

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCDA Artesia

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.*

5. Lease Serial No.  
NMNM112268

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

8. Well Name and No.  
PREACHER 19 FEDERAL 3H

9. API Well No.  
30-015-41887-00-S1

10. Field and Pool, or Exploratory  
WILLOW LAKE

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
DEVON ENERGY PRODUCTION CO  
Contact: LINDA GOOD  
Email: linda.good@dvn.com

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

3b. Phone No. (include area code)  
Ph: 405.552.6558

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 19 T24S R27E SWSE 0150FSL 1980FEL  
32.195532 N Lat, 104.229716 W Lon

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 checked="" type="checkbox"/> Other Drilling Operations
	<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 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 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 Prod Co. respectfully requests a variance for not meeting the Conditions of Approval of the APD.  
During the production casing cement job on the Preacher 19 Fed 3H (30-015-41887) we lost circulation during displacement. We lost circulation after pumping 290 bbls of displacement and bumped the plug at 367 bbls of displacement. We lost 77 bbls of cement in the open hole section at some depth. Had we not lost circulation we would have lifted cement an additional 2,590' in the 7" x 9 5/8" annulus which would have brought cement to surface. We have completed the well and turned ESP on 4/29/2014 and is producing flow back water at this time.  
COA based on TOC @ 1550'  
TOC from CBL: ~ 1710'  
Intermediate Shoe: 2034'  
The log was ran under 1000 psi pressure and only the bottom ~ 200' of the wellbore was logged on

Accepted for record  
NMOCDC  
NM OIL CONSERVATION  
ARTESIA DISTRICT  
JUL 07 2014

RECEIVED

14. I hereby certify that the foregoing is true and correct.  
Name (Printed/Typed) LINDA GOOD  
Signature (Electronic Submission)

Electronic Submission #248344 verified by the BLM Well Information System  
For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad  
Committed to AFMSS for processing by CATHY QUEEN on 06/09/2014 (14CQ0251SE)  
Title REGULATORY SPECIALIST  
Date 06/05/2014

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By WESLEY INGRAM Title PETROLEUM ENGINEER Date 06/19/2014

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.

## Additional data for EC transaction #248344 that would not fit on the form

### 32. Additional remarks, continued

the repeat section at 0 psi. We will make sure on future wells that the entire interval is ran under 0 psi pressure and then repeated with 1000 psi pressure. Based on the CBL we have annular isolation from our producing zone that is perforated from 7,387' ?V 11,888' and the intermediate casing set at 2,034'. We have varying qualities of bond (80% to 40% ??free pipe) from the bottom of the intermediate casing at 2,034?? up to 1,710??. A witnessed pressure test was completed on the 7" x 9 5/8" annulus, we lost approximately 65 psi in 35 minutes, bleed off the annulus pressure to no flow, and had the surface casing open with no flow during test. The 9 5/8" intermediate was cemented to surface. Attached is a copy of the chart from the pressure test.

To avoid perforating the casing to lift cement an additional 160?? ?V 350?? needed to meet what we said we would do in the APD, we would like to monitor the 7" x 9 5/8" annulus via Scada which will allow us to monitor the pressure remotely. We would set-up the annulus casing pressure channel with an alarm that would send out a notification via email to the production engineer, foreman, assistant foreman, and lease operator if the pressure increased by more than 200 psi over the initial annulus pressure of the well which currently shows 0 psi. A Devon representative would then be sent to location within 24 hours to check for flow on the annulus and report the findings to the BLM. If annulus pressure is at 0 psi we will open the valve on a bi-weekly basis to check for a vacuum. If annulus is on a vacuum we will determine how bbls of treated water it takes to load it back up and notify BLM. Being able to monitor the annulus pressure at all times gives us more insight, control, and the ability to respond in a timely manner to any annular failures that might happen and prevent them from going unnoticed for a long period of time.

# CASEDHOLE SOLUTIONS

A C&J ENERGY SERVICES COMPANY

## Radial Cement Bond Gamma Ray CCL Log

Company Well Field County State	Devon Energy Corporation Preacher 19 Fed 3H Willow Lake West; Bone Spring Eddy New Mexico	Company Devon Energy Corporation Well Preacher 19 Fed 3H Field Willow Lake West; Bone Spring County Eddy State New Mexico
	Location: 150' FSL & 1980' FEL Sec 19 T 24-S R 27-E	API #: 30-015-41887 Other Services Perf 1st Stage
	Permanent Datum Ground Level Elevation 3310.2' Log Measured From Kelly Bushing 25' APD Drilling Measured From Kelly Bushing	Elevation K.B. 3335.20' D.F. 3334.20' G.L. 331-.20'

Date	09- April- 2014
Run Number	One
Depth Driller	11908'
Depth Logger	6900'
Bottom Logged Interval	6890'
Top Log Interval	Surface
Open Hole Size	8.75"
Type Fluid	Water
Density / Viscosity	N/A
Max. Recorded Temp.	153.6 F
Estimated Cement Top	1700'
Time Well Ready	7:00 AM
Time Logger on Bottom	8:00 AM
Equipment Number	100169
Location	Hobbs, New Mexico
Recorded By	Robert calderon
Witnessed By	Mike Braswell

Borehole Record				Tubing Record			
Run Number	Bit	From	To	Size	Weight	From	To

Casing Record	Size	Wgt/Ft	Top	Bottom
Surface String				
Prot. String	7"	29 #	Surface	6862'
Production String	5 1/12"	17 #	6864'	11910'
Liner				

<<< Fold Here >>>

All interpretations are opinions based on inferences from electrical or other measurements and we cannot and do not guarantee the accuracy or correctness of any interpretation, and we shall not, except in the case of gross or willful negligence on our part, be liable or responsible for any loss, costs, damages, or expenses incurred or sustained by anyone resulting from any interpretation made by any of our officers, agents or employees. These interpretations are also subject to our general terms and conditions set out in our current Price Schedule.

Comments

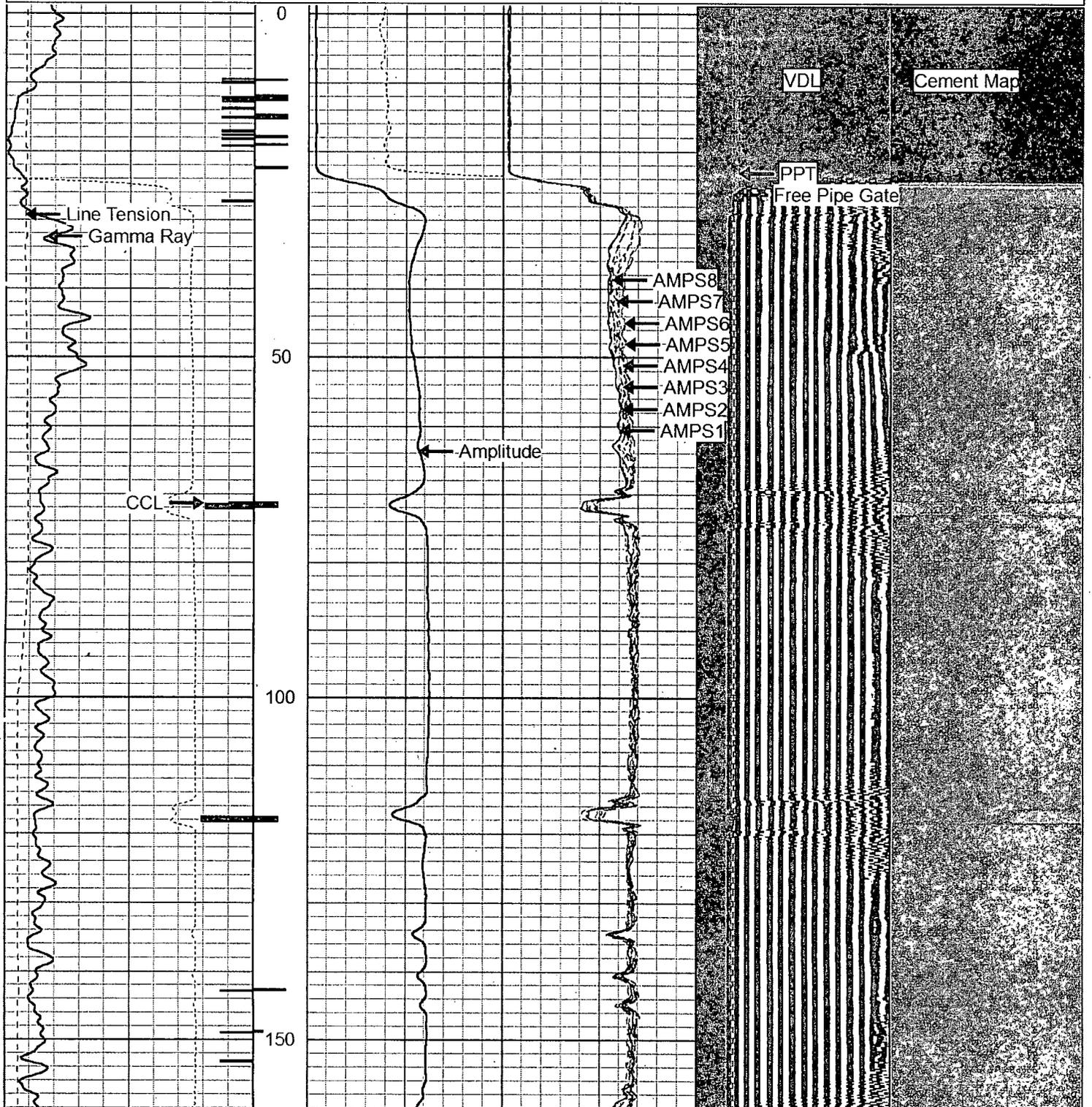
Logb Correlated to Schlumberger Compensated Neutron Log  
 Dated : 22- March 2014

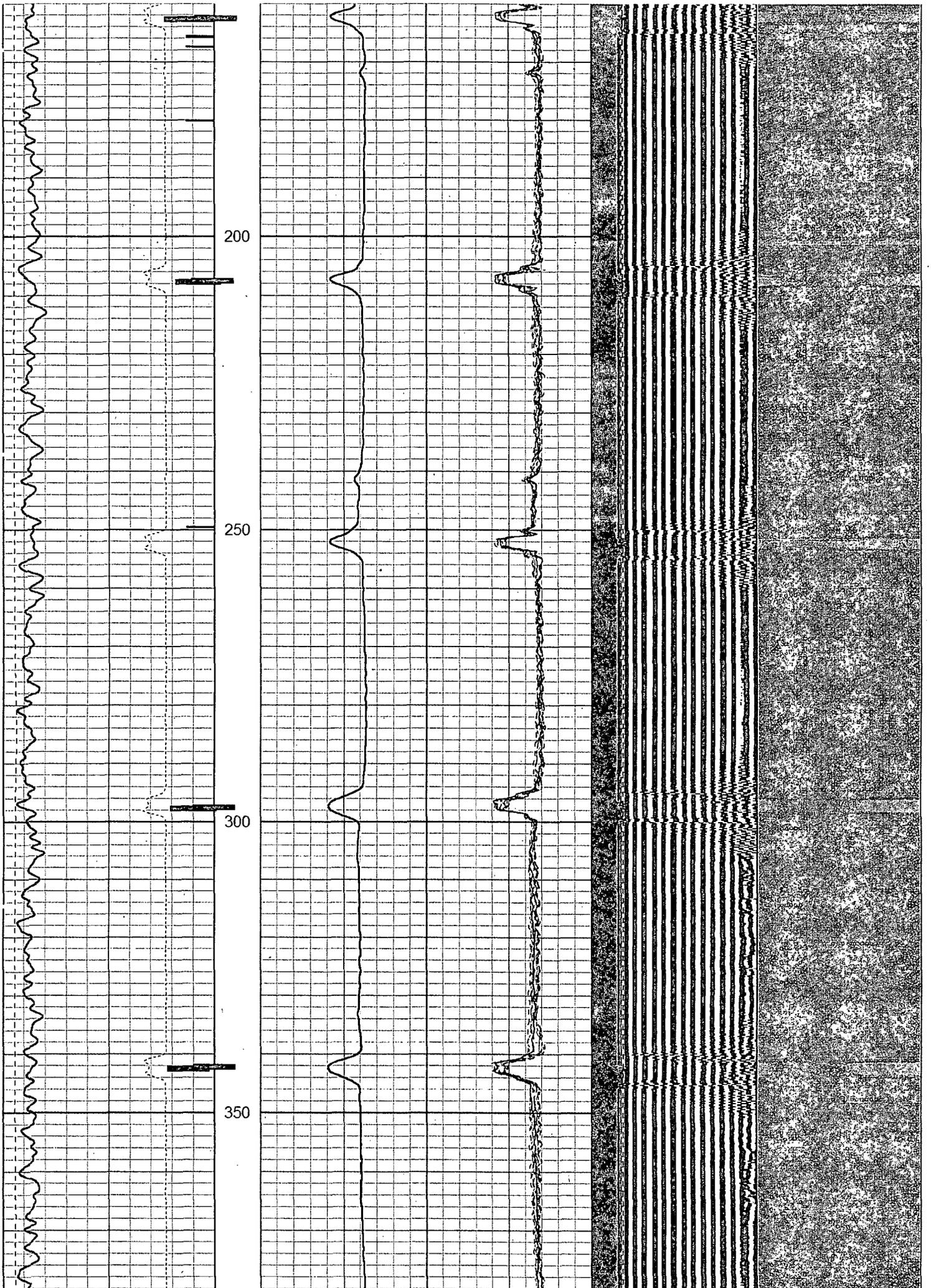


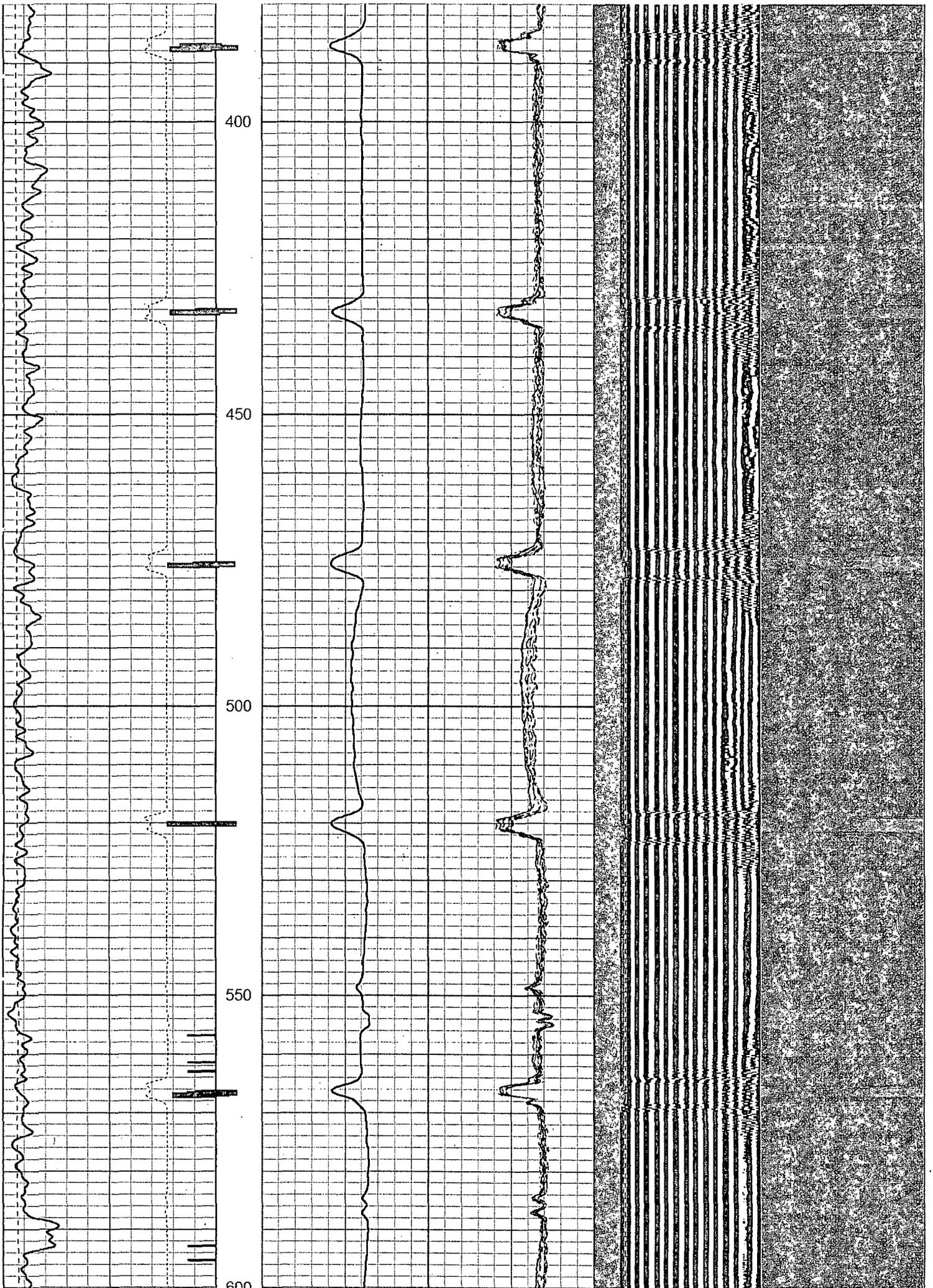
Main Pass 1000 PSI

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 Presentation Format: scbl5\_5  
 Dataset Creation: Wed Apr 09 08:16:27 2014 by Log 7.0 B1  
 Charted by: Depth in Feet scaled 1:240

