

**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) 334-8178 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 192679

**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 40471		3. API Number 30-015-42658
5. Property Name DAISY DUKE 31 STATE COM		6. Well No. 004H

**7. Surface Location**

UL - Lot	P	Section	31	Township	22S	Range	26E	Lot Idn		Feet From	1145	N/S Line	S	Feet From	175	E/W Line	E	County	Eddy
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**8. Proposed Bottom Hole Location**

UL - Lot	M	Section	31	Township	22S	Range	26E	Lot Idn	4	Feet From	660	N/S Line	S	Feet From	330	E/W Line	W	County	Eddy
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**9. Pool Information**

WC-015 G-04 S232628M:BONE SPRING	98056
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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 3361
16. Multiple N	17. Proposed Depth 10937	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date
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	400	450	0
Int1	12.25	9.625	36	1590	510	0
Prod	8.75	5.5	17	10937	1930	1090

**Casing/Cement Program: Additional Comments**

5-1/2" Production Casing 2-Stage Option 220 12.5 10.86 1.96 Lead (65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E-Flake + 74.1 % Fresh Water 1350 14.5 5.32 1.21 Tail (50:50) Class H Cement: Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.25% bwoc CFR-3 + 0.2% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water DV Tool @ 4500ft 400 11.9 12.89 2.26 Lead (50:50) Class H Cement: Poz (Fly Ash) + 10% BWOC Bentonite + 1 lb/sk of Kol-Seal + 0.3% BWOC HR-601 + 0.5lb/sk D-Air 5000 + 76.4% Fresh Water 120 14.8 6.32 1.33 Tail Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water

**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	
Annular	5000	5000	

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:	<b>OIL CONSERVATION DIVISION</b>
Printed Name: Electronically filed by Randy Bolles Title: Manager, Regulatory Affairs Email Address: randy.bolles@dvn.com Date: 9/18/2014	Approved By: Randy Dade Title: District Supervisor Approved Date: 9/23/2014 Expiration Date: 9/23/2016 Conditions of Approval Attached

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**Oil Conservation Division**  
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**Santa Fe, NM 87505**

Form C-102  
August 1, 2011  
Permit 192679

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-42658	2. Pool Code 98056	3. Pool Name WC-015 G-04 S232628M,BONE SPRING
4. Property Code 40471	5. Property Name DAISY DUKE 31 STATE COM	6. Well No. 004H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3361

**10. Surface Location**

UL - Lot P	Section 31	Township 22S	Range 26E	Lot Idn	Feet From 1145	N/S Line S	Feet From 175	E/W Line E	County Eddy
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**11. Bottom Hole Location If Different From Surface**

UL - Lot M	Section 31	Township 22S	Range 26E	Lot Idn 4	Feet From 660	N/S Line S	Feet From 330	E/W Line W	County Eddy
12. Dedicated Acres 157.74	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%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></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;"></td><td style="height: 40px;"></td></tr> </table>																	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <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:                    9/18/2014</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <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:        4/2/2014 Certificate Number:   12797</p>

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Form APD Comments

Permit 192679

**PERMIT COMMENTS**

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102		API Number: 30-015-42658
		Well: DAISY DUKE 31 STATE COM #004H

  

Created By	Comment	Comment Date
Igood	Pressure Control Equipment: A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the surface casing and intermediate shoes. The BOP system used to drill the intermediate hole will be tested per BLM Onshore Oil and Gas Order 2. 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, addit	9/18/2014
Igood	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.	9/18/2014
Igood	Pressure Control Equipment cont'd. 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 5,000 psi WP. 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.	9/18/2014
CSHAPARD	Land s/S	9/18/2014

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Form APD Conditions

Permit 192679

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102		API Number: 30-015-42658
		Well: DAISY DUKE 31 STATE COM #004H
OCD Reviewer	Condition	
CSHAPARD	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	