DATE IN 11/22/13	SUSPENSE	ENGINEER PG	LOGGED IN 11/22/13	TYPE SWD	APP NO. pPRG1332656858

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

Devon Energy Prod LP
Cotton Draw 32 State
SWD #2
30-025 ~~Pending~~ 41524

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

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[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Stephanie A. Porter		Operations Technician	11/21/2013
Print or Type Name	Signature	Title	Date

Stephanie.Porter@dvn.com
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery ___Pressure Maintenance ___X___Disposal _____Storage
Application qualifies for administrative approval? __X_____Yes _____No

II. OPERATOR: ____Devon Energy Production Company, LP_____

ADDRESS: _____333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102-5010_____

CONTACT PARTY: __Stephanie A. Porter_____PHONE: _405-552-7802

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes __X_____No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: ____Stephanie A. Porter_____TITLE: _____Operations Technician____
SIGNATURE: _____DATE: 11/21/2013

E-MAIL ADDRESS: _____Stephanie.Porter@dvn.com_____

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

(1) The name, address, phone number, and contact party for the applicant;

(2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;

(3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Side 1

INJECTION WELL DATA SHEET

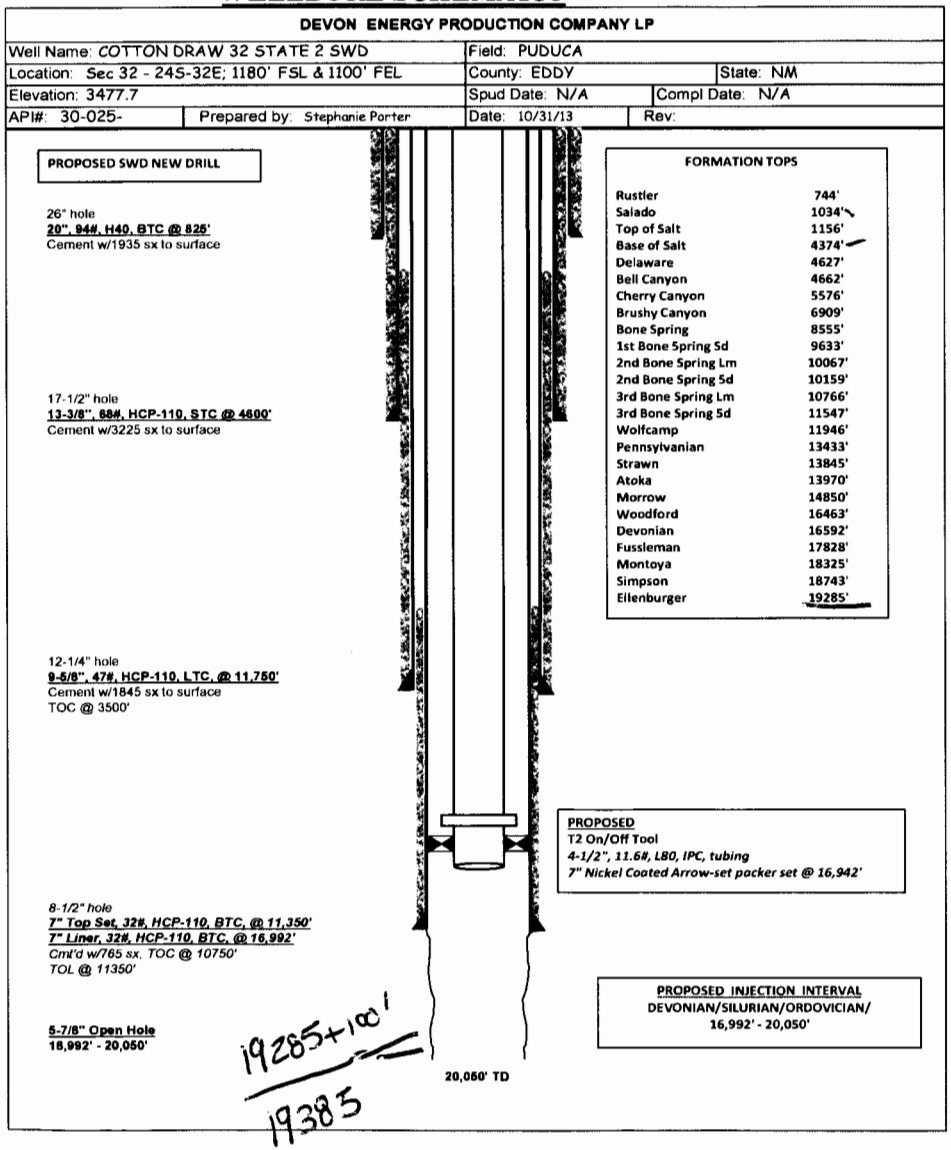
OPERATOR: Devon Energy Production Company, LP

WELL NAME & NUMBER: COTTON DRAW 32 STATE SWD 2

WELL LOCATION: 1180' FSL & 1000' FEL P Sec 32 T24S R32E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 26" Casing Size: 20",94# @ 825'

Cemented with: 1935 sx. *or* ft³

Top of Cement: Surface Method Determined: Circ. cement

Intermediate Casing

Hole Size: 17-1/2" Casing Size: 13-3/8", 68#, @ 4600'

Cemented with: 3225 sx. *or* ft³

Top of Cement: Surface Method Determined: Circ. cement

Intermediate Casing

Hole Size: 12-1/4" Casing Size: 9-5/8", 47#, @ 11750'

Cemented with: 1845 sx. *or* ft³

Top of Cement: 3500' Method Determined: Calc TOC

Production Casing

Hole Size: ~~7"~~ 8 1/2" Casing Size: 7", 32#, @ 16992'

Cemented with: 765 sx. *or* ft³

Top of Cement: 10750' Method Determined: Calc TOC

Total Depth: 20050'

Injection Interval (Open Hole)

16992' to ~~20050'~~ 19385

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 4-1/2" Lining Material: ___IPC_____

Type of Packer: ___7" Nickel Coated Arrowset Packer_____

Packer Setting Depth: +/- 16942'_____

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? Yes

   If no, for what purpose was the well originally drilled? _____

   _____

2. Name of the Injection Formation: ____Devonian/Silurian/Ordovician/Cambrian/Pre-Cambrian___

3. Name of Field or Pool (if applicable): ____(to be assigned)___

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. n/a

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

   Rustler 744 (Barren); Salado 1034 (Barren); Top of Salt 1156 (Barren); Base of Salt 4374 (Barren); Delaware 4627 (Oil); Bell Canyon 4662 (Oil); Cherry Canyon 5576 (Oil); Brushy Canyon 6909 (Oil); Bone Spring 8555 (Oil/Gas); 1st Bone Spring 9633 (Oil/Gas); 2nd Bone Spring Lime 10067 (Oil/Gas); 2nd Bone Spring Sand 10159 (Oil/Gas); 3rd Bone Spring Lime (Oil/Gas) 10766; 3rd Bone Spring Sand 11547 (Oil Gas); Wolfcamp 11946 (Gas); Pennsylvanian 13433 (Gas); Strawn 13845 (Gas); Atoka 13970 (Gas); Morrow 14850 (Gas); Woodford 16463 (Barren), Devonian 16592 (Barren); Fussleman 17828 (Barren); Montoya 18325 (Barren); Simpson 18743' (Barren); Ellenburger 19285 (Barren)

Proposed Injection Well: Cotton Draw 32 State SWD 2
API: 30-025-
APPLICATION FOR INJECTION
Form C-108 Section III

III. Well Data--On Injection Well

A. Injection Well Information

(1)	**Lease**	Cotton Draw 32 State SWD
	Well No	2
	Location	1180' FSL & 1000' FEL
	Sec,Twn,Rnge	Sec 32-T24S-R32E
	Cnty, State	Lea County, NM
(2)	**Casing**	20", 94#, J55, BTC, @ 825' Cmt'd w/1935 sx, circ cmt to surf 13-3/8", 68#, HCP-110, STC @ 4600' Cmt'd w/3225 sx, circ cmt to surf 9-5/8", 47#, HCP-110, LTC, @ 11,750' Cmt'd w/1845, circ cmt to surf 7" top set, 32#, HCP-110, BTC @ 11750' 7" liner, 32#, HCP-110, BTC @ 16992' Cmt w/765 sx, TOL @ 11350'
(3)	**Injection Tubing**	4-1/2" IPC injection tubing
(4)	**Packer**	7" Nickel Coated Arrowset Packer @ +/- 16942'

B. Other Well Information

(1)	**Injection Formation:**	Devonian/Silurian/Ordovician
	Field Name:	(to be assigned)
(2)	**Injection Interval:**	16992 - 20050'

(3) **Original Purpose of Wellbore:**

Drill and convert to SWD

(4) **Other perforated intervals:**

n/a

(5) **Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well if any.**

Rustler 744 (Barren); Salado 1034 (Barren); Top of Salt 1156 (Barren); Base of Salt 4374 (Barren); Delaware 4627 (Oil); Bell Canyon 4662 (Oil); Cherry Canyon 5576 (Oil); Brushy Canyon 6909 (Oil); Bone Spring 8555 (Oil/Gas); 1st Bone Spring 9633 (Oil/Gas); 2nd Bone Spring Lime 10067 (Oil/Gas); 2nd Bone Spring Sand 10159 (Oil/Gas); 3rd Bone Spring Lime (Oil/Gas) 10766; 3rd Bone Spring Sand 11547 (Oil Gas); Wolfcamp 11946 (Gas); Pennsylvanian 13433 (Gas); Strawn 13845 (Gas); Atoka 13970 (Gas); Morrow 14850 (Gas); Woodford 16463 (Barren), Devonian 16592 (Barren); Fussleman 17828 (Barren); Montoya 18325 (Barren); Simpson 18743' (Barren); Ellenburger 19285 (Barren)

Proposed Injection Well: Cotton Draw 32 State SWD 2
API: 30-025-
APPLICATION FOR INJECTION
Form C-108 Section VII to XIII

VII Attach data on the proposed operation, including:

(1) Proposed average injection rate: 7500 BWPD
Proposed maximum injection rate: 15000 BWPD

(2) The system will be a closed system.

(3) Proposed average injection pressure: 1699 psi
Proposed max injection pressure: 3398 psi

(4) The injection fluid will be produced water from area wells producing from the Delaware and/or Bone Spring formation that will be injected into the Devonian/Silurian/Ordovician/Cambrian/Pre-Cambrian formation.

(5) A representative water analysis is submitted for the Delaware & Bone Spring, Devonian formation(s).

VIII Geologic Injection Zone Data

The injection zone is the Devonian formation from 16992' to 20050'. The gross injection interval is 3058' thick. The Devonian/Silurian/Ordivician/Cambrian/Pre-Cambrian formation is a Permian aged sandstone. The average depth to fresh water is 100' in this area.

IX Proposed Stimulation

Based on injectivity results this interval could be acid stimulated.

X Log Data

Logs will be submitted to the OCD.

XI Fresh Water Analysis

A Fresh Water Analysis Report for the Paduca Delaware Water Well, in Sec 2-T25S-R31E located @ Lat 32.09' 56.7" Long -103.44' 51.3" has been provided.

XII Geologic / Engineering Statement

An examination of this area has determined there are no open faults or other hydrologic connection between the disposal zone and any underground drinking water.

See supporting documentation and summary next 3 pages.

