12-1172

Form 3160-3
(August 2007)

OCD Hobbs

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NM100567

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☐ DRILL ☑ REENTER

7. If Unit or CA Agreement, Name and No.

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☑ Other SWD ☑ Single Zone ☐ Multiple Zone

8. Lease Name and Well No. 40035
MADERA 12 FED SWD #1

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY, L.P. 6137

9. API Well No.
30-025-32894

3a. Address 333 W. SHERIDAN AVENUE, OKLAHOMA CITY, OKLAHOMA 73102

3b. Phone No. *(include area code)*
405.552.7848

10. Field and Pool, or Exploratory
SWD; Bell Canyon 96802 Cherry Canyon
~~BONE SPRING~~ ~~Delaware~~ for Bell Canyon

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
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11. Sec., T. R. M. or Blk. and Survey or Area

At surface 1980 FSL & 1980 FWL, UNIT K

At proposed prod. zone

JUL 23 2013

12-T26S-R34E

14. Distance in miles and direction from nearest town or post office*
13 MILES WSW OF JAL, N.M.

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12. County or Parish
LEA

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease	17. Spacing Unit dedicated to this well
1,980'	640	N/A

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file
See Attached Map	7,100' TD	CO1104 & NMB-000801

21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
3278' GL		45 DAYS

24. Attachments Directions/Comments/Schematics

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
D. H. C.	DAVID H. COOK	08/23/2012

Title
REGULATORY SPECIALIST

Approved by *(Signature)* /s/George MacDonell	Name *(Printed/Typed)*	Date JUL 16 2013
Title **FIELD MANAGER**	Office **CARLSBAD FIELD OFFICE**	

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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.

(Continued on page 2)

SWD-1358

*(Instructions on page 2)

Carlsbad Controlled Water Basin

KA 07/24/13

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Approval Subject to General Requirements
& Special Stipulations Attached

JUL 24 2013

RE-ENTRY PROGRAM

Devon Energy Production Company, LP
Madera 12 Fed SWD #1
Surface Location: 1980 FNL & 1980 FWL, Sec 12 T26S R34E, Lea, NM

1. Geologic Name of Surface Formation

a. Quaternary

2. Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

a.	Fresh Water	~215'
b.	Rustler	950'
c.	Top of Salt	1395'
d.	Castile	3641'
e.	Base of Salt	5360'
f.	Delaware Lime	5380'
g.	Delaware (Ramsey)	5408'
h.	Brushy Canyon	8802'
i.	Bone Springs Lime	9480'
j.	Bone Springs 1st	12400'
k.	Wolfcamp	12550'
l.	Total Depth	12950'

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands are protected by setting 13 3/8" casing at 635' and circulating cement back to surface. The fresh water sands are protected by setting 8 5/8" casing at 5260' and circulating cement to surface. We will drill out existing cement plugs down to 8978'. Tag to verify plug depth reported at 8978'. Spot cement plug from 7200 – 7150'. The Delaware intervals will be isolated by setting 5 ½" casing to 7100' and circulating cement back to surface. Well was initially spud 03/31/2005; 13 3/8" and 8 5/8" casing and cement in place.

3. Casing Program

Hole Size	Hole Interval	OD Csg	Casing Interval	Weight	Collar	Grade
17 ½"	0' – 635'	13 3/8"	0' – 635'	54.5#	STC	K-55 **(in place)**
11"	635' – 5260'	8 5/8"	0' – 5260'	32#	STC	J-55 **(in place)**
7-7/8"	5260' – 8978'	5 ½"	0' – 7100'	17#	LTC	N-80 **(proposed)**

Design Parameter Factors:

Casing Size	Collapse Design Factor	Burst Design Factor	Tension Design Factor
13 3/8"	2.64	1.67	2.42
8 5/8"	1.78	1.86	2.38
5 ½"	1.68	1.41	1.60

