

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720

State of New Mexico

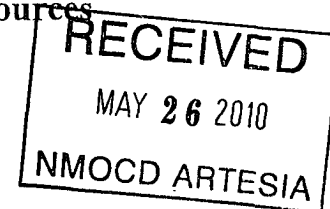
Form C-101
Permit 113972

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505



APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 20 N Broadway Oklahoma City, OK 73102		2. OGRID Number 6137
		3. API Number 30-015-38105
4. Property Code 28753	5. Property Name CHIMAYO 16 STATE	6. Well No. 003

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	16	25S	29E	F	1610	N	1455	W	EDDY

8. Pool Information

Additional Well Information

9. Work Type New Well	10. Well Type	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 2999
14. Multiple N	15. Proposed Depth 4200	16. Formation Brushy Canyon	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	11.75	42	700	600	0
Int1	11	8.625	24	2000		0
Int1	11	8.625	32	3000	950	0
	7.875	0	0	4200	0	0

Casing/Cement Program: Additional Comments

This well is drilled for an SWD and there will be no casing set in the last hole interval. 0-700 MW 8.4-9.0; Visc 30-34; 700-3000 MW 9.8-10.0; Visc 28-32; 3000-4200 MW 8.6-9.0; Visc 28-32.

SWD-1235

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	
Double Ram	5000	5000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC D guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OGD-approved plan <input type="checkbox"/> .		KZ OIL CONSERVATION DIVISION	
Printed Name: Judy A. Barnett		Approved By:	
Title: Regulatory Analyst		Title:	
Email Address: Judith.Barnett@dvn.com		Approved Date: Expiration Date:	
Date: 5/25/10		Phone: 405-228-8699	

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-38105	² Pool Code 13365	³ Pool Name CORRAL CANYON, DELAWARE, WEST	³ Pool Name BRUSHY CANYON
⁴ Property Code 28753	⁵ Property Name CHIMAYO "16" STATE		⁶ Well Number 3
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY CORPORATION		⁹ Elevation 2999.0'

¹⁰ Surface Location

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	16	25 S.	29 E.		1610	NORTH	1455	WEST	EDDY

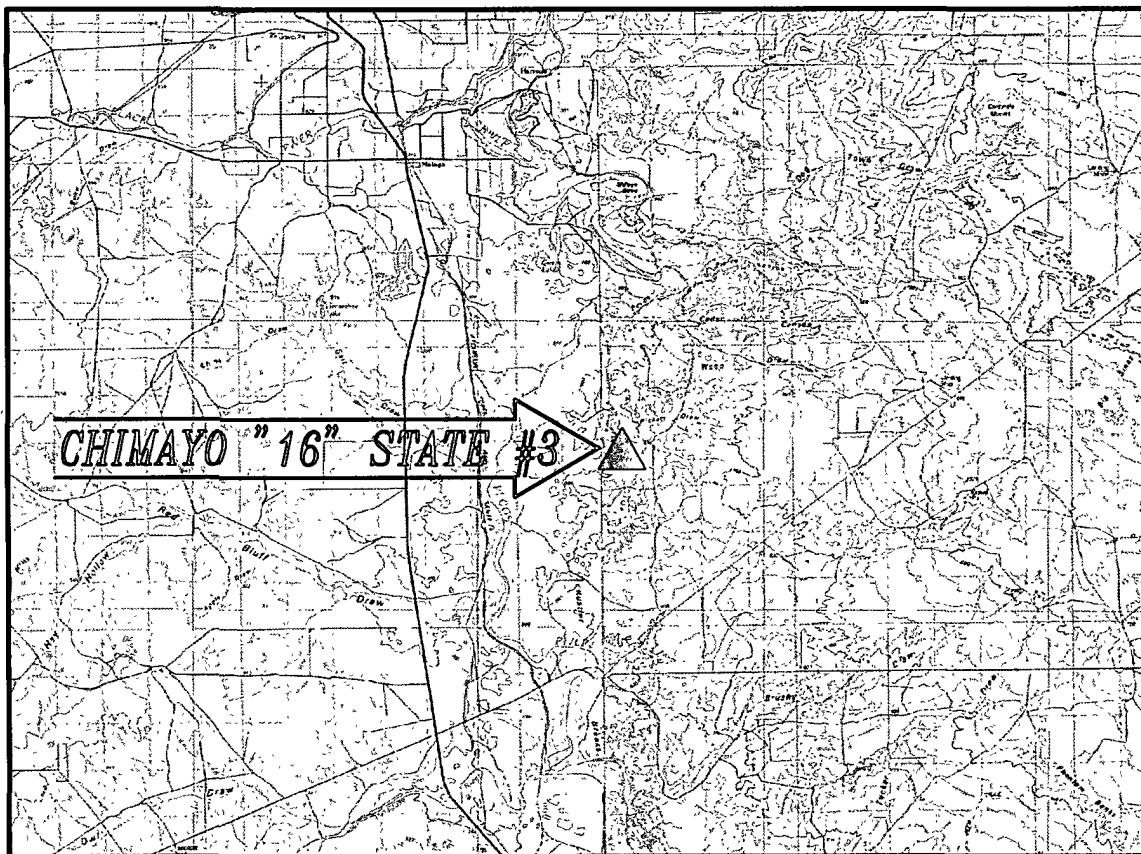
¹¹ Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres .40	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No. SUA-1235					

