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

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-025-43469

5. Indicate Type of Lease STATE [X] 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: Thistle Unit

1. Type of Well: Oil Well [X] Gas Well [ ] Other

8. Well Number 254H

2. Name of Operator: DEVON ENERGY PRODUCTION COMPANY, LP

9. OGRID Number 6137

3. Address of Operator: 333 W. Sheridan Avenue Oklahoma City, OK 73102

10. Pool name or Wildcat: Triple X; Bone Spring

4. Well Location
Unit Letter O : 248 feet from the South line and 1962 feet from the East line
Section 34 Township 23S Range 33E NMPM Lea, County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3643

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	[X]	COMMENCE DRILLING OPNS.	[ ]	P AND A	[ ]
PULL OR ALTER CASING	[ ]	MULTIPLE COMPL	[ ]	CASING/CEMENT JOB	[ ]		
DOWNHOLE COMMINGLE	[ ]						
CLOSED-LOOP SYSTEM	[ ]						
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 respectfully requests to convert the Thistle Unit 254H from a 3-string casing design to a 2-string casing design. Oil-based mud will be used from drill out of surface casing to TD of the well. Please see the attached C-102, Drilling Plan & Directional Survey.

Denied
per phone conversation
KZ

Spud Date: Rig Release Date:

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

SIGNATURE Rebecca Deal TITLE Regulatory Analyst DATE 1/19/2017

Type or print name Rebecca Deal E-mail address: rebecca.deal@dvn.com PHONE: 405-228-88429

For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-025-43469	59900	Triple X; Bone Spring

[4] Property Code	[5] Property Name	[6] Well Number
30884	THISTLE UNIT	254H

[7] OGRID No.	[8] Operator Name	[9] Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3643.3

[10] Surface Location

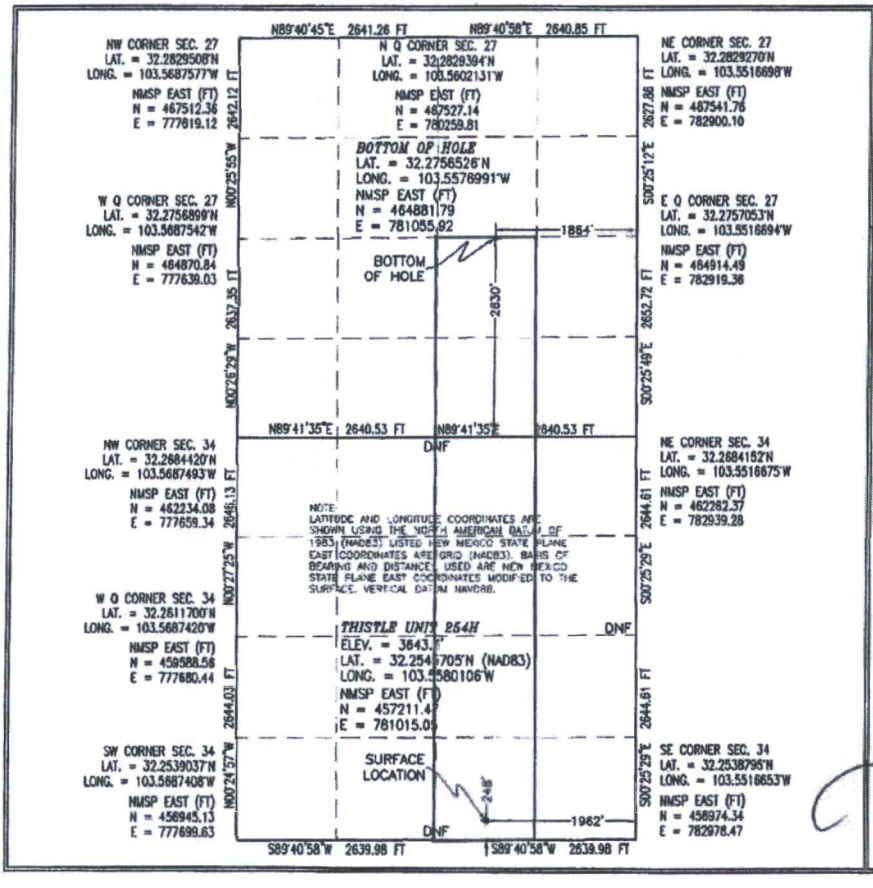
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	34	23 S	33 E		248	SOUTH	1962	EAST	LEA

