

Additional Information

Extension request for repairs
from lightning strike 9/21/20

Lamkin, Baylen, EMNRD

From: Deal, Rebecca <Rebecca.Deal@dvn.com>
Sent: Monday, September 21, 2020 2:05 PM
To: Engineer, OCD, EMNRD
Cc: Walla, Jeff
Subject: [EXT] Urgent Approval Request - Rattlesnake 16 SWD 1 C-108 Extension, RE: Approved Repair NOI
Attachments: Rattlesnake 16 SWD 1_Submitted C-108 Ext NOI.pdf; Rattlesnake 16 SWD 1_Submitted Pre MIT Repair NOI.pdf; Rattlesnake 16 SWD 1_Submitted C-108 Extension NOI Rev.pdf

Importance: High

Good Afternoon,

Baylen Lamkin directed Devon's request to you and I apologize for the short notice. Attached is a sundry requesting a C-108 extension pending repair due to a lightning strike, submitted via EDocs to Santa Fe 4/16/2020 (lengthy email chain below). Since the time of submittal, the approved repair work for the Rattlesnake 16 SWD 1 has been completed. The plan was to conduct an MIT prior to injection, with volumes reported as of 9/24 or the 25th, meeting the year deadline of 9/29 with no injection. On 9/18, the team was unable to sting the seal assembly into the packer. A sundry has been submitted to Hobbs for the additional repair ops (attached with detailed procedure and wellbore schematics). This unforeseen event means an approximate six week extension to Devon's operation and makes it unlikely to complete an injection test prior to the 9/29 deadline. While the original sundry requested an additional year because of, at the time, unknown timeframes, Devon now estimates six weeks past the 9/29 expiration to do the repair work and establish injection. While an approval of the original sundry would work, we can also request per today's understanding and Baylen's direction:

Devon Energy Production Co., L.P. respectfully requests a six week extension to the Rattlesnake 16 SWD 1 C-108 expiration due to impending completion of repair operations:

- Reason – While preparing for MIT prior to injection, the team was unable to sting the seal assembly into the packer, requiring team to pull tubing to assess issues. Evaluations are complete and a repair procedure has been submitted.
- Devon intends to return Rattlesnake 16 SWD 1 to injection as soon as possible as it is essential to Devon's operations/production in the area.
- It is estimated this event will require approximately six additional weeks to return the Rattlesnake 16 SWD #1 to operational integrity and to complete a final test to return online in compliance with the terms of the permit.

I have drafted a sundry with the same information (attached) in case it needs to be on a C-103. I can submit via EDocs if necessary.

Happy to help if any additional information or explanation is needed.

Thank you,

Rebecca Deal
Regulatory Analyst

Devon Energy Corporation
333 West Sheridan Avenue
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405 228 8429 Direct

405 552 1364 Fax



From: Lamkin, Baylen, EMNRD <Baylen.Lamkin@state.nm.us>

Sent: Sunday, September 20, 2020 9:14 PM

To: Deal, Rebecca <Rebecca.Deal@dvn.com>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>

Cc: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Walla, Jeff <Jeff.Walla@dvn.com>

Subject: RE: [EXTERNAL] RE: Verbal Approval Request - Rattlesnake 16 SWD 1 C-108 Extension, RE: Approved Repair NOI

Rebecca,

You can submit a letter requesting the extension to OCD.Engineer@state.nm.us in addition to sending the C-103 NOI to the district office for the workover ops. If you have any further questions let me know.

Kind regards,

Baylen Lamkin

Petroleum Engineer

Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

505-476-3401



From: Deal, Rebecca <Rebecca.Deal@dvn.com>

Sent: Sunday, September 20, 2020 7:24 AM

To: Lamkin, Baylen, EMNRD <Baylen.Lamkin@state.nm.us>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>

Cc: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Walla, Jeff <Jeff.Walla@dvn.com>

Subject: [EXT] Re: [EXTERNAL] RE: Verbal Approval Request - Rattlesnake 16 SWD 1 C-108 Extension, RE: Approved Repair NOI

Thank you Baylen! I appreciate the direction. Happen to know who to contact at the Santa Fe Engineering Bureau? Or how to submit the request there, i.e. email or EDocs? The attached sundry was sent to the Santa Fe office via EDocs so I'm not sure how to go about this outside of that process.

