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

HOBBS OCD
MAR 19 2014
RECEIVED

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 August 1, 2011

WELL API NO. 30-025-41373

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.)

7. Lease Name or Unit Agreement Name
GUADALCANAL STATE COM

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

8. Well Number 1H

2. Name of Operator
Devon Energy Production Company, L.P.

9. OGRID Number
6137

3. Address of Operator
333 W. Sheridan Avenue, Oklahoma City, Oklahoma 73102-5015 (405) 552-7848

10. Pool name or Wildcat
MIDWAY; BONE SPRING 46310

4. Well Location
Unit Letter M : 200 feet from the S line and 360 feet from the W line
Section 25 Township 17S Range 36E NMPM Lea, County New Mexico

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3816.4'

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	☐						
OTHER:	☐			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 to change the original approved permit as follows:

Change surface casing setting depth from 1800' to 2025' in order to ensure the Rustler is reached before setting casing.

Please see attached: revised drill plan with surface casing/cement changes.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____ TITLE Regulatory Specialist DATE 3/18/2014

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 MAR 24 2014

Conditions of Approval (if any):

MAR 24 2014

DRILLING PROGRAM

Devon Energy Production Company, L.P.
Guadalcanal State Com 1H

1. **Geologic Name of Surface Formation:** Quaternary

2. **Estimated Tops of Geological Markers & Depths of Anticipated FW, Oil, or Gas:**

a.	Fresh Water	400'	
b.	Rustler	1969'	Barren
c.	Yates	3248'	Barren
d.	Seven Rivers	3555'	Barren
e.	Queen	4197'	Oil / Gas
f.	San Andres	4941'	Oil / Gas
g.	Bell Canyon	5583'	Oil / Gas
h.	1st Bone Spring SS	6214'	Oil / Gas
i.	2nd Bone Spring SS	8276'	Oil / Gas
	Total Depth	8647' TVD	13356' MD

3. Pressure Control Equipment:

A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the surface casing shoe. The BOP system used to drill the intermediate hole will be tested per BLM Onshore Oil and Gas Order 2.

A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the intermediate casing shoe. The BOP system used to drill the production hole will be tested per BLM Onshore Oil and Gas Order 2.

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.

Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line); **if an H&P rig drills this well. Otherwise no flex line is needed**. The line will be kept as straight as possible with minimal turns.

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.

4. Casing Program:

Hole Size	Hole Interval	Casing OD	Casing Interval	Weight (lb/ft)	Collar	Grade	Collapse Design Factor	Burst Design Factor	Tension Design Factor
17-1/2"	0 - 2025'	13-3/8"	0 - 2025'	54.5	BTC	J-55	1.25	3.01	8.24
12-1/4"	2025-3300'	9-5/8"	0-3300'	40	LTC	J-55	1.18	1.05	3.81
8-3/4"	3300-13356'	5-1/2"	0-13356'	17	BTC	P-110	1.87	2.32	3.48

Casing Notes:

- All casing is new and API approved

Maximum Lateral TVD: 9000'

5. Proposed mud Circulations System:

Depth	Mud Weight	Viscosity	Fluid Loss	Type System
0-2025'	8.4-9.0	30-34	N/C	FW
2025-3300'	9.8-10.0	28-32	N/C	Brine
3300-13873'	8.6-9.0	28-32	N/C	FW

The necessary mud products for weight addition and fluid loss control will be on location at all times. Visual mud monitoring equipment will be in place to detect volume changes indicating loss or gain of circulating fluid volume. If abnormal pressures are encountered, electronic/mechanical mud monitoring equipment will be installed.

6. Cementing Table:

String	Number of sx	Weight lbs/gal	Water Volume g/sx	Yield cf/sx	Stage; Lead/Tail	Slurry Description
13-3/8" Surface	1050	13.5	9.14	1.73	Lead	Class C Cement + 1% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 4% bwoc Bentonite + 81.1% Fresh Water
	480	14.8	6.35	1.35	Tail	Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 56.3% Fresh Water
9-5/8" Intermediate Single Stage	810	12.9	8.2	1.85	Lead	(60:40) Poz (Fly Ash):Class C Cement + 5% bwow Sodium Chloride + 0.1% bwoc R-3 + 0.125 lbs/sack Cello Flake + 3 lbs/sack LCM-1 + 0.25% bwoc FL-52 + 1% bwoc Sodium Metasilicate + 83.4% Fresh Water
	310	14.8	6.35	1.35	Tail	Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Cello Flake + 56.3% Fresh Water
5-1/2" Production Casing Single Stage	580	11.9	13.16	2.26	1st Lead	(50:50) Poz (Fly Ash):Class H Cement + 0.5% bwoc FL-52 + 0.3% bwoc ASA-301 + 10% bwoc Bentonite + 0.35% bwoc R-21 + 130.7% Fresh Water
	420	12.9	11.01	1.96	2nd Lead	(35:65) Poz (Fly Ash):Class H Cement + 3% bwow Sodium Chloride + 0.2% bwoc R-3 + 0.125 lbs/sack Cello Flake + 0.7% bwoc FL-52 + 0.3% bwoc ASA-301 + 6% bwoc Bentonite + 105.5% Fresh Water
	1030	14.5	5.77	1.22	Tail	(50:50) Poz (Fly Ash):Class H Cement + 5% bwow Sodium Chloride + 0.3% bwoc CD-32 + 0.5% bwoc FL-25 + 0.4% bwoc FL-52 + 0.5% bwoc Sodium Metasilicate + 57.3% Fresh Water

TOC for all Strings:

Surface	@	0'
Intermediate	@	0'
Production	@	3300'

Notes:

- Cement volumes Surface 100%, Intermediate 50%, Production based on at least 25% excess
- Actual cement volumes will be adjusted based on fluid caliper and caliper log data