

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OIL CONSERVATION DIV.
815 S. 1st ST.
OFA 8821 934

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

RECEIVED

JUL 23 1996

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other WSW
2. Name of Operator
DEVON ENERGY CORPORATION (NEVADA)

6137 OIL CON. DIV.

3. Address and Telephone No.
20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611

4. Location of Well (Footage. Sec., T., R., M., or Survey Description)
1650' FNL & 1980' FWL, SEC. F-35, T18S, R31E

5. Lease Designation and Serial No. NA LC-029392A
6. If Indian, Allottee or Tribe Name NA
7. If Unit or CA, Agreement Designation 14-08-891-14672
8. Well Name and No. 19330 EAST SHUGART WSW #1
9. API Well No. 30-015-22603
10. Field and Pool, or Exploratory Area SHUGART (Y-SR-Q-G)
11. County or Parish, State EDDY, NM

CHECK APPROPRIATE BOX(S) 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"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Re-enter & complete as a wtr source well	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

On approximately 7/1/96 plan to re-enter the P& A'd Amoco Greenwood Pre-Grayburg Unit Federal "A" Com #1 & complete as the East Shugart WSW #1 as follows: Install anchors & dig workover pit. Remove dryhole marker & weld on wellhead. MI workover rig & reverse unit. PU bit DC's, & work string & drill out cmt plugs @ 0 - 815' & 4486' - 4733'. Test csg to 1500 psi. TIH w/ bit to 6000'. TOH & LD DC's, & bit. Run correlation log & selectively perforate the Delaware from 5200' - 6000'. Acidize & frac Delaware. Run pumping equip. & pump wtr to battery.

The following exhibits and attachments are included:

Re-entry Program, Surface Use and Operating Plan, Exhibit 1 - Location and Elevation Plat, Exhibit 2 - Road Map, Exhibit 3 - Topo Map, Exhibit 4 - Wells Within 1 Mile Radius, & Exhibit 5 - Central Battery Plat.

Post ID-1
8-9-96
Re-entry

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

E.L. Buttross, Jr.

Signed E.L. Buttross Jr.

Title District Engineer

Date 6/11/96

(This space for Federal or State office use)
Is/ TIMOTHY J. BURKE

Approved by _____ Title Acting AREA MANAGER Date JUL 11 1996
Conditions of approval, if any: Contact the Carlsbad I+E staff when operations are commenced. (505) 887-6544

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED

Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

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

2. Name of Operator
DEVON ENERGY CORPORATION (NEVADA)

3. Address and Telephone No.
20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1650' FNL & 1980' FWL Sec. F-35-T18S-R31E

5. Lease Designation and Serial No.

~~NM-10190~~ **LC-029392-A**

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

~~41-23-21-1572~~

8. Well Name and No.

East Shugart WSW #1

9. API Well No.

30-015-22603

10. Field and Pool, or Exploratory Area

Shugart (Y-SR-Q-G)

11. County or Parish, State

Eddy, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

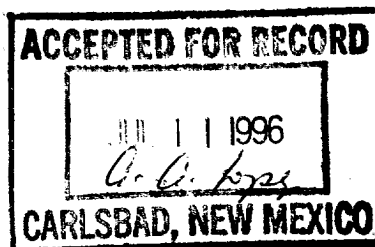
- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Change of Operator

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Effective June 11, 1996, Devon Energy Corporation (Nevada) assumed operations of the P&A'd Amoco Greenwood Pre-Grayburg Unit Federal "A" Com #1. This well is proposed as the East Shugart WSW #1.



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

Signed

Candace R. Graham

Title

CANDACE R. GRAHAM
ENGINEERING TECH.

Date 6/19/96

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

RE-ENTRY PROGRAM

Attached to Form 3160-5
Devon Energy Corporation (Nevada)
East Shugart ~~East~~ WSW #1
1650' FNL & 1980' FWL
Section 35-T18S-R31E
Eddy County, New Mexico

1. Geologic Name of Surface Formation

Permian

2. Estimated Tops of Important Geologic Markers

Salt	1,030'
Yates	2,300'
Queen	3,300'
Grayburg	4,000'
Delaware	4,950'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas

The estimated depths of water, oil and gas are as follows:

Water: Random fresh water from surface to approximately 300' and a water injection interval at 3,300'.

