

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

Permit 173084

~ AMENDED ~

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

1. Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 333 W. Sheridan Avenue Oklahoma City, OK 73102		2. OGRID Number 6137
		3. API Number 30-015-41649
4. Property Code 40125	5. Property Name Cotton Draw Unit SWD	6. Well No. 181

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	36	24S	31E	H	1568	N	1189	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
H	36	24S	31E	H	1568	N	1189	E	Eddy

9. Pool Information

SWD;DEVONIAN	96101
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Additional Well Information

11. Work Type New Well	12. Well Type S OL	13. Cable/Rotary R	14. Lease Type State	15. Ground Level Elevation 3511
16. Multiple N	17. Proposed Depth 19770	18. Formation Devonian	19. Contractor	20. Spud Date 10/1/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

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

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft.	Setting Depth	Sacks of Cement	Estimated TOC
Surf	26	20	94	750	1750	0
Int1	17.5	13.375	68	4400	1910	0
Int2	12.25	9.625	47	11650	1930	3500
Prod	8.5	7	32	16742	800	10500
Surf	5.875	0	0	19770	0	0

Int 3
Prod

Casing/Cement Program: Additional Comments

20" Surface: Tail: 1750 sx Cl C Cmt +2% CACI2 +3#Kol seal/sk @ 14.8 ppg, Yield: 1.33 cf/sk, TOC @ Surf: 13-3/8" 1st Inter: Lead: 1360 sx Cl C Cmt + 2% bwoc CACI2 + 0.125 lbs/sk Poly-E-Flake + 4% bwoc Bent + 70.1% FW, 12.9 ppg, Yld: 1.85 cf/sk, TOC @ surf, Tail: 550 sx Cl C Cmt + 2% bwoc CACI2, Yld: 1.33 cf/sk 9-5/8" 2nd Inter: Lead: 1460 sx (65:35) Cl C Cmt:Poz (Fly Ash): + 5% bwow NACI + 0.125 lbs/sk Poly-E-Flake + 6% bwoc Bent + 70.9% FW, 11.5 ppg, Yld: 2.57 cf/sk, TOC @ 3500, Tail: 470 sx Cl C Cmt + 0.125 lbs/sk Poly-E-Flake + 63.5% Wtr, 14.4 ppg, Yld: 1.33 cf/sk. 7" Prod: Tail: 800 sx (50:50) Cl H Cmt:Poz (Fly Ash) + 1 lb/sk NACI + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bent + 58.8% FW, 14.5 ppg, Yld: 1.22 cf/sk TOC for All Strings: Surface: 0, 1st Intermediate: 0, 2nd Intermediate: 3,500, Production: 10,500' ft Note: This will be an open hole completion, thus the hole interval is deeper than the 7" production casing depth.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	

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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.	OIL CONSERVATION DIVISION		
Signature:			
Printed Name: Electronically filed by Randy Bolles	Approved By: Randy Dade		
Title: Manager, Regulatory Affairs	Title: District Supervisor		
Email Address: randy.bolles@dmv.com	Approved Date: 9/11/2013	Expiration Date: 9/11/2015	

Date:	9/10/2013	Phone: 405-228-8588	Conditions of Approval Attached
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 Santa Fe, NM 87505**

Form APD Comments

Permit 173084

PERMIT COMMENTS

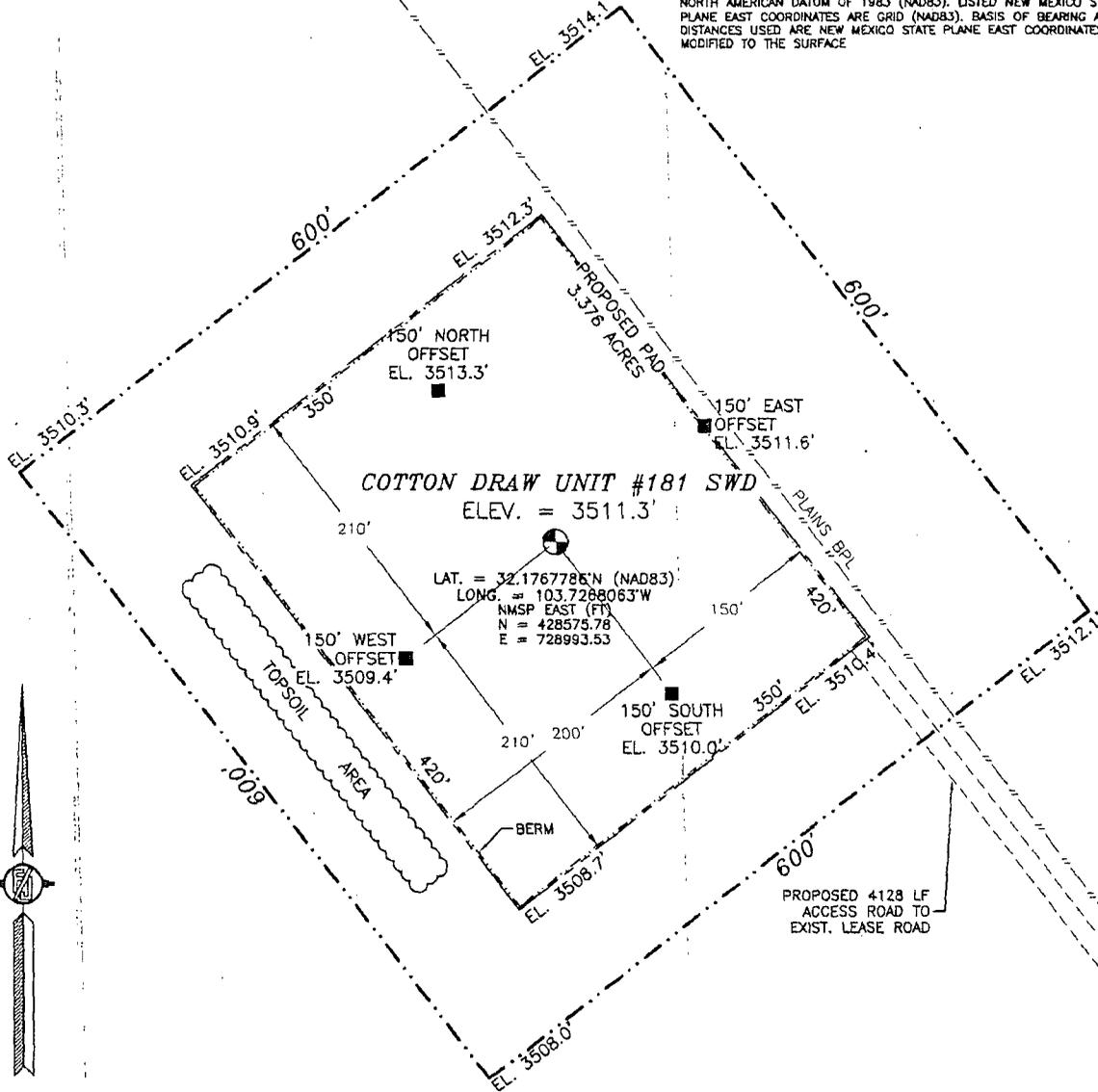
Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-015-41649 <hr/> Well: Cotton Draw Unit SWD #181
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Created By	Comment	Comment Date
priechers	The BOP system used to drill the 26" hole will consist of a 30" 2M Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order 2 as a 2M system prior to drilling out the casing shoe. The BOP system used to drill the 17-1/2" hole will consist of a 20" 2M Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order 2 as a 2M system prior to drilling out the casing shoe. The BOP system used to drill the 12-1/4" and 8-1/2" holes will consist of a 13-5/8" 5M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil	9/10/2013
priechers	The BOP system used to drill the 12-1/4" and 8-1/2" holes will consist of a 13-5/8" 5M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order 2 as a 5M system prior to drilling out the casing shoe.	9/10/2013
priechers	The BOP system used to drill the 12-1/4" and 8-1/2" holes will consist of a 13-5/8" 5M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order 2 as a 5M system prior to drilling out the casing shoe.	9/10/2013
priechers	The BOP system used to drill the 12-1/4" and 8-1/2" holes will consist of a 13-5/8" 5M Double Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order 2 as a 5M system prior to drilling out the casing shoe.	9/10/2013
priechers	The pipe rams will be operated and checked as per Onshore Order No 2. 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 5,000 psi WP.	9/10/2013
CSHAPARD	Well Type: SWD	9/11/2013

SECTION 36, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE



0 12 60 120 240

SCALE 1" = 120'

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE HIGHWAY 1 (ORLA HIGHWAY) AND MONSANTO ROAD GO WEST ON MONSANTO ROAD APPROX. 2.1 MILES. ROAD TURNS RIGHT (NORTH) GO NORTH APPROX. 0.9 MILES. ROAD TURNS LEFT (WEST) GO WEST APPROX. 2.0 MILES. ROAD TURNS RIGHT (NORTH) GO NORTH APPROX. 1.8 MILES. ROAD TURNS LEFT (WEST) GO WEST APPROX. 0.3 MILES. ROAD TURNS RIGHT (NORTH) GO NORTH CROSS CATTLE GUARD APPROX. 0.4 MILES. TURN RIGHT (EAST) GO EAST APPROX. 1.2 MILES TO EXISTING DEVON COTTON DRAW UNIT #116H. CENTERLINE OF PROPOSED ROAD STARTS ON THE SOUTH EDGE OF PAD, GO EAST APPROX. 400' AND TURN LEFT (NORTH) ON EAST EDGE OF PAD. CENTERLINE PROPOSED ROAD GOES (NORTH) APPROX. 0.5 MILES. ROAD TURNS LEFT (NORTHWEST) PARALLELING PIPELINE APPROX. 0.2 MILES TO LOCATION.

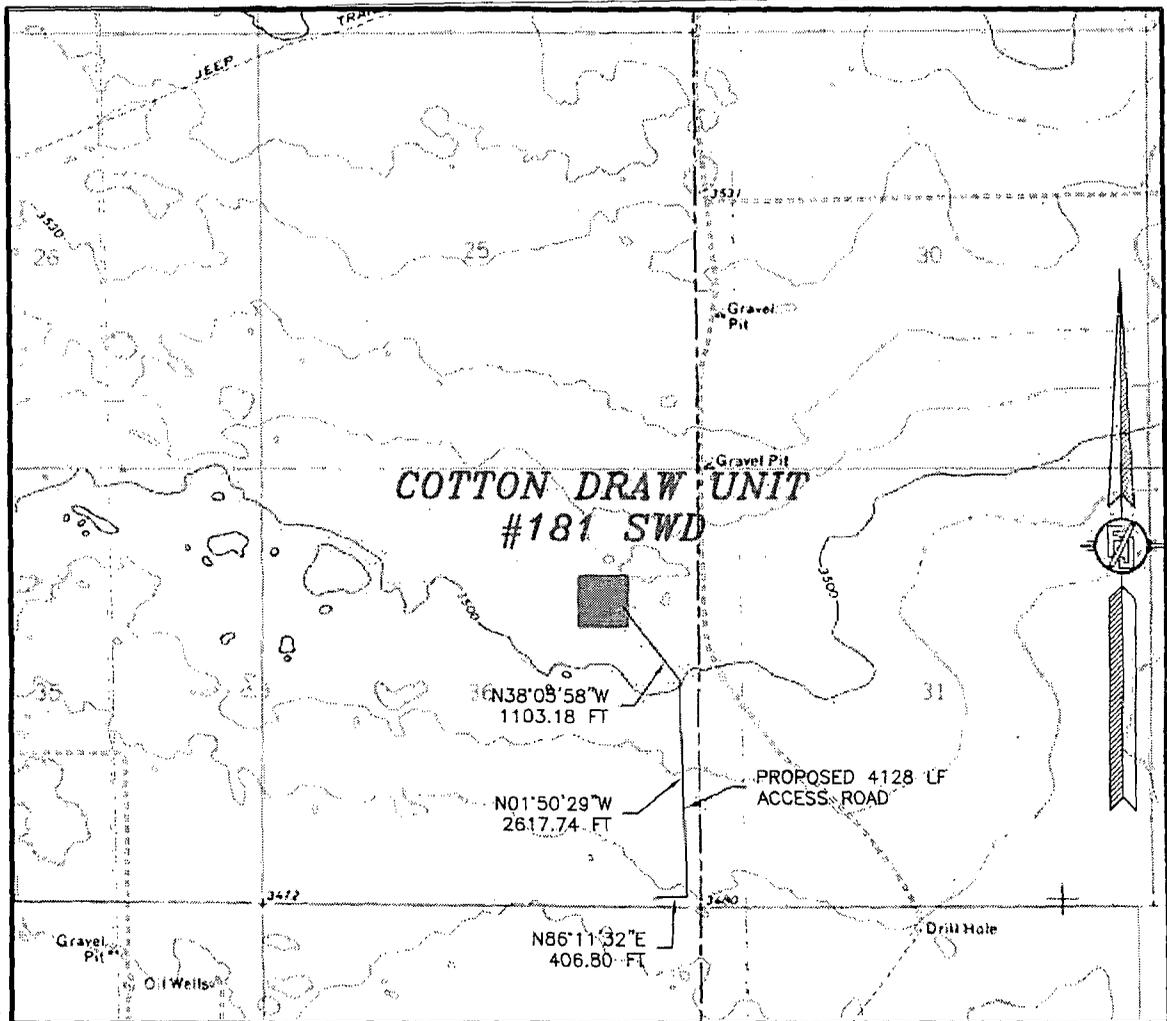
DEVON ENERGY PRODUCTION COMPANY, L.P.
COTTON DRAW UNIT #181 SWD
 LOCATED 1568 FT. FROM THE NORTH LINE
 AND 1189 FT. FROM THE EAST LINE OF
 SECTION 36, TOWNSHIP 24 SOUTH,
 RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

AUGUST 2, 2013

SURVEY NO. 2181

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO
 (575) 234-3341

SECTION 36, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 LOCATION VERIFICATION MAP



USGS QUAD MAP:
 PADUCA BREAKS NW

NOT TO SCALE

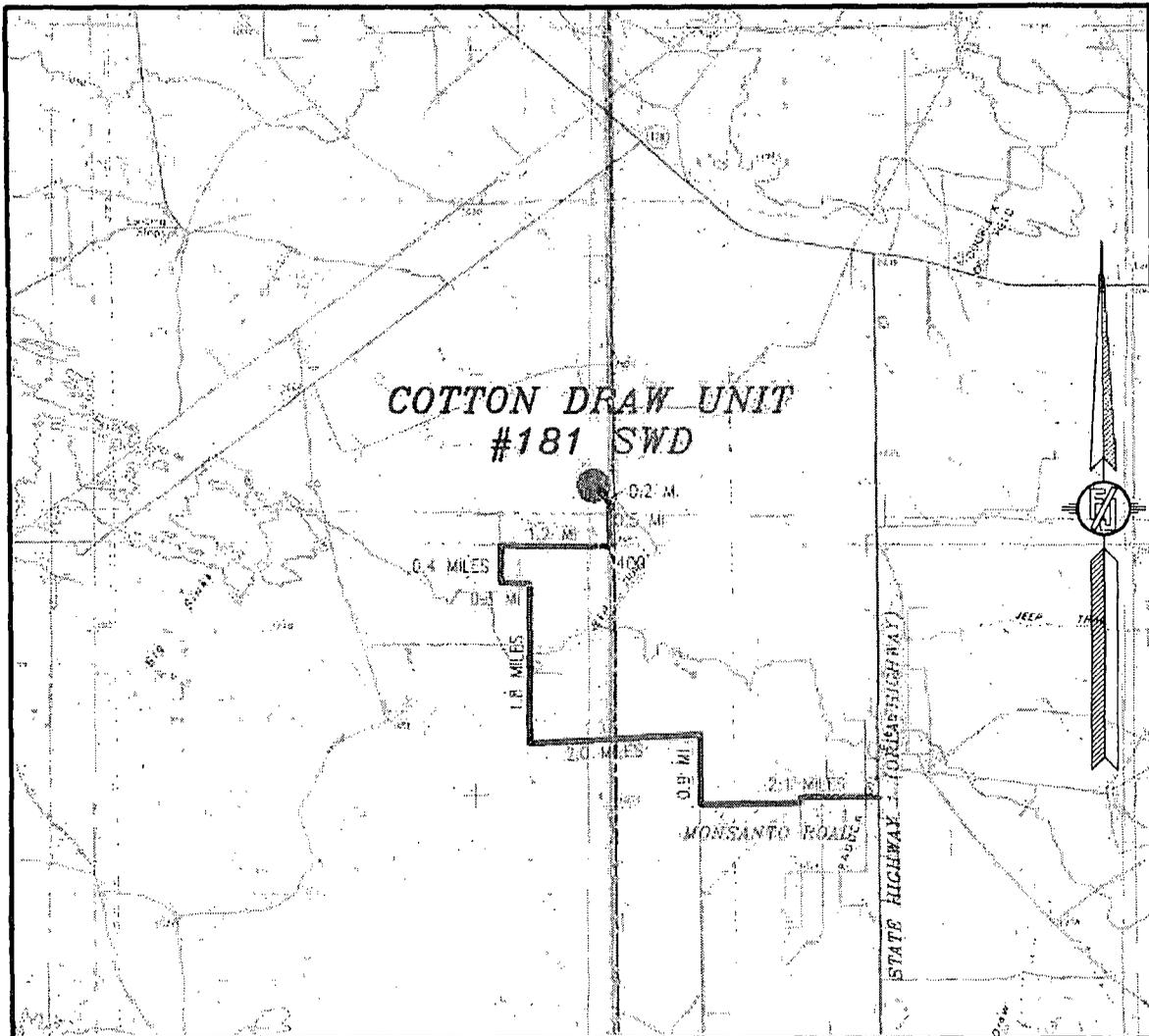
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 EDDY COUNTY, STATE OF NEW MEXICO

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SECTION 36, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 VICINITY MAP



NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.
COTTON DRAW UNIT #181 SWD
 LOCATED 1568 FT. FROM THE NORTH LINE
 AND 1189 FT. FROM THE EAST LINE OF
 SECTION 36, TOWNSHIP 24 SOUTH,
 RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

AUGUST 2, 2013

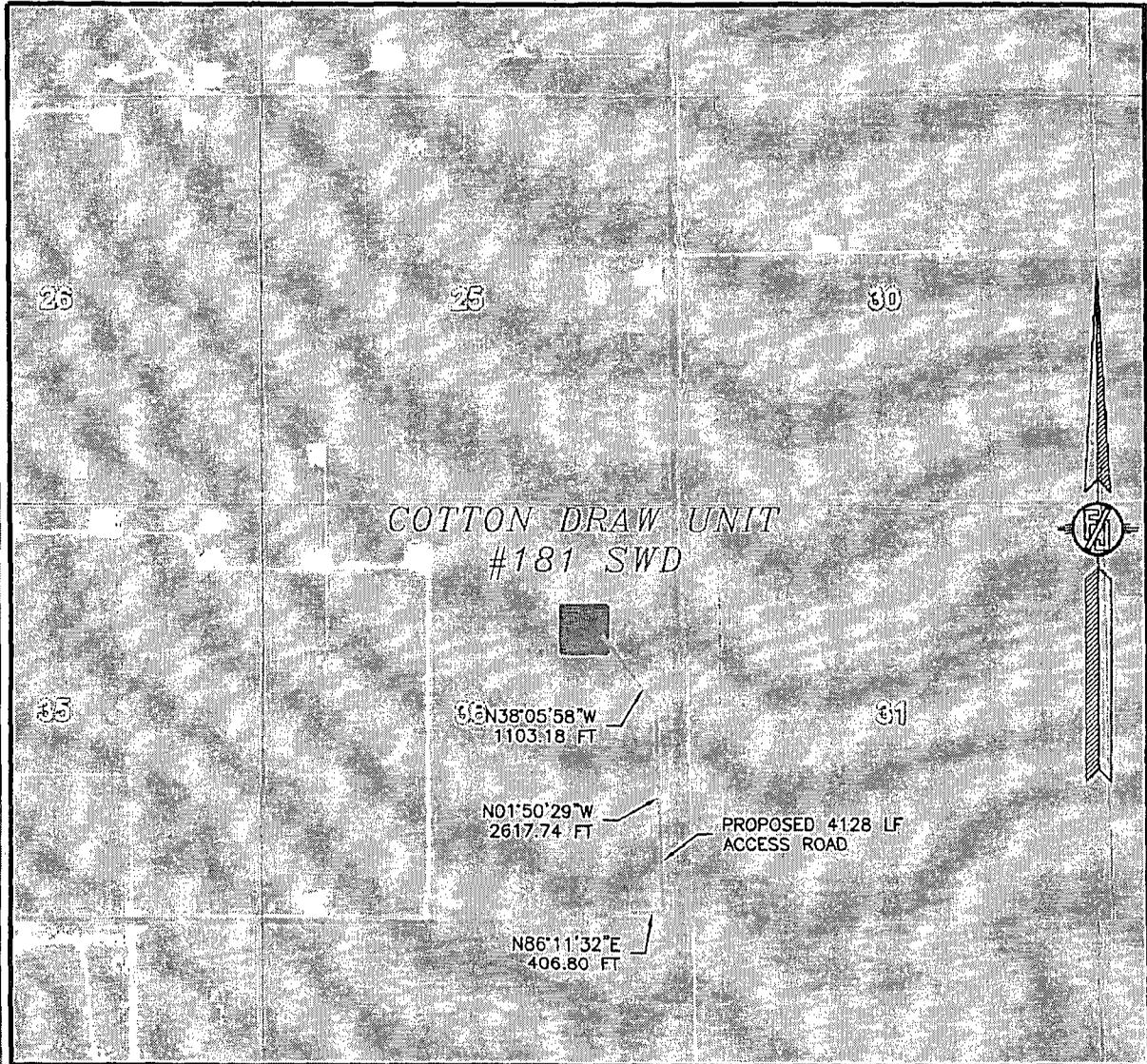
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE HIGHWAY 1 (ORLA HIGHWAY) AND MONSANTO ROAD GO WEST ON MONSANTO ROAD APPROX. 2.1 MILES, ROAD TURNS RIGHT (NORTH) GO NORTH APPROX. 0.9 MILES, ROAD TURNS LEFT (WEST) GO WEST APPROX. 2.0 MILES, ROAD TURNS RIGHT (NORTH) GO NORTH APPROX. 1.8 MILES, ROAD TURNS LEFT (WEST) GO WEST APPROX. 0.3 MILES, ROAD TURNS RIGHT (NORTH) GO NORTH, CROSS CATTLE GUARD APPROX. 0.4 MILES, TURN RIGHT (EAST) GO EAST APPROX. 1.2 MILES TO EXISTING DEVON COTTON DRAW UNIT #118H. CENTERLINE OF PROPOSED ROAD STARTS ON THE SOUTH EDGE OF PAD, GO EAST APPROX. 400' AND TURN LEFT (NORTH) ON EAST EDGE OF PAD, CENTERLINE PROPOSED ROAD GOES (NORTH) APPROX. 0.5 MILES, ROAD TURNS LEFT (NORTHWEST) PARALLELING PIPELINE APPROX. 0.2 MILES TO LOCATION.

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SECTION 36, TOWNSHIP 24 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
MARCH 2012

DEVON ENERGY PRODUCTION COMPANY, L.P.
COTTON DRAW UNIT #181 SWD
LOCATED 1568 FT. FROM THE NORTH LINE
AND 1189 FT. FROM THE EAST LINE OF
SECTION 36, TOWNSHIP 24 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

AUGUST 2, 2013

SURVEY NO. 2181

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

Permit Conditions of Approval

API: 30-015-41649

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