

UNITED STATES N. M. Oil Cons. Division
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT ARTESIA, NM 88210-2834

Form approved.

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) 235-3611

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

At surface 660' FNL & 859' FEL, Lot 5, Section 30-21S-24E, Eddy Cnty, NM

At top proposed prod. zone (same as above)

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

24 miles NW of Carlsbad, NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

859'

16. NO. OF ACRES IN LEASE

351.78

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

1150'

19. PROPOSED DEPTH

9800'

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

GL 3759'

5. LEASE DESIGNATION AND SERIAL NO.

NM-NM029301

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

SW-258

8. FARM OR LEASE NAME, WELL NO.

MARTHA CREEK GAS COM. #5

9. API WELL NO.

30-015-

10. FIELD AND POOL, OR WILDCAT

Indian Basin (Morrow)

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Section 30, T21S, R24E, Lot 5

12. COUNTY OR PARISH

Eddy County

13. STATE

New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

859'

16. NO. OF ACRES IN LEASE

351.78

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

1150'

19. PROPOSED DEPTH

9800'

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

GL 3759'

22. APPROX. DATE WORK WILL START*

July, 1998

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	K-55 9 5/8"	36	1,200'	500 sx Pozmix & 200 sx Class C
8 3/4"	J-55 7"	23 & 26	9,800'	550 sx Class H

We plan to circulate cement to surface on the 9 5/8" casing string. The cement top will be brought to approximately 6,500' on the 7" casing string.

Devon Energy proposes to drill a Morrow gas well to 9,800'± for commercial quantities of gas with Penn as an alternate completion zone. If the well is deemed noncommercial, the well bore 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

Exhibits #1 = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibits #3 = Road Map and Topo Map

Exhibit #4 = Wells Within 1 Mile Radius

Exhibits #5 = Production Facilities Plat

Exhibit #6 = Rotary Rig Layout

Exhibit #7 = Casing Design

H₂S Operating Plan

CARLSBAD CONTROLLED WATER BASIN

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below

Lease #: NM-NM029301

Legal Description: Section 30-T21S-R24E

Bond Coverage: Nationwide

BLM Bond #: CO-1104

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

ATTACHED

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.

SIGNED

Candace R. Graham

TITLE

Candace R. Graham

Engineering Technician

DATE

April 9, 1998

*(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 (ORIG. SGD.) ARMANDO A. LOPEZ

TITLE

Acting ADM. MINERALS

DATE

MAY 12 1998

See Instructions On Reverse Side

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