

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 154520

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

1. Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 333 W. Sheridan Avenue Oklahoma City, OK 73102		2. OGRID Number 6137
		3. API Number 30-025-40743
4. Property Code 39429	5. Property Name TAIPAN 10 STATE COM	6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	15	23S	33E	D	150	N	710	W	LEA

8. Pool Information

CRUZ,DELAWARE, NORTHEAST	96724
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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 3700
14. Multiple N	15. Proposed Depth 13803	16. Formation 3rd Bone Spring Sand	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	1400	1210	0
Int1	12.25	9.625	40	5200	1540	0
Prod	8.75	5.5	17	13803	1785	4700
Prod	8.75	5.5	17	8100	230	0

Casing/Cement Program: Additional Comments

13-3/8" Surface Lead: 875 sx C1 C + 2% bwoc CaCl2 + 0.125 #/sx Poly-E-Flake + 4% bwoc Bent + 70.1% FW, 13.5 ppg, Yld: 1.75 cf/sk; TOC @ surface. Tail: 335 sx C1 C + 2% bwoc CaCl2 + 0.125 #/sx Poly-E-Flake + 63.1% FW, 14.8 ppg, Yld: 1.35 cf/sk. 9-5/8" Int. Lead: 1115 sx(65:35) C1 C + 5% bwow NaCl + 0.125 #/sx Poly-E-Flake + 6% bwoc Bent + 70.9% FW, 12.9 ppg, Yld: 1.85 cf/sk; TOC @ surface. Tail: 425 sx C1 C + 0.125 #/sx Poly-E-Flake + 63.5% W, 14.8 ppg, Yld: 1.33 cf/sk. 5-1/2" Prod. 1st Lead: 230 sx C1 H + 10% bwoc Bent + 8 #/sx NaCl + 0.125 #/sx Poly-E-Flake + 0.3% bwoc HR-601 + 0.3% bwoc Econolite + 77.2% FW, 11.8 ppg, Yld: 2.52 cf/sk. 2nd Lead: 390 sx C1 H + 6% bwoc Bent + 0.125 #/sx Poly-E-Flake + 0.1% bwoc HR-601 + 74.1% FW, 12.5 ppg, Yld: 1.95 cf/sk; Tail w/1395 sx C1 H + 1 #/sx NaCl + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bent + 58.8% FW, 14.5 ppg, Yld: 1.22 cf/sk; TOC @ 4700'.

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"/> .	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Randy Bolles	Approved By: Paul Kautz	
Title: Manager, Regulatory Affairs	Title: Geologist	
Email Address: randy.bolles@dvn.com	Approved Date: 9/7/2012	Expiration Date: 9/7/2014
Date: 9/6/2012	Phone: 405-228-8588	Conditions of Approval Attached

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Form C-102
August 1, 2011
Permit 154520

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40743	2. Pool Code 96724	3. Pool Name CRUZ;DELAWARE, NORTHEAST
4. Property Code 39429	5. Property Name TAIPAN 10 STATE COM	6. Well No. 001H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3700

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	15	23S	33E		150	N	710	W	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	10	23S	33E	D	330	N	330	W	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

<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: 9/6/2012</p>	<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: Filimon Jaramillo Date of Survey: 8/8/2012 Certificate Number: 12797</p>
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Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: TAIPAN 10 STATE COM #001H

API: 30-025-40743

Created By	Comment	Comment Date
dcook	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 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 a 3M system prior to drilling out the intermediate casing shoe.	9/6/2012
dcook	The pipe rams 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 log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP.	9/6/2012
pkautz	Land s/S	9/6/2012
DMULL	BHL @ D-10-23s-33e, 330/N & 330/W, 200 acres, Sec 15 - Unit D & Sec 10 - Units D,E,L,M;	9/7/2012

Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: TAIPAN 10 STATE COM #001H

API: 30-025-40743

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