

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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 179791

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
4. Property Code 40329		3. API Number 30-025-41599
5. Property Name SEA SNAKE 35 STATE		6. Well No. 002H

7. Surface Location

UL - Lot N	Section 26	Township 23S	Range 33E	Lot Idn	Feet From 315	N/S Line S	Feet From 1350	E/W Line W	County Lea
---------------	---------------	-----------------	--------------	---------	------------------	---------------	-------------------	---------------	---------------

8. Proposed Bottom Hole Location

UL - Lot N	Section 35	Township 23S	Range 33E	Lot Idn N	Feet From 330	N/S Line S	Feet From 1980	E/W Line W	County Lea
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	-------------------	---------------	---------------

9. Pool Information

TRIPLE X;BONE SPRING	59900
----------------------	-------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3659
16. Multiple N	17. Proposed Depth 16633	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 2/7/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	1350	1250	0
Int1	12.25	9.625	40	5250	1570	0
Prod	8.75	5.5	17	16633	2390	4750

Casing/Cement Program: Additional Comments

13-3/8" Surface Casing: Lead w/690sx CI C Cmt + 0.125 #/sx Poly-E-Flake + 4% bwoc Bent + 70.1% FW, 13.5 ppg, Yld 1.72 cf/sx; water volume 9.08 gal/sx. Tail w/560sx CI C Cmt + 63.5% FW, 14.8 ppg, Yld 1.33 cf/sx; water volume 6.32 gal/sx. TOC @ surface. 9-5/8" Intermediate Casing: Lead w/1140sx (65:35) CI C Cmt: Poz (Fly Ash): 6% BWOC Bent + 5% BWOW Sodium Chloride + 0.125 #/sx Poly-E-Flake + 70.9 % FW, 12.9 ppg, Yld 1.85 cf/sx; water volume 9.81 gal/sx. Tail w/430sx CI C Cmt + 0.125 #/sx Poly-E-Flake + 63.5% FW, 14.8 ppg, Yld 1.33 cf/sx; water volume 6.32 gal/sx. TOC @ surface. 5-1/2" Production Casing: 1st Lead: 550sx (50:50) CI H Cmt: Poz (Fly Ash) + 10% BWOC Bent + 1 #/sx of Kol-Seal + 0.3% BWOC HR-601 + 0.5lb/sk D-Air 5000 + 76.4% FW, 11.9 ppg, Yld 2.26 cf/sx; water volume 12.89 gal/sx.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	
Annular	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 ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Randy Bolles Title: Manager, Regulatory Affairs Email Address: randy.bolles@dvn.com Date: 1/14/2014	Approved By: Paul Kautz Title: Geologist Approved Date: 1/15/2014 Expiration Date: 1/15/2016 Conditions of Approval Attached

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-102
August 1, 2011
Permit 179791

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41599	2. Pool Code 59900	3. Pool Name TRIPLE X;BONE SPRING
4. Property Code 40329	5. Property Name SEA SNAKE 35 STATE	6. Well No. 002H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3659

10. Surface Location

UL - Lot N	Section 26	Township 23S	Range 33E	Lot Idn	Feet From 315	N/S Line S	Feet From 1350	E/W Line W	County Lea
---------------	---------------	-----------------	--------------	---------	------------------	---------------	-------------------	---------------	---------------

11. Bottom Hole Location If Different From Surface

UL - Lot N	Section 35	Township 23S	Range 33E	Lot Idn	Feet From 330	N/S Line S	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

<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>																	OPERATOR CERTIFICATION <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> E-Signed By: Randy Bolles Title: Manager, Regulatory Affairs Date: 1/14/2014 SURVEYOR CERTIFICATION <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> Surveyed By: Filimon Jaramillo Date of Survey: 10/30/2013 Certificate Number: PLS 12797

District I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-8161 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 APD Comments

Permit 179791

PERMIT COMMENTS

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-025-41599
	Well: SEA SNAKE 35 STATE #002H

Created By	Comment	Comment Date
dcook	5-1/2" Production Casing: 2nd Lead w/330sx (65:35) CI H Cmt: Poz (Fly Ash) + 6% BWOC Bent + 0.25% BWOC HR-601 + 0.125 #/sx Poly-E-Flake + 74.1 % FW, 12.5 ppg, Yld 1.96 cf/sx; water volume 10.79 gal/sx. Tail w/1510sx (50:50) CI H Cmt: Poz (Fly Ash) + 1 #/sx Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% bwoc HR-601 + 2% bwoc Bent + 58.8% FW, 14.5 ppg, Yld 1.22 cf/sx; water volume 5.38 gal/sx. TOC @ 4750 ft.	1/14/2014
dcook	Cement volumes Surface 100%, Intermediate 75% and Production Casing based on at least 25% excess Actual cement volumes will be adjusted based on fluid caliper and caliper log data	1/14/2014
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.	1/14/2014
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.	1/14/2014
dcook	Devon requests a variance to use a flexible line with flanged ends between the BOP and the choke manifold (choke line); if an H&P rig drills this well. Otherwise no flex line is needed. The line will be kept as straight as possible with minimal turns.	1/14/2014
dcook	During this procedure, Devon plans to use the Closed-Loop System and haul contents to the required disposal.	1/14/2014
pkautz	Land s/s	1/15/2014

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

Form APD Conditions

Permit 179791

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-025-41599
	Well: SEA SNAKE 35 STATE #002H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	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