

30-015-39730

ATS-11-984

OCD Artesia

Form 3160-3
(February 2005)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No 1004-0137
Expires March 31, 20075 Lease Serial No
NM-000503
6 If Indian, Allottee or Tribe Name

1a Type of work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7 If Unit or CA Agreement, Name and No	
1b Type of Well. <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8 Lease Name and Well No Cotton Draw 11 Federal Com 2H (38852)	
2 Name of Operator Devon Energy Production Co., LP		9 API Well No 30-015-39730	
3a Address 20 North Broadway OKC, OK 73102	3b Phone No. (include area code) (405)-235-3611	10 Field and Pool or Exploratory Cotton Draw; Delaware South (38852)	
4 Location of Well (Report location clearly and in accordance with any State requirements *) At surface 330' FSL & 860' FWL Unit M At proposed prod. zone 330' FNL & 660' FWL Unit D PP: 330 FSL & 860 FWL		11 Sec, T R M. or Blk and Survey or Area Sec 11-25S-31E	
14 Distance in miles and direction from nearest town or post office* Approximately 22 miles east of Loving, NM.		12 County or Parish Eddy	13 State NM
15 Distance from proposed* location to nearest property or lease line, ft (Also to nearest drg. unit line, if any) 330'	16 No. of acres in lease 2360.80	17 Spacing Unit dedicated to this well W/2 W/2 160 acres	
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft See attached map	19. Proposed Depth 12,579' MD 8196' TVD OH: 9475'	20 BLM/BIA Bond No on file CO-1104	
21. Elevations (Show whether DF, KDB, RT, GL, etc) 3394' GL	22 Approximate date work will start*	23. Estimated duration 45 days	

24. Attachments

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

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above) |
| 2. A Drilling Plan | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office) | 6. Such other site specific information and/or plans as may be required by the BLM. |

25 Signature <i>Judy A. Barnett</i>	Name (Printed/Typed) Judy A. Barnett	Date 08/30/2011
Title Regulatory Specialist		

Approved by (Signature) <i>/s/ Don Peterson</i>	Name (Printed/Typed) <i>/s/ Don Peterson</i>	Date NOV 29 2011
Title FOR FIELD MANAGER		Office CARLSBAD FIELD OFFICE

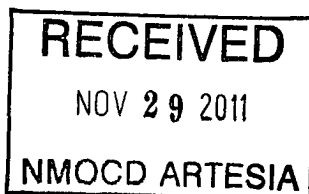
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 USC Section 1001 and Title 43 USC Section 1212, make 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 page 2)

CARLSBAD CONTROLLED WATER BASIN

SEE ATTACHED FOR
CONDITIONS OF APPROVALAPPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator Devon OGRID # 6137
 Well Name & # Cotton Draw II Federal Com Surface Type (F) (S) (P)
 Location: UL Sect Township s, RNG e, Sub-surface Type (F) (S) (P)

A. Date C101 rec'd 11/21/2011 C101 reviewed 11/30/2011

B. 1. Check mark, Information is OK on Forms:

OGRID , BONDING , PROP CODE , WELL # , SIGNATURE

2. Inactive Well list as of: 11/30/2011 # wells 1168, # Inactive wells 4

a. District Grant APD but see number of inactive wells:

No letter required ✓; Sent Letter to Operator , to Santa Fe

3. Additional Bonding as of: 11/30/2011

a. District Denial because operator needs addition bonding:

No Letter required ✓; Sent Letter to Operator , To Santa Fe

b. District Denial because of Inactive well list and Financial Assurance:

No Letter required ✓; Sent Letter to Operator , To Santa Fe

C. C102 YES ✓, NO Signature

1. Pool Cotton Draw; Delaware South, Code 96757

a. Dedicated acreage , What Units

b. SUR. Location Standard : Non-Standard Location

c. Well shares acres: Yes , No , # of wells plus this well #

2. 2nd. Operator in same acreage, Yes , No

Agreement Letter , Disagreement letter

3. Intent to Directional Drill Yes , No

a. Dedicated acreage , What Units

b. Bottomhole Location Standard , Non-Standard Bottomhole

4. Downhole Commingle: Yes , No

a. Pool #2 , Code , Acres

Pool #3 , Code , Acres

Pool #4 , Code , Acres

5. POTASH Area Yes , No ✓

D. Blowout Preventer Yes ✓, No

E. H2S Yes ✓, No

F. C144 Pit Registration Yes ✓, No

G. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes , No ✓ NSL #

2. Non-Standard Proration: Yes , No ✓ NSP #

3. Simultaneous Dedication: Yes , No ✓ SD #

Number of wells Plus #

4. Injection order Yes , No ✓; PMX # or WFX #

5. SWD order Yes , NO ✓; SWD #

6. DHC from SF ; DHC-HOB ; Holding

7. OCD Approval Date 11/30/2011

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8. Reviewers