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	27	23 S	33 E		2630	SOUTH	1864	EAST	LEA

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
240			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Rebecca Deal 12/9/21016
Signature Date

Rebecca Deal, Regulatory Analyst
Printed Name

rebecca.deal@dvn.com
E-mail Address

[18] SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DECEMBER 8, 2016
Date of Survey

ELLISON F. JARAMILLO NEW MEXICO 12797 REGISTERED PROFESSIONAL SURVEYOR

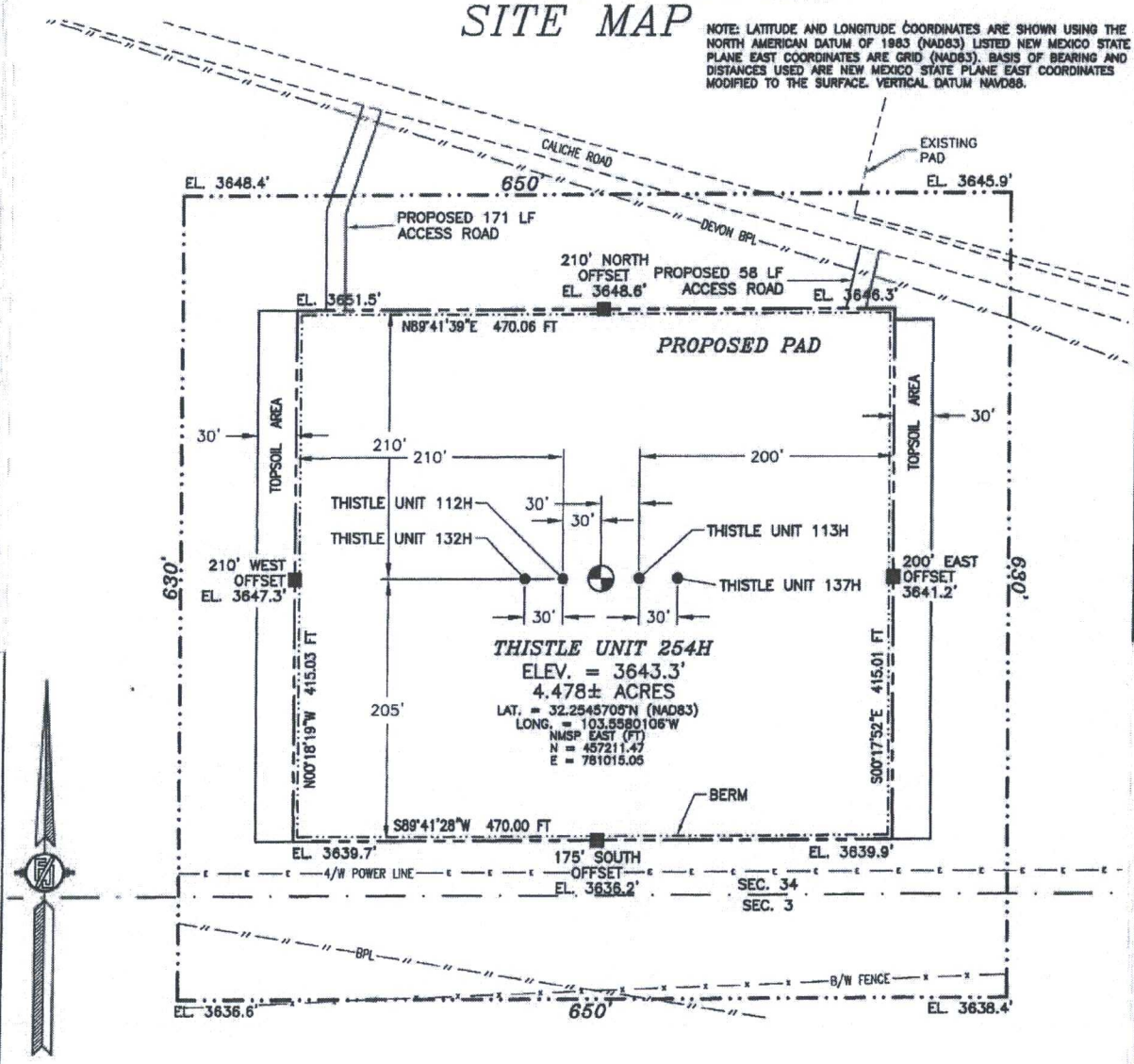
Signature and Seal of Professional Surveyor:

Certificate Number: ELLISON F. JARAMILLO, PLS 12797

SURVEY NO. 5044D

SECTION 34, TOWNSHIP 23 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83) LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE. VERTICAL DATUM NAVD88.



