

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 36 SF-078988
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Northeast Blanco Unit
2. Name of Operator Devon Energy Production Company, L.P. Attn: Diana Booher		7. If Unit or CA Agreement, Name and No. NEBU 320M
3a. Address 20 North Broadway, Suite 1500, OKC, OK 73102	3b. Phone No. (include area code) (405) 552-4572	8. Lease Name and Well No. API Well No. 3004531159
4. Location of well (Report location clearly and in accordance with any State requirements. *) At surface 780' FSL & 1185' FEL SE SE Unit P At bottom hole Same At proposed prod. zone		9. Field and Pool, or Exploratory Blanco Mesaverde Basin Dakota
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approx. 25 miles SE of Ignacio, CO		10. Sec., T., R., M., or Blk. And Survey or Area P Sec. 6, T 31N, R 6W
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any) 780'	16. No. of Acres in lease 2560.00	11. County or Parish San Juan
18. Distance from proposed* location to nearest well, drilling, completed, applied for, on this lease, ft. 1700'	19. Proposed Depth 8060'	12. State NM
21. Elevations (Show whether DF, RT, GR, etc.) 6343' GL	22. Approximate date work will start* Upon Approval	13. Spacing Unit dedicated to this well DK-all-R2046 MV all 351.89
23. Estimated Duration 20 Days		20. BLM/ BIA Bond No. on file CO-1104

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. | 4. Bond to cover the operations unless covered by existing bond on file (see item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/ or plans as may be required by the authorized officer. |

25. Signature Diana Booher	Name (Printed/ Typed) Diana Booher	Date 07/29/02
Title Operations Engineering Associate		
Approved By (Signature) /s/ Charlie Beecham	Name (Printed/ Typed) Office	Date SEP - 5

Application approval 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 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* (Instructions on reverse)
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

NMOCD

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31159	² Pool Code 72319/71599	³ Pool Name Blanco Mesaverde/Basin Dakota
⁴ Property Code 019641	⁵ Property Name NEBU	⁶ Well Number 320M
⁷ OGRIID No. 006137	⁸ Operator Name DEVON ENERGY Production Company, L.P.	⁹ Elevation 6343'

