

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
OCD-HOBS

JAN 18 2011

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Devon Energy Production Company, L.P.

3a. Address
20 North Broadway, Oklahoma City, OK 73102

3b. Phone No. (include area code)
405-235-3611

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SL: 1980 FSL & 660 FWL SEC 21 T22S R34E
Unit L

5. Lease Serial No.

NM 43564

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Gaucho 21 Fed #1

9. API Well No.
30-025-34266

10. Field and Pool or Exploratory Area
Bone Spring Wildcat (96403)

11. Country or Parish, State
Lea County, NM

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"/> Fracture Treat	<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input 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 recomple 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 Company L. P. respectfully requests to abandon the Morrow and recomplete to the Bone Spring as follows:

- 1) MIRU WSU. ND WH. NU BOP. Unset pkr. POOH w/prduction tbg.
- 2) MIRU WL. RIH w/GR/JB. RIH w/CIBP @ ~12,900'. Dump 35' cmt on plug. Test CIBP & csg @ 2K#. RIH w/slick guns. Correlate to SLM Compensated Platform Express Compensated Neutron Three Detector Density log dated Sept 20, 1998. Perf 3rd Bone Spring @ 10,687-702' & 10,744-52' 3 SPF 69 holes.
- 3) RDMO WL. RIH w/pkr & tbg. Set pkr @ 10,600'. Test pkr @ 1500#.
- 4) MIRU stimulation unit. Acid stimulate perfs w/15% gelled HCL. RDMO
- 5) RU swab. Swab tbg. Record fluid entry & oil cut. RD swab.
- 6) Pending swab test, frac stimulation may be performed.
- 7) Unset pkr. POOH w/tbg & pkr.
- 8) MIRU WL. RIH w/CBP & set @ 10,600'. Test pkr @ 1500#. RIH w/slick guns. Correlate to SLB Compensated Platform Express Compensated Neutron Three Detector Density log dated Sept 20, 1998. Perf 2nd Bone Spring @ 10,254-65' & 10,338-53' 3 SPF 78 holes.
- 9) RIH w/pkr & tbg. Set pkr @ 10,200'. Test pkr to 1000#.
- 10) MIRU stimulation unit. Stimulate 2nd Bone Spring perfs w/HCL, proceed w/frac stimulation. RDMO.
- 11) RU flowback equipment, flowback.
- 12) Unset pkr. POOH w/tbg & pkr.
- 13) MIRU WL. RIH w/CBP @ 10,150'. Test CBP @ 1500#. RIH w/slick guns. Correlate to SLB Compensated Platform Express Compensated Neutron Three Detector Density log dated Sept 20, 1998. Perf 1st Bone Spring @ 9,746-56' & 9,822-36' 3 SPF 72 holes. RDMO WL.
- 14) RIH w/pkr & tbg. Set pkr @ 9,675'. Test pkr @ 1000#.
- 15) MIRU Stimulation unit, stimulated perfs w/HCL, proceed w/fracture stimulation. RDMO.
- 16) RU flowback, flowback.
- 17) Unset pkr. POOH w/tbg & pkr.
- 18) RIH w/bit & DC. Drillout CBPs. CHC w/2% KCL. POOH.
- 19) RIH w/prduction tbg. Set TAC @ 9,650'. Set EOT @ 10,750'. ND BOP. NU WH. RIH w/pump & rods. RDMO

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Spence Laird

Title Regulatory Analyst

Signature

Date 01/11/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Date

PETROLEUM ENGINEER

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.

JAN 13 2011

Is/ Dustin Winkler

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and fraudulently making any statement or representation to any agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

MAR 08 2011

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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

RECEIVED

FEB 16 2011

HOBBSDO

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
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 30-025-34266	Pool Code 96403	Pool Name WILDCAT BONE SPRING
Property Code	Property Name Gaucho 21 Fed 1	Well Number 1
OGRID No. 6137	Operator Name Devon Energy Production Company, LP	Elevation 3445

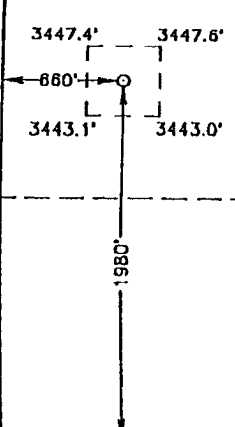
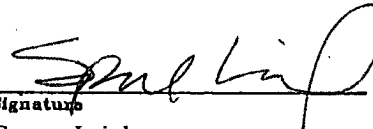
Surface Location

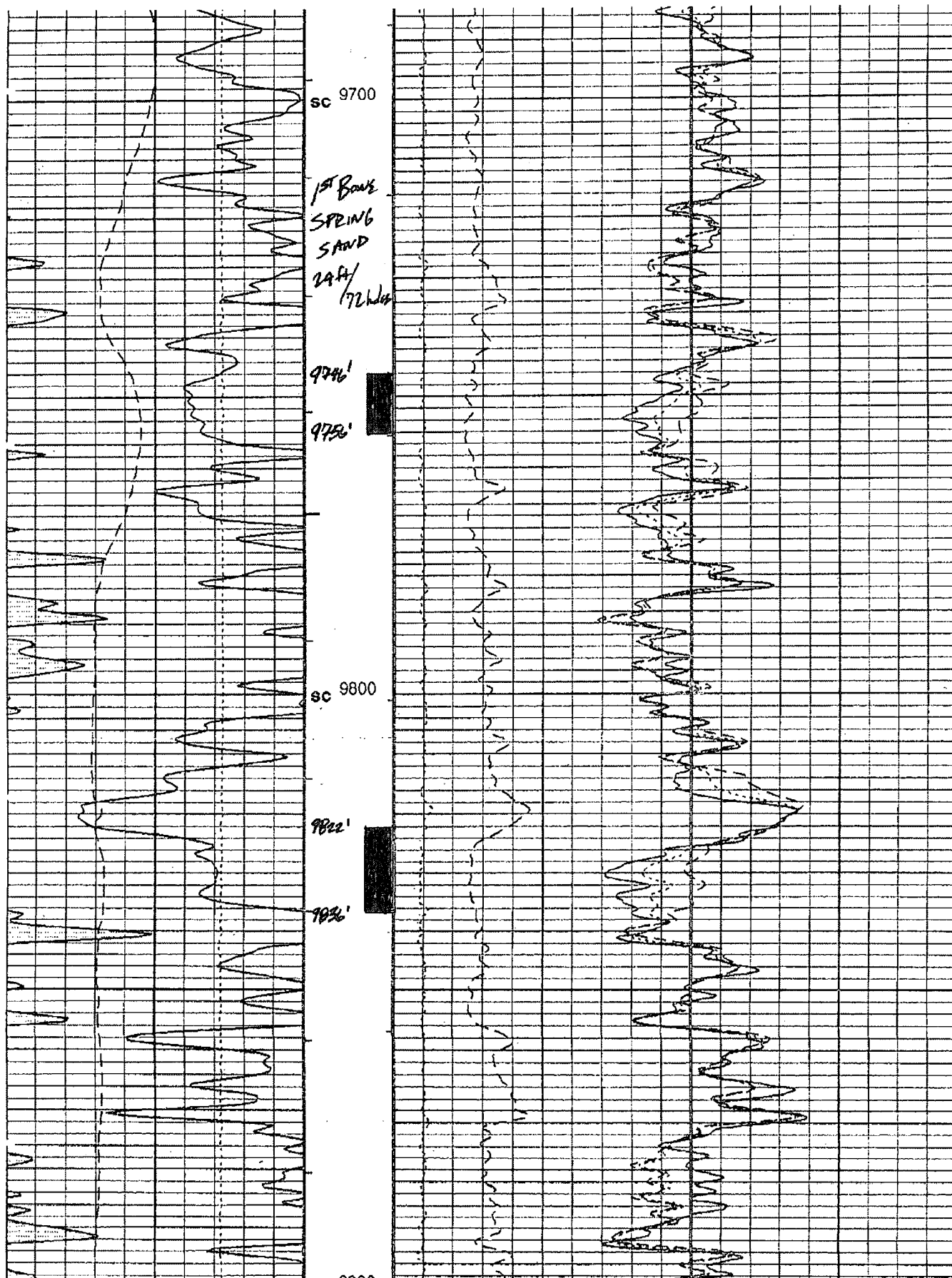
UL or lot No. L	Section 21	Township 22 S	Range 34 E	Lot Idn	Feet from the 1980	North/South line SOUTH	Feet from the 660	East/West line WEST	County LEA
--------------------	---------------	------------------	---------------	---------	-----------------------	---------------------------	----------------------	------------------------	---------------

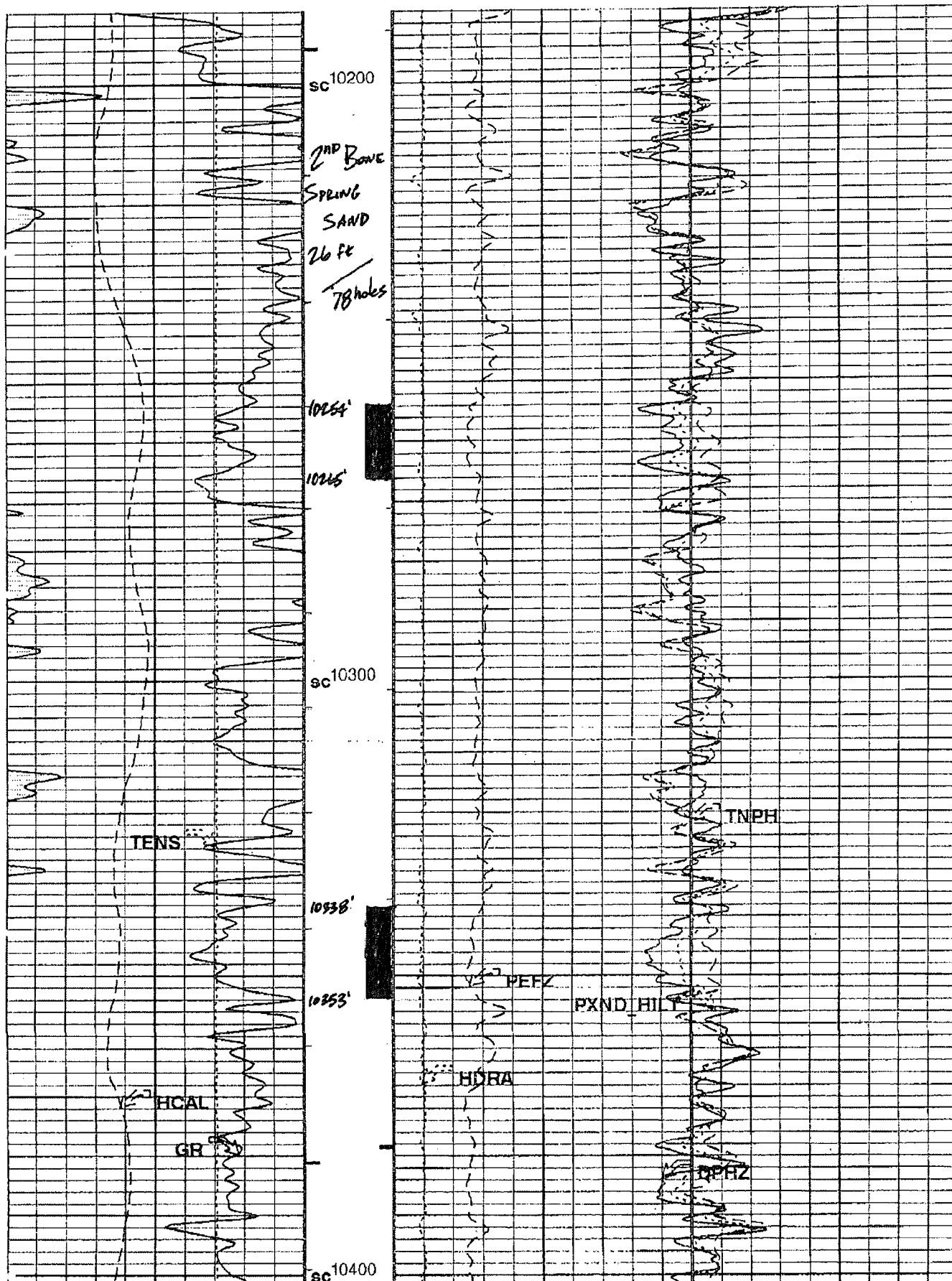
Bottom Hole Location If Different From Surface

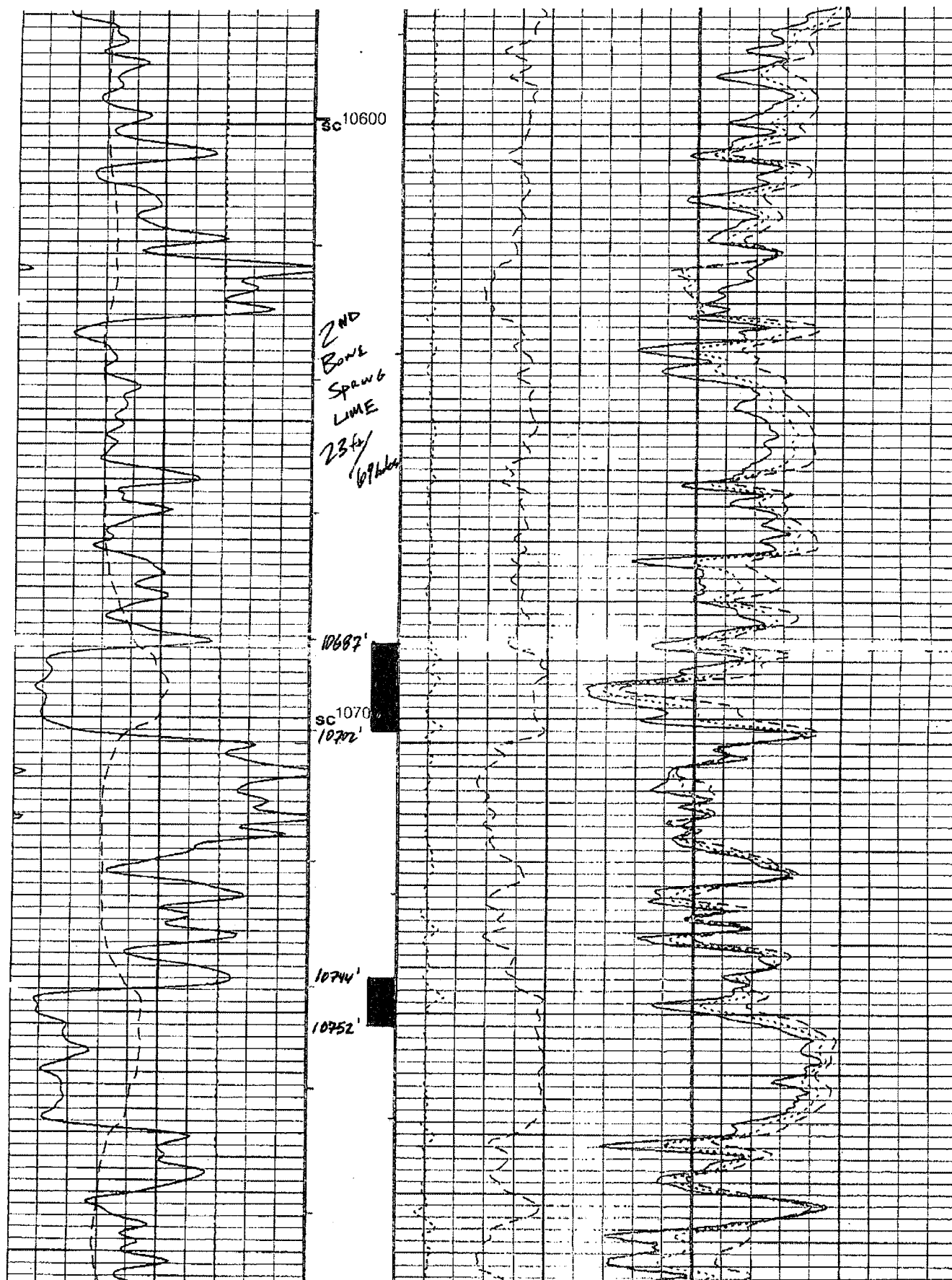
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

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 the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Spence Laird Printed Name Regulatory Title Date		
	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. DECEMBER 29, 1997 Date Surveyed Signature of Ronald G. Edson Professional Surveyor NEW MEXICO 3039 Q. Num. 97-12067 Certificate No. RONALD G. EDSON, 3239 CARLOS EDSON, 12041 RONALD G. EDSON, 12103		







RODSTAR-D for Windows 3.1 for Windows

Company: DVN

Well: Gaucho 21 Fed #1 - BS Recompletion

Disk file: (Untitled)

Comment:

© Theta Enterprises, Inc.

Tel: (714) 526-8878

Page 1 of 3

User:

Date: 11/23/2010

INPUT DATA				CALCULATED RESULTS					
Strokes per minute: 8		Fluid level		Production rate (bfpd): 241		Peak pol. rod load (lbs): 29109			
Run time (hrs/day): 24.0		(ft from surface): 10760		Oil production (BOPD): 121		Min. pol. rod load (lbs): 11218			
Tubing pres. (psi): 50		(ft over pump): 0		Strokes per minute: 8		Polished rod HP: 27.8			
Casing pres. (psi): 50		Stuf. box fr. (lbs): 100		System eff. (Motor->Pump): 47%		Unit struct. loading: 80%			
				Permissible load HP: 65.7		PRHP / PLHP: 0.42			
				Fluid load on pump (lbs): 10226		Buoyant rod weight (lbs): 15161			
				Fluid level TVD (ft from surface): 10760		N/No: .459 , Fo/SKr: .756			
Fluid properties		Motor & power meter							
Water cut: 50%		Power Meter Detent		Required prime mover size					
Water sp. gravity: 1		Electr. cost: \$.06/KWH		(speed var. not included)		BALANCED			
Oil API gravity: 40.0		Type: NEMA D				(Min Torq)			
Fluid sp. gravity: 0.9125									
Pumping Unit: Champion Conventional (C640D-365-144*)				NEMA D motor: 50 HP					
API size: C-640-365-144 (unit ID: CCH6)				Single/double cyl. engine: 50 HP					
Crank hole number #1 (out of 3)				Multicylinder engine: 50 HP					
Calculated stroke length (in): 145.2				Torque analysis and					
Crank Rotation with well to right: CCW				electricity consumption		BALANCED			
Max. CB moment (M in-lbs): Unknown						(Min Torq)			
Structural unbalance (lbs): 313				Peak g'box torq.(M in-lbs): 508					
Crank offset angle (deg): 0.0				Gearbox loading: 79%					
				Cyclic load factor: 1.3					
				Max. CB moment (M in-lbs): 1480.03					
				Counterbalance effect (lbs): 21872					
				Daily electr. use (KWH/day): 665					
				Monthly electric bill: \$1217					
				Electr. cost per bbl. fluid: \$0.166					
				Electr. cost per bbl. oil: \$0.331					
Tubing and pump information				Tubing, pump and plunger calculations					
Tubing O.D. (ins) 2.875				Tubing stretch (ins): .2					
Tubing I.D. (ins): 2.441				Prod. loss due to tubing stretch (bfpd): 0.6					
Upstr. rod-tbg fr. coeff: 0.500				Gross pump stroke (ins): 99.5					
Dnstr. rod-tbg fr. coeff: 0.500				Pump spacing (in. from bottom): 60.1					
Pump depth (ft): 10760				Minimum pump length (ft): 25.5					
Tub. anch. depth (ft): 10650				Recommended plunger length (ft): 6.0					
Pump condition: Full									
Pump type: Insert									
Plunger size (ins) 1.75									
Pump vol. efficiency : 85%									
Pump friction (lbs): 200.0									
Rod string design (rod tapers calculated)				Rod string stress analysis (service factor: 0.9)					
Diameter (inches)	Rod Grade	Length (ft)	Min. Tensile Strength (psi)	Fric. Coeff	Stress Load %	Top Maximum Stress (psi)	Top Minimum Stress (psi)	Bot. Minimum Stress (psi)	Stress Calc. Method
+ 1.23	Fibercom	4285	N/A	0.2	68%	24414	9525	6667	FIBERCOM
.875	Norris 96	3575	135000	0.2	80%	40849	13175	1841	API MG T/2.8
.75	Norris 96	2400	135000	0.2	80%	35866	2505	-3885	API MG T/2.8
+ 1	D (API)	500	115000	0.2	58%	13319	-2185	-4875	API MG

Devon Energy Production Corporation
NM-43564: Gaucho 21 Federal #1
API: 30-025-34266
Lea County, New Mexico

RE: Plug Back – Conditions of Approval

There is to be no surface disturbance beyond the originally approved pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

10,000 (10M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

10M systems shall require two independent power sources, one of which may be nitrogen bottles (three minimum) maintaining a charge equal to the manufacturer's recommendations.

Notify the BLM (575-361-2822) a minimum of 24 hours prior to plug back procedure.

Plug back to go as follows (all plugs to be Class H due to depth):

CIBP w/ cement approved as proposed.

Spot a cement plug (minimum 25sx) from 12,480'-12,260'. (Morrow)

Spot a cement plug (approx 35sx) from 11,930'-11,600', WOC and tag at 11,600' or shallower. (Casing shoe – Liner top)

Spot a cement plug (approx 45sx) from 11,510'-11,300'. (Wolfcamp)

Recompletion approved as is.

Submit subsequent report and completion report with well test once work is completed.

Approval good for 6 months.

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually.

During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

DHW 011311