

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN
(See other instructions on
reverse side)

Form approved. 5

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐ N.M. Oil & Gas Division

b. TYPE OF WELL:

OIL WELL ☒GAS WELL ☐Other ☐SINGLE ZONE ☐

911 S. 1st St

Artesia, NM 10-2834

2. NAME OF OPERATOR

DEVON ENERGY CORPORATION (NEVADA) 6137

3. ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 235-3611

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

At surface 660' FNL & 1980' FWL, Unit C, Section 15-T23S-R31E, Eddy Cnty, NM

At top proposed prod. zone (SAME) W.C.

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

35 miles WNW of Jal, New Mexico

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

660'

16. NO. OF ACRES IN LEASE

1320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. N/A

19. PROPOSED DEPTH

8800'

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

GL 3398'

5. LEASE DESIGNATION AND SERIAL NO.

NM-NM0405444

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME, WELL NO.

Todd "15C" Federal #3

9. API WELL NO.

30-015

10. FIELD AND POOL, OR WILDCAT

Ingle Wells (Delaware)

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

Unit C

Section 15-T23S-R31E

12. COUNTY OR PARISH

Eddy

13. STATE

New Mexico

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

660'

16. NO. OF ACRES IN LEASE

1320

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TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. N/A

19. PROPOSED DEPTH

8800'

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

GL 3398'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS*

Rotary

22. APPROX. DATE WORK WILL START*

second quarter, 1999

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|-------------------|---|
| 17 1/2" | 13 3/8" H-40 | 48# | 850' | 500 sx 35/65 Poz + 200 sx Class "C" |
| 11" | 8 5/8" J-55 | 32# | 4350' | 1600 sx 35/65 Poz + 200 sx Class "C" |
| 7 7/8" | 5 1/2" J-55 | 15.5# & 17# | 8800' | 1st Stage 525 sx Silica Lite Class "H" |
| | | | DV Tool +/- 5500' | 2nd Stage 225 sx 35/65 Poz + 400 sx Class "H" |

Devon Energy proposes to drill to approximately 8800' to test the Delaware for commercial quantities of oil. If the Delaware is deemed non-commercial, the wellbore will be plugged and abandoned as 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 = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibits #3 = Road Map and Topo Map

Exhibit #4 = Wells Within 1 Mile Radius

Exhibits #5 = Production Facilities Plat

Exhibit #6 = Rotary Rig Layout

Exhibit #7 = Casing Design

H₂S Operating Plan

Archaeological Survey

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

Lease #: NM-NM0405444

Legal Description: Section 15-T23S-R31E

Bond Coverage: Nationwide

BLM Bond #: CO-1104

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

Candace R. Graham

Candace R. Graham

TITLE Engineering Technician

DATE June 15, 1998

*(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

S/Linda S.C. Runnels

TITLE

STATE DIRECTOR

DATE

4-21-03

See Instructions On Reverse Side

APPROVED FOR 1 YEAR

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|--|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. TODD 15C FED 3 |
| 2. Name of Operator DEVON ENERGY PRODUCTION CO L P | | 9. API Well No. |
| Contact: KAREN COTTOM E-Mail: karen.cottom@dvn.com | | |
| 3a. Address 20 NORTH BROADWAY SUITE 1500 OKLAHOMA CITY, OK 73102 | 3b. Phone No. (include area code) Ph: 405.228.7512 Fx: 405.552.4667 | 10. Field and Pool, or Exploratory INGLE WELLS |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T23S R31E NENW 660FNL 1980FWL | | 11. County or Parish, and State EDDY COUNTY, NM |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Change to Original APD |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

BARRY HUNT W/BLM REQUEST DEVON ENERGY PRODUCTION COMPANY, LP TO MOVE THE REFERENCED WELL TO THE FOLLOWING LOCATION.

CURRENT
660 FNL & 1980 FWL

NEW LOCATION
560 FNL & 1980 FWL

| | |
|--|------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #17257 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad Committed to AFMSS for processing by Armando Lopez on 01/06/2003 (03AL0085SE) | |
| Name (Printed/Typed) KAREN COTTOM | Title ENGINEERING TECHNICIAN |
| Signature (Electronic Submission) | Date 01/02/2003 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-----------------------------|--------------------|
| Approved By <u>B. LINDA S. C. RUNDLE</u> | Title <u>STATE DIRECTOR</u> | Date <u>4-21</u> |
| Conditions of approval, if any, are attached. Approval of this notice 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. | | Office <u>NMSO</u> |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

State of New Mexico

DISTRICT I

P.O. Box 1888, Hobbs, NM 88241-1888

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Drawer ED, Artesia, NM 88211-0710

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|-------------------|--|------------------------------------|
| API Number | Pool Code 33745 | Pool Name INGLE WELLS, DELAWARE |
| Property Code | Property Name TODD 15C | Well Number 3 |
| OCRID No. 6137 | Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | Elevation 3398' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C | 15 | 23-S | 31-E | | 560' | NORTH | 1980' | WEST | EDDY |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | Order No. | | | | | | |

