District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

NOTIFY OCD SPUD & TIME TO WITI
WATER PROECTION STRING

RECEIVED
OCD ARTESIA

Santa Fe, NM 87505

Form C-101
Revised March 17, 1999
Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

[1] Operator Name and Address		[2] OGRID Number
Devon-SFS Operating, Inc. **20 North Broadway, Suite 1500** **Oklahoma City, Oklahoma 73102-8260**	Walter M. Frank Senior Operations Engineer (405) 552-4595	**20305** [3] API Number 30 – 015 – 31770
[3] Property Code 28044	[5] Property Name **RIFLEMAN "6P" STATE COM.**	[6] Well No. **1**

[7] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	**6**	**22S**	**26E**		**720'**	**SOUTH**	**800'**	**EAST**	**EDDY**

[8] Proposed 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

[9] Proposed Pool 1	[10] Proposed Pool 2
AVALON (MORROW)	

Happy Valley

[11] Work Type Code	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
N	**G**	**R**	**P**	**GL 3608'**
[16] Multiple	[17] Proposed Depth	[18] Formation	[19] Contractor	[20] Spud Date
No	**11,700'**	**MORROW**	**Unknown at this time**	**AUGUST, 2001**

[21] Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	**13 3/8"**	**48# H-40**	**500'**	**700**	**surface**
12 1/4"	**8 5/8"**	**32# J-55**	**2400'**	**1500**	**surface**
7 7/8"	**5 1/2"**	**17# L-80 & J-55**	**11,700'**	**2700**	**6500'**

[22] Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Devon plans to drill this well to a total depth of 11,700 feet and complete it as a Morrow development well. If it is deemed non-commercial then it will be plugged and abandoned in accordance with the rules and regulations established by the New Mexico OCD.
Blowout prevention equipment will be installed while drilling the intermediate and production holes.
Attached are C102 plat, maps, BOP equipment and casing design sheets, H2S plan, and proof of bond.

[23] I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
Signature: Candace R. Graham
Printed name: **Candace R. Graham**
Title: **Engineering Tech.**
Date: **April 24, 2001**
Phone: **(405) 235-3611, X4520**

OIL CONSERVATION DIVISION
Approved by: **ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR**
Title:
Approval Date: **MAY 09 2001**
Expiration Date: **MAY 09 2002**
Conditions of Approval:
Attached ☐

P. O. Box 1980
Hobbs, NM 88241-1980

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

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

State of New Mexico
Energy, Minerals, and Natural Resources Department

Revised 02-10-94
Instructions on back

Submit to the 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

1 API Number	2 Pool Code	3 Pool Name
		AVALON (MORROW)

4 Property Code	5 Property Name	6 Well Number
	RIFLEMAN "6P" STATE COM	1

7 OGRID No.	8 Operator Name	9 Elevation
20305	DEVON-SFS OPERATING, INC.	3608'

10 SURFACE LOCATION

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
P	6	22 SOUTH	26 EAST, N.M.P.M.		720'	SOUTH	800'	EAST	EDDY

