Form 3160-3 (December 1990)

| SIL | | ď | 4 |
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| Form | approved |
|------|----------|
|------|----------|

| • | | | _ | | ESIGNATION AND SER | TAL NO. |
|---|---|---|---|--|-------------------------------|--|
| | | D MANAGEMENT | 811 S. 1ST ST. | LC-06784 | | 22 |
| APP | LICATION FOR PERM | IIT TO DRILL OR DE | EPEN 88210-2834 | L. | AN, ALLOTTEE OR TR | IBE NAME |
| la TYPE OF WORK: | DRILL 🔀 | DEEPEN | | NA 7.UNIT AG | REEMENT NAME | |
| ь түре of well: | | _ | _ | NA | | |
| OIL X | GAS WELL Other | SINGLE | MULTIPLE | 1 | R LEASE NAME, WELL | NO. |
| 2 NAME OF OPERA | TOR DEVON ENERGY CORPO | DATION (NEVADA) | 6137 | 9.API WEI | 7B" Federal #3 | 22089 |
| 3. ADDRESS AND TH | | KATION (NEVADA) | 015 | 30-015- | 29937 | |
| | 20 N. BROADWAY, SUITI | E 1500, OKC, OK 73102 (40 | 5) 235-3611 | | AND POOL, OR WILDO | [AT |
| | ELL (Report location clearly and in ac FNL & 2310' FEL | cordance with any State requireme | ents)* | 1 | e (Q-GB-SA) | MD SURVEY OR AREA |
| At surface 330' | | R | | 1 | F-27-17S-27E | |
| At top proposed prod | zone (SAME) W, | P | 0111212- | | | |
| 14.DISTANCE IN MILES | AND DIRECTION FROM NEAREST TOWN OF | POST OFFICE* | 310 | 12. COUN Eddy C | TY OR PARISH County | 13. STATE |
| Approximately mi | lles southeast of Artesia, NM | (5) | A 62 | | | |
| 15.DISTANCE FROM PROF LOCATION TO NEARES | | 16.NO. OF ACRES IN LEASE | NOV 1997 5. | | 17.NO. OF ACRE TO THIS WEI | |
| PROPERTY OR LEASE | LINE, FT. 330 | 800 (2) | RECEIVED 3 | | 40 | |
| (Also to nearest drig, unit) 18.DISTANCE FROM PROF | POSED LOCATION* DRILLING, COMPLETED, | 19.PROPOSED DEPTH 2800' | DCD - ARTESIA | | 20.ROTARY OR OR | CABLE TOOLS* |
| OR APPLIED FOR, ON | THIS LEASE, FT. 1800' | 2000 | | 1 22 | APPROX. DATE WORK | WILL START* |
| 21.ELEVATIONS (Show will GL 3470' | hether DF, RT, GR, etc.) | | | 1 | ember 1, 1997 | |
| | | | | | | |
| 23. | | PROPOSED CASING AND CE | MENTLY CAROCIPANO | 6,87° (7° 2° 2° 2° 2° 2° 2° 2° 2° 2° 2° 2° 2° 2° | ED WATER | BASIN |
| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | | | OF CEMENT |
| 17 1/2" | 14" | Conductor | 1150' | | Redimix | SESMEMESS |
| 12 1/4" 7 7/8" | 8 5/8", J-55 5 1/2", J-55 | 24 ppf 15.5 ppf | 2800' | | 150 sx Lite + 350 | |
| Deven Enougy pla | rirculated to surface on all casing str ons to drill to 2800'+/- to test the San d abandoned per Federal regulation | Andres Formation for commerc | ial quantities of oil. If the Sa e oil and gas regulations are o | n Andres is outlined in t | deemed non-commo | ercial, the wellbore s and attachments. |
| Drilling Program | | The undersigned acc | cepts all applicable terms, co ed on the leased land or porti | nditions, sti | pulation, and restric | ctions concerning |
| Surface Use and C Exhibit #1 - Blowd | Operating Plan Out Prevention Equipment | <u>-</u> | | on mercor, | | |
| Exhibit #1-A - Ch | | Bond Coverage: N BLM Bond File No | | | Port IV |)_/ |
| Exhibit #3 - Plann | ned Access Roads | | | | 11-11-9 | 27 |
| | s Within a One Mile Radius uction Facilities Plan | APPROVAL | SUBJECT TO | | 11-21-1 | |
| Exhibit #6 - Rotai | ry Rig Layout | GENERAL | REQUIREMENTS AI | un H | 11-21-9 4 PI 4 | 10C |
| Exhibit #7 - Casin H ₂ S Operating Pl | ng Design Parameters and Factors an | SPECIAL S | TIPULATIONS | יי עא | • | |
| | | ATTACHED | ULOTUION2 | | | |
| | | | | | | vo zona If proposa |
| IN ABOVE SPACE Is to drill or deepen of 24. | DESCRIBE PROPOSED PROGRA directionally, give pertinent data on : | M: If proposal is to deepen, give on subsurface locations and measure | d and true vertical depths. (| one and pro Give blowou | t preventer program | n, if any. |
| SIGNED | E. S. Billion | E.L.B TITLE DISTI | UTTROSS, JR. Rict engineer | DATE Oc | tober 7, 1997 | |
| | ederal or State office use) | | | | | |
| | , | | APPROVAL DATE | | | |
| Application accessed | oes not warrant or certify that the applica | nt holds legal or equitable title to thos | | | | |
| CONDITIONS OF | APPROVAL, IF ANY: | | ⊕ ···· ··· ··· · · · · · · · · · · · · | | | |

See Instructions On Reverse Side

(ORIG. SGD.) ARMAINLU A. LUFEZ

CECEIVED INTOCT TO A 1 51

CUREAU OF LAND MGNT. ROSWELL OFFICE DISTRICT I P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II P.O. Drawer DD. Artesia, NM 88210

OIL CONSERVATION DIVISION

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87413 P.O. Box 2088 Santa Fe, New Mexico 87504-2088

D AMENDED REPORT

| DX - X | Number | 0927 | Pool Code Pool Name 5/300 Red Lake (Q-GB-SA) | | | | | | | |
|------------------------------------|----------|-----------|---|-----------------------------------|-------------------------------------|--------------------------------|-------------------------------|--|--------------------|--|
| Property Code | | | | Property Name EAGLE "27B" FEDERAL | | | | Well Number | | |
| OGRID N | 0. | | | DEVON | Operator Name ON ENERGY CORPORATION | | | | Elevation 3510' | |
| | | | | | Surface Loca | ation | | | | |
| UL or lot No. | Section | Township | Range | Lo: Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| В | 27 | 17 S | 27 E 3 | | 330 | NORTH | 2310 | EAST | EDDY | |
| | <u> </u> | <u> </u> | Bottom | Hole Loc | eation If Diffe | rent From Sur | face | | | |
| UL or lot No. Section Township Ran | | Range | lot Idn | Feet from the | North/South line | North/South line Feet from the | | County | | |
| Dedicated Acre | | WILL BE A | nsolidation SSIGNED | то тніѕ | der No. COMPLETION VIT HAS BEEN | UNTIL ALL INTER | RESTS HAVE B | EEN CONSOLID | ATED | |
| | , | | 35 | 10.7' | 3514.0' | 316' | OPERAT I here contained here | OR CERTIFICA by certify the the ir in is true and comp nuledge and belief | formation | |

OPERATOR CERTIFICATION I hereby certify the the entymation condained Arrein in this and complete to the best of my knowledge and below Signature E.L. Buttross, Jr. Printed Name District Engineer Title October 7, 1997 Date SURVEYOR CERTIFICATION I hereby certify that the will lead not show on this plat was plotted from field note of actual surveyer mode on me or under my supervises and stall the sum as the order m

COMFIGURATION A

3 MWP

STACK REQUIREMENTS

| No | Nem | | Min I.D | Min. Nominal |
|-------|---|------------------|------------|-----------------|
| 1 | Figures | | | |
| 2 | Fill up une | | | 2" |
| 3 | Drilling repole | | | T |
| 4 | Annual provenses | | | |
| 5 | Two single or one dual h operated rams | yGrauncaby | | |
| 64 | Drilling speel with 2" mar 3" man challe bne suffets | | | |
| 60 | 2" mm. bill inne and 3" m sullets in ram. (Alternate | | | |
| 7 | Valve | Gase D Plug D | 3-1/6" | |
| | Gale valve—power opera | ted | 3-18" | |
| • | Line to choice manifold | | | 3. |
| 10 | Valves · - | Gale C Plug C | 2-1/15" | |
| 11 | Check valve | | 2-1/16" | |
| 12 | Casing head | | | |
| 13 | Valve | Gate D Plug D | 1-13/15* | |
| 14]] | Pressure gauge with need | No volvo | | |
| 15 / | Cill has to my must pump in | rentiets | | 2" |

| ANNULAS PREVENTES PIPE SAUS PROOL | |
|-----------------------------------|-----|
| | @ @ |
| | • |

| OPTIONAL | | | | | | | |
|--------------------|----------|--|--|--|--|--|--|
| 16 Fianged vaive | 1-13/16* | | | | | | |

CONTRACTOR'S OPTION TO FURNISH:

- All equipment and connections above bradenhead or casinghead. Wertung pressure of preveniers to be 3,000 psi, minutum.
- 2. Automatic accumulator (80 gallen, minimum) capable of closing BOP in 30 seconds or tiss and, holding them closed against full raied working pressure.
- 3.80P controls, to be located Rear drillers
- 4. Kelly equipped with Kelly cack.
- 5. Inside blowout provventor or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
- 5.Kelly sever-sub equipped with rusber casing protector at all times.
- 7. Plug type blowaut provenuer tester.
- 8.Ezira set pipe rame to iti drill pape in use on location at all times.
- S. Type RX ring gashess in place of Type R.

MEC TO FURNISH:

- 1.Bradenhass or casinghead and side velves
- 2. West bushing, il required.

GENERAL NOTES:

- 1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
- 2.As connections, valves, Skings, piping, otc., authort to well or pump pressure must be flanged (suitable clemp connections acceptable) and have minimum warting pressure equal to rated working pressure of preventors up through one"s. Valves must be tult opening and authable for high pressure mud service.
- 3. Controls to be of standard design and each marked, showing opening and closing position.
- d. Chance will be positioned so as not to hamper or delay changing of chalce beens. Replaceable parts for adjustable chase, other bean sizes, retainers, and alteste wrenches to be conveniently because for immediate use.
- 8.AS very to be equipped with handwhose or handles ready for immediate use.
- 6.Chake lines must be suitably anchored.

- 7. Hendwheels and extensions to be connected and ready for use
- Valves adjacent to drilling apool to be kept open. Use suitaide valves except for emergency.
- 8.All seemiess seel carriel piping (3000 psi warting pressure) to have flexible joints to avoid stress. Hosse will be pairwated.
- Countyhead connections shall not be used except in case of emergency.
- 11.Do not use kill time for routine fill-up operations

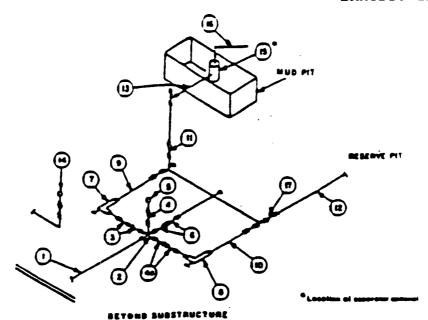
Attachment to Exhibit #1 NOTES REGARDING BLOWOUT PREVENTORS

Devon Energy Corporation (Nevada)
Eagle" 27B" Federal #3
330' FNL & 2310' FEL
Section F-27-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.

