

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.

NM- 81219

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME WELL NO.
OLD RANCH CANYON "7"
FEDERAL # 7

9. AP WELL NO.

30-015-32604

10. FIELD AND POOL, OR WILDCAT

INDIAN BASIN UPPER PENN.

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

SEC. 7 T22S-R24E

12. COUNTY OR PARISH

EDDY CO. NEW MEXICO

17. NO. OF ACRES ASSIGNED
TO THIS WELL 32020. ROTARY OR CABLE TOOLS
ROTARY22. APPROX. DATE WORK WILL START
WHEN APPROVED

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

DEVON-SFS OPERATING, INC. (WALLY FRANK) 405-552-4595

3. ADDRESS AND TELEPHONE NO.

20 NORTH BROADWAY SUITE 1500

OKLAHOMA CITY, OKLAHOMA 73102-8260 (405-552-4595)

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

At surface

1548 660' FNL & 660' FWL SECTION 7 T22S-R24E EDDY CO. NM

At proposed prod. zone SAME

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

Approximately 30 miles Northwest of Carlsbad New Mexico.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

660'

(Also to nearest drig. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

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

1320'

19. PROPOSED DEPTH
8600'

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

3963' GR. Carlsbad Controlled Water Basin

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor 20"	NA	40'	cement to surface with Redi-mix
12 1/4"	H-40 9 5/8"	36	1600'	600 Sx. circulate cement.
8 3/4"	HCL-80, L-80 7"	23	8600'	315 Sx. estimate TC 6400' FS

1. Drill 25" hole to 40'. Set 40' of 20" conductor and cement to surface with Redi-mix.
2. Drill 12 1/4" hole to 1600'. Run and set 1600' of 9 5/8" H-40 36# ST&C casing. Cement with 400 Sx. of Class "C" 35/65 POZ cement + 2% CaCl₂ + 1/4# Celoflakes/Sx. + 3#/Sx. of Kol Seal, + 6% Bentonite, tail in with 200 Sx. of Class "C" cement + 2% CaCl₂ + 1/4# Celoflakes/Sx circulate cement to surface.
3. Drill 8 3/4" hole to 8600'. Run and set 8600' of 7" casing as follows: 1200' of 7" 23# HCL-80 LT&C, 7400' of 7" 23# L-80 LT&C casing. Cement with 315 Sx. of Class "C" 15/61/11 POZ + 5#/Sx. of LCM-1, + 2% CaCl₂, + 1% EC-1, + .6% FL-25, + .6% FL-52, + .3% CD-32, +.3% Sodium Metasilicate, + 1/4# Celoflakes/Sx. Estimate top of cement 6400' from surface.

NSL

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present production and casing. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give brief description of program, if any.

SIGNED Joe T. Janice TITLE Agent

DATE 10/17/02

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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:

/s/ LESLIE A. THEISS

APPROVED BY

TITLE FIELD MANAGER

JAN 8 2003

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

State of New Mexico

DISTRICT I

P.O. Box 1000, Santa Fe, NM 87504-1000

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Drawer 200, Artesia, NM 88211-0710

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III

1000 No Brance 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 30-015-	Pool Code 33685	Pool Name Indian Basin (Upper Penn) Assoc.
Property Code 16775	Property Name OLD RANCH CANYON 7 FEDERAL	Well Number 7
UGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 4000'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	7	22-S	24-E		1598'	NORTH	1097'	WEST	EDDY

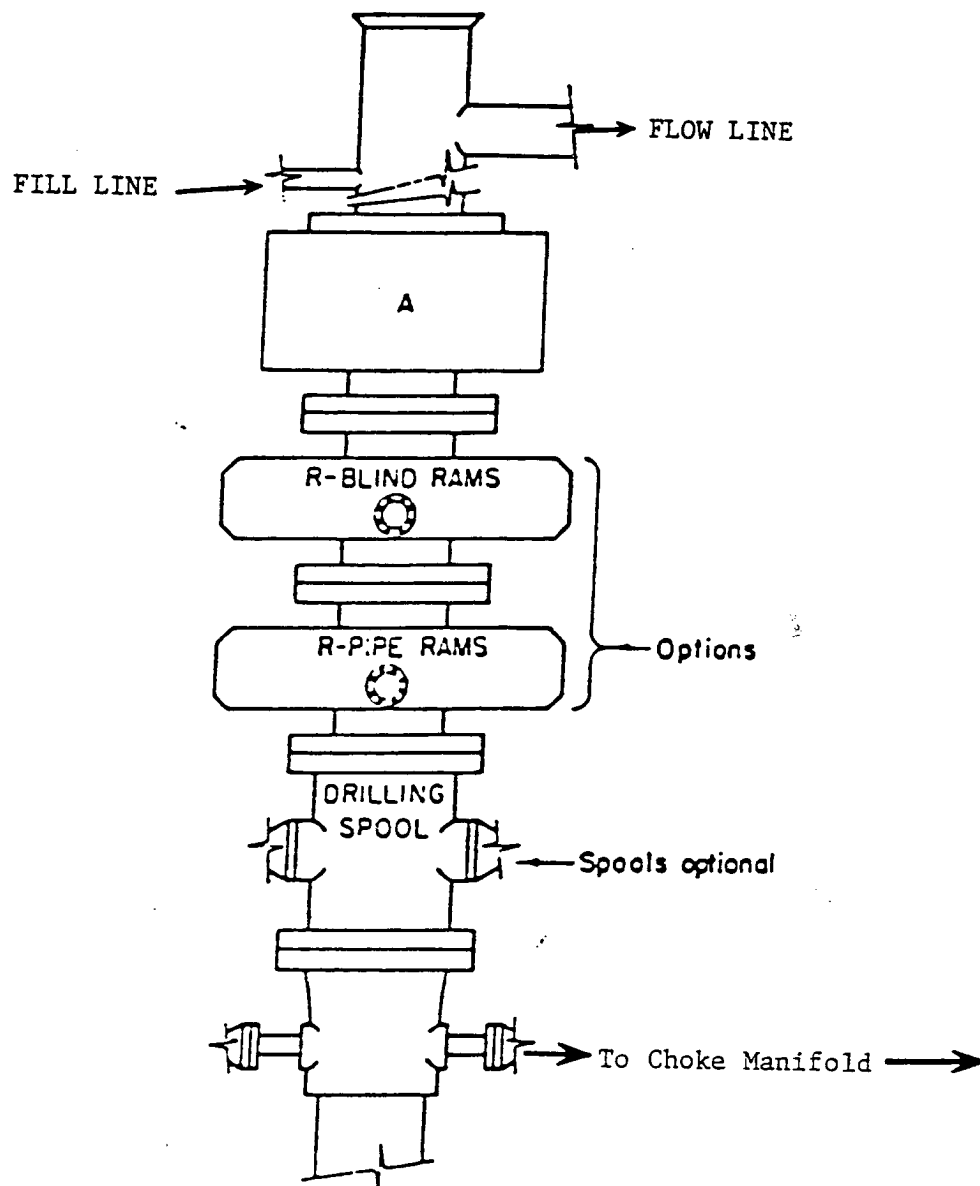
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	7	22-S	24-E		660'	NORTH	660'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Candace R. Graham</i> Signature Candace R. Graham Printed Name Engineering Tech. Title December 4, 2002 Date
	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 belief. OCTOBER 28, 2002 Date Surveyed Signature & Seal of Professional Surveyor <i>Ronald C. Edson</i> 02-11-0800 Certified No. RONALD C. EDSON 3239 GARY EDSON 18541



ARRANGEMENT SRRA

900 Series
3000 PSI WP

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

DEVON-SFS OPERATING, INC.
OLD RANCH CANYON "7" FEDERAL # 7
LOT # 1 SECTION 7
T22S-R24E EDDY CO. NM

Form 3160-5
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*FORM APPROVED
OMB No. 1004-0135
Expires November 30, 20005. Lease Serial No.
NM-NM812196. If Indian, Allottee or Tribe Name
N/A7. If Unit or CA/Agreement, Name and/or No.
N/A8. Well Name and No.
Old Ranch Canyon "7" Federal #79. API Well No.
30-015- 3260410. Field and Pool, or Exploratory Area
Indian Basin (Upper Penn) Assoc.11. County or Parish, State
Eddy County
New Mexico

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other - proposed oil well

2. Name of Operator

Devon Energy Production Company, L.P.

