

NM OIL COMMISSION
DRAWER DD
ARTESIA, NEW MEXICO
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN THE STATE
(Other instructions on reverse side)

Form approved
Budget Bureau No. 1004-0136
Expires: December 31, 1991

30-015-28 225
014F

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE
20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102, (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State or Federal regulations)
At surface:
1250' FNL & 1300' FEL
At proposed prod. zone:
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
4 Miles East and 4 miles North of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest city, town, etc., if any)
1250'

16. NO. OF ACRES IN LEASE
1885.0

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

19. PROPOSED DEPTH
4000'

20. SURFACE OR CABLE TOOLS
ROTARY

21. ELEVATION (Show whether SURF., RT., ORL, etc.)
3898' GR

22. APPROX. DATE WORK WILL START
November 1, 1994

23. PROPOSED Casing and Cementing Program

SIZE OF HOLE	CASELINES/FEET	WEIGHT PER FOOT	CUTTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	450'	165 sk 11te cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.57	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson 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.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 5 T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

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 present data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED: Randy Jackson
TITLE: DISTRICT ENGINEER
DATE: September 22, 1994

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: /s/ Richard L. Mann TITLE: AREA MANAGER DATE: 11/23/94

Post ID-1
12-9-94
New Lee & API

CIRCULATE

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

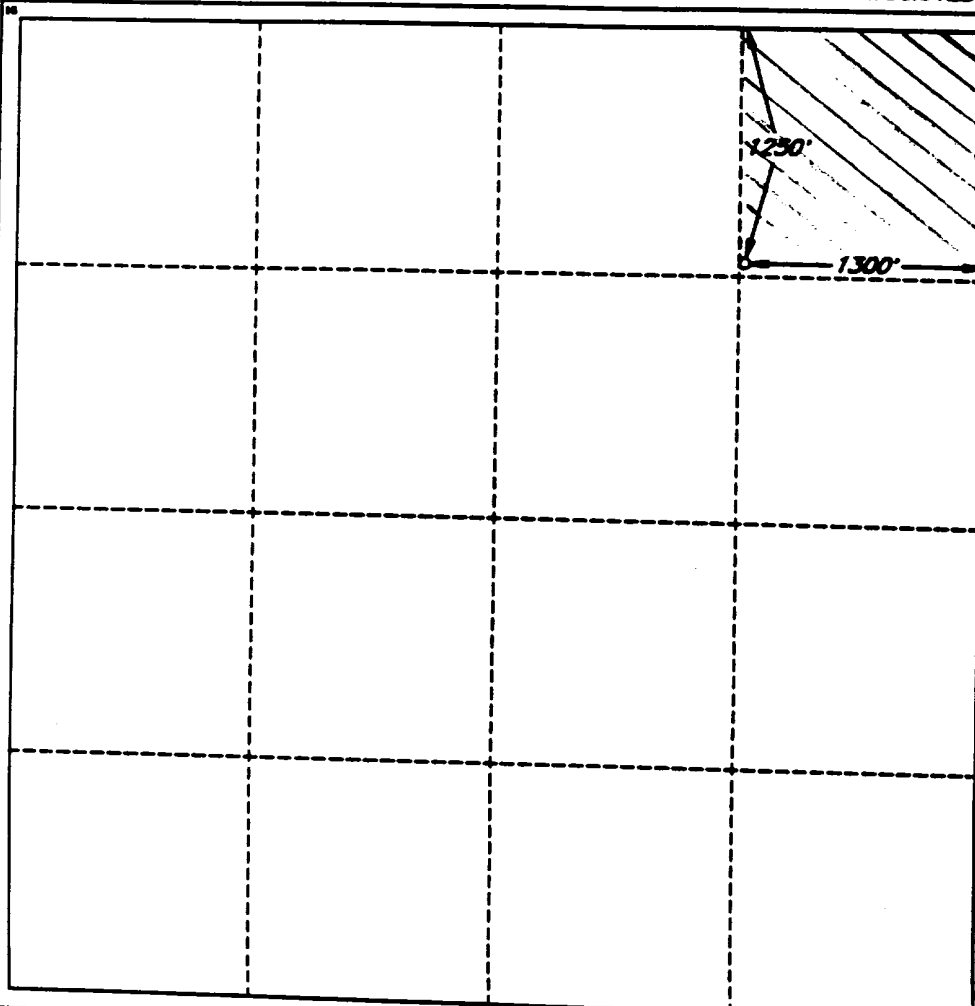
☐ AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code LOT 1 A		* Property Name KEEL "B" FEDERAL				* Well Number 68			
* OGMED No.		* Operator Name DEVON ENERGY OPERATING CORPORATION				* Elevation 3898'			
* SURFACE LOCATION									
UL or lot no.	Section 5	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 1/4	Feet from the 1250'	North/South line NORTH	Feet from the 1300'	East/West line EAST	County KIDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
** Dedicated Acres		** Joint or Infill		** Consolidation Code		** Order No.			

NO ALLOWABLE WELL 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 that the information
contained herein is true and complete
to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 4, 1994

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.

Date of Survey

AUGUST 1994

Signature of Surveyor
Professional Engineer

STATE OF NEW MEXICO
V. LYNN
BEZNER
NO. 7820
V. L. BEZNER
S. 7820

MINIMUM BLOWOUT PREVENTER REQUIREMENTS

3,000 psi Working Pressure

3 MWP

Eddy County, New Mexico
Exhibit #1

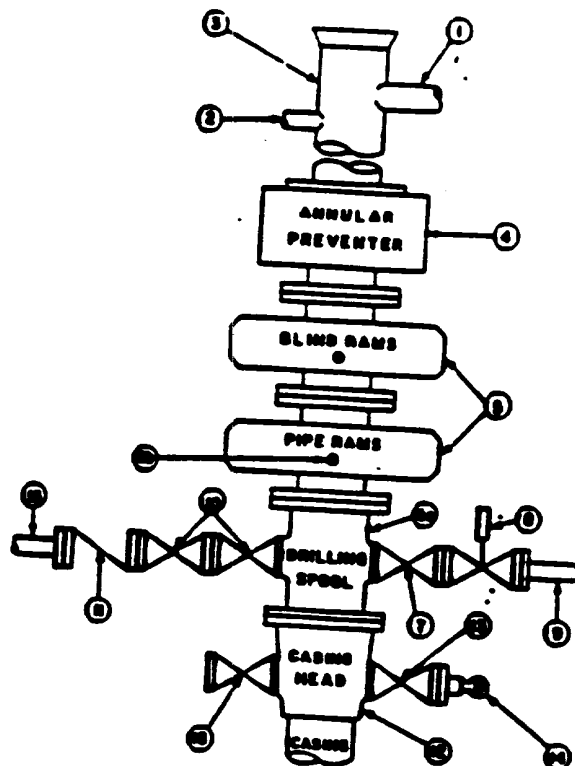
STACK REQUIREMENTS

No.	Item	Min. LD.	Min. Nominal
1	Flowline		
2	Fill up line		2"
3	Drilling nipple		
4	Annular preventer		
5	Two single or one dual hydraulically operated rams		
6a	Drilling spool with 2" min. kill line and 3" min choke line outlets		
6b	2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above.)		
7	Valve Gate ☐ Plug ☐	3-1/8"	
8	Gate valve—power operated	3-1/8"	
9	Line to choke manifold		3"
10	Valves Gate ☐ Plug ☐	2-1/16"	
11	Check valve	2-1/16"	
12	Casing head		
13	Valve Gate ☐ Plug ☐	1-13/16"	
14	Pressure gauge with needle valve		
15	Kill line to rig mud pump manifold		2"

OPTIONAL

16	Flanged valve	1-13/16"	
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CONFIGURATION A



CONTRACTOR'S OPTION TO FURNISH:

1. All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 3,000 psi, 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. BOP controls, to be located near drillers position.
4. Kelly equipped with Kelly sack.
5. Inside blowout preventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
6. Kelly cover-sub equipped with rubber casing protector at all times.
7. Plug type blowout preventer tester.
8. Extra set pipe rams to fit drill pipe in use on location at all times.
9. Type RX ring gaskets in place of Type R.

