Form 3160-3 (December 1990)

UNITED STATES DEPARTMEN: F THE INTERIOR

OIL CONSE	TION DIV	Form approved.
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BUREAU OF LAND MANAGEMENT ARTESIA, NM 88215 LESS DESIGNATION AND SERIAL NO. APPLICATION FOR PERMIT TO DRILL OR DEEPEN 6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A DRILL DEEPEN la TYPE OF WORK: 7. UNIT AGREEMENT NAME b TYPE OF WELL: N/A MULTIPLE ZONE OAS WELL SINGLE ZONE OIL X A FARM OR LEASE NAME WELL NO NAME OF OPERATOR Kite "4E" Federal #1 **DEVON ENERGY CORPORATION (NEVADA)** 9.API WELL NO. 3. ADDRESS AND TELEPHONE NO 30-015-20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 235-3611 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) Red Lake (Q-GB-SA) 1650' FNL & 280' FWL At surface UMORTHODOX R.,M., OR BLOCK AND AVONOVE! 6-R27E, Lot 9 At top proposed prod. zone (SAME) 14 DISTANCE IN MILES AND DIRECTION FROM NEARE 13. STATE 1996 County New Approximately 7 miles southeast of Artesia, NM Mexico 16.NO. OF ACRES IN LEASE 17.NO. OF ACRES ASSIGNED 15 DISTANCE FROM PROPOSED OIL CON. DIV.40 TO THIS WELL LOCATION TO NEAREST 77.36 280 PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line if any)
18. DISTANCE FROM PROPOSED LOCATION* 20.ROTARY OR CABLE TOOLS* 19. PROPOSED DEPTH DIST. 2 TO NEAREST WELL, DRILLING, COMPLETED Rotary 2500 OR APPLIED FOR, ON THIS LEASE, FT. 22. APPROX. DATE WORK WILL START* 21 ELEVATIONS (Show whether DF, RT, GR, etc.) August 18, 1996 GL 3569' PROPOSED CASING AND CEMENTING PROGRAM QUANTITY OF CEMENT SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH 1'7 1/2" Conductor 40 Redimix 14" 8 5/8", J-55 1000 300 sx Lite + 200 sx Class C 12 1/4" 24 ppf 7 7/8" 5 1/2", J-55 2500 100 sx Lite + 200 sx Class C 15.5 ppf * 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. The undersigned accepts all applicable terms, conditions, stipulation, and restrictions concerning **Drilling Program** operations conducted on the leased land or portion thereof, as described above. Surface Use and Operating Plan Exhibit #1 - Blowout Prevention Equipment Bond Coverage: Nationwide Exhibit #1-A - Choke Manifold Exhibit #2 - Location and Elevation Plat BLM Bond File No.: CO-1104 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 H₂S Operating Plan **dom abroaust**age A too. **Esseini Stouistions** 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 E. L. BUTTROSS, JR. TITLE DISTRICT ENGINEER DATE June 24, 1996 *(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:

See Instructions On Reverse Side

/s/ TIMOTHY J. BURKE