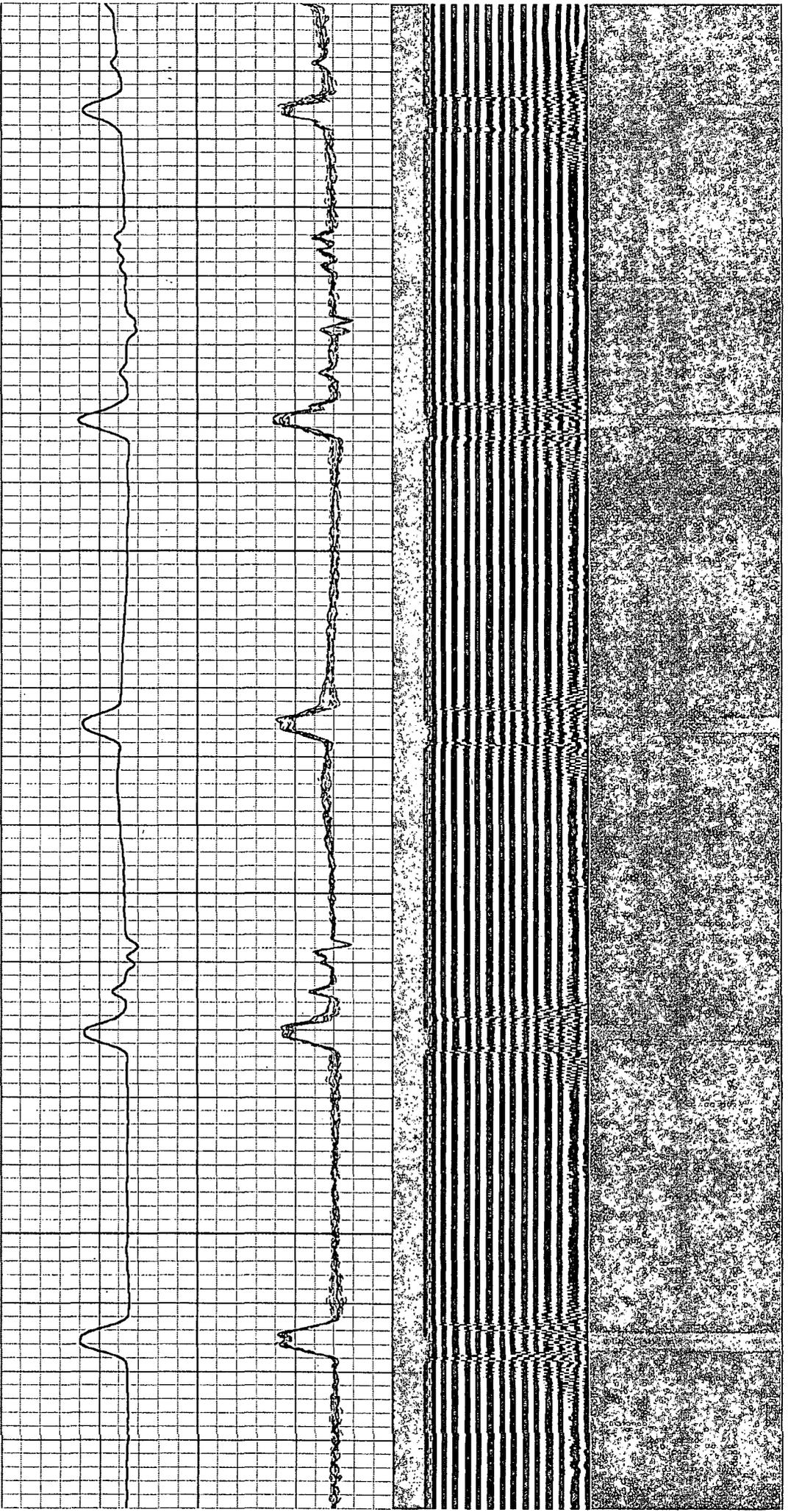
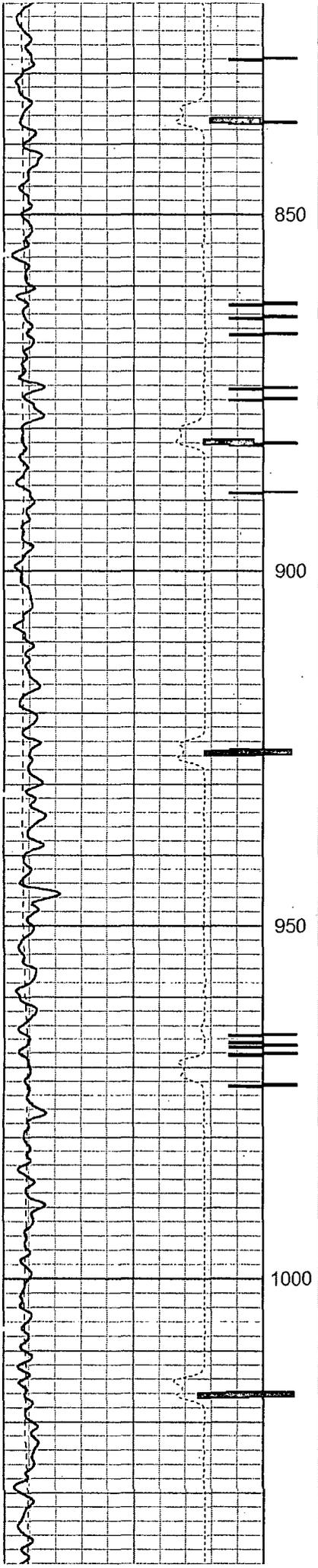
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0	Gamma Ray (GAPI)	150		Amplified Amplitude		-5	AMPS7	150				80
0	Line Tension (lb)	4000	0	(mV)	10	-5	AMPS6	150		Free Pipe Gate		
						-5	AMPS5	150				
						-5	AMPS4	150				
						-5	AMPS3	150				
						-5	AMPS2	150				
						-5	AMPS1	150				



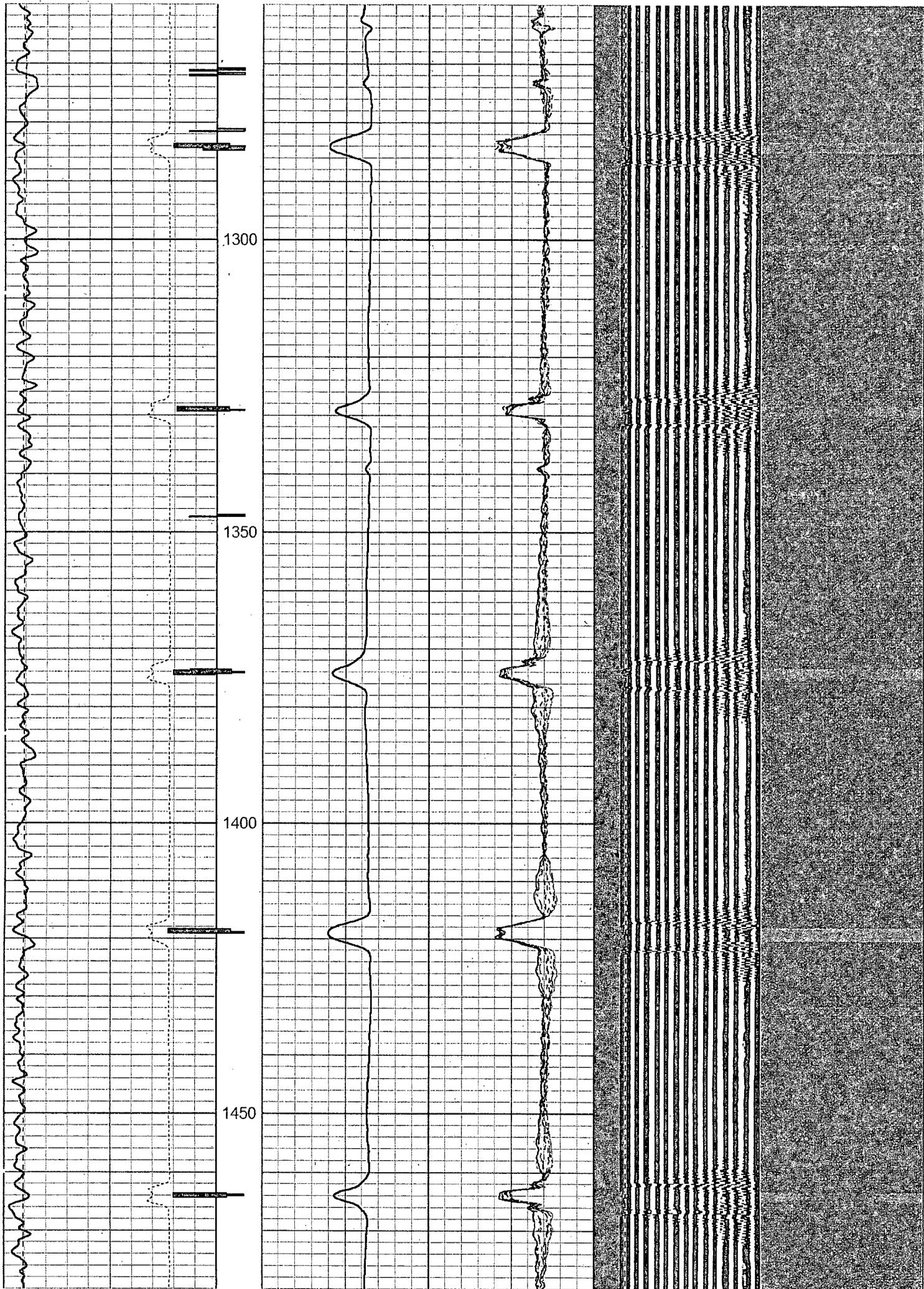


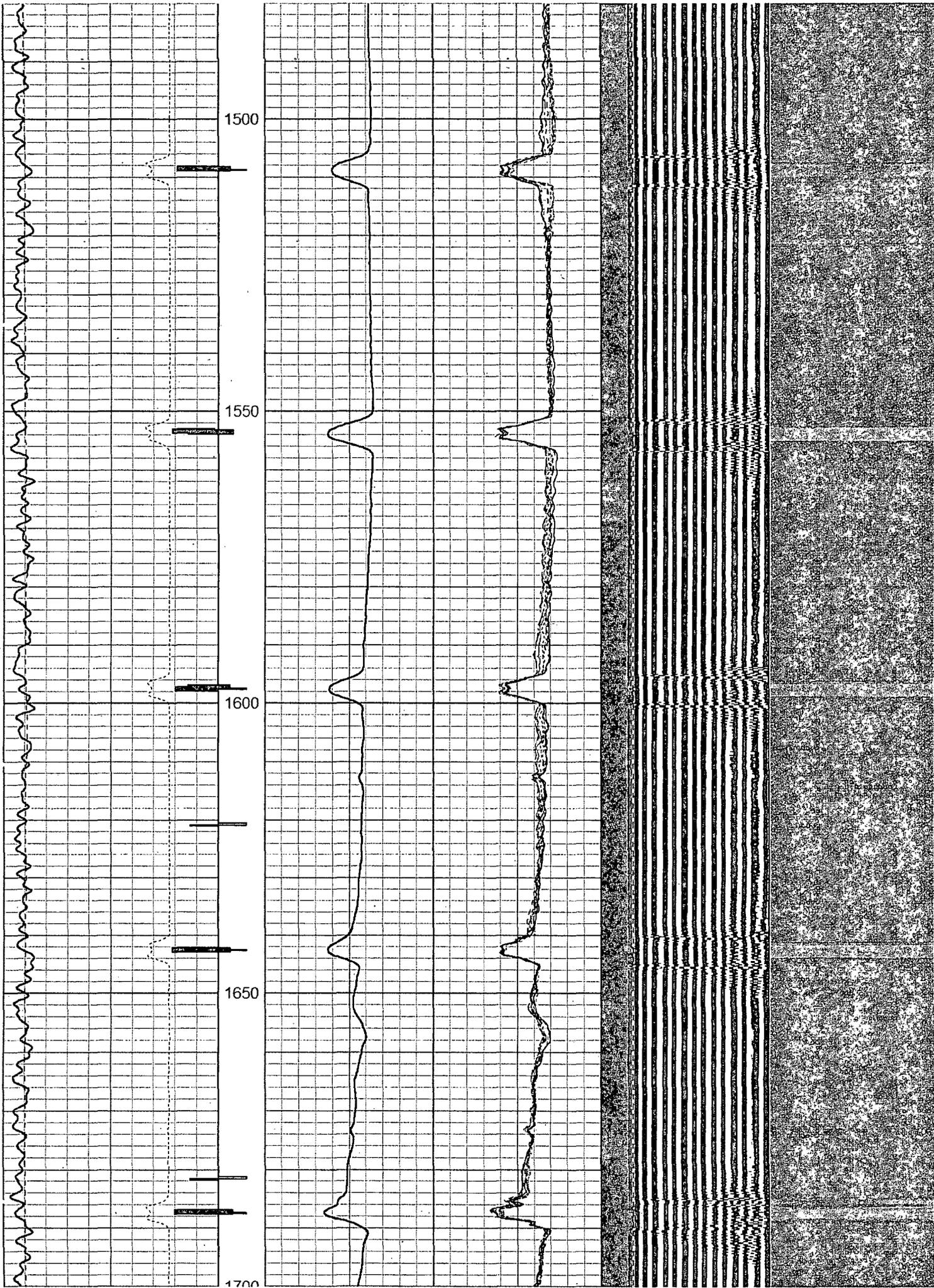


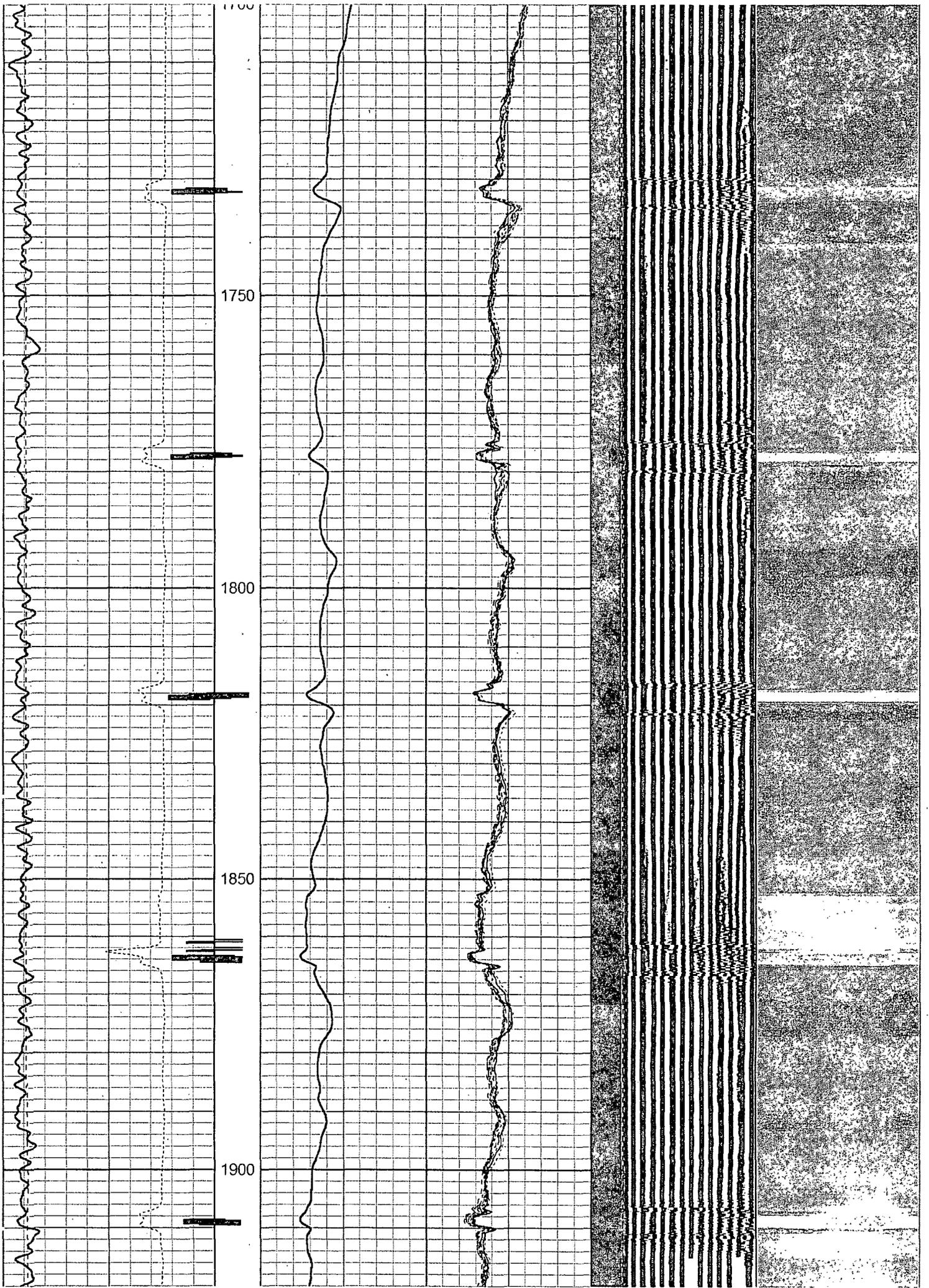


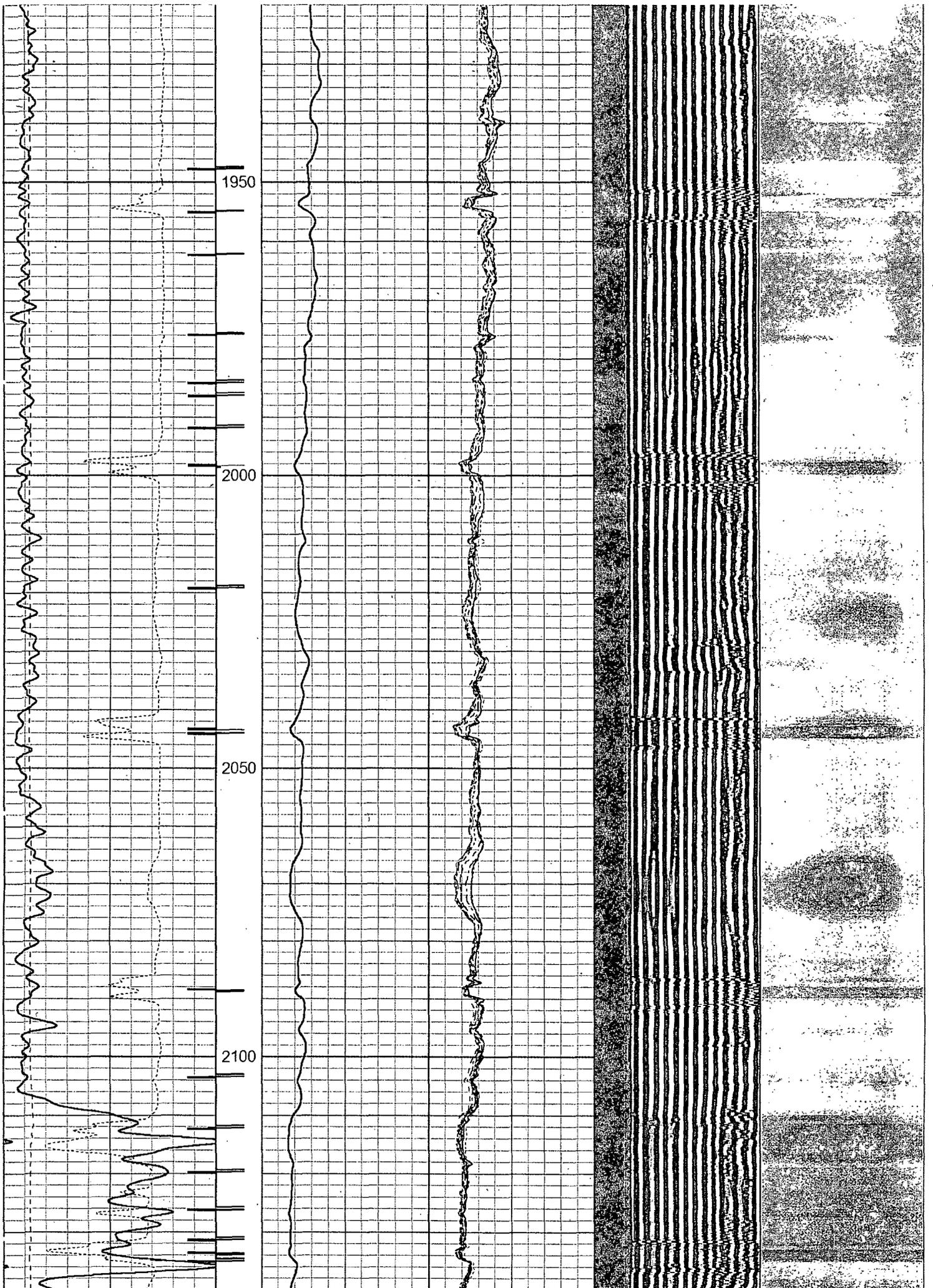


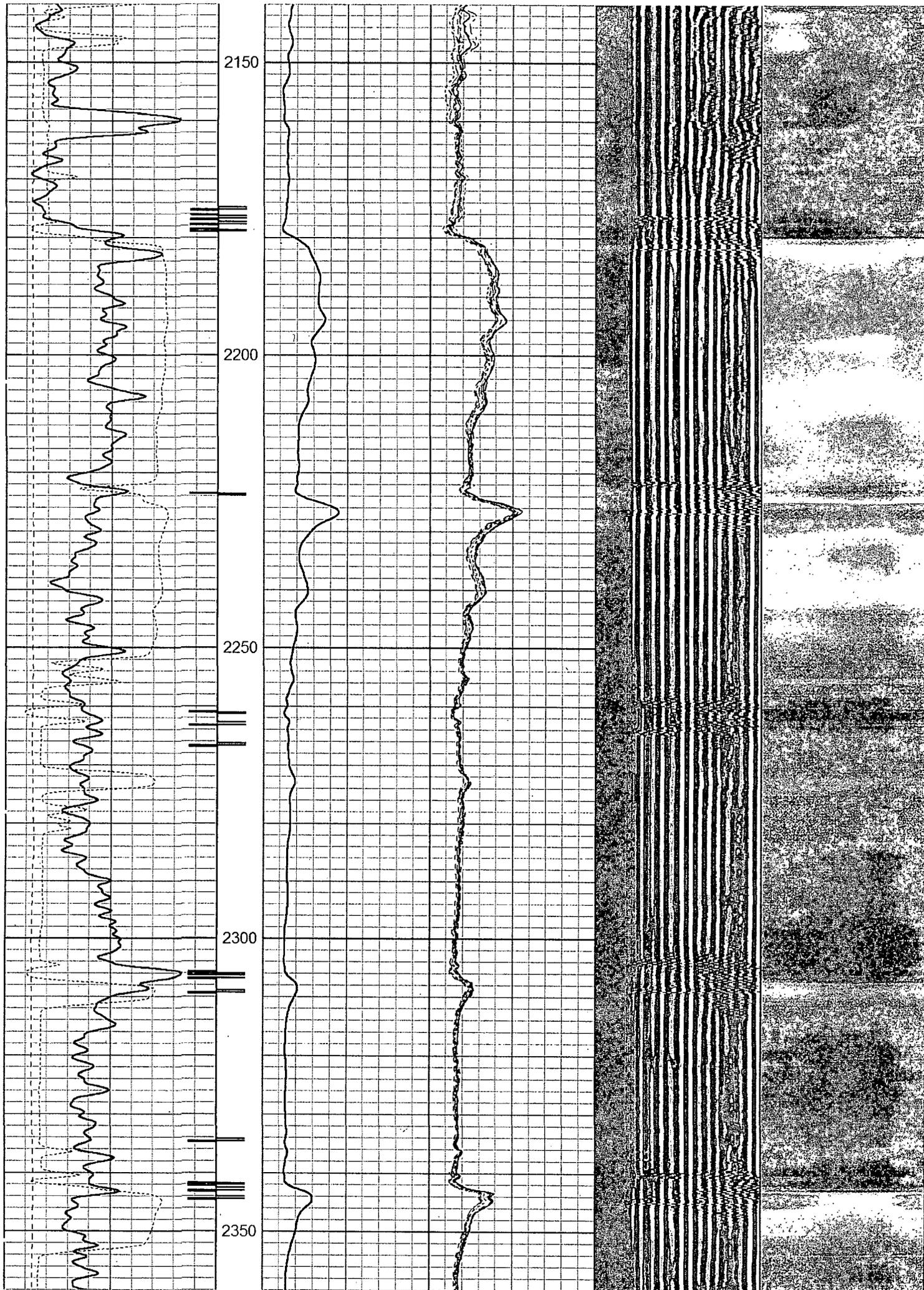


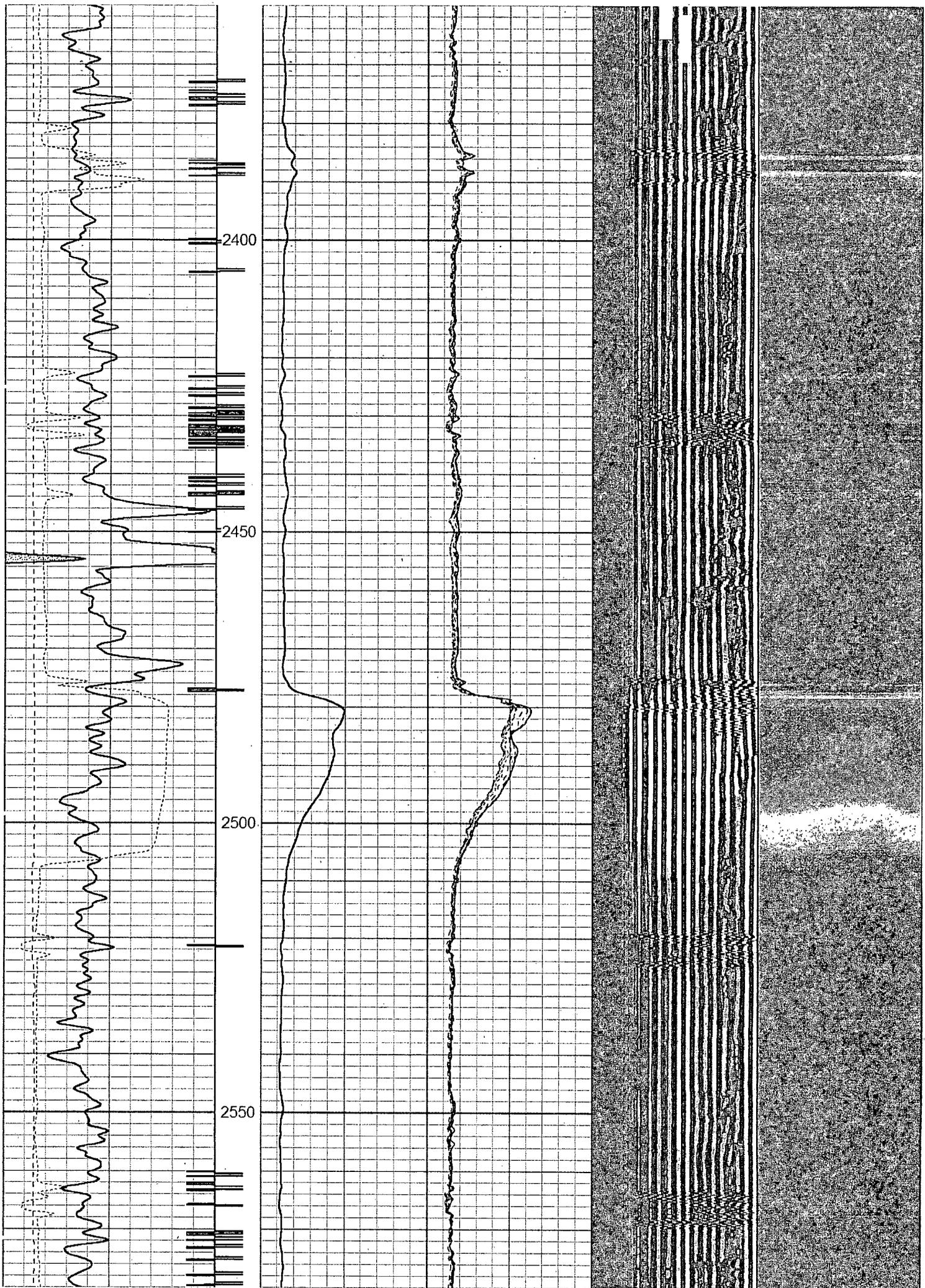


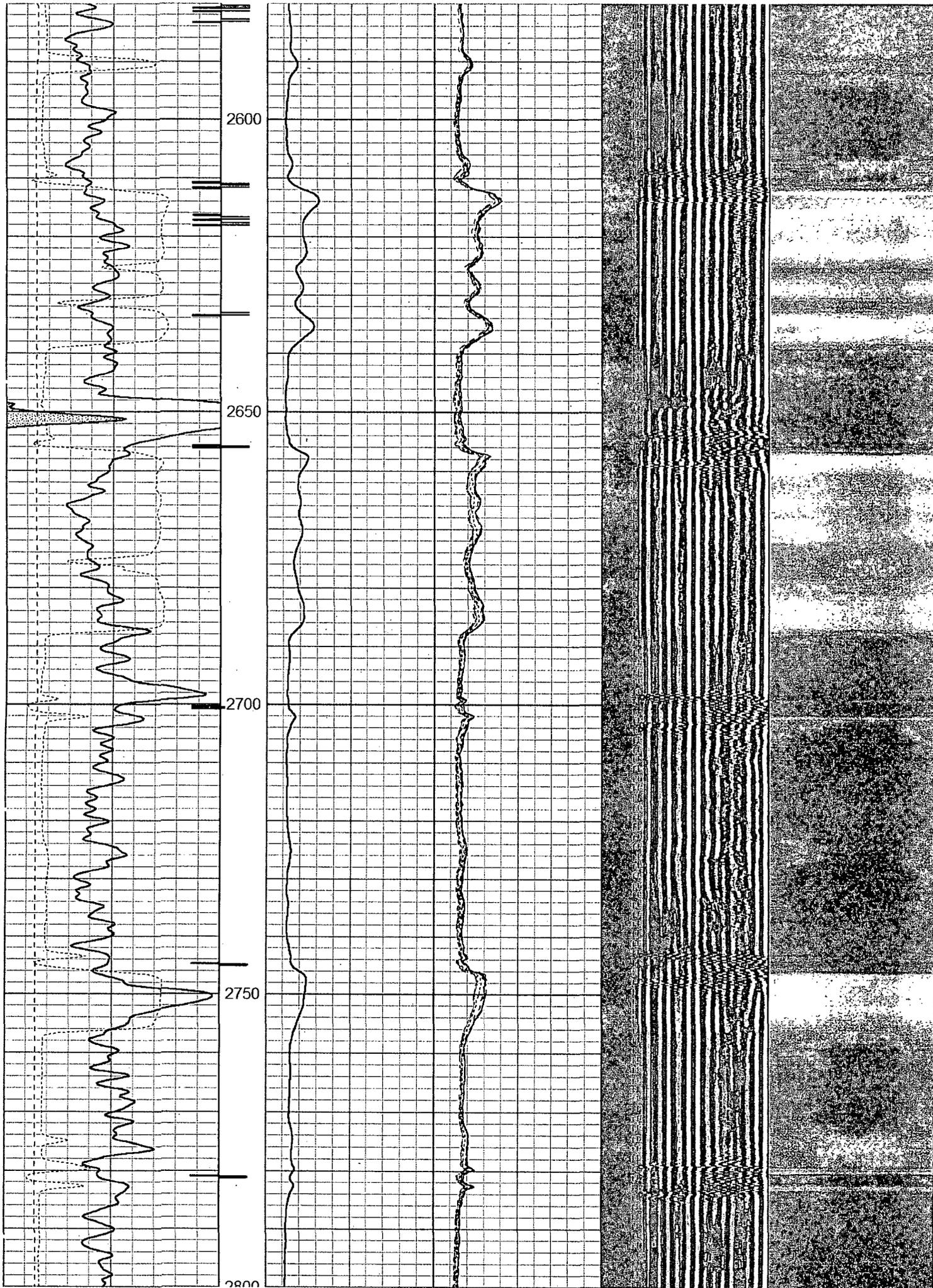


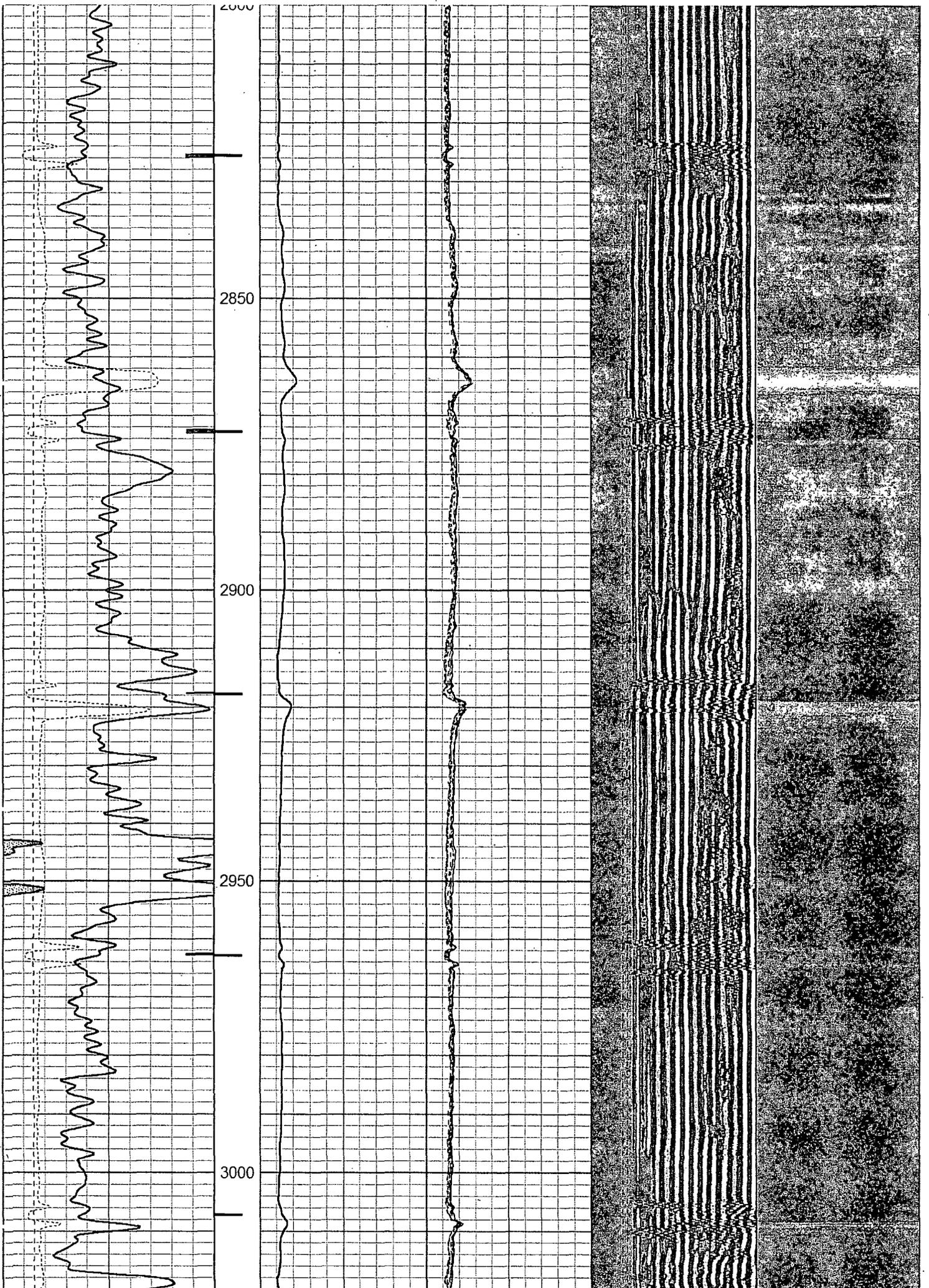


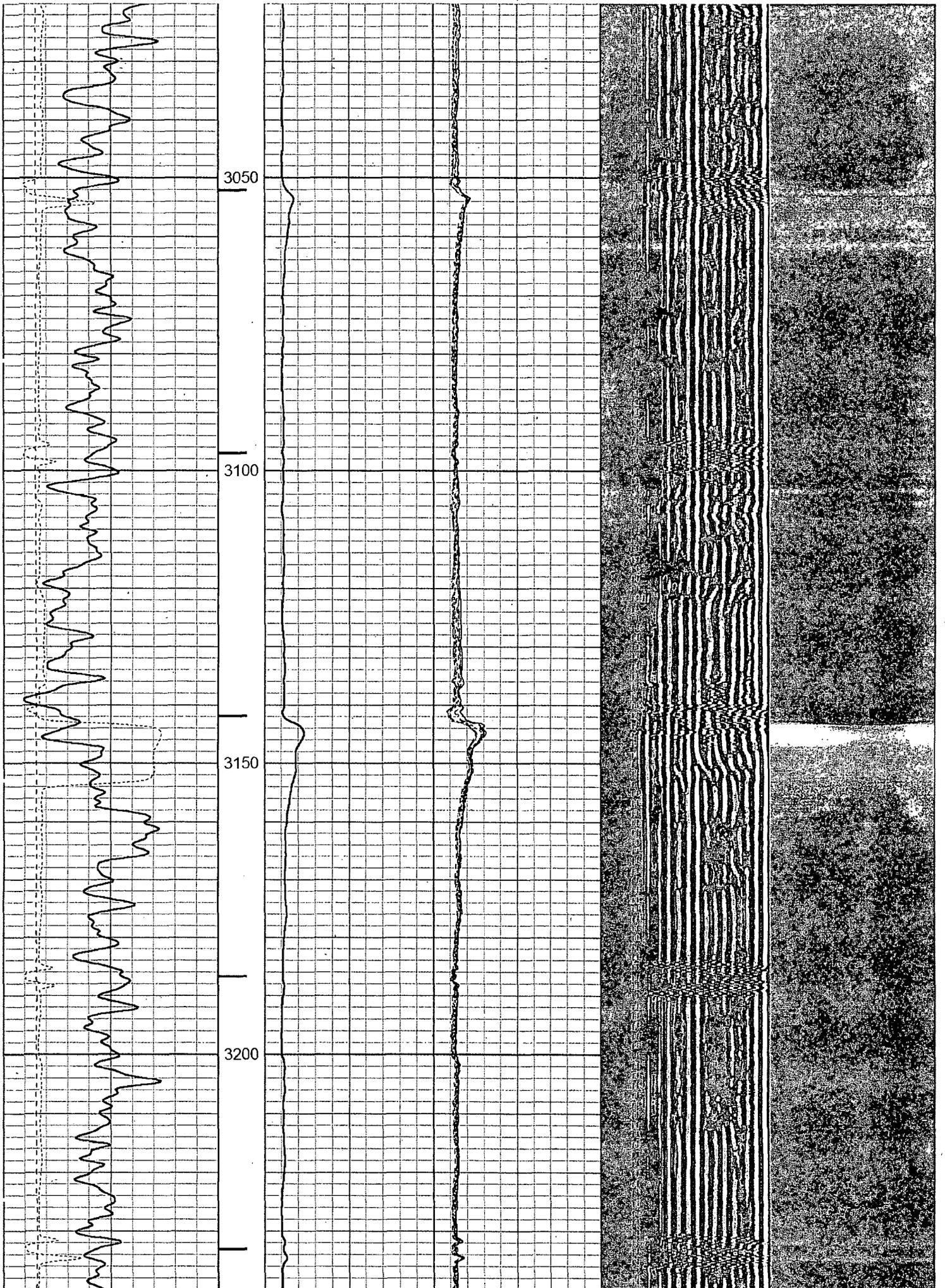


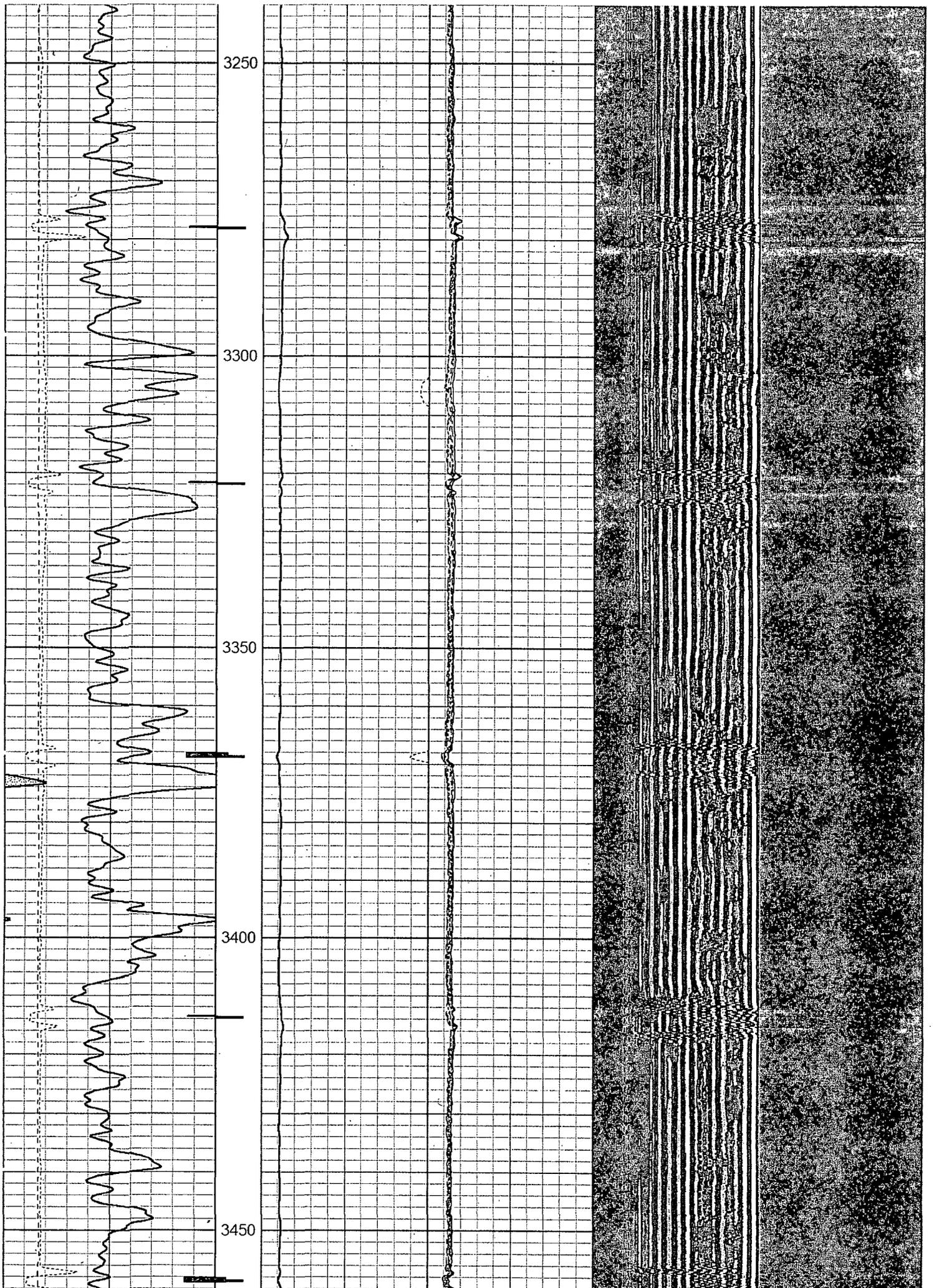


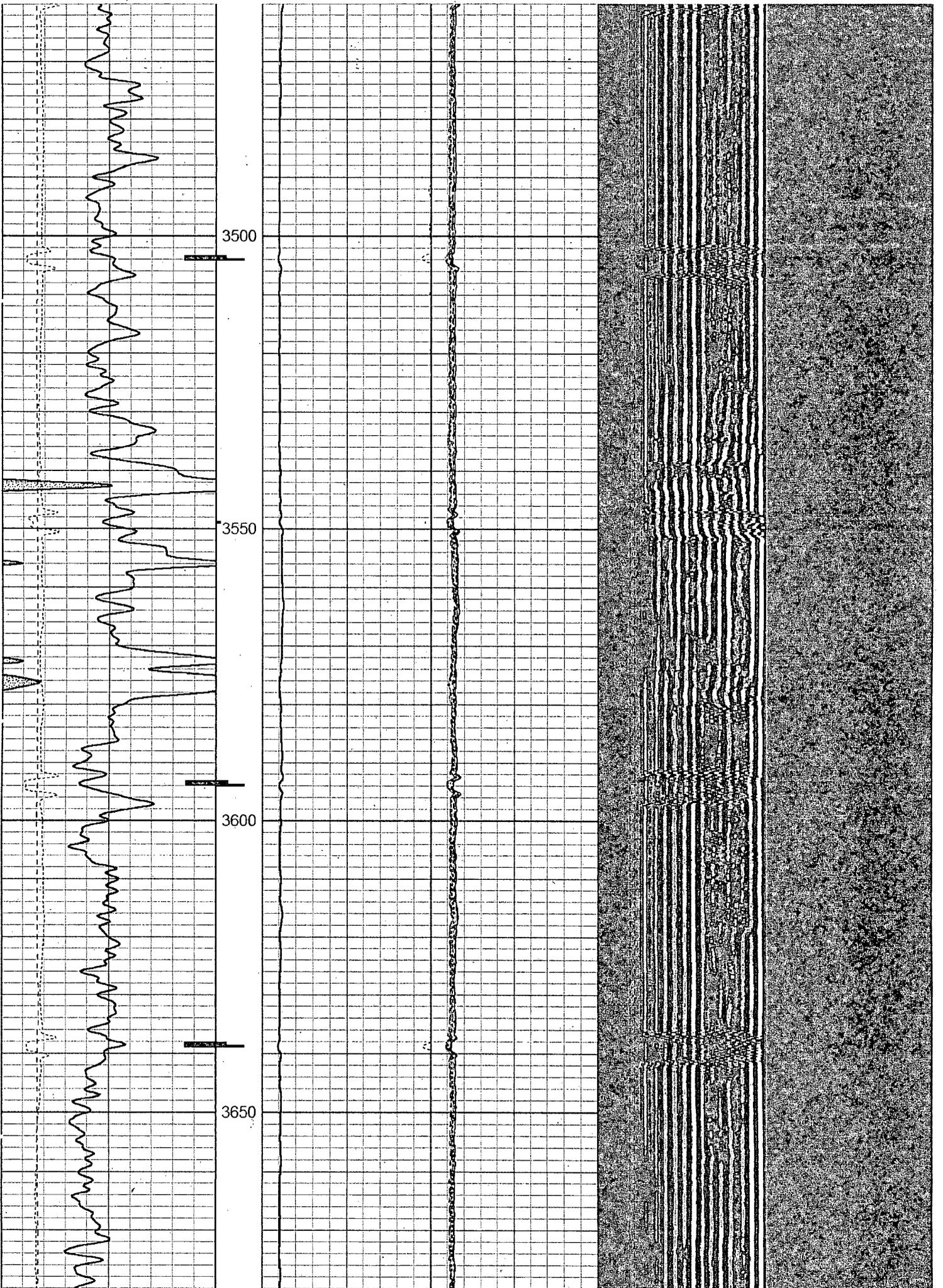


