Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD
JUN 10 2019
RECEIVED

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

5. Lease Serial No.
NMNM100864

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

8. Well Name and No.
RIO BLANCO 33 FED 2

2. Name of Operator
DEVON ENERGY PRODUCTION COM LP
Contact: REBECCA DEAL
E-Mail: Rebecca.Deal@dvn.com

9. API Well No.
30-025-36360-00-S1

3a. Address
P O BOX 250
ARTESIA, NM 88201

3b. Phone No. (include area code)
Ph: 405-228-8429

10. Field and Pool or Exploratory Area
BELL LAKE
SWD

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 33 T22S R34E SENW 1980FNL 1980FWL

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			
☒ Notice of Intent	☐ Acidize	☒ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 Production Co. respectfully requests approval of procedure to deepen the Rio Blanco 33 Fed SWD 2. Proposed procedure as follows:

MIRU WSU & TOH INJECTION STRING
1) Hold PJSM; Record SITP & SICP; MIRU WSU & support equipment.
2) ND tree; NU 7-1/16? 10K BOPE with annular, tbg rams, blind rams; PTEST BOPE according to Devon protocol.
3) Release PCKR & TOH laying down lined injection tbg, On/Off tool, & PCKR.
4) RIH kill string; RDMO WSU & equipment for deepening rig.

MIRU DEEPENING RIG, D/O OPEN HOLE, & ACID TREAT FORMATION
1) Prep pad & existing facility equipment according to deepening rig

Carlsbad Field Office
OCD Hobbs

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

Electronic Submission #464177 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION COM LP, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 05/06/2019 (19PP1773SE)

Name *(Printed/Typed)* REBECCA DEAL — Title REGULATORY COMPLIANCE PROFESSI

Signature (Electronic Submission) — Date 05/06/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LONG VO — Title PETROLEUM ENGINEER — Date 05/09/2019

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 Hobbs

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 ****

Additional data for EC transaction #464177 that would not fit on the form

32. Additional remarks, continued

footprint.
2) Hold PJSM; Record SITP & SICP; MIRU deepening rig & support equipment.
3) NU 7-1/16? 10K BOPE with annular, pipe rams, blind rams; PTEST BOPE according to Devon protocol.
4) MU 3-7/8? D/O BHA; TIH to 5? CSG Shoe.
5) C/O existing OH interval; proceed deepening OH to top of Montoya @ 16,148 ftKB.
6) CIRC hole clean; TOH laying down D/O string & BHA.
7) RIH kill string; RDMO deepening rig & equipment for WSU.

MIRU WSU & TIH INJECTION STRING
1) Hold PJSM; Record SITP & SICP; MIRU WSU & support equipment.
2) NU 7-1/16? 10K BOPE with annular, tbg rams, blind rams; PTEST BOPE according to Devon protocol.
3) MU injection BHA:
-2-7/8? tail pipe w/ XN Nipple
-5? x 2-7/8? Arrowset AS1-X 10K Injection Packer (internal Ni coated), On/Off Tool, Stinger.
-RIH w/ ~2,950? 2-7/8? 6.5# L-80 lined injection string.
-RIH with ~11,556? 4-1/2? 12.6# P-110 line injection string & set PCKR @ ~14,499?. *Per NMOCD, packer must be set within 100? of injection zone (Csg Shoe @ 14,570?). Move packer set depth deeper or shallower to avoid previous packer slip set points while staying below 14,470?.
4) MIRU pumping services; acid treat well with 20,000 gal 15% HCl; RDMO pumping services.
5) Release On/Off tool, CIRC backside with PCKR fluid, latch On/Off tool.
6) Space out, land injection string, & NU WH.
7) RDMO WSU & related equipment.

Please see attached proposed procedure and current and proposed wellbore schematic.

PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	**Devon Energy Production Company LP**
LEASE NO.:	**NMNM100864**
WELL NAME & NO.:	Rio Blanco 33 Federal 2
SURFACE HOLE FOOTAGE:	1980'/S & 1980'/E
BOTTOM HOLE FOOTAGE	1980'/S & 1980'/E
LOCATION:	Section 33, T.22 S., R.34 E., NMPM
COUNTY:	Lea County, New Mexico

COA

H2S	☐ Yes	◉ No	
Potash	◉ None	☐ Secretary	☐ R-111-P
Cave/Karst Potential	◉ Low	☐ Medium	☐ High
Variance	☐ None	◉ Flex Hose	☐ Other
Wellhead	☐ Conventional	☐ Multibowl	◉ Both
Other	☐ 4 String Area	☑ Capitan Reef	☐ WIPP
Other	☐ Fluid Filled	☐ Cement Squeeze	☐ Pilot Hole
Special Requirements	☑ Water Disposal	☑ COM	☐ Unit

All Previous COAs Still Apply.

