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

ermit 191478

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

Operator Name and Address DEVON ENERGY PR	2. OGRID Number 6137	
333 W. Sheridan Aver Oklahoma City, OK 73		3. API Number 30-015-42610
4. Property Code 40253	5. Property Name BOSS HOGG 15 STATE COM	6. Well No. 004H

7. Surface Location

- 1											
	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
	Α	15	238	26E	V122	25	N	660	E	Eddy	

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	15	238	26E	P	330	S	660	E	Eddy

9. Pool Information

WC-015 G-04 S232628M;BONE SPRING	La Nation Calculus de Brothe	98056

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3298
16. Multiple N	17. Proposed Depth 11530	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well	£.9	Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

	Entropossa sacing and coment regian							
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC		
Surf	17.5	13.375	48	48 620		0		
Int1	12.25	9.625	36	1950	1170	0		
Prod	8.75	5.5	17	11530	1690	1450		

Casing/Cement Program: Additional Comments

9-5/8" Intermediate 2-Stage Option 310 13.7 8.66 1.67 Tail Class C Cement + 0.4% BWOC LAP-1 + 0.2% BWOC HR-601 + 0.2 lb/sk D-Air 5000 + 4% BWOC Bentonite + 69.3% Fresh Water DV Tool at 1000ft 110 12.9 9.81 1.85 Lead (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 70.9 % Fresh Water 190 14.8 6.32 1.33 Tail Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water Pilot Hole Plug Back 100 15.6 5.39 1.19 Plug Cement Class H Cement + 0.2% Halad-9 + 0.2% HR-601 + 60.5 % Fresh Water 5-1/2" Production Casing 2-Stage Option 290 12.5 10.86 1.96 Lead (65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E-Flake + 74.1 % Fresh Water 1370 14.5 5.38 1.22 Tail (50:50) Class H Cement: Poz (Fly Ash) + 1 lb/sk Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water DV Tool at 45

22. Proposed Blowout Prevention Program

- A <u>CC</u>	22. Proposed blowout Prevention Program							
Type	Working Pressure	Test Pressure	Manufacturer					
Double Ram	3000	3000						
Annular	3000	3000						

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable. Signature:				OIL CONSERVA	TION DIVISION	
Printed Name:	Electronically filed by Randy Bolles	3	Approved By:	Randy Dade		
Title:	Manager, Regulatory Affairs	Title:	District Supervisor			
Email Address:	neil Address: randy.bolles@dvn.com			8/26/2014 Expiration Date: 8/26/2016		
Date:	8/26/2014	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

ermit 191478

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name
30-015-42610	98056	WC-015 G-04 S232628M;BONE SPRING
4. Property Code	5. Property Name	6. Well No.
40253	BOSS HOGG 15 STATE COM	004H
7. OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3298

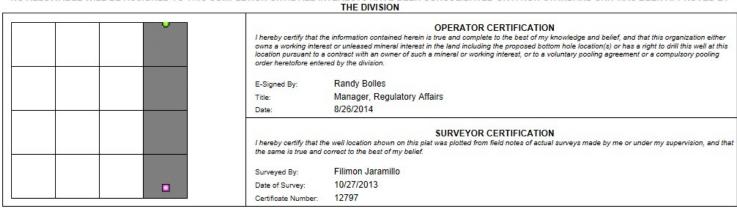
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	15	238	26E		25	N	660	E	Eddy

11. Bottom Hole Location If Different From Surface

UL - Lot	Section 15	Township 23S	Range 26E	Lot Idn	Feet From 330	N/S Line S	Feet From 660	E/W Line E	County Eddy
12. Dedicated Acre 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



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Permit 191478

PERMIT COMMENTS

Operator Name and Address:	API Number:
DEVON ENERGY PRODUCTION COMPANY, LP [6137]	30-015-42610
333 W. Sheridan Avenue	Well:
Oklahoma City, OK 73102	BOSS HOGG 15 STATE COM #004H

Created By	Comment	Comment Date
lgood	Pressure Control Equipment: A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the surface casing shoe. The BOP system used to drill the intermediate hole will be tested per BLM Onshore Oil and Gas Order 2. A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the intermediate casing shoe. The BOP system used to drill the production hole will be tested per BLM Onshore Oil and Gas Order 2. The pipe rams will be operated and checked each 24 hour period and each time the drill pipe i	8/26/2014
lgood	Auxiliary Well Control and Monitoring Equipment: a. A Kelly cock will be in the drill string at all times. b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.	8/26/2014
lgood	Casing Notes: All casing is new and API approved Maximum Lateral TVD: 6781' A pilot hole will be drilled to 7015' and plugged back with the cement volumes below.	8/26/2014
lgood	Proposed mud Circulations System: Depth Mud Weight Viscosity Fluid Loss Type System 0-620' 8.4-9.0 30-34 N/C FW 620-1950' 10.0 28-32 N/C Brine 1950-13873' 8.6-9.0 28-32 N/C FW The necessary mud products for weight addition and fluid loss control will be on location at all times. Visual mud monitoring equipment will be in place to detect volume changes indicating loss or gain of circulating fluid volume. If abnormal pressures are encountered, electronic/mechanical mud monitoring equipment will be installed.	8/26/2014
lgood	TOC for all Strings: Surface @ 0' Intermediate @ 0' Production @ 1450' Notes: • Cement volumes Surface 100%, Intermediate 50%, Pilot Hole 10%, and Production based on at least 25% excess • Actual cement volumes will be adjusted based on fluid caliper and/or caliper log data • If lost circulation is encountered while drilling the production and/or the intermediate wellbores, a DV tool will be installed a minimum of 50' below the previous casing shoe and of 200' above the current shoe. If the DV tool has to be moved, the cement volumes will be adjusted proportionatel	8/26/2014
lgood	Logging, Coring, and Testing Program: a. Drill stem tests will be based on geological sample shows. b. If a drill stem test is anticipated, a procedure, equipment to be used, and safety measures will be provided via sundry notice to the BLM. c. Resistivity and porosity logs are planned below the intermediate casing point. Stated logs run will be named in the Completion Report and submitted to the BLM d. No coring program is planned e. Additional Testing will be initiated subsequent to setting the production casing. Specific intervals will be targeted based on log evaluation, geological sample	8/26/2014
lgood	Potential Hazards: a. No abnormal pressures or temperatures are expected. There is no known presence of H2S in this area, and none is anticipated to be encountered. If H2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation being used to drill this well. Estimated BHP: 3033 psi, and estimated BHT: 116 degrees. b. Hydrogen Sulfide detection equipment will be in operation after drilling out the surface casing shoe until the production string	8/26/2014
lgood	Anticipated Starting Date and Duration of Operations: a. Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 20 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.	8/26/2014
CSHAPARE	Land s/S	8/26/2014

Form APD Conditions

Permit 191478

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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

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
DEVON ENERGY PRODUCTION COMPANY, LP [6137]	30-015-42610
333 W. Sheridan Avenue	Well:
Oklahoma City, OK 73102	BOSS HOGG 15 STATE COM #004H

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
Example: Control of	water zone or zones and shall immediately set in coment the water protection string