

• District I \*  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, 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-101  
May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Devon Energy Production Company, L.P. PO Box 6459 Navajo Dam, NM 87419		<sup>2</sup> OGRID Number 6137
<sup>3</sup> Property Code 19641	<sup>4</sup> Property Name Northeast Blanco Unit	<sup>5</sup> API Number 30 - 039 - 29856
<sup>9</sup> Proposed Pool 1 S Los Pinos Frt Sd Pictured Cliffs		<sup>6</sup> Well No. 238
<sup>9</sup> Proposed Pool 1		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no. P	Section 25	Township 31N	Range 7W	Lot Idn	Feet from the 1,020'	North/South line South	Feet from the 775'	East/West line East	County Rio Arriba
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<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no. B	Section 36	Township 31N	Range 7W	Lot Idn	Feet from the 200'	North/South line North	Feet from the 1,600'	East/West line East	County Rio Arriba
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Additional Well Information

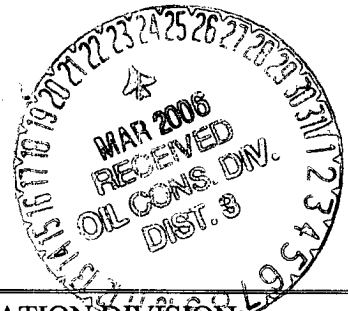
<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary Rotary	<sup>14</sup> Lease Type Code Private State	<sup>15</sup> Ground Level Elevation 6,267'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 3,873'	<sup>18</sup> Formation S Los Pinos F/S Pictured Cliffs	<sup>19</sup> Contractor	<sup>20</sup> Spud Date Unknown
Depth to Groundwater >100'		Distance from nearest fresh water well >1,000'		Distance from nearest surface water >1,000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbs Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	9 5/8"	32#	0-285'	200	Surface
6 1/4"	4 1/2"	11.6#	0-TD	700	Surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

HOLD C104 FOR directional survey  
NSL,



<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OGD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Sign: <u>M.S.G.</u>		Approved by: <u>[Signature]</u>	
Printed name: Melisa Zimmerman		Title: <u>DEPUTY OIL &amp; GAS INSPECTOR, DIST. 3</u>	
Title: Senior Operations Technician		Approval Date: <u>MAR 23 2006</u>	Expiration Date: <u>MAR 23 2007</u>
E-mail Address: Melisa.zimmerman@dvn.com			
Date: <u>3-20-06</u>	Phone: 405-552-7917	Conditions of Approval Attached <input type="checkbox"/>	

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

<sup>1</sup> API Number <b>30-039-29856</b>	<sup>2</sup> Pool Code <b>80690</b>	<sup>3</sup> Pool Name <b>S. Los Pinos Fractured Cliffs</b>
<sup>4</sup> Property Code <b>19641</b>	<sup>5</sup> Property Name <b>NEBU</b>	<sup>6</sup> Well Number <b># 238</b>
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>Devon Energy Production Company, L.P.</b>	<sup>9</sup> Elevation <b>6267</b>

<sup>10</sup> Surface Location

UL or Lot No. <b>P</b>	Section <b>25</b>	Township <b>31 N</b>	Range <b>7 W</b>	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
					<b>1020</b>	<b>SOUTH</b>	<b>775</b>	<b>EAST</b>	<b>Rio Arriba</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. <b>B</b>	Section <b>36</b>	Township <b>31 N</b>	Range <b>7 W</b>	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
					<b>200</b>	<b>NORTH</b>	<b>1600</b>	<b>EAST</b>	<b>Rio Arriba</b>

<sup>12</sup> Dedicated Acres <b>1680 - NE 1/4</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

16	2640(R)	Section 25 Section 36	5270(R)	Azimuth - 214°04'	1473'	1020'	775'	Bottom Hole Location 200' F/NL 1600' F/EL	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature <b>M. S. Zimmerman</b> Printed Name <b>Melisa S. Zimmerman</b> Title <b>Sr. Operations Technician</b> Date <b>March 20, 2006</b>

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  
March 4, 2004

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

WELL API NO. <b>30-039-29856</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-505-6