Oil: Yates at 2,300' and Queen at 3,300'.

Gas: None.

The surface fresh water sands are protected by 13 3/8" csg @ 765' that was cemented to surface. The Yates and Queen intervals are isolated by 9 5/8" csg @ 4600' that was cemented to surface.

EAST SHUGART ~~UNIT~~ WSW #1
 RE-ENTRY PROGRAM
 PAGE 2

4. Casing Program

<u>Hole Size</u>	<u>Interval</u>	<u>Casing OD</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>
26"	0' - 40'	20"		Conductor	0.30" wall
17 1/2"	0' - 765'	13 3/8"	48#	H-40	ST&C
12 1/4"	0' - 4600'	9 5/8"	36#	K-55 & S-80	ST&C
8 3/4"	0' - 11,765'	5 1/2"	17# & 20#	N-80	LT&C

Cementing Program

20" Conductor Casing: Cemented with ready-mix to surface.

13 3/8" Surface Casing: Cemented to surface with 800 sks.

9 5/8" Intermediate Casing: Cemented to surface with 1750 sks.

5 1/2" Production Casing: Cemented with 2700 sks. TOC @ 1160'.

5. Minimum Specifications for Pressure Control

The blowout preventor equipment (BOP) will consist of a (3M system) double ram type (3000 psi WP) preventor. The BOP will be function tested prior to drilling out the cement plugs.

6. Types and Characteristics of the Proposed Mud System

Fresh water will be used to drill out the cement plugs.

7. Auxiliary Well Control and Monitoring Equipment

A. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times

EAST SHUGART ~~WELL~~ WSW #1
RE-ENTRY PROGRAM
PAGE 3

8. Logging

- A. After the well is cleaned out to 6300', a correlation log will be run from $\pm 6300'$ -3900'.

9. Abnormal Pressures, Temperatures and Potential Hazards

No abnormal pressures or temperatures are foreseen. The anticipated bottom hole temperature of the Delaware at 6000' is 120 degrees and maximum bottom hole pressure is anticipated to be 1800 psig. No hydrogen sulfide gas is anticipated.

10. Anticipated Starting Date and Duration of Operations

The anticipated start date for the re-entry is July 1, 1996. The workover operation should require approximately 12 days.

SURFACE USE AND OPERATING PLAN

Attachment to Form 3160-5
Devon Energy Corporation (Nevada)
East Shugart ~~Unit~~ WSW #1
1650' FNL & 1980' FWL
Section 35-T18S-R31E
Eddy County, New Mexico

1. Existing Roads

- A. The well site and elevation plat for the proposed East Shugart Unit WSW #1 are reflected on Exhibit #1. This well was originally drilled by Amoco as the Greenwood Pre-Grayburg Unit Federal A Com #1.
- B. All roads into the location are depicted in Exhibit #2. County Road #249 and the existing lease road will be used to access the location. No new roads will be required.
- C. Directions to location: From Hobbs, NM take Highway 62/180 and go approximately 20 miles to Highway 529. Turn northwest onto Highway 529 and go 35 miles to Highway 82. Go west on Highway 82 for 0.4 mile. Turn left (south) off Highway 82 onto County Road 222 and go approximately 8.2 miles. Turn left (east) onto County Road 249 and go approximately 2.0 miles east and north. Turn east onto lease road and go approximately .3 mile to the East Shugart Unit WSW #1 location.

2. Proposed Access Road

No new access road will be required. The existing road will be used.

EAST SHUGART ~~UNIT~~ WSW #1
SURFACE USE AND OPERATING PLAN
PAGE 2

3. Location of Existing Wells

Exhibit #4 shows all existing wells within a one-mile radius of the proposed East Shugart Unit WSW #1.

4. Location of Existing and/or Proposed Facilities

A. Devon Energy Corporation operates one production facility in this unit located in the NW SW/4 of Section 35. It is as follows:

(4) Heater treaters, (2) free water knockouts, & (4) stock tanks.

