

Submit 3 Copies To Appropriate District Office  
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

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.  
30-015-34616

5. Indicate Type of Lease  
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.  
NM VA-2453

7. Lease Name or Unit Agreement Name

Canadian 6 State

8. Well Number  
1

9. OGRID Number  
6137

10. Pool name or Wildcat  
Cottonwood Creek; Wolfcamp (Gas)

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator  
Devon Energy Production Company, LP

3. Address of Operator  
20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-7802

4. Well Location

Unit Letter A : 760 feet from the North line and 760 feet from the East line  
Section 6 Township 17S Range 25E NMPM Eddy County NM

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3604'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: EXTEND LEASE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy Company, LP intends to conduct drilling and/or completion operations by extending Lease No. VA-2453 by paying 6<sup>th</sup> year rentals and starting drilling prior to the lease expiration date of April 30<sup>th</sup>, 2006.

(See attachment.)

RECEIVED

MAR 09 2006

OCD-ARTESIA

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Sr. Staff Engineering Technician DATE 03/07/06

Type or print name Stephanie A. Ysasaga E-mail address: Stephanie.Ysasaga@dvn.com Telephone No. (405) 552-7802

For State Use Only

FOR RECORDS ONLY

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_

MAR 09 2006



PATRICK H. LYONS  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

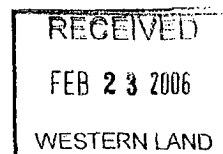
COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstateclands.org

February 20, 2006



Devon Energy Corporation  
20 North Broadway  
Oklahoma City, OK 73102-8260

Attn: Meg Muhlinghause

Re: State of New Mexico Oil and Gas Lease No. VA-2453-1

Dear Ms. Muhlinghause:

Your letter dated January 18, 2006 requesting permission to invoke Section 14 of the above lease contract is acknowledged.

The Land Commissioner grants you permission to conduct drilling/testing operations beyond the expiration date contingent upon strict compliance with the provisions of Section 14 and the following stipulations:

1. Compliance with State Land Office Oil & Gas Rule NMAC 19.2.100.56 which requires that sixth year delay rentals be paid before operations commence.
2. Compliance with Oil Conservation Division Rule NMAC 19.15.3.103, which requires that the drilling location be conspicuously posted with a sign identifying the operation as to Operator, Lease Name and Location by Section, Township and Range.
3. Compliance with applicable Oil Conservation Division rules.
4. You will submit a drilling report every thirty days showing the status of operations on each day of the preceding thirty days. The report must be identified by well name, operator and location.

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University

5. Cessation of operations for more than twenty consecutive days will be considered an abandonment and will result in automatic termination of the lease.


6. If, in the opinion of the Land Commissioner, the operator shows a lack of diligence and good faith, permission to continue operations may be revoked following proper notice.

7. You must be operational and drilling ahead or conducting completion operations at midnight of the date on which the lease expires.

If we may be of further help, please do not hesitate to call on us.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

PHL/JB/dv