

## OCD-ARTESIA

Form 3160-5  
(August 2007)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No 1004-0137  
Expires: July 31, 2010**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.**5. Lease Serial No  
NM 046525

6. If Indian, Allottee or Tribe Name

**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 N Broadway, Oklahoma City, OK 73102-8260

3b. Phone No. (include area code)

405-552-4615

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)

250 FSL &amp; 1980 FEL, SEC 3 T25S-R31E

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

8. Well Name and No  
Cotton Draw 899. API Well No.  
30-015-3138110. Field and Pool or Exploratory Area  
Paduca South, Wolfcamp11. Country or Parish, State  
Eddy, 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 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 checked="" 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 recompleat 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 recompleat 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.)

Note: Devon is filing C108 application to convert the Cotton Draw 89 to SWD in the Devonian formation. This well was originally drilled as a vertical producer in the Wolfcamp. A notice of intent sundry to plug back and S/T to the Devonian formation was filed on 8/23/11. Devon is waiting on BLM sundry approval to S/T well and deepen to Devonian formation. This notice of intent is for SWD conversion after drilling.

## PROPOSED SWD CONVERSION

1. Wait on OCD C108 and BLM sundry approvals.
2. MIRU. Clean out wellbore to TD after drilling. Establish injection into proposed Devonian open hole formation interval from 17100' to 17400'.
3. Stimulate Devonian formation if necessary.
4. Run mixed string of 3-1/2" X 2-7/8" IPC injection tubing. Set 5" IPC packer within 100' of formation for injection. Circulate wellbore with inhibited packer fluid.
5. Run MIT test and chart results. File MIT with OCD.
6. Turn well to injection.

Approval Subject to General Requirements  
& Special Stipulations AttachedSUBJECT TO LIKE  
APPROVAL BY STATERECEIVED  
NOV 7 2011  
NMOCD ARTESIA

Accepted for record

NMOCD  
DEC 02 201114. I hereby certify that the foregoing is true and correct.  
Name (Printed/Typed)

Ronnie Slack

Title Operations Technician

Signature

Ronnie Slack

Date

10/4/11

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PETROLEUM ENGINEER

Title

Office

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.

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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.

(Instructions on page 2)

**DEVON ENERGY PRODUCTION COMPANY LP**

Well Name: COTTON DRAW UNIT 89		Field: PADUCA	
Location: 250' FSL & 1980' FEL; SEC 3-T25S-R31E		County: EDDY	State: NM
Elevation: 3436' KB; 3419' GL; 17' KB-GL		Spud Date: 10/23/00	Compl Date: 1/24/01
API#: 30-015-31381	Prepared by: Ronnie Slack	Date: 8/25/11	Rev:

**Proposed S/T for Devonian SWD**

17-1/2" Hole  
13-3/8", 48#, H40, @ 695'  
 Cmt'd w/790 sx, circ 135 sx to surface

Calc. TOC on 7" csg @ 3767'

12-1/4" Hole  
9-5/8", 40#, @ 4,350'  
 Cmt'd w/1130 sx, tail w/450 sx

DV Tool @ 8528'

**Proposed:**  
 5" liner top @ 12,200'

**Proposed:**  
 Whipstock 12,400'

**Proposed:**  
 CIBP @ 12,450'

Top of 5" liner @ 12,508'

8-1/2" Hole  
7", 29#, @ 12,917'  
 1st Stg cmt; 500 sx, tail w/150 sx  
 2nd Stg cmt; 500 sx, tail w/150 sx

**Proposed:**  
 CIBP w/35' cmt @ 12,975'

**WOLFCAMP**  
 12994' - 13094'

6" Hole  
5", 18#, C95 liner @ 13,250'  
 Cmt'd w/50 sx

13200' PBTB

13,250' TD  
 Original Hole

**Proposed:**  
 Tapered string of 3-1/2" X 2-7/8"  
 IPC Injection tubing

**Proposed:**  
 5" IPC Packer @ 17,075'

**Proposed:**  
 5", 18#, FJ liner from 12,200 to 17,100'

**Proposed:**  
 Open Hole Devonian SWD From 17,100' to 17,400'

Proposed TD of S/T @ 17,400

**Proposed:**  
 1 Plug back orig wellbore w/ cibp @ 12,975' w/35' cmt and CIBP @ 12,450'  
 2. Set whipstock w/annular pack off @ 12,400'  
 3. Cut window in 7" csg. Drill 6" hole to 17,100'  
 4 Set 5" flush jt liner from +/- 12,200' to 17,100', using hanger & 10K packer  
 5. MIRU cmt rig, drill through Devonian for open hole SWD completion from 17,100 to 17,400