012 60 120 240

SCALE 1" = 120'

DIRECTIONS TO LOCATION

FROM STATE HIGHWAY 128 AND CR J2 (BRININSTOOL) GO NORTH ON CR J2 3.1 MILES, TURN RIGHT ON CALICHE ROAD AND GO EAST 0.44 OF A MILE, BEND LEFT AND GO NORTH 0.1 OF A MILE, BEND RIGHT AND GO SOUTHEAST 0.31 OF A MILE TO A PROPOSED ROAD SURVEY AND FOLLOW FLAGS SOUTH 58' TO THE NORTHEAST PAD CORNER FOR THIS LOCATION.

DEVON ENERGY PRODUCTION COMPANY, L.P.

THISTLE UNIT 254H

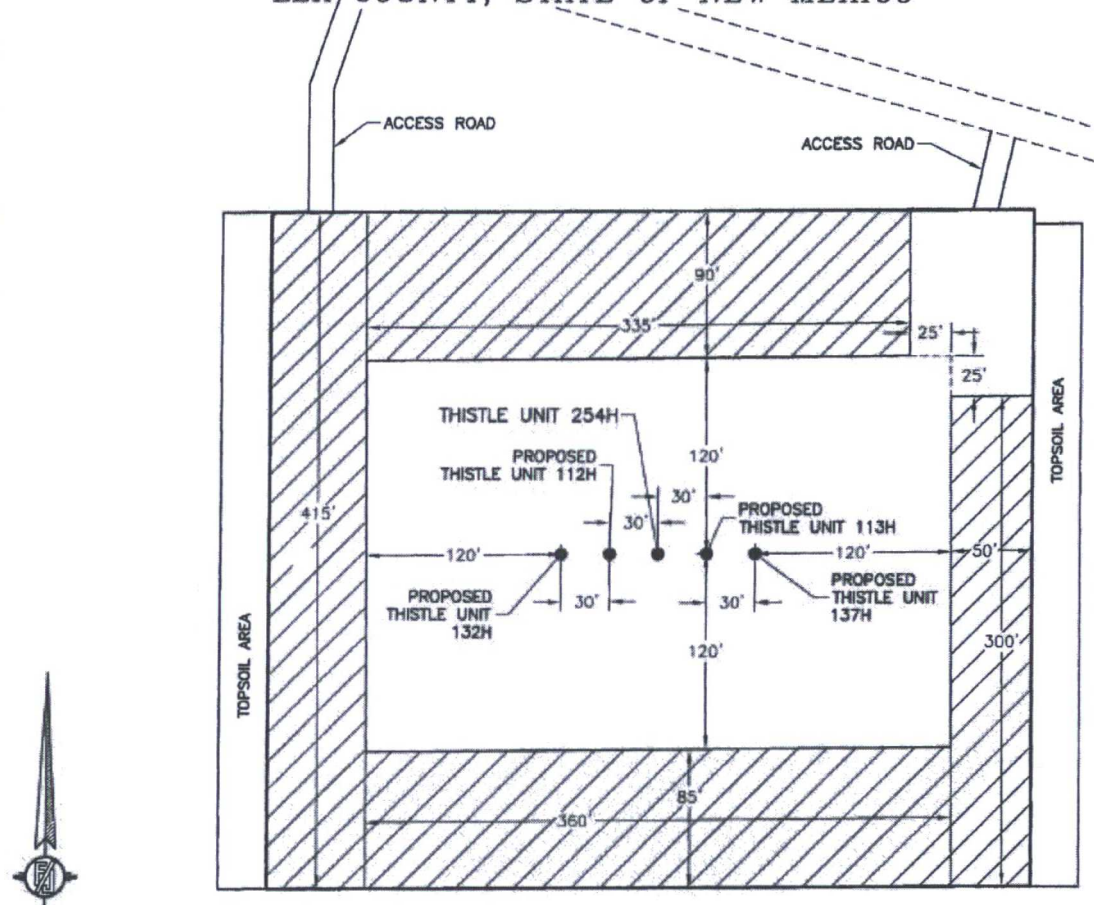
LOCATED 248 FT. FROM THE SOUTH LINE AND 1962 FT. FROM THE EAST LINE OF SECTION 34, TOWNSHIP 23 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO

DECEMBER 8, 2016

SURVEY NO. 5044D

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 *CARLSBAD, NEW MEXICO*

PROPOSED INTERIM SITE RECLAMATION
FOR THISTLE UNIT 254H
SECTION 34, TOWNSHIP 23 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



DENOTES RECLAMATION AREA

2.311± ACRES RECLAMATION AREA

010 50 100 200

SCALE 1" = 100'

DEVON ENERGY PRODUCTION COMPANY, L.P.

THISTLE UNIT 254H

LOCATED 248 FT. FROM THE SOUTH LINE AND 1962 FT. FROM THE EAST LINE OF SECTION 34, TOWNSHIP 23 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO

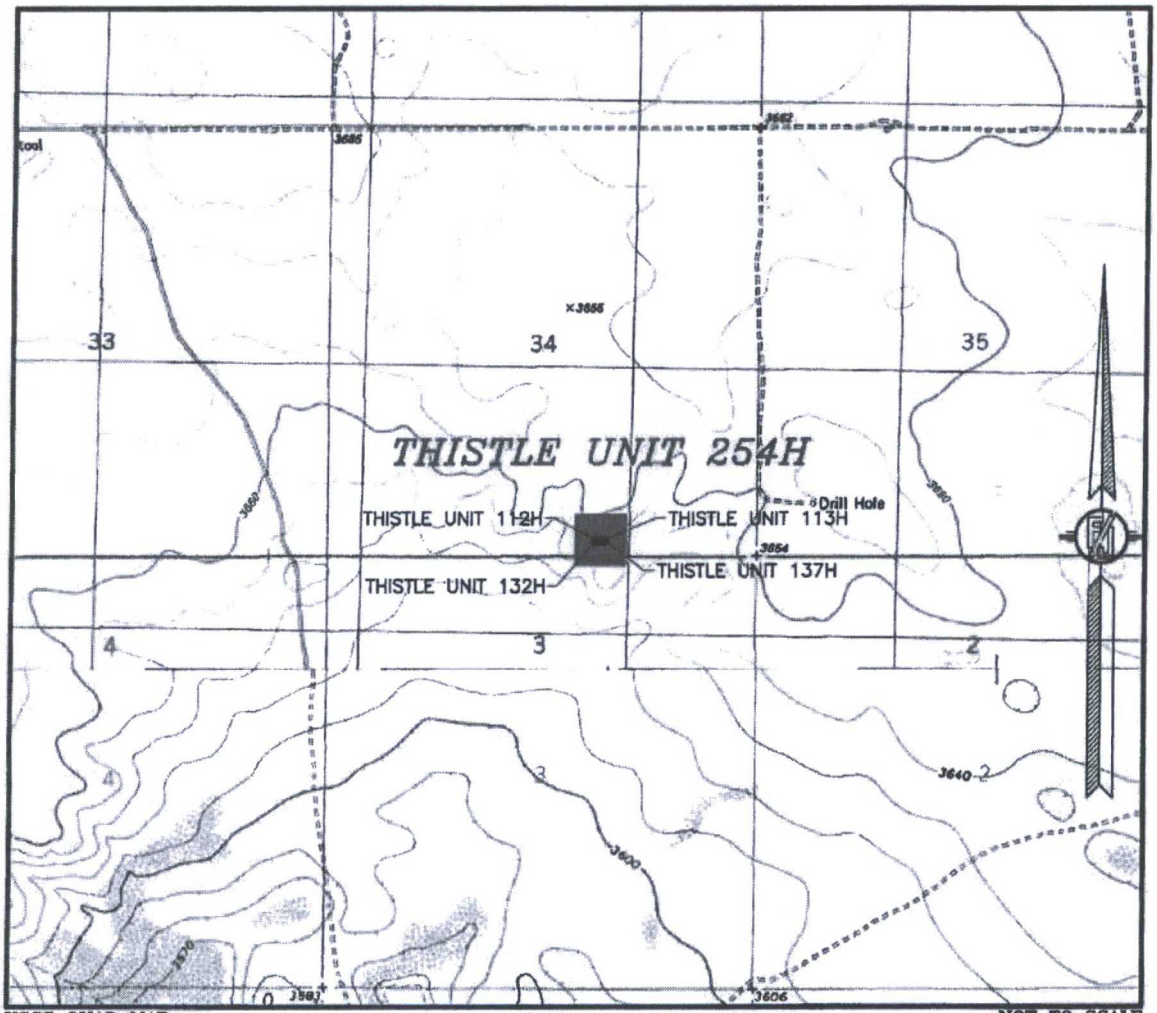
DECEMBER 8, 2016

SURVEY NO. 5044D

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 *CARLSBAD, NEW MEXICO*

SECTION 34, TOWNSHIP 23 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

LOCATION VERIFICATION MAP



USGS QUAD MAP:
TIP TOP WELLS

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.
THISTLE UNIT 254H
LOCATED 248 FT. FROM THE SOUTH LINE
AND 1962 FT. FROM THE EAST LINE OF
SECTION 34, TOWNSHIP 23 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