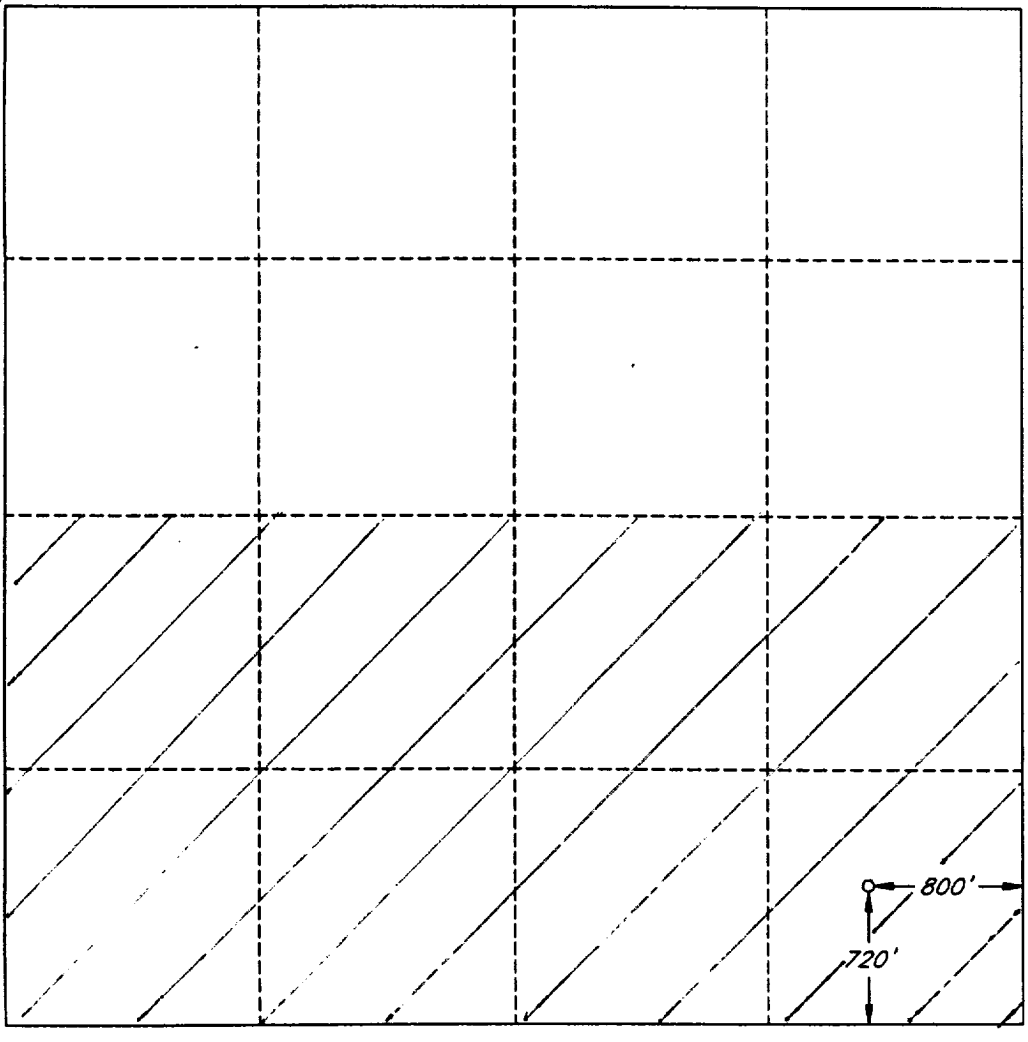
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

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	13 Joint or Infill	14 Consolidation Code	15 Order No.
320			

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

16



OPERATOR CERTIFICATION

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

Signature: Candace R. Graham

Printed Name: Candace R. Graham

Title: Engineering Tech.

Date: April 24, 2001

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.

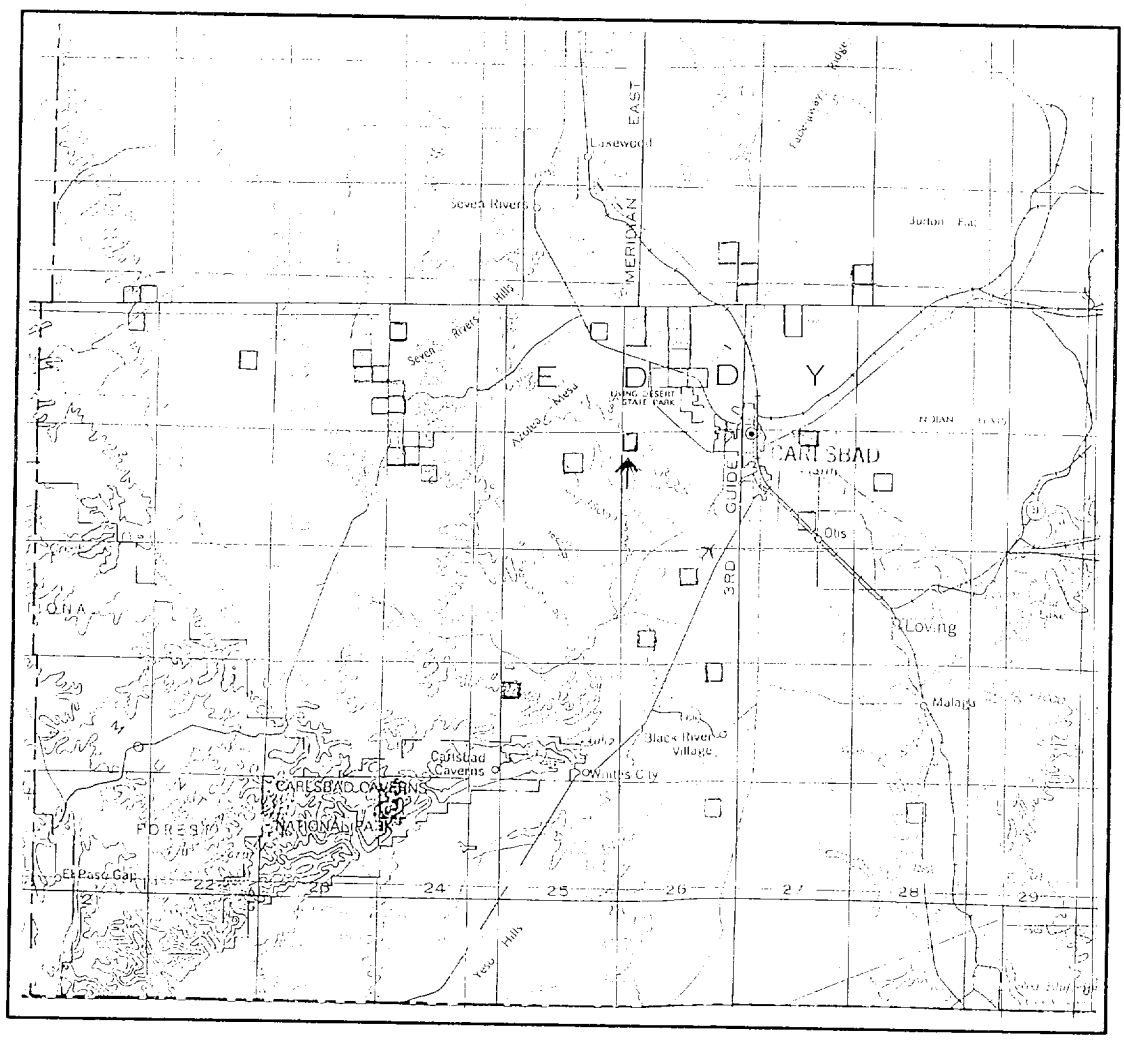
Date of Survey: MARCH 21, 2001

Signature and Seal of Professional Surveyor

Certificate No. V. L. BEZNER R.P.S. #7920

JOB #75225 / 50 NE / V.H.B.

VICINITY MAP



SECTION 6 TWP 22-S RGE 26-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY EDDY STATE NM

DESCRIPTION 720' FSL & 800' FE

OPERATOR DEVON-SFS OPERATING, INC.
~~DEVON ENERGY PRODUCTION CO., L.P.~~

LEASE RIFLEMAN "6P" STATE COM #1

DISTANCE & DIRECTION FROM JCT. OF S.H. 524 & U.S. 62/180 IN CARLSBAD, GO WEST ON S.H. 524 5.5 MILES TO A POINT ±200' NORTH OF THE LOCATION.

This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us.

Review this plat and notify us immediately of any possible discrepancy.