¹⁰ Surface Location

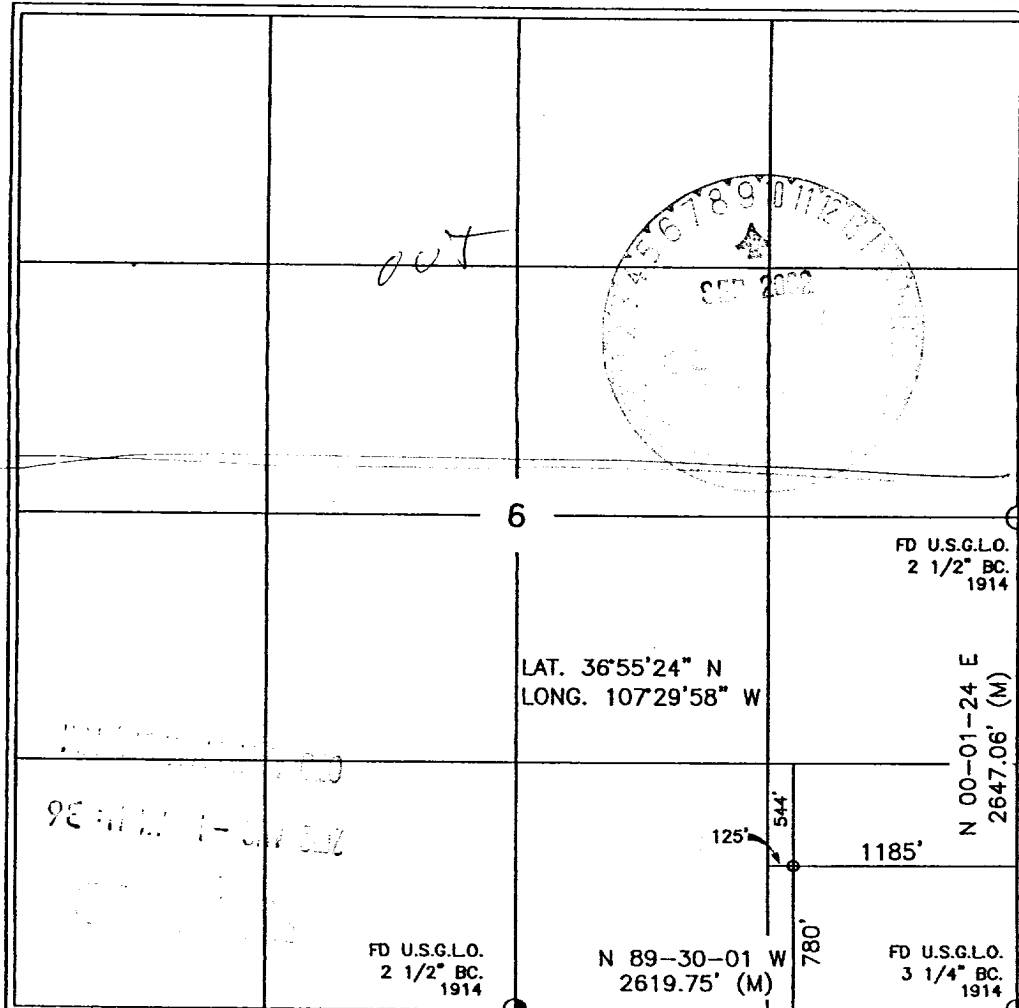
UL or lot no. P	Section 6	Township 31-N	Range 6-W	Lot Idn	Feet from the 780	North/South line SOUTH	Feet from the 1185	East/West line EAST	County SAN JUAN
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres MV - 51.84 351.84 DK - 51.84 11		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. R-2046-Dak			

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

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17 OPERATOR CERTIFICATION

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

Diana Booher
Signature

DIANA BOOHER
Printed Name

OPERATIONS ENGR. ASSOC.
Title

7/29/02
Date

18 SURVEYOR CERTIFICATION

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.