Craig Harran, Geologist
Direct #: (405)-228-7711
Cell #: (405)-626-2369

Date: 11/20/13

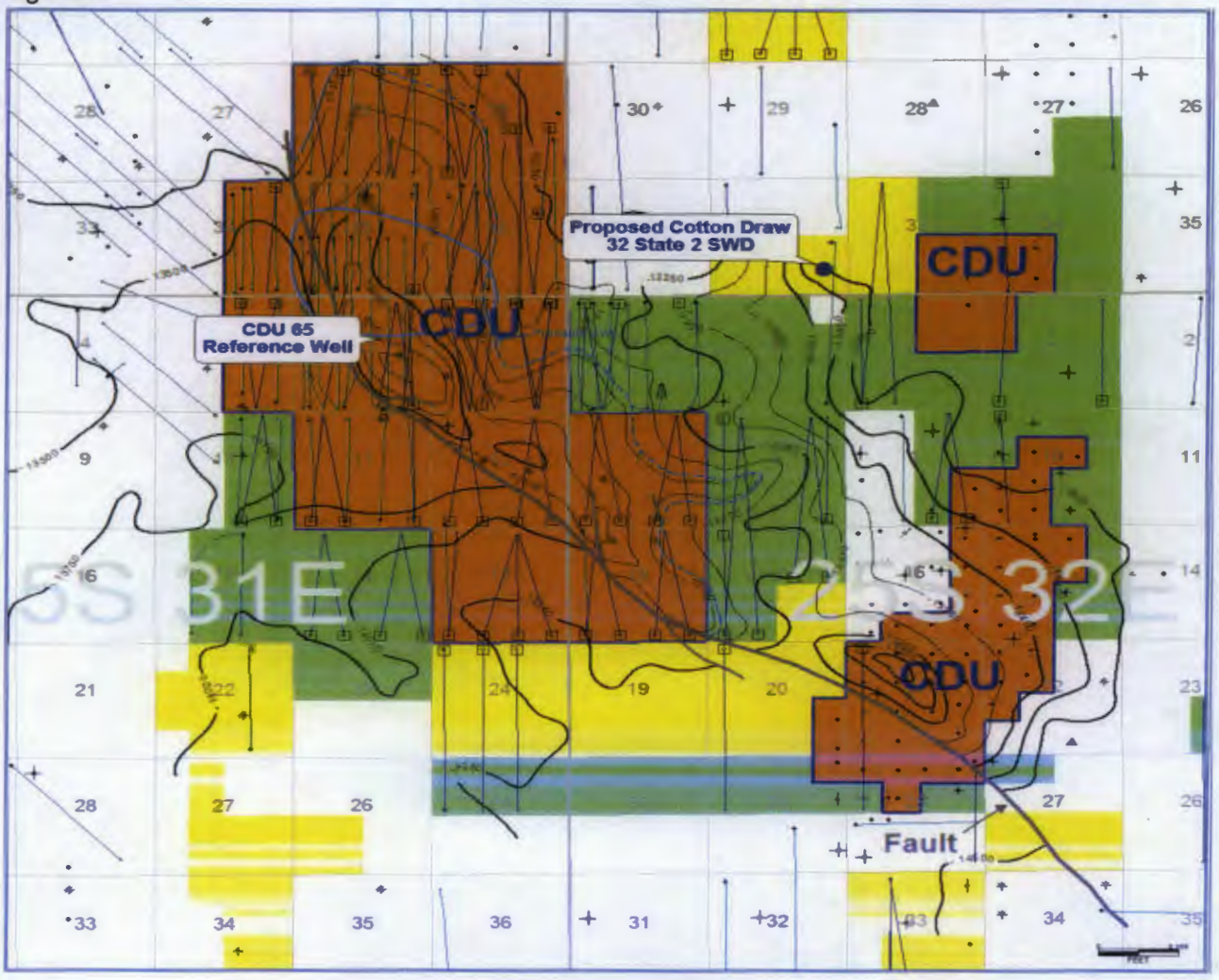
XIII Proof of Notice

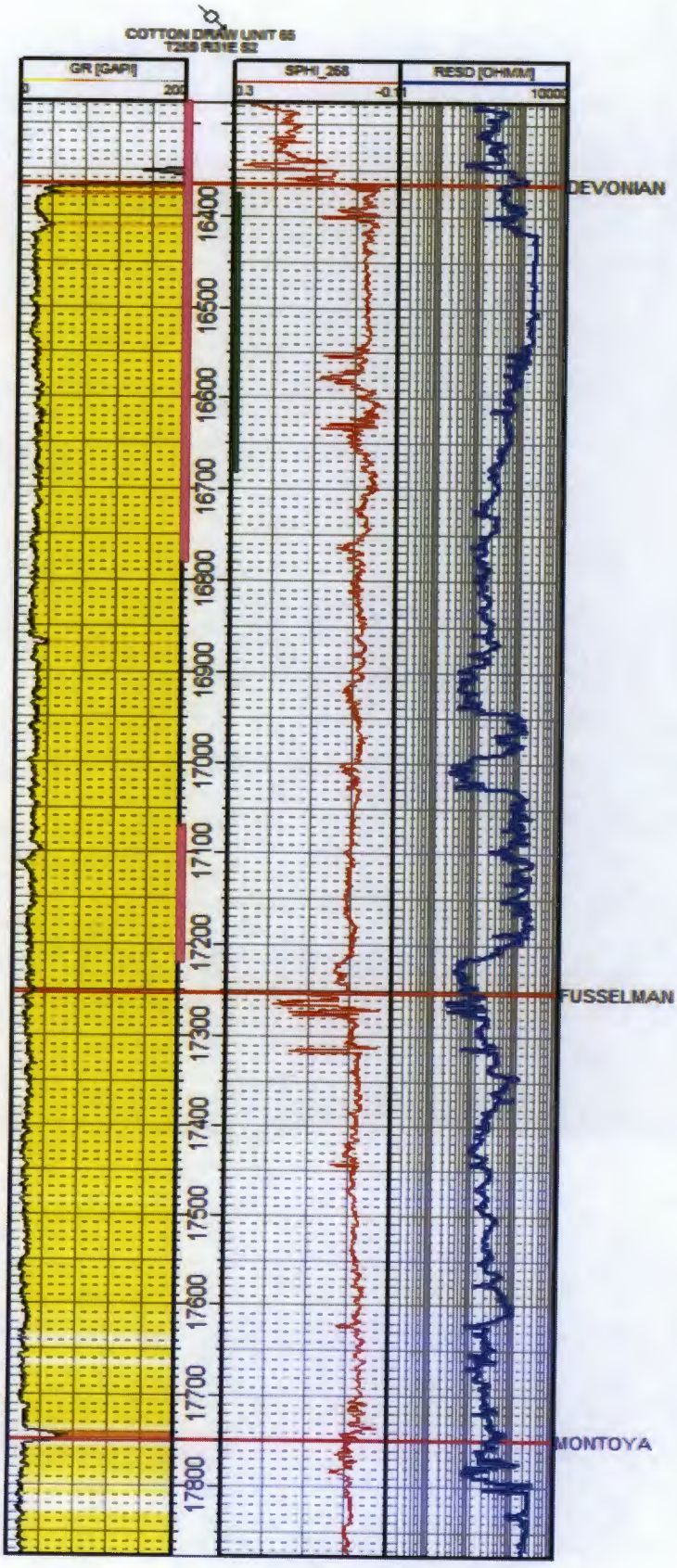
Proof of notice to surface owner, and public legal notification are attached.

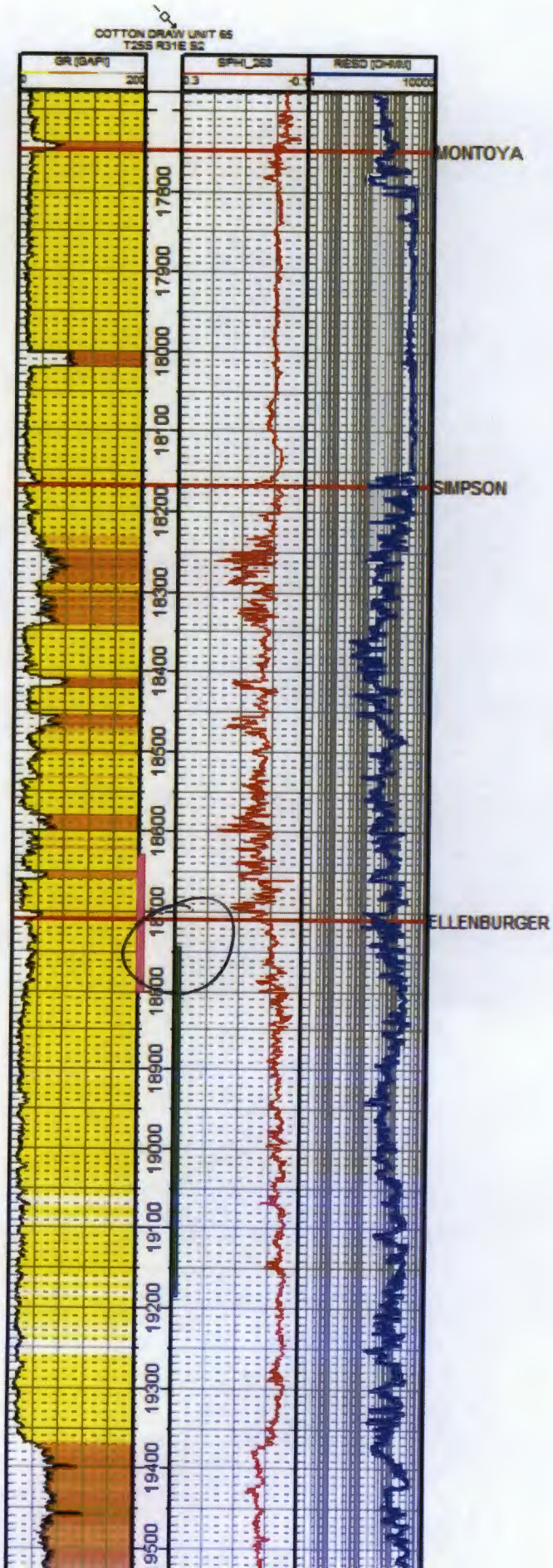
The proposed Cotton Draw 32 State 2 SWD is a Siluro-Devonian injection well that will target injecting produced water into the Devonian, Fusselman, Montoya, Simpson, and Ellenburger Formations. Attached in Figure 1 is a top of Devonian structure map (in feet Mean Sea Level) that shows the location of the Cotton Draw 32 State 2 SWD in T24SR32E, to the east of the main part of Cotton Draw Unit. The proposed location is structurally downdip from historic and current Devonian gas producers to the southwest, so it is anticipated that injection into the Devonian and lower formations from the Cotton Draw 32 State 2 SWD will not impact gas production.

Attached in Figures 2a and 2b are the logs for the CDU 65 reference well (~3.3 miles to the southwest), which was split in two over the proposed injection zone for ease of viewing. To the left of the depth track is gamma ray, with porosity and resistivity to the right, respectively. Figure 2a shows the top of the Devonian to the top of the Montoya Formations, and Figure 2b shows the top of the Montoya to base of the Ellenburger Formations, which is essentially Pre-Cambrian basement at 19,370'. The lithology of the proposed injection intervals is predominately limestone and dolomite, with fractures providing the main porosity and permeability that will take injection water. The proposed injection interval is ~3,000 feet (16,992'-20,050') in the Cotton Draw 32 State 2 SWD, which could be modified based on drilling results or log data which indicate high porosity zones in limestone or dolomite due to fractures.

Figure 1




COTTON DRAW UNIT 65
T25S R31E S2
GR [GAPI]
0
200
SPHI_2SS
0.3
-0.1
RESD [OHMM]
1
1000
DEVONIAN
FUSSELMAN
MONTOYA
16400
16500
16600
16700
16800
16900
17000
17100
17200
17300
17400
17500
17600
17700
17800


COTTON DRAW UNIT 6S
T25S R31E S2
GR [GAPI]
0
200
SPHI_2SS
0.3
-0.1
RESD [OHMM]
0.2
2000
MONTOYA
SIMPSON
ELLENBURGER
17800
17900
18000
18100
18200
18300
18400
18500
18600
18700
18800
18900
19000
19100
19200
19300
19400
19500

DEVON ENERGY PRODUCTION COMPANY LP

Well Name: COTTON DRAW 32 STATE 2 SWD		Field: PUDUCA	
Location: Sec 32 - 24S-32E; 1180' FSL & 1100' FEL		County: EDDY	State: NM
Elevation: 3477.7		Spud Date: N/A	Compl Date: N/A
API#: 30-025-	Prepared by: Stephanie Porter	Date: 10/31/13	Rev:

PROPOSED SWD NEW DRILL

26" hole
20", 94#, H40, BTC @ 825'
Cement w/1935 sx to surface

17-1/2" hole
13-3/8", 68#, HCP-110, STC @ 4600'
Cement w/3225 sx to surface

12-1/4" hole
9-5/8", 47#, HCP-110, LTC, @ 11,750'
Cement w/1845 sx to surface
TOC @ 3500'

Proposed SWD Conversion
ACID 40,000 GAL 15% HCL

8-1/2" hole
7" Top Set, 32#, HCP-110, BTC, @ 11,350'
7" Liner, 32#, HCP-110, BTC, @ 16,992'
Cmt'd w/765 sx, TOC @ 10750'
TOL @ 11350'

5-7/8" Open Hole
16,992' - 20,050'

FORMATION TOPS

Rustler	744'
Salado	1034'
Top of Salt	1156'
Base of Salt	4374'
Delaware	4627'
Bell Canyon	4662'
Cherry Canyon	5576'
Brushy Canyon	6909'
Bone Spring	8555'
1st Bone Spring Sd	9633'
2nd Bone Spring Lm	10067'
2nd Bone Spring Sd	10159'
3rd Bone Spring Lm	10766'
3rd Bone Spring Sd	11547'
Wolfcamp	11946'
Pennsylvanian	13433'
Strawn	13845'
Atoka	13970'
Morrow	14850'
Woodford	16463'
Devonian	16592'
Fussleman	17828'
Montoya	18325'
Simpson	18743'
Ellenburger	19285'

calc. 10,700

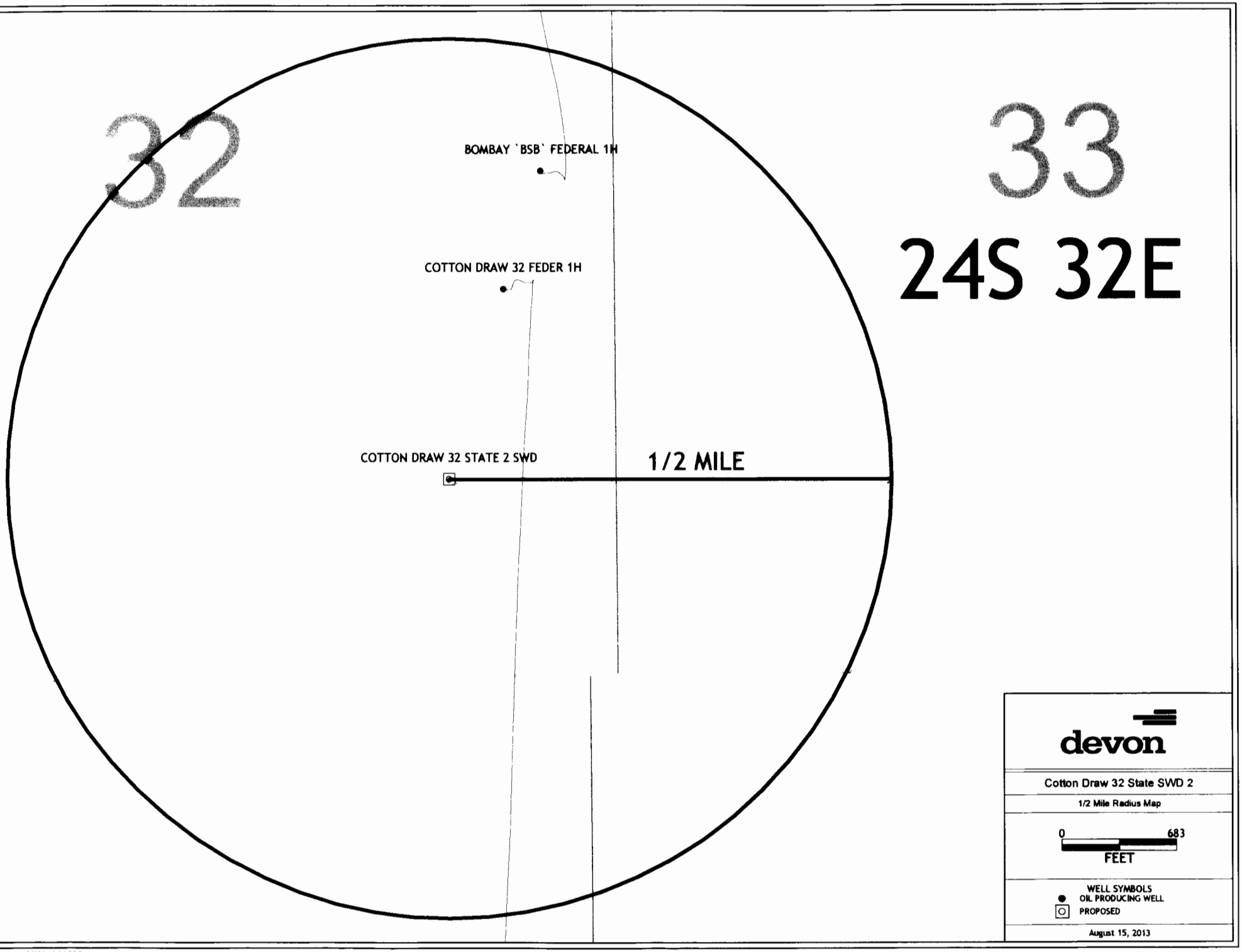
11,750

PROPOSED
T2 On/Off Tool
4-1/2", 11.6#, L80, IPC, tubing
7" Nickel Coated Arrow-set packer set @ 16,942'