TOPOGRAPHIC LAND SURVEYORS

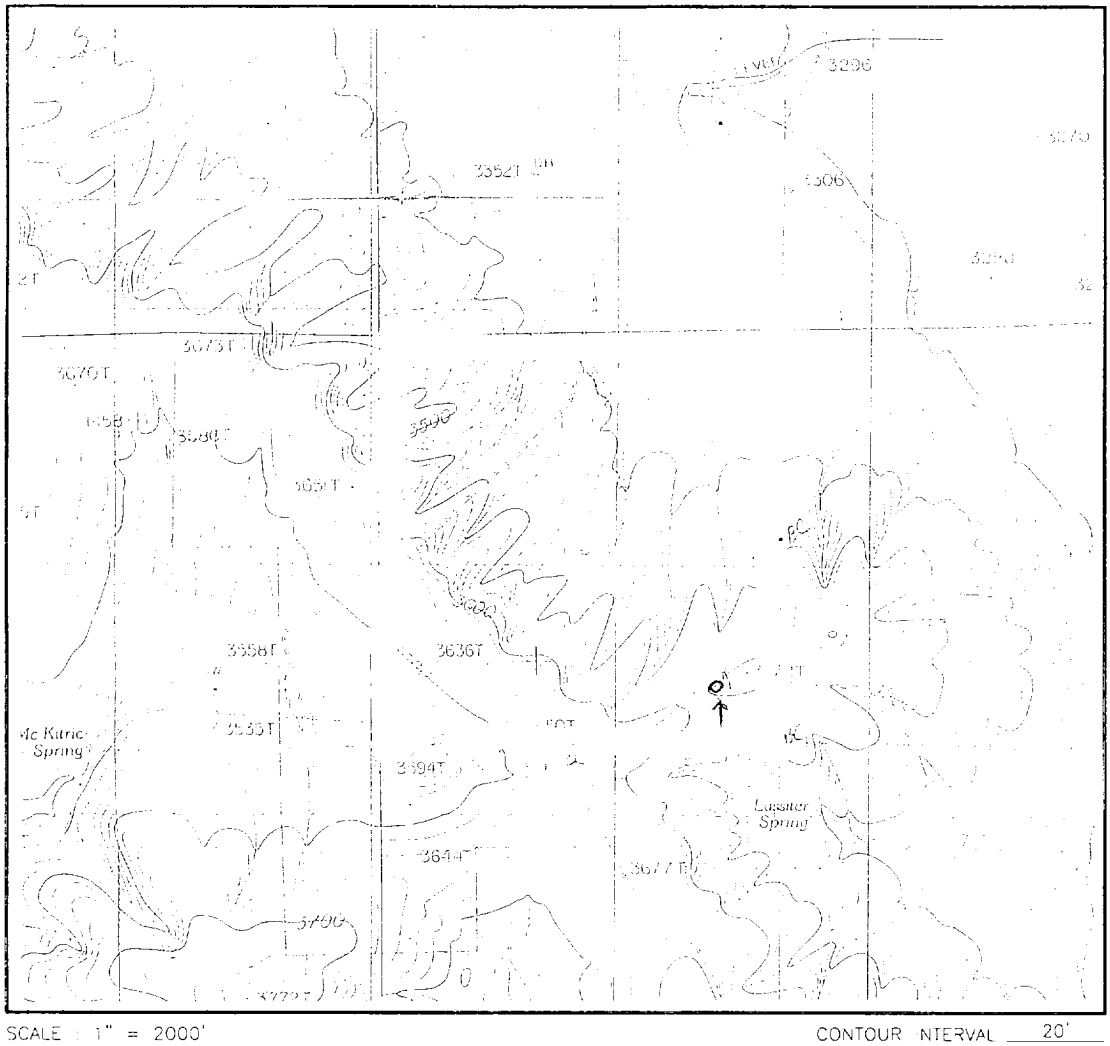
Surveying & Mapping for the Oil & Gas Industry

1307 N. HOBART
PAMPA, TX. 79065
(800) 658-6382

6709 N. CLASSEN BLVD.
OKLAHOMA CITY, OK. 73116
(800) 654-3219

2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653

LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000'

CONTOUR INTERVAL 20'

SECTION 6 TWP 22-S RGE 26-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY EDDY STATE NM

DESCRIPTION 720' FSL & 800' FEL

ELEVATION 3608'

OPERATOR DEVON-SFS OPERATING, INC. ~~DEVON ENERGY PRODUCTION CO., L.P.~~

LEASE RIFLEMAN "6P" STATE COM #1

U.S.G.S. TOPOGRAPHIC MAP

CARLSBAD WEST, NEW MEXICO

LAT. N

LONG. W

This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us.

Review this plat and notify us immediately of any possible discrepancy.

TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

1307 N. HOBART
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(800) 767-1653

MINIMUM BLOWOUT PREVENTER REQUI...S

3,000 psi Working Pressure

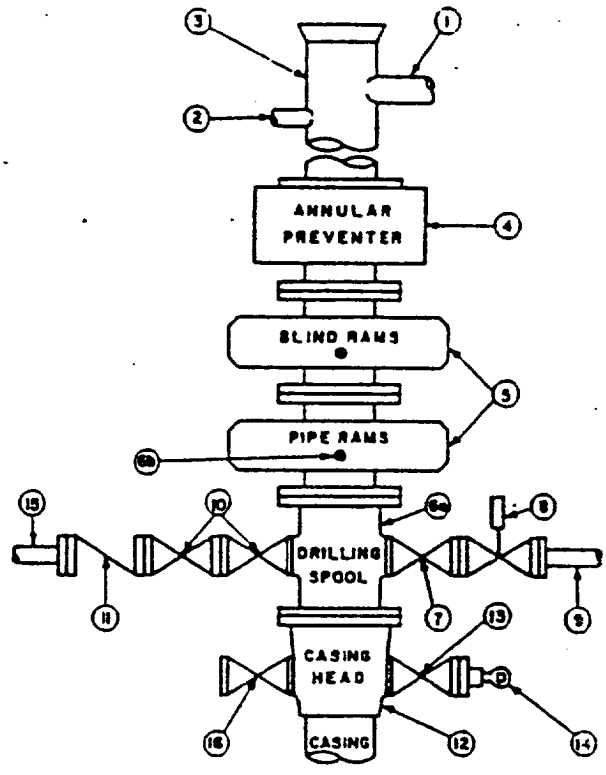
3 MWP

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		
	or		
6b	2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above.)		
7	Valve Gate ☐ Plug ☐	3-1/8"	
8	Gate valve—power operated	3-1/8"	
9	Line to choke manifold		3"
10	Valves Gate ☐ Plug ☐	2-1/16"	
11	Check valve	2-1/16"	
12	Casing head		
13	Valve Gate ☐ Plug ☐	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 prevventer 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:

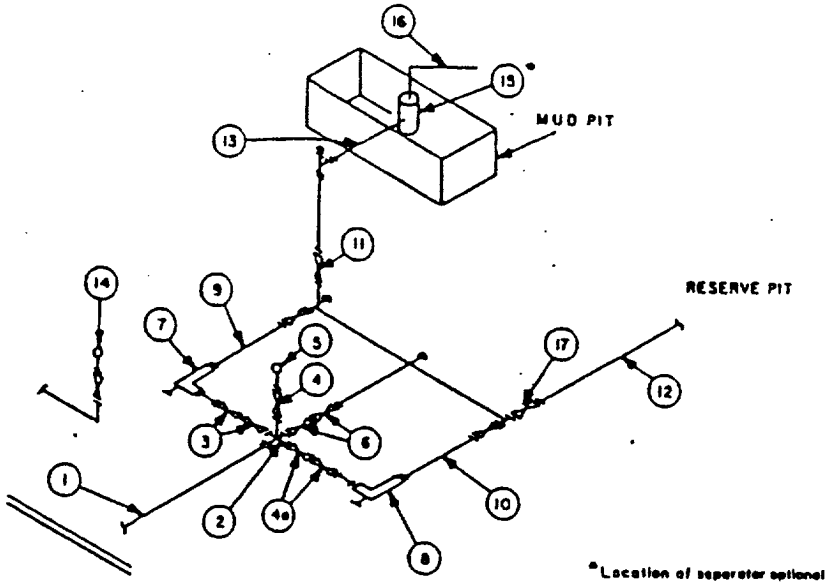
1. Bradenhead or casinghead and side valves.
2. Wear bushing, if required.

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

3 MWP - 5 MWP - 10 MWP



MINIMUM REQUIREMENTS										
		3,000 MWP			5,000 MWP			10,000 MWP		
No.		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 ☐ Plug ☐(2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
4	Valve Gate ☐ Plug ☐(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 ☐ Plug ☐(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 ☐ Plug ☐(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 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 ☐ Plug ☐(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

1. All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
2. All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
3. All lines shall be securely anchored.
4. Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
5. 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.
6. 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.
7. Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well.

Well name:	**Rifleman 6 "P" State Com. #1**
Operator:	~~Devon Energy Production Company, L.P.~~ DEVON-SFS OPERATING, INC.
String type:	Surface
Location:	Section 6, T22S, R26E, Eddy County, NM

Design parameters:

Collapse

Mud weight: 8.800 ppg

Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 286 psi

Internal gradient: 0.000 psi/ft

Calculated BHP 286 psi

Annular backup: 8.80 ppg

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.60 (B)

Tension is based on air weight.

Neutral point: 436 ft

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 79 °F

Temperature gradient: 0.80 °F/100ft

Minimum section length: 500 ft

Minimum Drift: 2.250 in

Non-directional string.

Re subsequent strings:

Next setting depth: 2,400 ft

Next mud weight: 9.000 ppg

Next setting BHP: 1,122 psi

Fracture mud wt: 11.000 ppg

Fracture depth: 500 ft

Injection pressure 286 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	500	13.375	48.00	H-40	ST&C	500	500	12.59	6201

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	229	740	3.24	286	1730	6.05	24	322	13.42 J

Prepared by: W.M. Frank, Devon Energy
Phone: (405) 552-4595
FAX: (405) 552-4621
Date: April 8,2001
Oklahoma City, Oklahoma

Remarks:

Collapse is based on a vertical depth of 500 ft, a mud weight of 8.8 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	**Rifleman 6 "P" State Com. #1**
Operator:	~~Devon Energy Production Company, L.P.~~ DEVON-SFS OPERATING, INC.
String type:	Intermediate
Location:	Section 6, T22S, R26E, Eddy County, NM

