

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

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-025-41693
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Dunkel 7 State
8. Well Number 1H
9. OGRID Number 6137
10. Pool name or Wildcat WC-025 G-06 S183608B; Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3866.5

HOBBS OCD
 SEP 05 2014
 RECEIVED

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG A WELL TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
 Devon Energy Production Company, LP 405-228-7203

3. Address of Operator
 333 West. Sheridan Avenue
 Oklahoma City, OK 73102-5015 405-228-7203

4. Well Location
 Unit Letter M : 245 feet from the SOUTH line and 865 feet from the WEST line
 Section 7 Township 18S Range 36E NMPM Lea County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Change Casing <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 Company, L.P. respectfully requests to make the following changes to the production casing on the subject well:

From: 5-1/2" 17lb/ft production casing
 To: 5-1/2" 23 lb/ft production casing

Please see attached the revised drilling plan, thank you.

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

SIGNATURE *Trina C. Couch* TITLE: Regulatory Analyst DATE 9/4/2014
 Type or print name Trina C. Couch E-mail address: trina.couch@dvn.com PHONE: 405-228-7203
For State Use Only

APPROVED BY: *[Signature]* TITLE Petroleum Engineer DATE 09/05/14
 Conditions of Approval (if any):

SEP 08 2014

[Handwritten mark]

1. Casing Program:

Hole Size	Hole Interval	Casing OD	Casing Interval	Weight	Collar	Grade
17-1/2"	0 – 2,000'	13-3/8"	0 – 2,000'	54.5#	BTC	J-55
12-1/4"	2,000' – 3,225'	9-5/8"	0 – 3,225'	36#	BTC	J-55
8-3/4"	3,225' – 13,705'	5-1/2"	0-13,705'	17#	BTC	P-110
				23#	Ultra QX	P110MS

Devon requests to change the production string of the Dunkel 7 State 1H from 5-1/2" 17# P110 BTC to 5-1/2" 23# P110MS Ultra QX in order to address possible sour service concerns.

Maximum TVD in lateral: 9,191 ft

2. Design Factors:

Casing Size	Collapse Design Factor	Burst Design Factor	Tension Design Factor
13-3/8"	1.21	2.92	8.34
9-5/8"	1.20	2.10	3.90
5-1/2"	1.74	2.47	3.49
	3.37	3.37	4.67

3. Cement Program:

Cementing Program (cement volumes based on at least 25% excess)

String	Number of sx	Weight lbs/gal	Water Volume g/sx	Yield cf/sx	Stage; Lead/Tail	Slurry Description
13-3/8" Surface	1220	13.5	9.08	1.72	Lead	Class C Cement + 0.125 lbs/sack Poly-E-Flake + 4% bwoc Bentonite + 70.1% Fresh Water
	560	14.8	6.32	1.33	Tail	Class C Cement + 63.5% Fresh Water
9-5/8" Intermediate	480	12.9	9.81	1.85	Lead	(65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 70.9 % Fresh Water
	430	14.8	6.32	1.33	Tail	Class C Cement + 63.5% Fresh Water
Pilot Hole Plug Back	560	15.6	5.39	1.19	Plug Cement	Class H Cement + 0.2% Halad-9 + 0.2% HR-601 + 60.5 % Fresh Water
	670	11.0	15.23	2.71	Lead	Tuned Light Blend + 0.125 lb/sk Pol-E-Flake + 76.3% Fresh Water

Drilling Program
 Dunkel 7 State 1H
 SRY 2.26.14

5-1/2" Production Casing Single Stage	1380	14.5	5.32	1.21	Tail	(50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.25% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water
5-1/2" Production Casing 2-Stage Option	530	12.5	10.86	1.96	Lead	(65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly- E-Flake + 74.1 % Fresh Water
	1380	14.5	5.38	1.22	Tail	(50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.25% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water
	DV Tool @ 5300ft					
	270	11.9	12.89	2.26	Lead	(50:50) Class H Cement: Poz (Fly Ash) + 10% BWOC Bentonite + 1 lb/sk of Kol-Seal + 0.3% BWOC HR-601 + 0.5lb/sk D-Air 5000 + 76.4% Fresh Water
	120	14.8	6.32	1.33	Tail	Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water

TOC for all Strings:

13-3/8" Surface	0ft
9-5/8" Intermediate	0ft
Pilot Hole Plug Back	8354ft
5-1/2" Production Single Stage	2725ft
5-1/2" Production 2-Stage	Stage #1 = 5300ft Stage #2 = 2725ft

Notes:

- Cement volumes Surface 100%, Intermediate 75%, Pilot 10% and Production based on at least 25% excess
- Actual cement volumes will be adjusted based on fluid caliper and caliper log data
- If lost circulation is encountered while drilling the production and/or the intermediate wellbores, a DV tool will be installed a minimum of 50' below the previous casing shoe and a minimum of 200' above the current shoe. If the DV tool has to be moved, the cement volumes will be adjusted proportionately. Both single and double stage proposals are listed in the cement table.

4. 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). The line will be kept as straight as possible with minimal turns.

5. Proposed Mud Circulation System:

Depth Range	Mud Weight	Viscosity	Fluid Loss	Type System
0 - 2000'	8.4-9.0	30-34	N/C	FW
2000' - 3,225'	9.8-10.0	28-32	N/C	Brine
3,225' - 13,705'	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.

6. 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.