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

| | | |
|--|---|--|
| | <p>GEODETIC COORDINATES</p> <p>WGS 84 NMSPC EZ Y=477045.9 X=716047.9 LAT. 32°18'36.77"N LONG. 103°46'04.23"W</p> | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Karen Cotton</i> Signature</p> <p>Karen Cotton Printed Name</p> <p>Engineering Technician Title</p> <p>January 2, 2003 Date</p> |
| | | <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 19, 2002</p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Ronald F. Edison</i> 12/24/02 02-11-0988</p> <p>Certificate No. RONALD F. EDISON 3239 GARY EDISON 12841</p> |
| | | |
| | | |

MINIMUM BLOWOUT PREVENTER REQUIREMENTS

3,000 psi Working Pressure

EXHIBIT # 1

3 MWP

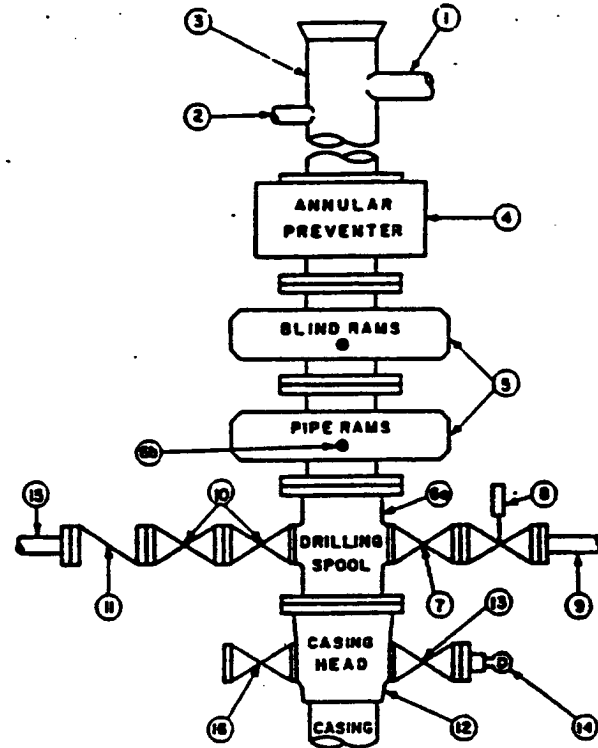
STACK REQUIREMENTS

| No. | Item | Min. I.D. | Min. Nominal |
|-----|---|-----------|--------------|
| 1 | Flowline | | |
| 2 | Fill up line | | 2" |
| 3 | Drilling nipple | | |
| 4 | Annular preventer | | |
| 5 | Two single or one dual hydraulically operated rams | | |
| 6a | Drilling spool with 2" min. kill line and 3" min choke line outlets | | |
| 6b | 2" min. kill line and 3" min. choke line outlets in ram. (Alternate to 6a above.) | | |
| 7 | Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/> | 3-1/8" | |
| 8 | Gate valve—power operated | 3-1/8" | |
| 9 | Line to choke manifold | | 3" |
| 10 | Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> | 2-1/16" | |
| 11 | Check valve | 2-1/16" | |
| 12 | Casing head | | |
| 13 | Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/> | 1-13/16" | |
| 14 | Pressure gauge with needle valve | | |
| 15 | Kill line to rig mud pump manifold | | 2" |

OPTIONAL

| | | | |
|----|---------------|----------|--|
| 16 | Flanged valve | 1-13/16" | |
|----|---------------|----------|--|

CONFIGURATION A



CONTRACTOR'S OPTION TO FURNISH:

1. All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 3,000 psi, minimum.
2. Automatic accumulator (80 gallon, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
3. BOP controls, to be located near drillers position.
4. Kelly equipped with Kelly cock.
5. Inside blowout preventer or its equivalent on derrick floor at all times with proper threads to fit pipe being used.
6. Kelly saver-sub equipped with rubber casing protector at all times.
7. Plug type blowout preventer tester.
8. Extra set pipe rams to fit drill pipe in use on location at all times.
9. Type RX ring gaskets in place of Type R.

MEC TO FURNISH:

1. Bradenhead or casinghead and side valves.
2. Wear bushing, if required.

GENERAL NOTES:

