

OCD-HOBBS

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input type="checkbox"/> DRILL <input checked="" type="checkbox"/> REENTER		5. Lease Serial No. NMNM97151	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Devon Energy Production Company, LP		7. If Unit or CA Agreement, Name and No.	
3a. Address 20 North Broadway Oklahoma City, Oklahoma 73102-8260		8. Lease Name and Well No. Flagler Federal 1	
3b. Phone No. (include area code) 405-552-8198		9. API Well No. 30-025-30599	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 660 FNL & 1980 FWL; NE/NW At proposed prod. zone 660 FNL & 1980 FWL; NE/NW		10. Field and Pool or Exploratory Wolfcamp	
11. Sec., T. R. M. or Blk. and Survey or Area Sec 8 T25S R33E		12. County or Parish Lea County	
13. State NM		14. Distance in miles and direction from nearest town or post office Approximately 20 miles west of Jal, NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		16. No. of acres in lease 520 acres	
17. Spacing Unit dedicated to this well 240 acres		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	
19. Proposed Depth 16,400'		20. BLM/BIA Bond No. on file CO-1104	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3454' GL		22. Approximate date work will start* 07/15/2006	
23. Estimated duration 45 days		24. Attachments	

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Norvella Adams	Date 06/08/2006
Title Sr. Staff Engineering Technician		

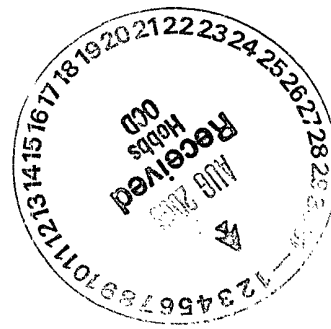
Approved by (Signature) /s/ Tony J. Herrell	Name (Printed/Typed) /s/ Tony J. Herrell	Date JUL 28 2006
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval 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.
Conditions of approval, if any, are attached.

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)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED



OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Artesia, NM 87410

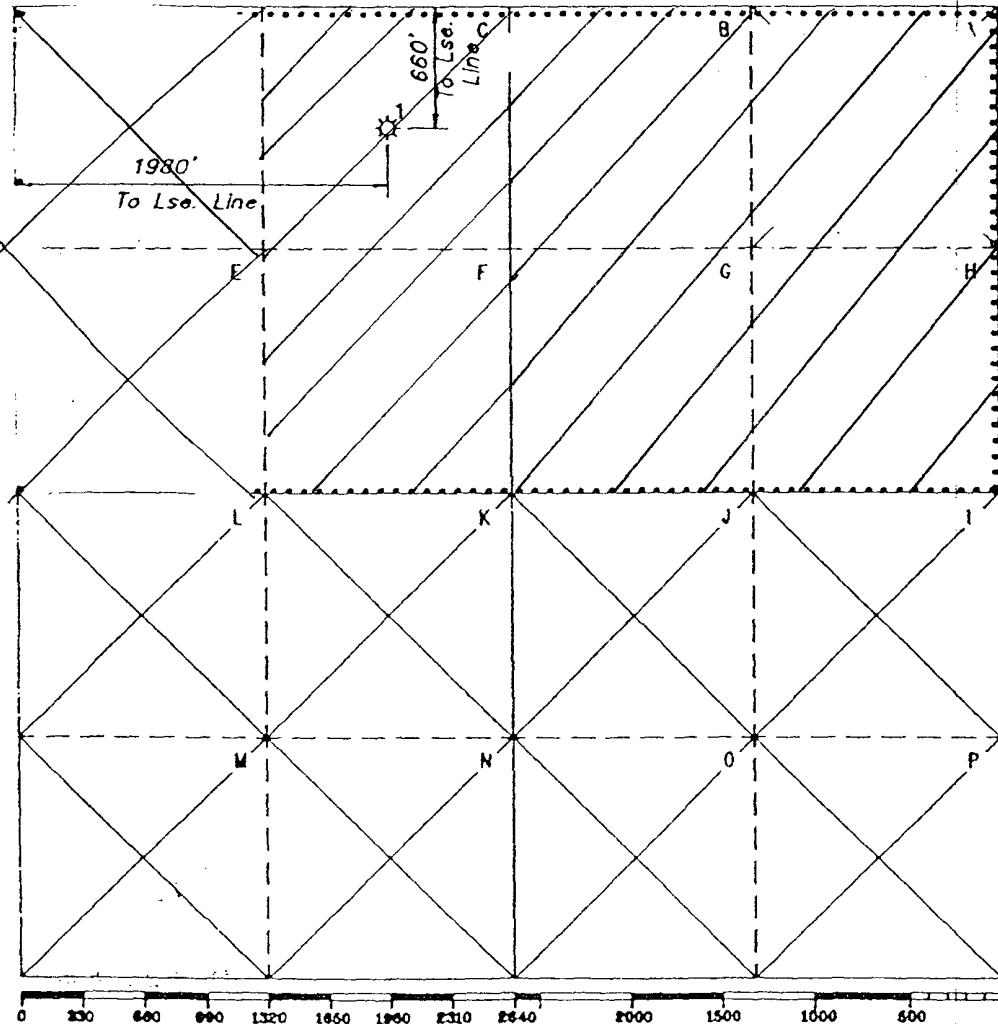
WELL LOCATION AND ACREAGE DEDICATION PLAT

OGRID # 6317

All distances must be from the outer boundaries of the Section.

Operator Devon Energy Production Company, LP			Lease FLAGLER FEDERAL		Well No. 1
Unit Letter C	Section 8	Township 25S	Range 33E	County NMPM	LEA
Actual Footage Location of Well 660 feet from the NORTH line and 1980 feet from the WEST line.					
Ground level Elev. 3454'	Producing Formation Wolfcamp		Pool		Dedicated Acreage: 240 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, forced-pooling, etc.?
☐ Yes ☐ No If answer is "yes", type of consolidation
If answer is "no", list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Norvella Adams
Position

Sr. Staff Eng. Tech.
Company

Devon Energy Production Co., LP
Date

June 9, 2006

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

3-13-89

Signature & Seal
Professional Surveyor

Michael
Certificate No.



23.5 Miles WEST of JAL, New Mexico.

C.E. File No. WA-10252

FLAGLER FED #1
WOLFCAMP REENTRY *1 DRILLING PLAN*

PROCEDURE

1. MIRU PU. NU WH & NU BOP. RIH w/7" bit & DC's & drill out surf plug & cmt plug from 500-670'. Test csg to 1000 psi. RIH & drill cmt & retainer @ 4950' to 5100'. Test csg to 1000 psi. RIH & drill cmt plug 6450-6550', 8900-9000', & cmt & CIBP 11,900-12,005'. RIH to 14,350'. Circ hole w/2% KCl & POOH w/tbg, DC's, & bit.
2. RU WL & RIH w/3 3/8" gun & perf Wolfcamp 1 SPF **13,700-14,200'**. RD WL.
3. RIH w/4 1/2" pkr, 2 3/8" P-110, & 3 1/2" P-110 tbg to 14,100'.
4. Spot 5 bbls 15% NEFe acid across perfs. PU to 13,600'. Acidize zone @ 3-5 BPM w/5,000 gal 15% NEFe acid dropping 60 ball sealers evenly spaced. SD 15 min & flow back acid.
5. RU swab & swab test zone. Evaluate for slickwater frac.
6. Set plug in pkr. Rel from on/off tool & POOH w/tbg laying down 3 1/2". RIH w/2 3/8" P-110 to pkr. Load annulus w/2% KCl w/pkr additives. Tie back into on/off tool. ND BOP & NU tree.
7. Swab FL down to 12,000'. Pull plug & swab if necessary.

EXXON MOBIL CORP

Well Name: FLAGLER FEDERAL #1

Field: WILDCAT

Location: 660' FNL & 1980' FWL; SEC 8-T25S-R33E

County: LEA

State: NM

Elevation: 3454' GL

Spud Date: 6/5/89

Compl Date:

API#: 30-025-30599

Prepared by: Ronnie Slack

Date: 6/8/06

Rev:

PROPOSED
Re-enter P&A Well. Complete in Wolfcamp

17-1/2" Hole
13-3/8", 68#, N80, @ 617'
Cmt'd w/675 Sx to surf

Sqz holes @ 670' (11/2/89)

Calc TOC @ 4728'
on 7" x 9-5/8" annulus

12-1/4" Hole
9-5/8", 40#, K55, LTC, @ 5035'
Cmt'd w/1700 Sx to surf

Sqz holes @ 5100' (11/1/89)

TOC @ 5720' (Temp Survey)

5" Liner Top @ 12579'

8-3/4" Hole
7", 32#, P110 & L80, @ 13132'
Cmt'd w/2120 Sx

Proposed Wolfcamp
13700'-14200'

ATOKA PERFS
14478' - 14490' (dry)

MORROW PERFS
15529' - 15575' (wet)

6" Hole
5", 23.2#, P110, Liner @ 16130'
Cmt'd w/375 Sx

Proposed: 2-3/8", P110, production tubing

50' cement on Pkr. PBD @ 14350' (10/28/89)
Guiberson Permanent Pkr @ 14400'

35' Cement on Pkr. PBD @ 15441' (9/16/89)
Guiberson Permanent Pkr @ 15476' (8/24/89)

TCP guns

TD @ 16135'

EXXON MOBIL CORP

Well Name: FLAGLER FEDERAL #1		Field: WILDCAT	
Location: 660' FNL & 1980' FWL; SEC 8-T25S-R33E		County: LEA	State: NM
Elevation: 3454' GL		Spud Date: 6/5/89	Compl Date: P&A 11/8/89
API#: 30-025-30599	Prepared by: Ronnie Slack	Date: 6/8/06	Rev:

CURRENT SCHEMATIC
Plugged & Abandoned 11/8/89

17-1/2" Hole
13-3/8", 68#, N80, @ 617'
Cmt'd w/675 Sx to surf

Sqz holes @ 670' (11/2/89)