MEC TO FURNISH:

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

GENERAL NOTES:

1. Deviations from this drawing may be made only with the express permission of MEC's Drilling 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 preventers up through choke. 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 lines. Replaceable parts for adjustable chokes, other than sizes, retainers, and choke wrenches to be conveniently located for immediate use.
5. All valves to be equipped with handwheels or handles ready for immediate use.
6. Choke lines must be suitably anchored.

7. Handwheels and extensions to be connected and ready for use.

8. Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.

9. All seamless steel control piping (3000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.

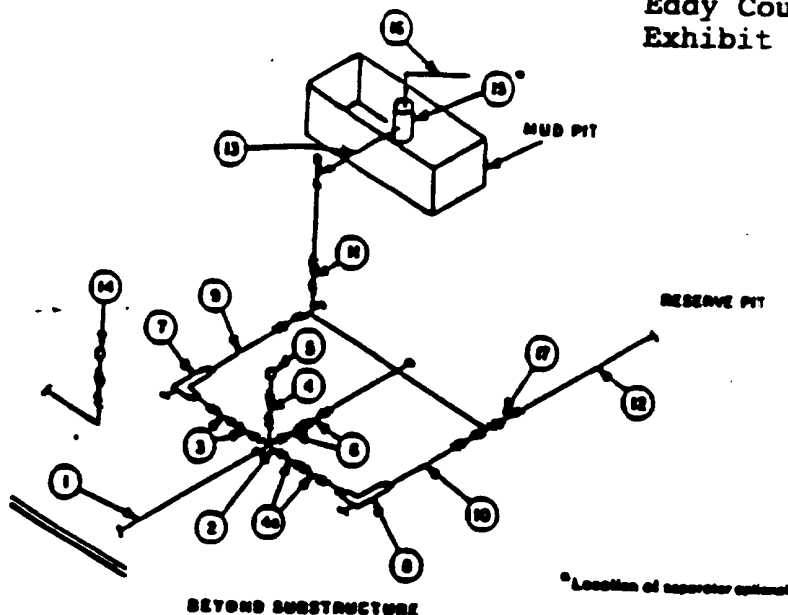
10. Casinghead connections shall not be used except in case of emergency.

11. Do not use kill line for routine fill-up operations.

MINIMUM CHOKE MANIFOLD
3,000, 5,000 and 10,000 PSI Working Pressure

3 MWP - 5 MWP - 10 MWP

Eddy County, New Mexico
Exhibit #1-A



MINIMUM REQUIREMENTS										
No.		3,000 MWP			5,000 MWP			10,000 MWP		
		LD	NOMINAL	RATING	LD	NOMINAL	RATING	LD	NOMINAL	RATING
1	Line from drilling spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3"x3"x3"x2"			3,000			5,000			
	Cross 3"x3"x3"x3"									
3	Valves(1) Gate □ Plug □(2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
4	Valve Gate □ Plug □(2)	1-13/16"		3,000	1-13/16"		5,000	1-13/16"		10,000
4a	Valves(1)	2-1/16"		3,000	2-1/16"		5,000	2-1/16"		10,000
5	Pressure Gauge			3,000			5,000	3-1/8"		10,000
6	Valves Gate □ Plug □(2)	3-1/8"		3,000	3-1/8"		5,000			10,000
7	Adjustable Choke(2)	2"		3,000	2"		5,000	3-1/8"		10,000
8	Adjustable Choke	1"		3,000	1"		5,000	2"		10,000
9	Line		3"	3,000		3"	5,000	2"		10,000
10	Line		2"	3,000		2"	5,000		3"	10,000
11	Valves Gate □ Plug □(2)	3-1/8"		3,000	3-1/8"		5,000		3"	10,000
12	Lines		3"	1,000		3"	1,000	3-1/8"		10,000
13	Lines		3"	1,000		3"	1,000		3"	2,000
14	Remote reading compound standpipe pressure gauge			3,000			5,000			
15	Gas Separator		2"x5'			2"x5'				10,000
16	Line		4"	1,000		4"	1,000		2"x5'	
17	Valves Gate □ Plug □(2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000

(1) Only one required in Class 3M

(1) Only one required in Class 2M.

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

(3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- All connections in choke manifold shall be welded, studed, flanged or Cameron clamp of comparable rating.
- All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
- All lines shall be securely anchored.
- Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
- Choke manifold pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate 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 butt plugged tees.
- Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as possible.