

**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 165804

**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 30-025-41143
4. Property Code 39429	5. Property Name TAIPAN 10 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
B	15	23S	33E	B	200	N	2420	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
C	10	23S	33E	C	330	N	1980	W	Lea

**9. Pool Information**

BRINNINSTOOL,BONE SPRING	7320
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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 3705
16. Multiple N	17. Proposed Depth 16198	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	48	1400	1210	0
Int1	12.25	9.625	40	5200	1540	0
Prod	8.75	5.5	17	16198	1345	4700
Prod	8.75	5.5	17	10450	780	0

**Casing/Cement Program: Additional Comments**

13-3/8" Surface Lead: 875 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/sx. TOC @ surface. Tail: 335 sx Cl C Cmt + 2% bwoc CaCl2 + 0.125 #/sx Poly-E-Flake + 63.1% FW, 14.8 ppg, Yld: 1.35 cf/sx. 9-5/8" Intermediate Lead: 1115 sx(65:35) Cl C Cmt:Poz(Fly Ash): + 5% bwow CaCL + 0.125 #/sx Poly-E-Flake + 6% bwoc Bent + 70.9% FW, 12.9 ppg, Yld: 1.85 cf/sx, TOC @ surface. Tail: 425 sx Cl C Cmt + 0.125 #/sx Poly-E-Flake + 63.5% Water, 14.8 ppg, Yld: 1.33 cf/sx. 5-1/2" Production 1st Lead: 455 sx(50:50) Cl H Cmt:Poz (Fly Ash) + 10% bwoc Bent + 8 #/sx CaCL + 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/sx; 2nd Lead: 325 sx(65:35) Cl H Cmt:Poz (Fly Ash) + 6% bwoc Bent + 0.125 #/sx Poly-E-Flake + 0.1% bwoc HR-601 + 74.1% FW, 12.5 ppg, Yld: 1.95 cf/sx. See Comments for Prod. Tail Cement.

**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@dmr.com Date: 4/25/2013   Phone: 405-228-8588	<b>OIL CONSERVATION DIVISION</b> Approved By: Paul Kautz Title: Geologist Approved Date: 4/25/2013   Expiration Date: 4/25/2015 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 165804

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-41143	2. Pool Code 7320	3. Pool Name BRINNINSTOOL;BONE SPRING
4. Property Code 39429	5. Property Name TAIPAN 10 STATE COM	6. Well No. 002H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3705

**10. Surface Location**

UL - Lot B	Section 15	Township 23S	Range 33E	Lot Idn C	Feet From 200	N/S Line N	Feet From 2420	E/W Line E	County LEA
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**11. Bottom Hole Location If Different From Surface**

UL - Lot C	Section 10	Township 23S	Range 33E	Lot Idn C	Feet From 330	N/S Line N	Feet From 1980	E/W Line W	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**

<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: 4/25/2013</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: 3/21/2013 Certificate Number: 12797</p>
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## Permit Comments

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

**Well:** TAI PAN 10 STATE COM #002H

**API:** 30-025-41143

Created By	Comment	Comment Date
dcook	A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the surface casing shoe. The BOP system used to drill the intermediate hole will be tested per BLM Onshore Oil and Gas Order 2. A 3M 13-5/8" BOP system (Double Ram and Annular preventer) will be installed and tested prior to drilling out the intermediate casing shoe. The BOP system used to drill the production hole will be tested per BLM Onshore Oil and Gas Order 2.	4/19/2013
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.	4/19/2013
dcook	Tail: 1345 sx(50:50) CI H Cmt:Poz (Fly Ash) + 1 #/sx CaCL + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.1% bwoc HR-601 + 2% bwoc Bent + 58.8% F W, 14.5 ppg, Yld: 1.22 cf/sx. TOC @ 4700	4/19/2013
pkautz	Land s/S	4/25/2013
CHERRERA	OCD RECIEVED FORM C144 CLEZ. OCD PERMIT # P1-06114	4/26/2013

## Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: TAIWAN 10 STATE COM #002H

API: 30-025-41143

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
pkautz	In order to seal off protectable water, surface casing must be set 25' below top Rustler Anhydrite.