A. PRESSURE CONTROL

1.

a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the liner casing shoe shall be **10,000 (10M)** psi.

B. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

C. SPECIAL REQUIREMENT (S)

WELL COMPLETION

The operator shall supply the BLM with a copy of a mudlog over the permitted disposal interval and estimated insitu water salinity based on open-hole logs. If hydrocarbon shows occur while drilling, the operator shall notify the BLM.

The operator shall provide to the BLM a summary of formation depth picks based on mudlog and geophysical logs along with a copy of the mudlog and open hole logs from TD to top of Devonian

A NOI sundry with the completion procedure for this well shall be submitted and approved prior to commencing completion work. The procedure will be reviewed to verify that the completion proposal will allow the operator to:

1. **Properly evaluate the injection zone utilizing open hole logs, swab testing and/or any other method to confirm that hydrocarbons cannot be produced in paying quantities. This evaluation shall be reviewed by the BLM prior to injection commencing.**
2. **Restrict the injection fluid to the approved formation.**
3. **If a step rate test will be run an NOI sundry shall be submitted to the BLM for approval**

If off-lease water will be disposed in this well, the operator shall provide proof of right-of-way approval.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

a. Spudding well (minimum of 24 hours)
b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
c. BOPE tests (minimum of 4 hours)

☒ Chaves and Roosevelt Counties
Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
During office hours call (575) 627-0272.
After office hours call (575)

☒ Eddy County
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

☒ Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

   a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
   b. When the operator proposes to set surface casing with Spudder Rig
      - Notify the BLM when moving in and removing the Spudder Rig.
      - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
      - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.

2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:

    a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
    b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
    c. Manufacturer representative shall install the test plug for the initial BOP test.
    d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
    e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.

c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.

e. The results of the test shall be reported to the appropriate BLM office.

f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.

g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test

does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

B. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

C. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

devon

Rio Blanco 33 Fed 2 SWD – Wellbore Deepening

5/3/2019

WELL NAME: Rio Blanco 33 Fed 2 SWD

API: 30-025-36360

WBS:

Lea County, NM

Contact: Clifton Harlin

405-549-6574

WELLBORE DATA

**Tubing & packer data available in "Current Wellbore Schematic" at bottom of procedure – "Proposed Wellbore Schematic" included as well.*

Rio Blanco 33-2 - KBEL: 3,429'; GL: 3,406'; KB: 23'

Size	Weight	Grade	Interval	Collapse	Burst	Drift	Capacity
9-5/8"	40	P-110	0-3,121'	-	-	-	-
7"	26	P-110	0-11,977'	6,210	9,960	6.151"	0.0383
5"	23.2	T-95	11,646-14,570'	16,430	12,840	3.919"	0.0159
3-7/8"	OH	OH	14,570'-14,660'	N/A	N/A	N/A	0.0146

IMPORTANT NOTES

1) The existing 3-7/8" Open Hole interval will be deepened to the top of the Montoya formation at 16,148 ftKB.

2) The existing injection string has been run with lined injection string, On/Off tool, & retrievable packer.

3) This well currently injects into 90' open hole into Devonian formation.

4) The existing injection string is made up of 3-1/2", 2-7/8", & 2-3/8" pipe. The proposed injection string will be made up of 4-1/2" & 2-7/8" pipe – ensure appropriate elevators and BOP rams are readily available prior to TOH.

RELEVANT CONCERNS

1) NMOCD tubing pressure limit is [redacted] at surface. If this pressure is exceeded during workover operations, take measures to ensure injection pressure will remain below permitted value before resuming disposal (10 ppg brine may be necessary to stay below pressure limitations).

2) Following well work, tank water levels will need to be high enough to resume injection post-job – we will need to resume injection after completing the state witnessed MIT.

3) NMOCD regulation states that the packer may be set no shallower than 14,470'.

PROCEDURE

SAFETY: All personnel will wear hard hats, safety glasses with side shields, steel toed boots, H_2S monitor and fire-retardant clothing while on location. Any personnel arriving on location after the pre-job safety meeting will check in with the Devon PIC and review hazards before proceeding. All personnel have the obligation and full authority to stop the job if any action may be perceived as harmful to people or the environment.

MIRU WSU & TOH INJECTION STRING

1) Hold PJSM; Record SITP & SICP; MIRU WSU & support equipment.

2) ND tree; NU 7-1/16" 10K BOPE with annular, tbg rams, blind rams; PTEST BOPE according to Devon protocol.

3) Release PCKR & TOH laying down lined injection tbg, On/Off tool, & PCKR.

4) RIH kill string; RDMO WSU & equipment for deepening rig.

MIRU DEEPENING RIG, D/O OPEN HOLE, & ACID TREAT FORMATION

1) Prep pad & existing facility equipment according to deepening rig footprint.

2) Hold PJSM; Record SITP & SICP; MIRU deepening rig & support equipment.

3) NU 7-1/16" 10K BOPE with annular, pipe rams, blind rams; PTEST BOPE according to Devon protocol.

4) MU 3-7/8" D/O BHA; TIH to 5" CSG Shoe.

5) C/O existing OH interval; proceed deepening OH to top of Montoya @ 16,148 ftKB.

6) CIRC hole clean; TOH laying down D/O string & BHA.

7) RIH kill string; RDMO deepening rig & equipment for WSU.

MIRU WSU & TIH INJECTION STRING

1) Hold PJSM; Record SITP & SICP; MIRU WSU & support equipment.

2) NU 7-1/16" 10K BOPE with annular, tbg rams, blind rams; PTEST BOPE according to Devon protocol.

3) MU injection BHA:

-2-7/8" tail pipe w/ XN Nipple

-5" x 2-7/8" Arrowset AS1-X 10K Injection Packer (internal Ni coated), On/Off Tool, Stinger.

-RIH w/ ~2,950' 2-7/8" 6.5# L-80 lined injection string.

-RIH with ~11,556' 4-1/2" 12.6# P-110 line injection string & set PCKR @ ~14,499'.

Per NMOCD, packer must be set within 100' of injection zone (Csg Shoe @ 14,570'). Move packer set depth deeper or shallower to avoid previous packer slip set points **while staying below 14,470'.*

4) MIRU pumping services; acid treat well with 20,000 gal 15% HCl; RDMO pumping services.

5) Release On/Off tool, CIRC backside with PCKR fluid, latch On/Off tool.

6) Space out, land injection string, & NU WH.

7) RDMO WSU & related equipment.

PERFORM MIT W/ REGULATORY REPRESENTATIVES

1) Notify & set up NMOCD & BLM for official MIT with chart recorder. Once MIT is approved & NMOCD OK's injection, initiate disposal into Devonian. **Do not exceed max pressure of 2,914 psi per NMOCD.**

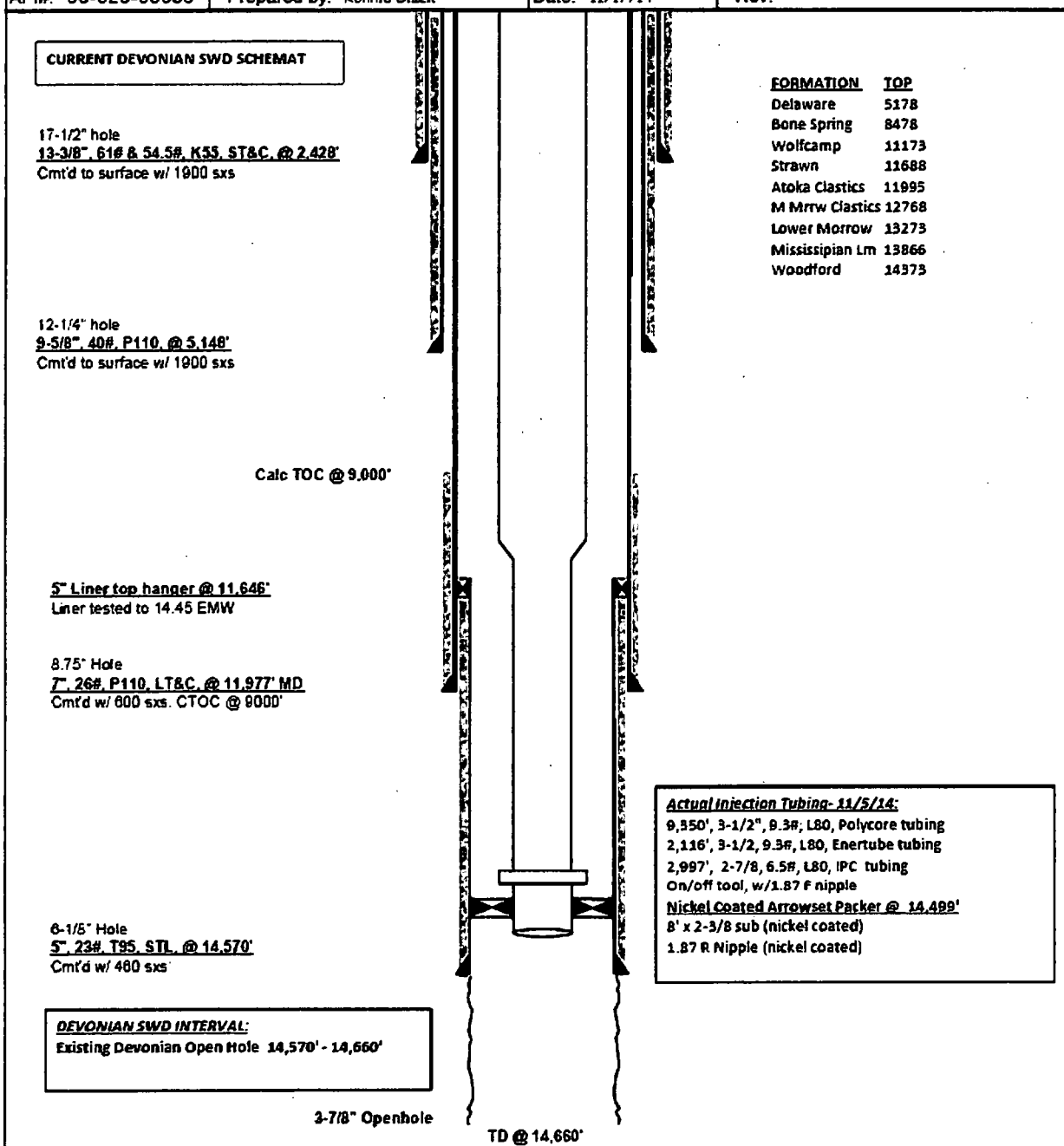
**Any future slickline tools will require a smooth surface to prevent tbg coating damage.*

***Per NMOCD, any unseating of injection packer will require an additional witnessed MIT prior to commencing injection.*

2) TOTP - Resume Injection.

CURRENT WELLBORE SCHEMATIC

DEVON ENERGY PRODUCTION COMPANY LP			
Well Name: RIO BLANCO 33 FED 2		Field: NE BELL LAKE; DEVONIAN	
Location: 1980' FNL & 1980' FWL; SEC 33-T22S-R34E		County: LEA	State: NM
Elevation: 3429' KB; 3406' GL; 23' KB-GL		Spud Date: 5/2/04	Compl Date: 8/6/04
API#: 30-025-36360	Prepared by: Ronnie Slack	Date: 11/17/14	Rev:



PROPOSED WELLBORE SCHEMATIC

DEVON ENERGY PRODUCTION COMPANY LP			
Well Name: RIO BLANCO 33 FED 2		Field: NE BELL LAKE; DEVONIAN	
Location: 1980' FNL & 1980' FWL; SEC 33-T22S-R34E		County: LEA	State: NM
Elevation: 3429' KB; 3406' GL; 23' KB-GL		Spud Date: 5/2/04	Compl Date: 8/6/04
API#: 30-025-36360	Prepared by: Clifton Harlin	Date: 11/17/14	Rev: 4/18/19

PROPOSED DEVONIAN SWD SCHEMAT

17-1/2" hole
13-3/8", 61# & 54.5#, K55, ST&C, @ 2,428'
Cmt'd to surface w/ 1900 sxs

12-1/4" hole
9-5/8", 40#, P110, @ 5,148'
Cmt'd to surface w/ 1900 sxs

Calc TOC @ 9,000'

5" Liner top hanger @ 11,646'
Liner tested to 14.45 EMW

8.75" Hole
7", 26#, P110, LT&C, @ 11,977' MD
Cmt'd w/ 600 sxs. CTOC @ 9000'

6-1/8" Hole
5", 23#, T95, STL, @ 14,570'
Cmt'd w/ 480 sxs

PROPOSED INJECTION INTERVAL:
Devonian, Silurian, Fusselman Open Hole 14,570' - 16,148'

3-7/8" Openhole

TD @ 16,148'

FORMATION	TOP
Delaware	5178
Bone Spring	8478
Wolfcamp	11175
Strawn	11688
Atoka Clastics	11995
M Mrrw Clastics	12768
Lower Morrow	13273
Mississipian Lm	13866
Woodford	14373
Devonian	14572

Proposed Injection Tubing:
11,466', 4-1/2, 11.6#, P-110, IPC tubing
2,997', 2-7/8, 6.5#, L80, IPC tubing
On/off tool, w/1.87 F nipple
Nickel Coated Arrowset Packer @ 14,499'
8' x 2-3/8 sub (nickel coated)
1.87 R Nipple (nickel coated)
WLEG, EOT @ 14,508'