

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OGD ARTESIA CONSERVATION
ARTESIA DISTRICT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

OCT 20 2017

RECEIVED

5. Lease Serial No. NMNM046525 ✓
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No. NMNM70928X ✓
8. Well Name and No. COTTON DRAW UNIT 153H ✓
9. API Well No. 30-015-38535
10. Field and Pool or Exploratory Area COTTON DRAW; DEAWARE, S
11. County or Parish, State EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator ✓ DEVON ENERGY PROD CO., L.P. Contact: LINDA GOOD E-Mail: linda.good@dvn.com	
3a. Address 333 WEST SHERIDAN AVE. OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405-552-6558
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T25S R31E Mer NMP NWNE 200FNL 1980FEL ✓	

12. CHECK THE 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"/> Hydraulic Fracturing	<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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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 recomplete 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Devon Energy Production Co., LP respectfully requests to Temporary Abandoned the Cotton Draw Unit 153H. This well is not capable of producing in its current state, is not economic to perform the required artificial lift work needed to restore production in this price environment. We would like to pull the tbg out of the hole, isolate the perforations of the well and perform Mechanical Integrity Test to remain in compliance with the expiring shut in sundry and give the team a chance to either evaluate another utility for the wellbore or ballot partners for plugging if no other utility is found.

APPROVED

Proposed procedure is as follows.

Accepted for record

SEE ATTACHED FOR CONDITIONS OF APPROVAL

- MIRU workover rig
- Bleed off any pressure and kill the well as necessary to ND wellhead and NU BOP

Limit of five year idle well guidance expires 01/2021

WITNESS:

14. I hereby certify that the foregoing is true and correct. Electronic Submission #389145 verified by the BLM Well Information System For DEVON ENERGY PROD CO., L.P., sent to the Carlsbad	
Name (Printed/Typed) LINDA GOOD	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 09/20/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>PP Swartz</i> <u>09/28/2017</u>	Title <i>J PET</i>	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
		BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

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 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 page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #389145 that would not fit on the form

32. Additional remarks, continued

- 3) Pull 2-7/8" tbg. Lay down tbg while coming out of hole. Send in for inspection and credit to the well.
- 4) Rig up wireline, RIH with CIBP and set at 8200' MD
 - a. Top perf is at 8,413' MD which is 8,191' TVD. CIBP proposed depth is 8,200' MD which is 8,100' TVD and lays at approximately 55 degrees in the curve.
- 5) RD Wireline
- 6) Rig up pump truck with chart to perform MIT. Load hole and pressure up to 500 psi and chart for 30 minutes.
- 7) RDMO equipment, leave well shut in at surface.

Attachments: Current Schematic & Proposed TA Schematic.

Conditions of Approval
Devon Energy Production Co.
Cotton Draw Unit 153H, API 3001538535
T25S-R31E, Sec 03, 330FNL & 1980FEL

Within 90 days of these conditions of approval for the processed Electronic Submission #389145 notice of intent approval expires.

Well has no record of beneficial use since month of 01/2016.

Operator is to have the BLM approved NOI procedure with applicable conditions of approval on location for this workover operation.

A temporarily abandoned well defined as a completion not capable of production in paying quantities but which may have value as a service well.

Temporary Abandonment (TA) BLM Status Approval Requires:

1. A Notice of Intent (NOI) Sundry (Form 3160-5) requesting approval to prepare the wellbore for a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A subsequent sundry report that describes compliance:
 - a. Submit, email to pswartz@blm.gov or attach to the subsequent report of TA preparation an electronic copy of the CBL taken 10/08/2011.
 - b. All downhole production artificial lift equipment (tubing, rods, etc.) removed from casing. A wellbore with a packer set just above producing or injection perforations with annulus integrity above the packer, and loaded with corrosion inhibiting fluid considered for TA status by passing a Mechanical Integrity Test.
 - c. A cast iron bridge plug or packer installed within 100 feet above perforations or open hole of open formations.
 - d. Where the formation may be reopened 35 feet cement bailed on the CIBP.
 - e. Open formations below potential production plugged back per permanent plugging procedures. **Set a CIBP above the top perforations of a formation permanently abandoned and cap with a minimum of 25 sacks cement placed with tubing. Also, cover the formation top with a minimum of 25 sacks cement placed with tubing.** A cement plug requires the top of the set cement verified by a tubing tag.
 - f. At least 24 hours prior to conducting the Mechanical Integrity Test, contact the appropriate BLM office. Eddy County call Carlsbad 575-361-2822. Lea County call Hobbs 575-393-3612.
 - g. Documentation of a 500psig minimum BLM witnessed Mechanical Integrity Test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 35 to 75 per cent of its full range. Greater than 10% pressure leakoff viewed as a failed MIT. Verify all annular casing vents plumbed to surface and those valves open to the surface during this pressure test. Pressure leakoff will be evaluated site specifically and affect approvals.

3. Submit a Subsequent Sundry Notice (Form 3160-5) requesting TA approval with a description of the preparation for temporary abandonment approval, a clear copy or the original Mechanical Integrity Test chart, a current wellbore diagram, and **justification for not plugging**. Justification is listing the proposed beneficial use and reasonable expected dated events to initiate a conversion to beneficial use. Often overlooked is a backlog of wells that have no potential beneficial use (should have been plugged and abandoned) that create a status surplus.
4. This BLM TA NOI Approval is for WELLBORE PREPARATION ONLY. BLM IS NOT APPROVING TA Status FOR THIS WELL. If warranted, TA approval status for a specified time limit noted with BLM acceptance of the subsequent report of preparations and justification.
5. Should Mechanical Integrity Test not prove wellbore integrity or not be conducted submit a procedure to repair or plug and abandon the well for BLM approval within 30 days of the MIT.

Operator: Devon Energy Production Co., L.P.
Surface Lease: NM046525 **BHL: NM046525**
Case No: NM046525 **Lease Agreement**
Subsurface Concerns for Casing Designs: KFC
 Well Status: OSI
 Spud date: 8/20/2011
 Plug'd Date:
 Reentry Date:

Well: COTTON DRAW UNIT-153H
API: 3001538535
@ Srfce: T25S-R31E,03.200n1980e
@ M TD: T25s R31E,03.798s720w
Estate: F\F\F
CWDW, R of W:
OCD Admn Order, date:
Frmtn, Depths, psig:

KB: 3445
 GL: 3445
 Corr: 0

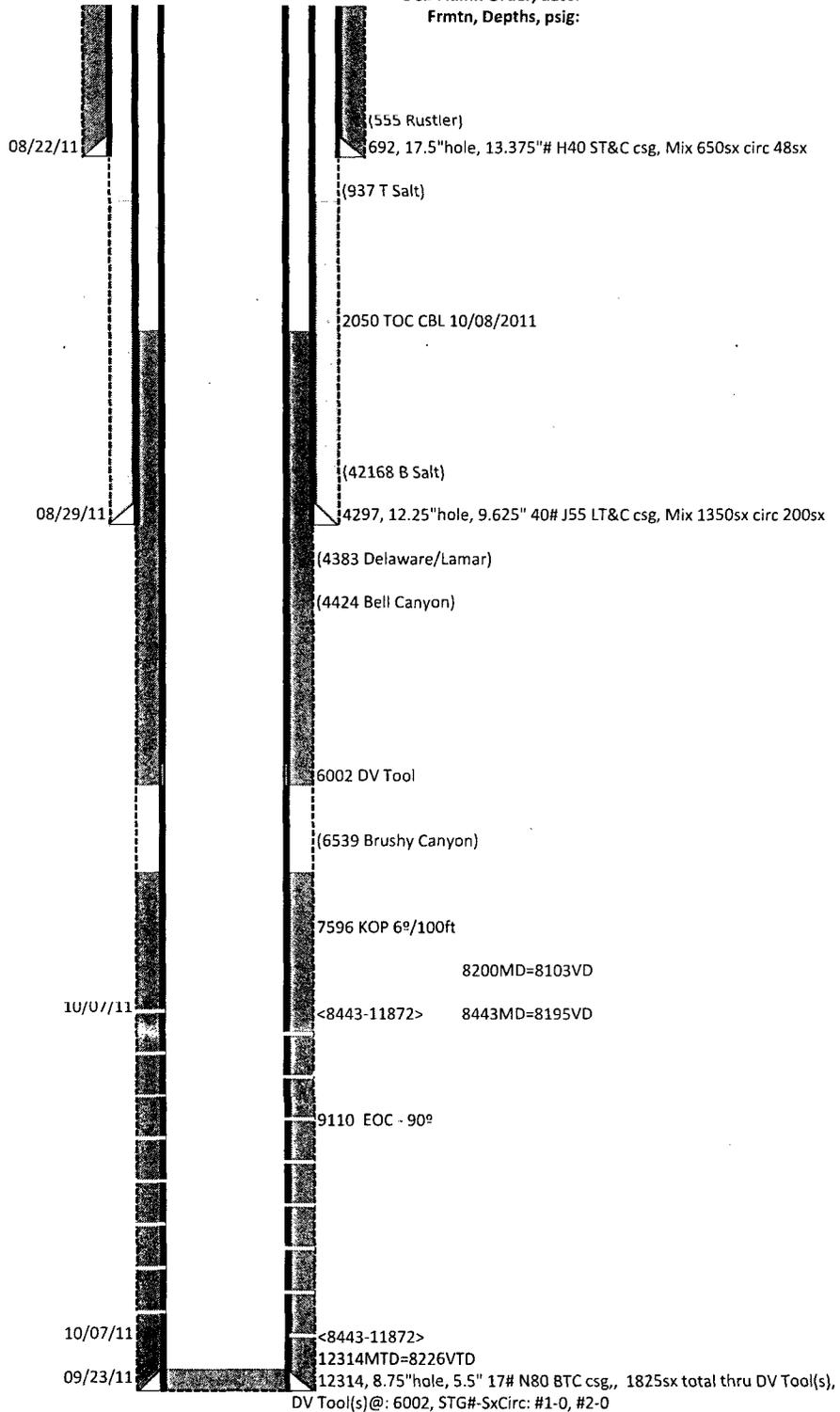


Diagram last updated: 09/28/2017