

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.

5. Lease Serial No.
NMNM0405444A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Devon Energy Production Company, L.P.

3a. Address
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102

3b. Phone No. (include area code)
405-552-3622

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

8. Well Name and No.
ALDABRA 27 FED COM 1H

9. API Well No.
30-015-038625

10. Field and Pool or Exploratory Area
Wildcat; Bone Spring

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 27 T23S R 31E, 200' FSL & 275' FWL

11. County or Parish, State
Eddy, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

1. This well was producing from the 3rd Bone Spring.
2. Water produced is approximately 1,600 bbls/day.
3. Water is stored in four 500 bbl Fiberglass Water Tanks.
4. Water is moved to the disposal facility by an electric powered water transfer pump.
5. Identify the disposal facility by:
 - Operator: Devon Energy
 - Facility Well Name: Todd 27P Fed 16
 - Type of Facility: WIW
 - Location: SE SE of Sec 27, Twp 23S, Rge 31E
 - NMOCD Permit Number: SWD-1455
7. State issued permit is attached.



Accepted for record
LRD NMOCD 4-29-14

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Megan Moravec

Title Regulatory Analyst

Signature

Megan Moravec

Date 04/02/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

James A. Davis

Title

SEPS

Date

4-19-14

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

LRD

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.

(Instructions on page 2)

**Bureau of Land Management
Carlsbad Field Office
620 E. Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

WATER PRODUCTION & DISPOSAL INFORMATION

1. Name(s) of formation(s) producing water on the lease.
3rd Bone Spring
2. Amount of water produced from all formations in barrels per day.
1,600 bbls / day
3. How water is stored on lease.
Four – 500bbl Fiberglass Water Tanks
4. How water is moved to the disposal facility
Electric powered water transfer pump
5. Identify the Disposal Facility by:
 - A. Facility Operators name: **Devon Energy**
 - B. Name of facility or well name and number: **Todd 27P Fed 16**
 - C. Type of facility or well (WDW) (WIW) etc: **WIW**
 - D. Location by $\frac{1}{4}$ $\frac{1}{4}$: **SE SE Section: 27 Township: 23S Range: 31E**
- C. The appropriate NMOCD permit number: **SWD-1455**

Submit to this office, 620 EAST GREENE ST, CARLSBAD NM, 88220, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



Administrative Order SWD-1455
January 14, 2014

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Pursuant to the provisions of Division Rule 19.15.26.8B. NMAC, Devon Energy Production Company, LP (the "operator") seeks an administrative order to re-enter its Todd '27P' Federal Well No. 16 with a location of 330 feet from the South line and 330 feet from the East line, Unit letter P of Section 27, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8B. NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified. One objection was received within the prescribed waiting period, but was resolved by negotiation and did not require a major modification of the proposed well completion. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

The Todd '27P' Federal Well No. 16 has operated as a disposal well under Division Order SWD-676 issued on September 24, 1997. This order supersedes Division Order SWD-676 and Order SWD-676 is cancelled upon commencement of injection under this Division order.

IT IS THEREFORE ORDERED THAT:

The applicant, Devon Energy Production Company, LP (OGRID 6137), is hereby authorized to utilize its Todd '27P' Federal Well No. 16 (API 30-015-27106) with a location of 330 feet from the South line and 330 feet from the East line, Unit letter P of Section 27, Township 23 South, Range 31 East, NMPM, Eddy County, for disposal of oil field produced water (UIC Class II only) into the interval from the Bell Canyon and Cherry Canyon formations of the Delaware Mountain group through perforations from approximately **4750 feet** to approximately 5720 feet. Injection will occur through internally-coated, 2 3/8-inch tubing and a packer set within 100 feet of the permitted interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface. This includes the well construction proposed and described in the application except as

modified by the following requirements:

