

**State of New Mexico**  
**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**

1. Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 20 N Broadway Oklahoma City, OK 73102		2. OGRID Number 6137
		3. API Number 30-05-64129
4. Property Code 38235	5. Property Name LOVING 7 FEE	6. Well No. 001H

**7. Surface Location**

UL - Lot G	Section 7	Township 10S	Range 29E	Lot Idn G	Feet From 2500	N/S Line N	Feet From 1400	E/W Line E	County CHAVES
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**8. Pool Information**

WILDCAT;MISSISSIPPIAN (GAS)	97791
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**Additional Well Information**

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3879
14. Multiple N	15. Proposed Depth	16. Formation Mississippi Limestone	17. Contractor	18. Spud Date 7/15/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	2200	615	0
Int1	8.75	7	26	8400	760	0
Prod	6.125	4.5	11.6	11400	0	

**Casing/Cement Program: Additional Comments**

9 5/8 w/615 sx C1 C + 2% CaCl + 1/4 lb/sx Cello Flake. This well will be drilled w/a Pilot Hole from 2200 to 8535'. The Pilot Hole will be plugged back from 8535' to 7700' w/400 sx CL H cement. This well will be directionally drilled from 7700' to TD. The 5 1/2" casing will be tied back 500' above the last string. 7" w/760 sx C1 C + 2% CaCl + 1/4 lb/sx Cello Flake. Mud: 0-2200' cut brine, 8.8-9.5, 32-34, NC water loss. 2200-11400' fresh water, 8.8-9.2, 30-45, NC water loss. 4 1/2" - Peak packer assembly will be used; this liner will not be cemented.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	
Hydril	5000	5000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Randy Dade	
Printed Name: Electronically filed by Randy Bolles	Title: District Supervisor	
Title:	Approved Date: 7/9/2010	Expiration Date: 7/9/2012
Email Address: randy.bolles@dvn.com		
Date: 7/9/2010	Phone: 405-228-8588	Conditions of Approval Attached

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

District II  
 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**  
**Energy, Minerals and Natural Resources**

Form C-102  
 Permit 116243

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-05-64129	2. Pool Code 97791	3. Pool Name WILDCAT;MISSISSIPPIAN (GAS)
4. Property Code 38235	5. Property Name LOVING 7 FEE	6. Well No. 001H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3879

**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G	7	10S	29E		2500	N	1400	E	CHAVES

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	8	10S	29E	F	2500	N	1980	W	CHAVES
12. Dedicated Acres 320.00		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**

	<p><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By: Randy Bolles          Title:          Date: 7/9/2010</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Filmon Jaramillo          Date of Survey: 5/17/2010          Certificate Number: 132</p>



# Permit Comments

**Operator:** DEVON ENERGY PRODUCTION COMPANY, LP , 6137

**Well:** LOVING 7 FEE #001H

**API:** 30-05-64129

Created By	Comment	Comment Date
YSASAS	BOP Design: The blow out prevention system will consist of a bag type (Hydril) preventer, a double ram preventer stack, and a rotating head. Both the Hydril and ram stack will be hydraulically operated. Both BOP systems will be rated at 5,000psi. Prior to drilling out the 9 5/8" Surface shoe, the ram stack will be nipped up with 4.5" pipe rams installed. The Hydril will be tested to 1000psi (high) and 250psi (low). The ram system will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill l	6/28/2010
YSASAS	Depth to groundwater is 50 or more, but less than 100 feet, distance to surface is approximately 1000 feet; well is not in the wellhead protection area.	6/28/2010
YSASAS	No H2S is expected to be encountered. A nearby gas analysis and C-102 will be mailed.	6/29/2010
YSASAS	BOP Design Continued: A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and hydril, other BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 5000 psi WP.	6/29/2010
pkautz	According to the State Land Office this acreage is a railroad patent lease, in which was retained by the BLM. Therefore it must be submitted on Federal forms and submitted first to the BLM.	7/8/2010
YSASAS	David R. Glass (Assistant Field Manager, Lands & Minerals - BLM office in Roswell) researched files for this location shows the BLM office owns NO SURFACE AND MINERALS in these two sections (Sections 7 & 8 of T10S-R29E) nor in the entire immediate area...going west across the LE Ranch. He shows fee minerals and fee surface both in these sections to be specific.	7/9/2010
YSASAS	Casing program has been changed and revised from initial drilling program on "rejected" permit; 7" and 4 1/2". A Peak packer assembly will be used; this liner will not be cemented.	7/9/2010
pkautz	ONGARD is in error. ONGARD indicates that surface & minerals is Federal. BLM and SLO now agree that the surface and minerals is FEE land	7/9/2010

# Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: LOVING 7 FEE #001H

API: 30-05-64129

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string