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	7. Lease Name or Unit Agreement Name <b>NORTHEAST BLANCO UNIT</b>
2. Name of Operator <b>Devon Energy Production Company, L.P.</b>	8. Well Number <b>238</b>
3. Address of Operator <b>PO Box 6459, Navajo Dam, NM 87419</b>	9. OGRID Number <b>6137</b>
4. Well Location  Unit Letter <b>P</b> : <b>1,020'</b> feet from the <b>South</b> line and <b>775'</b> feet from the <b>East</b> line  Section <b>25</b> Township <b>31N</b> Range <b>7W</b> NMPM County - <b>Rio Arriba</b>	10. Pool name or Wildcat <b>S. Los Pinos Ft Sd Pictured Cliffs</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>GR 6,267'</b>	
Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)	
Pit Location: UL <b>P</b> Sect <b>25</b> Twp <b>31N</b> Rng <b>7W</b> Pit type <b>Drilling</b> Depth to Groundwater <b>&gt;100'</b> Distance from nearest fresh water well <b>&gt;1000'</b> Distance from nearest surface water <b>&gt;1000'</b> Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____ ; _____ feet from the _____ line and _____ feet from the _____ line	

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 COMPLETION ☐  
OTHER: **CONSTRUCT DRILLING PIT** ☒

**SUBSEQUENT REPORT OF:**  
REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND 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.

14. **Devon Energy will be constructing a lined drilling pit. The closure of said pit will be in accordance with the NMOCD regulations with the cutting of the liner applying to the BLM rules.**

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 M.S. Zimmerman TITLE Sr. Operations Technician DATE 3-20-06

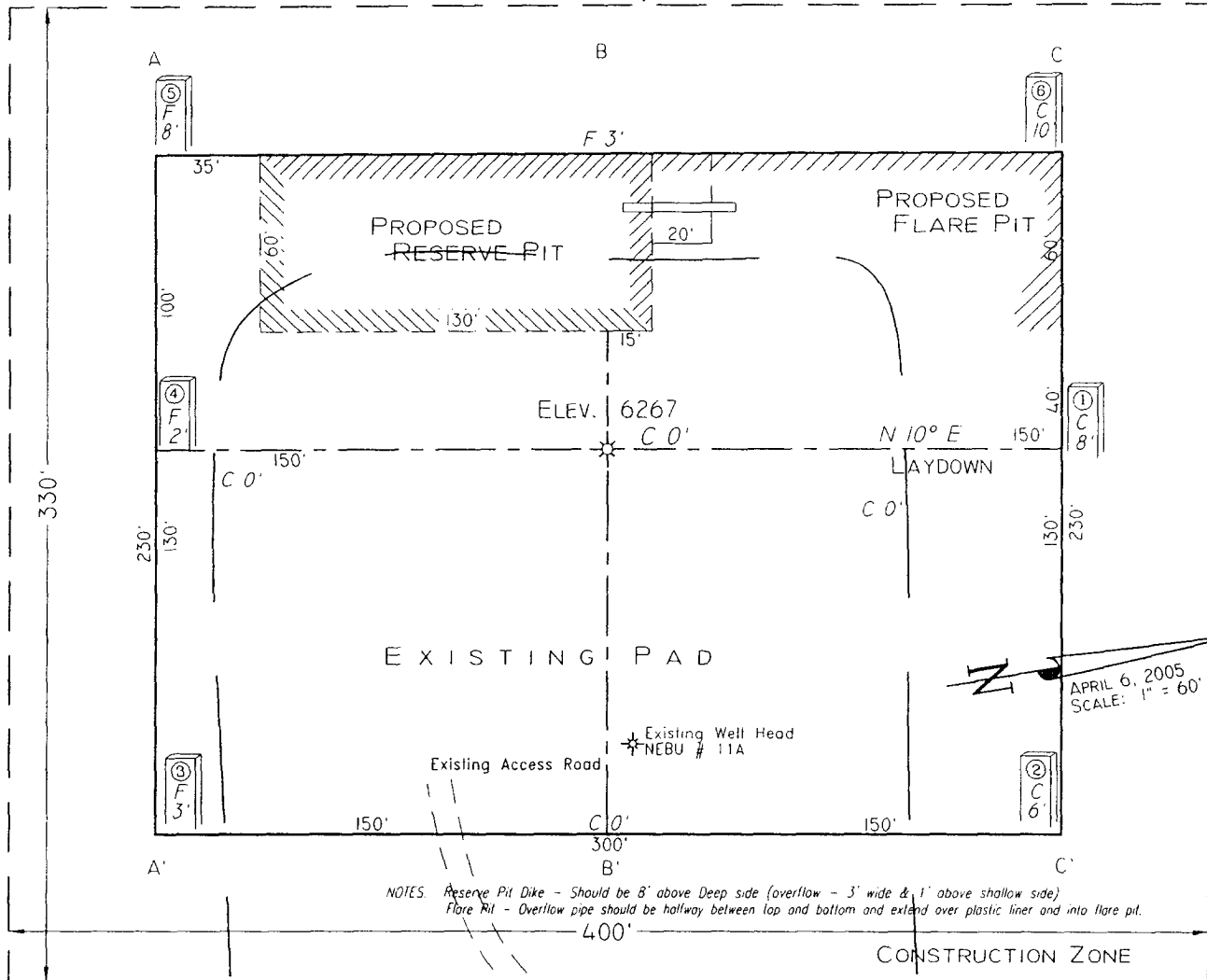
Type or print name Melisa Zimmerman E-mail address: Melisa.zimmerman@dvn.com Telephone No. 405-552-7917

