

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY 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.

HOBBS OCD

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

DEC 03 2014

RECEIVED

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other	2. Name of Operator DEVON ENERGY PRODUCTION CO LP Contact: DAVID H COOK Email: david.cook@devn.com	3a. Address 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405-552-7848	5. Lease Serial No. NMNM98247	6. If Indian, Allottee or Tribe Name	7. If Unit or CA/Agreement, Name and/or No. NMNM94480X	8. Well Name and No. GAUCHO UNIT 14H	9. API Well No. 30-025-41571-00-X1	10. Field and Pool, or Exploratory WC-025 G06 S223421L	11. County or Parish, and State LEA COUNTY, NM
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12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Drilling Operations
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

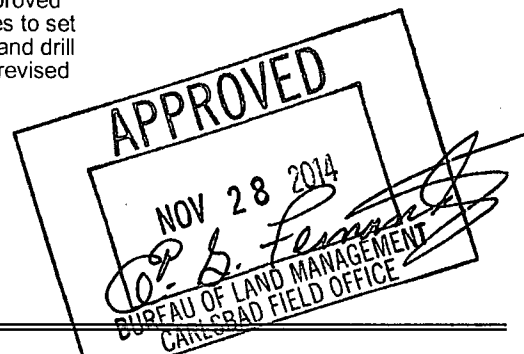
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 recompleat 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.)

Devon Energy Production Company, L.P. respectfully requests approval to modify the approved drilling program for the intermediate hole, due to unsuccessful fishing job. Devon proposes to set a 600' cement plug from 3650' to 3050', (572sx 6 1/8" H cmt) and do an open hole side track and drill to the approved intermediate casing set point @ 5150' and continue drilling operations to revised TD @ 15014'.

*wrong...**5000'*

Please see the attached revised directional survey & proposed cement design.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

*See original
COA*

14. I hereby certify that the foregoing is true and correct. Electronic Submission #276102 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO LP, sent to the Hobbs Committed to AFMSS for processing by LINDA JIMENEZ on 11/20/2014 (15LJ0357SE)	
Name (Printed/Typed) DAVID H COOK	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 11/05/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ	Title PETROLEUM ENGINEER	Date 11/28/2014
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 Hobbs

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

DEC 04 2014

fm

DEVON ENERGY

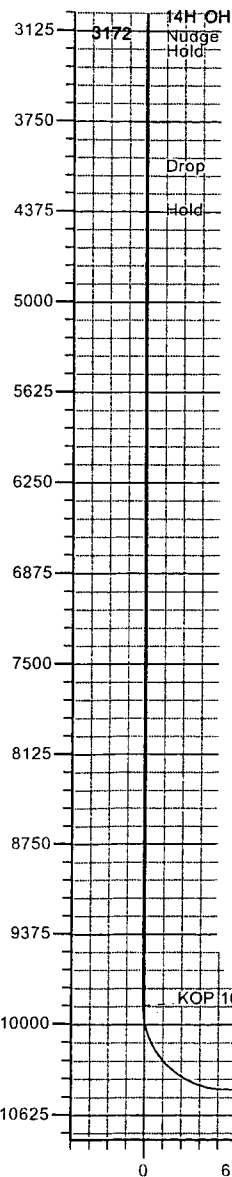
Project: Lea County, NM (NAD-83)
Site: Gaucho Unit
Well: 14H
Wellbore: 14H OH
Design: Plan #2



Azimuths to Grid North
True North: -0.45°
Magnetic North: 6.86°

Magnetic Field
Strength: 48394.6snT
Dip Angle: 60.26°
Date: 6/25/2014
Model: BGGM2013

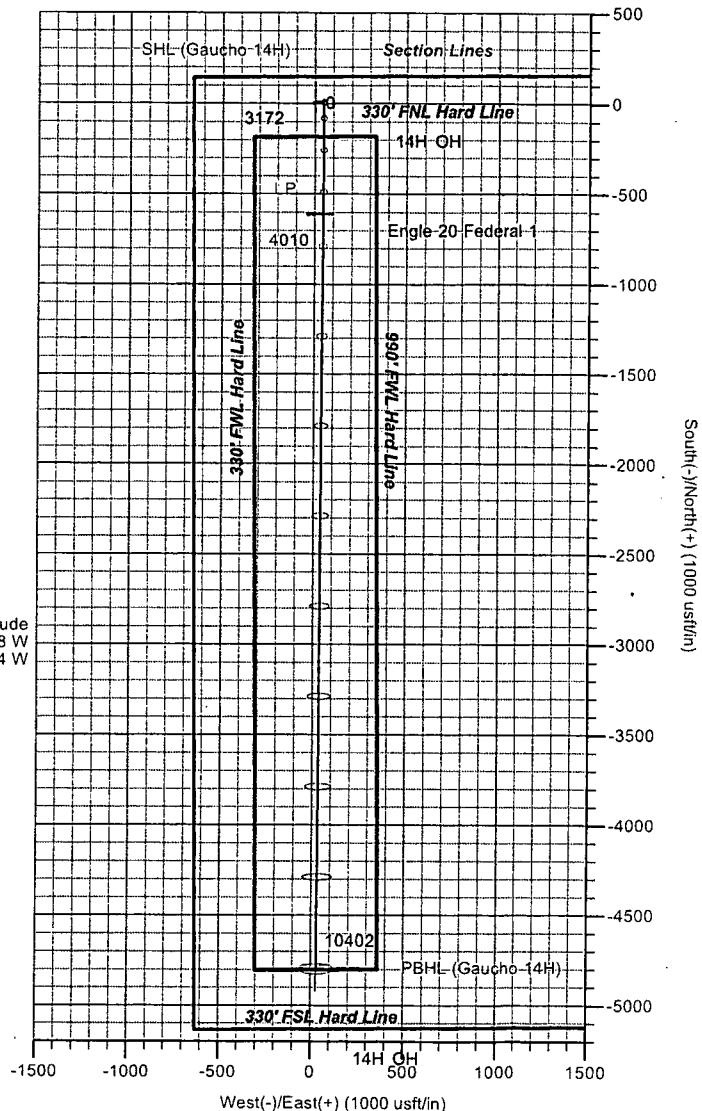
devon



Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
1	3172.00	2.72	50.08	3171.73	9.10	-5.65	0.00	0.00	-9.13	Nudge
2	3270.48	3.00	90.00	3270.10	10.60	-1.28	2.00	102.26	-10.60	Hold
3	4070.48	3.00	90.00	4069.00	10.60	40.59	0.00	0.00	-10.35	Drop
4	4370.48	0.00	0.00	4368.86	10.60	48.44	1.00	-180.00	-10.31	Hold
5	9874.98	0.00	0.00	9873.36	10.60	48.44	0.00	0.00	-10.31	KOP 10° DLS
6	10780.97	90.60	180.24	10446.29	-568.35	46.03	10.00	180.24	568.61	LP
7	15013.85	90.60	180.24	10402.00	-4800.96	28.41	0.00	0.00	4801.04	TD

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
SHL (Gaucho 14H)	0.00	0.00	0.00	504450.40	799049.77	32° 23' 2.539 N	103° 29' 54.548 W
PBHL (Gaucho 14H)	10402.00	-4800.96	28.41	499649.44	799078.18	32° 22' 15.032 N	103° 29' 54.654 W

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LEAM DRILLING SYSTEMS LLC
2010 East Davis, Conroe, Texas 77301
Phone: 936/756-7577, Fax 936/756-7595

Plan: Plan #2 (14H/14H OH)
Gaucho Unit
Created By: Brady Deaver
Date: 9:00, November 04 2014
Approved: _____
Date: _____



PERMIAN REGION LAB

Cement Lab Report

Phone: (432) 530-2667 Fax: (432) 530-0279

Test Number: 529474210
Report Number:

Test Date: 11/2/2014

WELL INFORMATION

Operator: Devon Energy
API #:
Well Name: Gaucho Unit #14
Slurry Type: Single
Blend Type: Lab
Comments:

County: Eddy
State: NM
Requested By: Richard Anez
TVD: 3726 MD: 3726
District: Artesia

TEST DATA AND SCHEDULE

Time To Temp (min): 60
Initial Press (psi): 340
Final Press (psi): 2290
BHST (deg F): 130
BHCT (deg F): 111
Comments:

