

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

2005 JUL 27 PM 12 29

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply  
 [A]  Working, Royalty or Overriding Royalty Interest Owners  
 [B]  Offset Operators, Leaseholders or Surface Owner  
 [C]  Application is One Which Requires Published Legal Notice  
 [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce  
 Print or Type Name

Signature

Attorney for applicant  
 Title

Date

jamesbruc@aol.com  
 e-mail Address

7/27/05

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

July 27, 2005

Hand delivered

Michael E. Stogner  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Devon Energy Production Company, L.P. applies for approval of an unorthodox location for the following well:

|                   |   |
|-------------------|---|
| <u>Well:</u>      | Eagle 33 A Federal Well No. 26  |
| <u>Location:</u>  | 880 feet FNL & 1210 feet FEL  |
| <u>Well unit:</u> | NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33, Township 17 South, Range 27 East,<br>N.M.P.M., Eddy County, New Mexico |

The well will be drilled to a depth sufficient to test the Glorieta-Yeso formation (Red Lake Glorieta-Yeso Pool), which is the primary zone of interest. Applicant requests unorthodox location approval in the Glorieta-Yeso formation and in the Queen-Grayburg-San Andres formation (Red Lake Queen-Grayburg-San Andres Pool). Both pools are spaced on 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line. An APD for the well, with a Form C-102, is attached as Exhibit A.

The location is based on engineering and topographic reasons. Applicant has an ongoing program to develop the Glorieta-Yeso formation by drilling two wells in each quarter-quarter section, in a northeast-southwest pattern. Wells are being placed in the northeast and southwest corners of each well unit to space the wells for optimum drainage. In addition to the proposed well, applicant has filed an APD for its Eagle 33 A Federal Well No. 27, a Glorieta-Yeso test, to be located 330 feet FNL and FEL of Section 33.

The well will also test the San Andres formation. There are currently three San Andres wells in the well unit (the Eagle Federal 33 A Well Nos. 1, 2, and 27); the wells are all (roughly) in the corners of the well unit. Thus, the proposed San Andres test will maximize drainage from the well unit.

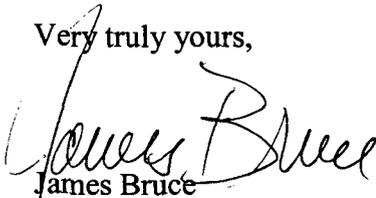
Applicant also requests **simultaneous dedication** approval for the above wells.

Applicant intended to place the proposed well at an orthodox location, but pipelines to the east require the well to be moved west of an orthodox location. See Exhibit A.

The well encroaches on the NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 33. The N $\frac{1}{2}$ NE $\frac{1}{4}$  and SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 33 are covered by Federal Lease NM 025528, so interest ownership in the offset well units is the same as in the unit for the proposed well. See Exhibit B. Therefore, there is no adversely affected interest owner, and notice of this application has not been given to anyone.

Please contact me if you need any further information on this application.

Very truly yours,



James Bruce

Attorney for Devon Energy Production Company, L.P.

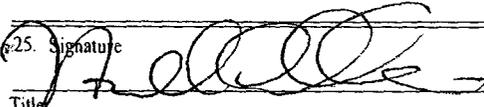
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

|   |   |  |
|---|---|--|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER  |   | 5. Lease Serial No.<br>NMNM025528  |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |   | 6. If Indian, Allottee or Tribe Name                                     |
| 2. Name of Operator<br>Devon Energy Production Company, LP  |   | 7. If Unit or CA Agreement, Name and No.                                 |
| 3a. Address 20 North Broadway<br>Oklahoma City, Oklahoma 73102-8260   | 3b. Phone No. (include area code)<br>405-552-8198               | 8. Lease Name and Well No.<br>Eagle 33 A Federal 26                      |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)*<br>At surface NENE Lot A 880 FNL 1210 FEL<br>At proposed prod. zone NENE Lot A 880 FNL 1210 FEL               |   | 9. API Well No.  |
| 14. Distance in miles and direction from nearest town or post office*<br>Approximately 5 miles southeast of Artesia, New Mexico   |   | 10. Field and Pool, or Exploratory<br>Red Lake; Glorieta-Yeso            |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)   |   | 11. Sec., T, R. M. or Blk. and Survey or Area<br>Sec. 33 17S 27E, Unit A |
| 16. No. of acres in lease<br>40 acres   | 17. Spacing Unit dedicated to this well<br>40 acres             | 12. County or Parish<br>Eddy County                                      |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.  | 19. Proposed Depth<br>4000 MD                                   | 13. State<br>NM  |
| 20. BLM/BIA Bond No. on file  | 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>3488' GL | 22. Approximate date work will start*<br>09/15/2005                      |
| 23. Estimated duration<br>45 days   | 24. Attachments   |  |

