

NM OIL CONS COMMISSION
DRAWER DD

Form 3160-3

SUBMIT IN THE DATE

Form approved

C/SF

ARTESIA, NEW MEXICO STATES

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Lease No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐

2. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE BORE ☐ MULTIPLE BORE ☐

3. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION 136025

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

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: -1310' FNL & 50' FEL
At proposed prod. hole: 150' *Non-Standard Location...*

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

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest orig. well No. if any)
50'

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

9. ELEVATION (Show whether L.F., H.F., G.L., etc.)
3778' GR

10. NO. OF ACRES IN LEASE
1885.0

11. NO. OF ACRES ASSIGNED TO THIS WELL
40

12. PROPOSED DEPTH
4000'

13. REPORT ON CABLE TOOLS
ROTARY

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

1. LEASE DESIGNATION AND SERIAL NO.
LC-029435-B

2. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

3. SURT AGREEMENT NAME
NA

4. SURVEYED NAME WELL NO.
Keel "B" Federal #61

5. APPLICANT
30-015-28292

6. FIELD AND POOL OR WILDCAT
GRAYBURG-JACKSON 28509

7. SEC. T. R. N. OR S.E. AND SURVEY OR AREA
Sec. 6-T17S-R31E

8. COUNTY OR PARISH
EDDY COUNTY

9. STATE
NM

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	CASE END OF Casing	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	420'	165 sk 11te cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	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 6 T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

Post ID-1
1-20-95
New Loc + API

RECEIVED
OCT 19 10 20 AM '94

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 prevention program, if any.

SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE September 22, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approved does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY 15/2001 Powers TITLE Acting Area Manager DATE 12/21/94

NSL-3456 APPU 15-28-94 *See Instructions On Reverse Side

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED

Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other
2. Name of Operator DEVON ENERGY OPERATING CORPORATION
3. Address and Telephone No. 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405)552-4530
4. Location of Well (Footage. Sec., T., R., M., or Survey Description) 1410' FNL & 150' FEL, Sec. 6-T17S-R31E

5. Lease Designation and Serial No. LC-029435-B
6. If Indian, Allottee or Tribe Name NA
7. If Unit or CA, Agreement Designation NA
8. Well Name and No. KEEL "B" #61
9. API Well No.
10. Field and Pool, or Exploratory Area GRAYBURG-JACKSON
11. County or Parish, State Eddy Co., NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The location of the proposed well has been changed
from 1310' FNL & 50' FEL, Sec. 6-17S-31E
to 1410' FNL & 150' FEL, Sec. 6-17S-31E
in order to receive archaeological clearance.

14. I hereby certify that the foregoing is true and correct

Signed Karen Rosa

KAREN ROSA
ENGINEERING TECHNICIAN
Title

Date 11/30/94

SENT BY:

12-13-94 : 2:25PM :

DEVON ENERGY-

1 505 885 9264:# 5/ 5

DISTRICT IP. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico

Energy, Minerals, and Natural Resources Department

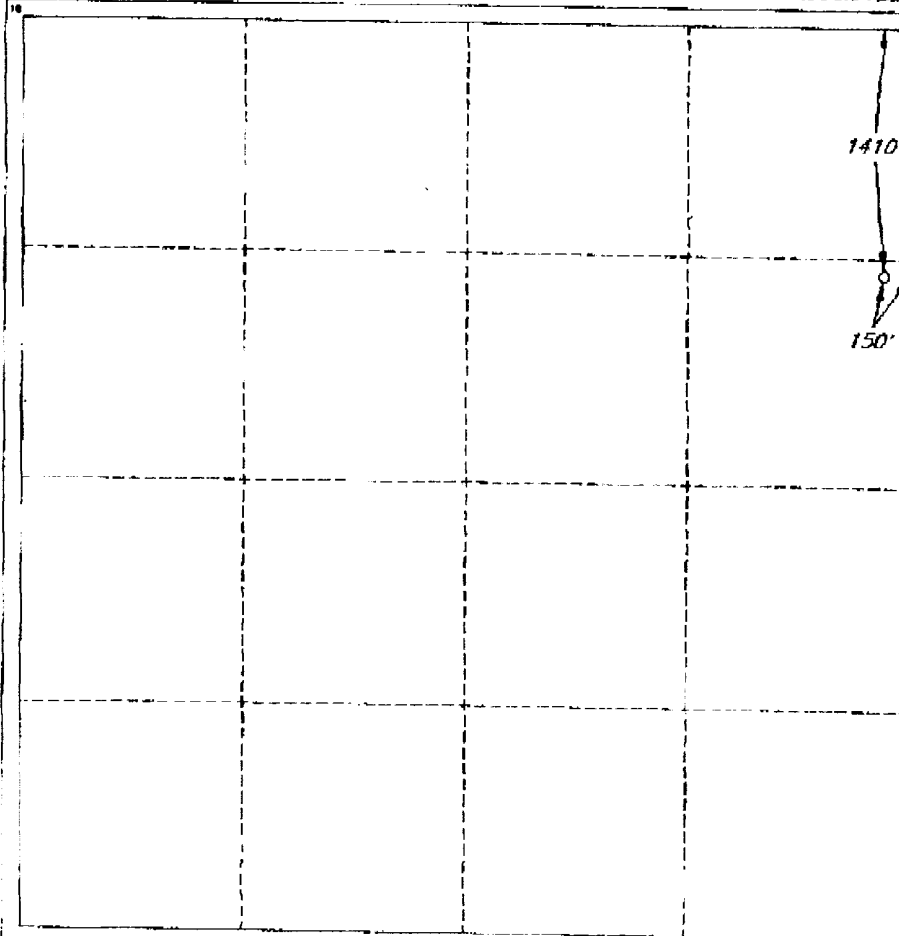
Form C-102
Revised 02-10-94

Instructions on back

DISTRICT IIP. O. Drawer 00
Artesia, NM 88211-0719Submit to the Appropriate
District Office
State Leases - 4 copies
Fee Leases - 3 copies**DISTRICT III**1000 Rio Brazos Rd.
Aztec, NM 87410**OIL CONSERVATION DIVISION**P. O. Box 2088
Santa Fe, New Mexico 87504-2088☐ AMENDED REPORT**DISTRICT IV**P. O. Box 2088
Santa Fe, NM 87507-2088**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code H		5 Property Name KEEL 'B' FEDERAL						6 Well Number 61	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3801'	
* SURFACE LOCATION									
10 or lot no.	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 14a	Feet from the 1410'	North/South line NORTH	Feet from the 150'	East/West line EAST	County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
10 or lot no.	Section	Township	Range	Lot 14a	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 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

12/13/94

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

NOVEMBER 18, 1994

Signature of Professional

V. LYNN
BEZNER
NO. 7920

V. L. BEZNER
LAND SURVEYOR
#7920

JOB #34980-1798 SW / V.H.B.

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

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

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code A		5 Property Name KEEL 'B' FEDERAL						6 Well Number 61	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3778'	
10 SURFACE LOCATION									
UL or lot no.	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County EDDY
					1310'	NORTH	50'	EAST	
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			
16 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 6, 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 23, 1994

Signature and Seal of Professional Surveyor

V. Lynn Bezner
V. LYNN BEZNER
Surveyor

Certificate No.

