Form 3160-3
(August 1999)

FORM APPROVED
OMB NO. 1004-0136
Expires: November 30, 2000

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

5. Lease Serial No.
SF-078988

6. If Indian, Allottee or Tribe Name

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

1a. Type of Work [X] DRILL [ ] REENTER

1b. Type of Well [ ] Oil Well [X] Gas Well [ ] Other [ ] Single Zone [X] Multiple Zone

8. Lease Name and Well No.
NEBU 321

2. Name of Operator
Devon Energy Production Company, L.P. Attn: Diana Booher

9. API Well No.
30045 31163

3a. Address
20 North Broadway, Suite 1500, OKC, OK 73102

3b. Phone No. *(include area code)*
(405) 552-4734

10. Field and Pool, or Exploratory
Blanco Mesaverde Basin Dakota

4. Location of well *(Report location clearly and In accordance with any State requirements.*)*
At surface **835' FSL & 2475' FEL SW SE Unit O**
At bottom hole **Same**
At proposed prod. zone

11. Sec., T., R., M., or Blk. And Survey or Area
Sec. **18** ,T **31N** ,R **6W**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approx. 24 miles SE of Ignacio, CO

12. County or Parish
San Juan

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any)	16. No. of Acres in lease	17. Spacing Unit dedicated to this well
835'	**2560.00**	**320 ac.** E/2
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/ BIA Bond No. on file
1700'	**8075'**	**CO-1104**
21. Elevations (Show whether DF, RT, GR, etc.)	22. Aproximate date work will start*	23. Estimated Duration
6361' GL	**Upon Approval**	20 Days

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, SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by 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	Name *(Printed/ Typed)*	Date
Diana Booher	**Diana Booher**	7/24/02

Title
Operations Engineering Associate

Approved By *(Signature)*	Name *(Printed/ Typed)*	Date
/s/ Jim Lovato		AUG - 9
Title	Office	

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 appli 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)

NMOCD

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

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

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Departme.

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-045-31163	72319/71599	BLANCO MESAVERDE/BASIN DAKOTA

[4] Property Code	[5] Property Name	[6] Well Number
019641	NEBU	321

[7] OGRID No.	[8] Operator Name	[9] Elevation
006137	DEVON ENERGY PRODUCTION COMPANY, L.P.	6361'

[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
O	18	31-N	6-W		835'	SOUTH	2475'	EAST	SAN JUAN

