

Submit 3 Copies To Appropriate District Office  
District I  
1625 N French Dr, Hobbs, NM 88240  
District II  
1301 W Grand Ave, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

|   |
|---|
| WELL API NO.<br>30-015-34782  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>Hackberry 31 State  |
| 8. Well Number<br>2   |
| 9. OGRID Number<br>6137   |
| 10. Pool name or Wildcat<br>Sheep Draw; Morrow (Gas)  |

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator  
Devon Energy Production Company, LP

3. Address of Operator  
20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-7802

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 <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/>                                  | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>     | COMMENCE DRILLING OPNS. <input type="checkbox"/>                        | P AND A <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>   | CASING/CEMENT JOB <input type="checkbox"/>                              |  |
| OTHER: <input type="checkbox"/>                |   | OTHER: Drilling Operations 07/08/07 <input checked="" type="checkbox"/> |  |

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give 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<sup>nd</sup>, 2006 and is continuing drilling operations to meet our lease expiration date of 5/31/06: (May 9<sup>th</sup>, 2007)

07/08/07 MIRU rat hole - drill 12 1/4" hole from 60' - 62'. Rig dwn & mv out rat hole machine.

July 8<sup>th</sup>, 2007 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 [Signature] TITLE Sr. Staff Engineering Technician DATE 07/20/07

Type or print name Stephanie A. Ysasaga E-mail address: Stephanie.Ysasaga@dv.com Telephone No. (405) 552-7802  
**For State Use Only**

APPROVED BY: [Signature] **FOR RECORDS ONLY** TITLE \_\_\_\_\_ DATE JUL 29 2007  
Conditions of Approval (if any): \_\_\_\_\_

DATE: 7/8/2007

|           |                |                  |                      |                  |         |                   |          |
|-----------|----------------|------------------|----------------------|------------------|---------|-------------------|----------|
| DISTRICT: | PERMIAN BASIN  | TIGHT GROUP:     | UNRESTRICTED         | REPORT NO:       | 23      | SPUD DATE:        |          |
| LOCATION: | SEC 31-22S-26E | LAT-LONG:        | 32 344 N - 104 328 W | FORMATION:       |         |                   |          |
| PROJECT:  | PB NEW MEXICO  | KB ELEV:         | 3,381 00             | LITHOLOGY:       |         |                   |          |
| FIELD:    | HAPPY VALLEY   | WI:              | 100 00000            | DEPTH:           | 60 DSS: | 23 00             | FOOTAGE: |
| COUNTY:   | EDDY           | API:             | 30-015-34782         | RIG NM / NO:     |         |                   | /        |
| STATE:    | NM             | AFE #:           | 126323               | RIG PH #:        |         |                   |          |
| PROP. #:  | 022858-020     | AFE DRLG COST:   | 15,000               | AFE COMP COST:   | 0       | AFE TOTAL COST:   | 15,000   |
| AUTH TVD: | 11,675 (ft)    | DAILY DRLG COST: | 1,850                | DAILY COMP COST: | 0       | DAILY TOTAL COST: | 1,850    |
| AUTH TMD: | 11,675 (ft)    | CUM DRLG COST:   | 39,500               | CUM COMP COST:   | 0       | CUM TOTAL COST:   | 39,500   |

| BIT # | SERIAL # | TYPE | SIZE | IADC Code | FROM | TO | FEET | HRS | ROP | J1-5 | WOB | RPM | I | O | D | L | B | G | O | R |
|-------|----------|------|------|-----------|------|----|------|-----|-----|------|-----|-----|---|---|---|---|---|---|---|---|
|-------|----------|------|------|-----------|------|----|------|-----|-----|------|-----|-----|---|---|---|---|---|---|---|---|

NO BIT DATA TODAY

| MUD PROPERTIES |            | MUD USED     |      | HYDRAULICS      |         |         |
|----------------|------------|--------------|------|-----------------|---------|---------|
|                |            | Mud Additive | Used | PUMP #1         | PUMP #2 | PUMP #3 |
| Time           | Solids     |              |      | Liner Size      |         |         |
| MW             | Oil        |              |      | Lngth Strk      |         |         |
| VISC           | 10 sec Gel |              |      | SPM             |         |         |
| pH             | 10 min Gel |              |      | GPM             |         |         |
| Chl            | CA         |              |      | PSI             |         |         |
| WL             | Pm         |              |      | AV (DP)         |         |         |
| HTHP           | Pf         |              |      | AV (DC)         |         |         |
| FC             | Ex Lime    |              |      | PSI Drop        |         |         |
| PV             | Elec Stab  |              |      | HP/ln2          |         |         |
| YP             | MBT        |              |      | SLOW PUMP RATES |         |         |
| LCM            | LGS        |              |      | PUMP #1         | psi @   | spm     |
|                |            |              |      | PUMP #2         | psi @   | spm     |

|                        |           |                      |                      |
|------------------------|-----------|----------------------|----------------------|
| Daily Mud Lost to Hole | bbbls     | Daily / Cum Mud Cost | \$ /                 |
| Cum Mud Lost to Hole   | 0 0 bbbls | Conn Gas             | Trip Gas: Bkgrd Gas: |

[illegible]

LAST CASING / BOP / NEXT CASING

|                    |      |          |    |                   |                |                                   |          |
|--------------------|------|----------|----|-------------------|----------------|-----------------------------------|----------|
| Depth 0            | FIT. | Size     | Wt | Grade.            | Connection     | Next Casing. @                    |          |
| Last BOP Test Date |      | Accident |    | Loss Control Inc. | 24 Hr Forecast | wait 20 days and drill another 2' | 07-28-07 |

| From  | To    | Hrs  | Prob? | Activity Last 24 Hours  | COSTS SUMMARY          |                |          |
|-------|-------|------|-------|---|------------------------|----------------|----------|
| 09 00 | 11 00 | 2 00 | NO    | Drill 2' of new hole from 60'-62' with Butches RaTHOLE MACHINE<br><br>wait 20 days and drill another 2' on 07-28-07 | Code                   | Description    | Costs    |
|       |       |      |       |   | 207-904                | conductor hole | 1,850 00 |
|       |       |      |       |   | Total Daily Cost 1,850 |                |          |

FOREMAN Mike Dewitt

|                         |        |
|-------------------------|--------|
| Total Daily Cost        | 1,850  |
| Cumulative Cost to Date | 39,500 |