Design parameters:

Collapse

Mud weight: 9.000 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 1,371 psi
Internal gradient: 0.000 psi/ft
Calculated BHP 1,371 psi

Annular backup: 9.00 ppg

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC:	1.80 (J)
8 Round LTC:	1.80 (J)
Buttress:	1.60 (J)
Premium:	1.50 (J)
Body yield:	1.60 (B)

Tension is based on air weight.
Neutral point: 2,079 ft

Environment:

H2S considered?	No
Surface temperature:	75 °F
Bottom hole temperature:	94 °F
Temperature gradient:	0.80 °F/100ft
Minimum section length:	500 ft
Minimum Drift:	7.875 in

Non-directional string.

Re subsequent strings:

Next setting depth:	11,700 ft
Next mud weight:	9.600 ppg
Next setting BHP:	5,835 psi
Fracture mud wt:	11.000 ppg
Fracture depth:	2,400 ft
Injection pressure	1,371 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	2400	8.625	32.00	J-55	LT&C	2400	2400	7.875	19341

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	1122	2530	2.25	1371	3930	2.87	76.8	417	5.43 J

Prepared by: W.M. Frank
Devon Energy
Phone: (405) 552-4595
FAX: (405) 552-4621
Date: April 8,2001
Oklahoma City, Oklahoma

Remarks:
Collapse is based on a vertical depth of 2400 ft, a mud weight of 9 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	**Rifleman 6 "P" State Com. #1**
Operator:	~~Devon Energy Production Company, L.P.~~ DEVON-SFS OPERATING, INC.
String type:	Production
Location:	Section 6, T22S, R26E, Eddy County, NM

Design parameters:

Collapse

Mud weight: 6.600 ppg
Design is based on evacuated pipe.

Surface pressure: 1,120 psi

Burst

Max anticipated surface pressure: 4,011 psi
Internal gradient: 0.000 psi/ft
Calculated BHP 4,011 psi

Annular backup: 9.60 ppg

Packer fluid details:
Fluid density: 8.600 ppg
Packer depth: 10,700 ft

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 10,529 ft

Estimated cost: 65,825 ($)

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 169 °F
Temperature gradient: 0.80 °F/100ft
Minimum section length: 500 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
4	700	5.5	17.00	L-80	Buttress	700	700	4.767	4745
3	3300	5.5	17.00	L-80	LT&C	4000	4000	4.767	20909
2	3500	5.5	17.00	J-55	LT&C	7500	7500	4.767	13560
1	4200	5.5	17.00	L-80	LT&C	11700	11700	4.767	26611

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
4	1360	4831	3.55	4011	7740	1.93	198.9	397	2.00 B
3	2491	5423	2.18	3975	7740	1.95	187	338	1.81 J
2	3691	4417	1.20	3804	5320	1.40	130.9	247	1.89 J
1	5131	6290	1.23	3622	7740	2.14	71.4	338	4.73 J

Prepared by: W.M. Frank
Devon Energy
Phone: (405) 552-4595
FAX: (405) 552-4621
Date: April 8,2001
Oklahoma City, Oklahoma

Remarks:
Collapse is based on a vertical depth of 11700 ft, a mud weight of 6.6 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

DEVON ENERGY CORPORATION

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

A. Hydrogen Sulfide Training

All rig crews and company personnel will receive training from a qualified instructor in the following areas prior to penetrating any hydrogen sulfide bearing formations during drilling operations:

1. The hazards and characteristics of hydrogen sulfide (H2S).

2. The proper use and maintenance of the H2S safety equipment and of personal protective equipment to be utilized at the location such as H2S detection monitors, alarms and warning systems, and breathing equipment. Briefing areas and evacuation procedures will also be discussed and established.

3. Proper rescue techniques and procedures will be discussed and established.

In addition to the above, supervisory personnel will be trained in the prevention of oil and gas well blowouts in accordance with Minerals Management Service Standards Subpart - 0 - 250 - 212.

Prior to penetrating any known H2S bearing formation, H2S training will be required at the rig sight for all rig crews and company personnel that have not previously received such training. This instruction will be provided by a qualified instructor with each individual being required to pass a 20 question test regarding H2S safety procedures. All contract personnel employed on an unscheduled basis will be required to have received appropriate H2S training.