APRIL 16, 2002
Date of Survey

D. Booher
Signature and Seal of Professional Surveyor

14827
Certificate Number

NMCCD

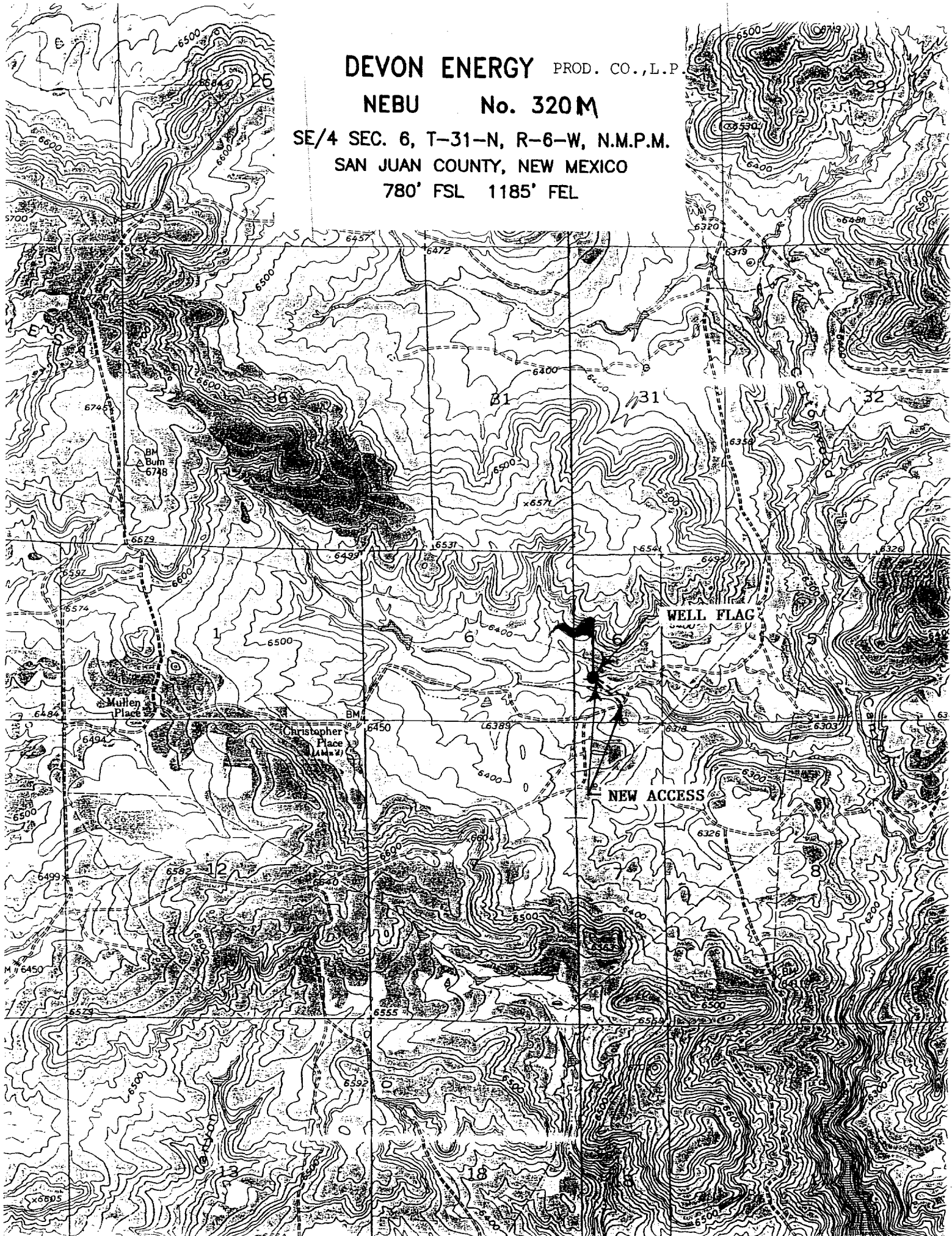
DEVON ENERGY PROD. CO., L.P.

NEBU No. 320M

SE/4 SEC. 6, T-31-N, R-6-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

780' FSL 1185' FEL



**NEBU 320M
Unit K-6-31N-6W
San Juan Co., NM**

DRILLING PLAN

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

Formation	Depth (ft)	Hydrocarbon/Water Bearing Zones
San Jose	Surface	
Ojo Alamo	2240	Aquifer
Kirtland	2340	
Fruitland	2810	Gas
Pictured Cliffs	3270	Gas
Lewis	3395	
Intermediate TD	3495	
Huerfano bentonite	4120	Gas
Chacra	4535	
Massive Cliff House	4955	Gas
Menefee	5355	Gas
Point Lookout	5610	Gas
Mancos	5945	
Gallup	7025	Gas
Greenhorn	7640	Gas
Graneros	7710	
Dakota	7844	Gas
TD	8060	

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 pre-charge 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
0-3495'	8-3/4"	7"	K-55	23#	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 a minimum of 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 will be circulated to surface.

Lead: 320 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks prior to foaming, 9 ppg, 2.18 ft³/sks after foaming.

Tail: 70 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks.

Top Out Cement: 100 sks Class "B" with additives mixed at 15.6 ppg, 1.18 ft³/sks.

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

Lead Slurry 1: 200 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks prior to foaming, 9 ppg, 2.14 ft³/sks after foaming.

Lead Slurry 2: 70 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks prior to foaming, 10 ppg, 1.98 ft³/sks after foaming.

Tail: 300 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft³/sks

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

4. DRILLING FLUIDS PROGRAM:

Interval	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-3495'	Spud-foam	8.4-9.0	29-70	8.0	NC	FW gel, LSND or stiff foam
3495-7710'	Air				NC	
7710-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: