Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD
OCT 30 2012
RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

WELL API NO. 30-025-40743

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
TAIPAN 10 STATE COM

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

8. Well Number 1H

2. Name of Operator
Devon Energy Production Company, L.P.

9. OGRID Number
6137

3. Address of Operator
333 W. Sheridan Avenue, Oklahoma City, Oklahoma 73102-8260 (405) 552-7848

10. Pool name or Wildcat
CRUZ; ~~DELAWARE, NW~~ Bone Spring

4. Well Location
Unit Letter D : 150 feet from the N line and 710 feet from the W line
Section 15 Township 23S Range 33E NMPM Lea County New Mexico

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3700'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☒	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
OTHER:	☐			OTHER:			☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon respectfully requests to change the landing point of the lateral from 8,934' (Delaware) to 11,250' (2nd Bone Spring). The updated drilling program is attached.

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

SIGNATURE D.H.C. TITLE Regulatory Specialist DATE 10/29/2012

Type or print name David H. Cook E-mail address: david.cook@dvn.com PHONE: (405) 552-7848

For State Use Only

APPROVED BY: E. Gonzales TITLE Dist. Mgr DATE 11-1-2012

Conditions of Approval (if any):

NOV 01 2012

Taipan 10 State Com– APD DRILLING PLAN
KKS 8-26-12
Revised 10-29-12: modified target reservoir, TVD, production casing, production cement volumes & directional plan

Casing Program

Hole Size	Hole Interval	OD Csg	Casing Interval	Weight	Collar	Grade
17-1/2"	0 – 1,400	13-3/8"	0 – 1,400	48#	STC	H-40
12-1/4"	1,400 – 5,200	9-5/8"	0 – 5,200	40#	LTC	HCK-55
8-3/4"	5,200– 10,450	5-1/2"	0 – 10,450	17#	LTC	HCP-110
8-3/4"	10,450– 16,119	5-1/2"	10,450 – 16,119	17#	BTC	HCP-110

Max TVD in lateral: 11,250'

Mud Program:

Depth	Mud Wt.	Visc.	Fluid Loss	Type System
0 – 1,400	8.4 – 9.0	30 – 34	N/C	FW
1,400 – 5,200	9.6 – 10.0	28 – 32	N/C	Brine
5,200 – 16,119	8.6 – 9.0	28 – 32	N/C-12	FW

Pressure Control Equipment:

The BOP system used to drill the intermediate hole will consist of a 13-5/8" 3M Triple Ram and Annular preventer. The BOP system will be tested as a 3M system prior to drilling out the surface casing shoe.

The BOP system used to drill the production hole will consist of a 13-5/8" 3M Triple Ram and Annular preventer. The BOP system will be tested as a 3M 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 3,000 psi WP.

Cementing Program (cement volumes based on at least 25% excess)

13-3/8" Surface	**Lead**: 875 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Poly-E-Flake + 4% bwoc Bentonite + 70.1% Fresh Water, 13.5 ppg **Yield:** 1.75 cf/sk **TOC @ surface** **Tail**: 335 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.125 lbs/sack Poly-E-Flake + 63.1% Fresh Water, 14.8 ppg **Yield:** 1.35 cf/sk
9-5/8" Intermediate	**Lead**: 1115 sacks (65:35) Class C Cement·Poz (Fly Ash): + 5% bwow Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 6% bwoc Bentonite + 70.9% Fresh Water, 12.9 ppg **Yield**: 1.85 cf/sk **TOC @ surface** **Tail**· 425 sacks Class C Cement + 0.125 lbs/sack Poly-E-Flake + 63.5% Water, 14.8 ppg **Yield**: 1.33 cf/sk
5-1/2" Production	**1st Lead:** 455 sacks (50·50) Class H Cement:Poz (Fly Ash) + 10% bwoc Bentonite + 8 lb/sk Sodium Chloride + 0.125 lbs/sack Poly-E-Flake + 0.3% bwoc HR-601 + 0 3% bwoc Econolite + 77.2% Fresh Water, 11.8 ppg **Yield**: 2.52 cf/sk **2nd Lead:** 325 sacks (65.35) Class H Cement.Poz (Fly Ash) + 6% bwoc Bentonite + 0.125 lbs/sack Poly-E-Flake + 0.1% bwoc HR-601 + 74.1% Fresh Water, 12.5 ppg **Yield**: 1 95 cf/sk **Tail**: 1345 sacks (50·50) Class H Cement:Poz (Fly Ash) + 1 lb/sk Sodium Chloride + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0 1% bwoc HR-601 + 2% bwoc Bentonite + 58 8% Fresh Water, 14.5 ppg **Yield**. 1 22 cf/sk **TOC @ 4700**

TOC for All Strings:

Surface.	0
Intermediate·	0
Production.	4700 ft

ACTUAL CEMENT VOLUMES WILL BE ADJUSTED BASED ON FLUID CALIPER AND/OR CALIPER LOG DATA.

