

RECEIVED  
FEB 2003  
DO NOT use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

## 1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other -proposed oil well

## 2. Name of Operator

Devon Energy Production Company, L.P. /

Wally Frank

Senior Operations Engr.

## 3a. Address

20 N. Broadway, Suite 1500, OKC, OK 73102

## 3b. Phone No. (include area code)

(405)552-4595

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SHL: 1598' FNL &amp; 1097' FWL, Lot 2, Section 7-T22S-R24E, Eddy Cnty, NM

BHL: 660' FNL &amp; 660' FWL, Lot 1, Section 7-T22S-R24E, Eddy Cnty, NM

## 5. Lease Serial No.

NM-NM81219

## 6. If Indian, Allottee or Tribe Name

N/A

## 7. If Unit or CA/Agreement, Name and/or No.

N/A

## 8. Well Name and No.

Old Ranch Canyon "7" Federal #7

## 9. API Well No.

30-015- 32604

## 10. Field and Pool, or Exploratory Area

Indian Basin (Upper Penn) Assoc.

## 11. County or Parish, State

Eddy County

New Mexico

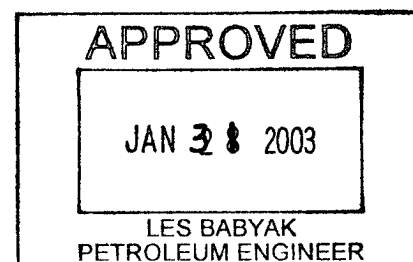
## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>amend</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>APD drilling</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>program</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

At this time Devon Energy wishes to inform you that we are changing the drilling program for the Old Ranch Canyon "7" Federal #7 from a proposed vertical drill to directional with the chosen bottom location as indicated on the plat. Attached please find the following.

1. Well Location and Acreage Dedication Plat (NMOCD form C-102)
2. Directional 7" casing string design sheet



## 14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Candace R. Graham 405/235-3611 X4520

Title

Engineering Tech.

Signature

Candace R. Graham

Date

01/29/2003

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

DISTRICT I  
P.O. Box 1986, Hobbs, NM 88241-1986

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0716

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
P.O. Box 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015- <u>32404</u>	Pool Code 33685	Pool Name Indian Basin (Upper Penn) Assoc.
Property Code 16775	Property Name OLD RANCH CANYON 7 FEDERAL	Well Number 7
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 4000'

Surface Location

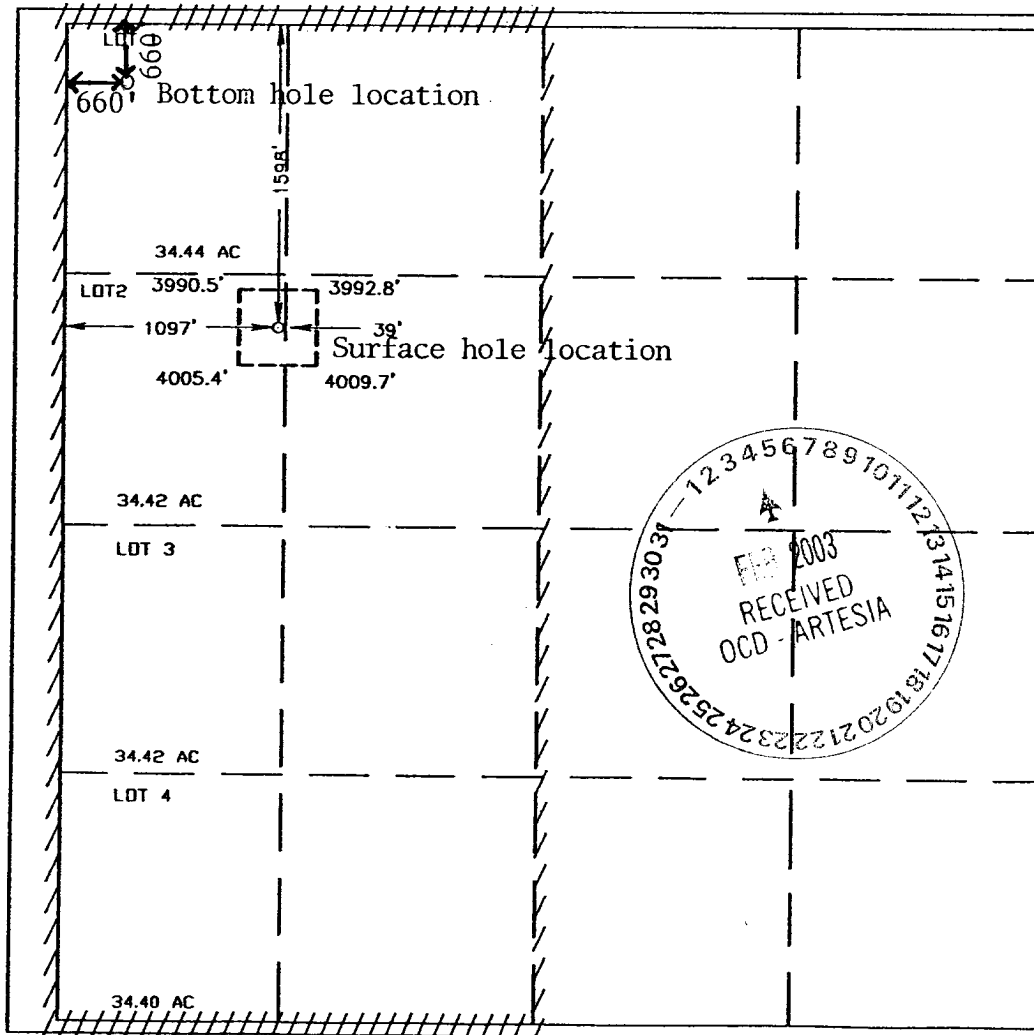
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	7	22-S	24-E		1598'	NORTH	1097'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	7	22-S	24-E		660'	NORTH	660'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Candace R. Graham</u> Signature</p> <p><u>Candace R. Graham</u> Printed Name</p> <p><u>Engineering Tech.</u> Title</p> <p><u>December 4, 2002</u> Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><u>OCTOBER 28, 2002</u> Date Surveyed</p> <p><u>AWB</u> Signature &amp; Seal of Professional Surveyor</p> <p><u>Ronald J. Edson 10/29/02</u> Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641</p>
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Well name: **Old Ranch Canyon 7 Federal #7**  
 Operator: **Devon Energy Production Company L.P.**  
 String type: **Production**  
 Location: **Section 7, T22S, R24E**

**Design parameters:**

**Collapse**

Mud weight: 8.500 ppg  
 Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? Yes  
 Surface temperature: 75 °F  
 Bottom hole temperature: 144 °F  
 Temperature gradient: 0.80 °F/100ft  
 Minimum section length: 1,000 ft

**Burst**

Max anticipated surface pressure: 3,797 psi  
 Internal gradient: 0.000 psi/ft  
 Calculated BHP 3,797 psi

Annular backup: 8.50 ppg

**Tension:**

8 Round STC: 1.80 (J)  
 8 Round LTC: 1.80 (J)  
 Buttress: 1.60 (J)  
 Premium: 1.50 (J)  
 Body yield: 1.60 (B)

**Directional Info - Build & Hold**

Kick-off point 5500 ft  
 Departure at shoe: 1035 ft  
 Maximum dogleg: 1.5 °/100ft  
 Inclination at shoe: 24.51 °

Tension is based on air weight.  
 Neutral point: 7,591 ft

Estimated cost: 79,955 (\$)

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
2	7400	7	23.00	L-80	LT&C	7327	7400	6.25	66374
1	1399	7	23.00	HCL-80	LT&C	8600	8799	6.25	13581

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
2	3235	3770	1.17	3797	6340	1.67	197.8	435	2.20 J
1	3797	5650	1.49	562	6340	11.28	29.3	485	16.57 J

Prepared W.M. Frank  
 by: Devon Energy

Phone: (405) 552-4595  
 FAX: (405) 552-4621

Date: January 29, 2003  
 Oklahoma City, Oklahoma

**Remarks:**

Collapse is based on a vertical depth of 8600 ft, a mud weight of 8.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

*Engineering responsibility for use of this design will be that of the purchaser.*