| Form 3160-3<br>(December 1990)                                                                          |                                | NITED STATES<br>ENT OF THE IN<br>NUO: JDMANAGEM | TERIORLCONSE                        | 5, LEASE                | Form approved.                                           | CHY<br>IAL NO.             |  |  |
|---------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------------------------|-------------------------------------|-------------------------|----------------------------------------------------------|----------------------------|--|--|
|                                                                                                         | APPLICATION F                  | OR PERMIT TO DRILL OR (                         | EFPEN                               |                         |                                                          |                            |  |  |
| la TYPE OF WORK:                                                                                        | DRILL                          |                                                 |                                     |                         | DIAN, ALLOTTEE OR TR                                     | IBE NAME                   |  |  |
| b. TYPE OF WELL:<br>$\operatorname{WELL}_{WELL}$                                                        |                                | Cal                                             |                                     |                         | AGREEMENT NAME<br>ed Lake 8910089700                     |                            |  |  |
| 2 NAME OF OPERAT                                                                                        |                                | 20NE 20NE                                       | ZONE                                | 8. FARM                 | OR LEASE NAME, WELL                                      | 10.                        |  |  |
|                                                                                                         | <b>DEVON ENERC</b>             | Y CORPORATION (NEV                              | ADA) 6137                           |                         | 33G" Federal #5                                          | 19422                      |  |  |
| 3. ADDRESS AND TE                                                                                       | LEPHONE NO.                    |                                                 |                                     | 9.API W<br>30-015-      |                                                          |                            |  |  |
|                                                                                                         | 20 N. BROADW                   | AY, SUITE 1500, OKC, OF                         | (73102 (405) 552-4511               |                         | 30-015- 2907<br>10.FIELD AND POOL, OR WILDCAT            |                            |  |  |
| At surface 1850'<br>At top proposed prod.                                                               | FNL & 2310' FEL<br>zone (SAME) | irly and in accordance with any S               | tate requirements)*<br>ECEIVED      | Red La<br>UN<br>11.SEC. | ke (Q-GB-SA)<br>,T.,R.,M., OR BLOCK AI<br>G-33-T17S-R27E | 1300                       |  |  |
| Approximately 7 miles                                                                                   | southeast of Artesia, N        | REST TOWN OR POST OFFICE*                       |                                     |                         | NTY OR PARISH<br>County                                  | 13. STATE<br>New<br>Mexico |  |  |
| 15.DISTANCE FROM PROPO<br>LOCATION TO NEAREST<br>PROPERTY OR LEASE L<br>(Also to nearest drig, unit lin | INE, FT. 330<br>c if any)      | , 16.NO. OF ACCEPT                              | <mark>e con. D</mark> iv<br>diat. 2 | с<br>с                  | 17.NO. OF ACRES<br>TO THIS WELL<br>40                    | ASSIGNED                   |  |  |
| 18.DISTANCE FROM PROPO<br>TO NEAREST WELL, DR<br>OR APPLIED FOR, ON                                     | ILLING, COMPLETED,             | 19. PROPOSED DEPT<br>2500'                      | н                                   |                         | 20. ROTARY OR CA<br>Rotary                               | BLE TOOLS*                 |  |  |
| 21.ELEVATIONS (Show when<br>GL 3480'                                                                    | ther DF, RT, GR, etc.)         |                                                 |                                     |                         | APPROX. DATE WORK WI<br>Dtember 1, 1996                  | LL START*                  |  |  |
| 23.                                                                                                     |                                | PROPOSED CASIN                                  | NG AND CEMENTING PRO                | VCPAM                   |                                                          |                            |  |  |
| SIZE OF HOLE                                                                                            | GRADE, SIZE OF                 | CASING WEIGHT PER                               |                                     | TTING DEPTH             | QUANTITY C                                               | FCEMENT                    |  |  |
| 17 1/2"                                                                                                 | 13 3/8"                        | Conductor                                       | 40'                                 |                         | Redimix                                                  |                            |  |  |
| 12 1/4"                                                                                                 | 8 5/8", J-55                   | 24 ppf                                          | 1000'                               |                         | 300 sx Lite + 200 sx                                     | Class C                    |  |  |

\* Cement will be circulated to surface on all casing strings.

5 1/2", J-55

Devon Energy plans to drill to 2500' +/- to test the San Andres Formation for commercial quantities of oil. If the San Andres is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

2500

Drilling Program Surface Use and Operating Plan Exhibit #1 - Blowout Prevention Equipment Exhibit #1-A - Choke Manifold Exhibit #2 - Location and Elevation Plat

7 7/8'

Exhibit #3 - Planned Access Roads

Exhibit #4 - Wells Within a One Mile Radius

Exhibit #5 - Production Facilities Plan

Exhibit #6 - Rotary Rig Layout

Exhibit #7 - Casing Design Parameters and Factors

Exhibit #8 - H<sub>2</sub>S Operating Plan

The undersigned accepts all applicable terms, conditions, stipulation, and restrictions concerning operations conducted on the leased land or portion thereof, as described above.

Bond Coverage: Nationwide BLM Bond File No.: CO-1104

vide 1104 PostID-1 8-23-96 Манагос + АРІ

DATE

DATE

Accessed Subject to Secret Robeltonents and Special Subulations Attached

TITLE

15.5 ppf

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

STONED

CANDACE R. GRAHAM. ENGINEERING TECH.

July 1, 1996

100 sx Lite + 200 sx Class C

\*(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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:

| APPROVED BY <u>(OR</u> | G. SGD. | ) RICHARD | L. | MANUS TITLE |
|------------------------|---------|-----------|----|-------------|
|                        |         |           |    |             |

lere Manycart

AUG 15 1990

See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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

DISTRICT I P.O. Box 1980, Hobbs, NM 68240

DISTRICT II P.O. Drawer DD, Artegia, NM 55210

DISTRICT III 1060 Rio Brazos Rd., Astec. NM 87410 State of New Mexico

Energy. Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Instruction on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

# OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

#### API Number Pool Code Pool Name 30-015-2910-51300 Red Lake (Q-GB-SA) **Property** Code **Property** Name Well Number Eagle 33 "G" Federal 5 OGRID No. **Operator** Name Elevation 6137 Devon Energy Corporation 3480' (Nevada) Surface Location UL or lot No. Section Township Lot ldn Feet from the North/South line Range Feet from the East/West line County G 33 17 S 27 E 1850 North 2310 Eddy East 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 Joint or Infill Consolidation Code Order No. 40 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 hereir, is true and complete to the best of my knowledge and belief. 850 Signature Candace R. Graham 3457.2 5477 7 Printed Name Engineering Tech. 2310 Title 3488.4% 3477.8 July 1, 1996 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 supervison, and that the same is true and correct to the best of my bubief. June 3, 1996 Date Surveyed Signature & Seal of Professional Surveyor J **( \** 20 **W.O**. No. 6202w. Certificate No. Gory L. Jones 7977 BASIN SURVEY S