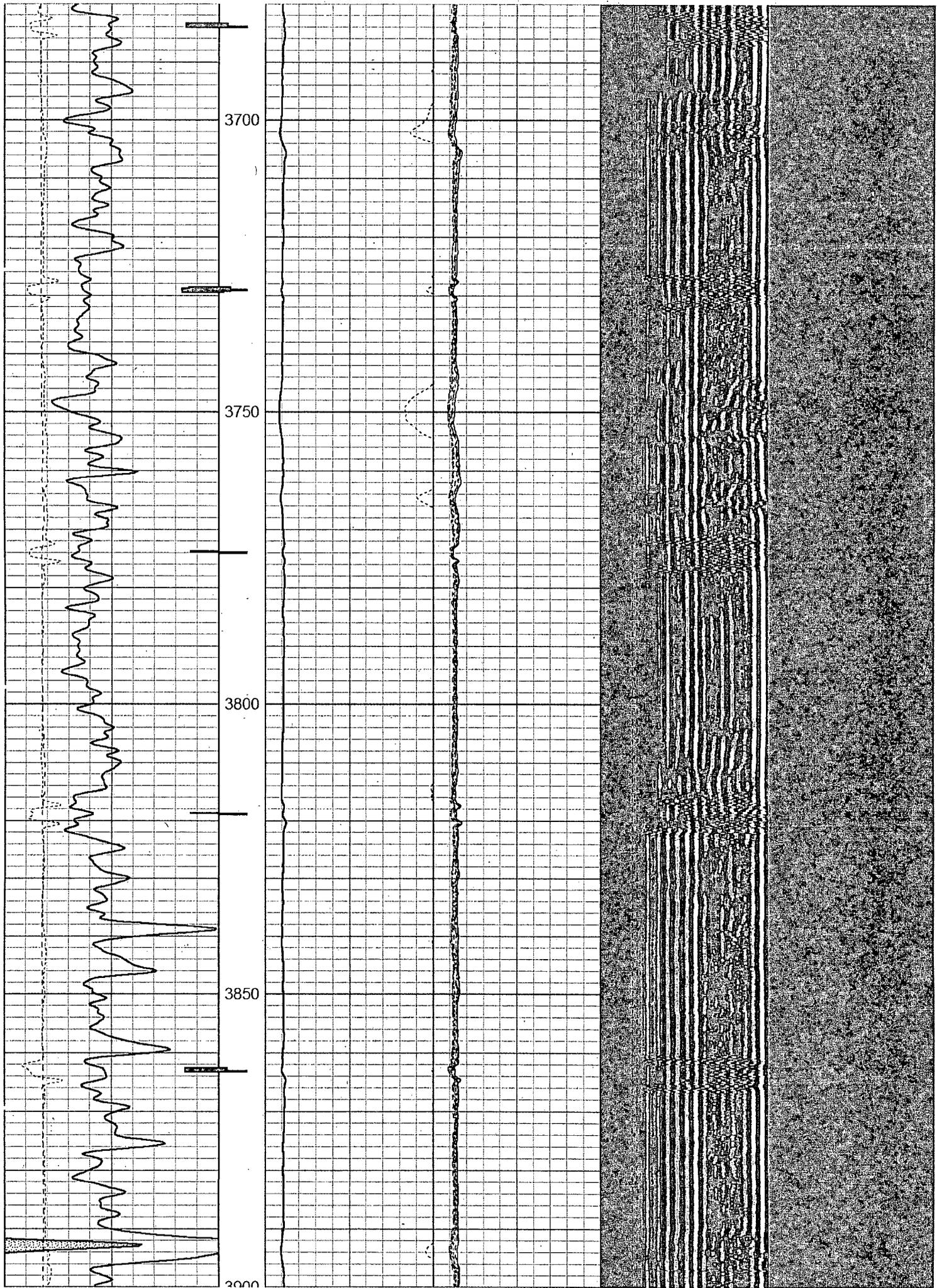


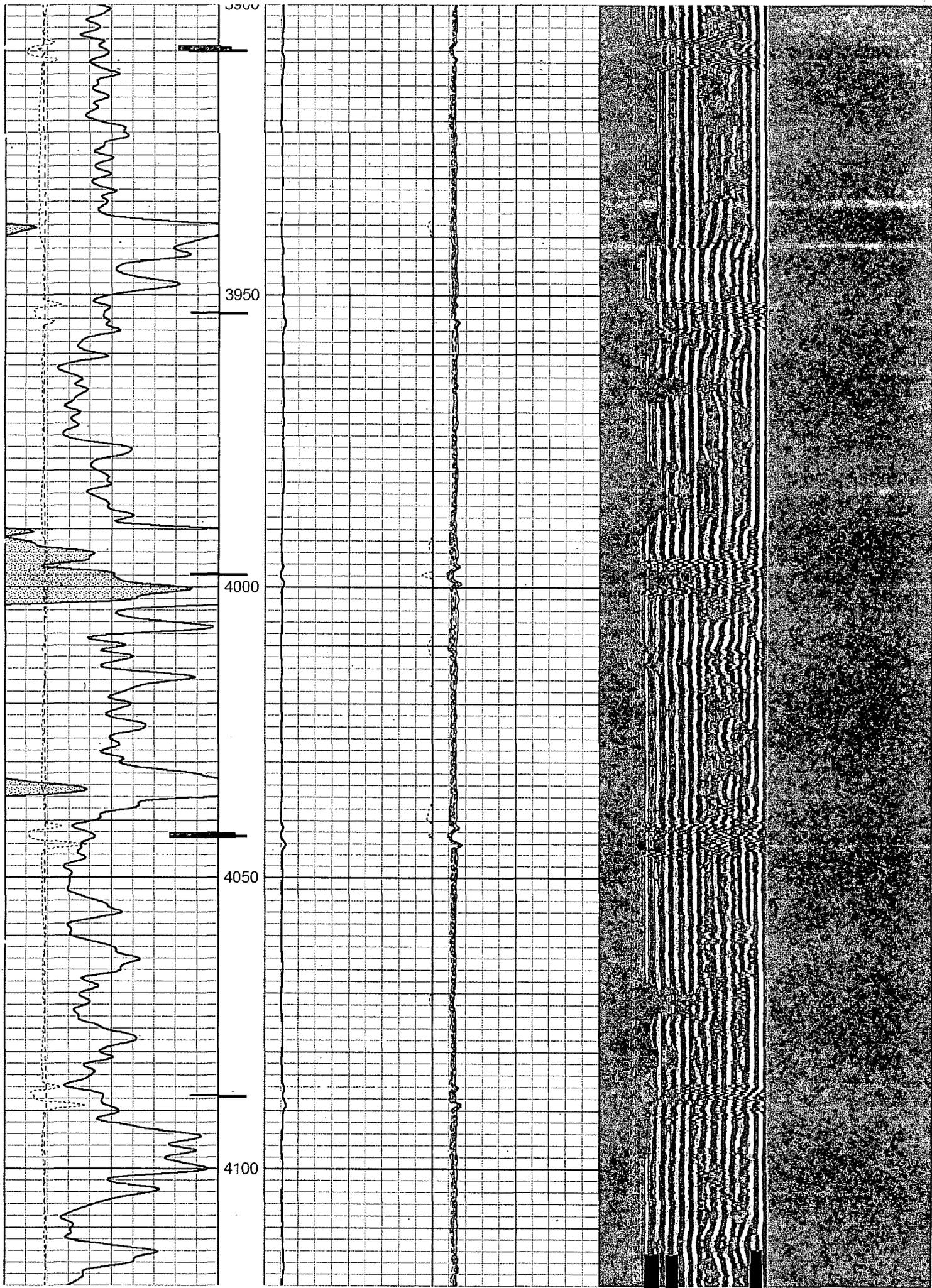


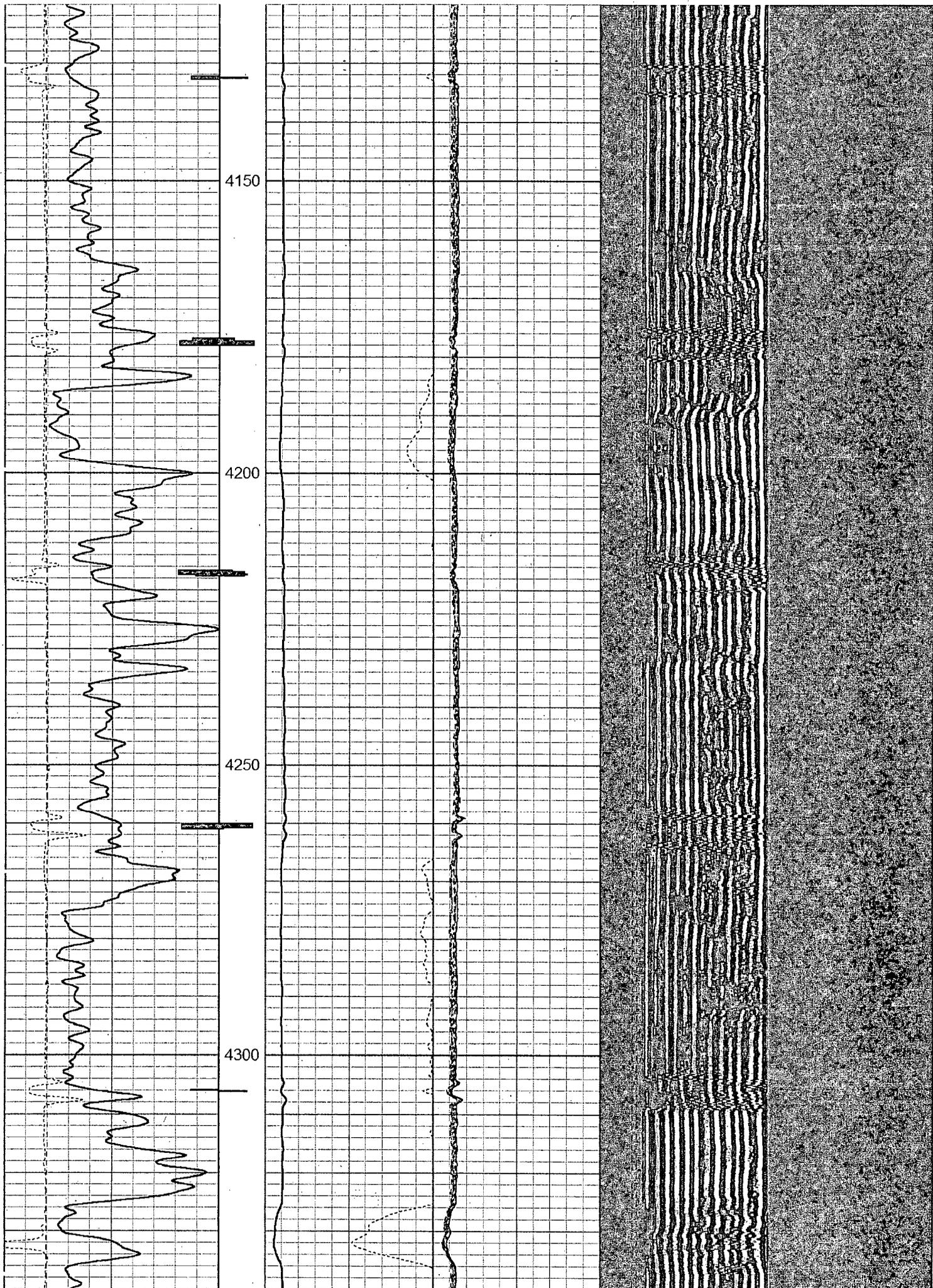


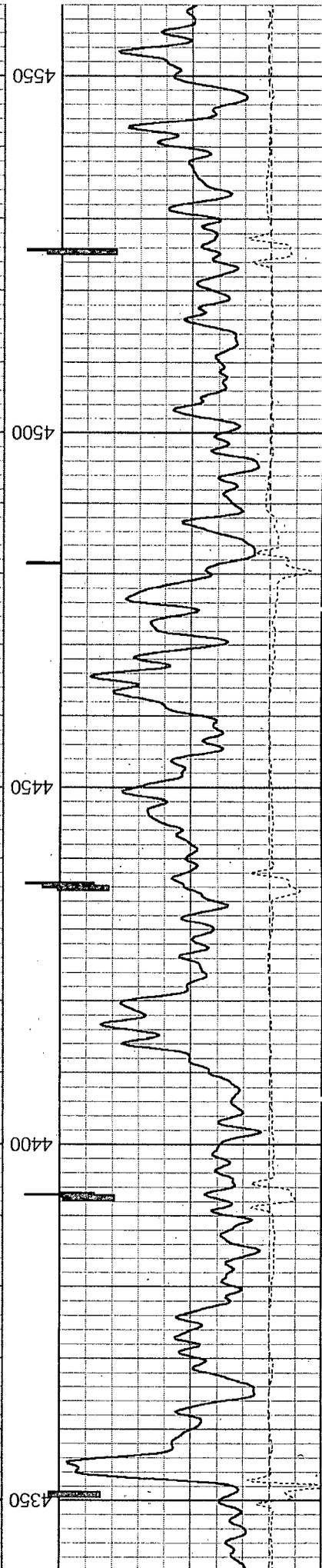
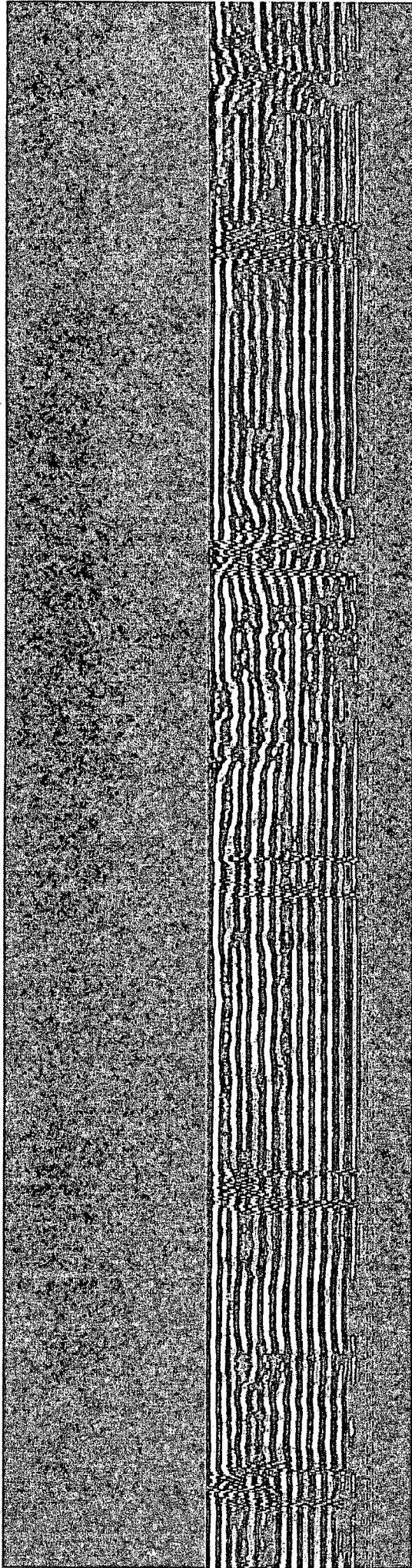


