

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

SEP 21 1992

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

O. C. D.  
ARTESIA OFFICE

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Devon Energy Corporation (Nevada) ✓

3. ADDRESS AND TELEPHONE NO.

20 North Broadway Suite 1500 Oklahoma City, OK 73102-8260

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

330' FSL & 660' FEL

At proposed prod. zone

same

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

35 miles west-northwest of Jal, NM

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

1240

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

1300'

19. PROPOSED DEPTH

8350'

20. ROTARY OR CABLE TOOLS

rotary

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

3466.7'

22. APPROX. DATE WORK WILL START\*

9-30-92

23.

PROPOSED CASING AND CEMENTING PROGRAM

Secretary's Potash / R-111-P Potash

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54#	850'-CIRCULATE	460 sx Lite + 200 sx Class C
11"	8 5/8"	32#	4400'-CIRCULATE	1600 sx Lite + 200 sx Class C
7 7/8"	5 1/2"	15.5 & 17.0 #	8350' (tie back)	1st stage: 600 sx Silica Lite 2nd stage: 500 sx Lite + 100 sx Silica Lite
Stage Collar at ±5500'				

Devon Energy proposes to drill to approximately 8350' to test the Delaware for commercial quantities of oil. If the Delaware is deemed non-commercial, the wellbore will be plugged and abandoned as per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Surface use and operating plan

Exhibit #1 and #1-A = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibit #3 = Planned access roads

Exhibit #4 = Wells within one mile radius

Exhibit #5 = Production Facilities Plat

Exhibit #6 = Rotary rig layout

Evidence of Bond Coverage

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24.

SIGNED

*Charles W. Horsman*

TITLE

Charles W. Horsman  
District Engineer

DATE

8-13-92

(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:

APPROVED BY

TITLE

DATE

9-15-92

\*See Instructions On Reverse Side

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

EXHIBIT #2

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

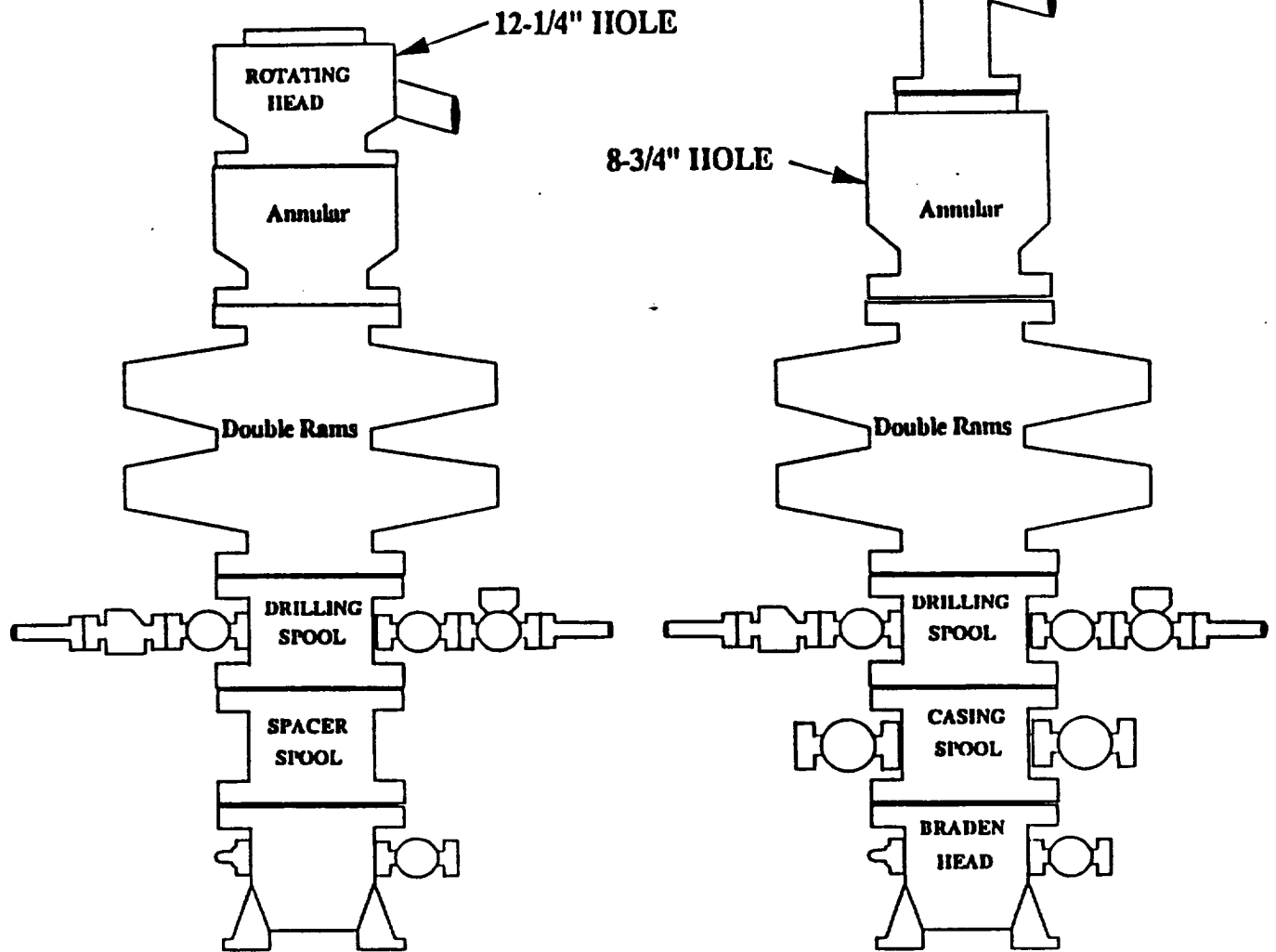
DISTRICT III  
1000 Rio Brazos Rd., Artec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

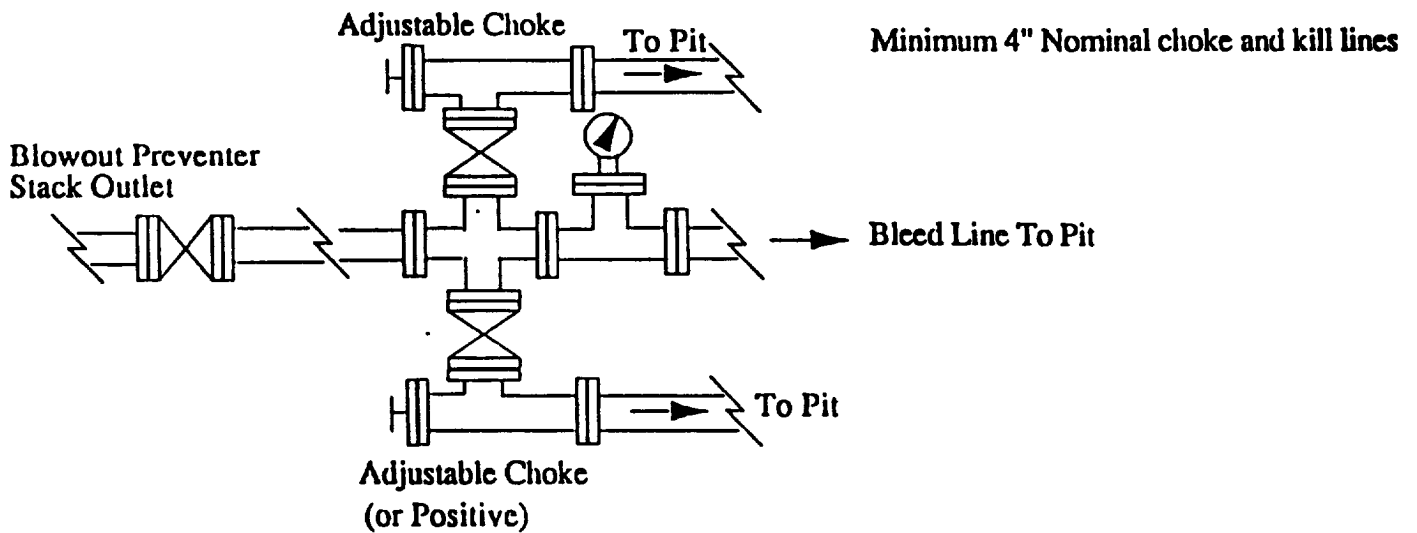
All Distances must be from the outer boundaries of the section

Operator <b>DEVON ENERGY CORPORATION</b>		Lease <b>TODD 26 FEDERAL</b>		Well No. <b>16</b>
Unit Letter <b>P</b>	Section <b>26</b>	Township <b>23 SOUTH</b>	Range <b>31 EAST</b> NMPM	County <b>EDDY</b>
Actual Footage Location of Well: <b>330'</b> feet from the <b>SOUTH</b> line and <b>660'</b> feet from the <b>EAST</b> line				
Ground Level Elev. <b>3466.7'</b>	Producing Formation <b>Delaware</b>	Pool <b>Undesignated</b>	Dedicated Acreage: <b>40</b> Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary. _____)</p> <p>No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				
			<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature _____ Printed Name <b>Charles W. Horsman</b> Position <b>District Engineer</b> Company <b>Devon Energy Corporation (Nevada)</b> Date <b>July 31, 1992</b>	
			<b>SURVEYOR CERTIFICATION</b>  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 knowledge and belief.  Date Surveyed <b>JULY 17, 1992</b> Signature & Seal of Professional Surveyor  Certificate No. <b>RONALD J. EDDON, 3239</b> <b>DARY L. JONES, 7977</b> <b>92-11-0992</b>	

# BOPE SCHEMATIC



**Choke Manifold Requirement ( 3000 psi WP)**



## DRILLING PROGRAM

Attached to Form 3160-3  
Devon Energy Corporation  
Todd "26" Federal #16  
330' FSL & 660' FEL  
Section 26-T23S-R31E  
Eddy County, New Mexico

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

Rustler	785'
Top of Salt	1080'
Base of Salt	4180'
Bell Canyon	4410'
Cherry Canyon	5300'
Brushy Canyon	7000'
First Bone Spring Lime	8300'
Total Depth	8350'

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

Upper Permian Sands		Fresh Water
Delaware	4410'	Oil
Delaware (Cherry Canyon)	6010'	Oil
Delaware (Brushy Canyon)	8025'	Oil

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 13-3/8" casing at 850' and circulating cement back to surface. Potash and salt will be protected by setting 8-5/8" casing at 4400' and circulating cement to surface. The Delaware intervals will be isolated by setting 5-1/2" casing to total depth and circulating cement above the base of the 8-5/8" casing.

4. Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>Csg OD</u>	<u>Weight, Grade, Type</u>
25"	0-40'	20"	Conductor, 0.30" wall
17-1/2"	0-850'	13-3/8"	54.5#, K-55, ST&C, New, R-3
11"	0-4400'	8-5/8"	32#, K-55, ST&C, New, R-3
7-7/8"	0-TD	5-1/2"	15.5 & 17#, K-55, N-80, LT&C, New, R-3

Casing Program:

20" Conductor Casing: Cemented with ready-mix to surface.

13-3/8" Surface Casing: Cemented to surface using 460 sx Poz "C" (35:65) + 6% Gel + 1/4# sx Flocele followed by 200 sx Class "C" + 2% CC.

8-5/8" Intermediate Casing: Cemented to surface with 1600 sx Poz "C" (35:65) + 6% Gel + 10% Salt + 1/4# sx Flocele followed by 200 sx Class "C" + 2% CC + 0.25 lb/sx Flocele.

5-1/2" Production Casing: Cemented with 600 sx Class "H" + 3% Salt + 0.6% Halad 322 + 10#/sx Silicalite + 1/4# sx Flocele.

Stage Tool at ±5500'. Cemented with 500 sx Poz "H" (35:65) + 6% Gel + 5% Salt + 1/4# sx Flocele followed by 100 sx Class "H" as in first stage.

The above cement volumes could be revised pending the caliper measurement from the open hole logs. The top of cement is designed to reach above the 8-5/8" casing seat at 4400'.

5. Minimum Specifications for Pressure Control:

The blowout preventor equipment (BOP) shown in Exhibit #1 will consist of a (3M system) double ram type (3000 psi WP) preventor and a bag-type (Hydril) preventor (3000 psi WP). Both units will be hydraulically operated and the ram type preventor will be equipped with blind rams on top and 4-1/2" drill pipe rams on bottom. Both BOP's will be installed on

the 13-3/8" surface casing and utilized continuously until total depth is reached. All BOP's and associated equipment will be tested to 1400 psi before drilling out the 13-3/8" casing shoe (70% of 54.5# K-55 casing). Prior to drilling out the 8-5/8" casing shoe, the BOP's and Hydril will be function tested as per BLM Drilling Operations Order #2.

Pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These functional tests will be documented on the daily drillers log. A 2" kill line and 3" choke line will be incorporated in the drilling spool below the ram-type BOP. Other accessory BOP equipment will include a kelly cock, floor safety valve, choke lines and choke manifold having 3000 psi WP rating.

6. Types and Characteristics of the Proposed Mud System:

The well will be drilled to total depth using brine, cut brine and polymer mud systems. Depths of systems are as follows:

<u>Depth</u>	<u>Type</u>	<u>Weight (ppg)</u>	<u>Viscosity (1/sec)</u>	<u>Waterloss (cc)</u>
0-850'	Fresh Water	8.8	34-36	No Control
850-4400'	Brine Water	10.0	28	No Control
4400-TD	Fresh Water Polymer	8.8	32-36	10-20

The necessary mud products for weight addition and fluid loss control will be on location at all times.

7. Auxiliary Well Control and Monitoring Equipment:

- A. A kelly cock will be in the drill string at all times.
- B. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.
- C. Hydrogen Sulfide detection equipment will be in operation after drilling out the 13-3/8" casing shoe until the 8-5/8" casing is cemented. Breathing equipment will be on location upon drilling the 13-3/8" shoe until total depth is reached.

8. Logging, Testing and Coring Program:

- A. Drillstem tests will be based on geological sample shows.
- B. The open hole electrical logging program will be:

Total Depth to Intermediate Casing - Dual  
Laterolog-Micro Laterolog with Sp and Gamma Ray.  
Compensated Neutron - Z-Density Log with Gamma Ray  
and Caliper.

Total Depth to Surface - Compensated Neutron with  
Gamma Ray.

- C. No coring program is planned.
- D. Additional testing will be initiated subsequent to setting the 5-1/2" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

9. Abnormal Pressures, Temperatures and Potential Hazards:

No abnormal pressures or temperatures are foreseen. The anticipated bottom hole temperature at total depth is 125 degrees and maximum bottom hole pressure is 2900 psig. No Hydrogen Sulfide gas has been reported or is known to exist at these depths in this area. No major loss circulation intervals have been encountered in adjacent wells.

10. Anticipated Starting Date and Duration of Operations:

Notice of Staking (NOS) was sent to the Carlsbad, New Mexico BLM office on July 17, 1992. A Cultural Resources Examination has been completed by New Mexico Archaeological Services, Inc. and a copy forwarded to the Carlsbad, New Mexico BLM office.

Road and location preparation will not be undertaken until approval has been received from the BLM. The anticipated spud date is approximately September 30, 1992. The drilling operation should require approximately 20 days. If the well is deemed productive, completion operations will require, at minimum, an additional 30 days of testing to ascertain whether permanent production facilities will be constructed.

## SURFACE USE AND OPERATING PLAN

Attachment to Form 3160-3  
Devon Energy Corporation  
Todd "26" Federal #16  
330' FSL & 660' FEL  
Section 26-T23S-R31E  
Eddy County, New Mexico

### 1. Existing Roads:

- A. The well site and elevation plat for the proposed Todd "26" Federal #16 are reflected on Exhibit #2. It was staked by John West Engineering Company, Hobbs, New Mexico.
- B. All roads into the location are depicted in Exhibit #3. County road #798 will be used to access the location. No upgrades to roads other than the access into location from the Todd "26" Federal #15 location will be necessary.
- C. Directions to location: Travel west-northwest from Jal, N.M. approximately 35 miles on State Highway #128 to County Road #798, just into Eddy County from Lea County. Turn north (right) on #798 and travel 1.3 miles then turn west (left) on the Todd "26" Federal #7 lease entry road. Proceed  $\pm 0.3$  mile to the Todd "26" Federal #7 location and turn south (left). Go  $\pm 1000'$  to the Todd "26" Federal #15 location (past the Todd "26" Federal #7 wellsite) and turn east (left). Go  $\pm 1300'$  to the wellsite.

### 2. Proposed Access Road:

Exhibit #3 shows the  $\pm 1300'$  of new access road to be constructed from the Todd "26" Federal #15 location. It will be constructed as follows:

- A. The maximum width of the road will be fifteen (15) feet.
- B. It will be crowned and made of 6 inches of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
- C. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location.
- D. The average grade will be approximately 1%.



E. No cattleguards are planned.

F. No turnouts are planned.

3. Location of Existing Wells:

Exhibit #4 shows all existing wells within a one-mile radius of the proposed Todd "26" Federal #15. There are 4 producing Delaware oil wells, 5 inactive Delaware oil wells, 1 producing Atoka gas well, 1 inactive Morrow gas well, 1 Delaware injection well and 1 drilled and abandoned well. A list of the wells is depicted on Exhibit #4 attachment.

4. Location of Existing and/or Proposed Facilities:

A. Devon Energy Corporation operates two production facilities on this lease in Section 26. They are as follows:

Heater Treater & Tank Battery (NW NE) (Delaware)  
Wells #4 & #5

Heater Treater & Tank Battery (SW NE) (Delaware)  
Inactive - to be used for new drilling wells

High Pressure Separator - (SW NE) T-Pak (Atoka)  
Well #1

Water Tank and Injection Pump (SW NE) (Delaware)  
Well #3

B. In the event the well is found productive, the probable production equipment will be as follows:

a. Production facilities as outlined on Exhibit #5 will use the existing battery in the SW NE of Section 26. This facility will be upgraded to have three or four 500 barrel oil tanks.

b. The tank battery, all connections and all lines will adhere to API standards.

c. The well will be operated by means of a gas driven prime mover. No power will be required.

- d. Any caliche required to upgrade the firewall around the existing battery will be obtained from a BLM approved caliche pit.

D. If the well is productive, rehabilitation plans are as follows:

- a. The reserve pit will be back-filled after the contents of the pit are dry (within 120 days after completion, weather permitting).
- b. Caliche from unused portions of the drill pad will be removed. The original topsoil from the wellsite will be returned to the location. The drill site will then be contoured to the original natural state.

5. Location and Type of Water Supply:

The Todd "26" Federal #16 will be drilled using a combination of brine and fresh water mud systems (outlined in Drilling Program). The water will be obtained from commercial water stations in the area and hauled to location by transport truck using the existing and proposed roads shown in Exhibit #3. Additionally, produced salt water from lease gathering tanks may be used. No water well will be drilled on the location.

6. Source of Construction Materials:

All caliche utilized for the drilling pad and proposed access road will be obtained from a existing BLM approved pit. All roads will be constructed of 6" rolled and compacted caliche.

7. Methods of Handling Water Disposal:

- A. Drill cuttings will be disposed into the reserve pit.
- B. Drilling fluids will be contained in steel mud tanks. The reserve pit will contain excess drilling fluid or fluid from the well during drilling, cementing, and completion operations. The reserve pit will be an earthen pit roughly 125' x 125' x 6', or smaller, in size.

- C. The reserve pit will be fenced on three sides throughout drilling operations and will be totally isolated upon removal of the rotary rig. The pit will be lined using a 5-7 mil plastic to minimize loss of drilling fluids and saturation of the ground with brine water used to drill from 850' to 4400'.
- D. Water produced from the well during completion operations will be disposed into a steel tank or reserve pit, if volumes prove excessive. After placing the well on production through the production facilities, all water will be collected in tanks and injected into the Todd "26" Federal #3 disposal well or other approved disposal well. Produced oil will be separated into steel stock tanks until sold.
- E. A portable chemical toilet will be available on the location for human waste during the drilling operations.
- F. Garbage, trash and waste paper produced during drilling operations will be collected in a contained trailer and disposed at a approved landfill. All waste material will be contained to prevent scattering by the wind. All water, fluids, salt or other chemicals will be disposed in the reserve pit. No toxic waste or hazardous chemicals will be generated by this operation.
- G. All waste material will be removed within 30 days after the well is either completed or abandoned. The reserve pit will be completely fenced until it has dried. At the point the reserve pit is found sufficiently dry, it will be backfilled and reclaimed as per surface owner specifications. Only the portion of the drilling pad used by the production equipment (pumping unit) will remain in use. If the well is deemed non-commercial, only a dry hole marker will remain.

8. Ancillary Facilities:

No campsite or other facilities will be constructed as a result of this well.

9. Well Site Layout:

- A. The drill pad is shown on Exhibit #6. Approximate dimensions of the pad, pits and general location of the rig equipment are displayed. Top soil will be stored adjacent to the pad until reclamation efforts are undertaken. Only modest cuts will be necessary to build the pad which will be covered with 6" of compacted caliche.
- B. No permanent living facilities are planned, but temporary trailers for the toolpusher, drilling foreman and mud logger may be on location throughout drilling operations.
- C. The reserve pit will be lined using plastic sheeting of 5-7 mil thickness.

10. Plans for Restoration of Surface:

- A. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed as directed by the landowner. The reserve pit area will be broken out and leveled after drying to a condition where these efforts are feasible. The original top soil will again be returned to the pad and contoured, as close as possible, to the original topography.
- B. The pit lining will be buried or hauled away in order to return the location and road to their pristine nature. All pits will be filled and location leveled, weather permitting, within 120 days after abandonment.
- C. The location and road will be rehabilitated as recommended by the landowner.
- D. The reserve pit will be fenced on three sides throughout drilling operations. After the rotary rig is removed, the reserve pit will be fenced on the fourth side to preclude endangering wildlife. The fencing will be in place until the pit is reclaimed.

- E. If the well is deemed commercially productive, the reserve pit will be restored as described in 10 (A) within 120 days subsequent to the completion date. Caliche from areas of the pad site not required for operations will be reclaimed. The original top soil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography.

11. Surface Ownership:

The wellsite is owned by:           Mr. Charles James  
  1207 W. Riverside  
  Carlsbad, New Mexico 88220

Road routes and damages have been settled.

12. Other Information:

- A. The area surrounding the well site is grassland. The top soil is very sandy in nature. The vegetation is moderately sparse with native prairie grass, sagebrush, yucca and miscellaneous weeds.
- B. There is no permanent or live water in the general proximity of the location. However, a windmill is located roughly 2500' northwest of the well.
- C. A Cultural Resources Examination has been completed by New Mexico Archaeological Services, Inc. and forwarded to the Carlsbad, New Mexico BLM office. The report references no cultural areas on either the access road or drilling pad.

13. Lessees's and Operator's Representative:

The Devon Energy Corporation representative responsible for assuring compliance of the surface use plan are:

Chuck Horsman  
District Engineer

Dan Talley  
Production Foreman

Devon Energy Corporation  
1500 Mid-America Tower  
20 North Broadway  
Oklahoma City, Oklahoma  
73102

Devon Energy Corporation  
422 West Main  
Suite F  
Artesia, New Mexico  
88210

Phone:

(405) 235-3611 (Office)  
(405) 348-5964 (Home)

(505) 748-3371 (Office)  
(915) 746-3671 (Home)

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access road; that I am familiar with the conditions that presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Devon Energy Corporation (Nevada) and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: August 12, 1992

Signed: 

Charles W. Horsman  
District Engineer

# MINIMUM BLOWOUT PREVENTER REQUIREMENTS

3,000 psi Working Pressure

3 MWP

TODD "26" FEDERAL #16  
EDDY COUNTY, NEW MEXICO  
EXHIBIT #1

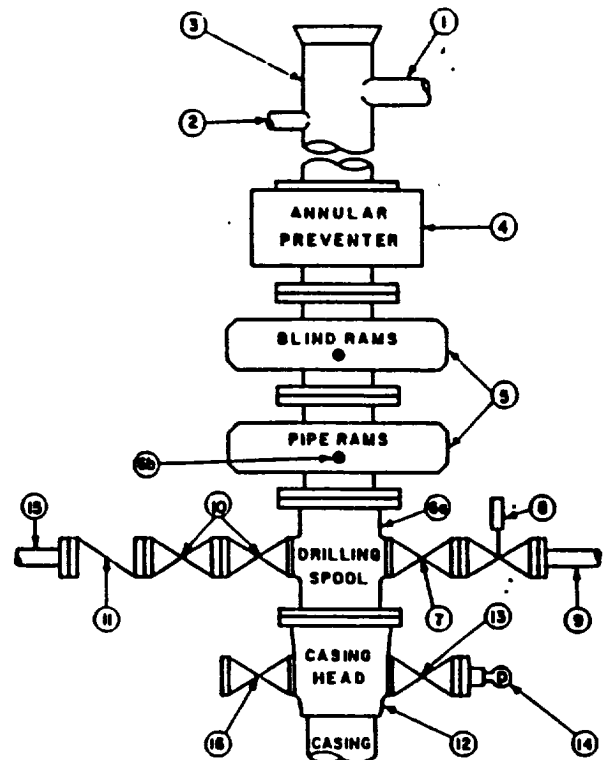
## STACK REQUIREMENTS

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.

**Attachment to Exhibit #1**  
**NOTES REGARDING BLOWOUT PREVENTORS**  
**Todd "26" Federal #16**  
**Eddy County, New Mexico**

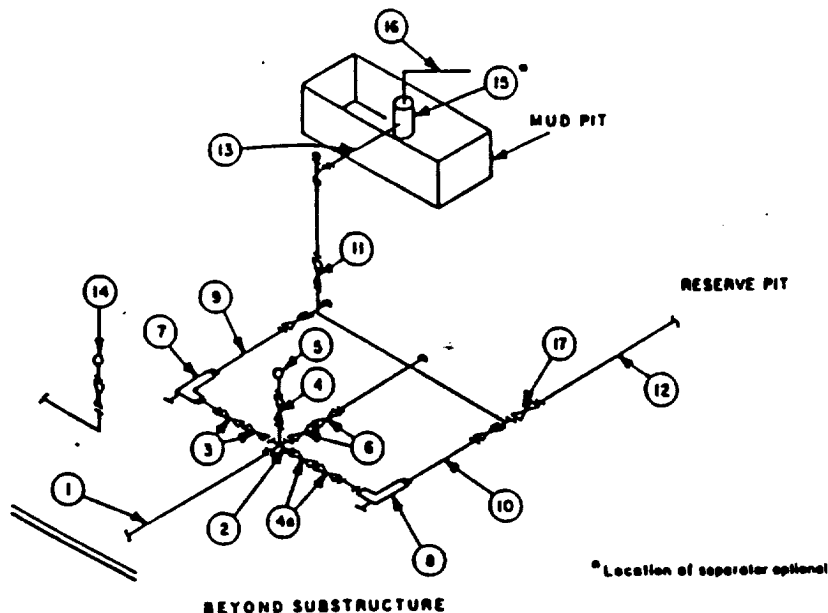
1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOPE bore.
2. Wear ring will be properly installed in head.
3. Blowout preventor and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.
4. All fittings will be flanged.
5. A full bore safety valve tested to a minimum 3000 psi W.P. with proper thread connections will be available on the rotary rig floor at all times.
6. All choke lines will be anchored to prevent movement.
7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
8. Will maintain a kelly cock attached to the kelly.
9. Hand wheels and wrenches will be properly installed and tested for safe operation.
10. Hydraulic floor control for blowout preventor will be located as near in proximity to driller's controls as possible.
11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.



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

3 MWP - 5 MWP - 10 MWP

TODD "26" FEDERAL #16  
EDDY COUNTY, NEW MEXICO  
EXHIBIT #1-A



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

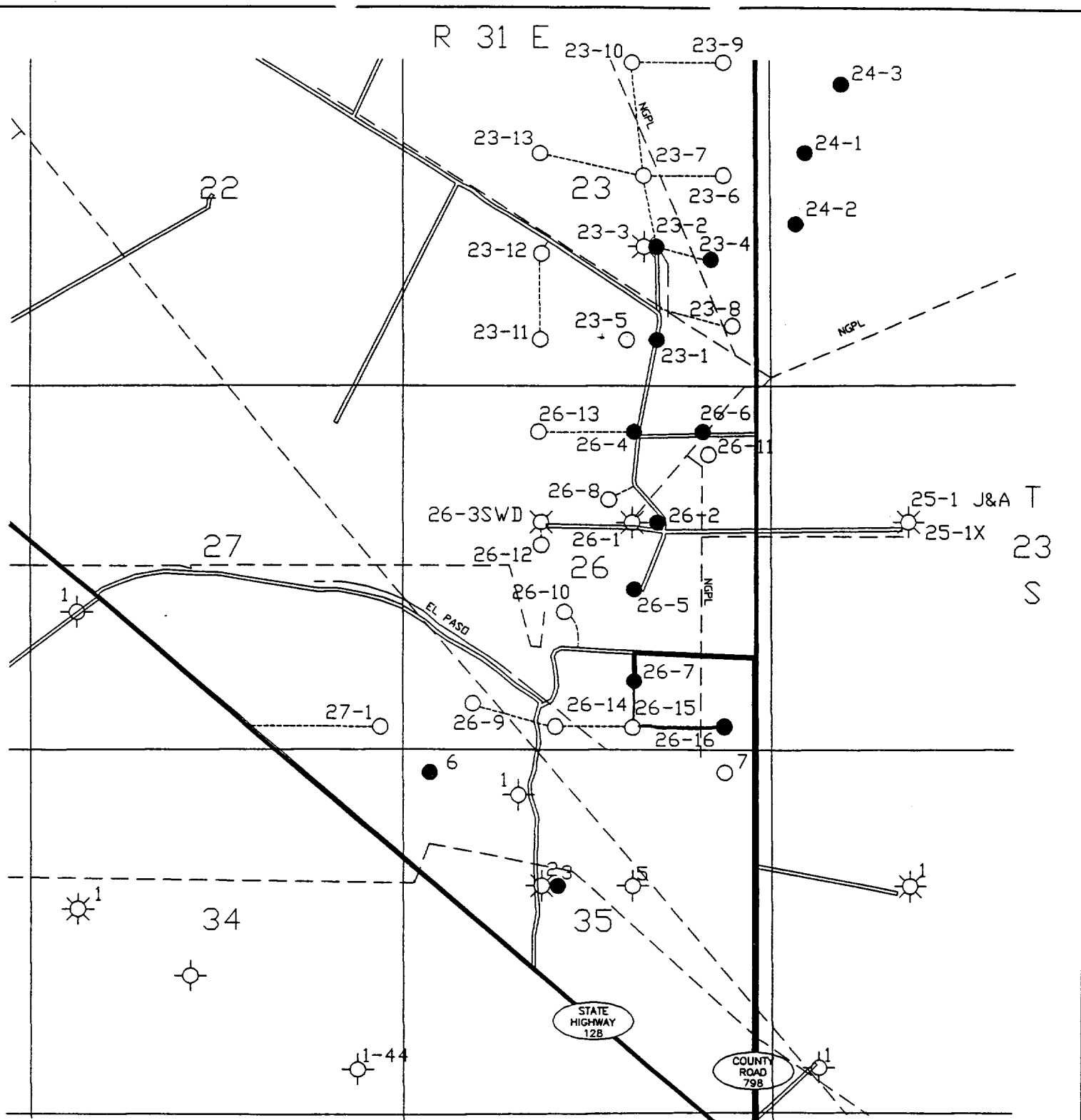
(1) Only one required in Class 3M.

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

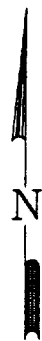
(3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

**EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS**

1. All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
2. All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
3. All lines shall be securely anchored.
4. Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
5. 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.
6. 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.
7. Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well.



- PIPELINE
- ===== EXISTING ROAD
- PROPOSED ROAD

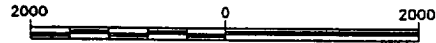


**SAND DUNES FIELD**  
EDDY COUNTY, NEW MEXICO

Todd "26" Federal #16

**EXHIBIT 3**

Scale in Feet



R 31 E

22

23

24

23-13 23-7 23-6 24-1  
23-12 3-23 2-23 23-4 24-2  
23-11 23-5 23-1 23-8

27

T  
23  
S

26-13 26-4 26-6 26-11  
26-8 26-1 26-2  
26-3 SWD 26-12 26-10 26-5  
26-9 26-14 26-15 26-16

25-1 J&A  
25-1X  
25

1 MILE RADIUS

PROPOSED TODD-26 FED-16

34

2

35

36



File: 26-16

8/92

**devon**  
DEVON CORPORATION

## SAND DUNES FIELD

EDDY COUNTY, NEW MEXICO

WELLS WITHIN 1 MILE RADIUS  
TODD-26 FED-16

### EXHIBIT 4

Scale in Feet

2000 0 2000

**Attachment to Exhibit #4**

**STATUS OF WELLS WITHIN ONE MILE RADIUS**

Todd "26" Federal #16  
Section 26-T23S-R31E  
Eddy County, New Mexico  
August 1992

**Sec. 25-T23S-R31E**

Texaco, Inc.

Todd "25" Federal #1-X	3300' FSL & 3310' FEL	Morrow Gas Well
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**Sec. 26-T23S-R31E**

Devon Energy Corp

Todd "26" Federal #1	3300' FSL & 1980' FEL	Atoka Gas Well
Todd "26" Federal #2	3300' FSL & 1650' FEL	Delw Oil Well-TA
Todd "26" Federal #3	3300' FSL & 3300' FEL	Delw Wtr Inj Well
Todd "26" Federal #4	4620' FSL & 1980' FEL	Delaware Oil Well
Todd "26" Federal #5	2310' FSL & 1980' FEL	Delaware Oil Well
Todd "26" Federal #6	4620' FSL & 990' FEL	Delw Oil Well-TA
Todd "26" Federal #7	990' FSL & 1980' FEL	Delw Oil Well-TA

**Sec. 35-T23S-R31E**

Pogo Producing

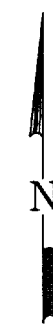
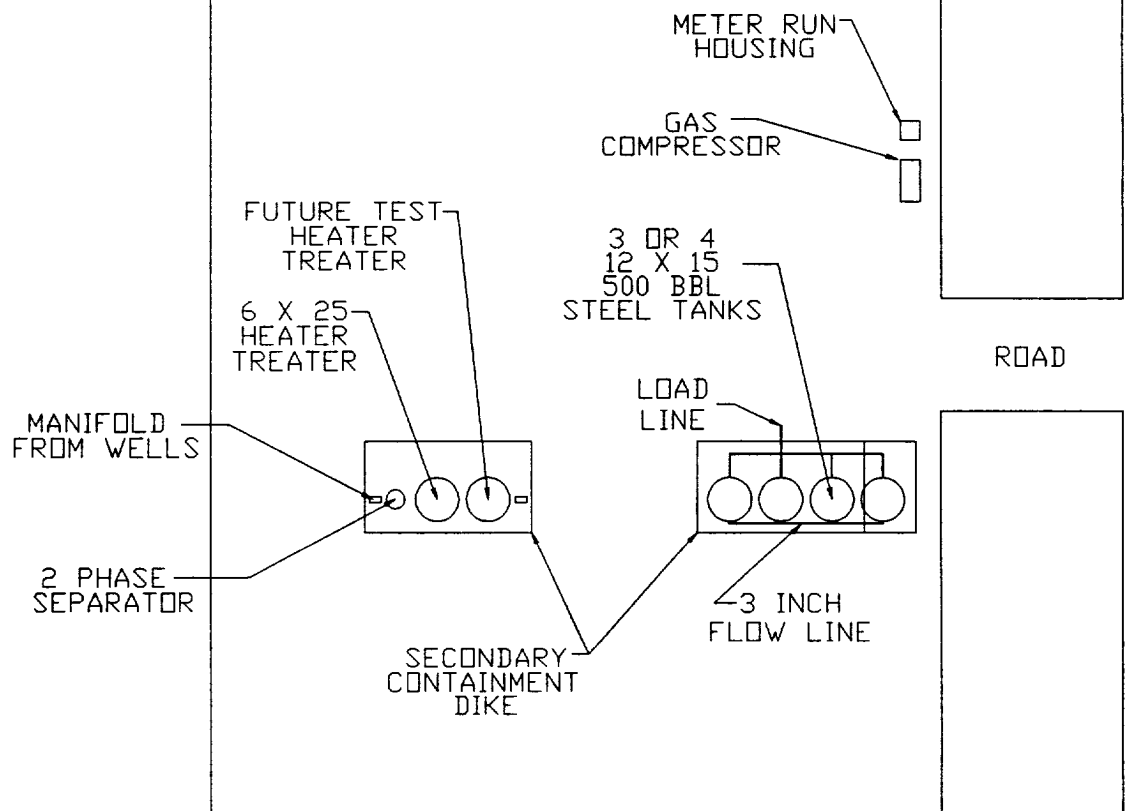
Cal-Mon #1	660' FNL & 1650' FWL	D & A
Cal-Mon #2	1980' FNL & 1980' FWL	Delaware Oil Well
Cal-Mon #3	1980' FNL & 2180' FWL	Delw Oil Well-TA
Cal-Mon #5	1980' FNL & 1980' FEL	Delw Oil Well-TA
Cal-Mon #6	330' FNL & 330' FWL	Delaware Oil Well

**Sec. 36-T23S-R31E**

Devon Energy Corp.

Todd "36" State #1	1980' FNL & 1980' FWL	Morrow Gas Well (inactive)
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PAD OF 26-1  
SHOWING BATTERY DESIGN FOR  
TODD 26 FEDERAL 16



FILE: 26-16

**Devon**  
DEVON CORPORATION

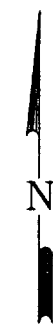
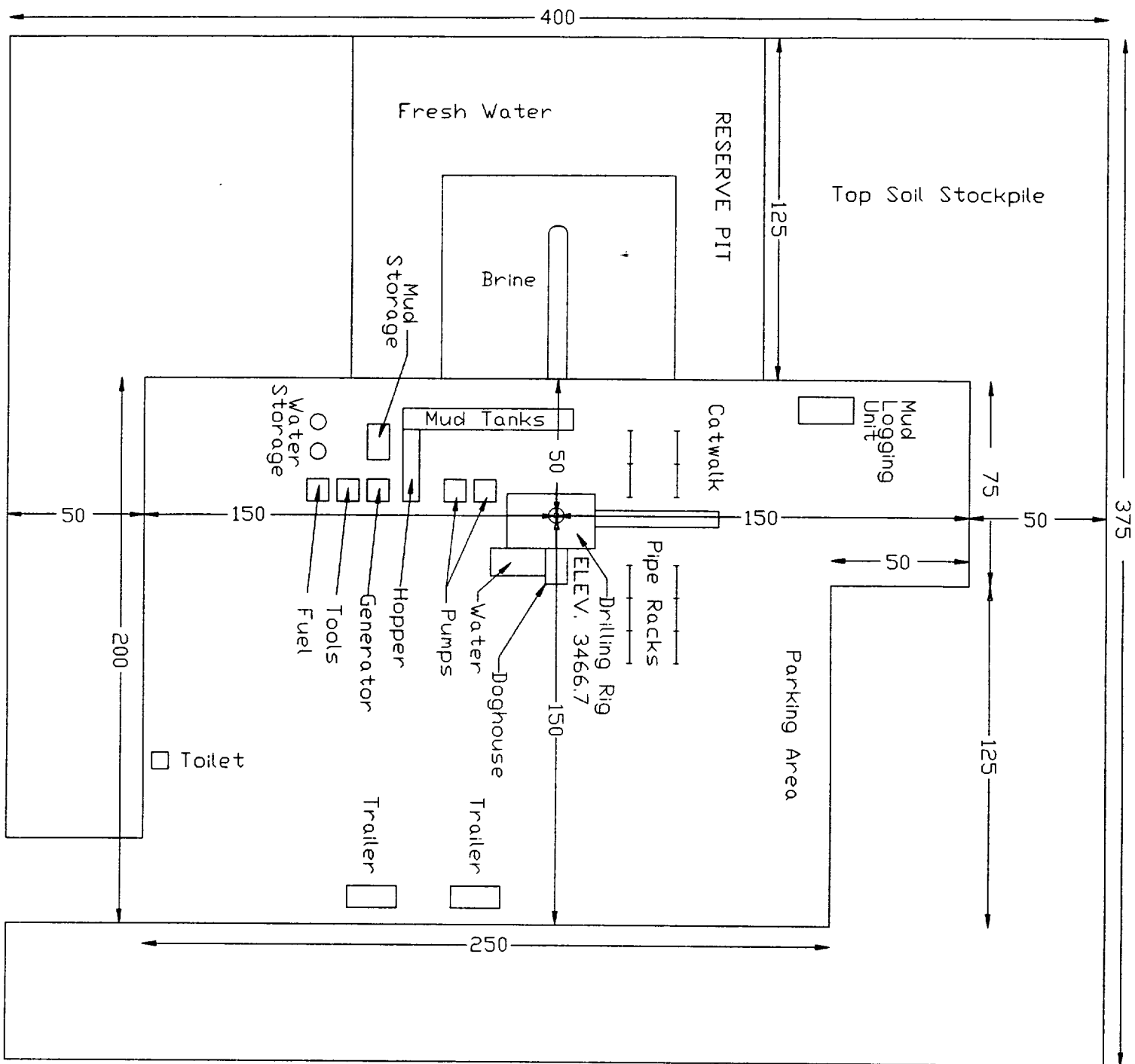
**SAND DUNES FIELD**  
EDDY COUNTY, NEW MEXICO

PRODUCTION FACILITIES LAYOUT FOR  
TODD-26 FED-16

**EXHIBIT 5**

Scale in Feet  
25 0 25 50 75 100

8/92



FILE: 26-16

<b>SAND DUNES FIELD</b> EDDY COUNTY, NEW MEXICO	
DRILLING RIG LAYOUT AND ELEVATIONS TODD-26 FED-16	
<b>EXHIBIT 6</b>	
Scale in Feet 25 0 25 50 75 100	
8/92	

JUN 20 1989

Land

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

June 14, 1989

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Devon Energy Corporation  
1500 Mid-America Tower  
20 North Broadway  
Oklahoma City, Oklahoma 73102-8260

Attention: Charlene Newkirk

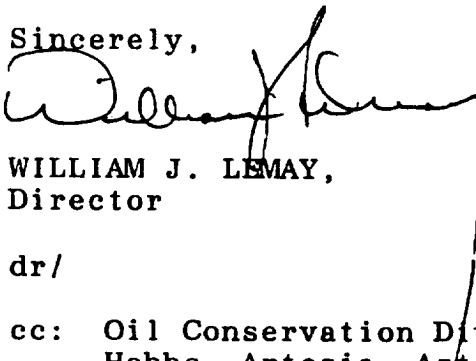
Re: \$50,000 Blanket Plugging Bond  
Devon Energy Corporation, Principal  
Bond No. 56-0130-11003-82-1

Dear Ms. Newkirk:

The Oil Conservation Division hereby acknowledges receipt of and approves the rider to the above-captioned bond changing the name of principal as follows:

DEVON ENERGY CORPORATION (NEVADA)

Sincerely,

  
WILLIAM J. LEMAY,  
Director

dr/

cc: Oil Conservation Division  
Hobbs, Artesia, Aztec

DEVON  
ENERGY  
CORPORATION

1500 Mid-America Tower  
20 North Broadway  
Oklahoma City, Oklahoma 73102-8260

405/235-3611  
TWX 910-831-3277

May 5, 1989

State of New Mexico  
Oil & Gas Conservation Commission  
State Capitol Building  
Santa Fe, NM 87504

Re: Blanket Plugging Bond  
State of New Mexico  
No. 56-0130-11003-87

Gentlemen:

Devon Energy Corporation formerly Devon Corporation has changed its name to Devon Energy Corporation (Nevada). In this regard, enclosed is a Rider for the referenced bond to include both company names. Please amend your records.

Very truly yours,



Charlene Newkirk  
Lease Records Supervisor

encls

cc: Carolyn Wilson  
McEldowney McWilliams



R I D E R

To be attached to and become a part of Bond No. 56-0130-11003-87-1  
issued by the United States Fidelity and Guaranty Company, on  
behalf of Devon Energy Corporation  
as Principal, and in favor of State of New Mexico  
as Obligee, in the penalty of Fifty thousand and no/100 - - - - -  
Dollars (\$ 50,000.00) for Blanket plugging bond

It is hereby understood and agreed that effective on the  
February 10, 1989 the Principal in this  
bond shall be Devon Energy Corporation (Nevada)

However, the liability of the Surety in the aggregate to the  
Obligee for any and all defaults of the Principal, whether occurring  
before or after or partly before and partly after this rider  
become effective, shall in no event exceed the penalty stated  
in the bond.

Signed, Sealed, and Dated this 3rd day of March 1989.

ATTEST:

*Quinn Armstrong*  
*Asst. Secretary*

Devon Energy Corporation (Nevada)

*Marvin C. Lunde, Jr.*  
By: MARVIN C. LUNDE, JR.  
Vice President

UNITED STATES FIDELITY AND GUARANTY COMPANY

By: \_\_\_\_\_  
Marcia C. Brejda Attorney-in-fact