

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-8161 Fax:(505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 193701

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 313782		3. API Number 30-015-42709
5. Property Name Cerf 10 State		6. Well No. 007H

7. Surface Location

UL - Lot	L	Section	11	Township	21S	Range	27E	Lot Idn	Feet From	1345	N/S Line	S	Feet From	150	E/W Line	W	County	Eddy
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8. Proposed Bottom Hole Location

UL - Lot	L	Section	10	Township	21S	Range	27E	Lot Idn	L	Feet From	2055	N/S Line	S	Feet From	330	E/W Line	W	County	Eddy
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9. Pool Information

AVALON;BONE SPRING, EAST	3713
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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 3283
16. Multiple N	17. Proposed Depth 11569	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	26	20	94	120	340	0
Int1	17.5	13.375	48	770	720	0
Int2	12.25	9.625	40	2800	850	820
Prod	8.75	5.5	17	11569	1990	500

Casing/Cement Program: Additional Comments

9-5/8" 2nd Inter. Two Stage Option 440 sxs & 220 sxs, DV/ECP Tool 820' 220 sxs 5-1/2" Prod.Two Stage Option - 180 sxs & 1430 sxs, DV/ECP Tool 5000' 500 sxs & 120sxs DV tool depth (s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
Double Ram	3000	3000	
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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Randy Bolles Title: Manager, Regulatory Affairs Email Address: randy.bolles@dvn.com Date: 10/7/2014	Approved By: Randy Dade Title: District Supervisor Approved Date: 10/9/2014 Expiration Date: 10/9/2016 Conditions of Approval Attached

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Form C-102
August 1, 2011
Permit 193701

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-42709	2. Pool Code 3713	3. Pool Name AVALON;BONE SPRING, EAST
4. Property Code 313782	5. Property Name Cert 10 State	6. Well No. 007H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3283

10. Surface Location

UL - Lot L	Section 11	Township 21S	Range 27E	Lot Idn	Feet From 1345	N/S Line S	Feet From 150	E/W Line W	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot L	Section 10	Township 21S	Range 27E	Lot Idn	Feet From 2055	N/S Line S	Feet From 330	E/W Line W	County Eddy
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

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Form APD Comments

Permit 193701

PERMIT COMMENTS

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-015-42709
	Well: Cerf 10 State #007H

Created By	Comment	Comment Date
Igood	BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested. .	10/7/2014
Igood	After running the 9-5/8" intermediate casing with a mandrel hanger, the 13-5/8" BOP/BOPE system with a minimum rating of 3M will already be installed on the FMC Uni-head.	10/7/2014
Igood	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.	10/7/2014
Igood	5. Mud Program Depth Type Weight (ppg) Viscosity Water Loss From To 0 770' FW Gel 8.6-8.8 28-34 N/C 770' 2800' Saturated Brine 10.0-10.2 28-34 N/C 2800' 11,569' Cut Brine 8.5-9.3 28-34 N/C Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.	10/7/2014
Igood	C-102, Drilling Plan and Directional Plan will be submitted via Fed-Ex.	10/7/2014
CSHAPARD	Land s/S	10/9/2014

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Form APD Conditions

Permit 193701

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102		API Number: 30-015-42709
		Well: Cerf 10 State #007H
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	