Form 3160-5 (February 2005)

## **UNITED STATES** DEPARTMENT OF THE INTERIOR

OCD-ARTHMA FORM APROVED OMB NO. 1004-0137

5. Lease Serial No.

EXPIRES: March 31, 2007

JAMES A. AMOS

SUPERVISOR-EPS

## BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS

NM 97137 Do not use this form for proposals to drill or to re-enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals SUBMIT IN TRIPLICATE - Other instructions on page 2 7. Unit or CA Agreement Name and No. **FER 0.8 5008** 1. Type of Well ✓ Oil Well Gas Well Other 8 Well Name and No OCD-ARTESIA 2. Name of Operator **Gunnison 34 Federal 1** 9. API Well No. **DEVON ENERGY PRODUCTION COMPANY, LP** 3b. Phone No. (include area code) 30-015-27760 20 North Broadway, Ste 1500, Oklahoma City, OK 73102 405-552-4615 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Ingle Wells; Delaware 11. County or Parish, State 1880' FSL 2180' FEL 34 T25S R31E NM 12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OS SUBMISSION TYPE OF ACTION Production (Start/Resume) \_\_ Water Shut-Off Acidize Deepen ✓ Notice of Intent ☐ Well Integrity Alter Casing Fracture Treat Reclamation Other ☐ Subsequent Report Casing Repair New Construction Recomplete Temporarily Abandon Change Plans ✓ Plug and Abandon Final Abandonment Notice Water Disposal ☐ Plug Back Convert to Injection Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work and approximate duration thereof If the proposal deepen directionally or recomplete honzontally, give subsurface location 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 requirement, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection) 1. MIRU PA Rig. TOH w/2-7/8" tubing & rod pump. Circulate wellbore w/10# mud. 2. TIH & set CIBP @ 6,740'. Dump 35' cement. (Top Delaware perf @ 6778') 3. Cut 5-1/2" casing @ 4,220'. POOH & lay down casing. 4. Spot 50 Sx stub plug @ 4,260'. (8-5/8" shoe @ 4,209'). WOC & Tag. (Calc. PBD @ 4,043'). (Est. base of salt @ 4000') 5. Spot 30 Sx plug @ 1,250'. (Calc. PBD @ 1,135') (Est. top of salt @ 1,250') 6. Spot 30 Sx plug @ 684'. (11-3/4" shoe @ 634'). WOC & Tag. (Calc. PBD @ 569'). 7. Circulate 30 Sx (115') for surface plug. 8. Cut wellhead off, set dry hole marker, clean location. ACCEPTED FOR RECORD SEE ATTACHED FOR CONDITIONS OF APPROVAL FFR 12 2008 Gerry Guye, Deputy Field Inspector 4. I hereby certify that the foregoing is true and correct NMOCD-District II ARTESIA Title Name: Ronnie Slack **Engineering Technician** Virk Signature 1/30/2008 APPROVED THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by Title Date FFR 6 2008

entitle the applicant to conduct or operations thereon. 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

Conditions of approval, if any are attached. Approval of this

equitable title to those rights in the subject lease which would

notice does not warrant or certify that the applicant holds legal or

DEVON ENERGY PRODUCTION COMPANY LP	
Well Name: GUNNISON 34 FEDERAL #1	Field: INGLE WELLS
Location: 1880' FSL & 2180' FEL; SEC 34-T25S-R31E	County: EDDY State: NM
Elevation: 3340' GL	Spud Date: 1/18/94 Completed: 11/19/06
API#: 30-015-27760 Prepared by: Ronnie Slack	Date: 1/30/08 Rev:
PROPOSED PLUG & ABANDONMENT  14-3/4" Hole	Proposed PA  1. Circ 30 Sx surface plug @ 115'. 2. Cut wellhead off, set dry hole marker, clean location  Proposed PA  Proposed PA
11-3/4", 42#, H40, STC, @ 634' Cmt'd w/425 Sx to surface	1. Spot 30 Sx plug @ 684'. (Calc. PBD @ 569') 2. WOC & Tag  Proposed PA
10	1. Spot 30 Sx plug @ 1,250'. (Calc. PBD @ 1,135') 2. Est top of salt @ 1,250'
11" Hole 8-5/8", 32#, K55, @ 4,209' Cmt'd w/1518' Sx to surface  TOC @ 4,240' (CBL-9/14/06)	Proposed PA 1. Cut 5-1/2" casing @ 4,220'. TOH & LD casing. 2. Spot 50 Sx stub plug @ 4,260' 3. WOC & Tag. (Calc. PBD @ 4,043') 4. Est base of salt @ 4,000'
	Proposed PA 1. Circulate wellbore w/10# mud  Proposed PA 1. Set CIBP @ 6,740'. Dump 35' cement. (PDB @6705')
DELAWARE (9/14/06) 6,778' - 6,782	# Mud RBP @ 7,209' (11/13/06)
DELAWARE (9/14/06) 8,159' - 8,165' 8,208' - 8,212' 8,226' - 8,230'	35' cement. PBD @ 8,074' (9/23/06) CIBP @ 8,109' (9/23/06)
9/15/06-acidized w/42 bbls 7 5%  7-7/8" Hole  5-1/2", 17#, N80, LTC, @ 8,406' Cmt'd w/981 Sx. TOC @ 4240' (CBL)	PBD @ 8,286' Float Collar @ 8,313'  Tagged TOC @ 8,406' (9/8/06) 50 Sx plug @ 8,504' (9/6/06)
Original hole drilled to 9400'	\$ 000' TD

**DEVON ENERGY PRODUCTION COMPANY LP** Well Name: GUNNISON 34 FEDERAL #1 Field: INGLE WELLS Location: 1880' FSL & 2180' FEL; SEC 34-T25S-R31E County: EDDY State: NM Elevation: 3340' GL Spud Date: 1/18/94 Completed: 11/19/06 API#: 30-015-27760 Prepared by: Ronnie Slack Date: 1/28/08 Rev: **CURRENT SCHEMAT** 14-3/4" Hole 11-3/4", 42#, H40, STC, @ 634' Cmt'd w/425 Sx to surface 11" Hole 8-5/8", 32#, K55, @ 4,209' Cmt'd w/1518' Sx to surface TOC @ 4,240' (CBL-9/14/06) 2-7/8", 6.5#, N80 production tubing 7/8", 3/4", 1" rod string TAC @ 6,740' (11/13/06) **DELAWARE** (9/14/06) 6,778' - 6,782 Sqzd 6778-6782 w/20 bbls cmt -10/5/06 acidized w/500 gals 6,910' - 6,920 SN @ 7,007' acidized w/1000 gals Fraced 6910-6920 w/31K# RBP @ 7,209' (11/13/06) 7,434' - 7,438' acidized w/500 gals 7,696' - 7,702' acidized w/500 gals Fraced 7696-7702 w/28K# 3/2/7/3/2/ 35' cement. PBD @ 8,074' (9/23/06) **DELAWARE** (9/14/06) CIBP @ 8,109' (9/23/06) 8,159' - 8,165' 8,208' - 8,212' 8,226' - 8,230' 9/15/06-acidized w/42 bbls 7.5% PBD @ 8,286' Float Collar @ 8,313' 7-7/8" Hole 5-1/2", 17#, N80, LTC, @ 8,406' Tagged TOC @ 8,406' (9/8/06) Cmt'd w/981 Sx. TOC @ 4240' (CBL) 50 Sx plug @ 8,504' (9/6/06) Original hole drilled to 9400' 9400' TD

Devon Energy Production Co LP. NMNM97137; Gunnison 34 Federal 1 1880' FSL & 2180' FEL Section 34, T. 25 S., R. 31 E. Eddy County, New Mexico

RE: Plugging and Abandonment, Conditions of Approval

Step 4, set a 295' balanced plug adequate to cement from 4270' – 3975'. WOC and tag no lower than 3975.

Step 5, top of salt at 1416', set a 100' balanced plug from 1466' – 1366'.

Step 6, tag plug no lower than 584.

If you have any questions, please contact Jim Amos at 505-234-5909.

J. Amos, 2/6/08

## BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

## Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length! Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

- 6. <u>Dry Hole Marker</u>: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**
- 8. <u>Trash:</u> All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.