

DATE IN 7-27-05	SUSPENSE 8-16-2005	ENGINEER Stogner	LOGGED IN 8-2-05	TYPE NSL	APP NO. PSEMOS 21437681
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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]

[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

James Bruce
 Signature

Attorney for applicant
 Title

7/28/05
 Date

jamesbruc@aol.com
 e-mail Address

Oil Conservation Division
 1220 S. St. Francis Drive
 Santa Fe, NM 87505

JUL 27 2005

RECEIVED

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

July 28, 2005

Hand delivered

30-015-21582

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 oil well location for the following well:

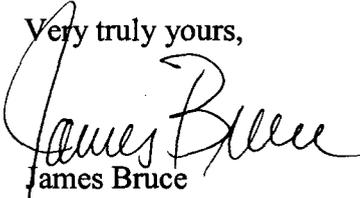
Well: ¹¹⁸⁰ Brainard Gas Com. Well No. 2 ¹⁵⁰⁵
Location: ~~880~~ feet FNL & ~~1210~~ feet FEL
Well unit: NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 11, Township 18 South, Range 26 East,
N.M.P.M., Eddy County, New Mexico

The well was drilled to test the Pennsylvanian formation in 1975. The original location was an unorthodox gas well location, which was approved by Order No. R-5043. The well will be re-completed in the Yeso formation, which is spaced on 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line. An APD for the re-completion is attached as Exhibit A. The original APD, with a Form C-102, is attached as Exhibit B.

The well encroaches on fee leases to the east and southeast. Royalty ownership of those tracts is listed on Exhibit C, and the notice letter to these persons is attached as Exhibit D. (The Stroup interests underlie the well unit, and were not notified.) Applicant or its affiliates own the entire working interest, so no working interest owners were notified of the hearing.

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

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in black ink and is positioned above the printed name.

James Bruce

Attorney for Devon Energy Production Company, L.P.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

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

Submit to appropriate District Office

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Devon Energy Production Company, LP 20 North Broadway, Oklahoma City, Oklahoma 73102-8260		² OGRID Number 6137
		³ API Number 30 - 15-21582
⁴ Property Code	⁵ Property Name Brainard Gas Com	⁶ Well No. 2
⁹ Proposed Pool 1 Yeso		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	11	18S	26E		1180	NORTH	1505	EAST	EDDY

⁸ Proposed 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

Additional Well Information

¹¹ Work Type Code E	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3307' GL
¹⁶ Multiple	¹⁷ Proposed Depth 9,000'	¹⁸ Formation Morrow	¹⁹ Contractor	²⁰ Spud Date
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____ Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	1200'	1150	Surface
12 1/4"	8 5/8"	24#	2000'	800	Surface
7 7/8"	4 1/2"	10.5 & 11.60#	8997'	1805	2400'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Devon Energy Production Company, L.P. requests approval to re-complete to the Yeso as follows:

- MIRU completion rig, POOH with existing packer and tubing.
- MIRU WL unit, Set CIBP at +/- 8,600'. Dump bail 35' cement on CIBP.
- RIH with guns and perforate the Yeso formation from 2503'-2769'.
- MIRU Service company and acidize Yeso down tubing.
- Swab to test, frac Yeso if necessary.
- Pump test.

OCD 6525-5743-8939



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved by:	
Printed name: Norvella Adams	Title:	
	Approval Date:	Expiration Date:
E-mail Address: norvella.adams@dvn.com		
Date: June 21, 2005	Phone: 405-552-8198	Conditions of Approval Attached <input type="checkbox"/>

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LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

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30-015-21582

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease

STATE FEE

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

P. O. C.
ARTERIA, OFFICE

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name	
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		8. Farm or Lease Name Brainard Gas Com.	
2. Name of Operator Mobil Oil Corporation		9. Well No. 2	
3. Address of Operator P. O. Box 633, Midland, Texas 79701		10. Field and Pool, or Wildcat Atoka Penn. Gas	
4. Location of Well UNIT LETTER <u>B</u> LOCATED <u>1180</u> FEET FROM THE <u>North</u> LINE AND <u>1505</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>11</u> TWP. <u>18S</u> RGE. <u>26E</u> NMPM		12. County Eddy	
19. Proposed Depth 9200		19A. Formation Atoka Penn.	20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 3307' Ground	21A. Kind & Status, Plug, Bond Blanket	21B. Drilling Contractor Marcum Drilling Co.	22. Approx. Date Work will start

