CIK

8077

Form 3160-3 (April 2004)

UNITED STATES DEPARTMENT OF THE INTER BUREAU OF LAND MANAGEME APPLICATION FOR PERMIT TO DRILL OR RE

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

5. Lease Serial No.

6. If Indian, Allotee or Tribe Name

Ø						
la. Type of work: DRILL REENT	ER			7 If Unit or CA Agree	ment, Name and No.	
1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Other 2. Name of Operator	✓ Sing	le ZoneMultip	ole Zone	Boyds Canyon API Well No.	ell No. 14 Federal Com 1	
Devon Energy Production Company, L	P			30-015-	35290	
Ba. Address 20 North Broadway Oklahoma City, Oklahoma City 73102-8260	0. (include area code) 10. Field and Pool, or Exploratory 28-8699 Happy Valley; Morrow			cploratory		
Location of Well (Report location clearly and in accordance with an	ry State requirement	(s. *)		11. Sec., T. R. M. or Blk	and Survey or Area	
At surface SWSE 220' FSL & 760' FEL				Sec 14 T22S R2	5E	
At proposed prod. zone SWSE 660' FSL & 660' FEL						
Distance in miles and direction from nearest town or post office*	_			12. County or Parish	13. State	
Approximately 8 miles southwest of City of Carlsbad, NN	1			Eddy County	NM	
Distance from proposed* location to nearest property or lease line, ft.	16. No. of acre	es in lease		ing Unit dedicated to this well		
(Also to nearest drig. unit line, if any)	1031.92 320 ac					
8. Distance from proposed location* 19. to nearest well, drilling, completed,		The state of the s		BIA Bond No. on file		
applied for, on this lease, ft.	11400' TV	D, 11430' MD	CO-1	CO-1104		
Elevations (Show whether DF, KDB, RT, GL, etc.) 3428'	22 Approxima	te date work will sta 11/15/2006	rt*	23. Estimated duration 45 days		
	24. Attach	ments				
e following, completed in accordance with the requirements of Onsho	re Oil and Gas Oi	der No.1, shall be a	ttached to the	s form:		
Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office).	Lands, the	Item 20 above). 5. Operator certific	cation specific info	ormation and/or plans as r	J ,	
Signature)	1 '	Name (Printed/Typed) Judy A. Barnett		I	Date 11/02/2006	
le Regulatory Analyst						
oproved by (Signaturs / James Stovall	Name (F	Printed Typed) Sol James	Stova	ıll	Date DEC 1 8 2006	
ACTING FIELD MANAGER	Office	C^	RI SR	AD FIELD		
pplication approval does not warrant or certify that the applicant hold induct operations thereon. Onditions of approval, if any, are attached.	ls legal or equital	le title to those figh	is in the sub	ject lease which would en	VAL FOR 1 Y	

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.

*(Instructions on page 2)

SEE ATTACHED FOR CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

CARLSBAD CONTROLLED WATER BASIN

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

Additional Operator Remarks:

Devon Energy Production Company, LP proposes to drill a Morrow well to 11,400' for commercial quantities of oil and gas. If the well is deemed noncommercial, the wellbore will be plugged and abandoned per Federal regulations. Devon Energy Production Co., LP plans to drill the well per the attached Drilling and Surface Use Plan.

Directions To Location:

From the Junction Hildago Rd and US Hwy 62-180, proceed west 3.2 miles to Co Rd 429, on Co. Rd 429 (Mikittrick) proceed northeast 5.0 miles to Co. Rd 428 (Chinaberry), on Co. 428, proceed north 0.7 mile to proposed lease road.

Access Road:

Approximately 588' of access road will be required. Archeological survey's will be requested for the pad and access road.

H2S:

No H2S is anticipated to be encountered.

UNITED STATES DEPARTMENT OF THE INTERIOR

Bureau of Land Management Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Devon Energy Production Company, LP

Street or Box: City, State: Zip Code:	20 North Broadway Oklahoma City, Oklahoma 73102-8260
The undersigned accepts all applications conducted on the leased land or possible.	cable terms, conditions, stipulations and restrictions concerning operations ortion thereof, as described below.
Lease No.:	NM-9984
Legal Description of Land:	320 acres 14-T22S-R25E Lot P SWSE 220' FSL & 660' FEL
Formation(s):	Happy Valley; Morrow
Bond Coverage:	Nationwide
BLM Bond File No.:	CO-1104
Authorized Signature:	melisant
	Judy A. Barnett
Title:	Regulatory Analyst
Date:	11/02/06

Operator Name:

DISTRICT I 1625 M. French Dr., Hobbs, NM 58240 DISTRICT II 1301 W. Grand Avenue, Artesia, NM 8821

DISTRICT III
1000 Rie Brazos Rd. 1846c. 57410
DISTRICT IV
1820 S. St. Francis Dr. Salies 77505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

Form C-102 Wised October 12, 2005

State Lease - 4 Copies
Fee Lease - 3 Copies

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30 · 015 · 3529	Pool Code	Happy Valley; Morrow		
Property Code 36218	-	erty Name "14" FEDERAL COM	Well Number	
0GRID No. 6137	-	ator Name DDUCTION COMPANY LP	Elevation 3428	

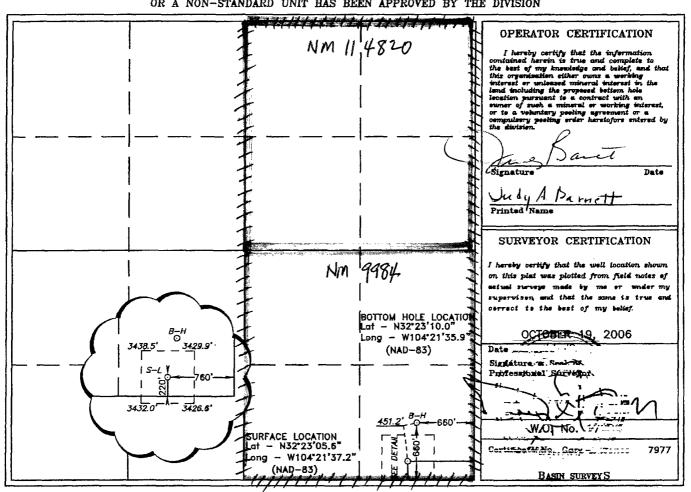
Surface Location

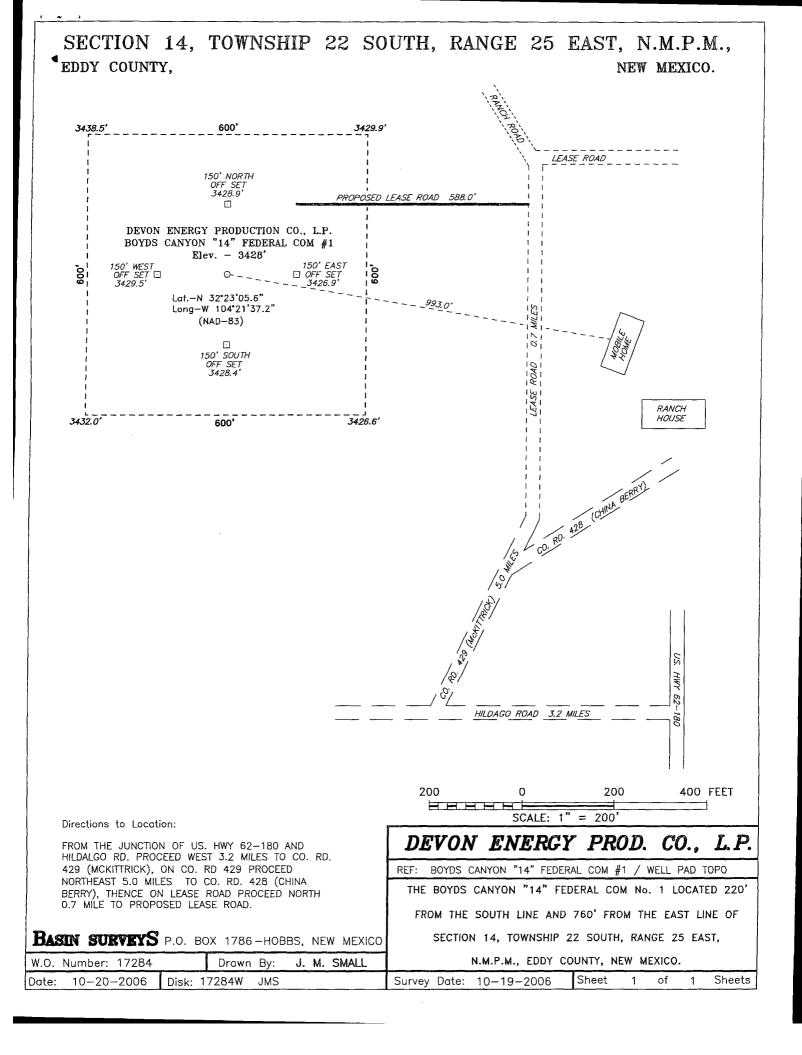
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	22 S	25 E		220	SOUTH	760	EAST	EDDY

