Form 3160-3

APPROVED BY_

AL MSWENTTONE POST PRINTED UNITED STATES

(December 1990)	DEPARTMEN. 3	F THE INTERIOR	See other instr. on		r orm approveu.	- Sy'
		D MANAGEMENT	ARTESIA, NM 88210-28	34. LEASE DE LC-054205	SIGNATION AND SERIAL	, NO. (
APP	LICATION FOR PERM	IIT TO DRILL OR DE	EPEN	6. IF INDIA	N, ALLOTTEE OR TRIBE	NAME
la TYPE OF WORK:	DRILL	DEEPEN 🛛 50	9/22/97		EEMENT NAME	
b TYPE OF WELL:	RE-E	NTRY		West Red		
OIL WELL	GAS WELL Other WIW		MULTIPLE ZONE	8.FARM OR	LEASE NAME, WELL NO.	/
2 NAME OF OPERATO	OR DEVON ENERGY CORPO	DATION (NEVADA)	6137	West Red	Lake Unit #25	3491
3. ADDRESS AND TEL		KATION (NEVADA)	0.0		015-00	219
	20 N. BROADWAY, SUITE	1500, OKC, OK 73102 (40	5) 552-4511	10. FIELD A	ND POOL, OR WILDCAT	<i>4.</i> 7.2.2
4. LOCATION OF WEL At surface 121' F	L (Report location clearly and in acc NL &1003' FEL	cordance with any State requireme. SUBJE	CT TO	I	.,R.,M.,OR BLOCK AND	51300 SURVEY OR AREA
At top proposed prod. z	cone (SAME) hot	5 LIKE A	CT TO PPROVAL 1112 73 74	Section 8	- T18S-R27E	
	ND DIRECTION FROM NEAREST TOWN OR	POST OFFICE*	72	Edity Co	y or parish ountv	13. STATE New
Approximately 7 miles s	outheast of Artesia, NM		w UCL 1991	\$\	17.NO. OF ACRES	Mexico
15.DISTANCE FROM PROPOS LOCATION TO MEAREST	SED	16.NO. OF ACRES IN LEASE	RECEIVED RECEIVED RECEIVED RECEIVED	192	TO THIS WELL	#221@WETD
PROPERTY OR LEASE L		\	E OCD - ARTE	202	40	
(Also to nearest drig, unit line 18. DISTANCE FROM PROPOS TO NEAREST WELL, DRI	SED LOCATION*	19.PROPOSED DEPTH 2150'	Oce 1	10/	20.ROTARY OR CAB Rotary	LE TOOLS*
OR APPLIED FOR, ON T	THIS LEASE, FT. 500'		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	22. A	PPROX. DATE WORK WIL	L START*
21.ELEVATIONS (Show whet GR 3414'	her DF, R I , GR, etc.)			Nove	ember 1, 1997	
23.		PROPOSED CASING AND CEN	MENTING PROGRAM			
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH		QUANTITY OF	/ CEMENT
17 1/2"	10"	42	600' existing			
12 1/4"	8 1/4"	36	1090' existing			
7 7/8"	7"	20	1147'existing		100 sx lite & 200 s	y class "c"
6 1/4"	4 1/2"	10.5	2150'			
Devon Energy plans to converted to water inje	deepen the well to $2150'\pm \&$ test the ection. Programs to adhere to onsh	ore oil and gas regulations are ou	timed in the following exhibit	its and actach	miches.	
Drilling Program		The undersigned accepts	s all applicable terms, condit n the leased land or portion t	ions, stipulati thereof. as de	scribed above:	oncerning
Surface Use and Operat Exhibit #1 — Blowout Pr	ting Plan revention Equipment	operations confidence of	i the leased mile of portion		2270 - 1월 1	3 port Il
Exhibit #1-A - Choke N	Tanifold	Bond Coverage: Natio	nwide		SS - SS r	18-12-7
Exhibit #2 — Location a Exhibit #2-A - 7.5 minu		BLM Rend File No.:	0.1104		ão ~ (7 10 7
Exhibit #3 - Planned A		BLM FFROVAL'S	ORIFCL 10		22	TI MA
Exhibit #4 - Wells With		GENERAL RE	EQUIREMENTS AND)		z ho
Exhibit #5 - Production Exhibit #6 - Rotary Rig		SPECIAL STI	PULATIONS		and a c s a	n
Exhibit #7 - Casing De	sign Parameters and Factors	ATTACHED				ن
Exhibit #8 - H ₂ S Opera	D				ulti a	
	107 I As we seeken the D.fr. A. d. well	bore, drill out the 150 sxs surface	e cement, plug @ 0-785', dri	l out the cem	ent <u>re</u> tainer @-785',	and drill out the
75 sxs open hole cemen	it plug @ 1147'-1245'. The open ho	ole will be cleaned out to original	1D@1242'. The wen win to	en be deepen	n.a	(لا
THE STATE OF LOTE DE	ESCRIBE PROPOSED PROGRAM	1: If proposal is to deepen, give d	ata on present productive zo	ne and propo	16/7 2 sed new productive 2 preventer program, i	/
is to drill or deepen dir 24.	ectionally, give pertinent data on s	ubsurface locations and measured	i and true vertical depths. G	ive blowout	pieveniei piogram, i	t maily
signed_	1 Billion	E. L. BU TITLE DISTR	JITROSS, JR. <u>ICT ENGINEER</u> F	ATE Sept	ember 19, 1997	
	eral or State office use)					
PERMIT NO.			APPROVAL DATE			
FBRHIL HV.		t helds local as equitable title to those	· rights in the subject lease which	would entitle	the applicant to conduct	operations thereon

CONDITIONS OF APPROVAL, IF ANY: ADM, MINERALS (ORIG. SGD.) TONY L. FERGUSON TITLE

District I PO Box 1986, Hobbs, NM 88241-1986 District []

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102 Revised February 10, 1994

instructions on back

PO Drawer DD, Artesia, NM 88211-8719

PO Drawer DD, Artenia, NM 88211-6719 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV PO Box 2008, Santa Fe, NM 87504-2008				OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088					Instructions on Submit to Appropriate District Of State Lease - 4 Co Fee Lease - 3 Co		
	AFI Numb	w	ELL L	OCATIO	ON AND	ACREAGE DE	DICATION I	PLAT	_		
30-	015-	29 <i>82</i>	>9	1 Pool C		Red La	'Pool ake (Q GB-S	Name A)	 -		
' Property (C ode		West R	led Lake	' Pre	perty Name				· Well Number	
'OGRID	Ve.				¹ Op	reter Name				25	
				Devor	1 Energy	Corporation			3414'		
UL or lot no.	Section	Township	Range	Lot Ida	Feet from t	ace Location North/South line					
5	8	18S	27E	- II	121'	North	Feet from the 1003 '	East East	Lac	County Eddy	
L or lot se.	Section	Township	Range	Lot Ida	Feet from the	n If Different F	rom Surface	T =		· · · · · · · ·	
Dedicated Acres			enstidatio				. are 11000 (DE	Enst/West	in:	County	
							Printed Name	uttross ct Engin	Jr. neer 1997		
							I hereby cerufy was plotted from me or under my and correct to to Date of Survey	that the well lo n field notes of supervision, a he best of my b	ocation s actual s and that wellef.	FICATION thown on this plat surveys made by the same is true	
	- 1						Semme 100 %	al of Profession	mai Surv	eyer:	

COMFIGURATION A

3 MWP

STACK REQUIREMENTS

No	Nem	Men I.D	Momental
1	Figure		
2	Fill up une		2
3	Dritting repote		
	Annual preventer		
5	Two single or one dual hydraulically operated rams		
54	Drilling speci with 2° mm, bill line and 3° mm chake line exitets		
60	2" mm. till tine and 3" mm. Executions outlets in ram. (Alternate to the above.		
7	Valve Gate D	3-1/8"	
8	Gale valve—power operated	3-1/6"	
•	Line to choke manifold		2.
10	Valves Gate C Plug C	2-1/16"	
11	Check verve	2-1/16"	
12	Casing head		
113	Valve Gate D Plug D	1-13/16*	
14	Pressure gauge with needle valve		
15	Kill bne to rig mus pump menileld	1	2"

AMNULAR PREVENTER	
PIPE ALUS	
PARILLING PROPERTY OF THE PARILING PROPERTY OF THE PARILLING PROPERTY OF THE PARILLING PROPERTY	T
(2)	æ

OPTION	ų.
16 Flanged varve	1-13/16"

CONTRACTOR'S OPTION TO FURNISH:

- All equipment and connections above bradenhead or casinghead. Working pressure of preveniers to be 3,000 psi, immunum.
- 2. Automatic accumulator (80 gallen, minimum) capable of steering BOP in 20 seconds or insa and, holding them steed appears full rated working pressure.
- 3.IBOP controls, to be lacked near drillers position.
- 4. Kelly soupped with Kelly cack.
- 5.inside blowout provienter or its squevalent on derrick beer at all times with proper threads to it pipe being used.
- 6. Kelly sever-sub aguipped with rubber casing protector at all times.
- 7. Plug type blowaut preventer tester.
- 8.Extra set pipe tame to fit drill pipe in use on location at all times.
- 1.Type RX ring gaskets in place of Type R.

MEC TO FURNISH:

- 1.Bradenhead or caemphead and side valves.
- 2. Weer bushing, If required.

GENERAL NOTES:

- Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
- 2.All connections, valves, Billings, piping, old..., subject to well or pump pressure must be flanged (substate clemp connections acceptable) and have minimum working pressure equal to rated working pressure of proveniers up through chords. Valves must be full opening and autable for high pressure must service.
- 3.Controls to be of standard design and each marked, showing opening and clas-ing position.
- 4. Chance will be positioned so as not to haraper or delay changing of chaice beens. Replaceable parts for adjustable dhate, other bean asset, retainers, and ahate wrenches to be conveniently incomed for transdicts use.
- 5.AB valves to be equipped with handwheels or handles ready for immediate site.
- 6. Chaire lines must be suitably enchared.

- 7. Hendwheels and extensions to be connected and ready for use
- 8. Valves adjacent to drilling apost to be hept open. Use extaids valves except for emergency.
- B.All acomices steel central piping (2000 pai working pressure) to have healble joints to avaid stress. Places will be garmined.
- 18.Cosingheed connections shall not be used except in case of emergency.
- 11.Do not use kill line for routine fill-up

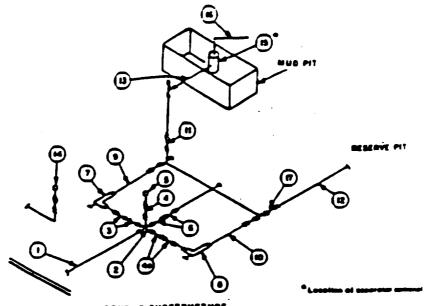
Attachment to Exhibit #1 NOTES REGARDING BLOWOUT PREVENTORS

Devon Energy Corporation (Nevada)
West Red Lake Unit #25
121' FSL & 1003' FEL
Section 5-T18S-R27E, Unit M
Eddy County, New Mexico

- 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 preventor and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.
- 4. All fittings will be flanged.
- 5. A full bore safety valve tested to a minimum 3000 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 preventor 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.

3 MWP - 5 MWP - 10 MWP

EXHIBIT 1A



SETONS	10851	BUE1	uat
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	•		400	WW RED	PEMENT	8					
	3,800 MMP S,800 MMP								10.000 MWP		
No		LD	MOMMAL	RATING	LD.	INDIANAL	RATING	1.0	INOMINAL	RATING	
	Line from driting sexual		5-	3.000		2.	5.000		3.	10.000	
-	Crees 3"12"12"12"			3.000			8.800				
•	Creat 3-23-23-23-									10.000	
3	Variat(1) Gass D Plug D(2)	3-14E.		3,000	3-16"		8,000	3-147		0000,000	
4	Valve Plug (CD)	1-13/15*		3,500	1-13/16*		8,000	1-13/16*		10.000	
49	Variable	2-1/16"		3,800	3-MM.		5,000	3-1/6"		10.600	
	Pressure Gauge			3,900			5.000			10.000	
6	Valves Plug D(E)	3-148*		3.000	3-147		8,000	3-18"		10.650	
7	Advantates Chang(3)	2"		3,600	2"		3.000	2"		10.000	
•	Administra Chaine	1.		3,900	1.		5,800	7		10.000	
9	Line		3"	3.000		2.	3,800		2*	10,000	
10	Line		7	3,000		2"	5.800		2.	10.000	
11	Verves Gass () Plug ()(2)	3-1/8"		3,000	3-16		\$,000	3-1/E*		10.000	
12	Lines		3"	1,900		3.	1,000		2.	2.000	
13	Lones		3.	1,800		3.	1,800		3-	2.000	
14	Permiss reading emissions standard product gauge			3,000			5.000			10.800	
15	Gas Security		2 mg.			2.22.			2'=5'		
16	Lime		r	1,000		4.	1,000		4-	2.000	
17	Various Plag D(Z)	3-145*		3,600	3-147*		3,500	3-140*		10.000	

- (1) Cony and required in Class 3M.
- (2) Goes volves-erry shall be used for Close 1864.
- (2) Remain special hydroxis state requires on \$,800 pel and 19,800 pel for strong.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- 1. All connections in choice manifold shall be waided, studded, flanged or Comeron clamp of comparable rating
- 2. All flanges shall be API 68 or 68X and ring geakers shall be API RX or 8X. Use only 8X for 10 MWP.
- All lines shall be escurely anchored.
- 4. Choice shall be equipped with tungston carbide seats and needles, and replacements shall be evaliable.
- Chees menticld pressure and standpipe pressure gauges shall be available at the cluste menticld to essist in regulating chance. As an attenues with attenues attenue, a chaice menticld pressure gauge shall be incased on the rig hoer in conjunction with the standpipe pressure gauge.
- Line from drilling speel to shoke manifold should be as straight as possible. Lines downstream from chokes shall make turns by large bands or 90° bands using bull plugged test.
- 7. Discharge lines from chakes, shake bypeas and from top of ges separator shauld work as for as practical from the well