

DUNDRY 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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Devon-SFS Operating, Inc. ✓

Wally Frank

Senior Operations Engr.

3a. Address

20 N. Broadway, Suite 1500, OKC, OK 73102

3b. Phone No. (include area code)

(405)552-4595

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SHL: 1750' FNL & 990' FEL, Unit H, Section 4-T22S-R24E, Eddy Cnty, NM

BHL: 711' FNL & 684' FEL, Unit A, Section 4-T22S-24E, Eddy Cnty, NM

5. Lease Serial No.

NM-NM83037

6. If Indian, Allottee or Tribe Name

N/A

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

N/A

8. Well Name and No.

Jones Canyon "4" Federal #7

9. API Well No.

30-015-32293

10. Field and Pool, or Exploratory Area

Indian Basin (Upper Penn) Assoc.

11. County or Parish, State

Eddy County

New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Completion</u>
	<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 recompleat horizontally, give subsurface locations 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.)

7-18-2002 thru 8-8-2002 Ran bit, DC's and 2 7/8" 6.5# L-80 tubing. Drilled DV tools at 3508' and 7957' (ECP at 8003'), cement, and float collar to PBTD; press tested to 1000 psi before, during and after. Ran tapered mill to PBTD 8768'. RU BJ Srvs. Pickled tubing with 500 gals 15% HCl.

RU Scientific Drlg and ran gyro svy. RU Computalog and ran CBL on 7-22-2002; TOC at surface.

Perf'd Upper Penn with 2 SPF as follows: 8198-8216' with 37 holes, 8248-8301' with 107 holes, 8315-8325' with 21 holes; total 165 holes (0.41" EHD). Ran and set RBP at 8400' and packer at 8135'. Press tested casing to 500 psi. RU BJ Srvs.

Acidized perfs 8198-8325' down tubing with 17,000 gals 20% NeFe acid + 2300 gals treated water + 210 BS at AIR 12 BPM with 700 psi. ISIP 0 psi. POH with packer and RBP. NU wellhead. SI for press BU and assembled pump.

RIH with Reda SN3600 test pump and 267 jts 2 7/8" tubing; EOS at 8647'. Pump failed. Ran Reda GN3000 pump and 263 jts 2 7/8" 6.5# L-80 tubing; EOS at 8598'. ND BOP, NU wellhead. Began pump testing.

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

Name (Printed/Typed)

Candace R. Graham 405/235-3611 X4520

Signature

Candace R. Graham

Title

Engineering Tech.

Date

10/09/2002

ACCEPTED FOR RECORD

OCT 16 2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

LES BABYAK
PETROLEUM ENGINEER

Approved by

Title

Date

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, 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.

(Instructions on reverse)