Form 3160-5
February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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

RECEIVED
OCD Artesia
APR 12 2010
NMOCD ARTESIA

FORM APROVED
OMB NO. 1004-0135
EXPIRES: March 31, 2007

5. Lease Serial No.
SHL: NM7715 BHL: NM118703

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

a. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Condor 7 Federal Com 3H

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY, LP

9. API Well No.
30-015-36970

3. Address and Telephone No.
20 North Broadway, Oklahoma City, OK 73102-8260 405-552-8198

10. Field and Pool, or Exploratory
Red Lake; Glorieta-Yeso

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
1585' FNL & 2225' FWL Unit F Sec 7 T18S R27E
1650 FNL & 330 FEL Unit H Sec 7 T18S R27E

11. County or Parish State
Eddy NM

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

TYPE OS 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	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplete horizontally, give subsurface location 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 requirement, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection)

Devon Energy Production Company, LP respectfully requests approval of the Rig layout, BOP language, and roduction casing changes from our original APD.

Rig Change to Patterson 41 *(see attached rig layout and BOP schematic)*.

BOP Language Change:

The BOP system used to drill the intermediate hole will consist of an 11" 5M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the surface casing shoe.

The BOP system used to drill the production hole will consist of an 11" 5M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 5M system 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.

Production Casing Change from a 4 1/2" liner and open hole isolation tool to 5 1/2" production casing *(see attached letter describing the production casing changes in detail)*.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Signed _____ Name Norvella Adams Title Sr. Staff Engineering Technician Date 3/25/2010

(This space for Federal or State Office use)

Approved by _____ Title _____ Date APR 7 2010

Conditions of approval, if any:

APPROVED
/s/ Dustin Winkler
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction

*See Instruction on Reverse Side

devon

Devon Energy Corporation
20 North Broadway
Oklahoma City, OK 73102-8260

405 235 3611 Phone
www.devonenergy.com

March 25, 2010

United States
Department of The Interior
Carlsbad, New Mexico
Re: Condor 7 Fed #3H
Sec 7-T18S-R27E
Eddy County, New Mexico
API # 30-015-36970

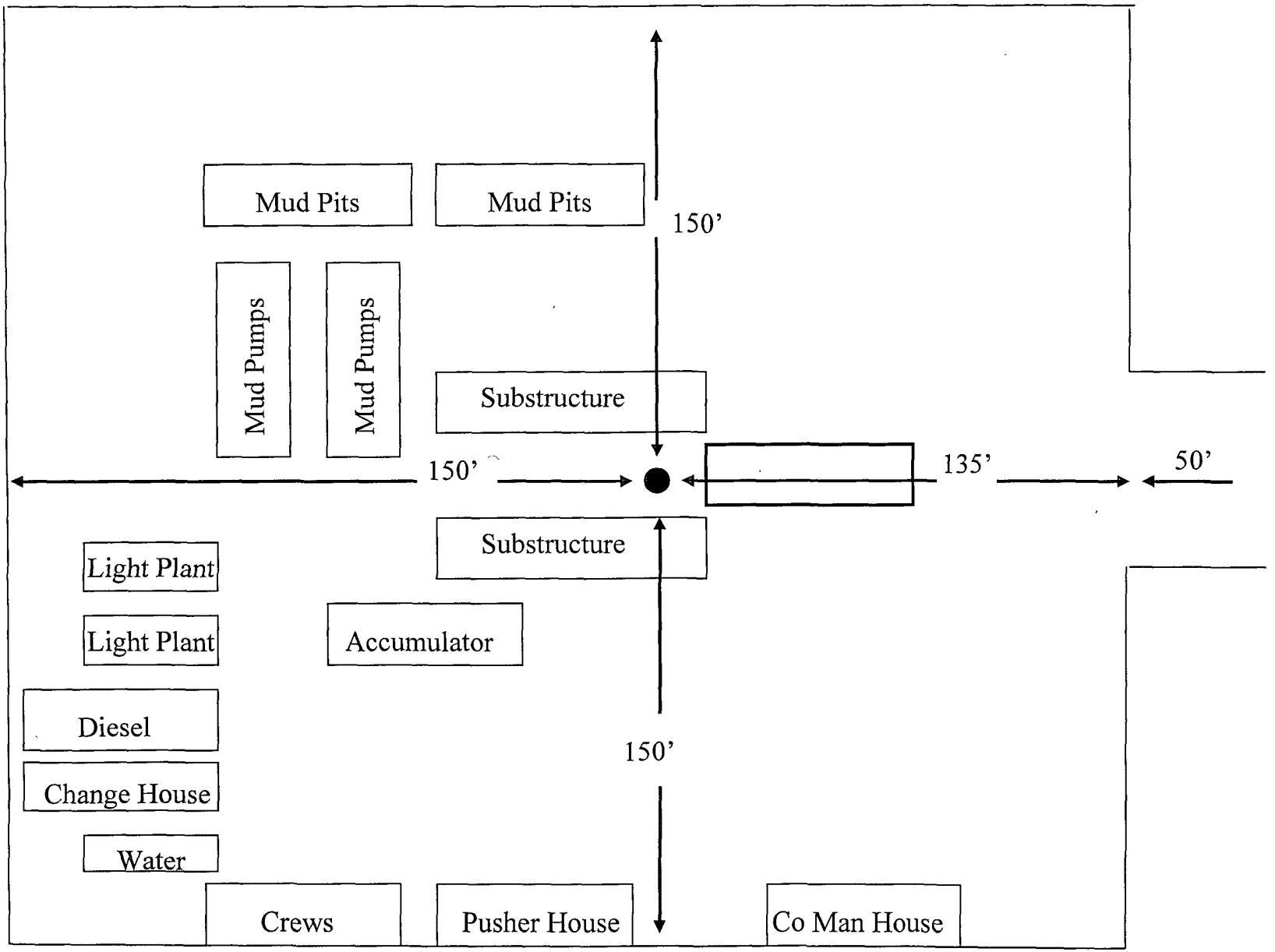
Devon Energy would like to make the following changes to the approved drilling design for the above referred well.