This Hydrogen Sulfide Drilling And Operations Plan shall be available at the wellsite during drilling operations.

B. H2S Safety Equipment And Systems

All H2S safety equipment and systems will be installed, tested, and operational when drilling operations reach a depth approximately 500' above any known or probable H2S bearing formation. The safety systems to be utilized during drilling operations are as follows:

1. Well Control Equipment

(a) Double ram BOP with a properly sized closing unit and pipe rams to accommodate all pipe sizes in use.

(b) A choke manifold with a minimum of one remote choke.

2. H2S Detection And Monitoring Equipment

(a) Three (3) H2S detection monitors will be placed in service at the location. One monitor will be placed near the bell nipple on the rig floor; one will be placed at the rig substructure; and, one will be at the working mud pits or shale shaker. This monitoring system will have warning lights and audible alarms that will alert personnel when H2S levels reach 10 ppm.

(b) One (1) Sensidyne Pump with the appropriate detection tubes will also be available to perform spot checks for H2S concentrations in any remote or isolated areas.

3. Protective Equipment For Essential Personnel

Protective equipment will consist of the following:

(a) Four (4) - five minute escape packs located at strategic points around the rig.

(b) Two (2) - thirty minute rescue packs to be located at the designated briefing areas.

4. Visual Warning System

Visual warning system will consist of the following:

(a) Two wind direction indicators.

(b) One condition / warning sign which will be posted on the road providing direct access to the location. The sign will contain lettering of sufficient size to be readable at a reasonable distance from the immediate location. The sign will inform the public that a hydrogen sulfide gas environment could be encountered at the location.

5. Mud Program

   The mud program has been designed to minimize the volume of H2S circulated to surface. Proper mud weight and safe drilling practices (for example, keeping the hole filled during trips) will minimize hazards when drilling in H2S bearing formations.

6. Metallurgy

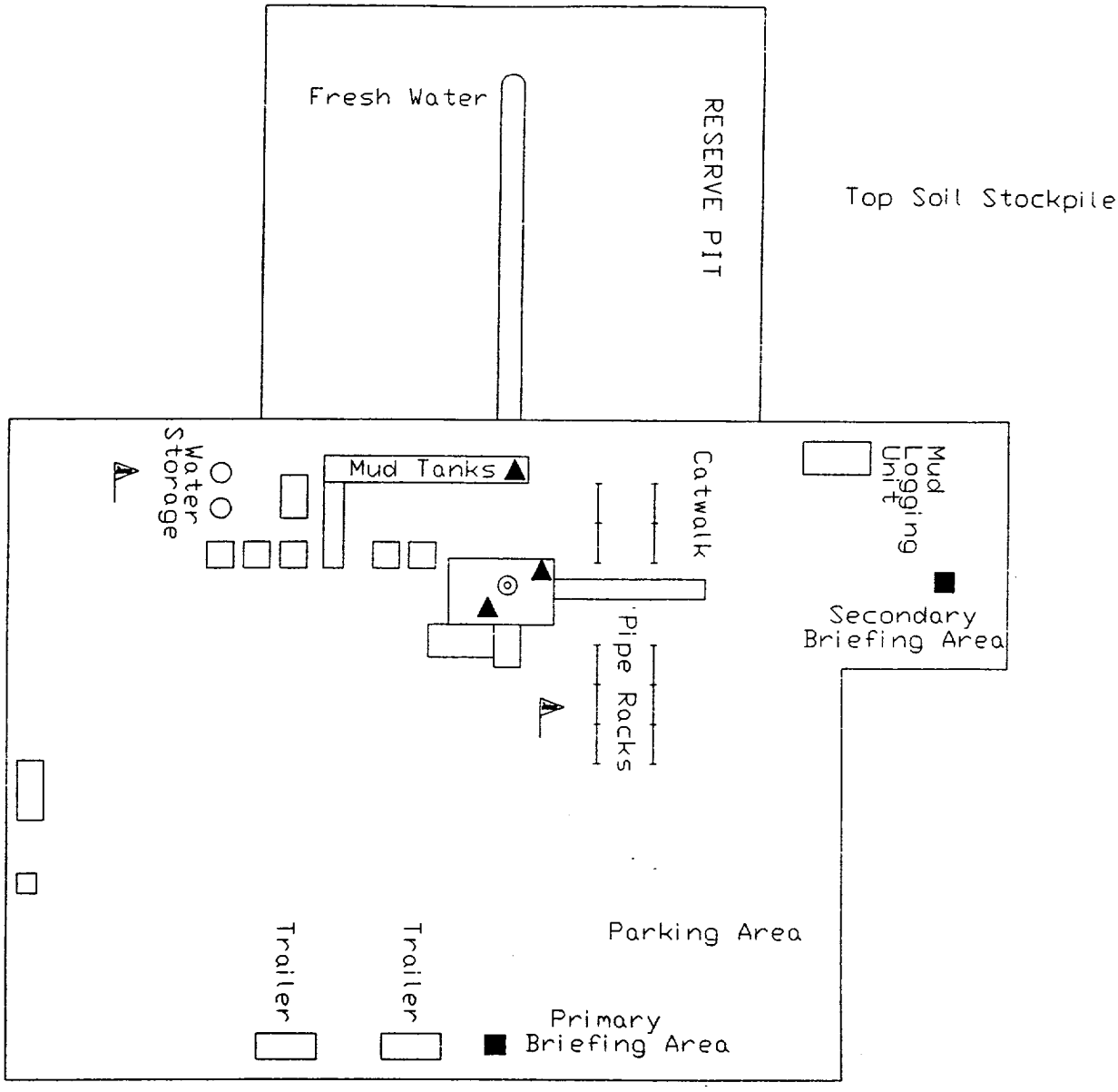
   All drill strings, casings, tubing, wellhead, blowout preventers, drilling spools, kill lines, choke manifold and lines and valves shall be suitable for H2S service.

7. Communication

   Cellular telephone communication will be available in company vehicles.

C. Diagram of Drilling Location

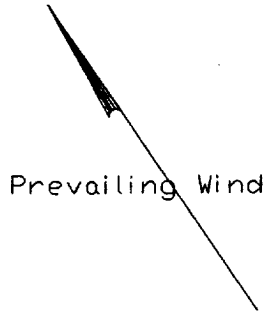
Attached is a diagram representing a typical location layout as well as the location of H2S monitors, briefing areas and wind direction indicators.



▲ H2S MONITORS WITH ALARMS AT THE BELL NIPPLE, SUBSTRUCTURE, AND SHALE SHAKER

WIND DIRECTION INDICATORS

■ SAFE BRIEFING AREAS WITH CAUTION SIGNS AND PROTECTIVE BREATHING EQUIPMENT



devon

EDDY COUNTY, NEW MEXICO

H2S PLAN

Scale in Feet

25 0 25 50 75 100

File: Q:\\NM\H2S-PLAN

4/97

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

CN

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

October 3, 2000

Ms. Charlene Newkirk
Lease & Contract Records Supervisor
Santa Fe Snyder Corporation
840 Gessner, Suite 1400
Houston, TX 77024-4142

Re: Change of Name - Santa Fe Snyder to Devon SFS Operating, Inc.

Dear Ms. Newkirk:

The New Mexico Oil Conservation Division hereby acknowledges receipt of the replacement bond No. 71S100753206-126 to replace St. Paul Fire and Marine Fire Insurance Company Bond No. 400 JF 5475. Before I can process the change, the name Devon SFS Operating, Inc. must be licensed to do business in the State of New Mexico with the Public Regulation Commission (505) 827-4511. rec'd Certificate of authority 10/20/00 per Pat Tisdale

done

Secondly, enclosed are the new procedures implemented by the Oil Conservation Division for Change of Operator or Change of Name. Also enclosed is a spreadsheet of all the wells under OGRID **20305** which is the ID No. given to Santa Fe Snyder Corporation. The number will remain the same for Devon SFS Operating, Inc. Please work with the district office (s) where your wells are located for processing of the paperwork. (Hobbs – (505) 393-6161 Ext. 115, Donna Pitzer and Artesia (505) 748-1283 Carmen Reno.)

You will not submit a rider as you have submitted a replacement bond. Upon verification from the district(s) that the paperwork has been filed and verification that you are registered with the Public Regulation Commission, I will proceed with approval of the blanket bond No. 71S100753206-126 and release of Bond No. 400 JF 5475.

If you have any questions, please do not hesitate to contact me at (505) 827-7137.

Sincerely,

Took resp to Teresa

RECEIVED 10/23/00
OCT 10 2000
LAND DEPARTMENT

Dorothy Phillips
Bond Administrator

Sent 11/6/00 to notify about Cert of Auth Pitzer. 11/3/00

Sent copy of letter to Donna

Enclosures

Notified Bill Hawkins 11/3/00