

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs
HOBBS OGD

JAN 23 2013

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

5. Lease Serial No. LC031622B
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD <u>Injection</u>		7. If Unit of CA/Agreement, Name and/or No. NM 71021X
2. Name of Operator Devon Energy Production Co., LP		8. Well Name and No. Reed Sanderson Unit #18
3a. Address 333 W Sheridan Avenue, Oklahoma City, OK 73102	3b. Phone No. (include area code) 405-552-4615	9. API Well No. 30-025-04207
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL & 1980' FWL; Sec 10-T20S-R36E <u>Unit C</u>		10. Field and Pool or Exploratory Area EUMONT; YATES-7 RVRs-QUEEN
		11. Country or Parish, State Lea County, NM

12. CHECK THE 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 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 checked="" 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 recomplete 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

- MIRU. Release packer @ 3,625'. Attempt to run on down hole w/tubing and packer to verify if we can get set a CIBP @ 3,700'.
- Set CIBP @ 3,700'. Tag CIBP to make sure it is set. Spot 25 sx (240') cement on top of CIBP.
- Circulate 9# mud between plugs.
- Spot 25 sx (240') cement @ 2,675'. Tag TOC. (Calc. TOC @ 2,435'. Base of Salt @ 2,675')
- Spot 25 sx (240') cement @ 1,410'. Tag TOC. (Calc. TOC @ 1,170'. Top of Salt @ 1,410')
- Perf sqz holes @ 375'. Circulate cement to surface on 8-5/8" X 5-1/2" casing. (Calc ~95 sx total, ~55 sx cement on annulus and ~40 sx inside 5-1/2" casing).
- Cut wellhead off. Set dry hole marker.

RECLAMATION PROCEDURE
ATTACHED

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Ground level Dry Hole Marker Required

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

Name (Printed/Typed) Ronnie Slack	Title Operations Technician
Signature <u>Ronnie Slack</u>	Date <u>12-26-12</u>

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <u>James R. Oms</u>	Title <u>SEPS</u>	Date <u>1-20-13</u>
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 hereon.		Office <u>CPD</u>

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.

DEVON ENERGY PRODUCTION COMPANY LP

Well Name: REED SANDERSON UNIT #18		Field: EUMONT; YATES 7 RVRS-QUEEN	
Location: 660' FNL & 1980' FWL; SEC 10-T20S-R36E		County: LEA	State: NM
Elevation: 3619 DF; 3609' GL		Spud Date: 9/24/55	Compl Date: 10/21/55
API#: 30-025-04207	Prepared by: Ronnie Slack	Date: 12/26/12	Rev:

PROPOSED PLUG & ABANDONMENT

12-1/4" Hole
8-5/8", 24#, J55, @ 325'
 Cmt'd w/225 sx to surface

Proposed:
 1. Perf Sqz holes @ 375'
 2. Circ cmt to surf, inside/out on 5-1/2" csg
 3. Cut wellhead off and set dry hole marker
 (Calc ~ 95 sx total. ~55 sx on annulus, ~40 sx inside)

TOC @ 1,250" (temp survey)

Proposed:
 Spot 25 sx (240') @ 1,410'. Tag TOC.
 (top of salt @ 1410'. 1170' Calc PBD)

Proposed:
 Spot 25 sx (240') @ 2,675'. Tag TOC.
 (base of salt @ 2675'. 2435' Calc PBD)

Converted to SWD Injection - 6/16/67

EUMONT; YATES 7 RVRS-QUEEN

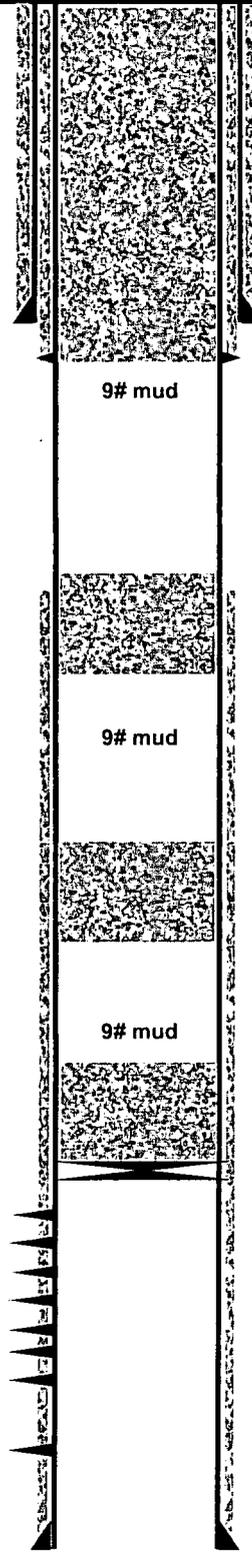
- 3,790' - 3,800'
- 3,810' - 3,834'
- 3,870' - 3,886'
- 3,902' - 3,908'
- 3,917' - 3,924'
- 3,928' - 3,932'
- 3,954' - 3,975'

4,012' - 4,026'

Proposed:
 Set CIBP @ 3,700'; Spot 25 sx (240') cmt on top
 (3460' Calc PBD)

Drilled out CIBP @ 3,996, Clean out to 4,035'. (6/6/67)

7-7/8" Hole
5-1/2", 14#, J55, @ 4,059'
 Cmt'd w/1439 sx



4,060' TD

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CURRENT WELLBORE

TOPS
 Anhydrite--1325'
 Salt--1410'
 Base Salt--2675'
 Yates--2824'
 Seven Rivers--3160'
 Queen--3684'
 Grayburg--3975'

12-1/4" Hole
8-5/8", 24#, J55, @ 325'
 Cmt'd w/225 sx to surface

TOC @ 1,250" (temp survey)

Converted to SWD Injection - 6/16/67

EUMONT;YATES 7 RVRS-QUEEN

- 3,790' - 3,800'
- 3,810' - 3,834'
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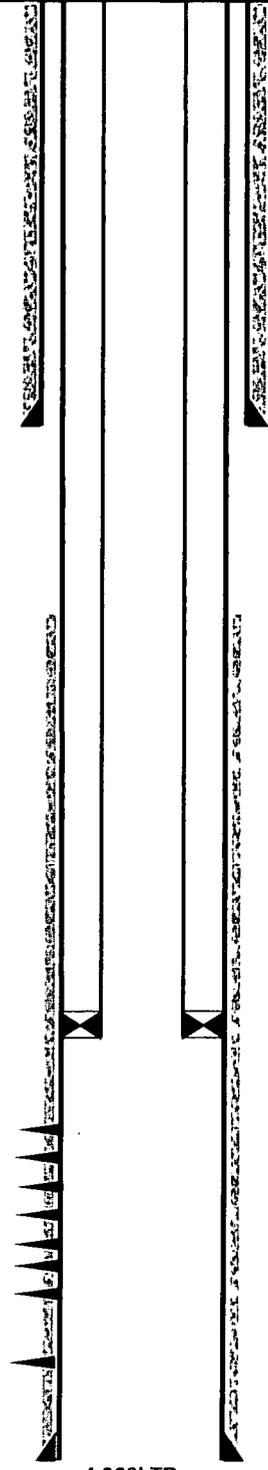
- 4,012' - 4,026'

107 Jts C.L. 2-3/8" tubing
 8 Jts IPC 2-3/8' tubing
Model AD-1 Packer @ 3,625' (4/12/89)
 16 pts tension

Drilled out CIBP @ 3,996, Clean out to 4,035'. (6/6/67)

7-7/8" Hole
5-1/2", 14#, J55, @ 4,059'
 Cmt'd w/1439 sx

4,060' TD



BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.**

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation procedure.

J. Amos 3/6/11

Requirements for ground level dry hole markers

Well Identification Markers

Conditions of Approval (COA)

The BLM Carlsbad Field Office (CFO) Conditions of Approval (COA) Requires that ground level dry hole markers be placed on well within the Lesser Prairie Chicken habitat area. The dry hole markers will be to the following specifications. The operator will construct the markers as follows:

1. An 8 inch X 8 inch steel plate 1/8 to 3/16 of an inch thick is to be placed on the old dry hole marker stand pipe 2 inches from ground level, in the Lesser Prairie Chicken habitat area.
2. Steel plate may be welded or bolted approximately 2 inches from ground level on the stand pipes. If plates are bolted to the stand pipe, the person installing the plate will be required to weld a pipe collar on the plate and place a minimum of two set screws/bolt on each collar. Aluminum data plates may be bolted with minimum 1/4 inch bolt and locking nuts or self tapping fine threaded screws. A minimum of one in each corner is to be installed on each plate.
3. An 8 inch x 8 inch aluminum plate, which is 12 gauge or .080 sign material (1/8 inch aluminum plate may be used in place of the .080 plate) with the required information for that well stamped or engraved in a minimum 3/8 inch tall letter or number.
4. The following information will be stamped or engraved on the 8 inch X 8 inch aluminum plate in the following order.
 - a. First row: Operators name
 - b. Second row: Well name and number
 - c. Third row: Legal location to include 1/4 1/4, Section, Township, and range. If the legal location cannot be placed on one row it can be split into two rows with the 1/4 1/4 (example: 1980 FNL 1980 FWL) being on the top row.
 - d. Fourth row: Lease Number and API number.
 - i. Example marker plate: (attached)

NMOCD Order No. R-12965 also required the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a ground level dry hole marker was installed as required in the COA's from the BLM.