3 MWP . S MWP - 10 MWP

EXHIBIT 1A



| | |
|------|----------|
| | I RECLUR |

| | MINIMUM REQUIREMENTS | | | | | | | | | | |
|----|---|----------|----------|--------|----------|---------|--------|----------|----------|--------|--|
| | 3.800 MWP 8.800 MWP 10.000 MWP | | | | | | | | | | |
| No | | I.D | INDIAMAL | RATING | L.D. | HOLINAL | RATING | LD | INOMINAL | RATING | |
| | Line from driling speed | | 3" | 3.000 | | 3. | 5.000 | | 3. | 10.000 | |
| 2 | Crees 3, 13, 13, 15, | | | 3,600 | | | 8,000 | | | | |
| | Crees 3"x3"x3"x3" | | | | | | | | | 10.000 | |
| 3 | Varvas ⁽¹⁾ Date D Plug D(2) | 3-141° | | 3,960 | 3-147* | | 8.800 | >14. | | 10,000 | |
| 4 | Vaire Pag (D/2) | 1-13/15" | | 3,000 | 1-13/16" | | 8.800 | 1-13/16" | | 10.000 | |
| 44 | Varios(1) | 3-1/18. | | 3,800 | 3-MM. | | 5,000 | 314 | | 10,000 | |
| 5 | Pressure Gaupe | | | 3,000 | | | 5.800 | | | 10,000 | |
| 6 | Valves Plug (DIZI) | 3-147* | | 3.000 | 3-147* | | 8.000 | 3-167 | | 10.800 | |
| 7 | Administra Chane(3) | 2" | | 3,500 | 2 | | 5.000 | 2. | † — — | 10.000 | |
| | Adequateles Chane | 1. | | 3,800 | 1. | | 5.000 | 7 | | 10.000 | |
| • | Line | | 3" | 3.000 | _ | 2. | \$.800 | | 3" | 10.000 | |
| 10 | Line | | 7 | 3.000 | | 5. | 5.900 | | 3" | 10.000 | |
| 11 | Varios Pag D(2) | 3-1A- | | 3,800 | >16. | | 8.000 | 3-18" | | 10.000 | |
| | Lines | | 3" | 1,900 | | 3- | 1.900 | | 3. | 2.500 | |
| 13 | Lones | | 2- | 1,900 | | 3- | 1,500 | | 3. | 2.000 | |
| 14 | Ротово годого авторогой политии роце | | | 3,800 | | | 5.000 | | | 10.000 | |
| 15 | Ges Secorem | | 2'ss' | | | 2.57. | | | 2'#5' | | |
| 16 | Les | | r | 1,500 | | 4. | 1.000 | | | 2.000 | |
| 17 | Various Plug D(Z) | 214" | | 3,000 | 3-147* | | 8.000 | 3-167* | | 10,880 | |

- (1) Only one required in Charle 34.
- (2) Gate value-any shall be used for Close 1044.
- (3) Romano apparated hydrouds shake required on \$,800 pel and 10,800 pel for drilling.

EDUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- 1. All connections in chairs manifold shall be welded, studded, flanged or Comeron clamp of comparable rating
- 2. All Banges shall be API 65 or 65% and ring gastess shall be API FIX or 5%. Use only 5% for 10 MWP.
- 3. All times shall be accuraty anchored.
- 4. Choice shall be equipped with tungition carbide seats and needles, and replacements shall be available.

 5. Choice manifeld pressure and standpipe pressure gauges shall be available at the choice manifeld to exalet in regulating chance. As an exerness with automatic chance, a chaic manifold pressure gauge shall be income on the rig hour in conjunction with the standpipe pressure gauge.
- 6. Line from drilling speed to create marrieds should be as send pit as passible, Lines downstream from chokes shall make turns by large bands or 90° bands using bull paugged leas.
- 7. Discharge bines from chakes, chake bypass and from top of goe separator should work as for as practical from the well