

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-079082
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator DEVON ENERGY PRODUCTION CO LP		7. If Unit or CA Agreement, Name and No. 19641
Contact: PATTI RIECHERS E-Mail: patti.riechers@dvn.com		8. Lease Name and Well No. NORTHEAST BLANCO UNIT 457A
3a. Address 20 N BROADWAY, SUITE 1500 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405.228.4248 Fx: 405.228.4848	9. API Well No. 30045-32138
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface SENW Lot F 2030FNL 585FWL At proposed prod. zone SENW Lot F 2030FNL 585FWL		10. Field and Pool, or Exploratory FRUITLAND COAL
14. Distance in miles and direction from nearest town or post office* APPROXIMATELY 28 MILES NORTHEAST FROM AZTEC, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 30 T31N R7W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 585	16. No. of Acres in lease 1022.45	12. County or Parish SAN JUAN
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 3323 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6292 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 250.65 301.45 250.65
23. Estimated duration 20 DAYS		20. BLM/BIA Bond No. on file

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) PATTI RIECHERS	Date 01/16/2004
Title AUTHORIZED SIGNATURE		
Approved by (Signature) WAYNE TOWNSEND	Name (Printed/Typed) WAYNE TOWNSEND	Date 3/9/04
Title Acting AFM	Office FFO	

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

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.

Additional Operator Remarks (see next page)

Electronic Submission #26841 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO LP, sent to the Farmington

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

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

NMOC

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Form C-102
Revised February 21, 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

¹ API Number 30-045-32138	² Pool Code 71629	³ Pool Name Fruitland Coal
⁴ Property Code 19641	⁵ Property Name NEBU	⁶ Well Number # 457A
⁷ OGRID No. 6137	⁸ Operator Name Devon Energy Production Company, L.P.	⁹ Elevation 6292

¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	30	31 N	7 W		2030	NORTH	585	WEST	SAN JUAN

¹¹ 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
									SAN JUAN

¹² Dedicated Acres 250.45	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. R-8889
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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>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature Patti Biechers</p> <p>Printed Name Patti Biechers</p> <p>Title Engineering Tech</p> <p>Date 1/15/2004</p>
	<p>18 SURVEYOR CERTIFICATION</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>Revised: September 29, 2003 August 18, 2003</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>7016 Certificate Number</p>

(R) - GLO Record

**NEBU 457A
Unit F 30-31N-7W
San Juan Co., NM**

DRILLING PLAN

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS & ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:

Formation	TVD (ft)	Hydrocarbon/Water Bearing Zones
San Jose	Surface	
Ojo Alamo	2109	Aquifer
Kirtland	2227	
Fruitland	2798	Gas
1 st Frlid Coal	2898	Gas
Upper PC Sand Tongue	3162	Gas
Lower FRLD	3183	Gas
Pictured Cliffs	3223	Gas
TD	3323	

All shows of fresh water and minerals will be adequately protected and reported. A 100' sump will be drilled into the Picture cliffs. A mud logger will be on location collecting samples and measuring gas levels. Should the Picture Cliffs interval appear to be productive the sump will be filled with cuttings and abandoned

2. PRESSURE CONTROL EQUIPMENT:

All well control equipment shall be in accordance with Onshore Order #2 for 2M systems.

The minimum specifications for pressure control equipment that will be provided are included on the attached schematic diagram, which shows the size, and pressure ratings.

2000# BOP With Pipe Rams and 2000# BOP With Blind Rams

Auxiliary equipment to be used:

- Upper kelly cock with handle available.

The manifold includes appropriate valves and adjustable chokes. The kill line will have one check valve. Ram type preventers will be pressure tested to full working pressure (utilizing a test plug) or 70% of the internal yield pressure (without a test plug) at:

- Initial installation

- Whenever any seal subject to test pressure is broken
- Following related repairs
- At 30 day intervals

Pipe and blind rams shall be activated each trip.