Mud Density (lb/gal): 10
Mix Water Density (lb/gal): 8.34
Mix Water Type: Tap Water
Surf Temp (deg F): 80
Job Type: Plug

SLURRY AND TEST RESULTS

Vendor: Cemex
Slurry: Class 'H' + 0.05% R-3 + 0.005 lb/sk Static Free

Density: 16.5 lb/gal
Yield: 1.05 CuFt/sk
Mix Water: 4.258 gal/sk (37.78%)
Total Mix Liquid: 4.258 gal/sk
Fluid Loss: cc/30 min

Pump Time (50 Bc):
Pump Time (70 Bc): 3:00
Pump Time (100 Bc):

Free Water (ml): (Tested at 90 ° Angle)

Compressive Strength

Temp	Time	Strength	Type
158	3:13	500	UCA
158	12	2724	UCA
158	24	3705	UCA
158	48	3918	UCA
158	72	3984	UCA

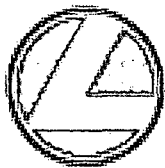
Rheology (PL=Power Law, BP= Bingham Plastic)

Temp	600	300	200	100	6	3	n'	k'	Yp	Pv	Best
80	200	160	125	88	36	29	0.367	0.158	41.8	124.4	BP

Comments: Compressive From #72297 (8/22/14)

Reported by: Kristal Nelson

Verifie by: Dennis Jordan



LEAM

Drilling Systems, Inc.

DEVON ENERGY

Lea County, NM (NAD-83)

Gaucha Unit

14H

14H OH

Plan: Plan #2

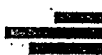
Standard Planning Report

04 November, 2014

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LEAM Drilling Systems LLC

Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well 14H
Company:	DEVON ENERGY	TVD Reference:	Cactus 153: 3471.2' GL + 25' RKB @ 3496.20usft
Project:	Lea County, NM (NAD-83)	MD Reference:	Cactus 153: 3471.2' GL + 25' RKB @ 3496.20usft
Site:	Gaucha Unit	North Reference:	Grid
Well:	14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	14H OH		
Design:	Plan #2		

Project	Lea County, NM (NAD-83)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	Gaucha Unit		
Site Position:	From: Map	Northing: 504,450.40 usft	Latitude: 32° 23' 2.539 N
		Easting: 799,049.77 usft	Longitude: 103° 29' 54.548 W
Position Uncertainty:	0.00 usft	Slot Radius: 13-3/16 "	Grid Convergence: 0.45 °

Well	14H, 2nd BS SS		
Well Position	+N/-S 0.00 usft	Northing: 504,450.40 usft	Latitude: 32° 23' 2.539 N
	+E/-W 0.00 usft	Easting: 799,049.77 usft	Longitude: 103° 29' 54.548 W
Position Uncertainty	0.00 usft	Wellhead Elevation: 3,496.20 usft	Ground Level: 3,471.20 usft

Wellbore	14H OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	BGGM2013	6/25/2014	7.31	60.26	48,395

Design	Plan #2			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	3,172.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	179.66

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Bulld Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
3,172.00	2.72	50.08	3,171.73	9.10	-5.65	0.00	0.00	0.00	0.00	
3,270.48	3.00	90.00	3,270.10	10.60	-1.28	2.00	0.28	40.54	102.26	
4,070.48	3.00	90.00	4,069.00	10.60	40.59	0.00	0.00	0.00	0.00	
4,370.48	0.00	0.00	4,368.86	10.60	48.44	1.00	-1.00	-30.00	-180.00	
9,874.98	0.00	0.00	9,873.36	10.60	48.44	0.00	0.00	0.00	0.00	
10,780.97	90.60	180.24	10,446.29	-568.35	46.03	10.00	10.00	-19.84	180.24	
15,013.85	90.60	180.24	10,402.00	-4,800.96	28.41	0.00	0.00	0.00	0.00	

Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well 14H
Company:	DEVON ENERGY	TVD Reference:	Cactus 153: 3471.2' GL + 25' RKB @ 3496.20usft
Project:	Lea County, NM (NAD-83)	MD Reference:	Cactus 153: 3471.2' GL + 25' RKB @ 3496.20usft
Site:	Gaucha Unit	North Reference:	Grid
Well:	14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	14H OH		
Design:	Plan #2		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SHL (Gaucha 14H)									
100.00	0.19	337.39	100.00	0.15	-0.06	-0.15	0.19	0.19	0.00
200.00	0.12	196.40	200.00	0.21	-0.16	-0.21	0.29	-0.07	-140.99
300.00	0.12	166.42	300.00	0.00	-0.16	0.00	0.06	0.00	-29.98
400.00	0.28	185.56	400.00	-0.34	-0.16	0.34	0.17	0.16	19.14
500.00	0.21	158.55	500.00	-0.76	-0.12	0.75	0.13	-0.07	-27.01
600.00	0.08	220.20	600.00	-0.98	-0.10	0.98	0.19	-0.13	61.65
700.00	0.11	98.23	700.00	-1.05	-0.05	1.05	0.17	0.03	-121.97
800.00	0.20	123.47	800.00	-1.16	0.19	1.16	0.11	0.09	25.24
900.00	0.32	127.62	900.00	-1.42	0.56	1.43	0.12	0.12	4.15
1,000.00	0.24	212.81	1,000.00	-1.77	0.67	1.77	0.38	-0.08	85.19
1,100.00	0.60	283.63	1,099.99	-1.82	0.05	1.82	0.57	0.36	70.82
1,200.00	0.72	283.77	1,199.99	-1.55	-1.07	1.54	0.12	0.12	0.14
1,300.00	0.74	298.25	1,299.98	-1.09	-2.25	1.08	0.19	0.02	14.48
1,400.00	0.86	325.24	1,399.97	-0.17	-3.25	0.15	0.39	0.12	26.99
1,500.00	0.38	321.81	1,499.96	0.71	-3.88	-0.73	0.48	-0.48	-3.43
1,600.00	0.56	242.08	1,599.96	0.74	-4.52	-0.76	0.62	0.18	-79.73
1,700.00	0.50	270.57	1,699.96	0.51	-5.39	-0.54	0.27	-0.06	28.49
1,800.00	0.54	249.81	1,799.95	0.35	-6.26	-0.39	0.19	0.04	-20.76
1,900.00	0.64	258.58	1,899.95	0.08	-7.25	-0.12	0.13	0.10	8.77
2,000.00	0.56	247.36	1,999.94	-0.22	-8.25	0.17	0.14	-0.08	-11.22
2,100.00	0.51	244.74	2,099.94	-0.60	-9.11	0.54	0.06	-0.05	-2.62
2,200.00	0.50	263.91	2,199.93	-0.83	-9.94	0.77	0.17	-0.01	19.17
2,300.00	0.48	262.19	2,299.93	-0.93	-10.79	0.87	0.02	-0.02	-1.72
2,400.00	0.50	279.44	2,399.93	-0.92	-11.64	0.85	0.15	0.02	17.25
2,500.00	0.42	274.63	2,499.92	-0.82	-12.43	0.75	0.09	-0.08	-4.81
2,600.00	0.43	297.86	2,599.92	-0.61	-13.13	0.54	0.17	0.01	23.23
2,700.00	0.53	357.34	2,699.92	0.02	-13.48	-0.10	0.48	0.10	59.48
2,800.00	0.89	26.93	2,799.91	1.18	-13.15	-1.26	0.50	0.36	29.59
2,900.00	1.29	37.62	2,899.89	2.76	-12.11	-2.83	0.45	0.40	10.69
3,000.00	1.57	47.72	2,999.86	4.57	-10.41	-4.64	0.38	0.28	10.10
3,100.00	2.33	44.29	3,099.80	6.95	-7.98	-7.00	0.77	0.76	-3.43
3,172.00	2.72	50.08	3,171.73	9.10	-5.65	-9.13	0.65	0.54	8.04
Nudge									
3,200.00	2.66	61.97	3,199.70	9.83	-4.57	-9.85	2.00	-0.22	42.45
3,270.48	3.00	90.00	3,270.10	10.60	-1.28	-10.60	2.00	0.49	39.78
Hold									
3,300.00	3.00	90.00	3,299.58	10.60	0.27	-10.59	0.00	0.00	0.00
3,400.00	3.00	90.00	3,399.44	10.60	5.50	-10.56	0.00	0.00	0.00
3,500.00	3.00	90.00	3,499.30	10.60	10.73	-10.53	0.00	0.00	0.00
3,600.00	3.00	90.00	3,599.17	10.60	15.97	-10.50	0.00	0.00	0.00
3,700.00	3.00	90.00	3,699.03	10.60	21.20	-10.47	0.00	0.00	0.00
3,800.00	3.00	90.00	3,798.89	10.60	26.43	-10.44	0.00	0.00	0.00
3,900.00	3.00	90.00	3,898.76	10.60	31.67	-10.41	0.00	0.00	0.00
4,000.00	3.00	90.00	3,998.62	10.60	36.90	-10.38	0.00	0.00	0.00
4,070.48	3.00	90.00	4,069.00	10.60	40.59	-10.35	0.00	0.00	0.00
Drop									
4,100.00	2.70	90.00	4,098.49	10.60	42.06	-10.35	1.00	-1.00	0.00
4,200.00	1.70	90.00	4,198.41	10.60	45.91	-10.32	1.00	-1.00	0.00
4,300.00	0.70	90.00	4,298.39	10.60	48.01	-10.31	1.00	-1.00	0.00
4,370.48	0.00	0.00	4,368.86	10.60	48.44	-10.31	1.00	-1.00	-127.70

