

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 177662

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

1. Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 333 W. Sheridan Avenue Oklahoma City, OK 73102		2. OGRID Number 6137
4. Property Code 39747		3. API Number 30-025-41515
5. Property Name BELL LAKE 19 STATE		6. Well No. 002H

7. Surface Location

UL - Lot O	Section 19	Township 24S	Range 33E	Lot Idn	Feet From 200	N/S Line S	Feet From 1920	E/W Line E	County Lea
---------------	---------------	-----------------	--------------	---------	------------------	---------------	-------------------	---------------	---------------

8. Proposed Bottom Hole Location

UL - Lot C	Section 19	Township 24S	Range 33E	Lot Idn C	Feet From 330	N/S Line N	Feet From 1980	E/W Line W	County Lea
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	-------------------	---------------	---------------

9. Pool Information

WC-025 G-07 S243225C;LOWER BONE SPR	97964
-------------------------------------	-------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3548
16. Multiple N	17. Proposed Depth 16880	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 4/2/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	1300	1210	0
Int1	12.25	9.625	40	4900	1500	0
Prod	8.75	5.5	17	16880	2220	4300

Casing/Cement Program: Additional Comments

13-3/8" Surface Casing: Lead w/650sx CI C Cmt + 0.125 lbs/sack Poly-E-Flake + 4% bwoc Bent + 70.1% FW, Yld. 1.72 cf/sx, 13.5 ppg. Tail w/560sx CI C Cmt + 63.5% FW, Yld. 1.33 cf/sx, 14.8 ppg. TOC @ surface. 9-5/8" Intermediate Casing: Lead w/1070sx (65:35) CI C Cmt: Poz (Fly Ash): 6% BWOC Bent + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 70.9 % FW, Yld. 1.85 cf/sx, 12.9 ppg. Tail w/430sx CI C Cmt + 0.125 lbs/sack Poly-E-Flake + 63.5% FW, Yld. 1.33 cf/sx, 14.8 ppg. TOC @ surface. 5-1/2" Production Casing: 1st Lead w/590sx (50:50) CI H Cmt: Poz (Fly Ash) + 10% BWOC Bent + 1 lb/sk of Kol-Seal + 0.3% BWOC HR-601 + 0.5lb/sk D-Air 5000 + 76.4% FW, Yld. 2.26 cf/sx, 11.9 ppg. 5-1/2" Production Casing: 2nd Lead w/330sx (65:35) CI H Cmt: Poz (Fly Ash) + 6% BWOC Bent + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E-Flake + 74.1 % FW, Yld. 1.96 cf/sx, 12.5 ppg.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
Double Ram	3000	3000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Randy Bolles Title: Manager, Regulatory Affairs Email Address: randy.bolles@dmn.com Date: 11/25/2013	Approved By: Paul Kautz Title: Geologist Approved Date: 11/25/2013 Expiration Date: 11/25/2015 Conditions of Approval Attached

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 478-3470 Fax:(505) 478-3462

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Randy Bolles

Title: Manager, Regulatory Affairs

Date: 11/25/2013

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.

Surveyed By: Filimon Jaramillo

Date of Survey: 10/22/2013

Certificate Number: PLS 12797

District I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Comments

Permit 177662

PERMIT COMMENTS

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-025-41515
	Well: BELL LAKE 19 STATE #002H

Created By	Comment	Comment Date
dcook	5-1/2" Production Casing: Tail w/1300sx (50:50) Class H Cement: Poz (Fly Ash) + 1 lb/sk Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% bwoc HR-601 + 2% bwoc Bentonite + 58.8% FW, Yld. 1.22, 14.5 ppg. TOC @ 4,300 ft.	11/25/2013
dcook	A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the surface casing shoe. The BOP system used to drill the intermediate hole will be tested per BLM Onshore Oil and Gas Order 2. A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the intermediate casing shoe. The BOP system used to drill the production hole will be tested per BLM Onshore Oil and Gas Order 2.	11/25/2013
dcook	The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP.	11/25/2013
dcook	Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line); if an H&P rig drills this well. Otherwise no flex line is needed. The line will be kept as straight as possible with minimal turns.	11/25/2013
dcook	During this procedure we plan to use the Closed-Loop System and haul contents to the required disposal.	11/25/2013
pkautz	Land s/S	11/25/2013

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

Form APD Conditions

Permit 177662

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-025-41515
	Well: BELL LAKE 19 STATE #002H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	Cement on Production Casing must tie back into Intermediate casing