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

Prione:(5/3) /48-1283 Fax:(5/3) /48-9/20 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

<u>District IV</u> 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 148923

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

Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 333 W. Sheridan Avenue								2. OGRID Nun	nber	
								6137		
			oma City, (3. API Number		
		Oklani	oma City, C	JK 73102				30-015-407	79	
4. 1	Property Code				5. Property Nam	ne .	~	6. W	ell No.	
	39356			PERIDOT 13 STATE				005H		
-		98 3 3 3	3.	7. S	urface Loc	ation				
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
L	12	198	29E	L	2085	S	1295	W	EDDY	
		20	8.	Proposed	Bottom H	ole Locatio	n	20		
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
- 30			3	9. P	ool Inform	ation				
URKEY T	RACK;BO	NE SPRING		1500.000					60	

11. Work Type 12. Well Type New Well OIL		13. Cable/Rotary	14. Lesse Type State	15. Ground Level Elevation 3375	
16. Multiple 17. Propos N 140		osed Depth 18. Formation 2021 2nd Bone Spring Sand		19. Contractor	20. Spud Date
Depth to Ground	water		Distance from nearest fresh water w	rel1	Distance to nearest surface water

21. 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	310	345	0
Int1	12.25	9.625	40	3740	1185	0
Prod	8.75	5.5	17	14021	1925	0
Prod	8.75	5.5	17	6502	575	3240

Casing/Cement Program: Additional Comments

13 3/8"- Tail: 345 sx C+ 2% bwoc Calcium Chloride + 0.125#/sx CF + 63.1% FW, 14.8 ppg Yld: 1.35 cf/sk TOC @ surf. 9 5/8" -Lead: 860 sx (65:35) CC: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/sk TOC @ surface Tail: 325 sx Cl C + 0.125#/sx Poly-E-Flake + 63.5% Wtr, 14.8 ppg Yld: 1.33 cf/sk. 5 1/2" - 1st Lead: 185 sx (50:50) Cl HPoz (Fly Ash) + 10% bwoc Bentonite + 8 lb/sk Sodium Chloride + 0.125#/sx Poly-E-Flake + 0.3% bwoc HR-601 + 0.3% bwoc Econolite + 77.2% FW, 11.8 ppg Yld: 2.52 cf/sk 2nd Lead: 390 sx (65:35) Cl H 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/sk Tail: 1925 sx (50:50) Cl H: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/sk. cement volumes based on at least 25% excess)

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
DoubleRam	3000	3000	

 I hereby certify that the information best of my knowledge and belief. 		OIL CONSERVATION DIVISION				
I further certify I have complied with 19.15.14.9 (B) NMAC \square , if applicable		Approved By: Randy Dade				
Signature:	Market State Control					
Printed Name: Electronically filed	by Randy Bolles	Title: District Supervisor				
Title: Manager, Regulatory Affai	rs	Approved Date: 10/10/2012	Expiration Date: 10/10/2014			
Email Address: randy.bolles@dv	n.com					
Date: 9/13/2012	Phone: 405-228-8588	Conditions of Approval Attac	hed			

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District IV

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 148923

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-40779	2. Pool Code 3. Pool 60660 TURKEY TRACK		K;BONE SPRING	
4. Property Code	5. Property	6. Well No.		
39356	PERIDOT 13	005H		
7. OGRID No.	8. Operator	9. Elevation		
6137	DEVON ENERGY PRODUC	3375		

10. Surface Location

	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
1	L	12	198	29E		2085	S	1295	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	13	198	29E	M	330	S	330	W	EDDY
12. Dedicated Acres 160.00		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: 9/13/2012

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: 5/5/2012 Certificate Number: 12797

Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137 Well: PERIDOT 13 STATE #005H

API: 30-015-40779

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 cook, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP.	7/25/2012
CSHAPARD	Secretary Potash	8/1/2012
CSHAPARD	Reject; drilling restricted due to potash	9/7/2012
CSHAPARD	Intrepid approved waiver letter.	10/10/2012
CSHAPARD	Land s/S	10/10/2012

Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP, 6137

Well: PERIDOT 13 STATE #005H

API: 30-015-40779

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