

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.*HOBBS OGD
OCD JUL 18 2011
RECEIVEDFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

| | | |
|--|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMLC062391 |
| 2. Name of Operator DEVON ENERGY PRODUCTION CO Contact: SPENCE A LAIRD Email: spence.laird@devn.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 20 NORTH BROADWAY SUITE 1500 OKLAHOMA CITY, OK 73102 | 3b. Phone No. (include area code) Ph: 405-228-8973 | 7. If Unit or CA/Agreement, Name and/or No |
| 4. Location of Well (Footage, Sec, T, R, M., or Survey Description) Sec 5 T18S R33E NESW 1980FSL 1980FWL | | 8. Well Name and No KACHINA 5 FED 03 |
| | | 9. API Well No. 30-025-31517-00-S1 |
| | | 10. Field and Pool, or Exploratory CORBIN Wolfcamp 5- |
| | | 11. County or Parish, and State LEA COUNTY, NM |

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 checked="" 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 type="checkbox"/> Other |
| | <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 recompleat 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 recompleat 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 Production Company, LP respectfully requests to frac the existing Wolfcamp perms to increase production. Please see below procedure and attached documents.

1. MIRU PU. POOH w/rods. ND WH & NU BOP. Unset tbg anchor & POOH w/tbg.
2. RIH w/bit & csg scraper on tbg to PBTD ~ 11,300'.
3. RIH w/bridge plug on tbg. Set @ 11,190' (shut off from 11,220-263')
4. RIH w/treating pkr on tbg & set @ 11,150'. PT plug & csg @ 1500#. PU & set pkr @ 10,675' & prep to stimulate Wolfcamp perms per BJ's proposal.
5. Flow well back. Unset pkr & tag for fill. POOH w/treating pkr. RIH w/tbg setting perf sub bottom perf (~11,275'). RIH w/pump & rods. RDMO.

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|--|--------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #106668 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO LP, sent to the Hobbs Committed to AFMSS for processing by KURT SIMMONS on 04/19/2011 (11KMS0624SE) | |
| Name (Printed/Typed) SPENCE A LAIRD | Title REGULATORY ANALYST |
| Signature (Electronic Submission) | Date 04/18/2011 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------|-----------------|
| Approved By CHRISTOPHER WALLS | Title PETROLEUM ENGINEER | Date 07/13/2011 |
| 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 Hobbs | | |

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

JUL 19 2011

Well Name: Kachina 5 Fed #3
Field: Corbin South
County: Lea

Objective:

Well was only acidized when recompleted in 2008. Production has fell off. The objective is to frac the existing Wolfcamp perms to increase production.

Well Info:

| | |
|-------------|--|
| Location: | 1980' FSL & 1980' FWL; SEC 5, T18S, R33E |
| API Number: | 30-025-31517 |
| AFE Number: | NA |
| Elevation: | 3972' GL |
| TD / PBDT: | 11,500' / 11,310' |

CSG & TBG:

| Casing | Depth (ft) | Grade | Wt/Ft (Lb) | ID (in) | Collapse (psi) | Burst (psi) | Capacity (bbl/ft) |
|----------------------|------------|-------|------------|---------|----------------|-------------|-------------------|
| 13-3/8" Surface: | 0-478 | H-40 | 48 | 12.715 | 770 | 1,730 | 0.1571 |
| 8-5/8" Intermediate: | 0-3,100 | K-55 | 32 | 7.921 | 2,530 | 3,930 | 0.0610 |
| 5-1/2" Production: | 0-11,500 | N-80 | 17 | 4.892 | 6,280 | 7,740 | 0.0232 |
| Tubing | | | | | | | |
| 2-7/8" Production: | 0-11,275 | N-80 | 6.5 | 2.441 | 11,160 | 10,570 | 0.0058 |

Detailed tbg install:

TIH W/ MULE SHOE TUBING, 1 JOINT MUD ANCHOR, 4' PERF SUB, SEATING NIPPLE, 10 JOINTS 2 7/8 TUBING, 5 1/2 X 2 7/8 TAC, AND 350 JOINTS

Detailed rod install:

TIH W/ 6' GAS ANCHOR, 2 1/2 X 1 1/4 X 36' RHBC -HVR PUMP, SHEAR TOOL, 1' X 1" LIFT SUB, 28 1 1/2 K-BARS, 130 7/8 RODS, 192 1.2 F.G. RODS.

Current Perfs to Frac:

| Formation | Perf Interval (ft) | Density (spf) | Phasing (°) | Charge (in) | # of Holes |
|-----------|--------------------|---------------|-------------|-------------|------------|
| Wolfcamp | 10,736-10,740 | 2 | 120 | 0.4 | 8 |
| Wolfcamp | 10,744-10,746 | 2 | 120 | 0.4 | 4 |
| Wolfcamp | 10,761-10,771 | 2 | 120 | 0.4 | 20 |
| Wolfcamp | 11,020-11,050 | 2 | 120 | 0.4 | 60 |
| Wolfcamp | 11,066-11,074 | 2 | 120 | 0.4 | 16 |
| Wolfcamp | 11,104-11,122 | 2 | 120 | 0.4 | 36 |

total: 144 holes

Acidized

9/29/2008: Acidized from 10,736-11,122. PUMPED 2400 GAL 15% HCL ACID, 9000 GAL GELLED 15% ACID, 9400 GAL TREATED 2% KCL WATER + 110 1.3 SG BALL SEALERS. FLANG ON WELL HEAD STARTED LEAKING BAD. FLUSHED TO BOTTOM PERFS. DID NOT PUMP LAST 2 STAGES. ISIP 3185#, 5 MIN 2270#, 10 MIN 1899#, 15 MIN 1592#. AVERAGE PRESS 5000#. AVERAGE RATE 4.8 BBLS PER MIN. TOTAL LOAD 523 BBLS. STARTED FLOWING BACK ON 12/64TH CHOKE AT 400#. PRESS DROPPED TO 50#. OPENED TO 16/64TH CHOKE. STARTED UNLOADING. AT 4:00 AM PRESS WAS 925#. REC 252 BBLS FLUID. 271 BBLS LEFT TO REC. APROX 60% OIL CUT. - 24

Procedure:

PERFORM SAFETY CHECKS AND SAFETY MEETING:

Devon Energy is committed to providing a safe working environment for all personnel. A safety meeting will be held prior to commencing each major operation in order to define/clarify objectives, roles & responsibilities, identify all potential risk/hazards and establish a work procedure that is safe and environmentally sound. All personnel on location should have the minimum PPE requirements (hard hat, steel toe boots, and safety glasses) while working on location. Also there should be a designated emergency vehicle and driver appointed at each safety meeting. Meetings are to be documented on the reports returned to Devon.

MIRU, POOH w/ rods and tbq

1. MIRU PU. POOH w/ rods. ND WH & NU BOP. Unset tbq anchor and POOH w/ tubing. Tally pipe.
2. RIH w/ bit and csg scraper on tbq to PBTD ~ 11,300'. POOH.
3. RIH w/ bridge plug on tubing. Set at 11,190 (shut off from 11,220-11,263). POOH
4. RIH w/ treating packer on tbq and set at 11,150'. Pressure test plug and csg to 1,500 psi. PU and set packer at 10,675 and prep to stimulate Wolfcamp perms per BJ proposal.
5. Flow well back for a day. Unset packer and tag for fill. Bail sand if necessary. POOH w/ treating packer. RIH w/ tubing setting perf sub below bottom perf (~11,275). RIH w/ pump and rods. RDMO

DEVON ENERGY PRODUCTION COMPANY LP

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|--|---------------------------|---------------------|---------------------|
| Well Name: KACHINA 5 FEDERAL 3 | | Field: SOUTH CORBIN | |
| Location: 1980' FSL & 1980' FWL; SEC 5, T18S, R33E | | County: LEA | State: NM |
| Elevation: 3972' GL | | Spud Date: 1/31/92 | Compl Date: 4/26/92 |
| API#: 30-025-31517 | Prepared by: Ronnie Slack | Date: 11/7/08 | Rev: |

17-1/2" hole
13-3/8", 48#, H40, STC, @ 478'
 Cmt'd w/500 sx to surface

12-1/4" hole
8-5/8", 32#, STC, @ 3100'
 Cmt'd w/1650 sx

TOC: 7640'
 CBL ran on 4-15-92

2-7/8", N80, production tubing

WOLFCAMP (9/26/08)
 10736'-10740'; 10744'-10746'; 10761'-10771'

TAC @ 10,962

WOLFCAMP (9/26/08)
 11020'-11050'; 11066'-11074'; 11104'-11122'
 9/30/08 acidized 10736-11122 w/2400 gal 15% hcl, 9K gal gel 15%

WOLFCAMP (4/92)
 11,220' - 11,263'

SN @ 11,275'

WOLFCAMP (4/92)
 11,354' - 11,384'

30' cement. 11,310' PBD
 CIBP @ 11,340'

7" Hole
5-1/2", 17#, N80, LTC, @ 11,500'
 Cmt'd w/800 sx

11,500' TD