PROPOSED INJECTION INTERVAL
DEVONIAN/SILURIAN/ORDOVICIAN/
16,992' - ~~20,050'~~

Top of Ellenburger +/- 19,285'

~~20,050' TD~~



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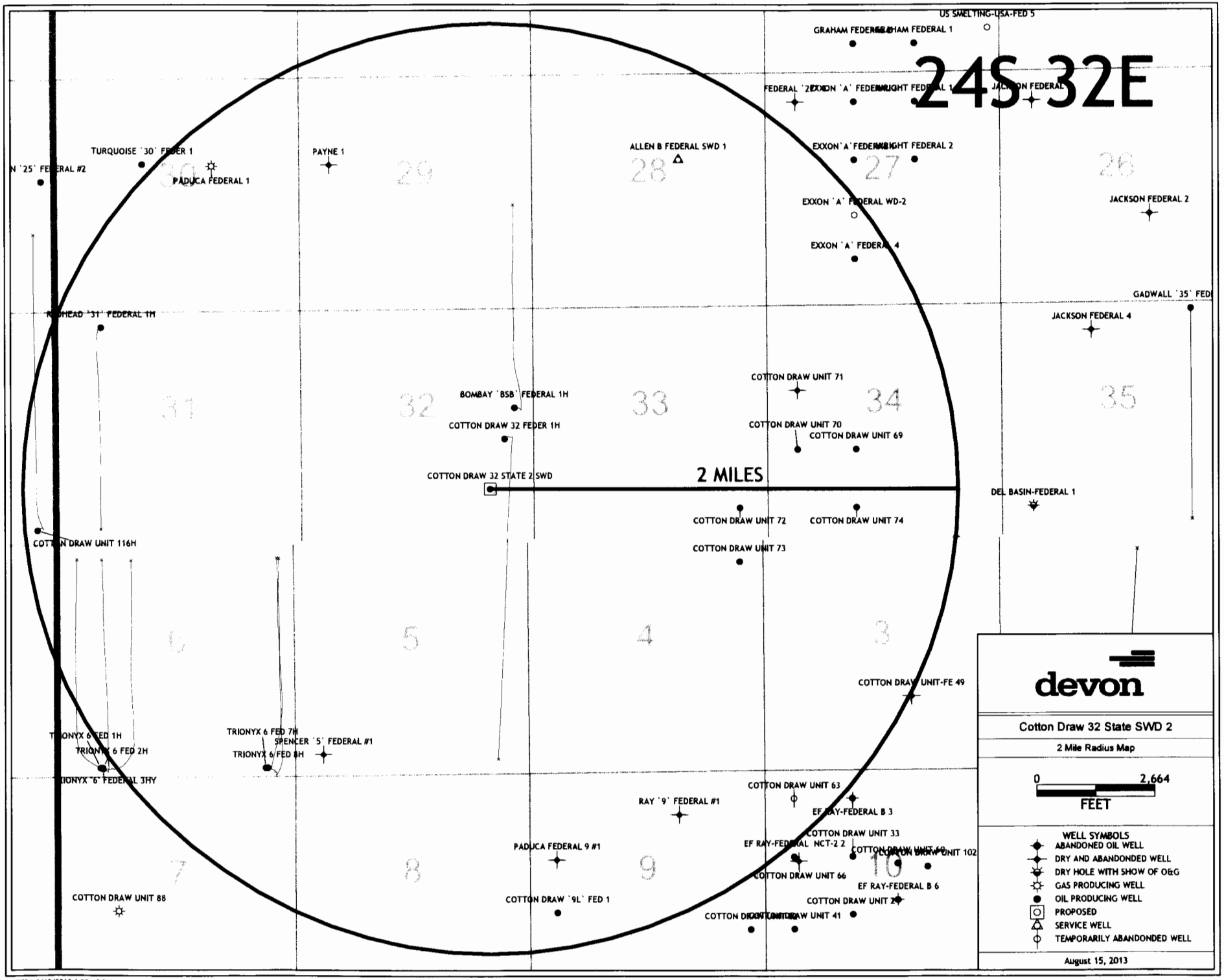

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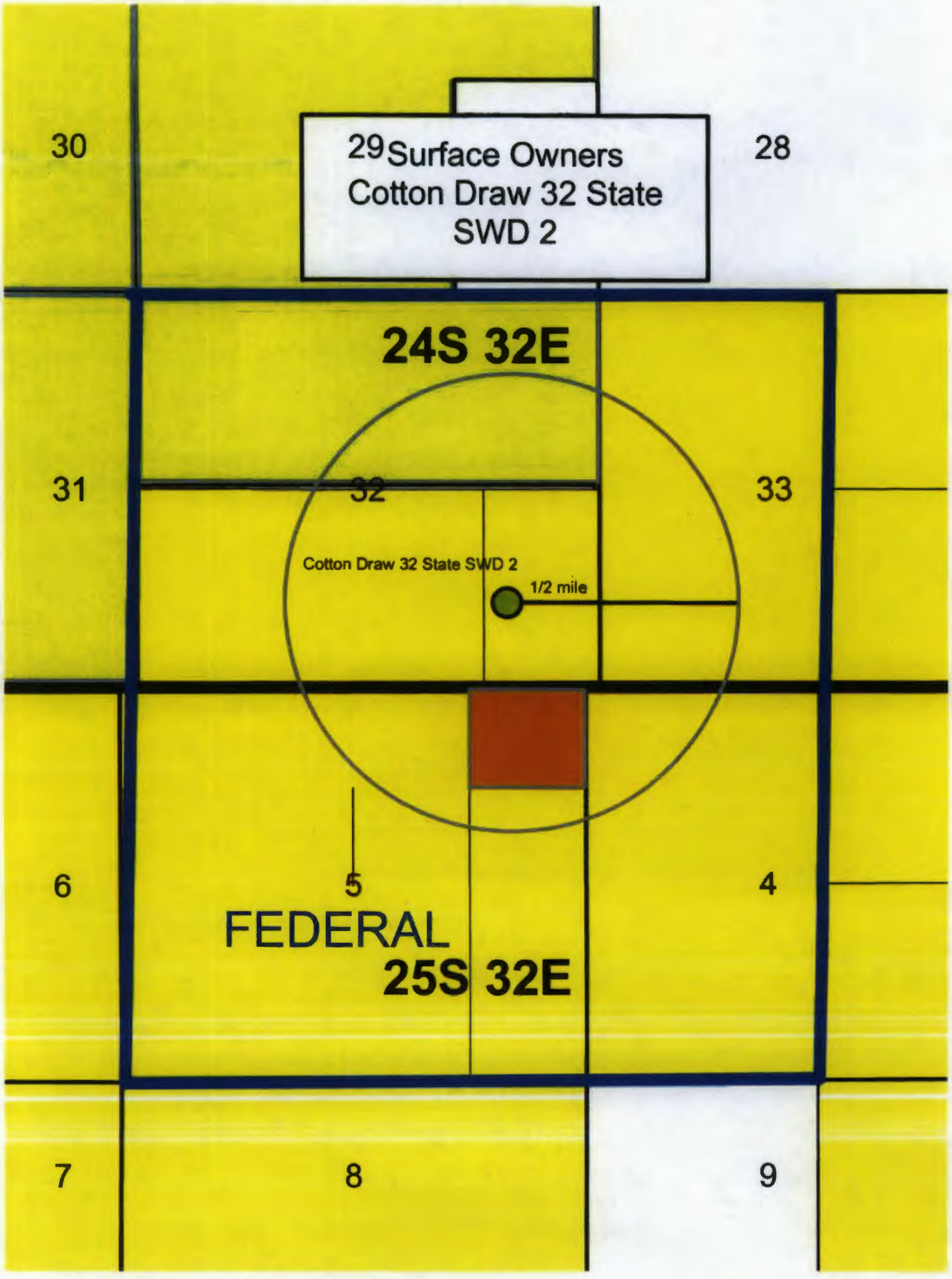
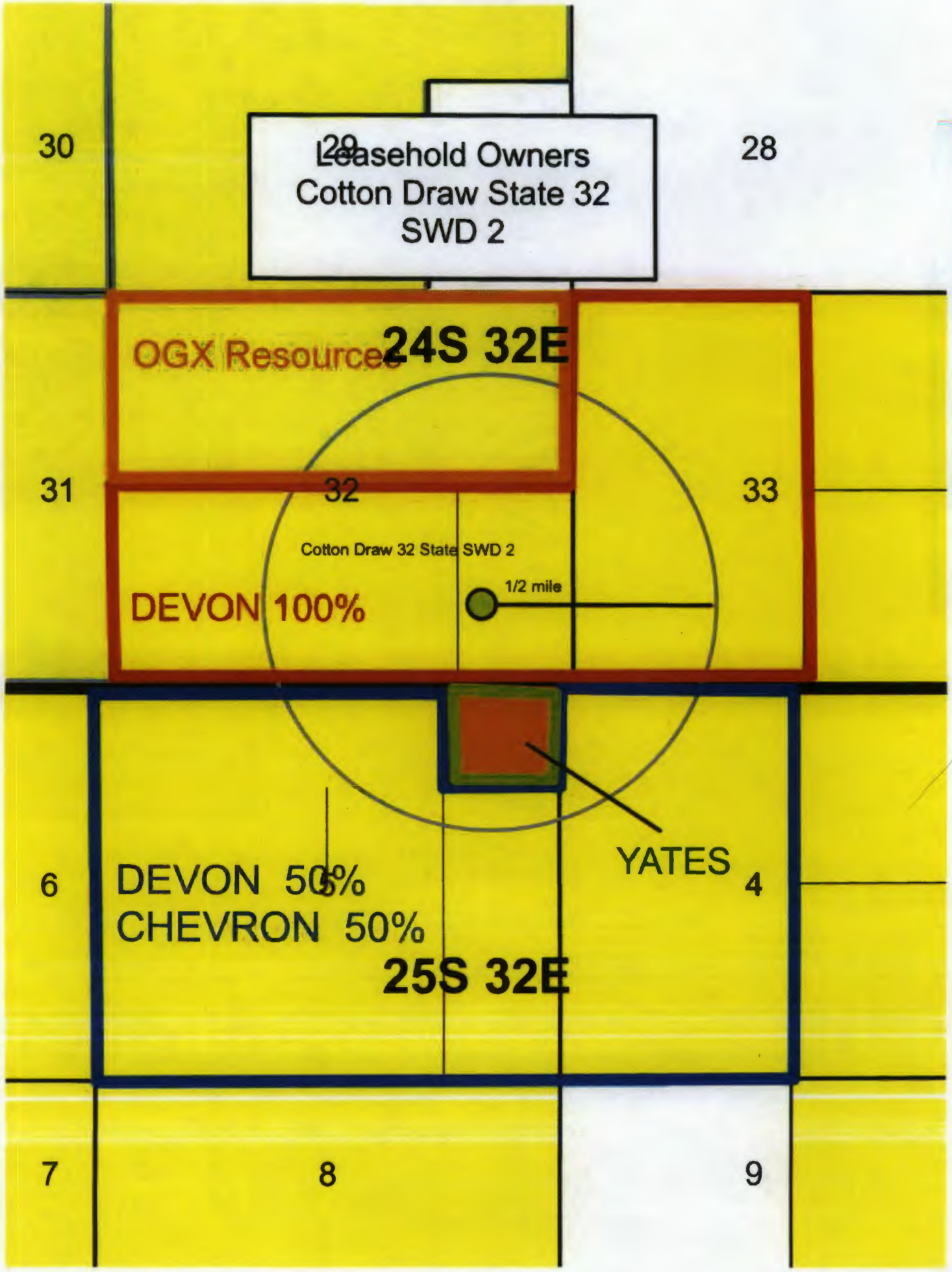
C108 ITEM VI--Well Tabulation in 1/2 Mile Review Area
Devon Energy Production Company, LP
Proposed Inj Well: Cotton Draw 32 State SWD 2
Proposed Formation: Devonian/Silurian/Ordovician/Cambrian/Pre-Cambrian
Proposed Interval: 16992' - 20050'

Operator	Well Name	API NO	County	Surf Location	Sec	Twn	Rnge	Type	Status	Spud Date	Comp Date	TD	PBTD	Comp Zone	Comp Interval-Ft	Casing Program	Cement / TOC
Devon Energy Prod Co LP	Cotton Draw 32 State SWD 2	30-025-	Lea	1180' FSL 1000' FEL	32	24S	32E	Inj	To Be Drilled	To Be Drilled	To Be Drilled	20050	20050	Devonian	16992-20050'	20", 94# @ 825' 13-3/8", 68#, @ 4600' 9-5/8", 47#, @ 11750' 7" top set, 32#, @ 11350' 7" liner, 32#, @ 16992'	1935 sx / surface 3225 sx / surface 1845 sx / 3500 toc 765 sx / 10750 toc
Devon Energy Prod Co LP	Cotton Draw 32 State 1	30-025-40583	Lea	2310' FSL 660' FEL	32	24S	32E	Oil	Active	0719/2012	10/22/2012	15522	15520	Delaware	8709-15507'	13-3/8", 48#, @ 875' 9-5/8", 40#, @ 4544' 5-1/2", 17#, @ 15522'	1009 sx / surface 1200 sx / surface 2999 sx / 4330 toc
Yates Petroleum Corporation	Bombay BSB Federal Com 1	30-025-40718	Lea	2310' FNL 430' FEL	32	24S	32E	Oil	Active	9/2/2012	12/25/2012	12837	12745	Delaware	8803-12740'	20", @ 40' 3/8", 48#, @ 873' 9-5/8", 36#, @ 4599' 5-1/2", 17#, @ 12837'	13-27 sx / surface 850 sx / surface 1500 sx / surface 1680 sx / 3644 cbl

ϕ wells


30
29 Surface Owners
Cotton Draw 32 State
SWD 2
28
24S 32E
31
32
33
Cotton Draw 32 State SWD 2
1/2 mile
6
5
4
FEDERAL
25S 32E
7
8
9


30
29
28
Leasehold Owners
Cotton Draw State 32
SWD 2
OGX Resources
24S 32E
31
32
33
Cotton Draw 32 State SWD 2
1/2 mile
DEVON 100%
YATES
6
DEVON 50%
CHEVRON 50%
4
25S 32E
7
8
9

