

HOBBS OCD

AUG 03 2017

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC061873
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY LP (0137)		7. If Unit or CA Agreement, Name and No. COTTON DRAW / NMNM70928X
3a. Address 333 West Sheridan Avenue Oklahoma City OK		8. Lease Name and Well No. COTTON DRAW UNIT 508H (300635)
3b. Phone No. (include area code) (405)552-6571		9. API Well No. 30-025-43915
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWSE / 540 FSL / 1670 FEL / LAT 32.1245613 / LONG -103.7112875 At proposed prod. zone NWNE / 330 FNL / 1680 FEL / LAT 32.1511743 / LONG -103.71121		10. Field and Pool, or Exploratory (97899) MC-025 G06 5263206M-135
11. Sec., T. R. M. or Blk. and Survey or Area SEC 18 / T25S / R32E / NMP		12. County or Parish LEA
13. State NM		14. Distance in miles and direction from nearest town or post office*
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 290 feet	16. No. of acres in lease 319.73	17. Spacing Unit dedicated to this well 320
18. Distance from proposed location* to nearest well, drilling, completed, 330 feet applied for, on this lease, ft.	19. Proposed Depth 10510 feet / 19946 feet	20. BLM/BIA Bond No. on file FED: CO1104
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3411 feet	22. Approximate date work will start* 09/03/2017	23. Estimated duration 35 days

24. Attachments

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

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature (Electronic Submission)	Name (Printed/Typed) Rebecca Deal / Ph: (405)228-8429	Date 04/17/2017
Title Regulatory Compliance Professional		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Mustafa Haque / Ph: (575)234-5910	Date 08/01/2017
Title Petroleum Engineer Office CARLSBAD		

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.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on page 2)

*(Instructions on page 2)

APPROVED WITH CONDITIONS

K2
08/03/17

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications.

Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: SWSE / 540 FSL / 1670 FEL / TWSP: 25S / RANGE: 32E / SECTION: 18 / LAT: 32.1245613 / LONG: -103.7112875 (TVD: 0 feet, MD: 0 feet)
PPP: SESW / 660 FSL / 1643 FEL / TWSP: 25S / RANGE: 32E / SECTION: 7 / LAT: 32.1245613 / LONG: -103.7112875 (TVD: 10472 feet, MD: 15668 feet)
PPP: NENW / 660 FNL / 1648 FEL / TWSP: 25S / RANGE: 32E / SECTION: 18 / LAT: 32.1245613 / LONG: -103.7112875 (TVD: 10436 feet, MD: 14295 feet)
PPP: SWSE / 917 FSL / 1669 FEL / TWSP: 25S / RANGE: 32E / SECTION: 18 / LAT: 32.1245613 / LONG: -103.7112875 (TVD: 10475 feet, MD: 10637 feet)
BHL: NWNE / 330 FNL / 1680 FEL / TWSP: 25S / RANGE: 32E / SECTION: 7 / LAT: 32.1511743 / LONG: -103.71121 (TVD: 10510 feet, MD: 19946 feet)

BLM Point of Contact

Name: Deborah McKinney
Title: Legal Instruments Examiner
Phone: 5752345931
Email: dmckinne@blm.gov

CONFIDENTIAL

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

CONFIDENTIAL