

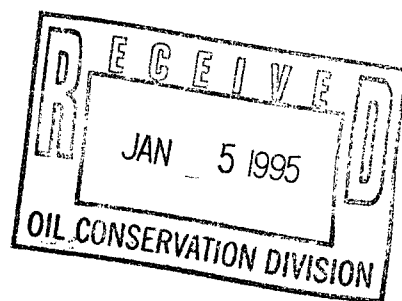
DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 28, 1994

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail
P.O. Box 2088
Santa Fe, New Mexico 87504 - 2088



Attention: David Catanach

Re: Non - Standard Location Approval

Dear Sir:

It is requested that administrative approval be granted under Rule 104F. (1) for unorthodox locations for the infill producing wells located within the Keel West Waterflood Project, at the following locations:

WELL	LOCATION
Keel "A" 24	2560' FSL & 1200' FWL 7-17S-31E
Keel "A" 25	754' FSL & 1165' FWL 7-17S-31E
Keel "A" 27	2630' FSL & 85' FEL 7-17S-31E
Keel "A" 31	1359' FNL & 2448' FWL 7-17S-31E
Keel "A" 33	2593' FNL & 1310' FEL 7-17S-31E
Keel "A" 34	1053' FSL & 2604' FWL 7-17S-31E
Keel "A" 35	1430' FSL & 90' FEL 7-17S-31E
Keel "B" 55	110' FNL & 1220' FWL 8-17S-31E
Keel "B" 60	1300' FNL & 2450' FWL 6-17S-31E
Keel "B" 61	1410' FNL & 150' FEL 6-17S-31E
Keel "B" 62	2650' FSL & 2650' FWL 6-17S-31E
Keel "B" 63	1310' FSL & 1190' FWL 6-17S-31E
Keel "B" 64	1180' FSL & 2350' FWL 6-17S-31E
Keel "B" 65	50' FSL & 1290' FWL 6-17S-31E
Keel "B" 66	50' FSL & 2510' FWL 6-17S-31E

Keel "B" 68	1250' FNL & 1300' FEL	5-17S-31E
Keel "B" 70	1338' FNL & 40' FEL	5- 17S-31E
Keel "B" 71	2521' FNL & 67' FEL	6 -17S-31E
Keel "B" 80	1275' FNL & 1302' FWL	5-17S-31E
Keel "B" 81	2550' FNL & 1190' FWL	6-17S-31E
Keel "B" 87	40' FNL & 40' FEL	8-17S-31E
Keel "B" 89	1194' FNL & 100' FEL	8-17S-31E
Keel "B" 90	2575' FNL & 1335' FWL	8-17S-31E
Keel "B" 92	2630' FSL & 1182' FEL	8-17S-31E
Keel "B" 94	1309' FSL & 1299' FEL	8-17S-31E
West "B" 84	2620' FSL & 10' FWL	4-17S-31E

Attached is a plat of the Keel - West Waterflood Project showing the project boundaries that are adjacent to the subject wells. Forms 3160 - 3 and C - 102 are attached for each of the twenty - six wells listed above. The Keel - West Waterflood project is located on federal property and each proposed well is to be part of this active waterflood project.

The above locations do not conform to Rule 104, C. I. because they are located closer than 330' to the governmental quarter - quarter section boundaries. They will be drilled to a depth sufficient to produce the Grayburg - San Andres formation (approximately 4000'). The wells will be drilled at the unorthodox locations in order to prevent waste by developing an efficient production and injection pattern within the Keel - West Waterflood Project, which was approved under Order R - 2268. When fully developed these wells will combine with the existing wells (some of which will eventually be converted to injection) to establish a 40 acre 5 spot waterflood pattern.

Operators that have production in offsetting 40 acre tracts will be notified by certified mail. A copy of this notification to each operator will be sent to you along with the certified mail number. The only wells where notification to offset operators is required are:

- Keel "A" 24
- Keel "A" 25
- Keel "B" 60
- Keel "B" 63
- Keel "B" 65
- Keel "B" 68
- Keel "B" 80
- Keel "B" 81
- Keel "B" 94

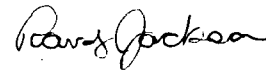
Each of the locations listed above are offset on three sides of the 40 acre tract by Devon Energy Operating Corporation (DEOC) with the remaining side being offset by a different operator. Although each of the above locations are considered unorthodox in

each case the above locations were moved closer to the offsetting tracts that are operated by DEOC.

The remaining 17 wells listed are offset by wells that are already operated by Devon Energy Operating Corporation; therefore, no other notification is necessary.

Should you require any additional information regarding any of these unorthodox locations please notify me at 405-552-4560.

Sincerely,

A handwritten signature in cursive script, appearing to read "Randy Jackson".

Randy Jackson
District Engineer

OPERATOR'S COPY

SUBMIT IN TRIPlicate
(Only instructions on
reverse side)

Form approved
Budget Bureau No. 1004-G136
Expires: December 31, 1991

3100-3
(Rev. 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☐

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER ☐

2. NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE

20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

4. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements.)

At surface

2560' FSL & 1200' FWL

UNORTHODOX
LOCATION:

Subject to
like Approval
By State

At proposed prod. zone

SAFE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N. M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest city, town, etc. if any)

1200'

16. NO. OF ACRES IN LEASE

606.92

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR ABANDONED, OF THIS LEASE, FT.

1000'

19. PROPOSED DEPTH

4000'

20. REPORT ON CABLE TOOLS

ROTARY

21. ELEVATION (Show whether DT, RL, etc. etc.)

3700'

22. APPROX. DATE WORK WILL START*

NOVEMBER 1, 1994

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLES	CASES/DEPTHS	WEIGHT PER FOOT	CEMENTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.04	400'	165 sk 11te cnt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.58	4000'	500 sk Class "C" 35/65 + 500 sk Class "C"
				+ 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Exhibits #1/1-A = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibit #3/3-A = Road Map and Topo Map

Exhibit #4 = Wells Within 1 Mile Radius

Exhibit #5 = Production Facilities Plat

Exhibit #6 = Rotary Rig Layout

Exhibit #7 = Casing Design

H2S Operating Plan

Subject to
General Requirements and
Special Stipulations
Attached

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:

Lease No. LC029435-A

Legal Description: Section 7 T17N-R31E

Bond Coverage: Nationwide

BLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give present data on subsurface location and measured and true vertical depths. Give blowout prevention program, if any.

34.

SIGNED Randy Jackson

TITLE DISTRICT ENGINEER

DATE September 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

Applicant approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Paul H. Mann

TITLE

AREA MANAGER

DATE

11/23/94

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations or to any matter within its jurisdiction.

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name		
* Property Code L		* Property Name KEEL 'A' FEDERAL				* Well Number 24
* OGEID No.		* Operator Name DEVON ENERGY OPERATING CORPORATION				* Elevation 3700'
* SURFACE LOCATION						
UL or lot no.	Section 7	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot No.	Feet from the North/South line 2560'	Feet from the East/West line 1200'
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE						
UL or lot no.	Section	Township	Range	Lot No.	Feet from the North/South line	Feet from the East/West line
* Dedicated Acres 40		* Joint or Infill		* Consolidation Code		* Order No.
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION						

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

September 30, 1994

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.

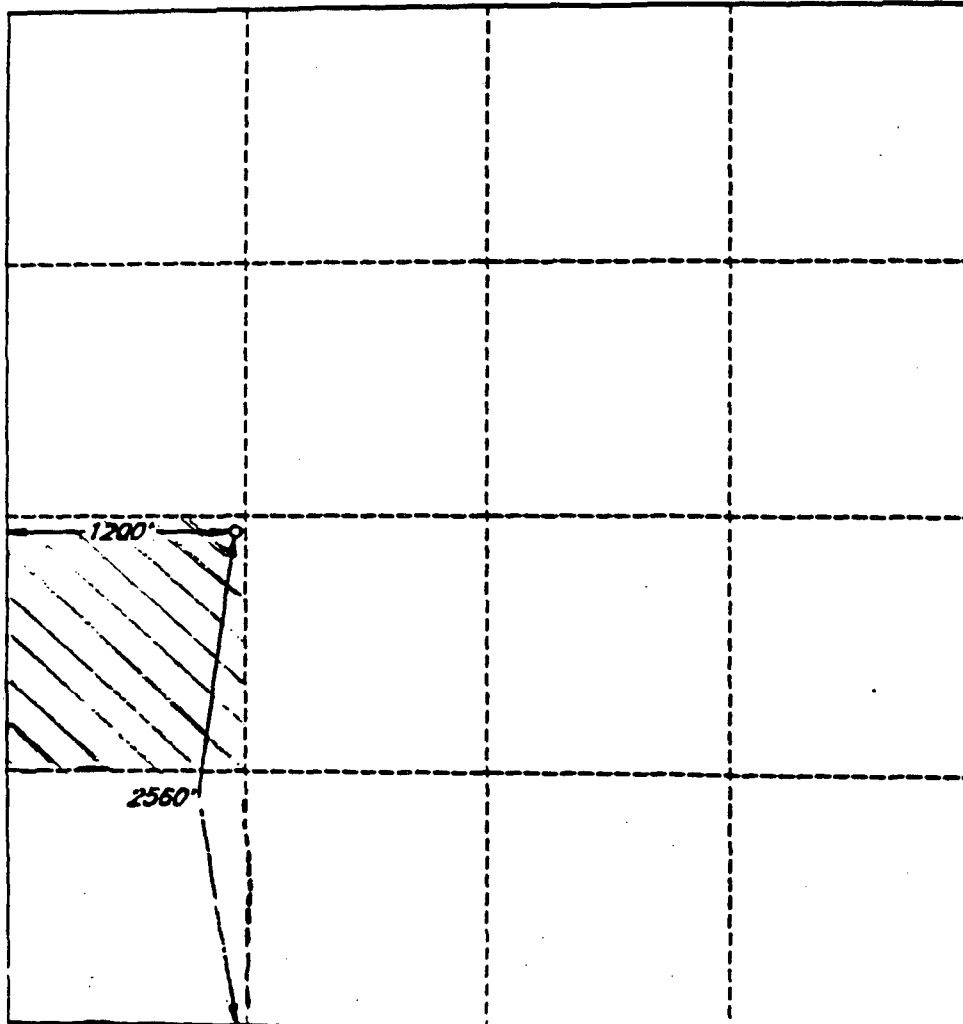
Date of Survey

AUGUST 1994

Signature of Surveyor

V. Lynn Bezner

Professional Seal
STATE OF NEW MEXICO
V. LYNN BEZNER
NO. 7920
Surveyor
V. L. BEZNER LAND SURVEYOR P.S. #7920



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐
2. TYPE OF WELL
OIL WELL ☐ GAS WELL ☐ OTHER ☐
3. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION
4. ADDRESS AND TELEPHONE NO.
20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102
5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
754' FSL & 1165' FWL
At proposed prod. zone
SAME
6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
4 miles east and 4 miles north of Loco Hills, N.M.
7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
754'
(Also to nearest orig. unit line, if any)
8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'
9. NO. OF ACRES IN LEASE
606.92
10. PROPOSED DEPTH
4000'
11. NO. OF ACRES ASSIGNED TO THIS WELL
40
12. DEPTH OR CABLE TOOLS
ROTARY
13. ELEVATIONS (Show whether M., H., GR., etc.)
3714'
14. APPROX. DATE WORK WILL START
NOVEMBER 1, 1994

15. LEASE DESIGNATION AND SERIAL NO.
LC 029435-A
16. INDIAN, ALLOTTED OR TRIBE NAME
NA
17. UNIT AGREEMENT NAME
NA
18. BLM OR LEASE NAME WELL NO.
KEEL "A" #25
19. AP WELL NO.
20. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON
21. SEC., T., R. N., OR E.E. AND SURVEY OR AREA
Sec. 7-T17S-R31E
22. COUNTY OR PARISH
KDDY
23. STATE
NEW MEXICO

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE AND WEIGHT	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8", H-40	48.0#	400'	100 sx of Lite + 355 sx Class "C"
11"	8 5/8", J-55	24.0#	1400'	100 sk Lite cmt + 433 sx Class "C"
7 7/8"	5 1/2", J-55	15.5#	4000'	320 sk Class "C" 35/65 + 325 sx Class "C" + 1/4 lb/sk cellophane flakes

(SEE STIPS)

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC 029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give present data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE September 22, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to a leasehold interest.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Scott Power TITLE AREA MANAGER DATE 12/2/94

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

*See Instructions On Reverse Side

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

241-1980

er DD
NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

DISTRICT III
Rio Brazos Rd.
Sec. NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name			
Property Code M		Property Name KEEL 'A' FEDERAL				Well Number 25	
OGED No.		Operator Name DEVON ENERGY OPERATING CORPORATION				Elevation 3714'	

" SURFACE LOCATION

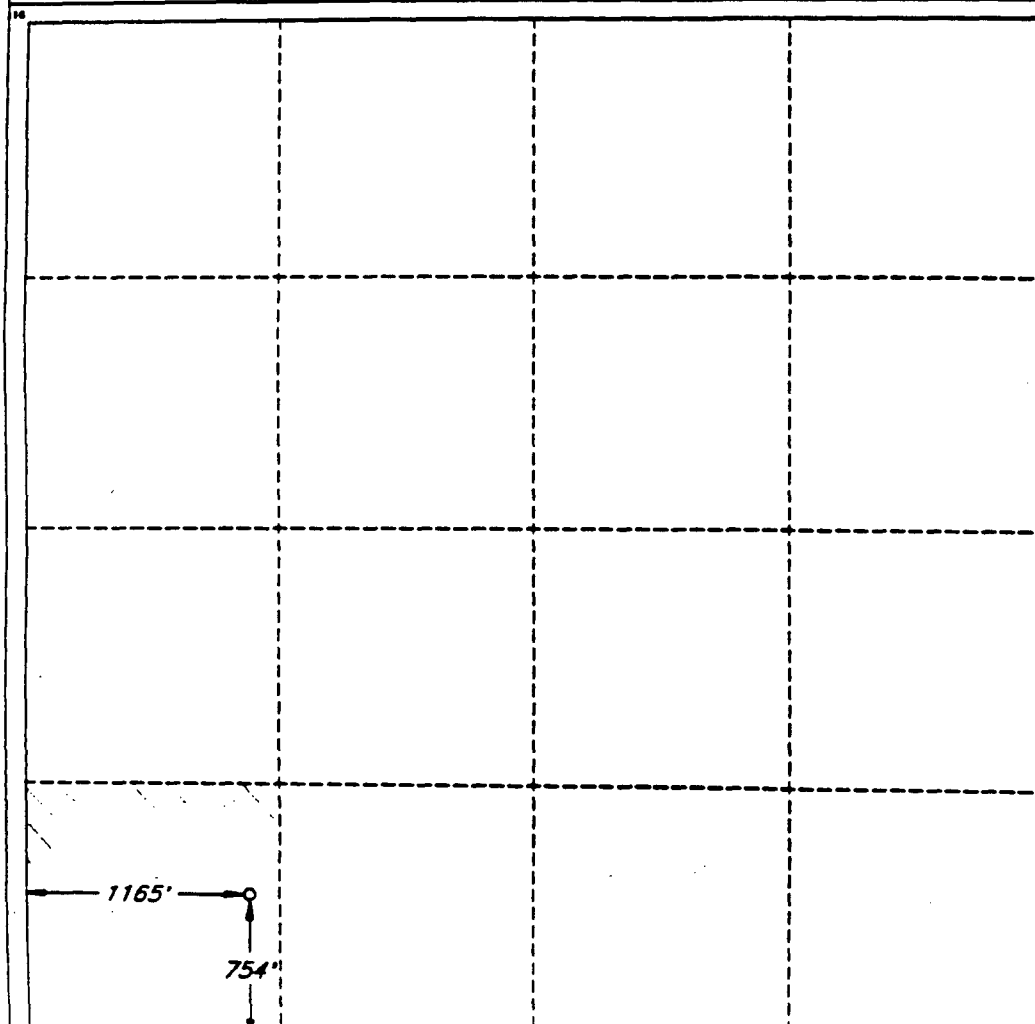
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	7	17 SOUTH	31 EAST, N.M.P.M.		754'	SOUTH	1165'	WEST	EDDY

"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

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

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
-----------------------	-----------------	--------------------	-----------

~~55~~ NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 4, 1994

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.

Date of Survey

SEPTEMBER 15, 1994

Signature and Seal of
Professional Surveyor

V. L. DeWitt

Certificate No.

V. L. DEWITT

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

c. NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

d. ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

e. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2630 FSL & 85' FEL

At top proposed prod. zone (SAME)

Non-
standard
Location...

