210 Park Ave Ste 900
Oklahoma City, OK 73102

Township 22 South, Range 26 East
Section 33: W/2 SW/4

Devon Energy Production Company, LP
333 W Sheridan Ave
Oklahoma City, OK 73102-5015

Lobos Energy Partners, LLC
210 Park Ave Ste 900
Oklahoma City, OK 73102

Mewbourne Oil Company
PO Box 7698
Tyler, TX 75711

Township 22 South, Range 26 East
Section 33: SE/4 SW/4

Devon Energy Production Company, LP
333 W Sheridan Ave
Oklahoma City, OK 73102-5015

Mewbourne Oil Company
PO Box 7698
Tyler, TX 75711

Township 23 South, Range 26 East
Section 4: NW/4 NW/4

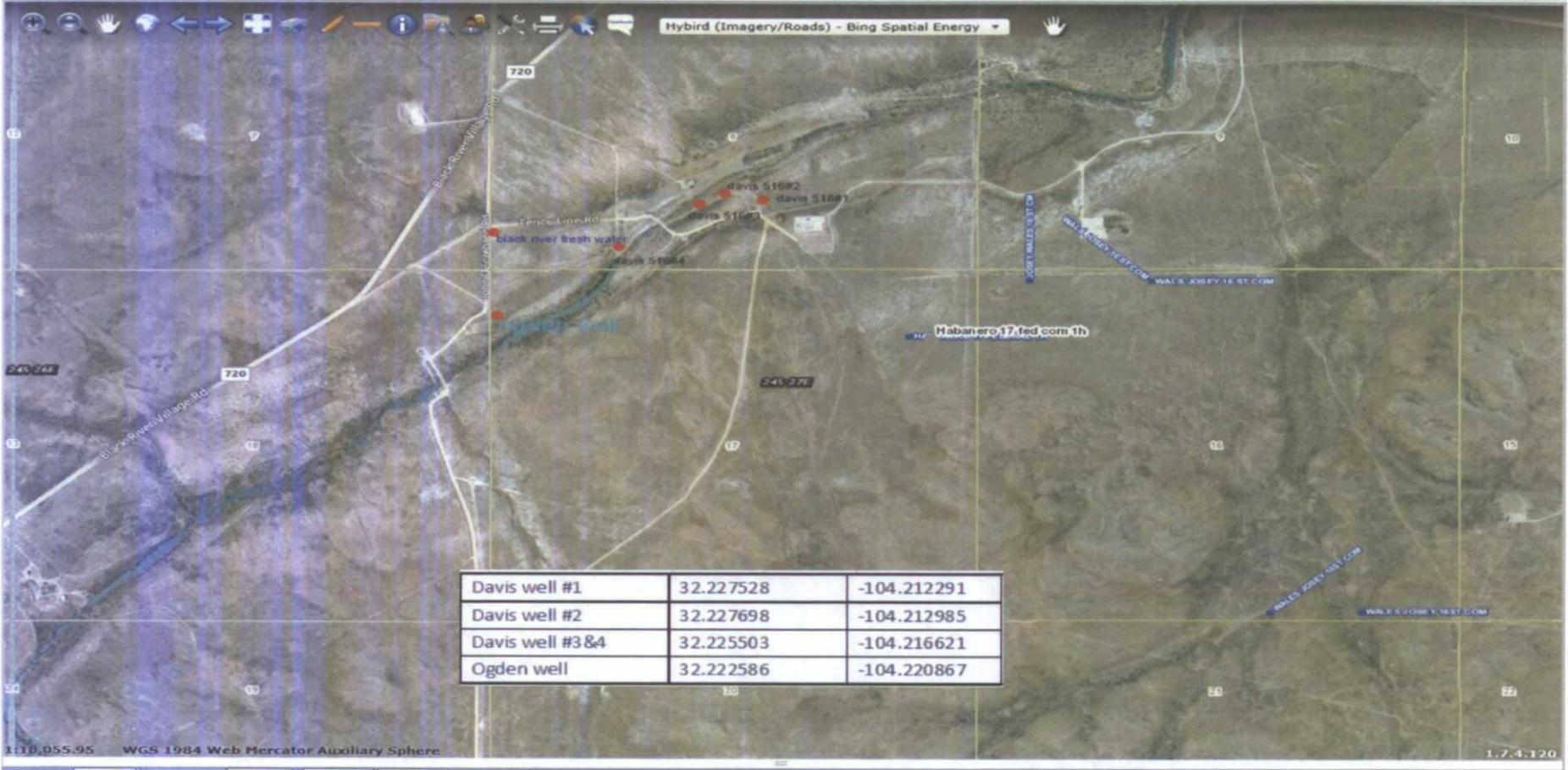
Devon Energy Production Company, LP
333 W Sheridan Ave
Oklahoma City, OK 73102-5015

Lobos Energy Partners, LLC
210 Park Ave Ste 900
Oklahoma City, OK 73102

Township 23 South, Range 26 East
Section 5: NE/4; NE/4 NW/4

Devon Energy Production Company, LP
333 W Sheridan Ave
Oklahoma City, OK 73102-5015

Khody Land & Minerals Company
210 Park Ave Ste 900
Oklahoma City, OK 73102



**Uncle Jesse 32 State SWD 1
C108 Application for Injection
Fresh Water Analysis (Water Well Sample)
Davis 516 Unit Well 1
Sec 8-T24S-R27E
Lat 32.227528 Long -104.212291**

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33521.1
Region:	PERMIAN BASIN	Account Manager:	GENE ROGERS (575) 910-1022
Area:	ARTESIA, NM	Sample #:	578341
Lease/Platform:	DAVIS 516 UNIT	Analysis ID #:	133296
Entity (or well #):	1	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	FRESH WATER		

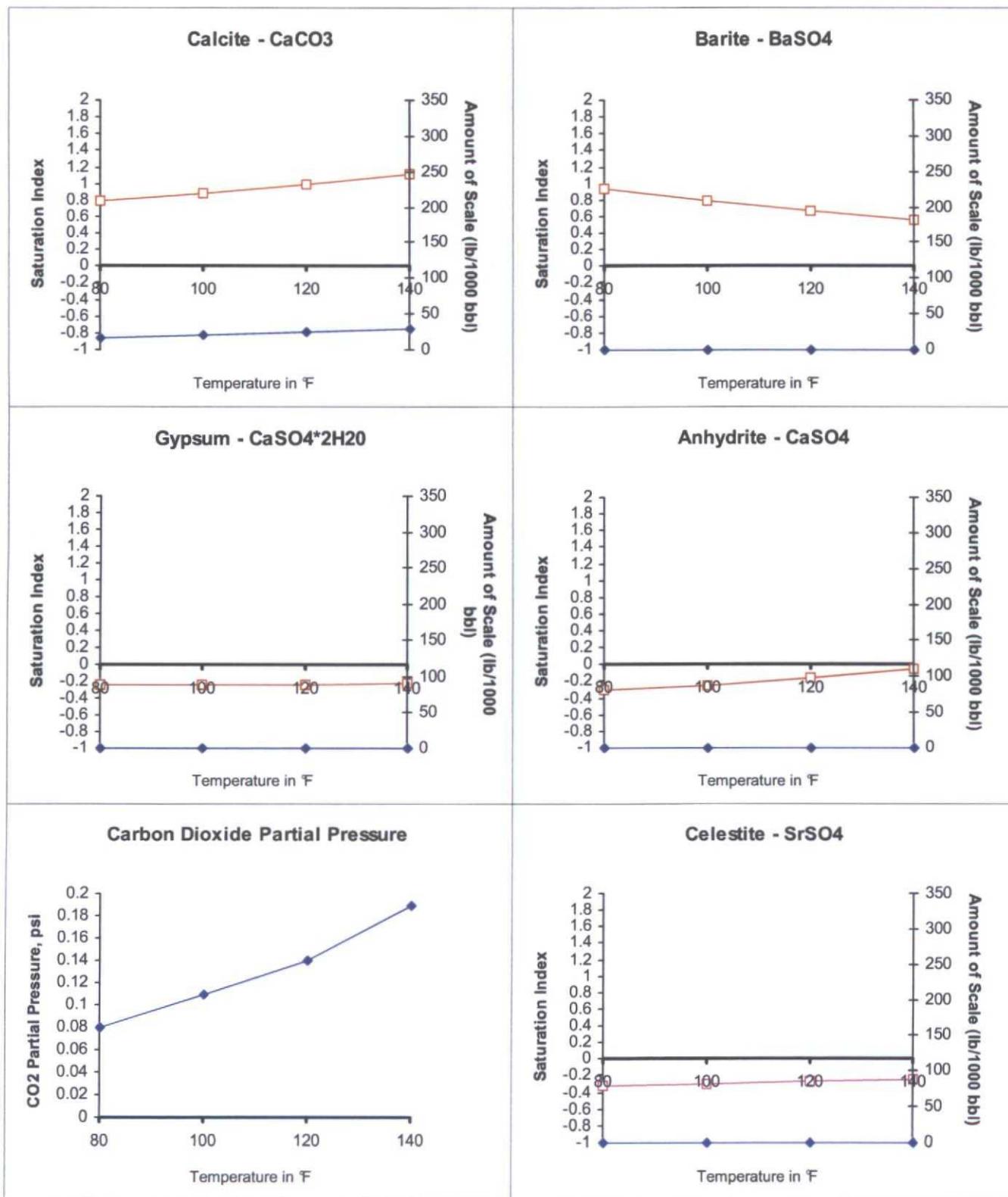
Summary		Analysis of Sample 578341 @ 75 F			
Sampling Date:	5/22/2013	Anions	mg/l	meq/l	Cations
Analysis Date:	6/12/2013	Chloride:	69.0	1.95	Sodium:
Analyst:	SANDRA GOMEZ	Bicarbonate:	244.0	4.	Magnesium:
TDS (mg/l or g/m3):	2334.6	Carbonate:	0.0	0.	Calcium:
Density (g/cm3, tonne/m3):	1.002	Sulfate:	1244.0	25.9	Strontium:
Anion/Cation Ratio:	1.2516530	Phosphate:			Barium:
Carbon Dioxide:	0 PPM	Borate:			Iron:
Oxygen:		Silicate:			Potassium:
Comments:		Hydrogen Sulfide:		0 PPM	Aluminum:
		pH at time of sampling:		7.6	Chromium:
		pH at time of analysis:			Copper:
		pH used in Calculation:		7.6	Lead:
					Manganese:
					Nickel:

