

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE\*

Form approved.

OH CONSERVATION  
811 S. 1st St.  
ARTESIA, NM 88210-2834

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR  
DEVON ENERGY OPERATING CORPORATION 136025

3. ADDRESS AND TELEPHONE NO.  
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 2650' FSL & 1880' FWL UNORTHODOX LOCATION: Subject to Like Approval By State  
At top proposed prod. zone (SAME) UNIT F

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
4.3 miles east & 1 mile north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 10'  
(Also to nearest dble. unit line if any)

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 750'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3754'

5. LEASE DESIGNATION AND SERIAL NO.  
C 029548-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
NA

7. UNIT AGREEMENT NAME  
NA

8. FARM OR LEASE NAME, WELL NO.  
C. A. Russell #16 15973

9. API WELL NO.  
30-015-28867

10. FIELD AND POOL, OR WILDCAT  
GRAYBURG-JACKSON 28509  
CIRUS-04-6B-SA1

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
SECTION 18-T17S-R31E

12. COUNTY OR PARISH  
EDDY

13. STATE  
NM

16. NO. OF ACRES IN LEASE  
224.09

19. PROPOSED DEPTH  
4200'

20. ROTARY OR CABLE TOOLS\*  
Rotary

22. APPROX. DATE WORK WILL START\*  
January 1, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT                 |
|--------------|-----------------------|-----------------|---------------|------------------------------------|
| 12 1/4"      | 8 5/8" J-55           | 24.0#           | 450'          | 125 sk Lite cmt + 200 sk Class "C" |
| 7 7/8"       | 5 1/2" J-55           | 15.5#           | 4200'         | 550 sk Lite cmt + 425 sk Class "H" |

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4200' 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. LC029548-A-  
Legal Description: Section 18-T17N-R31E  
Bond Coverage: Statewide in CO, NM, UT, & WY  
BLM Bond No.: CO1151

Approval Subject to  
General Requirements and  
Special Stipulations  
Attached

NSL-

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.

24.

SIGNED Randy Jackson

TITLE RANDY JACKSON  
DISTRICT ENGINEER

DATE 11/22/95

\*(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 TITLE DATE

See Instructions On Reverse Side

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

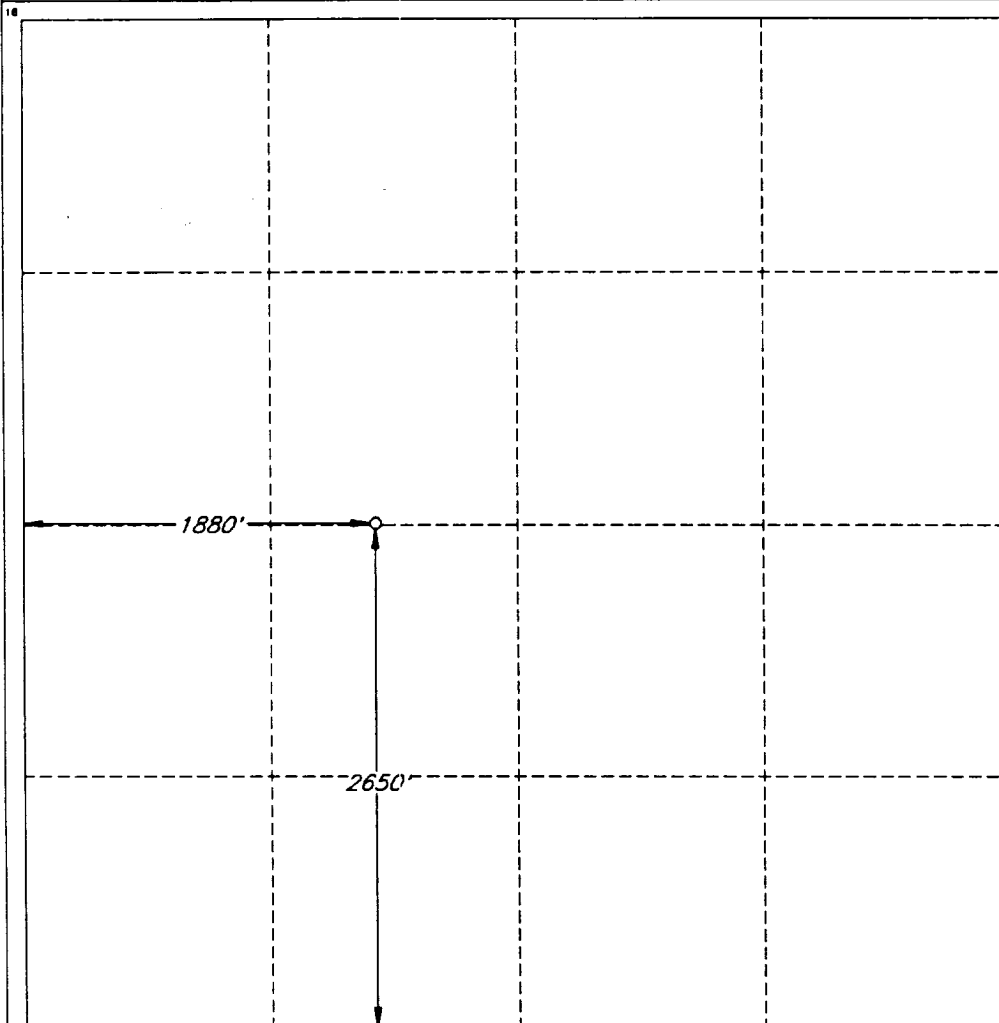
☐ AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

|   |               |   |                            |  |                        |                           |                        |                        |                |
|---|---------------|---|----------------------------|--|------------------------|---------------------------|------------------------|------------------------|----------------|
| 1 API Number<br>30-015-28867                      |               | 2 Pool Code<br>28509                            |                            | 3 Pool Name<br>Grayburg Jackson (Qn, SR, GB, SA) |                        |                           |                        |                        |                |
| 4 Property Code<br>15973                          |               | 5 Property Name<br>C. A. RUSSELL                |                            |  |                        |                           |                        | 6 Well Number<br>16    |                |
| 7 OGRID No.<br>136025                             |               | 8 Operator Name<br>DEVON ENERGY OPERATING CORP. |                            |  |                        |                           |                        | 9 Elevation<br>3754'   |                |
| 10 SURFACE LOCATION                               |               |   |                            |  |                        |                           |                        |                        |                |
| UL or lot no.<br>F                                | Section<br>18 | Township<br>17 SOUTH                            | Range<br>31 EAST, N.M.P.M. | Lot Ida  | Feet from the<br>2650' | North/South line<br>SOUTH | Feet from the<br>1880' | East/West line<br>WEST | County<br>EDDY |
| 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<br>40                          |               | 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

11/22/95

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

SEPTEMBER 29, 1995

Signature and Seal of  
Professional Surveyor

*V. Lynn Bezner*  
STATE OF NEW MEXICO  
V. LYNN  
BEZNER  
NO. 7920  
Certified  
V. L. BEZNER LAND SURVEYOR 7920  
JOB #41653-9X-95-SW / JSJ

# MINIMUM BLOWOUT PREVENTER REQUIREMENTS

3,000 psi Working Pressure

3 MWP

EXHIBIT #1

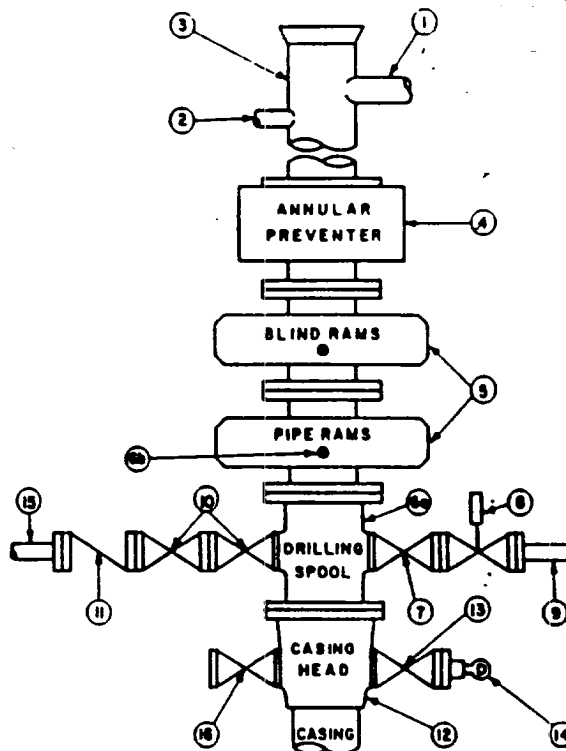
## STACK REQUIREMENTS

| No. | Item  | Min. I.D. | 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 <input type="checkbox"/><br>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"/><br>Plug <input type="checkbox"/>             | 2-1/16"   |              |
| 11  | Check valve   | 2-1/16"   |              |
| 12  | Casing head   |           |              |
| 13  | Valve Gate <input type="checkbox"/><br>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" |  |
|----|---------------|----------|--|