Wally Frank

Senior Operations Engr.

3a. Address

20 N. Broadway, Suite 1500, OKC, OK 73102

3b. Phone No. (include area code)
(405)552-4595

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

SHL: 1598' FNL & 1097' FWL, Lot 2, Section 7-T22S-R24E, Eddy Cnty, NM

BHL: 660' FNL & 660' FWL, Lot 1, Section 7-T22S-R24E, Eddy Cnty, NM

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other amend
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	APD drilling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	program

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

At this time Devon Energy wishes to inform you that we are changing the drilling program for the Old Ranch Canyon "7" Federal #7 from a proposed vertical drill to directional with the chosen bottom location as indicated on the plat. Attached please find the following.

1. Well Location and Acreage Dedication Plat (NMOC form C-102)
2. Directional 7" casing string design sheet

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Candace R. Graham 405/235-3611 X4620

Title

Engineering Tech.

Signature

Candace R. Graham

Date

01/29/2003

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon.

Office

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.

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other - Proposed oil well

2. Name of Operator

Devon Energy Production Company, L.P.

Wally Frank

Senior Operations Engr.

3a. Address

20 N. Broadway, Suite 1500, OKC, OK 73102

3b. Phone No. (include area code)

(405)552-4595

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

1598' FNL & 1097' FWL, Lot 2, Section 7-T22S-R24E, Eddy Cnty, NM

5. Lease Serial No.

NM-NM81219

6. If Indian, Allottee or Tribe Name

N/A

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

N/A

8. Well Name and No.

Old Ranch Canyon "7" Federal #7

9. API Well No.

30-015-

10. Field and Pool, or Exploratory Area

Indian Basin (Upper Penn) Assoc.

11. County or Parish, State

Eddy County

New Mexico

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>amend APD</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

At this time Devon Energy wishes to inform you that the surface location for the Old Ranch Canyon "7" Federal #7 has been moved southeast of it's original spot at 660' FNL and 660' FWL of the NW/4 NW/4 in Section 7-T22S-R24E to 1598' FNL and 1097' FWL in Section 7-T22S-R24E, Eddy County, New Mexico. The GL elevation is 4000'. Attached please find the following.

1. Well Location and Acreage Dedication Plat (NMOCD form C-102)
2. Location Verification Map
3. Vicinity Map
4. Cultural Resource Report #SNMAS-02NM-913-A by Southern New Mexico Archeological Services, Inc.
(This report was mailed to BLM Carlsbad office 11-21-2002.)

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

Name (Printed/Typed)

Candace R. Graham 405/235-3611 X4520

Title

Engineering Tech.

Signature

Candace R. Graham

Date

12/04/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JOE G. LARA

Title

FIELD MANAGER

Date

JAN 8 2003

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Office

CARLSBAD FIELD OFFICE

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.

(Instructions on reverse)

State of New Mexico

DISTRICT I

P.O. Box 1080, Hobbs, NM 88241-1080

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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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., Artec, NM 87410

DISTRICT IV

P.O. Box 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

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Property Code 16775	Property Name OLD RANCH CANYON 7 FEDERAL	Well Number 7
OGRIID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 4000'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	7	22-S	24-E		1598'	NORTH	1097'	WEST	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	Joint or Infill	Consolidation Code	Order No.
320			

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Candace R. Graham</i> Signature Candace R. Graham Printed Name Engineering Tech. Title December 4, 2002 Date</p>
	SURVEYOR CERTIFICATION <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>OCTOBER 28, 2002</p> <p>Date Surveyed _____ AWB Signature & Seal of Professional Surveyor <i>Ronald G. Edson</i> 10/29/02 02.11.0809 Certified No. RONALD G. EDSON 3239 GARY EDSON 12641</p>