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>¹⁶</p> <p>SURFACE LOCATION. LAT-N32°07'58" LONG-W103°59'36"</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or leased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Judy A. Barnett</i> 5/25/10 Signature Date</p> <p>Judy A. Barnett Regulatory Analyst Printed Name</p>
	<p>¹⁸ 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>Date of Survey: 5/19/2010 Signature and Seal of Professional Surveyor</p> <p><i>[Signature]</i> Certificate Number: 12797 MADRON SURVEYING, INC. SURVEY NO. 107</p>

SECTION 16, TOWNSHIP 25 SOUTH, RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
VICINITY MAP



DIRECTIONS TO LOCATION

NOT TO SCALE

FROM U.S. HWY. 285 AND CR. 725 (WHITE HORN) GO EAST ON CR. 725 4.0 MILES, TURN LEFT ON CALICHE ROAD AND GO NE. 1.7 MILES AND TURN LEFT AND GO NORTH 3.4 MILES, TURN LEFT AND GO WEST NORTHWEST 0.7 MILES WHERE THE ROAD BENDS NORTH AND THE LOCATION IS WEST 306'.

SEC. 16 TWP. 25-S RGE. 29-E
SURVEY N.M.P.M.
COUNTY EDDY STATE NEW MEXICO
DESCRIPTION 1610' FNL & 1455' FWL
ELEVATION 2999.0
OPERATOR DEVON ENERGY COPORATION
LEASE CHIMAYO