4. **Cement Program: (all cement volumes based on least 25% excesses)**

a.	13 3/8"	Surface	Cmt'd w/685 sx of Class "C" cement containing 2% CaCl & 0.25#/sx flocele. Circulated 68 sx to pit. **TOC @ surface.**
b.	8 5/8"	Intermediate	**Lead** w/1650 sx Premium Plus containing 16#/sx, salt and 0.25#/sx flocele TOC @ surface. **Tail** w/250sx Premium Plus containing 2% CaCl and 0.25#/sx flocele; circulated 185 sx to pit. **TOC @ surface.**
c.	5 1/2"	Production	**Lead** w/ 375 sacks (50:50) Poz (Fly Ash):Class H Cement +10% bwoc Bentonite + 0.3% bwoc ASA-301 + 5% bwow Sodium Chloride + 0.25 lbs/sack Cello Flake+140% Fresh Water. 11.80 ppg. Yield: 2.45 cf/sk. **Tail** w/550 sacks (50:50) Poz (Fly Ash):Class H Cement +5% bwow Sodium Chloride + 0.3% bwoc CD-32 +0.5% bwoc FL-25 + 0.3% bwoc FL-52 + 0.5% bwoc Sodium Metasilicate + 57.3% Fresh Water. 14.20 ppg. Yield: 1.28 cf/sk. **Proposed TOC @ surface.**

The top of cement is designed to reach approximately surface. The 5-1/2" casing is new and API approved.

5. **Pressure Control Equipment:**

The BOP system used will consist of a 8-5/8" 3M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the surface shoe plug.

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP. See attached BOP stack diagram.

6. **Proposed Mud Program**

Depth	Mud Wt.	Visc	Fluid Loss	Type System
0' – 8978'	8.3 – 8.9	32 – 34	NC -40	Fresh Water

The necessary mud products for weight addition and fluid loss control will be on location at all times.

7. **Auxiliary Well Control and Monitoring Equipment:**
   a. A Kelly cock will be in the drill string at all times.
   b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.

c. Hydrogen Sulfide detection equipment will be in operation after drilling out the 13 3/8" casing shoe until the 5 1/2" casing is cemented. Breathing equipment will be on location upon drilling the 13 3/8" shoe until total depth is reached.

8. Logging, Coring, and Testing Program:

a. No logging, coring or testing will be performed.

9. Potential Hazards:

a. No abnormal pressures or temperatures are expected. There is no known presence of H2S in this area. If H2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6 No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 4160 psi and Estimated BHT 181°. No H2S is anticipated to be encountered.

10. Anticipated Starting Date and Duration of Operations:

a. Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 32 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.

NOTES REGARDING BLOWOUT PREVENTERS
Devon Energy Production Company, LP
Madera 12 Fed SWD #1
Surface Location: 1980'' FSL & 1980' FWL, Unit K, Sec 12 T26S R34E, Lea, NM

1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.

2. Wear ring will be properly installed in head.

3. Blowout preventer and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.

4. All fittings will be flanged.

5. A full bore safety valve tested to a minimum 3000 psi WP with proper thread connections will be available on the rotary rig floor at all times.

6. All choke lines will be anchored to prevent movement.

7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.

8. Will maintain a kelly cock attached to the kelly.

9. Hand wheels and wrenches will be properly installed and tested for safe operation.

10. Hydraulic floor control for blowout preventer will be located as near in proximity to driller's controls as possible.

11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.

DEVON ENERGY PRODUCTION COMPANY LP			
Well Name: Madera 12 Fed. No. 1		Field: Wildcat	
Location: 1980' FNL & 1980' FWL; SEC 12-T26S-R34E		County: LEA	State: NM
Elevation: 3277' GL		Spud Date: 3/31/95	Compl Date: Dry hole
API#: 30-025-32894	Prepared by: Jimmy Turnini	Date: 4/23/12	Rev:

The well P& A was completed on 06/07/96

Cut off wellhead and welded on dry hole marker
cmt plug 62' to surface

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17-1/2" hole
13-3/8", 54.5#, K55, ST&C 8rd @ 635'
Cmt'd w/ 685 sx to surface

9.5 ppg mud

cmt plug 682-522'

9.5 ppg mud

11" hole
8-5/8", 32#,J55 & M80, ST&C 8rd @ 5,260'
Cmt'd w/ 1900 sx to surface

cmt plug 5,336-5,052'

9.5 ppg mud

cmt plug 9,610'-8978'

9.5 ppg mud

cmt plug 12,366'-11976'

9.5 ppg mud

7-7/8" hole
12,950' TD

DEVON ENERGY PRODUCTION COMPANY LP

Well Name: MADERA 12 FED #1	Field:	
Location: 1980' FNL & 1980' FWL; SEC 12-T26S-R34E	County: LEA	State: NM
Elevation: 3277' GL; 3291' KB	Spud Date: 3/31/95	Compl Date:
API#: 30-025-32894 Prepared by: Ronnie Slack	Date: 5/17/12	Rev:

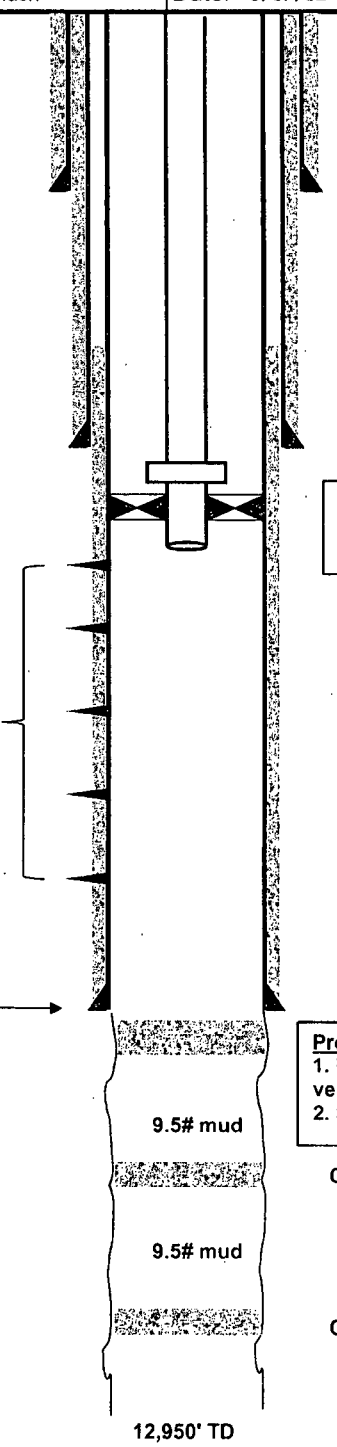
Proposed
Re-Enter Plugged Well & Convert to SWD
(Originally dry hole, P&A 6/7/96

17-1/2" hole
13-3/8", 54.5#, K55, ST&C 8rd @ 635'
Cmt'd w/ 685 sx to surface

11" hole
8-5/8", 32#,J55 & M80, ST&C 8rd @ 5,260'
Cmt'd w/ 1900 sx to surface

ZONE TOPS FROM ORIGINAL APD

Rustler	950
Top of Salt	1395
Castile	3641
Base of Salt	5360
Delaware Lime	5380
Delaware (Ramsey)	5408
Brushy Canyon	8802
Bone Springs Lime	9480
Bone Springs 1st	12400
Wolfcamp	12550



Proposed:
2-7/8" IPC INJ Tubing
5-1/2" Nickel Coated Pkr @ +/- 5370'

Proposed:
SWD Interval 5400' - 6900'

Proposed:
5-1/2", 17#, P110, @ 7,100'
Cmt w/1000 sx Cl H

Proposed:
1. Drill out existing cement plugs down to 8978'. Tag to verify plug depth reported at 8978.
2. Spot cement plug from 7200 - 7150

9.5# mud

Cement Plug 9,610 - 8,978

9.5# mud

7-7/8" Open Hole

Cement Plug 12366 - 11,976

12,950' TD

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8 -5/8" x 3,000 psi BOP Stack

