

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form approved
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a TYPE OF WORK: ☒ DRILL ☐ REENTER

b. TYPE OF WELL: ☒ OIL WELL ☐ GAS WELL ☐ Other _____

☐ SINGLE ZONE ☐ MULTIPLE ZONE

2 NAME OF OPERATOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

3a. ADDRESS AND TELEPHONE NO.

20 NORTH BROADWAY, SUITE 1500, OKC, OK 73102

3b. TELEPHONE (Include area code).

(405) 228-7512

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2455 FNL & 1980' FEL

RECEIVED

At top proposed prod. zone 1945' FNL & 1980' FEL

MAY 17 2004

R-111-POTASH

ORR-ARTESIA

5. LEASE DESIGNATION AND SERIAL NO.

NMNM89052

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Apache 25 Federal #8

9. API WELL NO.

30-015-33439

10. FIELD AND POOL, OR WILDCAT

Quhada Ridge SE; Delaware

11. SEC., T., R., M. OR BLOCK AND SURVEY OR AREA

Sec 25 T22S R30E, Unit G

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 46 miles west from Jal New Mexico

SUBJECT TO LIKE
APPROVAL BY STATE

12. COUNTY OR PARISH

Eddy

13. STATE

NM

15. DISTANCE FROM PROPOSED
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

1980

16. NO. OF ACRES IN LEASE

560

17. Spacing Unit dedicated to this well

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

7860

20. BLM/BIA Bond No. on file

CO1104

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3352 GR

22. APPROX. DATE WORK WILL START*

May 1, 2004

23. Estimated duration

45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

CARLSBAD CONTROLLED WATER BASIN

Drilling Program
Surface Use and Operating Plan
Exhibit #1 = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3 = Road Map and Topo Map
Exhibit #4 = Production Facilities Plat
Exhibit #5 = Rotary Rig Layout
Exhibit #6 = Casing Design
H₂S Operating Plan
Archeological clearance report

Witness Surface and Intermediate

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described above

Bond Coverage: Nationwide
BLM Bond #: CO-1104

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

25. Signature *Karen Cottom* Name (Printed/Typed) KAREN COTTOM Date 3/24/04

Title SR. OPERATIONS TECHNICIAN

Approved by (signature) */s/ Carsten F. Goff* Name (Printed/Typed) */s/ Carsten F. Goff* Date 11 MAY 2004

Title FORSTATE DIRECTOR Office NM STATE OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

*(Instructions on reverse)

Master Drilling, Surface use plan on file
oem

Devon Energy Production Company, LP., proposes to drill this well per the approved Master Drilling and Surface Use Plan for the Quahada Ridge, SE Field, Delaware Formation to 7860' for commercial quantities of oil and gas. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations.

For directions to locations please see the Well Pad Topo map attached.

No additional access roads will be required.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
March 12, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Devon Energy Production Company, LP Telephone: (405) 228-8209 e-mail address: linda.guthrie@dev.com
Address: 20 N Broadway, Suite 1500 Oklahoma City, OK 73102-8260
Facility or well name: Apache 25 Fed #8 API #: _____ U/L or Qtr/Qtr G Sec 25 T 22S R 30E
County: Eddy Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 20 mil Clay ☐ Volume _____ bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not. _____

RECEIVED

MAY 20 2004

OCD-ARTESIA

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet	(20 points)
50 feet or more, but less than 100 feet	(10 points)
<u>100 feet or more</u>	(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes	(20 points)
<u>No</u>	(0 points)

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet	(20 points)
200 feet or more, but less than 1000 feet	(10 points)
<u>1000 feet or more</u>	(0 points)

Ranking Score (Total Points)

0

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 5/17/04

Printed Name/Title Linda Guthrie Regulatory Specialist

Signature Linda Guthrie

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: 6-1-04

Printed Name/Title _____

Signature Perry Guy

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other _____

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY, LP.

3. Address and Telephone No.
20 NORTH BROADWAY, SUITE 1100, OKLAHOMA CITY, OKLAHOMA 73102 (405) 2287512

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 25, T22S R30E

5. Lease Designation and Serial No.
NMNM89052

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
see below

9. API Well No.

10. Field and Pool, or Exploratory Area
Quahada Ridge SE, Delaware

11. County or Parish, State
Eddy, NM

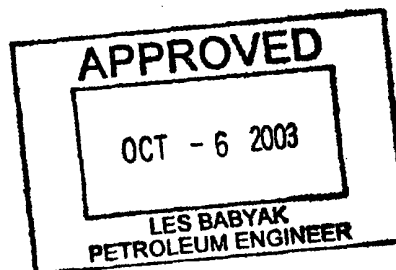
CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Add section to MDSUP	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Devon Energy Production Company, LP request approval to add Lease Number NMNM89052 (W2, NE4, S2/SE4) Sec 25 T22S R30E to the approved Delaware Formation Master Drilling and Surface use plan for the Apache wells.



14. I hereby certify that the foregoing is true and correct

Signed Karen A. Cottom

Karen A. Cottom

Title Operations Technician

Date September 23, 2003

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction.

*See Instruction on Reverse Side

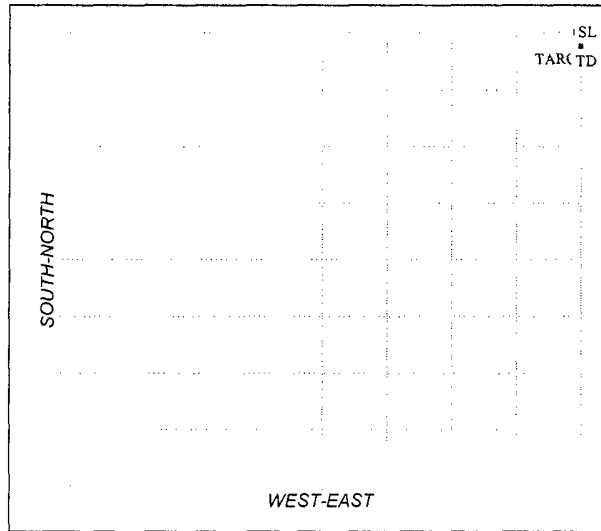
Directional Well Planner
Ramp-Shaped Well

FILE: build and hold.XLS

devon
Apache 25 Fed #8
Quahada Ridge
UL G, Sec 25, T22S, R30E

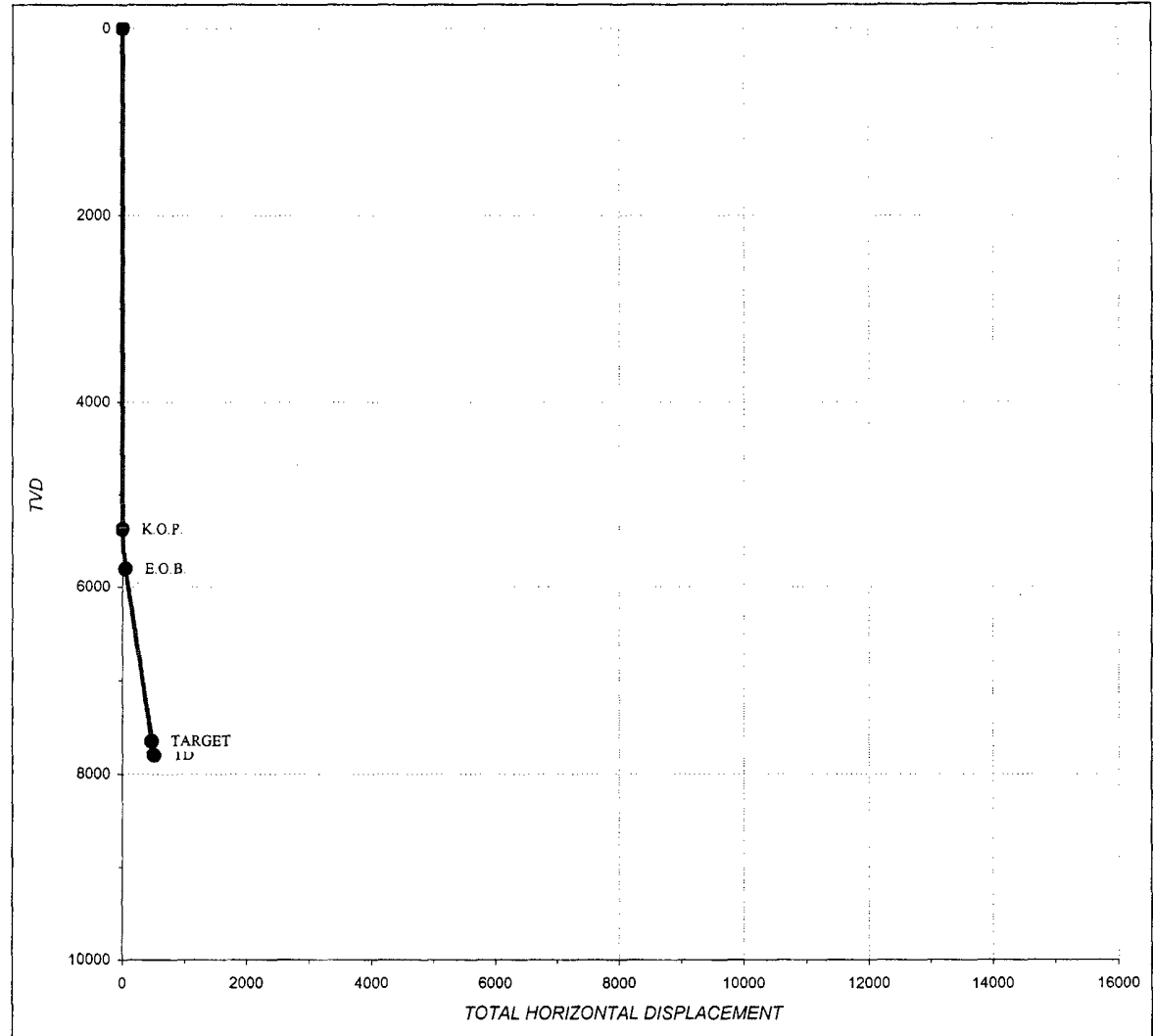
devon

3/17/2004



Design Data	MD	TVD	Total Disp.	
Kick Off Point	5,375	5,375	0	Azimuth: S 0° W
End of Build	5,808	5,805	49	Build Rate (Deg/100'): 3.00°
TD	7,856	7,800	510	Ramp Angle (Deg): 13.00°

Locations & Targets	MD	TVD	Distance	Distance	Block No.
Surface	0	0			
Target	7,702	7,650			
BHL	7,856	7,800			
ZONE OF INTEREST	6,522	6,500			



DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 50443	Pool Name Quahada Ridge Southeast Delaware
Property Code	Property Name APACHE "25" FEDERAL	Well Number 8
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY LP	Elevation 3352'

Surface Location

UL or lot No. G	Section 25	Township 22 S	Range 30 E	Lot Idn	Feet from the 2455	North/South line NORTH	Feet from the 1980	East/West line EAST	County EDDY
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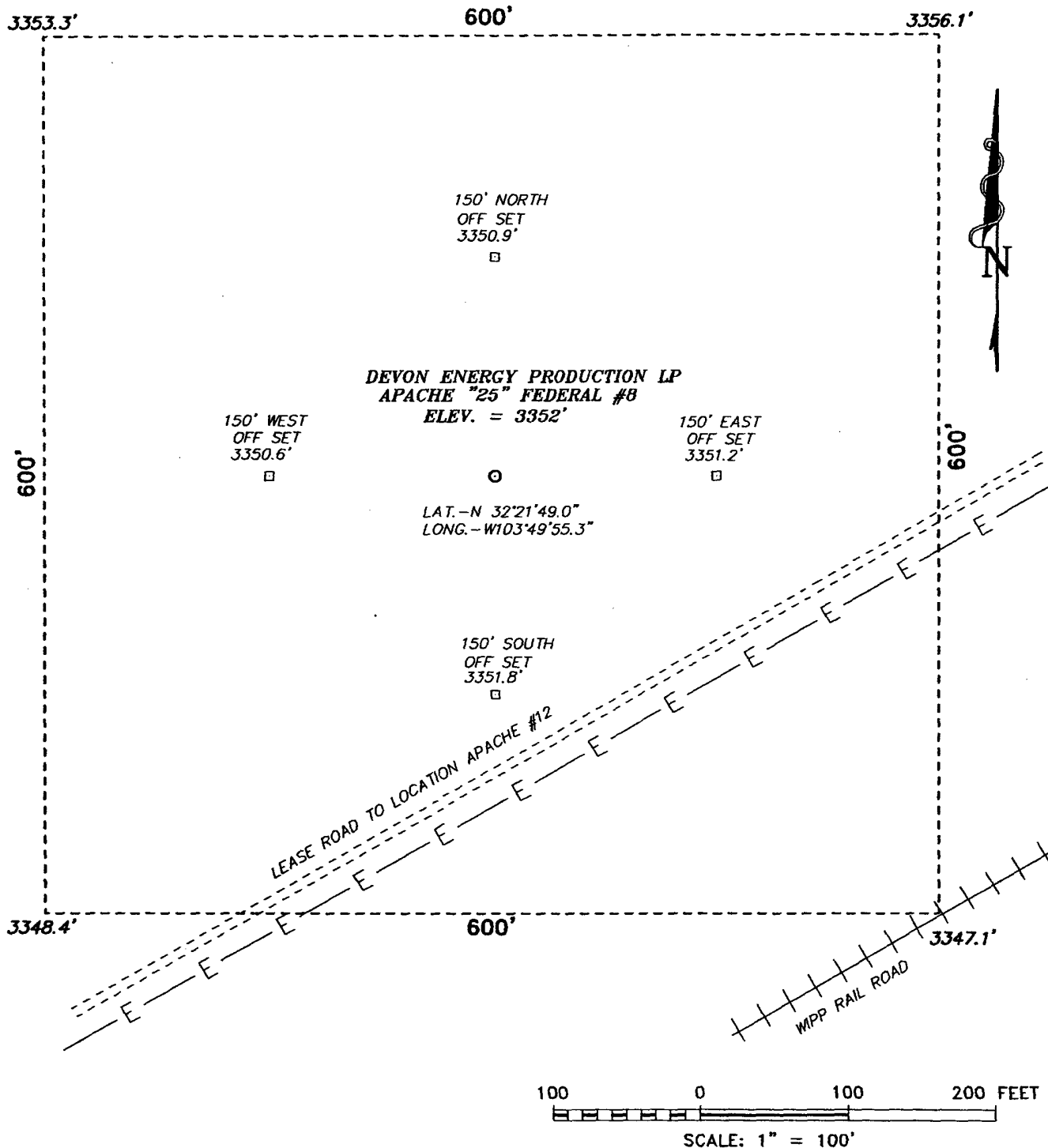
Bottom Hole Location If Different From Surface

UL or lot No. G	Section 25	Township 22S	Range 30E	Lot Idn	Feet from the 1945	North/South line NORTH	Feet from the 1980	East/West line EAST	County EDDY
Dedicated Acres 40	Joint or Infill	Consolidation Code	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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature</p> <p>Karen Cotton Printed Name</p> <p>Sr. Operations Technician Title</p> <p>March 24, 2004 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>MARCH 18, 2004 Date Surveyed</p> <p> Signature & Seal of Professional Surveyor</p> <p>7977 W.O. No. 1055</p> <p>Certified by L. Jones 7977</p> <p>JLP BASIN SURVEYS</p>

SECTION 25, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



FROM THE INTERSECTION OF STATE HWY. 128
AND COUNTY RD #796 GO NORTH ON 796,
2.0 MILES TO LEASE ROAD GO EAST ON
LEASE ROAD 2.0 MILES THEN SOUTH 0.2
MILES TO LEASE ROAD TO WELL #12 THEN
SOUTHWEST APPROX. 2000 FEET TO
LOCATION.

DEVON ENERGY PRODUCTION CO. LP.

REF: APACHE "25" FEDERAL #8 / Well Pad Topo

APACHE "25" FEDERAL # 8 LOCATED 2455' FROM THE
NORTH LINE AND 1980' FROM THE EAST LINE OF
SECTION 25, TOWNSHIP 22 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 4085