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ *2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press
		Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	
80	0	0.79	17.48	-0.23	0.00	-0.30	0.00	-0.31	0.00	0.94	0.00	0.08
100	0	0.89	20.98	-0.24	0.00	-0.24	0.00	-0.30	0.00	0.79	0.00	0.11
120	0	1.00	25.18	-0.23	0.00	-0.15	0.00	-0.27	0.00	0.67	0.00	0.14
140	0	1.12	29.37	-0.21	0.00	-0.04	0.00	-0.24	0.00	0.57	0.00	0.19

- Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.
 Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.
 Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

Scale Predictions from Baker Petrolite

Analysis of Sample 578341 @ 75 °F for DEVON ENERGY CORPORATION, 6/12/2013



**Uncle Jesse 32 State SWD 1
C108 Application for Injection
Fresh Water Analysis (Water Well Sample)
Davis 516 Unit Well 2
Sec 8-T24S-R27E
Lat 32.227698 Long -104.212985**

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33521.1
Region:	PERMIAN BASIN	Account Manager:	GENE ROGERS (575) 910-1022
Area:	ARTESIA, NM	Sample #:	658181
Lease/Platform:	DAVIS 516 UNIT	Analysis ID #:	133297
Entity (or well #):	2	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	FRESH WATER		

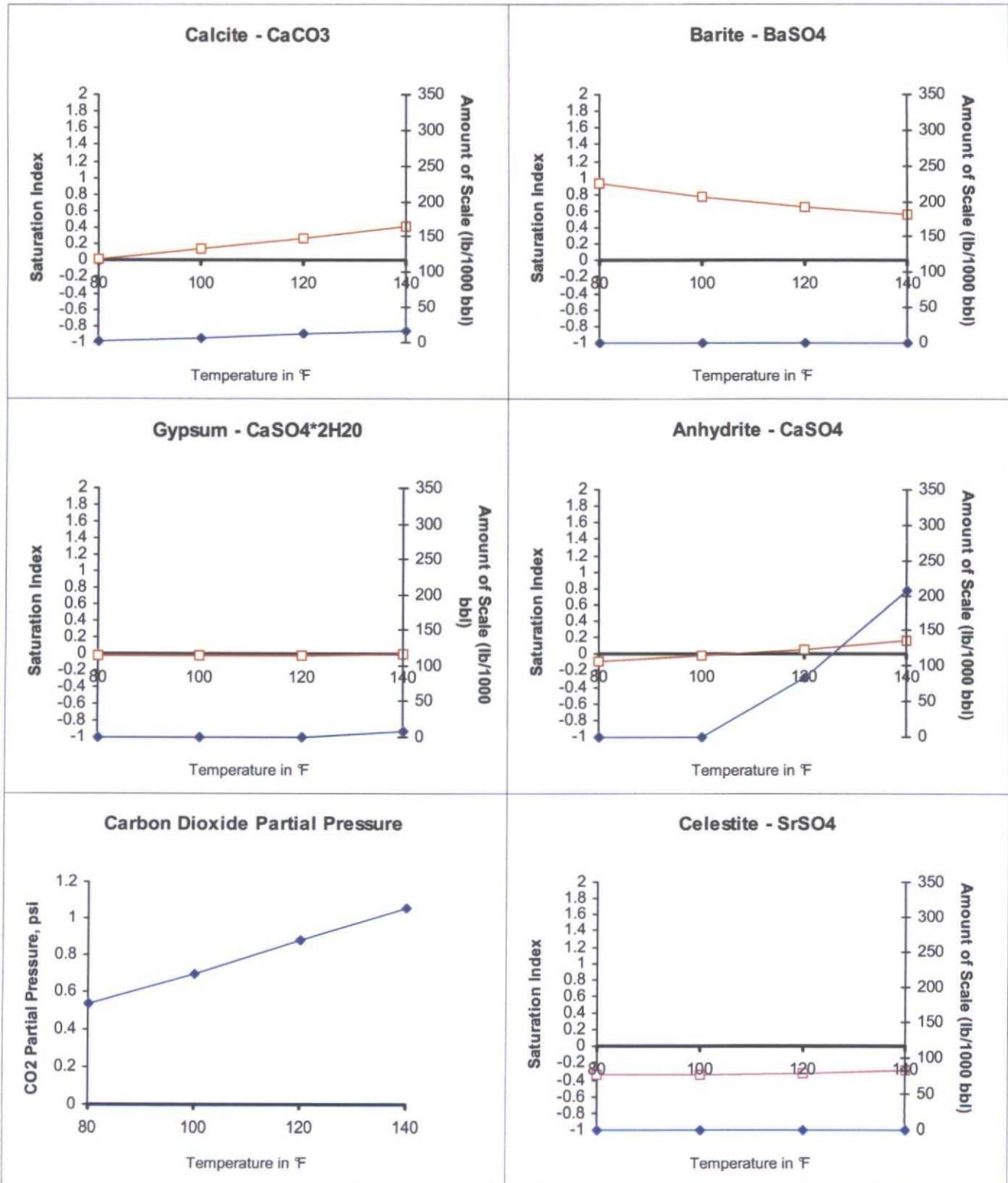
Summary		Analysis of Sample 658181 @ 75 F					
Sampling Date:	5/22/2013	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	6/12/2013	Chloride:	199.0	5.61	Sodium:	245.0	10.66
Analyst:	SANDRA GOMEZ	Bicarbonate:	219.6	3.6	Magnesium:	120.0	9.87
TDS (mg/l or g/m3):	3142.4	Carbonate:	0.0	0.	Calcium:	731.0	36.48
Density (g/cm3, tonne/m3):	1.003	Sulfate:	1617.0	33.67	Strontium:	7.5	0.17
Anion/Cation Ratio:	1.335596	Phosphate:			Barium:	0.1	0.
Carbon Dioxide:	0 PPM	Borate:			Iron:	0.7	0.03
Oxygen:		Silicate:			Potassium:	2.5	0.06
Comments:		Hydrogen Sulfide:		0 PPM	Aluminum:		
		pH at time of sampling:		6.7	Chromium:		
		pH at time of analysis:			Copper:		
		pH used in Calculation:		6.7	Lead:		
					Manganese:	0.025	0.
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press
		Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	
80	0	0.02	1.05	-0.01	0.00	-0.08	0.00	-0.34	0.00	0.94	0.00	0.54
100	0	0.15	5.94	-0.02	0.00	-0.02	0.00	-0.33	0.00	0.78	0.00	0.7
120	0	0.28	11.53	-0.01	0.00	0.06	83.51	-0.31	0.00	0.66	0.00	0.88
140	0	0.42	17.12	0.00	8.04	0.17	207.20	-0.28	0.00	0.56	0.00	1.06

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.
 Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.
 Note 3: The reported CO₂ pressure is actually the calculated CO₂ fugacity. It is usually nearly the same as the CO₂ partial pressure.