SUBJECT TO
LIKE APPROVAL
BY STATE

5. LEASE DESIGNATION AND SERIAL NO.

LC 029435-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

7. UNIT AGREEMENT NAME

NA

8. FARM OR LEASE NAME, WELL NO.

Keel "A" #27

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT

GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SECTION 7-T17S-R31E

12. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH

EDDY

13. STATE

NM

14. DISTANCE FROM PROPOSED LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT. 85'

(Also to nearest drg. unit line if any)

15. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1300'

16. NO. OF ACRES IN LEASE

606.92

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. PROPOSED DEPTH

4000

19. ROTARY OR CABLE TOOLS*

Rotary

20. ELEVATIONS (Show whether DF, RT, GR, etc.)

26-

21. APPROX. DATE WORK WILL START*

DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- 2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON
DISTRICT ENGINEER

DATE October 27, 1994

is space for Federal or State office use)

MIT NO. _____ APPROVAL DATE _____

ation approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

DITIONS OF APPROVAL, IF ANY:

ROVED BY Paul C. Mann

TITLE AREA MANAGER

DATE 12/14/94

See Instructions On Reverse Side

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-100
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

OIL CONSERVATION DIVISION

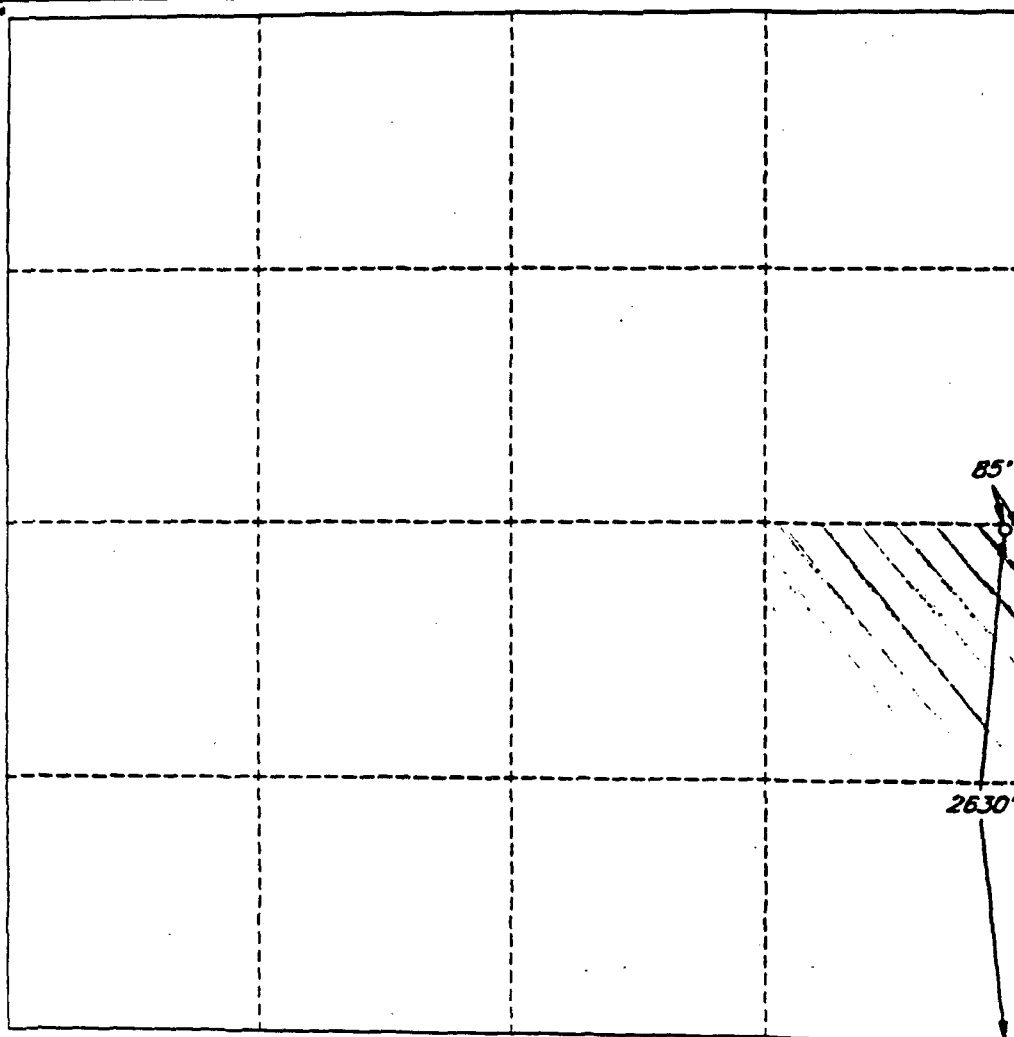
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name					
Property Code		Property Name KEEL 'A' FEDERAL				Well Number 27			
OGED No.		Operator Name DEVON ENERGY OPERATING COMPANY				Elevation 3726'			
SURFACE LOCATION									
UL or lot no. ✓	Section 7	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ids	Feet from the 2630'	North/South line SOUTH	Feet from the 85'	East/West line EAST	County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"									
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 15, 1994

Signature and Seal of Professional Surveyor

V. Lynn Beznar
V. LYNN BEZNAR
NO. 7920

State of New Mexico
V. L. BEZNAR
S.E.S. #7920

JOB #35908-51 / 98 SW / V.H.B.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

SUBMIT IN TRIPPLICATE

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

1b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1359' FNL & 2448' FWL UNORTHODOX Subject to
LOCATION: Line Approval
By State
At top proposed prod. zone (SAME)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1359' FNL
(Also to nearest drg. unit line if any)

16. NO. OF ACRES IN LEASE 606.92
19. PROPOSED DEPTH 4000

17. NO. OF ACRES ASSIGNED TO THIS WELL 40
20. ROTARY OR CABLE TOOLS* Rotary

18. ELEVATIONS (Show whether DF, RT, GR, etc.)
752' GR

1. LEASE DESIGNATION AND SERIAL NO.
LC 029435-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "A" #31

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 7 T17 S- R31 E

12. COUNTY OR PARISH
KDDY

13. STATE
NM

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
2 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design

12S Operating Plan

General Requirements and
Special Stipulations
Attached

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE DISTRICT ENGINEER

DATE October 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Permit approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Scott Rowe

TITLE Acting AREA MANAGER

DATE 12/2/94

See Instructions On Reverse Side

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

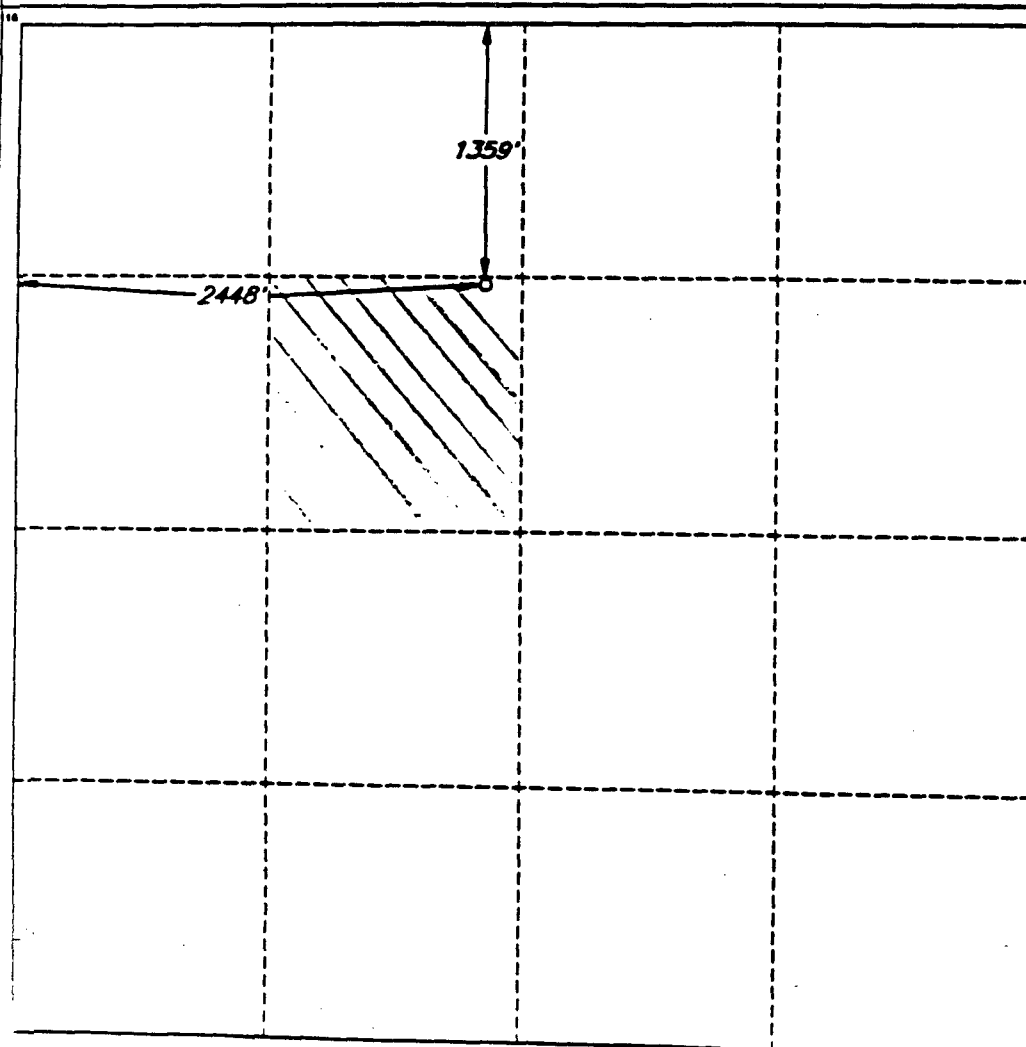
OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code F		5 Property Name KEEL 'A' FEDERAL				6 Well Number 31			
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3752'			
10 SURFACE LOCATION									
11 UL or lot no.	12 Section 7	13 Township 17 SOUTH	14 Range 31 EAST, N.M.P.M.	15 Lot 1/4	16 Feet from the 1359'	17 North/South line NORTH	18 Feet from the 2448'	19 East/West line WEST	20 County EDDY
21 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
22 UL or lot no.	23 Section	24 Township	25 Range	26 Lot 1/4	27 Feet from the	28 North/South line	29 Feet from the	30 East/West line	31 County
32 Dedicated Acres		33 Joint or Infill		34 Consolidation Code		35 Order No.			
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 29, 1994

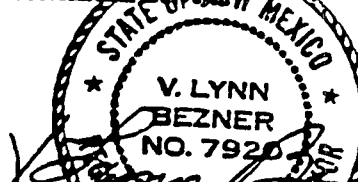
SURVEYOR CERTIFICATION

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.

Date of Survey

OCTOBER 15, 1994

Signature and Seal of
Professional Surveyor



Certification No.

V. L. BEZNER AND ASSOCIATES #7920

JOB #35908 35 1/2 SW / V.H.B.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a TYPE OF WORK: DRILL ☒ DEEPEN ☐

b TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2 NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

3 ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4 LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2593' FNL & 1310' FEL

At top proposed prod. zone (SAME)

Non-
Standard
Location...

... SUBJECT TO
LIKE APPROVAL
BY STATE

5. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

1 miles east & 4 miles north of Loco Hills, N.M.

5. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

1310' FEL

16. NO. OF ACRES IN LEASE

606.92

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

1000'

19. PROPOSED DEPTH

4000

20. ROTARY OR CABLE TOOLS*

Rotary

1. ELEVATIONS (Show whether DF, RT, GR, etc.)

710

22. APPROX. DATE WORK WILL START*

DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
2 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- 12S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

RANDY JACKSON
TITLE DISTRICT ENGINEER

DATE October 27, 1994

his space for Federal or State office use)

UNIT NO. _____ APPROVAL DATE _____

ication approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

DITIONS OF APPROVAL, IF ANY:

ROVED BY Richard H. Mann

AREA MANAGER

DATE 12/15/94

See Instructions On Reverse Side

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-101
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

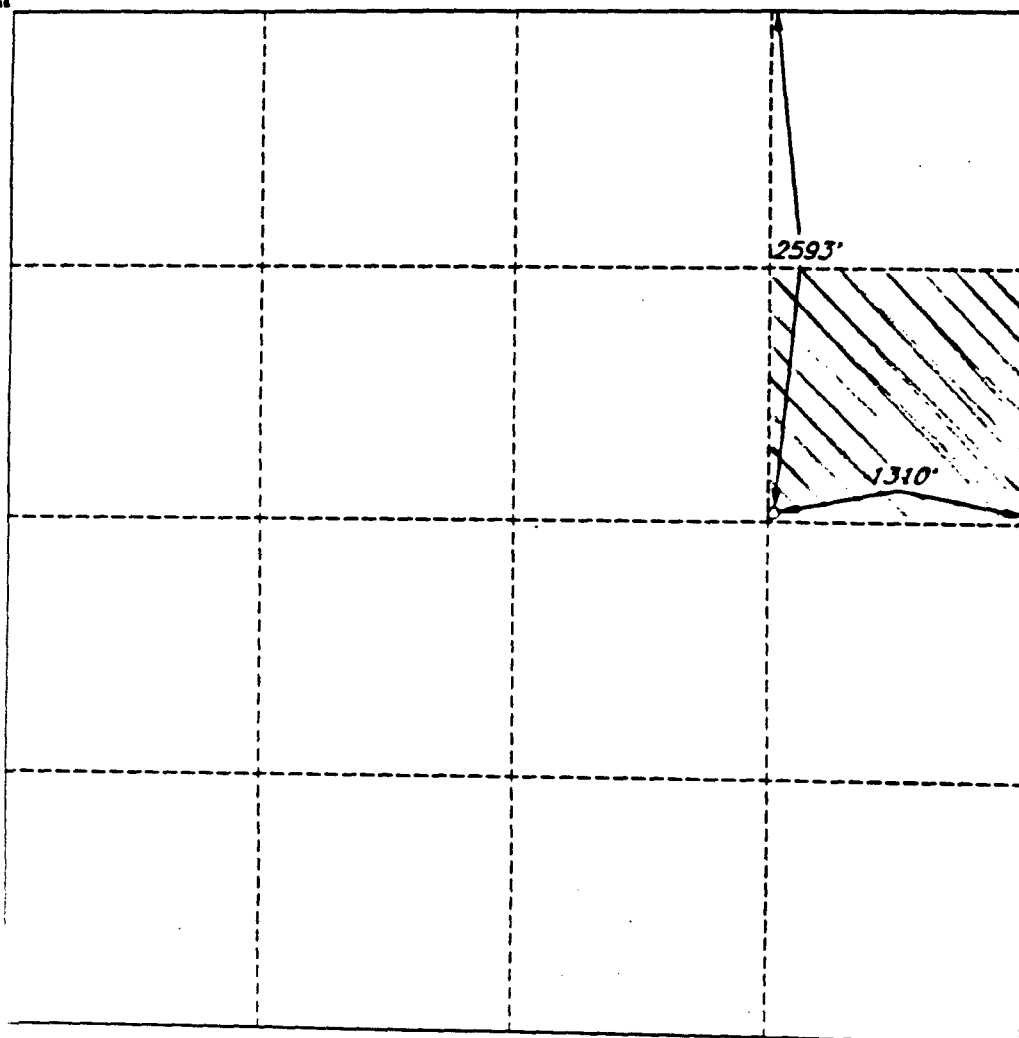
OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code (H)		5 Property Name KEEL 'A' FEDERAL				6 Well Number 33			
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3710'			
10 SURFACE LOCATION									
UL or lot no. V	Section 7	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 2593'	North/South line NORTH	Feet from the 1310'	East/West line EAST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 21, 1994

Signature and Seal of
Professional Surveyor

V. Lynn Bezner
STATE OF NEW MEXICO
V. LYNN BEZNER
P. NO. 7920
V. L. BEZNER R.P.S. #7920

JOB #35908-37 7 98-SW / VLP

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE*

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1053 FSL & 2604 FWL **UNORTHODOX LOCATION:** **Just to**
At top proposed prod. zone (SAME) **By State**

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "A" #34

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 7 T17 S - R31 E

12. COUNTY OR PARISH
KDDY

13. STATE
NM

16. NO. OF ACRES IN LEASE
606.92

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

22. APPROX. DATE WORK WILL START*
NOVEMBER 1, 1994

1. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
miles east & 4 miles north of Loco Hills, N.M.

2. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
1053' FSL
(Also to nearest dry unit line if any)

3. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

4. ELEVATIONS (Show whether DF, RT, GR, etc.)
97' GR

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	500 sk lite cement + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

CIRCULATE

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

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- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design

2S Operating Plan

**Approval Subject to
General Requirements and
Special Stipulations**

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

OCT 27 1994

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE DISTRICT ENGINEER

DATE October 27, 1994

space for Federal or State office use)

MIT NO. _____ APPROVAL DATE _____

ation approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

DITIONS OF APPROVAL, IF ANY:

OVED BY Scott Prewer

TITLE Acting AREA MANAGER

DATE 12/2/94

See Instructions On Reverse Side

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State Leases - 4 copies
Fee Leases - 3 copies

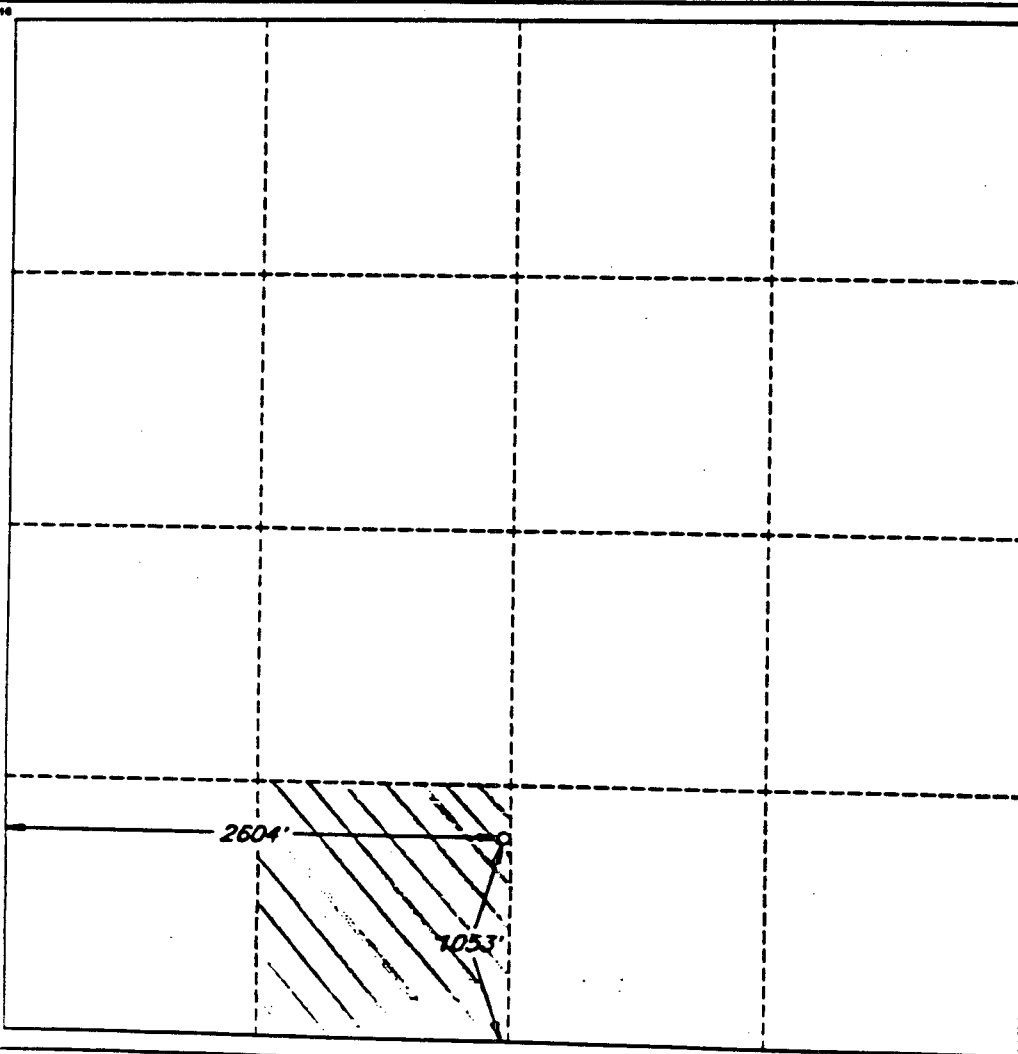
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

☐ AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code N		* Property Name KEEL 'A' FEDERAL						* Well Number 34	
* O&GID No.		* Operator Name DEVON ENERGY OPERATING COMPANY						* Elevation 3697'	
* SURFACE LOCATION									
UL or lot no.	Section 7	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 14a	Feet from the 1053'	North/South line SOUTH	Feet from the 2604'	East/West line WEST	County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot 14a	Feet from the	North/South line	Feet from the	East/West line	County
** Dedicated Acres		** Joint or Infill		** Consolidation Code		** Order No.			
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 29, 1994

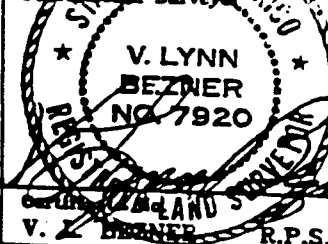
SURVEYOR CERTIFICATION

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.