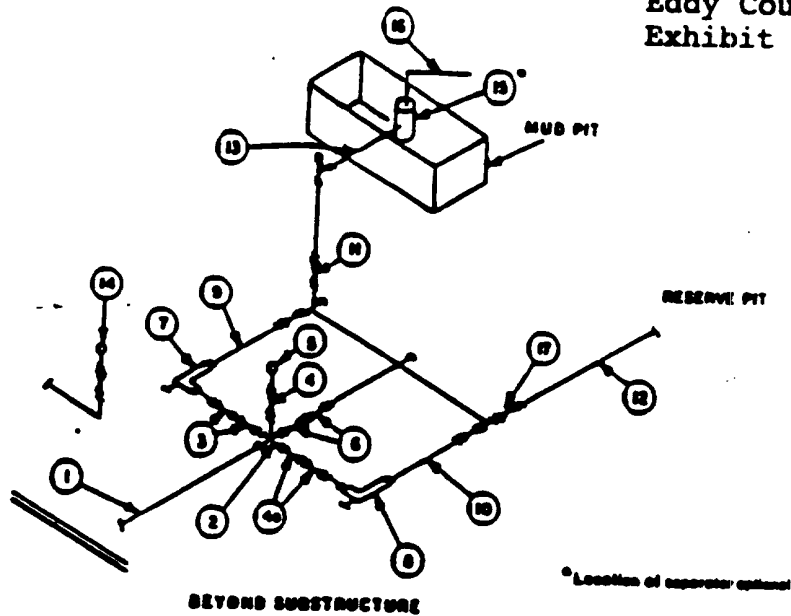
V. L. BEZNER S.P.S. #7920

JOB #34880-1488SF&SW/cle

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		3"	10,000
	Cross 3"x3"x3"x3"						5,000			
3	Valves (1) Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
4	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/> (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	2-1/16"		5,000	3-1/8"		10,000
6	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000			5,000			10,000
7	Adjustable Choke (2)	2"		3,000	3-1/8"		5,000	3-1/8"		10,000
8	Adjustable Choke	1"		3,000	2"		5,000	2"		10,000
9	Line		3"	3,000	1"		5,000	2"		10,000
10	Line		2"	3,000		3"	5,000		3"	10,000
11	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000		2"	5,000		3"	10,000
12	Lines		3"	1,000	3-1/8"		5,000	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		3"	1,000		3"	2,000
15	Gas Separator		2'x5'				5,000			10,000
16	Line		4"	1,000		2'x5'			2'x5'	
17	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000

(1) Only one required in Class 34/

(1) Only one required in Class 3M.

(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, studded, flanged or Cameron clamp of comparable rating.
- All flanges shall be API 6B or 6BX and ring gaskets shall be API 6X or 6X. Use only 6X 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 bull plugged tees.
- Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as possible.

Attachment to Exhibit #1
NOTES REGARDING BLOWOUT PREVENTORS
Grayburg-Jackson Field
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 BOPE 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 W.P. 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 BLOWOUT PREVENTER REQUIREMENTS

3,000 psi Working Pressure

3 MWP

Eddy County, New Mexico
Exhibit #1

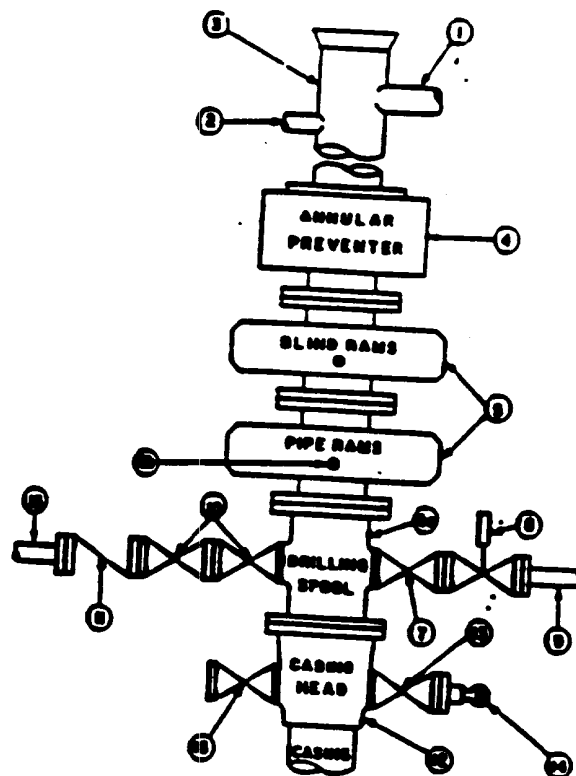
STACK REQUIREMENTS

No.	Item	Min. I.D.	Min. Nominal
1	Flange		
2	Fill up line		2"
3	Drilling nipple		
4	Annular preventer		
5	Two angle 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 <input type="checkbox"/> Plug <input type="checkbox"/>	3-1/8"	
8	Gate valve—power operated	3-1/8"	
9	Line to choke manifold		3"
10	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/>	3-1/8"	
11	Check valve	3-1/8"	
12	Casing head		
13	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/>	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 cock.
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 beam 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.