Scale Predictions from Baker Petrolite

Analysis of Sample 658181 @ 75 °F for DEVON ENERGY CORPORATION, 6/12/2013



Uncle Jesse 32 State SWD 1
C108 Application for Injection
Fresh Water Analysis (Water Well Sample)
Davis 516 Unit Well 3 & 4
Sec 8-T24S-R27E
Lat 32.225503 Long -104.216621

North Permian Basin Region
 P.O. Box 740
 Sundown, TX 79372-0740
 (806) 229-8121
 Lab Team Leader - Sheila Hernandez
 (432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33521.1
Region:	PERMIAN BASIN	Account Manager:	GENE ROGERS (575) 910-1022
Area:	ARTESIA, NM	Sample #:	652182
Lease/Platform:	DAVIS 516 UNIT	Analysis ID #:	133298
Entity (or well #):	3 & 4	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	FRESH WATER		

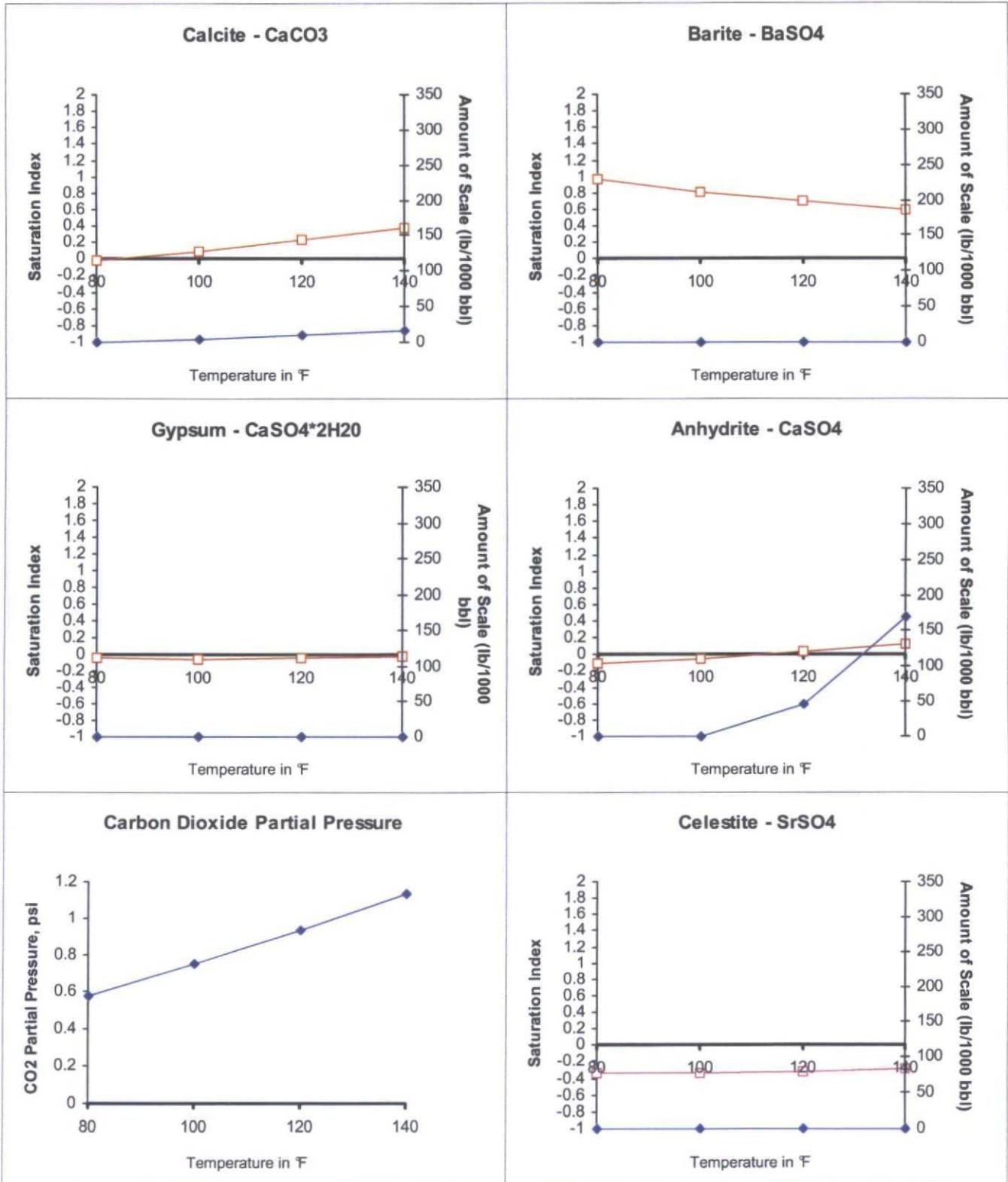
Summary		Analysis of Sample 652182 @ 75 F					
Sampling Date:	5/22/2013	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	6/12/2013	Chloride:	113.0	3.19	Sodium:	236.0	10.27
Analyst:	SANDRA GOMEZ	Bicarbonate:	231.8	3.8	Magnesium:	122.0	10.04
TDS (mg/l or g/m3):	3027.9	Carbonate:	0.0	0.0	Calcium:	630.0	31.44
Density (g/cm3, tonne/m3):	1.003	Sulfate:	1686.0	35.1	Strontium:	7.0	0.16
Anion/Cation Ratio:	1.2344527	Phosphate:			Barium:	0.1	0.0
Carbon Dioxide:	0 PPM	Borate:			Iron:	0.5	0.02
Oxygen:		Silicate:			Potassium:	1.5	0.04
Comments:		Hydrogen Sulfide:		0 PPM	Aluminum:		
		pH at time of sampling:		6.7	Chromium:		
		pH at time of analysis:			Copper:		
		pH used in Calculation:		6.7	Lead:		
					Manganese:	0.025	0.0
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ *2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press psi
		Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	
80	0	-0.02	0.00	-0.04	0.00	-0.11	0.00	-0.33	0.00	0.97	0.00	0.58
100	0	0.10	4.54	-0.05	0.00	-0.05	0.00	-0.33	0.00	0.82	0.00	0.75
120	0	0.24	10.48	-0.04	0.00	0.04	45.43	-0.31	0.00	0.70	0.00	0.94
140	0	0.38	16.42	-0.02	0.00	0.14	168.78	-0.28	0.00	0.60	0.00	1.14

- Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.
- Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.
- Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

Scale Predictions from Baker Petrolite

Analysis of Sample 652182 @ 75 °F for DEVON ENERGY CORPORATION, 6/12/2013



**Uncle Jesse 32 State SWD 1
C108 Application for Injection
Fresh Water Analysis (Water Well Sample)
Ogden Well
Sec 17-T24S-R27E
Lat 32.222586 Long -104.220867**

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33521.1
Region:	PERMIAN BASIN	Account Manager:	GENE ROGERS (575) 910-1022
Area:	ARTESIA, NM	Sample #:	578340
Lease/Platform:	OGDEN UNIT	Analysis ID #:	133300
Entity (or well #):	WATER TANK	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	FRESH WATER		

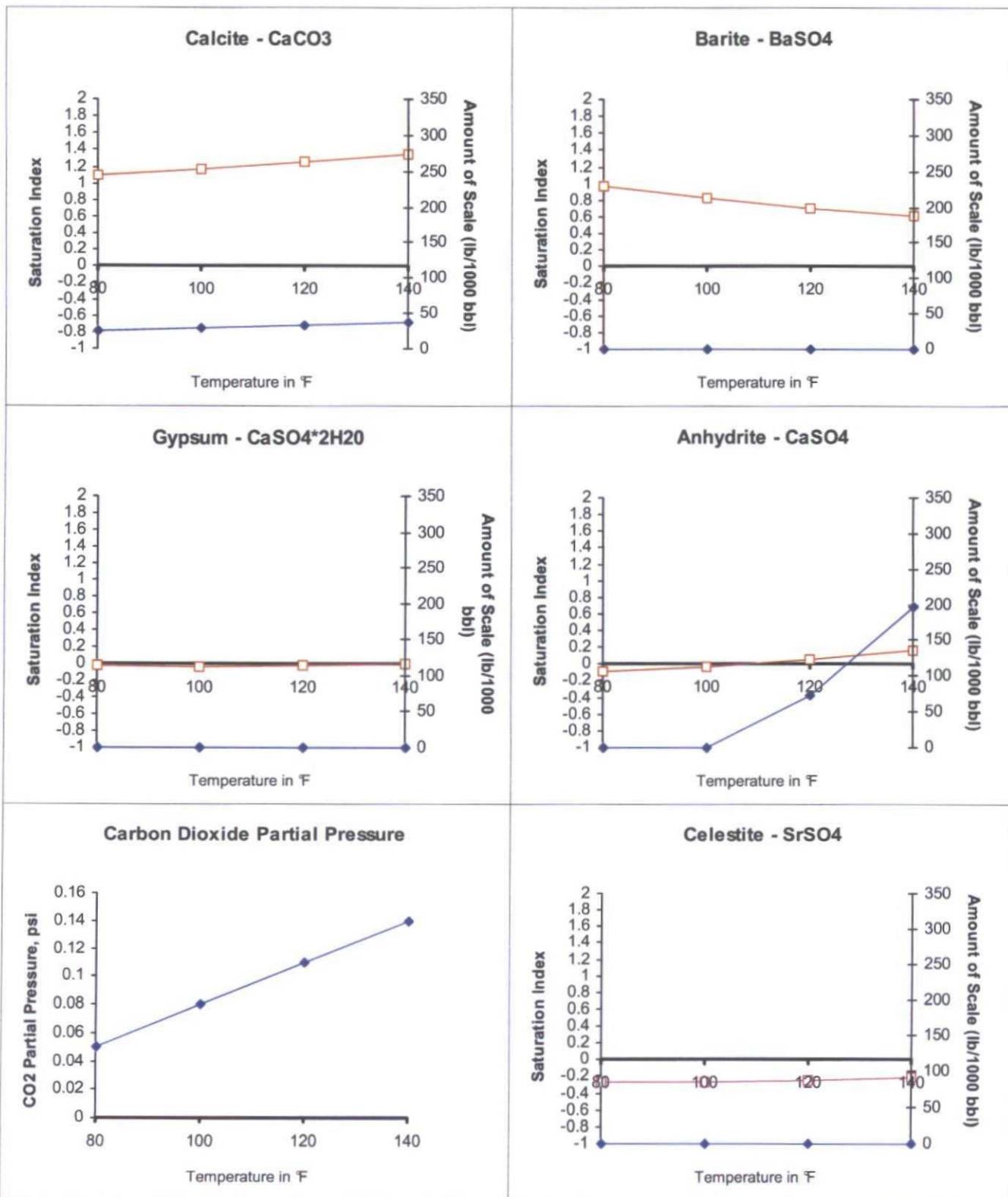
Summary		Analysis of Sample 578340 @ 75 F					
Sampling Date:	5/22/2013	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	6/12/2013	Chloride:	83.0	2.34	Sodium:	252.0	10.96
Analyst:	SANDRA GOMEZ	Bicarbonate:	268.4	4.4	Magnesium:	174.0	14.31
TDS (mg/l or g/m3):	3314.7	Carbonate:	0.0	0.	Calcium:	644.0	32.14
Density (g/cm3, tonne/m3):	1.003	Sulfate:	1879.0	39.12	Strontium:	8.0	0.18
Anion/Cation Ratio:	1.2606503	Phosphate:			Barium:	0.1	0.
Carbon Dioxide:	0 PPM	Borate:			Iron:	5.5	0.2
Oxygen:		Silicate:			Potassium:	0.4	0.01
Comments:		Hydrogen Sulfide:		0 PPM	Aluminum:		
		pH at time of sampling:		7.8	Chromium:		
		pH at time of analysis:			Copper:		
		pH used in Calculation:		7.8	Lead:		
					Manganese:	0.300	0.01
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press
		Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	
80	0	1.11	25.15	-0.02	0.00	-0.09	0.00	-0.27	0.00	0.98	0.00	0.05
100	0	1.18	29.00	-0.03	0.00	-0.03	0.00	-0.26	0.00	0.83	0.00	0.08
120	0	1.26	33.19	-0.02	0.00	0.06	73.36	-0.24	0.00	0.71	0.00	0.11
140	0	1.36	37.73	0.00	0.00	0.16	197.03	-0.21	0.00	0.61	0.00	0.14

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.
 Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.
 Note 3: The reported CO₂ pressure is actually the calculated CO₂ fugacity. It is usually nearly the same as the CO₂ partial pressure.

Scale Predictions from Baker Petrolite

Analysis of Sample 578340 @ 75 °F for DEVON ENERGY CORPORATION, 6/12/2013



Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Kathy McCarroll, being first duly sworn,
on oath says:

That she is the Classified Supervisor of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

April 3 2014

That the cost of publication is **\$66.07** and that payment thereof has been made and will be assessed as court costs.

Kathy McCarroll

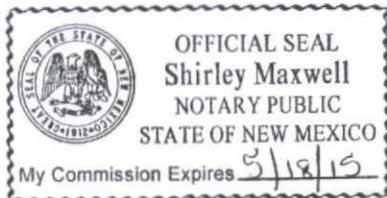
Subscribed and sworn to before me this

11th day of April, 2014

Shirley Maxwell

My commission Expires on May 18, 2015

Notary Public



April 3, 2014
Legal Notice
Devon Energy Production Company, LP, 333 West Sheridan Avenue, Oklahoma City, OK 73102-8260 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well, the Uncle Jesse 32 State SWD #1 will be a new drill; proposed location is 660' FSL & 1020' FEL, Section 32, Township 22 South, Range 26 East, in Eddy County, New Mexico. Disposal water will be sourced from area wells producing from the Bone Spring and/or Delaware formations. The disposal water will be injected into the Silurian/Ordovician formation at a depth of 11,855' to 15,000', open hole, at a maximum surface pressure of 2371 psi and a maximum rate of 20,000 BWPD. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, within (15) days of this notice. Per NMAC 19.5.26.13, Devon will comply with the provisions of commencement, discontinuance and abandonment of injection operations. Any interested party with questions or comments may contact Josh Bruening at Devon Energy Corporation, 333 West Sheridan, Oklahoma City, OK 73102, or call (405) 552-7882 or (405)-501-3236.

September 9th, 2014

Khody Land & Minerals Company
210 Park Avenue, STE 900
Oklahoma City, OK 73102

RE: Form C-108, Application for Authorization to Inject
Uncle Jesse 32 State SWD 1; API # 30-015-42623
Eddy County, NM
Section 32, T22S, R26E

Dear Khody Land & Minerals Company:

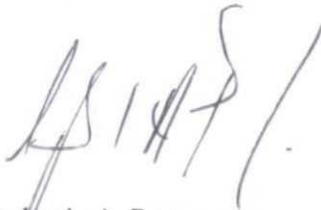
Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Uncle Jesse 32 State SWD #1 to salt water disposal in the Silurian/Ordovician formation.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as having leasehold ownership within the ½ mile review area around the Uncle Jesse 32 State SWD #1 well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Josh Bruening at (405)-552-7882 or myself at (405)-552-7802.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie A. Porter".

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

September 9th, 2014

Lobos Energy Partners, LLC
210 Park Avenue, STE 900
Oklahoma City, OK 73102

RE: Form C-108, Application for Authorization to Inject
Uncle Jesse 32 State SWD 1; API # 30-015-42623
Eddy County, NM
Section 32, T22S, R26E

Dear Lobos Energy Partners, LLC:

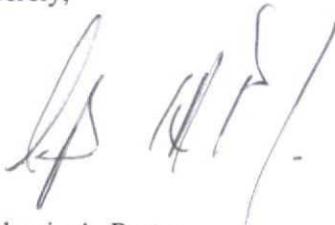
Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Uncle Jesse 32 State SWD #1 to salt water disposal in the Silurian/Ordovician formation.

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If you have any questions, please contact Josh Bruening at (405)-552-7882 or myself at (405)-552-7802.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie A. Porter".

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

September 9th, 2014

McCombs Energy Ltd
5599 San Felipe, Suite 1200
Houston, Texas 77506

RE: Form C-108, Application for Authorization to Inject
Uncle Jesse 32 State SWD 1; API # 30-015-42623
Eddy County, NM
Section 32, T22S, R26E

Dear McCombs Energy Ltd.:

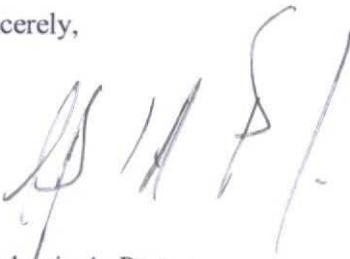
Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Uncle Jesse 32 State SWD #1 to salt water disposal in the Silurian/Ordovician formation.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as having leasehold ownership within the ½ mile review area around the Uncle Jesse 32 State SWD #1 well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Josh Bruening at (405)-552-7882 or myself at (405)-552-7802.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie A. Porter".

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

September 9th, 2014

Mewbourne Oil Company
P.O. Box 7698
Tyler, Texas 75711

RE: Form C-108, Application for Authorization to Inject
Uncle Jesse 32 State SWD 1; API # 30-015-42623
Eddy County, NM
Section 32, T22S, R26E

Dear Mewbourne Oil Company:

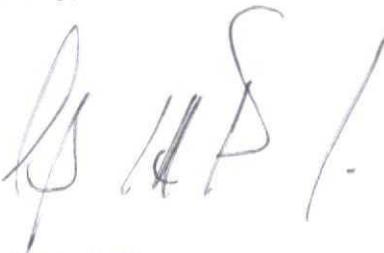
Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Uncle Jesse 32 State SWD #1 to salt water disposal in the Silurian/Ordovician formation.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as having leasehold ownership within the ½ mile review area around the Uncle Jesse 32 State SWD #1 well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Josh Bruening at (405)-552-7882 or myself at (405)-552-7802.