Gunbarrel tank, water settling tank, skim oil tank, water tanks, & water injection suction tanks (2), and injection plant.

B. In the event the well is successfully completed as a water source well, water from the well will go to the gunbarrel tank to help remove solids and catch hydrocarbons in the unlikely event they are produced (refer to Exhibit #5).

C. The well will be operated by means of an electric submersible pump.

D. If the well is successfully completed, rehabilitation plans are as follows:

1. The workover pit will be back-filled after the contents of the pit are dry (within 120 days after completion, weather permitting).

5. Location and Type of Water Supply

The East Shugart Unit WSW #1 will be re-entered and cement plugs drilled using fresh water. The water will be trucked over the lease roads to the location. No water well will be drilled on the location.

6. Source of Construction Materials

NA.

EAST SHUGART ~~WELL~~ WSW #1
SURFACE USE AND OPERATING PLAN
PAGE 3

7. Methods of Handling Water Disposal

- A. Drill cuttings will be disposed into the workover pit.
- B. Drilling fluids will be contained in the workover pit.
- C. The workover pit will be fenced on three sides throughout the re-entry operations and will be totally isolated upon removal of the workover rig.
- D. Water produced from the well during completion operations will be disposed into a steel tank or reserve pit, if volumes prove excessive. After placing the well on production through the production facilities, all water will be collected in tanks and injected into the water injection system.
- F. Garbage, trash and waste paper produced during the re-entry operations will be collected and disposed at an approved landfill. All waste material will be contained to prevent scattering by the wind. All water, fluids, salt or other chemicals will be disposed into the reserve pit. No toxic waste or hazardous chemicals will be generated by this operation.
- G. All waste material will be removed within 30 days after the well is either completed or abandoned. The workover pit will be completely fenced until it has dried. At the point the pit is found sufficiently dry, it will be backfilled.. If the re-entry is unsuccessful, only a dry hole marker will remain.

8. Ancillary Facilities

No campsite or other facilities will be constructed as a result of this well.

9. Well Site Layout

- A. No additional site work other than the digging of a workover pit will be required. The work will effect only existing disturbed surface.
- B. No permanent living facilities are planned.

EAST SHUGART ~~WEST~~ WSW #1
SURFACE USE AND OPERATING PLAN
PAGE 4

10. Plans for Restoration of Surface

A. After concluding the re-entry, the location will be leveled and the pit backfilled

11. Surface Ownership

The well site is owned by the Bureau of Land Management.

12. Other Information

A. The area surrounding the well site is grassland. The top soil is very sandy in nature. The vegetation is moderately sparse with native prairie grass.

B. There is permanent water (Laguna Plata) approximately 9.0 miles S/SE of the location.

C. No Cultural Resources Examination will be made since this work will effect only existing disturbed surface.

13. Lessee's and Operator's Representative

The Devon Energy Corporation representatives responsible for ensuring compliance of the surface use plan are:

E. L. Buttross, Jr.
District Engineer

20 North Broadway, Suite 1500
Oklahoma City, OK 73102

(405) 552-4509 (office)
(405) 478-0754 (home)

Danny Hokett
Production Foreman

P. O. Box 1561
Artesia, NM 88211-1561

(505) 748-3371 (office)
(505) 748-9769 (home)

EAST SHUGART ~~WEST~~ WSW #1
SURFACE USE AND OPERATING PLAN
PAGE 5

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access road; that I am familiar with the conditions that presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Devon Energy Corporation (Nevada) and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: 6/11/96

Signed: E. L. Buttross Jr.
E. L. Buttross, Jr.
District Engineer

EXHIBIT 1

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-8719
District III
1000 Rio Bravo Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name SHUGART	
Property Code		Property Name EAST SHUGART DATA WSW			Well Number 1
OGRID No.		Operator Name DEVON			Elevation 3638'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	35	18S	31E		1650'	FWL	1980'	FWL	Eddy

