

DATE IN 4/25/06	SUSPENSE	ENGINEER MIKE STOGNER	LOGGED IN 4/26/06	TYPE NSL	APP NO. 27DS0611633715
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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

Signature

Attorney for applicant  
 Title

Date

jamesbruce@aol.com  
 e-mail Address

2006 APR 25 PM 2 51

**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)

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

April 25, 2006

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>	Kaiser "B" 18F Well No. 8	30-015-34630
<u>Location:</u>	1500 feet FNL & 1725 feet FWL	
<u>Well unit:</u>	SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 18, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico	

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

The location is based on engineering and topographic reasons. Applicant has drilled three other wells in this quarter-quarter section: The Kaiser "B" No. 5 (1650 feet FNL & 2310 feet FWL, completed in the San Andres formation), the Kaiser "B" No. 6 (2310 feet FNL & 1650 feet FWL, completed in the Glorieta-Yeso formation), and the Kaiser "B" 18F No. 7 (2310 feet FNL & FWL, completed in the Glorieta-Yeso formation). These wells drain less than 40 acres each, and infill drilling is necessary to recover all reserves in a 40 acre well unit.

Because there are already three wells in the unit, Applicant desires to drill the proposed well in the northwest corner of the well unit. It desired to drill a well at an orthodox location, but

- 8:06 AM 6/6/06  
Voice Mail Message from Mike Williams  
@ 505-631-1654  
- 10:15 AM Called w/ Mr. Williams  
about Devon's 25c bid  
- will email a final bid. draft  
order to Mr. Williams when  
order is issued.  
M. E. Stogner  
flobaby@hotmail.com

existing pipelines and electric lines require the well to be moved north and east of its preferred location 1650 feet FNL & FWL. See Exhibit B.

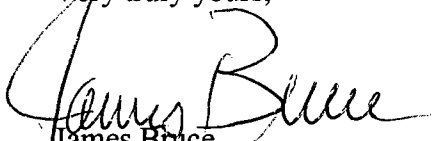
The proposed well will maximize recovery from the well unit.

Applicant also requests **simultaneous dedication** approval (the Nos. 5 and 8 wells in the San Andres formation, and the Nos. 6, 7, and 8 wells in the Glorieta-Yeso formation).

The well encroaches on the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 18. It also encroaches, by a few feet, on the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 18. The offset well units are both fee tracts. All lessees and unleased mineral owners in those tracts have been notified of this application as shown by Exhibit C.

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.

## DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

## DISTRICT II

811 South First, Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Artesia, 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 Red Lake; Glorieta-Yeso
Property Code	Property Name KAISER "B" 18F	Well Number 8
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3284'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	18	18 S	27 E		1500	NORTH	1725	WEST	EDDY

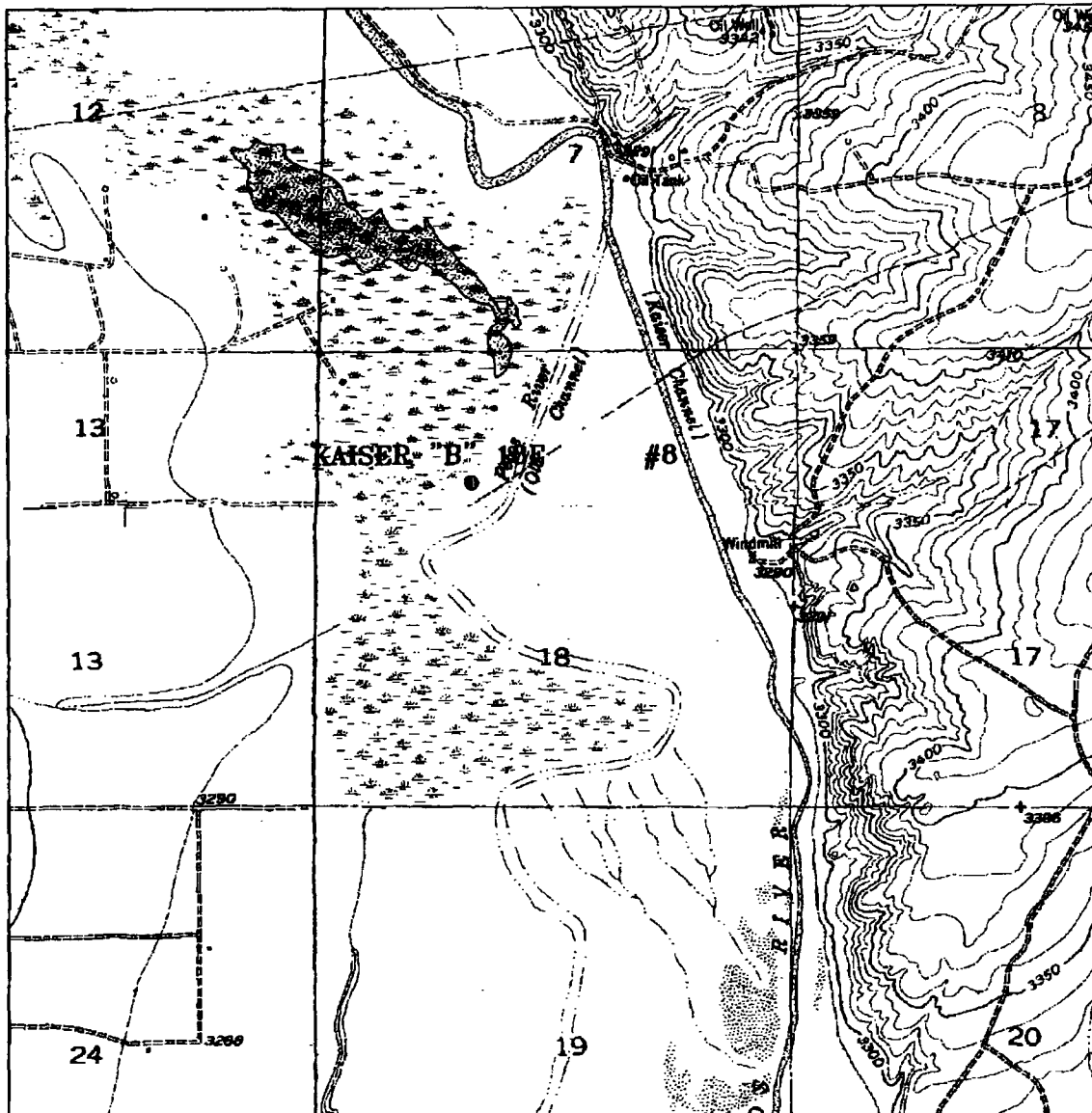
## Bottom Hole Location If Different From Surface

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

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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>① 40.89 ac.</p> <p>② 40.86 ac.</p> <p>③ 40.84 ac. Kaiser "B" #6 30-015-30132 2310' FNL 11650' FNL Dually Completion both the Red Lake - Dn/64/SA and Red Lake - Glorieta Yeso</p> <p>④ 40.81 ac.</p> <p>Kaiser "B" #5 30-015-30131 1650' FNL 2310' FNL Red Lake - Dn/64/SA completion</p> <p>Kaiser "B" #7 30-015-34176 2310' FNL 11650' FNL Red Lake - Glorieta Yeso completion</p> <p>Lot - N32°45'03.9" Long - W104°19'55.4"</p> <p>1500'</p> <p>3282.3' 3285.2'</p> <p>3283.6' 3287.2'</p> <p>1348'</p> <p>Blumberg No. 5119</p> <p>EXHIBIT A</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Norvella Adams</i> Signature Norvella Adams Printed Name Sr. Staff Eng. Tech. Title June 14, 2005 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>JUNE 5, 2005 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature &amp; Seal of Professional Surveyor Professional Surveyor W.D. No. 5435 Certificate No. Gary L. Jones 7977</p>
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**KAISER "B" 18F #8**  
 Located at 1500' FNL and 1725' FWL  
 Section 18, Township 18 South, Range 27 East,  
 N.M.P.M., Eddy County, New Mexico.