Leasehold Ownership
½ Mile Cotton Draw 32 State SWD 2

24S-32E Section 32: S/2

1. Devon Energy Prod. Co., LP
   20 N Broadway — Oklahoma City, OK — 73102-0000

24S-32E Section 32: N/2

1. OGX Resources, LLC
   P.O. Box 11148 — Midland, TX — 79702

24S-32E Section 33: W/2

1. Devon Energy Prod. Co., LP
   20 N Broadway — Oklahoma City, OK — 73102-0000

25S-32E Section 5: All less the NE/4 NE/4

1. Devon Energy Prod. Co., LP
   20 N Broadway — Oklahoma City, OK — 73102-0000
2. Chevron North America Exploration and Production
   1400 Smith Street — Houston, TX — 77002

25S-32E Section 5: NE/4 NE/4

1. Yates Petroleum Company
   105 South Fourth Street — Artesia, NM — 88210-2118
2. ABO Petroleum Company
   105 South Fourth Street — Artesia, NM — 88210-2118
3. OXY Y-1 Company
   105 South Fourth Street — Artesia, NM — 88210-2118

25S-32E Section 4: W/2

1. Devon Energy Prod. Co., LP
   20 N Broadway — Oklahoma City, OK — 73102-0000
3. Chevron North America Exploration and Production
   1400 Smith Street — Houston, TX — 77002

24S-32E Section 32: S/2	**APO**
Devon Energy Prod Co LP	100.00000

Section XIV--Proof of Notice to Leasehold Operators
Devon Energy Prod Co LP
C108 Application For Injection
Proposed Well: Cotton Draw 32 State SWD 2

Proof of Notice to Leasehold Operators within 1/2 mile of Cotton Draw 32 State SWD 2

OGX Resources, LLC
P.O. Box 11148
Midland, Texas 79702

Certified receipt No.
7008 1830 0002 7421 2568

Chevron North America Exploration
1400 Smith Street
Houston, Texas 77002

Certified receipt No.
7008-1830-0003-1986-3403

Yates Petroleum Company
105 South Fourth Street
Artesia, New Mexico 88210-2118

Certified receipt No.
7008-1830-0003-1986-3410

ABO Petroleum Company
105 South Fourth Street
Artesia, New Mexico 88210-2118

Certified receipt No.
7008-1830-0002-7421-5033

OXY Y-1 Company
105 South Fourth Street
Artesia, New Mexico 88210-2118

Certified receipt No.
7008-1830-0002-7421-5026

A copy of this application has been mailed to the above leasehold operators by certified mail, pertaining to Devon Energy's application for salt water disposal in the Cotton Draw 32 State SWD 2.

Date Mailed: 11/21/2013

Signature:

Date: 11/21/2013

Stephanie A. Porter, Operations Technician
Devon Energy Production Co., L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102

Section XIV--Proof of Notice to Surface Land Owner
Devon Energy Prod Co LP
C108 Application For Injection
Proposed Well: Cotton Draw 32 State SWD 2

Proof of Notice to Surface Land Owner of well location site.

Certified receipt No.
7008 1830 0002 7421 2582

Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220

A copy of this application has been mailed to the above surface land owner by certified mail, pertaining to Devon Energy's application for salt water disposal in the Cotton Draw 32 State 2 SWD.

Date Mailed: 11/21/2013

Signature: _____ Date: 11/21/2013

Stephanie A. Porter, Operations Technician
Devon Energy Production Co., L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102

Cotton Draw 32 State 2 SWD
C108 Application for Injection
Injection Water Analysis
Delaware Formation
Devon Energy Production Co LP

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33521.1
Region:	PERMIAN BASIN	Account Manager:	GENE ROGERS (575) 910-1022
Area:	ARTESIA, NM	Sample #:	633542
Lease/Platform:	NEW MEXICO COM UNIT	Analysis ID #:	125781
Entity (or well #):	3	Analysis Cost:	$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summary	
Sampling Date:	10/19/12
Analysis Date:	10/31/12
Analyst:	SANDRA GOMEZ
TDS (mg/l or g/m3):	232774.2
Density (g/cm3, tonne/m3):	1.16
Anion/Cation Ratio:	1
Carbon Dioxide:	240 PPM
Oxygen:	
Comments:	

Analysis of Sample 633542 @ 75 ℉

Anions	mg/l	meq/l	Cations	mg/l	meq/l
Chloride:	**143232.0**	**4040.05**	**Sodium:**	**67508.7**	**2936.46**
Bicarbonate:	**73.2**	**1.2**	**Magnesium:**	**3523.0**	**289.82**
Carbonate:	**0.0**	**0.**	**Calcium:**	**15857.0**	**791.27**
Sulfate:	**887.0**	**18.47**	**Strontium:**	**440.0**	**10.04**
Phosphate:			**Barium:**	**0.1**	**0.**
Borate:			**Iron:**	**3.0**	**0.29**
Silicate:			Potassium:	1245.0	31.84
			Aluminum:		
Hydrogen Sulfide:		0 PPM	Chromium:		
pH at time of sampling:		7.07	Copper:		
pH at time of analysis:			Lead:		
pH used in Calculation:		**7.07**	Manganese:	0.200	0.01
			Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite $CaCO_3$		Gypsum $CaSO_4*2H_2O$		Anhydrite $CaSO_4$		Celestite $SrSO_4$		Barite $BaSO_4$		CO_2 Press
℉	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	0.83	4.20	0.00	3.08	0.04	33.62	0.05	21.57	-0.49	0.00	0.04
100	0	0.83	4.76	-0.07	0.00	0.03	27.18	0.03	12.89	-0.69	0.00	0.05
120	0	0.83	5.32	-0.13	0.00	0.05	41.47	0.02	9.53	-0.86	0.00	0.07
140	0	0.84	5.88	-0.18	0.00	0.09	71.16	0.03	10.65	-1.01	0.00	0.09

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

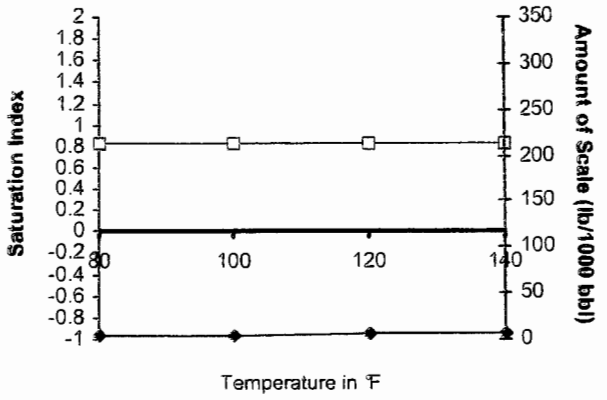
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

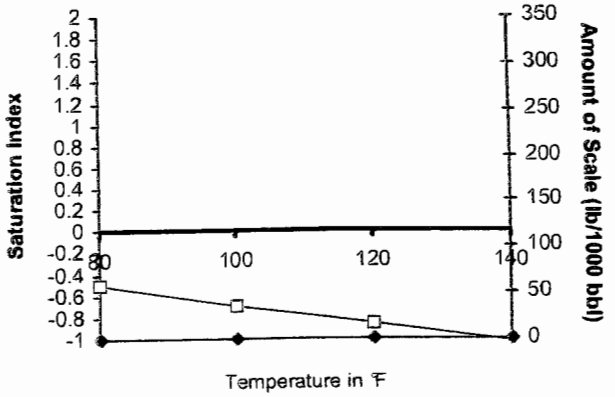
Scale Predictions from Baker Petrolite

Analysis of Sample 633542 @ 75 °F for DEVON ENERGY CORPORATION, 10/31/12

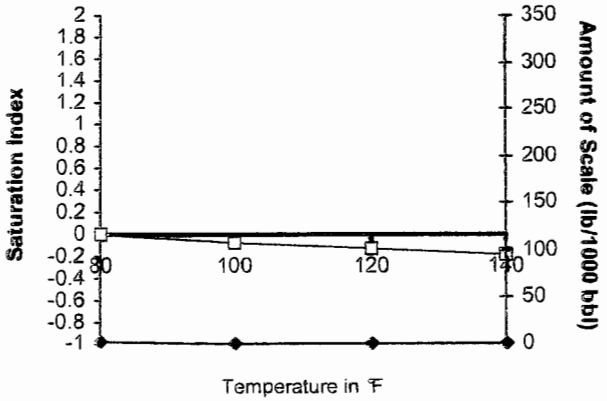
Calcite - CaCO3



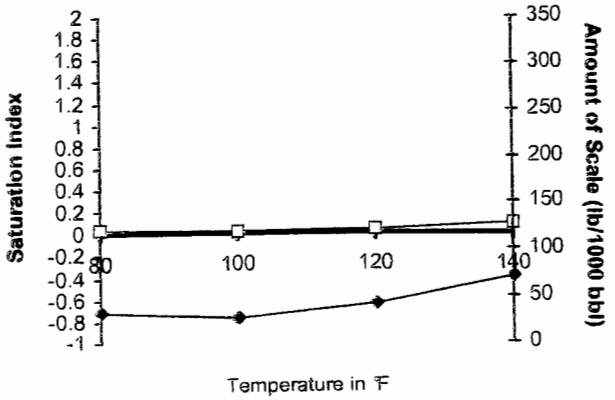
Barite - BaSO4



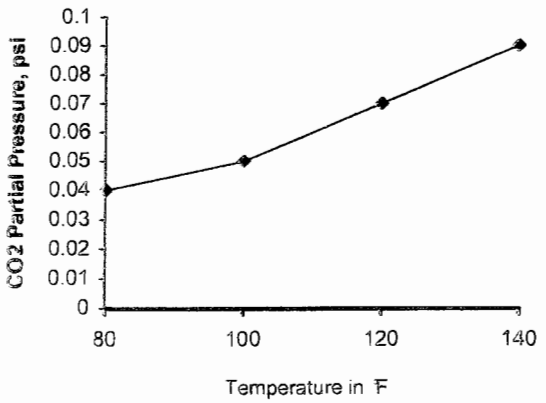
Gypsum - CaSO4*2H20



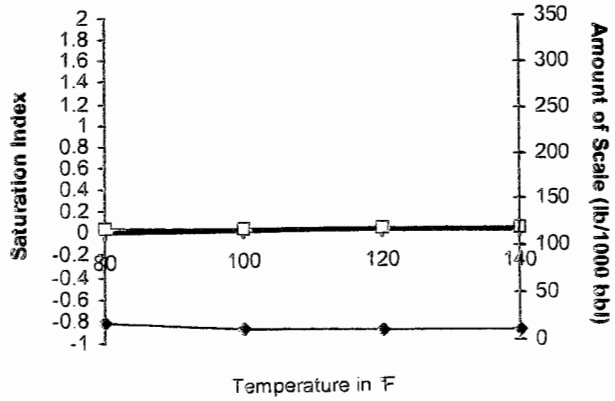
Anhydrite - CaSO4



Carbon Dioxide Partial Pressure



Celestite - SrSO4



Cotton Draw 32 State 2 SWD
C108 Application for Injection
Injection Water Analysis
Bone Spring Formation
Devon Energy Production Co LP

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33521.1
Region:	PERMIAN BASIN	Account Manager:	GENE ROGERS (575) 910-1022
Area:	ARTESIA, NM	Sample #:	633540
Lease/Platform:	CAPELLA UNIT	Analysis ID #:	125780
Entity (or well #):	1	Analysis Cost:	$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summary	
Sampling Date:	10/19/12
Analysis Date:	10/31/12
Analyst:	SANDRA GOMEZ
TDS (mg/l or g/m3):	199313.2
Density (g/cm3, tonne/m3):	1.142
Anion/Cation Ratio:	1
Carbon Dioxide:	250 PPM
Oxygen:	
Comments:	

Analysis of Sample 633540 @ 75 °F

Anions	mg/l	meq/l	Cations	mg/l	meq/l
Chloride:	120450.0	3397.46	**Sodium:**	62153.2	2703.51
Bicarbonate:	61.0	1.	**Magnesium:**	1705.0	140.26
Carbonate:	0.0	0.	**Calcium:**	10875.0	542.66
Sulfate:	1966.0	40.93	**Strontium:**	431.0	9.84
Phosphate:			**Barium:**	0.5	0.01
Borate:			**Iron:**	33.0	1.19
Silicate:			Potassium:	1637.0	41.86
			Aluminum:		
Hydrogen Sulfide:		0 PPM	Chromium:		
pH at time of sampling:		6.69	Copper:		
pH at time of analysis:			Lead:		
pH used in Calculation:		**6.69**	Manganese:	1.500	0.05
			Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
		Calcite $CaCO_3$		Gypsum $CaSO_4 \cdot 2H_2O$		Anhydrite $CaSO_4$		Celestite $SrSO_4$		Barite $BaSO_4$		CO_2 Press
Temp	Gauge Press.	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	
°F	psi											psi
80	0	0.21	1.16	0.21	402.17	0.23	344.60	0.47	167.23	0.63	0.29	0.08
100	0	0.27	1.74	0.14	287 31	0.23	339.39	0.44	161.74	0.44	0.29	0.1
120	0	0.33	2.03	0.08	177.94	0.25	363.40	0.43	159.42	0.27	0.00	0.12
140	0	0.38	2.60	0.03	77.54	0.29	409.12	0.43	159.42	0.12	0.00	0.15

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

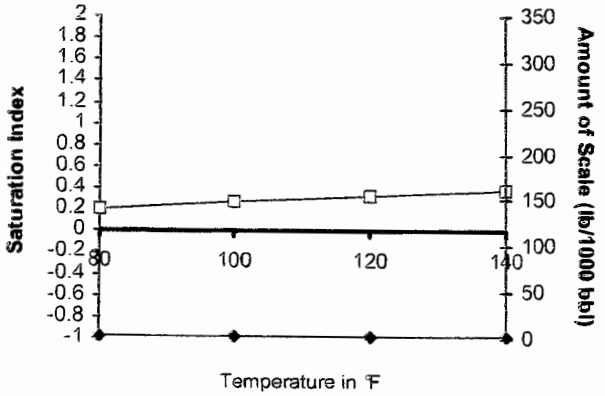
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