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE MAR 23 2006  
Conditions of approval, if any:

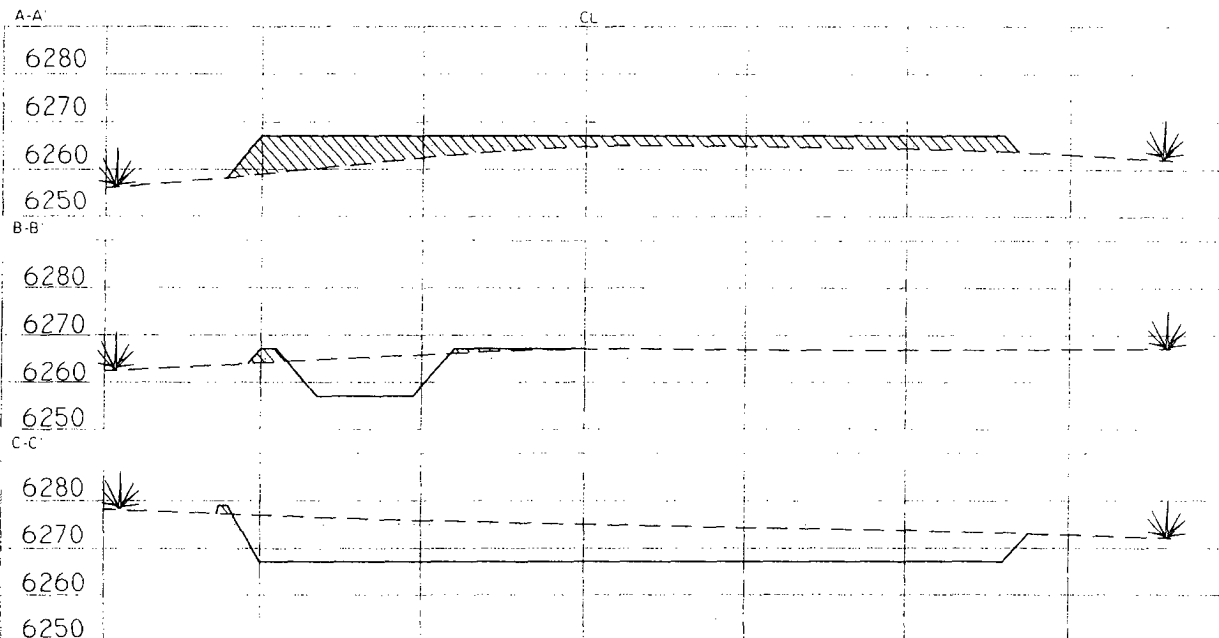
**PAD LAYOUT PLAN & PROFILE**  
**DEVON ENERGY PRODUCTION COMPANY, L.P.**  
 Nebu # 238  
 1020' F/SL 775' F/EL  
 SEC. 25, T31N, R7W, N.M.P.M.  
 RIO ARriba COUNTY, NEW MEXICO

Lat: 36.8661°  
 Long: 107.5158°  
 Lat: 36°51'58"  
 Long: 107°30'57"



Area of Construction Zone - 330'x400' or 3.03 acres, more or less.

SCALE: 1"=60'-HORIZ.  
 1"=40'-VERT.



NOTE: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction.

Cuts and fills shown are approximate - final finished elevation is to be adjusted so earthwork will balance. Corner stakes are approximate and do not include additional areas needed for sideslopes and drainages. Final Pad Dimensions are to be verified by Contractor.

VANN SURVEYS  
 P. O. Box 1306  
 Farmington, NM

**NEBU 238  
Unit P 25-31N-7W  
San Juan Co., NM**

**DRILLING PLAN**

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

<b>Formation</b>	<b>TVD (ft)</b>	<b>TMD (FT)</b>	<b>Hydrocarbon/Water Bearing Zones</b>
San Jose	Surface	Surface	
Ojo Alamo	2180	2601	Aquifer
Kirtland	2304	2743	
Fruitland	2721	3190	Gas
Fruitland 1 <sup>st</sup> Coal	2870	3342	Gas
Pictured Cliffs Tongue	3067	3541	Gas
Pictured Cliffs	3181	3655	Gas
Lewis	3299	3773	
TD	3399	3873	

All shows of fresh water and minerals will be adequately protected and reported.

