District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

Phone:(575) 748-1283 Fax:(575) 748-972 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

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 182234

1. Operator N	lame and Address						2.	OGRID Number		
DI	EVON ENERGY PR	RODUCTION C	OMPANY, LP					6137		
33	33 W. Sheridan Ave	nue					3.	API Number		
Ol	klahoma City, OK 7	3102						30-025-41694	Į.	
4. Property C	ode		5. Property Name				6.	Well No.		
40	0426		Doppleboc	k 8 State Com				001H		
				7.	Surface Location					
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
В	8	18	36E		200	N	1980	E		Lea
	16.10			8. Propos	ed Bottom Hole Loca	tion				
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
0	0	10	965		220	0	100	0 -		Loc

9. Pool Information

WC-025 C-06 \$183608B:BONE \$PRINC		
WC-025 G-06 S183608B:BONE SPRING	0	

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3852
18. Multiple N	17. Proposed Depth 13762	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 4/30/2014
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	2100	1820	0
Int1	12.25	9.625	36	3300	930	0
Prod	8.75	5.5	17	13762	2020	2800

Casing/Cement Program: Additional Comments

13-3/8" Surface: Lead w/1260sx CI C Cmt + 0.125 #/sx Poly-E-Flake + 4% bwoc Bent + 70.1% FW, 13.5 ppg, water volume: 9.08 g/sx, Yld 1.72 cf/sx; Tail w/560sx CI C Cmt + 63.5% FW, 14.8 ppg, water volume: 6.32 g/sx, Yld 1.33 cf/sx; TOC @ surface. 9-5/8" Intermediate: Lead w/500sx (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, water volume: 9.81, Yld 1.85 cf/sx; Tail w/430sx CI C Cmt + 63.5% FW, 14.8 ppg, water volume: 6.32 g/sx, Yld 1.33 cf/sx. TOC @ surface. Pilot Hole Plug Back: Plug Cmt: 540sx CI H Cmt + 0.2% Halad-9 + 0.2% HR-601 + 60.5 % FW, 15.6 ppg, water volume: 5.39, Yld 1.19 cf/sx. 5-1/2" Production Casing: Single Stage: Lead w/680sx Tuned Light Blend + 0.125 #/sx Pol-E-Flake + 76.3% FW, 11.0 ppg, water volume: 15.23 g/sx, Yld 2.71 cf/sx; Tail w/1340sx (50:50) CI H Cmt: Poz (Fly Ash) + 0.5% bwoc HR-601 + 2% bwoc Bent + 58.8% FW. Continued in Comments section.

22. Proposed Blowout Prevention Program

	Type	Working Pressure	Test Pressure	Manufacturer
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 ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.				OIL CONSERVATIO	N DIVISION	
Signature:						
Printed Name:	Electronically filed by Randy Bolle	es	Approved By:	Paul Kautz		
Title:	Manager, Regulatory Affairs		Title:	Geologist		
Email Address:	randy.bolles@dvn.com	Approved Date:	2/27/2014	Expiration Date: 2/27/2016		
Date:	2/27/2014	Phone: 405-228-8588	Conditions of Approval Attached			

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District IV

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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 182234

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41694	2. Pool Code	3. Pool Name WC-025 G-06 S183608B;BONE SPRING
4. Property Code 40426	Property Name Dopplebock 8 State Com	6. Well No. 001H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3852

10. Surface Location

Tot during Educati									
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
В	8	188	36E		200	N	1980	E	Lea

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
0	8	18S	36E	Exception 1	330	S	1980	E	Lea
12. Dedicated Acres		13. Joint or Infill		14. Consolidation Cod	ie		15. Order No.		
160.00									

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

0	OPERATOR CERTIFICATION 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 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 polagreement or a compulsory pooling order heretofore entered by the division.				
	E-Signed By: Randy Bolles				
	Title: Manager, Regulatory Affairs				
	Date: 2/27/2014				
	SURVEYOR CERTIFICATION 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.				
	Surveyed By: Filimon Jaramillo				
	Date of Survey: 2/7/2014				
	Certificate Number: PLS 12797				

Form APD Comments

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Permit 182234

PERMIT COMMENTS

Operator Name and Address:	API Number:
DEVON ENERGY PRODUCTION COMPANY, LP [6137]	30-025-41694
333 W. Sheridan Avenue	Well:
Oklahoma City, OK 73102	Dopplebock 8 State Com #001H

Created By	Comment	Comment Date
dcook	5-1/2" Production Casing - Single Stage Tail continued: 14.5 ppg, water volume: 5.32, Yld 1.21 cf/sx. TOC @ 2800 ft.	2/27/2014
dcook	5-1/2" Production Casing - 2-Stage Option: First Lead w/510sx (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, water volume: 10.86 g/sx, Yld 1.96 cf/sx; Tail w/1340sx (50:50) CI H Cmt. Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.25% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bent + 58.8% FW, 14.5 ppg, water volume: 5.38 g/sx, Yld 1.22 cf/sx. DV Tool @ 5600 ft. Second Lead w/310sx (50:50) CI H Cmt. Poz (Fly Ash) + 10% BWOC Bent + 1 lb/sk of Kol-Seal + 0.3% BWOC HR-601 + 0.5 #/sx D-Air 5000 + 76.4% FW, 11.9 ppg, water volume: 12.89 g/s	2/27/2014
dcook	YId 2.26 cf/sx; Tail w/120sx CI C Cmt + 0.125 #/sx Poly-E-Flake + 63.5% FW, 14.8 ppg, water volume: 6.32 g/sx, YId 1.33 cf/sx. TOC @ 2800 ft.	2/27/2014
dcook	• Cement volumes Surface 100%, Intermediate 75%, Pilot 10% and Production based on at least 25% excess • Actual cement volumes will be adjusted based on fluid caliper and caliper log data • If lost circulation is encountered while drilling the production and/or the intermediate wellbores, a DV tool will be installed a minimum of 50' below the previous casing shoe and a minimum of 200' above the current shoe. If the DV tool has to be moved, the cement volumes will be adjusted proportionately. Both single and double stage proposals are listed in the cement table.	2/27/2014
dcook	A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the surface casing shoe. The BOP system used to drill the intermediate hole will be tested per BLM Onshore Oil and Gas Order 2.	2/27/2014
dcook	A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the intermediate casing shoe. The BOP system used to drill the production hole will be tested per BLM Onshore Oil and Gas Order 2.	2/27/2014
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.	2/27/2014
dcook	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 possible with minimal turns.	2/27/2014

Form APD Conditions

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Permit 182234

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
DEVON ENERGY PRODUCTION COMPANY, LP [6137]	30-025-41694
333 W. Sheridan Avenue	Well:
Oklahoma City, OK 73102	Dopplebock 8 State Com #001H

OCD Reviewer	Condition
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	1) SURFACE & INTERNEMIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines