

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB NO. 1004-0135
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.
NMNM92781 ✓

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
NMNM94480X ✓

8. Well Name and No.
GAUCHO UNIT 23H ✓

9. API Well No.
30-025-42814 ✓

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
DEVON ENERGY PRODUCTION CO. L.P. Contact: DAVID H COOK
E-Mail: david.cook@dvn.com

3a. Address
333 WEST SHERIDAN AVENUE
OKLAHOMA CITY, OK 73102-5010

3b. Phone No. (include area code)
Ph: 405-552-7848

10. Field and Pool, or Exploratory
WC-025 G-06 S223421L

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 17 T22S R34E SESE 225FSL 870FEL ✓

11. County or Parish, and State
LEA COUNTY, NM ✓

12. CHECK 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 checked="" type="checkbox"/> Other ShutIn Notice
	<input type="checkbox"/> Change Plans	<input 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy Production Co., L.P. respectfully requests approval to place this well in Drilling shut-in status for one year pending infrastructure and gas take-away effective upon approval.

HOBBS OCD

MAY 19 2016

RECEIVED

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #338562 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO.,LP, sent to the Hobbs

Name (Printed/Typed) DAVID H COOK Title REGULATORY SPECIALIST

Signature (Electronic Submission) Date 05/09/2016

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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 thereon.

Office _____

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.

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

*MSB/ocp
5/23/2016*

Conditions of Approval
Devon Energy Production Company, L.P.
Gaicho Unit – 23H, API 3002542814
T22S-R34E, Sec 17, 225FSL & 870FEL
May 12, 2016

This well has been drilled to total depth and has remained uncompleted since 01/05/2016.

This request for Drilling Shut-In status is granted until 01/05/2017.

After this date the DSI status may be extended by submission of a Form 3160-4 Well Completion Report via BLM's Well Information System:

<https://www.blm.gov/wispermits/wis/SP>

The "as drilled" formation tops, lateral vertical depth, the measured total depth, and bottom hole location are to be listed on that report. Also include the "as drilled" wellbore survey report.

List in the "Additional remarks" box 32 of Form 3160-4 or in box 13 of Form 3160-4 details of justification explaining why the completion is being delayed, and conditions of adequate incentive for the well to be completed.

An inactive/shut-in well bore is a non-producing well that is capable of "beneficial use" i.e. production in paying quantities or of service use. BLM compliance requires an inactive/shut-in well to be restored to use or abandoned; temporarily or permanent.

Extension of the Drilling Shut-In status for more than one year may require a Casing Integrity Test.

- a. At least 24 hours prior to conducting the Casing Integrity Test, contact the appropriate BLM office. Eddy County call Carlsbad 575-361-2822. Lea County call Hobbs 575-393 3612.
- b. Documentation of a BLM witnessed Casing Integrity Test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 35 to 75 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed CIT. Verify all annular casing vents are plumbed to surface and those valves open to the surface during this pressure test. Pressure leakoff will be evaluated site specifically and affect approvals.
- c. Should the Casing Integrity Test fail or not be conducted submit a procedure for repair, completion, or to plug and abandon the well for BLM approval on or before 01/05/2017.