

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

## APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone2. Name of Operator  
DEVON ENERGY CORP.Contact: CHARLES MUZZY  
E-Mail: charles.muzzy@devn.com3a. Address  
20 NORTH BOARDWAY  
OKLAHOMA CITY, OK 731023b. Phone No. (include area code)  
Ph: 405.552.7955  
Fx: 405.552.4553

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface NENE Lot A 965FNL 1080FEL

At proposed prod. zone NWNE Lot B 950FNL 1800FEL

14. Distance in miles and direction from nearest town or post office\*  
25 MILES SOUTH, SOUTHEAST OF IGNACIO, CO.15. Distance from proposed location to nearest property or  
lease line, ft. (Also to nearest drig. unit line, if any)16. No. of Acres in Lease  
2040.0018. Distance from proposed location to nearest well, drilling,  
completed, applied for, on this lease, ft.19. Proposed Depth  
8062 MD  
7970 TVD21. Elevations (Show whether DF, KB, RT, GL, etc.)  
6318 GL

22. Approximate date work will start

5. Lease Serial No.  
SF 079010

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
NEBU 3349. API Well No.  
300453229710. Field and Pool, or Exploratory  
PICTURED CLIFFS BASIN DAKOTA  
S. LOS PINOS FSPC

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 26 T31N R7W Mer NMP

12. County or Parish  
SAN JAUN13. State  
NM

17. Spacing Unit dedicated to this well

320.00 E/2 OK 160 NE PC

20. BLM/BIA Bond No. on file

23. Estimated duration

## 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature  
(Electronic Submission)Name (Printed/Typed)  
CHARLES MUZZYDate  
04/08/2004Title  
SR. STAFF OPERATIONS TECHSEE ATTACHED FOR  
CONDITIONS OF APPROVAL

Approved by (Signature)

Name (Printed/Typed)

Date

Title

Office

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

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 Operator Remarks (see next page)

HOLD C104 FOR Directional survey  
Electronic Submission #29327 verified by the BLM Well Information System  
For DEVON ENERGY CORP., sent to the FarmingtonOPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS".This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

OPERATOR

District I  
PO Box 1980, Hobbs NM 88241-1980  
District II  
PO Drawer KK, Artesia, NM 87211-0719  
District III  
1000 Rio Brazos 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 21, 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**

APN Number <b>30-045-32297</b>		Pool Code <b>80690/71599</b>	Pool Name <b>S. Los Pinos FS Pictured Cliffs / Basin Dakota</b>
Property Code <b>19641</b>	Property Name <b>NEBU</b>		Well Number <b># 334</b>
GRID No. <b>6137</b>	Operator Name <b>Devon Energy Production Company, L.P.</b>		Elevation <b>6318</b>

**10 Surface Location**

UL or Lot No.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>26</b>	<b>31 N</b>	<b>7 W</b>		<b>965</b>	<b>NORTH</b>	<b>1080</b>	<b>EAST</b>	<b>SAN JUAN</b>

**11 Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
<b>B</b>	<b>26</b>	<b>31 N</b>	<b>7 W</b>		<b>950</b>	<b>NORTH</b>	<b>1800</b>	<b>EAST</b>	<b>SAN JUAN</b>

Dedicated Acres <b>DK-320</b>	Feet or Buffer	Consolidation Code	Order No.
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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

	<b>16</b>
	<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature: <i>Charles Muzzy</i> Printed Name: <b>Charles Muzzy</b> Title: <b>Sr. Operations Tech</b> Date: <b>4-6-04</b>
<b>18</b>	<b>19 SURVEYOR CERTIFICATION</b> 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.  Bottom Hole Footage - February 9, 2004 Date of Survey: <b>October 20, 2003</b> Signature and Seal of Professional Surveyor: <i>GARY D. VAND</i>  7016 Certificate Number

(R) - GLO Record

District I  
PO Box 1980, Hobbs NM 88241-1980  
District II  
PO Drawer KK, Artesia, NM 87211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
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☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

AJN Number <b>3005-32297</b>		Pool Code <b>80690/71599</b>	Pool Name <b>S. Los Pinos FS Pictured Cliffs / Basin Dakota</b>
Property Code <b>19641</b>	NEBU		Well Number <b># 334</b>
COMUD No. <b>6137</b>	Operator Name <b>Devon Energy Production Company, L.P.</b>		Elevation <b>6318</b>

**Surface Location**

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>26</b>	<b>31 N</b>	<b>7 W</b>		<b>965</b>	<b>NORTH</b>	<b>1080</b>	<b>EAST</b>	<b>SAN JUAN</b>

**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
<b>B</b>	<b>26</b>	<b>31 N</b>	<b>7 W</b>		<b>950</b>	<b>NORTH</b>	<b>1800</b>	<b>EAST</b>	<b>SAN JUAN</b>

Dedicated Acres <b>PC-160</b>	Foot or Buffer	Consolidation Code	Order No.
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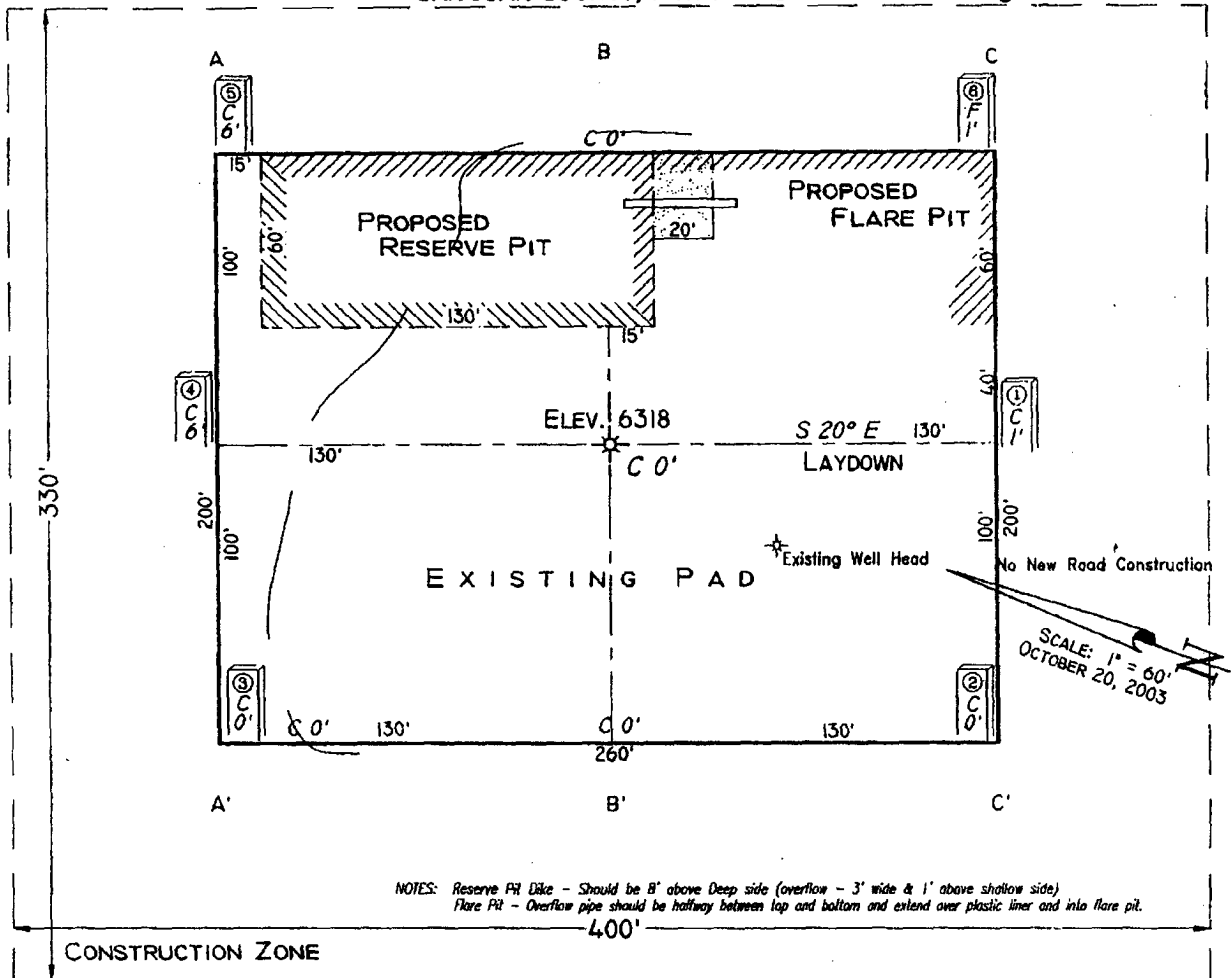
**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained hereto is true and complete to the best of my knowledge and belief.</p> <p>Signature: <i>Charles Muzzy</i> Printed Name: <b>Charles Muzzy</b> Title: <b>Sr Operations Tech</b> Date: <b>4-6-04</b></p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>Bottom Hole Footage - February 9, 2004 October 20, 2003</p> <p>Date of Survey</p> <p>Signature and Seal of Registered Professional Surveyor <i>GARY D. YANN</i> <b>GARY D. YANN</b> <b>REGISTERED PROFESSIONAL LAND SURVEYOR</b> <b>7016</b></p> <p>Certificate Number</p>

