

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 162079

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
		3. API Number 30-015-41090
4. Property Code 39709	5. Property Name JOSEY WALES 16 STATE COM	6. Well No. 003H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	16	24S	27E	O	150	S	1980	E	EDDY

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	16	24S	27E	B	330	N	1980	E	Eddy

9. Pool Information

SULPHATE DRAW;WOLFCAMP, NW (GAS)	96333
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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 3206
16. Multiple N	17. Proposed Depth 12009	18. Formation Wolfcamp	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	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	2200	665	0
Prod	8.75	5.5	17	12009	1300	1550
Prod	8.75	5.5	17	6650	870	0

Casing/Cement Program: Additional Comments

13-3/8" - TOC @ surf, Lead:450 sx Cl C Cmt + 2% bwoc CaCl+ 0.125 lbs/sk Poly-E-Flake + 63.1% FW, 14.8 ppg, Yld: 1.35 cf/sk 9-5/8" Lead: 305 sx(65:35)Cl C Cmt:Poz(Fly Ash)+5% bwow NaCl + 0.125 lbs/sk Poly-E-Flake + 6% bwoc Bent + 70.9% FW, 12.9 ppg, Yld: 1.85 cf/sk, TOC @ surf, Tail: 360 sx Cl C Cmt + 0.125 lbs/sack Poly-E-Flake + 63.5% Wtr, 14.8 ppg, Yld: 1.33 cf/sk 5-1/2" Lead:870 sx(65:35)Cl H Cmt:Poz(Fly Ash)+6% bwoc Bent + 0.125 lbs/sk Poly-E-Flake + 0.1% bwoc HR-601 + 74.1% FW, 12.5 ppg, yld: 1.95 cf/sk, Tail: 1300 sacks (50:50)Cl H Cmt:Poz(Fly Ash)+1 lb/sk NaCl+0.5% bwoc HALAD-344+0.4% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bent + 58.8% FW, 14.5 ppg, Yld: 1.22 cf/sk, TOC for All Strings: Surf:0,Inter: 0,Prod: 1550'
ACTUAL CEMENT VOLUMES WILL BE ADJUSTED BASED ON FLUID CALIPER AND CALIPER LOG DATA.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
DoubleRam	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@dmv.com Date: 2/7/2013	OIL CONSERVATION DIVISION Approved By: Randy Dade Title: District Supervisor Approved Date: 2/13/2012 Expiration Date: 2/13/2014 Conditions of Approval Attached
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Form C-102
August 1, 2011
Permit 162079

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-41090	2. Pool Code 96333	3. Pool Name SULPHATE DRAW;WOLFCAMP, NW (GAS)
4. Property Code 39709	5. Property Name JOSEY WALES 16 STATE COM	6. Well No. 003H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3206

10. Surface Location

UL - Lot O	Section 16	Township 24S	Range 27E	Lot Idn O	Feet From 150	N/S Line S	Feet From 1980	E/W Line E	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
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; background-color: #cccccc;"></td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px; background-color: #cccccc;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px; background-color: #cccccc;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px; background-color: #cccccc;"></td><td style="height: 40px;"></td></tr> </table>																	<p style="text-align: center;">OPERATOR CERTIFICATION</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: 2/7/2013</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</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: Frank Jaramillo Date of Survey: 1/3/2013 Certificate Number: 12797</p>

Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: JOSEY WALES 16 STATE COM #003H

API: 30-015-41090

Created By	Comment	Comment Date
priechers	The BOP system used to drill the intermediate hole will consist of a 13-5/8" Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2, a 3M system will be installed and tested prior to drilling out the surface casing shoe.	2/7/2013
priechers	The BOP system used to drill the production hole will consist of a 13-5/8" Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 a 3M system will be installed prior to drilling out the intermediate casing shoe.	2/7/2013
priechers	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 5,000 psi WP.	2/7/2013
CSHAPARD	Land s/S	2/8/2013

Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: JOSEY WALES 16 STATE COM #003H

API: 30-015-41090

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