

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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 to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2

HOBBS OCD
OCT 20 2017
RECEIVED

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM100864
2. Name of Operator DEVON ENERGY PRODUCTION COM LP		6. If Indian, Allottee or Tribe Name
3a. Address 6488 SEVEN RIVERS HIGHWAY ARTESIA, NM 88211		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 405-228-8429		8. Well Name and No. RIO BLANCO 4 33 FED COM 1H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 4 T23S R34E SENW 2630FNL 300FWL		9. API Well No. 30-025-43244-00-X1
		10. Field and Pool or Exploratory Area GRAMA RIDGE
		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 Change to Original APD
	<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 recomplate 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 casing design from 3 string to 4 string design by adding an additional intermediate string.

Please see attached sundry docs.

All previous COAs still apply

14. I hereby certify that the foregoing is true and correct. Electronic Submission #384486 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION COM LP, sent to the Hobbs Committed to AFMSS for processing by CHRISTOPHER WALLS on 10/02/2017 (18CRW0004SE)	
Name (Printed/Typed) REBECCA DEAL	Title REGULATORY COMPLIANCE PROFESSI
Signature (Electronic Submission)	Date 08/14/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>CHARLES NIMMER</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>10/04/2017</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.

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Devon Energy, Rio Blanco 4-33 Fed Com 1H

1. Geologic Formations

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	2293		
Salado	2674		
Capitan Reef	3540		
Base of Salt	5126		
Delaware	5126		
Lwr Brushy	8252		
1st BSPG Lime	8433		
LNRD A	8611		
LNRD A Target	8767		
LNRD A Target Base	8837		

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

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2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight (lbs)	Grade	Conn	SF Collapse	SF Burst	SF Tension
	From	To							
26"	0	1,600'	20"	106.5	J-55	BTC	1.125	1.00	1.8
	1,600'	2,318'	20"	133	K-55	BTC	1.125	1.00	1.8
17.5"	0	3,500'	13.375"	68	J-55	BTC	1.125	1.00	1.8
12.25"	0	5,100'	9.625"	40	J-55	BTC	1.125	1.00	1.8
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?	

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3. Cementing Program

Casing	# Sks	Wt. lb/gal	H ₂ O gal/sk	Yld ft ³ /sack	500# Comp. Strength (hours)	Slurry Description
20" Surface	3185	13.7	8.89	1.73	7	Lead: Class C Cement + 2% Bentonite + 5lb/sk Salt
	1135	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
13.375" Inter.	1480	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	690	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
13.375" Inter. Two Stage	1020	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	390	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
	DV Tool = 2368ft					
	915	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
9.625" Inter.	840	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	355	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
9.625" Inter. Two Stage	575	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	145	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake
	DV Tool = 3550ft					
	290	12.9	9.81	1.87	14	Lead: (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake
	180	14.8	6.32	1.33	6	Tail: Class C Cement + 0.125 lbs/sack Poly-E-Flake

DV tool 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
20" Surface	0ft	100%
13.375" Intermediate	0ft	75%
13.375" Intermediate (Two Stage)	1 st Stage = 2368ft / 2 nd Stage = 0ft	75%
9.625" Intermediate	0ft	50%
9.625" Intermediate (Two Stage)	1 st Stage = 3550ft / 2 nd Stage = 0ft	50%

4. Pressure Control Equipment

N	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.
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BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
17-1/2"	21-1/4"	2M	Annular	x	50% of working pressure 2M
			Blind Ram		
			Pipe Ram		
			Double Ram		
			Other*		
12-1/4"	13-5/8"	3M	Annular	x	50% testing pressure 3M
			Blind Ram		
			Pipe Ram		
			Double Ram	x	
			Other*		
8-3/4"	13-5/8"	3M	Annular	x	50% testing pressure 3M
			Blind Ram		
			Pipe Ram		
			Double Ram	x	
			Other*		

*Specify if additional ram is utilized.

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5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	2,318'	FW Gel	8.6-8.8	28-34	N/C
2,318'	3,500'	Saturated Brine	10.0-10.2	28-34	N/C
3,500'	5,100'	Cut brine/brine	8.8-10	28-34	N/C

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
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