

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO.
30-015-29549

5. Indicate Type of Lease
STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Remuda Basin SWD

8. Well Number

1

9. OGRID Number

6137

10. Pool name or Wildcat

Undes Bell Canyon & Cherry Canyon

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 ☐ Gas Well ☐ Other ☒

RECEIVED

OCT 27 2005

2. Name of Operator

Devon Energy Production Company, LP

OCD-ARTESIA

3. Address of Operator

20 North Broadway Oklahoma City, Oklahoma 73102-8260

(405) 552-7802

4. Well Location

Unit Letter D : 330 feet from the North line and 660 feet from the West line

Section 20 Township 23S Range 30E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3153'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: **CONVERT TO INJECTION** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please see attached for procedure for converting this well for injection purposes.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE _____ TITLE Senior Engineering Technician DATE 10/26/05

Type or print name Stephanie A. Ysasaga E-mail address: Stephanie.Ysasaga@dmv.com Telephone No. (405) 552-7802

For State Use Only

APPROVED BY: _____

Conditions of Approval (if any):

DENIED

DENIED

NOV 2 2005

DISTRICT I
1000 E. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1900 N. Main St., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|------------------|--|---|
| API Number | Pool Code | Pool Name Undesignated Bell Canyon and Cherry Canyon |
| Property Code | Property Name Remuda Basin SWD | Well Number 1 |
| OCED No. 6137 | Operator Name DEVON ENERGY PRODUCTION CO., LP | Elevation 3153' |

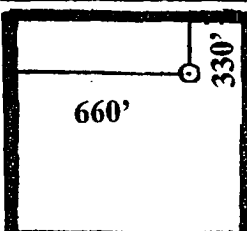
Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot No. D | Section 20 | Township 23S | Range 30E | Lot Ltn | Feet from the 330' | North/South line North | Feet from the 660 | East/West line West | County Eddy |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|

Bottom Hole Location if Different From Surface

| | | | | | | | | | |
|-----------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Ltn | Feet from the | North/South line | Feet from the | East/West line | County |
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | Order No. | | | | | | |

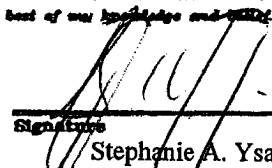
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | | | | | | | | |
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RECEIVED
OCT 27 2005
OCD-ARTESIA

OPERATOR CERTIFICATION

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

Signature: 

Printed Name: Stephanie A. Ysasaga

Title: Senior Engineering Technician

Date: 10/04/05

SURVEYOR CERTIFICATION

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.

REFER TO ORIGINAL PLAT.

Date Surveyed:

Signature & Seal of Professional Surveyor:

Certificate No. Herschel L. Jones RLS 3640

GENERAL SURVEYING COMPANY

DISTRICT I
P. O. Box 1860, Hobbs, NM 88240

DISTRICT II
P. O. Drawer DD, Arisles, NM 88210

DISTRICT III
1000 Mc Bratton Rd., Artes, NM 87410

DISTRICT IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease-4 copies
Fee Lease-3 copies

☐ AMENDED REPORT

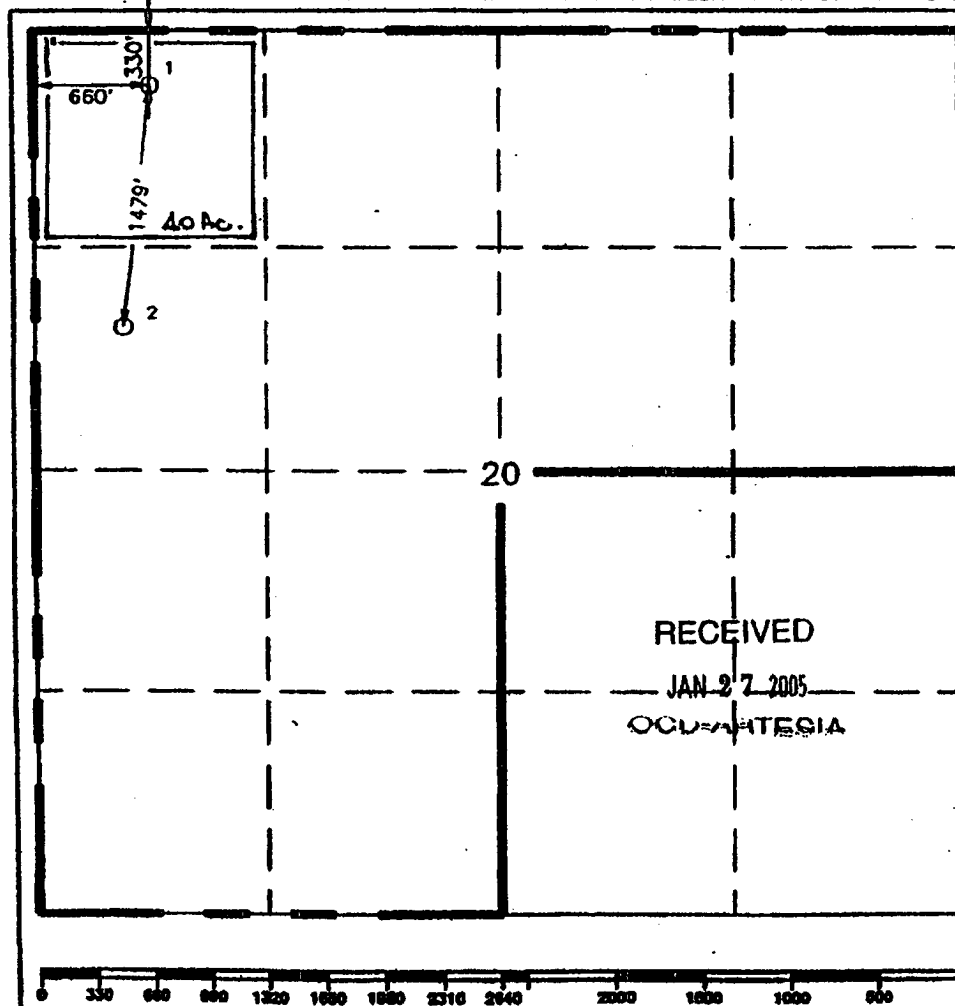
WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|---------------|---------------------------------------|-----------|--|
| API Number | | Pool Code | Pool Name |
| | | | Mesh Draw, Lower Brushy Canyon; Undesignated, Upper Brushy Canyon, Cherry Canyon |
| Property Code | Property Name | | Well Number |
| | Remuda Basin "20" Federal | | 1 |
| OCRD No. | Operator Name | | Elevation |
| 22351 | TEXACO EXPLORATION & PRODUCTION, INC. | | 3153' |

| Surface Location | | | | | | | | | |
|------------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| D | 20 | 23-S | 30-E | | 330' | North | 660' | West | Eddy |

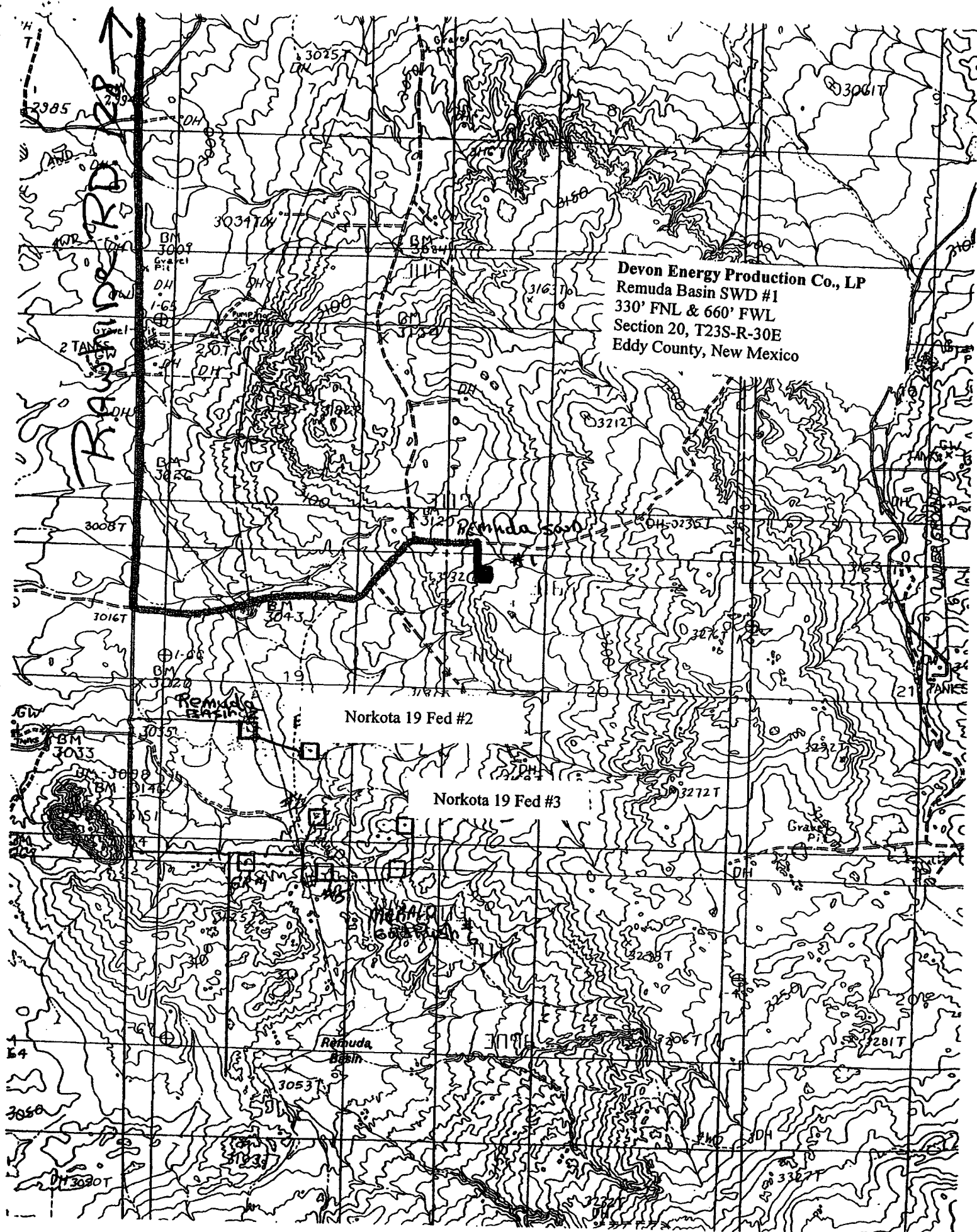
| Bottom Hole Location if Different From Surface | | | | | | | | | |
|--|---------|-----------------|-------|--------------------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| | | | | | | | | | |
| Dedicated Acres | | Joint or Infill | | Consolidation Code | | 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.



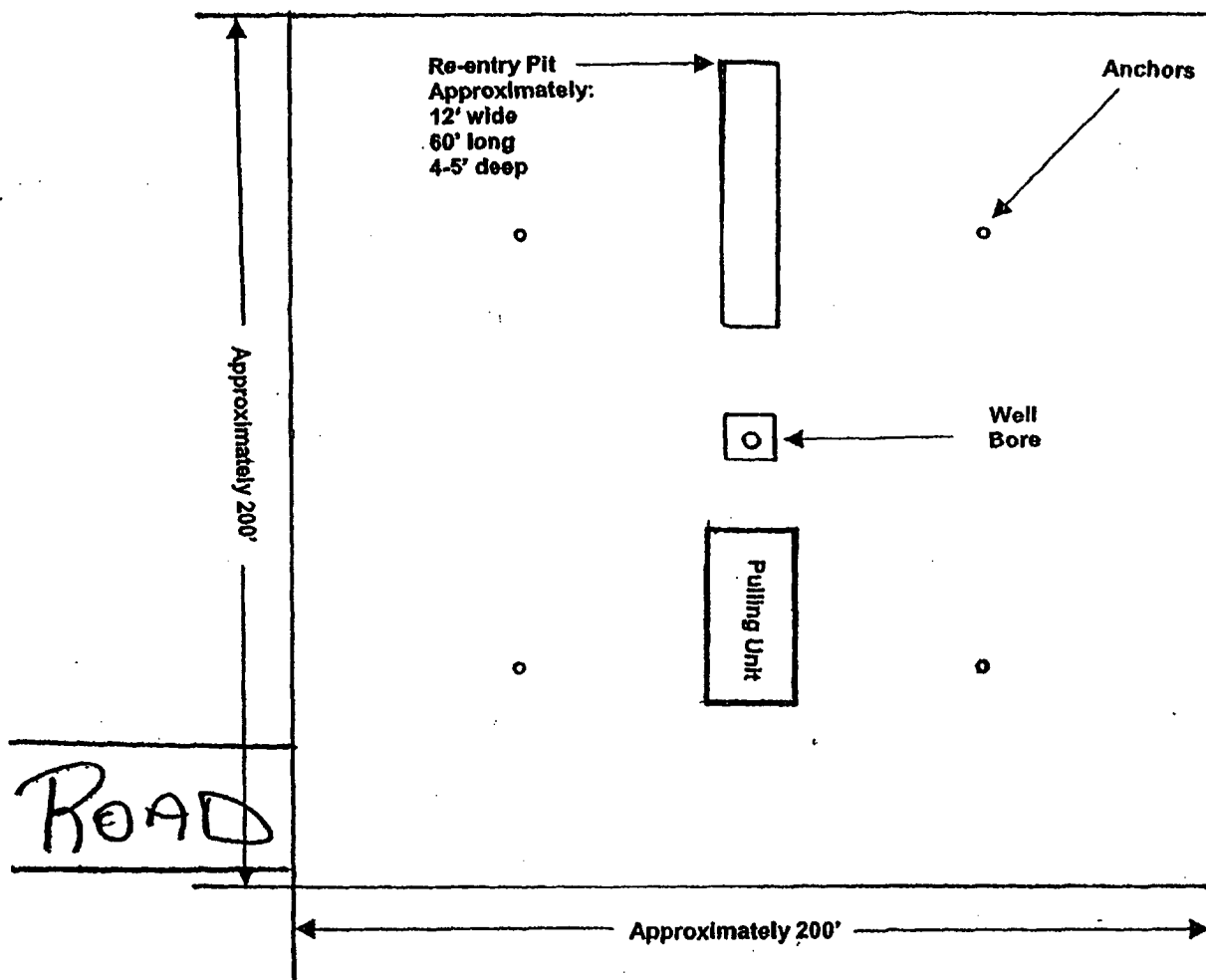
| | |
|---|---------------------------|
| OPERATOR CERTIFICATION | |
| I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. | |
| Signature | <i>C. Wade Howard</i> |
| Printed Name | C. Wade Howard |
| Position | Engineer's Assistant |
| Company | Texaco Expl. & Prod. Inc. |
| Date | February 10, 1997 |
| SURVEYOR CERTIFICATION | |
| 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 knowledge and belief. | |
| Date Surveyed | February 4, 1997 |
| Signature & Seal of Professional Surveyor | <i>John S. Piper</i> |
| Certificate No. | 7264 John S. Piper |
| Sheet 8 of 8 | |

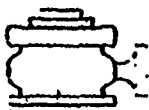
○ = Staked Location ● = Producing Well = Injection Well ◇ = Water Supply Well ✖ = Plugged & Abandon Well



Devon Energy Production Co., LP

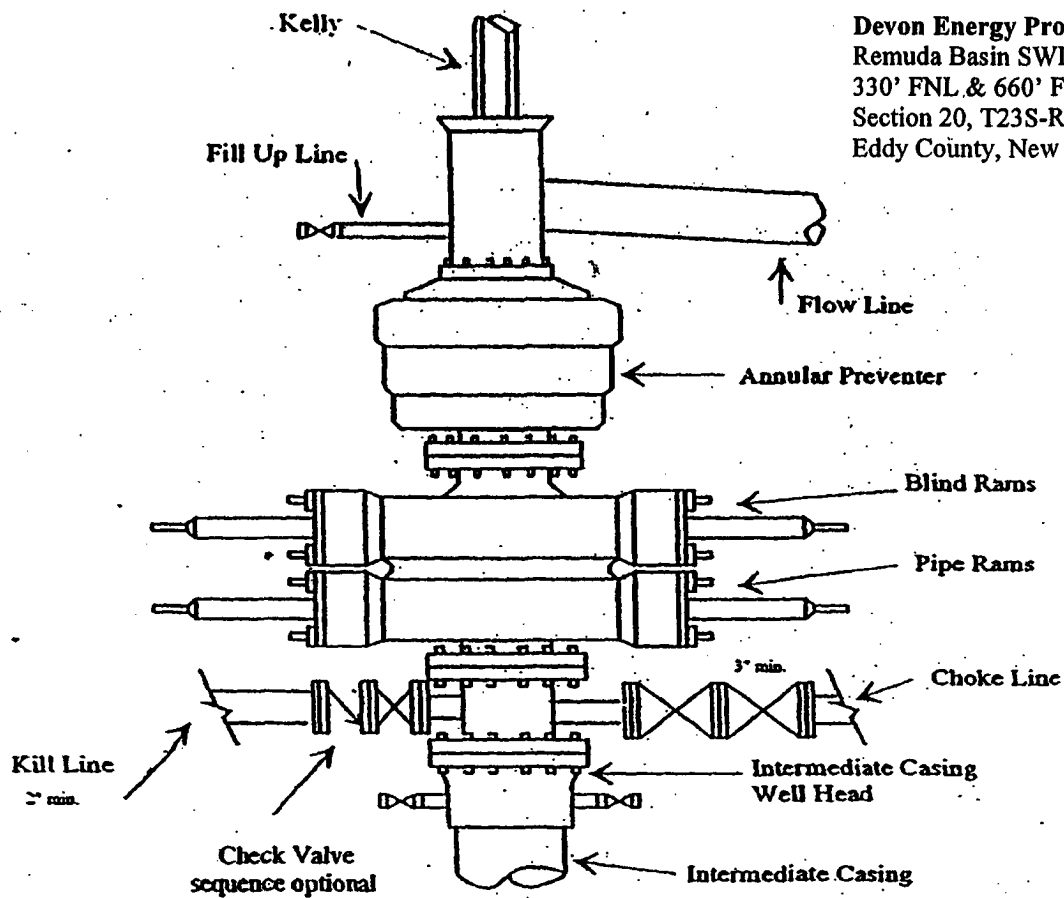
Devon Energy Production Co., LP
Remuda Basin SWD #1
330' FNL & 660' FWL
Section 20, T23S-R-30E
Eddy County, New Mexico





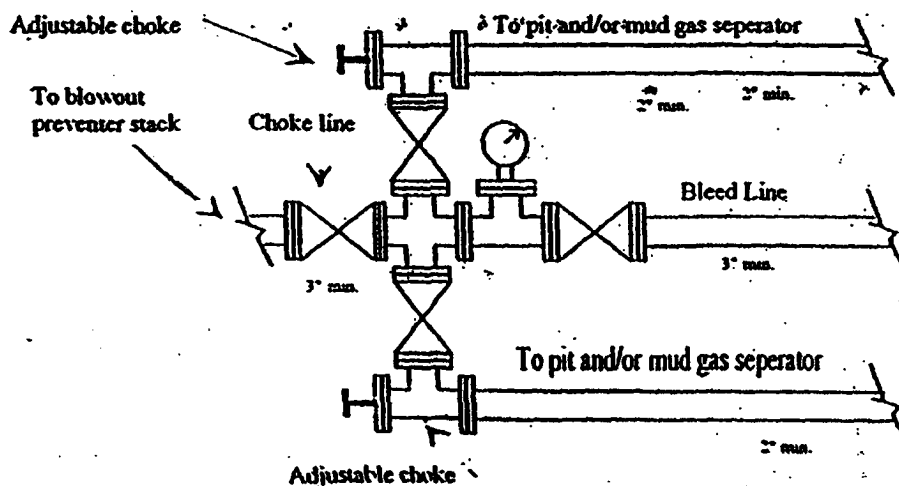
Devon Energy Production Co., LP Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack

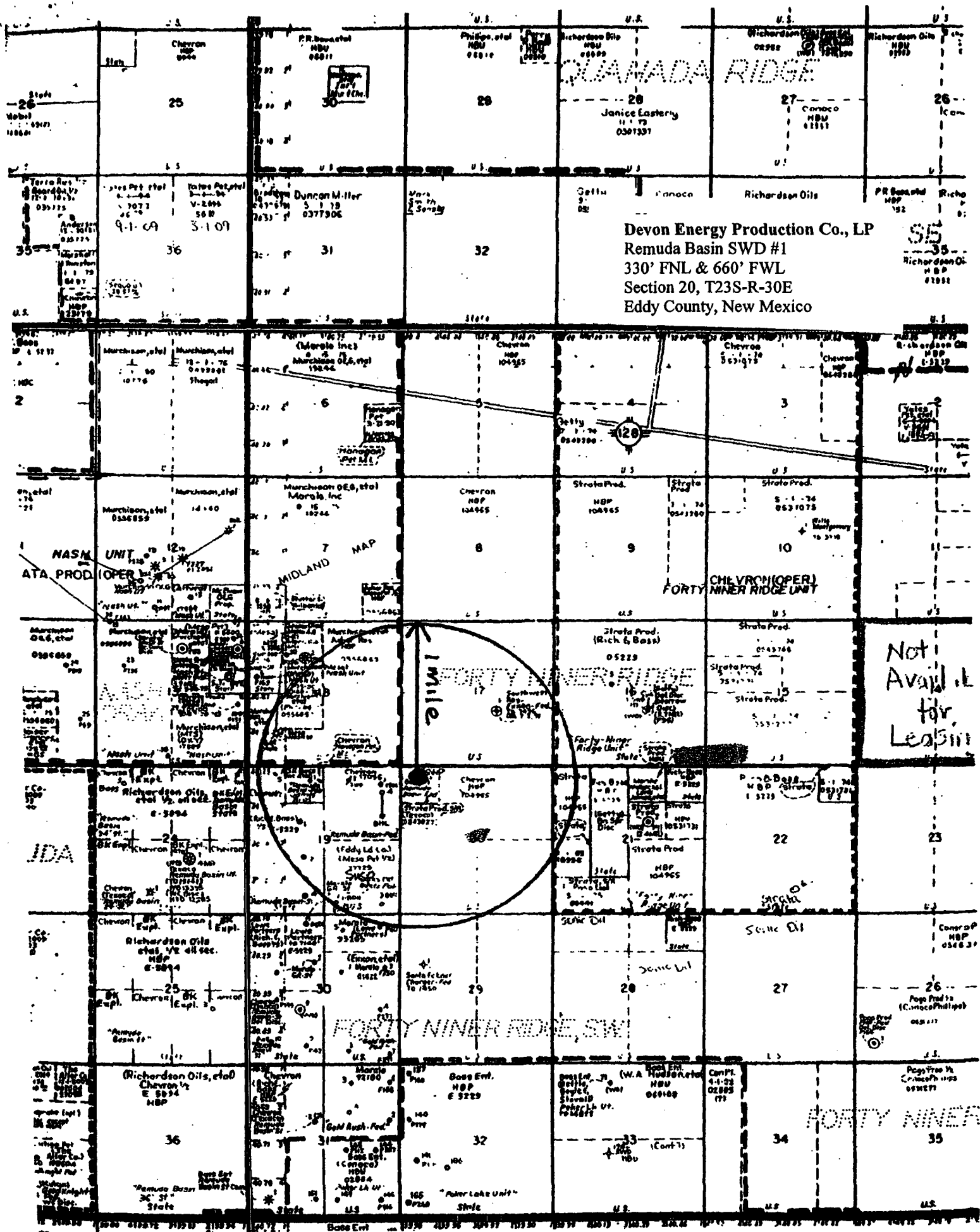
BOP-3



Devon Energy Production Co., LP
 Remuda Basin SWD #1
 330' FNL & 660' FWL
 Section 20, T23S-R-30E
 Eddy County, New Mexico

Typical 3,000 psi choke manifold assembly with at least these minimum features





Devon Energy Production Co., LP

Remuda Basin SWD #1

Drilling Prognosis

Page 2

This well was originally drilled by Texaco Exploration and Production, Inc. as the Remuda Basin 20 Federal #1. It was spudded on April 29, 1997 and TD was reached May 14, 1997.

Devon Energy Production Co., LP proposes to set a CIBP at 6,575' and cap it with 35' of cement. Pressure test casing to 1,000 psig for 30 minutes. Pull a cement bond log to ensure that we have competent cement across the injection interval being 3,800'-4000'.

Correlate to open hole logs and perforate the Bell Canyon from 4124'-36', 4140'-48', 4180'-90', 4196'-4212', and the Cherry Canyon from 4296'-4308'-4380'-90', 4414'-20', 4540'-48', 4572'-82', 4594'-4603', 4614'-20', 4634'-46', 4682'-90', 4696'-4712', 4738'-74'. 1JSPF.

TIH with packer and RBP with ball catcher to isolate the Cherry Canyon perforations (4296,-4774') and acidize with 3000 gallons of 7.5% HCL with 170 ball sealers. Move tools to isolate that Bell Canyon perforations (4124'-4212') and acidize with 7.5% HCL and rock salt. POOH with all tools. TIH with injector packer and PC 2.875" tubing. Set the packer at +/- 4000' and perform a MIT test and put the well on injection.

MUD PROGRAM: Cut Brine (Weight: 8.8, Vis: 28).

BOPE PROGRAM: 3000 # BOPE will be nipped up on 8 5/8" in casing.

Devon Energy Production Co., LP
Remuda Basin SWD #1
 330' FNL & 660' FWL
 Section 20-T23S-R30E
 Eddy County, New Mexico

1. The estimated tops of geologic markers are as follows:

| | | | |
|---------------|-------|---------------------|-------|
| Top of Salt | 410' | Brushy Canyon | 5600' |
| Base of Salt | 1985' | Lower Brushy Canyon | 6990' |
| Delaware Sand | 3490' | Bone Spring Lime | 7250' |
| Cherry Canyon | 4266' | TD | 7500' |
| Manzanita | 4460' | | |

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approx 150'

Oil or Gas: N/A

3. Pressure Control Equipment: BOPE will be installed on the 8 5/8" casing and rated for 3000 BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

Auxiliary Equipment:

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

A. Casing Program: (In Place).

| <u>Hole Size</u> | <u>Casing Size</u> | <u>Wt./Ft</u> | <u>Grade</u> | <u>Coupling</u> | <u>Interval</u> | <u>Length</u> |
|------------------|--------------------|---------------|--------------|-----------------|-----------------|---------------|
| 14 3/4" | 11 3/4" | 42# | WC50 | ST&C | 0-400' | In Place |
| 11" | 8 5/8" | 24#+32# | CF50+WC50 | LT&C | 0-3397' | In Place |
| 7 7/8" | 5 1/2" | 17# | WC50 | LT&C | 0-7500' | In Place |

Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Joint Strength 1.8

B. CEMENTING PROGRAM:

Surface casing: 400 sx Circulate (In Place)

Intermediate Casing: 900 sx Circulate (In Place)

Production Casing: 700 sx (In Place) TOC 3000'

Mud Program and Auxiliary Equipment:

| <u>Interval</u> | <u>Type</u> | <u>Weight</u> | <u>Viscosity</u> | <u>Fluid Loss</u> |
|-----------------|-------------|---------------|------------------|-------------------|
| 0-7500' | Cut Brine | 8.8 | 28 | N/C |

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

6. EVALUATION PROGRAM:

Samples: 10 samples out from under surface casing.
Logging: CBC/GR/CCL TD to Surface.
Coring: None Anticipated.
DST's: None Anticipated.

7. Abnormal Conditions, Bottom hole pressure and potential hazards:
Anticipated BHP:

From: 4774' TO: 7500' Anticipated Max. BHP: 2100 PSI

No abnormal pressures or temperatures are anticipated.

Lost Circulation Zones Anticipated: None.

H2S Zones Anticipated: None

Maximum Bottom Hole Temperature: 186 F

8. ANTICIPATED STARTING DATE:

Plans are to convert this well to disposal as soon as possible after receiving approval. It should take approximately 35 days to complete operations.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

**Devon Energy Production Co., LP
Remuda Basin SWD #1
330' FNL & 660' FWL
Section. 20-T23S-R30E
Eddy County, New Mexico**

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 23 miles southeast of Carlsbad, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

Go east of Carlsbad on Highway 62-180 to State Road 31. Turn south on 31 and to to Highway 128 (Jal Highway). Turn east on 128 and go approx. 4 miles to Rawhide Road (CR-793), Mississippi Potash Mine Shaft #5 here. Turn right on Rawhide Road and go approx. 3 miles. Turn left here on lease road and go east for approx. .3 of a mile to corrals continue past corrals for .4 of a mile to a fork in the road. Take the left fork and go .2 of a mile. The road will fork again. Take the right fork and go .1 of a mile. Turn right here on existing access road and to .1 of a mile to the southwest corner of the existing well location.

2. PLANNED ACCESS ROAD.

- A. No new access will be needed
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. The existing road will be upgraded with drainage on one side. Traffic turnouts may be built.
- D. The route of the road is visible.
- E. Existing roads will be maintained in the same or better condition.

3. LOCATION OF EXISTING WELL

- A. There is drilling activity within a one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. There are production facilities on this lease at the present time.

B. The necessary injection facilities will be installed on the existing well pad.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is planned to drill the proposed well with a cut brine system. The brine will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

Dirt contractor will locate closest pit and obtain any permits and materials needed for construction.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. N/A.

B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.

C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.

D. N/A.

E. Current laws and regulations pertaining to the disposal of human waste will be complied with.

F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill. Burial on site is not approved.

8. ANCILLARY FACILITIES: None

9. WELLSITE LAYOUT:

A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach.

B. The reserve pits will be plastic lined and will face to the north. Devon Energy Corporation is in full compliance with the OCD General Plan for Drilling Pits approved on April 15, 2004.

C. All activity will take place on the existing well pad.

10. PLANS FOR RESTORATION

A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.

B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.

C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level after they have evaporated and dried.

