

UNITED STATES N.M. Oil & Gas Division
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Artesia, NM 88210

SUBMIT IN TRIPPLICATE

(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 PRODUCTION COMPANY, L.P.

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 Wally Frank
Senior Ops Engr

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* 405-552-4595
At surface 2659' FNL & 391' FWL, Unit E, Section 4-T22S-R24E, Eddy Cnty, NM

At top proposed prod. zone 1613' FSL & 820' FWL, Unit L, Section 4-T22S-R24E, Eddy Cnty, NM

LEASE DESIGNATION AND SERIAL NO.

SHL & BHL: NM-NM83037

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME, WELL NO.

JONES CANYON "4" FEDERAL #9

9. API WELL NO.

30-015-

10. FIELD AND POOL, OR WILDCAT

Indian Basin (Upper Penn) Assoc.

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

SHL: Unit E, Section 4-T22S-R24E

BHL: Unit L, Section 4-T22S-R24E

12. COUNTY OR PARISH

Eddy County

13. STATE

New Mexico

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

24 miles NW of Carlsbad, NM

SUBJECT TO LIKE APPROVAL BY STATE

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

820'

(Also to nearest drile. unit line if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

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

GL 4150'

16. NO. OF ACRES IN LEASE

691.84

19. PROPOSED DEPTH

TVD 8,600'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

345.96

20. ROTARY OR CABLE TOOLS*

Rotary

22. APPROX. DATE WORK WILL START*

January, 2003

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor 20"		40'	Redi-mix to surface
12 1/4"	H-40 9 5/8"	36#	1,600'	750 sx Pozmix + 200 sx Class C
8 3/4"	L-80/HCL-80 7"	23#	8,600'	650 sx Class H

We plan to circulate cement to surface on the 9 5/8" casing string. The cement top will be brought to approximately 6,000' on the 7" casing string.

Devon Energy proposes to drill a Penn gas well to TVD 8,600'± for commercial quantities. If the well is deemed noncommercial, the well bore 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 = 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

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

Legal Description:

SHL & BHL= NM-NM83037; all of Section 4-T22S-R24E

Bond Coverage: Nationwide

BLM Bond #: CO-1104

SUBJECT TO LIKE APPROVAL BY STATE

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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

TITLE

Candace R. Graham
Engineering Technician

DATE

(405) 235-3611 X4520
November 25, 2002

*(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:

LESLIE A. THOMAS

JAN 14 2003

APPROVED BY

TITLE

FIELD MANAGER

DATE

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

APPROVAL FOR 1 YEAR

DISTRICT I
P.O. Box 1989, Hobbs, NM 88241-1989

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, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

EXHIBIT 2

Form C-102
Revised February 10, 1994
Submit to 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 30-015-	Pool Code 33685	Pool Name Indian Basin (Upper Penn) Assoc.
Property Code 17286	Property Name JONES CANYON 4 FEDERAL	Well Number 9
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION, CO., LP	Elevation 4150

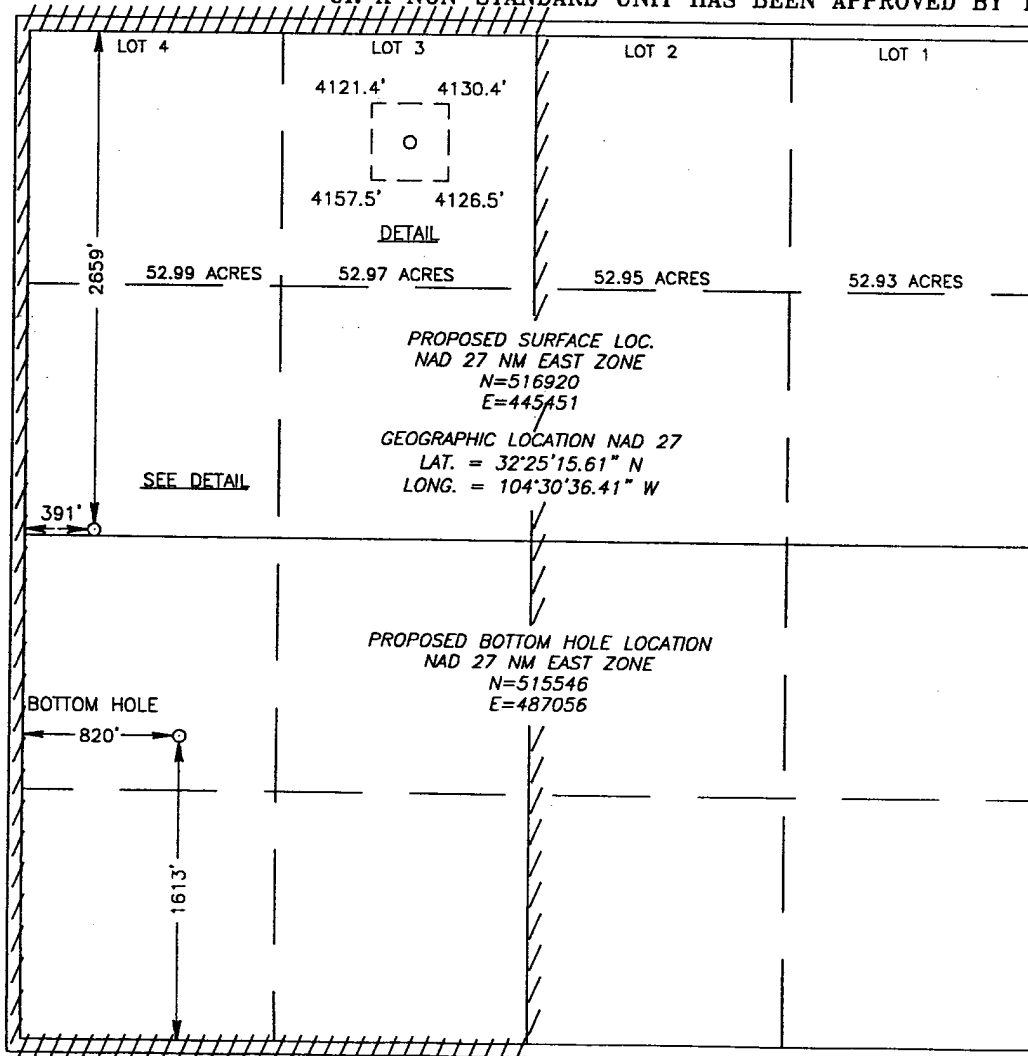
Surface Location

UL or lot No. E	Section 4	Township 22 S	Range 24 E	Lot Idn	Feet from the 2659	North/South line NORTH	Feet from the 391	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No. L	Section 4	Township 22 S	Range 24 E	Lot Idn	Feet from the 1613	North/South line SOUTH	Feet from the 820	East/West line WEST	County EDDY
Dedicated Acres 345.96	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



OPERATOR CERTIFICATION

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

Candace R. Graham
Signature

Candace R. Graham
Printed Name

Engineering Tech.
Title

November 25, 2002
Date

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.

OCTOBER 22, 2002

Date Surveyed LMP

Signature & Seal of
Professional Surveyor

Ronald J. Edson 10/24/02
02.11.0782

Certificate No. RONALD J. EDSON 3239
GARY EDSON 12641

MINIMUM BLOWOUT PREVENTER REQUIREMENTS

3,000 psi Working Pressure

3 MWP

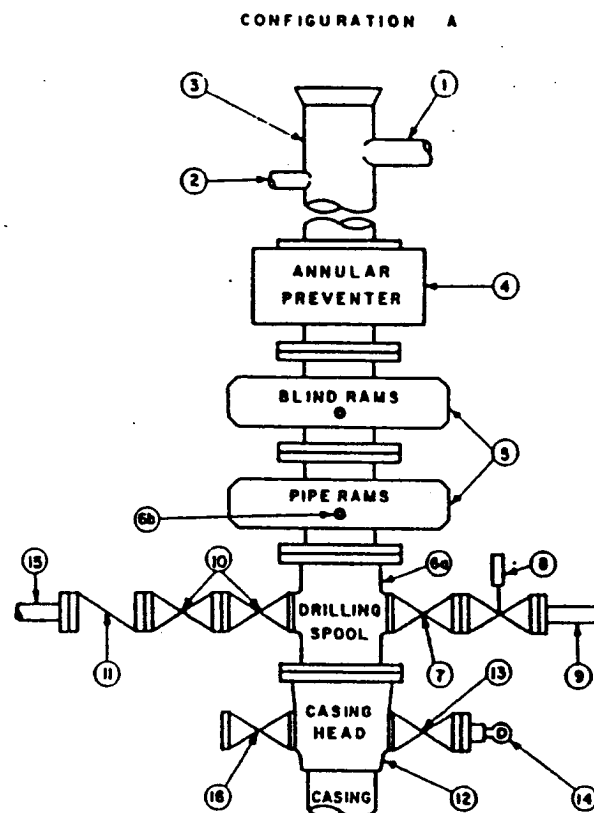
EXHIBIT # 1

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"	
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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.