

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

SEP 16 2005

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007


APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC-070678-A
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Devon Energy Production Company, LP		7. If Unit or CA Agreement, Name and No.
3a. Address 20 North Broadway Oklahoma City, Oklahoma 73102-8260	3b. Phone No. (include area code) 405-552-8198	8. Lease Name and Well No. Hawk 8 K Federal 14
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NESW Lot K 1250 FSL 1650 FWL At proposed prod. zone NESW Lot K 1250 FSL 1650 FWL		9. API Well No. 30-015-34336
14. Distance in miles and direction from nearest town or post office* Approximately 7 miles southeast of Artesia, New Mexico		10. Field and Pool, or Exploratory Red Lake; Glorieta-Yeso
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		11. Sec., T. R. M. or Blk. and Survey or Area Sec. 8 18S 27E, Unit K
16. No. of acres in lease 40 acres	17. Spacing Unit dedicated to this well 40 acres	12. County or Parish Eddy County
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 4000 MD	13. State NM
20. BLM/BIA Bond No. on file	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3414' GL	22. Approximate date work will start* 08/25/2005
23. Estimated duration 45 days		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed Typed) Norvella Adams	Date 06/23/2005
Title Sr. Staff Eng. Tech		

Approved by (Signature) /s/ Joe G. Lara	Name (Printed Typed) /s/ Joe G. Lara	Date SEP 13 2005
Title FIELD MANAGER		Office CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

Roswell Controlled Water Basin

Additional Operator Remarks:

Devon Energy Production Company, LP proposes to drill a San Andres, Glorieta Yeso well per the approved Master Drilling and Surface Use Plan and Attachment A for the Red Lake Field Area to 4000' TD for commercial quantities of oil and gas. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations.

Directions: From the junction of Co. Rd. 227 and Co. Rd. 225, go 1.8 mile on 227 to lease road and Duke sign; then southwest for 0.9 mile to a "Y"; then right for 0.9 to pad.

Please see attached MDSUP and Attachment A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
EXPIRES: NOVEMBER 30, 2000

Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals

SUBMIT IN TRIPLICATE

a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other _____

b. Name of Operator
DEVON ENERGY PRODUCTION COMPANY, LP

c. Address and Telephone No.
20 North Broadway, Ste 1500, Oklahoma City, OK 73102 405-552-8198

d. Location of Well (Report location clearly and in accordance with Federal requirements)*
1850 FSL 1650 FWL K Sec 8 18S 27E

5. Lease Serial No. NMLC-070678-A
6. If Indian, Allottee or Tribe Name
7. Unit or CA Agreement Name and No.
8. Well Name and No. Hawk 8 K Federal 14
9. API Well No.
10. Field and Pool, or Exploratory Red Lake; Glorieta-Yeso NE
12. County or Parish 13. State Eddy NM

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	


3. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work and approximate duration thereof. If the proposal deepens directionally or recompletes horizontally, give subsurface location and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirement, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection)

Devon Energy Production Co., LP respectfully requests permission to move the Surface location to meet requirements specified by the BLM.

Old Location: 1850 FSL & 1650 FWL

New Location: 1900 FSL & 1650 FWL UL K Sec 8-18S-27E

4. I hereby certify that the foregoing is true and correct

Signed  Name Norvella Adams
Title Sr. Staff Eng. Tech Date 4-Aug-05

This space for Federal or State Office use)

Approved by /s/ Joe G. Lara Title ACTING FIELD MANAGER Date SEP 13 2005
Conditions of approval, if any:

Under U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction.

*See Instruction on Reverse Side

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code S1120	Pool Name Red Lake; Glorieta Yeso
Property Code	Property Name HAWK "8K" FEDERAL	Well Number 14
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3415'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	8	18 S	27 E		1900	SOUTH	1650	WEST	EDDY

