

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM
87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.

30-015-32766

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Chase 2 State Com

8. Well No.

2

9. Pool name or Wildcat

Carlsbad; Morrow & Wolfcamp
East Gas

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.)

1. Type of Well

☐ Oil
Well

☒ Gas
Well

☐ Other _____

RECEIVED

2. Name of Operator

DEVON ENERGY PRODUCTION COMPANY, L. P.

DEC 15 2003

3. Address of Operator

20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 2287512

OCD-ARTESIA

4. Well Location

Unit Letter E-1980 Feet From The North Line and 1310 Feet From The West Line

Section 2

Township 22S

Range 27E

NMPM

EDDY

County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3117 GR

Check Appropriate Box To Indicate Nature Of Notice, Report, Or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

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 1103.

Devon Energy Production Company, L.P. is applying with the New Mexico Oil Conservation Division to downhole commingle the existing 73920 Carlsbad Morrow East (Gas)perf's (11,494' - 11,629') with the existing 74160 Carlsbad; Wolfcamp East (Gas) (9586' - 9842). The commingling will not reduce the value of the total remaining production. Ownership in the zones is identical.

The proposed allocations are as follows:

73920 - Carlsbad Morrow East (Gas) 0% Oil 41% MCF

74160 - Carlsbad ^{Wolfcamp} Morrow East (Gas) 100% Oil 59% MCF

Current and proposed wellbore schematics are attached along with the allocation method and supporting data

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

SIGNATURE

Karen Cottom

TITLE ENGINEERING TECHNICIAN

DATE December 11, 2003

TYPE OR PRINT NAME

Karen Cottom

TELEPHONE NO. (405) 228-7512

(This space for State use)

Approved by

Conditions of approval, if any:

FOR RECORDS ONLY

DATE

DEC 16 2003

Chase 2 State Com #2

Allocation Formula

Well Name	Producing Formation	*Daily Production Test	% of Total Oil
		3-4 month average	
Chase 2 State Com #2	(74160)Carlsbad; Wolfcamp East Gas	20 BO/ 573 MCF/ 3 BW	100 %
Chase 2 State Com #2	(73920) Carlsbad; Morrow East Gas	0 BO/ 385 MCF/ 36 BW	0 %

* From attached production plots

The above production test represents stable production from a Wolfcamp producer and a Morrow producer. We believe these rates of production represent an acceptable means to allocate production. **We have previously received approval for downhole commingling in these fields utilizing a similar allocation method.**

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STATE ☒ FEE ☐

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Chase 2 State Com

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9. Pool name or Wildcat

Carlsbad; Wolfcamp East (Gas)

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RECEIVED

DEC 15 2003

OCD-ARTESIA

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other _____

2. Name of Operator

DEVON ENERGY PRODUCTION COMPANY, LP

3. Address of Operator

20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 2287512

4. Well Location

Unit Letter E: 1980' Feet From The North Line and 1310' Feet From The West Line

Section 2

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Range 27E

NMPM

Eddy

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10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3117' GR

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NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: _____ ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ReCompletion ☒

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 1103.

10/23/03 - RIH w/retrievable Pkr set @11,475', RIH perf'd wolfcamp 9802' - 14 & 9836' - 42' 38 holes

10/29/03 - Acid frac wolfcamp w/15,000 gal XL acid 40D 20% & 5000 gal gelled 20% HCL

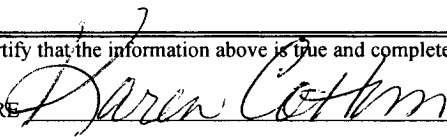
11/6/03 - RIH w/4" csg perf'd wolfcamp 2 SPF 9632' - 9734' & 9802' - 9842' 46 shots

11/7/03 - Acidized w/5000 gal of 15%

11/9/03 - Hung well on

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

SIGNATURE



TITLE OPERATIONS TECHNICIAN

DATE December 11, 2003

TYPE OR PRINT NAME

Karen Cottom

TELEPHONE NO. (405) 235-3611

(This space for State use)

Approved by

Conditions of approval, if any:

FOR RECORDS ONLY

DATE

DEC 16 2003