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48# H-40	1200+0-1100	Circulate	Surface
12-1/4"	8-5/8"	24# K-55	0-2000'	"	"
7-7/8"	4-1/2"	10.5# K-55	0-2000'	Circulate	"
		9.5# "	2000-6000'	"	"
		10.5# "	6000-8000'	"	"
		11.6# "	8000-9300'	"	"

BLOWOUT PREVENTER PROGRAM:

Casing String	Equip. Size & API Series	No. & Type	Test Press PSI
Surface	12"	Dual w/Blank & Pipe Rams	1000
8-5/8"	8"	" " " "	2000



Order No. R-5043 approved the drilling of this well at an unorthodox location

APPROVAL VALID FOR 90 DAYS UNLESS DRILLING COMMENCED.
EXPIRES 10-3-75

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed A. D. Bond A. D. Bond Title Proration Staff Assistant Date June 30, 1975

(This space for State Use)

APPROVED BY W. A. Grasset TITLE SUPERVISOR, DISTRICT II DATE JUL 3 1975

CONDITIONS OF APPROVAL, IF ANY:

*as noted above

Cement must be circulated to surface behind 13 7/8" casing

Notify N.M.O.C.C. in sufficient time to witness cementing the 13 7/8" casing

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

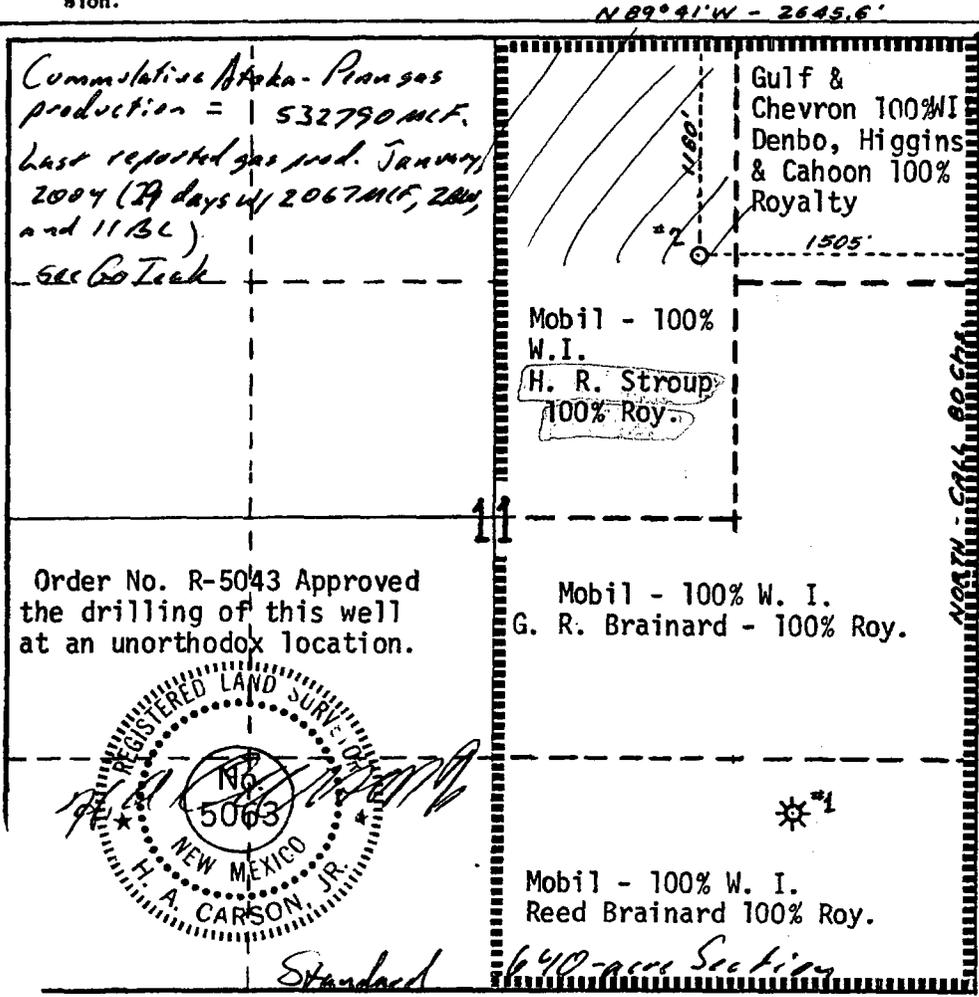
Operator Mobil Oil Corporation		Lease Brainard Gas Com			Well No. 2
Unit Letter B	Section 11	Township 18S	Range 26E	County Eddy	
Actual Postage Location of Well: 1180 feet from the North line and 1505 feet from the East line					
Ground Level Elev. 3307'	Producing Formation Atoka Penn		Pool Atoka Penn. Gas	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Not Found

