Subjustation Subjustification Subjustifi	State of New Mexico		Form C-103
District Control of the Control of t	Energy, Minerals and Natural Resources		May 27, 2004 ELL API NO.
1624 Ort, Hobbs, NM 88240 District II			30-015-34782
13 V Gra Ave., Artesia, NM 88210	Ave., Artesia, NM 88210 OIL CONSERVATION DIVISION		Indicate Type of Lease
Distriction 1220 South States Dr. 1220 South		~~~	STATE FEE
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM	Santa Be, NM 875	6.	State Oil & Gas Lease No.
87505	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	03	
SUNDRY NOTICES AND REPORTS ON ATTACK 7. Lease Name or Unit Agreement Name			
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OPETO DEEPEN AND BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PER ME" (FOR 1014) 1014 1014 1014 1014 1014 1014 101			Hackberry 31 State
PROPOSALS.) 1. Type of Well: Oil Well Gas Well Gener Gas Well Gas Well 2. Name of Operator Devon Energy Production Company, LP 3. Address of Operator			Well Number
1. Type of well: Oil well Gas v	veil 🔯 Other 🗀	\$ C7 /	2
2. Name of Operator	25/2/12/19/	9.	OGRID Number
Devon Energy Production Company, LP 3. Address of Operator			6137 . Pool name or Wildcat
20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-7802			Sheep Draw; Morrow (Gas)
4. Well Location			
Unit Letter P : 920 feet from the South line and 1310 feet from the East line			
Section 31 Township 22S Range 26E NMPM Eddy County, NM			
11. Elevation (Show whether DR, RKB, RT, GR, etc.)			
3381'			
Pit or Below-grade Tank Application or Closure			
Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water			
Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material			
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data			
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ REMEDIAL WOR			☐ ALTERING CASING ☐
TEMPORARILY ABANDON CHA	NGE PLANS	COMMENCE DRILLIN	IG OPNS.□ P AND A □
PULL OR ALTER CASING MUL	TIPLE COMPL	CASING/CEMENT JO	В
OTHER:	п	OTHER: Drilling Ope	erations 11/08/06
13. Describe proposed or completed of	perations. (Clearly state all pe	ertinent details, and giv	e pertinent dates, including estimated date
of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.			
Devon Energy Production Co., LP spud this well on April 22 nd , 2006 and is continuing drilling operations to meet our lease			
expiration date of 5/31/06: (November 8 th , 2006)			
11/08/06 MIRU rat hole - drill 12 1/4" hole from 36' – 38'. Rig dwn & mv out rat hole machine.			
November 8 th , 2006 Drilling Report is attached.			
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .			
SIGNATURE //	TITLESr. Staf	f Engineering Technic	ian DATE11/13/06
Type or print name Stephanie A/Ysasag	a E-mail address: Ster	ohanie.Ysasaga@dvn.c	om Telephone No. (405) 552-7802
For State Use Only	_		
	GORDS ONLY		DARK A VOICE
APPROVED BY: Conditions of Approval (if any):	TITLE		DATNOV 1 4 2006

Page 1 of 1 DAILY ONSHORE ORIG DRLG REPORT **HACKBERRY 31 STATE 2** DATE: 11/8/2006 TIGHT GROUP: UNRESTRICTED PERMIAN BASIN REPORT NO: 11 SPUD DATE: LAT-LONG: FORMATION: LOCATION: SEC. 31-22S-26E 32.344 N - 104.328 W PROJECT: PB NEW MEXICO KB ELEV: 3,381.00 LITHOLOGY: HAPPY VALLEY WI: 100.00000 DEPTH: 38 DSS: 11.00 FOOTAGE: FIELD: COUNTY: **EDDY** API: 30-015-34782 RIG NM / NO: STATE: NM AFE #: 126323 RIG PH#: 15.000 AFE COMP COST: AFE TOTAL COST: 0 15,000 PROP. #: 022858-020 AFE DRLG COST: DAILY COMP COST: 0 DAILY TOTAL COST: 1.500 AUTH TVD: 11,675 (ft) DAILY DRLG COST: 1.500 CUM COMP COST: CUM TOTAL COST: 16,500 16,500 0 AUTH TMD: 11,675 (ft) CUM DRLG COST: BIT # SERIAL # TYPE SIZE IADC Code FROM TO FEET HRS ROP WOB RPM I O D L B G O R NO BIT DATA TODAY MUD USED MUD PROPERTIES **HYDRAULICS** Time Solids: Mud Additive Used PUMP #1 PUMP #2 PUMP #3 MW: Oil: Liner Size: VISC: 10 sec Gel: Lngth Strk: SPM: pH: 10 min Gel: GPM: Cht: CA: PSI: Pm: WL: AV (DP): PSI Drop: AV (DC): HTHP: Pf: HP/In2: FC: Ex Lime: PV: Elec Stab: **SLOW PUMP RATES** YP: MBT: PUMP #1 psi @ spm LCM: LGS PUMP #2 psi @ spm Daily Mud Lost to Hole: bbls Daily / Cum Mud Cost: \$ / Bkgrd Gas: Cum Mud Lost to Hole: 0.0 bbis Conn Gas: Trip Gas SURVEYS (Sidetrack: OH) BHA #: MD Angle TVD Dir V Sect +N/-S +E/-W DL Qty Description OD Length Total BHA Length: String Wt Up: Rotating String Wt: String Wt Down: BHA Hr Last Insp: LAST CASING / BOP / NEXT CASING FIT: Depth: 0 Size: Wt: Grade: Connection: Next Casing: @ Last BOP Test Date: Loss Control Inc Accident: 24 Hr Forecast: DRILL ADDITION FOOTAGE IN APPROX 21 DA То Hrs Prob? **Activity Last 24 Hours COSTS SUMMARY** From 06:00 RIG UP BUTCH'S RAT HOLE MACHINE - DRILL 12 1/4" 24.00 Code Description Costs HOLD F/ 36' TO 38' - RIG DOWN RAT HOLE MACHINE 206-019 RAT HOLE MACHINE 1,500.00 Total Daily Cost: 1.500 FOREMAN: BOB RANDOLPH Cumulative Cost to Date: 16,500