Date of Survey

OCTOBER 14, 1994

Signature and Seal of Professional Surveyor



V. L. BEZNER R.P.S. #7820

JOB #35908-38 / 98 SW / V.H.B.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

1b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface **1430' FSL & 90' FEL**
At top proposed prod. zone (SAME)
Non-Standard Location...

**SUBJECT TO
LIKE APPROVAL
BY STATE**

4. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
1 miles east & 4 miles north of Loco Hills, N.M.

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "A" #35

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 7 - T17 S - R31 E

12. COUNTY OR PARISH
KIDDY

13. STATE
NM

5. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
90' FEL
(Also to nearest dle. unit line if any)

16. NO. OF ACRES IN LEASE
606.92

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

1. ELEVATIONS (Show whether DF, RT, GR, etc.)
701-

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

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- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design

2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON
DISTRICT ENGINEER

DATE October 27, 1994

(This space for Federal or State office use)

UNIT NO. _____ APPROVAL DATE _____
Approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY: **APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED**

APPROVED BY Charles E. Mann

TITLE AREA MANAGER

DATE 12/15/94

See Instructions On Reverse Side

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code 1		5 Property Name KEEL 'A' FEDERAL				6 Well Number 35			
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3701'			
10 SURFACE LOCATION									
UL or lot no. ✓	Section 7	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1430'	North/South line SOUTH	Feet from the 90'	East/West line EAST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			
16 NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

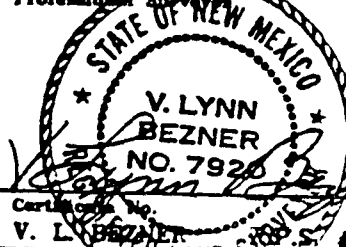
SURVEYOR CERTIFICATION

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.

Date of Survey

OCTOBER 28, 1994

Signature and Seal of Professional Surveyor



Job #35908-1840

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐

2. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐

3. NAME OF OPERATOR
Socorro Petroleum Company Attn: Jo Ann Hooks Phone No. (405) 552-4560

4. ADDRESS AND TELEPHONE NO.
20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1220' ... SUBJECT TO
10-4 FNL & 1320' FNL (N2) LIKE APPROVAL
BY STATE
At proposed prod. zone SAME

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1320'
(Also to nearest city, town, or village, if any.)

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR APPLIED FOR, ON THIS LEASE, FT. 950'

9. NO. OF ACRES IN LEASE 1885.0

10. NO. OF ACRES ASSIGNED TO THIS WELL 20 → 40 555

11. PROPOSED DEPTH 4000'

12. SURFACE OR CABLE TOOLS Rotary

13. ELEVATION (Show whether DT, RT, OR, etc.) 3781'

14. APPROX. DATE WORK WILL START July 15, 1994

15. LEASE DESIGNATION AND SERIAL NO.
LC-029435-B

16. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

17. UNIT AGREEMENT NAME
NA

18. NAME OF LEASE HOLE WELL NO.
Keel "B" # 55

19. SP. WELL NO.

20. FIELD AND POOL OR WILDCAT
Grayburg-Jackson

21. SEC., T., R., N., OR S.E., AND SURVEY OR AREA
Section 8 - T17S-R31E

22. COUNTY OR PARISH 13. STATE
Eddy NM

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING DEPTH	WEIGHT PER FOOT	CUTTING DEPTH	QUANTITY OF CEMENT
17 1/2"	14"		60'	Cemented with redmix to surface.
12 1/2"	8 5/8" J-55 ERM,	24 ppf	550'	125 sks lite + 220 sks Class 'C'
7 7/8"	5 1/2" J-55, ST&C seamless	15 1/2 ppf	0-TO	cellophane flakes. Cemented to surface with 475 sks 35.65 (Poz:Class C) 6% gel + 10% salt + 1/4 lb/sk cellophane flakes and 475 sks Class C + 2% gel + fluid loss additive + 1/4 lb/sk cellophane flakes.

* We plan to circulate cement to surface on all casing strings.
Socorro Petroleum Company proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Surface Use and Operating Plan

Exhibits #1/1-A - Blowout Prevention Equipment
Exhibit #2 - Location and Elevation Plat
Exhibit #3/3-A - Road Map and Topo Map
Exhibit #4 - Wells Within 1 Mile Radius
Exhibit #5 - Production Facilities Plat
Exhibit #6 - Rotary Rig Layout
Exhibit #7 - Casing Design

25. Operating Plan

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or spin directionally, give present data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease #: LC-029435-B
Legal Description: Section 8 - T17S-31E
Formation: Grayburg-Jackson
Bond Coverage: Nationwide
BLM Bond #: PENDING

APPROVED BY Randy Jackson TITLE District Engineer DATE MAY 27, 1994

(This space for Federal or State office use)

PERMIT NO. 1 APPROVAL DATE 12/21/94

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL IF ANY:

APPROVED BY Scott Rowin TITLE Acting AREA MANAGER DATE 12/21/94

*See Instructions On Reverse Side

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations, or to any matter within its jurisdiction.

STATE OF NEW MEXICO
P. O. Box 1880
Albuquerque, NM 87101-1880

STATE OF NEW MEXICO
Energy, Minerals, and Natural Resources Department

Revised 02-10-94

Instructions on back

Stamp in the appropriate
District Office
State Lands - 1 copy
Per Lease - 3 copies

DISTRICT II
P. O. Box 100
Artesia, NM 88211-0100

DISTRICT III
1000 Rio Brazos Rd.
Artesia, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Well Code	Well Name
Property Code B	Property Name KEEL "B" FEDERAL	Well Number 55
UICED No.	Operator Name DEVON ENERGY OPERATING COMPANY	Elevation 3764'

"SURFACE LOCATION"

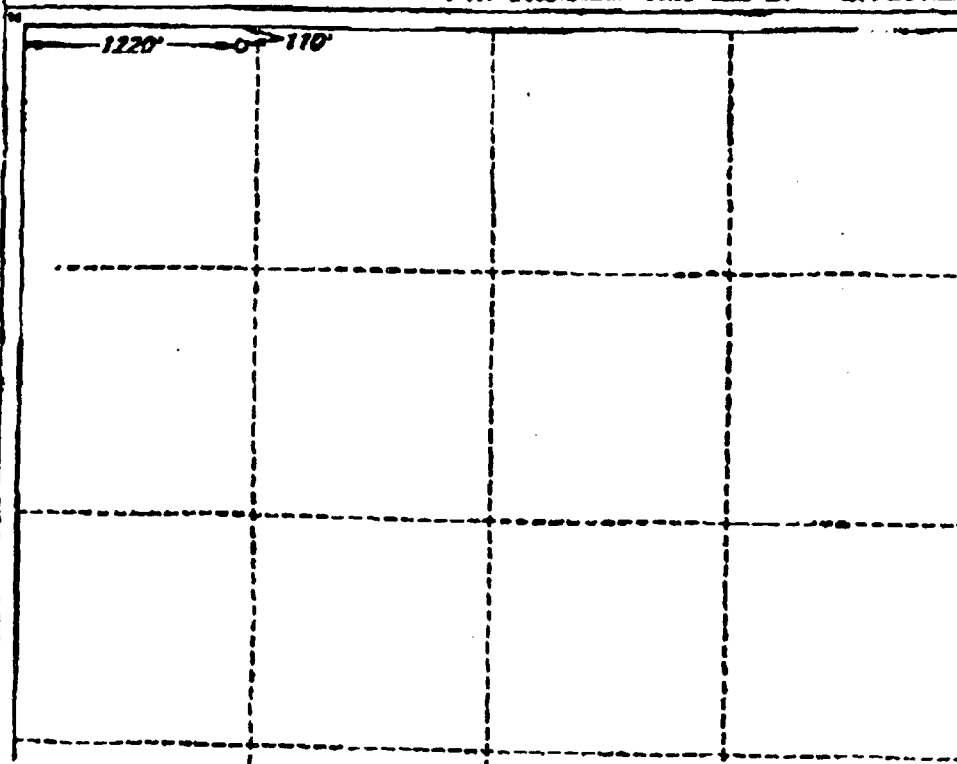
UL or lot no.	Section 8	Township 17 SOUTH	Range 81 EAST, N.M.P.M.	Lot No.	Feet from the 110'	North/South line NORTH	Feet from the 1220'	East/West line WEST	County KDDY
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"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"

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

Well Located Acres	Well Total or Initial	Consolidation Code	Order No.
--------------------	-----------------------	--------------------	-----------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Randy Jackson
Printed Name
Randy Jackson

Title
District Engineer

Date
12/13/94

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.

Date of Survey
12/13/94

Surveyor's Seal
V. LYNN BEZNER
NO. 7820
L.M.D. 6/15/95
Certified
V. L. BEZNER
N.P.S. #7820
JOB #349/9 / 985W-SE du

Form 10-1 brand fax transmittal memo 7871 2 of pages 1

To: PRITA SLACK	From: RANNEY J
Subject:	DEVON
Page:	405-552-4600
Page:	405-552-4600

Page approved.
Budget Bureau No. 1514-0126
Expend: December 31, 1991

1. NAME INFORMATION AND SERIAL NO.
LC 029435-B

2. IF KNOWN, ALLOTTED OR TRADE NAME
NA

3. UNIT ASSIGNMENT NAME
NA

4. CHEMICAL-NAME, WEIGHT
KEEL "B" #60

5. OTHERS

21. FIELD AND FUEL ON WINGMAN
GRAYSON JACKSON
22. OFF. 2. 2. 2. ON FUEL
AND GUSTAV ON AREA
Sec. 6.T17S-R31E

II. COUNTY OR PARISH	II. STATE
BERN	NEW MEXICO

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 01-28-2001 BY 60322 UCBAW

OF CABLE TOWNS

NOVEMBER 1, 1994

IMPROVED GAMING AND GAMING PROGRAMS

SIZE OF HOLES	GRAB SAMPLES	SPEND PER FOOT	STRIKES DEPTH	CHARACTER OF GRABST
12 1/8"	8 5/8" 2-55	74.89	370'	155 st lite cont + 200 st Class "C" CIRCULATE
7 1/8"	5 1/2" 2-55	15.54	3000'	500 st Class "C" 35/55 + 200 st Class "C" + 1/4 lb/st collophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- | | | |
|---------------------------|---------------------------------------|----------------------|
| Exhibits #1/1-A | - Blowout Prevention Equipment | |
| Exhibit #2 | - Location and Elevation Plat | |
| Exhibit #3/3-A | - Road Map and Topo Map | |
| Exhibit #4 | - Wells Within 1 Mile Radius | |
| Exhibit #5 | - Production Facilities Plat | |
| Exhibit #6 | - Rotary Rig Layout | |
| Exhibit #7 | - Casing Design | Approval Subj |
| H2S Operating Plan | | General Regu |

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC 029435-B
Legal Description: Section 6 T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

Approval Subject to Bond
General Requirements BLM
Special Stipulations and
Attached

LOVE SPACE DISCOURSE PROPOSED PROGRAM: It proposed to develop, give data on present productive areas and proposed new productive areas. It proposed to do shift or a documentary, give present data on extensive business and investment and new vertical depths. Give relevant program progress, if any.

NAME Randy Jackson TITLE DISTRICT ENGINEER DATE September 22, 1994
(This report for Federal or State office use)

WELNET NO. _____ APPROVAL PAGE _____

QUESTIONS OF APPEAL:

APPROVED BY: Edward C. Mann AREA MANAGER DATE: 4/23/94

See Instructions On Reverse Side

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations, or to procure the making of such statements or representations by any other person.

T I
Box 1960
s. NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-10:
Revised 02-10-94
Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT II
O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

DISTRICT III

1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV

P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
4 Property Code C	5 Property Name KEEL 'B' FEDERAL	6 Well Number 60
7 OGRID No.	8 Operator Name DEVON ENERGY OPERATING CORPORATION	9 Elevation 3774'

" SURFACE LOCATION

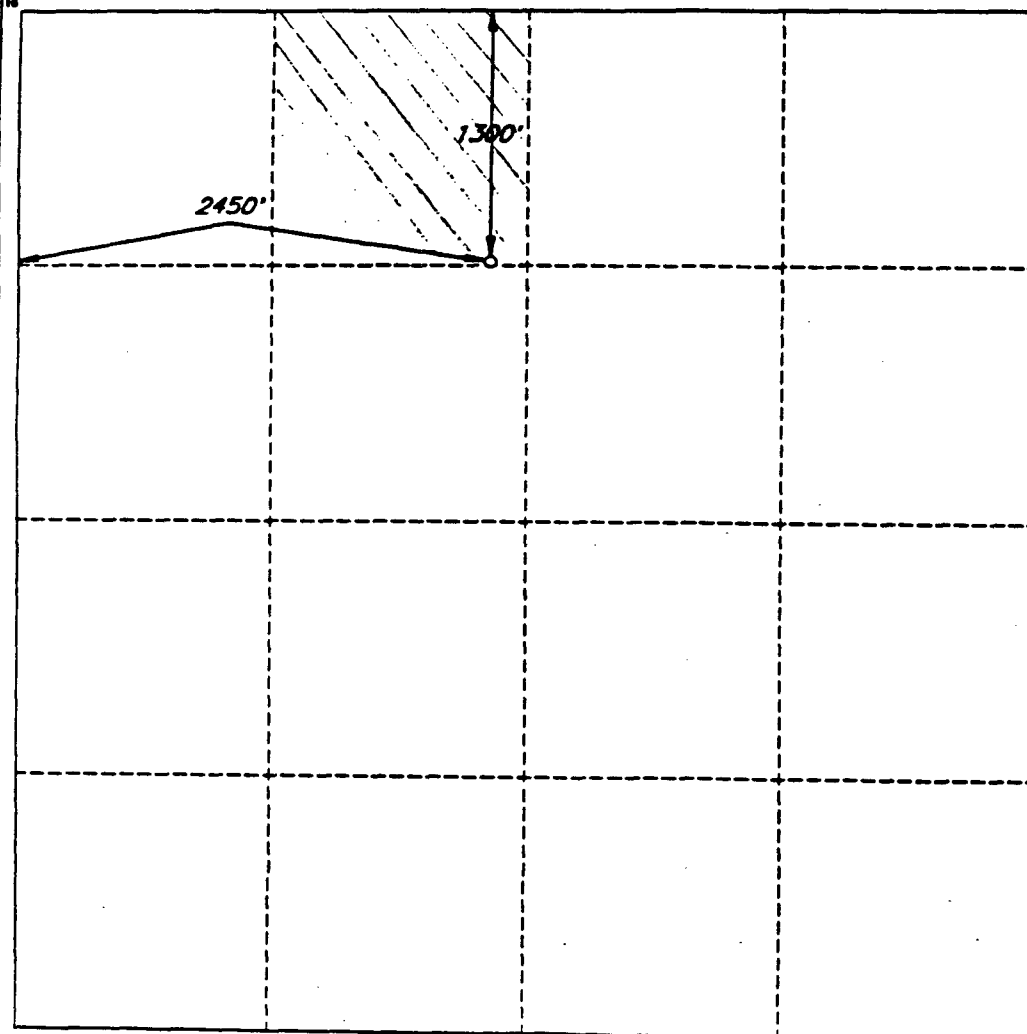
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
	6	17 SOUTH	31 EAST, N.M.P.M.		1300'	NORTH	2450	WEST	EDDY

"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County

10 Dedicated Acres	11 Joint or Infill	12 Consolidation Code	13 Order No.
--------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN
CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information
contained herein is true and complete
to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 4, 1994

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.

Date of Survey

October 2, 1994

Signature and Seal of
Professional Surveyor

V. Lynn Bezner
V. LYNN
BEZNER
NO. 7920
PROFESSIONAL LAND SURVEYOR

Certification

V. L. BEZNER R.P.S. #7920

JOB #34890-2/0855-001/4

OPERATOR'S COPY

SUBMIT IN TRIPPLICATE
(Only instructions on reverse side)

Form approved
Budget Bureau No. 1074-0136
Expires: December 31, 1991

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

GEOTHERMAL ☐

HYDROPOWER ☐

2. NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE

20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

12107 FNL 8150' FBI
At proposed prod. hole

Non-
Standard
Location...