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

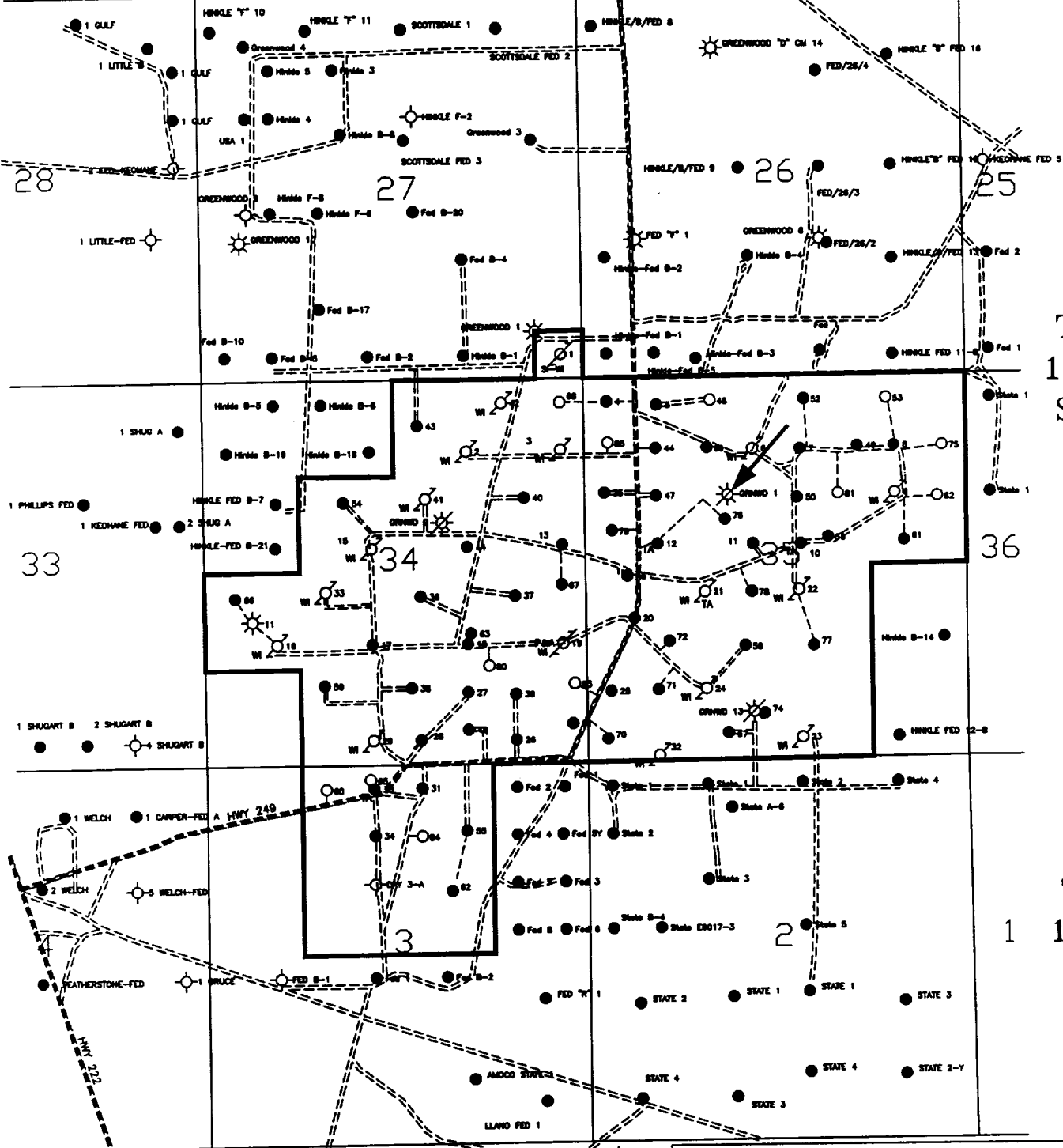
<div style="position: relative; height: 100px;"> 1980' 0 1650' </div>				17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>	
				Signature <u>E. L. Buttress Jr.</u> Printed Name <u>E. L. Buttress, Jr.</u> Title <u>District Engineer</u> Date <u>JUNE 11, 1996</u>	
				18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>	
				Date of Survey Signature and Seal of Professional Surveyer: Certificate Number	

NOTE: ORIGINAL SURVEY ON FILE.

