

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-8161 Fax:(505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 193541

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 40392		3. API Number 30-015-42706
5. Property Name LONE TREE DRAW 14 STATE COM		6. Well No. 002H

7. Surface Location

UL - Lot	B	Section	14	Township	21S	Range	27E	Lot Idn	Feet From	150	N/S Line	N	Feet From	1875	E/W Line	E	County	Eddy
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8. Proposed Bottom Hole Location

UL - Lot	O	Section	14	Township	21S	Range	27E	Lot Idn	O	Feet From	330	N/S Line	S	Feet From	2200	E/W Line	E	County	Eddy
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9. Pool Information

CARLSBAD, BONE SPRING, EAST	96144
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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 3221
16. Multiple N	17. Proposed Depth 12290	18. Formation Bone Spring	19. Contractor	20. Spud Date
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
Int1	12.25	9.625	36	2950	980	0
Surf	17.5	9.625	48	300	350	0
Prod	8.75	5.5	17	12290	1880	2450

Casing/Cement Program: Additional Comments

Casing Notes: • All casing is new and API approved - Maximum Lateral TVD: 7698' 9-5/8" Intermediate 2-Stage Option 210 12.9 9.81 1.85 Lead (65:35) Class C Cement: Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 70.9 % Fresh Water 220 14.8 6.32 1.33 Tail Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water DV Tool @ 1750ft 13.7 8.66 1.67 Tail Class C Cement + 0.4% BWOC LAP-1 + 0.2% BWOC HR-601 + 0.2 lb/sk D-Air 5000 + 4% BWOC Bentonite + 69.3% Fresh Water

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	
Annular	3000	3000	
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 <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@dvn.com Date: 10/3/2014	OIL CONSERVATION DIVISION Approved By: Randy Dade Title: District Supervisor Approved Date: 10/8/2014 Conditions of Approval Attached
Phone: 405-228-8588	Expiration Date: 10/8/2016

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Form C-102
August 1, 2011
Permit 193541

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-42706	2. Pool Code 96144	3. Pool Name CARLSBAD, BONE SPRING, EAST
4. Property Code 40392	5. Property Name LONE TREE DRAW 14 STATE COM	6. Well No. 002H
7. OGRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3221

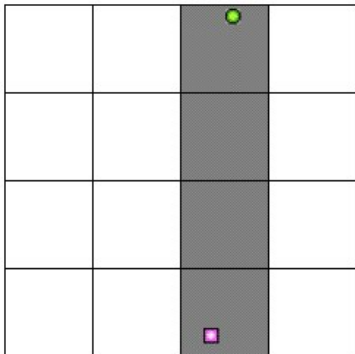
10. Surface Location

UL - Lot B	Section 14	Township 21S	Range 27E	Lot Idn	Feet From 150	N/S Line N	Feet From 1875	E/W Line E	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot O	Section 14	Township 21S	Range 27E	Lot Idn	Feet From 330	N/S Line S	Feet From 2200	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

	<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: 10/3/2014</p> <hr/> <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: 9/26/2013 Certificate Number: 12797</p>
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Form APD Comments

Permit 193541

PERMIT COMMENTS

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102	API Number: 30-015-42706
	Well: LONE TREE DRAW 14 STATE COM #002H

Created By	Comment	Comment Date
Igood	Cement cont'd: 5-1/2" Production Casing 2-Stage Option 430 12.5 10.86 1.96 Lead (65:35) Class H Cement: Poz (Fly Ash) + 6% BWOC Bentonite + 0.25% BWOC HR-601 + 0.125 lbs/sack Poly-E-Flake + 74.1 % Fresh Water 1340 14.5 5.38 1.22 Tail (50:50) Class H Cement: Poz (Fly Ash) + 1 lb/sk Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% bwoc HR-601 + 2% bwoc Bentonite + 58.8% Fresh Water DV Tool @ 4500ft 210 11.9 12.89 2.26 Lead (50:50) Class H Cement: Poz (Fly Ash) + 10% BWOC Bentonite + 1 lb/sk of Kol-Seal + 0.3% BWOC HR-601 + 0.5lb/sk D-Air 5000 + 76.4% Fresh Water 120 14.8 6.32 1	10/3/2014
Igood	Notes: Cement volumes Surface 100%, Intermediate 75%, Production based on at least 25% excess - Actual cement volumes will be adjusted based on fluid caliper and caliper log data If lost circulation is encountered while drilling the production and/or the intermediate wellbores, a DV tool will be installed a minimum of 50' below the previous casing shoe and of 200' above the current shoe. If the DV tool has to be moved, the cement volumes will be adjusted proportionately.	10/3/2014
Igood	C-102, Drilling Program and Directional plan submitted via Fed-ex.	10/3/2014
CSHAPARD	Land s/s	10/8/2014

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Form APD Conditions

Permit 193541

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: DEVON ENERGY PRODUCTION COMPANY, LP [6137] 333 W. Sheridan Avenue Oklahoma City, OK 73102		API Number: 30-015-42706
		Well: LONE TREE DRAW 14 STATE COM #002H
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	