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

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-015-25653
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. NM 59385

SUNDRY NOTICES AND REPORTS ON WELLS
(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.)

7. Lease Name or Unit Agreement Name: HB 2 State
1. Type of Well: Oil Well ☐ Gas Well ☒ Other
8. Well Number 1
2. Name of Operator: DEVON ENERGY PRODUCTION COMPANY, LP.
9. OGRID Number: 6137
3. Address of Operator: 333 WEST SHERIDAN AVENUE, OKC, OK 73102
10. Pool name or Wildcat: 74480 Ceder Canyon; Morrow (Gas)

4. Well Location
Unit Letter 2 : 1980 feet from the North line and 660 feet from the West line
Section 2 Township 24S Range 29E NMPM Eddy, County New Mexico

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☒	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			OTHER:	☐		

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 requests to run an MIT on the referenced well with the procedures attached.

TA'ing well to bring well into OCD compliance, until well can be evaluated.

Attached: Procedures, Current Wellbore, & Proposed Wellbore

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

SIGNATURE E Workman TITLE Regulatory Compliance Professional DATE 04.10.15

Type or print name Erin Workman E-mail address: Erin.workman@dvn.com PHONE: (405)552-7970

For State Use Only

APPROVED BY: [illegible] TITLE Dist II Supervisor DATE 4/22/15

Conditions of Approval (if any):

☆See Attached COAs

DEVON ENERGY PRODUCTION COMPANY LP

Well Name: H B 2 State 1	Field: Cedar Canyon		
Location: Sec 2-24S-29E	County: Eddy	State: NM	
Elevation: 3,067	Spud Date:	Compl Date:	
API#: 30-015-25653	Prepared by: Mitchel Doolin	Date: 2/16/15	Rev:

Tbg Details
2-3/8", 4.7#, N-80 Tbg @ 13,296'
Obstruction @ 12,130', holes in tbg @ 12,113' (3/9/2015)

17-1/2" Hole
13-3/8", 61#, K55, ST&C, @ 275'

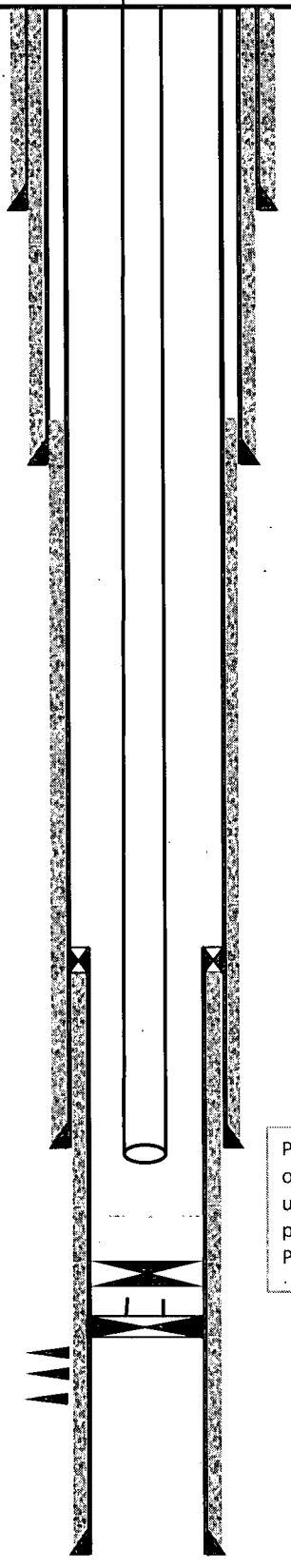
12-1/4" Hole
10-3/4", 60.7#, HC-95, @ 3,025'

Top of5" Liner @ 9,924'

9-1/2" Hole
7-5/8", 33.7/39#, P110/C-95, @ 10,430'
7-5/8", 33.7#, P-110, 0-2,955'
7-5/8", 39#, C-95, 2,955-7,096'
7-5/8", 33.7#, P-110, 7,096'-10,430'

Perforations (Morrow) 11/19/1986
13,449' - 13,451'
13,454' - 13,462'
13,556' - 13,564'
13,574' - 13,576'

6-1/2" Hole
5", 18#, N-80, @ 14,030'



Propose fishing tbg down to just above packer. Latch onto packer and attempet to release/jar free. If unsuccessful RIH w/ CIBP setting as close to packer as possibler. Dump bail sand on top of CIBP to TA well. Pickle wellbore with corrosion inhibited fluid.

Possibly packer in the hole @ around 13,329'

DEVON ENERGY PRODUCTION COMPANY LP

Well Name: H B 2 State 1	Field: Cedar Canyon		
Location: Sec 2-24S-29E	County: Eddy	State: NM	
Elevation: 3,067	Spud Date:	Compl Date:	
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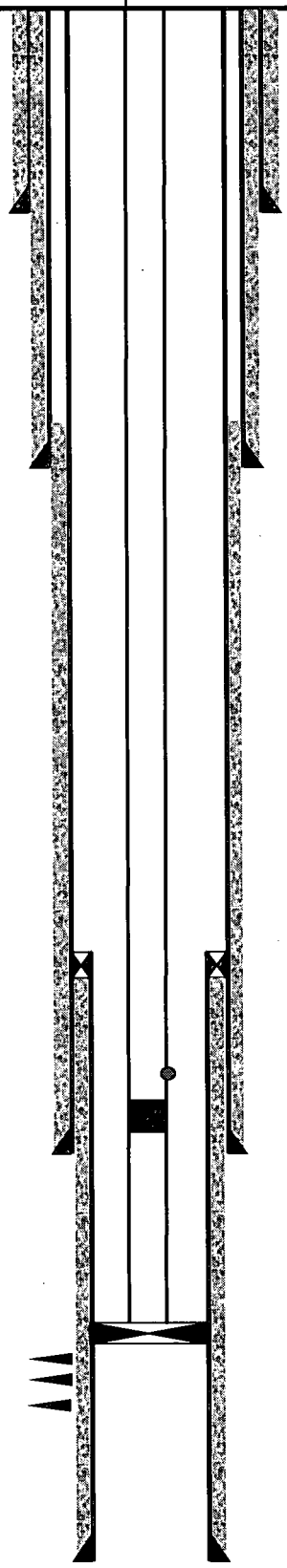

Tbg Details
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12-1/4" Hole
10-3/4", 60.7#, HC-95, @ 3,025'

Top of5" Liner @ 9,924'

Holes in tbg @ 12,113' shot 3/9/2015

tbg blockage @ 12,130' (3/9/2015)

9-1/2" Hole
7-5/8", 33.7/39#, P110/C-95, @ 10,430'
7-5/8", 33.7#, P-110, 0-2,955'
7-5/8", 39#, C-95, 2,955-7,096'
7-5/8", 33.7#, P-110, 7,096'-10,430'

Perforations (Morrow) 11/19/1986
13,449' - 13,451'
13,454' - 13,462'
13,556' - 13,564'
13,574' - 13,576'

Possibly packer in the hole @ around 13,329'

6-1/2" Hole
5", 18#, N-80, @ 14,030'

DVN: H B 2 State 1

API #30-015-25653

SL: 1,980' FNL & 660 FWL

Sec 2-T24S-R29E

Eddy County, NM

3/5/15

WBS #

Purpose: Fish tbg down to Packer, Temporarily Abandon Wellbore

GLM: 3,067' KBM: 3,092' KB: 25' AGL

Well spud - T.D. – 14,030'; PBTD – 14,030'

Casing and Tubing Data:

Size	Wt. lb/ft	Grade	Interval	(80% S.F.) Collapse	(80% S.F.) Burst	Drift	Capacity (bbls/ft)
13-3/8"	61	K-55	0 – 275'	-	-	-	-
10-3/4"	60.7	HC-95	0 – 3,025'	-	-	-	-
7-5/8"	39	P110	0 – 10,430'	6,296	8,688	6.5"	0.0445
5" Liner	18	N-80	9,924' – 14,030'	8,392	8,112	4.151"	0.01776
2-3/8"	4.7	N-80	0 -13,321'	9,424	8,960	1.901"	0.003867

2-3/8" x 5" csg capacity: 0.01228 bbl/ft, 2-3/8" x 7-5/8" csg capacity: 0.03902 bbl/ft

5" csg – Liner Top @ 9,924'

Existing Production string (top down):

XX Jt, 2-3/8", 4.7#, N-80 tbg (13,321')-Depth based on wellview report

Tbg blockage @ 12,130', perforated tbg @ 12,113'. Believe Packer @ 13,329' is the reason for tbg being stuck.

Morrow Perfs **13,449' – 13,576'**

Safety: **All personnel will wear hard hats, safety glasses with side shields, and steel toed boots while on location. Assess wellhead working height for safety. If needed, use work platform or man-lift for fall protection. Tailgate safety meetings are to be held each morning prior to beginning work and with prior to change in operation.**

H B 2 State # 1

Procedure:

1. Test and/or install and test anchors. MIRU WSU. Spot all necessary equipment. Record pressures on tbg and csg. Top kill tbg (if required) with a minimum of **4% KCL fluid**.

2. ND wellhead, NU and test BOP per Devon guidelines

3. Install TIW valve w/ pressure gauge on top of tubing. Pump down csg bringing pressure to 700psi and hold for 10 min (use minimum of 4% KCL). Monitor tbg and csg pressure while pumping fluid. If tbg and csg pressure remain constant after 25bbls report to Devon Engineer.

4. Close TIW valve and Attempt to unset arrowset packer @ 13,329', if unsuccessful attempt to release from on/off tool. If unable to release packer or get off packer proceed to step 5. If packer releases TOOH w/ tbg recording BHA and proceed to step 11

   Note: Have a Weatherford tool hand and fishing hand on location to release packer

5. MIRU wireline unit and make gauge run down to tbg blockage @ 12,130 with spudder bars and CCL (Contact engineer with CCL log). RIH with Chemical cutter and cut tbg based off CCL log.

6. TOOH strapping tbg on the way out(if tbg is in bad condition lay it down and pick up Devon workstring).

   Note: Strap all tbg fished out of the hole and record depth of new fish top with each cut

7. RIH w/ overshot, collars and jars. Latch onto fish and attempt to jar fish free. If unsuccessful TOOH and lay down collars, TIH w/ overshot and ported sub, latch onto fish. RU wireline and RIH with outside backoff shot. Backoff tbg 2-3 jts below tbg obstruction and TOOH.

8. If backoff shot fails to backoff tbg, Release overshot and TOOH. Pickup and RIH w/ 200' washpipe and external cutter. Wash over fish to 12,000' and cut tbg. TOOH w/ fish, check if bottom of fish is plugged. If tbg plugged make another run with external cutter, cutting an additional 150'.

   Note: If unable to fish tbg with either method above we will need to call for coil tbg to clean out tbg obstruction.

9. When clear tbg is reached lay down wash pipe and RIH w/ overshot, and latch onto fish. RU wireline, run in w/ chemical cutter and cut tbg 1-2 jts above packer (base cut off CCL log cut tbg in middle jt). TOOH.

10. RIH w/ overshot, collars and jars. Latch onto fish and attempt to jar packer free. If unable to move packer TOOH.

11. Pick up and RIH w/ 5" CIBP setting plug 50' above current fish top (If able to release packer in step 4 set CIBP @ 13,400').

Note: Consult w/ Devon Engineer and State Rep prior to setting CIBP

12. RU wireline, RIH and dump bail 35' of sand on top of CIBP.

13. RIH w/ tbg open ended and tag sand. Pick up 100', ND BOP, NU wellhead, circulate hole w/ 4% KCL w/ corrosion inhibitor (about 480 bbls). Pressure CSG to 700 psi w/ chart recorder for 30 min.

14. RDMO

Contact	Company	Office #	Mobile #
Mitchel Doolin	Devon (engr)	405-552-7921	307-371-6875
Danny Velo	Compl Foreman	575-748-1806	575-703-3360
Aaron Kidd	Assistant Foreman	575-748-9936	575-513-1770

COA's

APPROVED TEMPORARY ABANDONMENT

19.15.25.11 REPORTS FOR PLUGGING AND ABANDOMENT: A. The operator shall file form C-105 as provided in 19.15.7.16 NMAC. B. Within 30 days after completing required restoration work, the operator shall file with the division a record of the work done on form C-103 as provided in 19.15.7.14 NMAC. C. The division shall not approve the record of plugging or release a bond until the operator has filed necessary reports and the division has inspected and approved the location. [19.15.25.11 NMAC - Rp, 19.15.4.202 NMAC, 12/1/08] 19.15.25.12 APPROVED TEMPORARY ABANDONMENT: The division may place a well in approved temporary abandonment for a period of up to five years. Prior to the expiration of an approved temporary abandonment the operator shall return the well to beneficial use under a plan the division approves, permanently plug and abandon the well and restore and remediate the location or apply for a new approval to temporarily abandon the well. [19.15.25.12 NMAC - Rp, 19.15.4.203 NMAC, 12/1/08] 19.15.25.13 REQUEST FOR APPROVAL AND PERMIT FOR APPROVED TEMPORARY ABANDONMENT: A. An operator seeking approval for approved temporary abandonment shall submit on form C-103 a notice of intent to seek approved temporary abandonment for the well describing the proposed temporary abandonment procedure the operator will use. The operator shall not commence work until the division has approved the request. The operator shall give 24 hours notice to the appropriate division district office before beginning work. B. The division shall not approve temporary abandonment until the operator furnishes evidence demonstrating that the well's casing and cementing are mechanically and physically sound and in such condition as to prevent: (1) damage to the producing zone; (2) migration of hydrocarbons or water; (3) the contamination of fresh water or other natural resources; and (4) the leakage of a substance at the surface. C. The operator shall demonstrate both internal and external mechanical integrity pursuant to Subsection A of 19.15.25.14 NMAC. D. Upon successful completion of the work on the temporarily abandoned well, the operator shall submit a request for approved temporary abandonment to the appropriate division district office on form C-103 together with other information Subsection E of 19.15.7.14 NMAC requires. E. The division shall specify the permit's expiration date, which shall be not more than five years from the date of approval. [19.15.25.13 NMAC - Rp, 19.15.4.203 NMAC, 12/1/08] 19.15.25.14 DEMONSTRATING MECHANICAL INTEGRITY: A. An operator may use the following methods of demonstrating internal casing integrity for wells to be placed in approved temporary abandonment: (1) the operator may set a cast iron bridge plug within 100 feet of uppermost perforations or production casing shoe, load the casing with inert fluid and pressure test to 500 psi surface pressure with a pressure drop of not more than 10 percent over a 30 minute period; (2) the operator may run a retrievable bridge plug or packer to within 100 feet of uppermost perforations or production casing shoe, and test the well to 500 psi surface pressure for 30 minutes with a pressure drop of not greater than 10 percent over a 30 minute period; or (3) the operator may demonstrate that the well has been completed for less than five years and has not been connected to a pipeline. B. During the testing described in Paragraphs (1) and (2) of Subsection A of 19.15.25.14 NMAC the operator shall: (1) open all casing valves during the internal pressure tests and report a flow or pressure change occurring immediately before, during or immediately after the 30 minute pressure test; (2) top off the casing with inert fluid prior to leaving the location; (3) report flow during the test in Paragraph (2) of Subsection A of 19.15.25.14 NMAC to the appropriate division district office prior to completion of the temporary abandonment operations; the division may require

remediation of the flow prior to approving the well's temporary abandonment. C. An operator may use any method approved by the EPA in 40 C.F.R. section 146.8(c) to demonstrate external casing and cement 19.15.25 NMAC http://www.nmcpr.state.nm.us/nmac/parts/title19/19.015.0025.htm[3/2/2012 4:12:43 PM] integrity for wells to be placed in approved temporary abandonment. D. The division shall not accept mechanical integrity tests or logs conducted more than 12 months prior to submittal. E. The operator shall record mechanical integrity tests on a chart recorder with a maximum two hour clock and maximum 1000 pound spring, which has been calibrated within the six months prior to conducting the test. Witnesses to the test shall sign the chart. The operator shall submit the chart with form C-103 requesting approved temporary abandonment. F. The division may approve other testing methods the operator proposes if the operator demonstrates that the test satisfies the requirements of Subsection B of 19.15.25.13 NMAC. [19.15.25.14 NMAC - Rp, 19.15.4.203 NMAC, 12/1/08]