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall 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 shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

|  |  |                    |
|--|--|--------------------|
| 25. Signature<br> | Name (Printed/Typed)<br>Norvella Adams | Date<br>06/23/2005 |
| Title<br>Sr. Staff Eng. Tech   |  |                    |

|                         |                      |      |
|-------------------------|----------------------|------|
| Approved by (Signature) | Name (Printed/Typed) | Date |
| Title                   | Office               |      |

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.

\*(Instructions on page 2)

BLM 6525-5744-0067



**Additional Operator Remarks:**

Devon Energy Production Company, LP proposes to drill a San Andres, Glorieta Yeso well per the approved Master Drilling and Surface Use Plan for the Red Lake Field Area to 4000' TD for commercial quantities of oil and gas. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations.

Directions: From the junction of Co. Rd. 227 and Co. Rd. 225, go west for 1.4 mile to lease road; then northwest for 1.2 mile; then west for 0.5 mile to the Eagle 33 H Federal 7 and proposed lease road.

Please see attached MDSUP.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201

IN REPLY REFER TO:

JUN 05 2003

Devon Energy Production Company, L.P.  
Attn. Ms Karen Cottom  
20 North Broadway, Suite 1500  
Oklahoma City, Oklahoma 73102-8260

Re: Red Lake Field Area  
Master Drilling and Surface Use Plan  
Eddy County, New Mexico

The master drilling and surface use plan, dated May 6, 2003, for the Red Lake Field Area in Townships 17 and 18 South, Range 27 East, Eddy County, New Mexico, is now approved. Several corrections have been made to the attached list describing the field area. An approved copy is attached for your records.

Please note that the surface casing setting depth may change in individual APD (Form 3160-4) submittals because the depth of the expected fresh water varies across this area.

If you have any questions, please contact Alexis C. Swoboda, P.E. at 505-627-0228.

Sincerely,

Larry D. Bray  
Assistant Field Manager  
Lands and Minerals

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised March 17, 1999

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                  |  |                                      |
|------------------|--|--------------------------------------|
| API Number       | Pool Code  | Pool Name<br>Red Lake; Glorieta-Yeso |
| Property Code    | Property Name<br>EAGLE "33" FEDERAL                | Well Number<br>26                    |
| OGRD No.<br>6137 | Operator Name<br>DEVON ENERGY PRODUCTION CO., L.P. | Elevation<br>3488'                   |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| A             | 33      | 17 S     | 27 E  |         | 880           | NORTH            | 1210          | EAST           | EDDY   |