11. SURFACE OWNERSHIP: Federal surface, Administered by the Bureau of Land Management, Carlsbad, New Mexico.

12. OTHER INFORMATION:

- A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- B. The primary surface use is for grazing.

13. OPERATOR'S REPRESENTATIVE

A. Through A.P.D. Approval:

Stephanie Ysasaga
Senior Engineering Technician
Devon Energy Production Company, L.P.
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260
(405) 552-7802 (office)

B. Through Drilling Operations, Completions and Production:

Jim Blount
Operations Engineer Advisor
Devon Energy Production Company, L.P.
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260
(405) 228-4301 (office)
(405) 834-9207 (Cellular)

14. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Devon Energy Production Co., LP and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

10/04/05



Senior Engineering Technician

UNITED STATES DEPARTMENT OF THE INTERIOR

Bureau of Land Management

Roswell Field Office

2909 West Second Street

Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name: **Devon Energy Production Company, LP**
Street or Box: **20 North Broadway, Suite 1500**
City, State: **Oklahoma City, Oklahoma**
Zip Code: **73102-8260**

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described below.

Lease No.: **NM-0543827**

Legal Description of Land: **40 acres 20-23S-R30E**

Formation(s): **Undesignated Bell Canyon & Cherry Canyon**

Bond Coverage: **Nationwide**

BLM Bond File No.: **CO-1104**

Authorized Signature:



Stephanie A. Ysasaga

Title: **Senior Engineering Technician**

Date: **10/06/05**

WELL NAME: Remuda Basin 20 Federal #1 (Texaco) FIELD: Nash Draw Brushy Canyon
 LOCATION: Unit D, 330' FNL & 660' FWL Sec 20-23S-30E Eddy County
 GL: 3153' ZERO: KB: 3165'
 SPUD DATE: 4/29/97 COMPLETION DATE: 5/30/96
 COMMENTS: _____

30-015-29540

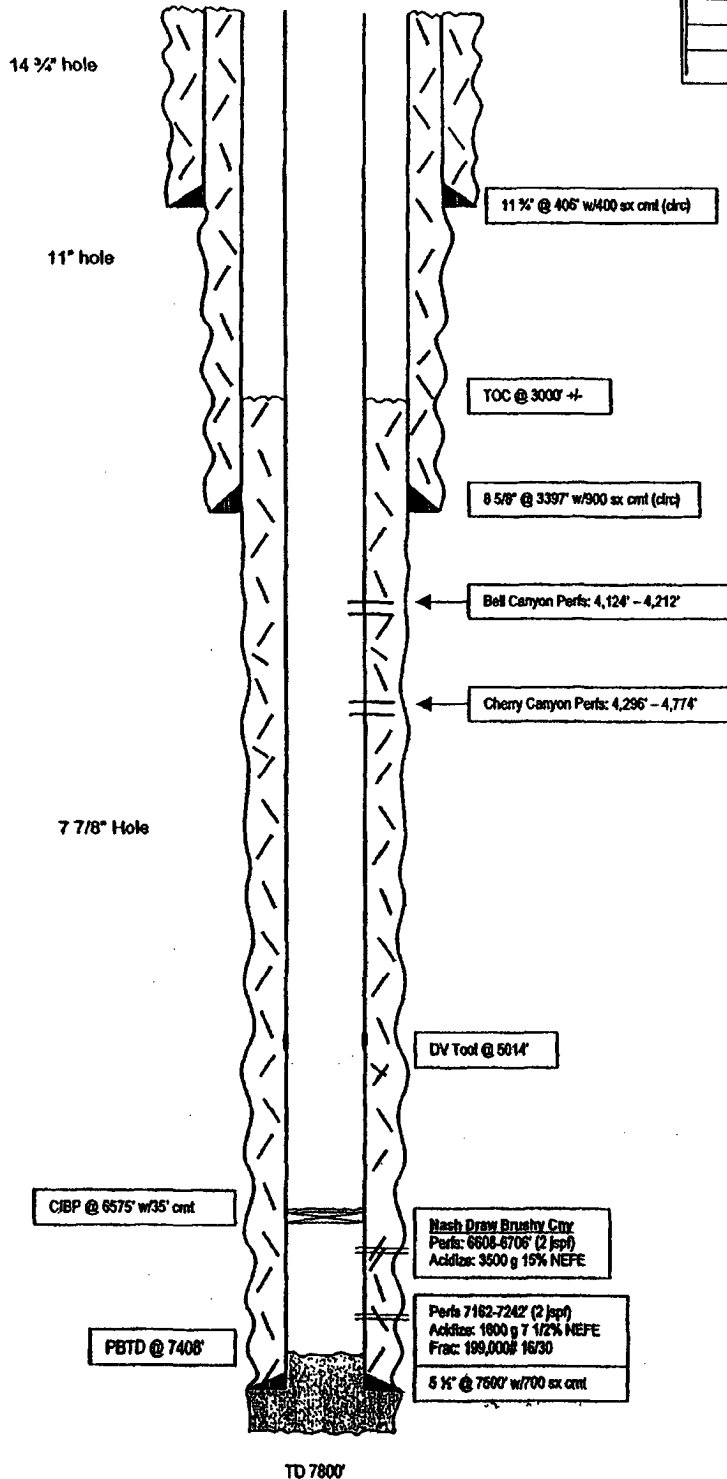
CASING PROGRAM

| | |
|------------------------------|-------|
| 11 1/2" 42# WC50 STC | 406' |
| 8-5/8" 24# 32# CF50&WC50 LTC | 3397' |
| 5 1/2" 17# WC50 LTC | 7500' |
| | |
| | |

