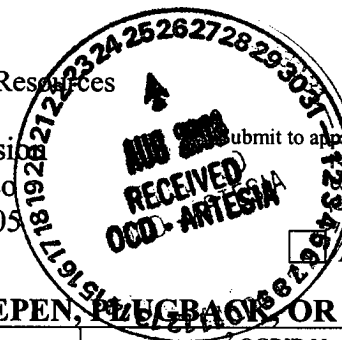


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised March 17, 1999



Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Devon Energy Production Company, L.P. 20 N. Broadway, Suite 1500 Oklahoma City, OK 73102-8260		<sup>2</sup> OGRID Number 6137
<sup>4</sup> Property Code	<sup>5</sup> Property Name Penlon "22" State	<sup>3</sup> API Number 30-015-3296e
		<sup>6</sup> Well No. 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	22	20S	27E		1980'	north	1980'	east	EDDY, NM

<sup>8</sup> Proposed 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
<sup>9</sup> Proposed Pool 1 AVALON (MORROW)					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation GL 3271'
<sup>16</sup> Multiple N/A	<sup>17</sup> Proposed Depth 11,100'	<sup>18</sup> Formation Morrow	<sup>19</sup> Contractor Unknown	<sup>20</sup> Spud Date 09/15/2003

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48# H-40	500'	610	surface
12 1/4"	8 5/8"	32# J-55	2,200'	1600	surface
8 3/4"	5 1/2"	17# HCP-110	11,100'	750	4000'

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.  
Describe the blowout prevention program, if any. Use additional sheets if necessary.

Devon plans to drill this well to a total depth of 11,100 feet and complete it as a Morrow development well. If it is deemed non-commercial then it will be plugged and abandoned in accordance with the rules and regulations established by the New Mexico OCD. Blowout prevention equipment will be installed while drilling the intermediate and production holes. Attached are C102 plat, vicinity maps, BOP equipment schematics, and H2S plan.

Fresh Water Mud @ 2200'

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: Candace R. Graham Printed Name: Candace R. Graham X4520 Title: Engineering Tech. Date: 08/22/2003		OIL CONSERVATION DIVISION Approved by: [Signature] Title: SUPERVISOR, DISTRICT II Approval Date: AUG 25 2003 Expiration Date: AUG 25 2004 Conditions of Approval: Attached <input type="checkbox"/>	
Phone: (405)235-3611			

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1984  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

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

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

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name Avalon (Morrow)
Property Code	Property Name PENLON "22" STATE	Well Number 2
GRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3271'

Surface Location

UL or lot No. G	Section 22	Township 20-S	Range 27-E	Lot Idn	Feet from the 1980'	North/South line NORTH	Feet from the 1980'	East/West line EAST	County EDDY
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Bottom Hole Location If Different From Surface