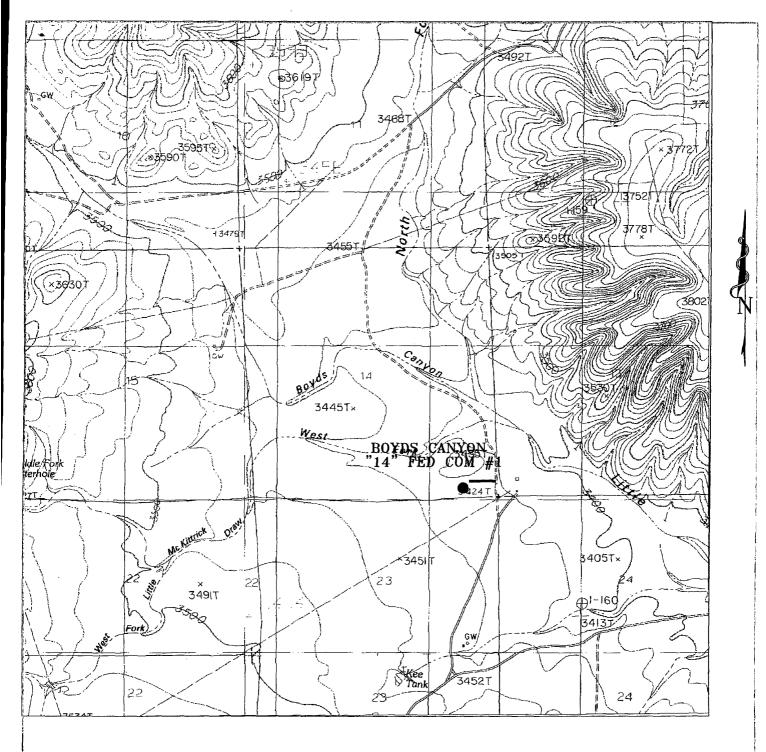
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Fest from the	North/South line	Feet from the	East/West line	County
P	14	22 S	25 E		660	SOUTH	660	EAST	EDDY
Dedicated Acres	Joint o	r Infili Con	nsolidation	Code Or	der No.				
320									

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







BOYDS CANYON "14" FED COM #1

Located at 220' FSL AND 760' FEL Section 14, Township 22 South, Range 25 East, N.M.P.M., EDDY County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fgx basinsurveys.com

W.O.	Number:			
	ey Date:	10-	19-2006	
	:: 1" == 20	000'	deren ar eine Lande schleiden ber hat in.	SELECTOR AND
Dote:	10-20-		Participate Control of the Control o	THE REPORT OF THE PERSON AS

DEVON ENERGY PROD. CO., L.P.

DRILLING PROGRAM

Devon Energy Production Company, LP

Boyds Canyon 14 Federal Com 1

Surface Location: 220' FSL & 760' FEL, Lot P, Sec 14 T22S R25E, Eddy, NM Bottom Hole Location: 660' FSL & 660' FEL, Lot P, Sec 14 T22S R25E, Eddy, NM

1. Geologic Name of Surface Formation

a. Permian Tansill Formation

2. Estimated tops of geological markers:

a.	Yates	Surf
b.	Capitan	400'
c.	Delaware	2000'
d.	Manzanita (CC)	2925'
e.	Lower Brushy Canyon	4300'
f.	Bone Spring LS	4500'
g.	First Bone Spring Sand	5550'
ĥ.	Second Bone Spring LS	5775'
i.	Second Bone Spring Sand	6145'
j.	Third Bone Spring LS	6265'
k.	Third Bone Spring Sand	7840'
1.	Wolfcamp Lime	8250'
m.	Penn	9025'
n.	Canyon Pay	9380'
o.	Strawn	9615'
p.	Strawn "B" Pay	9765'
q.		9950'
	Atoka Pay	10100'
s.	Morrow	10350'
t.	Morrow Clastics	10575
u.	Middle Morrow Lm	10675'
v.	Lower Morrow	10900'
w.	Carlsbad Sand	11140'
x.	Barnett Shale	11240'
y.	Total Depth	11400'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas

a.	Yates	Surf	Water
b.	Capitan	400'	Water
c.	Delaware	2000'	Oil
d.	Bone Spring LS	4500'	Oil
e.	First Bone Spring Sand	5550'	Oil
f.	Second Bone Spring Sand	6145'	Oil
g.	Third Bone Spring Sand	7840'	Oil/Gas

h. Wo	olfcamp	8250'	Gas
i. Per	•	9025'	Gas
	rawn	9615'	Gas
k. Ato		9950'	Gas
	orrow	10350'	Gas
	orrow Clastics	10575'	Gas
	ddle Mo rrow Li me	10675'	Gas
	wer Morrow	10900'	Gas
	rnett Shale	11240'	Gas

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 13 3/8" casing at 450' and circulating cement back to surface. Freshwater will be protected by setting 9 5/8" casing at 2050' and circulating cement to surface. The Morrow intervals will be isolated by setting 5 ½" casing to total depth and circulating cement above the base of the 9 5/8" casing.

Casing Program: 4.

Hole Size	Interval	OD Csg	Weight	<u>Collar</u>	<u>Grade</u>
17 ½"	0'-450'	13 3/8"	48#	ST&C	H-40
12 1/4"	0' - 2050'	9 5/8"	36#	LT&C	K-55
8 3/4"	0' - 11430'	5 ½"	17#	LT&C	N-80 & S-95

5. Cement Program	5.	Cement Prog	ram:
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5.	Ce	ment Prog	gram:	
	a.	13 3/8"	Surface	Cement to surface 216 sacks (35:65) Poz (Fly Ash):Class C Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 6% bwoc Bentonite + 93.6% Fresh Water. Tail with 200 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 56.3% Fresh Water.
	b.	9 5/8"	Intermediate	Cement to surface with 443 sacks (35:65) Poz (Fly Ash):Class C Cement + 5% bwow Sodium Chloride + 0.25 lbs/sack Cello Flake + 5 lbs/sack LCM-1 + 6% bwoc Bentonite + 95.8% Fresh Water. Tail with 250 sacks (60:40) Poz (Fly Ash):Class C Cement + 5% bwow Sodium Chloride + 0.5% bwoc Sodium Metasilicate + 4% bwoc MPA-1 + 64.8% Fresh Water.
	c.	5 ½"	Production	Cement Stage 1: with 701 sacks (15:61:11) Poz (Fly Ash):Class C Cement:CSE-2 + 2% bwow Potassium Chloride + 0.75% bwoc EC-1 + 0.25 lbs/sack Cello Flake + 0.7% bwoc CD-32 + 5 lbs/sack LCM-1 + 0.6% bwoc FL-25 + 0.6% bwoc FL-52A + 0.5% bwoc BA-10 + 0.15% bwoc R-3 + 70.6% Fresh Water. Cement Stage 2: with 2514 sacks (60:40) Poz (Fly Ash):Class H Cement + 1% bwow Sodium Chloride + 0.75% bwoc BA-10 + 0.15% bwoc R-3 + 0.25 lbs/sack Cello Flake + 2

The above cement volumes could be revised pending the caliper measurement from the open hole logs. The top of cement is designed to reach approximately 500' above the 9 5/8" casing shoe.

6. Pressure Control Equipment:

The blowout preventor equipment (BOP) shown in Exhibit #1 will consist of a (3M system) double ram type (5000 psi WP) preventor and a bag-type (Hydril) preventor (5000 psi WP). Both units will be hydraulically operated and the ram type preventor will be equipped with blind rams on top and 4 ½" drill pipe rams on bottom. The drilling head will be installed on the 13 3/8" surface casing and utilized continuously until total depth is reached. All BOP's and associated equipment will be tested to 1200 psi with the rig pump before drilling out the 13 3/8" casing shoe (70% of 48#, H-40 casing). Prior to drilling out the 9 5/8" casing shoe, the BOP's and Hydril will be tested as per BLM Drilling Operations Order #2.

Pipe rams will be operated and checked each 24-hour period and each time the drill pipe is out of the hole. These functional tests will be documented on the daily drillers' log. A 2" kill line and 3" choke line will be incorporated in the drilling spool below the ram-type BOP. Other accessory BOP equipment will include a Kelly cock, floor safety valve, choke lines and choke manifold having 5000 psi WP rating.

7. Proposed Mud Circulation System

Depth	Mud Wt.	Visc	Fluid Loss	Type System
0' - 450'	8.4	28	NC	Fresh Water
450'-2050'	8.4	28	NC	Fresh Water
2050'-11430'	9.0-10.5	28-30		Cut Brine

The necessary mud products for weight addition and fluid loss control will be on location at all times.

8. Auxiliary Well Control and Monitoring Equipment:

- a. A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times.
- c. Hydrogen Sulfide detection equipment will be in operation after drilling out the 13 3/8" casing shoe until the 5 1/2" casing is cemented. Breathing equipment will be on location upon drilling the 13 3/8" shoe until total depth is reached.

9. Logging, Coring, and Testing Program:

- a. Drill stem tests will be based on geological sample shows.
- b. The open hole electrical logging program will be:

- i. Total Depth to Intermediate Casing Dual Laterolog-Micro Laterolog with SP and Gamma Ray. Compensated Neutron Z Density log with Gamma Ray and Caliper.
- ii. Total Depth to Surface Compensated Neutron with Gamma Ray
- iii. No coring program is planned
- iv. Additional testing will be initiated subsequent to setting the 5 ½" production casing. Specific intervals will be targeted based on log evaluation, geological sample shows and drill stem tests.

10. Potential Hazards:

a. No abnormal pressures or temperatures are expected. There is no known presence of H2S in this area. If H2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6 No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 4000 psi and Estimated BHT 175°. No H2S is anticipated to be encountered.

11. Anticipated Starting Date and Duration of Operations:

a. Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 32 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

- 1. All Company and Contract personnel admitted on location must be trained by a qualified H2S safety instructor to the following:
 - a. Characteristics of H2S
 - b. Physical effects and hazards
 - c. Proper use of safety equipment and life support systems.
 - d. Principle and operation of H2S detectors, warning system and briefing areas
 - e. Evacuation procedures, routes and first aid.
 - f. Proper use of 30-minute pressure demand air pack.
- 2. H2S Detection and Alarm System
 - a. H2S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
- 3. Windsock and/or wind streamers
 - a. Windsock at mud pit area should be high enough to be visible
 - b. Windsock at briefing area should be high enough to be visible
 - c. There should be a windsock at entrance to location
- 4. Condition Flags and Signs
 - a. Warning Sign on access road to location
 - b. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H2S present in dangerous concentration. Only emergency personnel admitted to location.
- 5. Well Control Equipment
 - a. See Exhibit "E" & "E-1"
- 6. Communication
 - a. While working under masks chalkboards will be used for communication.
 - b. Hand signals will be used where chalk board is inappropriate
 - c. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.
- 7. Drill stem Testing
 - a. Exhausts will be watered
 - b. Flare line will be equipped with an electric igniter or a propane pilot light in case gas reaches the surface.
 - c. If the location is near to a dwelling a closed DST will be performed.
- 8. Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubular goods and other mechanical equipment.

If H2S is encountered, mud system will be altered if necessary to maintain control or formation. A mud gas separator will be brought into service along with H2S scavengers if necessary.

SURFACE USE PLAN

Devon Energy Production Company, LP **Boyds Canyon 14 Federal Com 1**

Surface Location: 220' FSL & 760' FEL, Lot P, Sec 14 T22S R25E, Eddy, NM Bottom Hole Location: 660' FSL & 660' FEL, Lot P, Sec 14 T22S R25E, Eddy, NM

1. Existing Roads:

- a. The well site and elevation plat for the proposed well are reflected on Exhibit 2. The well was staked by Basin Surveys.
- b. All roads into the location are depicted on Exhibit 3.
- c. Directions to Location: From the junction of US Hwy 62-180 and Hildalgo Rd., proceed west 3.2 miles to Co. Rd. 429 (Mikittrick), on Co. Rd. proceed northeast 5.0 miles to Co. Rd. 428 (Chinaberry), thence on lease road proceed north 0.7 mile to proposed lease road.

2. Access Road

- a. Exhibit #3 shows the existing lease road. Approximately 588' of new access road will be constructed as follows:
- b. The maximum width of the road will be 15'. It will be crowned and made of 6" of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
- c. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location. The average grade will be approximately 1%.
- d. No cattle guards, grates or fence cuts will be required. No turnouts are planned.

3. Proposed Facilities

- a. In the event the well is found productive, the Boyds Canyon 14 Federal Com 1 tank battery would be utilized and the necessary production equipment will be installed at the well site.
- b. If necessary, the well will be operated by means of an electric prime mover. Electric power poles will be set along side of the access road.
- c. All flow lines will adhere to API standards.
- d. If the well is productive, rehabilitation plans are as follows:
 - i. The reserve pit will be back-filled after the contents of the pit are dry (within 120 days after completion, weather permitting).
 - ii. The original topsoil from the well site will be returned to the location. The drill site will then be contoured as close as possible to the original state.

4. Methods of Handling Waste Material:

- a. Drill cuttings will be disposed of in the reserve pits.
- b. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in an approved sanitary landfill.
- c. The supplier, including broken sacks, will pick up salts remaining after completion of well.
- d. Wastewater from living quarters will be drained into hole with a minimum of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.

e. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for further drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approved disposal site. Later pits will be broken out to speed dry. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in a storage tank and sold.

5. Well Site Layout

- a. Exhibit D Shows the proposed well site layout.
- b. This exhibit indicated proposed location of reserve and dump pits and living facilities.
- c. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface conditions encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- d. If needed, the reserve pit is to be lined with polyethylene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.
- e. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

6. Other Information:

- a. The area surrounding the well site is grassland. The topsoil is very sandy in nature. The vegetation is moderately sparse with native prairie grass, some mesquite bushes and shinnery oak. No wildlife was observed but it is likely that deer, rabbits, coyotes, and rodents traverse the area.
- b. The surface is owned by the US Government and is administered by the Bureau of Land Management. The surface is of limited use except for the grazing of livestock and the production of oil and gas.
- c. A Cultural Resources Examination will be completed by Southern New Mexico Archaeological Services, Inc. and forwarded to the BLM office in Carlsbad, New Mexico.
- d. There are no dwellings within 2 miles of location.

Operators Representative:

The Devon Energy Production Company, L.P. representatives responsible for ensuring compliance of the surface use plan are listed below.

Wyatt Abbitt

Operations Engineer Advisor

Devon Energy Production Company, L.P. 20 North Broadway

Oklahoma City, OK 73102-8260

(405) 552-8137 (office)

Don Mayberry Superintendent

Devon Energy Production Company, L.P.

Post Office Box 250 Artesia, NM 88211-0250

(505) 748-3371 (office)

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access road; that I am familiar with the conditions that presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Devon Energy Production Company, L.P. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Signed:

Judy A. Barnett Regulatory Analyst Date:

November 2, 2006

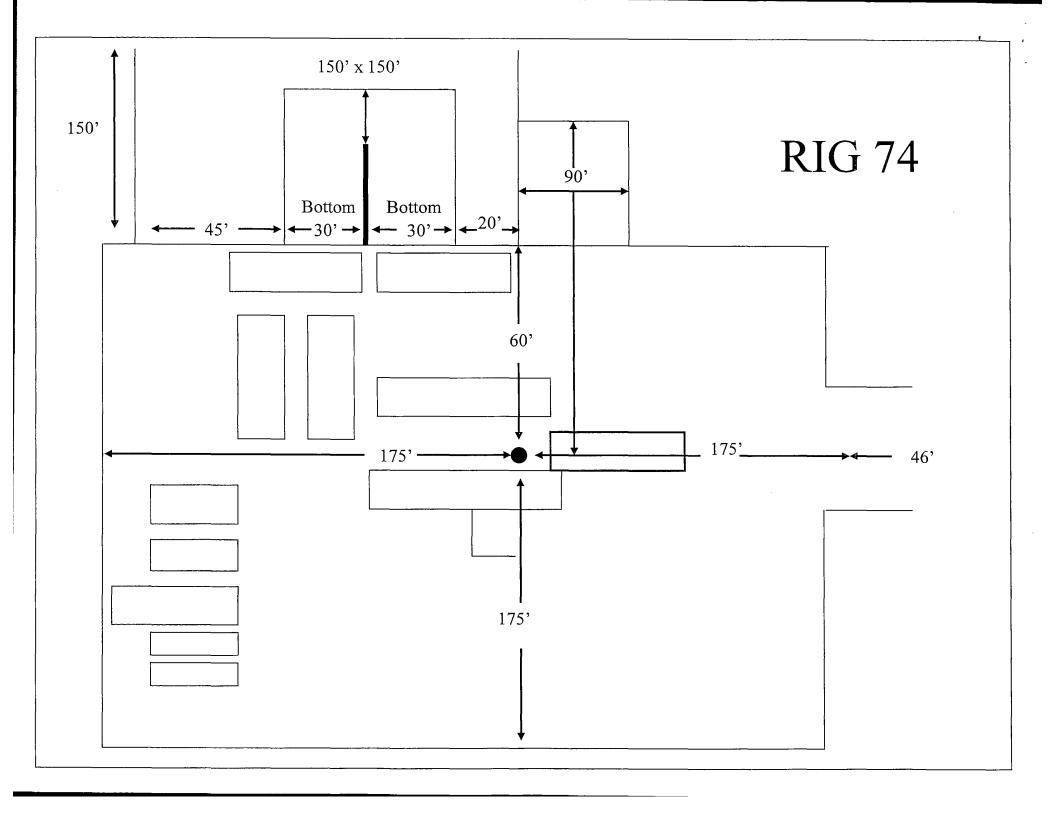
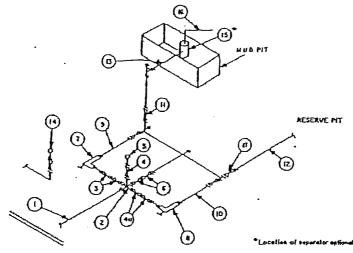


Exhibit E



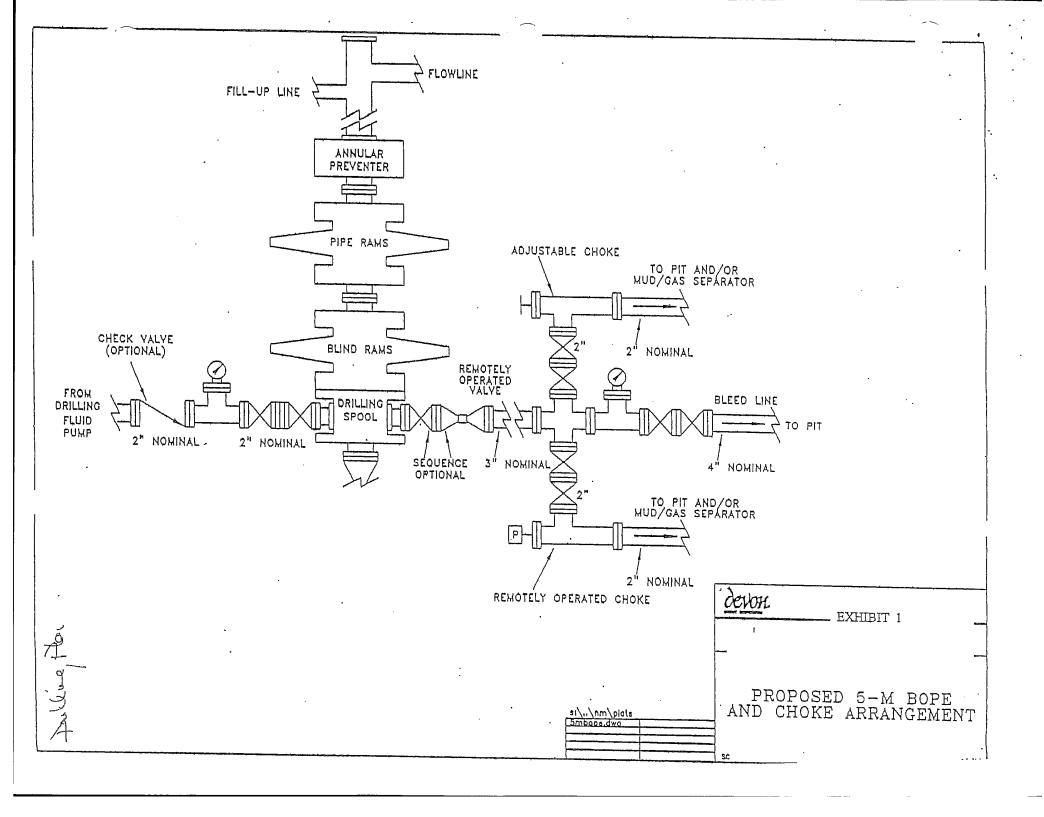
BEYOND SUBSTRUCTURE

			MIN	IMUM REQ	UIREMENT	.2				
	1	•	TWM 000,E	,		5,000 MWF	-	10,000 MWP		
Na.		LD.	HOMINAL	RATING	LO.	NOMINAL	RATING	LD.	NOMINAL	RATING
1	Line from drilling spool		3*	3,000		3,	5,000		3"	10,000
2	Cross 3"43"12"			3,000	J	<u> </u>	5,000			
	Cross 3"x3"x3"x3"									10,000
3	Valves(1) Gate □ Plup □(2)	3-1/8*		3,000	3-1/8"		S,000	3-1/8"		DS0,07
4	Valve Gale □ Plug □(2)	1-13416*		3,000	1-13/16*		5,000	1-13/16*		10,000
48	Valves(I)	2-1/16*		3,000	2-1/16"		5,000	3-1/6"		10,000
5	Pressure Gauge			3,000			5,000			10,000
6	Valves Plug □[Z]	3-1/8"		2,000	3-1/0"		\$,000	3-1/8-		10,000
7	Adjustable Choke(3)	2"		000,E	2"		5,000	~		10,000
5	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"	3,00g		2-	5,000		3-	10,000
ч	Valves Plug ([(2)	3-1/6*	1	2,000	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		31	1,000		3"	2,000
14	Remote reading compound standpipe pressure gauge			3,000			5,000			10,000
15	Gas Separator		275			2"5"			2'x5'	
16	Line		4"	1,000		1-	1,000		4"	2,020
17	Valves Plug □(2)	3-1/0-		000,E	3-1/8"		5,000	3-1/8"		10,000

- (1) Only and required in Class 3ML
- (2) Gate raives only shall be used for Class 10M.
- (3) Remote operated hydraulic choks 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, llanged or Cameron clamp of comparable rating.
- 2. All flanges shall be API 68 or 68X 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 spoot 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 yent as far as practical from the well.



Attachment to Exhibit #1 NOTES REGARDING BLOWOUT PREVENTERS

Devon Energy Production Company, LP

Boyds Canyon 14 Federal Com 1

Surface Location: 220' FSL & 760' FEL, Lot P, Sec 14 T22S R25E, Eddy, NM Bottom Hole Location: 660' FSL & 660' FEL, Lot P, Sec 14 T22S R25E, Eddy, NM

- 1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.
- 2. Wear ring will be properly installed in head.
- 3. Blowout preventer and all associated fittings will be in operable condition to withstand a minimum 5000 psi working pressure.
- 4. All fittings will be flanged.
- 5. A full bore safety valve tested to a minimum 5000 psi WP with proper thread connections will be available on the rotary rig floor at all times.
- 6. All choke lines will be anchored to prevent movement.
- 7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
- 8. Will maintain a kelly cock attached to the kelly.
- 9. Hand wheels and wrenches will be properly installed and tested for safe operation.
- 10. Hydraulic floor control for blowout preventer will be located as near in proximity to driller's controls as possible.
- 11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.



Planned Wellpath Report Plan #2 Page 1 of 5



REFER	ENCE WELLPATH IDENTIFICATION		
Operator	Devon Energy	Slot	Com #1
Area	Eddy County, NM	Well	Boyd Canyon "14" Federal Com #1
Field	Section 14 T22S R25E	Wellbore	#1 PWB
Facility	Boyd Canyon "14"		

REPORT SETUP INFORMATION							
Projection System	NAD83 / TM New Mexico State Planes, Eastern Zone (3001), US feet	Software System	WellArchitect™ 1.2				
North Reference	Grid	User	Gomeoscr				
Scale	0.999909	Report Generated	11/02/06 at 10:33:41				
Wellbore last revised	11/02/06	Database/Source file	WellArchitectDB/#1				

WELLPATH LOCATION										
	Local coo	rdinates	Grid co	ordinates	Geographi	c coordinates				
	North [feet]	East [feet]	Easting [US feet]	Northing [US feet]	Latitude [°]	Longitude [°]				
Slot Location	0.00	0.00	536192.64	503188.59	32 23 00.000N	104 21 00.000W				
Facility Reference Pt			536192.64	503188.59	32 23 00.000N	104 21 00.000W				
Field Reference Pt			536192.64	503188.59	32 23 00.000N	104 21 00.000W				

WELLPATH DATUM			
Calculation method	Minimum curvature	Rig on Com#1 (RT) to Facility Vertical Datum	0.00 feet
Horizontal Reference Pt	Slot	Rig on Com #1 (RT) to Mean Sea Level	3445.00 feet
Vertical Reference Pt	Rig on Com #1 (RT)	Facility Vertical Datum to Mud Line (Facility)	0.00 feet
MD Reference Pt	Rig on Com #1 (RT)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	12.80°



Planned Wellpath Report Plan #2 Page 2 of 5



REFER	ENCE WELLPATH IDENTIFICATION	AND THE RESERVE OF THE PERSON	
Operator	Devon Energy	Slot	Com #1
Area	Eddy County, NM	Well	Boyd Canyon "14" Federal Com #1
Field	Section 14 T22S R25E	Wellbore	#1 PWB
Facility	Boyd Canyon "14"		

MD	Inclination	Azimuth	TVD	Vert Sect	North	East	DLS	Design	Path
feet]	[°]	[°] 12.804	[feet] 0.00	[feet]	[feet]	[feet]	[°/100ft]	Comments Tie On	Comment
0.00	0.000			0.00	0.00	0.00		lie On	
100.00†	0.000	0.000	100.00	0.00	0.00	0.00	0.00		
200.00†	0.000	0.000	200.00	0.00	0.00	0.00	0.00	ļ	
300.00†	0.000	0.000	300.00	0.00	0.00	0.00	0.00	economic and second	Capitan
careeron you and a children		0.000	500.00	0.00	0.00	0.00	0.00		
500.00†	0.000	0.000	600.00	0.00	0.00	0.00	0.00	ļ	
700.00†	0.000	0.000	700.00	0.00	0.00	0.00	0.00		
	0.000	0.000	800.00	0.00	0.00	0.00	0.00	 	
800.00†	0.000	0.000 1071)0Ye	800.00	0.00	0.00	0.00	(9)(10)	550000000000000000000000000000000000000	
1000.00†	0.000	0.000	1000.00	0.00	0.00	0.00	0.00		and a second
1100.00†	0.000	0.000	1100.00	0.00	0.00	0.00	0.00	 	
1200.00†	0.000	0.000	1200.00	0.00	0.00	0.00	0.00		
1300.00†	0.000	0.000	1300.00	0.00	0.00	0.00	0.00		
1400.00	0.000	0.000	Motion 1300.00	0.00	0.00	O.OO	0.00		
1500.00†	0.000	0.000	1500.00	0.00	0.00	0.00	0.00		
1600.00†	0.000	0.000	1600.00	0.00	0.00	0.00	0.00		· · · · · · · · · · · · · · · · · · ·
1700.00†	0.000	0.000	1700.00	0.00	0.00	0.00	0.00		
1800.00†	0.000	0.000	1800.00	0.00	0.00	0.00	0.00		
1900.00	0.000	0.000	EURIO PIO	(1,11)			[e], e[e]		
1920.00†	0.000	12.804	1920.00	0.00	0.00	0.00	0.00		Delaware Lime
2000.00†	0.000	0.000	2000.00	0.00	0.00	0.00	0.00		
2100.00†	0.000	0.000	2100.00	0.00	0.00	0.00	0.00		
2150.00†	0.000	12.804	2150.00	0.00	0.00	0.00	0.00		Delaware Sand
EXCUSACION .	113000	0.000	and in the lease of the	Dist.	3700	T Chile	40000		
2300.00†	0.000	0.000	2300.00	0.00	0.00	0.00	0.00	Construction of the second section of	the state of the s
2400.00†	0.000	0.000	2400.00	0.00	0.00	0.00	0.00		
2500.00†	0.000	0.000	2500.00	0.00	0.00	0.00	0.00		
2600.00†	0.000	0.000	2600.00	0.00	0.00	0.00	0.00		
2570[0] 0]0].	10.60[0.0]	(e)(e10]e)	A Philosoph	The section of	1.00	fer ein	0.00		
2800.00†	0.000	0.000	2800.00	0.00	0.00	0.00	0.00		
2900.00†	0.000	0.000	2900.00	0.00	0.00	0.00	0.00		
2950.00†	0.000	12.804	2950.00	0.00	0.00	0.00	0.00		Cherry Canyon
3000.00†	0.000	0.000	3000.00	0.00	0.00	0.00	0.00		
Phelekelek	(0)(0)(0)	Text of e	(Kakelajaja)	(A)(E)(170,00	11/1/11/19	(0)(0)(0)		
3200.00†	0.000	0.000	3200.00	0.00	0.00	0.00	0.00		
3300.00†	0.000	0.000	3300.00	0.00	0.00	0.00	0.00		
3400.00†	0.000	0.000	3400.00	0.00	0.00	0.00	0.00		
3500.00†	0.000	0.000	3500.00	0.00	0.00	0.00	0.00		



Planned Wellpath Report Plan #2 Page 3 of 5



REFER	REFERENCE WELLPATH IDENTIFICATION								
Operator	Devon Energy	Slot	Com #1						
Area	Eddy County, NM	Well	Boyd Canyon "14" Federal Com #1						
Field	Section 14 T22S R25E	Wellbore	#1 PWB						
Facility	Boyd Canyon "14"								

[feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sect [feet]	North [feet]	East [feet]	DLS [º/100ft]	Design Comments	Path Comment
700.00†	0.000	0.000	3700.00	0.00	0.00	0.00	0.00		
800.00†	0.000	0.000	3800.00	0.00	0.00	0.00	0.00		
3900.00†	0.000	0.000	3900.00	0.00	0.00	0.00	0.00		
1000.00†	0.000	0.000	4000.00	0.00	0.00	0.00	0.00		
Melekeleka	a Motolic	(0)(0)(0)	/4 fe)epoje:	(1)(0)(1)	iptit,	(t)46)t)	(6) (6)		
1200.00†	0.000	0.000	4200.00	0.00	0.00	0.00	0.00		Lower Brushy Canyon
1300.00†	0.000	0.000	4300.00	0.00	0.00	0.00	0.00		
1400.00†	0.000	0.000	4400.00	0.00	0.00	0.00	0.00		
1490.00†	0.000	12.804	4490.00	0.00	0.00	0.00	0.00		Bone Spring Lm
-filexicle);	(1)(1)()	82.67674	A. Frederick	£01010	r et effe	(111)	Estein		
1600.00	0.000	12.804	4600.00	0.00	0.00	0.00		KOP	
1700.00†	3.000	12.804	4699.95	2.62	2.55	0.58	3.00		
1800.00†	6.000	12.804	4799.63	10.46	10.20	2.32	3.00		
1863.10	7.893	12.804	4862.27	18.09	17.64	4.01		EOB	
Piolex ole) k	$\mathcal{F}_{\mathcal{S}}(i)$	S. Fally	(4.83) (4.1°)	AND PROPERTY OF THE PROPERTY OF	9.445		(their		
5000.00†	7.893	12.804	4997.87	36.89	35.98	8.18	0.00		
100.00†	7.893	12.804	5096.92	50.63	49.37	11.22	0.00		
5200.00†	7.893	12.804	5195.98	64.36	62.76	14.26	0.00		
300.00†	7.893	12.804	5295.03	78.09	76.15	17.31	0.00	containing his or no or his flat	
£ [6]0)(6]0)((1) (7) (0).	a Parting	55.97.403	973	1016	20,35	(40.0)		
5500.00†	7.893	12.804	5493.13	105.55	102.93	23.39	0.00		
5557.41†	7.893	12.804	5550.00	113.44	110.62	25.14	0.00		First Bone Sping Sand
5600.00†	7.893	12.804	5592.19	119.29	116.32	26.44	0.00		
700.00†	7.893	12.804	5691.24	133.02	129.71	29.48	0.00		
12010 (10E)	7/1(9)	10 004		14674	(4) (4)		4100		
5900.00†	7.893	12.804	5889.35	160.48	156.49	35.57	0.00		
6000.00† 6100.00†	7.893 7.893	12.804 12.804	5988.40 6087.45	174.21 187.95	169.88 183.27	38.61 41.65	0.00		
5100.007	7.893	12.804	6090.00	188.30	183.27	41.63	0.00		Second Bone Spring Sand
200.00	7.893	12.804	COSO.OO		183.02	41.73	10,00		Second Bone Spring Sand
300.00†	7.893	12.804	6285.56	215.41	210.05	47.74	0.00		
400.00†	7.893	12.804	6384.61	229.14	223.45	50.78	0.00		
500.00†	7.893	12.804	6483.66	242.88	236.84	53.83	0.00		
600.00†	7.893	12.804	6582.71	256.61	250.23	56.87	0.00		
700,004	777.191	TO HELD	3663 B		2) (() (())	1107011	()(()()		
100.008	7.893	12.804	6780.82	284.07	277.01	62.96	0.00		
900.00†	7.893	12.804	6879.87	297.80	290.40	66.00	0.00		
100.000	7.893	12.804	6978.92	311.54	303.79	69.04	0.00		
100.00†	7.893	12.804	7077.98	325.27	317.18	72.09	0.00		

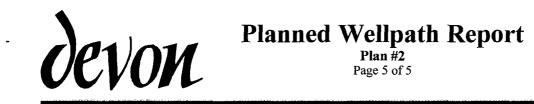


Planned Wellpath Report Plan #2 Page 4 of 5



REFER	REFERENCE WELLPATH IDENTIFICATION							
Operator	Devon Energy	Slot	Com #1					
Area	Eddy County, NM	Well	Boyd Canyon "14" Federal Com #1					
Field	Section 14 T22S R25E	Wellbore	#1 PWB					
Facility	Boyd Canyon "14"							

WELLPATH				erpolated/					
MD [feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sect [feet]	North [feet]	East [feet]	DLS [º/100ft]	Design Comments	Path Comment
7300.00†	7.893	12.804	7276.08	352.73	343.96	78.17	0.00		
7400.00†	7.893	12.804	7375.14	366.47	357.35	81.22	0.00		
7500.00†	7.893	12.804	7474.19	380.20	370.74	84.26	0.00		
7600.00†	7.893	12.804	7573.24	393.93	384.13	87.30	0.00		
e de les estes	7, (2)	3124304	and the factor of the state of	(16)- (cf. :	\$\$\$\\	*(* ! (1), **)	(e)(fje)		
7753.68	7.893	12.804	7725.47	415.03	404.71	91.98		ЕОН	
7800.00†	7.198	12.804	7771.38	421.12	410.64	93.33	1.50		
7869.09†	6.162	12.804	7840.00	429.15	418.48	95.11	1.50		Third Bone Spring Sand
7900.00†	5.698	12.804	7870.75	432.35	421.60	95.82	1.50		
#Helefoy(ele) i	(Jato);	できるからなる 化工工 アントーンステル・カース アルファインステル	$1 - 3 \mu _{P} (s_{p}) / 2$	A Charte	A TOME	1.6			
8100.00†	2.698	12.804	8070.19	446.99	435.87	99.06	1.50		
8200.00†	1.198	12.804	8170.13	450.39	439.19	99.81	1.50		
8279.88	0.000	12.804	8250.00	451.22	440.00	100.00		EOD	Wolfcamp
8300.00†	0.000	0.000	8270.12	451.22	440.00	100.00	0.00		A CONTRACTOR OF THE PROPERTY O
a dijorito (7. (e1,6,0,1)	and the second	13 (h. 15)		Thinkin,	Kojexiore	discount of the section of the sec		
8500.00†	0.000	0.000	8470.12	451.22	440,00	100.00	0.00		
8600.00†	0.000	0.000	8570.12	451.22	440.00	100.00	0.00		
8700.00†	0.000	0.000	8670.12	451.22	440.00	100.00	0.00	<u> </u>	
8800.00†	0.000	0.000	8770.12	451.22	440.00	100.00	0.00		
station.	effeter	(10,000)	11.760 kg	Fig. (Fat. 19)	Application	5100,00	0,000		CONTRACTOR OF STATE O
9000.00†	0.000	0.000	8970.12	451.22	440.00	100.00	0.00		
9100.00†	0.000	0.000	9070.12	451.22	440.00	100.00	0.00	ļ	
9200.00†	0.000	0.000	9170.12	451.22	440.00	100.00	0.00		
9284.88†	0.000	12.804	9255.00	451.22	440.00	100.00	0.00		Canyon
(CENTRALIA)	Tep (etc)	(0)0[0]0 (0)	\$\$P\$(0.30)		Selfer	- ike(exe)e)	the same as a substitute of the		
9400.00†	0.000	0.000	9370.12	451.22	440.00	100.00	0.00		
9500.00†	0.000	0.000	9470.12	451.22	440.00	100.00	0.00		
9600.00†	0.000	0.000	9570.12	451.22	440.00	100.00	0.00		
9644.88†	0.000	12.804	9615.00	451.22	440.00	100.00	0.00		Strawn Lime
erment!	(e)(c)(e)	+0)(4)(0)	\$16\$165.12	CONTRACTOR	anteneter.	alloferiole)	A		
9800.00†	0.000	0.000	9770.12	451.22	440.00	100.00	0.00		
9900.00†	0.000	0.000	9870.12	451.22	440.00	100.00	0.00		
9949.88†	0.000	12.804	9920.00	451.22	440.00	100.00	0.00	<u> </u>	Base Strawn
9974.88†	0.000	12.804	9945.00	451.22	440.00	100.00	0.00		Atoka
100000000	0,000	THE RESERVE OF THE PROPERTY OF	997/01/2		Elter (200			
10100.00†	0.000	0.000	10070.12	451.22	440.00	100.00	0.00	<u> </u>	
10200.00†	0.000	0.000	10170.12	451.22	440.00	100.00	0.00		
10300.00†	0.000	0.000	10270.12	451.22	440.00	100.00	0.00		
10400.00†	0.000	0.000	10370.12	451.22	440.00	100.00	0.00		
(0439.88#	[#)(0)#[0]	12,804	ifox his pole?	TE FLOR	geliedeleg	allateketa)	(elelle)	7. 7. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.	(Vitario)(V