Thanks again,

Rebecca Deal
Regulatory Analyst

From: Lamkin, Baylen, EMNRD <Baylen.Lamkin@state.nm.us>
Sent: Friday, September 18, 2020 4:27:37 PM
To: Deal, Rebecca <Rebecca.Deal@div.state.nm.us>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Cc: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Walla, Jeff <Jeff.Walla@div.state.nm.us>
Subject: [EXTERNAL] RE: Verbal Approval Request - Rattlesnake 16 SWD 1 C-108 Extension, RE: Approved Repair NOI

Rebecca,

After lengthy discussion with management it has been decided that we have no ability to offer a verbal authorization to extend authority to inject. However, the silver lining is that you can submit an extension request to the Santa Fe Engineering Bureau detailing:

- The reasoning for the request - e.g. they can't get the well through a final test to return online in compliance with the terms of the permit.
- The intent that Devon has - e.g. to get the well back online in support of the production in the area.
- What length of time the extension is needed to complete the desired work

Additionally, the timeline for injection authority to lapse is still in place so the request would need to be submitted before authority lapses on 9/29. Fortunately, the workover ops can still be carried out during this timeframe as long as the appropriate C-103 is filed with the district office. If you have any further questions or concerns feel free to reach out.

Kind regards,

Baylen Lamkin

Petroleum Engineer

Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
505-476-3401



From: Deal, Rebecca <Rebecca.Deal@div.state.nm.us>
Sent: Friday, September 18, 2020 10:43 AM
To: Lamkin, Baylen, EMNRD <Baylen.Lamkin@state.nm.us>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Cc: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Walla, Jeff <Jeff.Walla@div.state.nm.us>
Subject: [EXT] Verbal Approval Request - Rattlesnake 16 SWD 1 C-108 Extension, RE: Approved Repair NOI

Good Morning Baylen and Phillip,

Devon has a request, now critical per the timing of the pending C-108 sundry approval. The repair work for the Rattlesnake 16 SWD 1 has been completed. The plan was to conduct an MIT prior to injection, with volumes reported as of 9/24 or the 25th, meeting the year deadline of 9/29 with no injection. This morning, the team was unable to sting the seal assembly into the packer. While we are attempting to resolve the issue, it is likely the team is going to have to pull the production tubing string and diagnose what the issue is. This will be a significant extension to Devon's operation and will make it unlikely to complete an injection test prior to the 9/29 deadline.

Is it possible to get a verbal extension to our permit in light of these efforts? The attached C-108 extension request is a copy of the sundry submitted via EDocs 4/16 for reference.

Thank you,

Rebecca Deal
Regulatory Analyst

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From: Deal, Rebecca
Sent: Friday, July 31, 2020 11:11 AM
To: Lamkin, Baylen, EMNRD <Baylen.Lamkin@state.nm.us>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Subject: RE: [EXTERNAL] RE: Rattlesnake 16 SWD 1 Approved Repair NOI

Forgot to hit send on Tuesday so sorry for the delay - Thank you Baylen. We appreciate it! I'll let the team know and that there's more to come.

Rebecca Deal
Regulatory Analyst

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From: Lamkin, Baylen, EMNRD <Baylen.Lamkin@state.nm.us>
Sent: Tuesday, July 28, 2020 12:16 PM
To: Deal, Rebecca <Rebecca.Deal@devon.com>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>

Cc: Walla, Jeff <Jeff.Walla@dvn.com>; Oates, Brad <Brad.Oates@dvn.com>

Subject: [EXTERNAL] RE: Rattlesnake 16 SWD 1 Approved Repair NOI

Rebecca,

Typically any volume that is submitted via a C-115 is sufficient to hold a C-108 since it would prevent the “ipso facto” termination of the order. I know that there have been caveats though for wells that might have mechanical integrity issues, so I will try to verify this for you today.

Kind regards,
Baylen

From: Deal, Rebecca <Rebecca.Deal@dvn.com>

Sent: Monday, July 27, 2020 1:03 PM

To: Lamkin, Baylen, EMNRD <Baylen.Lamkin@state.nm.us>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>

Cc: Walla, Jeff <Jeff.Walla@dvn.com>; Oates, Brad <Brad.Oates@dvn.com>

Subject: [EXT] Rattlesnake 16 SWD 1 Approved Repair NOI

Hi Baylen and Philip,

Quick question - We are planning an acid job and water injection test after the rig leaves. If Devo submits those volumes after ops, will it be sufficient to hold the C-108?

I know you are both busy and appreciate your direction. Devon needs your input on these filings and whether the ops in the question above or in the email below will hold the C-108. This SWD is critical to our operations. Any help you can give would be appreciated.

Thank you,

Rebecca Deal

Regulatory Analyst

Devon Energy Corporation

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From: Deal, Rebecca

Sent: Monday, June 22, 2020 4:09 PM

To: 'Lamkin, Baylen, EMNRD' <Baylen.Lamkin@state.nm.us>; 'Goetze, Phillip, EMNRD' <Phillip.Goetze@state.nm.us>

Cc: Walla, Jeff <Jeff.Walla@dvn.com>

Subject: RE: Rattlesnake 16 SWD 1 Approved Repair NOI

Hi Baylen and Philip,

An update on the C-108 extension/repair request – the rig is scheduled to move to the site in August, finishing ops in early September. However, they need 4-6wks for surface ops before returning to full injection. Will the ops be enough to keep the C-108 valid or may we get a verbal if the sundry can't be processed in time (attached for review)? We anticipate return to full injection by mid October.

Thank you,

Rebecca Deal
Regulatory Analyst

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From: Deal, Rebecca
Sent: Thursday, May 14, 2020 10:41 AM
To: Lamkin, Baylen, EMNRD <Baylen.Lamkin@state.nm.us>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Subject: Rattlesnake 16 SWD 1 Approved Repair NOI

Hi Baylen and Philip,

Just an update – Kerry approved the repair NOI for the Rattlesnake 16 SWD 1 (attached). I'd like to verify that the authorization to inject sundry was received if possible. It was uploaded to Santa Fe but there's no way for operators to know if the submittal was successful. The team would like to schedule ops and the approval of the injection authorization extension will help determine the timing. If the SI NOI is unnecessary, I am happy to withdraw it.

Thank you,

Rebecca Deal
Regulatory Analyst

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From: Deal, Rebecca
Sent: Thursday, April 16, 2020 4:20 PM

To: Kautz, Paul, EMNRD <paul.kautz@state.nm.us>

Cc: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Cox, Scott, EMNRD <Scott.Cox@state.nm.us>; Sanchez, Daniel J., EMNRD <daniel.sanchez@state.nm.us>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; Fortner, Kerry, EMNRD <Kerry.Fortner@state.nm.us>; Walla, Jeff <Jeff.Walla@dv.com>

Subject: RE: [EXTERNAL] RE: SWD Shut In Question

Thanks Paul,

I filed separate three sundries. I uploaded the repair procedure NOI to the Hobbs office. I uploaded the shut in status request and the C-108 extension to the Santa Fe office, however, since I wasn't sure to whom the sundries would be directed and are in conjunction, the coordinating two sundries are attached as supporting documents for SI and C-108 extension sundries. If I need to send all of these to Hobbs, or all to Santa Fe, please let me know so I can be sure they get into the right hands.

Devon fully intend to repair the wellbore. It is essential to our operations and long term plan. The team wants to be sure that should the long lead times and current economic environment require the repair to take longer than anticipated, the C-108 will not expire. If there is anything else Devon needs to do to ensure compliance, please let me know.

Thank you,

Rebecca Deal

Regulatory Analyst

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From: Kautz, Paul, EMNRD <paul.kautz@state.nm.us>

Sent: Thursday, April 16, 2020 8:16 AM

To: Deal, Rebecca <Rebecca.Deal@dv.com>

Cc: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Cox, Scott, EMNRD <Scott.Cox@state.nm.us>; Sanchez, Daniel J., EMNRD <daniel.sanchez@state.nm.us>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; Fortner, Kerry, EMNRD <Kerry.Fortner@state.nm.us>

Subject: [EXTERNAL] RE: SWD Shut In Question

Hi Rebecca,

I'm copying others on this email who may need to know about your SWD well. Since your SWD well was hit by lightning go ahead and submit the C-103 for SI the well along with a plan of action. Daniel Sanchez is working on what needs to be submitted to SI a well. At this time I do not know who will be approving SI status during these economic times. Also since this involves a SWD well, you should also contact Phillip Goetze concerning this well and any extension of the C-108.

Paul Kautz
Energy Minerals Natural Resources Dept.
Oil Conservation Division
Hobbs District Geologist

From: Deal, Rebecca <Rebecca.Deal@devon.com>
Sent: Wednesday, April 15, 2020 4:20 PM
To: Kautz, Paul, EMNRD <paul.kautz@state.nm.us>
Subject: [EXT] SWD Shut In Question

Hi Paul,

Quick question - I just filed an NOI for a SWD repair procedure. The facility was struck by lightning so it's been down for awhile for evaluation of the wells affected. I was also going to also file a SI and request an extension of the C-108 to cover us as a precaution because of long lead time for the materials and the economic environment. But since it's a state well, do I need to file a SI or should I just file for the extension? We definitely don't want to lose the authorization to inject – we need this well. I just want to make sure all the T-s are crossed and I-s dotted.

PS- I submitted the NOI via EDocs. If you think I should also email it in, please let me know.

Thanks,

Rebecca Deal
Regulatory Analyst

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