**PAD LAYOUT PLAN & PROFILE**  
**DEVON ENERGY PRODUCTION COMPANY, L.P.**

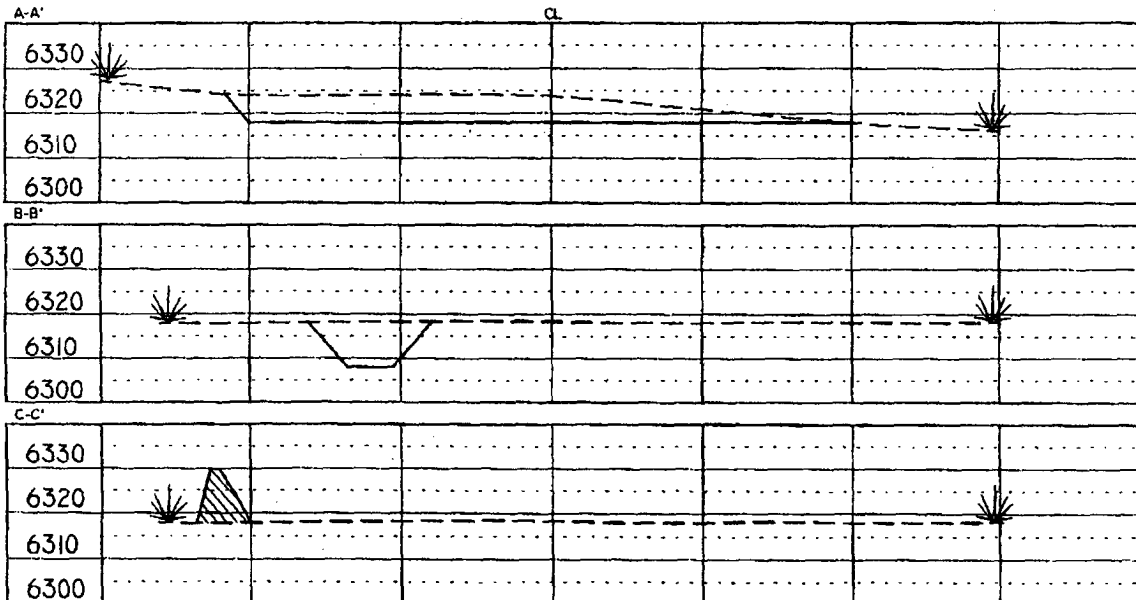
NEBU #334  
 965' F/NL 1080' F/EL  
 SEC. 26, T31N, R7W, N.M.P.M.  
 SAN JUAN COUNTY, NEW MEXICO

Lat: 36°52'30"  
 Long: 107°32'06"



Area of Construction Zone - 330'x400' or 0.03 acres, more or less.

SCALE: 1"=60'-HORIZ.  
 1"=40'-VERT.



NOTE: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction.

Cuts and fills shown are approximate - final finished elevation is to be adjusted so earthwork will balance. Corner stakes are approximate and do not include additional areas needed for slopes and drainages. Final Pad Dimensions are to be verified by Contractor.

VANN SURVEYS  
 P. O. Box 1306  
 Farmington, NM

**NEBU 334**  
**Unit A 26-31N-7W**  
**San Juan Co., NM**

**DRILLING PLAN**

**1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS & ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:**

<b>Formation</b>	<b>TYD (ft)</b>	<b>TMD (ft)</b>	<b>Hydrocarbon/Water Bearing Zones</b>
San Jose	Surface	Surface	
Ojo Alamo	2201	2258	Aquifer
Kirtland	2309	2370	
Fruitland	2764	2842	Gas
Pictured Cliffs	3117	3207	Gas
Lewis	3357	3448	Gas
Intermediate TD	3457	3549	
Mesaverde	4012	4104	Gas
Chacra	4400	4492	Gas
Cliff House	5189	5281	Gas
Menefee	5216	5308	Gas
Point Lookout	5509	5601	Gas
Mancos	5832	5924	Gas
Gallup	6822	6914	Gas
Greenhorn	7562	7654	
Graneros	7614	7706	Gas
Dakota	7749	7841	Gas
Morrison	7940	8032	
TD	7970	8062	

\*All shows of fresh water and minerals will be adequately protected and reported.

## **2. PRESSURE CONTROL EQUIPMENT:**

All well control equipment shall be in accordance with Onshore Order #2 for 2M systems.

The minimum specifications for pressure control equipment that will be provided are included on the attached schematic diagram, which shows the size, and pressure ratings.

- 2000# BOP With Pipe Rams and 2000# BOP With Blind Rams

Auxiliary equipment to be used:

- Upper kelly cock with handle available.

The manifold includes appropriate valves and adjustable chokes. The kill line will have one check valve. Ram type preventers will be pressure tested to full working pressure (utilizing a test plug) or 70% of the internal yield pressure (without a test plug) at:

- Initial installation
- Whenever any seal subject to test pressure is broken
- Following related repairs
- At 30 day intervals

Pipe and blind rams shall be activated each trip.

A BOPE pit level drill will be conducted weekly for each drilling crew.  
All tests and drills will be recorded in the drilling log.

The accumulator will have sufficient capacity to close all rams and retain 200 psi above pre-charge pressure without the use of closing unit pumps.

Master controls will be at the accumulator. Anticipated bottom hole pressure is 3400 psi.

## **3. CASING & CEMENTING PROGRAM:**

A. The proposed casing program will be as follows:

<b>TVD</b>	<b>TMD</b>	<b>Hole Size</b>	<b>Size</b>	<b>Grade</b>	<b>Weight</b>	<b>Thread</b>	<b>Condition</b>
0-285	0-285	12-1/4"	9-5/8"	H-40	32#	STC	New
0-3457	0-3549	8-3/4"	7"	K-55	23#	LTC	New
0- TD	0- TD	6-1/4"	4-1/2"	J-55	11.6 #	LTC	New

The 9-5/8" surface pipe will be tested to 750 psi. All casing strings below the surface shoe shall be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi, whichever is greater, but not to exceed 70% minimum internal yield.

**Surface:** The bottom three joints of the surface casing will have a minimum of one centralizer per joint and one centralizer every joint thereafter (Total 5 centralizers estimated)

**Intermediate:** The bottom three joints of the 7" casing will have a minimum of one centralizer per joint and one centralizer every fifth joint thereafter to above Ojo Alamo with turbolizers below and throughout the Ojo Alamo. (Total 12 centralizers, 3 turbolizers estimated).

**Production:** The bottom three joints will have a minimum of one centralizer per joint and one centralizer every fifth joint to 3500' (estimated 25 centralizers used). Centralizers will be open bow spring or basket bow spring type.

B. The proposed cementing program will be as follows:

**Surface String:** Cement will be circulated to surface.

**Lead:** 200 sks Class "B" with 100% Standard Cement, 2.00% CaCl<sub>2</sub>, .25 #/sk Flocele. Density: 15.6 lb/gal; Yield: 1.18 cuft/sk; Water: 5.24 gal/sk

**Intermediate String:** Cement will be circulated to surface.

**Lead:** 575 sks 50/50 Poz with 50% Class B Cement, 50% San Juan Poz, .4% Halad-344, .1% CFR-3, 3% Bentonite, 5#/sk Gilsonite, .25#/sk Flocele. Density: 13.0 lb/gal; Yield: 1.46 cuft/sk; Water: 6.42 gal/sk

**Tail:** 75 sks 50/50 Poz with 94#/sk Standard Cement, 0.3% Halad-344, .25 #/sk Flocele. Density: 15.6 lb/gal; Yield: 1.18 cuft/sk; Water: 5.23 gal/sk

If hole conditions dictate, an alternate, two stage cement design Will be used:

**Stage 1:** 85 sacks Class B 50/50 POZ, 3% gel, 5# Gilsonite, 1/4# Flocele, 1/10% CFR 3, .2% Halad 344, Yield 1.47 ft<sup>3</sup>/sks.

**Stage 2:** 450 sacks Class B 50/50 POZ, 3% gel, 5# Gilsonite, 1/4# Flocele, .1% CFR 3, .2% Halad 344, Yield 1.47 ft<sup>3</sup>/sks.

**Production String:** TOC designed to circulate 1000' into intermediate string, cement will tie into the intermediate casing as a minimum. Volumes may vary with actual well characteristics.

**Lead:** 450 sks 50/50 Poz with 50% Standard Cement, 50% San Juan POZ, 3% Bentonite, 1.40% Halad-9, .10% CFR-3, .10% HR-5, 5 #/sk Gilsonite, 0.25 #/sk Flocele. Density: 13.0 lb/gal; Yield: 1.47 cuft/sk; Water: 6.35 gal/sk

Actual volumes will be calculated and adjusted with caliper log prior to cementing.

If hole conditions dictate, an alternate, two stage cement design will be used.

**Stage 1:** 325 sxs 50/50 POZ, 3% gel, .9% Halad 9, .2% CFR 3, %# Gilsonite & 1/4# Flocele. Yield 1.47 13#.

**Stage 2:**

**Lead:** 450 sx 50/50 POZ, 3% Gel, .9% Halad 9, .2% CFR 3, 5#

Gilsonite & 1/4# Flocele. Yield 1.47 13 ppg.

Tail: 25 sx (5 bbls) Class B .4% Halad 9. Yield 1.18 15.6#.

#### 4. DRILLING FLUIDS PROGRAM:

TVD Interval	TMD Interval	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-3457'	0-3549'	Spud-foam	8.4-9.0	29-70	8.0	NC	FW gel, LSND or stiff foam
3457'-7749'	3549'-7841'	Air				NC	
7749' - TD	7841' - TD	Air/N2 or Mud	8.5-9.0*	30-50	8.0-10.0	8-810cc @ TD	Low solids-non-dispersed. * min Wt. to control formation pressure

NC = no control

Sufficient quantities of mud material will be maintained on site or be readily accessible for the purpose of assuring well control. SPR will be recorded on daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

#### 5. EVALUATION PROGRAM:

**Logs:** Density  
Neutron  
Induction

In the event open hole logs are not run in the well, a cased hole evaluation log will Be run.

