

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

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 20 N. Broadway Oklahoma City, OK 73102		2. OGRID Number 6137
		3. API Number 30-015-34384
4. Property Code 32439	5. Property Name RIFLEMAN 5 STATE COM	6. Well No. 003

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	5	22S	26E	P	710	S	10	E	EDDY

8. Pool Information

HAPPY VALLEY,MORROW (GAS)	78060
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Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3269
14. Multiple N	15. Proposed Depth 11700	16. Formation Morrow	17. Contractor	18. Spud Date 11/1/2005
Depth to Ground water 100		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 miles thick Clay <input type="checkbox"/> Pit Volume: 24000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	26	20	94	450	911	0
Int1	12.25	9.625	36	2250	996	0
Prod	8.75	5.5	17	11700	791	1650

Casing/Cement Program: Additional Comments

Cement 20" surface 1st lead w/599 sx 35:65 Poz C, 2% CaCl, 1/4 pps Celloflake, 6% bentonite, 12.8 ppg, tail w/250 sx "C", 2% CaCl, 1/4 pps Celloflake, 14.8 ppg, TOC surface. Cement 9 5/8" intermediate lead w/948 sx 50:50 Poz C, 5% NaCl, 1/4 pps Celloflake, 10% Bentonite, 5pps LCM 1, 11.8 ppg, tail w/250 sx "C", 2% CaCl, 14.8 ppg, TOC surface. Cement 5 1/2" production Stage 1: w/744 sx 15:61:11 Poz C cement CSE-2, 3%KCL, 0.75% EC1, 1/4 pps Celloflake, 0.4% CD-32, 5pps LCM1, 0.6% FL-25, 0.6% FL-52a, 0.1% Sodium Metasilicate, 13.3 ppg, DV tool @ 8500'. Stage 2: 1850 sx 60:40 Poz H, 2% NaCl, 0.75% BA-10, 0.15%, R-3, 1/4 pps Celloflake, 2 pps Kol Seal, 4% MPA-1, 13.8 ppg, TOC 1750'. Mud program: 0-450 8.4 vis 28-40 waterloss NC (Fresh). 450-2250' 8.4 vis 28-40 waterloss NC (Fresh). 2250-8000' 8.4-8.5 vis 29 waterloss NC (Fresh). 8000-9200' 9 vis 30 waterloss NC (Cut Brine). 9200-11700 9.2-10.2 vis 32-40 waterloss 12-8 (Brine/Polymmer).

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	
DoubleRam	5000	5000	
Pipe	5000	5000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines <input type="checkbox"/> a general permit <input checked="" type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Linda Guthrie Title: Regulatory Specialist Email Address: linda.guthrie@dmn.com Date: 10/12/2005 Phone: 405-228-8209	OIL CONSERVATION DIVISION	
	Approved By: Bryan Arrant	
	Title: Geologist	
	Approved Date: 10/18/2005	Expiration Date: 10/18/2006
	Conditions of Approval Attached	

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720
District II
1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
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Santa Fe, NM 87505

Form C-102
Permit 15556

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34384	2. Pool Code 78060	3. Pool Name HAPPY VALLEY,MORROW (GAS)
4. Property Code 32439	5. Property Name RIFLEMAN 5 STATE COM	6. Well No. 003
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3269

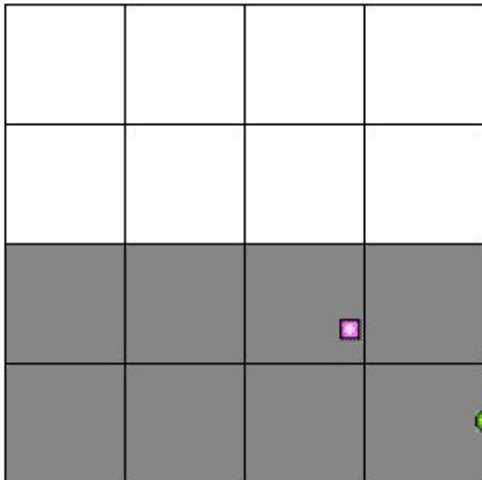
10. Surface Location

UL - Lot P	Section 5	Township 22S	Range 26E	Lot Idn P	Feet From 710	N/S Line S	Feet From 10	E/W Line E	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot J	Section 5	Township 22S	Range 26E	Lot Idn J	Feet From 1710	N/S Line S	Feet From 1500	E/W Line E	County EDDY
12. Dedicated Acres 320.00		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

	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>E-Signed By: Linda Guthrie Title: Regulatory Specialist Date: 10/12/2005</p> <hr/> <p>SURVEYOR CERTIFICATION</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: Gary Jones Date of Survey: 2/16/2005 Certificate Number: 7977</p>
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Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: RIFLEMAN 5 STATE COM #003

API: 30-015-34384

Created By	Comment	Comment Date
YSASAS	Depth to groundwater is 100 feet or more. Well is not in a wellhead protection area. Distance to surface water is 1000 feet or more. An H2S plan & nearby gas analysis will be mailed.	9/12/2005
YSASAS	A 2000 psi annular BOP will be NU on the 20" casing and tested to 5000 psi with the rig pump. A 5000 psi BOP stack will be NU on the 9 5/8" casing and tested to 5000 psi with an independant tester as per Onshore Order Number 2. The stack will consist of a rotating head, annular BOP and a double ram BOP.	10/11/2005
YSASAS	No H2S is anticipated to be encountered.	10/11/2005
YSASAS	Revised BOP comments: A 2000 psi annular BOP will be NU on the 20" casing and tested to 1100 psi with the rig pump. A 5000 psi BOP stack will be NU on the 9 5/8" casing and tested to 5000 psi with an independant tester as per Onshore Order Number 2. The stack will consist of a rotating head, annular BOP and a double ram BOP.	10/12/2005
YSASAS	C-102, directional survey, nearby gas analysis to be mailed via Fed-Ex.	10/12/2005

Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: RIFLEMAN 5 STATE COM #003

API: 30-015-34384

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	No more than 2 % NaCl by weight in cement in water protection zones down through @ 2250'.
BArrant	Please notify OCD time of spud and time to witness the cementing to surface the 1st and intermediate casing strings.
BArrant	Will require a directional survey with the C-104
BArrant	Operator to collect from the flow line drilling mud samples (every 100') in order to determine the chloride levels from @ 450' down through the setting depth of the intermediate casing depth of @ 2250'. Results of this data is to be submitted to the Distr
BArrant	H2S Contingency plan required before spudding well.