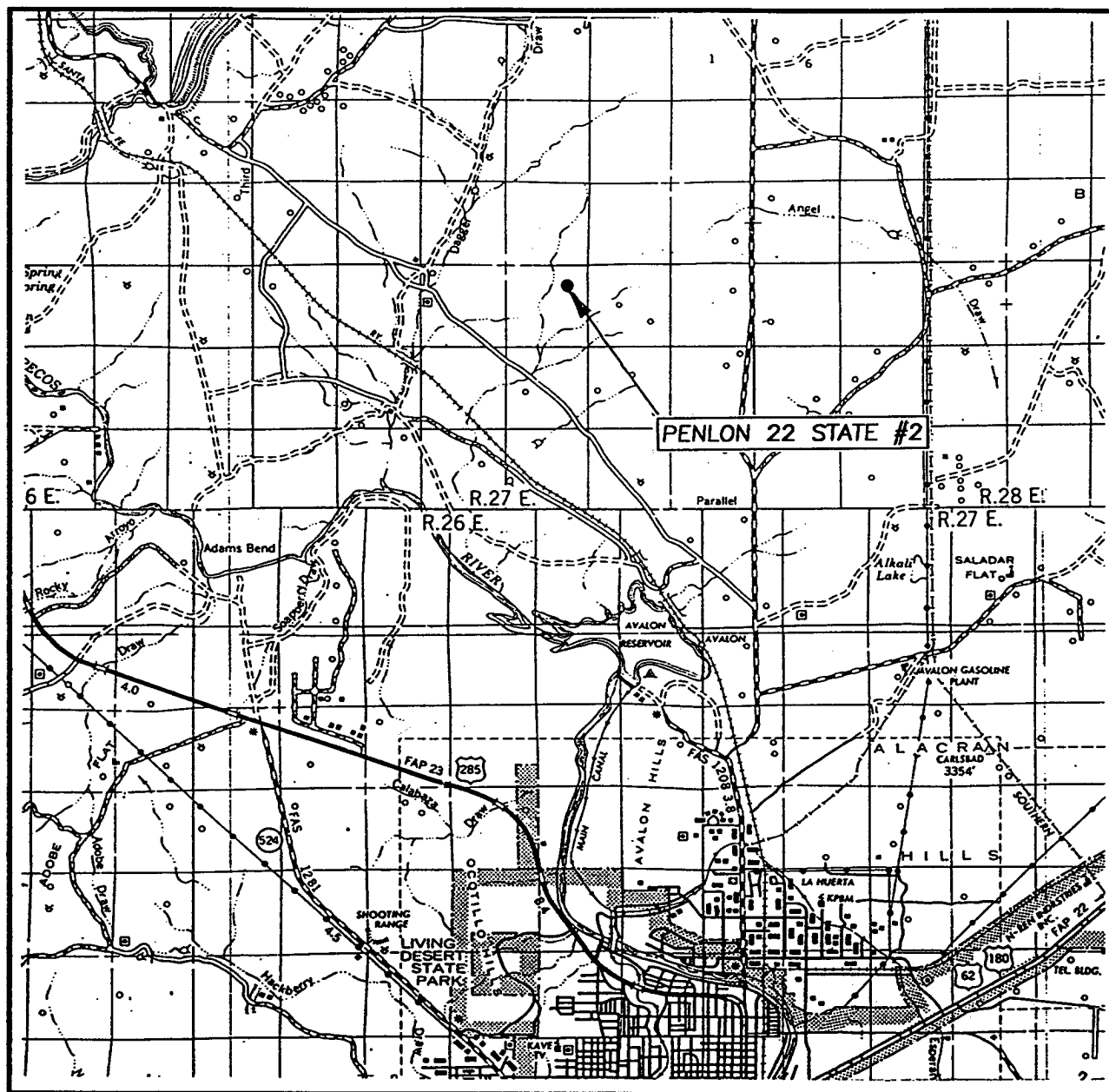
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETIC COORDINATES NAD 27 NME Y= 567694.9 N X= 520644.2 E LAT. 32°33'38.46"N LONG. 104°15'58.78"W</p>	<p>1980'</p> <p>Penlon 22 State #2</p> <p>1980'</p> <p>Penlon 22I State #1Y</p> <p>Allied A Com. #2</p> <p>670'</p> <p>660'</p> <p>1953'</p> <p>1700'</p>	<p><b>OPERATOR CERTIFICATION</b></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>[Signature]</i> Signature Tom Pepper Printed Name Operator's Eng. Advisor Title 8/20/03 Date</p> <p><b>SURVEYOR CERTIFICATION</b></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>August 19, 2003</p> <p>Date Surveyed Signature &amp; Seal of Professional Surveyor RONALD E. EDSON 8/20/03 03.11.0914 Certification No. RONALD E. EDSON 3239 GARY EDSON 12641</p>
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# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 22 TWP. 20-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1980' FNL & 1980' FEL

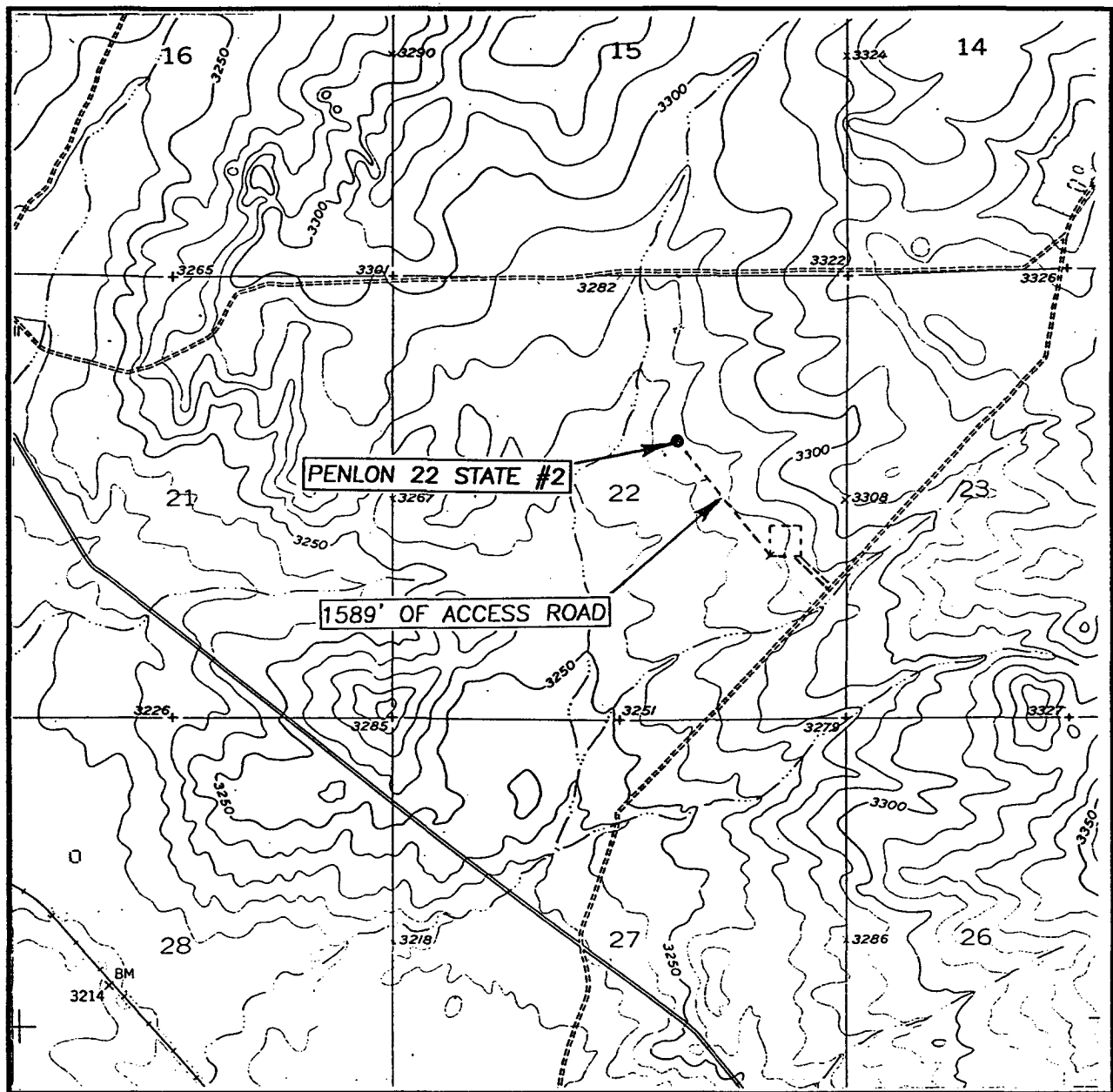
ELEVATION 3271'

OPERATOR DEVON ENERGY PROD. CO. L.P.

LEASE PENLON "22" STATE #2

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'  
LAKE McMILLIAN SOUTH, N.M.

SEC. 22 TWP. 20-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1980' FNL & 1980' FEL

ELEVATION 3271'

OPERATOR DEVON ENERGY PROD. CO. L.P.

LEASE PENLON "22" STATE #2

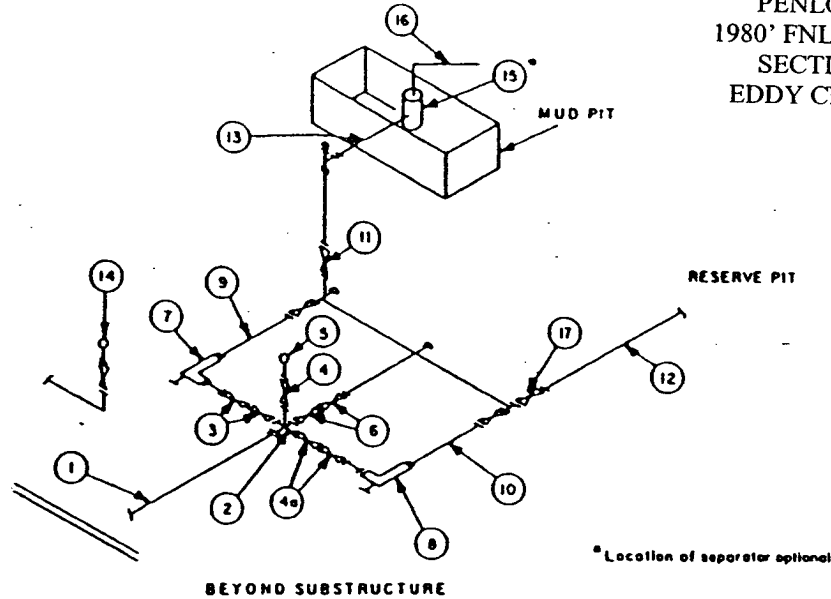
U.S.G.S. TOPOGRAPHIC MAP  
LAKE McMILLIAN SOUTH, N.M.

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117

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

3 MWP - **5 MWP** - 10 MWP

DEVON ENERGY PRODUCTION COMPANY, L.P.  
PENLON "22" STATE #2  
1980' FNL & 1980' FEL, UNIT G  
SECTION 22-T20S-R27E  
EDDY CNTY, NEW MEXICO



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

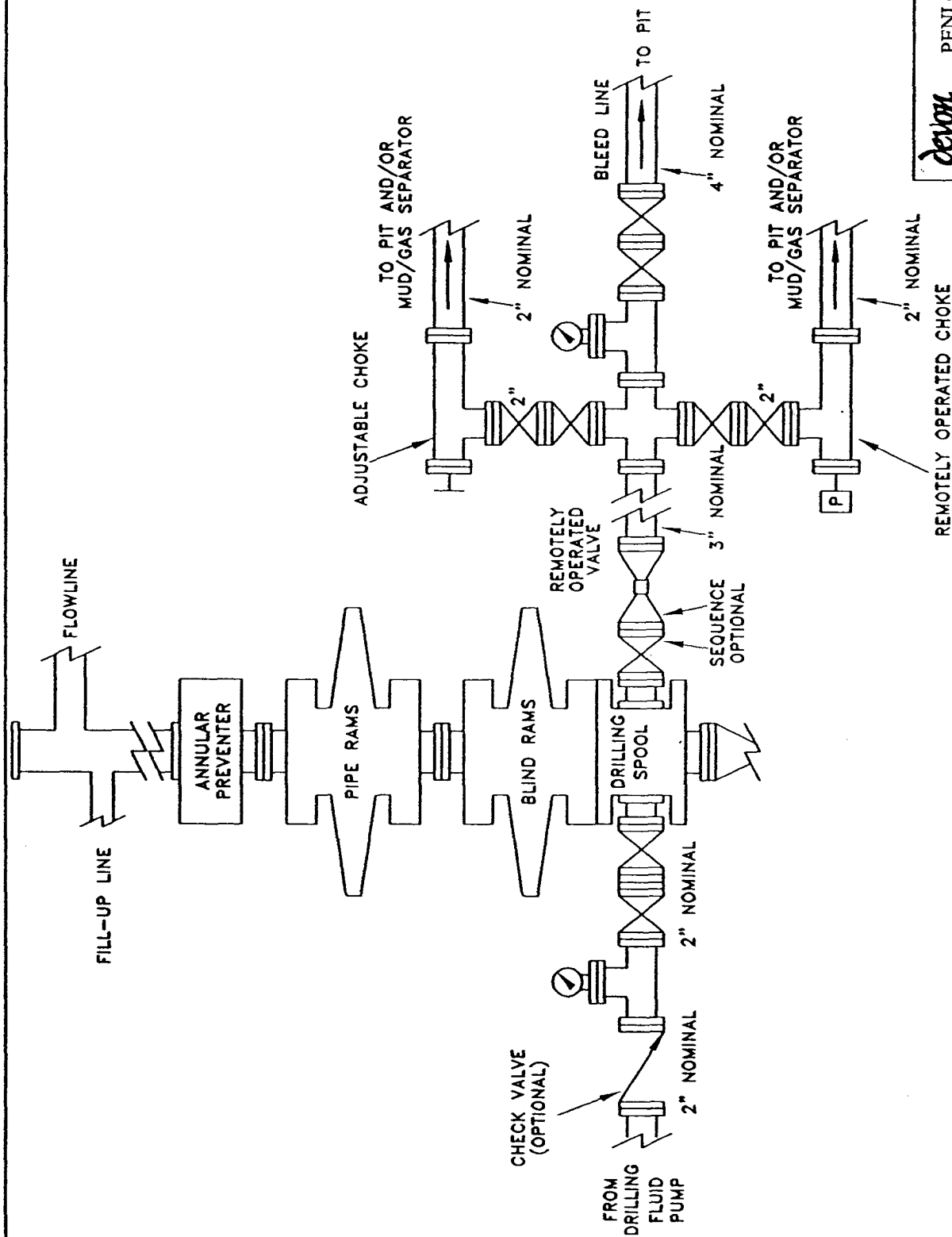
(1) Only one required in Class 3M.

(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.



devon

PENLON "22" STATE #2

1980' FNL & 1980' FEL, UNIT G

SECTION 22-T20S-R27E

EDDY CNTY, NEW MEXICO

SCHEMATIC

# PROPOSED 5-M BOPE AND CHOKE ARRANGEMENT

s:\nm\plots  
5mbopa.dwg

SC

10/00

# *devon* Energy Corp

2401 Pecos Ave  
Artesia NM 88210

## Hydrogen Sulfide (H<sub>2</sub>S) Contingency Plan

For

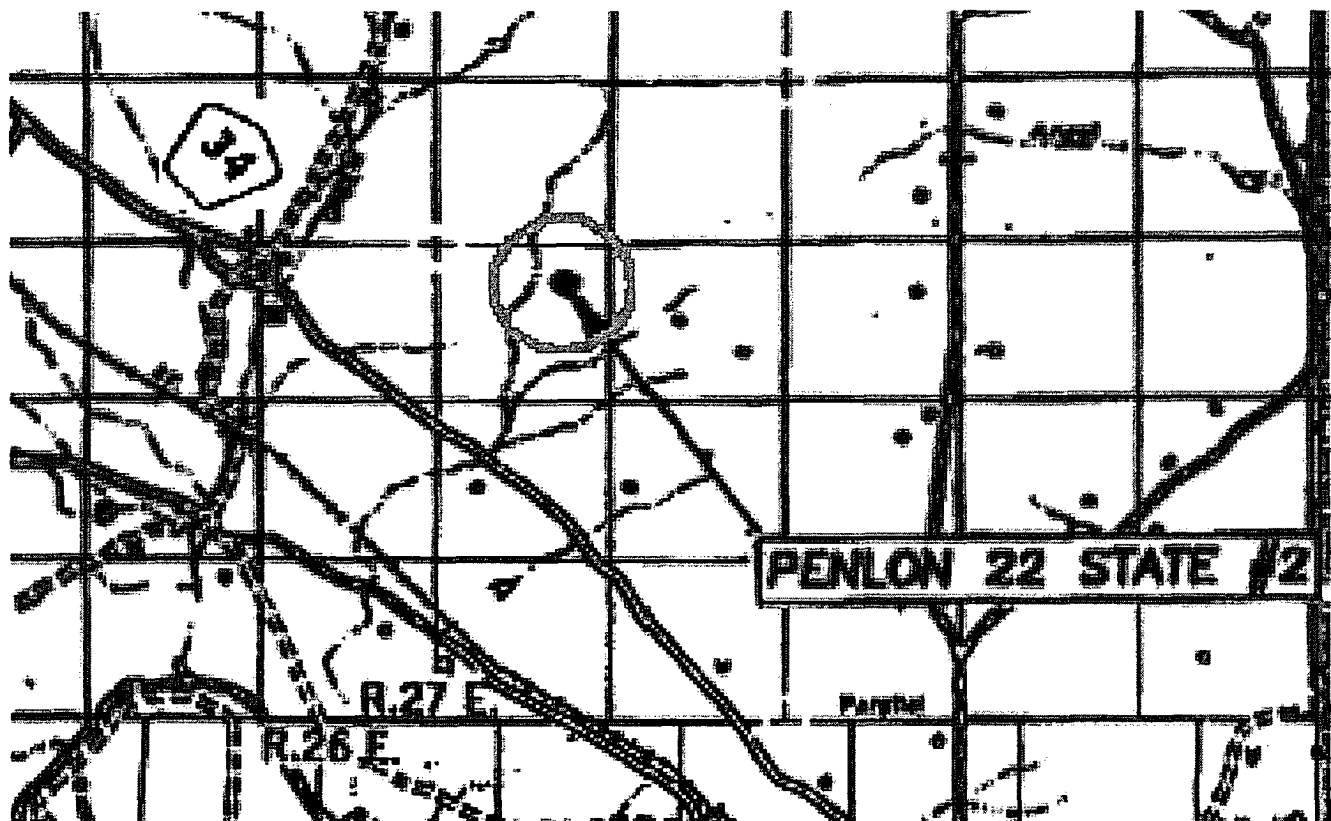
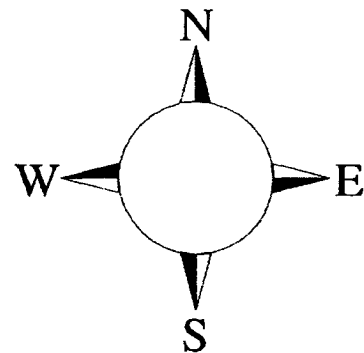
**Penlon 22 State #2**

1980' FNL, 1980' FEL  
Sec-22, T-20S, R-27E

**Eddy County NM**

## Penlon 22 State #2 Location

This is an open drilling site. H<sub>2</sub>S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H<sub>2</sub>S, including warning signs, wind indicators and H<sub>2</sub>S monitor.



Assumed 100 ppm ROE = 3000'

100 ppm H<sub>2</sub>S concentration shall trigger activation of this plan.

PENLON "22" STATE #2  
1980' FNL & 1980' FEL, UNIT G  
SECTION 22-T20S-R27E  
EDDY CNTY, NEW MEXICO

## Emergency Procedures

In the case of a release of gas containing H<sub>2</sub>S, the first responder(s) must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of H<sub>2</sub>S, measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H<sub>2</sub>S monitors and air packs in order to control the release. Use the "buddy system" to ensure no injuries during the response.

## Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

## Characteristics of H<sub>2</sub>S and SO<sub>2</sub>

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H <sub>2</sub> S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO <sub>2</sub>	2.21 Air = 1	2 ppm	N/A	1000 ppm

## Contacting Authorities

Devon Energy Corp. personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Devon Energy Corp. Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

PENLON "22" STATE #2  
1980' FNL & 1980' FEL, UNIT G  
SECTION 22-T20S-R27E  
EDDY CNTY, NEW MEXICO

## Devon Energy Corp. Company Call List

<u>Artesia (505)</u>	<u>Cellular</u>	<u>Office</u>	<u>Home</u>
Foreman – BJ Cathey.....	390-5893 .....	748-0176 .....	887-6026
Asst. Foreman – Bobby Jones .....	748-7447 .....	748-0176 .....	746-3194
Cecil Thurmond .....	748-7180 .....	748-0171 .....	887-1479
David Purdy .....	(432)631-2969.....	(432)495-7279 ....	(432)683-0735
Engineer – Tom Pepper .....	(405) 203-2242....	(405) 552-4513 ...	(405) 728-8641

### Agency Call List

#### Eddy County (505)

##### **Artesia**

State Police .....	746-2703
City Police .....	746-2703
Sheriff's Office .....	746-9888
Ambulance .....	911
Fire Department .....	746-2701
LEPC (Local Emergency Planning Committee) .....	746-2122
NMOCD.....	748-1283

##### **Carlsbad**

State Police .....	885-3137
City Police .....	885-2111
Sheriff's Office.....	887-7551
Ambulance .....	911
Fire Department .....	885-2111
LEPC (Local Emergency Planning Committee).....	887-3798
US Bureau of Land Management .....	887-6544

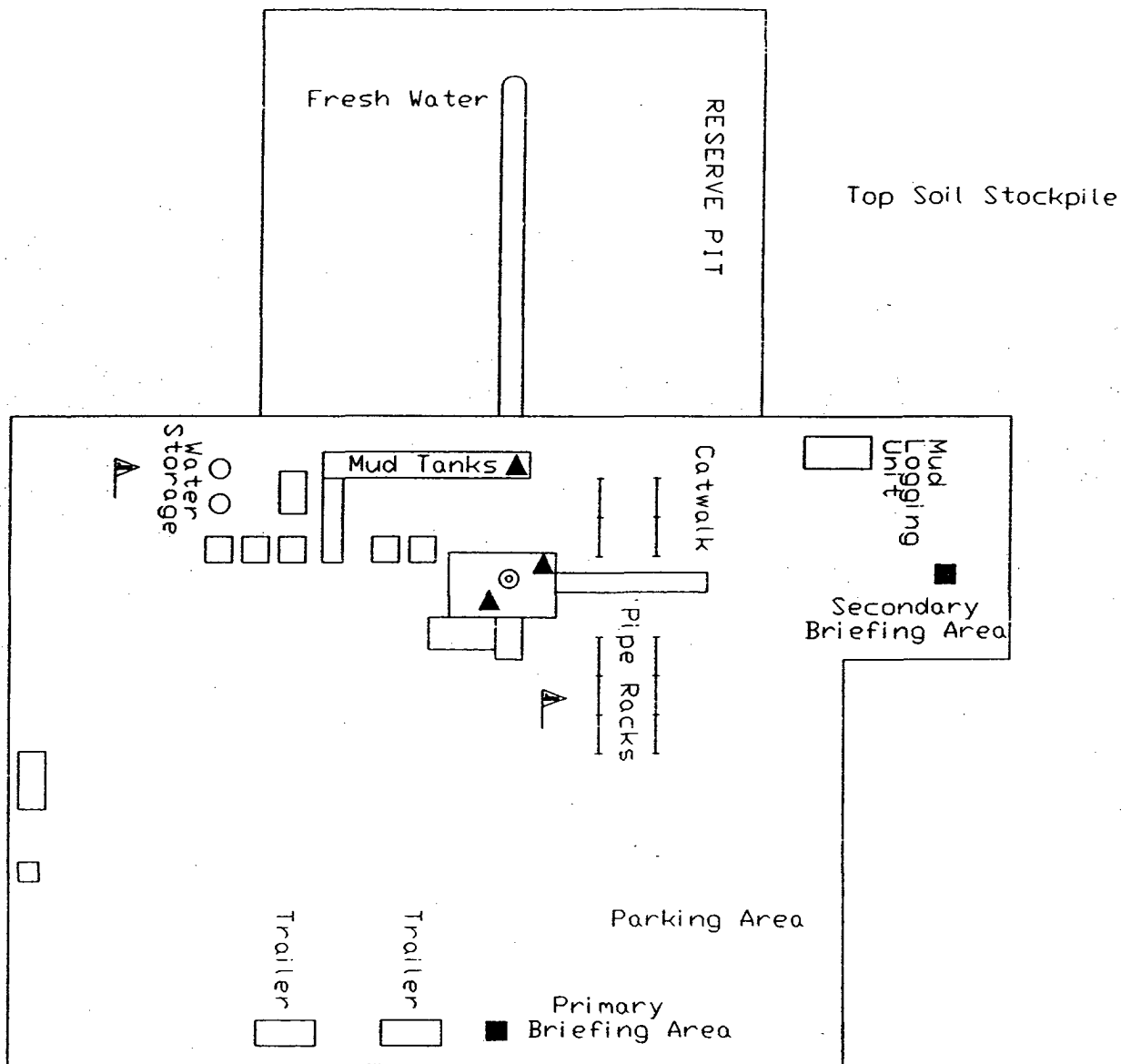
New Mexico Emergency Response Commission (Santa Fe)	(505)476-9600
24 HR .....	(505) 827-9126
National Emergency Response Center (Washington, DC)	....(800) 424-8802

##### **Other**

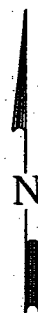
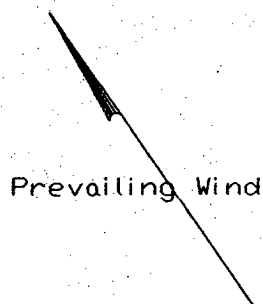
Boots & Coots IWC .....	1-800-256-9688 or (281) 931-8884
Cudd Pressure Control.....	(915) 699-0139 or (915) 563-3356
Halliburton .....	(505) 746-2757
B. J. Services.....	(505) 746-3569
Flight For Life -4000 24th St, Lubbock, TX .....	(806) 743-9911
Aerocare -Rr 3 Box 49f, Lubbock, TX .....	(806) 747-8923
Med Flight Air Amb 2301 Yale Blvd SE #D3, Albuq, NM .....	(505) 842-4433
S B Air Med Svc 2505 Clark Carr Loop SE, Albuq, NM ....	(505) 842-4949


Prepared in conjunction with  
Wade Rohloff of;





- ▲ H2S MONITORS WITH ALARMS AT THE BELL NIPPLE, SUBSTRUCTURE, AND SHALE SHAKER
- ▲ WIND DIRECTION INDICATORS
- SAFE BRIEFING AREAS WITH CAUTION SIGNS AND PROTECTIVE BREATHING EQUIPMENT





PENLON "22" STATE #2

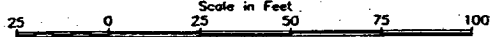
1980' FNL & 1980' FEL, UNIT G

SECTION 22-T20S-R27E

EDDY CNTY, NEW MEXICO

## H2S PLAN

Scale in Feet



25
0
25
50
75
100

4/97