

**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) 334-8170  
**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 194325

**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 313798		3. API Number 30-015-42737
5. Property Name CEDAR 11 STATE		6. Well No. 002H

**7. Surface Location**

UL - Lot	M	Section	11	Township	21S	Range	27E	Lot Idn	Feet From	1195	N/S Line	S	Feet From	200	E/W Line	W	County	Eddy
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**8. Proposed Bottom Hole Location**

UL - Lot	I	Section	11	Township	21S	Range	27E	Lot Idn	I	Feet From	1905	N/S Line	S	Feet From	330	E/W Line	E	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 3284
16. Multiple N	17. Proposed Depth 11079	18. Formation 1st 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	800	750	0
Int2	12.25	9.625	40	2840	860	850
Prod	8.75	5.5	17	11079	1820	5000

**Casing/Cement Program: Additional Comments**

9-5/8" 2nd Inter. Two Stage Option 450sxs & 220sxs - DV/ECP Tool 850' 230sxs 5-1/2" Prod. Two Stage Option 220sxs & 1240sxs - DV/ECP Tool 5000' 500sxs & 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: _____ Printed Name: Electronically filed by Randy Bolles Title: Manager, Regulatory Affairs Email Address: randy.bolles@dvn.com Date: 10/17/2014	<p style="text-align: center;"><b>OIL CONSERVATION DIVISION</b></p> Approved By: Randy Dade Title: District Supervisor Approved Date: 10/21/2014 Expiration Date: 10/21/2016 Conditions of Approval Attached
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Form C-102  
August 1, 2011  
Permit 194325

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-42737	2. Pool Code 3713	3. Pool Name AVALON;BONE SPRING, EAST
4. Property Code 313798	5. Property Name CEDAR 11 STATE	6. Well No. 002H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3284

**10. Surface Location**

UL - Lot M	Section 11	Township 21S	Range 27E	Lot Idn	Feet From 1195	N/S Line S	Feet From 200	E/W Line W	County Eddy
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**11. Bottom Hole Location If Different From Surface**

UL - Lot I	Section 11	Township 21S	Range 27E	Lot Idn	Feet From 1905	N/S Line S	Feet From 330	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**

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></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: 10/17/2014</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: 7/10/2014 Certificate Number: 12797</p>

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Form APD Comments

Permit 194325

**PERMIT COMMENTS**

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-015-42737
	Well: CEDAR 11 STATE #002H

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.	10/17/2014
Igood	Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.	10/17/2014
Igood	Mud Program: Depth Type Weight (ppg) Viscosity Water Loss From To 0 800' FW Gel 8.6-8.8 28-34 N/C 500' 2,840' Saturated Brine 10.0-10.2 28-34 N/C 2,840' 11,079' 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.	10/17/2014
Igood	The C-102, Drilling Plan and Directional Plan will be submitted via Fed-Ex.	10/17/2014
Igood	See the mailed copy of the Drilling Plan with all contingency operations.	10/17/2014
CSHAPARD	Land f/S	10/17/2014

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Form APD Conditions

Permit 194325

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102		API Number: 30-015-42737
		Well: CEDAR 11 STATE #002H
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	