Database:	EDM 5000.1 Single User Db	Local/Co-ordinate Reference:	Well 14H
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Well:	14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	14H OH		
Design:	Plan #2		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
Hold									
4,400.00	0.00	0.00	4,398.39	10.60	48.44	-10.31	0.00	0.00	0.00
4,500.00	0.00	0.00	4,498.39	10.60	48.44	-10.31	0.00	0.00	0.00
4,600.00	0.00	0.00	4,598.39	10.60	48.44	-10.31	0.00	0.00	0.00
4,700.00	0.00	0.00	4,698.39	10.60	48.44	-10.31	0.00	0.00	0.00
4,800.00	0.00	0.00	4,798.39	10.60	48.44	-10.31	0.00	0.00	0.00
4,900.00	0.00	0.00	4,898.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,000.00	0.00	0.00	4,998.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,100.00	0.00	0.00	5,098.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,200.00	0.00	0.00	5,198.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,300.00	0.00	0.00	5,298.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,400.00	0.00	0.00	5,398.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,500.00	0.00	0.00	5,498.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,600.00	0.00	0.00	5,598.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,700.00	0.00	0.00	5,698.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,800.00	0.00	0.00	5,798.39	10.60	48.44	-10.31	0.00	0.00	0.00
5,900.00	0.00	0.00	5,898.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,000.00	0.00	0.00	5,998.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,100.00	0.00	0.00	6,098.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,200.00	0.00	0.00	6,198.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,300.00	0.00	0.00	6,298.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,400.00	0.00	0.00	6,398.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,500.00	0.00	0.00	6,498.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,600.00	0.00	0.00	6,598.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,700.00	0.00	0.00	6,698.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,800.00	0.00	0.00	6,798.39	10.60	48.44	-10.31	0.00	0.00	0.00
6,900.00	0.00	0.00	6,898.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,000.00	0.00	0.00	6,998.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,100.00	0.00	0.00	7,098.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,200.00	0.00	0.00	7,198.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,300.00	0.00	0.00	7,298.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,400.00	0.00	0.00	7,398.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,500.00	0.00	0.00	7,498.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,600.00	0.00	0.00	7,598.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,700.00	0.00	0.00	7,698.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,800.00	0.00	0.00	7,798.39	10.60	48.44	-10.31	0.00	0.00	0.00
7,900.00	0.00	0.00	7,898.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,000.00	0.00	0.00	7,998.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,100.00	0.00	0.00	8,098.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,200.00	0.00	0.00	8,198.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,300.00	0.00	0.00	8,298.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,400.00	0.00	0.00	8,398.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,500.00	0.00	0.00	8,498.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,600.00	0.00	0.00	8,598.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,700.00	0.00	0.00	8,698.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,800.00	0.00	0.00	8,798.39	10.60	48.44	-10.31	0.00	0.00	0.00
8,900.00	0.00	0.00	8,898.39	10.60	48.44	-10.31	0.00	0.00	0.00
9,000.00	0.00	0.00	8,998.39	10.60	48.44	-10.31	0.00	0.00	0.00
9,100.00	0.00	0.00	9,098.39	10.60	48.44	-10.31	0.00	0.00	0.00
9,200.00	0.00	0.00	9,198.39	10.60	48.44	-10.31	0.00	0.00	0.00
9,300.00	0.00	0.00	9,298.39	10.60	48.44	-10.31	0.00	0.00	0.00
9,400.00	0.00	0.00	9,398.39	10.60	48.44	-10.31	0.00	0.00	0.00

Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well 14H
Company:	DEVON ENERGY	TVD Reference:	Cactus 153: 3471.2' GL + 25' RKB @ 3496.20usft
Project:	Lea County, NM (NAD-83)	MD Reference:	Cactus 153: 3471.2' GL + 25' RKB @ 3496.20usft
Site:	Gaucha Unit	North Reference:	Grid
Well:	14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	14H OH		
Design:	Plan #2		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
9,500.00	0.00	0.00	9,498.39	10.60	48.44	-10.31	0.00	0.00	0.00
9,600.00	0.00	0.00	9,598.39	10.60	48.44	-10.31	0.00	0.00	0.00
9,700.00	0.00	0.00	9,698.39	10.60	48.44	-10.31	0.00	0.00	0.00
9,800.00	0.00	0.00	9,798.39	10.60	48.44	-10.31	0.00	0.00	0.00
9,874.98	0.00	0.00	9,873.36	10.60	48.44	-10.31	0.00	0.00	0.00
KOP 10° DLS									
9,900.00	2.50	180.24	9,898.38	10.05	48.44	-9.76	10.00	10.00	-718.40
9,950.00	7.50	180.24	9,948.17	5.69	48.42	-5.40	10.00	10.00	0.00
10,000.00	12.50	180.24	9,997.40	-2.99	48.39	3.28	10.00	10.00	0.00
10,050.00	17.50	180.24	10,045.68	-15.93	48.33	16.22	10.00	10.00	0.00
10,100.00	22.50	180.24	10,092.64	-33.03	48.26	33.31	10.00	10.00	0.00
10,150.00	27.50	180.24	10,137.95	-54.15	48.17	54.44	10.00	10.00	0.00
10,200.00	32.50	180.24	10,181.23	-79.15	48.07	79.43	10.00	10.00	0.00
10,250.00	37.50	180.24	10,222.18	-107.82	47.95	108.10	10.00	10.00	0.00
10,300.00	42.50	180.24	10,260.46	-139.95	47.82	140.23	10.00	10.00	0.00
10,350.00	47.50	180.24	10,295.81	-175.29	47.67	175.57	10.00	10.00	0.00
10,400.00	52.50	180.24	10,327.93	-213.58	47.51	213.86	10.00	10.00	0.00
10,450.00	57.50	180.24	10,356.60	-254.53	47.34	254.80	10.00	10.00	0.00
10,500.00	62.50	180.24	10,381.59	-297.82	47.16	298.09	10.00	10.00	0.00
10,550.00	67.50	180.24	10,402.72	-343.12	46.97	343.39	10.00	10.00	0.00
10,600.00	72.50	180.24	10,419.81	-390.09	46.77	390.36	10.00	10.00	0.00
10,650.00	77.50	180.24	10,432.74	-438.37	46.57	438.64	10.00	10.00	0.00
10,700.00	82.50	180.24	10,441.42	-487.59	46.37	487.86	10.00	10.00	0.00
10,750.00	87.50	180.24	10,445.78	-537.39	46.16	537.65	10.00	10.00	0.00
10,780.97	90.60	180.24	10,446.29	-568.35	46.03	568.61	10.00	10.00	0.00
LP									
10,800.00	90.60	180.24	10,446.09	-587.38	45.95	587.64	0.00	0.00	0.00
10,900.00	90.60	180.24	10,445.04	-687.37	45.54	687.63	0.00	0.00	0.00
11,000.00	90.60	180.24	10,444.00	-787.37	45.12	787.62	0.00	0.00	0.00
11,100.00	90.60	180.24	10,442.95	-887.36	44.70	887.61	0.00	0.00	0.00
11,200.00	90.60	180.24	10,441.90	-987.35	44.29	987.60	0.00	0.00	0.00
11,300.00	90.60	180.24	10,440.86	-1,087.35	43.87	1,087.59	0.00	0.00	0.00
11,400.00	90.60	180.24	10,439.81	-1,187.34	43.46	1,187.58	0.00	0.00	0.00
11,500.00	90.60	180.24	10,438.77	-1,287.33	43.04	1,287.57	0.00	0.00	0.00
11,600.00	90.60	180.24	10,437.72	-1,387.33	42.62	1,387.56	0.00	0.00	0.00
11,700.00	90.60	180.24	10,436.67	-1,487.32	42.21	1,487.55	0.00	0.00	0.00
11,800.00	90.60	180.24	10,435.63	-1,587.32	41.79	1,587.53	0.00	0.00	0.00
11,900.00	90.60	180.24	10,434.58	-1,687.31	41.37	1,687.52	0.00	0.00	0.00
12,000.00	90.60	180.24	10,433.53	-1,787.30	40.96	1,787.51	0.00	0.00	0.00
12,100.00	90.60	180.24	10,432.49	-1,887.30	40.54	1,887.50	0.00	0.00	0.00
12,200.00	90.60	180.24	10,431.44	-1,987.29	40.12	1,987.49	0.00	0.00	0.00
12,300.00	90.60	180.24	10,430.40	-2,087.28	39.71	2,087.48	0.00	0.00	0.00
12,400.00	90.60	180.24	10,429.35	-2,187.28	39.29	2,187.47	0.00	0.00	0.00
12,500.00	90.60	180.24	10,428.30	-2,287.27	38.88	2,287.46	0.00	0.00	0.00
12,600.00	90.60	180.24	10,427.26	-2,387.26	38.46	2,387.45	0.00	0.00	0.00
12,700.00	90.60	180.24	10,426.21	-2,487.26	38.04	2,487.44	0.00	0.00	0.00
12,800.00	90.60	180.24	10,425.16	-2,587.25	37.63	2,587.43	0.00	0.00	0.00
12,900.00	90.60	180.24	10,424.12	-2,687.25	37.21	2,687.42	0.00	0.00	0.00
13,000.00	90.60	180.24	10,423.07	-2,787.24	36.79	2,787.41	0.00	0.00	0.00
13,100.00	90.60	180.24	10,422.03	-2,887.23	36.38	2,887.40	0.00	0.00	0.00
13,200.00	90.60	180.24	10,420.98	-2,987.22	35.96	2,987.39	0.00	0.00	0.00
13,300.00	90.60	180.24	10,419.93	-3,087.22	35.55	3,087.38	0.00	0.00	0.00

Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well 14H
Company:	DEVON ENERGY	TVD Reference:	Cactus 153: 3471.2' GL + 25' RKB @ 3496.20usft
Project:	Lea County, NM (NAD-83)	MD Reference:	Cactus 153: 3471.2' GL + 25' RKB @ 3496.20usft
Site:	Gaucha Unit	North Reference:	Grid
Well:	14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	14H OH		
Design:	Plan #2		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
13,400.00	90.60	180.24	10,418.89	-3,187.21	35.13	3,187.37	0.00	0.00	0.00
13,500.00	90.60	180.24	10,417.84	-3,287.21	34.71	3,287.36	0.00	0.00	0.00
13,600.00	90.60	180.24	10,416.79	-3,387.20	34.30	3,387.34	0.00	0.00	0.00
13,700.00	90.60	180.24	10,415.75	-3,487.19	33.88	3,487.33	0.00	0.00	0.00
13,800.00	90.60	180.24	10,414.70	-3,587.19	33.46	3,587.32	0.00	0.00	0.00
13,900.00	90.60	180.24	10,413.65	-3,687.18	33.05	3,687.31	0.00	0.00	0.00
14,000.00	90.60	180.24	10,412.61	-3,787.18	32.63	3,787.30	0.00	0.00	0.00
14,100.00	90.60	180.24	10,411.56	-3,887.17	32.21	3,887.29	0.00	0.00	0.00
14,200.00	90.60	180.24	10,410.52	-3,987.16	31.80	3,987.28	0.00	0.00	0.00
14,300.00	90.60	180.24	10,409.47	-4,087.16	31.38	4,087.27	0.00	0.00	0.00
14,400.00	90.60	180.24	10,408.42	-4,187.15	30.97	4,187.26	0.00	0.00	0.00
14,500.00	90.60	180.24	10,407.38	-4,287.14	30.55	4,287.25	0.00	0.00	0.00
14,600.00	90.60	180.24	10,406.33	-4,387.14	30.13	4,387.24	0.00	0.00	0.00
14,700.00	90.60	180.24	10,405.28	-4,487.13	29.72	4,487.23	0.00	0.00	0.00
14,800.00	90.60	180.24	10,404.24	-4,587.13	29.30	4,587.22	0.00	0.00	0.00
14,900.00	90.60	180.24	10,403.19	-4,687.12	28.88	4,687.21	0.00	0.00	0.00
15,000.00	90.60	180.24	10,402.15	-4,787.11	28.47	4,787.20	0.00	0.00	0.00
15,013.85	90.60	180.24	10,402.00	-4,800.96	28.41	4,801.04	0.00	0.00	0.00
TD - PBHL (Gaucha 14H)									

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SHL (Gaucha 14H) - hit/miss target - Shape - Point	0.00	0.00	0.00	0.00	0.00	504,450.40	799,049.77	32° 23' 2.539 N	103° 29' 54.548 W
PBHL (Gaucha 14H) - plan hits target center - Point	0.00	0.00	10,402.00	-4,800.96	28.41	499,649.44	799,078.18	32° 22' 15.032 N	103° 29' 54.654 W

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
3,172.00	3,171.73	9.10	-5.65	Nudge
3,270.48	3,270.10	10.60	-1.28	Hold
4,070.48	4,069.00	10.60	40.59	Drop
4,370.48	4,368.86	10.60	48.44	Hold
9,874.98	9,873.36	10.60	48.44	KOP 10° DLS
10,780.97	10,446.29	-568.35	46.03	LP
15,013.85	10,402.00	-4,800.96	28.41	TD

CONDITIONS OF APPROVAL

Sundry dated Nov. 5, 2014

OPERATOR'S NAME:	Devon Energy Production Company, L.P.
LEASE NO.:	NMNM-98247
WELL NAME & NO.:	Gaucha Unit 14H
SURFACE HOLE FOOTAGE:	0150' FNL & 0660' FWL
BOTTOM HOLE FOOTAGE:	0330' FSL & 0660' FWL
LOCATION:	Section 20, T. 22 S., R 34 E., NMPM
COUNTY:	Lea County, New Mexico

NOTE: This was not a VERBAL

On 10/30/2014 approval was only given to utilizing a DST packer to her relieve the differential pressure in the hole, in order to continue fishing.

The original COA for the 9-5/8" intermediated casing set point was 5,000 ft not 5,150 feet.

Original COA still applies with the following modifications:

Special Capitan Reef requirements (If Capitan Reef is encountered):

If any more the 50% lost circulation occurs below the Base of the Salt, the operator shall do the following:

- Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
- Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

Cement plug approved as written – Operator to provide documentation/wellbore diagram of fish left in hole on a subsequent sundry report.

1. The minimum required fill of cement behind the 9-5/8 inch intermediate casing, which shall be set at approximately 5000 feet, is:

- ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above. **If Capitan Reef is encountered:** Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to Capitan Reef.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

2. The minimum required fill of cement behind the 5-1/2 inch production casing is:

- ☒ Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. **Excess calculates to 23% - Additional cement may be required.**

If Capitan Reef is encountered:

- ☒ Cement should tie-back at least **50 feet above the Capitan Reef** (Top of Capitan Reef estimated at 4126'). Operator shall provide method of verification. **Excess calculates to 19% - Additional cement may be required.**

Contingency production cement if lost circulation occurs:

Operator has proposed DV tool at depth of 6000', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

a. First stage to DV tool:

- ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve approved top of cement on the next stage.

b. Second stage above DV tool:

- ☒ Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. **Excess calculates to 8% - Additional cement may be required.**

If Capitan Reef is encountered:

- ☒ Cement should tie-back at least **50 feet above the Capitan Reef** (Top of Capitan Reef estimated at 4126'). Operator shall provide method of verification. **Excess calculates to negative 14% - Additional cement will be required.**