| Form 3160-3<br>(Decen: ber 1990)   |                                     | TMENT               | STATES<br>F THE INTI<br>JDMANAGEMEN |  | SUBMIT IN TRIP<br>DIL <b>CONSER</b><br>1115. 1st ST.<br>ARTESIA, NM | YON | NV                    | FORTE APPROV                               |                      | CIM                |
|--|-------------------------------------|---------------------|-------------------------------------|--|---|-----|-----------------------|--|----------------------|--------------------|
|  | APPLICATI                           | ON FOR PERMI        | T TO DRILL OR DEE                   | PEN                                      |   |     |                       | , ALLOTTEE O                               | R TRIBE NAME         | 2                  |
| la TYPE OF WORK:   | DRILL                               | $\boxtimes$         | DEEPEN                              |  |   | NA  | -                     | MENT NAME                                  |                      |                    |
| b TYPE OF WELL:<br>$\bigcup_{w\in LL}^{O1L}$   | GAS<br>WELL                         | Other               | SINGLE<br>ZONE                      | MUI<br>Zon                               |   |     | FARM OR LI            | EASE NAME, W                               | ELL NO.              |                    |
| 2 NAME OF OPERAT   |                                     | ERGY CORPO          | DRATION (NEVAD                      | (A)                                      | 137   |     | ondo Fede             |  | 346                  | 5                  |
| 3. ADDRESS AND TEL   | EDUONE NO                           |                     | E 1500, OKC, OK 7                   |  |   |     | -015-                 | <u> </u>                                   | 52                   |                    |
| <ol> <li>LOCATION OF WEL<br/>At surface 990' F</li> <li>At top proposed prod. 2</li> </ol>                 | L (Report locatio<br>NL & 1750' FEI | on clearly and in a | cordance with any State             | e requi <b>id</b> m <b>in</b> ts)<br>T Q | JUL 2 3 19  |     |                       | Q-GB-SA)<br>R., M., OR BLO<br>18S-R27E, LA |                      |                    |
| 14.DISTANCE IN MILES A<br>Approximately 7 miles  |                                     |                     | R POST OFFICE*                      | ØI                                       | L CON.  | DIV | 2. COUNTY<br>Edy Cou: | or parish<br>nty                           | Ne                   | STATE<br>W<br>XICO |
| 15. DISTANCE FROM PROPO<br>LOCATION TO NEAREST<br>PROPERTY OR LEASE L.<br>(Also to nearest drig. unit line | INE, FT.                            | 330'                | 16.NO. OF ACRES IN<br>75.43         | LEASE                                    | <u> </u>  |     |                       | 17.NO. OF A<br>TO THIS<br>40               | ACRES ASSIGN<br>WELL | ED                 |
| (Also IO HEATEST OTE, UNIT OTE<br>18. DISTANCE FROM PROPO<br>TO NEAREST WELL, DR<br>OR APPLIED FOR, ON S   | SED LOCATION*<br>ILLING, COMPLETE   | D,<br>1320'         | 19.PROPOSED DEPTH<br>2500'          |  |   |     |                       | 20. ROTARY<br>Rotary                       | OR CABLE TOO         | )LS*               |
| 21. ELEVATIONS (Show whet<br>GL 3574'  | ther DF, RT, GR, etc.)              |                     |                                     |  | ·   |     |                       | ROX. DATE WO<br>t 10, 199                  |                      | RT*                |
| 23.  |                                     |                     | PROPOSED CASING                     | AND CEME                                 | NTING PROGRAM   | И   | ·                     |  |                      |                    |

| SIZE OF HOLE | GRADE, SIZE OF CASING WEIGHT PER FOOT |           | SETTING DEPTH | QUANTITY OF CEMENT           |  |
|--------------|---------------------------------------|-----------|---------------|------------------------------|--|
| 17 1/2"      | 14"                                   | Conductor | 40'           | Redimix                      |  |
| 12 1/4"      | 8 5/8", J-55                          | 24 ppf    | 1000'         | 300 sx Lite + 200 sx Class C |  |
| 7 7/8"       | 5 1/2", J-55                          | 15.5 ppf  | 2500'         | 100 sx Lite + 200 sx Class C |  |

\* Cement will be circulated to surface on all casing strings.

Devon Energy plans to drill to 2500'+/- to test the San Andres Formation for commercial quantities of oil. If the San Andres 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 Surface Use and Operating Plan Exhibit #1 - Blowout Prevention Equipment Exhibit #1-A - Choke Manifold Exhibit #2 - Location and Elevation Plat Exhibit #3 - Planned Access Roads Exhibit #4 - Wells Within a One Mile Radius Exhibit #5 - Production Facilities Plan Exhibit #6 - Rotary Rig Layout Exhibit #7 - Casing Design Parameters and Factors H<sub>2</sub>S Operating Plan

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

Bond Coverage: Nationwide BLM Bond File No.: CO-1104

ide Post IP-1 1104 7-26-96 Mur Loc 4 API GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

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.

ATTACHED

SIGNED S.J. Beltroy h.

E. L. BUTTROSS, JR. TITLE DISTRICT ENGINEER

June 10, 1996

 $(\xi_{i}, \dots, \xi_{i})$ 

\*(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: ADEA MANAGER 1111 4 6 4000

|                             | AKEA MANAOLA | JUL 10 1990 |
|-----------------------------|--------------|-------------|
| TITLE Action                | DATE         |             |
| See Instructions On Reverse | •            |             |

DATE

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