Form 3160-3 (August, 1999)

UNITED STATES N.M. OI CONS. DIV-Dist. 2 Form approved OMB No. 1004-0136 BUREAU OF LAND MANAGEMENT 30 TW. Grand Avenue Expires November 30, 2000 DEPARTMENT OF THE INT

APPLICATION FOR PERMIT TO DRILL OR RAFIGSIO, NM 88210 ASE DESIGNATION AND SERIAL NO. REENTER DRILL la TYPE OF WORK: NMNM89051 6.IF INDIAN, ALLOTTEE OR TRIBE NAME MULTIPLE SINGLE b. TYPE OF WELL: OIL GAS WELL Other 7.UNIT AGREEMENT NAME 2. NAME OF OPERATOR DEVON ENERGY PRODUCTION COMPANY, L.P. 8. FARM OR LEASE NAME, WELL NO. 3b. TELEPHONE (Include area code). 3a. ADDRESS AND TELEPHONE NO. APACHE 24 FEDERAL #5 20 NORTH BROADWAY, SUITE 1500, OKC, OK 73102 (405) 235-3611 9.API WELL NO. 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* 30-015-33082 At surface 660' FNL & 330 FEL, NENE 10 FIELD AND POOL, OR WILDCAT UNDESIGNATED & Lahada
11 SEC. T.R.M.OR BLOCK AND SURVEY At top proposed prod. zone 660' FNL & 330 FEL, NENE R-111-POTASH Del., SE SEC 13 T22S R30E 25 14 DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12. COUNTY OR PARISH 13 STATE APPROXIMATELY 46 MILES WEST FROM JAL NEW MEXICO **EDDY** NM 15.DISTANCE FROM PROPOSED 16.NO. OF ACRES IN LEA 17 Spacing Unit dedicated to this well LOCATION TO NEAREST 440.00 PROPERTY OR LEASE LINE, FT. 330 0 (Also to nearest drlg, unit line if any) 19.PROPOSED DEPTH 18 DISTANCE FROM PROPOSED LOCATION* 20.BLM/BIA Bond No. on file TO NEAREST WELL, DRILLING, COMPLETED, 7860 CO1104 OR APPLIED FOR, ON THIS LEASE, FT. 22. APPROX. DATE WORK WILL START 21 ELEVATIONS (Show whether DF, RT, GR, etc.) 23. Estimated duration 3378' GR 9/1/03 45 DAYS 51110168

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

24. Attachments

- Well plat certified by a registered surveyor.
- 2 A Drilling Plan.

Drilling Program

- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)
- 5. Operator certification.
- Such other site specific information and/or plans as may be required by the authorized 6 officer.

CARLSBAD CONTROLLED WATER BASIN

Surface Use and Operating Plan Exhibit #1 = Blowout Prevention Equipment Exhibit #2 = Location and Elevation Plat Exhibit #3 = 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

Archeological clearance report

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

APPROVAL SUBJECT TO CENEDAT DECHIDEMENTS

	OFFICIAL REQUIREMENTS
Bond Coverage: Nationwide	AND SPECIAL STIPULATIONS
BLM Bond #: CO-1104	ATTACHED

25. Signature Marlin (Alfin)	Name (Printed/Typed) KAREN COTTOM	Date JULY 16, 2003
OPERATIONS TECHNICIAN		
Approved by (signature) 61 Carston F. Golf	Name (Printed/Typed) Caro ten F. Goff	1 6 OCT 2003
ACTINGSTATE DIRECTOR	NM STATE OFFICE	

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, are attached.

APPROVAL 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

^{*(}Instructions on reverse)

Devon Energy proposes to drill a Delaware well to TD 7,860' for commercial quantities of oil and gas. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations. Devon Energy Production Company, LP will drill the well per the Master Drilling and Surface Use Program submitted for the Quahada Ridge, SE Field

Directions: From the junction of State Hwy 128 and Co. Rd. 796, go north on 796 for approx. 3.75 miles to a lease road; thence continue north on lease road for approx. 0.11 mile; thence northeasterly on lease road for approx. 0.11 mile; then east on lease road for approx. 1.82 mile to lease road; thence south on lease road for approx. 0.75 mile to a point on the proposed well pad.

Approximately 42' of access road will be required but fall within the archeological survey for the well pad. Therefore an access road arch survey is not needed.

DISTRICT I 1825 N. French Dr., Hobbs, NM 88240 DISTRICT II 811 South First, Artesia, NM 88210

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87504-2088

D AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name		
Ì	. [UNDESIGNATED		
Property Code	Prop	erty Name	Well Number	
	APACHE "	24" FEDERAL	5	
OGRID No.	Oper	ator Name	Elevation	
6137	DEVON ENERGY P	RODUCTION CO., L.P.	3378'	

Surface Location

UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
Α	24	22 S	30 E		660	NORTH	330	EAST	EDDY

Bottom Hole Location If Different From Surface

					· · · · · · · · · · · · · · · · · · ·				
UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint o	r Infill Co	nsolidation (Code Or	der No.		<u></u>		
40				1			-		

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

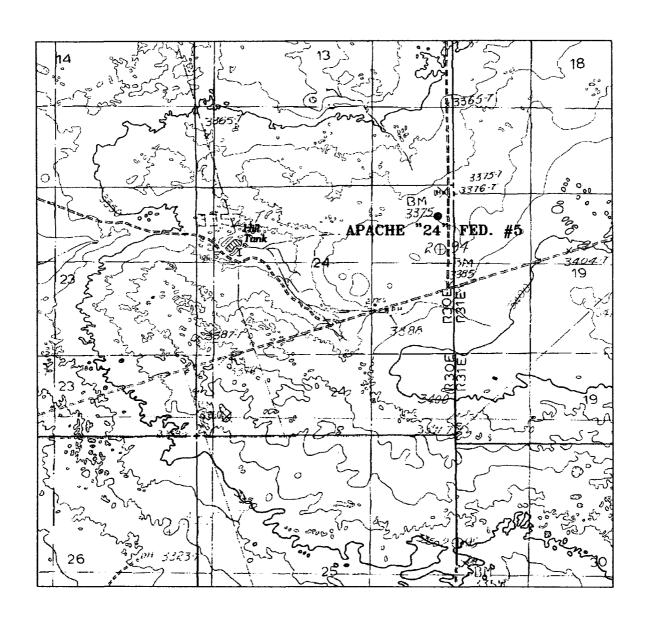
SECTION 24, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., NEW MEXICO. EDDY COUNTY, 600' 3377.1' 3376.8' 150' NORTH OFF SET 3377.4' 148 DEVON ENERGY PRODUCTION CO., L.P. APACHE "24" FEDERAL #5 Elev. o 3378' D 150' WEST OFF SET 150' EAST OFF SET Lat.-N 32°22'59.0" Long-W 103°49'36.0" 3379.6 3377.7 Prop. Lease Rd. 150' SOUTH OFF SET 3379.8' D 600' 3379.0' 3383.9 **200 FEET** 100 0 100 Directions to Location: SCALE: 1" = 100' FROM THE JUNCTION OF STATE HWY 128 AND CO. RD. 796, GO NORTH ON 796 FOR APPROX. 3.75 CO., L.P. DEVON ENERGY PROD. MILES TO A LEASE ROAD; THENCE CONTINUE NORTH ON LEASE ROAD FOR APPROX. 0.11 MILE; THENCE NORTHEASTERLY ON LEASE ROAD FOR APPROX. 0.11 REF: APACHE "24" FEDERAL No. 5 / Well Pod Topo MILE; THENCE EAST ON LEASE ROAD FOR APPROX. 1.82 MILE TO LEASE ROAD; THENCE SOUTH ON LEASE ROAD FOR APPROX. 0.75 MILE TO A POINT THE APACHE "24" FED. No. 5 LOCATED 660' FROM ON THE PROPOSED WELL PAD. THE NORTH LINE AND 330' FROM THE EAST LINE OF

W.O. Number: 3402 K. GOAD Drawn By: Date: 07-01-2003 Disk: KJG CD#4 -3402A.DWG Survey Date: 06-30-2003 Sheet Sheets

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

SECTION 24, TOWNSHIP 22 SOUTH, RANGE 30 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.



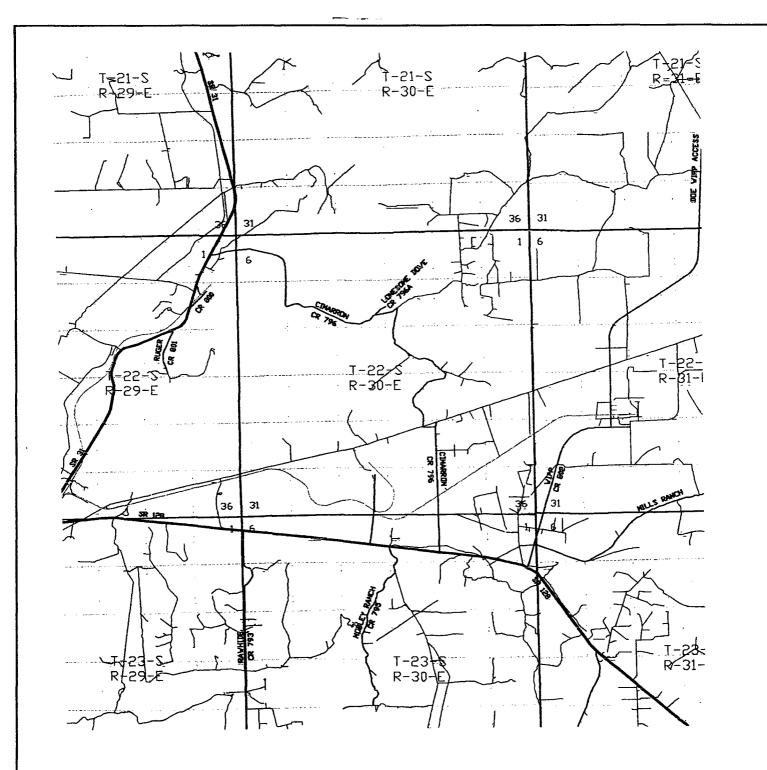
APACHE "24" FEDERAL #5
660' FNL AND 330' FEL
Section 24, Township 22 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.



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

W.O. Number:	3402AA - KJG CD#4
Survey Date:	06-30-2003
Scale: 1" = 2	:000'
Date: 07-01	-2003

DEVON ENERGY PROD. CO., L.P.



APACHE "24" FEDERAL #5
660' FNL AND 330' FEL
Section 24, Township 22 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.



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DEVON ENERGY PROD. CO., L.P.