#### N.M. Oil Cons. DIV-Dist. 2 1301 W. Gran tvenue

Form 3160-3 (April 2004)

Artesia Nau 88210

FORM APPROVED OMB No. 1004-0137

| UNITED STATES  | MICOICA,                         | 16131                              | * Come (1 1 1 2 )    | Expires March                                   | 131, 2007           |  |
|--|----------------------------------|------------------------------------|----------------------|---|---------------------|--|
| DEPARTMENT OF THE<br>BUREAU OF LAND MAN  | 5. Lease Serial No. NMLC-065478B |                                    |                      |   |                     |  |
| APPLICATION FOR PERMIT TO  |                                  | EENTER                             |                      | 6. If Indian, Allotee or Tribe Name             |                     |  |
| la. Type of work:  DRILL  REENT  | ER                               |                                    |                      | 7 If Unit or CA Agreeme                         | ent, Name and No.   |  |
| lb. Type of Well: ✓ Oil Well ☐ Gas Well ☐ Other  | <b>✓</b> Single                  | Zone Multipl                       | e Zone               | 8. Lease Name and Well<br>Falcon 3 D Federa     |                     |  |
| 2. Name of Operator  Devon Energy Production Company, L  | P 613                            | 7                                  |                      | 30 015  | - 34190             |  |
| 3a. Address 20 North Broadway<br>Oklahoma City, Oklahoma 73102-8260  | 3b. Phone No. (inc. 405-552-8    | •                                  |                      | 10. Field and Pool, or Expl<br>Red Lake; Glorie |                     |  |
| 4. Location of Well (Report location clearly and in accordance with an   | ty State requirements.           | *)                                 |                      | 11. Sec., T. R. M. or Blk.a                     | nd Survey or Area   |  |
| At surface NWNW 890FNL 280 FWL At proposed prod. zone NWNW 890FNL 280 FWL  |                                  |                                    |                      | Sec. 3 18S 27E, U1                              | nit D               |  |
| 14. Distance in miles and direction from nearest town or post office* Appoximately 5 miles Southeast of Artesia NM   |                                  |                                    |                      | 12. County or Parish  Eddy County               | 13. State<br>NM     |  |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  | 16. No. of acres                 | in lease                           | 17. Spacin<br>40 acr | g Unit dedicated to this well<br>es             |                     |  |
| 18. Distance from proposed location*   | 19. Proposed De                  | pth                                | 20. BLM/E            | BIA Bond No. on file                            | RECEIVED            |  |
| to nearest well, drilling, completed, applied for, on this lease, ft.  | 4000 MD                          |                                    |                      |   | JUL <b>0 5</b> 2005 |  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3554' GL   | 1                                | date work will start<br>17/01/2005 | <u>†</u> *           | 23. Estimated duration 30 days                  | OCD-AFITEBIA        |  |
|  | 24. Attachm                      | ents                               | -                    |   |                     |  |
| The following, completed in accordance with the requirements of Onsho  | re Oil and Gas Ord               | er No.1, shall be att              | ached to the         | is form:  |                     |  |
| <ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office).</li> </ol> |                                  | Item 20 above). Operator certifica | ation                | ns unless covered by an exis                    |                     |  |
| 30. 5 Shall be then with the appropriate to treet bet the office).   | authorized officer.              |                                    |                      |   |                     |  |

Name (Printed/Typed) Norvella Adams 05/24/2005

Sr. Staff Eng. Tech

Approved by (Signature) /s/ Joe G. Lara Name (Printed/Typed)
/S/ Joe G. Lara

111 0 1 2005

.D 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. APPROVAL FOR 1 YEAR

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. 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)

Kerrell Controlled Water Basin

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

WITNESS: 8 1/8" Cement Job

NSL-3728 ACSO

### Additional Operator Remarks:

Devon Energy Production Company, LP proposes to drill a San Andres, Glorieta Yeso well per the approved Master Drilling and Surface Use Plan for the Red Lake Field Area to 4000' TD for commercial quantities of oil and gas. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations.

Approximately 447' of new access road will be constructed per the MDSUP.

Directions to the location are located on the attached Well Pad Topo exhibit.

Please see attached MDSUP.

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

# State of New Mexico Energy Minerals and Natural Resources

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

Form C-144

June 1, 2004

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          | fapito   | or below-grade tank 🛛 Closure of a pit or below-g   | grade tank 🗌  |
|--|--|----------|---|---|
| -  |  | elephon  | e:405-552-8198e-mail address: _no   | rvella.adams@dvn.com  |
| Address: _PO Box 250 Art   | esia NM 88211                            |          | en NE WILLIAM F   | 2 105   |
| Facility or well name:   |  |          | 80-05-34190 U/Lor Qm/Qm_[   |   |
| County: Eddy   |  | titude _ | Longitude   | NAD: 1927 🗍 1983 🗍  |
| Surface Owner: Federal K St  | tate Private Indian                      |          |   |   |
| Pit  |  |          | Below-grade tank  |   |
| Type: Drilling D Production  | Disposal 🗌                               |          | Volume:bbl Type of fluid:   | ****  |
| Workover [ ] Emerger   | ncy 🗌                                    |          | Construction material:  | <del></del>   |
| Lined 🛛 Unlined 🗍  |  |          | Double-walled, with leak detection? Yes 🔲 If 7  | not, explain why not.   |
| Liner type: Synthetic M Thic   | ckness_12_mil Clay [                     |          |   |   |
| Pit Volumebbl  |  |          | *   | HECEIVED  |
| Dan de des constants de la constant  | al distance from hottom of its a         |          | Less than 50 feet   | (20 points) JUL 0 6 2005  |
|  | al distance from bottom of pit to seaso  | TELESTE. | 50 feet or more, but less than 100 feet   | (10 points)   |
| high water elevation of ground   | a water.)                                | <        | 100 feet or more  | (Opoints)   |
|  |  |          | Yes   | (20 points)   |
| •  | ess than 200 feet from a private dome    | stic     | No )  | (Opoints)   |
| water source, or less than 1000  | 0 feet from all other water sources.)    |          |   | Topolius)   |
| Distance to surface water: (bo   | prizontal distance to all wetlands, play | as.      | Less than 200 feet  | (20 points)   |
| · ·  | perennial and ephemeral watercourse      |          | 200 feet or more, but less than 1000 feet   | (10 points)   |
| miles of the second of the sec |  | ٠.,      | 1990 feet of more   | ( O points)   |
|  | İ  |          | Ranking Score (Total Points)  | 05  |
| P 45 1   |  | et       |   |   |
|  |  |          | s relationship to other equipment and tanks. (2) Ind  | •   |
|  | i  |          | (3) Attach a genera   |   |
|  |  | 1        | es If yes, show depth below ground surface  | ft. and attach sample results.  |
| 5) Attach soil sample results ar   | nd a diagram of sample locations and     | excavat  | ions.   |   |
| Additional Comments:   |  | <u> </u> |   |   |
|  |  | 1        |   |   |
|  |  | 1        |   |   |
|  |  | 1        |   |   |
|  | · · · · · · · · · · · · · · · · · · ·    | ì        |   |   |
| · · · · · · · · · · · · · · · · · · ·  |  | +        |   |   |
|  | <del></del>                              | -        |   |   |
| I hereby certify that the inform   | nation above is true and complete to t   | he 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 gu          | ideline  | s 🗋, a general permit 🖾, or an (attached) altern  | native OCD-approved plan .  |
| Date: 6/21/5   |  | 1        |   |   |
| Printed Name/Title Norvella  | Adams / Sr Staff Fng Tech                | ,        | Signature 12 000 Q  |   |
| Your certification and NMOC otherwise endanger public hea  | D approval of this application/closure   | does n   | of relieve the operator of liability should the contente operator of its responsibility for compliance with | ts of the pit or tank contaminate ground water or<br>any other federal, state, or local laws and/or |
| regulations.   |  | 1        |   |   |
| h managed -  |  |          | $\Omega$  |   |
| Approval:  | Field Supervisor                         | t<br>t   |   | _ 1111 7: 17 AAAE   |
| Printed Name/Title   |  | +        | Signature   | Date UL 4 2005  |



# United States Department of the Interior

#### **BUREAU OF LAND MANAGEMENT**

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201

IN REPLY REFER TO

JUN 05 2003

Devon Energy Production Company, L.P. Attn. Ms Karen Cottom 20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260

·Re:

Red Lake Field Area

Master Drilling and Surface Use Plan

**Eddy County, New Mexico** 

The master drilling and surface use plan, dated May 6, 2003, for the Red Lake Field Area in Townships 17 and 18 South, Range 27 East, Eddy County, New Mexico, is now approved. Several corrections have been made to the attached list describing the field area. An approved copy is attached for your records.

Please note that the surface casing setting depth may change in individual APD (Form 3160-4) submittals because the depth of the expected fresh water varies across this area.

If you have any questions, please contact Alexis C. Swoboda, P.E. at 505-627-0228.

Sincerely,

Larry D. Bray

Assistant Field Manager

Lands and Minerals

devon

Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260

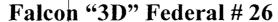
# Hydrogen Sulfide (H<sub>2</sub>S) Contingency Plan

For

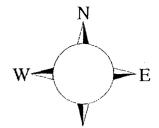
Falcon "3D" Federal #26

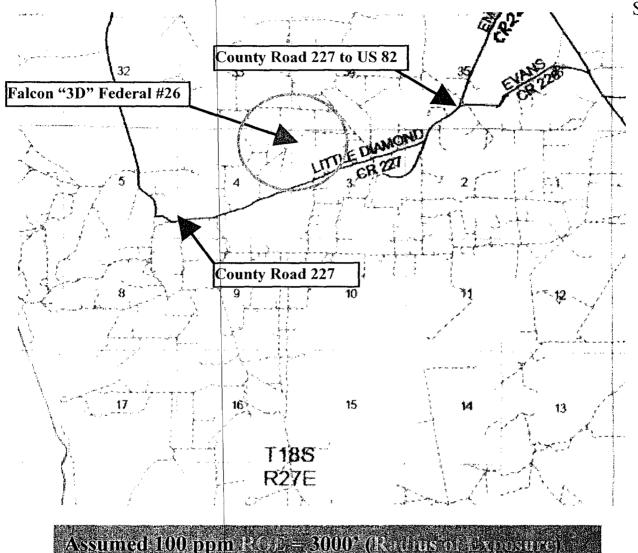
890' FNL & 280' FWL, Sec-3, T-18S R-27E

**Eddy County NM** 



This is an open drilling site. H<sub>2</sub>S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H<sub>2</sub>S, including warning signs, wind indicators and H<sub>2</sub>S monitor.





## Escape

Crews shall escape upwind of escaping gas in the event of an emergency release of gas. Escape can be facilitated northeast or southwest on county road 227. Drivers in both directions of county road 227 must be flagged and stopped so as to prevent traversing into a hazardous area. There are no homes or other buildings in or near the ROE.

100 ppm/128 concentration shall inggeractivation of this iden-

#### **Emergency Procedures**

In the case of a release of gas containing  $H_2S$ , the first responder(s) must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of H<sub>2</sub>S, measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H<sub>2</sub>S monitors and air packs in order to control the release. Use the "buddy system" to ensure no injuries during the response.

#### **Ignition of Gas Source**

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

#### Characteristics of H<sub>2</sub>S and SO<sub>2</sub>

| Common<br>Name      | Chemical<br>Formula | Specific<br>Gravity | Threshold<br>Limit | Hazardous<br>Limit | Lethal<br>Concentr-<br>ation |  |
|---------------------|---------------------|---------------------|--------------------|--------------------|------------------------------|--|
| Hydrogen<br>Sulfide | H <sub>2</sub> S    | 1.189<br>Air = 1    | 10 ppm             | 100 ppm/hr         | 600 ppm                      |  |
| Sulfur<br>Dioxide   | SO <sub>2</sub>     | 2.21<br>Air = 1     | 2 ppm              | N/A                | 1000 ppm                     |  |

#### **Contacting Authorities**

Devon Energy Corp. personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Devon Energy Corp. Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

## Devon Energy Corp. Company Call List

| Artesia (505)  | Cellular                   | Office             | Home                            |
|--|----------------------------|--------------------|---------------------------------|
| Foreman – BJ Cathey  | 390-5893                   | 748-0176           | 887-6026                        |
| Asst. Foreman – Bobby Jones  |                            |                    |                                 |
| Cecil Thurmond   |                            |                    |                                 |
| David Purdy  |                            |                    |                                 |
| Engineer – Tom Pepper  |                            |                    |                                 |
| Agency Call List   |                            |                    |                                 |
| Eddy County (505)  |                            |                    |                                 |
| Artesia  |                            |                    |                                 |
| State Police   |                            |                    | 746-2703                        |
| City Police  |                            |                    |                                 |
| Sheriff's Office   |                            |                    |                                 |
| Ambulance  |                            |                    | 911                             |
| Fire Department  |                            |                    |                                 |
| LEPC (Local Emergency Planni   |                            |                    |                                 |
| NMOCD  |                            |                    | 748-1283                        |
| Carlsbad   |                            |                    |                                 |
| State Police   |                            |                    | 885_3137                        |
| City Police  |                            |                    |                                 |
| Sheriff's Office   |                            |                    |                                 |
| Ambulance  |                            |                    |                                 |
| Fire Department  |                            | 1                  |                                 |
| LEPC (Local Emergency Plan   |                            |                    |                                 |
| US Bureau of Land Managem  |                            |                    |                                 |
| Ob Bureau of Land Managen  | 10111                      |                    | 007 0311                        |
| New Mexico Emergency Res   | nonse Comn                 | nission (Santa Fe) | (505)476-9600                   |
| 24 HR  | •                          | , , ,              | ` ,                             |
| National Emergency Respons   |                            |                    |                                 |
| National Emergency Respons   | e center (w                | asimigion, DC)     | (000) 424-0002                  |
| Other  |                            |                    |                                 |
| Boots & Coots IWC  | 699-0139 or<br>5) 746-2757 |                    |                                 |
| Flight For Life -4000 24th St, Lubb<br>Aerocare -Rr 3 Box 49f, Lubbock,<br>Med Flight Air Amb 2301 Yale Bly<br>S B Air Med Svc 2505 Clark Carr I | TX<br>/d SE #D3, A         | (lbuq, NM(         | (806) 747-8923<br>505) 842-4433 |

Prepared in conjunction with Wade Rohloff of;



DISTRICT I 1625 N. French Dr., Hobbs, NM 86240 DISTRICT II 811 South First, Artesia, NM 88210

#### 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

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

#### DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505

#### OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

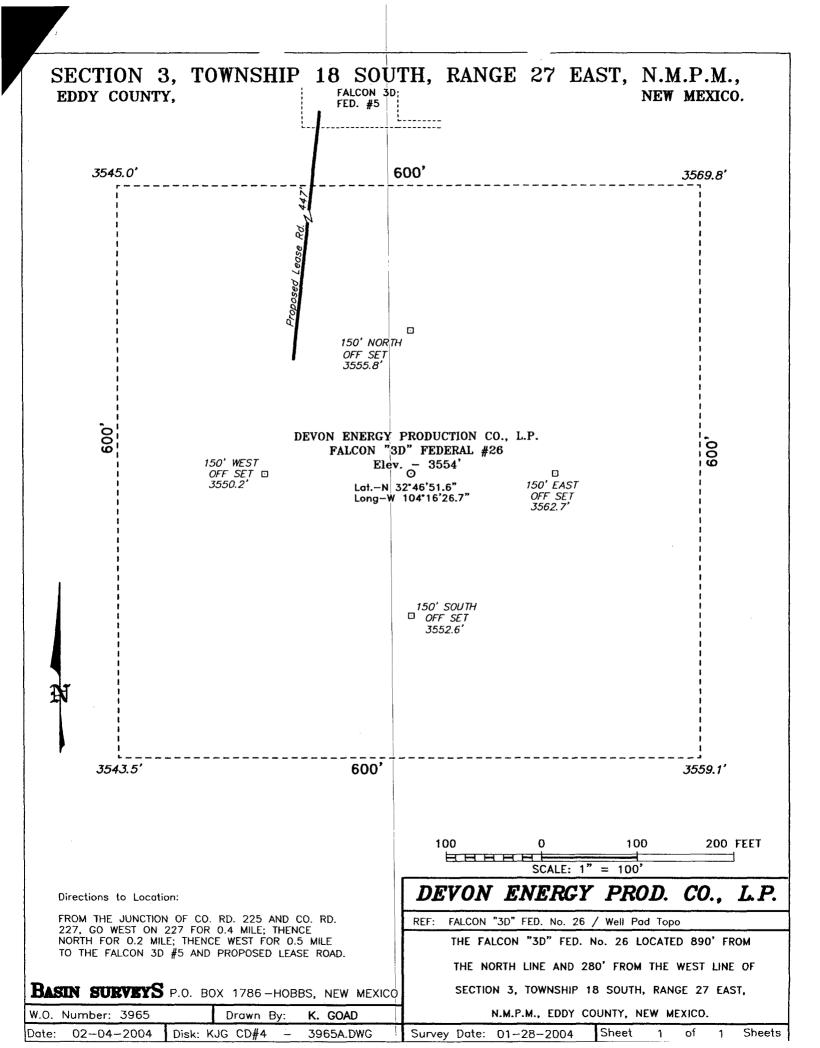
| API Number    | Pool Code         | Pool Name                |           |  |  |
|---------------|-------------------|--------------------------|-----------|--|--|
|               | 96836             | Redlake Glorieta Yeso NE |           |  |  |
| Property Code | Propert           | Well Number              |           |  |  |
|               | FALCON "3D        | 26                       |           |  |  |
| OGRID No.     | Operato           | r Name                   | Elevation |  |  |
| 6137          | DEVON ENERGY PROD | UCTION COMPANY LP        | 3554'     |  |  |

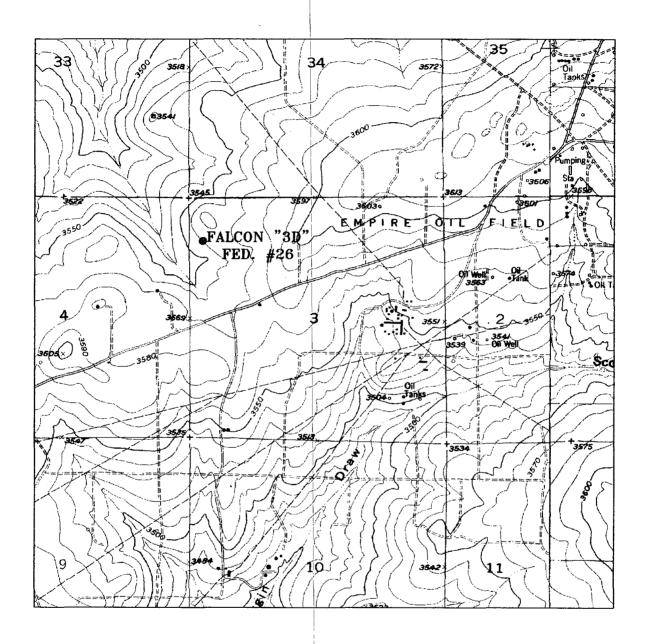
#### Surface Location

|   | UL or lot No.                                  | Section | Township    | Range       | Lot ldn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|--|---------|-------------|-------------|---------|---------------|------------------|---------------|----------------|--------|
|   | LOT 4  | 3       | 18 S        | 27 E        |         | 890           | NORTH            | 280           | WEST           | EDDY   |
| , | Bottom Hole Location If Different From Surface |         |             |             |         |               |                  |               |                |        |
|   | UL or lot No.                                  | Section | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|   |  |         |             |             |         |               |                  |               |                | Ĺ      |
|   | Dedicated Acres                                |         | r Infill Co | nsolidation | Code Or | der No.       |                  |               |                |        |
|   | 40.64  | ?       | l           |             | ı       |               |                  |               |                |        |

# 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

| OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION |                                      |       |       |  |  |  |  |  |  |
|--|--------------------------------------|-------|-------|--|--|--|--|--|--|
| 280' LOT 4   | 3545.0' 3569.8'<br>O 3543.5' 3559.1' | LOT 2 | LOT 1 | OPERATOR CERTIFICATION  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature  |  |  |  |  |  |
| Lat.: N32*46'51.6"<br>Long.: W104*16'26.7"               |                                      |       |       | Linda B Guthrie  Printed Name Operations Associate Title 02/10/04 Date  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 supervison and that the same is true and correct to the best of my belief.  JANUARY 28, 2004  Date Surgered |  |  |  |  |  |
|  | <br>                                 |       |       | Signature & Seal of Professional Surveyor  V.O. No. 3965  Certificate No. Cary L. Johns 7977  RASIN. SURVEYS   |  |  |  |  |  |





FALCON "3D" FEDERAL #26

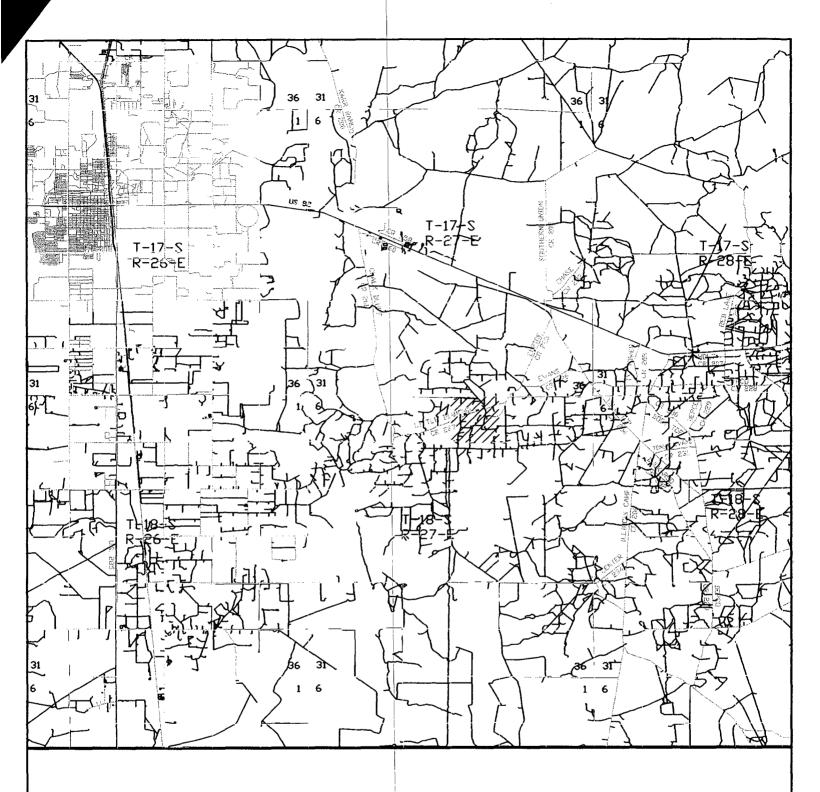
Located at 890' FNL and 280' FWL Section 3, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 83241 (505) 393-7316 — Office (505) 392-3074 — Fax basinsurveys.com

| W.O. Nu  | mber: | 3965AA |     | KJG           | #1                                      |
|----------|-------|--------|-----|---------------|---|
| Survey   | Date: | 01-28- | -20 | 04            | 223000000000000000000000000000000000000 |
| Scole: 1 | 1     | 00'    |     | Local Control |   |
| Dote: (  |       | 2004   | -   | Selve Ar. ed. | - ALALAS A                              |

DEVON ENERGY PRODUCTION COMPANY LP.



FALCON "3D" FEDERAL #26 Located at 890' FNL and 280' FWL Section 3, Township 18 South, Range 27 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: 3965AA - KJG #1

Survey Date: 01-28-2004

Scale: 1" = 2 MILES

Date: 02-04-2004

DEVON ENERGY PRODUCTION COMPANY LP.