

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or re-drill an abandoned well. Use form 3160-3 (APD) for such proposals.

Carlsbad Field Office
OCD-Hobbs
HOBBS OCD

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	2. Name of Operator DEVON ENERGY PRODUCTION COMPANY	Contact: REBECCA DEAL Email: Rebecca.Deal@dvn.com	5. Lease Serial No. NMLC063798
3a. Address 333 WEST SHERIDAN AVENUE OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405-228-8429	6. If Indian, Allottee or Tribe Name	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 23 T24S R33E SESE 200FSL 630FEL	8. Well Name and No. BLUE KRAIT 23 FED 4H	9. API Well No. 30-025-43238	10. Field and Pool or Exploratory Area RED HILLS; BONE SPRING, N
	11. County or Parish, State LEA COUNTY, NM		

JUN 19 2017
RECEIVED

12. CHECK THE 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"/> Hydraulic Fracturing	<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 Change to Original A PD
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 respectfully requests to change the intermediate casing grade from HCK-55 to J-55.
Please see the attached Design Safety Factors document.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #378169 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION COMPAN, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 06/07/2017 ()	
Name (Printed/Typed) REBECCA DEAL	Title REGULATORY COMPLIANCE PROFESSI
Signature (Electronic Submission)	Date 06/06/2017
APPROVED	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By <u>Mustafa Hague</u>	Title PETROLEUM ENGINEER
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.	Date 6/08/2017
	Office BUREAU OF LAND MANAGEMENT CARLSBAD FIELD 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.

(Instructions on page 2)

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

[Handwritten Signature]

Devon Energy, Blue Krait 23 Fed 4H

2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight (lbs)	Grade	Conn	SF Collapse	SF Burst	SF Tension
	From	To							
17.5"	0	1,350'	13.375"	54.5	J-55	BTC	1.81	2.64	8.05
12.25"	0	5,190'	9.625"	40	J-55	BTC	1.31	1.72	4.12
8.75"	0	15,686'	5.5"	17	P-110	BTC	1.59	1.98	2.13
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 3 rd 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 2 nd 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?	

**PECOS DISTRICT
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	Devon Energy Production Company, L.P.
LEASE NO.:	NMLC063798
WELL NAME & NO.:	4H- Blue Krait 23 Fed
SURFACE HOLE FOOTAGE:	200'/S & 600'/E
BOTTOM HOLE FOOTAGE:	330'/N & 380'/E
LOCATION:	Section 23, T. 24 S., R. 33 E., NMPM
COUNTY:	Lea County, New Mexico

All previous COAs still apply except the following:

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

MHH 06082017