

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN
(See other than
reverse side)

Form approved.

OK

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 CORPORATION (NEVADA)

3. ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4511

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2310' FNL & 2250' FEL, Lot "11"

At top proposed prod. zone (SAME)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 7 miles southeast of Artesia, NM

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT. 2250'

(Also to nearest drlg. unit line if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT. 550'

16. NO. OF ACRES IN LEASE

37

19. PROPOSED DEPTH

3400'

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

GR 3574'

ROSWELL CONTROLLED WATER BASIN

5. LEASE DESIGNATION AND SERIAL NO.
NM-292786. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Hondo Federal 7

9. API WELL NO.

30-015-

10. FIELD AND POOL, OR WILDCAT

Red Lake; Q-GB-SA

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Section 4-T18S-27E

12. COUNTY OR PARISH

Seddy County

13. STATE

New

Mexico

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

20. ROTARY OR CABLE TOOLS*

Rotary

22. APPROX. DATE WORK WILL START*

November 1, 1998

23. PROPOSED CASING AND CEMENTING PROGRAM

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	1150'	350 sx Lite + 200 sx Class C
7 7/8"	5 1/2", J-55	15.5 ppf	3400'	250 sx Lite + 350 sx Class C

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

Devon Energy plans to drill to 3400' +/- 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/
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

Exhibit #8 - H₂S 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

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHEDacs
9/4/98

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

E. L. Buttross Jr.

TITLE

E. L. BUTTROSS, JR.
DISTRICT ENGINEER

DATE

8/24/98

*(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:

Acting

Assistant Field Office Manager,
Lands and Minerals

APPROVED BY (ORIG. SGD.) ARMANDO A. LOPEZ

TITLE

DATE

OCT 23 1998

See Instructions On Reverse Side

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

EXHIBIT # 2
Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 51300	Pool Name Red Lake (Q-GB-SA)
Property Code	Property Name HONDO FEDERAL	Well Number 7
OGRID No. 6137	Operator Name DEVON ENERGY CORPORATION	Elevation 3574'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 11	4	18 S	27 E		2310	NORTH	2250	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 8	LOT 7	LOT 6	LOT 5
LOT 9	LOT 10	LOT 11	LOT 12
LOT 16	LOT 15	LOT 14	LOT 13
LOT 17	LOT 18	LOT 19	LOT 20

Diagram showing well location and acreage dedication plat. The plat is divided into 20 lots (LOT 8 to LOT 20). The well location is marked with a circle and labeled with dimensions: 2310' (North/South line), 2250' (East/West line), 3570.2' (North/South line), 3573.5' (North/South line), 3577.5' (North/South line), 3580.3' (North/South line).

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

E. L. Buttross Jr.
Signature

E. L. Buttross, Jr.
Printed Name

District Engineer
Title

8/25/98
Date

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.

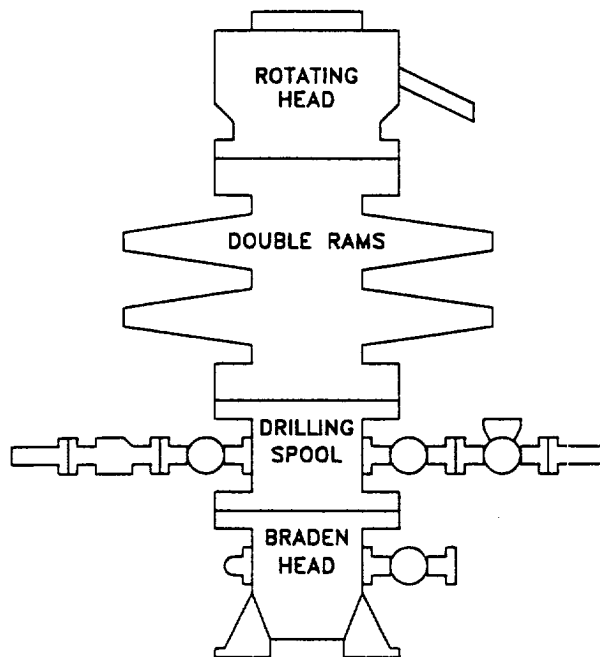
August 12, 1998
Date Surveyed

Signature of Gary L. Jones
Professional Surveyor

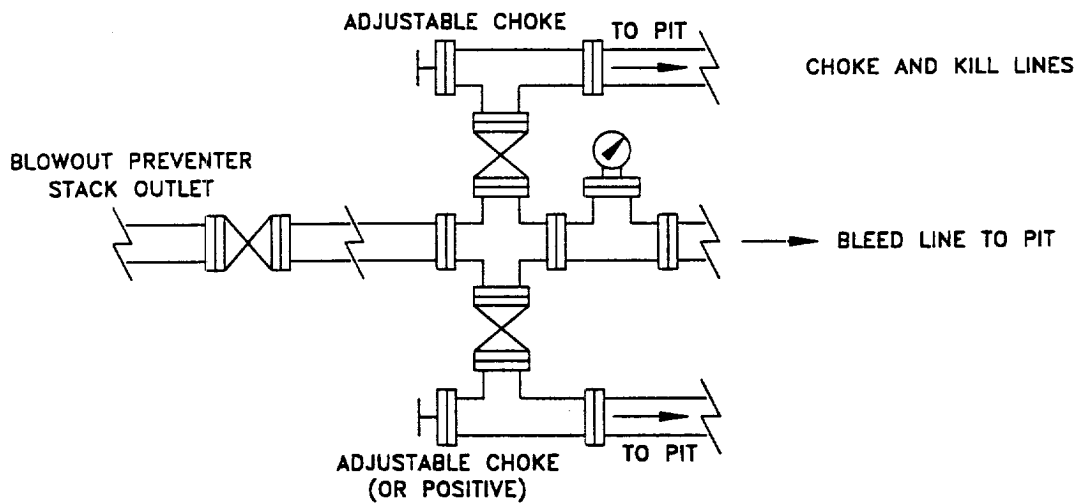
7977
Professional Surveyor No.

7977
Professional Surveyor No.

7977
Professional Surveyor No.



CHOKE MANIFOLD REQUIREMENT (2000 psi WP)



devon

WEST RED LAKE AREA
EDDY COUNTY, NEW MEXICO

SCHEMATIC
BLOWOUT PREVENTOR
(2000 PSI MINIMUM WP)

Q:\...PROJECTS\EXPANDED

WRLBOP	

CB

8/98

Attachment to Exhibit #1
NOTES REGARDING BLOWOUT PREVENTORS
Hondo Federal #7
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 BOP bore.
2. Wear ring will be properly installed in head.
3. Blowout preventor and all associated fittings will be in operable condition and tested to 1000 psi with the rig pump.
4. All fittings will be flanged.
5. A full bore safety valve 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. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.