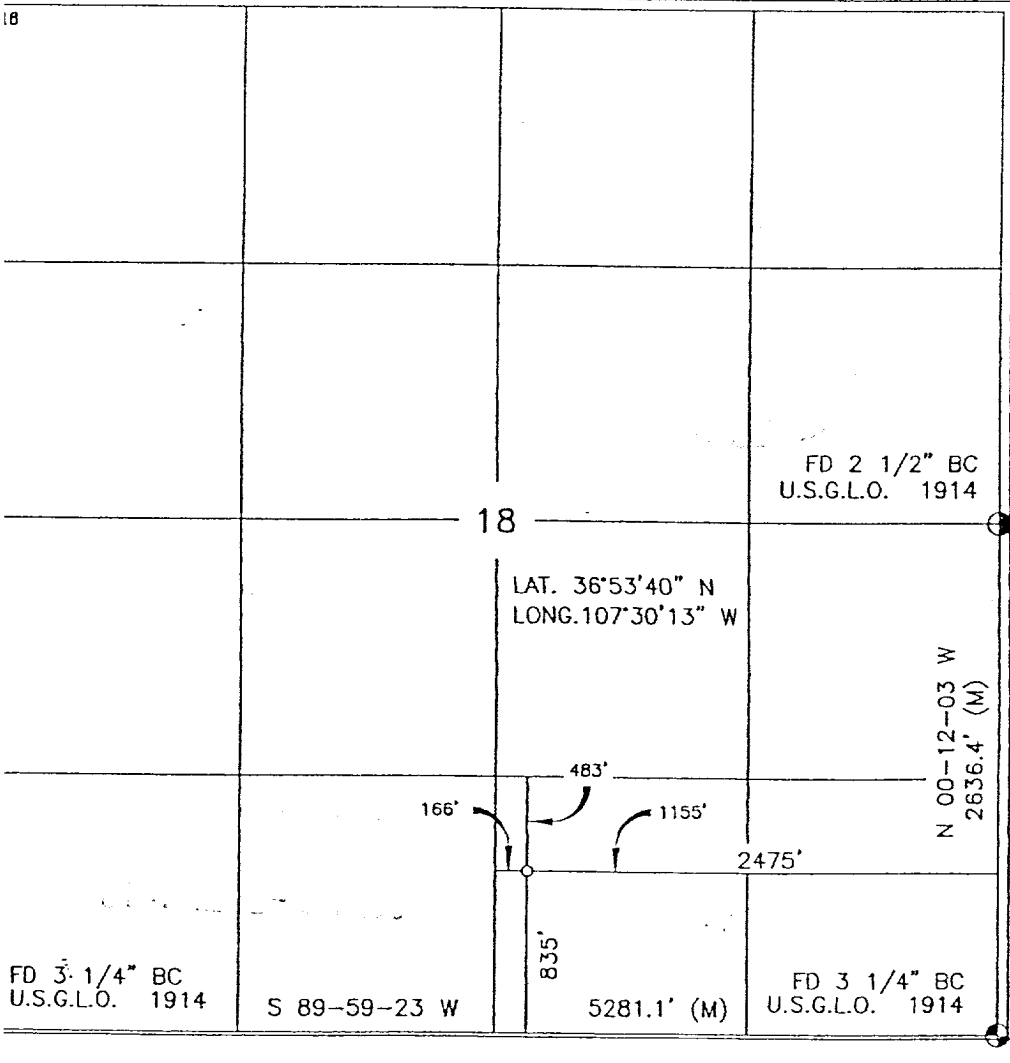
[11] Bottom Hole Location If Different From Surface

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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
MV - E/320 DK - E/320			

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

[16]



[17] OPERATOR CERTIFICATION

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

Diana S. Booher
Signature

DIANA S. BOOHER
Printed Name

OPERATIONS ENGR. ASSOC.
Title

7/23/02
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 27, 2002
Date of Survey

Signature and Seal of Professional Surveyor:

DAVID J. JOHNSON
NEW MEXICO
14827
REGISTERED PROFESSIONAL SURVEYOR

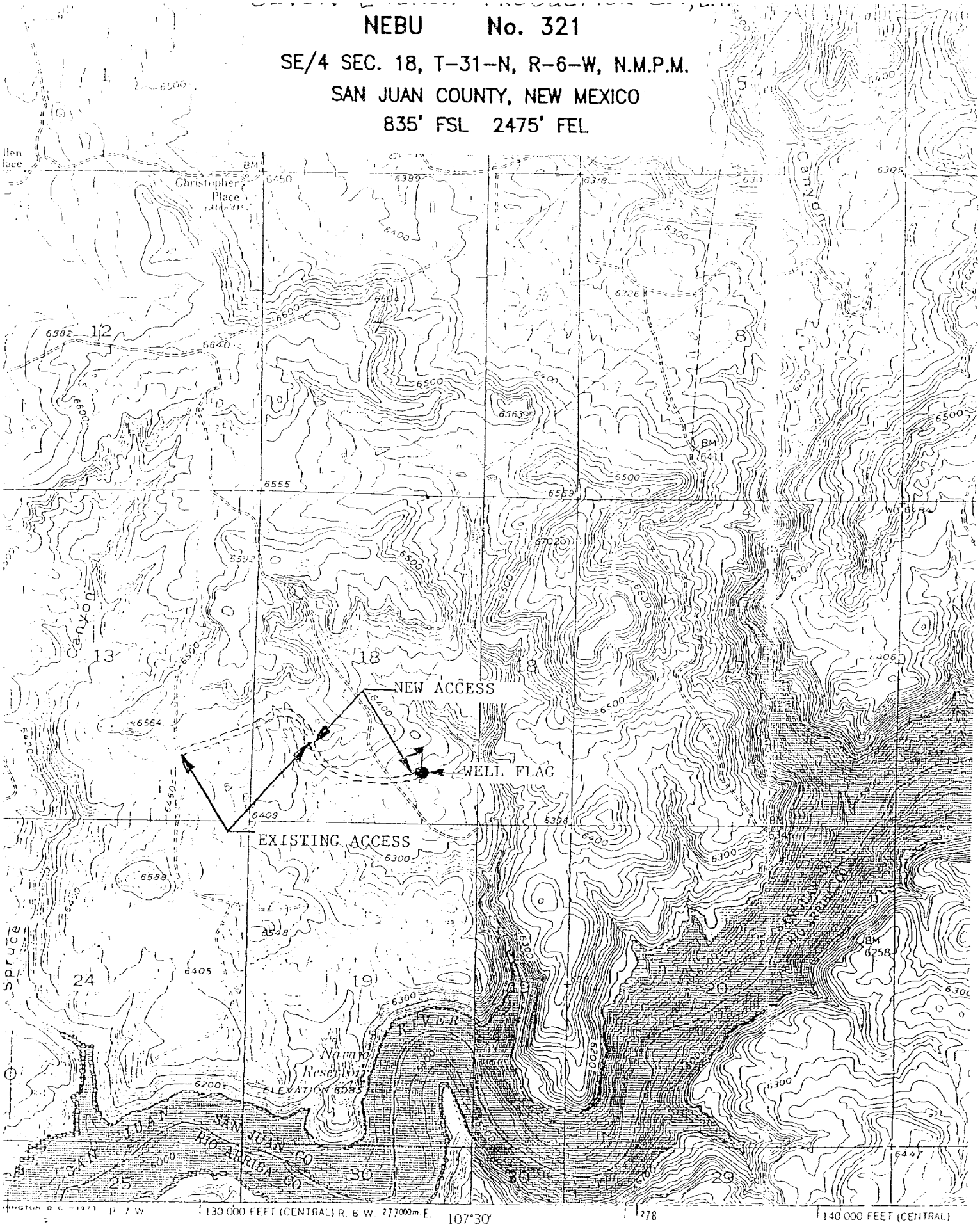
14827
Certificate Number

NEBU No. 321

SE/4 SEC. 18, T-31-N, R-6-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

835' FSL 2475' FEL



130 000 FEET (CENTRAL) R. 6 W. 277000m E. 107°30' 278 140 000 FEET (CENTRAL)

Mapped, edited, and published by the Geological Survey

Control by USGS and NOS/NOAA

Topography by photogrammetric methods from aerial photographs

ROAD CLASSIFICATION

NEBU 321
Unit O-18-31N-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	2318	Aquifer
Kirtland	2440	
Fruitland	2885	Gas
Pictured Cliffs	3320	Gas
Lewis	3470	Gas
Intermediate TD	**3575**	
Huerfanito bentonite	4095	
Chacra	4485	Gas
Massive Cliff House	4950	
Menefee	5350	Gas
Massive Point Lookout	5570	Gas
Mancos	5975	Gas
Gallup	7010	Gas
Greenhorn	7663	
Graneros	7718	
Dakota	7848	Gas
TD	**8075**	

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
0-3575'	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 ft^3/sks.

Intermediate String: Cement will be circulated to surface.

Lead: 320 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft^3/sks prior to foaming, 9 ppg,2.18 ft^3/sks after foaming.
Tail: 70 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft^3/sks.
Top Out Cement: 100 sks Class "B" with additives mixed at 15.6 ppg, 1.18 ft^3/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 ft^3/sks prior to foaming, 9 ppg,2.14 ft^3/sks after foaming.
Lead Slurry 2: 70 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft^3/sks prior to foaming, 10 ppg, 1.98 ft^3/sks after foaming.
Tail: 300 sks 50/50 Poz with additives mixed at 13.0 ppg, 1.44 ft^3/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
0-3575'	Spud-foam	8.4-9.0	29-70	8.0	NC	FW gel, LSND or stiff foam
3575-7718'	Air				NC	
7718-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: