

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address Devon Energy Production Company, LP 20 N. Broadway Oklahoma City, OK 73102		OGRID Number 6137
		API Number 30-25-36349
Property Code 32662	Property Name P Q Osudo State	Well No. 002

Surface Location

UL or Lot P	Section 16	Township 21S	Range 35E	Lot Idn	Feet From 760	N/S Line S	Feet From 660	E/W Line E	County Lea
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Proposed Pools

OSUDO;MORROW, SOUTH (GAS) 82200

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 3594
Multiple N	Proposed Depth 12600	Formation Morrow	Contractor	Spud Date 8/15/2003

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1450	900	0
Int1	13.375	9.625	40	5500	1100	800
Prod	8.75	5.5	17	12600	650	9000

Casing/Cement Program: Additional Comments

13 3/8 Cmt Lead w/500 sx Class C & tail w/400sx Class C 9 5/8 Cmt Lead w/450 sx Class C & tail w/650sx Class C 5 1/2 Cmt Lead w/250 sx Class C & tail w/400sx Class C

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	10000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	
Electronically Signed By: Beverly Wenzel	
Title: Manager	
Date: 7/29/2003	Phone: 405-228-7734

OIL CONSERVATION DIVISION	
Electronically Approved By: Paul Kautz	
Title: Geologist	
Approval Date: 7/30/2003	Expiration Date: 7/30/2004
Conditions of Approval: There are conditions. See Attached.	

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State of New Mexico

Form C-102

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

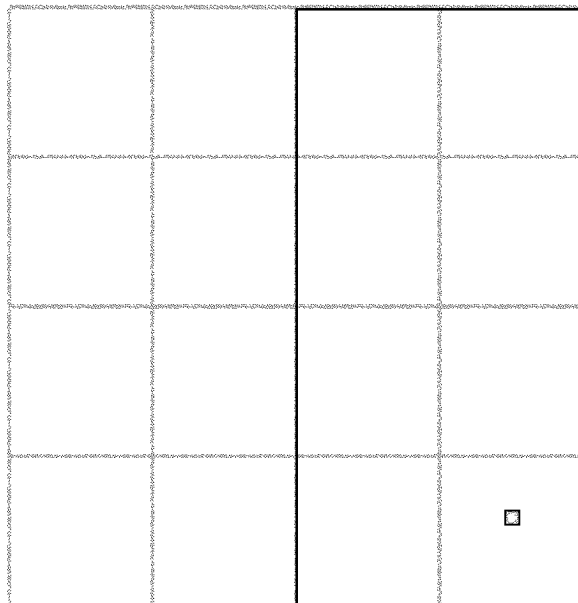
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-25-36349	Pool Name OSUDO;MORROW, SOUTH (GAS)	Pool Code 82200
Property Code 32662	Property Name P Q Osudo State	Well No. 002
OGRID No. 6137	Operator Name Devon Energy Production Company, LP	Elevation 3594

Surface And Bottom Hole Location

UL or Lot P	Section 16	Township 21S	Range 35E	Lot Idn	Feet From 760	N/S Line S	Feet From 660	E/W Line E	County Lea
Dedicated Acres 320		Joint or Infill		Consolidation Code		Order No.			

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

Electronically Signed By: Beverly Wenzel

Title: Manager

Date: 7/29/2003

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.*

Electronically Signed By: Gary Jones

Date of Survey: 6/30/2003

Certificate Number: 7977

APD Comments

Operator: 6137 Devon Energy Production Company, LP

Well: P Q Osudo State 002

User Name	Comment	Comment Date
DMULL	The 320 acres you have dedicated to this well is already dedicated to the Sampson Resources, P Q Osudo State Com #1. For that reason we are returning this intent to drill. Two well producing from the same formation, must have the same operator.	7/28/2003
CGRAHAM	Sampson and Devon each have 50% interest in this lease. Sampson currently operates the PQ Osudo State # 1 in the NE 1/4 of this section. The subject well will be the second well in the proration unit, located in the SE 1/4. The operating agreement between Sampson and Devon provides for Devon to drill and complete this well, then turn over operations to Sampson upon completion. Sampson will then be the operator of both wells in this proration unit.	7/29/2003

APD Conditions Of Approval

Operator: 6137 Devon Energy Production Company, LP

Well: P Q Osudo State 002

OCD Reviewer	Condition
PKAUTZ	Surface casing is to be set at a sufficient depth to protect useable water zones and cement circulated to surface. Surface casing should be set at least 25 feet into the top of the Rustler Anhydrite and cement circulated to the surface.