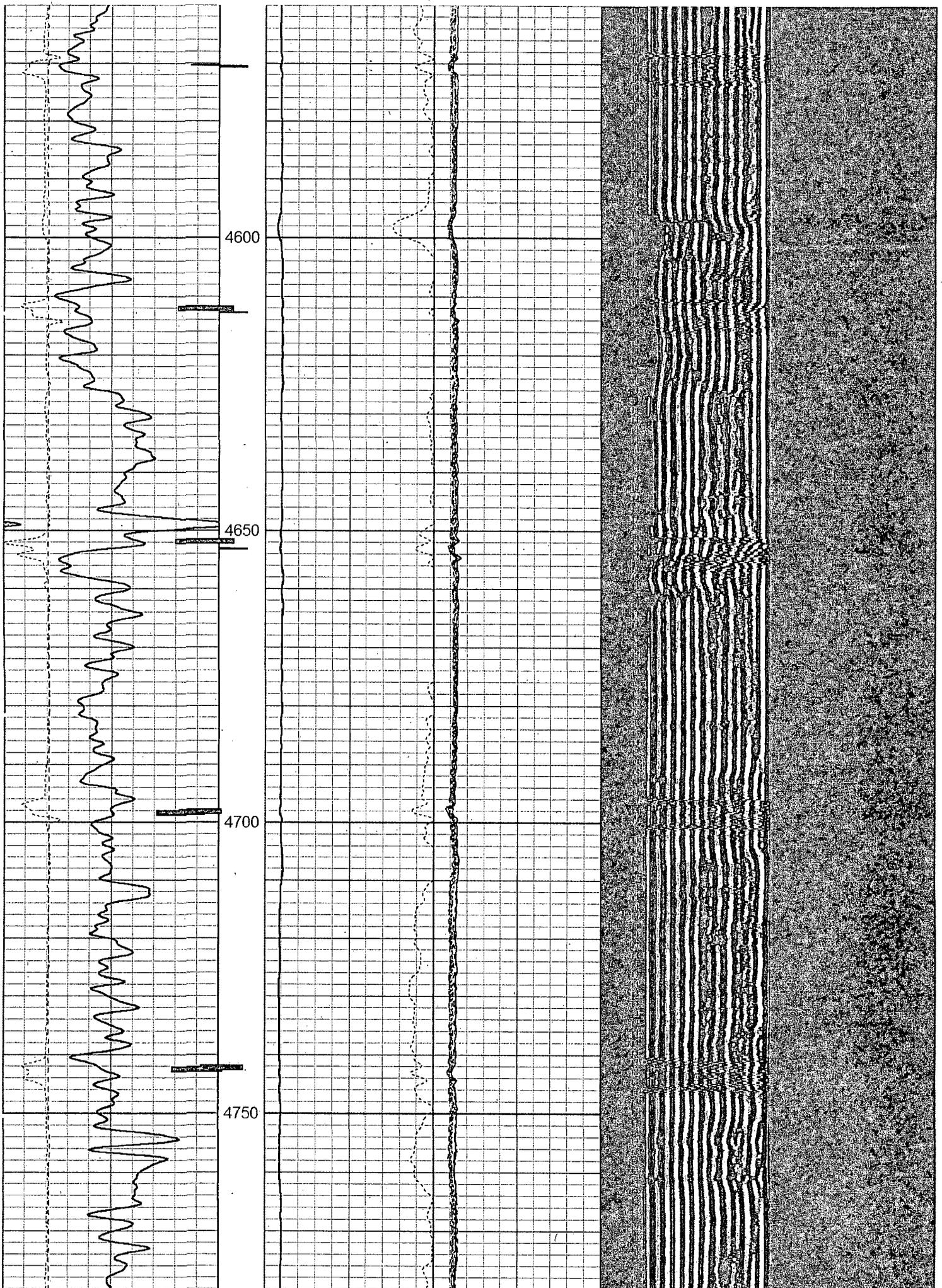


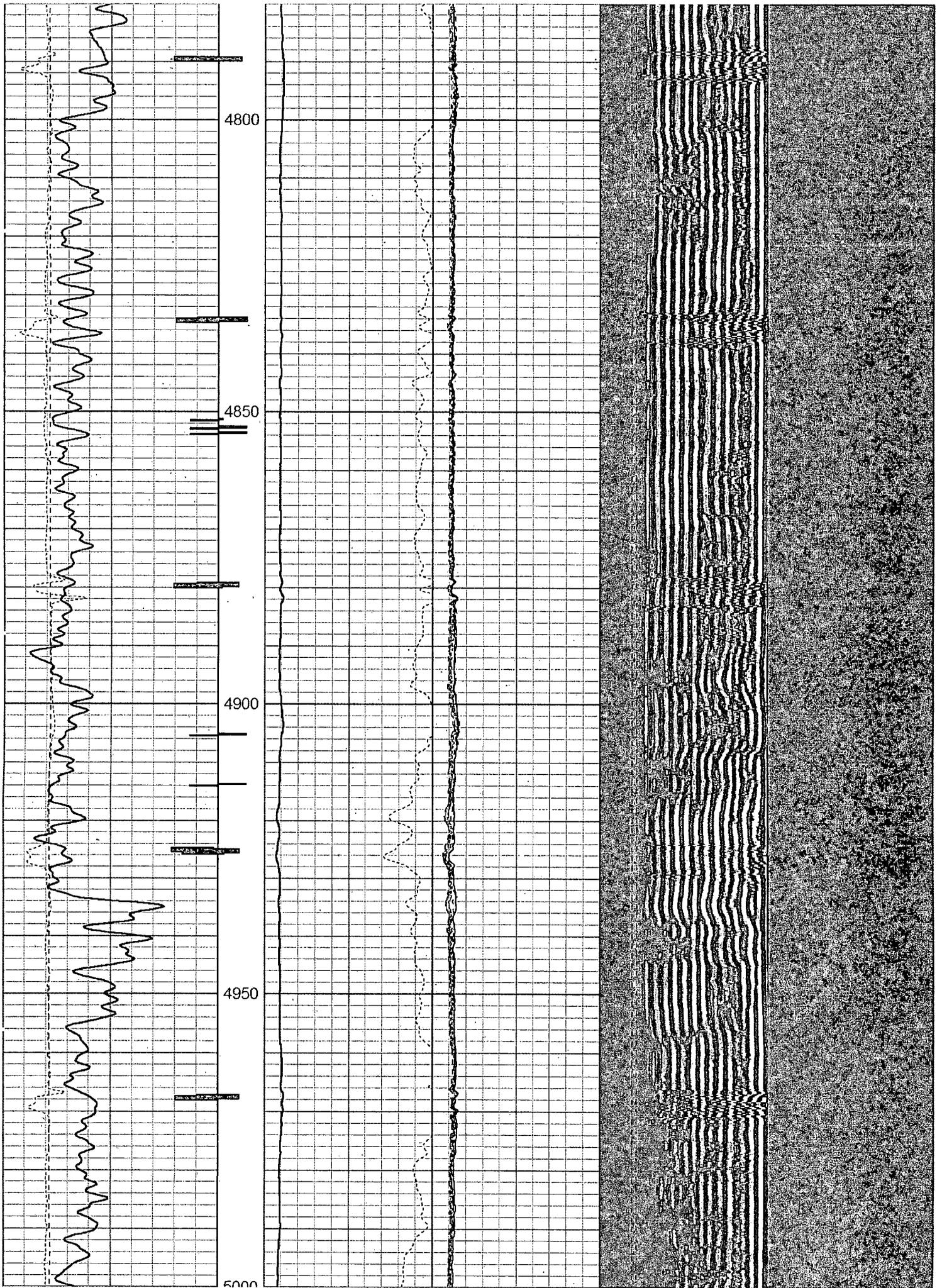


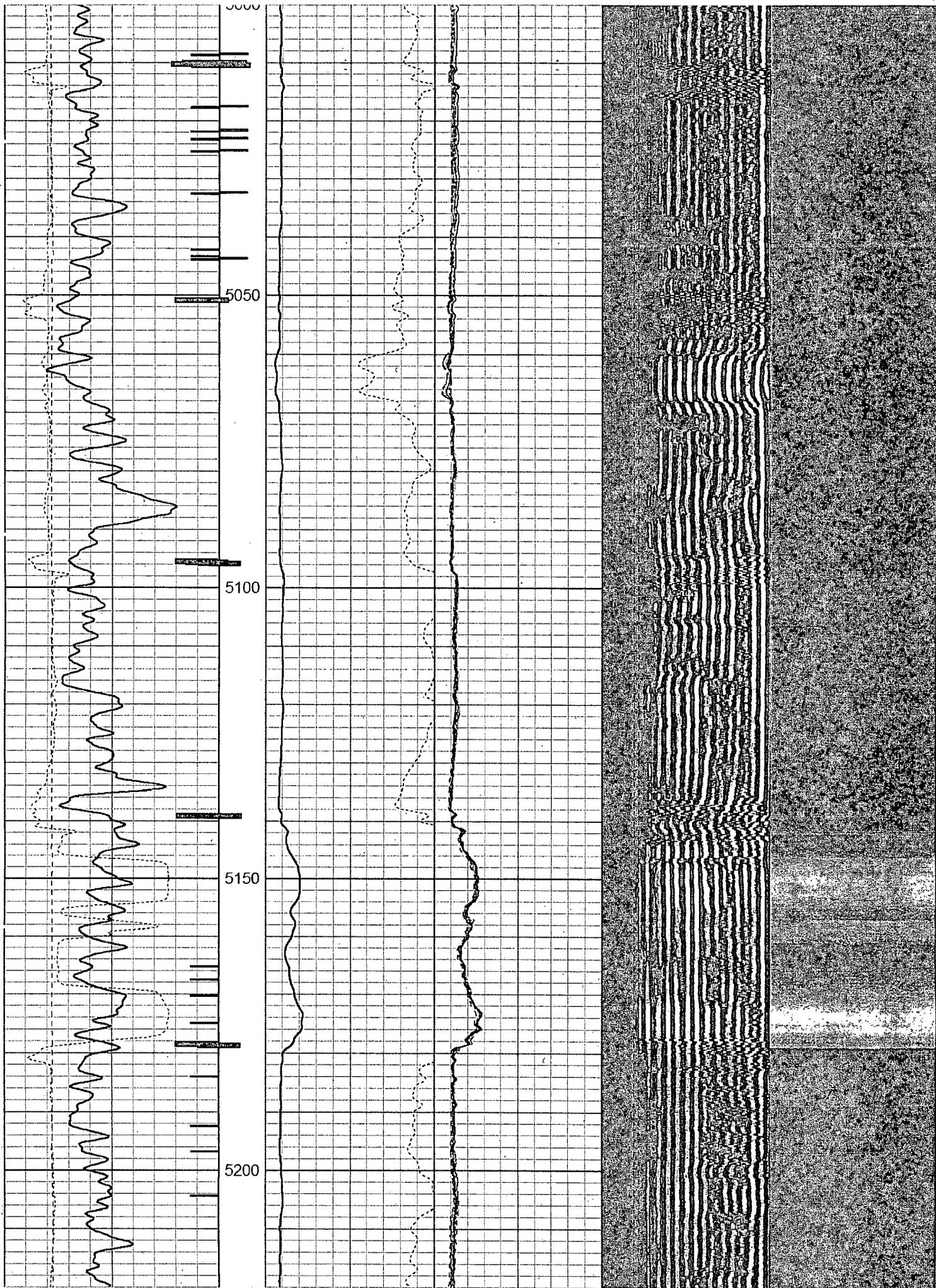


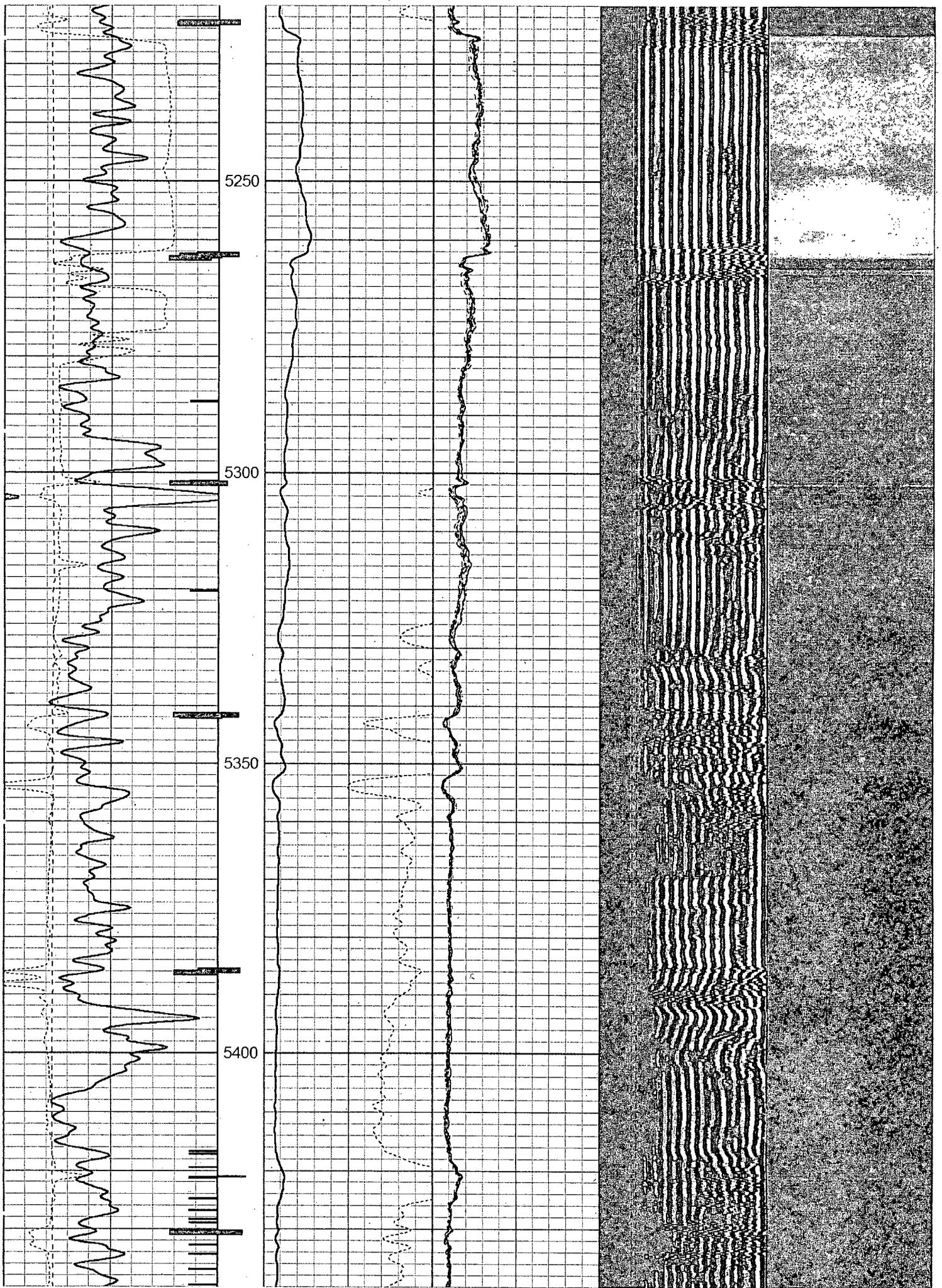


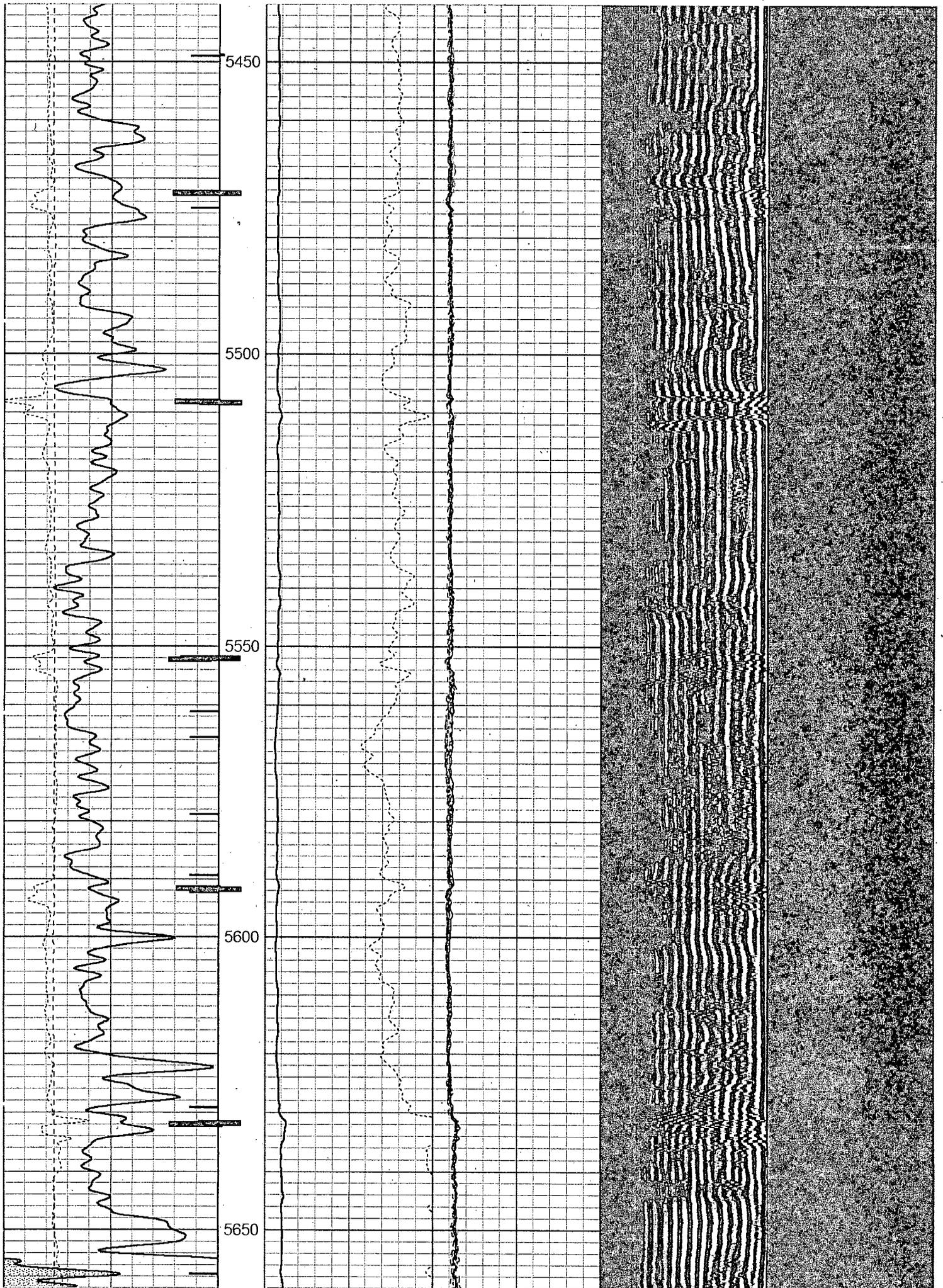


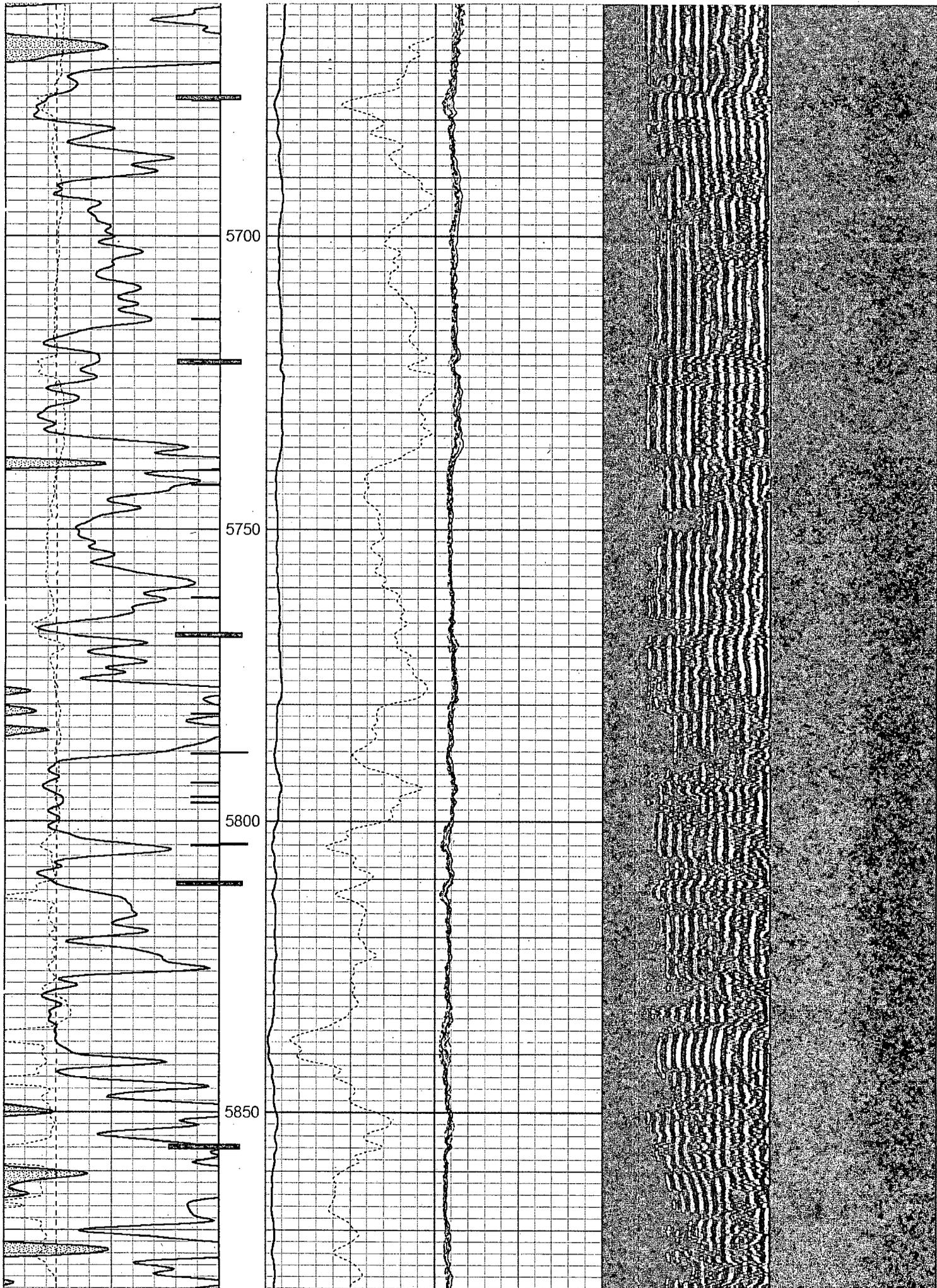










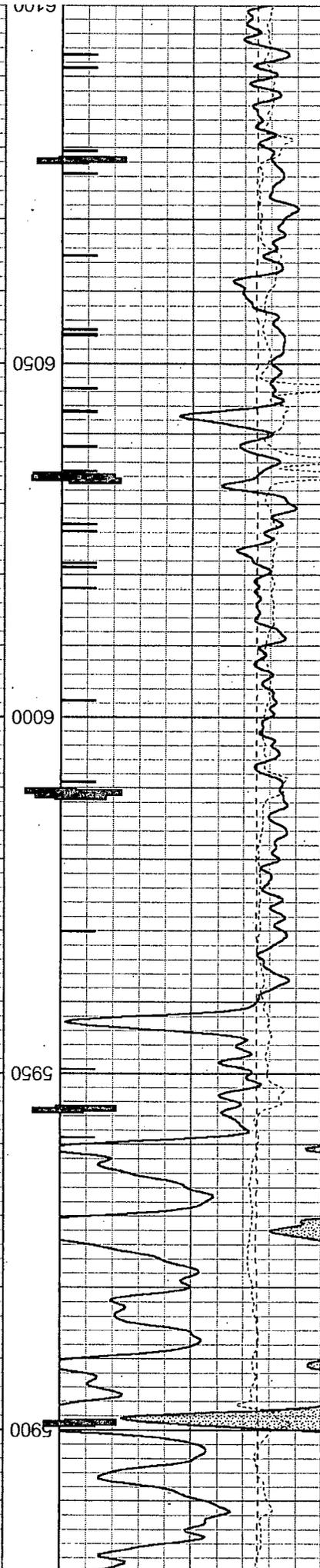
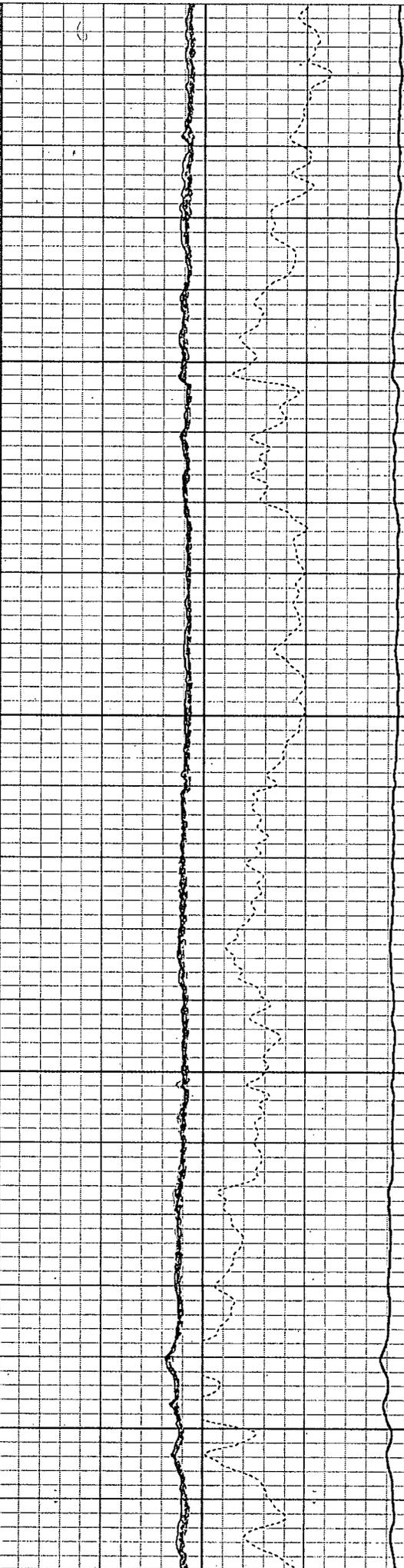
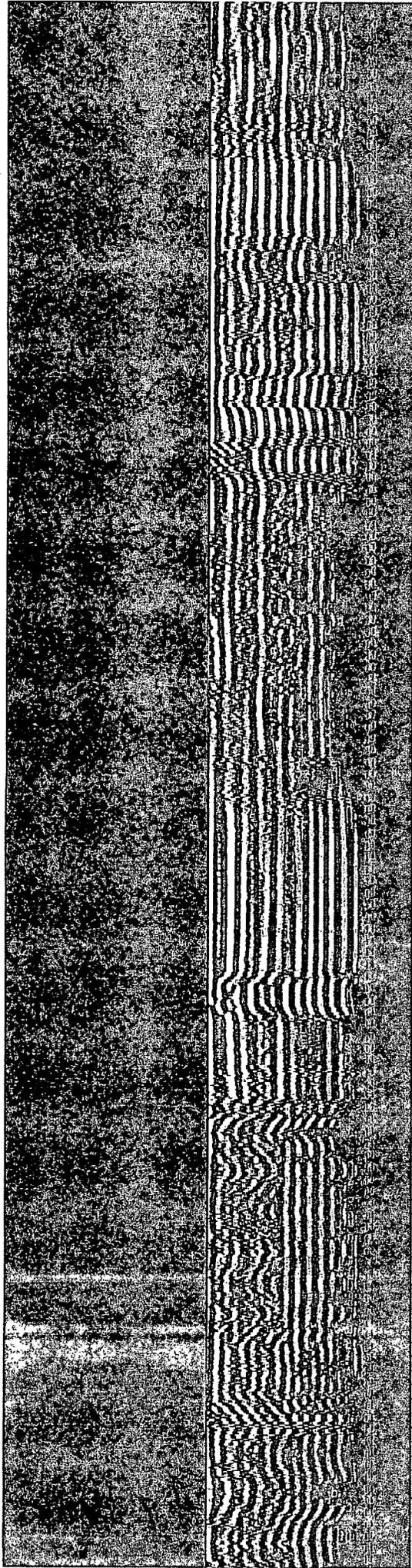


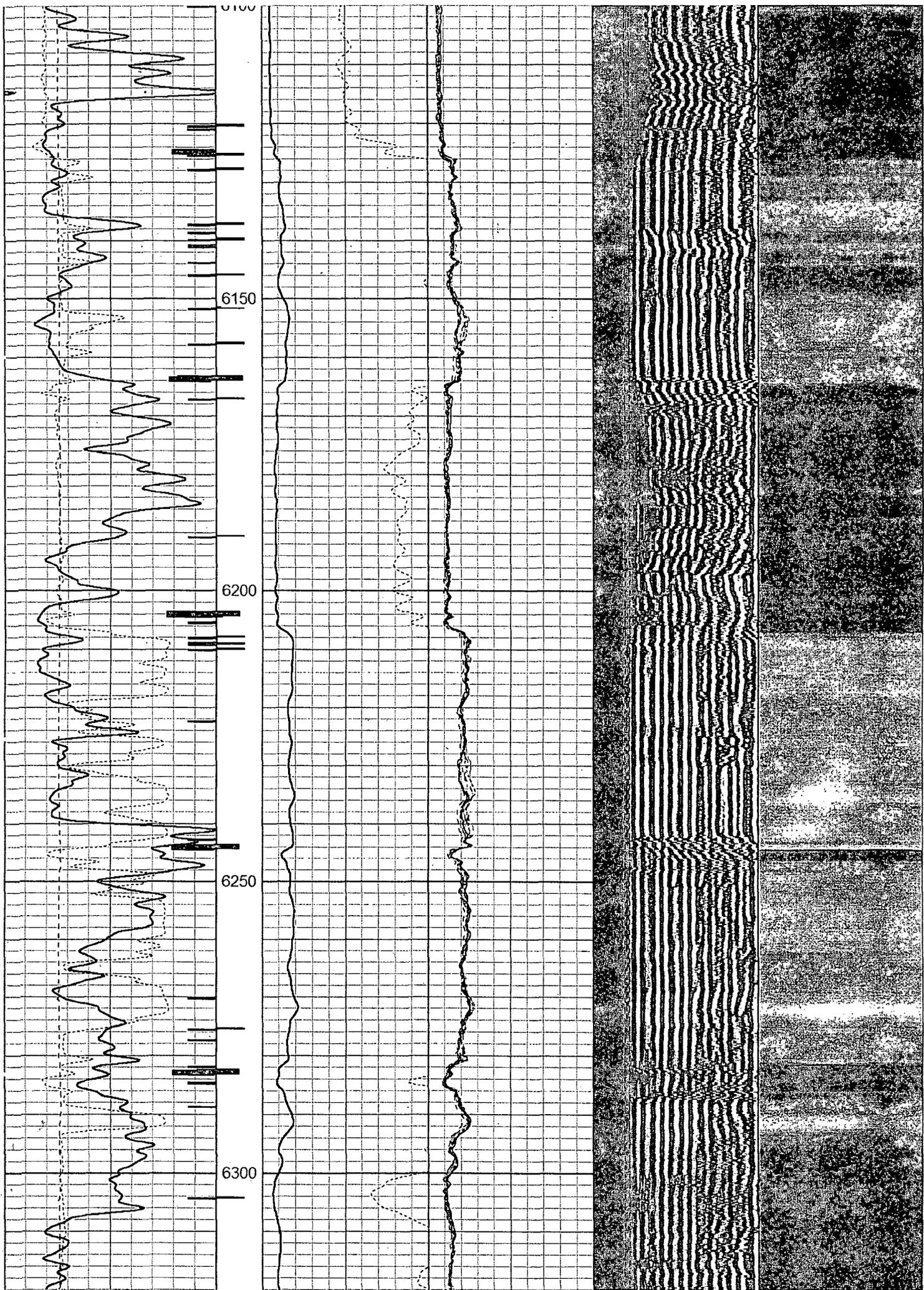
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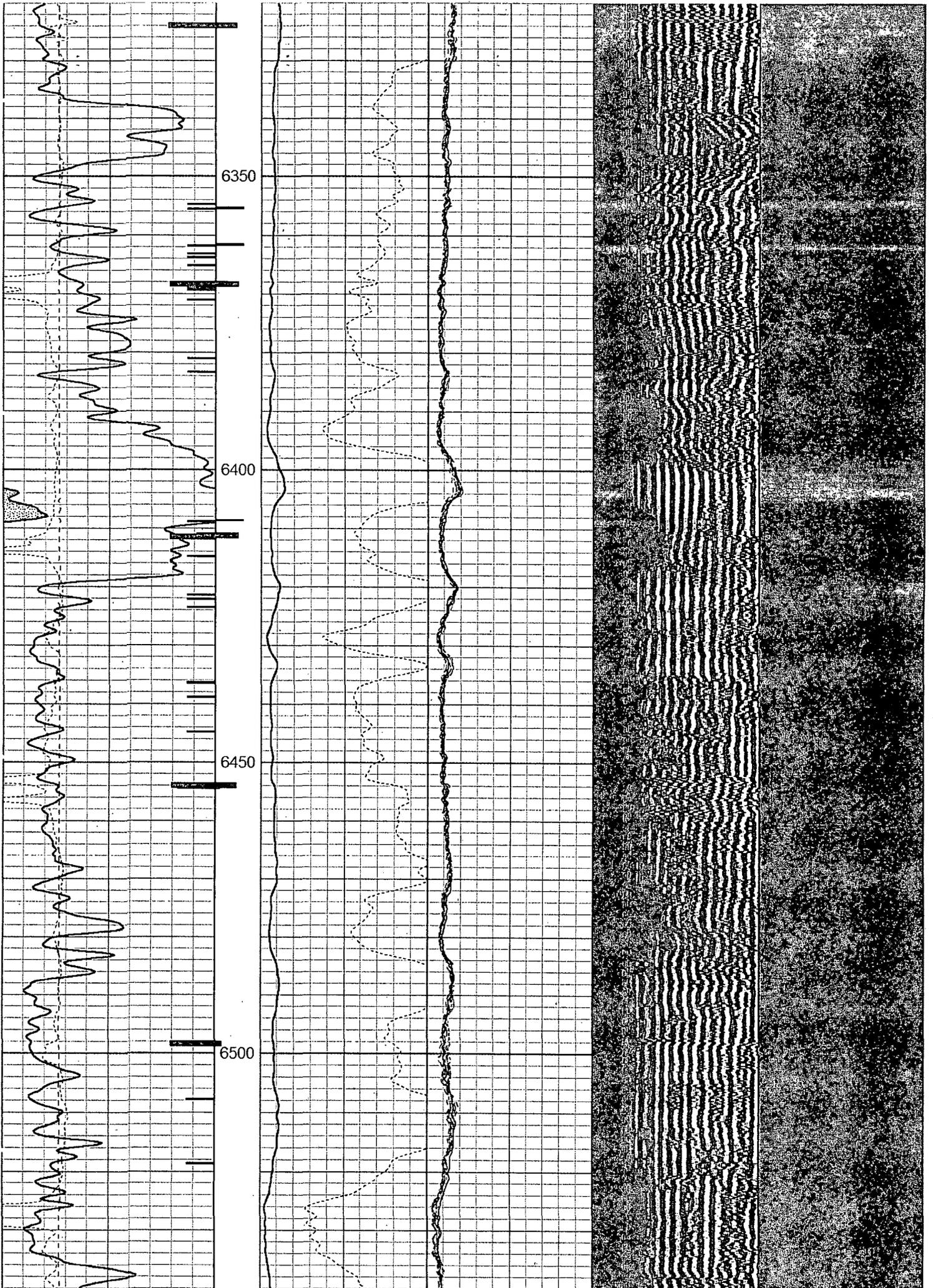
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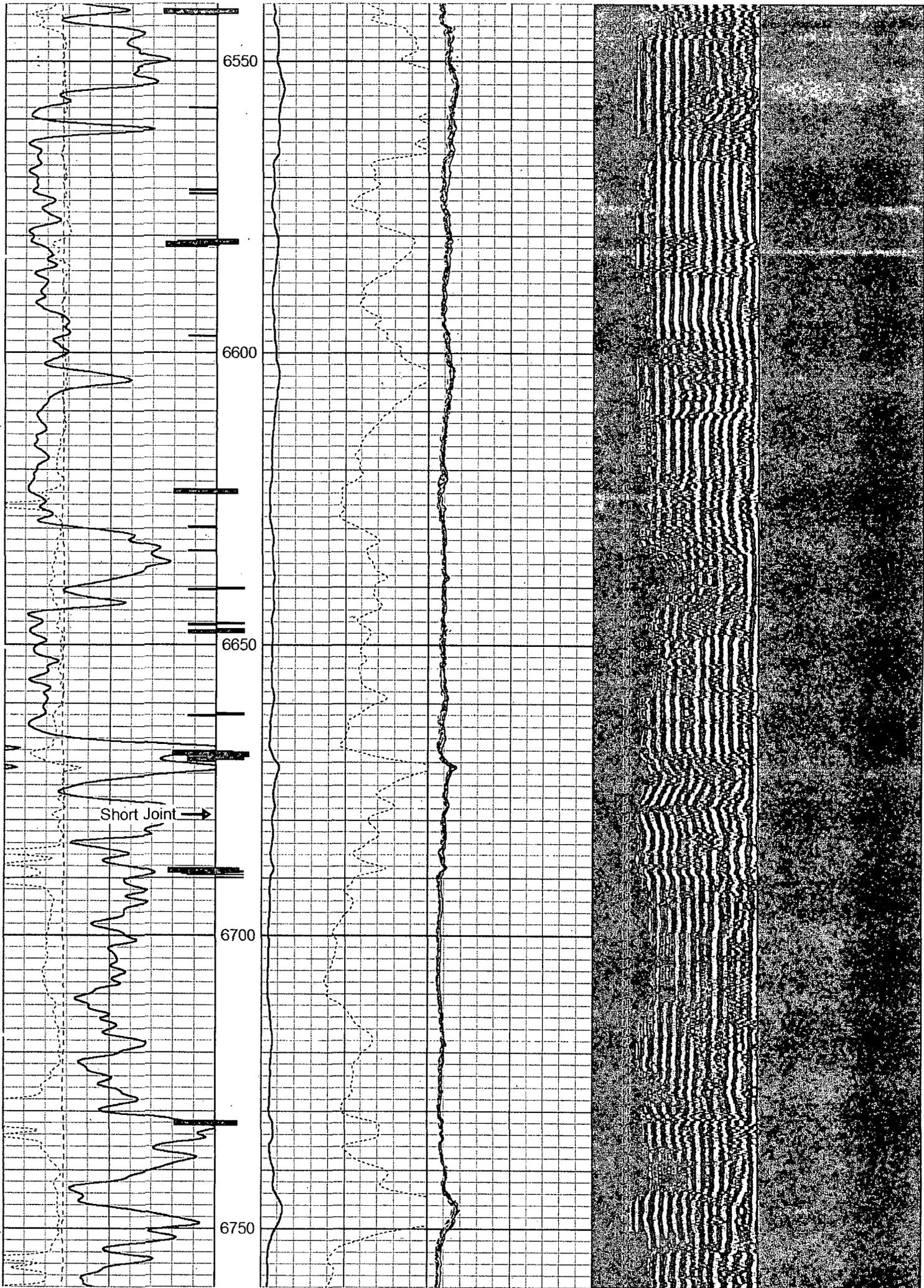
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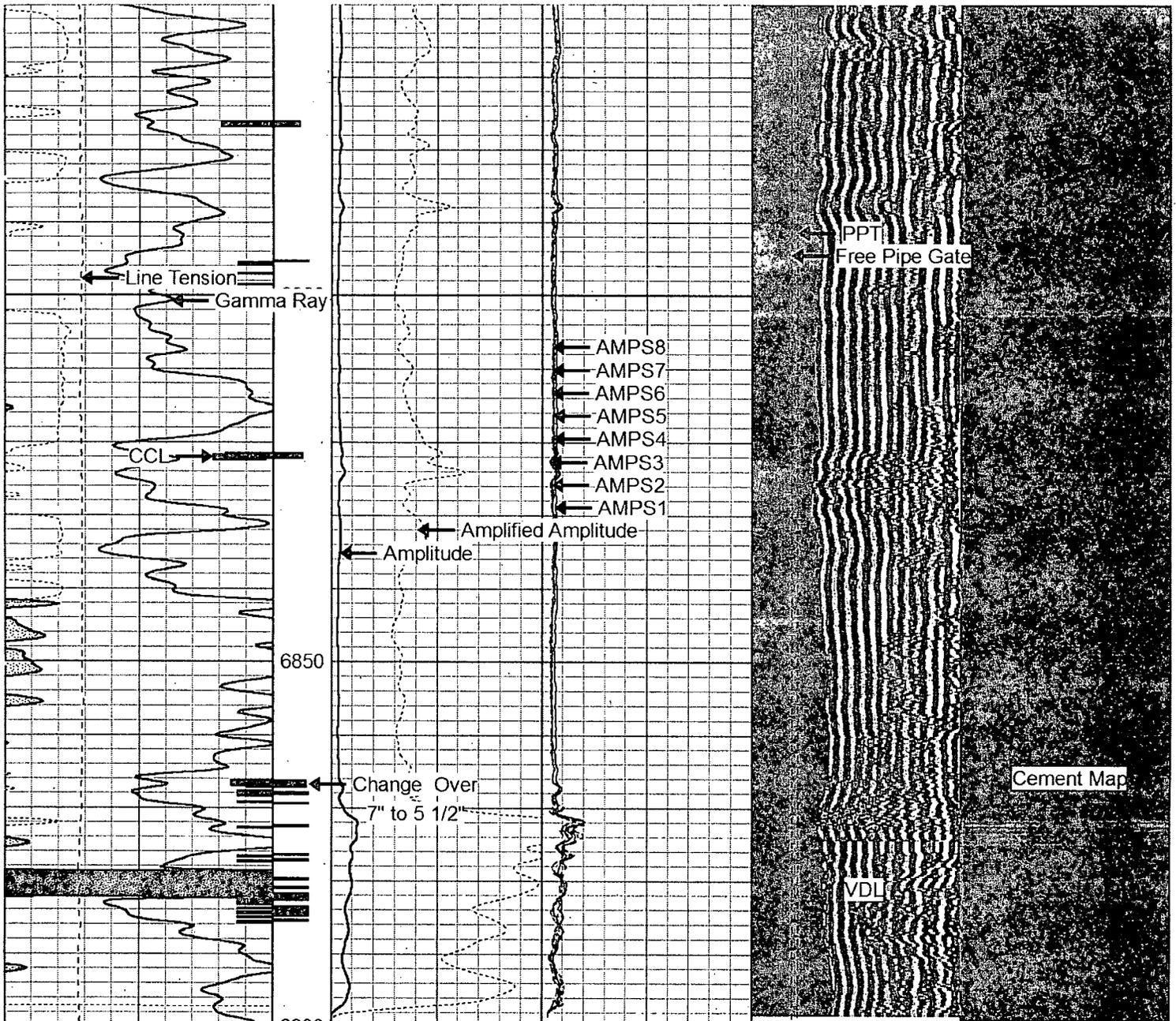
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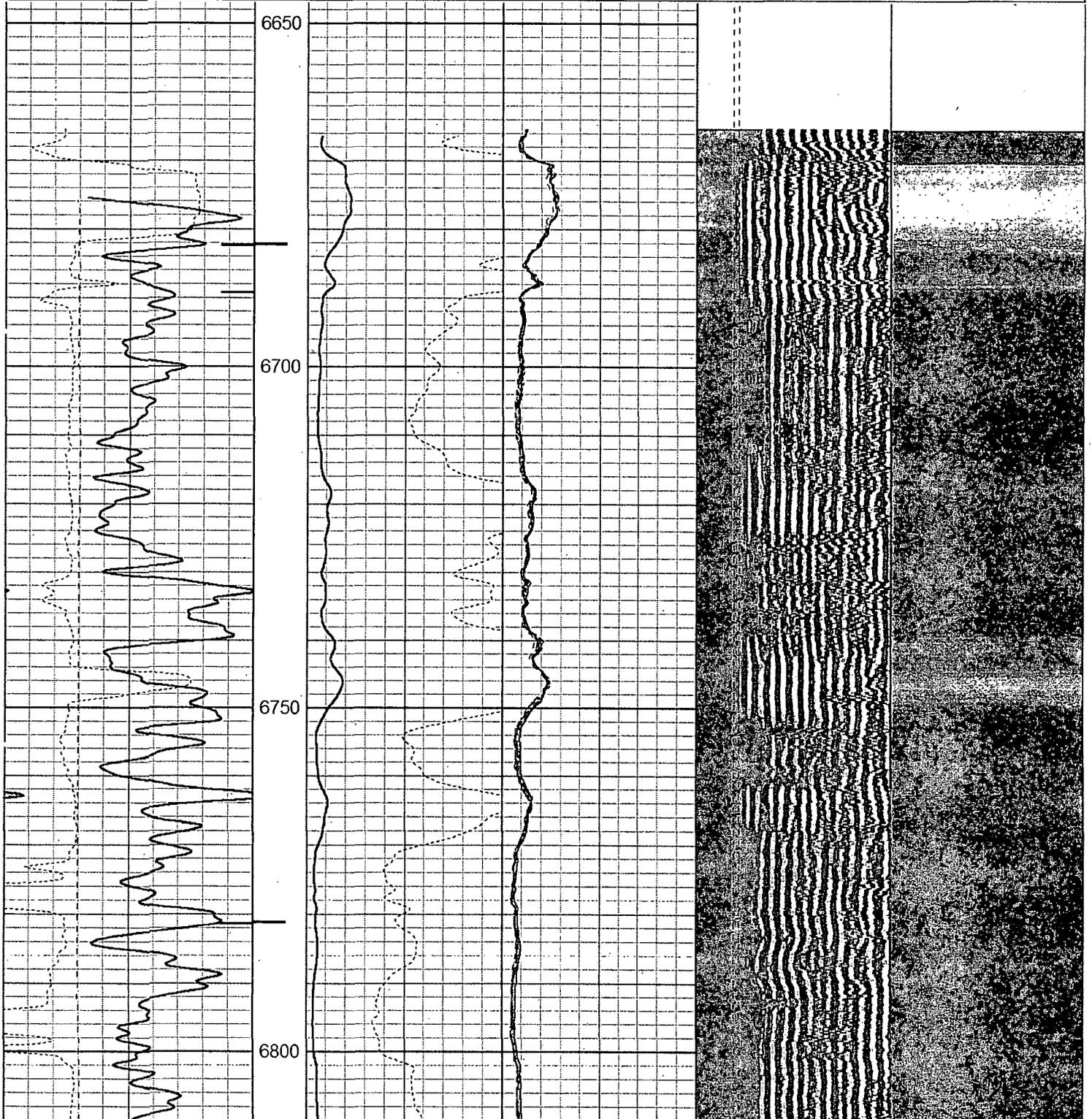
343	Travel Time (usec)	263	0	Amplitude (mV)	100	-5	AMPS8	150	200	VDL	1200	Cement Map	
0	Gamma Ray (GAPI)	150	0	Amplified Amplitude		-5	AMPS7	150				1	80
0	Line Tension (lb)	4000	0	(mV)	10	-5	AMPS6	150		Free Pipe Gate			
						-5	AMPS5	150					
						-5	AMPS4	150					
						-5	AMPS3	150					
						-5	AMPS2	150					
						-5	AMPS1	150					

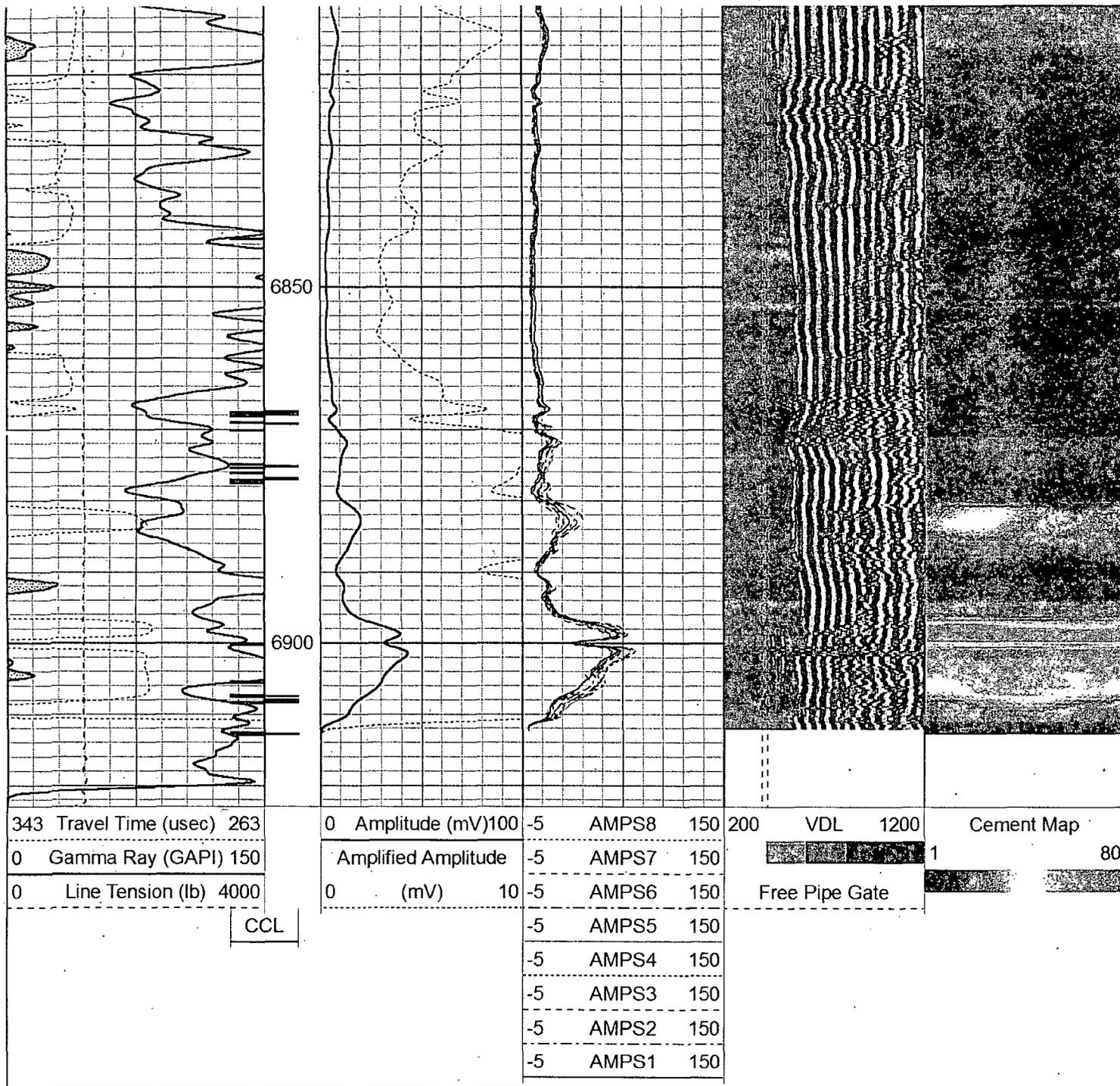


Repeat Pass 0 PSI

Database File: 10230\_devon\_prairie\_19\_red\_01.uv  
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 Presentation Format: scbl5\_5  
 Dataset Creation: Wed Apr 09 08:09:47 2014 by Log 7.0 B1  
 Charted by: Depth in Feet scaled 1:240

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0	Gamma Ray (GAPI)	150		Amplified Amplitude	-5	AMPS7	150				1
0	Line Tension (lb)	4000	0	(mV)	10	AMPS6	150		Free Pipe Gate		80
						AMPS5	150				
						AMPS4	150				
						AMPS3	150				
						AMPS2	150				
						AMPS1	150				





## Log Variables

Database: C:\Warrior\Data\h0238\_devon\_preacher\_19\_fed\_3h.db  
 Dataset: field/well/run1/pass7

### Top - Bottom

PPT usec 0	CASEWGHT lb/ft 26	MAXAMPL mV 72	MINAMPL mV 1	MINATTN db/ft 0.8	CASEOD in 7	PERFS 0	TDEPTH ft 0
BOTTEMP degF 100	BOREID in 9.875						

### Calibration Report

Database File: h0238\_devon\_preacher\_19\_fed\_3h.db  
 Dataset Pathname: pass7  
 Dataset Creation: Wed Aug 08 09:40:07 2014 File Size: 7.0 MB

Gamma Ray Calibration Report

Type / Serial: Probe275dig / pr100856

SHOP CALIBRATION

Wed Apr 09 08:00:09 2014

	Counts/Sec.	Gain	Offset	Jig	Units
Background	0.0				cps
Calibrator	1.0	1.2000			cps GAPI/cps

PRIMARY VERIFICATION

Background	0.0				cps
Calibrator	0.0				cps
Difference				0.0	GAPI

BEFORE SURVEY VERIFICATION

Background	0.0				cps
Calibrator	0.0				cps
Difference				0.0	GAPI

AFTER SURVEY VERIFICATION

Background	0.0				cps
Calibrator	0.0				cps
Difference				0.0	GAPI

Radial Cement Bond Calibration Report

Serial Number: 1302122C  
 Tool Model: Probe  
 Calibration Casing Diameter: 7.000 in  
 Calibration Depth: 912.662 ft

Master Calibration, performed Wed Apr 09 07:47:27 2014:

	Raw (v)		Calibrated (mv)		Results	
	Zero	Cal	Zero	Cal	Gain	Offset
3'	0.000	0.333	0.000	62.165	186.698	0.000
CAL	0.000	0.489				
5'	0.000	0.312	0.000	62.165	198.991	0.000
SUM						
S1	0.000	0.295	0.000	100.000	339.255	0.000
S2	0.000	0.296	0.000	100.000	337.731	0.000
S3	0.000	0.288	0.000	100.000	347.310	0.000
S4	0.000	0.299	0.000	100.000	334.613	0.000
S5	0.000	0.309	0.000	100.000	323.169	0.000
S6	0.000	0.322	0.000	100.000	310.951	0.000
S7	0.000	0.326	0.000	100.000	306.552	0.000
S8	0.000	0.344	0.000	100.000	290.878	0.000

Internal Reference Calibration, performed Wed Dec 31 18:00:00 1969:

	Raw (v)		Calibrated (v)		Results	
	Zero	Cal	Zero	Cal	Gain	Offset
CAL	0.000	0.000	0.000	0.489	1.000	0.000

## Temperature Calibration Report

Serial Number: 1302122C  
 Tool Model: Probe  
 Performed: Tue Mar 12 18:14:17 2013

	Reference	Reading
Low Reference:	100.000	109.088
High Reference:	350.000	406.586
Gain:	0.840	
Offset:	8.329	

Sensor	Offset (ft)	Schematic	Description	Len (ft)	OD (in)	Wt (lb)	
			1.4375CHD Titan Cable Head 1 7/16	1.00	1.44	10.00	
			Probe Probe 2 3/4 Centralizer	2.88	2.75	20.00	
ExTemp	14.14						
				MID-RBT-Probe (1302122C) Probe 2.75" Radial Bond Tool w/Temperature	9.21	2.75	93.00
WV3FT	11.84						
WVFCAL	11.84						
WVFS1	11.84						
WVFS2	11.84						
WVFS3	11.84						
WVFS4	11.84						
WVFS5	11.84						
WVFS6	11.84						
WVFS7	11.84						
WVFS8	11.84						
WV5FT	10.84						
			Probe Probe 2 3/4 Centralizer	2.88	2.75	20.00	
CCL	3.88						

GR	2.54		MID-GR-Probe275dig (pr100856) Probe Digital Gamma CCL	4.78	2.75	57.00
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Dataset: h0238\_devon\_preacher\_19\_fed\_3h.db: field/well/run1/pass7  
 Total Length: 20.74 ft  
 Total Weight: 200.00 lb  
 O.D.: 2.75 in

Company Devon Energy Corporation  
 Well Preacher 19 Fed 3H  
 Field Willow Lake West; Bone Spring  
 County Eddy State New Mexico



Radial Cement Bond  
 Gamma Ray CCL  
 Log

PRINTED IN U.S.A. 6 PM

NOON  
Devon  
Stone Pump Struck  
7:00 AM  
8:00 AM  
9:00 AM  
10:00 AM  
11:00 AM

DATE 4/25/14  
BR 2221  
95" casing test

Operator: Devon

Well Name: Preacher 19-03H

24 S. R. 27 E. Sec. 85/9

API #: 3001541887

Lease #: NM 112268

Date of Recorder Calibration: 2/12/14

Testing Co.: Stone

Date of Mechanical Integrity Test: 04/25/2014

Operator Witness: [Signature]

B.M. Witness: [Signature]

Surface Vent open during test. No Blow.