Work over rig BOP System

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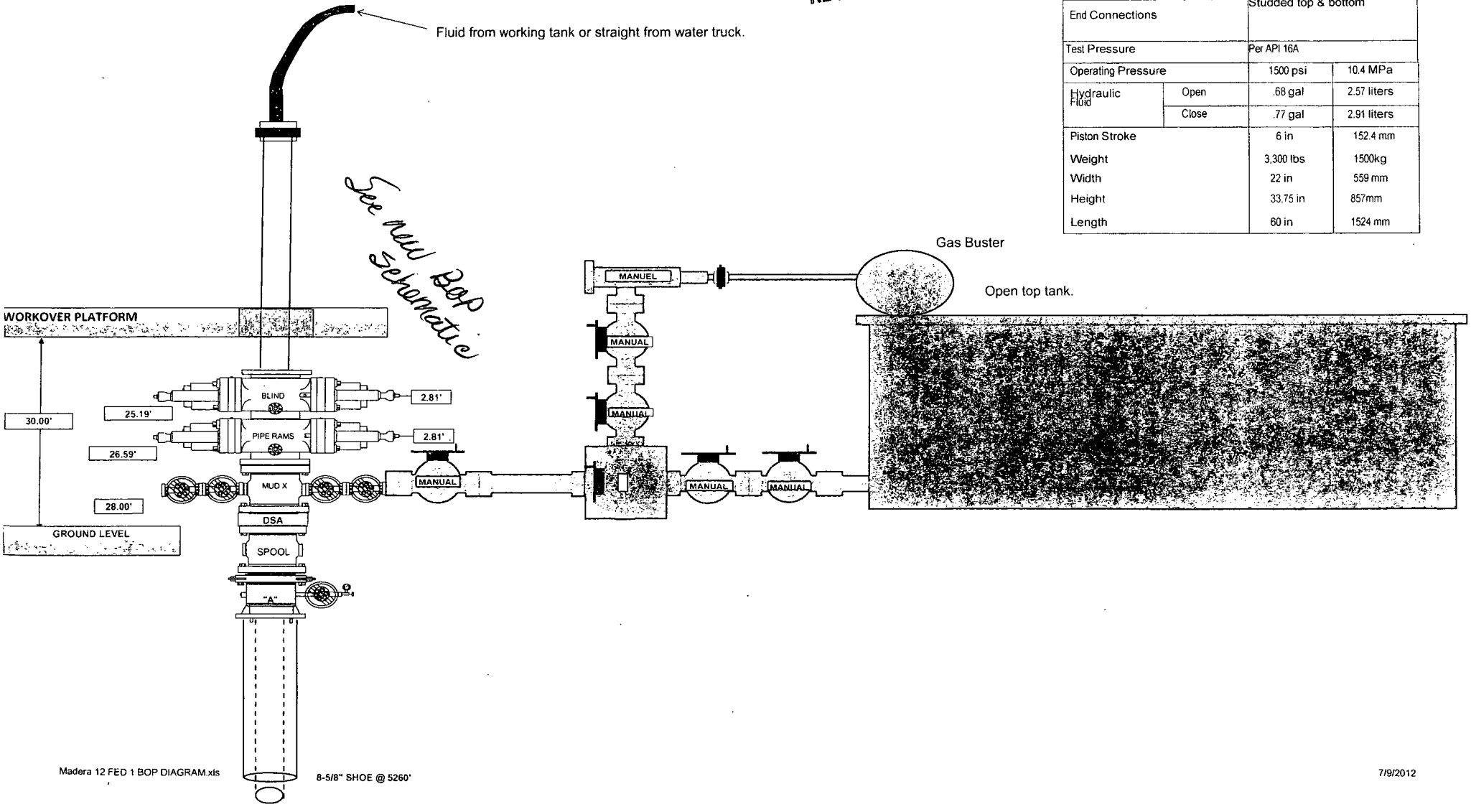
DEVON ENERGY	BOP Stack Diagram	DATE: 7/5/2012 Rig:

		3000 Double Ram	
Bore Size		9 in	228.6 mm
Pressure Rating		3000 psi	20.7 MPa
End Connections		Studded top & bottom	
Test Pressure		Per API 16A	
Operating Pressure		1500 psi	10.4 MPa
Hydraulic Fluid	Open	.68 gal	2.57 liters
	Close	.77 gal	2.91 liters
Piston Stroke		6 in	152.4 mm
Weight		3,300 lbs	1500kg
Width		22 in	559 mm
Height		33.75 in	857mm
Length		60 in	1524 mm



Madera 12 FED 1 BOP DIAGRAM.xls

8-5/8" SHOE @ 5260'

7/9/2012