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 saver-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:

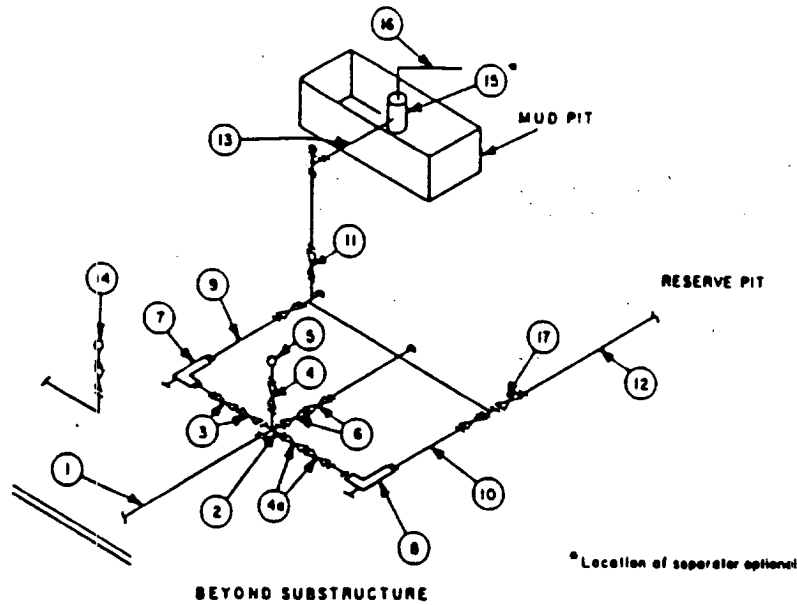
1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working 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 beans. Replaceable parts for adjustable choke, other bean 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**

EXHIBIT #1-A

**3 MWP - 5 MWP - 10 MWP**



| MINIMUM REQUIREMENTS |   |           |         |        |           |         |        |            |         |        |
|----------------------|---|-----------|---------|--------|-----------|---------|--------|------------|---------|--------|
| No                   |   | 3,000 MWP |         |        | 5,000 MWP |         |        | 10,000 MWP |         |        |
|                      |   | I.D.      | NOMINAL | RATING | I.D.      | NOMINAL | RATING | I.D.       | 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"   |           |         |        |           |         |        |            |         | 10,000 |
| 3                    | Valves (1) Gate <input type="checkbox"/><br>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"/><br>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  | 3-1/8"     |         | 10,000 |
| 5                    | Pressure Gauge  |           |         | 3,000  |           |         | 5,000  |            |         | 10,000 |
| 6                    | Valves Gate <input type="checkbox"/><br>Plug <input type="checkbox"/> (2)     | 3-1/8"    |         | 3,000  | 3-1/8"    |         | 5,000  | 3-1/8"     |         | 10,000 |
| 7                    | Adjustable Choke (3)  | 2"        |         | 3,000  | 2"        |         | 5,000  | 2"         |         | 10,000 |
| 8                    | Adjustable Choke  | 1"        |         | 3,000  | 1"        |         | 5,000  | 2"         |         | 10,000 |
| 9                    | Line  |           | 3"      | 3,000  |           | 3"      | 5,000  |            | 3"      | 10,000 |
| 10                   | Line  |           | 2"      | 3,000  |           | 2"      | 5,000  |            | 3"      | 10,000 |
| 11                   | Valves Gate <input type="checkbox"/><br>Plug <input type="checkbox"/> (2)     | 3-1/8"    |         | 3,000  | 3-1/8"    |         | 5,000  | 3-1/8"     |         | 10,000 |
| 12                   | Lines   |           | 3"      | 1,000  |           | 3"      | 1,000  |            | 3"      | 2,000  |
| 13                   | Lines   |           | 3"      | 1,000  |           | 3"      | 1,000  |            | 3"      | 2,000  |
| 14                   | Remote reading compound<br>standpipe pressure gauge                           |           |         | 3,000  |           |         | 5,000  |            |         | 10,000 |
| 15                   | Gas Separator   |           | 2'x5'   |        |           | 2'x5'   |        |            | 2'x5'   |        |
| 16                   | Line  |           | 4"      | 1,000  |           | 4"      | 1,000  |            | 4"      | 2,000  |
| 17                   | Valves Gate <input type="checkbox"/><br>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 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 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 bull plugged tees.
- Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well.

**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.