INTEQ

REFER	REFERENCE WELLPATH IDENTIFICATION								
Operator	Devon Energy	Slot	Com #1						
Area	Eddy County, NM	Well	Boyd Canyon "14" Federal Com #1						
Field	Section 14 T22S R25E	Wellbore	#1 PWB						
Facility	Boyd Canyon "14"								

WELLPATH	DATA (13	6 station	s) † = inter	polated/e	xtrapolat	ed station	1		والمراجع
MD [feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sect [feet]	North [feet]	East [feet]	DLS [°/100ft]	Design Comments	Path Comment
10500.00†	0.000	0.000	10470.12	451.22	440.00	100.00	0.00		
10600.00†	0.000	0.000	10570.12	451.22	440.00	100.00	0.00		
10639.88†	0.000	12.804	10610.00	451.22	440.00	100.00	0.00		Upper Penn
10654.88†	0.000	12.804	10625.00	451.22	440.00	100.00	0.00		Morrow Clastics
A Reserve Constitution of the second	Existe:		Julia logica.	EXMIT.	- (11/17)8°0)	(*(0)-(1)		
10744.88†	0.000	12.804	10715.00	451.22	440.00	100.00	0.00		Middle Morrow Lime
10800.00†	0.000	0.000	10770.12	451.22	440.00	100.00	0.00		
10900.00†	0.000	0.000	10870.12	451.22	440.00	100.00	0.00		
10979.88†	0.000	12.804	10950.00	451.22	440.00	100.00	0.00		Lower Morrow
	307.6.6.0.	()(()()	4 - \$100 PAN (15)	1531,34	elenie.	Jen or	(0F8)0)		
11100.00†	0.000	0.000	11070.12	451.22	440.00	100.00	0.00		
11200.00†	0.000	0.000	11170.12	451.22	440.00	100.00	0.00		
11229.88†	0.000	12.804	11200.00	451.22	440.00	100.00	0.00		Carlsbad Sand
11300.00†	0.000		11270.12	451.22	440.00	100.00	0.00		
entellieren:	(0)(0)(0)	e commo	161.6763.69		(Laterial)	Algeria.	and the later		
11429.88	0.000	12.804	11400:00	451.22	440.00	100,00	0.00	#1 BHL	

HOLE & CASING SECTIONS Ref Wellbore: #1 PWB Ref Wellpath: Plan #2									
String/Diameter	Start MD [feet]	End MD [feet]	Interval [feet]	Start TVD [feet]	End TVD [feet]	Start N/S [feet]	Start E/W [feet]	End N/S [feet]	End E/W [feet]
17.5in Open Hole	0.00	450.00	450.00	0.00	450.00	0.00	0.00	0.00	0.00
12.25in Open Hole	0.00	2050.00	2050.00	0.00	2050.00	0.00	0.00	0.00	0.00
8.75in Open Hole	0.00	11154.88	11154.88	0.00	11125.00	0.00	0.00	440.00	100.00
13.375in Casing Intermediate	0.00	450.00	450.00	0.00	450.00	0.00	0.00	0.00	0.00
9.625in Casing	0.00	2050.00	2050.00	0.00	2050.00	0.00	0.00	0.00	0.00
5.5in Casing	0.00	11154.88	11154.88	0.00	11125.00	0.00	0.00	440.00	100.00

TARGETS									
Name	MD [feet]	TVD [feet]	North [feet]	East [feet]	Grid East [us survey feet]	Grid North [us survey feet]	Latitude [°]	Longitude [°]	Shape
1) #1 BHL	11429.88	11400.00	440.00	100.00	536292.63	503628.54	32 23 04.354N	104 20 58.835W	point

SURVEY PRO	GRAM Ref W	Vellbore: #1 PWB Ref Wellpath: Plan #2	akan ja	
Start MD [feet]	End MD [feet]	Positional Uncertainty Model	Log Name/Comment	Wellbore
0.00	11429.88	NaviTrak (Standard)		#1 PWB



Devon Energy Slot Com #1 Well BoydCanyon"14"FederalCom #1

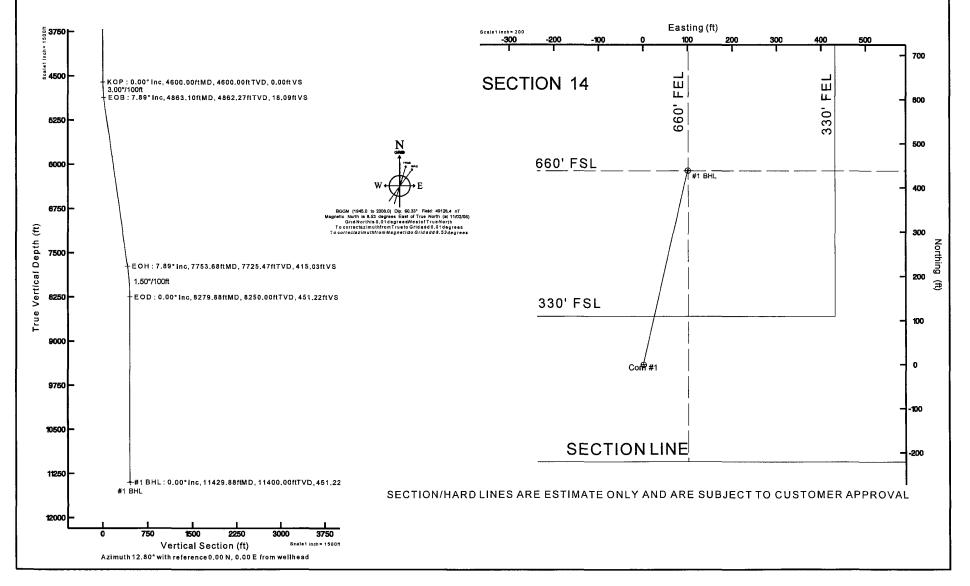
Location: Eddy County, NM Field: Section 14 T 22 S R 25 E Facility: Boyd Canyon "14"

Wellbore: #1 PWB



Well Profile Data									
DesignComment	MD (ft)	Inc (*)	Az (*)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (*/100ft)	VS (ft)	
Tie On	0.00	0.000	12.804	0.00	0.00	0.00	0.00	0,00	
KOP	4600.00	0.000	12.804	4600.00	0.00	0.00	0.00	0.00	
EOB	4863,10	7.893	12.804	4862.27	17.64	4.01	3.00	18.09	
EOH	7753,68	7,893	12,804	7725,47	404.71	91,98	0.00	415,03	
EXX	8279.88	0,000	12.804	8250,00	440,00	100,00	1.50	451.22	
#1 BUL	11429 88	0.000	12804	11400000	AAO OO	100.00	0.00	451 22	





PROPOSED WELLPATH REPORT (CSV version)

Prepared by Baker Hughes INTEQ Software System: WellArchitect™1.2

REFERENCE WELLPATH IDENTIFICATION

Operator Devon Energy
Area Eddy County, NM
Field Section 14 T22S R25E
Facility Boyd Canyon 14""

Slot Com #1

Well Boyd Canyon 14" Federal Com #1"

Wellbore #1 PWB Wellpath Plan #2 Sidetrack (none)

REPORT SETUP INFORMATION

Projection : NAD83 / TM New Mexico State Planes, Eastern Zone (3001), US feet

North Refe Grid
Scale 0.999909
Wellbore L 11/2/2006
Software S WellArchitect™
User Gomeoscr

Report Ger 11/02/06 at 10:58:38

DataBase/: WellArchitectDB/ev05.xml

WELLPAT Local North Local East Grid East Grid North Latitude Longitude

[ft] [ft] [ft] [ft] [°] [°]

Slot Locatic 0 0 536192.6 503188.6 32 23 00.0 104 21 00.000W Facility Ref 536192.6 503188.6 32 23 00.0 104 21 00.000W Field Refer 536192.6 503188.6 32 23 00.0 104 21 00.000W

WELLPATH DATUM

Calculation Minimum curvature

Horizontal | Slot

Vertical Re Rig on Com #1 (RT) MD Refere Rig on Com #1 (RT) Field Vertic Mean Sea Level

Rig on Con 0.00 feet
Rig on Con 3445.00 feet
Facility Ver 0.00 feet
Section Ori 0.00 feet

Section Ori 0.00 feet Section Azi 12.80°

WELLPATH DATA Wellbore: #1 PWB Wellpath: Plan #2 † = interpolated/extrapolated stati Inclination Azimuth Vert Sect North MD TVD East DLS feet feet feet deg/100ft feet dea dea feet 12.804 0 0 0 0 0 0 0 100 0 0 100 0 0 0 0 † 200 0 0 200 0 0 0 0 300 300 0 0 0 0 0 0

