

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER☒ Single Zone ☐ Multiple ZoneDEVON ENERGY PRODUCTION CO LP
20 N BROADWAY SUITE 1500
OKLAHOMA CITY OK 73102-8260JA GUTHRIE
il: LINDA.GUTHRIE@DVN.COM
Phone No. (include area code)
: 405.228.82095. Lease Serial No.
NMNM81616

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
H B 10 FEDERAL 5

9. API Well No.

30-015-33836

10. Field and Pool, or Exploratory
BONE SPRINGSAt surface NWNE 810FNL 1780FEL
At proposed prod. zone NWNE 810FNL 1780FEL

RECEIVED

JAN 03 2005

OCD-ARTESIA

Cedar Canyon

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 10 T24S R29E Mer NMP
SME: BLM

14. Distance in miles and direction from nearest town or post office*

12. County or Parish
EDDY13. State
NM15. 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

480.00

17. Spacing Unit dedicated to this well

40.00

18. Distance from proposed location to nearest well, drilling,
completed, applied for, on this lease, ft.

19. Proposed Depth

8500 MD

20. BLM/BIA Bond No. on file

21. Elevations (Show whether DF, KB, RT, GL, etc.
3045 GL22. Approximate date work will start
12/15/200423. Estimated duration
30 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.

25. Signature
(Electronic Submission)Name (Printed/Typed)
LINDA GUTHRIE Ph: 405.228.8209Date
11/12/2004Title
REGULATORY SPECIALISTApproved by (Signature)
/s/ Maria KetsonName (Printed/Typed)
/s/ Maria KetsonDate
DEC 30 2004Title
FIELD MANAGEROffice
CARLSBAD FIELD OFFICEApplication approval does not warrant or certify 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 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.

Additional Operator Remarks (see next page)

Electronic Submission #50935 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad
Committed to AFMSS for processing by LINDA ASKWIG on 11/15/2004 (051A0098AF)

Carlsbad Controlled Water Basin

If earthen pits are used in
association with the drilling of this
well, an OCD pit permit must be
obtained prior to pit construction.
** BLM REUSED ** BLM REUSED ** BLM REUSED **APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Additional Operator Remarks:

Devon Energy Production Co LP respectfully requests approval to drill an 8500' well for commercial quantities of oil. If the well is deemed noncommercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

approximately 892' of additional road will need to be built.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Artesia, 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	Pool Name
Property Code	Property Name HB "10" FEDERAL	Well Number 5
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3045'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	10	24 S	29 E		810	NORTH	1780	EAST	EDDY

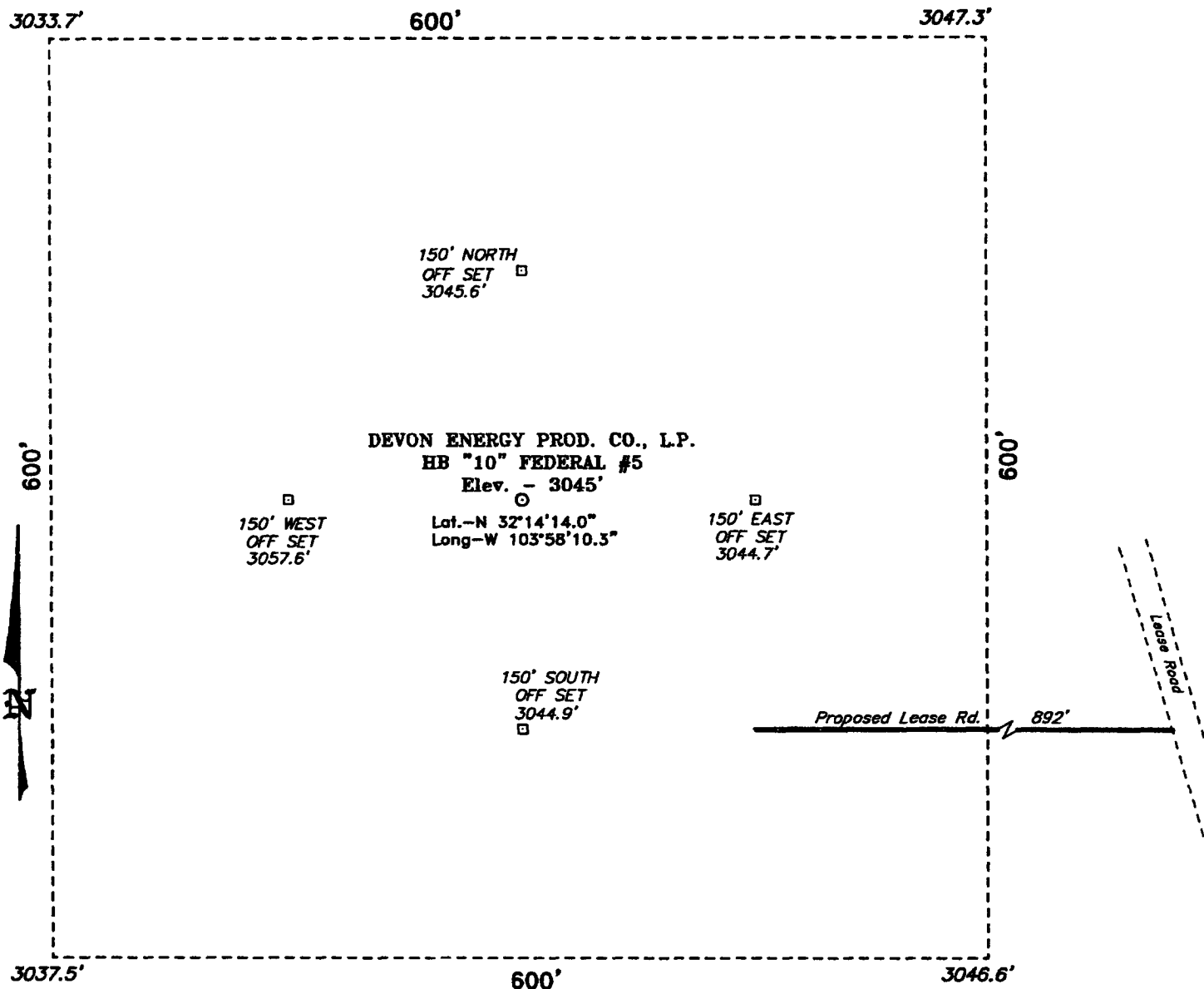
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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

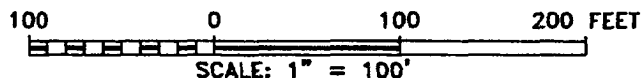
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Linda Guthrie</i> Signature Linda Guthrie Printed Name Regulatory Specialist Title 10/30/04 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby 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>JUNE 29, 2004</p> <p>Date Surveyed Signature of Gary L. Jones Professional Surveyor NEW MEXICO W.O. No. 4392 Certificate No. Gary L. Jones 7977 REGISTERED PROFESSIONAL LAND SURVEYOR</p>

SECTION 10, TOWNSHIP 24 SOUTH, RANGE 29 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



Directions to Location:

From the Junction of CR-748 and CR746A (11 miles East of Malaga), go NE on 746A 1.3 miles. Then North 1.8 miles to a "Y". Then left at "Y" 0.6 miles to lease road left. Then west, 2.0 miles. The WNW, 1.2 miles. Then SW, 0.6 miles. Then South, 0.5 miles to proposed road.



DEVON ENERGY PROD. CO., L.P.