SUBJECT TO
LIKE APPROVAL
BY STATE

5. LEASE DESCRIPTION AND SERIAL NO.

LC-029435-B

6. IF INDEED, ALLOTTEE OR THIRD PARTY

NA

7. UNIT AGREEMENT NAME

NA

8. NAME OF LEASED LAND WELL NO.

Keel "B" Federal #61

9. AP WELL NO.

10. FIELD AND POOL OR UNDECAT

GRAYBURG-JACKSON

11. SEC. T. R. N. OR S.E. AND SURVEY OR AREA

Sec. 6-T17S-R31E

12. COUNTY OR PARISH

EDDY COUNTY

13. STATE

NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 Miles East and 4 miles North of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest orig. unit line, if any)

50'

16. NO. OF ACRES IN LEASE

1885.0

17. NO. OF ACRES ADJACENT TO THIS WELL

60

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR APPLIED FOR, OF THIS LEASE, FT.

1000'

19. PROPOSED DEPTH

4000'

20. SURVEY OR CABLE TOOLS

ROTARY

21. ELEVATION (Show whether SP, RL, OR, OR)

3778' GR

22. APPROX. DATE WORK WILL START*

November 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SCHEDULE	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	420'	165 sk 11te cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.54	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk callophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6 T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

Oct 14 10 40 AM '94

RECEIVED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give present data on subsurface location and estimated and true vertical depths. Give blowout prevention program, if any.

24.

SIGNED

Randy Jackson

Randy Jackson

TITLE DISTRICT ENGINEER

DATE September 22, 1994

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

Scott Powin

Acting
AREA MANAGER

TITLE

DATE

12/21/94

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations.

JUN 81

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Leases - 4 copies
Fee Leases - 3 copies

DISTRICT II
P. O. Drawer DU
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code H		5 Property Name KEEL "B" FEDERAL				6 Well Number 61			
7 OGRD No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3801'			
* SURFACE LOCATION									
10 UL or lot no.	11 Section 8	12 Township 17 SOUTH	13 Range 31 EAST, N.M.P.M.	14 Lot No.	15 Feet from the 1410'	16 North/South line NORTH	17 Feet from the 150'	18 East/West line EAST	19 County KDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"									
20 UL or lot no.	21 Section	22 Township	23 Range	24 Lot No.	25 Feet from the	26 North/South line	27 Feet from the	28 East/West line	29 County
30 Dedicated Acres		31 Joint or Infill	32 Consolidation Code		33 Order No.				
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									
						OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.			
						Signature 			
						Printed Name Randy Jackson			
						Title District Engineer			
						Date 12/13/94			
						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.			
						Date of Survey NOVEMBER 4, 1994			
						Signature of Professional Surveyor 			
						V. L. BRZNER JOB #34980-1798 SW / V.H.B.			

OPERATOR'S COPY

Form 3-90-3
(December 1990)

SUBMIT IN TRIPPLICATE
(Copy instructions on reverse side)

Form approved
Budget Bureau No. 1074-0136
Expires: December 31, 1991

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

2A. TYPE OF WELL
 DRILL ☒ DEEPEN ☐

B. TYPE OF WELL
 OIL WELL ☒ GAS WELL ☐ OTHER ☐ OTHER ☐

C. NAME OF OPERATOR
 DEVON ENERGY OPERATING CORPORATION

D. ADDRESS AND TELEPHONE
 20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

E. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At existing
 2650' FSL & 2650' FWL
 At proposed prod. zone

F. SUBJECT TO LIKE APPROVAL BY STATE
 Non-standard Location...

G. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 4 Miles East and 4 miles North of Loco Hills, N.M.

H. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
 2650'

I. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR OTHER WELL, ON THIS LEASE, FT.
 1000'

J. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR OTHER WELL, ON THIS LEASE, FT.
 4000'

K. REMARKS (Show whether DF, RE, OR, etc.)
 3769' GR

1. LEASE DESIGNATION AND SERIAL NO.
 LC-029435-B

2. IF FEDERAL, ALLOTTED OR TRUST NAME
 NA

3. SURVEY ADJUSTMENT NAME
 NA

4. NAME OF LEASED WELL OR
 Keel "B" Federal # 62

5. APPROVAL
 GRAYBURG-JACKSON

6. FIELD AND POOL OR WELDCAT
 GRAYBURG-JACKSON

7. SEC. T. R. N. OR RLL
 AND SURVEY OR AREA
 Sec. 6-T17S-R31E

8. COUNTY OR PARISH
 EDDY COUNTY

9. STATE
 NM

10. NO. OF ACRES IN LEASE
 1885.0

11. NO. OF ACRES ADJACENT TO THIS WELL
 40

12. SURVEY OR CABLE TOOLS
 ROTARY

13. APPROVAL DATE WORK WELL START
 November 1, 1994

PROPOSED CEMENT AND CEMENTING PROGRAM				
SIZE OF HOLE	CASES/STRENGTH	WEIGHT PER FOOT	CEMENTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	370'	165 sk 1112 cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.52	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A - Blowout Prevention Equipment
- Exhibit #2 - Location and Elevation Plat
- Exhibit #3/3-A - Road Map and Topo Map
- Exhibit #4 - Wells Within 1 Mile Radius
- Exhibit #5 - Production Facilities Plat
- Exhibit #6 - Rotary Rig Layout
- Exhibit #7 - Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-B
 Legal Description: Section 6 T17N-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING

OVER SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deviate, give present data on subsurface formations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE September 22, 1994

(This space for Federal or State office use)

APPROVAL DATE _____ APPROVAL DATE _____
 I hereby approve this application and certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to produce oil and gas therefrom.
 OPTIONS OF APPROVAL, IF ANY:

LOVED BY Richard E. Mann TITLE AREA MANAGER DATE 12/8/94

*See Instructions On Reverse Side

8 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to state any false, fictitious or fraudulent information.

Oct 11 1994

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

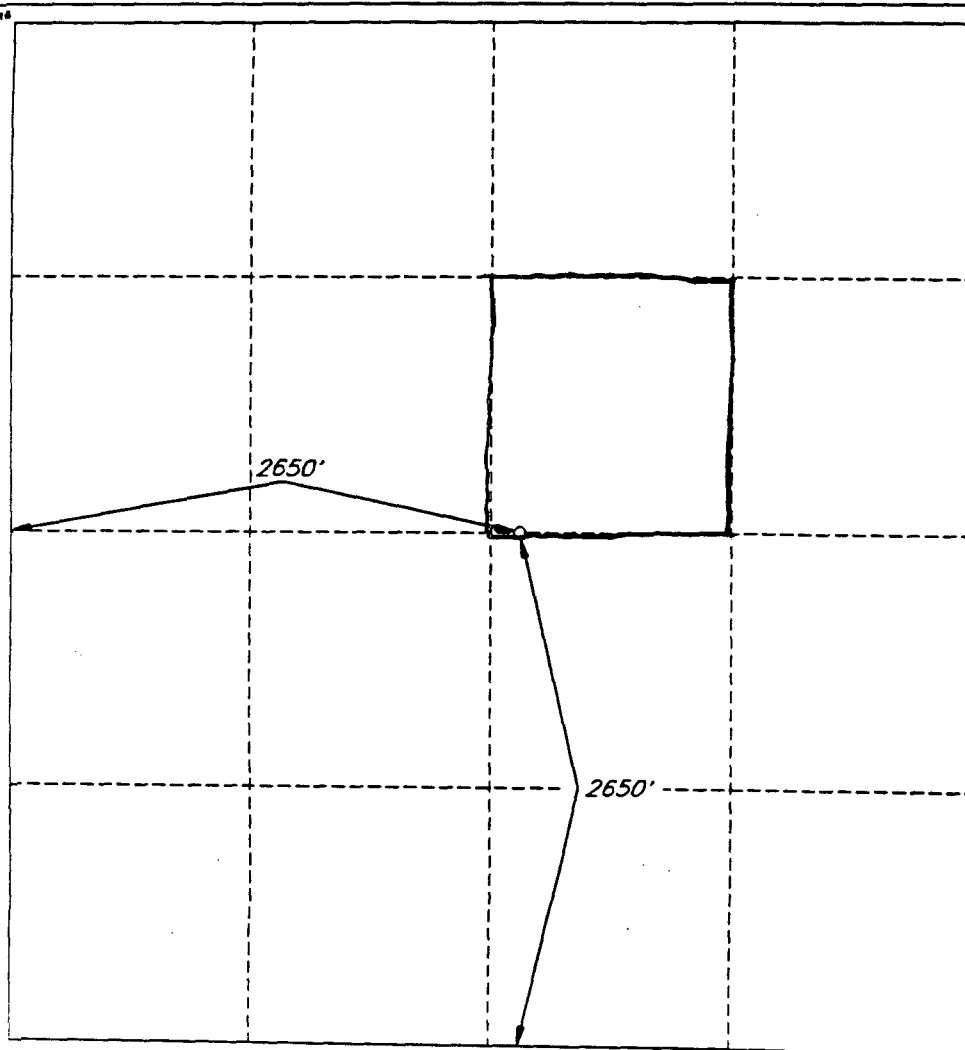
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code G		5 Property Name KEEL 'B' FEDERAL						6 Well Number 62	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3769'	
10 SURFACE LOCATION									
UL or lot no.	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 2850'	North/South line SOUTH	Feet from the 2650'	East/West line WEST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

☒ NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 11, 1994

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.

Date of Survey

SEPTEMBER 15, 1994

Signature and Seal of
Professional Surveyor

V. L. Beemer
V. L. BEEMER, R.S. #7920

Certificate No.

V. L. BEEMER, R.S. #7920

JOB #34966-5798SE&SW/cis

OPERATOR'S COPY

SUBMIT BY TELETYPE
(Only instructions on reverse side)

Form approved
Budget Bureau No. 1874-01M
Expiry: December 31, 1991

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK

DRILL ☒

DEEPEN ☐

2. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER ☐

SHOULDER ☐

SHOULDER ☐

3. NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

4. ADDRESS AND TELEPHONE

20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

5. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements)

At surface
1310' FSL & 1190' FWL

NON
STANDARD
LOCATION...

... SUBJECT TO
LIKE APPROVAL
BY STATE

At proposed prod. hole
SAME

6. DISTANCE IN FEET AND BEARING FROM NEAREST TOWN OR POST OFFICE

4 Miles East and 4 miles North of Loco Hills, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

1190'

(Also to nearest city, town, or village, if any)

8. NO. OF ACRES IN LEASE

1885.0

9. NO. OF ACRES ASSIGNED TO THIS WELL

40

10. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR APPLIED FOR, ON THIS LEASE, FT.

1100'

11. PROPOSED DEPTH

4000'

12. METHOD OF CORKING TOOLS

ROTARY

13. ELEVATION (Show whether OF, EE, or SL, etc.)

3731' GR

14. APPROX. DATE WHEN WELL START

November 1, 1994

15.

PROPOSED Casing and Cementing Program

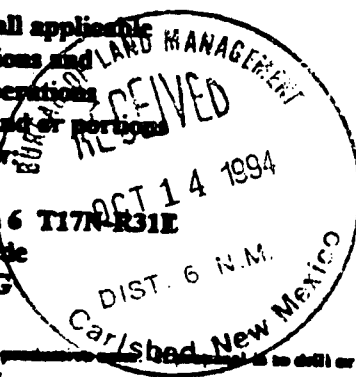
SIZE OF HOLE	CASING DEPTH	WEIGHT PER FOOT	CUTTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.09	340'	165 sk 11lb cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.52	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A - Blowout Prevention Equipment
- Exhibit #2 - Location and Elevation Plat
- Exhibit #3/3-A - Road Map and Topo Map
- Exhibit #4 - Wells Within 1 Mile Radius
- Exhibit #5 - Production Facilities Plat
- Exhibit #6 - Rotary Rig Layout
- Exhibit #7 - Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6 T17N R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING



ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed is to deepen, give data on present productive zone and proposed new productive zone. If proposed is to drill or re-enter, give present data on productive formations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED

Randy Jackson

Randy Jackson

TITLE DISTRICT ENGINEER

DATE September 22, 1994

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to drill or re-enter.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

Richard L. Mann

TITLE

AREA MANAGER

DATE

12/8/94

*See Instructions On Reverse Side

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or documents.

ICT I

Box 1980
OS, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT II
O. Drower DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

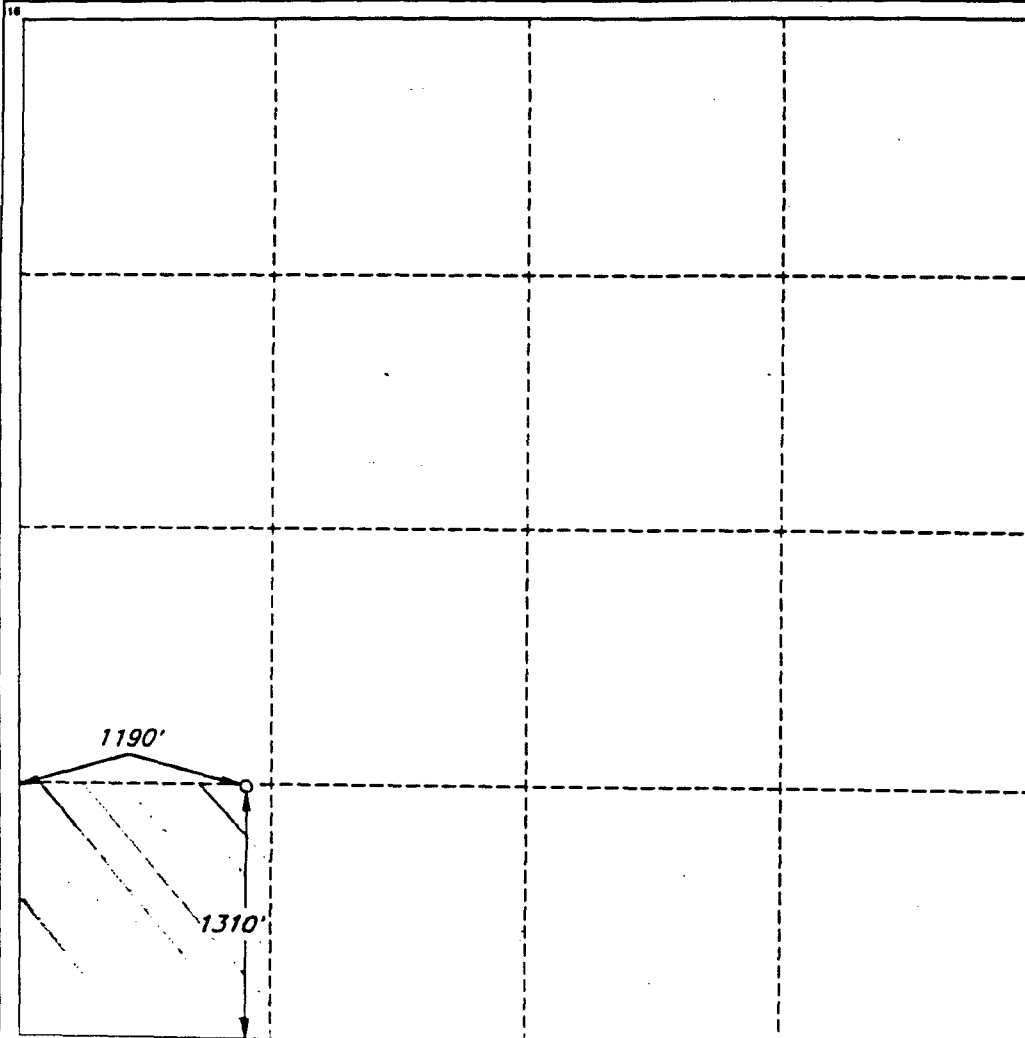
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code M		5 Property Name KEEL 'B' FEDERAL				6 Well Number 63			
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3731'			
10 SURFACE LOCATION									
UL or lot no.	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1310'	North/South line SOUTH	Feet from the 1190'	East/West line WEST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 6, 1994

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.

Date of Survey

AUGUST 23, 1994

Signature and Seal of Professional Surveyor

STATE OF NEW MEXICO
V. LYNN BEZNER
REGISTERED LAND SURVEYOR
Certificate No. **7920**

OPERATOR'S COPY

Form 3163-3
(December 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORWIT IN TRIPPLICATE
(Obey instructions on
reverse side)

Form approved
Budget Bureau No. 1074-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK

DRILL ☒

DEEPEN ☐

B. TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.

20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements.)

AT SURFACE

UNORTHODOX LOCATIONS

1180' FSL & 2350' FML

At proposed prod. zone

Subject to
Like Approval

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 Miles East and 4 miles North of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest city, state line, if any)

1180'

16. NO. OF ACRES IN LEASE

1885.0

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETION,
OR APPLIED FOR, OF THIS LEASE, FT.

600'

19. PROPOSED DEPTH

4000'

20. REPORT ON CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DT, RL, GL, etc.)

3742' GR

22. APPROX. DATE WORK WILL START*

November 1, 1994

PROPOSED Casing and Cementing Program

SIZE OF HOLE	GRADE, WEIGHT, AND TYPE	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	360'	165 sk lite cement + 200 sk Class "C" 35/65
7 7/8"	5 1/2" J-55	15.57	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk callophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design Approval Subject to General Requirements and Special Stipulations

H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6 T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

4 ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or open directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED Randy Jackson

TITLE DISTRICT ENGINEER

DATE September 22, 1994

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Richard L. Harris

TITLE

AREA MANAGER

DATE

11/25/94

*See Instructions On Reverse Side

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations.

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

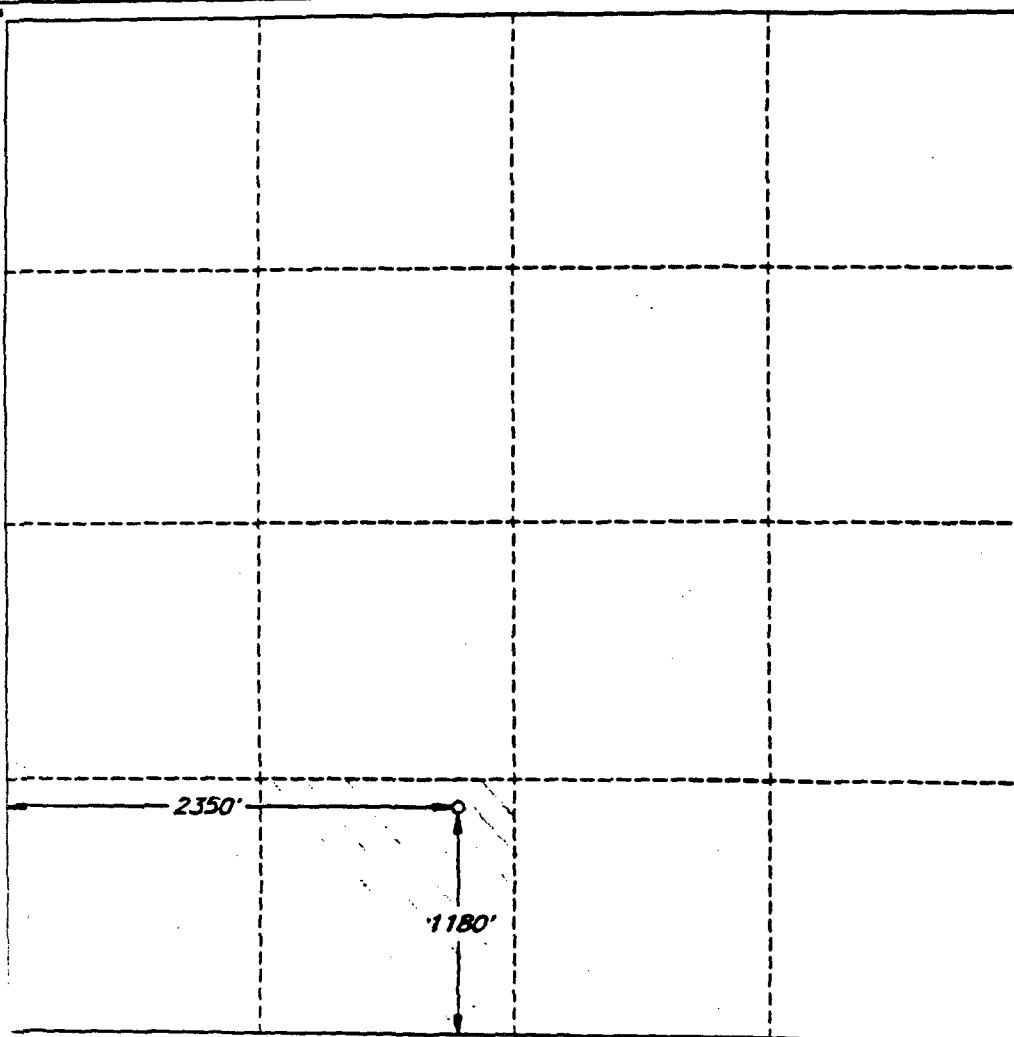
OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code N		* Property Name KEEL 'B' FEDERAL				* Well Number 64			
* OGHM No.		* Operator Name DEVON ENERGY OPERATING CORPORATION				* Elevation 3742'			
* SURFACE LOCATION									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
	6	17 SOUTH	31 EAST, N.M.P.M.		1180'	SOUTH	2350'	WEST	EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
* Dedicated Acres 40		* Joint or Infill		* Consolidation Code		* Order No.			
(55) NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 4, 1994

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.

Date of Survey

October 4, 1994

Signature and Seal of
Professional Surveyor

V. Lynn Bezner
V. LYNN
BEZNER
NO. 7920

Certification No. LAND
V. L. BEZNER S.P.S. #7920

JOB #34980-5/98SEA-SW/V.L.B.

OPERATOR'S COPY

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Obey instructions on
reverse side)

Form approved
Budget Bureau No. 1804-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK
 DRILL ☒ DEEPEN ☐

2. TYPE OF WELL
 OIL WELL ☒ GAS WELL ☐ OTHER ☐

3. NAME OF OPERATOR
 DEVON ENERGY OPERATING CORPORATION

4. ADDRESS AND TELEPHONE
 20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102, (405) 552-4530

5. LOCATION OF WELL (Report location clearly and in accordance with any State regulations.)
 At surface
 50' PSL & 1290' FWL
 At proposed prod. zone
 Same

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 4 Miles East and 4 miles North of Loco Hills, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
 50'

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR APPLIED FOR, ON THIS LEASE, FT.
 900'

9. ELEVATION (Show whether SW, NE, NW, etc.)
 3733' GR

10. NO. OF ACRES IN LEASE
 1885.0

11. PROPOSED DEPTH
 4000'

12. NO. OF ACRES ADJACENT TO THIS WELL
 40

13. DEPTH OF CABLE TOOLS
 ROTARY

14. APPROX. DATE WORK WILL START
 November 1, 1994

NON-STANDARD LOCATION...
 ...SUBJECT TO
 LIKE APPROVAL
 BY STATE

1. LEASE DESCRIPTION AND SERIAL NO.
 LC-029435-B

2. IF INDIAN, ALLOTTEE OR TRIBE NAME
 NA

3. UNIT AGREEMENT NAME
 NA

4. BOREHOLE LEASE NAME WELL NO.
 Keel "B" Federal #65

5. APPLICANT
 GRAYBURG-JACKSON

6. SEC., T., R., N., OR NE. AND SURVEY OR AREA
 Sec. 6-T17S-R31E

7. COUNTY OR PARISH
 EDDY COUNTY

8. STATE
 NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING DEPTH	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" 2-55	24.09	360'	165 sk lite cement + 200 sk Class "C"
7 7/8"	5 1/2" 2-55	15.54	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk callophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

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- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-B
 Legal Description: Section 6 T17N-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING

Approval Subject to
 General Requirements and
 Special Stipulations

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or run directionally, give present data on subsurface location and estimated and true vertical depths. Give blowout prevention program, if any.

SIGNED: Randy Jackson TITLE: DISTRICT ENGINEER DATE: September 22, 1994
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 Application approval does not warrant or certify that the applicant holds legal or expirable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
 APPROVED BY: Richard E. Mannis TITLE: AREA MANAGER DATE: 11/22/94

*See Instructions On Reverse Side

CT I
Box 1980
S. NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
O. Drawer DD
Mesia, NM 88211-0719

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name			
* Property Code M		* Property Name KEEL "B" FEDERAL				* Well Number 65	
* OGRID No.		* Operator Name DEVON ENERGY OPERATING CORPORATION				* Elevation 3733'	

" SURFACE LOCATION

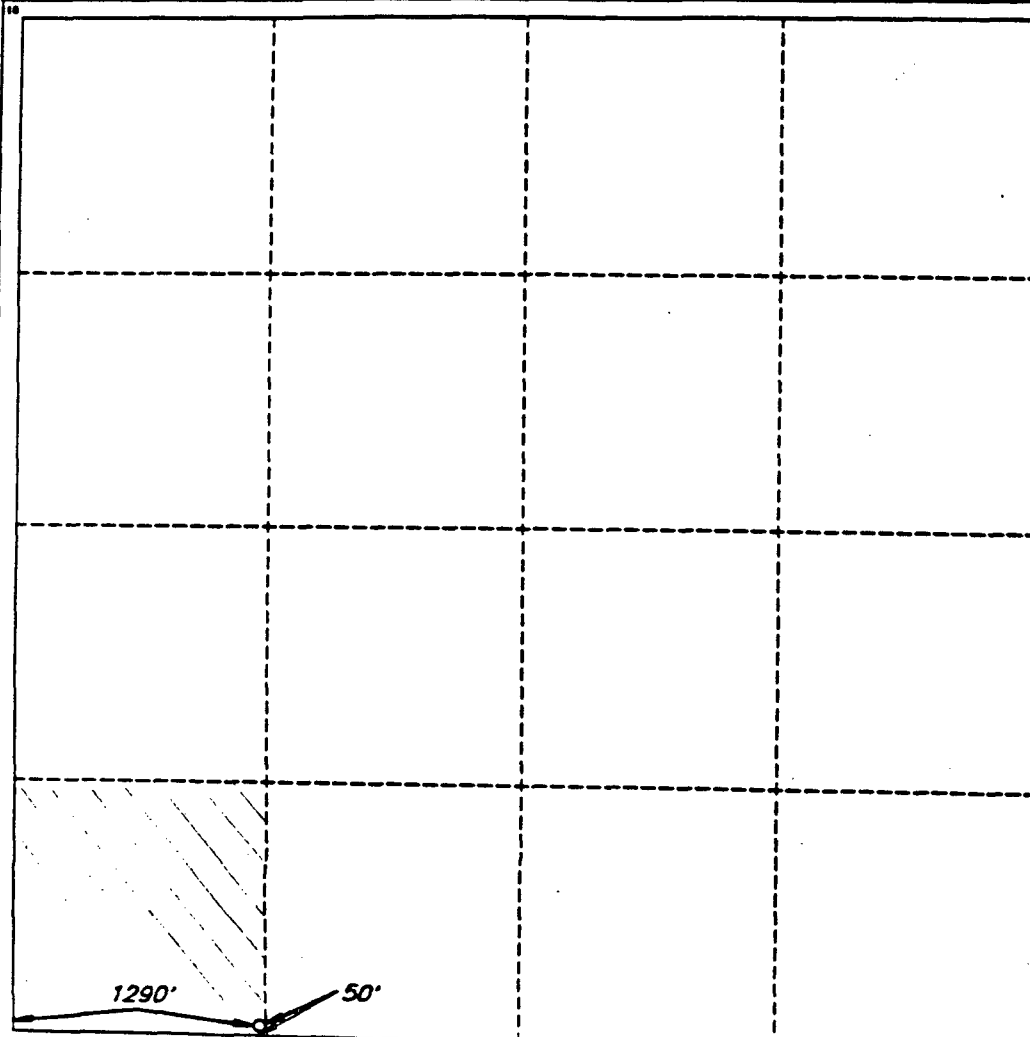
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
	6	17 SOUTH	31 EAST, N.M.P.M.		50'	SOUTH	1290'	WEST	EDDY

"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County

" Dedicated Acres " Joint or Infill " Consolidation Code " Order No.

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN
CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information
contained herein is true and complete
to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 4, 1994

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.

Date of Survey

AUGUST 24, 1994

Signature and Seal of

Professional Surveyor

V. LYNN

BEZNER

NO. 7920

STATE OF NEW MEXICO

Professional Seal

Surveyor

Professional Seal

Surveyor

Professional Seal

Surveyor

Professional Seal

Surveyor

Professional Seal

Surveyor

Form 3167-3
(December 1990)

OPERATOR'S COPY

SUBMIT IN TRIPLICATE
(Obey instructions on
reverse side)

Form approved
Budget Bureau No. 1004-0136
Expires: December 31, 1991

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK

DRILL ☒

DEEPEN ☐

B. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SHALLOW
WELL ☐

MULTIPLE
WELL ☐

2. NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE

20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements.)

50' FSL & 2510' FWL

Non-
Standard
Location...

SUBJECT TO
LIKE APPROVAL
BY STATE

At proposed prod. hole

5. SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

4 Miles East and 4 miles North of Loco Hills, N.M.

16. DISTANCE FROM PROPOSED
LOCATION TO NEAREST
PROPERTY OR LEASE LINE (ft.)
(Also to nearest city, town, or village, if any)

50'

18. NO. OF ACRES IN LEASE

1885.0

17. NO. OF ACRES ADJACENT
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION
TO NEAREST WELL, DRILLING, COMPLETION,
OR APPLICABLE WELL OF THIS LEASE, FT.

1100'

19. PROPOSED DEPTH

4000'

20. SURVEY OR CABLE TOOLS

ROTARY

21. ELEVATION (Show whether top of hole, etc.)

3764' GR

22. APPROX. DATE WORK WILL START

November 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZES	WEIGHT PER FOOT	CUTTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	400'	165 sk lite cement + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.54	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

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- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations

conducted on the leased land or portions thereof, as described below:

Lease No. LC029435-B

Legal Description: Section 6 T17S-R31E

Bond Coverage: Nationwide

BLM Bond No.: PENDING

DIST. 6 N.M.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed to be drilled, give data on present production zone and proposed new production zone. If proposed to be drilled or deepened directionally, give pertinent data on subsurface formation and measured and true vertical depths. Give blowout prevention program, if any.

24.

Randy Jackson

SIGNED

TITLE DISTRICT ENGINEER

DATE September 22, 1994

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to surface operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

AREA MANAGER

DATE

12/20/94

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or claims.

T I
Box 1920
NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT II
O. Drawer DD
Mesia, NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

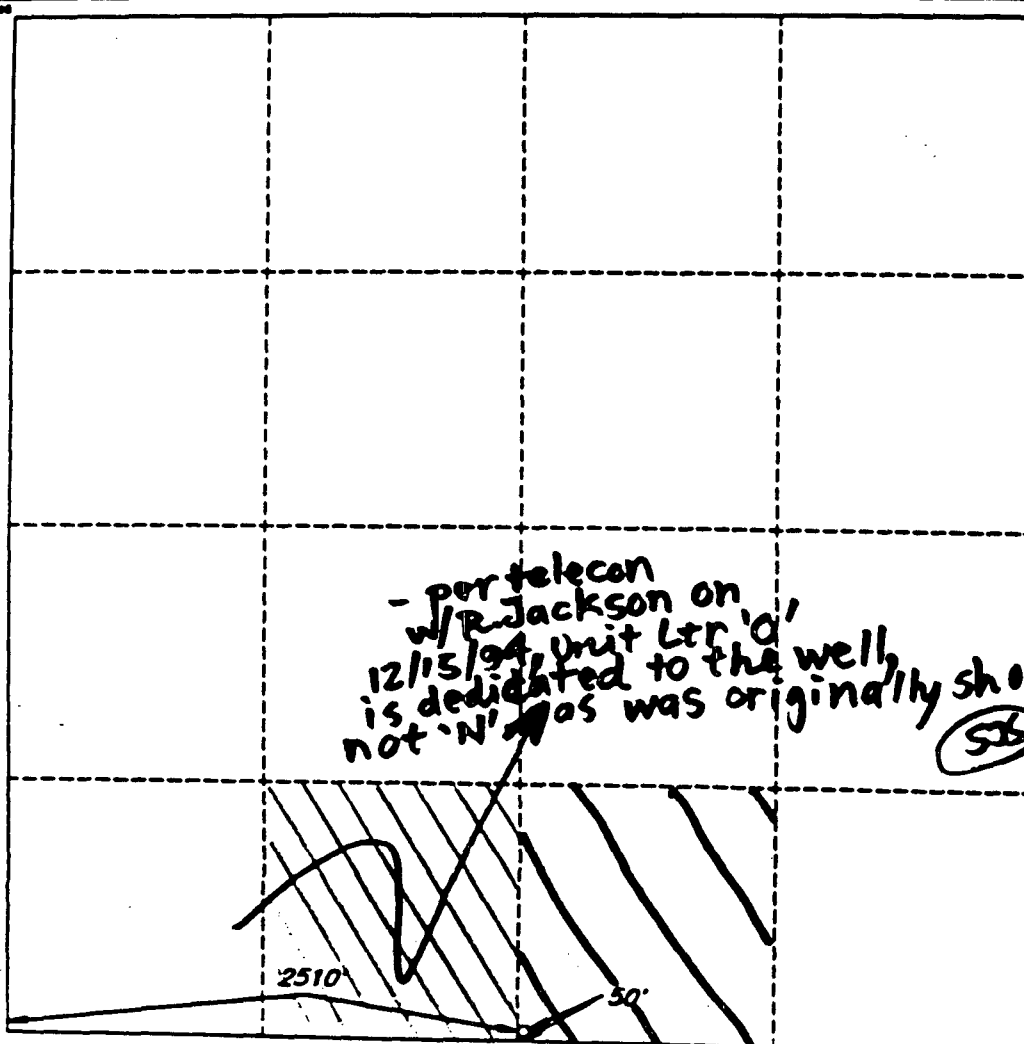
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name					
Property Code 0		Property Name KEEL 'B' FEDERAL				Well Number 66			
OCHED No.		Operator Name DEVON ENERGY OPERATING CORPORATION				Elevation 3764'			
SURFACE LOCATION									
UL or lot no. Y	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot No.	Feet from the 50'	North/South line SOUTH	Feet from the 2510'	East/West line WEST	County EDDY
BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Randy Jackson
Printed Name
RANDY JACKSON
Title
DISTRICT ENGINEER
Date
October 4, 1994

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.

Date of Survey
AUGUST 28, 1994
Signature and Seal of Professional Surveyor
V. LYNN BEZNER
NO. 7920
Certification
V. L. BEZNER
S.S. #7920

OPERATOR'S COPY

SUBMIT IN TRIPlicate
(Other instructions on reverse side)

Form approved
Bureau No. 1004-0136
Expires: December 31, 1991

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK
 DRILL ☒ DEEPEN ☐
 2. TYPE OF WELL
 OIL WELL ☒ GAS WELL ☐ OTHER ☐

3. NAME OF OPERATOR
 DEVON ENERGY OPERATING CORPORATION

4. ADDRESS AND TELEPHONE
 20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
 At surface: 1250' FNL & 1300' STANDARD LOCATION...
 At proposed prod. hole: 1000' SHIDE

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 4 Miles East and 4 miles North of Loco Hills, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
 1250'

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DRILLING, COMPLETION, OR APPLIED FOR, ON THIS LEASE, FT.
 1000'

9. REMARKS (Show whether NW, SE, SW, etc.)
 3898' GR No Water Basin

10. PROPOSED Casing and Cementing Program

SIZE OF HOLE	CHASE END-OF-PIPE	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	450'	165 sk 11te cmt + 200 sk Class C
7 7/8"	5 1/2" J-55	15.57	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-B
 Legal Description: Section 5 T17N-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. SIGNED: Randy Jackson
 TITLE: DISTRICT ENGINEER
 DATE: September 22, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY: Richard L. Mann
 TITLE: AREA MANAGER
 DATE: 11/23/94

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or communications.

