

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 30-15-32847
Property Code 32514	Property Name SITO 27 FEE	Well No. 001

Surface Location

UL or Lot B	Section 27	Township 22S	Range 27E	Lot Idn	Feet From 840	N/S Line N	Feet From 1490	E/W Line E	County Eddy
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Proposed Pools

CARLSBAD;MORROW, SOUTH (PRO GAS) 73960

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type Private	Ground Level Elevation 3097
Multiple N	Proposed Depth 12200	Formation Morrow	Contractor	Spud Date 7/15/2003

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	414	0
Int1	12.25	9.625	36	2100	705	0
Prod	8.75	5.5	17	12200	2140	4000

Casing/Cement Program: Additional Comments

DV tool at 8500 feet on 5.5 inch casing string

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: 6/25/2003		Approval Date: 6/27/2003	Expiration Date: 6/27/2004
Phone: 405-228-7734		Conditions of Approval: There are conditions. See Attached.	

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State of New Mexico
Energy, Minerals and Natural Resources

Form C-102

Oil Conservation Division

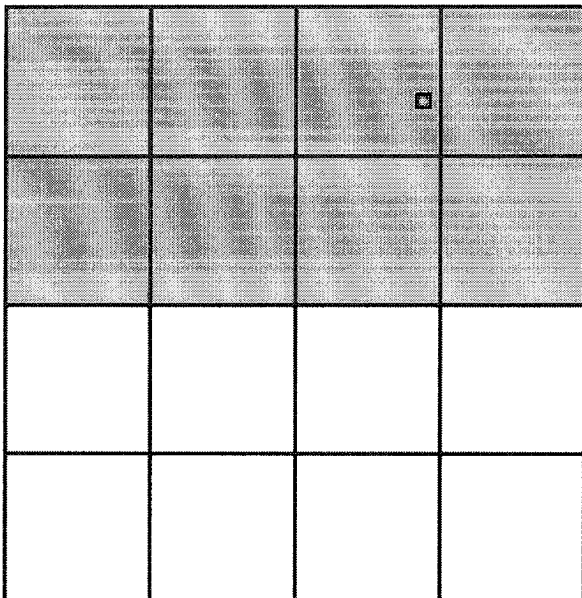
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-15-32847	Pool Name CARLSBAD;MORROW, SOUTH (PRO GAS)	Pool Code 73960
Property Code 32514	Property Name SITO 27 FEE	Well No. 001
OGRID No. 6137	Operator Name Devon Energy Production Company, LP	Elevation 3097

Surface And Bottom Hole Location

UL or Lot B	Section 27	Township 22S	Range 27E	Lot Idn	Feet From 840	N/S Line N	Feet From 1490	E/W Line E	County Eddy
Dedicated Acres 320		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: 6/25/2003

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: GARY EIDSON

Date of Survey: 6/18/2003

Certificate Number: 12641

APD Conditions Of Approval

Operator: 6137 Devon Energy Production Company, LP

Well: SITO 27 FEE 001

OCD Reviewer	Condition
BARRANT	Cement to cover ALL oil, gas and water bearing zones.

DEVON ENERGY CORPORATION

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

A. Hydrogen Sulfide Training

All rig crews and company personnel will receive training from a qualified instructor in the following areas prior to penetrating any hydrogen sulfide bearing formations during drilling operations:

1. The hazards and characteristics of hydrogen sulfide (H₂S).
2. The proper use and maintenance of the H₂S safety equipment and of personal protective equipment to be utilized at the location such as H₂S detection monitors, alarms and warning systems, and breathing equipment. Briefing areas and evacuation procedures will also be discussed and established.
3. Proper rescue techniques and procedures will be discussed and established.

Prior to penetrating any known H₂S bearing formation, H₂S training will be required at the rig sight for all rig crews and company personnel that have not previously received such training. This instruction will be provided by a qualified instructor with each individual being required to pass a 20 question test regarding H₂S safety procedures. All contract personnel employed on an unscheduled basis will be required to have received appropriate H₂S training.

This Hydrogen Sulfide Drilling And Operations Plan shall be available at the wellsite during drilling operations.

B. H₂S Safety Equipment And Systems

All H₂S safety equipment and systems will be installed, tested, and operational when drilling operations reach a depth approximately 500' above any known or probable H₂S bearing formation. The safety systems to be utilized during drilling operations are as follows:

Attachment to OCD form C101
Sito "27" Fee #1
840' FNL & 1490' FEL
Section 27-T22S-R27E
Eddy Cnty, New Mexico

DEVON ENERGY CORPORATION
Hydrogen Sulfide Drilling
Operations Plan

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1. Well Control Equipment

- (a) Double ram BOP with a properly sized closing unit and pipe rams to accommodate all pipe sizes in use.
- (b) A choke manifold with a minimum of one remote choke.

2. H2S Detection And Monitoring Equipment

- (a) Three (3) H2S detection monitors will be placed in service at the location. One monitor will be placed near the bell nipple on the rig floor; one will be placed at the rig substructure; and, one will be at the working mud pits or shale shaker. This monitoring system will have warning lights and audible alarms that will alert personnel when H2S levels reach 10 ppm.
- (b) One (1) Sensidyne Pump with the appropriate detection tubes will also be available to perform spot checks for H2S concentrations in any remote or isolated areas.

3. Protective Equipment For Essential Personnel

Protective equipment will consist of the following:

- (a) Four (4) - five minute escape packs located at strategic points around the rig.
- (b) Two (2) - thirty minute rescue packs to be located at the designated briefing areas.

4. Visual Warning System

Visual warning system will consist of the following:

- (a) Two wind direction indicators.
- (b) One condition / warning sign which will be posted on the road providing direct access to the location. The sign will contain lettering of sufficient size to be readable at a reasonable distance from the immediate location. The sign will inform the public that a hydrogen sulfide gas environment could be encountered at the location.

DEVON ENERGY CORPORATION
Hydrogen Sulfide Drilling
Operations Plan

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5. Mud Program

The mud program has been designed to minimize the volume of H₂S circulated to surface. Proper mud weight and safe drilling practices (for example, keeping the hole filled during trips) will minimize hazards when drilling in H₂S bearing formations.

6. Metallurgy

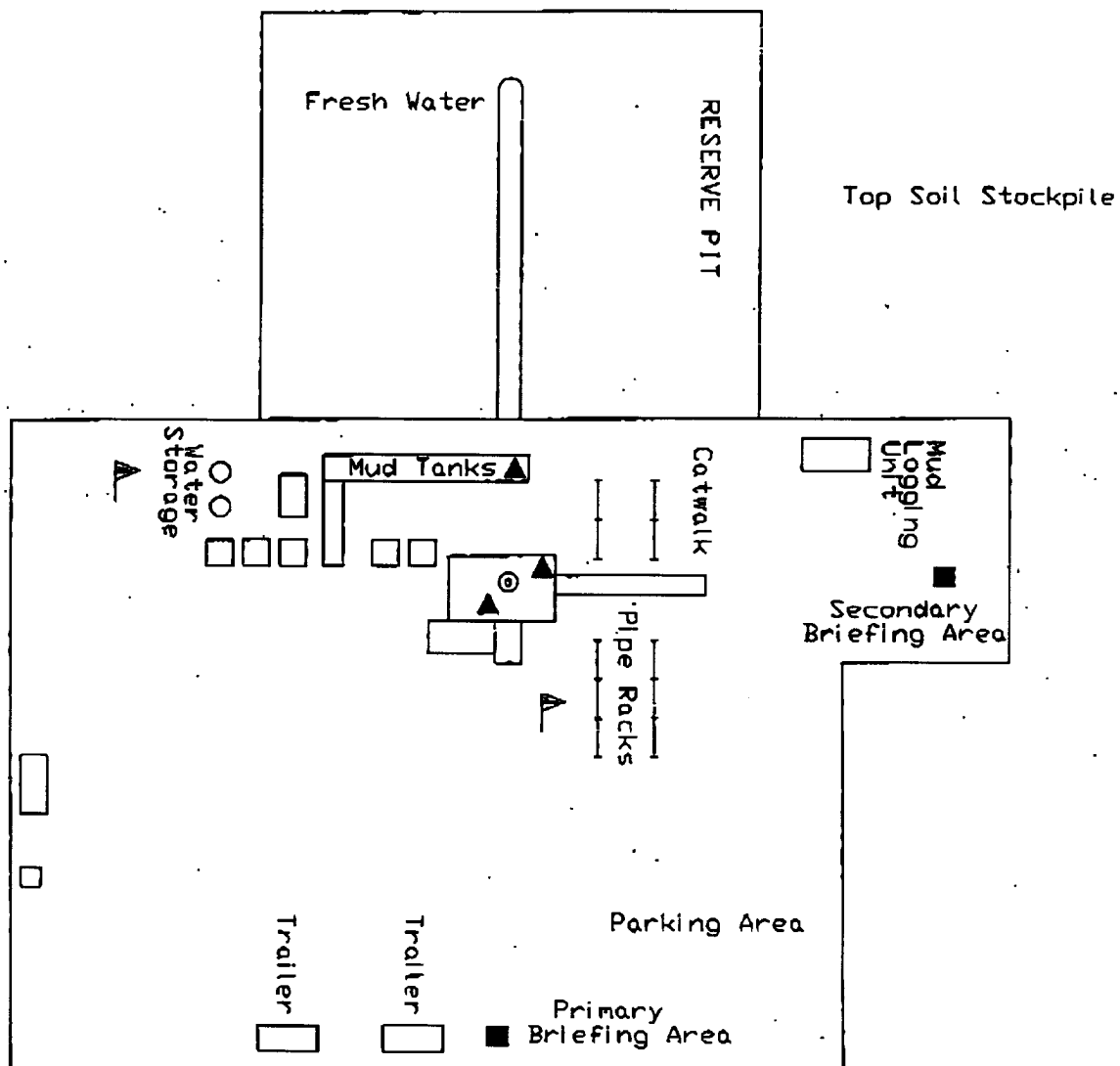
All drill strings, casings, tubing, wellhead, blowout preventers, drilling spools, kill lines, choke manifold and lines and valves shall be suitable for H₂S service.

7. Communication

Cellular telephone communication will be available in company vehicles.

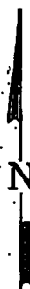
C. Diagram of Drilling Location

Attached is a diagram representing a typical location layout as well as the location of H₂S monitors, briefing areas and wind direction indicators.



- ▲ H2S MONITORS WITH ALARMS AT THE BELL NIPPLE, SUBSTRUCTURE, AND SHALE SHAKER
- A WIND DIRECTION INDICATORS
- SAFE BRIEFING AREAS WITH CAUTION SIGNS AND PROTECTIVE BREATHING EQUIPMENT

Prevailing Wind



FILE: Q:\H2S\H2S-PLAN