### 3.000 psi Working Pressure

### EXHIBIT 1

### 3 MWP

#### STACK REQUIREMENTS

| No         | Hem                                                    |                                 | Min<br>I.D. | Min<br>Nominal                        |  |
|------------|--------------------------------------------------------|---------------------------------|-------------|---------------------------------------|--|
| 1          | Flowine                                                |                                 | -           | 1                                     |  |
| 2          | Fill up ime                                            |                                 |             | 2.                                    |  |
| J          | Drilling nipple                                        |                                 |             | 1                                     |  |
| 4          | Annular preventer                                      |                                 |             |                                       |  |
| 5          | Two single or one dual b<br>operaied rams              | ydraulically                    | 1           |                                       |  |
| 64         | Drilling spool with 2° min<br>3° min choke line outlet |                                 |             |                                       |  |
| <b>6</b> 0 | 2" mm. kill kne and 3" m<br>outiets in ram. (Alternate | in. choke line<br>to 6a above.) |             |                                       |  |
| 7          | Valve                                                  | Gale D<br>Piug D                | 3-1/8*      |                                       |  |
| 8          | Gate valve-power opera                                 | ited                            | 3-1/8"      | ·····                                 |  |
| 9          | Line to choke manifold                                 |                                 |             | 3.                                    |  |
| 10         | Valves                                                 | Gale C<br>Piug C                | 2-1/16*     |                                       |  |
| 11         | Check valve                                            |                                 | 2-1/16*     |                                       |  |
| 12         | Casing head                                            |                                 |             |                                       |  |
| 13         | Valve                                                  | Gale D<br>Plug D                | 1-13/16*    | · · · · · · · · · · · · · · · · · · · |  |
| 4          | Pressure gauge with need                               | lie valve                       |             |                                       |  |
| 5 1        | Kill line to rig mud pump n                            | biolinan                        |             | 2.                                    |  |



CONFIGURATION

| OPTIO            | NAL      |
|------------------|----------|
| 16 Fianged valve | 1-13/16* |

CONTRACTOR'S OPTION TO FURNISH:

- 1.All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 3,000 psl, minimum.
- 2. Automatic accumulator (80 gallon, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
- 3.80<sup>p</sup> controls, to be located near drillers position.
- 4.Kelly equipped with Kelly cock.
- S.Inside blowout prevventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
- 5.Kelly saver-sub equipped with rubber casing protector at all times.
- 7. Plug type blowout preventer tester.
- S.Extra set pipe rams to fill drill pipe in use on location at all times.
- 8. Type RX ring gaskets in place of Type R.

### MEC TO FURNISH:

- 1.Bradenhead or casinghead and side valves.
- 2.Wear bushing, Il required.

### GENERAL NOTES:

- 1. Deviations from this drawing may be made only with the express permission of MEC's Dritting Manager.
- 2.All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preveniers up through chore. Valves must be full opening and suitable for high pressure mud service.
- 3. Controls to be of standard design and each marked, showing opening and closing position.
- 4. Chokes will be positioned so as not to hamper or delay changing of choke beans. Replaceable pans for adjustable choke, other been sizes, retainers, and choke wrenches to be conveniently located for immediate uss.
- 5.All valves to be equipped with handwheels or handles ready for immediate use.
- 6. Choke lines must be suitably anchored.

- 7.Hendwheels and extensions to be connected and ready for use.
- Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
- All seamless steel control ploing (3000 pai working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
- 10.Casinghead connections shall not be used except in case of emergency.
- 11.Do not use kill line for routine fill-up operations.

Attachment to Exhibit #1 NOTES REGARDING BLOWOUT PREVENTORS Devon Energy Corporation (Nevada) Eagle "33G" Federal #5 1850' FNL & 2310' FEL Section G-33-T17S-R27E Eddy County, New Mexico

- 1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.
- 2. Wear ring will be properly installed in head.
- 3. Blowout preventor and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.
- 4. All fittings will be flanged.
- 5. A full bore safety valve tested to a minimum 3000 psi WP with proper thread connections will be available on the rotary rig floor at all times.
- 6. All choke lines will be anchored to prevent movement.
- 7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
- 8. Will maintain a kelly cock attached to the kelly.
- 9. Hand wheels and wrenches will be properly installed and tested for safe operation.
- 10. Hydraulic floor control for blowout preventor will be located as near in proximity to driller's controls as possible.
- 11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.