**basin**  
**surveys**  
 focused on excellence  
 in the oilfield

P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basin-surveys.com

W.O. Number: 5435AA - KJG #1

Survey Date: 06-03-2005

Scale: 1" = 2000'

Date: 06-06-2005

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

Blumberg No. 5119

EXHIBIT



Survey Date: 06-03-2005      Sheet 1 of 1 Sheets

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

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

April 25, 2006

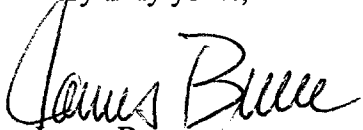
Certified Mail – Return Receipt Requested

To: Offset lessees or mineral interest owners

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 San Andres and Glorieta-Yeso formations in the SE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 18, Township 18 South, Range 27 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 20 days from the date of this letter (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

Chase Oil Corporation  
P.O. Box 1767  
Artesia, NM 88211

Lynx Petroleum Consultants  
P.O. Box 1708  
Hobbs, NM 88241

Yates Brothers  
105 South 4<sup>th</sup> Street  
Artesia, NM 88211

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Higgins Trust, Inc.  
P.O. Box 2421  
Gainesville, GA 30503

Wells Fargo Bank, Trustee of  
Laura Debardelban Trust  
P.O. Box 5383  
Denver, CO 80217

Susan Bolinger  
10 Lopez Way  
Bellevue, WA 98006

Katherine A. Keller  
1807 Woodhaven Place  
Mountain View, CA 95631

Anne K. Silva  
7736 Claribal Road  
Oakdale, CA 95631

---

Yates Petroleum Corp.,  
Yates Drilling Co.,  
Abo Petroleum Corp  
Myco Industries, Inc.  
105 South Fourth Street  
Artesia, NM 88210

---

Ruby Rogers  
Rural Route 4  
Abilene, TX 67410

Pauline R. Swearingen  
225 South Fern  
Wichita, KS 67213

Evalyn Swearingen  
RR 1-Box 146A  
Jamestown, KS 66948

Flora Jane Hopkins, Trustee  
Flora Jane Hopkins Revocable Trust  
2149 San Anseline Avenue  
Long Beach, CA 90815

Stella P. Herrell  
1003 Lynda Lane  
Arlington, TX 76013

Sidney M. Coryell, Jr.  
4502 West 29<sup>th</sup>  
Little Rock, AR 72204

Louise M. Richardson  
1916 Norwood  
Independence, MO 64052

Edna Mae Watt  
400 Holland Drive  
West Sacramento, CA 95605

James A. Collier, III  
1113 Shady Oak Circle  
McKinney, TX 75070

---

M.D. Vandavear  
316 West DD  
Miller, MO 65707

---



Julie J. Martin  
P.O. Box 10911  
Southport, NC 28461

Terry A. White  
505 East Grand  
Tonkawa, OK 74653

John Collier Major, Trustee  
Stephen Alfred Major, Trustee  
Of John Charles Major Trust  
P.O. Box 250  
Reydon, OK 73660

Helen J. Hardgrave, Trustee  
of Meredith E. Hardgrave and  
Helen Joyce Hardgrave Revocable Trust  
6012 East 114<sup>th</sup> Street  
Tulsa, OK 74137

Charlotte Wells and  
Kaiulani Lei Bumpus, as JT  
Route 1, Box 314B  
Burkeville, TX 75932

Grant Swearingen  
209 South Ashley Park  
Wichita, KS 67209

James A. Brown  
P.O. Box 928  
Elk City, OK 73648

Kenneth W. Brown  
7677 Jayhawk Drive  
Riverside, CA 92509

Peggie Sue Lawson  
18395 West FM 2790 South  
Lytle, TX 78052

John A. Brown  
3669 Seneca Circle  
Las Vegas, NV 89109

David B. Brown  
P.O. Box 2888  
Houston, TX 77525

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State of New Mexico  
Energy, Minerals and Natural Resources