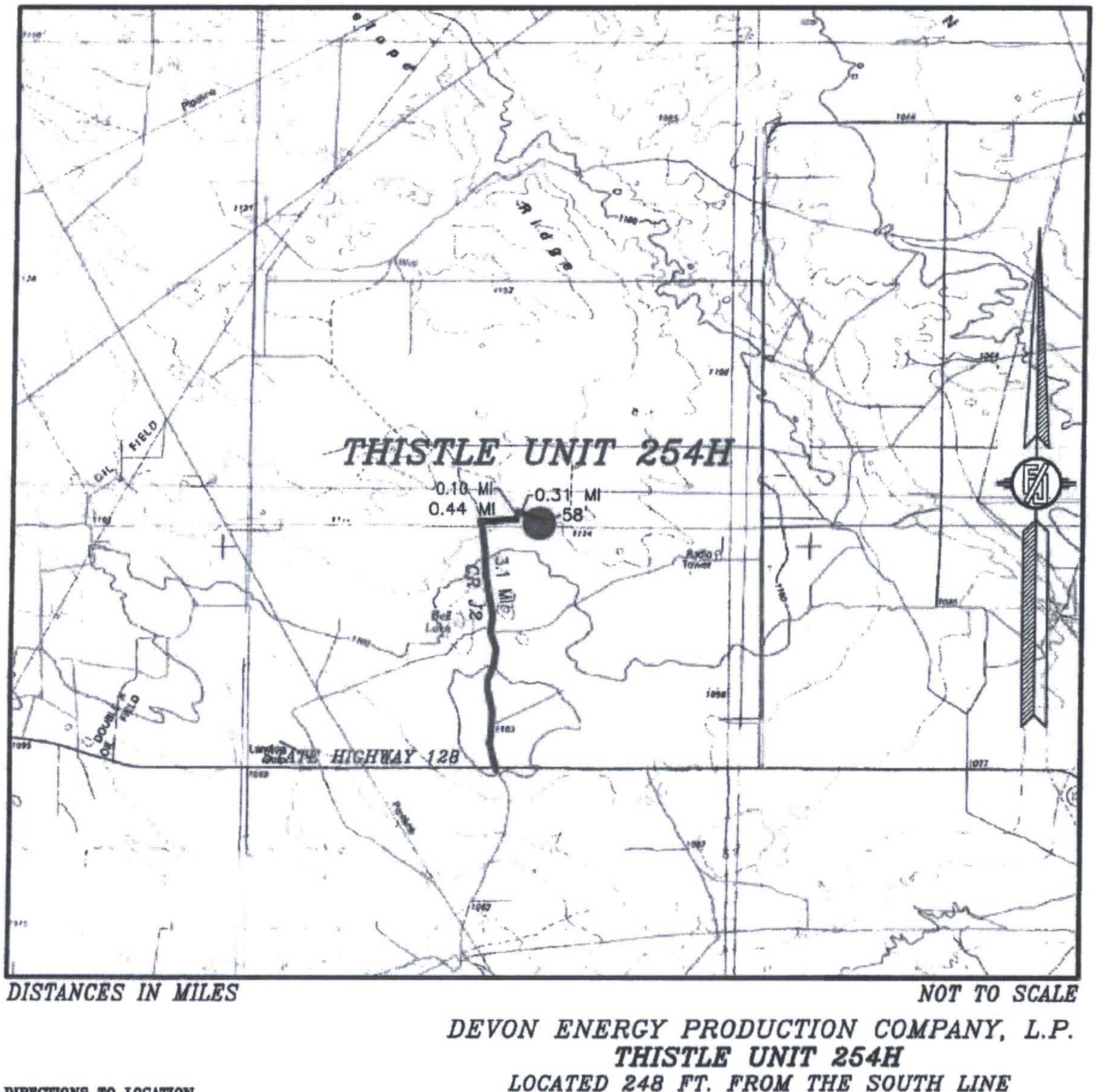
DECEMBER 8, 2016

SURVEY NO. 5044D

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 34, TOWNSHIP 23 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.
THISTLE UNIT 254H
LOCATED 248 FT. FROM THE SOUTH LINE
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LEA COUNTY, STATE OF NEW MEXICO

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DECEMBER 8, 2016

SURVEY NO. 5044D

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 34, TOWNSHIP 23 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

AERIAL PHOTO

NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
FEBRUARY 2014

DEVON ENERGY PRODUCTION COMPANY, L.P.

THISTLE UNIT 254H

LOCATED 248 FT. FROM THE SOUTH LINE
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SECTION 34, TOWNSHIP 23 SOUTH,
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LEA COUNTY, STATE OF NEW MEXICO