†	400	0	0	400	0	0	0	0
†	500	0	0	500	0	0	0	0
Ť	600	0	0	600	0	0	0	0
†	700	0	0	700	0	0	0	0
†	800	0	0	800	0	0	0	0
;	900	0	0	900	0	0	0	0
†	1000	0	Ö	1000	Ō	0	0	0
†	1100	0	0	1100	0	Ö	0	Ō
	1200	0	0	1200	0	0	0	Ö
†	1300	0	0	1300	0	0	0	0
†	1400	0	0	1400	0	0	0	0
†	1500	0	0	1500	0	0	0	0
†			0	1600	0	0	0	0
ţ	1600	0			0	0	0	0
†	1700	0	0	1700		0	0	0
†	1800	0	0	1800	0		0	0
†	1900	0	0	1900	0	0	0	0
†	1920	0	12.804	1920	0	0		
†	2000	0	0	2000	0	0	0	0
†	2100	0	0	2100	0	0	0	0
†	2150	0	12.804	2150	0	0	0	0
†	2200	0	0,	2200	0	0	0	0
†	2300	0	0	2300	0	0	0	0
†	2400	0	0	2400	0	0	0	0
†	2500	0	0	2500	0	0	0	0
†	2600	0	0	2600	0	0	0	0
†	2700	0	0	2700	0	0	0	0
†	2800	0	0	2800	0	0	0	0
†	2900	0	0	2900	0	0	0	0
†	2950	0	12.804	2950	0	0	0	0
†	3000	0	0	3000	0	0	0	0
†	3100	0	0	3100	0	0	0	0
†	3200	0	0	3200	0	0	0	0
Ť	3300	0	0	3300	0	0	0	0
Ť	3400	0	0	3400	0	0	0	0
†	3500	0	0	3500	0	0	0	0
Ť	3600	0	0	3600	0	0	0	0
†	3700	0	0	3700	0	0	0	0
Ť	3800	0	0	3800	0	0	0	0
Ť	3900	0	0	3900	0	0	0	0
Ť	4000	0	0	4000	0	0	0	0
Ť	4100	0	0	4100	0	0	0	0
Ť	4200	0	0	4200	0	0	0	0
	4300	0	0	4300	0	0	0	0
† †	4400	0	0	4400	0	0	0	0
Ť	4490	0	12.804	4490	0	0	0	0
÷	4500	0	0	4500	0	0	0	0
•	4600	Ö	12.804	4600	0	0	0	0
†	4700	3	12.804	4699.95	2.62	2.55	0.58	3
,	4800	6	12.804	4799.63	10.46	10.2	2.32	3
,	4863.1	7.893	12.804	4862.27	18.09	17.64	4.01	3
+	4900	7.893	12.804	4898.82	23.16	22.58	5.13	0
† +	5000	7.8 93 7.893	12.804	4997.87	36.89	35.98	8.18	0
†	5000	1.093	12.004	4551.01	50.03	55.50	0.10	U

_	E400	7 000	40.004	E006.00	E0 62	40.27	11 22	0
†	5100	7.893	12.804	5096.92	50.63	49.37	11.22	0
ţ	5200	7.893	12.804	5195.98	64.36	62.76	14.26	0
Ť	5300	7.893	12.804	5295.03	78.09	76.15	17.31	0
†	5400	7.893	12.804	5394.08	91.82	89.54	20.35	0
†	5500	7.893	12.804	5493.13	105.55	102.93	23.39	0
†	5557.41	7.893	12.804	5550	113.44	110.62	25.14	0
†	5600	7.893	12.804	5592.19	119.29	116.32	26.44	0
†	5700	7.893	12.804	5691.24	133.02	129.71	29.48	0
†	5800	7.893	12.804	5790.29	146.75	143.1	32.52	0
Ť	5900	7.893	12.804	5889.35	160.48	156.49	35.57	0
†	6000	7.893	12.804	5988.4	174.21	169.88	38.61	0
†	6100	7.893	12.804	6087.45	187.95	183.27	41.65	0
i	6102.57	7.893	12.804	6090	188.3	183.62	41.73	0
÷	6200	7.893	12.804	6186.5	201.68	196.66	44.7	0
†	6300	7.893	12.804	6285.56	215.41	210.05	47.74	Ö
†	6400	7.893	12.804	6384.61	229.14	223.45	50.78	Ö
	6500	7.893	12.804	6483.66	242.88	236.84	53.83	0
†	6600	7.893	12.804	6582.71	256.61	250.23	56.87	0
†						263.62	59.91	0
†	6700	7.893	12.804	6681.77	270.34			
†	6800	7.893	12.804	6780.82	284.07	277.01	62.96	0
†	6900	7.893	12.804	6879.87	297.8	290.4	66	0
†	7000	7.893	12.804	6978.92	311.54	303.79	69.04	0
†	7100	7.893	12.804	7077.98	325.27	317.18	72.09	0
†	7200	7.893	12.804	7177.03	339	330.57	75.13	0
†	7300	7.893	12.804	7276.08	352.73	343.96	78.17	0
†	7400	7.893	12.804	7375.14	366.47	357.35	81.22	0
†	7500	7.893	12.804	7474.19	380.2	370.74	84.26	0
†	7600	7.893	12.804	7573.24	393.93	384.13	87.3	0
†	7700	7.893	12.804	7672.29	407.66	397.52	90.35	0
	7753.68	7.893	12.804	7725.47	415.03	404.71	91.98	0
†	7800	7.198	12.804	7771.38	421.12	410.64	93.33	1.5
Ť	7869.09	6.162	12.804	7840	429.15	418.48	95.11	1.5
†	7900	5.698	12.804	7870.75	432.35	421.6	95.82	1.5
†	8000	4.198	12.804	7970.37	440.97	430.01	97.73	1.5
i	8100	2.698	12.804	8070.19	446.99	435.87	99.06	1.5
,	8200	1.198	12.804	8170.13	450.39	439.19	99.81	1.5
'	8279.88	0	12.804	8250	451.22	440	100	1.5
†	8300	Ö	0	8270.12	451.22	440	100	0
†	8400	Ö	Ŏ	8370.12	451.22	440	100	Ō
†	8500	Ö	0	8470.12	451.22	440	100	Ö
†	8600	0	0	8570.12	451.22	440	100	Ő
	8700	0	0	8670.12	451.22	440	100	0
†	8800	0	0	8770.12	451.22	440	100	0
†	8900	0	0	8870.12	451.22	440	100	0
†						440	100	0
†	9000	0	0	8970.12	451.22			
†	9100	0	0	9070.12	451.22	440	100	0
†	9200	0	0	9170.12	451.22	440	100	0
ţ	9284.88	0	12.804	9255	451.22	440	100	0
ţ	9300	0	0	9270.12	451.22	440	100	0
†	9400	0	0	9370.12	451.22	440	100	0
†	9500	0	0	9470.12	451.22	440	100	0
†	9600	0	0	9570.12	451.22	440	100	0

t	9644.88	0	12.804	9615	451.22	440	100	0
Ť	9700	0	0	9670.12	451.22	440	100	0
Ť	9800	0	0	9770.12	451.22	440	100	0
†	9900	0	0	9870.12	451.22	440	100	0
t	9949.88	0	12.804	9920	451.22	440	100	0
Ť	9974.88	0	12.804	9945	451.22	440	100	0
†	10000	0	0	9970.12	451.22	440	100	0
t	10100	0	0	10070.12	451.22	440	100	0
†	10200	0	0	10170.12	451.22	440	100	0
†	10300	0	0	10270.12	451.22	440	100	0
†	10400	0	0	10370.12	451.22	440	100	0
†	10439.88	0	12.804	10410	451.22	440	100	0
†	10500	0	0	10470.12	451.22	440	100	0
†	10600	0	0	10570.12	451.22	440	100	0
†	10639.88	0	12.804	10610	451.22	440	100	0
†	10654.88	0	12.804	10625	451.22	440	100	0
†	10700	0	0	10670.12	451.22	440	100	0
†	10744.88	0	12.804	10715	451.22	440	100	0
†	10800	0	0	10770.12	451.22	440	100	0
†	10900	0	0	10870.12	451.22	440	100	0
†	10979.88	0	12.804	10950	451.22	440	100	0
†	11000	0	0	10970.12	451.22	440	100	0
†	11100	0	0	11070.12	451.22	440	100	0
†	11200	0	0	11170.12	451.22	440	100	0
†	11229.88	0	12.804	11200	451.22	440	100	0
†	11300	0	0	11270.12	451.22	440	100	0
†	11400	0	0	11370.12	451.22	440	100	0
	11429.88	0	12.804	11400	451.22	440	100	0

HOLE AND CASING SECTIONS			Ref Wellbo	ore: #1 PW	B Ref W	ellpath: Plan	#2		
String/Dian Start MD End MD		End MD	Interval	Start TVD	End TVD	Start N/S	End N/S	Start E/W	
feet		feet	feet	feet feet					
17.5in Ope	0	450	450	0	450	0	0) (0
12.25in Op	0	2050	2050	0	205	0	0) (0
8.75in Ope	0	11154.88	11154.88	0	1112	5 0	0) 44()
13.375in C	0	450	450	0	45	0 0) () (0
9.625in Ca	0	2050	2050	0	205	0	0) (0
5.5in Casin	0	11154.88	11154.88	0	1112	5 C	0) 44(J

TARGETS

Name	MD	TVD	North	East		Grid East	Grid North Latitude	Longitude
	feet	feet	feet	feet		us survey f	f us survey f DegMinSe	e DegMinSec
(1) #1 BHL	11429.88	11400)	440	100	536292.6	503628.5 32 23 04.3	3:104 20 58.

SURVEY PROGRAM Ref Wellbore: #1 PWB Ref Wellpath: Plan #2

Start MD End MD Pos Unc M Log Name/ Wellbore

feet feet

0 11429.88 NaviTrak (Standard) #1 PWB

SPECIAL DRILLING STIPULATIONS

THE FOLLOWING DATA IS REQUIRED ON THE WELL SIGN

Operator's Name: <u>Devon Energy Production Company, L.P.</u> W	
	4 , T. <u>22 S., R. 25 E.</u> County: <u>Eddy</u> State: <u>New Mexico</u>
Bottom Hole: 660 FSL & 660 FEL, Section 14, T. 22 S., R. 25 E.	State: Item Mentes
The Special stipulations check marked below are applicable to the aborditioned upon compliance with such stipulations in addition to the General Requirements, a copy of which is available from a Bureau of OF ADMINISTRATIVE APPEAL TO THESE STIPULATIONS PU	General Requirements. The permittee should be familiar with the Land Management office. EACH PERMITTEE HAS THE RIGHT
This permit is valid for a period of one year from the date of approval	or until lease expiration or termination whichever is shorter.
I. SPECIAL ENVIRONMENT REQUIREMENTS	
	l plain (stips attached) er See attached Cave/Karst stipulations
II. ON LEASE - SURFACE REQUIREMENTS PRIOR TO D	RILLING
(x) The BLM will monitor construction of this drill site. Notify the (505) 393-3612, at least 3 working days prior to commencing construction	
(x) Roads and the drill pad for this well must be surfaced with $\underline{}$ determined to be a producer.	inches of compacted caliche upon completion of well and it is
() All topsoil and vegetation encountered during the construction of resurfacing of the disturbed area after completion of the drilling opera in depth. Approximatelycubic yards of topsoil material will be	ation. Topsoil on the subject location is approximatelyinches
(x) Other. V-Door North (Reserve pits to the West).	
III. WELL COMPLETION REQUIREMENTS	
() A Communitization Agreement covering the acreage dedicated to date of the agreement must be prior to any sales.	the well must be filed for approval with the BLM. The effective
(x) Surface Restoration: If the well is a producer, the reserve pit(s) to a slope of 3:1 or less. All areas of the pad not necessary for production surrounding terrain, and topsoil must be re-distributed and re-seeded with the following seed mixture, in pounds of Pure Live Seed (PLS),	ction must be re-contoured to resemble the original contours of the with a drill equipped with a depth indicator (set at depth of ½ inch)
(x) A. Seed Mixture 1 (Loamy Sites) Side Oats Grama (Bouteloua curtipendula) 5.0 Sand Dropseed (Sporobolus cryptandrus) 1.0 Plains lovegrass (Eragrostis intermedia) 0.5	() B. Seed Mixture 2 (Sandy Sites) Sand Dropseed (Sporobolus crptandrus) 1.0 Sand Lovegrass (Eragostis trichodes) 1.0 Plains Bristlegrass (Setaria magrostachya) 2.0
() C. Seed Mixture 3 (Shallow Sites) Side oats Grama (Bouteloua curtipendula) 5.0 Green Spangletop (Leptochloa dubia) 2.0 Plains Bristlegrass (Setaria magrostachya) 1.0	() D. Seed Mixture 4 (Gypsum Sites) Alkali Sacaton (Sporobolus airoides) 1.0 Four-Wing Saltbush (Atriplex canescens) 5.0
() OTHER SEE ATTACHED SEED MIXTURE	
Seeding should be done either late in the fall (September 15 - Novembake advantage of available ground moisture.	ber 15, before freeze up, or early as possible the following spring to
() Other	•

RESERVE PIT CONSTRUCTION STANDARDS

The reserve pit shall be constructed entirely in cut material and lined with 6-mil plastic.

Mineral material extracted from within the boundary of the APD during construction of the well pad and reserve pits and be used for the construction of this well pad and its immediate access road only, as long as that portion of the access road it is use on remains on-lease. Removal of any additional material from this location for construction or improvement of other well pads and other access or lease roads must first be purchased from BLM.

Reclamation: Reclamation of this type of deep pit will consist of pushing the pit walls into the pit when sufficiently dry to support track equipment. The pit liner is NOT TO BE RUPTURED to facilitate drying; a ten month period after completion of the well is allowed for drying of the pit contents.

The pit area must be contoured to the natural terrain with all contaminated drilling mud buried with at least 3 feet of clean soil. The reclaimed area will then be seeded as specified in this permit.

CULTURAL

Whether or not an archaeological survey has been completed and notwithstanding that operations are being conducted as approved, the lessee/operator/grantee shall notify the BLM immediately if previously unidentified cultural resources are observed during surface disturbing operations. From the time of the observation, the lessee/operator/grantee shall avoid operations that will result in disturbance to these cultural resources until directed to process by BLM.

TRASH PIT STIPS

All trash, junk, and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Conditions of Approval Cave and Karst

EA#: NM-080-07-0138 Lease #: NM-9984

Devon Energy Production Company, L.P. Boyds Canyon 14 Fed. Com. #1

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production.

Berming:

Any tank batteries will be constructed and bermed large enough to contain any spills that may occur.

Bermed areas will be lined with rip-stop padding to prevent tears or punctures in liners and lined with a permanent 20 mil plastic liner.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:

Rotary drilling techniques in cave or karst areas will include the use of fresh water as a circulating medium in zones where caves or karst features are expected. See geologist report for depth.

Casing:

All casing will meet or exceed National Association of Corrosion Engineers specifications pertaining to the geology of the location and be run to American Petroleum Institute and BLM standards.

Cementing:

All casing strings will be cemented to the surface.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported.

Regardless of the type of drilling machinery used, if a bit drops of four feet or more and circulation losses greater then 75 percent occur simultaneously while drilling in any cavebearing zone, drilling operations will immediately stop and the BLM will be notified by

the operator. The BLM will assess the consequences of the situation and work with operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment the well bore will be cemented completely from 100 feet below the bottom of the cave bearing zone to the surface.

Pressure Tests:

Annual pressure tests will be performed by the Operator on all casing annuli. If the test results indicated a casing failure, remedial actions approved by the BLM will be undertaken to correct the problem.

Record Keeping:

The Operator will track customary drilling activities, including the rate of penetration, pump pressure, weight on bit, bit drops, percent of mud returns, and presence of absence of cuttings returning to the surface. As part of customary record keeping, each detectable void or sudden increase in the rate of penetration not attributable to a change in the formation type should be documented and evaluated as it is encountered.

CONDITIONS OF APPROVAL - DRILLING

Operator's Name:

Devon Energy Prod. Co. LP

Well Name & No.

Boyds Canyon 14 Federal Com # 1

Location:

220' FSL, 760'FEL, SEC14, T22S, R25E, Eddy County, NM 660' FSL, 660'FEL, SEC14, T22S, R25E, Eddy County, NM

BHL: Lease:

NM-9984

I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 - for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: 13.375 inch 9.625 inch 5.5 inch

C. BOP tests

- 2. A Hydrogen Sulfide (H2S) Drilling Plan should be activated prior to drilling into the <u>N/A</u> Formation. A copy of the plan shall be posted at the drilling site.
- 3 Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
- 4. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.
- 5. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.
- 6. A Communitization Agreement covering the acreage dedicated to this well must be filed for approval with the BLM. The effective date of the agreement shall be prior to any sales.
- 7. Gamma-Ray/Neutron logs shall be run from the base of the Salado Formation to the surface; cable speed not to exceed 30 feet per minute.

II. CASING:

- 1. The 13.375 inch surface casing shall be set at 450 feet, below usable water and cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.
- 2. The minimum required fill of cement behind the <u>9.625</u> inch intermediate casing is <u>circulate cement to</u> the surface.
- 4. The minimum required fill of cement behind the <u>5-1/2</u> inch production casing is <u>cement shall extend</u> <u>upward a minimum of 500 feet above the base of the intermediate casing string.</u>
- 5. Whenever a casing string is cemented in the R-111-P Potash Area, cement shall be allowed to stand a minimum of twelve (12) hours under pressure and a total of twenty-four (24) hours before drilling the plug or initiating tests.

III. PRESSURE CONTROL:

- 1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 13.375 inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.
- 2. Minimum working pressure of the blowout preventer and related equipment (BOPE) required for drilling the surface and intermediate casing shall be <u>2000</u> psi. Minimum working pressure of the blowout preventer and related equipment (BOPE) required for drilling below the <u>9.625</u> inch casing shall be <u>5000</u> psi.
- 3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the tests.
- A variance to test the <u>13.625 inch casing, BOP and BOPE</u> to the reduced pressure of <u>1000</u> psi with the rig pumps is approved.
- The tests shall be done by an independent service company.
- The results of the test shall be reported to the appropriate BLM office.
- Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
- Testing must be done in a safe workman-like manner. Hard line connections shall be required.
- BOPE must be tested prior to drilling into the Wolfcamp Formation by an independent service company.

IV. DRILLING MUD:

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** Formation, and shall be used until production casing is run and cemented. Monitoring equipment shall consist of the following:

- 1. Recording pit level indicator to indicate volume gains and losses.
- 2. Mud measuring device for accurately determining the mud volumes necessary to fill the hole during trips.
- 3. Flow-sensor on the flow line to warn of abnormal mud returns from the well.

Engineering may be contacted at 505-706-2779 for variances if necessary.

Fwright 12/15/06



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

December 26, 2006

Devon Energy Production Company, L.P. 20 North Broadway Oklahoma City, OK 73102-8260 Attn: Judy A. Barnett or To Whom It May Concern

Dear Judy or To Whom It May Concern:

RE: Devon Energy Company, L.P.: Application to drill (APD) for the Boyds Canyon 14 Federal Com. # 1, Located in Unit P, of Section 14, Township 22 South, Range 25 East, Eddy County, New Mexico NMPM.

In reference to the above noted APD, the New Mexico Oil Conservation Division (NMOCD) will require (in part) that drilling mud samples from the flow line be sampled every 100' in order to determine chloride levels during the drilling of the Capitan Reef section of the well bore. Results are to be submitted to our office before drilling to total depth of the well bore.

Please call me if you have any questions about this matter.

Respectfully yours,

Bryan G. Arrant NMOCD's District II Geologist Artesia, New Mexico 505-748-1283 ext. 103

CC: well file

Arrant, Bryan, EMNRD

From: Arrant, Bryan, EMNRD

Sent: Tuesday, December 26, 2006 11:20 AM

To: 'Barnett, Judith'

Subject: Boyds Canyon 14 Federal Com. # 1

Merry Tuesday Judy,

Please provide (if you have not already done so) a H2S well contingency plan that meets the requirements of NMOCD Rule 118.

This well location is near public dwellings.

Thanks, Bryan Arrant 505-748-1283 ext. 103