1. Drill an 8 3/4" Pilot Hole to ~3100'. Drill an 8 3/4" hole for the lateral.
2. The Pilot hole will be logged, a lateral depth will be determined, cement plug will be pumped and the directional drilling program will commence.
3. The Pilot Hole will be plugged from ~3100' MD to ~2100' MD. Cement volume for this plug will be ~450 sacks Class H 10% salt with 1.09 cuft/sk yield.
4. The production casing will be 5 ½" 17# L-80 BTC & LTC. Safety Factors are: Collapse 5.08, Burst 6.26 and Tensile 7.56. 3011', 2220' Per Operator DW 3-31-10
5. Cement specifications for the 5 ½" casing is as follows: Lead Slurry 700 sxs 35:65 Poz Class C with 5%bwow Sodium Chloride Yield 1.97 cuft/sk. Tail 400 sxs Class C with 1% Potassium Chloride Yield 1.35 cuft/sk.
6. A contingent 7" casing string is possible if hole deterioration becomes excessive.

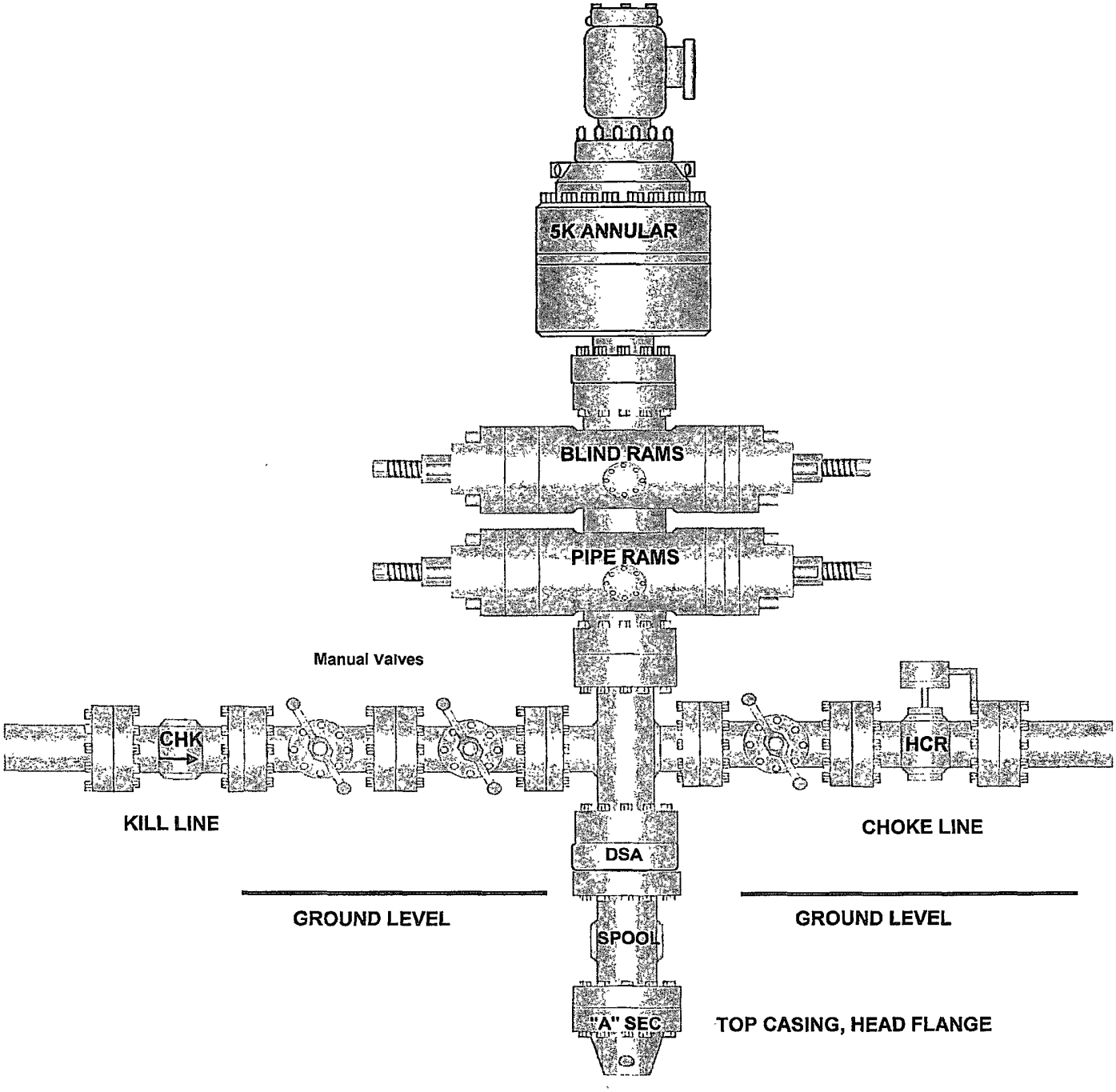
See COA Devon Energy reserves the right to change the drilling procedures as the well is being drilled and will inform the Carlsbad New Mexico BLM office within 24 hours of any changes which may occur.

Regards
Pat Brown
Drilling Engineer
Devon Energy
Western Region USA
Office: 405-228-8511

PATTERSON RIG 41



11" x 5,000 psi BOP Stack



L:\Western\Drilling\Wes Handley\Drawings\5K 2_3 ram BOP 11_13 625 w choke.xls

Devon Energy Production Co., LP
NM-118703 – Condor 7 Federal Com #3H
API: 30-015-36970
Eddy County, New Mexico

RE: Change to APD Plan – Conditions of Approval

A. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possible lost circulation in the Grayburg and San Andres formations.

1. The **9-5/8** inch surface casing shall be set at **approximately 410 feet in the Queen formation** and cemented to the surface.

    a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

    b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.

    c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.

    d. If cement falls back, remedial cementing will be done prior to drilling out that string.

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

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

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

Contingency Casing

3. The minimum required fill of cement behind the **7** inch intermediate casing is:

   ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.

4. The minimum required fill of cement behind the **4-1/2** inch production casing is:

   ☒ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. **Send sundry if liner system is to be used.**

5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi. **5M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure**

Contingency Casing

3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

4. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **7** intermediate casing shoe shall be **5000 (5M)** psi. **5M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.**

5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

   a. Casing cut-off and BOP installation will not be initiated until the cement has had a minimum of 8 hours setup time for a water basin. The casing shall remain stationary and under pressure for at least eight hours after the operator places the cement. In the potash area, the minimum time is 12 hours and the casing shall remain stationary and under pressure during this time period. Casing shall be under pressure if the operator uses some acceptable means of holding pressure or if the operator employs one or more float valves to hold the cement in place. Testing the BOP/BOPE against a plug can commence after meeting the above conditions plus the BOP installation time.

b. The tests shall be done by an independent service company utilizing a test plug.

c. The results of the test shall be reported to the appropriate BLM office.

d. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**

e. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

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