**Survey:** Deviation surveys will be taken every 500' from 0-TD or first succeeding bit change. The hole will be air drilled from intermediate casing point to TD. The equipment used in this type of operation will not allow for single shot surveys without considerable operational delays. A survey will be taken at TD. Similar wells in this area have not shown significant deviation in this section of the hole.

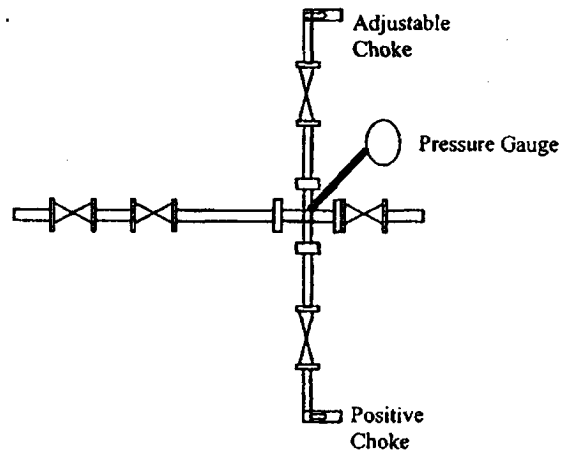
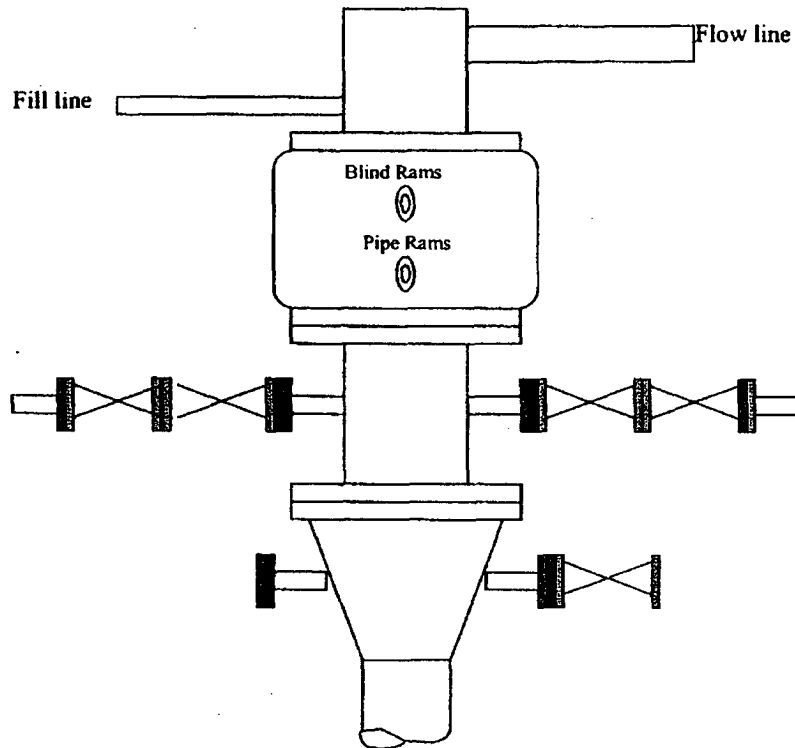
**Cores:** None anticipated.

**DST's:** None anticipated.

#### 6. ABNORMAL CONDITIONS:



**Well Control Equipment**  
**2,000 psi Configuration**



All well control equipment designed to meet or exceed the Onshore Oil and Gas Order No. 2, BLM 43 CFR 3160 requirements for 2M systems.