Submit to the Appropriate
District Office
State Lease - 4 copies
Fed Lease - 3 copies

Box 1980
NM 88241-1980

TRUCT II
O. Drower DD
Mesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

• API Number	• Pool Code	• Pool Name
• Property Code A	• Property Name KERL "B" FEDERAL	• Well Number 68
• OGEID No.	• Operator Name DEVON ENERGY OPERATING CORPORATION	• Elevation 3598'

" SURFACE LOCATION

U. or lot no.	Section	Township	Range	Lot 14a	Feet from the	North/South line	Feet from the	East/West line	County
	5	17 SOUTH	31 EAST, N.M.P.M.		1250'	NORTH	1300'	EAST	KIDDY

"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

U. or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres	13 Joint or Infill	14 Communication 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

A 4x4 grid is shown with a shaded triangle in the top-right corner. The triangle has a vertical side of 1.250 inches and a horizontal side of 1.300 inches. The hypotenuse is shaded with diagonal lines.

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

References

Penny Jackson

RANDY JACKSON

TITLE
DISTRICT ENGINEER

October 4, 1994

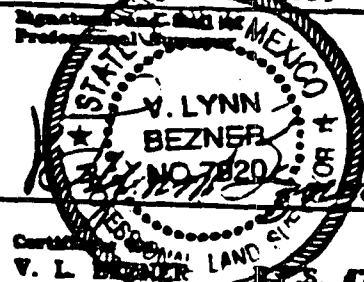
SURVEYOR CERTIFICATION

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.

Date of Survey _____

~~AUGUST 1984~~

Signature of _____
Print Name _____



V. L. BROWER LAND CO. 17920

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

OPERATOR'S COPY

SUBMIT IN TRIPLICATE*

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK: DRILL ☒ DEEPEN ☐

TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1338 FNL & 40 FEL

At top proposed prod. zone (SAME)

**NON-
STANDARD
LOCATION...**

**SUBJECT TO
LIKE APPROVAL
BY STATE**

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
miles east & 4 miles north of Loco Hills, N.M.

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "B" #70

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 5 T17 S- R31 E

12. COUNTY OR PARISH
KDDY

13. STATE
NM

DISTANCE FROM PROPOSED
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
40' FEL

16. NO. OF ACRES IN LEASE
1885.0

17. NO. OF ACRES ASSIGNED
TO THIS WELL
40

DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 1000'

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

ELEVATIONS (Show whether DF, RT, GR, etc.)
5' GR

22. APPROX. DATE WORK WILL START*
December 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- 2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

NOV 16 1994
10 30 AM '94

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON
DISTRICT ENGINEER

DATE October 27, 1994

(is space for Federal or State office use)

MIT NO. _____ APPROVAL DATE _____

Attention approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
Blank

APPROVED BY Blank

TITLE AREA MANAGER

DATE 12/20/94

See Instructions On Reverse Side

CT I
Box 1980
s, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

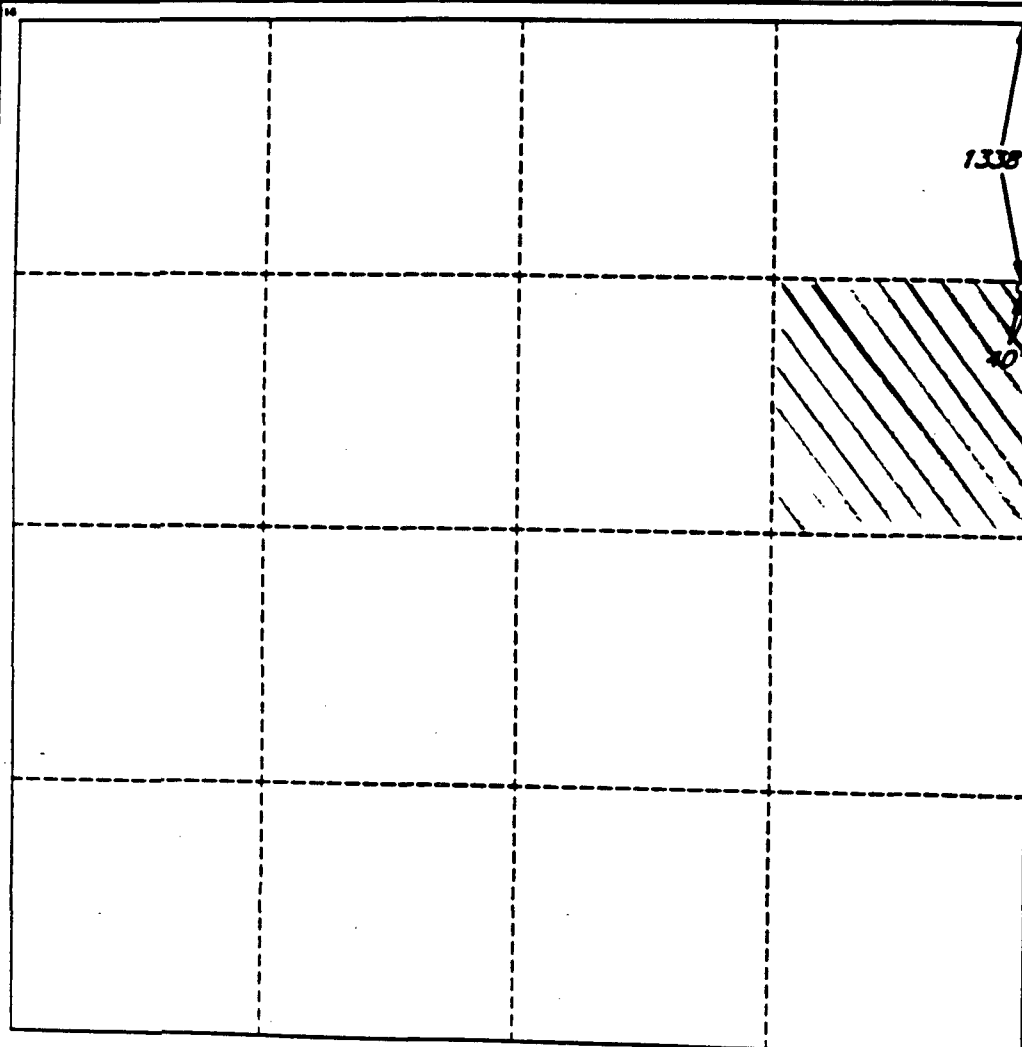
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

☐ AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code H		* Property Name KEEL "B" FEDERAL						* Well Number 70	
* OGRD No.		* Operator Name DEVON ENERGY OPERATING COMPANY						* Elevation 3925'	
* SURFACE LOCATION									
UL or lot no. V	Section 5	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 14	Feet from the 1338'	North/South line NORTH	Feet from the 40'	East/West line EAST	County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot 14	Feet from the	North/South line	Feet from the	East/West line	County
* Dedicated Acres 40		* Joint or Infill		* Consolidation Code		* Order No.			
(SJS) NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 15, 1994

Signature of Surveyor

V. Lynn Bezner
V. LYNN BEZNER
NO. 7920
V. L. BEZNER AND S.P.S. #7920

JOB #3590R-1P / SW / VLD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

SUBMIT IN TRIPLICATE*

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

b. TYPE OF WELL: OIL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2521 FNL & 67 FEL

At top proposed prod. zone (SAME)

NON-STANDARD
LOCATION...
... SUBJECT TO
STATE APPROVAL
BY STATE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT. 67' FEL

(Also to nearest dist. unit line if any)

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT. 900'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3767' GR

16. NO. OF ACRES IN LEASE

1885.0

19. PROPOSED DEPTH

4000

22. APPROX. DATE WORK WILL START*

December 1, 1994

13. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
2 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design
H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

RANDY JACKSON
TITLE DISTRICT ENGINEER

DATE October 27, 1994

This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

PROVED BY Richard L. Mann

TITLE AREA MANAGER

DATE 12/13/94

See Instructions On Reverse Side

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

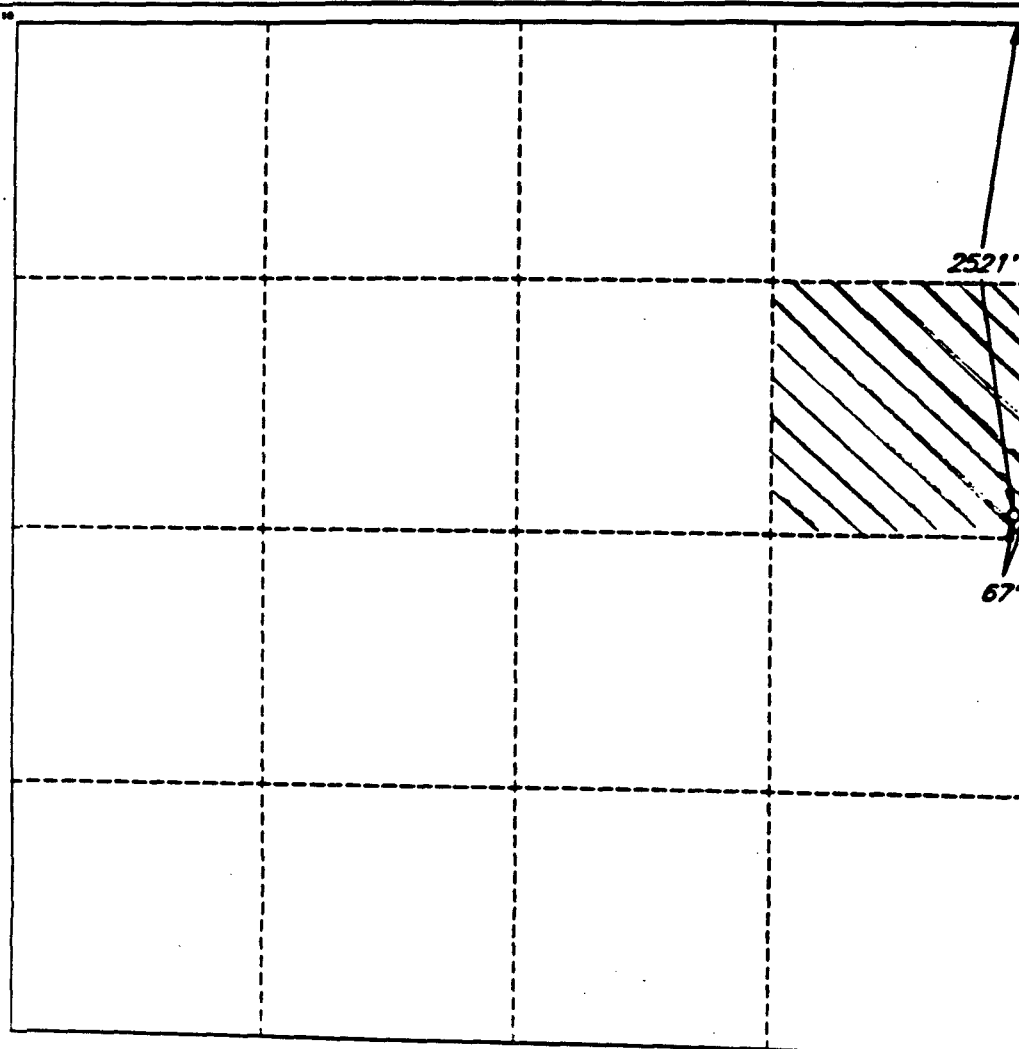
Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code H		* Property Name KEEL 'B' FEDERAL						* Well Number 71	
* OCKED No.		* Operator Name DEVON ENERGY OPERATING COMPANY						* Elevation 3767'	
* SURFACE LOCATION									
UL or lot no. ✓	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County EDDY
					2521'	NORTH	67'	EAST	
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
* Dedicated Acres 40		* Joint or Infill		* Consolidation Code		* Order No.			
555 NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

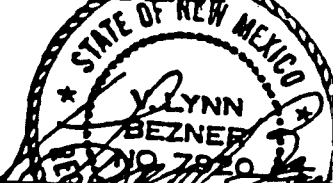
SURVEYOR CERTIFICATION

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.

Date of Survey

OCTOBER 18, 1994

Signature and Seal of
Professional Surveyor



Certification No.

V. LYNN BEZNEC

NO. 7920

JOB #35208 LINDY 94 SW / V.H.B.

1990)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE*

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPENTYPE OF WORK: DRILL ☒ DEEPEN ☐a. TYPE OF WELL: OIL ☒ GAS ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1275 FNL & 1302 FWL

At top proposed prod. zone (SAME)

**NON-
STANDARD
LOCATION...****... SUBJECT TO
LIKE APPROVAL
BY STATE**

5. LEASE DESIGNATION AND SERIAL NO.

LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

7. UNIT AGREEMENT NAME

NA

8. FARM OR LEASE NAME, WELL NO.

Keel "B" #80

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT

GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SECTION 5 T17 S- R31 E

12. COUNTY OR PARISH

EDDY

13. STATE

NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

1275' FNL

(Also to nearest dip. unit line if any)

16. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT. 900'

17. NO. OF ACRES IN LEASE

1885.0

18. NO. OF ACRES ASSIGNED

TO THIS WELL

40

19. PROPOSED DEPTH

4000

20. ROTARY OR CABLE TOOLS*

Rotary

21. ELEVATIONS (Show whether DF, RT, CR, etc.)

313' GR

22. APPROX. DATE WORK WILL START*

DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Exhibits #1/1-A = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibit #3/3-A = Road Map and Topo Map

Exhibit #4 = Wells Within 1 Mile Radius

Exhibit #5 = Production Facilities Plat

Exhibit #6 = Rotary Rig Layout

Exhibit #7 = Casing Design

H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:

Lease No. LC029435-B

Legal Description: Section 5-T17N-R31E

Bond Coverage: Nationwide

BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy JacksonTITLE RANDY JACKSON
DISTRICT ENGINEERDATE October 27, 1994

This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Richard L. MannTITLE AREA MANAGERDATE 12/13/94

See Instructions On Reverse Side

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
RECEIVED

T I
Box 1980
NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

Submit to the Appropriate
District Office
State Loose - 4 copies
Fee Loose - 3 copies

DISTRICT II
O. Drower DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code	* Pool Name
* Property Code D	* Property Name KEEL 'B' FEDERAL		* Well Number 80
* OGRID No.	* Operator Name DEVON ENERGY OPERATING COMPANY		* Elevation 3813'

*** SURFACE LOCATION**

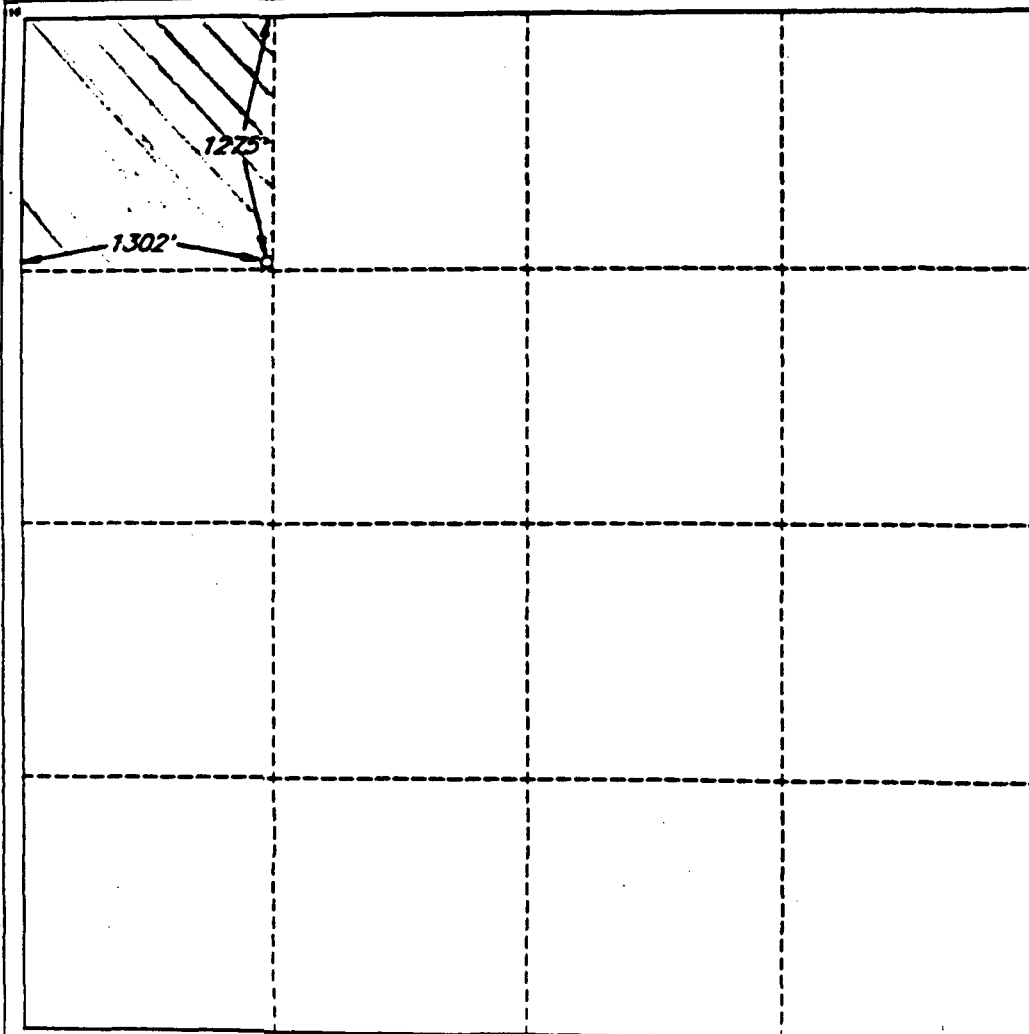
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
✓	5	17 SOUTH	31 EAST, N.M.P.M.		1275'	NORTH	1302'	WEST	EDDY

"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County

* Dedicated Acres 40	* Joint or Infill	* Consolidation Code	* Order No.
-------------------------	-------------------	----------------------	-------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 19, 1994

Signature and Seal of Professional Surveyor

V. Lynn Bezner
V. LYNN BEZNER
NO. 7920
Certified by
V. L. BEZNER AND S.S. #7920

1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR: **DEVON ENERGY OPERATING CORPORATION**

3. ADDRESS AND TELEPHONE NO.: **20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface **2550 FNL & 1190 FWL**
At top proposed prod. zone (SAME)

Non-standard location...

SUBJECT TO LIKE APPROVAL BY STATE

5. LEASE DESIGNATION AND SERIAL NO.: **LC 029435-B**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: **NA**

7. UNIT AGREEMENT NAME: **NA**

8. FARM OR LEASE NAME, WELL NO.: **Keel "B" #81**

9. API WELL NO.:

10. FIELD AND POOL, OR WILDCAT: **GRAYBURG-JACKSON**

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: **SECTION 6 T17 S- R31 E**

12. COUNTY OR PARISH: **EDDY**

13. STATE: **NM**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: **4 miles east & 4 miles north of Loco Hills, N.M.**

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.: **1190' FWL**
(Also to nearest drive unit line if any)

16. NO. OF ACRES IN LEASE: **1885.0**

17. NO. OF ACRES ASSIGNED TO THIS WELL: **40**

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: **800'**

19. PROPOSED DEPTH: **4000**

20. ROTARY OR CABLE TOOLS*: **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.): **3759' GR**

22. APPROX. DATE WORK WILL START*: **December 1, 1994**

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0W	400'	165 sk late emt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5W	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design
H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Randy Jackson

TITLE **RANDY JACKSON**
DISTRICT ENGINEER

DATE **October 27, 1994**

*(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Edmund M. Mann

TITLE **AREA MANAGER**

DATE **12/13/94**

See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Box 1980
NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT II
G. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

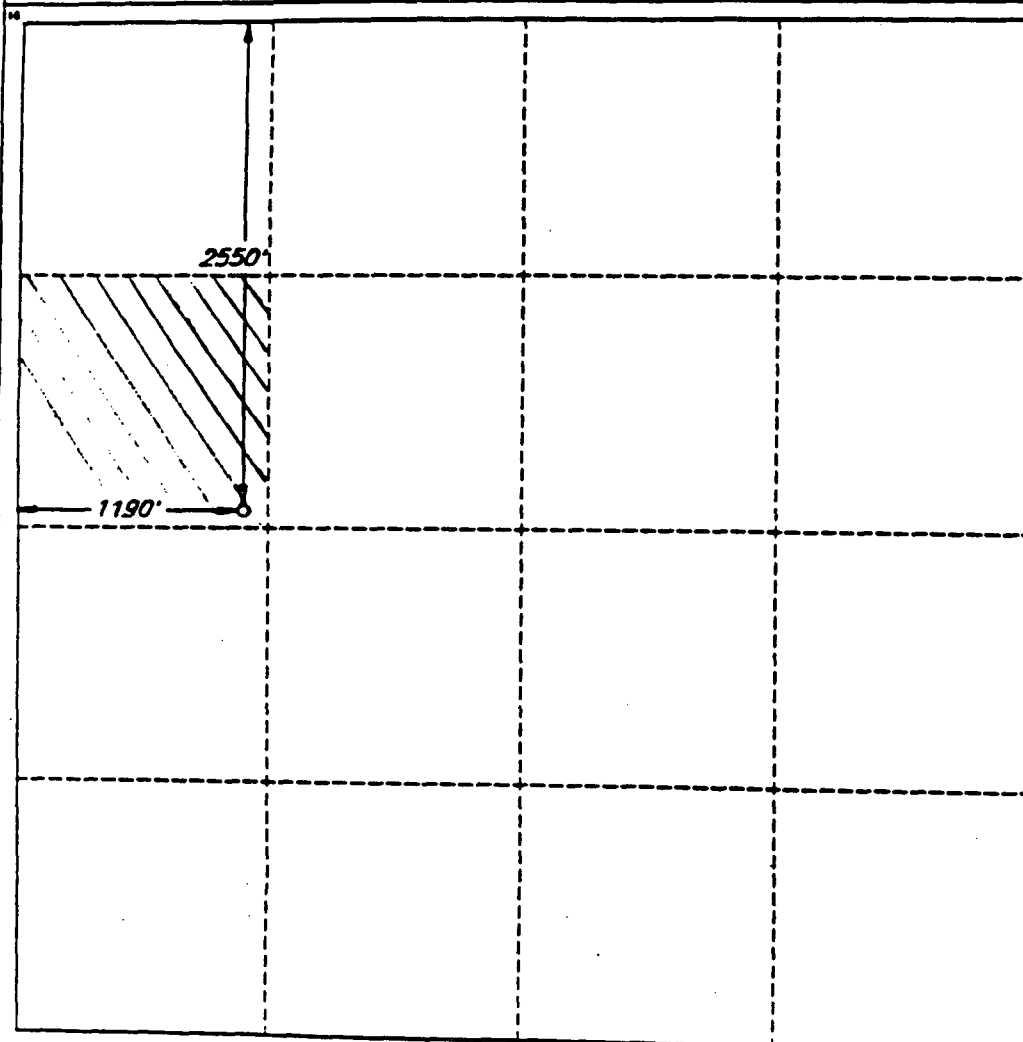
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code E		* Property Name KEEL "B" FEDERAL				* Well Number 81			
* OGRID No.		* Operator Name DEVON ENERGY OPERATING COMPANY				* Elevation 3759'			
* SURFACE LOCATION									
UL or lot no. V	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 1/4	Feet from the 2550'	North/South line NORTH	Feet from the 1190'	East/West line WEST	County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
** Dedicated Acres 40		** Joint or Infill		** Consolidation Code		** Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 15, 1994

Signature and Seal of Professional Surveyor

V. Lynn Bezner
V. LYNN BEZNER
NO. 7920

V. L. BEZNER AND SURVEYOR
R.S. #7920

JOB #35908-167 OF SURVEY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK: DRILL ☒ DEEPEN ☐

TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 40' FNL & 40' FEL

At top proposed prod. zone (SAME)

NON-STANDARD LOCATION...

SUBJECT TO
LIKE APPROVAL
BY STATE

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 miles east & 4 miles north of Loco Hills, N.M.

DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 40' FEL

Also, in depth (drill hole) (if any)

DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, & APPLIED FOR, ON THIS LEASE, FT. 900'

ELEVATIONS (Show whether DF, RT, GR, etc.)

6

5. LEASE DESIGNATION AND SERIAL NO.

LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "B" #87

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 8-T17 S - R31 E

12. COUNTY OR PARISH
EDDY

13. STATE
NM

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

20. ROTARY OR CABLE TOOLS*
Rotary

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
1"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

The plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design

Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

NOV 10 1994

OVER SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED Randy Jackson

RANDY JACKSON
TITLE DISTRICT ENGINEER

DATE October 27, 1994

space for Federal or State office use)

IT NO. _____ APPROVAL DATE _____
Approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Blair L. Mann TITLE AREA MANAGER DATE 12/13/94

See Instructions On Reverse Side

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

State of New Mexico
Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Leader - 4 copies
Fee Leader - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Well Code		Well Name			
Property Code		Property Name KEEL 'B' FEDERAL			Well Number 87		
OGRD No.		Operator Name DEVON ENERGY OPERATING COMPANY			Elevation 3886'		
SURFACE LOCATION							
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the North/South line	Feet from the East/West line	County
V	8	17 SOUTH	31 EAST, N.M.P.M.		40'	NORTH 40'	EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE							
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the North/South line	Feet from the East/West line	County
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.	
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION							

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

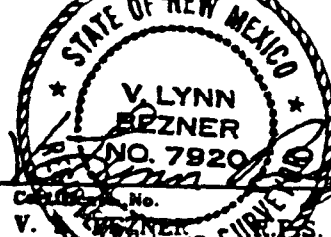
SURVEYOR CERTIFICATION

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.

Date of Survey

OCTOBER 19, 1994

Signature of District Professional Surveyor



JOB #35208-45 98 SW / V.H.B.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface **1194' FNL & 100' FEL**

At top proposed prod. zone (SAME)
Non-Standard Location...

**SUBJECT TO
LIKE APPROVAL
BY STATE**

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
miles east & 4 miles north of Loco Hills, N.M.

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "B" #89

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M. OR BLOCK AND SURVEY OR AREA
SECTION 8-T17 S- R31 E

12. COUNTY OR PARISH
KIDDY

13. STATE
NM

DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
100' FEL
(Also to nearest title unit line if any)

16. NO. OF ACRES IN LEASE
1885.00

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

ELEVATIONS (Show whether DF, RT, GR, etc.)
58'

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

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- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- 2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

BOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON DISTRICT ENGINEER

DATE October 27, 1994

5 space for Federal or State office use)

41T NO. _____ APPROVAL DATE _____

ation approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

DITIONS OF APPROVAL, IF ANY:
OVERED BY Donald E. Mann

TITLE AREA MANAGER

DATE 12/15/94

See Instructions On Reverse Side

JOB #35908-2 98 SW / VHE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPLICATE
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL ☒ DEEPEN ☐
b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐
NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2575' FNL & 1335' FWL

At top proposed prod. zone (SAME)

NON-STANDARD LOCATION...

SUBJECT TO
LIKE APPROVAL
BY STATE

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-B
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA
7. UNIT AGREEMENT NAME
NA
8. FARM OR LEASE NAME, WELL NO.
Keel "B" #90
9. APT WELL NO.
10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 8-T17 S- R31 E
12. COUNTY OR PARISH
KDDY
13. STATE
NM
16. NO. OF ACRES IN LEASE
1885.0
17. NO. OF ACRES ASSIGNED TO THIS WELL
40
19. PROPOSED DEPTH
4000
20. ROTARY OR CABLE TOOLS*
Rotary
22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
miles east & 4 miles north of Loco Hills, N.M.

DISTANCE FROM PROPOSED LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 1335' FWL
(Also to nearest derrick well line if any)
DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 900'
ELEVATIONS (Show whether DF, RT, CR, etc.)
13

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1 1/4"	8 5/8" J-55	24.0#	400'	165 sk lts cement + 200 sk Class "C"
8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk callophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

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- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

RECEIVED
NOV 10 10 45 AM '94
BLM DISTRICT

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE October 27, 1994

space for Federal or State office use)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED
APPROVAL DATE
APPROVAL DOES NOT WARRANT OR CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE TITLE TO THESE RIGHTS IN THE SUBJECT LEASE WHICH WOULD ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Richard L. Mann TITLE AREA MANAGER DATE 12/13/94

See Instructions On Reverse Side

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-1C
Revised 02-10-94
Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

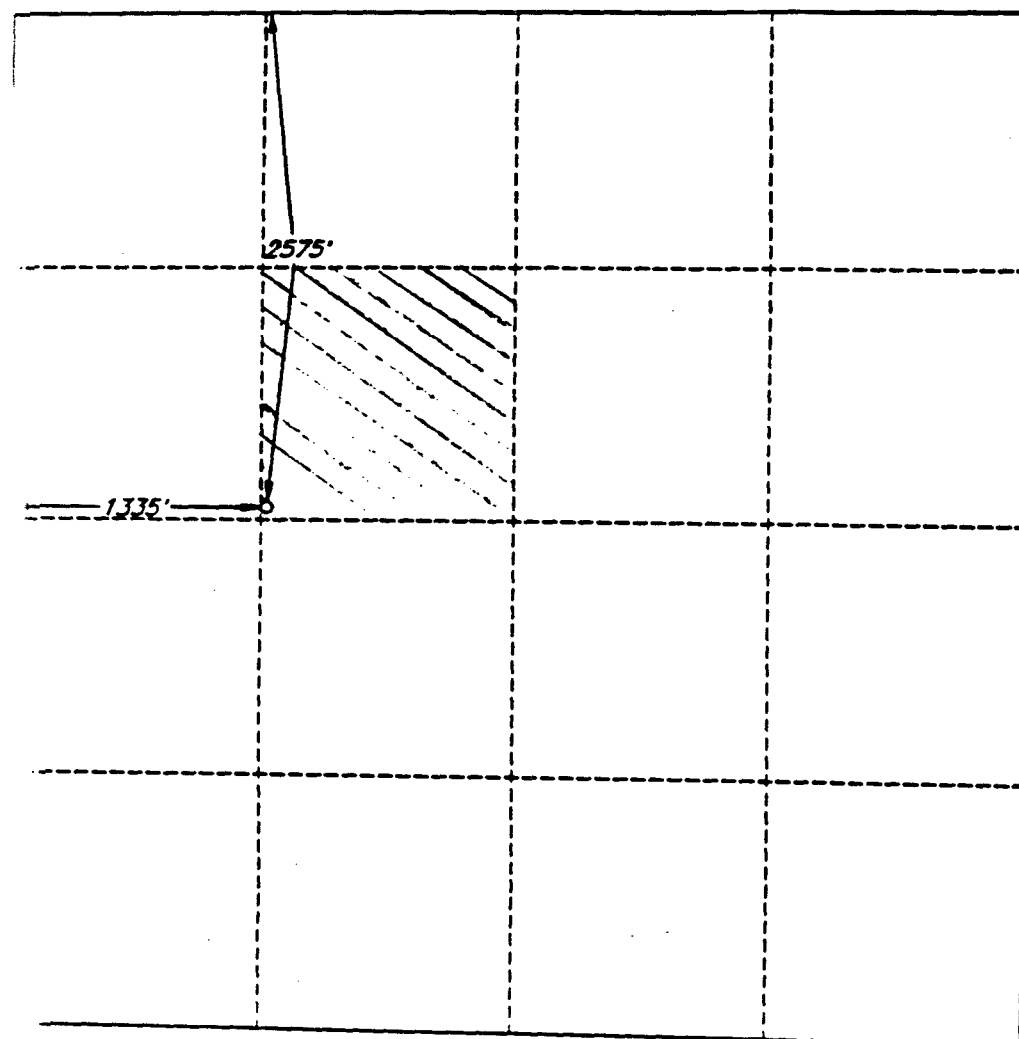
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

☐ AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code F		* Property Name KEEL 'B' FEDERAL						* Well Number 90	
* OGRID No.		* Operator Name DEVON ENERGY OPERATING COMPANY						* Elevation 3733'	
* SURFACE LOCATION									
UL or lot no. ✓	Section 8	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 1/4	Feet from the 2575'	North/South line NORTH	Feet from the 1335'	East/West line WEST	County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
* Dedicated Acres 40		* Joint or Infill		* Consolidation Code		* Order No.			
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 21, 1994

Signature and Seal of Professional Surveyor

V. L. Beznier
STATE OF NEW MEXICO
V. LYNN BEZNIER
NO. 7920
V. L. BEZNIER AND S.P.S. #7920

JOB #35908-46-98 SW / V.H.B.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

SUBMIT IN TRIPLICATE

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL ☒ DEEPEN ☐
b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐
c. NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2630' FSL & 1282' FEL

At top proposed prod. zone (SAME)

SUBJECT TO
LIKE APPROVAL
BY STATE

d. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

miles east & 4 miles north of Loco Hills, N.M.

e. DISTANCE FROM PROPOSED
LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT. 1282' FEL

(Also to nearest title unit line if any)

f. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 1000'

g. ELEVATIONS (Show whether DF, RT, GR, etc.)

22'

h. NO. OF ACRES IN LEASE
1885.00

i. PROPOSED DEPTH
4000

j. NO. OF ACRES ASSIGNED
TO THIS WELL
40

k. ROTARY OR CABLE TOOLS*
Rotary

l. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
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- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- 2S Operating Plan

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Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON
DISTRICT ENGINEER

DATE October 27, 1994

(This space for Federal or State office use)

MIT NO. _____

APPROVAL DATE _____

Approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to compensation thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Paul E. Mann

TITLE AREA MANAGER

DATE 12/14/94

See Instructions On Reverse Side

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "B" #92

9. APT WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 8-T17S-R31E

12. COUNTY OR PARISH
KDDY

13. STATE
NM

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

DISTRICT I
P. O. Box 1980
Mobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State License - 4 copies
Fee License - 3 copies

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

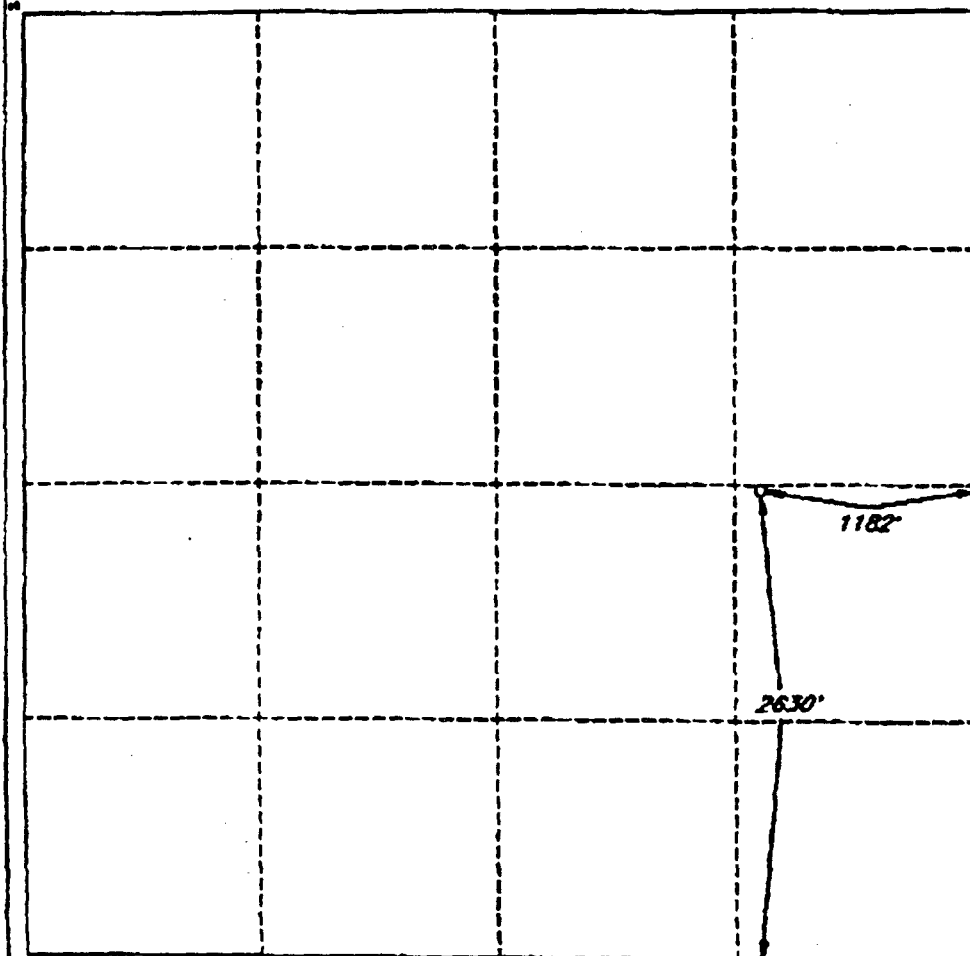
☐ AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code 1		* Property Name KEEL 'B' FEDERAL				* Well Number 92			
* OGSID No.		* Operator Name DEVON ENERGY OPERATING COMPANY				* Elevation 3529'			
* SURFACE LOCATION									
UL or lot no.	Section	Township	Range	Lot 14s	Feet from the	North/South line	Feet from the	East/West line	County
	8	17 SOUTH	31 EAST, N.M.P.M.		2630'	SOUTH	1182'	EAST	EDDY
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot 14s	Feet from the	North/South line	Feet from the	East/West line	County
* Dedicated Acres		* Joint or Infill		* Consolidation Code		* Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN
CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information
contained herein is true and complete
to the best of my knowledge and belief.

