Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-025-34767 ✓

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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

OCD – HOBBS
07/12/2016
RECEIVED

7. Lease Name or Unit Agreement Name ✓
Thistle Unit

8. Well Number 6 ✓

2. Name of Operator
Devon Energy Production Company, LP ✓

9. OGRID Number 6137 ✓

3. Address of Operator
333 West. Sheridan Avenue
Oklahoma City, OK 73102-5015 405-552-7848

10. Pool name or Wildcat
Triple X; Bone Spring (59900) ✓

4. Well Location
Unit Letter/Lot O : 660 feet from the S line and 1560 feet from the E line
Section 34 Township 23S Range 33E NMPM Lea County ✓

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3648' GR

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 WORK | ☐ | ALTERING CASING | ☐ |
| TEMPORARILY ABANDON | ☐ | CHANGE PLANS | ☐ | COMMENCE DRILLING OPNS. | ☐ | P AND A | ☐ |
| PULL OR ALTER CASING | ☐ | MULTIPLE COMPL | ☐ | CASING/CEMENT JOB | ☐ | | |
| DOWNHOLE COMMINGLE | ☐ | | | | | | |
| CLOSED-LOOP SYSTEM | ☐ | | | | | | |
| OTHER: Proposed Uphole Testing | ☒ | | | OTHER: | ☐ | | |

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Co., L.P. respectfully requests approval to continue moving uphole with testing in the Thistle Unit 6 in order to further evaluate the optionality of future development in undeveloped zones. The proposed activity is as follows:
1. RIH with workstring to 9,502', latch on to RBP, move RBP to 10,950' (50' above "Upper" 2BSSS perforations. RBP to provide isolation from lower perforations in order to test interval above RBP.
2. Pressure test casing to 7,500psi for 30 minutes to ensure RBP is holding and validate casing integrity.
3. RIH with perforation guns, perforate 1st BSSS interval.
4. Pump DFIT on 1st BSSS perforations.
5. Shut well in for 2-3 weeks recording pressure fall-off.
6. Pump fracture stimulation down 7'' with tracer fluid and tracer proppant.
7. Log fracture stimulated reservoir with GR and temperature logs.
8. Flow back well long enough to bleed down pressure.
9. RIH with workstring to retrieve RBP @ 10,950'. Move RBP uphole to 10,570' (50' above 1st BSSS perforations).
10. Repeats steps 2-9 for remaining intervals.
Please see the attached procedure and wellbore schematic for more details.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE _____ TITLE: Regulatory Specialist DATE 07/07/2016

Type or print name: David H. Cook E-mail address: david.cook@dvn.com PHONE: 405-552-7848

**For State Use Only**

APPROVED BY: _____ TITLE **Petroleum Engineer** DATE **07/12/2016**
Conditions of Approval (if any):

KZ

**Thistle Unit 6 – Test Uphole Potential for Future Development**

The Thistle Unit 6 was previously plugged back from the Wolfcamp formation in order to re-complete the 2BSS formation. All of the work outlined in the approved C101 from 2015 has been completed. However, the "Upper" 2BSS was also perforated and tested for deliverability via DFIT, which was not outlined in the scope of the work on the approved C101. The well has been shut in since 1/7/2016 with a RBP placed above the perforations in the 7'' casing (see attached schematic).

Devon Energy proposes to continue moving uphole with testing in the Thistle Unit 6 in order to further evaluate the optionality of future development in undeveloped zones. The two main test types to be conducted are Diagnostic Fracture Injection Tests (DFITs) and limited entry fracture stimulations with tracer fluid and proppant. The DFIT test consists of a small, low rate pump-in followed by pressure monitoring as the pressure falls off. The DFIT will be followed by a monitoring period, and then a small frac job will be placed on the interval. Tracers will be run during the frac job, and logs will be run post-job in order to better understand the fracture geometries, assess potential barriers, and provide the information to improve our development plans (vertical and lateral spacing of horizontals).

The uphole zones of interest are as follows:

| Zone | Perforation Plan |
|---|---|
| 1st BSSS | 10,614' - 10,624' |
| Leonard "C" | 9,995'-10,005' |
| Leonard "B" | 9,680' - 9,690' |
| Leonard "A" | 9,500' - 9,510' |

The general scope of work to be done is as follows:

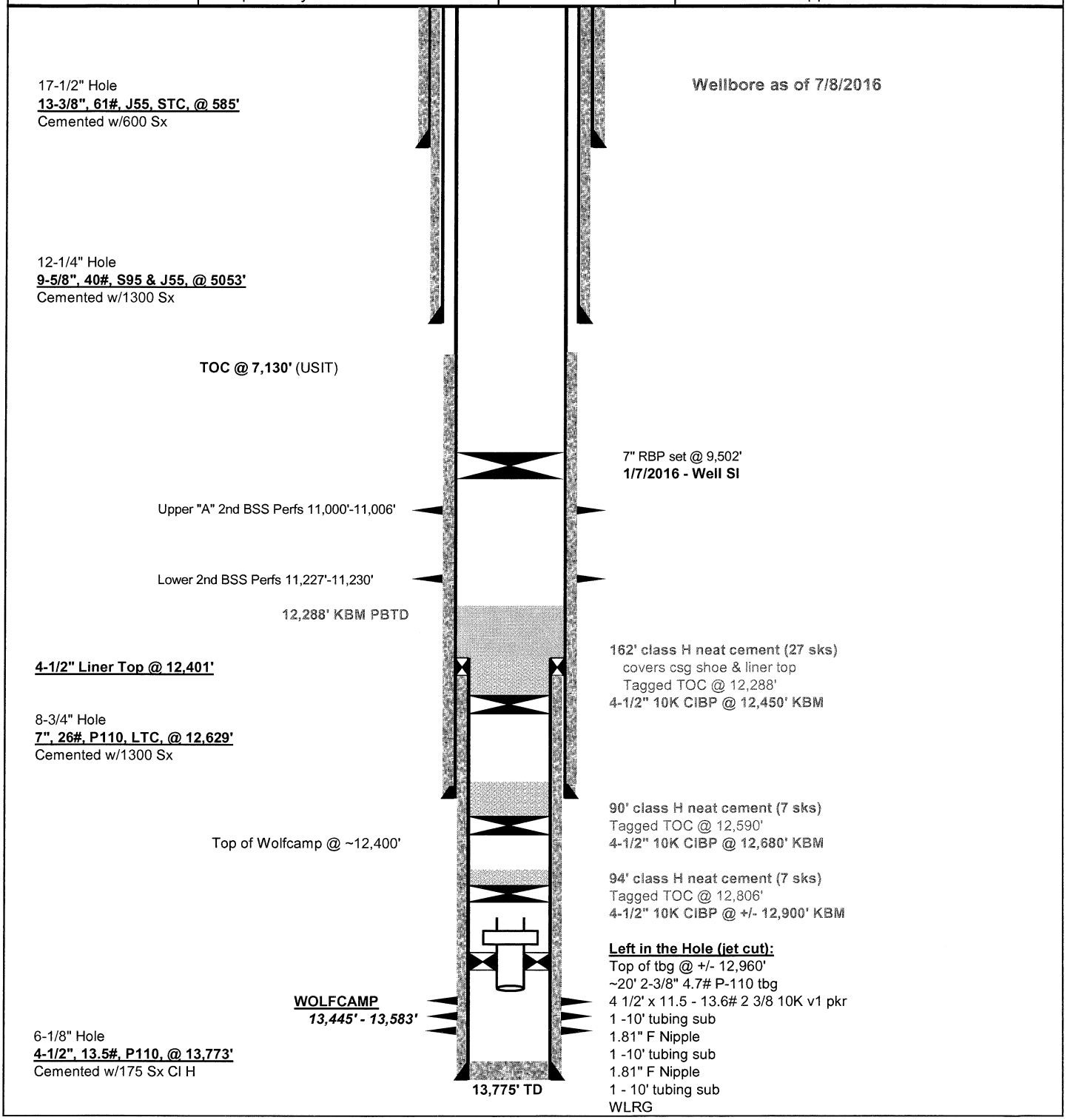
1. RIH with workstring to 9,502', latch on to RBP, move RBP to 10,950' (50' above "Upper" 2BSSS perforations. RBP to provide isolation from lower perforations in order to test interval above RBP.
2. Pressure test casing to 7,500psi for 30 minutes to ensure RBP is holding and validate casing integrity.
3. RIH with perforation guns, perforate 1st BSSS interval.
4. Pump DFIT on 1st BSSS perforations.
5. Shut well in for 2-3 weeks recording pressure fall-off.
6. Pump fracture stimulation down 7'' with tracer fluid and tracer proppant.
7. Log fracture stimulated reservoir with GR and temperature logs.
8. Flow back well long enough to bleed down pressure.
9. RIH with workstring to retrieve RBP @ 10,950'. Move RBP uphole to 10,570' (50' above 1st BSSS perforations).
10. Repeats steps 2-9 for remaining intervals.

The TVD of the lowest set of existing perforations in the 2BSSS is 11,230'. The uppermost planned perfs (Leonard A) are at a TVD of 9,500'. The TVD difference between upper and lower most perforations is 1,730'.

After all formation testing has been completed, viability of commingling all tested intervals will be evaluated. After internal evaluation, Devon will sundry the Thistle Unit 6 to propose to either produce the well, evaluate further testing/re-completion, or to plug and abandon the wellbore.

**DEVON ENERGY PRODUCTION COMPANY LP**

| | | | |
|---|---|---|---|
| Well Name: THISTLE UNIT 6 | | Field: JOHNSON RANCH | |
| Location: 660' FSL & 1560' FEL; SEC 34-T23S-R33E | | County: LEA | State: NM |
| Elevation: 3666' KB; 3648' GL; 18' KB-GL | | Spud Date: 2/21/00 | Compl Date: 5/6/00 |
| API#: 30-025-34767 | Prepared by: Ronnie Slack | Date: 7/23/08 | Rev: 7/8/16 - Epperson |



| DEVON ENERGY PRODUCTION COMPANY LP | | | |
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