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

<u>District III</u> 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

Form C-101 August 1, 2011

Permit 152248

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. Operate DEVON ENERGY PR	2. OGRID Number 6137		
	Sheridan Avenue la City, OK 73102	3. API Number 30-015-40508	
4. Property Code	5. Property Name	6. Wett No.	
38434	TURQUOISE PWU 27		

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	27	198	29E	L	2200	S	330	W	EDDY

8. Pool Information

FARKWAT, BOINE SPRING 4902	PARKWAY;BONE SPRING	49622
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Additional Well Information

			riddictional Well Informa	1011		
9. Work Type New Well	10. Wet		11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3311	
14. Multiple 15. Proposed Depth N 12189		16. Formation 1st Bone Spring Sand	17. Contractor	18. Spud Date		
Depth to Ground water			Distance from nearest fresh water w	rel1	Distance to nearest surface water	

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	300	335	0
Int1	12.25	9.625	40	2800	900	0
Prod	8.75	5.5	17	12189	1460	0
Prod	8.75	5.5	17	6500	790	2350

Casing/Cement Program: Additional Comments

13-3/8" Surface - Lead: 335 sx C1 C Cement + 2% bwoc Calcium Chloride + 0.125 #/sx Poly-E-Flake + 63.1% FW, 14.8 ppg, Yld: 1.35 cf/sx, TOC @ surface. 9-5/8" Intermediate - Lead: 650 sx(65:35) C1 C Cement:Poz (Fly Ash): + 5% bwow Sodium Chloride + 0.125 #/sx Poly-E-Flake + 6% bwoc Bentonite + 70.9% FW, 12.9 ppg, Yld: 1.85 cf/sx, TOC @ surface. Tail: 250 sx Class C Cement + 0.125 #/sx Poly-E-Flake + 63.5% Water, 14.8 ppg, Yld: 1.33 cf/sx. 5-1/2" Production -Lead:790 sx(65:35) C1 H Cement:Poz (Fly Ash) + 6% bwoc Bentonite + 0.125 #/sx Poly-E-Flake + 0.1% bwoc HR-601 + 74.1% FW, 12.5 ppg, Yld: 1.95 cf/sx; Tail: 1460 sx(50:50) C1 H Cement:Poz (Fly Ash) + 1 #/sx Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bentonite + 58.8% FW, 14.5 ppg, Yld: 1.22 cf/sx. TOC @ 2350 ft.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
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	OIL CONSERVATION DIVISION				
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Randy Dade				
Printed Name: Electronically filed by Randy Bolles	Title: District Supervisor				
Title: Manager, Regulatory Affairs	Approved Date: 7/23/2012 Expiration Date: 7/23/2014				
Email Address: randy.bolles@dvn.com					
Date: 7/18/2012 Phone: 405-228-8588	Conditions of Approval Attached				

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State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 152248

WELL LOCATION AND ACREAGE DEDICATION PLAT

		Pool Name Y;BONE SPRING	
5. Property Name TURQUOISE PWU 27		6. Well No. 007H	
8. Operator Name		9. Elevation	
	5. Property Nam TURQUOISE PW 8. Operator Nam	49622 PARKWAY;I 5. Property Name TURQUOISE PWU 27	

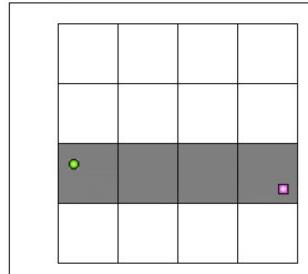
10. Surface Location

	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
1	L	27	198	29E		2200	S	330	W	EDDY

11. Bottom Hole Location If Different From Surface

JL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	27	198	29E	I	1650	S	330	E	EDDY
	cated Acres	13. J	oint 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



OPERATOR CERTIFICATION

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.

E-Signed By: Randy Bolles Title: Manager, Regulatory Affairs

Date: 7/18/2012

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: Filimon Jaramillo Date of Survey: 5/3/2012 Certificate Number: 12797

Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137 Well: TURQUOISE PWU 27 #007H API: 30-015-40508

Created By	Comment	Comment Date
doook	BOP DESIGN: The BOP system used to drill the intermediate and production holes will consist of a 13-5/8" 3M Triple Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the prior casing shoe.	The second secon
dœok	The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. 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.	7/18/2012
dcook	Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line). The line will be kept as straight as possible with minimal turns	7/18/2012
CSHAPARD	Land s/S	7/18/2012

Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137 Well: TURQUOISE PWU 27 #007H API: 30-015-40508

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