Sincerely,



Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

September 9th, 2014

Oil Conservation Division
811 S. First Street
Artesia, New Mexico 88210

RE: Form C-108, Application for Authorization to Inject
Uncle Jesse 32 State SWD #1; API # 30-015-42623
Eddy County, NM
Section 32, T22S, R26E

Dear Conservation Division-Artesia District Office:

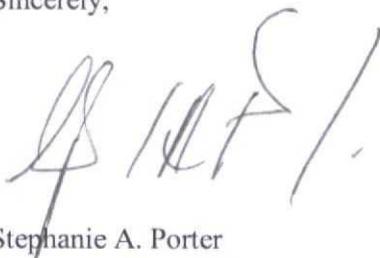
Please find attached Devon Energy Production Company, LP's Form C-108, Application for Authorization to Inject. The original application has been filed with the Oil Conservation Division-Santa Fe Office.

Devon's application proposes to drill and convert the Uncle Jesse 32 State SWD #1 to salt water disposal in the Silurian/Ordovician formation.

The surface land owner and operators with leasehold ownership have been notified with Devon's application to inject via certified mail.

If you have any questions, please contact Josh Bruening at (405)-552-7882 or myself at (405)-552-7802.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Porter".

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure



September 9th, 2014

Premier Oil & Gas, Inc.
P.O. Box 1246
Artesia, New Mexico 88210

RE: Form C-108, Application for Authorization to Inject
Uncle Jesse 32 State SWD 1; API # 30-015-42623
Eddy County, NM
Section 32, T22S, R26E

Dear Premier Oil & Gas, Inc.:

Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Uncle Jesse 32 State SWD #1 to salt water disposal in the Silurian/Ordovician formation.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as having leasehold ownership within the ½ mile review area around the Uncle Jesse 32 State SWD #1 well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Josh Bruening at (405)-552-7882 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure



September 9th, 2014

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RE: Form C-108, Application for Authorization to Inject
Uncle Jesse 32 State SWD #1; API # 30-015-42623
Eddy County, NM
Section 32, T22S, R26E

Dear Santa Fe Oil Conservation Division:

Please find attached Devon Energy Production Company, LP's Form C-108, Application for Authorization to Inject. Devon's application proposes to drill and convert the Uncle Jesse 32 State SWD #1 to salt water disposal in the Silurian/Ordovician formation.

The surface land owner and operators with leasehold ownership have been notified with Devon's application to inject via certified mail. A copy of this application has been filed with the OCD-Artesia office.

If you have any questions, please contact Josh Bruening (405)-552-7882 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure



September 9th, 2014

Commissioner of Public Lands
State of New Mexico
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

RE: Form C-108, Application for Authorization to Inject
Uncle Jesse 32 State SWD #1; API # 30-015-42623
Eddy County, NM
Section 32, T22S, R26E; 660' FSL & 1020' FEL

Dear Sir or Madam:

Please find attached Devon Energy Production Company, LP's Form C-108, Application for Authorization to Inject.

Devon's application proposes to drill and convert the Uncle Jesse 32 State SWD #1 to salt water disposal. Produced waters will be injected into the Silurian/Ordovician from 11,855' to 15,000'.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as the well site surface land owner. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Josh Bruening (405)-552-7882 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

District I
1925 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-5161 Fax: (575) 393-0720
District II
811 S. First St., Artesa, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
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	² Pool Code	³ Pool Name
	96189	SWD: Canyon-Mor-Dev-Ellen
⁴ Property Code	⁵ Property Name	
	UNCLE JESSE 32 STATE SWD	
⁶ OGRID No.	⁸ Operator Name	⁷ Well Number
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	1
		⁹ Elevation
		3362.2

¹⁰ Surface Location

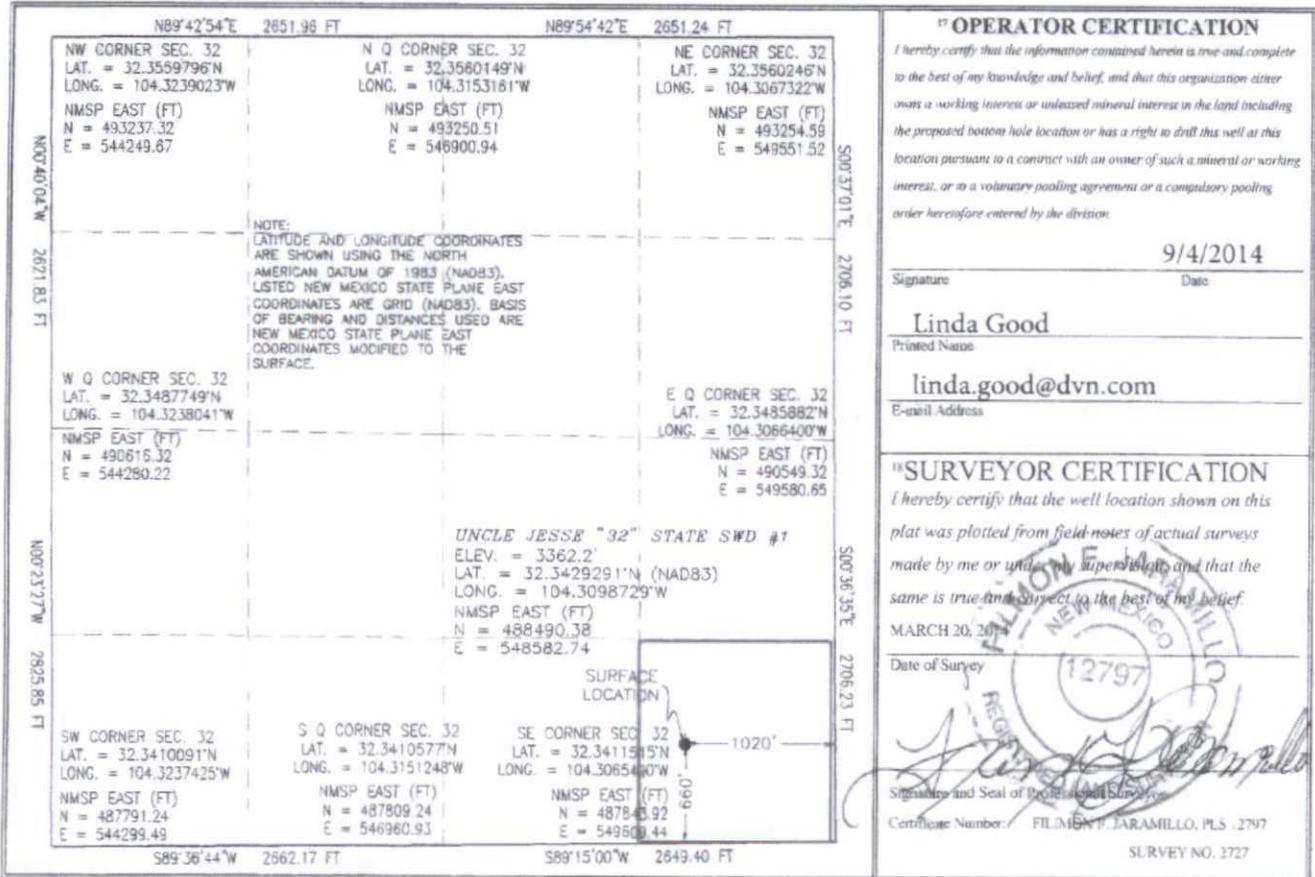
U/L or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
P	32	22 S	26 E		660	SOUTH	1020	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

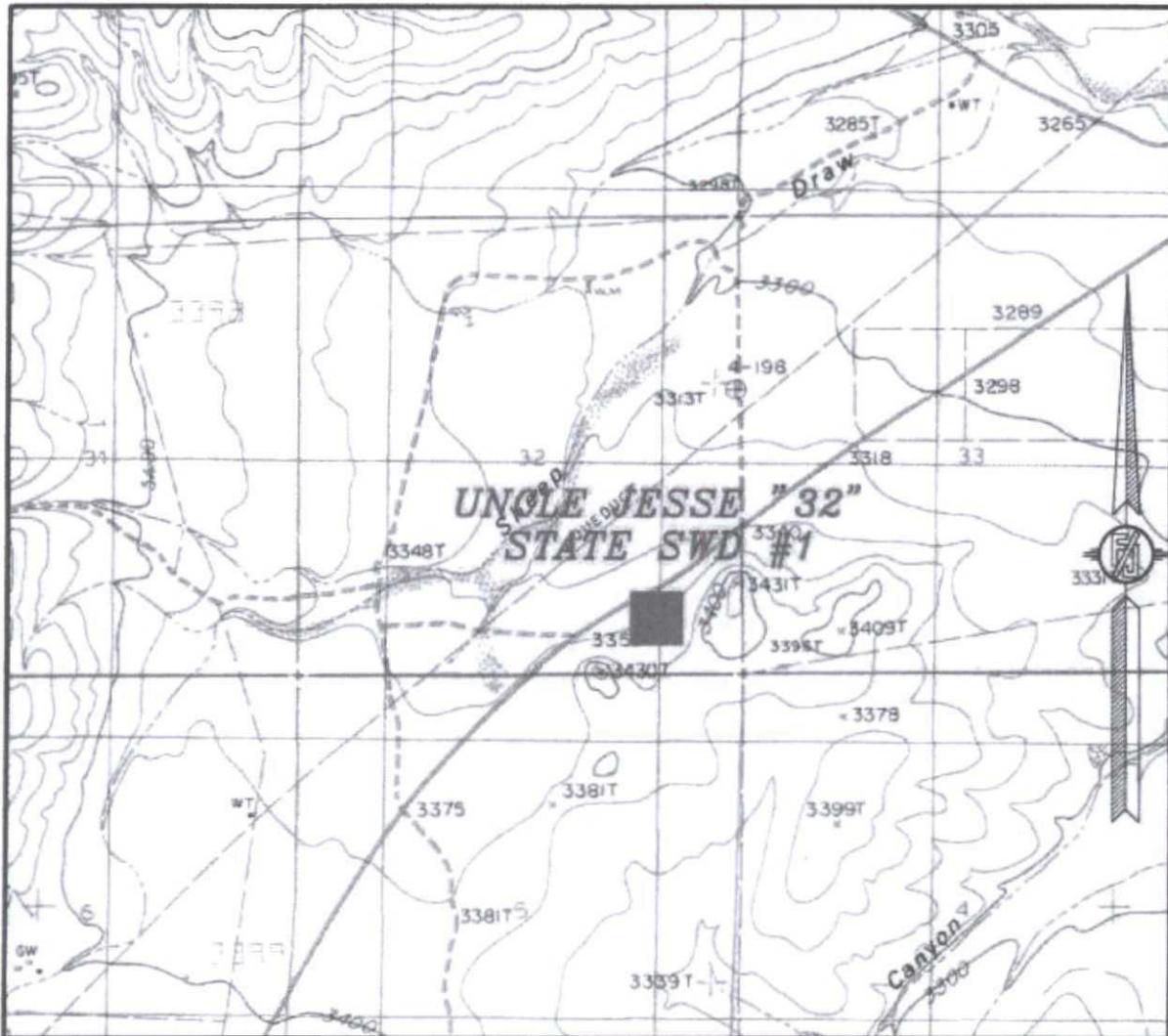
U/L or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
40			

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.



SECTION 32, TOWNSHIP 22 SOUTH, RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 LOCATION VERIFICATION MAP



USGS QUAD MAP:
 KITCHEN COVE

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.
UNCLE JESSE "32" STATE SWD #1
 LOCATED 660 FT. FROM THE SOUTH LINE
 AND 1020 FT. FROM THE EAST LINE OF
 SECTION 32, TOWNSHIP 22 SOUTH,
 RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

MARCH 20, 2014

SURVEY NO. 2727

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO
 (575) 234-3341

Jones, William V, EMNRD

From: Jones, William V, EMNRD
Sent: Wednesday, October 29, 2014 4:36 PM
To: 'stephanie.porter@dvn.com'
Cc: Dade, Randy, EMNRD; Shapard, Craig, EMNRD; Sanchez, Daniel J., EMNRD
Subject: FW: Devon's proposed Uncle Jesse 32 State SWD Well No. 1 (30-015-42623)

Hi Stephanie!
Hope your day goes well.
I am back at the OCD in Santa Fe – doing similar duties as before.

Please see correspondence below and let me know if this revision is workable for Devon – talk to TC or Randy in Artesia if you need to.

For us here in Santa Fe to process the SWD permit, probably we should get another “proposed” diagram showing the surface pipe addition.

I know it would be a very large diameter casing.

Many Regards,

William V. Jones, P.E.
EMNRD/OCD District IV Supervisor
505.476.3477 W, 505.690.2365 C 505.476.3462 F,
(Alt. Leonard Lowe 505.476.3492 W)
WilliamV.Jones@state.nm.us
<http://www.emnrd.state.nm.us/OCD/about.html>

From: Shapard, Craig, EMNRD
Sent: Thursday, October 16, 2014 10:54 AM
To: Jones, William V, EMNRD
Cc: Dade, Randy, EMNRD
Subject: RE: Devon's proposed Uncle Jesse 32 State SWD Well No. 1 (30-015-42623)

Will,

Since this well is in the SWD approval process, you may contact Devon requesting a sundry for casing changes with my blessing.

Thanks

T.C. Shapard
District II Geologist
Energy Minerals & Natural Resource Department
811 S. First Street
Artesia, New Mexico 88202
Office: (575) 748-1283 Ext. 103
Fax: (575) 748-9120
E-MAIL: Craig.Shapard@state.nm.us



New Mexico Energy, Minerals and Natural Resources Department

From: Jones, William V, EMNRD
Sent: Thursday, October 16, 2014 10:50 AM
To: Shapard, Craig, EMNRD
Subject: Re: Devon's proposed Uncle Jesse 32 State SWD Well No. 1 (30-015-42623)

TC
Will you or Randy let them know or should I ask them to send you another sundry?

Thanks!

Sent from my Verizon Wireless 4G LTE DROID

"Shapard, Craig, EMNRD" <craig.shapard@state.nm.us> wrote:

Will,

Reviewing well files for casing in the same section, majority of the surface casing was set around 700'. Intermediate between 500' to 1, 600 +/- . Agree since this well is converted to a SWD, surface casing program be changed. Surface 300'-500', Intermediate 500' +/- to 1,700' +/-.

Good Luck

T.C. Shapard
District II Geologist
Energy Minerals & Natural Resource Department
811 S. First Street
Artesia, New Mexico 88202
Office: (575) 748-1283 Ext. 103
Fax: (575) 748-9120
E-MAIL: Craig.Shapard@state.nm.us



New Mexico Energy, Minerals and Natural Resources Department

From: Jones, William V, EMNRD
Sent: Wednesday, October 15, 2014 3:06 PM
To: Shapard, Craig, EMNRD
Cc: Holm, Anchor E.; Goetze, Phillip, EMNRD; Sanchez, Daniel J., EMNRD
Subject: Devon's proposed Uncle Jesse 32 State SWD Well No. 1 (30-015-42623)

Hi TC,
This well on State lands is proposed to 15,000 feet for deep disposal, located below the Capitan about 8 miles SW of Carlsbad.

The SWD permit looks OK, but I noticed a possible issue with the Casing design – at least wanted to run it by you.

They plan to drill through the Salado (at surface), then the Tansill, (etc) and then the (600 feet thick) Reef before setting the first surface pipe below the Reef at 1690 feet.

So they may or may not encounter salts and then lose circulation in a relatively fresh portion of the Reef west of the River.

They show the Capitan top at 647 feet.

Other wells in this area listed in this application show surface pipe set at 360 to 500 feet deep.

We are now looking over this SWD permit – let me know if you think it OK or will need a sundry to add an above-reef protection string?

Will

Jones, William V, EMNRD

From: Jones, William V, EMNRD
Sent: Wednesday, October 15, 2014 3:06 PM
To: Shapard, Craig, EMNRD
Cc: Holm, Anchor E.; Goetze, Phillip, EMNRD; Sanchez, Daniel J., EMNRD
Subject: Devon's proposed Uncle Jesse 32 State SWD Well No. 1 (30-015-42623)

Hi TC,
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Other wells in this area listed in this application show surface pipe set at 360 to 500 feet deep.

We are now looking over this SWD permit – let me know if you think it OK or will need a sundry to add an above-reef protection string?

Will

Jones, William V, EMNRD

From: Porter, Stephanie <Stephanie.Porter@dvn.com>
Sent: Thursday, December 11, 2014 11:09 AM
To: Jones, William V, EMNRD
Cc: Shapard, Craig, EMNRD; Goetze, Phillip, EMNRD; Sanchez, Daniel J., EMNRD
Subject: Uncle Jesse 32 State 1: API 30-015-42623 - Sundry Submitted to the NMOCD
Attachments: Submitted Casing Change Sundry.pdf; Revised APD Drilling Plan.docx; Uncle Jesse 32 State SWD 1_RevSchematic.pdf

Will,

Sorry for the delay in this information. We have a lot of new engineers and techs, so I needed to keep following up on the sundry. Attached is a copy of the sundry that was submitted to the NMOCD Artesia district office. I've revised the schematic for the changes drilling made. I hope that will take care of the needs on this application. Please let me know, if you lack anything additional.