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

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

1. Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 20 N BROADWAY OKLAHOMA CITY, OK 73102		2. OGRID Number 6137
		3. API Number 30-015-34630
4. Property Code 34899	5. Property Name KAISER B 18F	6. Well No. 008

7. Surface Location

UL - Lot	Section	Township	Range	Lot Mn	Feet From	N/S Line	Feet From	E/W Line	County
F	18	18S	27E	F	1500	N	1725	W	EDDY

8. Pool Information

RED LAKE, GLORIETA-YESO	51120
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Additional Well Information

9. Well Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3284
14. Multiple N	15. Proposed Depth 4000	16. Formation Yeso Formation	17. Contractor	18. Spud Date 8/20/2005
Depth to Ground water 65		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 1500 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input checked="" type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	200	275	0
Int1	11	8.875	24	1200	400	0
Prod	7.875	5.5	15.5	4000	914	0

Casing/Cement Program: Additional Comments

Cement 13 3/8 surface w/100 sx C1C, tail w/175 sx Class C. Cement 8 5/8 intermediate 250 sx Poz C, tail w/ 150 sx Class C. Cement 5 1/2 production w/ 200 sx Poz C, tail w/ 714 sx Poz C. Mud program: 0-180 8.5-8.9 vis 35-40 water loss NC. 180-1000 8.9-9.3 vis 28-30 water loss NC. 1000-3800 9.3-9.7 vis 28-30 water loss NC. 3800-4000 9.3-9.7 vis 28-30 water loss 12-15 cc.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	2000	2000	
Double Ram	2000	2000	
Pipe	2000	2000	

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 NMOC D guidelines <input type="checkbox"/> a general permit <input checked="" type="checkbox"/> or an (attached) alternative OCB-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION		
	Approved By: Bryan Arrant		
	Title: Geologist		
	Printed Name: Electronically filed by Linda Guthrie	Approved Date: 2/20/2006	Expiration Date: 2/20/2007
	Title: Regulatory Specialist		
Email Address: linda.guthrie@dvn.com			
Date: 10/18/2005	Phone: 405-228-8209	Conditions of Approval Attached	

## District II

1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720

## District III

1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

## District IV

1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

## Energy, Minerals and Natural Resources

## Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34630	2. Pool Code 51120	3. Pool Name RED LAKE, GLORIETA-YESO
4. Property Code 34899	5. Property Name KAISER B 18F	6. Well No. 008
7. GRID No. 6137	8. Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	9. Elevation 3284

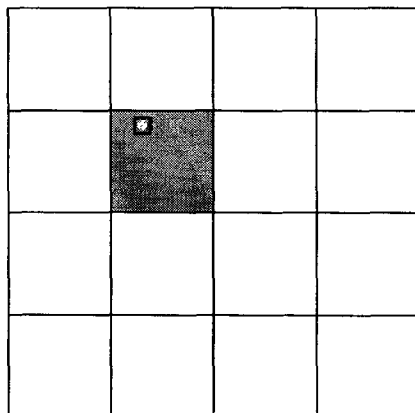
## 10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	18	18S	27E	F	1500	N	1725	W	EDDY

## 11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code		15. 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



## OPERATOR CERTIFICATION

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

E-Signed By: Linda Guthrie

Title: Regulatory Specialist

Date: 10/18/2005

## 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.*

Surveyed By: Gary Jones

Date of Survey: 6/5/2005

Certificate Number: 7977

## Permit Comments

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: KAISER B 18F #008

API: 30-015-34630

Created By	Comment	Comment Date
BArrant	Will require an administrative approval (NSL) for permit approval.	10/20/2005

## Permit Conditions of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: KAISER B 18F #008

API: 30-015-34630

OCD Reviewer	Condition
BArrant	Will require administrative order for non-standard location
BArrant	This is a drill only well. Well cannot produce without a non-standard location approval.
BArrant	Please note that intermediate casing is to be set at @ 1200' and wellbore from surface to the setting of the intermediate casing is to be drilled with fresh water mud.
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, D.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines

**DISTRICT IV**  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-10;  
Revised March 17, 1959

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 (90-015-34630)	Pool Code	Pool Name Red Lake; Glorieta-Yeso
Property Code (34899)	Property Name KAISER "B" 18F.	Well Number 8
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3284'

### Surface Location

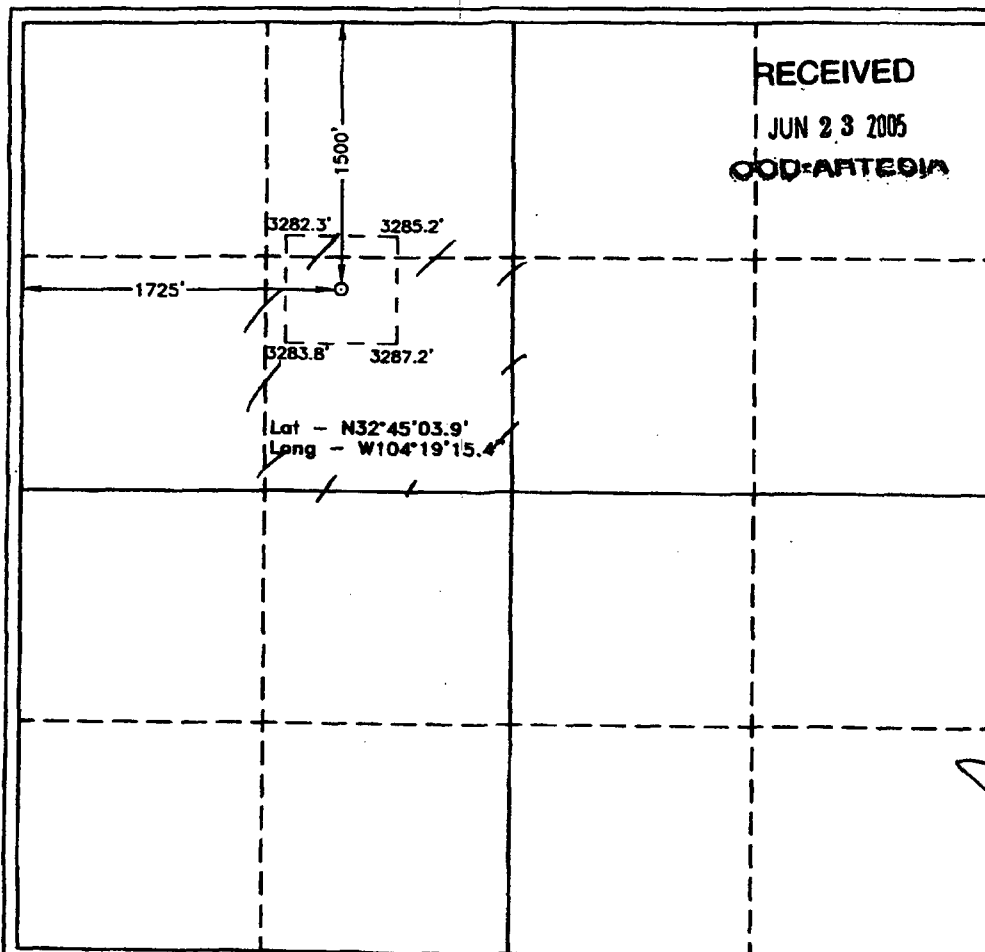
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	18	18 S	27 E		1500	NORTH	1725	WEST	EDDY

## 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
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Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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



### OPERATOR CERTIFICATION

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

Wool

**Signature**

Norvella Adams

Printed Name \_\_\_\_\_

Sr. Staff Eng. Tech.

**Title**

June 21, 2005

Date \_\_\_\_\_

### 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.

**JUNE 5, 2005**

Date Surveyed \_\_\_\_\_

Signature & Seal of Professional Surveyor

0586

7977  
M.O. No. 5465

Certificate #6 Gary L. Jones 7977

**BASIN**