R 31 E

T 18 S

T 19 S



devon

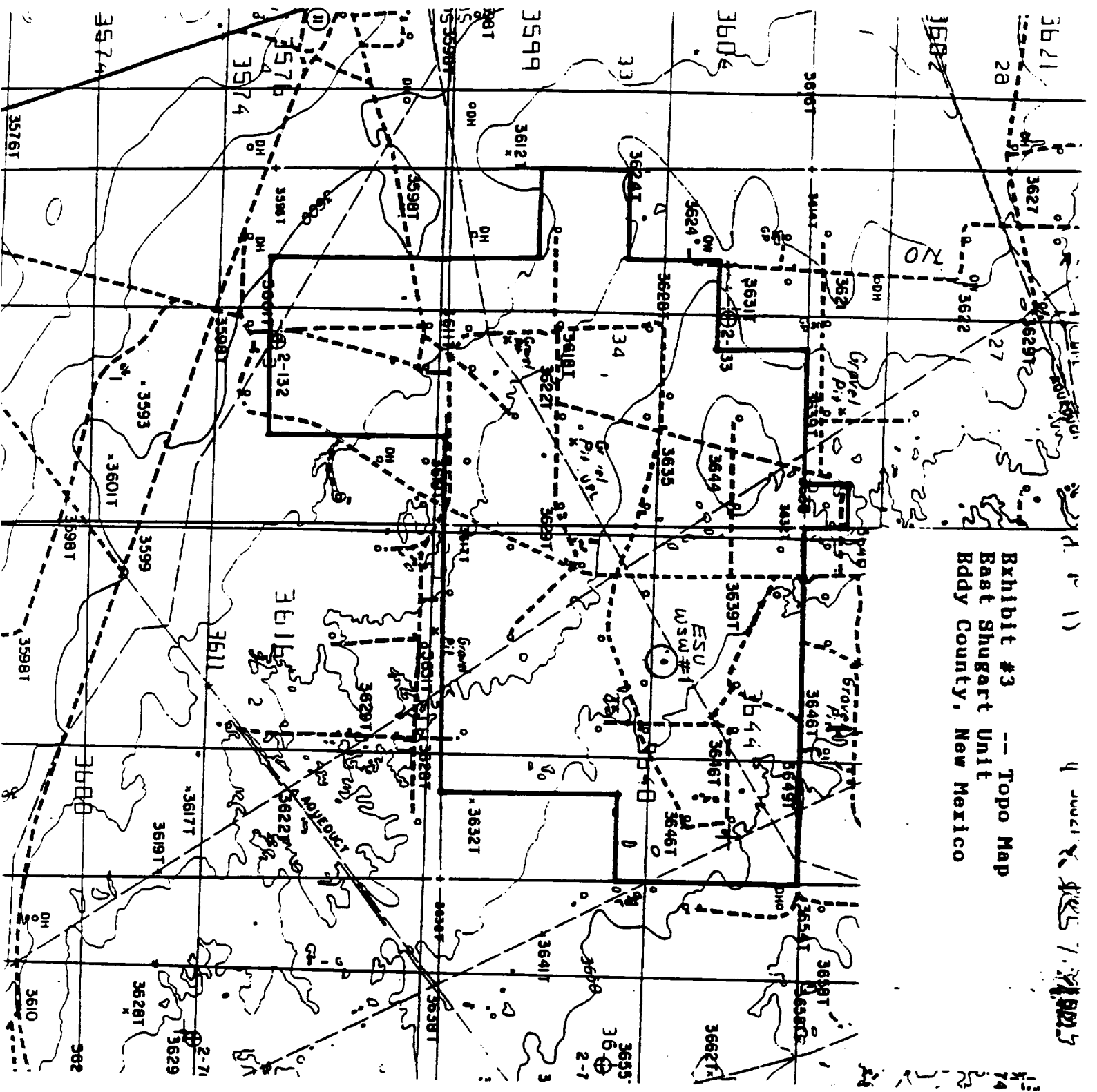
EAST SHUGART UNIT
EDDY COUNTY, NEW MEXICO

