

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

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 20 N. Broadway Oklahoma City, OK 73102		OGRID Number 6137
		API Number 30-015-33099
Property Code 32437	Property Name H B 2 STATE	Well No. 007

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	2	24S	29E	4	660	N	660	W	Eddy

Proposed Pools

CEDAR CANYON;BONE SPRING 11520

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 3074
Multiple N	Proposed Depth 8300	Formation Bone Spring	Contractor	Spud Date 12/01/2003

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	400	0
Int1	11	8.625	32	2900	1025	0
Prod	7.875	5.5	15.5	8300	1900	0

Casing/Cement Program: Additional Comments

13 3/8 Cmt lead w/260sx 35:65:6 Poz C & tail w/250sx Class C Neat, circ 100 sx to pit 8 5/8 cmt lead w/725 sx 35:65 Poz Class C & tail w/300 sx 60:40 Poz C, circ 100 sx to pit 5 1/2 cmt lead w/700 sx 35:65 Poz Class C & tail w/500 sx 60:40 Poz Class C. Circ Cmt off DV tool @4000, pump 500 sx 60:40 Poz thru DV to surface

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Karen Cottom

Title: Operations Technician

Date: 11/17/2003

Phone: 405-228-7512

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 11/17/2003

Expiration Date: 11/17/2004

Conditions of Approval:
There are conditions. See Attached.

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Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Name CEDAR CANYON;BONE SPRING	Pool Code 11520
Property Code 32437	Property Name H B 2 STATE	Well No. 007
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	Elevation 3074

Surface And Bottom Hole Location

UL or Lot D	Section 2	Township 24S	Range 29E	Lot Idn	Feet From 660	N/S Line N	Feet From 660	E/W Line W	County Eddy
Dedicated Acres 39.7		Joint or Infill		Consolidation Code		Order No.			

□			

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By:
 Title:
 Date: 11/06/2003

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: gary eidson
 Date of Survey: 10/20/2003
 Certificate Number: 3239



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

November 7, 2003

State of New Mexico Land Office
Santa Fe, NM
Attn: Joe Mraz or To Whom It May Concern

RECEIVED
NOV 12 2003
OCD-ARTESIA

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Devon Energy Production Company, L.P.
LEASE NAME: HB '2' State #7
LOCATION: SEC. 2 TOWNSHIP 24 SOUTH, RANGE 29 EAST,
660' FNL & 660' FWL, Surface Location
EDDY COUNTY, NM, NMPM

PROPOSED DEPTH: 8300'.

Dear Mr. Mraz or To Whom It May Concern,

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuit to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether or not this application is within an established Life-of Mine Reserve area filed with and approved by your office. If not, please advise whether it is within the buffer zone established by this order.

Thank you for your assistance.

Sincerely,

Bryan G. Arrant
PES, District II Artesia NMOCD

In LMR Yes _____
In Buffer Zone Yes _____

No X
No X
JWm
11-7-03
2 PM

Comments:

Signature: *Bryan G. Arrant* Date: 11/7/03

Permit Conditions Of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: H B 2 STATE #007

OCD Reviewer	Condition
BARRANT	Notify OCD spud and time to witness cementing of ALL casing strings.

Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: H B 2 STATE #007

User Name	Comment	Comment Date
KCOTTOM	No Hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area.	11/17/2003