Phillip: Please let me know if you lack any additional on the Parkway SWD 2 & Seawolf 16 SWD 1.

Hope all is going well in your world! Happy Holidays!

Stephanie A. Porter

Permian New Mexico Technician
Phone: (405)-552-7802
Cell: (405)-721-7689
Fax: (405)-552-8113
DEC 31.326
Stephanie.Porter@dvn.com

Courage is being scared to death but saddling up anyway ~ John Wayne

From: Jones, William V, EMNRD [<mailto:WilliamV.Jones@state.nm.us>]
Sent: Thursday, December 11, 2014 9:54 AM
To: Porter, Stephanie
Cc: Shapard, Craig, EMNRD; Goetze, Phillip, EMNRD; Sanchez, Daniel J., EMNRD
Subject: Uncle Jesse 32 State 1 30-015-42623

Hi Stephanie,

I am traveling (or trying to) this AM but got your message about the Uncle Jesse.

Ask your engineer to work with TC Shapard in Artesia – he has agreed there should be another protective shallow pipe in this case set above the Capitan (shown at 647 feet or so).

The next drilling segment would be through the reef with the pipe set below the reef as shown in the original plans.

And send me a quick revised WBD for the SWD application?

I don't think any other issue was with this proposed SWD.

I am copying this email also to Phillip who may know about the status of the other wells you mentioned.

Thanks Much!

Will

From: Porter, Stephanie [<mailto:Stephanie.Porter@dvn.com>]
Sent: Tuesday, December 09, 2014 1:14 PM
To: Jones, William V, EMNRD
Subject: Devon SWD's: Status Question (Parkway SWD 2 & Seawolf 16 SWD 1)

Hi Will,

Just thought I would touch base... I am waiting on Drilling, for the sundry notice on the Uncle Jesse 32 State 1. But, I thought I would check the status of the other SWD's that we've submitted:

- Parkway SWD 2 – API # 30-015-42687 – Sec 29-T19S-R29E – 650' FSL & 500 FWL - Submitted 09/25/2014
- Seawolf 16 SWD 1 – API # 30-025-42161 – Sec 16-T26S-R35E – 220' FSL & 180' FEL - Submitted 10/09/2014

Just wanted to be sure, you were not lacking any information from Devon. I had not receipted any written formal objections from the surface and/or leasehold interests to date, so I'm hoping there are none to date. If there are, could you please let me know.

Stephanie A. Porter

Permian New Mexico Technician
Phone: (405)-552-7802
Cell: (405)-721-7689
Fax: (405)-552-8113
DEC 31.326
Stephanie.Porter@dvn.com

Courage is being scared to death but saddling up anyway ~ John Wayne

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-015-42623	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Uncle Jesse 32 State SWD	
8. Well Number 1	
9. OGRID Number 6137	
10. Pool name or Wildcat SWD; CANYON-MOR-DEV-ELLEN	
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.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> 2. Name of Operator Devon Energy Production Co., L.P. 3. Address of Operator 333 West Sheridan Ave, Oklahoma City, OK 73102 4. Well Location Unit Letter <u>P</u> : <u>660</u> feet from the <u>South</u> line and <u>1020</u> feet from the <u>East</u> line Section <u>32</u> Township <u>22S</u> Range <u>26E</u> NMPM County <u>Eddy</u> 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3362	

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input checked="" type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input 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. respectfully requests permission to add a 20" surface casing string set at 500' due to a reevaluation of geologic tops and offset well information. Revised drilling plan attached.

Spud Date: Rig Release Date:

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

SIGNATURE Tami Laird TITLE Regulatory Compliance Analyst DATE 12/10/2014

Type or print name Tami Laird E-mail address: tami.laird@dvn.com PHONE: 405-228-2816

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

DRILLING PROGRAM

Devon Energy Production Company, L.P.
Uncle Jesse 32 State SWD 1

1. Geologic Name of Surface Formation: Salado

2. Estimated Tops of Geological Markers & Depths of Anticipated FW, Oil, or Gas:

a.	Salado	0	Barren
b.	Tansil	350	Barren
c.	Capitan	644	Barren
d.	Capitan Base	1294	Barren
e.	Delaware	1704	Oil
f.	Bone Spring	4898	Oil/Gas
g.	Wolfcamp	8682	Oil/Gas
h.	Strawn	10021	Gas
i.	Atoka	10372	Gas
j.	Morrow	10820	Gas
k.	Mississippian	11585	Brine Water
l.	Miss Lime	11485	Brine Water
m.	Woodford	12335	Brine Water
n.	Silurian	12415	Brine Water
o.	Simpson	14255	Brine Water
	Total Depths	14997'	TVD

3. Pressure Control Equipment:

The BOP system used to drill the 17-1/2" hole will consist of a **20" 2M** Annular preventer. The BOP system will be tested as a **2M** system per BLM Onshore Oil and Gas Order 2 prior to drilling out the casing shoe.

A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling the 12-1/4" hole section. The BOP system will be tested as a **3M** system per BLM Onshore Oil and Gas Order 2 prior to drilling out the casing shoes.

A 5M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling the 8-1/2" & 6-1/8" hole sections. The BOP system will be tested as a **5M** system per BLM Onshore Oil and Gas Order 2 prior to drilling out the casing shoes. The same choke manifold will be used as the 3M system, however it will be tested as a 5M system.

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP for the first two intermediate hole sections. The items listed above will be tested to a 5,000 psi WP for the third intermediate hole section.

Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line); **if an H&P rig drills this well. Otherwise no flex line is needed.** The line will be kept as straight as possible with minimal turns.

Auxiliary Well Control and Monitoring Equipment:

- a. A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.

4. **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"	0-500'	20	0-500'	94	BTC	J-55	2.60	10.57	37.29
17-1/2"	500-1690'	13-3/8"	0-1690'	68	BTC	J-55	2.22	3.93	9.92
12-1/4"	1690-8660'	9-5/8"	0-8660'	47	LTC	P-110	1.70	2.24	3.69
8-3/4"	8660-12415'	7"	0-12415'	29	BTC	P-110	1.13	1.49	2.65
6-1/8"	12415-14997'	OPEN HOLE							

Casing Notes:

- All casing is new and API approved

Maximum TVD: 14997'

5. **Proposed mud Circulations System:**

Depth	Mud Weight	Viscosity	Fluid Loss	Type System
0-500	10.0-10.1	28-32	N/C	Brine
400-1690'	8.3-8.6	28-32	N/C	FW
1690-8660'	8.6-9.3	28-32	N/C	FW
8660-12415'	9.9-11.7	28-32	N/C	Brine
12415-14997'	8.3-8.5	28-32	N/C	FW

The necessary mud products for weight addition and fluid loss control will be on location at all times. Visual mud monitoring equipment will be in place to detect volume changes indicating loss or gain of circulating fluid volume. If abnormal pressures are encountered, electronic/mechanical mud monitoring equipment will be installed.

6. Cementing Table:

String	Number of sx	Weight lbs/gal	Water Volume g/sx	Yield cf/sx	Stage; Lead/Tail	Slurry Description
20" Surface Casing	1200	14.8	6.34	1.33	Tail	Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water
13-3/8" 1 st Intermediate Casing	730	12.9	9.82	1.85	Lead	(65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 70.9 % Fresh Water
	490	14.8	6.34	1.33	Tail	Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water
9-5/8" 2 nd Intermediate Casing	1320	11.9	12.89	2.26	Lead	(50:50) Class H Cement: Poz (Fly Ash) + 10% BWOC Bentonite + 1 lb/sk of Kol-Seal + 0.3% BWOC HR-601 + 0.5lb/sk D-Air 5000 + 76.4% Fresh Water
	400	14.4	5.75	1.24	Tail	50% Premium H / 50% PozMix + 0.2% BWOC Halad-9 + 0.2% BWOC HR-800 + 64.7% Fresh Water
9-5/8" 2 nd Intermediate Casing Two-Stage Option	770	11.9	12.89	2.26	Lead	(50:50) Class H Cement: Poz (Fly Ash) + 10% BWOC Bentonite + 1 lb/sk of Kol-Seal + 0.3% BWOC HR-601 + 0.5lb/sk D-Air 5000 + 76.4% Fresh Water
	210	14.4	5.75	1.24	Tail	50% Premium H / 50% PozMix + 0.2% BWOC Halad-9 + 0.2% BWOC HR-800 + 64.7% Fresh Water
	DV Tool at 4500ft					
	560	11.9	12.89	2.26	Lead	(50:50) Class H Cement: Poz (Fly Ash) + 10% BWOC Bentonite + 1 lb/sk of Kol-Seal + 0.3% BWOC HR-601 + 0.5lb/sk D-Air 5000 + 76.4% Fresh Water
	180	14.8	6.34	1.33	Tail	Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water
7" Production Casing	330	12.5	10.86	1.96	Lead	(65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E-Flake + 74.1 % Fresh Water
	480	14.5	5.32	1.21	Tail	(50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.25% bwoc CFR-3 + 0.2% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water

TOC for all Strings:

20" Surface Casing	0ft
13-3/8" 1 st Intermediate Casing	0ft
9-5/8" 2 nd Intermediate Casing	1190ft
9-5/8" 2 nd Intermediate Casing Two Stage Option	1 st Stage = 4500ft 2 nd Stage = 1190ft

7" Production Casing

8160ft

Notes:

- Cement volumes Surface 100%, Intermediate #1 75%, Intermediate #2 50% and Production based on at least 25% excess.
- Actual cement volumes will be adjusted based on fluid caliper and caliper log data.

DRILLING PROGRAM

Devon Energy Production Company, L.P.
Uncle Jesse 32 State SWD 1

1. Geologic Name of Surface Formation: Salado

2. Estimated Tops of Geological Markers & Depths of Anticipated FW, Oil, or Gas:

a.	Salado	0	Barren
b.	Tansil	350	Barren
c.	Capitan	644	Barren
d.	Capitan Base	1294	Barren
e.	Delaware	1704	Oil
f.	Bone Spring	4898	Oil/Gas
g.	Wolfcamp	8682	Oil/Gas
h.	Strawn	10021	Gas
i.	Atoka	10372	Gas
j.	Morrow	10820	Gas
k.	Mississippian	11585	Brine Water
l.	Miss Lime	11485	Brine Water
m.	Woodford	12335	Brine Water
n.	Silurian	12415	Brine Water
o.	Simpson	14255	Brine Water
	Total Depths	14997'	TVD

3. Pressure Control Equipment:

The BOP system used to drill the 17-1/2" hole will consist of a **20" 2M** Annular preventer. The BOP system will be tested as a **2M** system per BLM Onshore Oil and Gas Order 2 prior to drilling out the casing shoe.

A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling the 12-1/4" hole section. The BOP system will be tested as a **3M** system per BLM Onshore Oil and Gas Order 2 prior to drilling out the casing shoes.

A 5M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling the 8-1/2" & 6-1/8" hole sections. The BOP system will be tested as a **5M** system per BLM Onshore Oil and Gas Order 2 prior to drilling out the casing shoes. The same choke manifold will be used as the 3M system, however it will be tested as a 5M system.

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP for the first two intermediate hole sections. The items listed above will be tested to a 5,000 psi WP for the third intermediate hole section.

Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line); **if an H&P rig drills this well. Otherwise no flex line is needed.** The line will be kept as straight as possible with minimal turns.

Auxiliary Well Control and Monitoring Equipment:

- a. A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.

4. 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"	0-500'	20	0-500'	94	BTC	J-55	2.60	10.57	37.29
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8-3/4"	8660-12415'	7"	0-12415'	29	BTC	P-110	1.13	1.49	2.65
6-1/8"	12415-14997'	OPEN HOLE							

Casing Notes:

- All casing is new and API approved

Maximum TVD: 14997'

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8660-12415'	9.9-11.7	28-32	N/C	Brine
12415-14997'	8.3-8.5	28-32	N/C	FW

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7" Production Casing

8160ft

Notes:

- Cement volumes Surface 100%, Intermediate #1 75%, Intermediate #2 50% and Production based on at least 25% excess.
- Actual cement volumes will be adjusted based on fluid caliper and caliper log data.



PERMIT TYPE: WFX / PMX / SWD Number: _____ Permit Date: _____ Legacy Permits/Orders: _____

Well No. 1 Well Name(s): UNCLE JESSE 32 STATE SWD

API: 30-015-42623 Spud Date: _____ New or Old: N (UIC Class II Primacy 03/07/1982)

Footages 660BSL/1020FEL Lot _____ or Unit P Sec 32 Tsp 22S Rge 26E County EDDY

General Location: _____ Pool: _____ Pool No.: _____

BLM 100K Map: _____ Operator: DEVON Energy Production LP. OGRID: 6137 Contact: Stephanie A. Potter

COMPLIANCE RULE 5.9: Total Wells 1947 Inactive: 5 Fincl Assur: OK Compl. Order? _____ IS 5.9 OK? Date: 10/15/14

WELL FILE REVIEWED Current Status: Proposed

WELL DIAGRAMS: NEW: Proposed or RE-ENTER: Before Conv. After Conv. Logs in Imaging: _____

Planned Rehab Work to Well: _____

Well Construction Details	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement Sx or Cf	Cement Top and Determination Method
Planned <input checked="" type="checkbox"/> or Existing _____ Surface			Stage Tool	
Planned <input type="checkbox"/> or Existing _____ Interm/Prod				
Planned <input type="checkbox"/> or Existing _____ Interm/Prod				
Planned <input type="checkbox"/> or Existing _____ Prod/Liner				
Planned <input type="checkbox"/> or Existing _____ Liner				
Planned <input checked="" type="checkbox"/> or Existing _____ OH/ PERF	<u>5 1/8"</u>		Inj Length <u>3145</u>	Completion/Operation Details:
Injection Lithostratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops	Drilled TD <u>15000</u> PBSD _____
Adjacent Unit: Litho. Struc. Por.				NEW TD <u>15,000</u> NEW PBSD _____
Confining Unit: <u>Litho.</u> Struc. Por.		<u>MISS</u>		NEW Open Hole <input checked="" type="checkbox"/> or NEW Perfs <input type="checkbox"/>
Proposed Inj Interval TOP:	<u>11855</u>	<u>WINDY CR, Full</u>		Tubing Size <u>4 1/2</u> in. Inter Coated? <input checked="" type="checkbox"/>
Proposed Inj Interval BOTTOM:	<u>15000</u>	<u>Mout, SIMPSON</u>		Proposed Packer Depth <u>11805</u> ft
Confining Unit: Litho. Struc. Por.		<u>GRANITE</u>		Min. Packer Depth <u>11765</u> (100-ft limit)
Adjacent Unit: Litho. Struc. Por.				Proposed Max. Surface Press <u>2371</u> psi
AOR: Hydrologic and Geologic Information				Admin. Inj. Press. <u>2371</u> (0.2 psi per ft)
POTASH: R-111-P <input type="checkbox"/> Noticed? _____ BLM Sec Ord <input type="checkbox"/> WIPP <input type="checkbox"/> Noticed? _____	SALT/SALADO T: <u>0</u> <u>B353</u> <u>CLIFF HOUSE</u>			
FRESH WATER: Aquifer <u>CAPITAN</u> Max Depth <u>121</u>	HYDRO AFFIRM STATEMENT By Qualified Person <input type="checkbox"/>			
NMOSE Basin: <input checked="" type="checkbox"/> CAPITAN REEF: thru <input checked="" type="checkbox"/> adj <input type="checkbox"/> NA <input type="checkbox"/>	No. Wells within 1-Mile Radius? <input type="checkbox"/> FW Analysis <input checked="" type="checkbox"/>			
Disposal Fluid: Formation Source(s) <u>BS+DEL</u> Analysis? <u>NO</u> On Lease <input type="checkbox"/> Operator Only <input checked="" type="checkbox"/> or Commercial <input type="checkbox"/>				
Disposal Int: Inject Rate (Avg/Max BWPD): _____ Protectable Waters? <u>NO</u> Source: _____ System: Closed <input type="checkbox"/> or Open <input checked="" type="checkbox"/>				
HC Potential: Producing Interval? <u>NO</u> Formerly Producing? <u>NO</u> Method: Logs/DST/P&A/Other _____ 2-Mile Radius Pool Map <input checked="" type="checkbox"/>				
AOR Wells: 1/2-M Radius Map? <input checked="" type="checkbox"/> Well List? <input checked="" type="checkbox"/> Total No. Wells Penetrating Interval: <u>0</u> Horizontals? <u>0</u>				
Penetrating Wells: No. Active Wells _____ Num Repairs? <u>0</u> on which well(s)? _____ Diagrams? _____				
Penetrating Wells: No. P&A Wells _____ Num Repairs? <u>0</u> on which well(s)? _____ Diagrams? _____				
NOTICE: Newspaper Date <u>4/3/14</u> Mineral Owner: <u>State</u> Surface Owner: <u>State</u> N. Date <u>9/9/14</u>				
RULE 26.7(A): Identified Tracts? <u>yes</u> Affected Persons: <u>only Devon</u> N. Date _____				

Permit Conditions: Issues: _____

Add Permit Cond: add Surf Pipe above Capitan