

**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 144690

**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 30-015-40037
4. Property Code 38436	5. Property Name EMERALD PWU 20	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
M	20	19S	29E	M	890	S	340	W	EDDY

**8. Pool Information**

SCANLON DRAW; BONE SPRING	55510
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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 3879
14. Multiple N	15. Proposed Depth 12223	16. Formation Bone Spring	17. Contractor	18. Spud Date 3/15/2012
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	355	395	0
Int1	12.25	9.625	40	3300	1140	0
Prod	8.75	5.5	17	12223	1340	2000
Prod	8.75	5.5	17	7100	855	0

**Casing/Cement Program: Additional Comments**

13 3/8 w/395 sx C1 C + 2% CaCl + 1/4 lb/sx Cello flake, 9 5/8 w/1140 sx C1 C + 2% CaCl + 1/4 lb/sx Cello flake, 5 1/2 w/2195 sx C1 C + 2% CaCl + 1/4 lb/sx Cello flake. All cement volumes based on at least 25% excesses. Actual cement volumes will be adjusted based on fluid caliper and caliper log data. Positive standoff centralizers will be utilized for the production string every other joint of casing from 100' MD above KOP or at the legal footage setback, whichever is the deeper MD, up to TOC. Mud: 0-355' fresh, 8.4-9.0, 30-34 visc, N/C water loss. 355-3300' brine, 9.8-10.0, 28-32 visc, N/C water loss. 3300-12223' fresh, 8.6-9.0, 28-32 visc, N/C water loss.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
Pipe	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@dvn.com	Approved Date: 3/12/2012   Expiration Date: 3/12/2014
Date: 3/9/2012   Phone: 405-228-8588	Conditions of Approval Attached

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Form C-102  
August 1, 2011  
Permit 144690

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-40037	2. Pool Code 55510	3. Pool Name SCANLON DRAW; BONE SPRING
4. Property Code 38436	5. Property Name EMERALD PWU 20	6. Well No. 004H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3879

**10. Surface Location**

UL - Lot M	Section 20	Township 19S	Range 29E	Lot Idn	Feet From 890	N/S Line S	Feet From 340	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

11. Bottom Hole Location If Different From Surface									
UL - Lot P	Section 20	Township 19S	Range 29E	Lot Idn P	Feet From 890	N/S Line S	Feet From 330	E/W Line E	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**

<table border="1" style="width: 100%; height: 150px; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> </table>																	<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: 3/9/2012</p> <hr/> <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: 2/20/2011 Certificate Number: 12797</p>

## Permit Comments

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

**Well:** EMERALD PWU 20 #004H

**API:** 30-015-40037

Created By	Comment	Comment Date
YSASAS	No H2S expected to be encountered.	2/22/2012
YSASAS	C-102 to be mailed next day via Fed-Ex.	2/22/2012
YSASAS	Depth to groundwater is 50' or more, but less than 100', distance to surface water is approximately 1000'; well is not in a wellhead protection area.	2/22/2012
YSASAS	The BOP system used to drill the intermediate hole will consist of a 13-3/8" 10M Triple Ram & 5M 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 13-3/8" 10M Triple Ram & 5M Annular preventer. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 5M system prior to drilling out the intermediate casing shoe. Pipe rams will be operated and checked each 24 hour period and blind rams tested each time	3/9/2012
CSHAPARD	Land s/S	3/9/2012

# Permit Conditions of Approval

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

**Well:** EMERALD PWU 20 #004H

**API:** 30-015-40037

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