

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

Form C-101
August 1, 2011
Permit 139504

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 30-025-40428
4. Property Code 34087	5. Property Name RED BULL 31 STATE	6. Well No. 004H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	31	23S	35E	A	375	N	375	E	LEA

8. Pool Information

CINTA ROJO,DELAWARE	96341
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3435
14. Multiple N	15. Proposed Depth 12967	16. Formation Delaware	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water 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	54.5	725	625	0
Int1	12.25	9.625	40	5362	1705	0
Prod	8.75	5.5	17	12967	300	0
Prod	8.75	5.5	17	8000	1660	6500

Casing/Cement Program: Additional Comments

13 3/8" Lead: 325 sx(35:65) Poz (Fly Ash):C1 C + 5% bwow Sodium Chloride + 0.125#/sx CF + 4% bwoc Bentonite + 1% bwoc Sodium Metasilicate + 5% bwoc MPA-5 + 101.3% FW 12.8 ppg Yld 1.97 TOC @ Surf. Tail: 300 sx C1 C + 2% bwoc Calcium Chloride + 0.125#/sx CF + 56.3% FW 14.8 ppg Yld: 1.35 cf/sx 9 5/8" Lead: 1305 sx (50:50) Poz (Fly Ash):C1 C + 3% bwow Sodium Chloride + 0.125#/sx CF + 0.05% bwoc ASA-301 + 10% bwoc Bentonite + 125.9% FW 12 ppg Yld: 2.24 cf/sx. TOC @ surface. Tail: 400 sx(60:40) Poz (Fly Ash):C1 C + 5% bwow Sodium Chloride + 0.125#/sx CF + 0.3% bwoc Sodium Metasilicate + 4% bwoc MPA-5 + 65.5% FW 13.8 ppg Yld: 1.38 cf/sx. 5 1/2" 1st Stage Leadw/380 sx (35:65) Poz (Fly Ash):C1 H + 3% bwow Sodium Chloride + 0.125#/sx CF + 3#/sx LCM-1 + 6% bwoc Bentonite + 0.7% bwoc FL-52A + 102.5% FW 12.5 ppg Yld: 2.01 cf/sx. Tail: 1280 sx (50:50) Poz (Fly Ash):C1 H + 5% bwow Sodium Chloride + 0.3% bwoc CD-32 + 0.5% bwoc FL-25 + 0.5% bwoc Sodium Metasilicate + 0.5% bwoc FL-52A + 57.3% FW 14

Proposed Blowout Prevention Program

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

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"/> .	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Randy Bolles	Approved By: Paul Kautz	
Title: Manager, Regulatory Affairs	Approved Date: 2/2/2012	Expiration Date: 2/2/2014
Email Address: randy.bolles@dmn.com		
Date: 1/12/2012	Phone: 405-228-8588	Conditions of Approval Attached

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Form C-102
August 1, 2011
Permit 139504

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40428	2. Pool Code 96341	3. Pool Name CINTA ROJO,DELAWARE
4. Property Code 34087	5. Property Name RED BULL 31 STATE	6. Well No. 004H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3435

10. Surface Location

UL - Lot A	Section 31	Township 23S	Range 35E	Lot Idn	Feet From 375	N/S Line N	Feet From 375	E/W Line E	County LEA
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11. Bottom Hole Location If Different From Surface

11. Bottom Hole Location If Different From Surface									
UL - Lot P	Section 31	Township 23S	Range 35E	Lot Idn P	Feet From 375	N/S Line S	Feet From 375	E/W Line E	County LEA
12. Dedicated Acres 160.00		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

<table border="1" style="width: 100%; height: 150px;"> <tr><td></td><td></td><td></td><td style="background-color: #cccccc; text-align: center;">●</td></tr> <tr><td></td><td></td><td></td><td style="background-color: #cccccc;"></td></tr> <tr><td></td><td></td><td></td><td style="background-color: #cccccc;"></td></tr> <tr><td></td><td></td><td></td><td style="text-align: center;">■</td></tr> </table>				●												■	<p style="text-align: center;">OPERATOR CERTIFICATION</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: Manager, Regulatory Affairs Date: 1/12/2012</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</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: Frank Jaramillo Date of Survey: 10/27/2011 Certificate Number: 12797</p>
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Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: RED BULL 31 STATE #004H

API: 30-025-40428

Created By	Comment	Comment Date
barnettj	Pressure Control Equipment BOP DESIGN: The BOP system used to drill the intermediate hole will consist of a 13-5/8" 3M Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 2M system prior to drilling out the surface casing shoe. The BOP system used to drill the production hole will consist of a 11" 3M Double 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. Pipe rams will be operated and checked each 24 hour period and blind	1/12/2012
barnettj	Proposed Mud Circulation System Depth MudWtViscFluidLossType System 0-725' 8.4-9.0 30-34 NC FW 725-5362 9.8-10.0 28-32 NC Brine 5362-12967 8.6-9.3 28-32 NC FW	1/12/2012
pkautz	Land p/S	1/13/2012
pkautz	Acreage overlap with vertical well of Devon's API # 30-025-37069 in U/L P	1/13/2012
CHERRERA	OCD RECIEVED FORM C-144 CLEZ. OCD PERMIT #P1-04160	2/1/2012

Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: RED BULL 31 STATE #004H

API: 30-025-40428

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