

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-34782
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Hackberry 31 State
8. Well Number 2
9. OGRID Number 6137
10. Pool name or Wildcat Sheep Draw; Morrow (Gas)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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

2. Name of Operator
Devon Energy Production Company, LP

3. Address of Operator
20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-7802

4. Well Location

Unit Letter P : 920 feet from the South line and 1310 feet from the East line
Section 31 Township 22S Range 26E NMPM Eddy County, NM

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3381'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Drilling Operations 09/29/06 ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Production Co., LP spud this well on 04/22/06 and is continuing drilling operations to meet our lease expiration date of 5/31/06: (September 9th, 2006)

09/29/06 MIRU rat hole - drill 12 1/4" hole from 32' - 34'. Rig dwn & mv out rat hole machine.

September 29th, 2006 Drilling Report is attached.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE _____ TITLE Sr. Staff Engineering Technician DATE 10/02/06

Type or print name Stephanie A. Ysasaga E-mail address: Stephanie.Ysasaga@dv.com Telephone No. (405) 552-7802

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____ TITLE _____ DATE OCT 03 2006

Conditions of Approval (if any):

DATE: 9/29/2006

DISTRICT: PERMIAN BASIN
LOCATION: SEC. 31-22S-26E
PROJECT: PB NEW MEXICO
FIELD: HAPPY VALLEY
COUNTY: EDDY
STATE: NM

TIGHT GROUP: UNRESTRICTED
LAT-LONG: 32.344 N - 104.328 W
KB ELEV: 3,381.00
WI: 100.00000
API: 30-015-34782

REPORT NO:	10	SPUD DATE:	
FORMATION:			
LITHOLOGY:			
DEPTH:	34	DSS:	10.00
RIG NM / NO:		FOOTAGE:	2
RIG PH #:			/

PROP. #: 022858-020
AUTH TVD: 11,675 (ft)
AUTH TMD: 11,675 (ft)

AFE #: 126323

AFE DRLG COST:	15,000	AFE COMP COST:	0	AFE TOTAL COST:	15,000
DAILY DRLG COST:	1,500	DAILY COMP COST:	0	DAILY TOTAL COST:	1,500
CUM DRLG COST:	15,000	CUM COMP COST:	0	CUM TOTAL COST:	15,000

BIT #	SERIAL #	TYPE	SIZE	IADC Code	FROM	TO	FEET	HRS	ROP	J1-5	WOB	RPM	I	O	D	L	B	G	O	R
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NO BIT DATA TODAY

MUD PROPERTIES		MUD USED		HYDRAULICS		
Time:	Solids:	Mud Additive	Used	PUMP #1	PUMP #2	PUMP #3
MW:	Oil:			Liner Size:		
VISC:	10 sec Gel:			Lngth Strk:		
pH:	10 min Gel:			SPM:		
Chl:	CA:			GPM:		
WL:	Pm:			PSI:		
HTHP:	Pf:			AV (DP): AV (DC):		
FC:	Ex Lime:			PSI Drop: HP/ln2:		
PV:	Elec Stab:			SLOW PUMP RATES		
YP:	MBT:			PUMP #1 psi @		
LCM:	LGS:	PUMP #2 psi @				

Daily Mud Lost to Hole:	bbls	Daily / Cum Mud Cost:	\$ /	
Cum Mud Lost to Hole:	0.0 bbls	Conn Gas:	Trip Gas:	Bkgrd Gas:

SURVEYS (Sidetrack: OH)							
MD	Angle	TVD	Dir	V Sect	+N/-S	+E/-W	D L

BHA #:			
Qty	Description	OD	Length

Total BHA Length:

Rotating String Wt:

BHA Hr Last Insp:

String Wt Up:

String Wt Down:

LAST CASING / BOP / NEXT CASING

Depth: 0	FIT:	Size:	Wt:	Grade:	Connection:	Next Casing: @
Last BOP Test Date:		Accident:		Loss Control Inc:	24 Hr Forecast:	DRILL ADDITIONAL FOOTAGE IN APPROX. 21

From	To	Hrs	Prob?	Activity Last 24 Hours
06:00	06:00	24.00	NO	RIG UP BUTCH'S RAT HOLE MACHINE - DRILL 12 1/4" HOLE F/ 32' TO 34' - RIG DOWN RAT HOLE MACHINE

COSTS SUMMARY		
Code	Description	Costs
206-019	RAT HOLE MACHINE	1,500.00

FOREMAN: BOB RANDOLPH

Total Daily Cost:	1,500
Cumulative Cost to Date:	15,000