Bottom Hole Location If Different From Surface

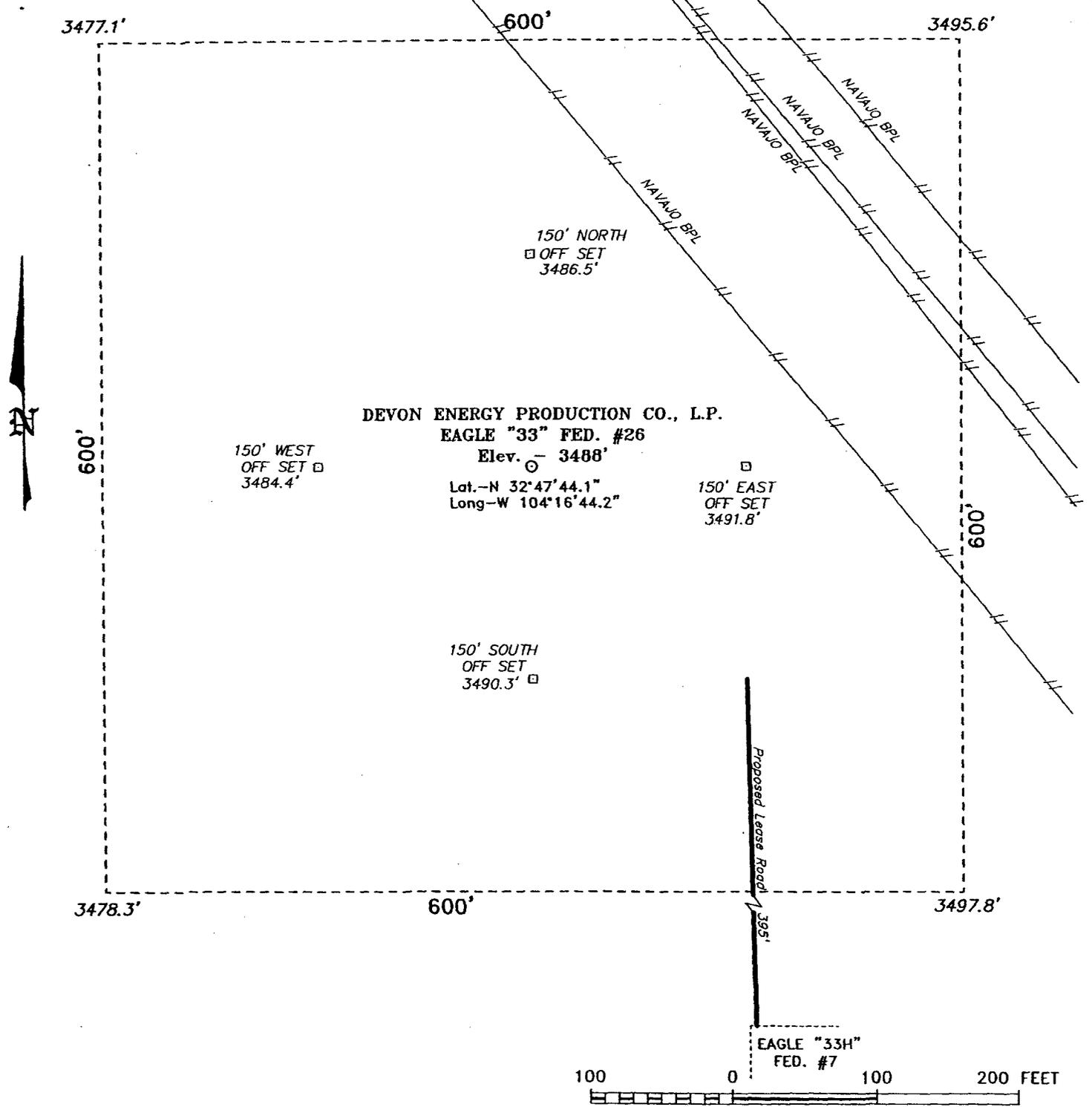
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|                       |                 |                    |           |
|-----------------------|-----------------|--------------------|-----------|
| Dedicated Acres<br>40 | Joint or Infill | Consolidation Code | Order No. |
|-----------------------|-----------------|--------------------|-----------|

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

|  |   |
|--|---|
| <p style="text-align: center;">NM<br/>025528</p> | <p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Norvelia Adams</i><br/>Signature</p> <p>Norvelia Adams<br/>Printed Name</p> <p>Sr. Staff Eng. Tech.<br/>Title</p> <p>June 23, 2005<br/>Date</p>  |
|  | <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p style="text-align: center;">JUNE 15, 2005</p> <p>Date Surveyed</p> <p><i>W.O. Jones</i><br/>Signature &amp; Seal<br/>Professional Surveyor</p> <p style="text-align: center;">NEW MEXICO<br/>REGISTERED PROFESSIONAL LAND SURVEYOR<br/>7977<br/>W.O. No.</p> <p>Certificate No. 0000 Jones 7977<br/>BASIN SURVEYS</p> |

**SECTION 33, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.**



**DEVON ENERGY PRODUCTION CO., L.P.**  
**EAGLE "33" FED. #26**  
 Elev.  $\odot$  3488'  
 Lat.-N 32°47'44.1"  
 Long.-W 104°16'44.2"

**Directions to Location:**

FROM THE JUNCTION OF CO. RD. 227 AND CO. RD. 225, GO WEST FOR 1.4 MILE TO LEASE ROAD; THENCE NORTHWEST FOR 1.2 MILE; THENCE WEST FOR 0.5 MILE TO THE EAGLE "33H" FED. #7 AND PROPOSED LEASE ROAD.

**DEVON ENERGY PROD. CO., L.P.**

REF: EAGLE "33" FED. No. 26 / Well Pad Topo

THE EAGLE "33" FED. No. 26 LOCATED 880' FROM THE NORTH LINE AND 1210' FROM THE EAST LINE OF SECTION 33, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

**Basin Surveys** P.O. BOX 1786 - HOBBS, NEW MEXICO

Plot Number: 5531 Drawn By: K. GOAD

Date: 06-17-2005 Disk: KJG CD#4 - 5531A.DWG Survey Date: 06-15-2005 Sheet 1 of 1 Sheets