**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 1500 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-TD	6-1/4"	4-1/2"	J-55	11.6#	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)

**4-1/2" Casing:** The bottom three joints of the 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 sx Class B mixed at 15.6 ppg w/.25 pps  
Celloflake, 2% calcium chloride. Yield 1.19 ft<sup>3</sup>/sx ,cement  
Designed to circulate to surface.  
**\* Minor variations possible due to existing conditions**

**Production String:** 4-1/2" Production casing cemented in an 6-1/4" hole  
11.6# J-55 LT&C 8 Rnd  
Float collar

Joint

Float Shoe

**Lead:** 500 sx 50/50 Poz, Yield-1.45 ft<sup>3</sup>/sx, Mixed @ 13ppg  
Foamed W/ N<sub>2</sub> Down To 9.0# Additives 2% Gel, 0.2% Versaset,  
0.1% Diacel Lwl.

**Tail:** 75 sx 50/50 Poz, Yield-1.45 ft<sup>3</sup>/sx, 13 lb/gal, Additives 2%  
Gel, 0.2% Versaset, 0.1% Diacel Lwl.

**\* Minor variations possible due to existing conditions**

Actual volumes will be calculated and adjusted with caliper log prior to cementing.

**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-TD	LSND/Air	8.4-9.0	29-70	8.0	10-12	LCM 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:** Possible mud logging in Fruitland Coal & Pictured Cliffs.

**Survey:** Deviation surveys will be taken every 500' from 0-TD of 6-1/4" hole or first succeeding bit change.

**Cores:** None anticipated.

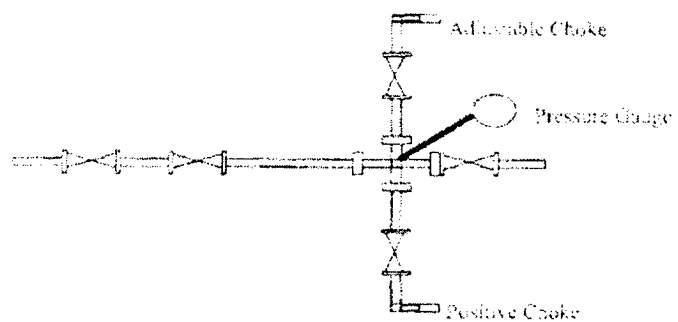
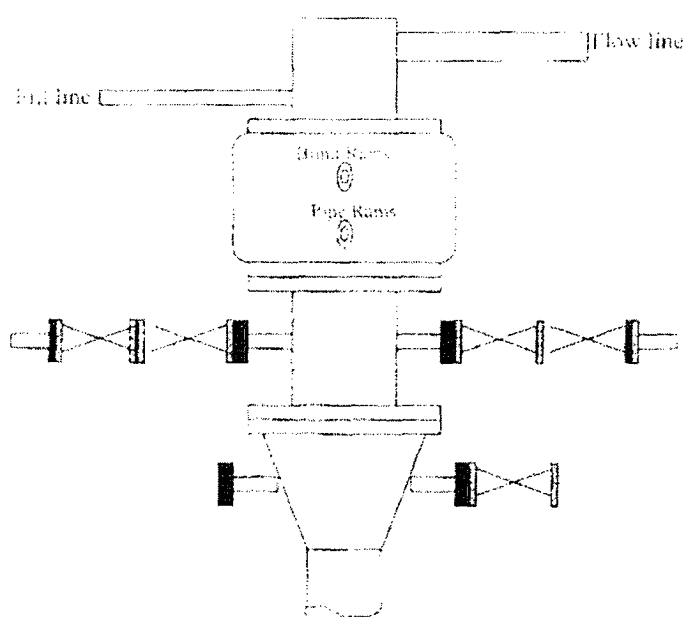
**DST's:** None anticipated.

**6. ABNORMAL CONDITIONS:**

The Fruitland Coal will be encountered at approximately 3030' TMD. Estimated formation pressure is 300 psi. No other abnormal pressures and/or temperatures are expected. No hydrogen sulfide should be present.

**7. OTHER INFORMATION:**

## Well Control Equipment 2,000 psi Configuration



All well control equipment designed to meet or exceed the Onshore Oil and Gas Order No. 2, BLM 43 CFR 3160 requirements for 2M systems.



Company: Devon Energy  
 Lease/Well: NEBU 238  
 Location: Rio Arriba County  
 State/Country: NM