A BOPE pit level drill will be conducted weekly for each drilling crew.
All tests and drills will be recorded in the drilling log.

The accumulator will have sufficient capacity to close all rams and retain 200 psi above pre-charge pressure without the use of closing unit pumps.

Master controls will be at the accumulator. Anticipated bottom hole pressure is 1000 psi.

3. **CASING & CEMENTING PROGRAM:**

A. The proposed casing program will be as follows:

TVD	Hole Size	Size	Grade	Weight	Thread	Condition
0-285	12-1/4"	9-5/8"	H-40	32#	STC	New
0-2890	8-3/4"	7"	K-55	23#	LTC	New
0- TD	6-1/4"	5-1/2"*	K-55	15.5 #	LTC	New

The 9-5/8" surface pipe will be tested to 750 psi. All casing strings below the surface shoe shall be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi, whichever is greater, but not to exceed 70% minimum internal yield.

Surface: The bottom three joints of the surface casing will have a minimum of one centralizer per joint and one centralizer every joint thereafter (Total 5 centralizers estimated)

7" Casing: The bottom three joints of the 7" casing will have a minimum of one centralizer per joint and one centralizer every fifth joint thereafter to above Ojo Alamo with turbolizers below and throughout the Ojo Alamo. (Total 12 centralizers, 3 turbolizers estimated).

B. The proposed cementing program will be as follows:

Surface String: 9-5/8" Surface cemented in a 12-1/4" hole at 285'.
32.3# H-40 ST&C 8 Rnd
Saw tooth guide shoe
Cemented with 200 sacks Class B mixed at 15.6 ppg w/.25 pps
Celloflake, 2% calcium chloride. Yeild 1.19 ft3/sx ,cement
Designed to circulate to surface.

Production String: 7" Production casing cemented in an 8-3/4" hole
 23# J-55 LT&C 8 Rnd
 Float collar
 Joint
 Float Shoe
 Cement with 500 sacks Class B 50/50 POZ, 3% gel, 5# gilsonite,
 1/4" # Flocele, .1% CFR 3, .2% Halad 344, yield 1.47 ft³/sx.
 Cement designed to circulate to surface.
 Pending hole conditions, cement baskets may be installed above
 TD

Liner: 5-1/2" liner*
 15.5# J-55 LT&C 8 Rnd
 Shoe
 Not Cemented

* May not be run pending hole conditions.

If well does not respond to proposed to completion, the 5 1/2 " liner will be cemented using class B 50/50 POZ, 3% gel, 5# gilsonite, 1/4" # Flocele, .1% CFR 3, .2% Halad 344, yield 1.47 ft³/sx.

4. DRILLING FLUIDS PROGRAM:

TVD	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-285'	Spud	8.4-9.0	29-70	8.0	NC	FW gel,
285-2890'	LSND	8.4-9.0	29-70	8.0	10-12	LCM as needed
2890 - TD	Air					Foam as needed

NC = no control

Sufficient quantities of mud material will be maintained on site or be readily accessible for the purpose of assuring well control. SPR will be recorded on daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

5. EVALUATION PROGRAM:

Wireline Logs: None

Mud Logs: mud logging in Fruitland Coal.



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

March 17, 2004

New Mexico Oil Conservation Commission
District III
1000 Rio Brazos Road
Aztec, NM 87410

RE: Offset Operator Notification of Application for Permit to Drill
NEBU 457A Well
2030 FNL x 585' FWL Section 30, T31N, R7W
San Juan County, New Mexico

ATTN: Steve Hayden

The referenced well is located inside the High Productivity Area of the Basin Fruitland Coal Pool. The subject well is in the participating area of the Northeast Blanco Unit. No notification is required per R-8768-F.

You may contact me with any comments or questions at (405) 228-7533.

Cordially,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in cursive script, reading "Teresia D. McGinnis".

Teresia D. McGinnis
Contract Landman
(405) 228-7533
Mid America Tower, Suite 12.12
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260
teresia.mcginis@dvn.com