

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8181 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 181728

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 30-015-42083
4. Property Code 40392	5. Property Name LONE TREE DRAW 14 STATE COM	6. Well No. 003H

7. Surface Location

UL - Lot P	Section 11	Township 21S	Range 27E	Lot Idn	Feet From 335	N/S Line S	Feet From 960	E/W Line E	County Eddy
---------------	---------------	-----------------	--------------	---------	------------------	---------------	------------------	---------------	----------------

8. Proposed Bottom Hole Location

UL - Lot P	Section 14	Township 21S	Range 27E	Lot Idn P	Feet From 330	N/S Line S	Feet From 660	E/W Line E	County Eddy
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	------------------	---------------	----------------

9. Pool Information

FENTON;DELAWARE, NORTHWEST	24330
----------------------------	-------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3219
16. Multiple N	17. Proposed Depth 10027	18. Formation Brushy Canyon	19. Contractor	20. Spud Date 5/18/2014
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	100	135	0
Int1	12.25	9.625	40	2760	885	0
Prod	8.75	5.5	17	10027	1690	2260

Casing/Cement Program: Additional Comments

Contingency Plan For loss of Circulation 1st STAGE Lead Lead: 260 sacks (65:35) Class H Cement:Poz (Fly Ash): 6% BWOC Bentonite + 0.25% HR-601+ 0.125 lbs/sack Poly-E-Flake + 73.6 % Fresh Water, 12.5 ppg, 1.95 cf/sk, 10.79 gal/sk Tail Tail: 1465 sacks (50:50) Class H Cement:Poz (Fly Ash) + 1 lb/sk Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water, 14.5 ppg, 1.22 cf/sk, 5.38 gal/sk 2nd STAGE (DV tool 2810 ft) Lead Tail: 115 sacks Class C Cement + 63.5% Water, 14.8 ppg, 1.33 cf/sk, 6.34 gal/sk

22. Proposed Blowout Prevention Program

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

<p>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.</p> <p>Signature:</p> <p>Printed Name: Electronically filed by Randy Bolles</p> <p>Title: Manager, Regulatory Affairs</p> <p>Email Address: randy.bolles@dmv.com</p> <p>Date: 2/19/2014</p>	<p>OIL CONSERVATION DIVISION</p> <p>Approved By: Randy Dade</p> <p>Title: District Supervisor</p> <p>Approved Date: 2/19/2014</p> <p>Expiration Date: 2/19/2016</p> <p>Conditions of Approval Attached</p>
---	---

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-102
August 1, 2011
Permit 181728

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-42083	2. Pool Code 24330	3. Pool Name FENTON;DELAWARE, NORTHWEST
4. Property Code 40392	5. Property Name LONE TREE DRAW 14 STATE COM	6. Well No. 003H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3219

10. Surface Location

UL - Lot P	Section 11	Township 21S	Range 27E	Lot Idn	Feet From 335	N/S Line S	Feet From 960	E/W Line E	County Eddy
---------------	---------------	-----------------	--------------	---------	------------------	---------------	------------------	---------------	----------------

11. Bottom Hole Location If Different From Surface

UL - Lot P	Section 14	Township 21S	Range 27E	Lot Idn	Feet From 330	N/S Line S	Feet From 660	E/W Line E	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

<div style="display: flex; flex-direction: column; align-items: center;"> <div style="width: 100px; height: 100px; border: 1px solid black; margin-bottom: 5px;"></div> <div style="width: 100px; height: 100px; border: 1px solid black; margin-bottom: 5px;"></div> <div style="width: 100px; height: 100px; border: 1px solid black; margin-bottom: 5px;"></div> <div style="width: 100px; height: 100px; border: 1px solid black;"></div> </div>	<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: 2/19/2014</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: Filimon Jaramillo Date of Survey: 11/26/2013 Certificate Number: 12797</p>
--	---

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

Form APD Comments

Permit 181728

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

PERMIT COMMENTS

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-015-42083
	Well: LONE TREE DRAW 14 STATE COM #003H

Created By	Comment	Comment Date
Igood	Pressure Control Equipment: 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 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 a 3M system prior to drilling out the intermediate casing shoe. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rat	2/19/2014
Igood	• The above cement volumes based on at least Surface 100% excess, Intermediate 75% excess and Production is 25% excess. Actual cement volumes to be adjusted based on fluid caliper and/or caliper log data. • If lost circulation is encountered while drilling the production wellbore, a DV tool will be installed a minimum of 50' below the previous casing shoe and of 200' above the current shoe. If the DV tool has to be moved, the cement volumes will be adjusted proportionately.	2/19/2014
Igood	C-102 and supporting documents will be mailed to the NMOCD.	2/19/2014
CSHAPARD	Land s/s	2/19/2014

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8181 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) 334-8170
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 Conditions
Permit 181728

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:		API Number:
DEVON ENERGY PRODUCTION COMPANY, LP [6137]		30-015-42083
333 W. Sheridan Avenue		Well:
Oklahoma City, OK 73102		LONE TREE DRAW 14 STATE COM #003H

OCD	Condition
Reviewer	
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