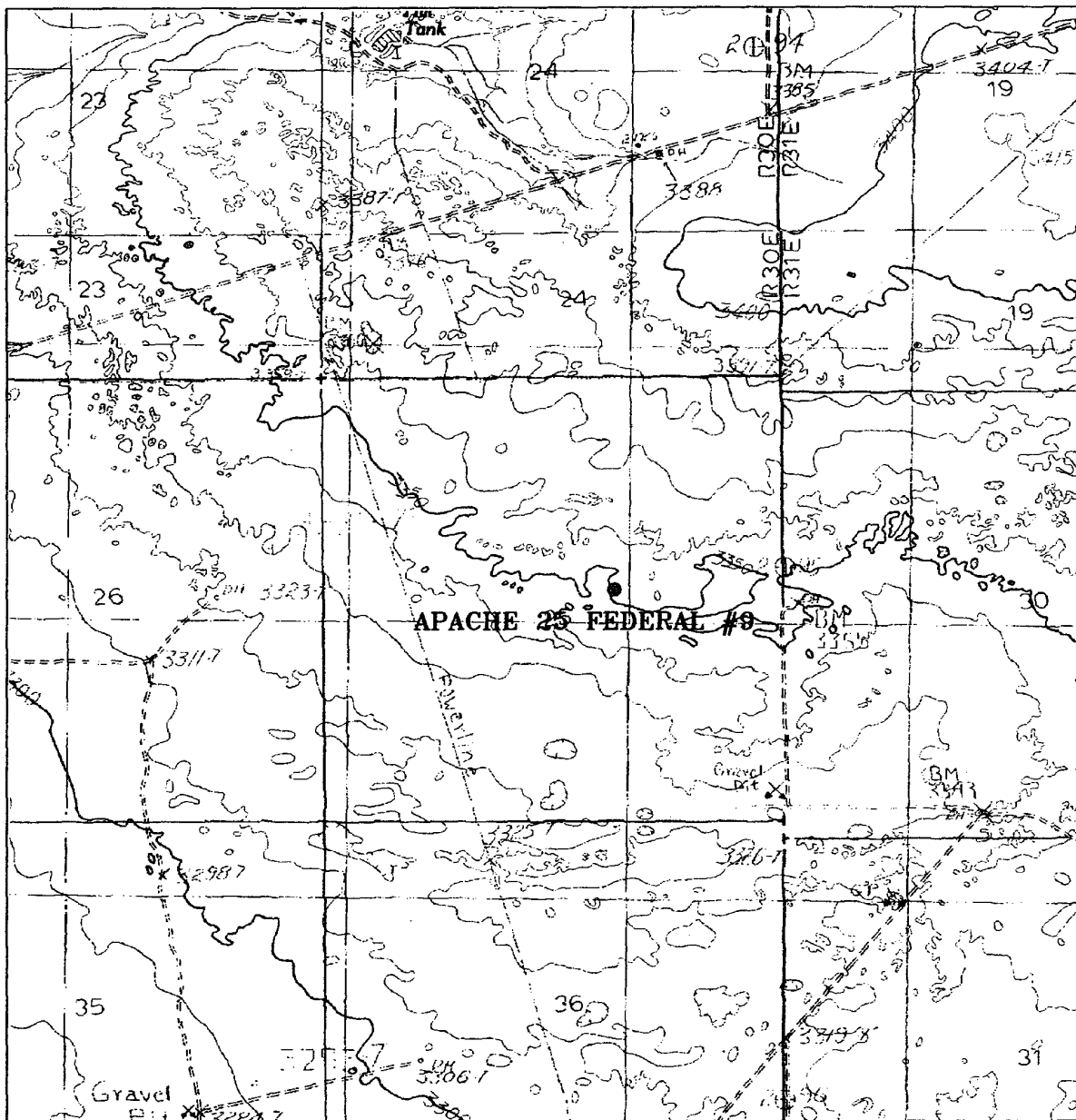
Drawn By: JAMES PRESLEY

Date: 03/18/04

Disk: JLP #1 - CON4085A

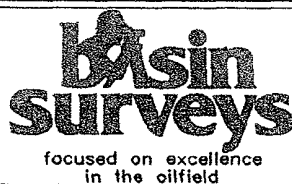
Survey Date: 03/17/04

Sheet 1 of 1 Sheets



APACHE 25 FEDERAL #8

Located at 2455' FNL and 1980' FEL
 Section 25, Township 22 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
basinsurveys.com

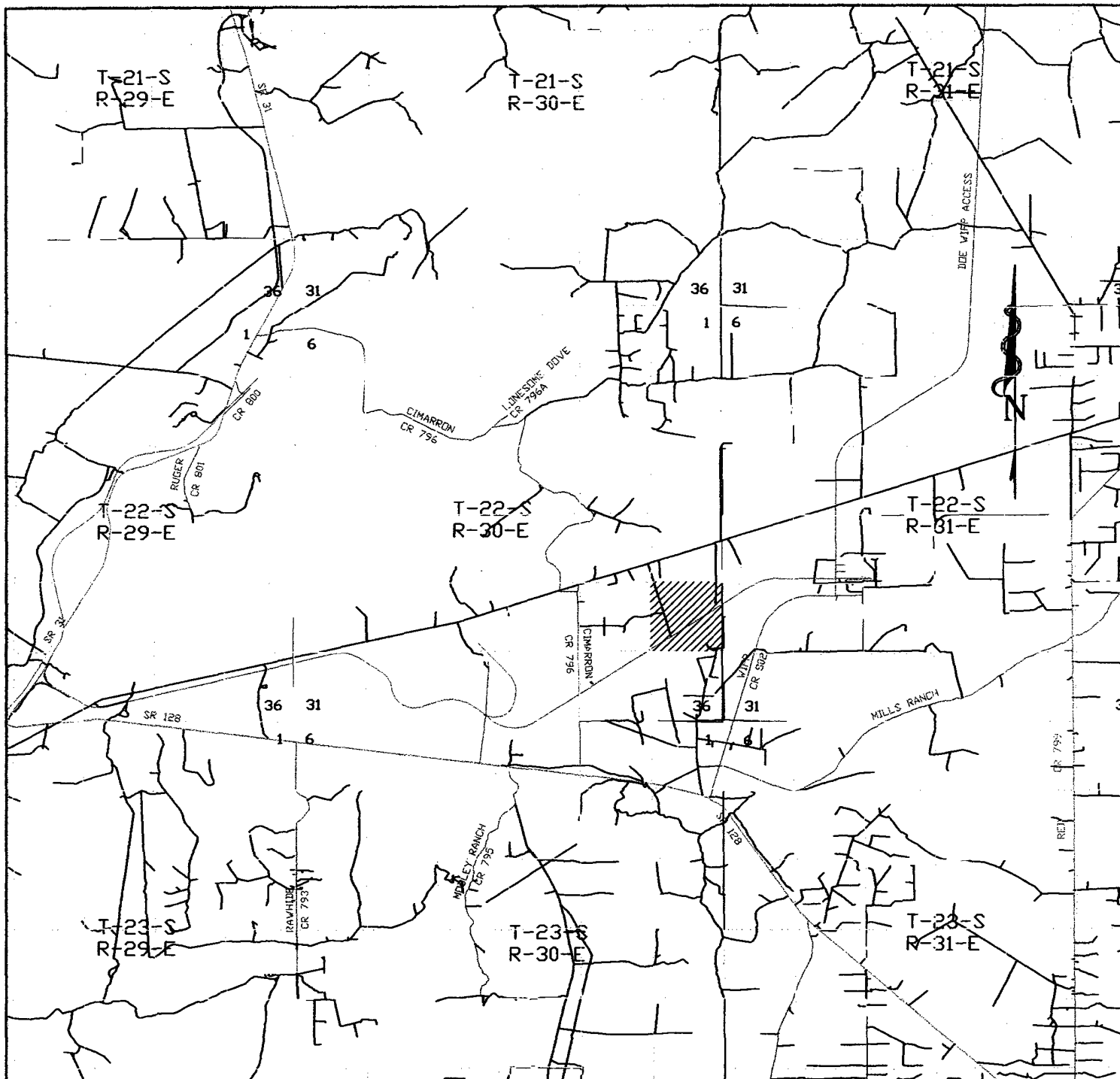
W.O. Number: 4085AA - JLP #1

Survey Date: 03/17/04

Scale: 1" = 2000'

Date: 03/18/04

**DEVON ENERGY
 PRUDUCTION
 COMPANY LP.**



APACHE 25 FEDERAL #8
 Located at 2455' FNL and 1980' FEL
 Section 25, Township 22 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys

focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
basinsurveys.com

W.O. Number: 4085AA - JLP #1

Survey Date: 03/17/04

Scale: 1" = 2000'

Date: 03/18/04

DEVON ENERGY
PRUDUCTION
COMPANY LP.