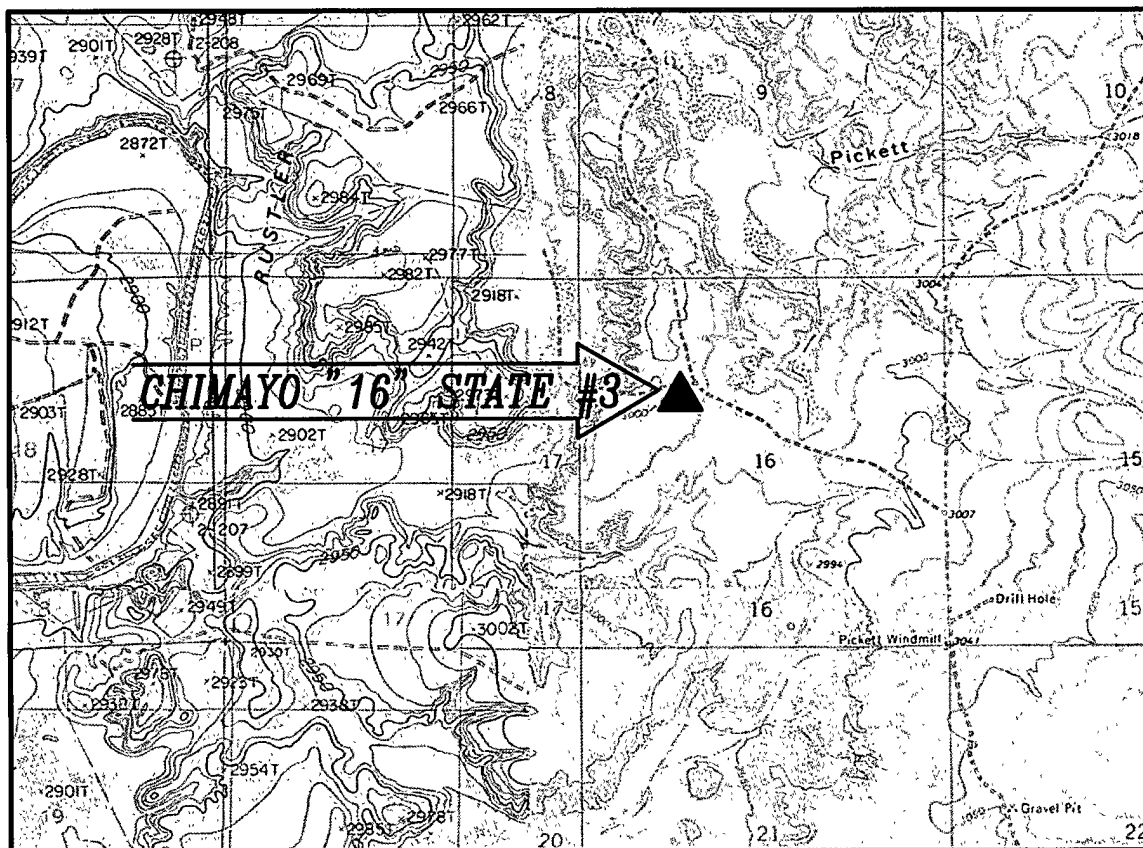
DEVON ENERGY CORPORATION
CHIMAYO "16" STATE #3
LOCATED 1610 FT. FROM THE NORTH LINE
AND 1455 FT. FROM THE WEST LINE OF
SECTION 16, TOWNSHIP 25 SOUTH,
RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

APRIL 19, 2010

SURVEY NO. 107

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO
(575) 887-5830

SECTION 16, TOWNSHIP 25 SOUTH, RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



NOT TO SCALE

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CONTOUR INTERVAL:

