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 2. OGRID Number DEVON ENERGY PRODUCTION COMPANY, LP 6137

20 N Broadway 3. API Number Oklahoma City, OK 73102 30-05-64135 4. Property Code 5. Property Name 6. Well No. 38281 **OPEN RANGE 34 FEE** 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	34	115	29E	D	670	Ν	670	W	CHAVES

8. Pool Information WHITE RANCH; MISSISSIPPIAN (GAS)

Additional Well Information 9. Work Type 10. Well Type 12. Lease Type 11. Cable/Rotary 13. Ground Level Elevation New Well GAS 3789 Private 14. Multiple 15. Proposed Depth 16. Formation 17. Contractor 18. Spud Date 12200 N Mississippi Limestone 7/15/2010 Distance from nearest fresh water well Depth to Ground water Distance to nearest surface water Pit: Liner: Synthetic Pit Volume: mils thick Clay bbls Drilling Method: Fresh Water R Brine Diesel/Oil-based Gas/Air Closed Loop System

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	2180	620	0	
Int1	8.75	7	26	7800	840	1680	
Prod	6.125	4.5	11.6	12200	0		

Casing/Cement Program: Additional Comments

9 5/8 w/620 sx C1 C + 2% CaC1 + 1/4 lb/sx Cello Flake. An 8 3/4" pilot hole will be drilled from 2180' to 8805'. The pilot hole will be plugged back from 8805' to 7800' w/480 sx CL H cement. This well will be directionally drilled from 7800' to TD. 7" w/840 sx Cl C + 2% CaCl + 1/4 lb/sx Cello Flake. Mud: 0-2180' cut brine, 8.8-9.5, 32-34, NC water loss. 2180-12200' 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

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	
Hydril	5000	5000	

I hereby certify that the information given above is true and complete to th of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION
NMOCD guidelines , a general permit , or an (attached) alternat OCD-approved plan .	Approved By: Randy Dade
Printed Name: Electronically filed by Randy Bolles	Title: District Supervisor
Title:	Approved Date: 8/19/2010 Expiration Date: 8/19/2012
Email Address: randy.bolles@dvn.com	
Date: 8/9/2010 Phone: 405-228-8588	Conditions of Approval Attached

87320

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720 <u>District II</u> 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

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1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-05-64135			ol Name ISSISSIPPIAN (GAS)
4. Property Code	5. Property Name		6. Well No.
38281	OPEN RANGE 34 FEE		001H
7. OGRID No.	8. Operate	9. Elevation	
6137	DEVON ENERGY PRODU	3789	

444	10. Surface Location								
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	34	11S	29E	100.000	670	N	670	W	CHAVES

11. Bottom Hole Location If Different From Surface

UL - Lot A	Section 34	Township 11S	Range 29E	Lot Idn A	Feet From 670	N/S Line N	Feet From 670	E/W Line E	County CHAVES
12. Dedi	icated Acres 0.00	13. J	oint or Infill		. 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

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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: 8/9/2010

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: Filimon Jaramillo

Date of Survey: 6/30/2010

Certificate Number: 132

Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP, 6137

Well: OPEN RANGE 34 FEE #001H API: 30-05-64135

Created Comment Comment Date By 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 YSASAS hydraulically operated. Both BOP systems will be rated at 5,000psi. Prior to drilling out the 9 6/30/2010 5/8" Surface shoe, the ram stack will be nippled up with 4.5" pipe rams installed. The Hydril will be tested to 1000psi (high) and 250psi (low). BOP Design Continued: 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 YSASAS log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram 6/30/2010 BOP. In addition to the rams and hydril, other BOP accessories include a kelly codk, floor safety valve, choke lines, and choke manifold rated at 5000 psi WP. Depth to groundwater is 50 or more, but less than 100 feet, distance to surface is YSASAS 6/30/2010 approximately 1000 feet; well is not in the wellhead protection area YSASAS No H2S is expected to be encountered. A nearby gas analysis and C-102 will be mailed. 6/30/2010 Form C-144 CLEZ to be mailed; closed loop system to be utilized. YSASAS 7/27/2010

Permit Conditions of Approval Operator: DEVON ENERGY PRODUCTION COMPANY, LP, 6137 Well: OPEN RANGE 34 FEE #001H

API: 30-05-64135

OCD Reviewer	Condition
Artesia	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