

**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 143384

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

1. Operator Name and Address <b>DEVON ENERGY PRODUCTION COMPANY, LP</b> 20 N Broadway Oklahoma City, OK 73102		2. OGRID Number 6137
		3. API Number 30-015-39896
4. Property Code 39007	5. Property Name SHAQTUS 26 STATE COM	6. Well No. 002H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	35	21S	31E	C	685	N	2522	W	EDDY

**8. Pool Information**

LOST TANK; DELAWARE	40299
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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 3514
14. Multiple N	15. Proposed Depth 13509	16. Formation Brushy Canyon	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	48	600	850	0
Int1	12.25	9.625	40	4200	1500	0
Prod	8.75	5.5	17	7300	2200	3700
Prod	8.75	5.5	17	13509	750	0

**Casing/Cement Program: Additional Comments**

13-3/8 - Lead w/600 sx C1 C + 2% bwoc Calcium Chloride + 0.125#/sx CF + 4% bwoc Bentonite + 81.4% FW, 13.5 ppg, 1.75 cf/sx. Tail w/250 sc C1 C + 2% bwoc Calcium Chloride + 0.125#/sx CF + 56.3% FW 14.8 ppg, 1.35 cf/sx. TOC @ surf. 9-5/8" - Lead w/1200 sx (35:35) Poz (Fly Ash)C1 C + 5% bwow Sodium Chloride + 0.125#/sx CF + 6% bwoc Bentonite + 107.8% FW, 12.5 ppg, 2.05 cf/sx. Tail w/300 sx (60:40)Poz C1 C + 5% bwow Sodium Chloride + 0.125#/sx CF + 0.4% bwoc Sodium Metasilicate + 4% bwoc MPA-5 + 52.7% Wtr, 13.8 ppg, 1.38 cf/sx. TOC @ surface. 5-1/2" - 1st Stage Lead w/600 sx (35:65) Poz (Fly Ash) C1 H + 5% bwow Sodium Chloride + 0.3% bwoc CD-32 + 0.5% bwoc FL-25 + 2% bwoc Bentonite + 0.6% bwoc Sodium Metasilicate + 0.5% bwoc FL-52A + 102.5% FW, 12.5 ppg, 2.00 cf/sx. Tail w/1600 sx (50:50) Poz (Fly Ash)C1 H + 1% bwow Sodium Chloride + 0.2% bwoc R-3 + 0.125#/sx CF + 0.5% bwoc BA-10A + 4% bwoc MPA-5 + 58.3% FW, 14.2 ppg, 1.28 cf/sx. DV @ ~6000'. 2nd Stage - Lead w/600 sx C1 C + 1% bwo

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
DoubleRam	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"/> .	<b>OIL CONSERVATION DIVISION</b>
Printed Name: Electronically filed by Randy Bolles	Approved By: Randy Dade
Title: Manager, Regulatory Affairs	Title: District Supervisor
Email Address: randy.bolles@dmn.com	Approved Date: 2/7/2012   Expiration Date: 2/7/2014
Date: 2/3/2012   Phone: 405-228-8588	Conditions of Approval Attached

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

Form C-102  
August 1, 2011  
Permit 143384

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-39896	2. Pool Code 40299	3. Pool Name LOST TANK; DELAWARE
4. Property Code 39007	5. Property Name SHAQTUS 26 STATE COM	6. Well No. 002H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3514

**10. Surface Location**

UL - Lot C	Section 35	Township 21S	Range 31E	Lot Idn	Feet From 685	N/S Line N	Feet From 2522	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot C	Section 26	Township 21S	Range 31E	Lot Idn C	Feet From 330	N/S Line N	Feet From 1980	E/W Line W	County EDDY
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**

<p style="text-align: center;"><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: Manager, Regulatory Affairs Date: 2/3/2012</p>	<p style="text-align: center;"><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: Filimon Jaramillo Date of Survey: 12/17/2011 Certificate Number: 12797</p>
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## Permit Comments

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

**Well:** SHAQTUS 26 STATE COM #002H

**API:** 30-015-39896

Created By	Comment	Comment Date
barnettj	Depth Mud Wt. Visc.F LossType System 0 – 600 8.4-9.0 30 – 34 N/C FW 4200 9.8-10.0 28 – 32 N/C Brine– 13,509 8.6 – 9.0 28 – 32 N/C-12 FW	2/3/2012
CSHAPARD	Land s/S	2/7/2012
CSHAPARD	For Administrative approval include UL C 35 21S 31E for 200 total acres.	2/7/2012

# Permit Conditions of Approval

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

**Well:** SHAQTUS 26 STATE COM #002H

**API:** 30-015-39896

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