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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND  
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** Devon Energy Production Co., LP **OGRID Number:** 6137  
**Well Name:** Chimayo 16 State 13 **API:** 30-015-38105  
**Pool:** SWD; BELL CANYON-CHERRY CANYON **Pool Code:** 96802

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION  
 INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location – Spacing Unit – Simultaneous Dedication  
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling – Storage – Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM  
 [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A. ☐ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☐ Application requires published notice  
 D. ☐ Notification and/or concurrent approval by SLO  
 E. ☐ Notification and/or concurrent approval by BLM  
 F. ☐ Surface owner  
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☐ No notice required

**FOR OCD ONLY**

- ☐ Notice Complete  
☐ Application  
 Content  
 Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

**04/27/20**

**Erin Workman**

Print or Type Name

*Erin Workman*

Date

**(405) 552-7970**

Phone Number

**Erin.workman@dvn.com**

Signature

e-mail Address

Submit 1 Copy To Appropriate District Office  
District I – (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II – (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III – (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV – (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised July 18, 2013

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

<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.)		WELL API NO. 30-025-38105
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY, LP.		6. State Oil & Gas Lease No.
3. Address of Operator 333 WEST SHERIDAN AVENUE, OKC, OK 73102		7. Lease Name or Unit Agreement Name CHIMAYO 16 STATE
4. Well Location Unit Letter <u>F</u> : <u>1610</u> feet from the <u>NORTH</u> line and <u>1455</u> feet from the <u>WEST</u> line Section <u>16</u> Township <u>25S</u> Range <u>29E</u> NMPM Eddy, County New Mexico		8. Well Number 3
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2999'		9. OGRID Number 6137
		10. Pool name or Wildcat SWD; BELL CANYON-CHERRY CANYON

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: STEP RATE TEST RESULTS <input type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

**Devon Energy Production Company, LP Respectfully max permitted pressure at the Chimayo 16 State 3 SWD, be increased from the currently approved 600 psi to the recently observed ISIP of 837 psi, following conclusion of step rate test.**

**Expected Rate, BWPD: 2725**  
**Expected Pressure, PSI: 830**

**Attached: Step Rate Test Results**

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Erin Workman TITLE Regulatory Compliance Analyst DATE 04.28.20

Type or print name Erin Workman E-mail address: Erin.workman@dmr.com PHONE: (405)552-7970  
**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of Approval (if any): \_\_\_\_\_

Devon Energy Corporation requests max permitted pressure at the Chimayo 16 State 3 SWD (API 3001538105) be increased from the currently approved 600 psi to the recently observed ISIP of 837 psi, following conclusion of step rate test.

Before shutting in the wellbore for 10 days, wellbore fluid density was determined to 9.225 ppg. After shut-in, static tubing pressure stabilized at 348 psi (0.12 psi/ft static pressure gradient). Before executing step rate test, a successful Mechanical Integrity Test was performed & recorded (see **Figure 1**).

As seen in **Figure 2**, during step rate test, injection pressure & rate were recorded, with each prescribed rate held for 30 minutes. Fig. 2 demonstrates a recorded ISIP of 837 psi following step rate test conclusion. Economic considerations prohibited the installation of a downhole pressure gauge, so recorded surface pressures have been corrected to account for hydrostatic pressure and friction loss associated with each prescribed injection rate. Analysis shown in **Figure 3** clearly demonstrates the step rate test was successful in reaching formation fracture pressure. As such, Devon Energy believes the recorded ISIP of 837 psi at surface to be a representative value for formation closure.

Figure 1: Successful Mechanical Integrity Test

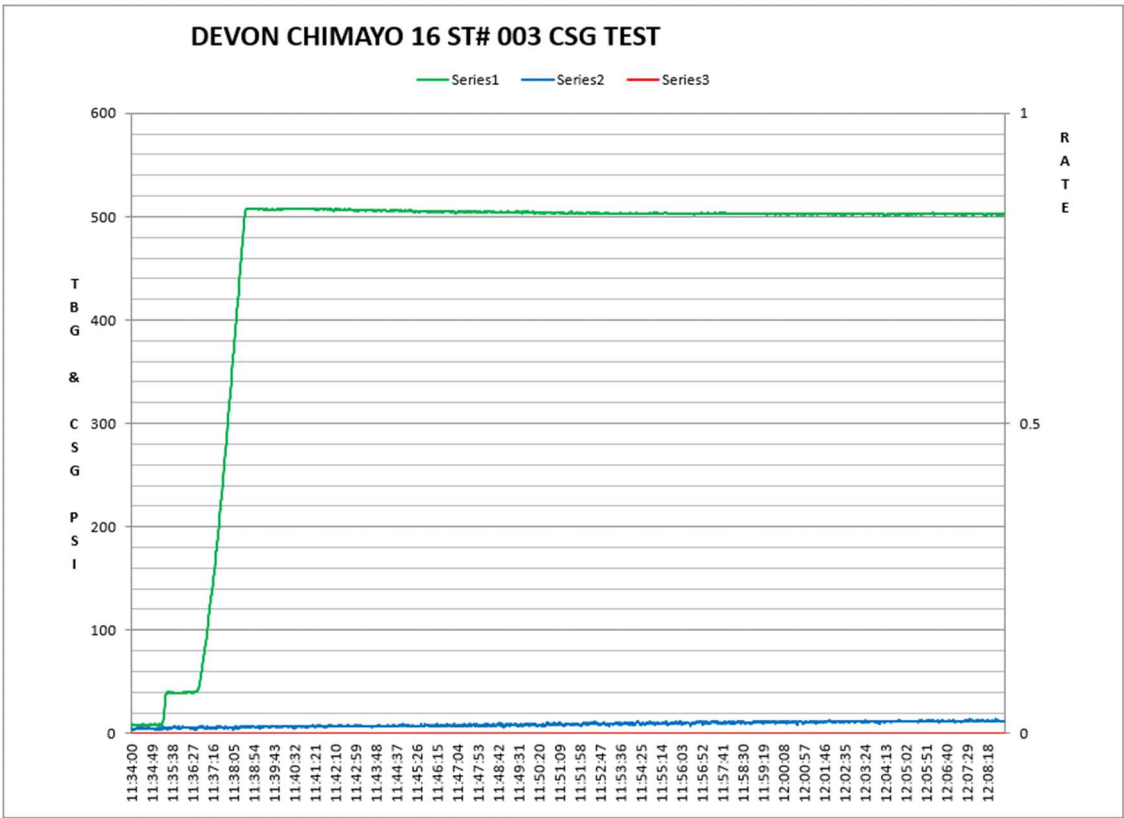


Figure 2: Step Rate Test - Recorded Surface Pressure & Injection Rate

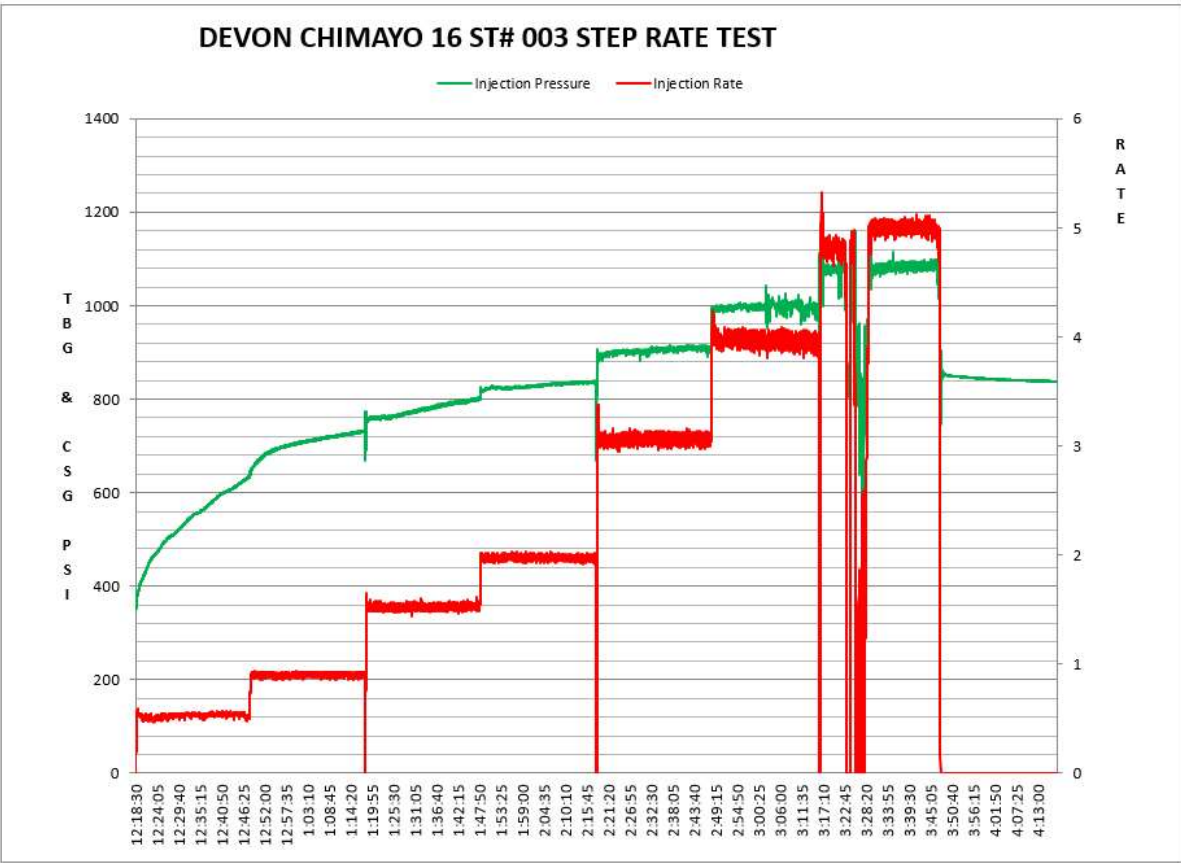


Figure 3: Rate-Pressure Plot Demonstrating Formation Fracture Pressure Achieved During Test

