

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

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

Form C-101

APPLICATION FOR PERMIT TO DRILL

| | | |
|---|-------------------------------------|---------------------------|
| Operator Name and Address Devon Energy Production Company, LP 20 N. Broadway Oklahoma City, OK 73102 | | OGRID Number 6137 |
| | | API Number 30-15-32766 |
| Property Code 32278 | Property Name CHASE 2 STATE COM. | Well No. 002 |

Surface Location

| | | | | | | | | | |
|----------------|--------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|----------------|
| UL or Lot D | Section 2 | Township 22S | Range 27E | Lot Idn | Feet From 660 | N/S Line N | Feet From 660 | E/W Line W | County Eddy |
|----------------|--------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|----------------|

Proposed Pools

| |
|-----------------------------------|
| CARLSBAD;MORROW, EAST (GAS) 73920 |
|-----------------------------------|

| | | | | |
|-----------------------|-------------------------|---------------------|---------------------|--------------------------------|
| Work Type New Well | Well Type Gas | Cable/Rotary | Lease Type State | Ground Level Elevation 3113 |
| Multiple N | Proposed Depth 12250 | Formation Morrow | Contractor | Spud Date 5/1/2003 |

Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 48 | 450 | 400 | 0 |
| Int1 | 12.25 | 9.625 | 40 | 2620 | 1050 | 0 |
| Prod | 7.875 | 5.5 | 17 | 12250 | 1850 | 4000 |

Casing/Cement Program: Additional Comments

| |
|---|
| 9.625 casing grade is N-80 and J-55 (TOC at surface) 5.5 casing grade is HCP-110 (TOC at surface) |
|---|

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|---------|------------------|---------------|--------------|
| Annular | 5000 | 3500 | |
| Blind | 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. | | OIL CONSERVATION DIVISION | |
| Electronically Signed By: Beverly Wenzel | | Electronically Approved By: Bryan Arrant | |
| Title: Manager | | Title: Geologist | |
| Date: 4/22/2003 | | Approval Date: 4/29/2003 | Expiration Date: 4/29/2004 |
| Phone: 405-228-7734 | | Conditions of Approval: There are conditions. See Attached. | |

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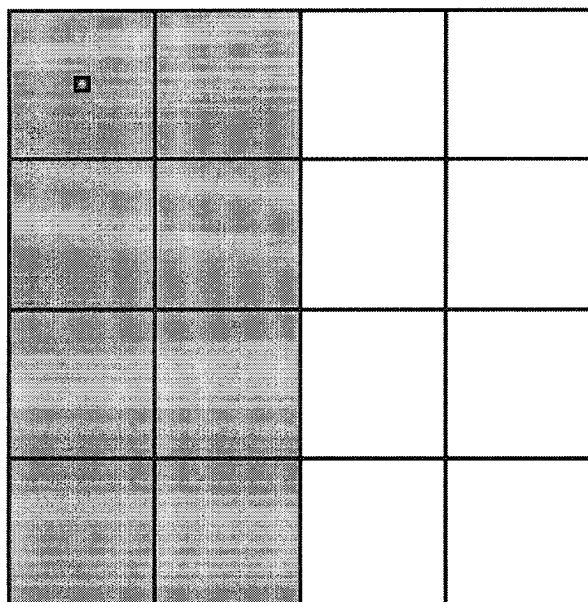
Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---------------------------|--|--------------------|
| API Number 30-15-32766 | Pool Name CARLSBAD;MORROW, EAST (GAS) | Pool Code 73920 |
| Property Code 32278 | Property Name CHASE 2 STATE COM. | Well No. 002 |
| OGRID No. 6137 | Operator Name Devon Energy Production Company, LP | Elevation 3113 |

Surface And Bottom Hole Location

| | | | | | | | | | |
|---------------------------|-----------------|--------------------|--------------|---------|------------------|---------------|------------------|---------------|----------------|
| UL or Lot D | Section 2 | Township 22S | Range 27E | Lot Idn | Feet From 660 | N/S Line N | Feet From 660 | E/W Line W | County Eddy |
| Dedicated Acres 320.12 | Joint or Infill | Consolidation Code | Order No. | | | | | | |

**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Beverly Wenzel

Title: Manager

Date: 4/22/2003

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.

Electronically Signed By: RONALD EIDSON

Date of Survey: 4/17/2003

Certificate Number: 3239

APD Conditions Of Approval

Operator: 6137 Devon Energy Production Company, LP

Well: CHASE 2 STATE COM. 002

| OCD Reviewer | Condition |
|--------------|--|
| BARRANT | Chase 2 State Com. #2 well cannot produce from Morrow pay until well API# 30-015-21113 is PxAD in Morrow zone. |
| BARRANT | Operator to set surface casing @ 450 or above Salado formation, whichever is lessor. |
| BARRANT | Cement to cover all oil, gas and water bearing zones. |