

L & M DRILLING, INC.

OIL WELL DRILLING CONTRACTORS

PO BOX 1370 ARTESIA, NEW MEXICO 88211-1370
(505) 746-4405 746-3518 748-2205

May 29, 1998

Devon Energy Corporation
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260

RE: Kaiser #3
 1650' FNL & 800' FWLE
 Sec. 8, T18S, R27E
 Eddy County, New Mexico

Gentlemen:

The following is a Deviation Survey for the above captioned well.

DEPTH	DEVIATION
190'	1/4°
360'	1°
537'	1°
716'	1 1/4°
895'	1 1/4°
987'	1 1/4°
1462'	1 1/4°
2328'	1°
2350'	1°

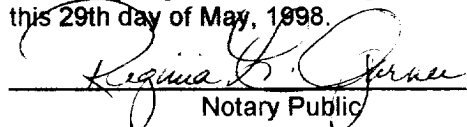
Very truly yours,



Eddie C. LaRue
Vice President

STATE OF NEW MEXICO }
COUNTY OF EDDY }

The foregoing was acknowledged before me
this 29th day of May, 1998.



Notary Public



Aug. 30, 2000

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM
87410

WELL API NO. 30-015-30126	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Kaiser	
8. Well No. 3	
9. Pool name or Wildcat Red Lake (Q-GB-SA)	

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.)

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other
2. Name of Operator DEVON ENERGY CORPORATION (NEVADA)
3. Address of Operator 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611
4. Well Location Unit Letter <u>H</u> : <u>1650</u> Feet From The <u>North</u> Line and <u>800</u> Feet From The <u>East</u> Line Section <u>18</u> Township <u>18S</u> Range <u>27E</u> NMPM <u>Eddy</u> County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) KB 3296'; DF 3294'; GL 3287'

Check Appropriate Box To Indicate Nature Of Notice, Report, Or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER: <input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER: <u>Completion</u> <input checked="" type="checkbox"/>

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 1103.

3/30/98 RU Computalog, Ran w/GR, CCL/CBL/VDL logs from PBTD (2302') to surf. Perf'd San Andres formation w/ 1 SPF as follows: 1566', 1573', 1596', 1604', 1610', 1624', 1643', 1666', 1731', 1743', 1754', 1762', 1768', 1805', 1816', 1826', 1856', 1881', 1900', 1920', 1928', 1934', 1944', 1946', 1952', 1958', 1962', 1972', 1990', 2008', 2018', 2027', for a total of 32 holes (.40" EHD holes).

Acidize San Andres perfs 1566'-2027' w/ 2500 gals 15% NeFe acid, ISIP 1170#.

Fracture treated San Andres perfs 1566'-2027' w/ 180,000 gals linear gelled water with 6000# 100 mesh sand, 150,000# 20/40 Brady sand, & 50,000# CRC sand. force closed at 1000#.

Ran 2 7/8" production tbg, SN set at 1944'. Ran pump and rods. Began pump testing.

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

SIGNATURE <u>Tonja Rutelonis</u>	TITLE <u>ENGINEERING TECHNICIAN</u>	DATE <u>6/26/98</u>
TYPE OR PRINT NAME <u>Tonja Rutelonis</u>	TELEPHONE NO. <u>(405) 235-3611</u>	

(This space for State use)

Approved by Jim W. Gunn B6P TITLE District Supervisor DATE 7-6-98
Conditions of approval, if any:

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM
87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL APP NO.
30-015-30126

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Kaiser

8. Well No.

3

9. Pool name or Wildcat

Red Lake (Q-GB-SA)

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DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

DEVON ENERGY CORPORATION (NEVADA)

3. Address of Operator

20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611

4. Well Location

Unit Letter H: 1650 Feet From The North Line and 800 Feet From The East Line

Section 18

Township 18S

Range 27E

NMPM

Eddy

County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3287' GR

Check Appropriate Box To Indicate Nature Of Notice, Report, Or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Spud, Casing strings, TD ☒

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 1103.

Spud well on 5/21/98 at 0400 hrs and drld a 17 1/2" hole to 202'. On 5/21/98 ran 5 jts 13 3/8" 48# H-40 ST&C csg, set @ 201'. Cemented w/ 300 sx class "C". 33 sx cmt returned to surface. WOC 8 hrs.

Drld 12 1/4" hole to 1005'. On 5/23/98 ran 23 jts 8 5/8" 24# J-55 ST&C csg, set @ 1004'. Cemented w/ 350 sx lite "C" + 250 sx class "C". 10 sx cmt returned to surface. WOC 18 hrs.

Drld 7 7/8" hole and reached TD 2350' on 5/26/98 at 1400 hrs. Schlumberger ran LDT/CNL/DLL/MSFG/GR logs. Ran 54 jts 5 1/2" 15.5# J-55 8RD LT&C csg, set @ 2349'. Cemented w/ 450 sx class "H". 51 sx cmt returned to surface.

Rig Released at 2230 hrs 5/26/98. WOCU.

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

SIGNATURE

Tonja Rutelonis

TITLE ENGINEERING TECHNICIAN

DATE 6/1/98

TYPE OR PRINT NAME

Tonja Rutelonis

TELEPHONE NO. (405) 235-3611

(This space for State use)

Approved by

Jim W. Green BOA

TITLE

District Supervisor

DATE

6-8-98

Conditions of approval, if any:

Refer to rule 107!