ROSS RANCH
PIERCE CANYON
RED BLUFF
MALAGA

SEC. 16 TWP. 25-S RGE. 29-E
SURVEY N.M.P.M.
COUNTY EDDY STATE NEW MEXICO
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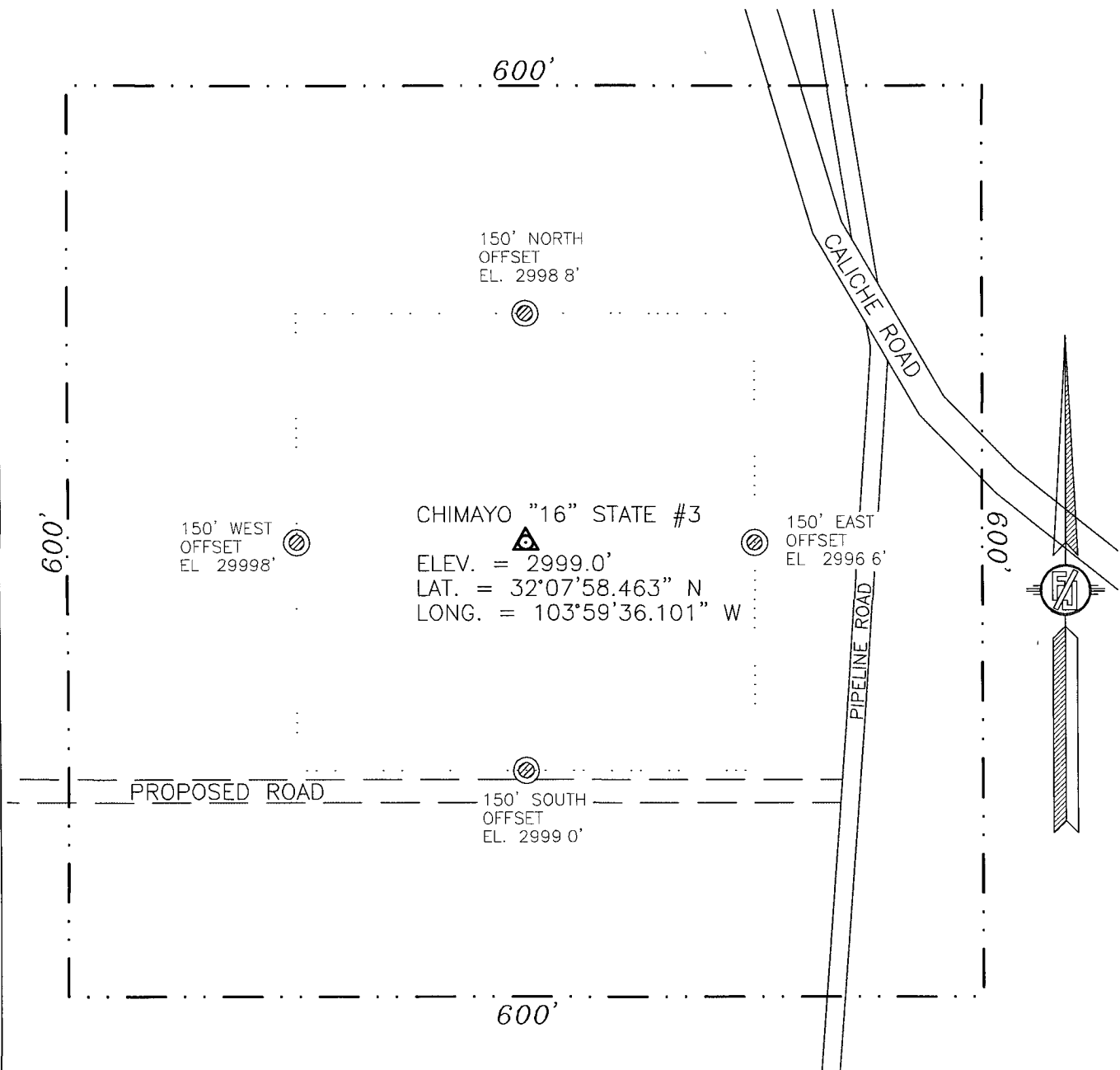
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SECTION 16, TOWNSHIP 25 SOUTH, RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO



010 50 100 200
SCALE 1" = 100'

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CHIMAYO 16 STATE 3
SEC 16 T25S R293
EDDY, COUNTY NM
Page 2

The BOP system used to drill the intermediate hole will consist of an **11" 5M Double Ram and Annular preventer**. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 3M system prior to drilling out the surface casing shoe.

The BOP system used to drill the production hole will consist of an **11" 5M Double Ram and Annular preventer**. The BOP system will be tested as per BLM Onshore Oil and Gas Order No. 2 as a 5M system prior to drilling out the intermediate casing shoe.

The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 5,000 psi WP.

DEVON ENERGY PRODUCTION COMPANY LP

Well Name: CHIMAYO 16 STATE #3		Field: WILLOW LAKE SOUTHEAST	
Location: 1610' FNL & 1455' FWL; SEC 16-T25S-R29E		County: EDDY	State: NM
Elevation: 2999' GL		Spud Date: NA	Compl Date: NA
API#: NA	Prepared by: Ronnie Slack	Date: 5/12/10	Rev:

PROPOSED SWD WELL

14-3/4" Hole

11-3/4", 42#, H40, STC @ 700'

Cement w/600 sx CI C to surface

FORMATION TOPS:

Base Salt	2790'
Delaware	2980'
Bell Canyon	3015'
Cherry Canyon	3870'
Brushy Canyon	5175'
Bone Spring	6790'

11" Hole

8-5/8", 24#, J55, STC, 0' - 2000'

8-5/8", 32#, J55, LTC, 2000' - 3000'

Cement w/950 sx CI C to surface

PROPOSED

2-7/8", 6.5#, IPC Tubing

8-5/8" IPC Packer @ +/- 2950'

PROPOSED

BELL CANYON / UPPER CHERRY CANYON FORMATION
OPEN HOLE INJECTION INTERVAL FROM 3000' TO 4200'

7-7/8" Open Hole drilled to 4,200' TD

4,200' TD