

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

HOBBS OGD
RECEIVED
JUN 26 2017

SONDRY 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.

Carlsbad Field Office
OCD Hobbs

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		5. Lease Serial No. NMLC063798
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address 6488 SEVEN RIVERS HIGHWAY ARTESIA, NM 88211		7. If Unit of CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 405-228-8429		8. Well Name and No. BLUE KRAIT 23 FED 6H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 23 T24S R33E SESE 200FSL 660FEL		9. API Well No. 30-025-43239-00-X1
		10. Field and Pool or Exploratory Area RED HILLS
		11. County or Parish, State LEA COUNTY, NM

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
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Change to Original APD
	<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 recomple 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 recomple 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 approval for the following changes and additions to the drilling plan:

1. Utilize a spudder rig to pre-set surface casing.

2. Description of Operations:

1. Spudder rig will move in their rig to drill the surface hole section and pre-set surface casing on the Blue Krait 23 Fed 6H.
 - a. After drilling the surface hole section, the rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2 and all COA regulations).
 - b. Rig will utilize fresh water based mud to drill 17?? surface hole to TD. Solids control will be

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #377711 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION COM LP, sent to the Hobbs
Committed to AFMSS for processing by DEBORAH MCKINNEY on 06/02/2017 (17DLM1197SE)**

Name (Printed/Typed) REBECCA DEAL	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 06/01/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>TEUNGKU MUCHLIS KRJENG</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>06/16/2017</u>
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 <u>Hobbs</u>

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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Additional data for EC transaction #377711 that would not fit on the form

32. Additional remarks, continued

handled entirely on a closed loop basis.

2. The wellhead will be installed and tested once the 13-3/8" surface casing is cut off and the WOC time has been reached.

3. A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with a pressure gauge installed on the wellhead.

a. A means for intervention will be maintained while the drilling rig is not over the well.

4. Spudder rig operations is expected to take 8-10 days on a multi well pad.

5. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.

6. Drilling operations will be performed with the drilling rig. At that time an approved BOP stack will be nipped up and tested on the wellhead before drilling operations commences on each well.

a. The BLM will be contacted / notified 24 hours before the drilling rig moves back on to the pad with the pre-set surface casing.

7. Devon Energy will have supervision over the rig to ensure compliance with all BLM regulations and to oversee operations.

8. Once the rig is removed, Devon Energy will secure the wellhead area by placing a guard rail around the cellar area.

All previous CWA still apply