

**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 161871

**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> 333 W. Sheridan Avenue Oklahoma City, OK 73102		2. OGRID Number 6137
		3. API Number 30-025-40985
4. Property Code 39329	5. Property Name PENNYPACKER 17 STATE	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
P	17	21S	34E	P	330	S	660	E	LEA

**8. Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	17	21S	34E	A	330	N	660	E	Lea

**9. Pool Information**

BERRY;BONE SPRING, SOUTH	96660
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3742
16. Multiple N	17. Proposed Depth 15291	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**21. 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	1900	1615	0
Int1	12.25	9.625	40	3825	1090	0
Prod	8.75	5.5	17	15291	370	3350
Prod	8.75	5.5	17	10000	2000	0

**Casing/Cement Program: Additional Comments**

13-3/8" Surface Lead: 1100 sx Cl C Cmt + 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: 515 sx Cl C Cmt + 2% bwoc CaCl2 + 0.125 #/sx Poly-E-Flake + 63.1% FW, 14.8 ppg, Yld: 1.35 cf/sk. 9-5/8" Intermediate Lead: 730 sx(65:35) Cl C Cmt:Poz (Fly Ash) + 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: 360 sx Cl C Cmt + 0.125 #/sx Poly-E-Flake + 63.5% W, 14.8 ppg, Yld: 1.33 cf/sk. 5-1/2" Prod. 1st Stage Lead: 700 sx(65:35) Cl H Cmt:Poz (Fly Ash) + 6% bwoc Bent + 0.2% bwoc HR-601 + 74.1% FW, 12.5 ppg, Yld: 1.95 cf/sk. Tail: 1300 sx(50:50) Cl H Cmt:Poz (Fly Ash) + 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. DV TOOL @6000 ft. See Comments for 2nd Stage

**22. Proposed Blowout Prevention Program**

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

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: _____ Printed Name: Electronically filed by Randy Bolles Title: Manager, Regulatory Affairs Email Address: randy.bolles@dmv.com Date: 2/5/2013	<b>OIL CONSERVATION DIVISION</b> Approved By: Paul Kautz Title: Geologist Approved Date: 2/7/2013    Expiration Date: 2/7/2015 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 161871

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-40985	2. Pool Code 96660	3. Pool Name BERRY,BONE SPRING, SOUTH
4. Property Code 39329	5. Property Name PENNYPACKER 17 STATE	6. Well No. 002H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3742

**10. Surface Location**

UL - Lot P	Section 17	Township 21S	Range 34E	Lot Idn P	Feet From 330	N/S Line S	Feet From 660	E/W Line E	County LEA
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**11. Bottom Hole Location If Different From Surface**

UL - Lot P	Section 17	Township 21S	Range 34E	Lot Idn P	Feet From 330	N/S Line N	Feet From 660	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%; border-collapse: collapse; text-align: center;"> <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; background-color: #cccccc;">■</td> </tr> <tr> <td style="height: 40px;"></td> <td style="height: 40px;"></td> <td style="height: 40px;"></td> <td style="height: 40px; background-color: #cccccc;"></td> </tr> <tr> <td style="height: 40px;"></td> <td style="height: 40px;"></td> <td style="height: 40px;"></td> <td style="height: 40px; background-color: #cccccc;"></td> </tr> <tr> <td style="height: 40px;"></td> <td style="height: 40px;"></td> <td style="height: 40px;"></td> <td style="height: 40px; background-color: #cccccc;">●</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: 2/5/2013</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: 1/22/2013 Certificate Number: 12797</p>
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			●														

## Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: PENNYPACKER 17 STATE #002H

API: 30-025-40985

Created By	Comment	Comment Date
dcook	2nd Stage Lead: 250 sx CI C Cmt + 3% bwoc Econolite + 0.125 #/sx Poly-E-Flake + 82.4% FW, 11.4 ppg, Yld: 2.87 cf/sk. Tail: 120 sx CI C Cmt + 0.125 #/sx Poly-E-Flake + 63.5% FW, 14.8 ppg, Yld: 1.33cf/sk, TOC @ 3350 ft.	2/4/2013
dcook	Pressure Control Equipment: The BOP system used to drill the intermediate hole will consist of a 13-5/8" 3M Double 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 Double Ram and Annular preventer. The BOP system will be tested as a 3M system prior to drilling out the intermediate casing shoe.	2/4/2013
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.	2/4/2013
pkautz	Land s/S	2/5/2013
CHERRERA	OCD RECEIVED FORM C144 CLEZ. OCD PERMIT # P1-05742	2/7/2013

## Permit Conditions of Approval

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

**Well:** PENNYPACKER 17 STATE #002H

**API:** 30-025-40985

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