<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

Priorie:(5/5) /48-1285 Fax:(5/5) /48-9/20 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

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

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-101 August 1, 2011

Permit 142386

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

DEVON ENERGY I	Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP			
2 Oklaho	6137 3. API Number 30-015-39819			
4. Property Code	5. Property Name	6. Well No.		
39007	SHAQTUS 26 STATE COM	001		

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	35	218	31E	D	900	N	1140	W	EDDY

8. Pool Information

1	
AVALON:DELAWARE	3715

Additional Well Information

9. Work Type New Well	10. We		11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3507
14. Multiple 15. Proposed Depth N 12598		16. Formation 17. Contractor Delaware		18. Spud Date	
Depth to Ground	water		Distance from nearest fresh water	r well	Distance to nearest surface water

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	900	865	0
Int1	12.25	9.625	40	4100	1400	0
Prod	8.75	5.5	17	13598	460	0
Prod	8.75	5.5	17	7200	1950	2600

Casing/Cement Program: Additional Comments

DV Tool @ 4500' Depth Mud Wt. Visc. Fluid Loss Type System 0-900 8.4-9.0 30 - 34 N/C FW 900-4100 9.6-10.0 28 - 32 N/C Brine 4100-12598 8.6-9.0 28 - 32 N/C-12 FW

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer			
Annular	3000	3000				
DoubleRam	3000	3000	5			

of my knowledge and belief.	on given above is true and complete to the best	OIL CONSERVATION DIVISION			
	al permit , or an (attached) alternative	Approved By: Randy Dade			
Printed Name: Electronicall	y filed by Randy Bolles	Title: District Supervisor			
Title: Manager, Regulatory	Affairs	Approved Date: 1/9/2012	Expiration Date: 1/9/2014		
Email Address: randy.bolle	s@dvn.com	1.36-31.00	The second secon		
Date: 1/4/2012	Phone: 405-228-8588	Conditions of Approval Attached			

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State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 142386

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-39819	2. Pool Code 3715	3. Pool Name AVALON;DELAWARE
4. Property Code 39007	5. Property Na SHAQTUS 26 STA	
7. OGRID No. 6137	8. Operator Na DEVON ENERGY PRODUCT.	

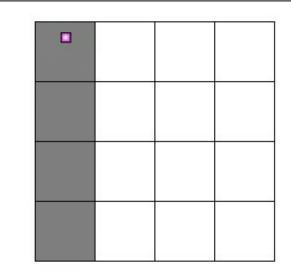
10. Surface Location

	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
5	D	35	218	31E		900	N	1140	W	EDDY

11. Bottom Hole Location If Different From Surface

JL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	26	218	31E	D	330	N	660	W	EDDY
1000	cated Acres	13. J	oint 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: Manager, Regulatory Affairs

Date: 1/4/2012

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: Fillimon Jaramillo Date of Survey: 12/17/2011 Certificate Number: 12797

Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137
Well: SHAQTUS 26 STATE COM #001
API: 30-015-39819

Created By	Comment	Comment Date
barnettj	The BOP system used to drill the intermediate hole will consist of a 13-5/8" 3M Triple Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the surface casing shoe. The BOP system used to drill the production hole will consist of a 13-5/8" 3M Triple Ram and Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the intermediate casing shoe. The pipe rams will be operated and checked each 24 hour period and each time the drill pipe	
CSHAPARD	Land s/S	1/9/2012

Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137
Well: SHAQTUS 26 STATE COM #001
API: 30-015-39819

OCD Reviewer	Condition
CSHAPARD	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