#### MINIMUM CHOKE MANIFOLD 3.000, 5,000 and 10,000 PSI Working Pres

3 MWP - 5 MWP - 10 MWP

EXHIBIT 1A



#### BETOND SUBSTRUCTURE

|    |                                                  |           | ARNI    | NUM REOL  | <b>XREMENT</b> | 5       |            |          |         |         |
|----|--------------------------------------------------|-----------|---------|-----------|----------------|---------|------------|----------|---------|---------|
|    |                                                  | 3.000 MWP |         | S.DOD MWP |                |         | 10,000 MWP |          |         |         |
| No |                                                  | 1.D       | NOLINAL | RATING    | 1.D.           | NOMINAL | RATING     | I.D.     | NOMINAL | RATING  |
| 1  | Line from drilling spool                         |           | 3.      | 3.000     |                | 3.      | \$.000     |          | 3.      | 10,000  |
| 2  | Cross 3"#3"#3"#2"                                |           |         | 3.000     |                |         | \$.000     |          |         |         |
| -  | Cross 3*x3*x3*x3*                                |           |         |           |                |         |            |          |         | 10.000  |
| З  | Valves(1) Gale D<br>Plug D(2)                    | 3-1/8*    |         | 3,000     | 3-1/8*         |         | \$.000     | 3-1/8*   |         | 10,000  |
| 4  | Valve Gale []<br>Plug [][2]                      | 1-13/16*  |         | 3,000     | 1-13/16*       |         | \$.000     | 1-13/16* |         | 10,000  |
| 43 | Valves(1)                                        | 2-1/16*   |         | 3,000     | 2-1/18*        | ļ,      | 5,000      | 3-1/6"   |         | 10,000  |
| 5  | Pressure Gauge                                   |           |         | 3,000     |                |         | 5.000      |          | 1       | 10,000  |
| 6  | Valves Gale C<br>Plug (2)                        | 3-1/8*    |         | 3,000     | 3-1/6*         |         | 5,000      | 3-1/8*   |         | 10,000  |
| 7  | Adjustable Choke(3)                              | 2.        |         | 3.000     | 2*             |         | 5.000      | 2*       | 1       | 10.000  |
| 8  | Adjustable Choke                                 | 1*        |         | 3.000     | 1.             |         | 5,000      | 2.       |         | 10,000  |
| 9  | Line                                             |           | 3.      | 3.000     |                | 2.      | 5,000      |          | 3.      | 10,000  |
| 10 | Line                                             |           | 2"      | 3.000     |                | Z.      | 5.000      |          | 3.      | \$0,000 |
| 11 | Valves Gale []<br>Plug [](2)                     | 3-1/1     |         | 3.000     | 3-1/8*         |         | 5,000      | 3-1/8*   |         | 10.000  |
| 12 | Lines                                            |           | 2.      | 1,000     |                | 3*      | 1,000      | i        | 3.      | 2.000   |
| 13 | Lines                                            |           | 3.      | 1,000     |                | 3.      | 1,000      |          | 3.      | 2.000   |
| 14 | Remote reading compound standpipe pressure gauge |           |         | 3.000     |                |         | 5,000      |          |         | 10,000  |
| 15 | Ges Seperator                                    |           | 2'25'   |           |                | 2'25'   |            | i        | 2'15'   |         |
| 16 | Line                                             |           | 4.      | 1,000     |                | 4.      | 1,000      | t        | 4.      | 2.000   |
| 17 | Valves Gala D<br>Plug D(2)                       | 3-1/8*    |         | 3,000     | 3-1/8*         |         | 5.000      | 3-1/8*   | †       | 10,000  |

(1) Only one required in Class 3M.

(2) Gate valves only shall be used for Cless 10M.

(2) Remote operated hydroulic choice required on 5,000 pal and 10,000 pai for drilling.

## EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- 1. All connections in choke manifold shall be welded, studded, Ranged or Cameron clemp of comparable rating.
- 2. All Danges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
- 3. All lines shall be securely anchored.
- 4. Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be evaliable.
- 5. Choke manifold pressure and standpipe pressure gauges shall be evaluable at the choke manifold to assist in regulating chokes. As an atternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
- Line from drilling spool to choke manifold should be as straight as possible. Lines downstream from chokes shall make turns by large bends or 90° bends using buil plugged tees.
- 7. Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well