OCD Artesia

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMLC069464A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM127410

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
STRAWBERRY 7 FED COM 10H

2. Name of Operator
DEVON ENERGY PRODUCTION CO EMail: trina.couch@dvn.com
Contact: TRINA C COUCH

9. API Well No.
30-015-41575-00-X1

3a. Address
333 WEST SHERIDAN AVE
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)
Ph: 405-228-7203

10. Field and Pool, or Exploratory
HACKBERRY

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 7 T19S R31E SESE 290FSL 195FEL
32.667658 N Lat, 103.900075 W Lon

11. County or Parish, and State
EDDY COUNTY, NM

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 to Original A PD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ 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 recomplete 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 recompletion 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 permission to add a DV Tool to the 9 5/8" Intermediate casing string due to losses of circulation at 2590'. Lost-Circulation Material sweeps were utilized to reduce losses while drilling continued to Intermediate TD to 3128'. The approved Application for Permit to Drill does not include a Stage Cementing Tool. Devon recommends the addition of a DV Tool placec on the 9 5/8", 40 ppf, J-55, LTC Intermediate casing with the top of the DV Tool placed at 2425'. Attached, please find the updated Drilling Well Plan with updated depths, cement slurry descriptions, and volumes and the Cementing Program.

Thank you

Accepted for record
NMOCD 1/13/2014

SEE ATTACHED FOR CONDITIONS OF APPROVAL

RECEIVED
JAN 13 2014
NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #231494 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad
Committed to AFMSS for processing by CHRISTOPHER WALLS on 01/08/2014 (14CRW0169SE)

Name *(Printed/Typed)* TRINA C COUCH — Title REGULATORY ASSOCIATE

Signature (Electronic Submission) — Date 01/08/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By CHRISTOPHER WALLS — Title PETROLEUM ENGINEER — Date 01/08/2014

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 Carlsbad

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 ****

Strawberry 7 Fed 10H – APD DRILLING PLAN
SKS 02-22-2013
Revised SKS 03-26-13
Revised AAA 1-8-2014: Add DVT to 9-5/8" csg

Casing Program

Hole Size	Hole Interval	OD Csg	Casing Interval	Weight	Collar	Grade
17-1/2"	0 - 550	13-3/8"	0 - 550	48#	STC	H-40
12-1/4"	550 - 3128	9-5/8"	0 - 3128	40#	LTC	J-55
8-3/4"	3100 - 7241	5-1/2"	0 - 7241	17#	LTC	P-110
8-3/4"	7241 - 12493	5-1/2"	7241 - 12493	17#	BTC	P-110

Note: only new casing will be utilized

MAXIMUM LATERAL TVD **7,977**

Design Factors:

Casing Size	Collapse Design Factor	Burst Design Factor	Tension Design Factor
13-3/8"	2.99	6.72	20.49
9-5/8"	1.59	2.45	4.05
5-1/2" 17# P-110 LTC	2.53	3.14	2.09
5-1/2" 17# P-110 BTC	2.30	2.85	4.97

Mud Program:

Depth	Mud Wt.	Visc.	Fluid Loss	Type System
0 - 550	8.4 – 9.0	30 – 34	N/C	FW
550 - 3128	9.8 – 10.0	28 – 32	N/C	Brine
3100 - 12493	8.6 – 9.0	28 – 32	N/C	FW

Pressure Control Equipment:

The BOP system used to drill the intermediate hole will consist of a 13-5/8" Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order 2. A 3M system will be installed and tested prior to drilling out the surface casing shoe.

The BOP system used to drill the production hole will consist of a 13-5/8" Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order 2. A 3M system will be installed prior to drilling out the intermediate casing shoe.

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 5,000 psi WP.

Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line); **if an H&P rig drills this well. Otherwise no flex line is needed.** The line will be kept as straight as possible with minimal turns.

Cementing Program (cement volumes based on at least 100% excess Surface, 30% on Intermediate and 25% excess on the Production)

9-5/8" Intermediate 3128 ft

1st Stage

Tail: 335 sacks (60:40) Class C Cement:Poz (Fly Ash): + 5% bwow Sodium Chloride + 0. 25 lbs/sack Cello Flake + 5 lb/sack LCM-1 + 0.5% bwoc Sodium Metasilicate + 0.5 bwoc BA-10A + 4% bwoc MPA-5 + 60% Fresh Water with 5.90 gal/sack Mix Water required at 13.8 ppg

Yield: 1.39 cf/sk

DV TOOL at 2425 ft

2nd Stage

Lead: 850 sacks (60:40) Class C Cement:Poz (Fly Ash) + 5% bwow Sodium Chloride + 0.2% bwoc R-3 + 0.125% lb/sack Cello Flake + 3 lb/sack LCM-1 + 0.25% FL-52 + 1% bwoc Sodium Metasilicate + 89.6% Fresh Water with 8.81 gal/sack Mix Water Required at 12.6 ppg

Yield: 1.73 cf/sk

Tail: 70 sacks (60:40) Class C Cement:Poz (Fly Ash) + 5% bwow Sodium Chloride + 0.25 lb/sack Cello Flake + 5 lb/sack LCM-1 + 0.5% bwoc Sodium Metasilicate + 0.5% bwoc BA-10A + 4% bwoc MPA-5 + 60% Fresh Water with 5.9 gal/sack Mix Water required at 13.8 ppg

Yield: 1.39 cf/sk

TOC @ surface

5-1/2" Production 12493 ft

1st Stage

Lead: 350 sacks (65:35) Class H Cement:Poz (Fly Ash) + 3% bwow Sodium Chloride + 0.125 lb/sack Cello Flake + 3 lb/sack LCM-1 + 6% bwoc Bentonite +0.7% bwoc FL-52A + 102.5% Fresh Water with 10.70 gal/sack Mix Water Required at 12.5 ppg

Yield: 2.01 cf/sk

Tail: 1435 sacks (50:50) Class H Cement:Poz (Fly Ash) + 5% bwow Sodium Chloride + 0.5% + 0.3% bwoc CD-32 + 0.5% BWOC fl-25 + 0.6% bwoc Sodium Metasilicate + 0.4% FL-52A + 57.3% Fresh Water with 5.77 gal/sack Mix Water required at 14.2 ppg

Yield: 1.28 cf/sk

DV TOOL at 4500 ft

2nd Stage

Lead: 130 sacks Class C Cement + 1% bwoc R-3 + 0.125 lbs/sack Cello Flake + 3% bwoc Sodium Metasilicate 157% Fresh Water, 11.4 ppg

Yield: 2.88 cf/sk

Tail: 150 sacks (60:40) Poz (Fly Ash) Class C Cement + 5% bwow Sodium Chloride + 0.125 lbs/sack Cello Flake + 0.1 bwoc Sodium Metasilicate + 4% bwoc MPA-5 + 65.4% Fresh Water with 6.43 gal/sack Mix Water required at 13.8 ppg

Yield: 1.37 cf/sk

TOC @ 2600'

TOC for All Strings:

Surface:	0
Intermediate:	0
Production:	2600 ft

Conditions of Approval

1. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

   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 circulation on the next stage.

   b. Second stage above DV tool:

   ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office.