Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FEB 2003 RECEIVED OCD ARTESIA

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5

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

1. Type of Well ☐ Oil Well ☐ Gas Well ☒ Other- proposed oil well	5. Lease Serial No. NM-NM81217
2. Name of Operator Devon Energy Production Company, L.P. Wally Frank Senior Operations Engr.	6. If Indian, Allottee or Tribe Name N/A
3a. Address 20 N. Broadway, Suite 1500, OKC, OK 73102 3b. Phone No. *(include area code)* (405)552-4595	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)* SHL: 1080' FSL & 740' FEL, Unit P, Section 5-T22S-R24E, Eddy Cnty, NM BHL: 660' FSL & 660' FEL, Unit P, Section 5-T22S-R24E, Eddy Cnty, NM	8. Well Name and No. Nagooltee Peak "5" Federal #7 9. API Well No. 30-015- 32603 10. Field and Pool, or Exploratory Area Indian Basin (Upper Penn) Assoc. 11. County or Parish, State Eddy County New Mexico

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 amend APD drilling program
	☐ 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 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.)

At this time Devon Energy wishes to inform you that we are changing the drilling program for the Nagooltee Peak "5" Federal #7 from a proposed vertical drill to directional with the chosen bottom location as indicated on the plat. Attached please find the following.

1. Well Location and Acreage Dedication Plat (NMOCD form C-102)
2. Directional 7" casing string design sheet

APPROVED
FEB 10 2003
LES BABYAK
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct Name *(Printed/Typed)* Candace R. Graham 405/235-3611 X4520	Title Engineering Tech.
Signature Candace R. Graham	Date 01/29/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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	

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 representations as to any matter within its jurisdiction.

(Instructions on reverse)

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
	33685	INDIAN BASIN UPPER PENN ASSOC.

Property Code	Property Name	Well Number
	NAGOOLTEE PEAK 5 FEDERAL	7

OGRID No.	Operator Name	Elevation
20305	DEVON SFS OPERATING, INC.	4258'

Surface Location

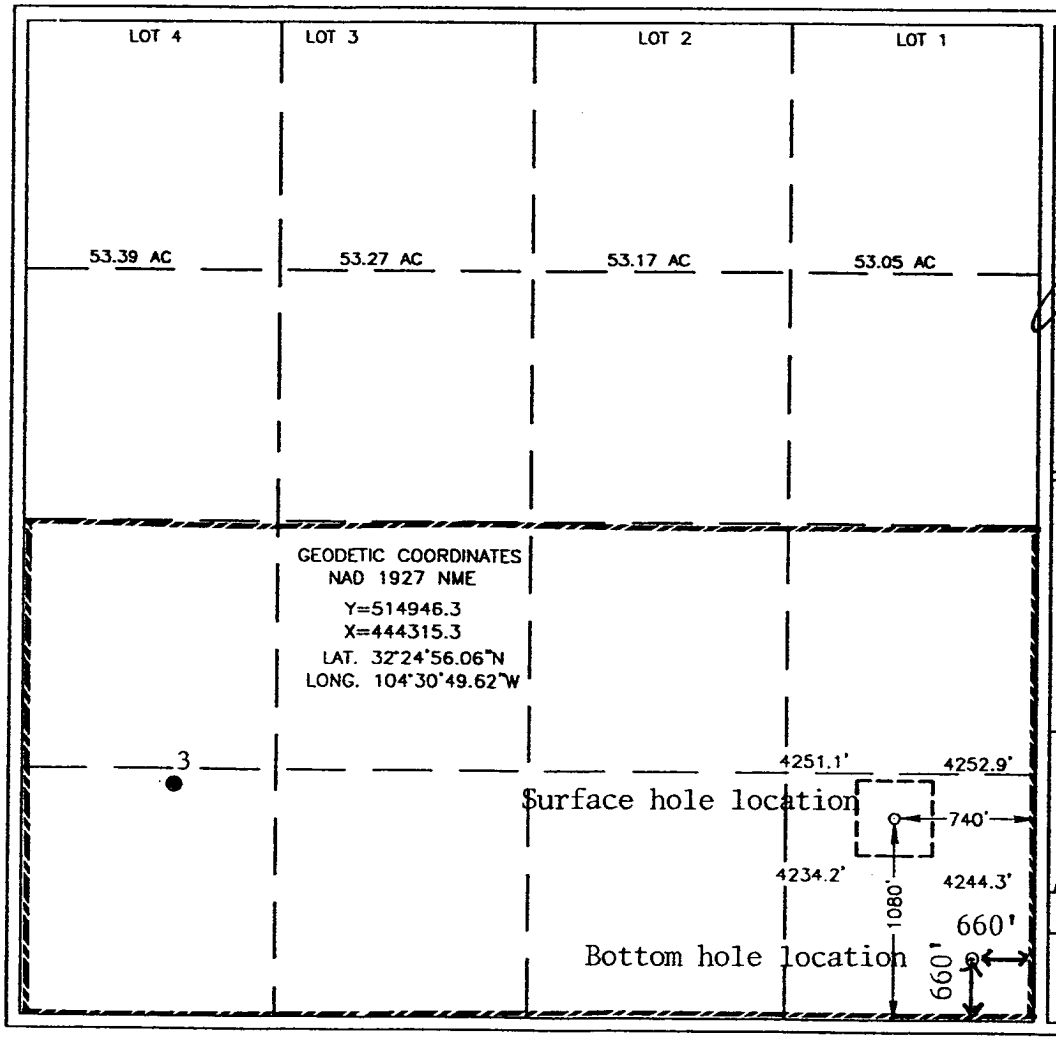
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	5	22-S	24-E		1080	SOUTH	740	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	5	22-S	24-E		660'	SOUTH	660'	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Joe T. Janica
Printed Name

Agent
Title

10/17/02
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

SEPTEMBER 03, 2002
Date Surveyed AWB

Signature & Seal of Professional Surveyor

RONALD J. EIDSON
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR

9/05/02

02.11.0632

Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641

EXHIBIT "A"

Well name:	**Nagooltee Peak 5 Federal #7**
Operator:	**Devon Energy Production Company L.P.**
String type:	Production
Location:	Section 5, T22S, R24E

Design parameters:

Collapse
Mud weight: 8.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 3,798 psi
Internal gradient: 0.000 psi/ft
Calculated BHP 3,798 psi

Annular backup: 8.50 ppg

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 7,513 ft

Estimated cost: 78,519 ($)

Environment:
H2S considered? Yes
Surface temperature: 75 °F
Bottom hole temperature: 144 °F
Temperature gradient: 0.80 °F/100ft
Minimum section length: 1,000 ft

Directional Info - Build & Hold
Kick-off point 6500 ft
Departure at shoe: 428 ft
Maximum dogleg: 1.5 °/100ft
Inclination at shoe: 15 °

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
2	7400	7	23.00	L-80	LT&C	7392	7400	6.25	66374
1	1251	7	23.00	HCL-80	LT&C	8600	8651	6.25	12145

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
2	3264	3738	1.15	3798	6340	1.67	197.8	435	2.20 J
1	3798	5650	1.49	534	6340	11.88	27.8	485	17.45 J

Prepared by: W. M. Frank
Devon Energy
Phone: (405) 552-4595
FAX: (405) 552-4621
Date: January 29,2003
Oklahoma City, Oklahoma

Remarks:
Collapse is based on a vertical depth of 8600 ft, a mud weight of 8.5 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.
Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a