State of New Mexico

Form C-101 Permit 109116

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

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

	or Name and Address ODUCTION COMPANY, LP	2. OGRID Number 6137	
	N Broadway a City , OK 73102	3. API Number 30-015-37621	
4. Property Code 36231	5. Property Name ALGERITA 32 STATE	6. Wett No. 003	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	32	228	26E	0	710	S	1980	E	EDDY

8. Pool Information

HAPPY VALLEY;MORROW (GAS) 78060

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3349	
14. Multiple N			16. Formation 17. Contractor Morrow		
Depth to Ground	water	Distance from nearest from	esh water well	Distance to nearest surface water	
Pit: Liner: Synthetic Closed Loop Syste	mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	470	0
Int1	12.25	9.625	40	1600	540	0
Prod	8.75	5.5	17	12200	2765	1100

Casing/Cement Program: Additional Comments

13 3/8 Lead w/220 sx C1 C + 0.25 lbs/sx Cello Flake, tail w/250 sx C1 C + 0.25 lbs/sx Cello Flake. 9 5/8 lead w/290 sx C1 C + 0.25 lbs/sx Cello Flake. Tail w/250 sx C1 C + 0.25 lbs.sx Cello Flake. 5 1/2 Stage 1 w/140 sx C1 H + 0.25 lbs/sx Cello Flake, tail w/655 sx C1 C cmt + 0.25 lbs/sx Cello Flake; Stage 2 w/820 sx C1 H cmt + 0.25 lbs/sx Cello Flake, tail w/1150 sx C1 H cmt. Mud: 0-500 fw/gel/lime, 8.6-9.4, 32-36, NC wtr loss. 500-1600 fw/gel/lime, 8.4-8.5, 28-29, NC wtr loss. 1600-9800 fw/cut brine, 8.4-9.5, 28-30 NC wtr loss. 9800-12200 brine/polymer, 9.3-10.6, 31-38, 8-10 cc wtr loss.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	
Pipe	5000	5000	
Blind	5000	5000	

of my knowledge and belief.	on given above is true and complete to the best	OIL CONSERVATION DIVISION Approved By: Jacqueta Reeves Title: District Geologist				
	ral permit □, or an (attached) alternative					
Printed Name: Electronicall	y filed by Randy Bolles					
Title:		Approved Date: 3/1/2010	Expiration Date: 3/1/2012			
Email Address: randy.bolle	s@dvn.com	0.000	NS 85			
Date: 2/9/2010	Phone: 405-228-8588					

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District I

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 109116

Energy, Minerals and Natural Resources Oil Conservation Division

1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Po	ol Name		
30-015-37621	78060	HAPPY VALLEY;MORROW (GAS)			
4. Property Code	5. Property	5. Property Name			
36231	ALGERITA	ALGERITA 32 STATE			
7. OGRID No.	8. Operato	r Name	9. Elevation		
6137	DEVON ENERGY PRODU	DEVON ENERGY PRODUCTION COMPANY, LP			

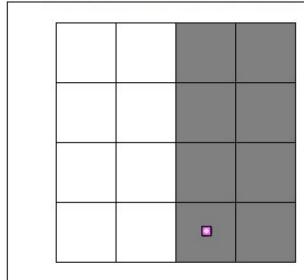
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	32	228	26E	1.4.	710	S	1980	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
	cated Acres	13.	Joint or Infill		14	. Consolidation (Code	15. 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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Randy Bolles

Title:

Date: 2/9/2010

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.

Surveyed By: Gary Jones Date of Survey: 11/1/2006 Certificate Number: 7977

Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137 Well: ALGERITA 32 STATE #003

API: 30-015-37621

Created By	Comment	Comment Date
YSASAS	No H2S is expected to be encountered. A nearby gas analysis and C-102 will be mailed via Fed-Ex.	2/9/2010
YSASAS	Depth to groundwater is 100 feet or more. Well is not in the wellhead protection area. Distance to surface water is 1000 feet or more.	2/9/2010
YSASAS	A 5000 psi BOP stack will be NU on the 13 3/8" casing and tested to 1200 psi with the rig pumps. A 5000 psi BOP stack will be NU on the 9 5/8" casing and tested to 5000 psi with an independent tester per Onshore Order No. 2.	2/9/2010