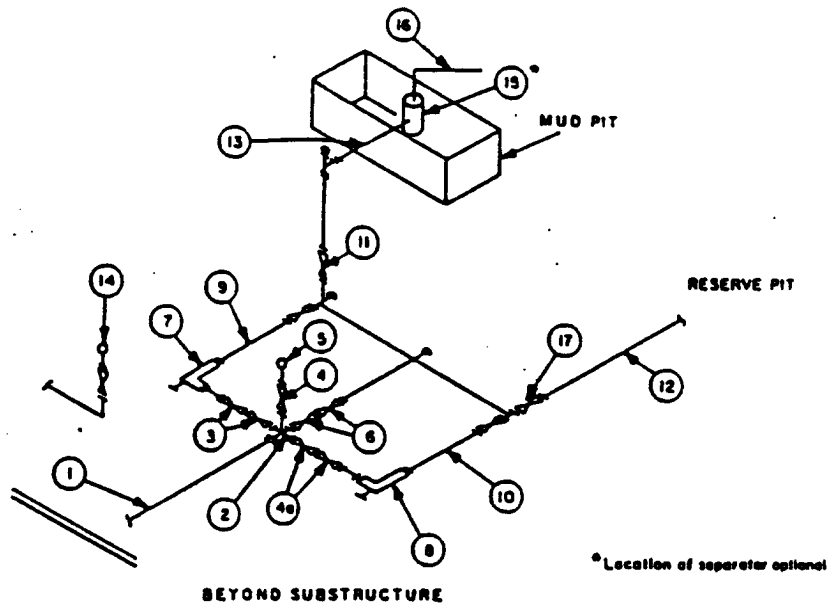
1. Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
2. All connections, valves, fittings, piping, etc., subject to well or pump pressure must be flanged (suitable clamp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through choke. Valves must be full opening and suitable for high pressure mud service.
3. Controls to be of standard design and each marked, showing opening and closing position.
4. Chokes will be positioned so as not to hamper or delay changing of choke beans. Replaceable parts for adjustable choke, other bean sizes, retainers, and choke wrenches to be conveniently located for immediate use.
5. All valves to be equipped with handwheels or handles ready for immediate use.
6. Choke lines must be suitably anchored.

7. Handwheels and extensions to be connected and ready for use.
8. Valves adjacent to drilling spool to be kept open. Use outside valves except for emergency.
9. All seamless steel control piping (3000 psi working pressure) to have flexible joints to avoid stress. Hoses will be permitted.
10. Casinghead connections shall not be used except in case of emergency.
11. Do not use kill line for routine fill-up operations.

MINIMUM CHOKE MANIFOLD
3,000, 5,000 and 10,000 PSI Working Pressure

3 MWP - 5 MWP - 10 MWP

EXHIBIT # 1



| MINIMUM REQUIREMENTS | | | | | | | | | | |
|----------------------|--|-----------|---------|--------|-----------|---------|--------|------------|---------|--------|
| No | | 3,000 MWP | | | 5,000 MWP | | | 10,000 MWP | | |
| | | I.D. | NOMINAL | RATING | I.D. | NOMINAL | RATING | I.D. | NOMINAL | RATING |
| 1 | Line from drilling spool | | 3" | 3,000 | | 3" | 5,000 | | 3" | 10,000 |
| 2 | Cross 3"x3"x3"x2" | | | 3,000 | | | 5,000 | | | |
| | Cross 3"x3"x3"x3" | | | | | | | | | 10,000 |
| 3 | Valves(1) Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2) | 3-1/8" | | 3,000 | 3-1/8" | | 5,000 | 3-1/8" | | 10,000 |
| 4 | Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2) | 1-13/16" | | 3,000 | 1-13/16" | | 5,000 | 1-13/16" | | 10,000 |
| 4a | Valves(1) | 2-1/16" | | 3,000 | 2-1/16" | | 5,000 | 3-1/8" | | 10,000 |
| 5 | Pressure Gauge | | | 3,000 | | | 5,000 | | | 10,000 |
| 6 | Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2) | 3-1/8" | | 3,000 | 3-1/8" | | 5,000 | 3-1/8" | | 10,000 |
| 7 | Adjustable Choke(3) | 2" | | 3,000 | 2" | | 5,000 | 2" | | 10,000 |
| 8 | Adjustable Choke | 1" | | 3,000 | 1" | | 5,000 | 2" | | 10,000 |
| 9 | Line | | 3" | 3,000 | | 3" | 5,000 | | 3" | 10,000 |
| 10 | Line | | 2" | 3,000 | | 2" | 5,000 | | 3" | 10,000 |
| 11 | Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2) | 3-1/8" | | 3,000 | 3-1/8" | | 5,000 | 3-1/8" | | 10,000 |
| 12 | Lines | | 3" | 1,000 | | 3" | 1,000 | | 3" | 2,000 |
| 13 | Lines | | 3" | 1,000 | | 3" | 1,000 | | 3" | 2,000 |
| 14 | Remote reading compound standpipe pressure gauge | | | 3,000 | | | 5,000 | | | 10,000 |
| 15 | Gas Separator | | 2'x5' | | | 2'x5' | | | 2'x5' | |
| 16 | Line | | 4" | 1,000 | | 4" | 1,000 | | 4" | 2,000 |
| 17 | Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2) | 3-1/8" | | 3,000 | 3-1/8" | | 5,000 | 3-1/8" | | 10,000 |

(1) Only one required in Class 3M.

(2) Gate valves only shall be used for Class 10M.

(3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

1. All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
2. All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
3. All lines shall be securely anchored.
4. Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
5. Choke manifold pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
6. Line from drilling spool to choke manifold should be as straight as possible. Lines downstream from chokes shall make turns by large bends or 90° bends using bull plugged tees.
7. Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well.