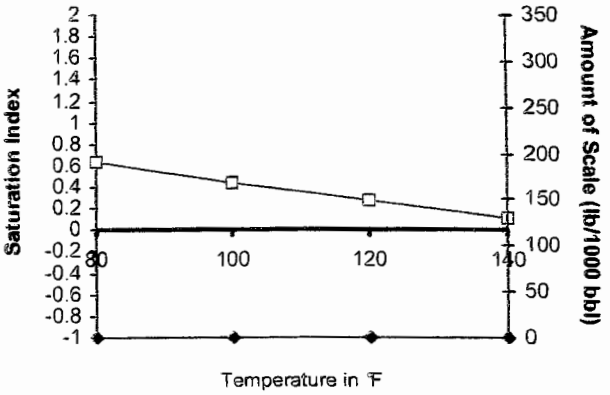
Scale Predictions from Baker Petrolite

Analysis of Sample 633540 @ 75 ℉ for DEVON ENERGY CORPORATION, 10/31/12

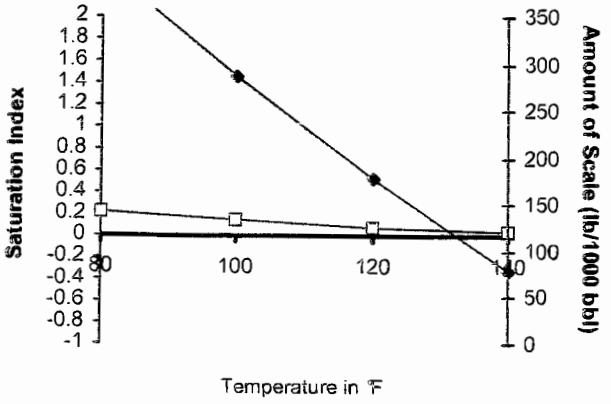
Calcite - CaCO3



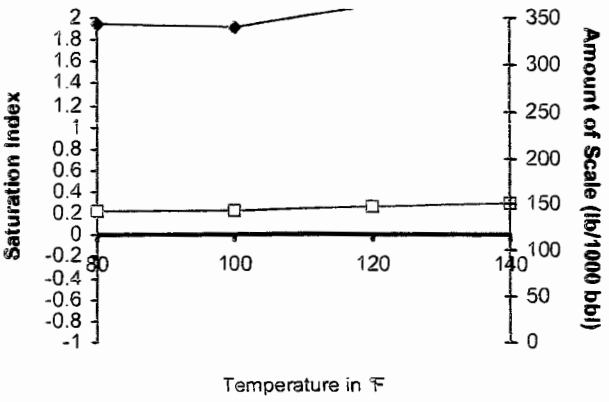
Barite - BaSO4



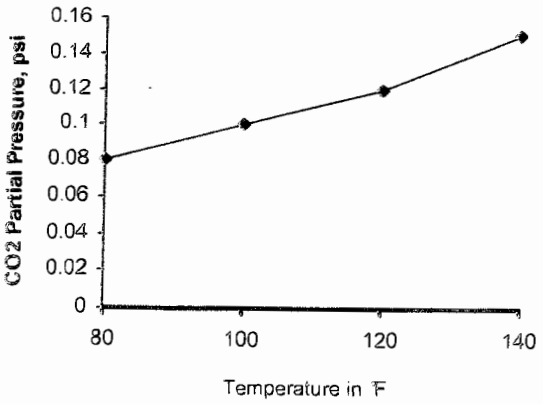
Gypsum - CaSO4*2H20



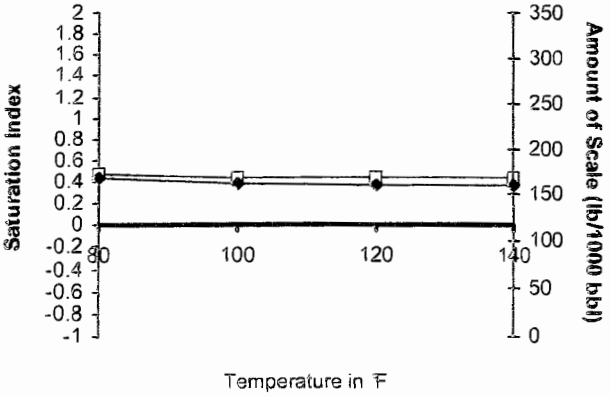
Anhydrite - CaSO4



Carbon Dioxide Partial Pressure



Celestite - SrSO4



Cotton Draw 32 State 2 SWD
C108 Application for Injection
Injection Water Analysis
Delaware Formation
Devon Energy Production Co LP

North Permian Basin Region
P O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33521.1
Region:	PERMIAN BASIN	Account Manager:	GENE ROGERS (575) 910-1022
Area:	ARTESIA, NM	Sample #:	633541
Lease/Platform:	BROWN BEAR	Analysis ID #:	125782
Entity (or well #):	1	Analysis Cost:	$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summary	
Sampling Date:	10/19/12
Analysis Date:	10/31/12
Analyst:	SANDRA GOMEZ
TDS (mg/l or g/m3):	85195.9
Density (g/cm3, tonne/m3):	1.061
Anion/Cation Ratio:	1
Carbon Dioxide:	130 PPM
Oxygen:	
Comments:	

Analysis of Sample 633541 @ 75 °F

Anions	mg/l	meq/l	Cations	mg/l	meq/l
Chloride:	**52707.0**	**1486.67**	**Sodium:**	**23678.3**	**1029.95**
Bicarbonate:	**109.8**	**1.8**	**Magnesium:**	**1474.0**	**121.26**
Carbonate:	**0.0**	**0.**	**Calcium:**	**6421.0**	**320.41**
Sulfate:	**77.0**	**1.6**	**Strontium:**	**161.0**	**3.67**
Phosphate:			**Barium:**	**0.3**	**0.**
Borate:			**Iron:**	**23.0**	**0.83**
Silicate:			Potassium:	542.0	13.86
			Aluminum:		
Hydrogen Sulfide:		0 PPM	Chromium:		
pH at time of sampling:		6.73	Copper:		
pH at time of analysis:			Lead:		
pH used in Calculation:		**6.73**	Manganese:	2.500	0.09
			Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite $CaCO_3$		Gypsum $CaSO_4 \cdot 2H_2O$		Anhydrite $CaSO_4$		Celestite $SrSO_4$		Barite $BaSO_4$		CO_2 Press
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	0.21	2.90	-1.27	0.00	-1.30	0.00	-1.08	0.00	-0.71	0.00	0.15
100	0	0.29	4.19	-1.31	0.00	-1.28	0.00	-1.09	0.00	-0.88	0.00	0.19
120	0	0.38	5.80	-1.34	0.00	-1.22	0.00	-1.08	0.00	-1.03	0.00	0.24
140	0	0.47	7.41	-1.35	0.00	-1.15	0.00	-1.07	0.00	-1.16	0.00	0.29

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

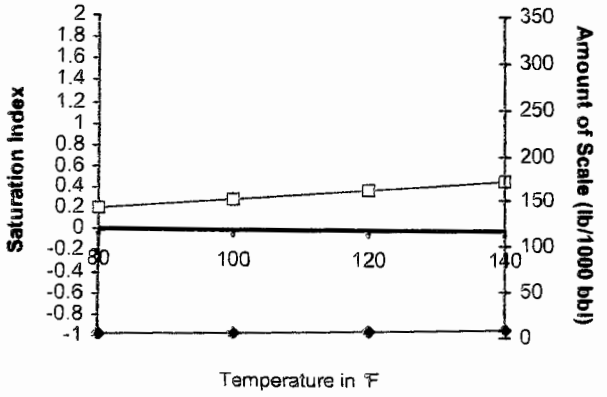
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

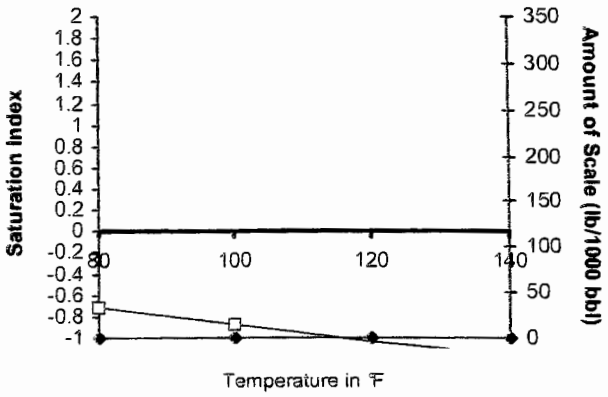
Scale Predictions from Baker Petrolite

Analysis of Sample 633541 @ 75 °F for DEVON ENERGY CORPORATION, 10/31/12

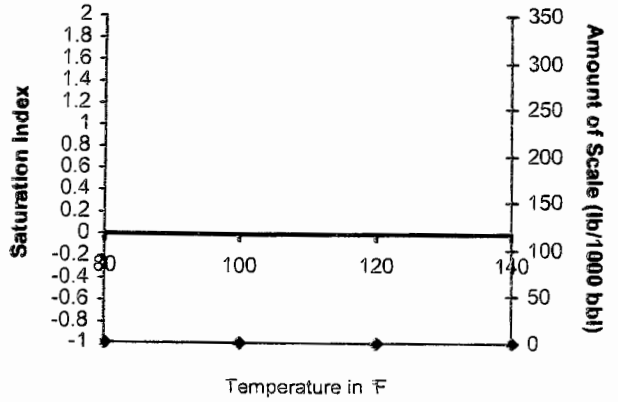
Calcite - CaCO3



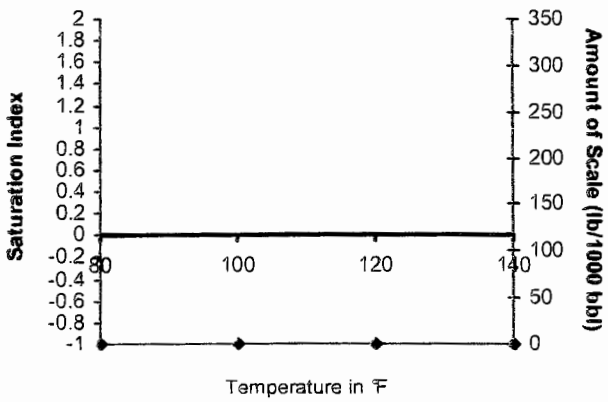
Barite - BaSO4



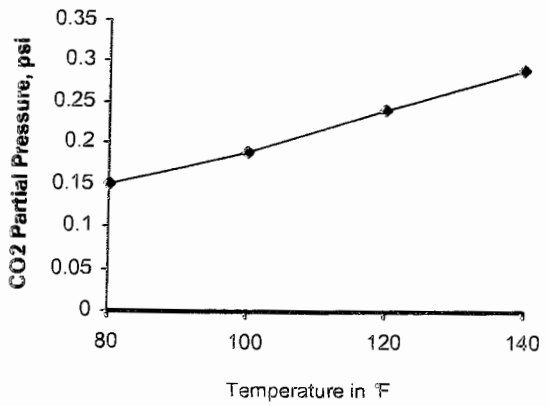
Gypsum - CaSO4*2H20



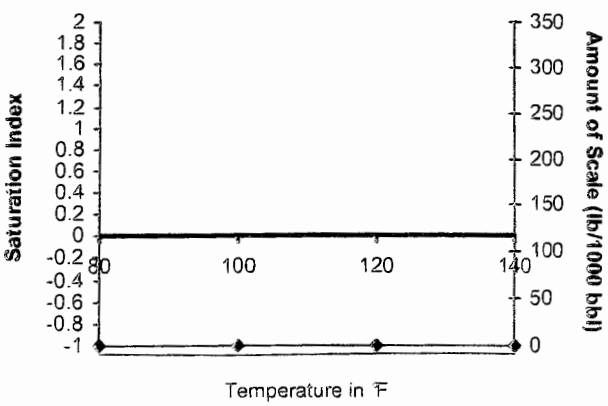
Anhydrite - CaSO4



Carbon Dioxide Partial Pressure



Celestite - SrSO4



Fresh Water Analysis Report
Paduca Delaware Water Well
SEC 2-T25S-R31E
Lat 32.09' 56.7" Long -103.44' 51.3"

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33521.1
Region:	PERMIAN BASIN	Account Manager:	GENE ROGERS (575) 910-1022
Area:	ARTESIA, NM	Sample #:	575022
Lease/Platform:	PADUCA LEASE	Analysis ID #:	113161
Entity (or well #):	FRESH WATER	Analysis Cost:	$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summary	
Sampling Date:	10/06/11
Analysis Date:	10/10/11
Analyst:	SANDRA GOMEZ
TDS (mg/l or g/m3):	3720.6
Density (g/cm3, tonne/m3):	1.004
Anion/Cation Ratio:	1.0000004
Carbon Dioxide:	20 PPM
Oxygen:	
Comments:	

Analysis of Sample 575022 @ 75 ℉

Anions	mg/l	meq/l	Cations	mg/l	meq/l
Chloride:	**328.0**	**9.25**	**Sodium:**	**452.1**	**19.66**
Bicarbonate:	**24.4**	**0.4**	**Magnesium:**	**120.0**	**9.87**
Carbonate:	**0.0**	**0.**	**Calcium:**	**531.0**	**26.5**
Sulfate:	**2248.0**	**46.8**	**Strontium:**	**7.0**	**0.16**
Phosphate:			**Barium:**	**0.1**	**0.**
Borate:			**Iron:**	**0.5**	**0.02**
Silicate:			Potassium:	9.5	0.24
			Aluminum:		
Hydrogen Sulfide:		0	Chromium:		
pH at time of sampling:		7	Copper:		
pH at time of analysis:			Lead:		
pH used in Calculation:		**7**	Manganese:	0.025	0.
			Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite $CaCO_3$		Gypsum $CaSO_4*2H_2O$		Anhydrite $CaSO_4$		Celestite $SrSO_4$		Barite $BaSO_4$		CO_2 Press
℉	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	-0.84	0.00	-0.03	0.00	-0.10	0.00	-0.26	0.00	1.06	0.00	0.03
100	0	-0.72	0.00	-0.04	0.00	-0.04	0.00	-0.26	0.00	0.90	0.00	0.04
120	0	-0.59	0.00	-0.03	0.00	0.04	55.87	-0.24	0.00	0.78	0.00	0.05
140	0	-0.45	0.00	-0.01	0.00	0.15	173.21	-0.21	0.00	0.68	0.00	0.06

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

Injection Water Analysis Report
Mad Dog 15 #1
SEC 15-T23S-R34E
(Devonian Formation Water)

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33517
Region:	PERMIAN BASIN	Account Manager:	FRANK GARDNER (575) 390-5194
Area:	JAL, NM	Sample #:	481511
Lease/Platform:	MAD DOG '15' LEASE	Analysis ID #:	102920
Entity (or well #):	1	Analysis Cost:	$90.00
Formation:	DEVONIAN		
Sample Point:	WELLHEAD		

Summary	
Sampling Date:	08/24/10
Analysis Date:	09/13/10
Analyst:	LEAH DURAN
TDS (mg/l or g/m3):	69356
Density (g/cm3, tonne/m3):	1.051
Anion/Cation Ratio:	1
Carbon Dioxide:	20 PPM
Oxygen:	N/A
Comments:	

Analysis of Sample 481511 @ 75 °F

Anions	mg/l	meq/l	Cations	mg/l	meq/l
Chloride:	**40711.0**	**1148.31**	**Sodium:**	**24262.3**	**1055.35**
Bicarbonate:	**366.0**	**6.**	**Magnesium:**	**298.0**	**24.51**
Carbonate:	**0.0**	**0.**	**Calcium:**	**1833.0**	**91.47**
Sulfate:	**1404.0**	**29.23**	**Strontium:**	**55.0**	**1.26**
Phosphate:			**Barium:**	**1.0**	**0.01**
Borate:			**Iron:**	**4.5**	**0.16**
Silicate:			Potassium:	421.0	10.77
			Aluminum:		
Hydrogen Sulfide:		153 PPM	Chromium:		
pH at time of sampling:		8.4	Copper:		
pH at time of analysis:			Lead:		
pH used in Calculation:		**8.4**	Manganese:	0.200	0.01
			Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite $CaCO_3$		Gypsum $CaSO_4*2H_2O$		Anhydrite $CaSO_4$		Celestite $SrSO_4$		Barite $BaSO_4$		CO_2 Press
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	1.80	51.07	-0.42	0.00	-0.46	0.00	-0.15	0.00	1.22	0.65	0.01
100	0	1.70	54.67	-0.46	0.00	-0.43	0.00	-0.16	0.00	1.04	0.65	0.02
120	0	1.62	58.60	-0.49	0.00	-0.38	0.00	-0.16	0.00	0.89	0.65	0.05
140	0	1.56	62.86	-0.51	0.00	-0.31	0.00	-0.15	0.00	0.76	0.33	0.08

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

WATER ANALYSIS
Bone Spring Formation
Chimayo 16 ST #1

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	DEVON ENERGY CORPORATION	Sales RDT:	33521.1
Region:	PERMIAN BASIN	Account Manager:	GENE ROGERS (575) 910-1022
Area:	ARTESIA, NM	Sample #:	492168
Lease/Platform:	CHIMAYO UNIT	Analysis ID #:	100662
Entity (or well #):	16-1	Analysis Cost:	$90.00
Formation:	Bone Spring		
Sample Point:	HEATER DUMP		

Summary	
Sampling Date:	05/12/10
Analysis Date:	05/18/10
Analyst:	STACEY SMITH
TDS (mg/l or g/m3):	235300.4
Density (g/cm3, tonne/m3):	1.157
Anion/Cation Ratio:	1
Carbon Dioxide:	1400 PPM
Oxygen:	
Comments:	

Analysis of Sample 492168 @ 75 ℉

Anions	mg/l	meq/l
Chloride:	**142827.0**	**4028.63**
Bicarbonate:	**73.0**	**1.2**
Carbonate:	**0.0**	**0.**
Sulfate:	**1021.0**	**21.26**
Phosphate:		
Borate:		
Silicate:		
Hydrogen Sulfide:		17 PPM
pH at time of sampling:		6.5
pH at time of analysis:		
pH used in Calculation:		**6.5**

Cations	mg/l	meq/l
Sodium:	**76546.4**	**3329.58**
Magnesium:	**1589.0**	**130.72**
Calcium:	**10332.0**	**515.57**
Strontium:	**1192.0**	**27.21**
Barium:	**2.5**	**0.04**
Iron:	**379.0**	**13.7**
Potassium:	1334.0	34.12
Aluminum:		
Chromium:		
Copper:		
Lead:		
Manganese:	4.500	0.16
Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite $CaCO_3$		Gypsum $CaSO_4*2H_2O$		Anhydrite $CaSO_4$		Celestite $SrSO_4$		Barite $BaSO_4$		CO_2 Press
℉	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	0.18	1.40	-0.08	0.00	-0.03	0.00	0.58	321.11	1.00	1.12	0.14
100	0	0.24	1.95	-0.16	0.00	-0.05	0.00	0.55	310.50	0.80	1.12	0.18
120	0	0.30	2.51	-0.23	0.00	-0.04	0.00	0.54	304.91	0.62	1.12	0.21
140	0	0.35	3.35	-0.29	0.00	-0.01	0.00	0.53	303.52	0.47	0.84	0.25

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.
Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

WATER ANALYSIS
Delaware Formation
Apache 25 Fed 6

Laboratory Services, Inc.
4016 Fiesta Drive
Hobbs, New Mexico 88240
Telephone: (505) 397-3713

Water Analysis

COMPANY Devon Energy

SAMPLE Apache 25-6
SAMPLED BY

DATE TAKEN
REMARKS

Barium as Ba	0	
Carbonate alkalinity PPM	0	
Bicarbonate alkalinity PPM	80	
pH at Lab	6.05	
Specific Gravity @ 60°F	1.195	
Magnesium as Mg	59,566	
Total Hardness as CaCO3	102,700	
Chlorides as Cl	192,032	
Sulfate as SO4	200	
Iron as Fe	33	
Potassium	85	
Hydrogen Sulfide	0	
Rw	0.046	@ 23° C
Total Dissolved Solids	295,500	
Calcium as Ca	43,134	
Nitrate	35	

Results reported as Parts per Million unless stated

Langelier Saturation Index 0.65

Analysis by: Vickie Biggs
Date: 3/5/04

Affidavit of Publication

State of New Mexico,
County of Lea.

I, DANIEL RUSSELL
PUBLISHER
of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period

of 1 issue(s).
Beginning with the issue dated
August 28, 2013
and ending with the issue dated
August 28, 2013

PUBLISHER
Sworn and subscribed to before me
this 28th day of
August, 2013

Notary Public

My commission expires
January 29, 2015
(Seal)

OFFICIAL SEAL
GUSSIE BLACK
Notary Public
State of New Mexico
My Commission Expires 1-29-15

This newspaper is duly qualified to publish legal notices or advertisments within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL LEGAL

LEGAL NOTICE
AUGUST 28, 2013

Legal Notice

Devon Energy Production Company, LP, 333 West Sheridan Avenue, Oklahoma City, OK 73102-8260 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well, the Cotton Draw 32 State 2 SWD will be a new drill; proposed location is 1180' FSL & 1000' FEL, Section 32, Township 24 South, Range 32 East, in Lea County, New Mexico. Disposal water will be sourced from area wells producing from the Bone Spring and/or Delaware formations. The disposal water will be injected into the Devonian/Silurian/Ordovician/Cambrian/Pre-Cambrian formation at a depth of 16,992' to 20,050', open hole, at a maximum surface pressure of 3398 psi and a maximum rate of 15,000 BWPD. Any interested party who has an objection to this must give notice in writing to the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, within (15) days of this notice. Any interested party with questions or comments may contact Trevor Klaassen at Devon Energy Corporation, 333 West Sheridan Avenue, Oklahoma City, OK 73102-8260, or call (405) 552-5069.
#28395

67106734 00121321

LEGAL ADS DVNOKC86
DEVON ENERGY - ATTN: DVNOKC86
P O BOX 3198
OKLAHOMA CITY, OK 73101-3198

devon

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 235 3611 Phone
www.devonenergy.com

November 21, 2013

ABO Petroleum Company
105 South Fourth Street
Artesia, New Mexico 88210-2118

RE: Form C-108, Application for Authorization to Inject
Cotton Draw 32 State 2 SWD ; API #30-025-
Eddy County, NM
Section 32, T24S, R32E

Dear ABO Petroleum Company:

Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Cotton Draw 32 State 2 SWD to salt water disposal in the Devonian/Silurian/Ordovician formation.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as having leasehold ownership within the ½ mile review area around the Parkway West SWD #1 well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Trevor Klaassen (405)-552-5069 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

devon

Devon Energy Corporation
20 North Broadway
Oklahoma City, OK 73102-8260

405 235 3611 Phone
www.devonenergy.com

November 21, 2013

Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad Field, NM 88220

RE: Form C-108, Application for Authorization to Inject
Cotton Draw 32 State 2 SWD; API 30-025-
Eddy County, NM
Section 32, T24S, R32E

Dear Bureau of Land Management:

Please find attached Devon Energy Production Company, LP's Form C-108, Application for Authorization to Inject.

Devon's application proposes to drill and convert the Cotton Draw 32 State 2 SWD to salt water disposal in the Devonian/Silurian/Ordovician/Cambrian/Pre-Cambrian formation. The disposal interval will be the Devonian/Silurian/Ordovician formation from 16992' to 20050' open hole.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as a surface land owner within the ½ mile review area around the Cotton Draw 32 State #2 SWD well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Trevor Klaassen at (405)-552-5069 or myself at (405)-552-7802.

Sincerely,

Stephanie Porter
Operations Technician

SP/sp
Enclosure

devon

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 235 3611 Phone
www.devonenergy.com

November 21, 2013

Chevron North America Exploration
1400 Smith Street
Houston, Texas 77002

RE: Form C-108, Application for Authorization to Inject
Cotton Draw 32 State 2 SWD ; API #30-025-
Eddy County, NM
Section 32, T24S, R32E

Dear Chevron North America Exploration:

Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Cotton Draw 32 State 2 SWD to salt water disposal in the Devonian/Silurian/Ordovician formation.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as having leasehold ownership within the ½ mile review area around the Parkway West SWD #1 well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Trevor Klaassen (405)-552-5069 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

devon

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 235 3611 Phone
www.devonenergy.com

November 21, 2013

Oil Conservation Division
811 S. First Street
Artesia, New Mexico 88210

RE: Form C-108, Application for Authorization to Inject
Cotton Draw 32 State 2 SWD; API # 30-025-
Eddy County, NM
Section 32, T24S, R32E

Dear Conservation Division-Artesia District Office:

Please find attached Devon Energy Production Company, LP's Form C-108, Application for Authorization to Inject. The original application has been filed with the Oil Conservation Division-Santa Fe Office.

Devon's application proposes to drill and convert the Cotton Draw 32 State 2 SWD to salt water disposal in the Devonian/Silurian/Ordovician formation.

The surface land owner and operators with leasehold ownership have been notified with Devon's application to inject via certified mail.

If you have any questions, please contact Trevor Klaassen at (405)-552-5069 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

devon

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 235 3611 Phone
www.devonenergy.com

November 21, 2013

OGX Resources, LLC
P.O. Box 11148
Midland, Texas 79702

RE: Form C-108, Application for Authorization to Inject
Cotton Draw 32 State 2 SWD ; API #30-025-
Eddy County, NM
Section 32, T24S, R32E

Dear OGX Resources, LLC:

Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Cotton Draw 32 State 2 SWD to salt water disposal in the Devonian/Silurian/Ordovician.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as having leasehold ownership within the ½ mile review area around the Parkway West SWD #1 well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Trevor Klaassen (405)-552-5069 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

devon

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 235 3611 Phone
www.devonenergy.com

November 21, 2013

OXY Y-1 Company
105 South Fourth Street
Artesia, New Mexico 88210-2118

RE: Form C-108, Application for Authorization to Inject
Cotton Draw 32 State 2 SWD ; API #30-025-
Eddy County, NM
Section 32, T24S, R32E

Dear OXY Y-1 Company:

Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Cotton Draw 32 State 2 SWD to salt water disposal in the Devonian/Silurian/Ordovician formation.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as having leasehold ownership within the ½ mile review area around the Parkway West SWD #1 well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Trevor Klaassen (405)-552-5069 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

devon

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 235 3611 Phone
www.devonenergy.com

November 21, 2013

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RE: Form C-108, Application for Authorization to Inject
Cotton Draw 32 State 2 SWD; API # 30-025-
Eddy County, NM
Section 32, T24S, R32E

Dear Santa Fe Oil Conservation Division:

Please find attached Devon Energy Production Company, LP's Form C-108, Application for Authorization to Inject. Devon's application proposes to drill and convert the Cotton Draw 32 State 2 SWD to salt water disposal in the Devonian/Silurian/Ordovician formation.

The surface land owner and operators with leasehold ownership have been notified with Devon's application to inject via certified mail. A copy of this application has been filed with the OCD-Artesia office.

If you have any questions, please contact Trevor Klaassen at (405)-552-7802 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

devon

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

405 235 3611 Phone
www.devonenergy.com

November 21, 2013

Yates Petroleum Company
105 South Fourth Street
Artesia, New Mexico 88210-2118

RE: Form C-108, Application for Authorization to Inject
Cotton Draw 32 State 2 SWD ; API #30-025-
Eddy County, NM
Section 32, T24S, R32E

Dear Yates Petroleum Company:

Please find attached Devon Energy Production Company, LP's Form C-108; Application for Authorization to Inject.

Devon's application proposes to drill and convert the Cotton Draw 32 State 2 SWD to salt water disposal in the Devonian/Silurian/Ordovician formation.

As a requirement of the New Mexico Oil Conservation Division, we are notifying you because you have been identified as having leasehold ownership within the ½ mile review area around the Parkway West SWD #1 well. Any objections must be submitted in writing to NMOCD, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Objections must be received within (15) days of receipt of this letter.

If you have any questions, please contact Trevor Klaassen (405)-552-5069 or myself at (405)-552-7802.

Sincerely,

Stephanie A. Porter
Operations Technician

SP/sp
Enclosure

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-101
Revised December 16, 2011

Permit

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

[1] Operator Name and Address	[2] OGRID Number
Devon Energy Production Co., L.P. 333 W. Sheridan Oklahoma City,OK 73102-5015	6137
	[3] API Number

[4] Property Code	[5] Property Name	[6] Well No
	Cotton Draw 32 State SWD	**2**

[7] Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
P	32	24S	32E		1180	South	1000	East	Lea

[8] Pool Information

SWD; Devonian	

Additional Well Information

[9] Work Type	[10] Well Type	[11] Cable/Rotary	[12] Lease Type	[13] Ground Level Elevation
New Well	SWD		State	3477.7
[14] Multiple	**[15] Proposed Depth**	**[16] Formation**	**[17] Contractor**	**[18] Spud Date**
N	20,050'			
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 Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	26"	20"	94#	825'	1935 Cl "C"	0
Int 1	17 ½"	13 3/8"	68#	4600'	3225 Cl "C"	0
Int 2	12 ¼"	9 5/8"	47#	11750'	1845 Cl "H"	3500'
Prod liner	5 7/8"	7" top set	32#	0 – 11350'	765 Cl "H"	10750'
		7" liner	32#	11350 - 16992		

Casing/Cement Program: Additional Comments

Hole size: 5 7/8" Open hole interval: 16992 – 20050'

See attached for details

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular Double Ram	5,000 10,000	5,000 10,000	

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 ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature: Patti Riechers

Printed name: Patti Riechers

Title: Regulatory Specialist

E-mail Address: patti.riechers@dvn.com

Date: 11/20/2013 Phone: 405-228-4248

OIL CONSERVATION DIVISION

Approved By:

Title:

Approved Date: Expiration Date:

Conditions of Approval Attached

DRILLING PROGRAM

Devon Energy Production Company, L.P.
CDU-32 State SWD 2

Pressure Control Equipment:

A 10M 13-5/8" BOP system (Triple Ram and 5M 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 10M 13-5/8" BOP system (Triple Ram and 5M 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.

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 10,000 psi WP.

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.

Auxiliary Well Control and Monitoring Equipment:

a. A Kelly cock will be in the drill string at all times.
b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.

Casing Program:

Hole Size	Hole Interval	Casing OD	Casing Interval	Weight (lb/ft)	Collar	Grade	Collapse Design Factor	Burst Design Factor	Tension Design Factor
26"	0 – 825'	20"	0 – 825'	94#	BTC	J-55	1.35	4.48	4.15
17-1/2"	825' – 4,600'	13-3/8"	0 – 4,600'	68#	STC	HCP-110	1.22	2.89	6.84
12-1/4"	4,600' –11,750'	9-5/8"	0 – 11,750'	47#	LTC	HCP-110	1.16	1.55	2.70
8-1/2"	11,750' – 16,992'	7" top set	0 – 11,350'	32#	BTC	HCP-110	1.65	1.87	3.21
		7" Liner	11,350- 16,992'	32#	BTC	HCP-110	1.13	1.28	2.20
5-7/8"	16,992' – 20,050'	NA	NA	NA	NA	NA	NA	NA	NA

Casing Notes:

- This is an open hole completion, thus no casing is listed for hole interval 16,992' to 20,050'
- All casing is new and API approved
- Casing will not be fully evacuated when running in the hole.

Proposed mud Circulations System:

Depth	Mud Weight	Viscosity	Fluid Loss	Type System
0 – 825'	8.4-9.0	30-34	N/C	FW
825' – 4,600'	9.8-10.0	28-32	N/C	Brine
4,600' –11,750'	8.6-9.0	28-32	N/C	FW
11,750' – 16,992'	10.2 – 12.0	30-34	N/C	FW
16,992' – 20,050'	8.4-9.0	28-32	N/C	FW

The necessary mud products for weight addition and fluid loss control will be on location at all times. Visual mud monitoring equipment will be in place to detect volume changes indicating loss or gain of circulating fluid volume. If abnormal pressures are encountered, electronic/mechanical mud monitoring equipment will be installed.

Cementing Table:

String	Number of sx	Weight lbs/gal	Water Volume g/sx	Yield cf/sx	Stage; Lead/Tail	Slurry Description
20" Surface	1935	14.8	6.34	1.33	Tail	Class C Cement + 63.5% Fresh Water
13-3/8" Intermediate	2280	12.9	1.85	9.81	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
	945	14.8	6.32	1.33	Tail	Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Fresh Water, 14.8 ppg
9-5/8" Intermediate	1445	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
	400	14.5	5.37	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
7" Production liner	765	14.5	5.37	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

TOC for all Strings:

- 20" Surface Casing — 0ft
- 13-3/8" Intermediate Casing — 0ft
- 9-5/8" Intermediate Casing — 3,500ft
- 7" Production liner — 10,750ft

Notes:

- Cement volumes Surface 100%, Intermediate 50%, Production based on at least 25% excess
- Actual cement volumes will be adjusted based on fluid caliper and caliper log data

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
		SWD; Devonian

[4] Property Code	[5] Property Name	[6] Well Number
	COTTON DRAW 32 STATE SWD	2

[7] OGRID No.	[8] Operator Name	[9] Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3477.7

[10] Surface Location

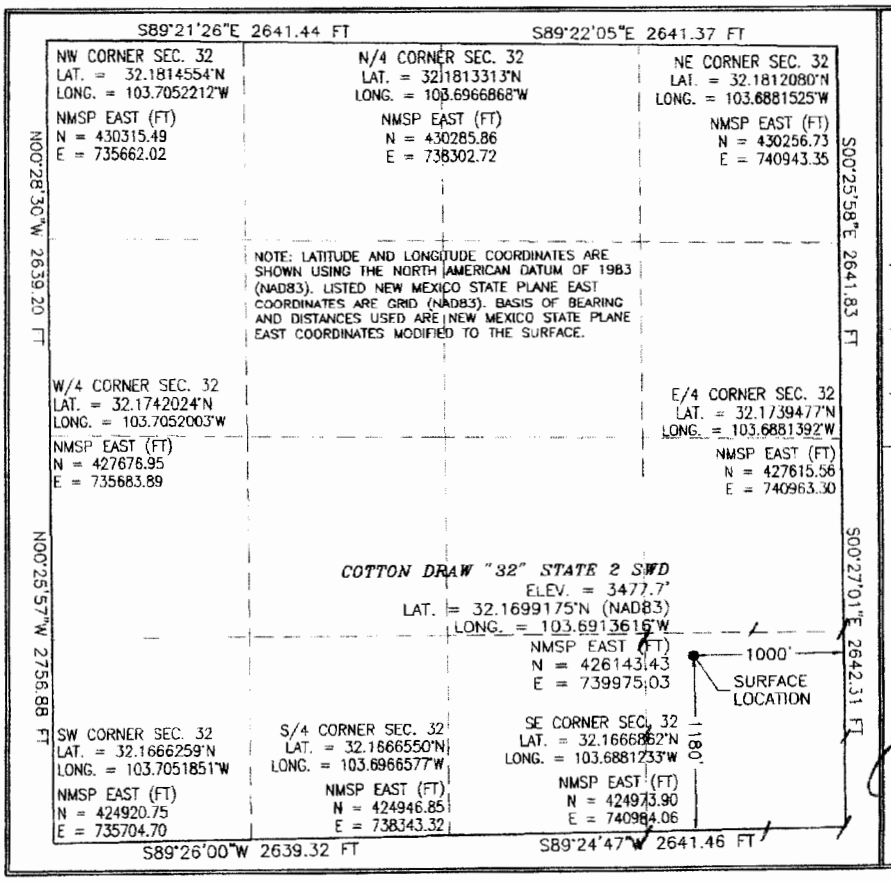
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	32	24 S	32 E		1180	SOUTH	1000	EAST	LEA

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
40			

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.



[17] OPERATOR CERTIFICATION

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 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.

Patti Riechers 11/20/2013
Signature Date

Patti Riechers, Regulatory Specialist
Printed Name

patti.riechers@dvn.com
E-mail Address

[18] SURVEYOR CERTIFICATION

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.

AUGUST 9, 2013
Date of Survey

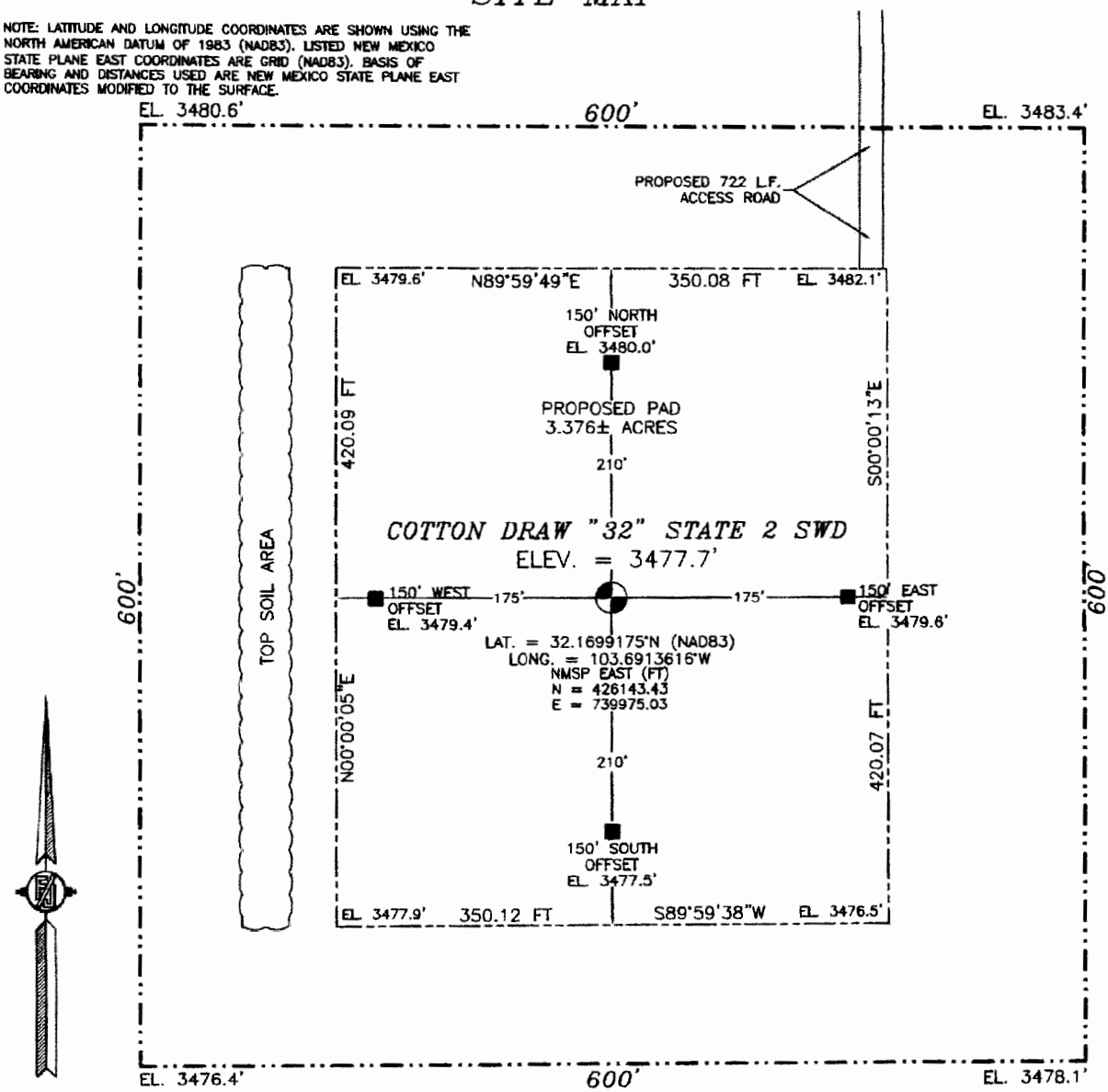
Signature and Seal of Professional Surveyor:

Certificate Number FILIMON F. JARAMILLO, PLS 12797

SURVEY NO. 2180

SECTION 32, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE.



010 50 100 200

SCALE 1" = 100'

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE HWY #128 AND HWY #1 (ORLA HWY) GO SOUTH ON HWY #1 (ORLA HWY) APPROX. 2.4 MILES TO LEASE ROAD ON RIGHT (WEST) TURN WEST ON LEASE ROAD GO APPROX. 1.0 MILES ROAD TURNS LEFT (SOUTH) TURN SOUTH GO APPROX. 0.8 MILES TO EXISTING PAD AT THE SOUTHWEST CORNER PAD IS A ROAD LATH WITH RED AND WHITE FLAGGING FOLLOW LATHS SOUTH APPROX. 720 FEET TO LOCATION

DEVON ENERGY PRODUCTION COMPANY, L.P.

COTTON DRAW "32" STATE 2 SWD

LOCATED 1180 FT. FROM THE SOUTH LINE AND 1000 FT. FROM THE EAST LINE OF SECTION 32, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO

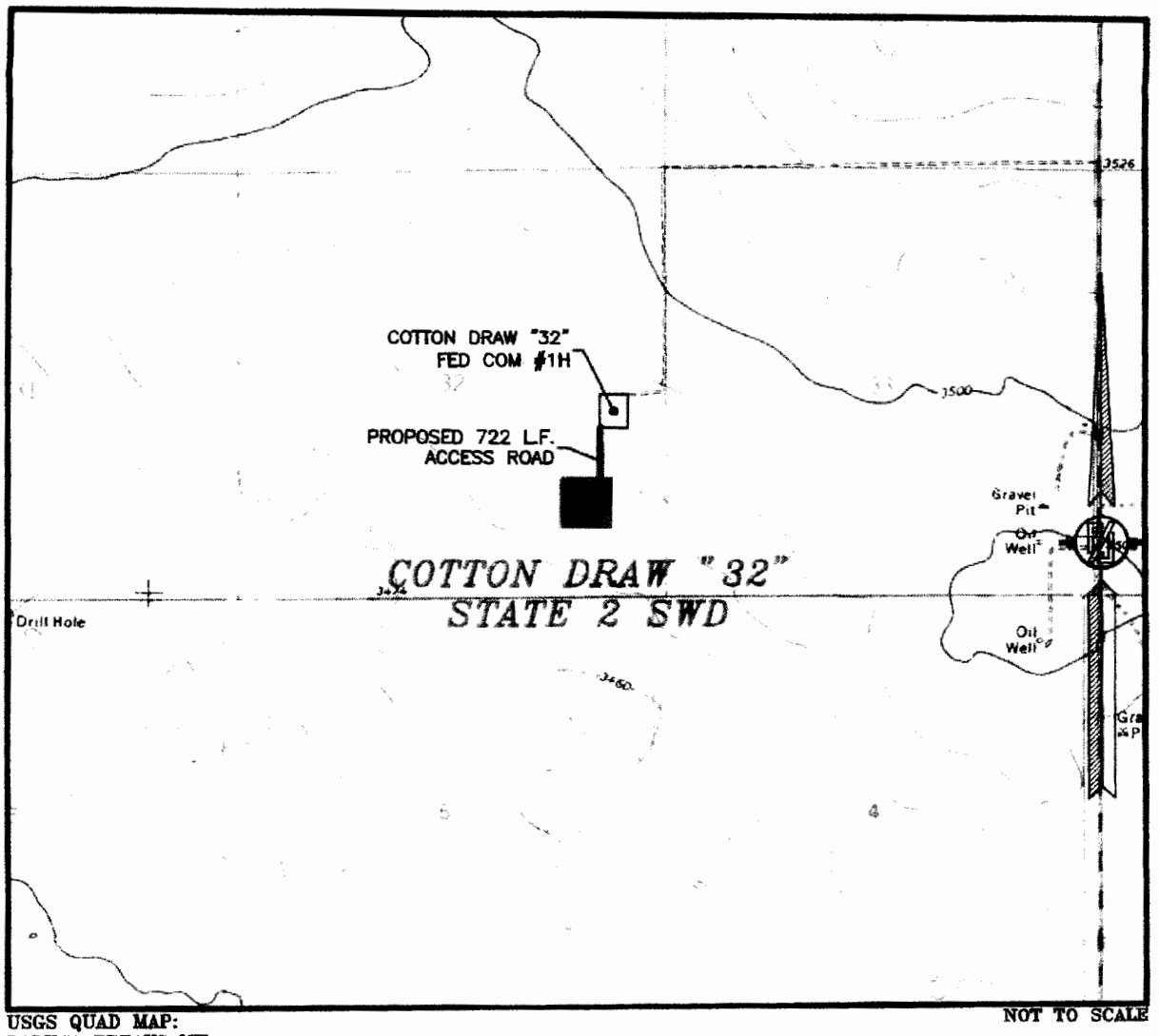
AUGUST 9, 2013

SURVEY NO. 2180

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 *CARLSBAD, NEW MEXICO*

SECTION 32, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

LOCATION VERIFICATION MAP



USGS QUAD MAP:
PADUCA BREAKS NW

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.
COTTON DRAW "32" STATE 2 SWD
LOCATED 1180 FT. FROM THE SOUTH LINE
AND 1000 FT. FROM THE EAST LINE OF
SECTION 32, TOWNSHIP 24 SOUTH,
RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