Signature
Randy Jackson

Printed Name
Randy Jackson

Title
District Engineer

Date
12/12/94

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.

Date of Survey
NOVEMBER 18, 1994

Signature and Stamp
Professional Surveyor
V. Lynn Bunker
V. LYNN BUNKER
NO. 7920
V. L. BUNKER
P.S. 7920

JOB #35908-98 SW / V.H.B.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK: DRILL ☒ DEEPEN ☐

TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1309' FSL & 1299' FEL

At top proposed prod. zone (SAME)

NON-
STANDARD
LOCATION...

... SUBJECT TO
LIKE APPROVAL
BY STATE

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "B" #94

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 8-T17 S - R31 E

12. COUNTY OR PARISH
EDDY

13. STATE
NM

14. DISTANCE FROM PROPOSED
LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT. 1299' FEL

(Also to nearest drive unit line if any)

15. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 1000'

16. NO. OF ACRES IN LEASE
1885.0

19. PROPOSED DEPTH
4000

17. NO. OF ACRES ASSIGNED
TO THIS WELL
40

20. ROTARY OR CABLE TOOLS*
Rotary

18. ELEVATIONS (Show whether DF, KT, GR, etc.)
788

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
2 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design
H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

RECEIVED
NOV 1 10 20 AM '94

4. ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

RANDY JACKSON
TITLE DISTRICT ENGINEER

DATE October 27, 1994

This space for Federal or State office use)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Richard L. Mann

TITLE AREA MANAGER

DATE 12/13/94

See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Submit to the Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

ACT II
J. Drower DD
Mesia, NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088

Santa Fe, New Mexico 87504-2088

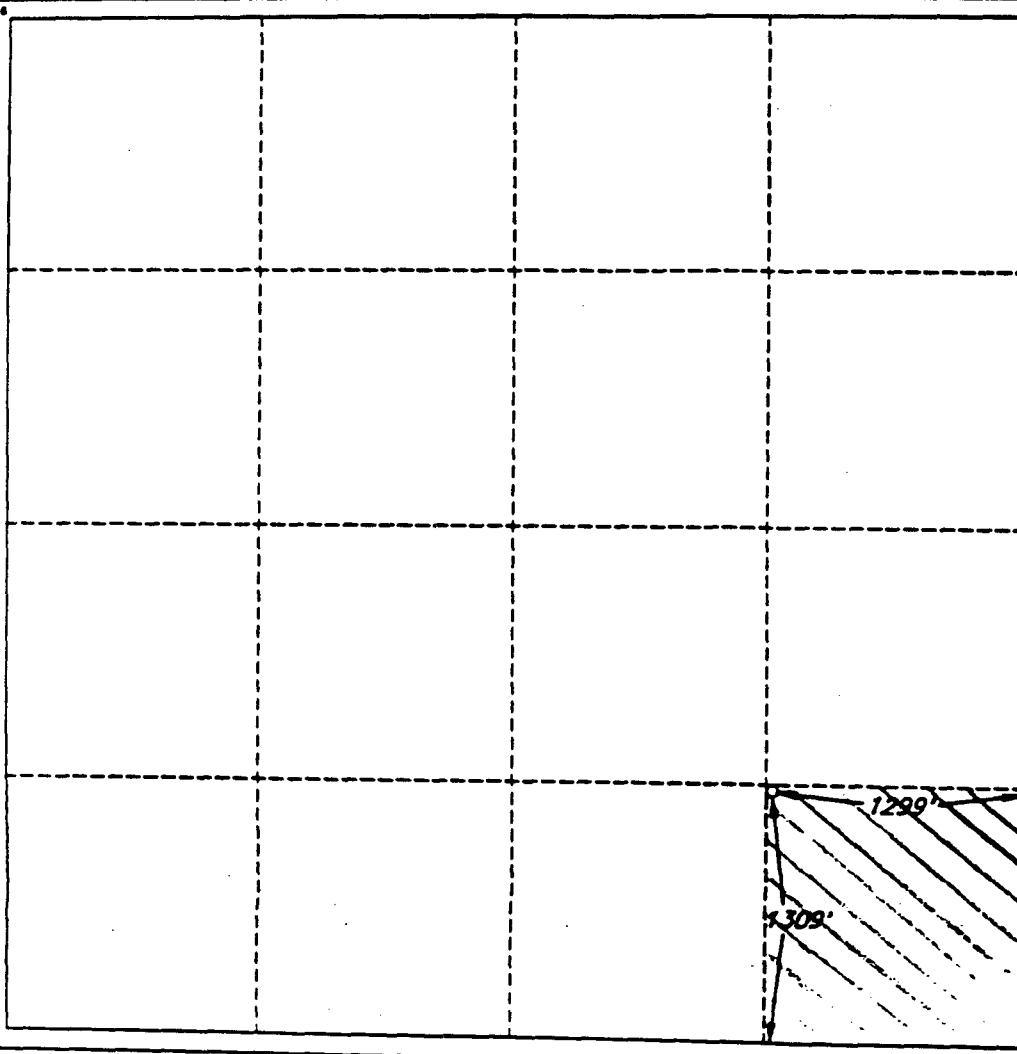

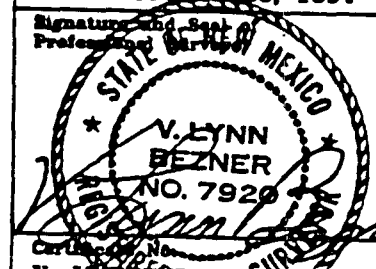
AMENDED REPORT

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name			
4 Property Code P		5 Property Name KEEL "B" FEDERAL			6 Well Number 94		
7 OGHID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY			9 Elevation 3788'		
10 SURFACE LOCATION							
UL or lot no.	Section 8	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 1/4	Feet from the North/South line 1309' SOUTH	Feet from the East/West line 1299' EAST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE							
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the North/South line	Feet from the East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.	
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION							

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
	Signature 
	Printed Name RANDY JACKSON
	Title DISTRICT ENGINEER
Date November 1, 1994	
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.	
Date of Survey OCTOBER 20, 1994	
Signature and Seal of Professional Engineer 	
Certificate No. V. L. BEZNER AND SURV. #7920	
JOB #35908 00 98 SW / VHR	

4-3
per 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

SUBMIT IN TRIPLICATE*

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK: DRILL ☒ DEEPEN ☐

a. TYPE OF WELL:

OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2620' FSL & 10' FWL

At top proposed prod. zone (SAME)

Non-
Standard
Location...

SUBJECT TO
LIKE APPROVAL
BY STATE

5. LEASE DESIGNATION AND SERIAL NO.

LC 029426-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

7. UNIT AGREEMENT NAME

NA

8. FARM OR LEASE NAME, WELL NO.

West "B" #84

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT

GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SECTION 4-T17 S- R31 E

12. COUNTY OR PARISH

EDDY

13. STATE

NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED
LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT. 10' FWL

(Also to nearest dry unit line if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 900'

16. NO. OF ACRES IN LEASE

1919.88

19. PROPOSED DEPTH

4400

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

20. ROTARY OR CABLE TOOLS*

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3914'

22. APPROX. DATE WORK WILL START*

DECEMBER 1, 1994

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	600'	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4400'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk collophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4400' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design
H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029426-B
Legal Description: Section 4-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Randy Jackson

RANDY JACKSON
TITLE DISTRICT ENGINEER

DATE October 27, 1994

*(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
Scott Power

APPROVED BY _____

TITLE Acting AREA MANAGER

DATE 12/21/94

See Instructions On Reverse Side

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

CT I
Box 1980
AS, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form 0-10,
Revised 02-10-94
Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

TRICT II
O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

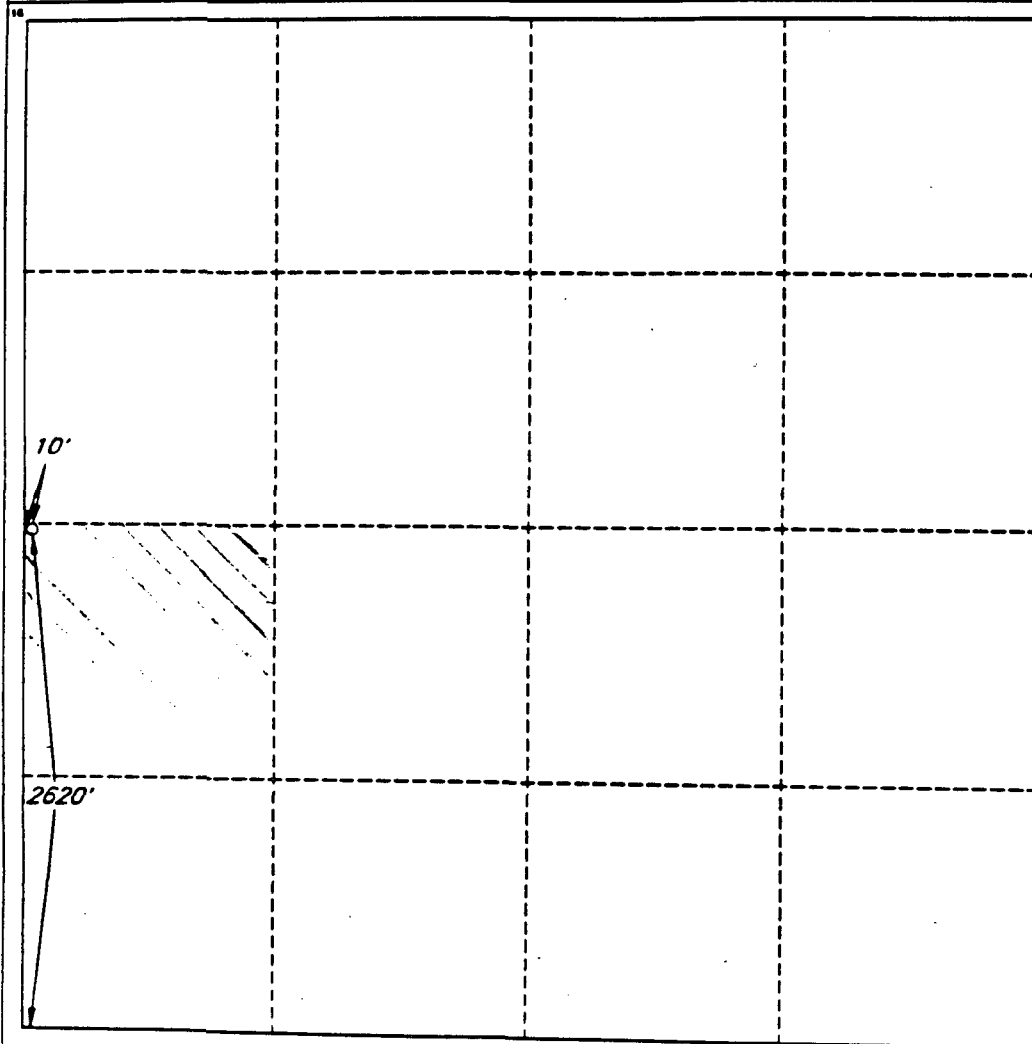
DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code 1		5 Property Name WEST 'B' FEDERAL				6 Well Number 84			
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3914'			
10 SURFACE LOCATION									
UL or lot no. 1	Section 4	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 1/4	Feet from the 2620'	North/South line SOUTH	Feet from the 10'	East/West line WEST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			
16 NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION									



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 19, 1994

Signature and Seal of Professional Surveyor

V. LYNN
BEZNER
NO. 7920

Surveyor's Seal
V. L. BEZNER SURV. S. #7920

JOB #35988-15-98 SW / V.H.B.

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

MARBOB ENERGY CORPORATION
11352 Lovington, Highway
Artesia, New Mexico 88210

Certified Letter #: P 005 347 284

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following wells:

WELL	LOCATION
Keel "B" 94	1309' FSL & 1299' FWL 8-17S-31E

All of the proposed locations are located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 94:

Well	Location
Eddy Foster #5	17B-T17S-R31E
Eddy Foster #7	17B-T17S-R31E

The State of New Mexico Oil Conservation Division has ruled that these are "non - standard locations" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although these locations are considered unorthodox they will not be within

330' of your 40 acre tract as it has been moved to the north and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Jackson".

Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

Westhall Operating Company
P.O. Box 4
Loco Hills, New Mexico 88255

Certified Letter #: P 005 347 281

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following wells:

WELL	LOCATION
Keel "B" 81	2550' FNL & 1190' FWL 6-17S-30E
Keel "B" 94	1309' FSL & 1299' FWL 8-17S-31E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 81:

Well	Location
Artesia Petroleum Company #4	Section 1A-T17S-R30E

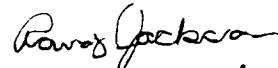
Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 94:

Well	Location
Kersey State #3	16D-T17S-R31E

The State of New Mexico Oil Conservation Division has ruled that these are "non - standard locations" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although these locations are considered unorthodox they will not be within 330' of your 40 acre tract as the Keel "B" 81 has both been moved to the east and the Keel "B" 94 has been moved to the north and therefore away from your tracts.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

Kennedy Oil Company
P.O. Box 47
Mayhill, New Mexico 88339-0047

Certified Letter #: P 164 780 246

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
Keel "B" 80	1275' FNL & 1302' FWL 5-17S-31E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 80:

Well	Location
Doolin #1	Section 32N-T16S-R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this locations are considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the south and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,

A handwritten signature in cursive script that reads "Randy Jackson".

Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

Yates Petroleum Corporation
104 S. 4th
Yates Building
Artesia, N. M. 88210

Certified Letter #: P 005 347 282

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
Keel "B" 68	1250' FNL & 1300' FEL 5-17S-31E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 68:

Well	Location
Kennedy #4	Section 33M-T16S-R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this locations are considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the south and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Jackson".

Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

W. H. McKinley
P. O. Box 2145
Roswell, New Mexico 88201

Certified Letter #: P 005 347 283

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
Keel "B" 81	2550' FNL & 1190' FWL 6-17S-31E

All of the proposed locations are located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

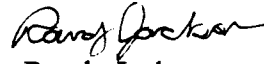
Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 81:

Well	Location
Artesia Petroleum Company #1	Section 1H-T17S-R30E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this locations are considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the east and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Jackson".

Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

Burnett Oil Company
1500 Interfirst Tower
801 Cherry Street
Fort Worth, Texas 76102

Certified Letter #: P 080 276 354

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following 5 wells:

WELL	LOCATION
Keel "A" 24	2560' FSL & 1200' FWL 7-17S-31E
Keel "A" 25	754' FSL & 1165' FWL 7-17S-31E
Keel "B" 63	1310' FSL & 1190' FWL 6-17S-31E
Keel "B" 65	50' FSL & 1290' FWL 6-17S-31E
Keel "B" 81	2550' FNL & 1190' FWL 6-17S-31E

All of the proposed locations are located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "A" 24:

Well	Location
Grayburg Jackson San Andres Unit #48	Section 12H-T17S-R30E
Grayburg Jackson San Andres Unit #36	Section 12I-T17S-30E
Grayburg Jackson San Andres Unit #35	Section 12P-T17S-R30E

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "A" 25:

Well	Location
Grayburg Jackson San Andres Unit #35	Section 12P-T17S-R30E
Grayburg Jackson San Andres Unit #36	Section 12I-T17S-30E
Grayburg Jackson San Andres Unit #30	Section 13A-T17S-R30E

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 63 and Keel "B" 65:

Well	Location
Jackson "B" Tract 5 - #18	Section 1I-T17S-R30E
Jackson "B" Tract 5 - #19	Section 1P-T17S-R30E
Jackson "B" Tract 5 - #38	Section 12A-T17S-R30E

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 81:

Well	Location
Jackson "B" Tract 5 - #18	Section 1I-T17S-R30E

The State of New Mexico Oil Conservation Division has ruled that these are "non - standard locations" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although these locations are considered unorthodox they will not be within 330' of your 40 acre tract as it has been moved to the east and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,

A handwritten signature in cursive script, appearing to read "Randy Jackson".

Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
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Oklahoma City, Oklahoma 73102

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December 29, 1994

Anadarko Petroleum Corporation
400 W Illinois
STE 1300
Midland, Texas 79701

Certified Letter #: P 164 780 245

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following wells:

WELL	LOCATION
Keel "B" 60	1300' FNL & 2450' FWL 6-17S-31E
Keel "B" 68	1250' FNL & 1300' FEL 5-17S-31E

All of the proposed locations are located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 60:

Well	Location
H. J. Loe Federal #5	Section 31M-T16S-R31E
H.J. Loe Federal #1	Section 31N-T16S-R31E
Grier #18	Section 31O-T16S-R31E

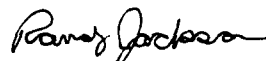
Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 68:

Well	Location
Tidewater State #2	Section 32O-T16S-R31E
Western Dev A State	Section 32P-T16S-31E

The State of New Mexico Oil Conservation Division has ruled that these are "non - standard locations" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although these locations are considered unorthodox they will not be within 330' of your 40 acre tract as it has been moved to the south and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico