Form 3160-5
(June 2015)

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 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.
NMNM95642

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

HOBBS OCD
APR 11 2019
RECEIVED

8. Well Name and No.
GRUMPY CAT 15-22 FED COM 211H

2. Name of Operator
DEVON ENERGY PRODUCTION COMPAN

Contact: JENNIFER HARMS
Email: jennifer.harms@dvn.com

9. API Well No.
30-025-45730

3a. Address
333 WEST SHERIDAN AVENUE
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)
Ph: 405-552-6560

10. Field and Pool or Exploratory Area
SAND DUNES-BONE SPRING, SOUTH

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*

Sec 15 T23S R32E NWNW 476FNL 1204FWL
32.310600 N Lat, 103.667175 W Lon

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 to Original APD |
| | ☐ 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., L.P. (Devon) respectfully requests to have the option to move intermediate casing down to 8750 due to the close proximity of depletion from multiple active Delaware producers, primarily the Tomcat wells. The Tomcat wells have perforations varying from 6,960 to 8,570. Setting our intermediate string deeper will allow for us to case off potential loss zones. This will allow us to increase mud weight as necessary for well conditions in the production hole, allowing us to better handle any well control issues that may arise while drilling the lateral. This is a contingency plan based on final drilling results. Please see attachment. Thank you.

**Carlsbad Field Office**
**OCD Hobbs**

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

**Electronic Submission #458630 verified by the BLM Well Information System**
**For DEVON ENERGY PRODUCTION COMPAN, sent to the Hobbs**
**Committed to AFMSS for processing by PRISCILLA PEREZ on 03/20/2019 (19PP1387SE)**

Name *(Printed/Typed)* JENNIFER HARMS — Title REGULATORY COMPLIANCE ANALYST

Signature (Electronic Submission) — Date 03/20/2019

### THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LONG VO — Title PETROLEUM ENGINEER — Date 03/21/2019

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 ****

KZ

a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

b. Second stage above DV tool:

- Cement to surface. If cement does not circulate, contact the appropriate BLM office.
  **Cement excess is less than 25%, more cement might be required.**

# 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. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log.

3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.

4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

6. 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. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

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.

## Devon Energy, Grumpy Cat 15-22 Fed Com 211H

### 1. Geologic Formations

| | | | |
|---|---|---|---|
| TVD of target | 10,714' | Pilot hole depth | N/A |
| MD at TD: | 20,350' | Deepest expected fresh water: | |

## Basin

| Formation | Depth (TVD) from KB | Water/Mineral Bearing/ Target Zone? | Hazards* |
|---|---|---|---|
| Rustler | 1180 | | |
| Salado | 1595 | | |
| Delaware | 4850 | | |
| L.Brushy | 7025 | | |
| 1st BSPG Lime | 8720 | | |
| 1st BSPG Sand | 9885 | | |
| 2nd BSPG Lime | 10190 | | |
| 2nd BSPG Sand | 10495 | | |
| 2nd BSPG Target | 10640 | | |
| | | | |

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

## 2. Casing Program

ok

| Hole Size | Casing Interval | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|---|---|---|---|---|---|---|---|---|---|
| | From | To | | | | | | | |
| 12.25" | 0 | 4,500' | 9.625" | 40 | J-55 | BTC | 1.15 | 1.77 | 4.10 |
| | 4,500 | 8,750' | 9.625" | 40 | HCK-55 | BTC | 1.18 | 1.32 | 3.75 |
| | | | | BLM Minimum Safety Factor | | | 1.125 | 1.00 | 1.6 Dry<br>1.8 Wet |

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

- Not enough cement to surface

## 3. Mud Program

| Depth | | Type | Weight (ppg) | Viscosity | Water Loss |
|---|---|---|---|---|---|
| From | To | | | | |
| 1,200' | 8,750' | Cut/Saturated Brine | 9.4 -10.5 | 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 |

## 6. Logging and Testing Procedures

| Logging, Coring and Testing. | |
|---|---|
| x | Will run GR/CNL from TD 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 |
| | We plan to conduct whole cores through the Leonard Formation |

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