

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM012121

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
891006783X

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
COTTON DRAW UNIT 204H

2. Name of Operator
DEVON ENERGY PRODUCTION CO
Contact: TRINA C COUCH
Email: trina.couch@dvn.com

9. API Well No.
30-015-41818-00-X1

3a. Address
333 WEST SHERIDAN AVE
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)
Ph: 405-228-7203

10. Field and Pool, or Exploratory,
PADUCA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 26 T24S R31E SESW 0150FSL 1410FWL
32.181872 N Lat, 103.752558 W Lon

11. County or Parish, and State
EDDY COUNTY, NM

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 Change to Original APD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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.)

Due to consistent seepage losses while drilling, Devon Energy Production Company, L.P. respectfully requests to run the DV Tool at 5,500' instead of the 6,000' that was approved in the APD. This will help our chances of getting a full open hole column of cement. Our cement volumes have also been adjusted to account for the tool location change and for the losses. We will now pump 1015 sks of first stage lead, 1340 sks of first stage tail, 285 sks of second stage lead and 315 sks of second stage tail.

Please see attached Drilling Plan

TRC
3/26/14
Accepted for record
NMOCD



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

Electronic Submission #238552 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO LP, sent to the Hobbs
Committed to AFMSS for processing by WESLEY INGRAM on 03/18/2014 (14WWI0099SE)

Name (Printed/Typed) TRINA C COUCH

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 03/12/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE APPROVED

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

MAR 18 2014

/s/ Chris Walls

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CARI SRAD FIELD OFFICE

DRILLING PROGRAM
 Devon Energy Production Company, LP
Cotton Draw Unit 204H

Surface Location: 150' FSL & 1410' FWL, Unit N, Sec 26, T24S R31E, Eddy, NM
 Bottom Hole Location: 330' FNL & 1980' FWL, Unit C, Sec 26, T24S R31E, Eddy, NM

1. Geologic Name of Surface Formation

a. Quaternary

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

a. Fresh Water	300	
b. Rustler	640	Barren
c. Top of Salt	1,033	Barren
d. Base of Salt	4,107	Barren
e. Bell Canyon	4,364	Oil & Gas Shows
f. Cherry Canyon	5,388	
g. Brushy Canyon	6,641	Oil & Gas Shows
h. Bone Spring	8,268	
i. 1st Bone Spring Sand	9,352	Oil & Gas Shows
j. 2nd Bone Spring Sand	9,990	Oil & Gas Shows
k. KOP	9,881	Oil & Gas Shows
l. Target 2nd Bone Spring Sand (0' vert. sec)	10,448	Oil & Gas Shows
m. 2nd Bone Spring Sand Target (Heel)	10,881	Oil & Gas Shows
n. 2nd Bone Spring Sand Target (Toe)	14,958	Oil & Gas Shows

Total Depth 15,158' MD 10,503' TVD

3. Casing Program: (All casing is new and API approved.)

Hole Size	Hole Interval	Casing OD	Casing Interval	Weight	Collar	Grade
17-1/2"	0 - 750'	13-3/8"	0 - 750'	48#	STC	H-40
12-1/4"	750' - 4,350'	9-5/8"	0 - 4,350'	40#	LTC	HCK-55
8-3/4"	4,350' - 15,158'	5-1/2"	0 - 15,158'	17#	DWC	P-110RY

Casing Size	Collapse Design Factor	Burst Design Factor	Tension Design Factor
13-3/8"	1.98	4.44	8.94
9-5/8"	1.87	1.75	3.99
5-1/2" DWC/C	1.52	2.17	2.12

Maximum TVD in lateral: 10,503'

4. Cement Program: (cement volumes Surface 100%/ Intermediate 50% Production based on at least 25% excess):

- 13-3/8" Surface **Lead:** 490 sacks Class C Cement + 1% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 4% bwoc Bentonite + 81.1% Fresh Water, 13.5 ppg
Yield: 1.34 cf/sk
TOC @ surface
Tail: 250 sacks Class C Cement + 1% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 56.2% Fresh Water, 14.8 ppg
Yield: 1.34 cf/sk
TOC @ 555'
- 9-5/8" Intermediate **Lead:** 1240 sacks (60:40) Class C Cement:Poz (Fly Ash): + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 1% bwoc Sodium Metascilicate + 0.25% bwoc FL-52A + 92.7% Fresh Water, 12.6 ppg
Yield: 1.73 cf/sk
TOC @ surface
Tail: 300 sacks (60:40) Poz (Fly Ash): Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.1% bwoc Sodium Metasilicate + 0.5 bwoc BA-10A + 4% bwoc MPA-5 + 65.2% Water, 13.8 ppg
Yield: 1.38 cf/sk
TOC @ 3718'
- 5-1/2" Production **1st Lead:** 1015 sacks (35:65) Poz (Fly Ash):Class H Cement + 3% bwow Sodium Chloride + 3 lbs/sack LCM-1 + 6% bwoc Bentonite + 0.7 bwoc FL-52A + 0.125 lbs/sack Cello Flake + 102.5% Fresh Water, 12.5 ppg
Yield: 2.01 cf/sk
1st Tail: 1340 sacks (50:50) Class H Cement:Poz (Fly Ash) + 5% bwow Sodium Chloride + 0.3% bwoc CD-32 + 0.5% bwoc FL-25 + 0.6% bwoc Sodium Metasilicate + 0.4% bwoc FLA-52A + 57.3% Fresh Water, 14.2 ppg
Yield: 1.28 cf/sk
2 Stage with DV Tool @ 5,500 ft.
2nd Lead: 285 sacks (65:35) Class H Cement:Poz (Fly Ash) + 1% bwoc R-3 + 0.125 lbs/sack Cello Flake + 3% bwoc Sodium metasilicate + 157% Fresh Water, 11.4 ppg
Yield: 2.88 cf/sk
TOC @ 3850' (500' into Int.)
2nd Tail: 315 sacks (60:40) Class C Cement:Poz (Fly Ash) + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.1% bwoc Sodium Metasoilicate + 0.4% bwoc MPA-5 + 65.4% Fresh Water, 13.8 ppg
Yield: 1.37 cf/sk

The above cement volumes could be revised pending the caliper measurement from the open hole logs.

5. Pressure Control Equipment

A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the surface casing shoe. The BOP system used to drill the intermediate hole will be tested per BLM Onshore Oil and Gas Order 2.

A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the intermediate casing shoe. The BOP system used to drill the production hole will be tested per BLM Onshore Oil and Gas Order 2.

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.

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.

6. Proposed Mud Circulation System

<u>Depth</u>	<u>Mud Wt.</u>	<u>Visc</u>	<u>Fluid Loss</u>	<u>Type System</u>
0 - 750'	8.4-9.6	32-34	NC	FW
750' - 4,350'	10.0	28	NC	Brine
4,350' - 15,158'	8.4-10.0	28-30	NC-12	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.

7. Logging, Coring, and Testing Program:

- a. Drill stem tests will be based on geological sample shows.
- b. If a drill stem test is anticipated; a procedure, equipment to be used and safety measures will be provided via sundry notice to the BLM.

- c. The open hole electrical logging program will be:
 - i. Total Depth to Intermediate Casing Dual Laterolog-Micro Laterolog with SP and Gamma Ray. Compensated Neutron – Z Density log with Gamma Ray and Caliper.
 - ii. Total Depth to Surface Compensated Neutron with Gamma Ray
 - iii. No coring program is planned
 - iv. Additional testing will be initiated subsequent to setting the 5 ½” production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

8. Potential Hazards:

- a. No abnormal pressures or temperatures are expected. There is no known presence of H₂S in this area. If H₂S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6 No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 4,800 psi and Estimated BHT 160°. No H₂S is anticipated to be encountered.
- b. Hydrogen Sulfide detection equipment will be in operation after drilling out the 13 3/8” casing shoe until the 5 1/2” casing is cemented. Breathing equipment will be on location upon drilling the 13 3/8” shoe until total depth is reached.

9. Anticipated Starting Date and Duration of Operations:

- a. Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 32 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.