EXHIBIT 2

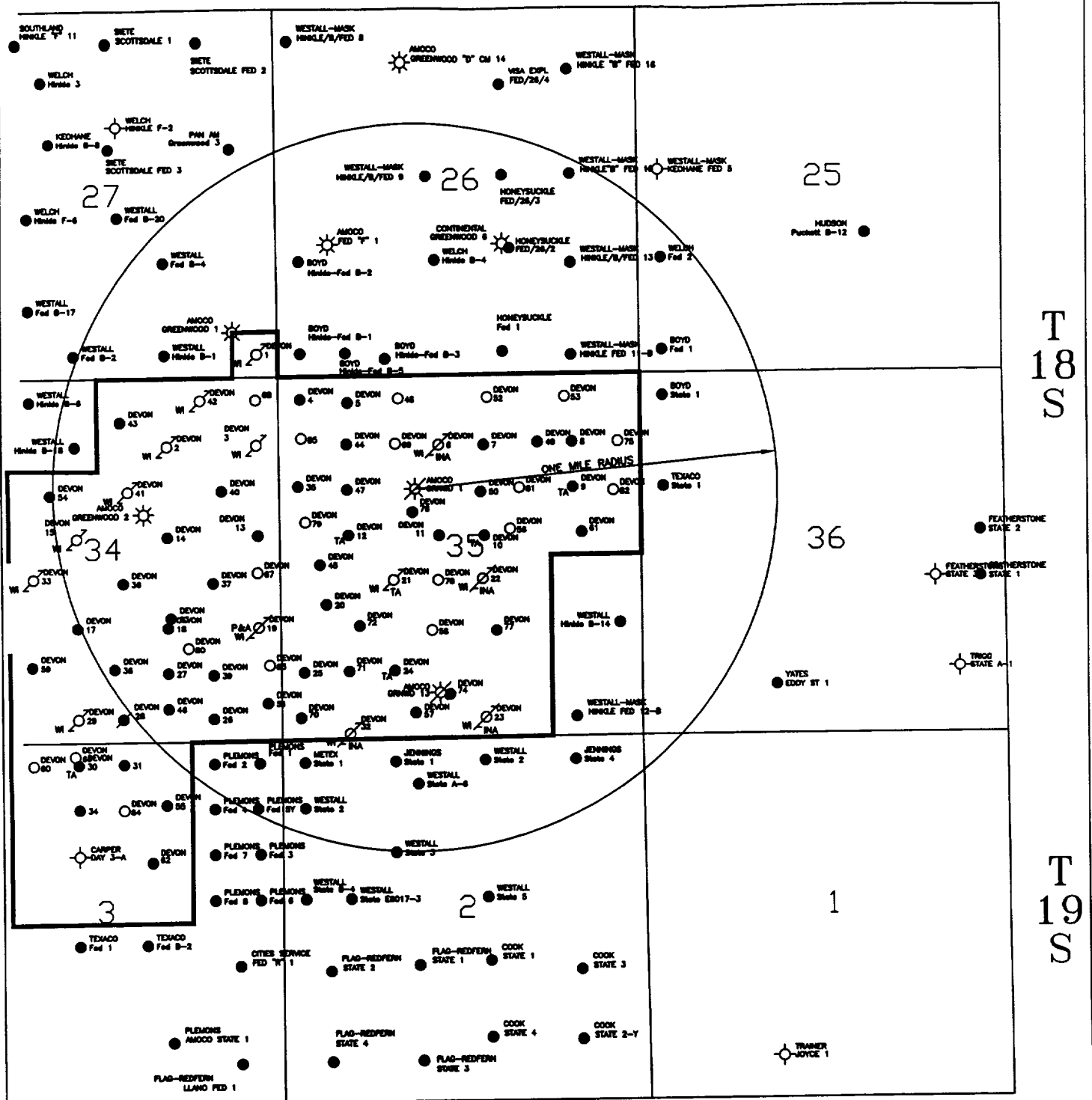
Scale in Feet
1000 0 1000 2000 3000 4000

5/96

Exhibit #3 -- Topo Map
East Shugart Unit
Bddy County, New Mexico



R 31 E



devon
energy services

EAST SHUGART UNIT

EDDY COUNTY, NEW MEXICO

EXHIBIT 4

Scale in Feet

10/95

MINIMUM BLOWOUT PREVENTER REQUIREMENTS

3,000 psi Working Pressure

3 MWV

EAST SHUGART UNIT
Eddy County, New Mexico

STACK REQUIREMENTS

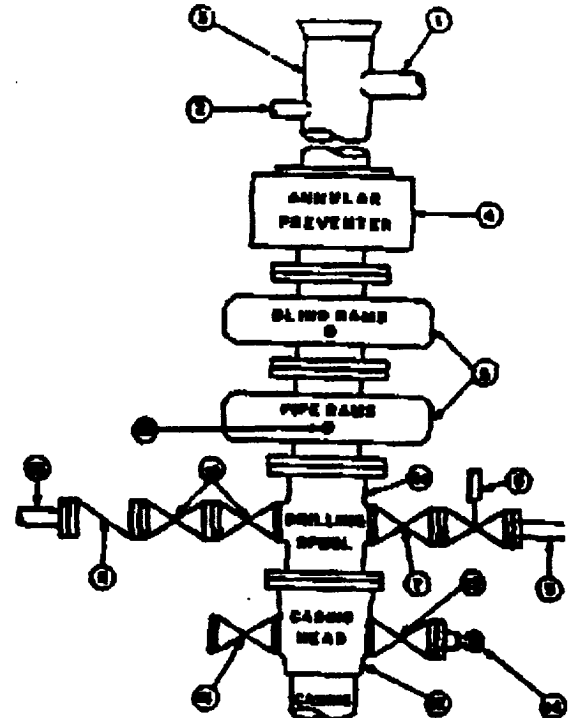
No.	Item	Min. I.D.	Min. Nominal
1	Flange		
2	Fill up line		2"
3	Drilling nipple		
4	Annular preventer		
5	Two single or one dual hydraulically operated rams		
6a	Drilling spool with 2" min. I.D. line and 3" min. choke line outlets		
6b	2" min. I.D. line and 3" min. choke line outlets in tool. (Alternative to 6a above.)		
7	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	2-1/8"	
8	Gate valve—power operated	2-1/8"	
9	Line to choke manifold		3"
10	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	2-1/4"	
11	Check valve	2-1/8"	
12	Casing head		
13	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	1-13/16"	
14	Pressure gauge with needle valve		
15	2in line to rig mast pump manifold		2"

OPTIONAL

16	Flanged valve	1-13/16"	
----	---------------	----------	--

EXHIBIT 1

CONFIGURATION A



CONTRACTOR'S OPTION TO FURNISH:

1. All equipment and connections above underground or casinghead. Working pressure of prevention to be 3,000 psi, minimum.
2. Automatic accumulator (50 gallon, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
3. BOP controls, to be located near derrick position.
4. Kelly equipped with Kelly neck.
5. Include blowout preventer or its equivalent on derrick floor at all times with proper threads in its pipe being used.
6. Kelly shear-cut equipped with rubber casing protector at all times.
7. Plug type blowout preventer tool.
8. Extra set pipe cage to fit drill pipe in use on location at all times.
9. Type FK dog punches in place of Type R.

MEC TO FURNISH:

1. Subsurface or casinghead and side valves.
2. Well logging, if required.

GENERAL NOTES:

1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be forged (suitable strong connections acceptable) and have minimum working pressure equal to rated working pressure of prevention up through choke. Valves must be full opening and suitable for high pressure mud service.
3. Controls to be of standard design and easily located, allowing opening and closing position.
4. Chokes will be positioned so as not to hamper or delay changing of choke booms. Replaceable parts for adjustable chokes, other beam pins, retainers, and choke wrenches to be immediately located for immediate use.
5. All valves to be equipped with hand-wheels or handles ready for immediate use.
6. Choke lines must be suitably anchored.

7. Handwheels and extensions to be connected and ready for use.
8. Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
9. All seamless steel control piping (3000 psi working pressure) to have flange joints to avoid stress. Flanges will be painted.
10. Casinghead connections shall not be used except in case of emergency.
11. Do not use I.D. line for routine fill-up operations.