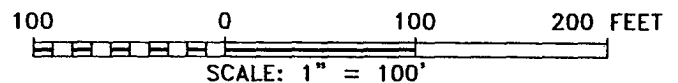
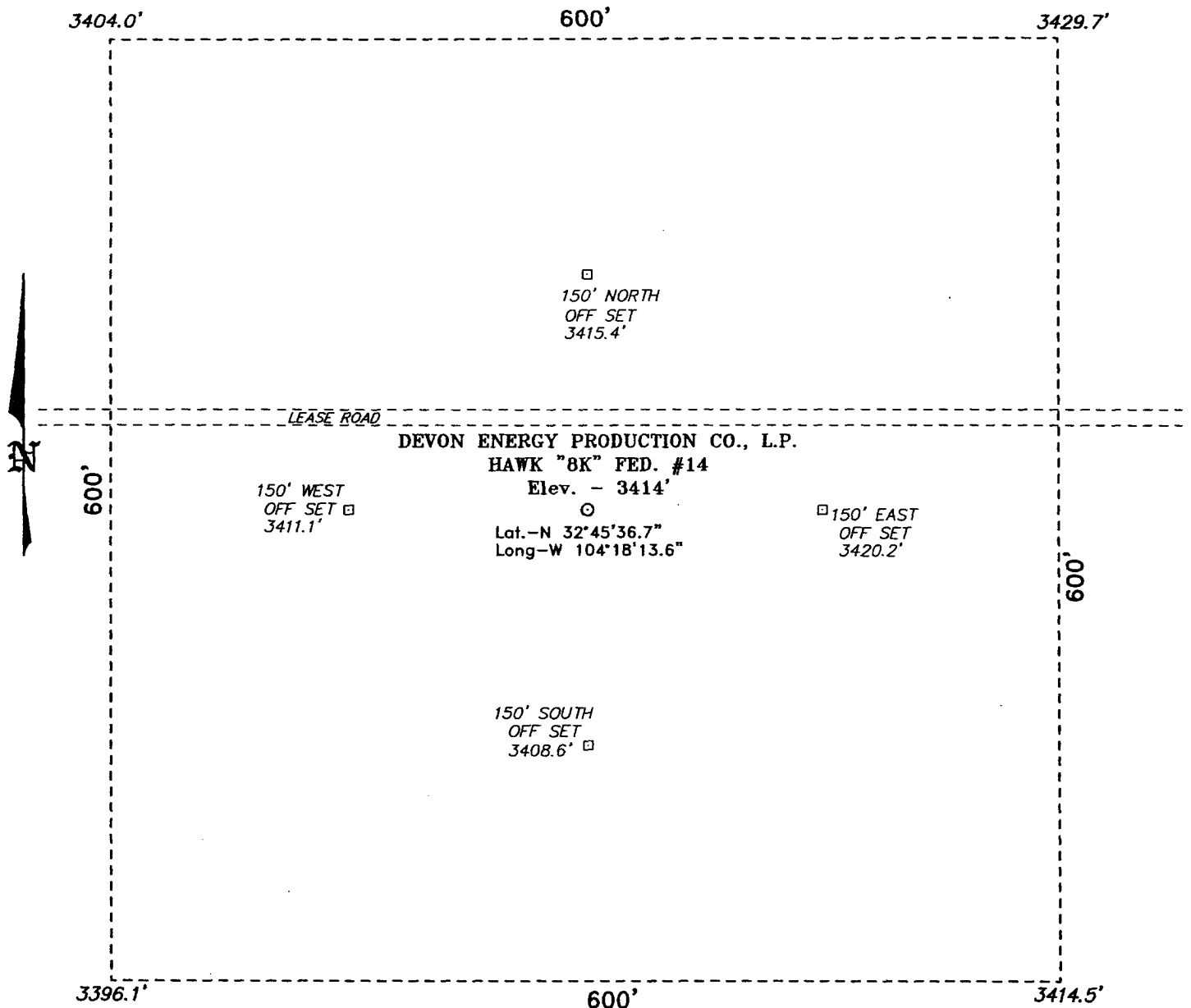
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	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 the the information contained herein is true and complete to the best of my knowledge and belief. Signature Norvella Adams Printed Name Sr. Staff Eng. Tech. Title August 4, 2005 Date	
	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. JULY 22, 2005 Date Surveyed Signature & Seal of Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS	

SECTION 8, TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF CO. RD. 227 AND CO. RD. 225, GO 1.8 MILE ON 227 TO LEASE ROAD AND DUKE SIGN; THENCE SOUTHWEST FOR 0.9 MILE TO A "Y"; THENCE RIGHT FOR 0.9 TO PAD.

DEVON ENERGY PROD. CO., L.P.

REF: HAWK "8K" FED. No. 14 / Well Pad Topo

THE HAWK "8K" FED. No. 14 LOCATED 1850' FROM
THE SOUTH LINE AND 1650' FROM THE WEST LINE OF
SECTION 8, TOWNSHIP 18 SOUTH, RANGE 27 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

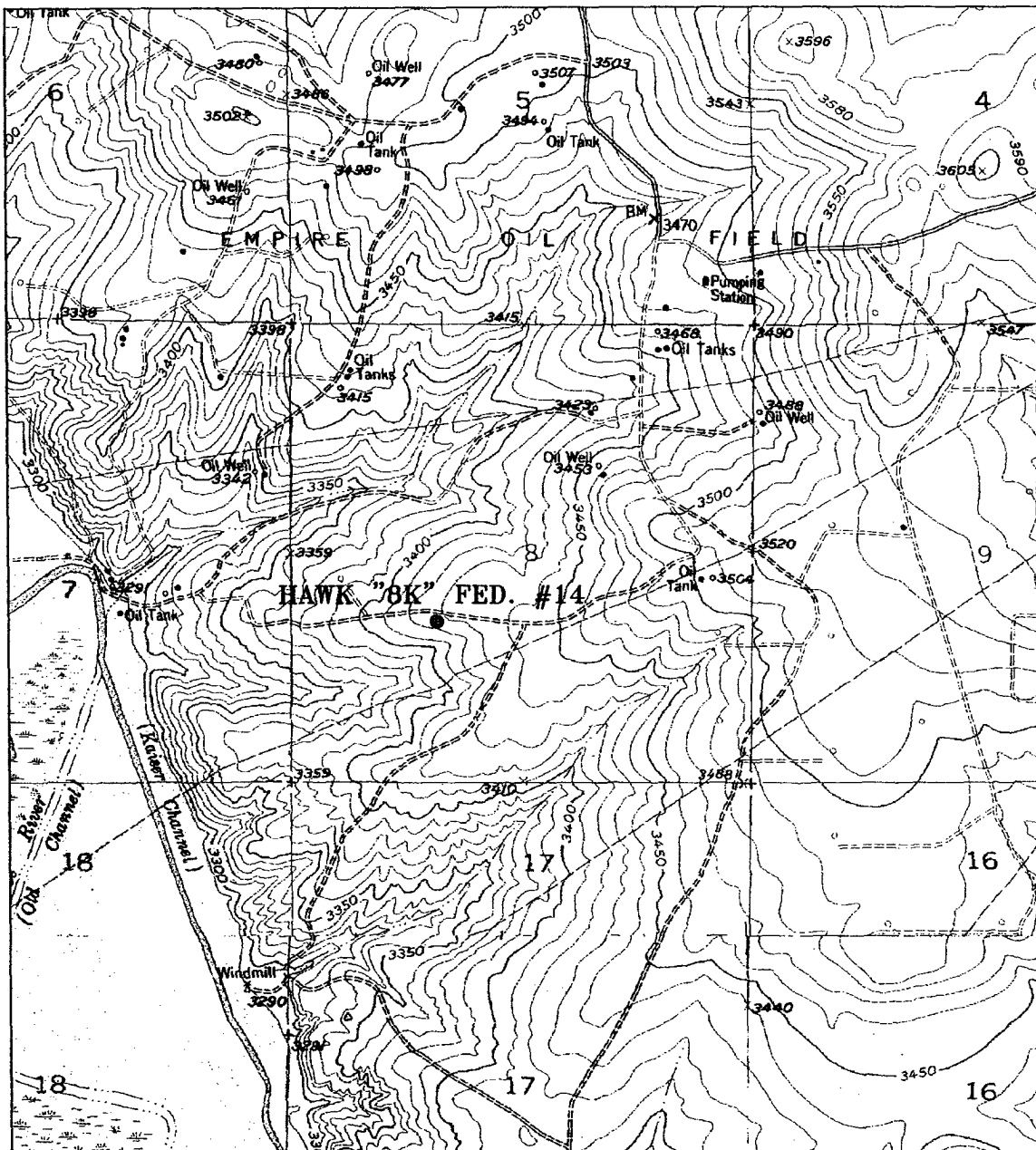
BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 5437 Drawn By: K. GOAD

Date: 06-17-2005 Disk: KJG CD#4 - 5437A.DWG

Survey Date: 06-15-2005

Sheet 1 of 1 Sheets



HAWK "8K" FEDERAL #14

Located at 1850' FSL and 1650' FWL

Section 8, Township 18 South, Range 27 East,
N.M.P.M., Eddy County, New Mexico.

**basin
surveys**
focused on excellence
in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number: 5437AA - KJG #1

Survey Date: 06-15-2005

Scale: 1" = 2000'

Date: 06-17-2005

**DEVON ENERGY
PROD. CO., L.P.**



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201

IN REPLY REFER TO:

JUN 05 2003

Devon Energy Production Company, L.P.
Attn. Ms Karen Cottom
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Re: Red Lake Field Area
Master Drilling and Surface Use Plan
Eddy County, New Mexico

The master drilling and surface use plan, dated May 6, 2003, for the Red Lake Field Area in Townships 17 and 18 South, Range 27 East, Eddy County, New Mexico, is now approved. Several corrections have been made to the attached list describing the field area. An approved copy is attached for your records.

Please note that the surface casing setting depth may change in individual APD (Form 3160-4) submittals because the depth of the expected fresh water varies across this area.

If you have any questions, please contact Alexis C. Swoboda, P.E. at 505-627-0228.

Sincerely,

Larry D. Bray
Assistant Field Manager
Lands and Minerals

MASTER DRILLING PROGRAM
RED LAKE FIELD
Attachment A

To be attached to Form 3160-3

UNIT AREA: Leases in the following Sections located in Township 18 South, Range 27 East, Eddy County, New Mexico operated by Devon Energy Production Company, L. P.

Township 18 South, Range 27 East	Federal Leases	Description
Section 5	USA NM-7714 USA LC-055383-A USA LC-064384 USA LC-049648-A	S/2 SW; SE SE S/2 SW; SE SE; NE SE Lots 1 & 2; S/2 NE NW SW; SW NW
Section 6	USA NM-7711 USA LC-026874-A USA LC-060894 USA LC-049648-B USA LC-069274 USA LC-026874-B USA LC-026874-F	SE SE SE SE; SW SW E/2 SW; SE NW NE SE; SW SE Lots 3, 4, 5, & 6 Lot 2; SW NE Lot 1; SE NE
Section 7	USA LC-067981-A USA NM-7718 USA NM-7715 USA NM-7719	SW NE; NE SE NW NE SW NE; NE SE E/2 NE
Section 8	USA NM-29275 USA LC-070678-A USA LC-043894 USA LC-054205 USA NM-7712 USA NM-7713 USA NM-7716 USA NM-29268 USA NM-29273 USA NM-89156 USA NM-7718	NE SE SE NW; W/2 NW; N/2 SW; SW SE SW NE N/2 NE; NE NW; SE NE SW NE N/2 NE; NE NW; SE NE SE NW; W/2 NW SE NE SE SE NW SE; SE SW NE SE
Section 9	USA NM-031186 USA NM-7721 USA NM-025604 USA LC-065478-B	N/2 NW; S/2 NW N/2 NW NE; N/2 SE S/2 SE
Section 10	USA NM-025604 USA LC-065478-B	NW; SW N/2 NE; S/2 NE
Section 17	USA NM-0758	NE NW; SW SE
Section 20	USA NM-0758	SE NE; W/2 NE; NW NW;

CONDITIONS OF APPROVAL - DRILLING

Operator's Name: Devon Energy Production Company LP

Well Name & No: Hawk 8 K Federal # 14

Location: Surface ~~1850'~~ FSL & 1650' FWL, Sec.08, T. 18 S. R. 27 E.

Lease: NMLC 070678-A

Eddy County, New Mexico

I. DRILLING OPERATIONS REQUIREMENTS considering the pre-approved 'Red Lake' master drilling plan:

1. The Bureau of Land Management (BLM) is to be notified at the Roswell Field Office, 2909 West Second St., Roswell, NM 88201, (505) 627-0272 for wells in Chaves and Roosevelt Counties; the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: 14 inch; 8 5/8 inch; 5 1/2 inch.

C. BOP Tests

2. A Hydrogen Sulfide (H2S) Drilling Plan shall be in operations 500 ft. or three days prior to drilling into the Top of the Queen formation. This requires the H2S plan to be incorporated prior to spudding the well.

3. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

4. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.

5. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

II. CASING:

1. The 8 5/8 inch shall be set at 410 Feet with cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.

2. The minimum required fill of cement behind the 5 1/2 inch Production casing is to circulate to surface.

III. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 8 5/8 inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be 1000 psi.

3. The variance to use rig pumps to test the BOPE to 1000 psi is pre-approved in the Red Lake master drilling plan.