Form 3160-5 (November, 1996)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED

OMB No. 1004-012 Expires: July 32

5. Lease Serial No

NM-03356

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Do not use th	is forn	1 for	prop	osals to	o drill or to	re-enter an	
abandoned wel	I. Use	Forn	n 31	60-3 (A	PD) for suc	h proposal	s.
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6. If Indian, Allottee, or Tribe Name SUBMIT IN TRIPLICATE- Other Instructions on the reverse side 7. If Unit or CA. Agreement Designation 1. Type of Well **Northeast Blanco Unit** X Gas Well Oil Well 8. Well Name and No. 2. Name of Operator **NEBU 77A Devon Energy Production Company, L.P.** 9. API Well No. Attn: Kim Walker 3b. Phone No. (include area code) 30-045-30960 20 North Broadway, Suite 1500, OKC, OK 73102 (405) 552-4734 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Blanco Mesaverde Basin Dakota 1390' FNL & 1030' FWL SW /4. **NW** Sec. 15 . T 31N 11. County or Parish, State R. 7W 36.5411 107.3350 Longitude San Juan NM CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-off Altering Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete Amend APD Change Plans Plug and abandon Temporarily Abandon Final Abandonment Notice Convert to Injection 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 recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required susequnet reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in anew interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.) Please see attached revised Drilling Plan with changes to the Total Depth. 14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) Title Kim Walker **Operations Technician** Signature Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by JUN 12 Conditions of approval, if any are attached. Approval of this notice does not warrant or

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitio or fraudulent statements or representations as to any matter within its jurisdiction.

Office



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.

NEBU 77A Unit E-15-31N-7W San Juan Co., NM

DRILLING PLAN

1. <u>ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS & ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:</u>

Formation	Depth (ft)	Hydrocarbon/Water Bearing Zones		
San Jose	Surface			
Ojo Alamo	2395'	Aquifer		
Kirtland	2510'			
Fruitland	3010'	Gas		
Pictured Cliffs	3465'	Gas		
Lewis	3585'	Gas		
Intermediate TD	3685'			
Mesaverde	4265'	Gas		
Chacra	4650'			
Massive Cliff House	5110'	Gas		
Menefee	5480'	Gas		
Massive Point Lookout	5750'	Gas		
Mancos	6050'			
Gallup	7060'	Gas		
Greenhorn	7790'	Gas		
Graneros	7840'			
Dakota	7960'	Gas		
TD	8300'			

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 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 precharge pressure without the use of closing unit pumps.

Master controls will be at the accumulator.

3. Casing & Cementing Program:

A. The proposed casing program will be as follows:

Depth	Hole Size	Size	Grade	Weight	Thread	Condition
0-250'	12-1/4"	9-5/8"	H-40	32#	STC	New
0-3685'	8-3/4"	7"	K-55	20#	LTC	New
0-TD	6-1/4"	4-1/2"	K-55	11.6#	LTC	New

All casing strings below the conductor 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.

The bottom three joints of the surface casing will have one centralizer per joint and one centralizer every fourth joint thereafter.

B. The proposed cementing program will be as follows:

Surface String:

Cement will be circulated to surface. Estimated volume (180%

of theoretical value):

Lead: 200 sks Class "B" with additives mixed at 15.6 ppg, 1.18

ft³/sks.

Intermediate String:

Cement stage collar at 2960'.

First Stage: 225 sks 50/50 "G" Poz with additives mixed at 13.5

ppg, 1.28 ft³/sks, circulated to stage collar.

Second Stage: 350 sks Lite cement with additives mixed at

11.5 ppg, 2.40 ft³/sks, circulated to surface.

Production String:

TOC will be tied into the intermediate casing.

Lead: 675 sks 50/50 Poz cement @ 13 lb/gal, 1.47 ft³/sks.

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

4. DRILLING FLUIDS PROGRAM:

Interval	Туре	Weight (ppg)	Viscosity	PH	Water Loss	Remarks
0-3685'	Spud	8.4-9.0	29-70	8.0	NC	FW gel, LSND
3685-7840'	Air				NC	
7840-TD	Mud	8.5-9.0*	30-50	8.0-10.0	8-10cc @ TD	Low solids – nondispersed. * 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:

Platform Express AIT/GR/SP: Intermediate casing point to the base of the surface casing and TD to the base of the intermediate casing.

Platform Express CNL/LDT/PE: Intermediate casing point to the base of the surface casing and TD to the base of the intermediate casing.

Survey:

Deviation surveys will be taken every 500' from 0-3685' or first succeeding bit change. The hole will be air drilled from 3685'-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:

The Fruitland Coal will be encountered at approximately 3010'. Estimated formation pressure is 300 psi. The drilling mud will be pretreated with 30% LCM prior to penetrating the zone. No other abnormal pressures and/or temperatures are expected. No hydrogen sulfide should be present.

7. OTHER INFORMATION:

The anticipated starting date and duration of the operation will be as follows:

Starting Date:

Upon Approval

Duration:

20 days

If the well is completed as a dry hole or as a producer, Well Completion or Recompletion Report and Log (Form 3160-4) will be submitted within 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3160. Copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample descriptions, daily drilling reports, daily completion reports, and all other surveys or data obtained and compiled during the drilling, completion, and/or workover operations, will be submitted directly to the Authorized Officer or filed with Form 3160-4.