

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 South First Street, Artesia, NM 88210
District III
1000 Rio Brazos Road, A.Lec. NM 87410
District IV
1120 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
X Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Devon Energy Production Company, L.P. Address 20 N. Broadway, Suite 1500, Oklahoma City, OK 73102
Operator

Chase 2 State 2 E Sec 2 T22S R27E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 6137 Property Code 32278 API No. 30-015-32766 Lease Type: Federal X State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Carlsbad; Wolfcamp East (Gas)		Carlsbad Morrow East (Gas)
Pool Code	74160		73920
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9586' - 9842'		11,494' - 11,629'
Method of Production (Flowing or Artificial Lift)	flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)		RECEIVED DEC 15 2003	
Oil Gravity or Gas BTU (Degree API or Gas BTU)	56.0	OCD-ARTESIA	54.6
Producing, Shut-In or New Zone	Producing		SI
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 11/18/03 Rates: 20 BO 573 MCF 3 BW	Date: Rates:	Date: 9/12/03 Rates: 0 BO 385 MCF 36 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 100% % 59 %	Oil Gas % %	Oil Gas 0% 41 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes X No
Yes No

Are all produced fluids from all commingled zones compatible with each other?

Yes X No

Will commingling decrease the value of production?

Yes No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes X No

NMOCD Reference Case No. applicable to this well:

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Karen Cotton TITLE Operations Technician DATE December 11, 2003

TYPE OR PRINT NAME Karen Cotton TELEPHONE NO. (405) 228-7512



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Fax 405-552-8113

December 1, 2003

New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505

Re: Downhole Commingling Application
Chase 2 State Com #2
Section 2-T22S-R27E
Eddy County, New Mexico

Gentlemen:

In connection with the Downhole Commingling Application submitted on behalf of Devon Energy Production Company, L.P. as operator of the referenced well, I have reviewed Devon's files and title information and find that the working interests, overriding royalty interests and royalty interests are common for each of the formations to be commingled.

If there are any questions or if additional information is required, feel to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink, appearing to read "Ken Gray", written over the printed name and title.

Ken Gray
Senior Land Advisor

KG:
Enclosures



ENERGY PRODUCTION COMPANY, L.P.

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Telephone: (405) 235-3611
Fax: (405) 552-4667

December 11, 2003

Pete Martinez
State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, NM 87504-1148

RECEIVED

DEC 15 2003

OCD-ARTESIA

Re: Chase 2 State Com #2
API #30-015-32766

Dear Mr. Martinez:

Pursuant to the State Land Office Rule Nos. 1.053, 1.054 and 1.055, you will find enclosed the \$30.00 filing fee and a copy of the commingling application for the Chase 2 State Com #2.

Should you require any additional information or assistance, please do not hesitate to contact me at (405) 228-7512.

Sincerely,

Karen Cottom
Engineering Technician
Devon Energy Production Company, L.P.

kc
Enclosure

DEVON ENERGY PRODUCTION COMPANY, L.P. 20 N. BROADWAY
DATE 12/03/03 OKLAHOMA CITY, OK 73102-8260 PH: 405-228-4800

053657 NO. 0001322192

YOUR REFERENCE	OUR REFERENCE		NET AMOUNT
CHASE2STCOM2	03/12/241118	CHASE 2ST COM2 COMMINGLING	30.00
TOTAL AMOUNT			30.00

VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT. CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

devon

DEVON ENERGY PRODUCTION COMPANY, L.P.
20 N. BROADWAY
OKLAHOMA CITY, OK 73102-8260

Bank of America
Bank of America Customer Connection
Bank of America, N.A.
Atlanta, Dekalb County, Georgia

64-1278
611

12/03/03

VENDOR NO. 053657 NO. 0001322192

Original Payee: STATE OF NEW MEXICO

PAY **30.00**
ONLY THREE ZERO DOLLARS

PAY THIS AMOUNT
*****\$30.00

PAY
TO THE
ORDER
OF

STATE OF NEW MEXICO
COMMISSIONER OF PUBLIC LANDS
P O BOX 1148
SANTA FE NM 87504 1148

VOID AFTER 90 DAYS

VOID OVER \$30.00

Offey A. Ag
AUTHORIZED SIGNATURE

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO SEE THE MARK WHEN CHECKING THE ENDORSEMENTS.

0001322192 061112788 329 995 9892

053657

devon

DEVON ENERGY PRODUCTION COMPANY, L.P.
20 N. BROADWAY
OKLAHOMA CITY, OK 73102-8260

STATE OF NEW MEXICO
COMMISSIONER OF PUBLIC LANDS
P O BOX 1148
SANTA FE NM 87504 1148

Devon Energy Production Co. L.P.

Chase 2 State Com #2

API: 30-015-32766

Morrow Interval Test
Vented to Atmosphere

Date	OIL BPD	GAS MCFD	WATER BPD	COMMENTS
8/30/03			148	Clean up. Load water
8/31/03			51	Clean up. Load water
9/1/03		375	27	Clean up. Load water
9/2/03		375	26	Clean up. Load water
9/3/03				SI BHP TEST
9/4/03				SI BHP TEST
9/5/03				SI BHP TEST
9/6/03				SI BHP TEST
9/9/03	0	230	4	
9/12/03	0	385	36	
Average	0	308	20	

Wolfcamp Interval Test
Production to Sales

Date	OIL BPD	GAS MCFD	WATER BPD	COMMENTS
11/11/03	11	237	0	
11/12/03	11	368	0	
11/13/03	11	269	0	
11/14/03	6	455	11	
11/15/03	17	362	2	
11/16/03	14	351	0	
11/17/03	11	669	19	
11/18/03	20	573	3	
11/19/03	17	535	3	
11/20/03	22	516	3	
11/21/03	28	486	5	
11/22/03	17	473	1	
Average	15	441	4	

	OIL BPD	GAS MCFD	WATER BPD
Combined Production	15	749	24

Morrow Interval	0%	41%	84%
Wolfcamp Interval	100%	59%	16%

Operator: **Devon Energy Production Co. L.P.**
Location: **Eddy County, NM**
Sec 2, T22S, R27E

WELL: **Chase 2 State Com 2**
API #: **30-015-32766**

CURRENT ☒

PROPOSED ☐

Elevation: 3117' GR

Spud Date: 6/17/2003

13-3/8", 48#, H40, ST&C @ 457'
17-1/2" hole
Cemented w/ 400 sks

9-5/8", 36#, J55, ST&C @ 2025'
12-1/4" hole
Cmt'd w/ 710 sks

DV Tool @ 8504'

2-3/8" Production Tubing

Packer @ 9526'

WOLFCAMP Perfed_11/7/03
9586' - 91'; 9632' - 34';
9646' - 48'; 9652' - 54'; 9657' - 59'
9675' - 77'; 9683' - 84'; 9732' - 34'

2 sx sand on top
RBP @ 9775' (11/7/03)

Short String Production
WOLFCAMP Perfed_10/23/03
9802' - 9814'
9836' - 9842'

Arrow Set Packer @ 11475' (Set 10/23/03)

1.80" F Nipple

DB Packer @ 11,550' (Set 8/16/03)

1.81" F Nipple
1.78" F Nipple

Long String Production
MORROW Perfed_10/22/03
11494' - 11500'

Long String Production
MORROW Cmpl_9/8/03
11608' - 11610'
11624' - 11628' 422 Mcf, 0 bo, 22 bw, 500 TP

MORROW
11724' - 11734'

PBTD @ 11645' (8/30/03)
2 Sx Class H on top 20/40 sand
20/40 sand F/11703' - 12003'

7", 26#, P110, & 23# L80, ST&C @ 12100'
8-3/4" hole
Cmt'd w/ 2140 sks

TD @ 12,100' (7/22/03)

R. Slack 11/25/03

Operator: **Devon Energy Production Co. L.P.**
Location: **Eddy County, NM**
Sec 2, T22S, R27E

WELL: **Chase 2 State Com 2**
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9802' - 9814'
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Proposed: 2-3/8" Production Tubing
(Open ended to +/- 11,425')

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11494' - 11500'

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1.80" F Nipple

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R. Slack 11/25/03