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API#: 30-015-31381	Prepared by:	Date: 8/17/10	Rev:

**CURRENT WELLBORE**

17-1/2" Hole

13-3/8", 48#, H40, @ 695'

Cmt'd w/790 sx, circ 135 sx to surface

Calc. TOC on 7" csg @ 3767'

12-1/4" Hole

9-5/8", 40#, @ 4,350'

Cmt'd w/1130 sx, tail w/450 sx, circ 29 sx to surf

DV Tool @ 8528'

Top of 5" liner @ 12,508'

2-7/8" AB MOD, L80, production tubing (6/23/01)

On/Off w/1.87 profile  
Baker Reliant Packer @ 12,904'. (2/11/01)

8-1/2" Hole

7", 29#, @ 12,917'

1st Stg cmt; 500 sx, tail w/150 sx, circ 42 sx off DV tool

2nd Stg cmt; 500 sx, tail w/150 sx

**WOLFCAMP**  
12994' - 13094'

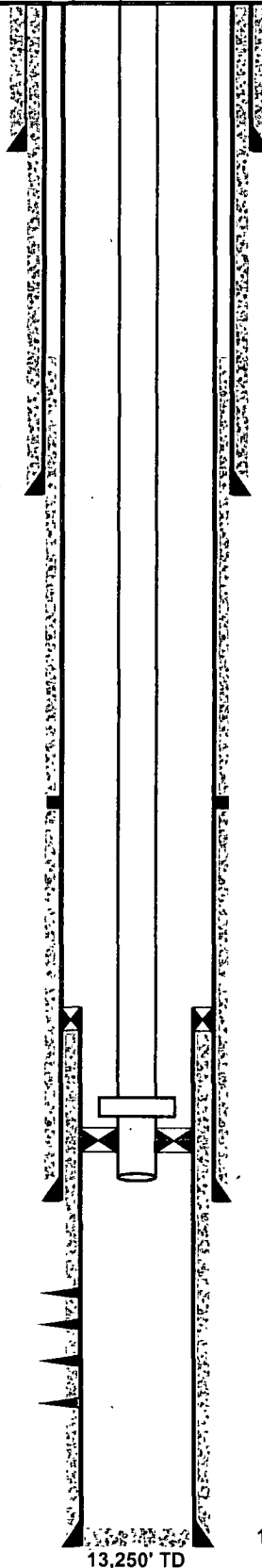
6" Hole

5", 18#, C95 liner @ 13,250'

Cmt'd w/50 sx

13200' PBDT

13,250' TD



# **Conditions of Approval**

**Devon Energy Production Company, L.P.**

**Cotton Draw 89**

**API 3001531381**

October 28, 2011

1. This workover approval is good for 90 days (completion to be within 90 days of approval).
2. Submit evaluation that proposed injection formation is not productive in paying quantities. That evaluation is to be reviewed by BLM prior to initiating injection.
3. Surface disturbance beyond the existing pad must have prior approval.
4. A closed loop mud system is required.
5. A **10M** BOPE is required. A minimum stack of a blind ram and pipe ram shall be adequate. A tapered work string will require another pipe ram. The manifold shall comply with the Onshore Oil and Gas Order #2 (attachment 1-2, 5M diagram of choke manifold equipment) but be rated to 10M WP. 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.
6. Provide a Cement Bond log (new 5" flush joint liner) from 17000 to top of cement.
7. **Submit a Completion report (Sundry Form 3160-4) detailing all work done on the well that has not previously been reported. Guidelines for submittal are attached.**
8. Prior BLM approval is required for fracture treatment of injection wells. The operator will be required to tag fracture material with a tracer and run a tracer survey to verify that the fracture material is not placed out of zone. Results of the tracer to be reported on the workover Subsequent Report sundry Form 3160-5.
9. One year after fracture stimulation an injection profile tracer survey is to be run. Submit the survey report to this office in a subsequent sundry Form 3160-5.

