Form 3 60-5 (August 2007)

UNITED STATES NM OIL CONSERVATION DEPARTMENT OF THE INTERIOR ARTESTA DISTRICT BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS EB 1 2 2015 not use this form for proposals to drill

5. Lease Serial No. NMNM90534

abandoned we	VED 6. If Indian, Allotte	6. If Indian, Allottee or Tribe Name				
, SUBMIT IN TRI		7. If Unit or CA/Agreement, Name and/or No.				
Type of Well Gas Well □ Oth	8. Well Name and N BETELGEUSE	8. Well Name and No. BETELGEUSE 19 FEDERAL 7H				
Name of Operator DEVON ENERGY PRODUCT	9. API Well No. 30-015-42032	· · · · · · · · · · · · · · · · · · ·				
3a. Address						
333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 7310	2 Pt	. Phone No. (include area code) a: 405-552-7848	HACKBERRY	<i>(</i>		
4. Location of Well (Footage, Sec., 7		11. County or Parish, and State				
Sec 20 T19S R31E NWSW 23 32.645089 N Lat, 103.889132	EDDY COUN	EDDY COUNTY, NM				
12. CHECK APPI	ROPRIATE BOX(ES) TO IN	DICATE NATURE OF 1	NOTICE, REPORT, OR OTH	ER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent	☐ Acidize	□ Deepen	☐ Production (Start/Resume)	■ Water Shut-Off		
· —	☐ Alter Casing ☐ Fracture Treat ☐		□ Reclamation	■ Well Integrity		
☐ Subsequent Report	Casing Repair	■ New Construction	□ Recomplete	⊠ Other		
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	□ Temporarily Abandon	Change to Original A PD		
	☐ Convert to Injection	□ Plug Back	☐ Water Disposal			
testing has been completed. Final Aldetermined that the site is ready for the Devon Energy Production Colon the 7" x 5.5" combination put the well began seeping befor Lost Circulation Sweeps were starting to pull out of the hole. Adding a DVT/ECP at 5000' we Capitan Reef, estimated at 25 Please see the attached cements.	inal inspection.) mpany, L.P. respectfully requireduction casing on the Bete e reaching a total depth of 12 pumped during the final circuit increase the chance of success.	ests running a Multi-Stage Igeuse 19 Fed 7H (API No ,761 ft. Ulation and gained full retu	e Tool with Packer o:30-015-42032). Acceptions before If 50' above the APPRO	WED 8 2015		
14. I hereby certify that the foregoing is	strue and correct. Electronic Submission #2908 For DEVON ENERGY Formitted to AFMSS for process	393 verified by the BLM We RODUCTION CO LP, sent sing by ED FERNANDEZ or	Il Information System AU OF U to the Carlshad pUREAU SBA 02/09/2015 (15EP002 (SE)	AND MA OFFICE O FIELD OFFICE		
Name (Printed/Typed) DAVID H						
Signature (Electronic	Submission)	Date 02/09/2	015			
	THIS SPACE FOR	FEDERAL OR STATE	OFFICE USE			
Approved By EDWARD FERNAN Conditions of approval, if any, are attache certify that the applicant holds legal or eq which would entitle the applicant to cond	d. Approval of this notice does not uitable title to those rights in the sub	warrant or	UM ENGINEER	Date 02/09/2015		
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a crin statements or representations as to a	ne for any person knowingly and ny matter within its jurisdiction	I willfully to make to any department	or agency of the United		

Betelgeuse 19 Fed 7H (API No: 30-015-42032) – Sundry Request AAA 2-7-2015: Add Multi-Stage Tool and Casing Packer to the 7" x 5.5" Combination Production String

Sundry Request:

Devon Energy Production Company, L.P. respectfully requests running a Multi-Stage Tool with Packer on the 7" x 5.5" combination production casing on the Betelgeuse 19 Fed 7H (API No: 30-015-42032). The well began seeping before reaching a total depth of 12,761 ft. Lost Circulation Sweeps were pumped during the final circulation and gained full returns before starting to pull out of the hole. Adding a DVT/ECP at 5000' will increase the chance of success achieving tie-back of 50' above the Capitan Reef, estimated at 2505'. Please find the Cementing Table below:

CEMENTING TABLE:

String	Number of sx	Weight Ibs/gal	Water Volume g/sx	Yield cf/sx	Stage; Lead/Tail	Slurry Description		
7" x 5-1/2" Production Casing 2-Stage	305	12.5	11.02	2.01	1 st Lead	(35:65) Poz (Fly Ash):Prem Plus H + 3% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.3% bwoc ASA-301 + 6% bwoc Bentonite + 0.7% bwoc FL-52A + 5 lbs/sack LCM-1 + 105.6% Fresh Water		
	1590	14.2	5.76	1.28	1 st Tail	(50:50) Poz (Fly Ash):Prem Plus H + 5% bwow Sodium Chloride + 0.3% bwoc CD-32 + 0.5% bwoc FL-25 + 0.3% bwoc Sodium Metasilicate + 0.5% bwoc FL-52A + 57.2% Fresh Water		
	Stage Tool/Packer Set @ 5,000 ft							
	155	11.4	17.69	2.88	2nd Lead	Prem Plus C + 1% bwoc R-3 + 0.125 lbs/sack Cello Flake + 3% bwoc Sodium Metasilicate + 0.3% bwoc FL-52A + 157% Fresh Water		
	100	13.8	6.40	1.37	2nd Tail	(60:40) Poz (Fly Ash):Prem Plus C + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.5% bwoc BA-10A + 4% bwoc MPA-5 + 65.1% Fresh Water		

TOC for Production String:

TOC 101 Froduction String

Production @

2455' (Cement top will tie-back 50' above Capitan Reef at 2505')

Notes:

- Cement volumes Production based on at least 25% excess
- Actual cement volumes will be adjusted based on fluid caliper and caliper log data
- If lost circulation is encountered while drilling the production wellbore, a DV tool will be
 installed a minimum of 50' below the previous casing shoe and of 200' above the current
 shoe. If the DV tool has to be moved, the cement volumes will be adjusted proportionately.

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: | Devon Energy Production Company, LP

LEASE NO.: | NMNM-90534

WELL NAME & NO.: | Betelgeuse 19 Federal 7H (30-015-42032)

SURFACE HOLE FOOTAGE: 2350' FSL & 0265' FWL

BOTTOM HOLE FOOTAGE | 1750' FSL & 0340' FWL Sec. 19, T. 19 S., R 31 E.

LOCATION: | Section 20, T. 19 S., R 31 E., NMPM

COUNTY: | Eddy County, New Mexico

API: 30-015-42032

The original COAs still stand with the following drilling modifications:

Production Casing

Operator has proposed DV tool at depth of 5000', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range

- 1. The minimum required fill of cement behind the 7 X5-1/2 inch production casing is:
 - a. First stage to DV tool:
 - Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve approved top of cement on the next stage.
 - b. Second stage above DV tool:
 - Cement should tie-back at least **50 feet above the Capitan Reef**. Operator shall provide method of verification.

EGF 020715