

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N. M. Oil Cons. Division

Form approved
B No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. TYPE OF WORK: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	
b. TYPE OF WELL: <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> Other _____ <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE	
2. NAME OF OPERATOR DEVON SFS OPERATING, INC. 26305	
3a. ADDRESS AND TELEPHONE NO. 20 NORTH BROADWAY, SUITE 1500 OKC, OK 73102	3b. TELEPHONE (Include area code). (405) 235-3611
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface (D) 710' FNL & 1090' FWL At top proposed prod. zone	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12 miles NE of Artesia, New Mexico	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line if any) 710'	16. NO. OF ACRES IN LEASE 960.00
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH 9800'
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3595' GR	22. APPROX. DATE WORK WILL START* May 15, 2001
23. Estimated duration 45 days	
24. Attachments Revised Completion Water Report	

5. LEASE DESIGNATION AND SERIAL NO. NM-54856
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME 28600
8. FARM OR LEASE NAME, WELL NO. Crow Flat "29" Federal Comm #2
9. API WELL NO. 30-015 31760
10. FIELD AND POOL, OR WILDCAT Crow Flat (Morrow)
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Sec. 29, T-16-S, R-28-E
12. COUNTY OR PARISH Eddy
13. STATE New Mexico

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

Devon Energy proposes to drill a Devonian well to TD 9,800'± for commercial quantities of gas. If the well is deemed noncommercial, the well bore 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.

Drilling Program

- Surface Use and Operating Plan
Exhibit #1 = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3 = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Rotary Rig Layout
Exhibit #6 = H₂S Operating Plan

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

ADDITIONAL SUBJECT TO
GENERAL REGULATIONS AND
SPECIAL STIPULATIONS
ATTACHED

25. Signature Ernie Buttross	Name (Printed/Typed) Ernie Buttross	Date 3/27/01
Title District Engineer		
Approved by (signature) /s/ LESLIE A. THEISS	Name (Printed/Typed) LESLIE A. THEISS	Date MAY 2 2001
Title FIELD MANAGER	Office CROW FLAT FIELD OFFICE	

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, are attached.

APPROVAL FOR 1 YEAR

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