

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN " " (See other instr. reverse side)

N.M. Oil Cons. Division  
81 Form 107-107d

ARTESIA, NM 88210-2834

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. 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 710' FSL & 660' FWL, Unit M, Section 13, T23S, R31E, Eddy County, NM

At top proposed prod. zone (Same)

R-111-P POTASH

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
35 miles WNW of Jal, New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 660'  
16. NO. OF ACRES IN LEASE 1440.00  
18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 12,000' 8750'  
19. PROPOSED DEPTH 12,000' 8750'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3457' GR

PROPOSED CASING AND CEMENTING PROGRAM			
23. SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
17 1/2"	H-40 13 3/8"	48#	850'
12 1/4"	J-55 8 9/8"	32 40#	4400'
7 7/8"	J-55 5 1/2"	15.5 17# & 20#	12,000' 8750'

5. LEASE DESIGNATION AND SERIAL NO.  
NM-NM0404441  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
N/A  
7. UNIT AGREEMENT NAME  
N/A  
8. FARM OR LEASE NAME, WELL NO.  
Todd "13M" Federal #31  
9. API WELL NO.  
30-015-32015  
10. FIELD AND POOL, OR WILDCAT  
Sand Dunes (Wolfcamp) Bene Spring  
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
Unit M  
Section 13-T23S-R31E

12. COUNTY OR PARISH  
Eddy County  
13. STATE  
New Mexico

17. NO. OF ACRES ASSIGNED TO THIS WELL  
40.00  
20. ROTARY OR CABLE TOOLS\*  
Rotary

22. APPROX. DATE WORK WILL START\*  
First quarter, 1999

Devon Energy proposes to drill to approximately 12,000' to test the Wolfcamp for commercial quantities of oil. If the Wolfcamp is deemed non-commercial, the wellbore will be plugged and abandoned as per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

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-NM0404441  
Legal Description: N/2, SW/4, Section 13-T23S-R31E, Eddy Cnty, NM

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

Candace R. Graham  
TITLE Engineering Technician

DATE January 25, 1999

\*(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 Richard A. Whitney TITLE Associate DATE 1.11.99

See Instructions On Reverse Side

APPROVED FOR STATE

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

APPROVAL SUBJECT TO  
GENERAL FLOORING AND  
SPECIAL OF WORK TO JACOBS

RECEIVED

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FBI - NEW YORK