

UNITED STATES N.M. Oil Cons. DIV-Dist. 2
DEPARTMENT OF THE INTERIOR 1301 W. Grand Avenue
BUREAU OF LAND MANAGEMENT Artesia, NM 88210

Form approved
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. TYPE OF WORK: ☒ DRILL ☐ REENTER

b. TYPE OF WELL: ☒ OIL WELL ☐ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE

2. NAME OF OPERATOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

3a. ADDRESS AND TELEPHONE NO.

20 NORTH BROADWAY, SUITE 1500, OKC, OK 73102

3b. TELEPHONE (Include area code).

(405) 228-7512

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2360' FNL & 1980' FWL

At top proposed prod. zone 1945' FNL & 1980' FWL

R-111-POTASH RECEIVED

MAY 17 2004

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 46 miles west from Jal New Mexico

SUBJECT TO LIKE

APPROVAL BY STATE

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

1980

(Also to nearest drlg. unit line if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3350 GR

16. NO. OF ACRES IN LEASE

560

19. PROPOSED DEPTH

7860

22. APPROX. DATE WORK WILL START*

May 1, 2004

5. LEASE DESIGNATION AND SERIAL NO.

NMNM89052

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Apache 25 Federal #13

9. API WELL NO.

30-015-33440

10. FIELD AND POOL, OR WILDCAT

Quhada Ridge SE; Delaware

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec 25 T22S R30E, Unit F

12. COUNTY OR PARISH

Eddy

13. STATE

NM

17. Spacing Unit dedicated to this well

40

20. BLM/BIA Bond No. on file

CO1104

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.
2. A Drilling Plan.
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).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

CARLSBAD CONTROLLED WATER BASIN

Drilling Program

Surface Use and Operating Plan

Exhibit #1 = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibit #3 = Road Map and Topo Map

Exhibit #4 = Production Facilities Plat

Exhibit #5 = Rotary Rig Layout

Exhibit #6 = Casing Design

H₂S Operating Plan

Archeological clearance report

Witness Surface and Intermediate

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described above

Bond Coverage: Nationwide
BLM Bond #: CO-1104

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

15. Signature *Karen Cotton* Name (Printed/Typed) KAREN COTTOM Date 3/24/04

Title SR. OPERATIONS TECHNICIAN

Approved by (signature) /s/ Carsten F. Goff Name (Printed/Typed) /s/ Carsten F. Goff Date 11 MAY 2004

Title FOR STATE DIRECTOR

Office NM STATE 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.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001, makes 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

Devon Energy Production Company, L.P., proposes to drill this well per the approved Master Drilling and Surface Use Plan for the Quahada Ridge, SE Field, Delaware Formation to 7860' for commercial quantities of oil and gas. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations.

For directions to locations please see the Well Pad Topo map attached.

Approximately 821' of access road will be required. Archeological surveys have been requested.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

18 May 2004

Devon Energy Production Co. LP
P.O. Box 250
Artesia, New Mexico 88210

RE: **Pit Permit Required** -

Apache 25 Federal # 8	1945 FNL' & 1980' FEL	Unit G SEC-25 T-22S R-30E
Apache 25 Federal # 13	1945 FNL' & 1980' FWL	Unit F SEC-25 T-22S R-30E

The Oil Conservation Division of Artesia is in receipt of your application to drill. Construction of a pit(s) for the purpose of drilling may not commence until the requirements of O.C.D. Rule 19.15.2.50 (Pit and Below-Grade Tanks) are satisfied.

If I may be of any assistance, please feel free to call. (505) 748-1283 ext. 109.

Sincerely,

A handwritten signature in dark ink, appearing to be "Van Barton".

Van Barton

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
March 12, 2004
For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Devon Energy Production Company, LP Telephone: (405) 228-8209 e-mail address: linda.guthrie@dvn.com
Address: 20 N Broadway, Suite 1500 Oklahoma City, OK 73102-8260
Facility or well name: Apache 25 Fed # 13 API #: _____ U/L or Qtr/Qtr F Sec 25 T 22S R 30E
County: Eddy Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 20 mil Clay ☐ Volume _____ bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not. _____

RECEIVED

MAY 20 2004

000-ARTESIA

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

(20 points)

No

(0 points)

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more

(0 points)

Ranking Score (Total Points)

0

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described 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 ☐.

Date: 5/17/04

Printed Name/Title Linda Guthrie Regulatory Specialist

Signature

Linda Guthrie

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: 6-1-04

Printed Name/Title

Signature

[Signature]

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

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

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY, LP.

3. Address and Telephone No.
20 NORTH BROADWAY, SUITE 1100, OKLAHOMA CITY, OKLAHOMA 73102 (405) 2287512

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 25, T22S R30E

5. Lease Designation and Serial No.
NMNM89052

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
see below

9. API Well No.

10. Field and Pool, or Exploratory Area
Quahada Ridge SE, Delaware

11. County or Parish, State
Eddy, NM

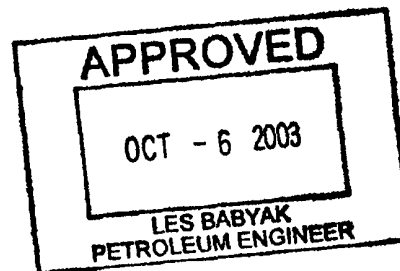
CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Add section to MDSUP	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Devon Energy Production Company, LP request approval to add Lease Number NMNM89052 (W2, NE4, S2/SE4) Sec 25 T22S R30E to the approved Delaware Formation Master Drilling and Surface use plan for the Apache wells.



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

Signed Karen A. Cottom
(This space for Federal or State office use)

Karen A. Cottom
Title Operations Technician

Date September 23, 2003

Approved by _____
Conditions of approval, if any:

Title _____ Date _____

Title 18 U.S.C. Section 1001, makes 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 to any matter within its jurisdiction.