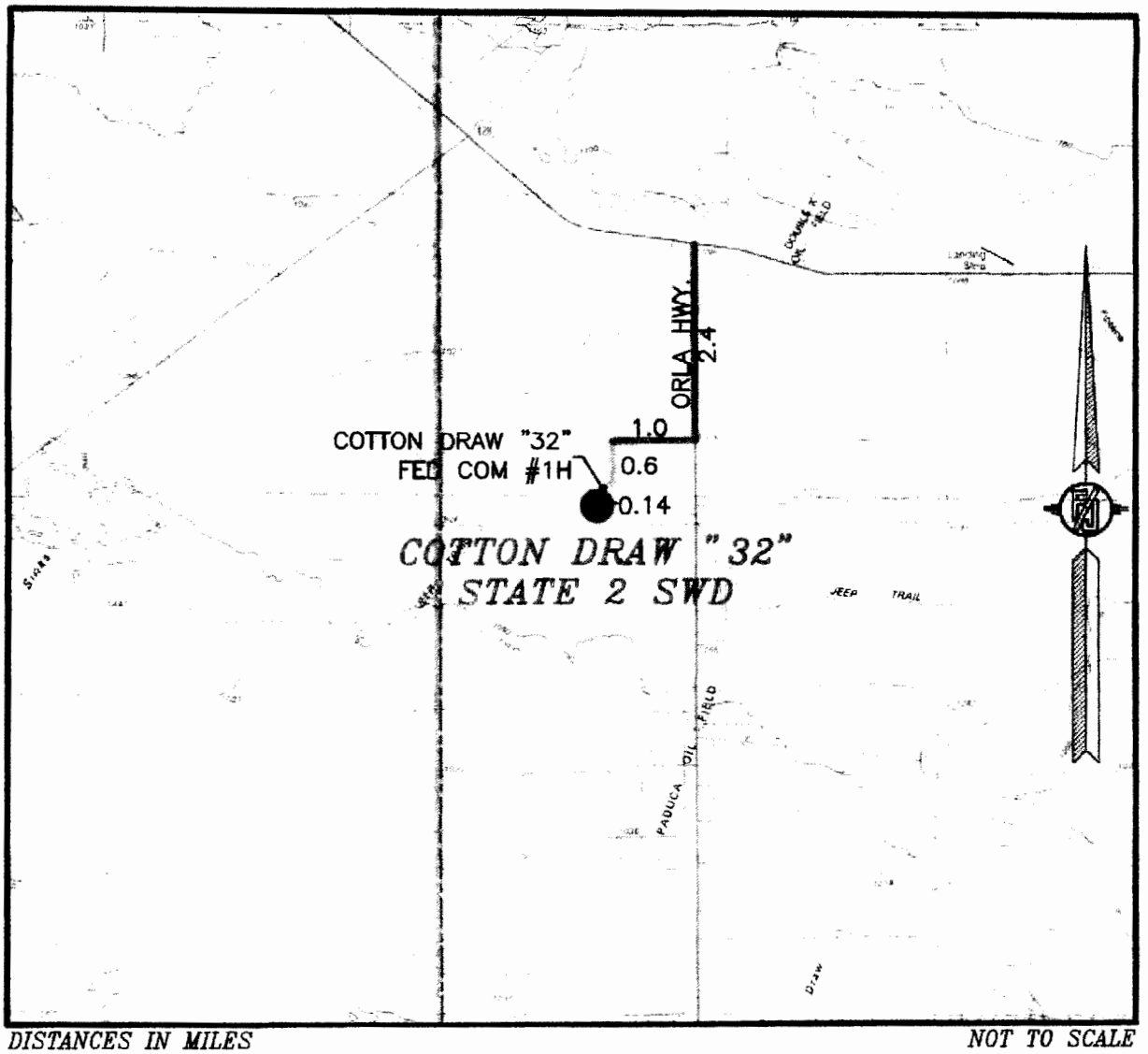
AUGUST 9, 2013

SURVEY NO. 2180

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 32, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF STATE HWY #128 AND HWY #1 (ORLA HWY) GO SOUTH ON HWY #1 (ORLA HWY) APPROX. 2.4 MILES TO LEASE ROAD ON RIGHT (WEST) TURN WEST ON LEASE ROAD GO APPROX. 1.0 MILES ROAD TURNS LEFT (SOUTH) TURN SOUTH GO APPROX. 0.6 MILES TO EXISTING PAD AT THE SOUTHWEST CORNER PAD IS A ROAD LATH WITH RED AND WHITE FLAGGING FOLLOW LATHS SOUTH APPROX. 720 FEET TO LOCATION

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AUGUST 9, 2013

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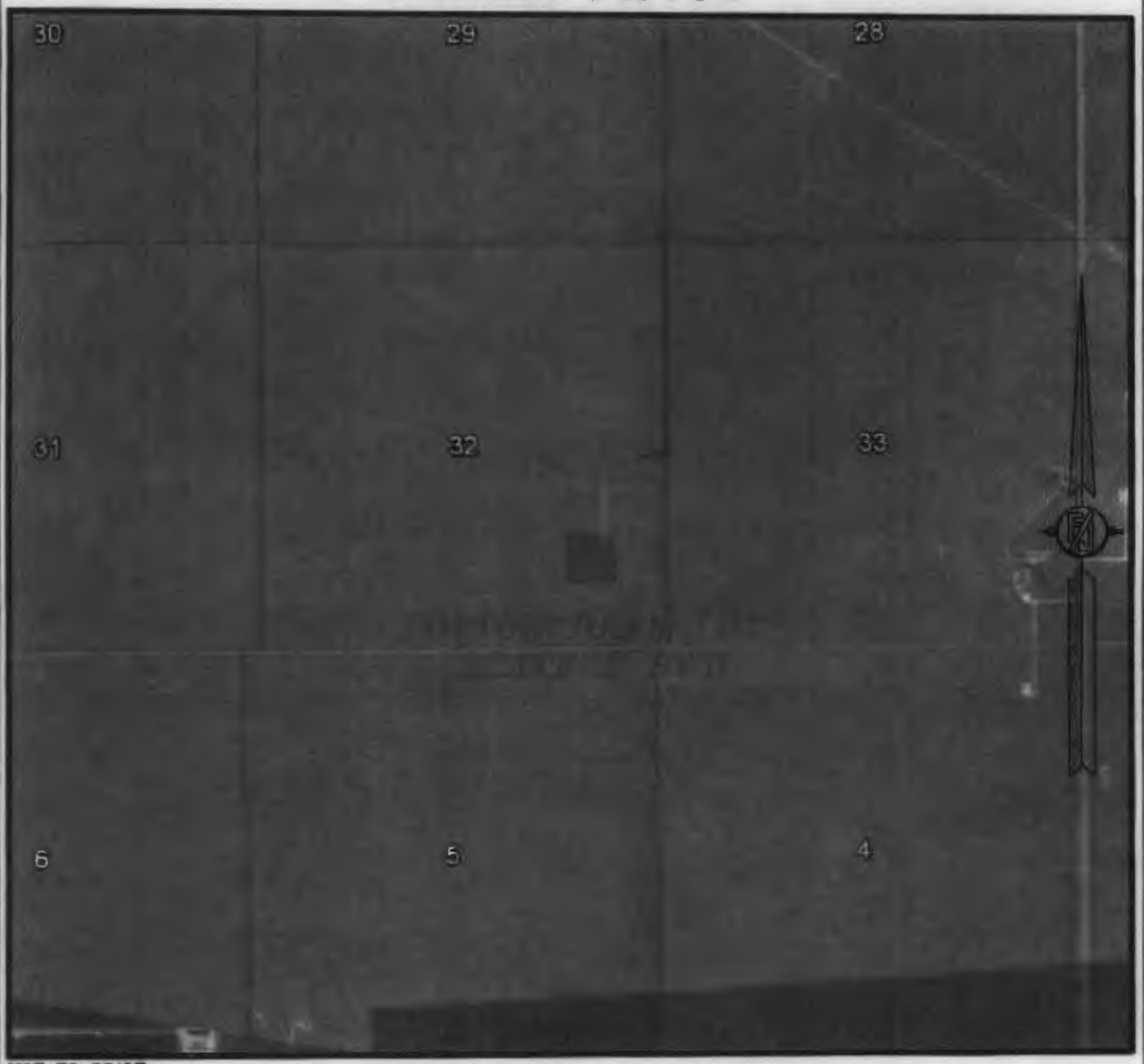
MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 32, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

AERIAL PHOTO



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
MARCH 2012

DEVON ENERGY PRODUCTION COMPANY, L.P.
COTTON DRAW "32" STATE 2 SWD
LOCATED 1180 FT. FROM THE SOUTH LINE
AND 1000 FT. FROM THE EAST LINE OF
SECTION 32, TOWNSHIP 24 SOUTH,
RANGE 32 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

AUGUST 9, 2013

SURVEY NO. 2180

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

C-108 Review Checklist: Received 11/22/13 Add. Request: — Reply Date: — Suspended: — [Ver 12]

PERMIT TYPE: WFX / PMX / SWD Number: 1459 Permit Date: 01/31/14 Legacy Permits/Orders: NA

Well No. 2 Well Name(s): Cotton Draw 32 State SWD

API : 30-025-41524 Spud Date: TBD New or Old: New (*UIC Class II Primacy 03/07/1982*)

Footages 1180 FSL / 1000 FEL Lot — or Unit P Sec 32 Tsp 24S Rge 32E County Lea

General Location: North of Padura Field, SE of WIPP Pool: SWD; Devonian-Sil-Ord Pool No.: —

BLM 100K Map: Jal Operator: Devon Energy Prod. Co. OGRID: 6137 Contact: Stephanie Porter

COMPLIANCE RULE 5.9: Inactive Wells: 3 of 1845 Total Wells: → Fincl Assur: Yes Compl. Order? No **IS 5.9 OK? Date:** Yes 01/31/14

WELL FILE REVIEWED ✓ Current Status: APD on file

WELL DIAGRAMS: NEW: Proposed ✓ or **RE-ENTER:** Before Conv. ○ After Conv. ○ Logs in Imaging: NA

Planned Rehab Work to Well: New well - two liners at depth

Well Construction Details:	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Stage Tool	Cement Sx or Cf	Cement Top and Determination Method
Planned __ or Existing __ **Conductor**	—	—		—	—
Planned ✓ or Existing __ **Surface**	26 / 20	0 to 825		1935	Cir to surf
Planned __ or Existing __ **Interm/Prod**	17 1/2 / 13 3/8	0 to 4600	No	3225	Cir to surf
Planned ✓ or Existing __ **Prod/Interm**	12 1/4 / 9 5/8	0 to 11,750	No	1845	~~Calc~~ 3500' Calc.
Planned ✓ or Existing __ **Liner/Prod**	8 1/2 / 7	Two sets 0 to 11,350 and 11,350 to 16992	No	765	Calc 10750'
Planned __ or Existing ✓ **OH / PERF**	—	16992 – 19385	Inj Length 2393		

Injection Stratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops?
Adjacent Unit: Litho. Struc. Por.	—	Morrow	
Confining Unit: Litho. Struc. Por.	+ 400	Woodford	16463
Proposed Inj Interval TOP:	16992	Devonian	16592
Proposed Inj Interval BOTTOM:	19385	Ellenburger	19285
Confining Unit: Litho. Struc. Por.	—	Ellenburger	—
Adjacent Unit: Litho. Struc. Por.	—	PC	

Completion/Operation Details:

Drilled TD — PBTD —

NEW TD 19385 NEW PBTD —

NEW Open Hole ✓ or NEW Perfs ○

Tubing Size 4 1/2 in. Inter Coated? Yes

Proposed Packer Depth 16942 ft

Min. Packer Depth 16892 (100-ft limit)

Proposed Max. Surface Press. 3398 psi

Admin. Inj. Press. ~~3398~~ 3390 (0.2 psi per ft)

AOR: Hydrologic and Geologic Information

POTASH: R-111-P No Noticed? NR **BLM Sec Ord** No **WIPP** No Noticed? NR **SALADO:** T: 1034 B: 4374 **CLIFF HOUSE** —

FRESH WATER: Aquifer — Max Depth — 1-Mile Wells? — FW Analysis ○ **HYDRO AFFIRM STAT By Qualified Person** ✓

Disposal Fluid: Formation Source(s) Delaware / Bone Spring Analysis? Yes On Lease ○ Operator Only ✓ or Commercial ○

Disposal Interval: Inject Rate (Avg/Max BWPD): 7500 / 15000 Protectable Waters?: Probably not **CAPITAN REEF:** thru ○ adj ○ NA ✓

HC Potential: Producing Interval? No Formerly Producing? No Method: Logs/DST/P&A/Other Unknown 2-Mile Radius Pool Map ○

AOR Wells: 1/2-M Radius Map? Yes Well List? Yes Total No. Wells Penetrating Interval: 0 Horizontals? 0

Penetrating Wells: No. Active Wells 0 Num Repairs? — on which well(s)? — Diagrams? —

Penetrating Wells: No. P&A Wells 0 Num Repairs? — on which well(s)? — Diagrams? —

NOTICE: Newspaper Date 08/28/13 Mineral Owner SLO Surface Owner BLM Recommend without minerals N. Date 11/21/13

RULE 26.7(A): Identified Tracts? Yes Affected Persons: Devon / OGX / Chevron / Yates / Abo / OXY N. Date 11/21/13

Permit Conditions: **Issues:** - CBL not identified in APD / limit to top of Ellenburger

Add Permit Cond: Salinity Calc. / CBL for liner / limit deep injection to top 100'