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Phone (505) 476-3460 Fax (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-025-40743	14865	CRUZ; BONE SPRING

[4] Property Code	[5] Property Name	[6] Well Number
39429	TAIPAN 10 STATE COM	1H

[7] OGRID No.	[8] Operator Name	[9] Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3700.4'

[10] Surface Location

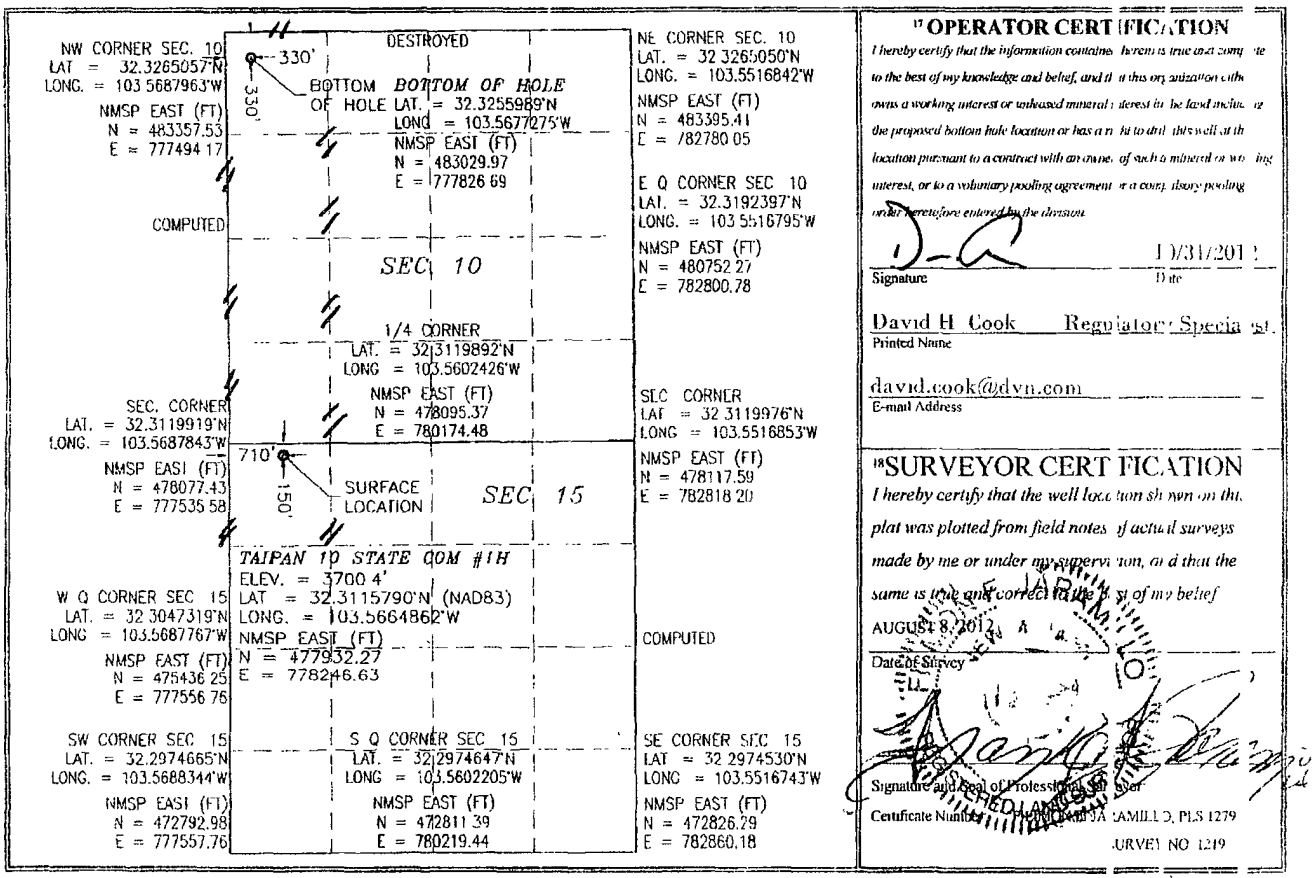
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	15	23 S	33 E		150	NORTH	710	WEST	LEA

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	10	23 S	33 E		330	NORTH	330	WEST	LEA

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
200			

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.



[17] OPERATOR CERTIFICATION

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 unleased 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.

Signature — Date: 10/31/2012

David H Cook — Regulatory Specialist
Printed Name

david.cook@dvn.com
E-mail Address

[18] 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

AUGUST 8, 2012
Date of Survey

Signature and Seal of Professional Surveyor

Certificate Number: RONALD J. EIDSON, PLS 3239 — GARY L. JONES, PLS 7977 — JARAMILLO, PLS 12797 — SURVEY NO. 1219

ECG 10-1-2012