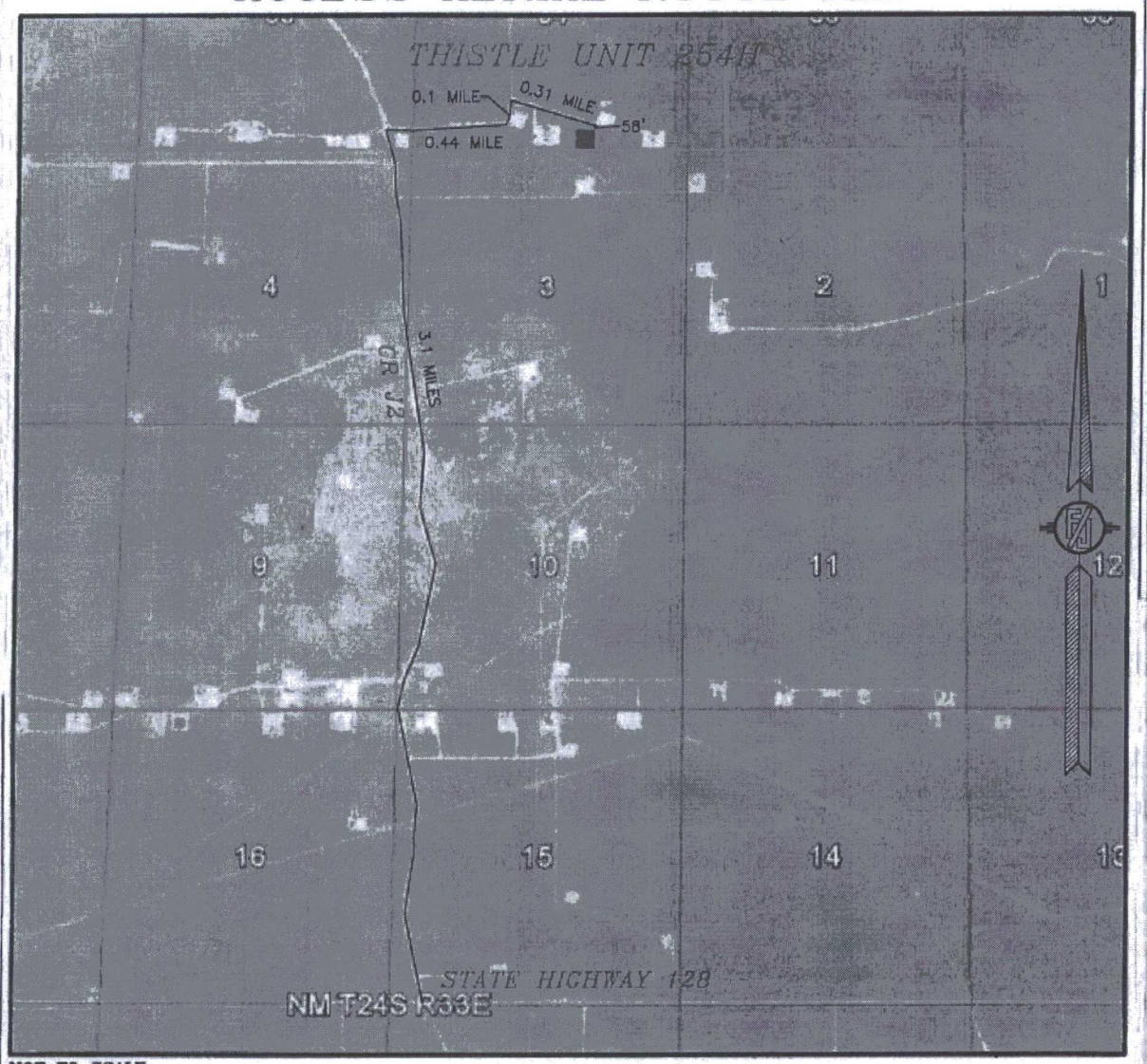
DECEMBER 8, 2016

SURVEY NO. 5044D

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 34, TOWNSHIP 23 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

ACCESS AERIAL ROUTE MAP



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
FEBRUARY 2014

DEVON ENERGY PRODUCTION COMPANY, L.P.

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LEA COUNTY, STATE OF NEW MEXICO

DECEMBER 8, 2016

SURVEY NO. 5044D

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

Devon Energy, Thistle Unit 254H

1. Geologic Formations

TVD of target	9,743'	Pilot hole depth	N/A
MD at TD:	17,132'	Deepest expected fresh water:	

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	1,328		
Top of Salt	1,828		
Base of Salt	4,958		
Delaware	5,228		
Lower Brushy Canyon	8,953		
1st Bone Spring Lime	9,113		
Leonard A	9,248		
Leonard B	9,616		

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
	From	To							
12.25"	0	1,360'	9.625"	40	J-55	BTC	4.14	2.45	4.72
8.75"	0	17,132'	5.5"	17	P-110	BTC	1.56	1.93	2.09
				BLM Minimum Safety Factor			1.125	1.00	1.6 Dry 1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	H_2O gal/sk	Yld ft3/ sack	500# Comp. Strength (hours)	Slurry Description