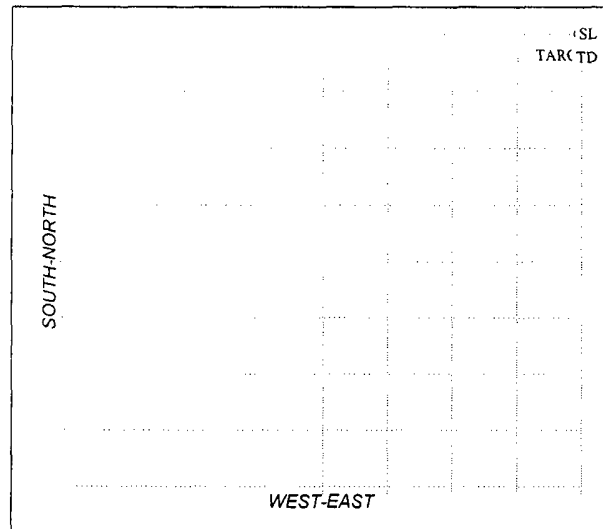
*See Instruction on Reverse Side

Directional Well Planner
Ramp-Shaped Well

FILE: build and hold.XLS

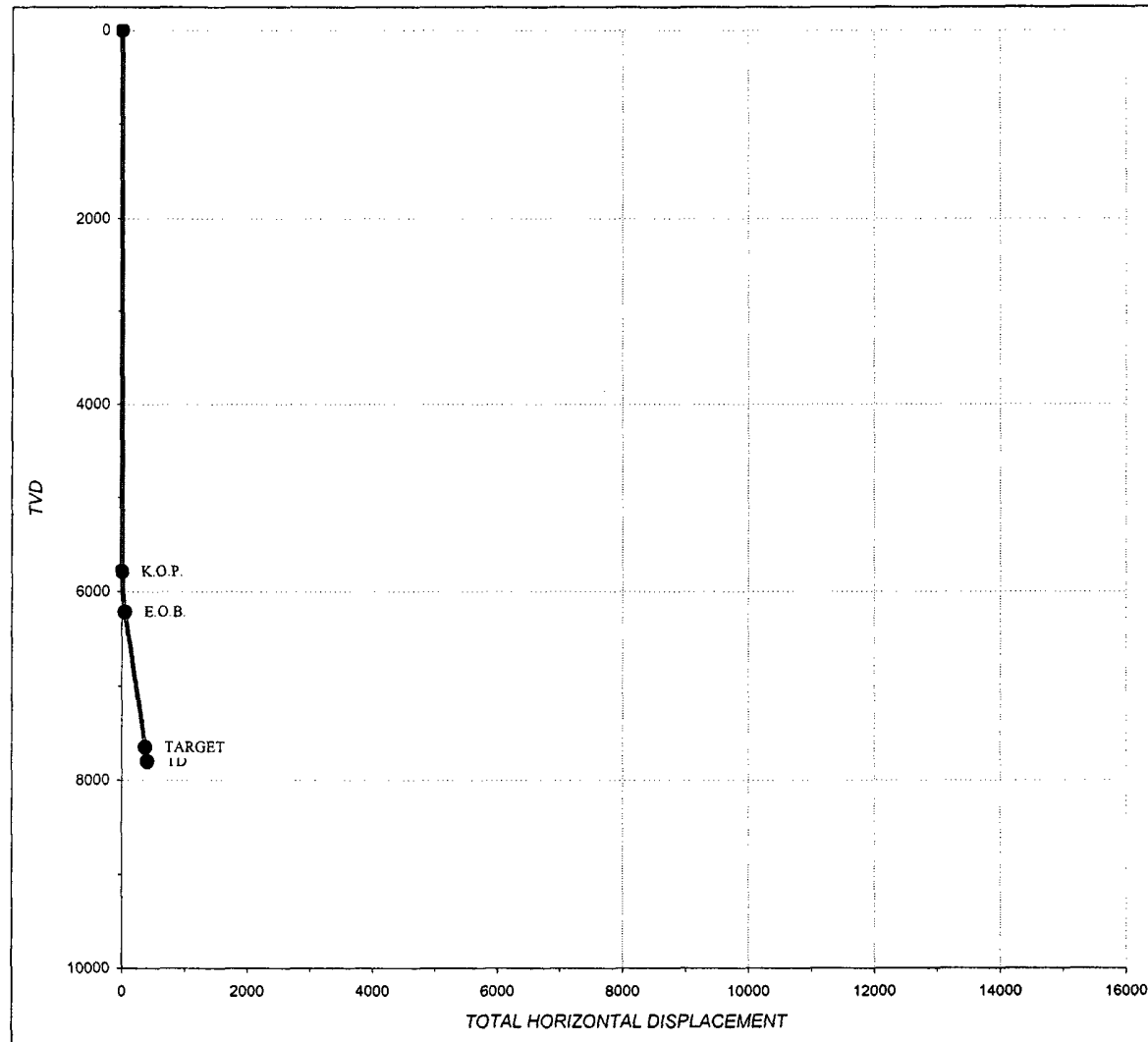
devon
Apache 25 Fed #13
Quahada Ridge (Delaware)
2360' FNL & 1980' FWL, Sec 25, T22S, R30E

devon



Design Data	MD	TVD	Total Disp.	
Kick Off Point	5,786	5,786	0	Azimuth: S 0° W
End of Build	6,220	6,216	49	Build Rate (Deg/100'): 3.00°
TD	7,845	7,800	415	Ramp Angle (Deg): 13.00°

Locations & Targets	MD	TVD	Distance	Distance	Block No.
Surface	0	0			
Target	7,691	7,650			
BHL	7,845	7,800			
ZONE OF INTEREST	6,511	6,500			



DISTRICT I
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 50443	Pool Name QUAHADA RIDGE SOUTHEAST DELAWARE
Property Code	Property Name APACHE "25" FEDERAL	Well Number 13
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY LP	Elevation 3350'

Surface Location

UL or lot No. F	Section 25	Township 22 S	Range 30 E	Lot Idn	Feet from the 2360	North/South line NORTH	Feet from the 1980	East/West line WEST	County EDDY
--------------------	---------------	------------------	---------------	---------	-----------------------	---------------------------	-----------------------	------------------------	----------------

Bottom Hole Location If Different From Surface

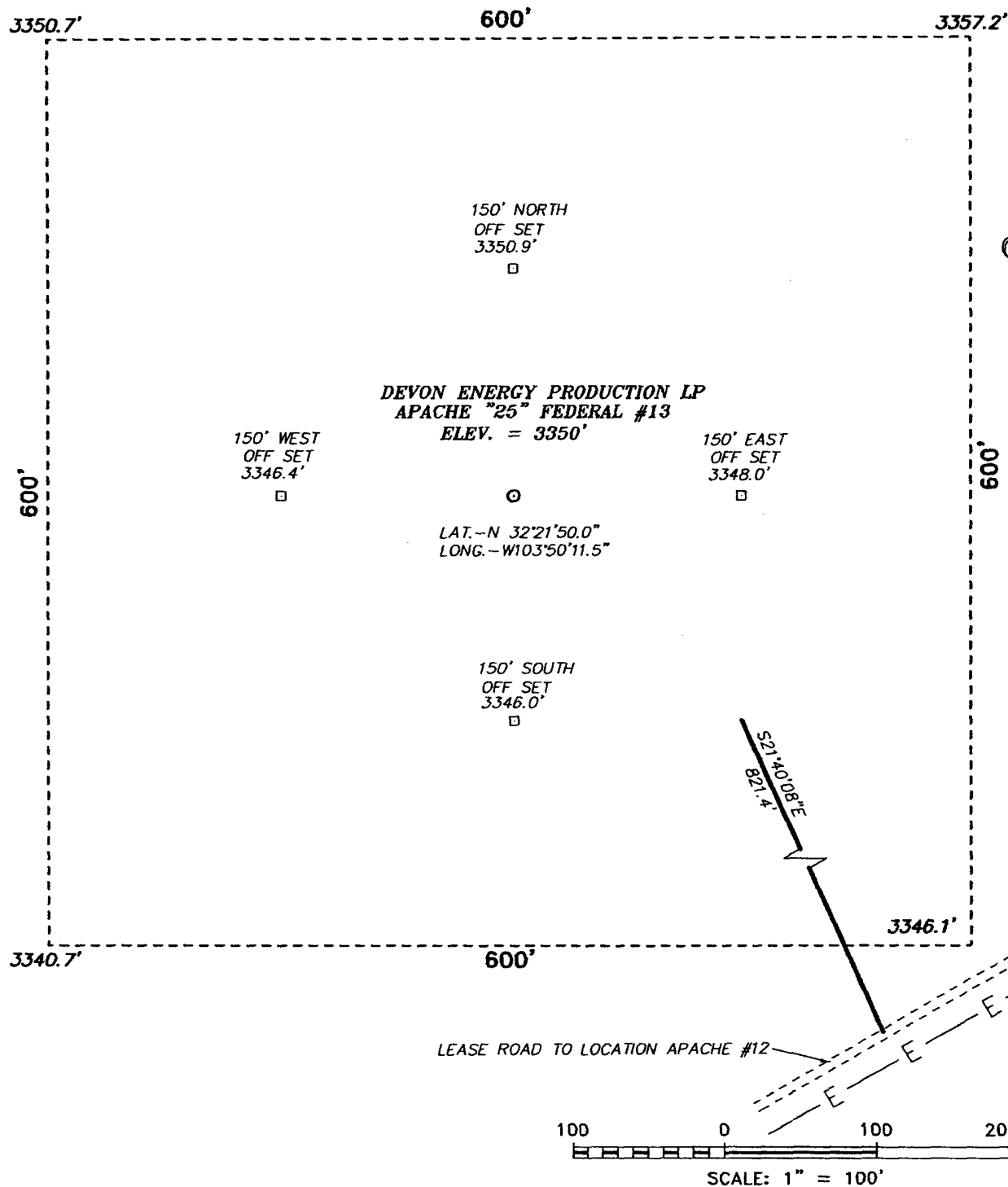
UL or lot No. F	Section 25	Township 22 S	Range 30 E	Lot Idn	Feet from the 1945	North/South line NORTH	Feet from the 1980	East/West line WEST	County EDDY
--------------------	---------------	------------------	---------------	---------	-----------------------	---------------------------	-----------------------	------------------------	----------------

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
-----------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained hereth is true and complete to the best of my knowledge and belief.</p> <p><i>Karen Cottom</i> Signature Karen Cottom Printed Name Sr. Operations Technician Title March 24, 2004 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>March 17, 2004 Date Surveyed Signature & Seal of Professional Surveyor W.O. No. 4056 Certificate No. 7977 JLP BASIN SURVEYS</p>
--	--

**SECTION 25, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



FROM THE INTERSECTION OF STATE HWY. 128
AND COUNTY RD #796 GO NORTH ON 796,
2.0 MILES TO LEASE ROAD GO EAST ON
LEASE ROAD 2.0 MILES THEN SOUTH 0.2
MILES TO LEASE ROAD TO WELL #12 THEN
SOUTHWEST APPROX. 3500 FEET TO A POINT
821 FEET SE OF LOCATION.

DEVON ENERGY PRODUCTION CO. LP.

REF: APACHE "25" FEDERAL #13 / Well Pad Topo

APACHE "25" FEDERAL # 13 LOCATED 2360' FROM THE
NORTH LINE AND 1980' FROM THE WEST LINE OF
SECTION 25, TOWNSHIP 22 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 4085

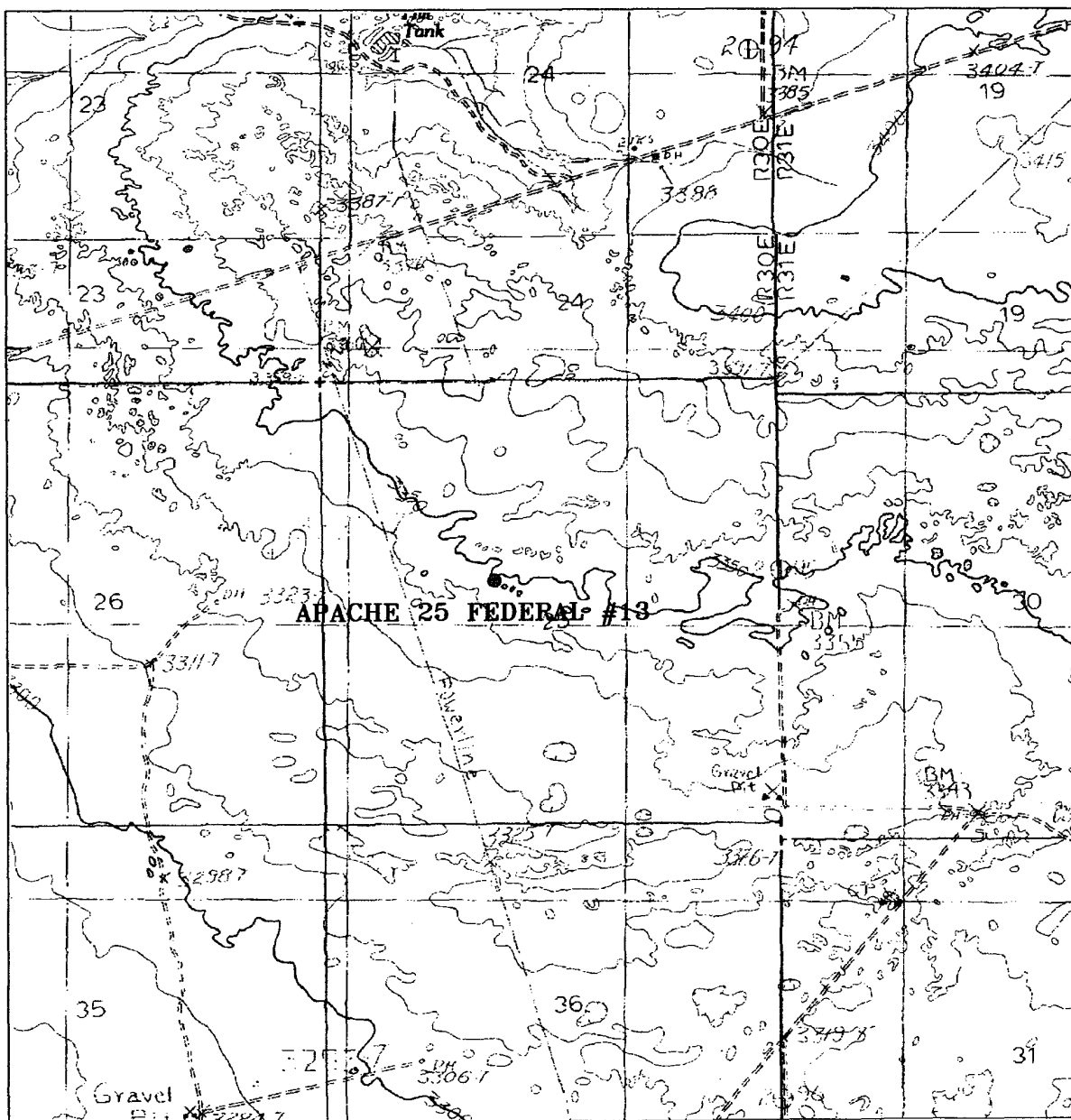
Drawn By: JAMES PRESLEY

Date: 03/18/04

Disk: JLP #1 - CON4085A

Survey Date: 03/17/04

Sheet 1 of 1 Sheets



APACHE 25 FEDERAL #13

Located at 2360' FNL and 1980' FWL
 Section 25, Township 22 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys

focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

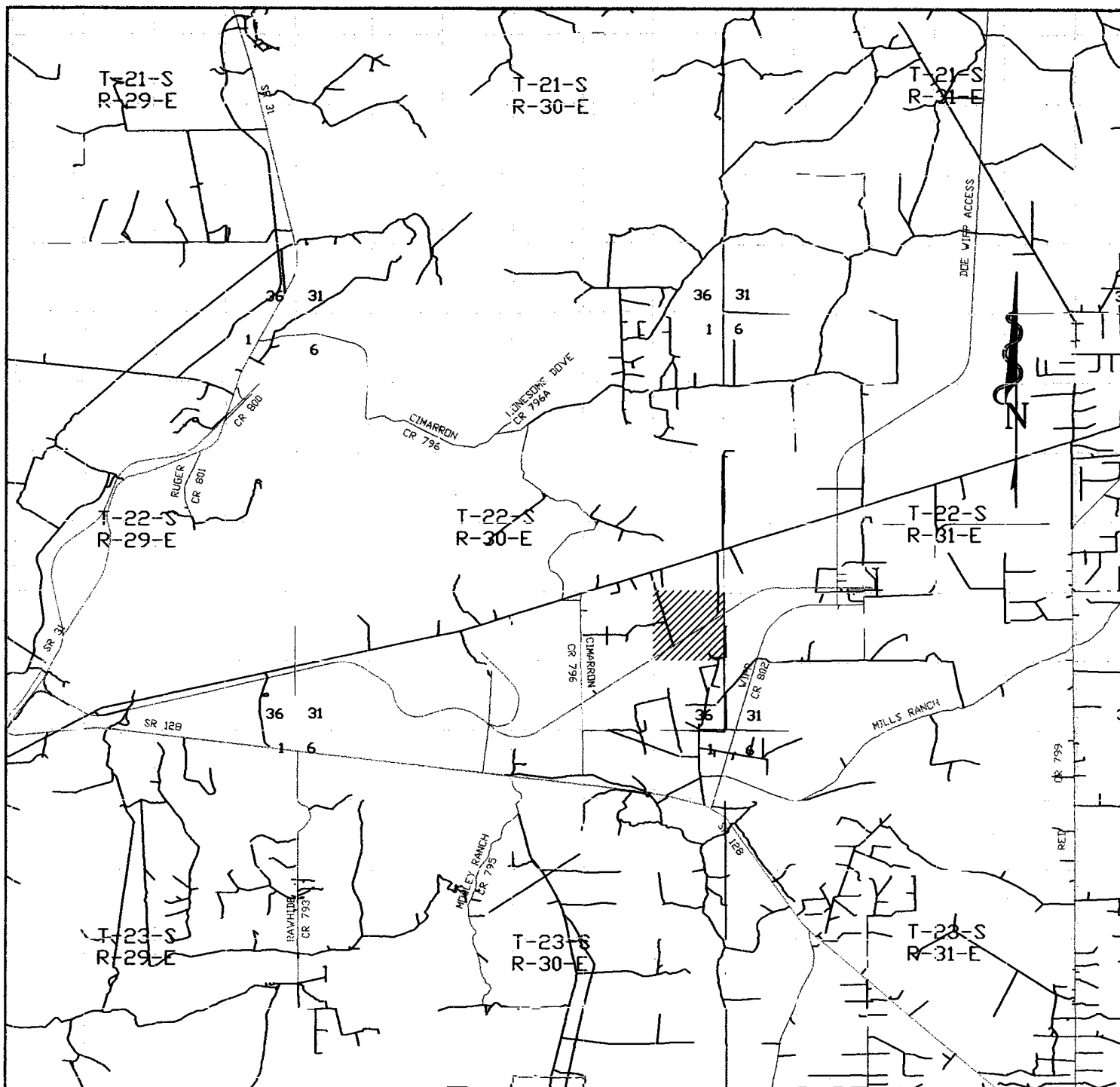
W.O. Number: 4086AA - JLP #1

Survey Date: 03/17/04

Scale: 1" = 2000'

Date: 03/18/04

DEVON ENERGY
PRDUCTION
COMPANY LP.



APACHE 25 FEDERAL #13
 Located at 2360' FNL and 1980' FWL
 Section 25, Township 22 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: 4086AA - JLP #1

Survey Date: 03/17/04

Scale: 1" = 2000'

Date: 03/18/04

DEVON ENERGY
PRDUCTION
COMPANY LP.