

UNITED STATES DISTRICT COURT
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NEW MEXICO OIL CONSERVATION DISTRICT

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.

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

5. Lease Serial No.
NMNM103878

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
RUSSELL 8 FEDERAL 1

9. API Well No.
30-015-31392-00-S1

10. Field and Pool, or Exploratory
BURTON FLAT

11. County or Parish, and State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
DEVON ENERGY PRODUCTION CO

Contact: ERIN WORKMAN
Email: ERIN.WORKMAN@DVN.COM

3a. Address
333 WEST SHERIDAN AVE
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)
Ph: 405-552-7970

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 8 T20S R29E NWNW 760FNL 660FWL

12. CHECK 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 checked="" 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 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 recomple 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy Production Company, LP respectfully requests the following adjustments be made to the COA that were attached to the approval on 07/01/15 for the Russell 8 Fed 1 Recompletion:

LRD 7/30/15
Accepted for record
NMOC

1) In regards to plugging back the Wolfcamp, I purposely did not propose to plug this zone back to insure we had enough room to run a tracer survey post 3rd BSS frac. The intention is to see how far our frac grows down into the 3rd BSS ?H sands? (see attached log sample) which is located from 9250-9264?. Is it acceptable to not set a plug over this zone at this time, deferring this step to a time in the future when the well needs to be plugged and abandoned?

2) In regards to testing the 5-1/2" casing to max treating pressure, the casing does not have cement behind pipe from 5614' to surface. Utilizing a 3-1/2" tubing string and a packer the plan

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #308654 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad
Committed to AFMSS for processing by JENNIFER SANCHEZ on 07/20/2015 (15JAS0423SE)

Name (Printed/Typed) ERIN WORKMAN

Title REGULATORY COMPLIANCE

Signature (Electronic Submission)

Date 07/09/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

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.

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.

Additional data for EC transaction #308654 that would not fit on the form

32. Additional remarks, continued

is to isolate each interval and test the tubing and casing that will be exposed to frac treating pressures before perforating and fracking (I will test the tubing casing annulus to 1000 psi to insure casing integrity and will monitor said annulus during the stimulation for communication, shutting the job down in the case of communication). Is this acceptable?

Thank You for your time and consideration!

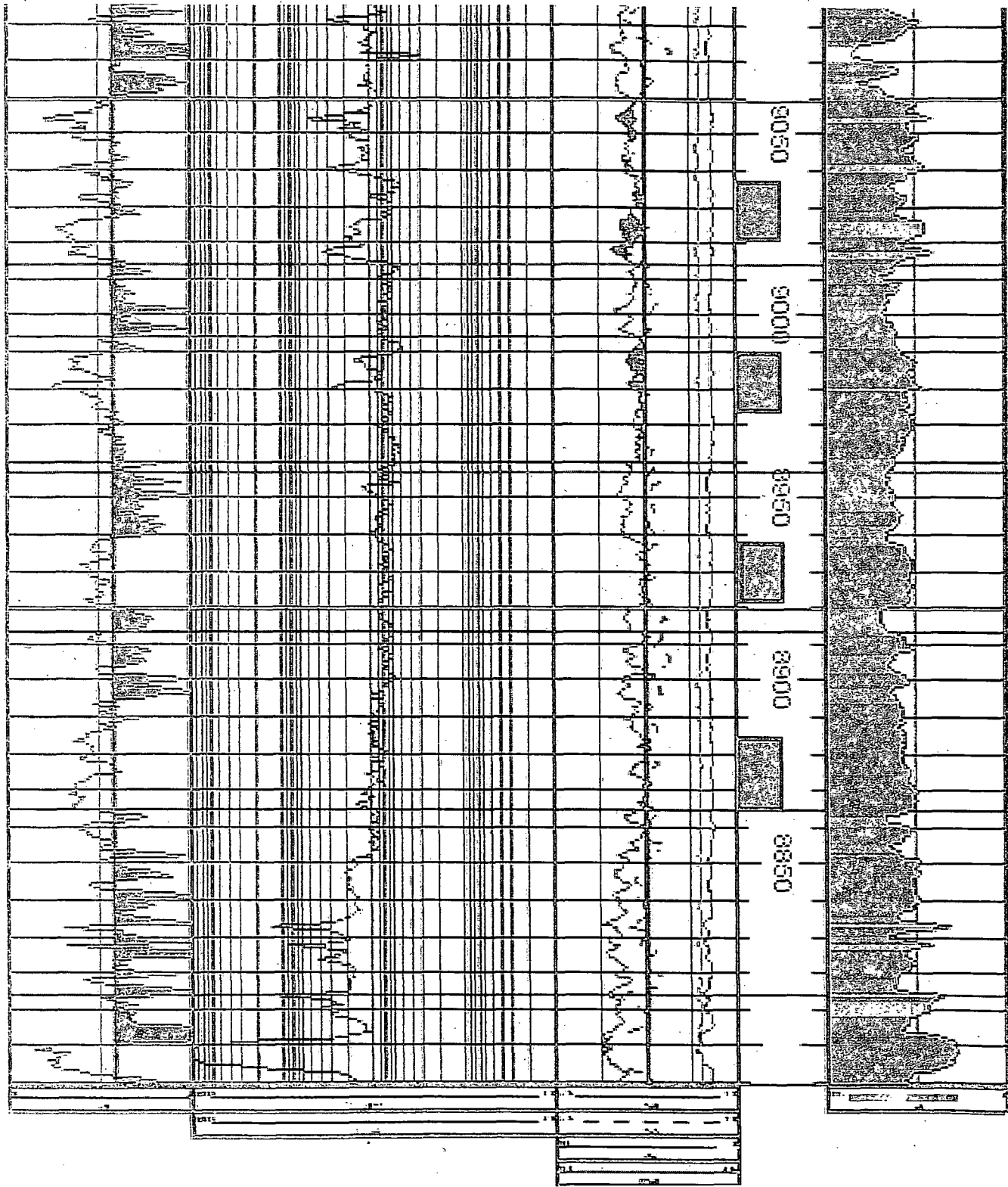
Recommended Perfs

9020 - 9038

8974 - 8990

8922 - 8938

8864 - 8886



3RD 8888

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Russell 8 Federal 1
30-015-31392
Devon Energy Production Co., LP
July 20, 2015
Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by October 20, 2015.

1. Operator shall place CIBP at 10,762' (minimum 50' above top most perf) and place 25sx of Class H cement on top as proposed. WOC and tag.
2. Operator must plug back the Wolfcamp formation properly when abandoning the Bone Spring formation.
3. A CIT is to be performed on the production casing per Onshore Oil and Gas Order 2.III.B.1.h.
4. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
5. Surface disturbance beyond the originally approved pad must have prior approval.
6. Closed loop system required.
7. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
8. Operator to have H2S monitoring equipment on location.
9. A minimum of a **3000 (3M)** BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M Diagrams of Choke Manifold Equipment). 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.

10. Subsequent sundry required detailing work done and completion report with the new formation. Operator to include well bore schematic of current well condition when work is complete.

11. See attached for general requirements.

JAM 072015

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Production Zone Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

6. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date work was completed.**

7. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.