1. **Prior to commencing injection, the operator will squeeze cement and seal all existing perforations in the 5 ½-inch casing that are shallower than 4750 feet (as per the negotiated settlement with OXY USA, Inc.).**
2. **The operator will conduct a cement bond log (or equivalent method) of the well showing the cementing of the shallow perforations and the top of cement for the 5 ½-inch casing. The operator will provide copies to the Division's district II office and the Santa Fe Bureau office prior to commencing injection.**
3. **Prior to commencing injection, the cast-iron bridge plug (CIBP) and cement cap proposed at 5350 feet shall be installed within 200 hundred feet below the deepest proposed perforation at 5720 feet (approximately 5920 feet).**
4. **The operator is to conduct a temperature and radioactive tracer injection profile logs within a year from the date of commencing injection under this Division order. The operator will provide copies to the Division's district II office and the Santa Fe Bureau office. Thereafter, the operator shall complete temperature and radioactive tracer injection profile logs for the well at the end of every five (5) years of operation following the anniversary date of commencing injection.**

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to **no more than 950 psig**. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate Test.

The operator shall notify the supervisor of the Division's district II office of the date and time of the installation of disposal equipment and of any MIT so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of

disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district II office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.


The injection authority granted under this order is not transferable except upon division approval. The Division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The Division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two (2) years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.


JAMI BAILEY
Director

JB/prg

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Office

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBJECT: "TEMPERATURE"
(Only: "TEMPERATURE" or
"TEMPERATURE")

30-015-27106
Form approved
Budget Bureau No. 1004-0135
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR
Devon Energy Corporation (Nevada) ✓

3. ADDRESS AND TELEPHONE
20 North Broadway Suite 1500 Oklahoma City, OK 73102-8260

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: 330' FSL & 330' FEL
At proposed prod. name: same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
35 miles west-northwest of Jal, NM

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, SKILLING, COMPLETION, OR APPLIED FOR, ON THIS LEASE, FT.
330'

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, SKILLING, COMPLETION, OR APPLIED FOR, ON THIS LEASE, FT.
1200'

19. NO. OF ACRES IN LEASE
720

20. PROPOSED DEPTH
8350'

21. EXPLANATION (Show whether SP, ST, OR, OR, OR)
3452.2'

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

22. DISTANCE OR CABLE TOOLS
rotary

23. APPROX. DATE WORK WILL START
September 15, 1992

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE/OPENING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54#	850'-CIRCULATE	460 sx Lite + 200 sx Class C
11"	8 5/8"	32#	4400'-CIRCULATE	1600 sx Lite + 200 sx Class C
7 7/8"	5 1/2"	15.5 & 17.0 #	8350' (tieback)	1st stage: 600 sx Silica Lite 2nd stage: 500 sx Lite + 100 sx Silica Lite

Devon Energy proposes to drill to approximately 8350' to test the Delaware for commercial quantities of oil. If the Delaware is deemed non-commercial, the wellbore will be plugged and abandoned as per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Surface use and operating plan

Exhibit #1 and #1-A = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibit #3 and #3-A = Planned access roads

Exhibit #4 = Wells within one mile radius

Exhibit #5 = Production Facilities Plat

Exhibit #6 = Rotary rig layout

Evidence of Bond Coverage

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface formations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNER: Charles W. Horsman TITLE: District Engineer DATE: 8/17/92

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE 9-2-92

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1, it is 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.

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RECEIVED
SEP 27 1993

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Devon Energy Corporation (Nevada)		Well API No. 30-015-27106
Address 20 North Broadway Suite 1500 Oklahoma City, OK 73102		
Reason(s) for Filing (Check proper box) New Well <input type="checkbox"/> Change in Transporter of: Recompletion <input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Change in Operator <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>		<input checked="" type="checkbox"/> Other (Please explain) Changed the well name from: Todd "27P" Federal #1
If change of operator give name and address of previous operator		

II. DESCRIPTION OF WELL AND LEASE

Lease Name Todd "27P" Federal	Well No. 16	Pool Name, Including Formation Ingle Wells Delaware	Kind of Lease State, Federal or Fee	Lease No. NM 418220-A
Location Unit Letter P : 330 Feet From The south Line and 330 Feet From The east Line Section 27 Township T23S Range R31E , NMPM, Eddy County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Pride Pipeline	Address (Give address to which approved copy of this form is to be sent) P. O. Box 2436 Abilene, TX 79604	
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> NGPL	Address (Give address to which approved copy of this form is to be sent) P. O. Box 283 Houston, TX 77001	
If well produces oil or liquids, give location of tanks.	Unit P	Sec. 27
	Twp. 23S	Rge. 31E
	Is gas actually connected? yes When? 1/20/93	