Pumped 200 Sx down 7" casing and up
7" X 9-5/8" annulus--(11/2/89)

Calc TOC @ 4728'
on 7" x 9-5/8" annulus

12-1/4" Hole
9-5/8", 40#, K55, LTC, @ 5035'
Cmt'd w/1700 Sx to surf

Sqz holes @ 5100' (11/1/89)

TOC @ 5720' (Temp Survey)

10 Sx cement on top of retainer
Cement retainer @ 2460' (11/2/89)
450 Sx cmt pumped below retainer into perms @ 5100'

5" Liner Top @ 12579'

8-3/4" Hole
7", 32#, P110 & L80, @ 13132'
Cmt'd w/2120 Sx

25 Sx cement @ 6390-6550' (10/31/89)

25 Sx cement @ 8840-9000' (10/31/89)

25 Sx cement on top
CIBP @ 12000'

ATOKA PERFS
14478' - 14490' (dry)

50' cement on Pkr. PBD @ 14350' (10/28/89)
Guiberson Permanent Pkr @ 14400'

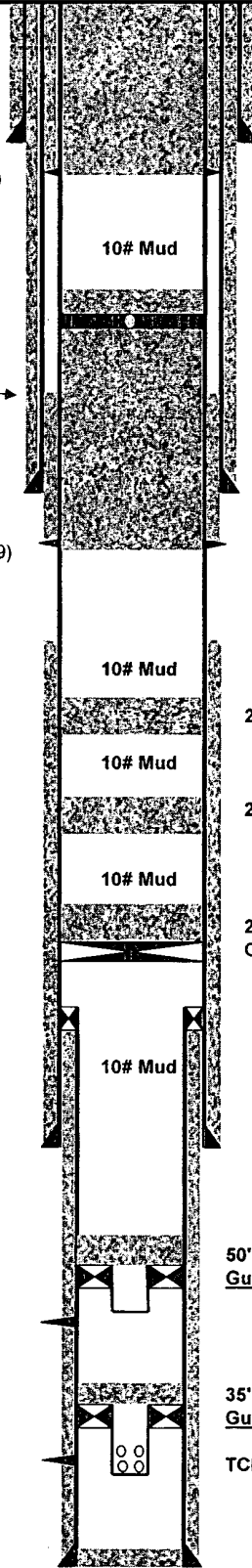
MORROW PERFS
15529' - 15575' (wet)

35' Cement on Pkr. PBD @ 15441' (9/16/89)
Guiberson Permanent Pkr @ 15476' (8/24/89)

TCP guns

6" Hole
5", 23.2#, P110, Liner @ 16130'
Cmt'd w/375 Sx

TD @ 16135'



CONDITIONS OF APPROVAL - DRILLING

Operator's Name: DEVON ENERGY PRODUCTION COMPANY, LP
Well Name & No. 1 – FLAGLER FEDERAL
Location: 660' FNL & 1980' FWL – SEC 8 – T25S – R33E – LEA COUNTY
Lease: NM-97151

I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Roswell Field Office, 2909 West Second St., Roswell NM 88201, (505) 627-0272 for wells in Chaves and Roosevelt Counties; the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 234-5909 or (505) 361-2822 (After hours) - for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

THIS IS A RE-ENTRY ON A PLUGGED WELL – CASING IS IN PLACE AS FOLLOWS: 13-3/8" csg set @ 617' – 9-5/8" csg set @ 5035' – 7" csg set @ 13132' – DRILL OUT PLUGS & PERF WOLFCAMP @ 13700'-14200'.

- A. Spudding
- B. BOP tests

2. 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.

3. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.

4. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

II. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 9-5/8 inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall 5000 psi.

The appropriate BLM office shall be notified in sufficient time for a representative to witness the tests.

- The tests shall be done by an independent service company.
- The results of the test shall be reported to the appropriate BLM office.
- Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
- Testing must be done in a safe workman-like manner. Hard line connections shall be required.
- BOPE must be tested prior to drilling into the Wolfcamp Formation by an independent service company.

IV. 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. Monitoring equipment shall consist of the following:

1. Recording pit level indicator to indicate volume gains and losses.
2. Mud measuring device for accurately determining the mud volumes necessary to fill the hole during trips.
3. Flow-sensor on the flow line to warn of abnormal mud returns from the well.

Mull, Donna, EMNRD

From: Adams, Norvella [Norvella.Adams@dvn.com]
To: Mull, Donna, EMNRD
Cc:
Subject: RE: Pit for C-144
Attachments:

Sent: Wed 8/2/2006 9:02 AM

Donna,
We will not be using a pit. We will be do the reentry using a workover rig. The same is true for the reentry of the Federal BM-1.

Thanks,
Norvella

From: Mull, Donna, EMNRD [mailto:donna.mull@state.nm.us]
Sent: Wednesday, August 02, 2006 8:44 AM
To: Adams, Norvella
Subject: Pit for C-144

Norvella, OCD has received the Federal Intent to drill Flagler Federal #1, but we do not have the Pit information. Please send the form C-144 "Pit Registration" for this well. Thanks and have a nice day. Donna

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