CERTIFICATION

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

A. D. Bond

Name
A. D. Bond

Position
Proration Staff Assistant

Company
Mobil Oil Corporation

Date
June 30, 1975

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 knowledge and belief.

H. A. Carson Jr

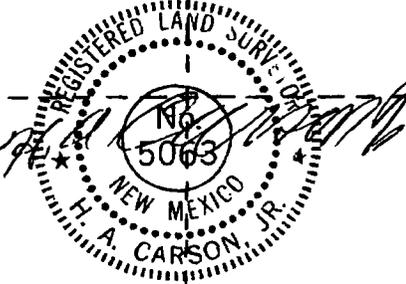
Date Surveyed
June 26, 1975

Registered Professional Engineer and/or Land Surveyor

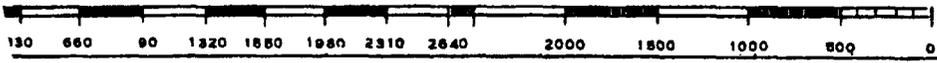
H. A. Carson Jr

Certificate No.
5063

Order No. R-5043 Approved the drilling of this well at an unorthodox location.



Standard 640-acre Section



WELD950.09

Inquire Revenue Division of Interest

7/05/05

Company: 001

Display Owners

17:28:00

Property number : 120001 001 BRAINARD GAS COM 2
 DOI : AO OIL 1.00000000
 Effective month/year : 11 2002
 Inflation factor :
 Pay all on entitlement : N Y=Yes, N=No

Type choice, press Enter.

Position to	Settlement	Int	Py	Tx	Py	Rt	Py	Fr	Re
Owner Sq Burden Owner Name	Interest	Type	St	Ex	Ot	Cd	Et	De	Dk
38056 SUSAN LYNN TERRY	.00260410	2 ROY	PA	N					
39622 SANDRA LEIGH TERRY	.00260420	2 ROY	PA	N					
45127 BARBARA KRUSE FRANKENF	.00260420	2 ROY	PA	N					
50361 DONALD E FANNING & SON	.03125000	2 ROY	PA	N					
221801 EDWARD CHARLES CAHOON	.00084790	2 ROY	PA	N					
221838 DIANNE CAHOON MAGEE	.00084790	2 ROY	PA	N					
226491 BEVERLY A ADKISSON	.00390620	2 ROY	PA	N					
233234 PEGGY B PRINCE	.00781250	2 ROY	PA	N					
235098 LAURA LYNN DEBARDELEBE	.00067830	2 ROY	PA	N					
239384 WILLIAM C WHITE	.00781250	2 ROY	PA	N					
Total interest / Total receiving int.:	1.00000000				1.00000000				

+

F3=Exit F4=Prompt F10=Summarize F12=Previous



WELD950.09

Inquire Revenue Division of Interest

7/05/05

Company: 001

Display Owners

17:28:00

Property number : 120001 001 BRAINARD GAS COM 2
 DOI : AO OIL 1.00000000
 Effective month/year : 11 2002
 Inflation factor :
 Pay all on entitlement : N Y=Yes, N=No

Type choice, press Enter.

Position to	Settlement Interest	Int Type	Py St	Tx Ex	Py Ot	Rt Cd	Py Et	Fr De	Re Dk
Owner Sq Burden Owner Name									
279582 DANIEL REED BRAINARD E	.00390630	2 ROY	SZ	N					
293584 HAMMONDS RESOURCES INC	.00016960	2 ROY	PA	N					
296809 GUY R BRAINARD JR TRUS	.00390624	2 ROY	PA	N					
299103 THOMAS P STROUP	.01562500	2 ROY	PA	N					
299105 MIRIAM S WORLOW	.01562500	2 ROY	PA	N					
301386 NANCY K DAVIS TRUST	.00781250	2 ROY	PA	N					
302139 MARCUS R STROUP &	.01562500	2 ROY	PA	N					
303114 JOHN SHEPHERD BRAINARD	.00195313	2 ROY	PA	N					
303115 GEORGE REED BRAINARD	.00195313	2 ROY	PA	N					
444987 SUSAN BOLINGER	.00016960	2 ROY	PA	N					+
Total interest / Total receiving int.:	1.00000000				1.00000000				

F3=Exit F4=Prompt F10=Summarize F12=Previous

WELD950.09

Inquire Revenue Division of Interest

7/05/05

Company: 001

Display Owners

17:28:00

Property number : 120001 001 BRAINARD GAS COM 2
 DOI : AO OIL 1.00000000
 Effective month/year : 11 2002
 Inflation factor :
 Pay all on entitlement : N Y=Yes, N=No

Type choice, press Enter.

Position to

Owner	Sq Burden	Owner Name	Settlement Interest	Int Type	Py St	Tx Ex	Py Ot	Rt Cd	Py Et	Fr De	Re Dk
446243		MARY L. CAHOON GRANTHA	.00020350	2 ROY	PA		N				
446835		EDWARD C KELLER	.00033920	2 ROY	SA		N				
999001		DEVON ENERGY PRODUCTIO	.75000000	1 WI	CO		N				
999609		DEVON LOUISIANA CORPOR	.12174400	1 WI	PA		N				

Total interest / Total receiving int.: 1.00000000 1.00000000

F3=Exit F4=Prompt F10=Summarize F12=Previous

JAMES BRUCE
ATTORNEY AT LAW

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SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

July 28, 2005

To: Persons on Exhibit A

Ladies and gentlemen:

Devon Energy Production Company, L.P. has filed an application with the New Mexico Oil Conservation Division seeking an unorthodox oil well location in the Yeso formation in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 11, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. A copy of the application is enclosed. If you object to the application, you must notify the Division in writing no later than Wednesday, August 17, 2005 (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter at a latter date.

Very truly yours,



James Bruce

Attorney for Devon Energy Production Company, L.P.



EXHIBIT A

Susan Lynn Terry
7200 Montgomery NE #367
Albuquerque, NM 87109

Sandra Leigh Terry
P.O. Box 12617
El Paso, TX 79912

Barbara Kruse Frankenfield
7333 Wooded Acres Trail
Mansfield, TX 76063

Donald E. Fanning & Sons, Inc.
106 Aaron Drive
Artesia, NM 88210

Edward Charles Cahoon
151 Wharton Row
Groton., MA 01450-4244

Dianne Cahoon Magee
19 John Dyer Way
Doylestown, PA 18901

Beverly A. Adkisson
No. 16 Mullaney Road
Greenville, TX 75402-6914

Peggy B. Prince
c/o Jeanne S. Robinson
1031 Franklin Street
San Francisco, CA 94109

Laura Lynn Debardeleben Trust
c/o Wells Fargo Bank
P.O. Box 5383
Denver, CO 80217

William C. White
15 Desert Flower Road
Artesia, NM 88210

Daniel Reed Brainard Estate
1105A Brentwood Road
Austin, TX 78722

Hammonds Resources, Inc.
P.O. Box 34
Roswell, NM 88202

Guy R. Brainard, Jr. Trust
John Shepherd Brainard
George Reed Brainard
c/o Bank of Oklahoma
P.O. Box 1588
Tulsa, OK 74101

Miriam S. Worlow
2101 West Briscoe
Artesia, NM 88210

Nancy K. Davis Trust
c/o Roxanne K. Yates
4000 North Montana Avenue
Roswell, NM 88201

Susan Bolinger
10 Lopez Way
Bellevue, WA 98006

Mary L. Cahoon Grantham
2703 North Montana
Roswell, NM 88201

Edward C. Keller
103L Carolyn Avenue
Modesto, CA 95350