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth		P.B.T.D.			
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay		Tubing Depth			
Perforations					Depth Casing Shoe			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT <i>Post ID-3 10-15-93 why the name.</i>			

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (prior, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Debby O'Donnell
Signature
Debby O'Donnell Engineering Tech.
Printed Name Title
9-23-93 (405) 552-4511
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved **OCT 7 1993**

By **ORIGINAL SIGNED BY**
MIKE WILLIAMS
Title **SUPERVISOR, DISTRICT II**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM Oil Cons. Division
1st Street
NM 88210-2834

C/SF

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other Converted to SWD

2. Name of Operator

DEVON ENERGY CORPORATION (NEVADA)

3. Address and Telephone No.

20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

330' FSL & 330' FEL Unit P Section 27-T23S-R31E Eddy Cnty, NM

5. Lease Designation and Serial No.

NM-NM0418220-A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Todd "27P" Federal #16

9. API Well No.

30-015-27106

10. Field and Pool, or Exploratory Area

SWD
Ingle Wells (Delaware) (96100)

11. County or Parish, State

Eddy Cnty, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	Conversion to <input checked="" type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

This well was converted to salt water disposal by NMOCD Administrative Order No. SWD-676 as follows.

RU pulling unit 09-30-97. TOH with rods, pump and tubing. RU Wedge WL. Set CIBP's at 7940' and 5385'. Dumped 35' cement on top of each. PBTD 5350'. RU hydrotesting. Press tested casing to 2500 psi for 30 mins with chart, held OK.

RU Wedge WL. Perf'd with 1 JSP2F as follows: 5164-5216' with 27 holes; 5254-5284' with 16 holes; total 43 holes (.40" EHD). PU and ran packer on 2 7/8" tubing. Hydrotested in hole to 5000 psi above slips. Set packer at 5057'. Press tested annulus to 1000 psi, held OK.

Acidized perfs 5164-5284' down tubing with 1500 gals 7 1/2% NeFe + 75 BS at AIR 5.5 BPM with 1800 psi. ISIP 600 psi. TOH with packer.

Frac'd perfs 5164-5284' down casing with 20,250 gals 30# X-Link gel + 62,000# 16/30 Ottawa sd + 22,500# 12/20 RC sd at AIR 39.5 BPM with 1151 psi. ISIP 750 psi. RU Wedge WL.

(Continued on reverse.)

14. I hereby certify that the foregoing is true and correct

Signed Candace R. Graham

Candace R. Graham

Title Engineering Technician

Date February 23, 1998

(This space for Federal or State office use)

Approved by _____

Conditions of approval, if any:

DAVID R. GLASS
FEB 23 1998

Date _____

Post ID-3
3-13-98
CARR to SWD

Title 18 U.S.C. Section 1001, makes 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 representation to any matter within its jurisdiction.

*See Instruction on Reverse Side

DEVON ENERGY CORPORATION (NEVADA)

BLM serial #NM-NM0418220-A

API 30-015-27106

Todd "27P" Federal #16

330' FSL & 330' FEL, Unit P, Section 27-T23S-R31E, Eddy Cnty, NM

Conversion to SWD

February 23, 1998

Page Two

(Continued from the front.)

Perf'd with 1 JSP2F as follows: 4880-4904' with 13 holes; 4946-4960' with 8 holes; 5046-5088' with 22 holes; total 42 holes (.40" EHD). TIH with RBP and packer. Set RBP at 5117' with sand on top and packer at 4782'.

Acidized perfs 4880-5088' down tubing with 1500 gals 7 1/2% NeFe + 75 BS at AIR 5 BPM with 2000 psi. ISIP 460 psi. TOH with packer.

Frac'd perfs 4880-5088' down casing with 21,000 gals 30# X-Link gel + 62,000# 16/30 Ottawa sd + 30,000# 12/20 RC sd at AIR 40 BPM with 1276 psi. ISIP 862 psi.

RU Wedge WL. Perf'd with 1 JSP2F as follows: 4694-4740' with 24 holes; 4788-4816' with 15 holes; 4832-4846' with 24 holes; total 47 holes (.40" EHD). TIH with RBP and packer. Set RBP at 4867' with sand on top and packer at 4565'.

Acidized perfs 4694-4846' down tubing with 1500 gals 7 1/2% NeFe + 75 BS at AIR 6 BPM with 1650 psi. ISIP 724 psi. TOH with packer.

Frac'd perfs 4694-4846' down casing with 23,000 gals 30# X-Link gel + 80,000# 16/30 Ottawa sd + 30,000# 12/20 RC sd at AIR 40 BPM with 1000 psi. ISIP 745 psi.

Washed out sand to 4870' and TOH with RBP. Washed out sand to 5120' and TOH with RBP. Washed sand down to PBTD. TIH with EPC A-3 Lok-Set packer, on/off tool and 2 7/8" J-55 IPC tubing. Reversed inhibited packer fluid. On 10-14-97 set packer at 4590'. Press tested annulus to 400 psi for 15 mins, held OK. Test witnessed by NMOCDC rep Gary Williams. ND BOP. Installed flange and valve. Began working on injection line.

Commenced injection at 1500 hrs on 10-30-97 at 5580 BWPD with 480 psi.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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NM-NM0418220-A

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SUBMIT IN TRIPLICATE - Other instructions on page 2.

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☐ Oil Well ☐ Gas Well ☒ Other SWD

8. Well Name and No.
Todd 27P Federal 16

2. Name of Operator
Devon Energy Production Co., LP

9. API Well No.
30-015-27106

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333 West Sheridan Avenue
OKC, OK 73102

3b. Phone No. (include area code)
(405)-552-7802

10. Field and Pool or Exploratory Area
Ingle Wells; Delaware

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 27-T23S-R31E
330' FSL & 330' FEL

11. Country or Parish, State
Eddy County, NM

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	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> 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 recompleate 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

SWD 1455 APPROVED 1/14/2014

PROPOSED SWD CONVERSION: Devon is filing Form C-108 (Application for Authorization to Inject) with the Oil Conservation Division in Santa Fe, New Mexico. Proposed SWD conversion is in the Delaware; Bell & Cherry Canyon formation (perforated from 4,450' - 5,720').

- MIRU. Establish injection in Delaware perforated interval from 4,550' - 4,560', not to exceed maximum authorized surface injection pressure per C-108.
- POH 2-3/8" IPC injection string.
- RIH perf guns, perf intervals 4450'-4560', 5350'-5365', 5530'-5640' 5660'-5720'; 4SPF, 90 degree phasing, total 118 shots.
- Stimulate Delaware formation, if necessary. RU acid crew, spot acid and mutual solvent over perf interval, pump into perfs at 1 bpm. Let acid solvent mix soak for 30 min. Pump 10,000 gal 15% HCl acid job into perfs with 1,000 lbs rock salt as diverter.
- RIH, initiate and evaluate injection in Delaware formation using existing 2 3/8" production tubing and Arrowset packer.
- Replace as warranted current 2 3/8" IPC injection tubing and 5 1/2" nickel coated packer @ +4,425'.
- Run MIT test and chart. File MIT with BLM/OCD office.
- NU injection tree and resume injection.

MUST BE WITHIN 100' OF INTERVAL
SEE ATTACHED FOR PERMIT INTERVAL
CONDITIONS OF APPROVAL 7/16/SD
RI

BLM NOT AUTHORIZED FOR "WELL WITH A PACKER" CONDITIONS.
SUBJECT TO LIKE

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)
Stephanie A. Porter

APPROVAL BY STATE

Title Operations Technician

Signature

Date

7/04/2013

RECEIVED

FEB 12 2014

NMOCD ARTESIA

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved by

Title

Office

Date **FEB 10 2014**

/s/ Chris Walls

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.

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.

Conditions of Approval

Devon Energy Production Co., LP
Todd 27P Federal 16
API 3001527106, T23S-R31E, Sec 27
February 10, 2014

1. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Johnny Chopp <jchopp@blm.gov> 575.234.2227 or Bob Ballard <bballard@blm.gov> 575.234.5973.
2. Operator shall submit an evaluation of existing logs and shall perform production tests to verify that the disposal injection formations cannot produce paying quantities. That evaluation is to be reviewed by BLM prior to initiating injection.
3. Subject to like approval by the New Mexico Oil Conservation Division.
4. Notify BLM 575-200-7902 Eddy Co. as work begins. Some procedures are to be witnessed. If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
5. Casing added or replaced requires a prior notice of intent (BLM Form 3160-5) approval of the design.
6. Surface disturbance beyond the existing pad shall have prior approval.
7. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
8. Functional H₂S monitoring equipment shall be on location.
9. 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. A ram system including a blind ram and pipe ram(s) designed to close on all of the work string(s) used is required equipment. Manual BOP closure (hand wheels) equipment shall be available on location. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
10. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
11. **Before Step 3. of the NOI: Remove the CIBP at 5350, tag the CIBP at 7940, and spot a Class H cement plug volume (not less than 25sx) to cover at least 180 feet. Tag the plug.**

12. Spot a Class C cement plug volume (not less than 25sx) from 5765 to cover at least 160ft. Tag the plug. (DV tool at 5712')
13. The BLM PET witness is to run tbg tally and agree to cement placement. Sample each plug for cement curing time and tag and/or pressure test (WOC time of 4 hours recommended) as requested by BLM PET witness.
14. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. The minimum pumped volume of 25 sacks of cement slurry is to exceed a 100ft cement plug across the drilled wellbore. Add 10% to the 100ft slurry volume for each 1000ft of plug depth. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 15.6#/gal, 1.18ft³/sx, 5.2gal/sx water.
15. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
16. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.
17. Submit the BLM Form 3160-4 **Recompletion Report** within 30 days of the date all BLM approved procedures are complete.
18. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.
19. Approval is granted for disposal of water produced from the lease or communization/unit agreement of this well only. An additional request (including authorization from the surface owner) is required for the well to receive other disposal fluids.
20. Approval is granted for disposal of water from other operators requires that the well be designated as a commercial disposal well and requires further **BLM approvals**.

An inactive/shut-in well bore is a non-producing completion that is capable of "beneficial use" i.e. production in paying quantities or of service use.

21. Submit evidence to support your determination that the well has been returned to active "beneficial use" for BLM approval on the Sundry Notice Form 3160-5 (the original and 3 copies) before 08/10/2014.
22. Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment.

Well with a Packer - Operations

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.

BLM NOT
AUTHORIZED
R2 - NMOU

- 2) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with a minimum 200 psig differential between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
- 3) Document the pressure test on a one hour full rotation calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
- 4) Make arrangements 24 hours before the test for BLM to witness. In Eddy County email Paul R. Swartz pswartz@blm.gov or phone 575-200-7902, if there is no response, 575-361-2822. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
- 5) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
- 6) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
- 7) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- 8) Compliance with a NMOCD Administrative Order is required.
 - a) Approved injection pressure compliance is required.
 - b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
 - c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 9) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 10) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of a full annular fluid level at any time.
- 11) **Maintain the annulus full of packer fluid at atmospheric pressure. Equipment that will display on site, continuous open to the air fluid level above the annulus vent is necessary to achieve this goal.**
- 12) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.

-
- 13) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
 - 14) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of 0psia. Notify the BLM's authorized officer ("Paul R. Swartz" <pswartz@blm.gov>, cell phone 575-200-7902). If there is no response phone 575-361-2822.
 - 15) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of installed equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are to be included in the subsequent sundry. List daily descriptions of any previously unreported wellbore workover(s) and reason(s) the well annular fluid was replaced.

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Disposal of Produced Water From Federal Wells
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.

9/22/09