## **General Conditions of Approval: Wells with Packers**

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
  - a) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
  - b) Document the pressure test on a calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
  - c) Notify Paul R. Swartz at 575-234-5985 and/or 575-200-7902 at least 24 hours before the test. If there is no response, notify the BLM on call drilling phone, 575-361-2822. In Lea County call 575-393-3612.
  - d) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
  - e) Use of tubing internal protection, on/off tubing equipment just above the packer, and a profile nipple installation is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
  - f) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**

- 2) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
  - a) Approved injection pressure compliance is required.
  - b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
  - c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum.
    - i) Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 3) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 4) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity.
- 5) The annulus is to be maintained full of packer fluid at atmospheric pressure. Installation of equipment that will display on site, continuous open to the air fluid level is required. A BLM inspector may request verification of this fluid level at any time.
- 6) **Submit a Completion report (Sundry Form 3160-4)** describing the installation of packer fluid level monitoring equipment within 30 days of this approval.
- 7) The operator shall keep monthly records documenting that the casing annulus is fluid filled. A suggested format for these records is available from the BLM Carlsbad Field Office. Copies of those records shall be furnished at the request of a BLM authorized officer.
- 8) Loss of packer fluid above five barrels per month requires notification of the BLM authorized officer within 5 days.
  - a) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of Opsia. Notify the BLM's authorized officer (Paul R. Swartz at 575-200-7902). If there is no response, notify the BLM on call drilling phone, 575-361-2822. In Lea County call 575-393-3612.
- 9) Also submit to this office a (Sundry Form 3160-5) Notice of Intent (NOI) for planned well work involving a formation change, casing repair/replacement, and injection well fracture treatment for approval by BLM and NMOCD. Verbal approval for the plan may be given by a BLM authorized officer, with the NOI filed within five business days. Packer and tubing repair (normal maintenance procedures) do not require a NOI, but a subsequent sundry needs to be filed.
- 10) Submit a (Sundry Form 3160-5) Subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of required equipment: tubing, on/off tool, profile nipple, and packer.

**BEGINNING SEPTEMBER 20, 2010**

1. **APD PACKAGES MUST CONTAIN: AN ORIGINAL AND 3 (THREE) COPIES INCLUDING ALL ATTACHMENTS. (PLEASE STAPLE THE APD AND ATTACHMENTS TOGETHER AS SETS).**
2. **SUNDRY NOTICES MUST CONTAIN: AN ORIGINAL AND 3 (THREE) COPIES INCLUDING ALL ATTACHMENTS. (PLEASE STAPLE THE SUNDRY NOTICE AND ATTACHMENTS TOGETHER AS SETS).**
3. **WELL COMPLETION REPORTS MUST CONTAIN: AN ORIGINAL AND 4 (FOUR) COPIES INCLUDING ALL ATTACHMENTS. (PLEASE STAPLE THE WELL COMPLETION REPORT AND ATTACHMENTS TOGETHER AS SETS).**

**YOU MAY SUBMIT THE SUNDRY NOTICE AT THE SAME TIME. DON'T ATTACH IT AND ANY OF ITS ATTACHMENTS TO THE WELL COMPLETION REPORT.**

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**ALSO PLEASE NOTE THE FOLLOWING:**

**AS PER 43 CFR 3160.0-9(c)(1)**

**OPERATING FORMS**

<u>FORM NO.</u>	<u>NAME &amp; FILING DATE</u>	<u>OMB NO.</u>
3160-3	Application for Permit to Drill, Deepen or Plug Back—Filed 30 days prior to planned action .....	1004-0136
3160-4	With Completion of Recompletion Report and Log—Due 30 days after well completion .....	1004-0137
3160-5	Sundry Notice and Reports on Wells—Subsequent report —Due 30 days after operations completed.....	1004-0135

**APPLICATION FOR PERMIT TO DRILL OR REENTER, SUNDRY NOTICES,  
AND WELL COMPLETION REPORTS NOT CONTAINING THE PROPER  
AMOUNT OF COPIES WITH ATTACHMENTS WILL BE RETURNED TO THE  
OPERATOR**

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*Thank You  
Betty Hill  
(LIE-5LM)*

*Sent to Operator*

Gentlemen:

I will send back all correspondence from now on which does not have the correct amount of copies, with all attachments in order and stapled to each copy. Please see attached list of BLM Carlsbad Field Office copy requirements. This is sent to you just in case you lost the first copy of it I sent to your office last year. If you have any questions, send me an email or give me a call.

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575-885-9264 FAX