REF: HB "10" FED. No. 5 / Well Pad Topo

THE HB "10" FED. No. 5 LOCATED 810' FROM
THE NORTH LINE AND 1780' FROM THE EAST LINE OF
SECTION 10, TOWNSHIP 24 SOUTH, RANGE 29 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 4392

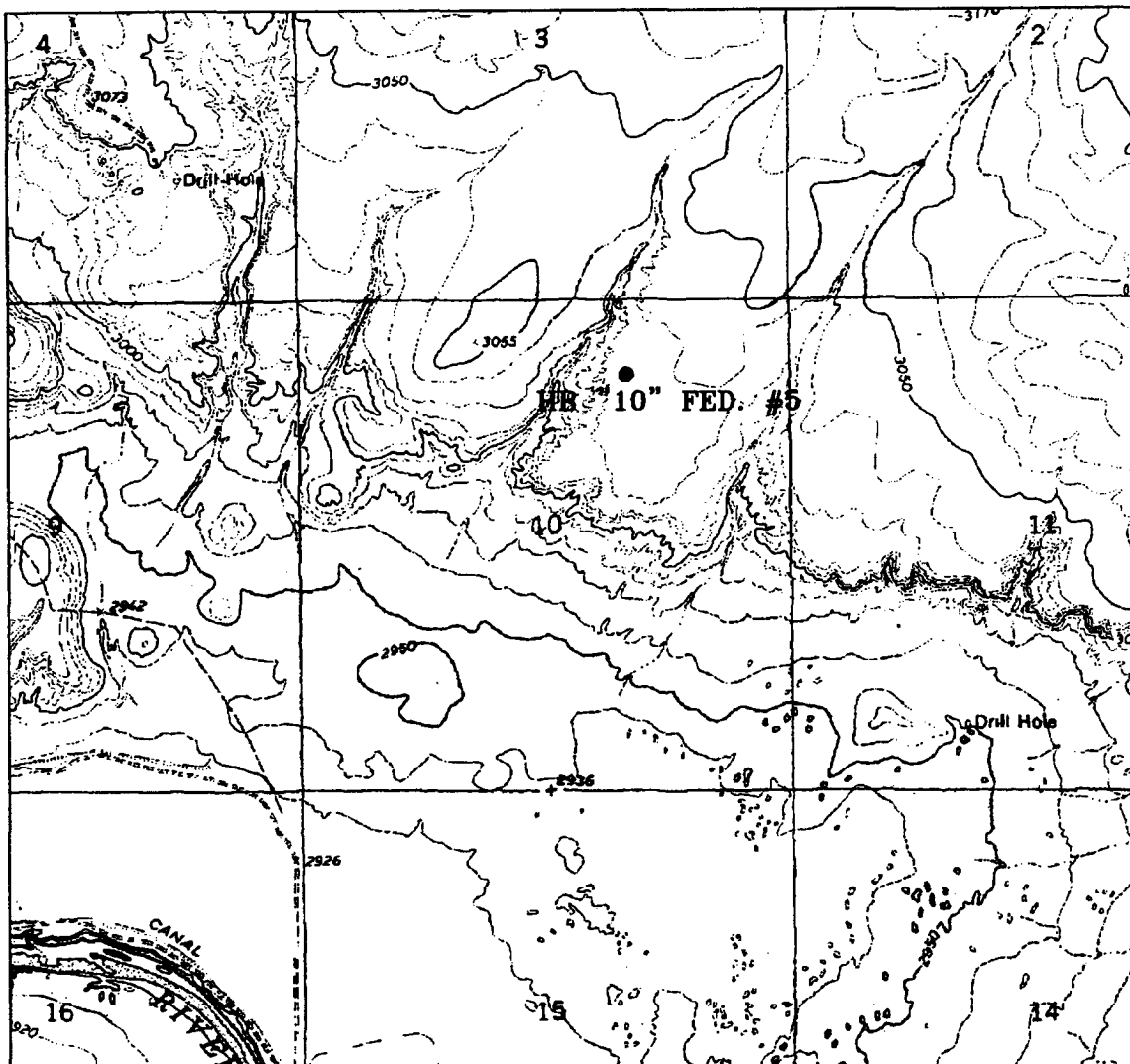
Drawn By: K. GOAD

Date: 07-01-2004

Disk: KJG CD#4 - 4392A.DWG

Survey Date: 06-29-2004

Sheet 1 of 1 Sheets



HB "10" FEDERAL #5

Located at 810' FNL and 1780' FEL
 Section 10, Township 24 South, Range 29 East,
 N.M.P.M., Eddy County, New Mexico.



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: 4392A - KJG #1

Survey Date: 06-29-2004

Scale: 1" = 2000'

Date: 07-01-2004

**DEVON ENERGY
 PROD. CO., L.P.**

MINIMUM BLOWOUT PREVENTER REQUIREMENTS

3,000 psi Working Pressure

3 MWP

EXHIBIT # I

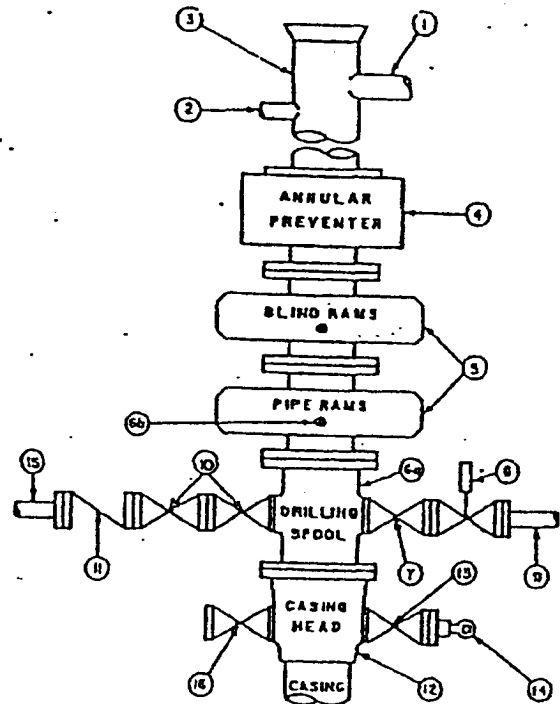
STACK REQUIREMENTS

No.	Item	Min. I.D.	Min. Nominal
1	Flowline		
2	Fill up line		2"
3	Drilling nipple		
4	Annular preventer		
5	Two single or one dual hydraulically operated rams		
6a	Drilling spool with 2" min. kill line and 3" min choke line outlets		
6b	2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above.)		
7	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	3-1/8"	
8	Gate valve—power operated	3-1/8"	
9	Line to choke manifold		3"
10	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/>	2-1/16"	
11	Check valve	2-1/16"	
12	Casing head		
13	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	1-13/16"	
14	Pressure gauge with needle valve		
15	Kill line to rig mud pump manifold		2"

OPTIONAL

16	Flanged valve	1-13/16"	
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CONFIGURATION A



CONTRACTOR'S OPTION TO FURNISH:

1. All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 3,000 psi, minimum.
2. Automatic accumulator (80 gallon, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
3. BOP controls, to be located near drillers position.
4. Kelly equipped with Kelly cock.
5. Inside blowout preventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
6. Kelly saver-sub equipped with rubber casing protector at all times.
7. Plug type blowout preventer tester.
8. Extra set pipe rams to fit drill pipe in use on location at all times.
9. Type RX ring gaskets in place of Type R.

MEC TO FURNISH:

1. Bradenhead or casinghead and side valves.
2. Wear bushing, if required.

GENERAL NOTES:

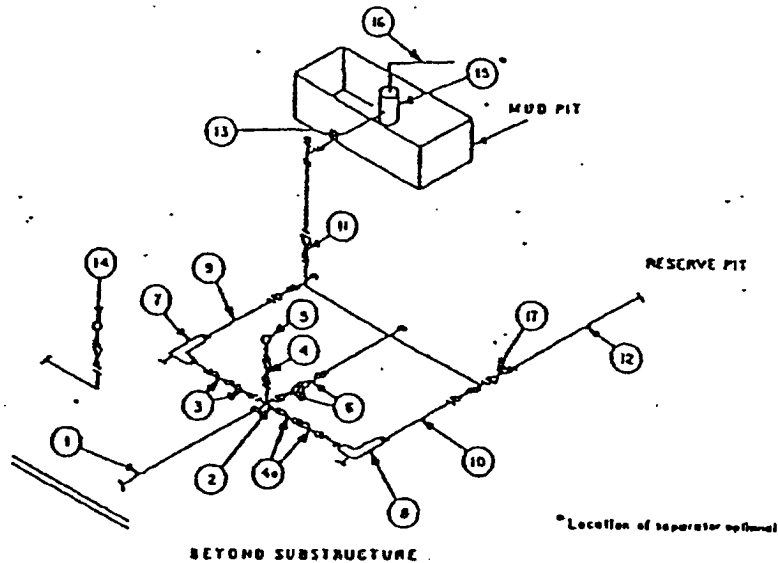
1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through choke. Valves must be full opening and suitable for high pressure mud service.
3. Controls to be of standard design and each marked, showing opening and closing position.
4. Chokes will be positioned so as not to hamper or delay changing of choke beans. Replaceable parts for adjustable choke, other bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.
5. All valves to be equipped with handwheels or handles ready for immediate use.
6. Choke lines must be suitably anchored.

7. Handwheels and extensions to be connected and ready for use.
8. Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
9. All seamless steel control piping (3000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
10. Casinghead connections shall not be used except in case of emergency.
11. Do not use kill line for routine fill-up operations.

MINIMUM CHOKE MANIFOLD
3,000, 5,000 and 10,000 PSI Working Pressure

3 MWP - 5 MWP - 10 MWP

EXHIBIT # 1



MINIMUM REQUIREMENTS										
No.		3,000 MWP			5,000 MWP			10,000 MWP		
		I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING
1	Line from drilling spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3"x3"x3"x2"			3,000			5,000			
	Cross 3"x3"x3"x3"									10,000
3	Valves(1) Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
4	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	1-13/16"		3,000	1-13/16"		5,000	1-13/16"		10,000
4a	Valves(1)	2-1/16"		3,000	2-1/16"		5,000	3-1/8"		10,000
5	Pressure Gauge			3,000			5,000			10,000
6	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
7	Adjustable Choke(3)	2"		3,000	2"		5,000	2"		10,000
8	Adjustable Choke	1"		3,000	1"		5,000	2"		10,000
9	Line		3"	3,000		3"	5,000		3"	10,000
10	Line		2"	3,000		2"	5,000		3"	10,000
11	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
12	Lines		3"	1,000		3"	1,000		3"	2,000
13	Lines		3"	1,000		3"	1,000		3"	2,000
14	Remote reading compound standpipe pressure gauge			3,000			5,000			10,000
15	Gas Separator		2"x5"			2"x5"			2"x5"	
16	Line		4"	1,000		4"	1,000		4"	2,000
17	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000

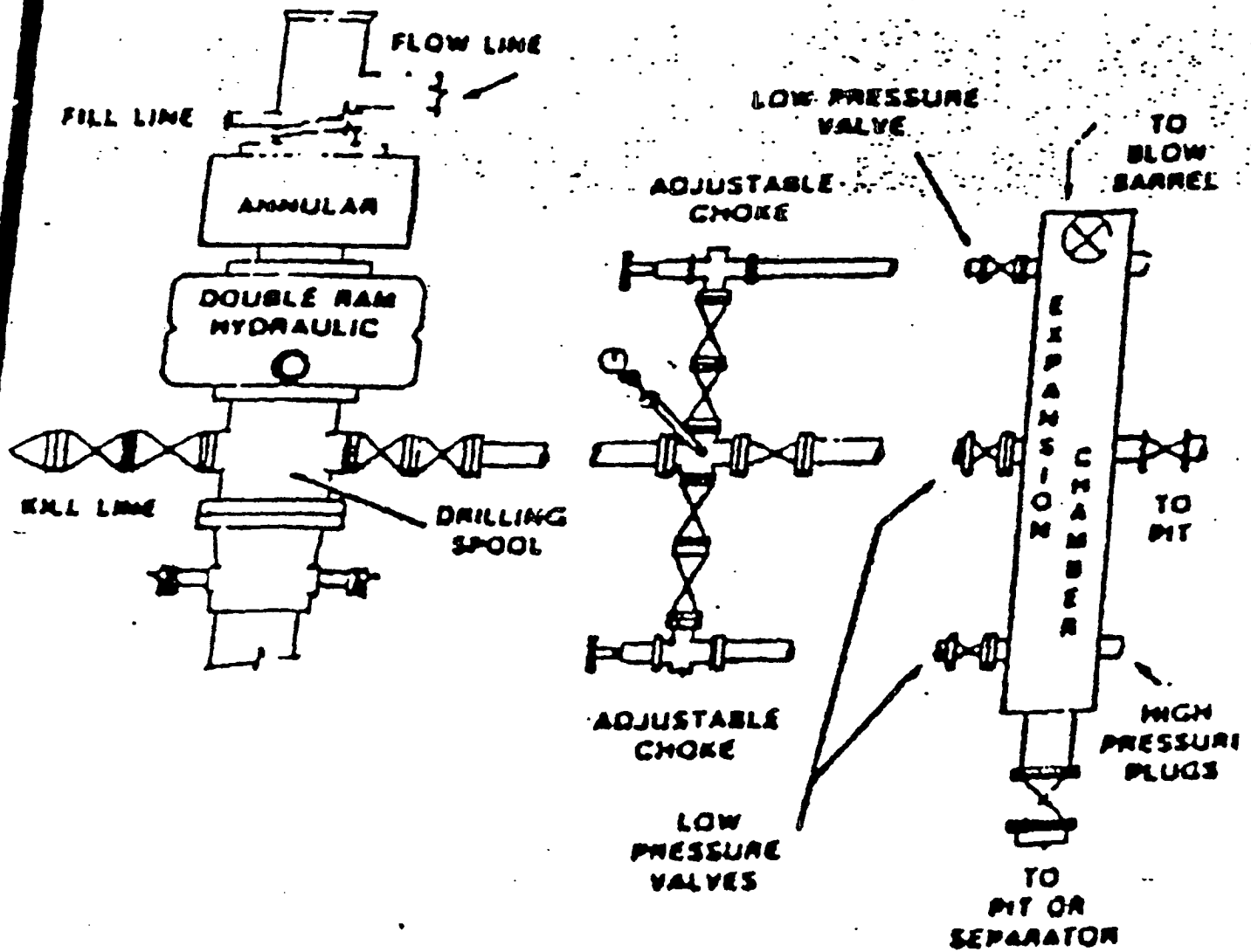
(1) Only one required in Class JM.

(2) Gate valves only shall be used for Class 10M.

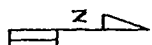
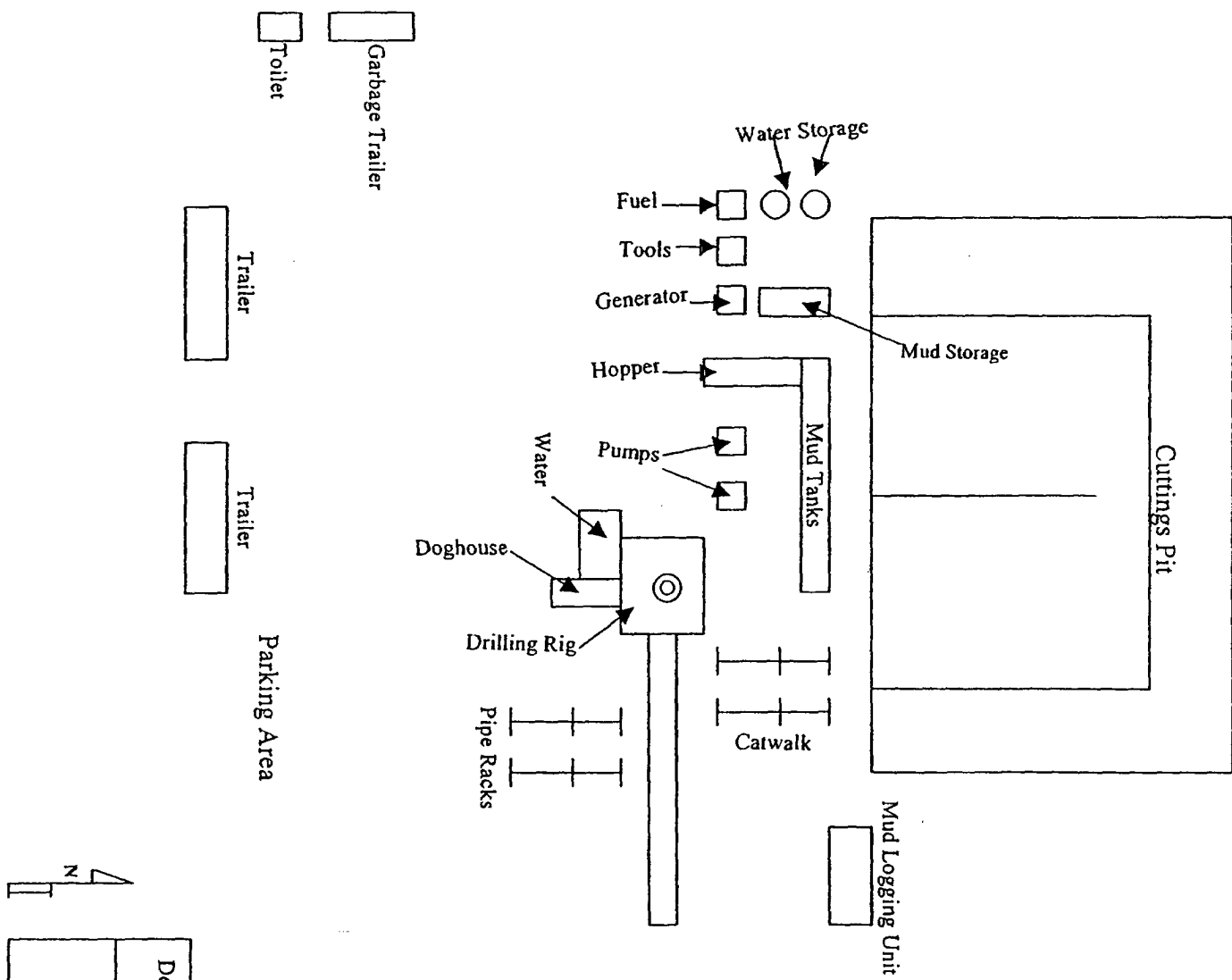
(3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
- All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
- All lines shall be securely anchored.
- Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
- Choke manifold pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
- Line from drilling spool to choke manifold should be as straight as possible. Lines downstream from chokes shall make turns by large bends or 90° bends using bull plugged tees.
- Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well.



Standard Blowout Preventer Stack



Devon Energy Production Company, LP HB 10 FEDERAL #3	Drilling Pad Exhibit #
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DRILLING PROGRAM

Devon Energy Production Company, LP

H. B. 10 FEDERAL #5

(B) 810 FNL & 1780 FEL, Section 10, T-24-S, R-29-E

Eddy County, New Mexico

1. Geologic Name of Surface Formation

Quaternary Aeolian Deposits

2. Estimated Tops of Important Geologic Markers

Lamar	3050'
Bell Canyon	3100'
Brushy Canyon	5500'
Bone Spring	6800'
First Bone Spring	7100'
Total Depth	8500'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas

The estimated depths at which water, oil and gas will be encountered are as follows.

Lamar	3050'	
Bell Canyon	3100'	Oil
Brush Canyon	5500'	Oil
Bone Spring	6800'	
First Bone Spring	7100'	Oil

4. Casing Program

Hole Size	Interval	OD Csg	Weight	Collar	Grade
17 1/2"	0-350'	13 3/8"	42#	ST&C	H-40
11"	0-3100'	8 5/8"	32#	LT&C	J-55
7 7/8"	0-8500'	5 1/2"	17# & 15.5#	LT&C	J-55

5. CASING CEMENTING & SETTING DEPTH:

13 3/8"	Surface	Set 350' of 13 3/8", 42#, H-40, ST&C casing. Cement with 380 sacks Class C Neat + 2% CaCl ₂ Circulate cement to surface
8 5/8"	Intermediate	Set 3100' of 8 5/8", 32#, J-55 LT&C casing. Cement with 1000 sx Class C + additives. Circulate cement to surface.
5 1/2"	Production	Set 8500' of 5 1/2", 17# & 15.5#, J-55, LT&C casing. Cement with 1120 sx Class H + additives. Estimated top of cement @ 5600'

6. PRESSURE CONTROL EQUIPMENT: Exhibit "E". A Blow-out Preventer (no less than 900 Series 3000 PSI working pressure) consisting of double ram type preventer with bag type preventer. Units will be hydraulically operated. Exhibit E-1 Choke Manifold and Closing Unit. Blind rams on top, pipe rams on bottom to correspond with size of drill pipe in use. BOP will be tested as well as choke manifold. BOP will be worked at least once each day while drilling & blind ram will be worked on trips when no drill pipe is in hole. Full opening stabbing valve and upper Kelly cock will be utilized. Anticipated BHP 3000 PSI and 125° BHT. Note: **A 2000# drilling head will be installed on the 13 3/8" & tested to 1215# (70% burst rating) with the rig pump.**

7. PROPOSED MUD CIRCULATION SYSTEM:

DEPTH	MUD. WT.	MUD VISC.	FLUID LOSS	TYPE MUD
0' – 350'	8.4- 8.8	29-36	NC	Fresh water spud mud use paper for seepage.
350' – 3100'	10.5 – 11.0	29-32	NC	Brine water use paper for seepage control and lime for pH control.
3100' – 7500'	9.3 – 10	29-34	NC	Cut Brine Use paper for seepage control.
7500' – 8500'	9.3 – 10	34 –38	10 cc's or less	Cut Brine use Drispac starch & soda ash.

Sufficient mud materials to maintain mud properties, meet lost circulation and weight increase requirement will be kept at wellsite at all times. In order to run casing and log well viscosity may have to be raised and water loss may have to be lowered.

8. TESTING, LOGGING AND CORING PROGRAM:

- CNL-FDC, Gamma Ray, Caliper from TD to base of intermediate casing.
- AIT-Dual Laterolog – Micro SFL from TD to base of intermediate casing.
- Gamma Ray, Neutron, Caliper to surface
- Mud Logger on from 2800' to TD (Two man unit)
- Side wall cores taken between 3100' – 6700' in Delaware where shows occur.

9. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. No Hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. No lost circulation is expected to occur. Estimated BHP 3000 psi, estimated BHT 125°

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

Road and location construction will begin after BLM approval of APD. Anticipated spud date is December 15, 2004. Drilling is expected to take 18- 24 days. If production casing is run an additional 30 days will be required to complete and construct surface facilities.

11. OTHER FACETS OF OPERATIONS:

After running casing, cased hole gamma ray neutron collar logs may be run from total depth over possible pay intervals. The Bone Spring pay will be perforated and stimulated. The well will be swab tested and potentialized as an oil well.

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name: **Devon Energy Production Company, LP**
Street or Box: **20 North Broadway, Suite 1500**
City, State: **Oklahoma City, Oklahoma**
Zip Code: **73102-8260**

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

Lease No.: **NMNM81616**
Legal Description of Land: **40 acres 10-T24S-R29E**
Formation(s): **Pierce Crossing; Bone Spring**
Bond Coverage: **Nationwide**
BLM Bond File No.: **CO1104**

Authorized Signature: 
Linda Guthrie

Title: **Regulatory Specialist**

Date: **November 12, 2004**