

**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

**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 179695

**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 39877		3. API Number 30-025-41595
5. Property Name IRONHOUSE 24 STATE COM		6. Well No. 002H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	24	18S	34E		200	S	1980	E	Lea

**8. Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	24	18S	34E	B	330	N	1980	E	Lea

**9. Pool Information**

WC-025 G-06 S183518A;BONE SPRING	97930
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3968
16. Multiple N	17. Proposed Depth 14451	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 2/3/2014
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	17.2	13.375	54.5	1850	1650	0
Int1	12.25	9.625	40	3530	1000	0
Prod	8.75	5.5	17	14451	2250	3030

**Casing/Cement Program: Additional Comments**

13-3/8" Surface Casing: Lead w/1090 sx CI C Cmt + 0.125 #/sx Poly-E-Flake + 4% bwoc Bent + 70.1% FW, 13.5 ppg, Yld 1.72 cf/sx; water volume 9.08 gal/sx. Tail w/560sx CI C Cmt + 63.5% FW, 14.8 ppg, Yld 1.33 cf/sx; water volume 6.34 gal/sx. TOC @ surface. 9-5/8" Intermediate Casing: Lead w/570sx (65:35) CI C Cmt: Poz (Fly Ash): 6% BWOC Bent + 5% BWOW Sodium Chloride + 0.125 #/sx Poly-E-Flake + 70.9 % FW, 12.9 ppg, Yld 1.85 cf/sx; water volume 9.82 gal/sx. Tail w/430sx CI C Cmt + 0.125 #/sx Poly-E-Flake + 63.5% FW, 14.9 ppg, Yld 1.33 cf/sx; water volume 6.32 gal/sx. TOC @ surface. 5-1/2" Production CasingL 1st Lead w/600sx (50:50) CI H Cmt: Poz (Fly Ash) + 10% BWOC Bent + 1 #/sx of Kol-Seal + 0.3% BWOC HR-601 + 0.5#/sx D-Air 5000 + 76.4% FW, 11.9 ppg, Yld 2.26 cf/sx; water volume 12.89 gal/sx. 2nd Lead w/330 (65:35) CI H Cmt: Poz (Fly Ash) + 6% BWOC Bent + 0.25% BWOC HR-601 + 0.125 #/sx Poly-E-Flake + 74.1 % FW, 12.5 ppg, Yld 1.96 cf/sx; water volume 5.38 gal/sx.

**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	
Annular	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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.  Signature: _____ Printed Name: Electronically filed by Randy Bolles Title: Manager, Regulatory Affairs Email Address: randy.bolles@dvn.com Date: 1/13/2014	<p style="text-align: center;"><b>OIL CONSERVATION DIVISION</b></p> Approved By: Paul Kautz Title: Geologist Approved Date: 1/14/2014 Expiration Date: 1/14/2016 Conditions of Approval Attached
Phone: 405-228-8588	

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**Oil Conservation Division**  
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Form C-102  
August 1, 2011  
Permit 179695

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-41595	2. Pool Code 97930	3. Pool Name WC-025 G-06 S183518A;BONE SPRING
4. Property Code 39877	5. Property Name IRONHOUSE 24 STATE COM	6. Well No. 002H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3968







**10. Surface Location**

UL - Lot O	Section 24	Township 18S	Range 34E	Lot Idn	Feet From 200	N/S Line S	Feet From 1980	E/W Line E	County Lea
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**11. Bottom Hole Location If Different From Surface**

UL - Lot B	Section 24	Township 18S	Range 34E	Lot Idn	Feet From 330	N/S Line N	Feet From 1980	E/W Line E	County Lea
12. Dedicated Acres 160.00			13. Joint or Infill		14. Consolidation Code			15. 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**

<table border="1" style="width: 100%; height: 150px; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px; text-align: center;"></td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px; text-align: center;"></td><td style="height: 40px;"></td></tr> </table>																	<div style="text-align: center;"><b>OPERATOR CERTIFICATION</b></div> <p><i>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.</i></p> <p>E-Signed By:           Randy Bolles Title:                    Manager, Regulatory Affairs Date:                    1/13/2014</p> <hr/> <div style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></div> <p><i>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.</i></p> <p>Surveyed By:           Filimon Jaramillo Date of Survey:        11/21/2013 Certificate Number:    PLS 12797</p>
																	
																	

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Form APD Comments

Permit 179695

**PERMIT COMMENTS**

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-025-41595
	Well: IRONHOUSE 24 STATE COM #002H

Created By	Comment	Comment Date
dcook	5-1/2" Production Casing: Tail w/1320 sx (50:50) CI H Cmt: Poz (Fly Ash) + 1 #/sx Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% bwoc HR -601 + 2% bwoc Bent + 58.8% FW, 14.5 ppg, Yld 1.22 cf/sx; water volume 5.38 gal/sx. TOC @ 3030 ft.	1/13/2014
dcook	Cement volumes Surface 100%, Intermediate 75% and Production Casing based on at least 25% excess Actual cement volumes will be adjusted based on fluid caliper and caliper log data	1/13/2014
dcook	The BOP system used to drill the intermediate hole will consist of a 13-5/8" 3M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the surface casing shoe. The BOP system used to drill the production hole will consist of a 13-5/8" 3M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the intermediate casing shoe.	1/13/2014
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. Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line). The line will be kept as straight as possib	1/13/2014
dcook	During this procedure, Devon plans to use the Closed-Loop System and haul contents to the required disposal.	1/13/2014
pkautz	Land s/S	1/13/2014



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Form APD Conditions  
 Permit 179695

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102		API Number: 30-025-41595
		Well: IRONHOUSE 24 STATE COM #002H
OCD Reviewer	Condition	
pkautz	1) SURFACE & INTERNEMATE CASING - Cement must circulate to surface – 2) PRODUCTION CASING - Cement must tie back into intermediate casing –	
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	