After

TOPS

| | |
|--------------|-------|
| T Salado | 410' |
| B Salado | 1985' |
| Delaware Sd | 3490' |
| Cherry Cny | 4266' |
| Manzanita | 4460' |
| Brushy Cny | 5600' |
| L Brushy Cny | 6990' |
| Bone Spring | 7250' |



Not to Scale
12/21/04
Cam

WELL NAME: Remuda Basin 20 Federal #1 (Texaco) FIELD: Nash Draw Brushy Canyon
 LOCATION: Unit D, 330' FNL & 660' FWL Sec 20-23S-30E Eddy County
 GL: 3153' ZERO: KB: 3165'
 SPUD DATE: 4/29/97 COMPLETION DATE: 5/30/96
 COMMENTS:
 30-015-29540

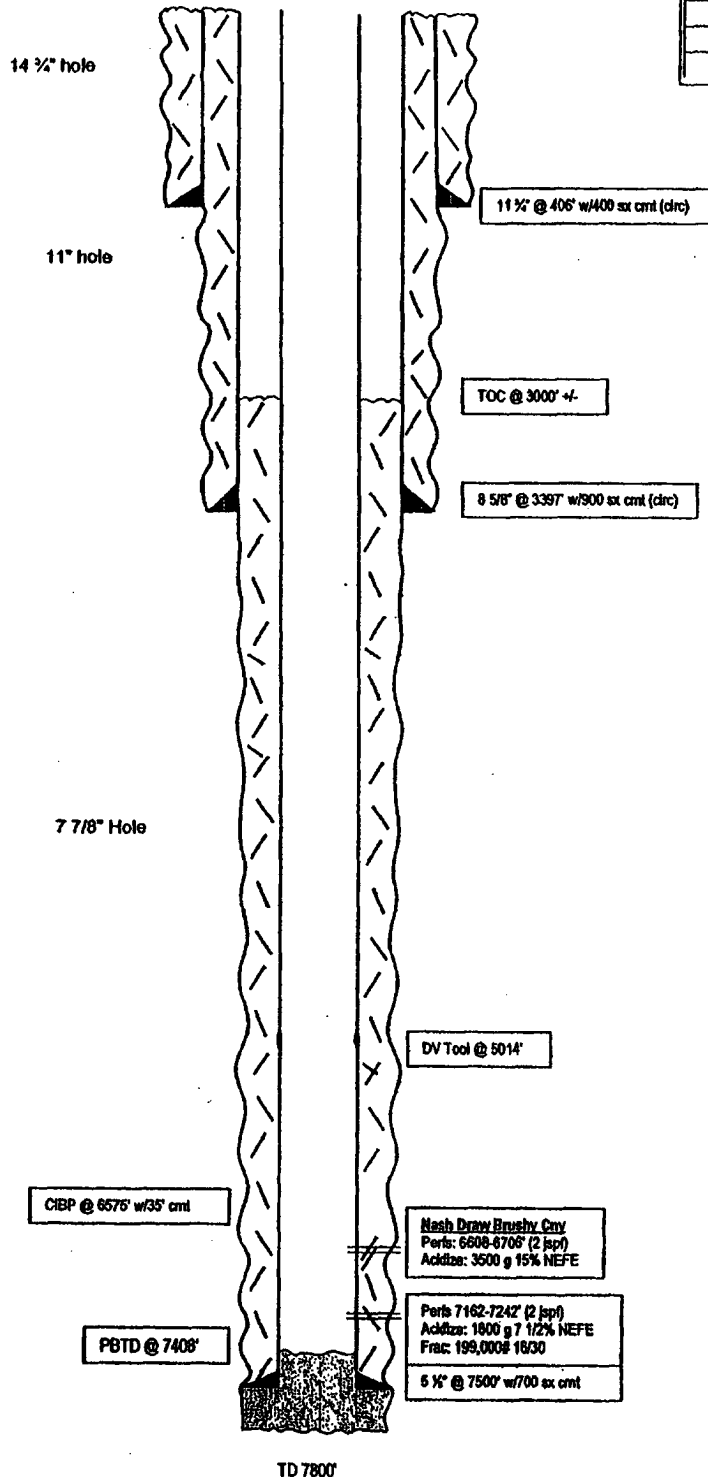
CASING PROGRAM

| | |
|------------------------------|-------|
| 11 3/4" 42# WC50 STC | 408' |
| 8-5/8" 24# 32# CF50&WC50 LTC | 3397' |
| 5 1/2" 17# WC50 LTC | 7500' |
| | |
| | |
| | |

Before

TOPS

| | |
|--------------|-------|
| T Salado | 410' |
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| Bone Spring | 7250' |



Not to Scale
 12/21/04
 Cam