

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 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
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 150828

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

| | | |
|---|---------------------------------|-------------------------------|
| 1. Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 333 W. Sheridan Avenue Oklahoma City, OK 73102 | | 2. OGRID Number 6137 |
| | | 3. API Number 30-015-40424 |
| 4. Property Code 38568 | 5. Property Name ONYX PWU 29 | 6. Well No. 004H |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| M | 29 | 19S | 29E | M | 330 | S | 400 | W | EDDY |

8. Pool Information

| | |
|---------------------------|-------|
| SCANLON DRAW, BONE SPRING | 55510 |
|---------------------------|-------|

Additional Well Information

| | | | | |
|--------------------------|-----------------------------|--|-------------------------|------------------------------------|
| 9. Work Type New Well | 10. Well Type OIL | 11. Cable/Rotary | 12. Lease Type State | 13. Ground Level Elevation 3312 |
| 14. Multiple N | 15. Proposed Depth 12129 | 16. Formation 2nd Bone Spring Sand | 17. Contractor | 18. Spud Date |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 48 | 350 | 390 | 0 |
| Int1 | 12.75 | 9.625 | 40 | 3200 | 1145 | 0 |
| Prod | 8.75 | 5.5 | 17 | 12129 | 1320 | 0 |
| Prod | 8.75 | 5.5 | 17 | 7100 | 865 | 2700 |

Casing/Cement Program: Additional Comments

13-3/8" Surface - Lead w/ 390 sx HalCem C, Yld 1.35 cf/sx. 9-5/8" Intermediate - Lead w/ 825 sx EconoCem HLC, Yld 1.85 cf/sx. Tail w/ 320 sx HalCem C, Yld 1.33 cf/sx. 5.5" Production Lead w/ 865 sx EconoCem H, Yld 2.52 cf/sx. Tail w/ 1320 sx VersaCem H, Yld 1.22 cf/sx.

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 3000 | 3000 | |

| | | |
|--|----------------------------------|----------------------------|
| 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 NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Randy Bolles Title: Manager, Regulatory Affairs Email Address: randy.bolles@dmn.com Date: 6/26/2012 | OIL CONSERVATION DIVISION | |
| | Approved By: Randy Dade | |
| | Title: District Supervisor | |
| | Approved Date: 6/28/2012 | Expiration Date: 6/28/2014 |
| | Conditions of Approval Attached | |

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August 1, 2011
Permit 150828

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|---|--|
| 1. API Number 30-015-40424 | 2. Pool Code 55510 | 3. Pool Name SCANLON DRAW;BONE SPRING |
| 4. Property Code 38568 | 5. Property Name ONYX PWU 29 | 6. Well No. 004H |
| 7. OGRID No. 6137 | 8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP | 9. Elevation 3312 |







10. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|----------------|
| UL - Lot M | Section 29 | Township 19S | Range 29E | Lot Idn | Feet From 330 | N/S Line S | Feet From 400 | E/W Line W | County EDDY |
|---------------|---------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|----------------|

11. Bottom Hole Location If Different From Surface

| 11. Bottom Hole Location If Different From Surface | | | | | | | | | |
|--|---------------|---------------------|--------------|------------------------|------------------|---------------|------------------|---------------|----------------|
| UL - Lot P | Section 29 | Township 19S | Range 29E | Lot Idn P | Feet From 400 | N/S Line S | Feet From 330 | E/W Line E | County EDDY |
| 12. Dedicated Acres 160.00 | | 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

| | | | | | | | | | | | | | | | | | |
|--|--|--|---|--|--|--|--|--|--|--|--|--|---|--|--|---|--|
| <table border="1" style="width: 100%; height: 150px;"> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr style="background-color: #cccccc;"><td style="text-align: center;"></td><td></td><td></td><td style="text-align: center;"></td></tr> </table> | | | | | | | | | | | | |  | | |  | <p style="text-align: center;">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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Randy Bolles Title: Manager, Regulatory Affairs Date: 6/26/2012</p> <hr/> <p style="text-align: center;">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: Frank Jaramillo Date of Survey: 4/30/2012 Certificate Number: 12797</p> |
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Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: ONYX PWU 29 #004H

API: 30-015-40424

| Created By | Comment | Comment Date |
|------------|---|--------------|
| barnettj | The BOP system used to drill the intermediate hole will consist of a 13-5/8" 3M Triple Ram and Annular preventer. The BOP system will be tested as a 3M system prior to drilling out the surface casing shoe. The BOP system used to drill the production hole will consist of a 13-5/8" 3M Triple Ram and Annular preventer. The BOP system will be tested as a 3M system prior to drilling out the intermediate casing shoe. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP. | 6/26/2012 |
| CSHAPARD | Land s/S | 6/27/2012 |

Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: ONYX PWU 29 #004H

API: 30-015-40424

| OCD Reviewer | Condition |
|-----------------|--|
| CSHAPARD | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string |