9-5/8" Surface	349	12.9	9.81	1.85	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	202	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
5-1/2" Prod	769	10.9	20.6	3.31	24	Lead: (50:40:10) Class C: Silicalite: Enhancer 923 + 10% BWOC Bentonite + 0.05% BWOC SA-1015 + 0.3% BWOC HR-800 + 0.2% BWOC FE-2 + 0.125 lb/sk Pol-E-Flake + 0.5 lb/sk D-Air 5000
	1790	13.2	6.829	1.4	25	Tail: (50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 + 2% bwoc Bentonite

If a DV tool is used, depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Casing String	TOC	% Excess
9-5/8" Surface	0'	75%
5-1/2" Production Casing	1,160'	25%

4. Pressure Control Equipment

N	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
8-3/4"	13-5/8"	3M	Annular	x	50% of working pressure
			Blind Ram		3M
			Pipe Ram		
			Double Ram	x	
			Other*		

*Specify if additional ram is utilized.
BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

<table>
<tr><td>Y</td><td>Formation integrity test will be performed per Onshore Order #2.
On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.</td></tr>
<tr><td rowspan="2">Y</td><td>A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.</td></tr>
<tr><td>Y | Are anchors required by manufacturer?</td></tr>
<tr><td>Y</td><td>A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.

Devon proposes using a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 3000 (3M) psi.
• Wellhead will be installed by wellhead representatives.
• If the welding is performed by a third party, the wellhead representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
• Wellhead representative will install the test plug for the initial BOP test.
• Devon will pressure test all seals above and below the mandrel (but still above the casing) to full working pressure rating.
• Devon will test the casing to 0.22 psi/ft or 1500 psi, whichever is greater, as per Onshore Order #2.

After running the 9-5/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 3M will be installed on the wellhead system and will undergo a 250 psi low pressure test followed by a 3,000 psi high pressure test. The 3,000 psi high and 250 psi low test will cover testing requirements a maximum of 30 days, as per Onshore Order #2. If the well is not complete within 30 days of this BOP test, another full BOP test will be conducted, as per Onshore Order #2.</td></tr>
</table>

	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's proposed wellhead manufactures will be FMC Technologies, Cactus Wellhead, or Cameron. 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. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	1,360'	FW Gel	8.6-8.8	28-34	N/C
1,360'	17,132'	Oil-Based	8.5-9.3	35-55	<40

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	PVT/Pason/Visual Monitoring

6. Logging and Testing Procedures

Logging, Coring and Testing.	
x	Will run GR/CNL fromTD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
	Coring? If yes, explain

Additional logs planned		Interval
	Resistivity	Int. shoe to KOP
	Density	Int. shoe to KOP
X	CBL	Production casing
X	Mud log	KOP to TD
	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4559 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H2S is present
Y	H2S Plan attached

8. Other facets of operation

Is this a walking operation? No.
Will be pre-setting casing? No.

Attachments
_x_ Directional Plan
___ Other, describe

Devon Energy
Thistle Unit 254H
Lea Co, NM

Plan Data for Thistle Unit 254H

Plan Point Information:
DogLeg Severity Unit: °/100.00ft Position offsets from Slot centre

MD (USft)	Inc (°)	Az (°)	TVD (USft)	+N/-S (USft)	+E/-W (USft)	Northing (USft)	Easting (USft)	VSec (USft)	DLS (DLSU)	Comments
0.00	0.00	0.00	0.00	0.00	-0.00	457211.47	781015.05	0.00	0.00	
8927.06	0.00	0.00	8927.06	0.00	-0.00	457211.47	781015.05	0.00	0.00	KOP
9822.87	89.58	1.12	9500.00	568.66	11.11	457780.13	781026.16	568.76	10.00	LP
16926.67	89.58	1.12	9552.00	7670.91	149.85	464882.38	781164.90	7672.37	0.00	BHL 254H

Plan Data for Thistle Unit 254H

Field: Lea Co, NM Nad 83 NMEZ
Map Unit: USFt Vertical Reference Datum (VRD): Mean Sea Level
Projected Coordinate System: NAD83 / New Mexico East (ftUS)

Site: Thistle Unit 254H
Unit: USFeet TVD Reference:
Company Name: Devon Energy
Position: Northing: 457211.47USft Latitude: 32.254570°
Easting: 781015.05USft Longitude: -103.558011°
North Reference: Grid Grid Convergence: 0.41°
Elevation Above VRD: 3643.30USft

Slot: Thistle Unit 254H
Position:
Offset is from Site centre
+N/-S: 0.00USft Northing: 457211.47USft Latitude: 32.254570°
+E/-W: 0.00USft Easting: 781015.05USft Longitude: -103.558011°
Elevation Above VRD: 3643.30USft

Well: Thistle Unit 254H
Type: Main-Well
File Number:
Plan Folder: P1 Plan: P1:V1
Vertical Section: Position offset of origin from Slot centre:
+N/-S: 0.00USft Azimuth: 1.12°
+E/-W: -0.00USft
Magnetic Parameters:

Model:	Field Strength:	Declination:	Dip:	Date:
bggm2016	48111(nT)	7.06°	60.11°	2016-11-30

Plan Data for Thistle Unit 254H

Target Set Information:
Name: Thistle Unit 254H Tgts
Position offsets from Slot centre

Name	TVD Elevation (USft)	+N/-S (USft)	+E/-W (USft)	Northing (USft)	Easting (USft)
BHL 254H	9552.00	-5885.20	7670.91	149.85	464882.38	781164.90