

DATE IN 10/21/07	SUSPENSE	ENGINEER D. Brooks	LOGGED IN 10/3/07	TYPE NSL	APP NO. p TD50727545535
---------------------	----------	-----------------------	----------------------	-------------	----------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Devon
Condor 8 Feed #1H

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
 P.O. Box 1056
 Santa Fe, New Mexico 87504

Signature

Attorney for Applicant

Title

Date

jamesbruc@aol.com
 e-mail Address

RECEIVED
 2007 SEP 31 AM 7:54
 OCT 01

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

September 28, 2007

Hand delivered

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

Dear Mr. Fesmire:

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>	Condor 8 Federal Well No. 1H
<u>Surface location:</u>	1770 feet FNL & 2525 feet FWL
<u>Entry point:</u>	1802 feet FNL & 2394 feet FWL
<u>Bottom hole location:</u>	2310 feet FNL & 330 feet FWL
<u>Well unit (project area):</u>	S½NW¼ of Section 8, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

Applicant proposes to drill the well to test the Glorieta-Yeso formation (Red Lake Glorieta-Yeso Pool). The pool is spaced on 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line. A portion of the APD for the well, with a Form C-102, is attached as Exhibit A.

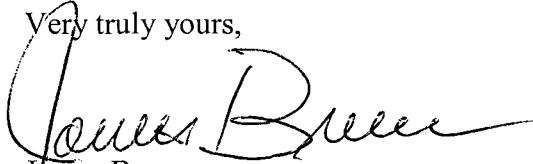
The well is located in an area of high relief (see Exhibit A), and the surface location is unorthodox due to topography and existing wellbores. The surface is federally owned, and the surface location is the one to which the Bureau of Land Management would agree. The unorthodox entry point at the top of the Glorieta-Yeso formation is due to the design of the horizontal wellbore.

The entire project area (the S½NW¼ of Section 8), in the Glorieta-Yeso formation, is covered by Federal Lease LC 070678(a), which has common interest ownership. Exhibit B. The affected

offset acreage (the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 8) is covered by Federal Lease NM 118703, in which the only two interest owners are the federal government and applicant. Exhibit C. 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,

A handwritten signature in black ink, appearing to read "James Bruce". The signature is fluid and cursive, with a large initial "J" and "B".

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

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5. Lease Serial No.
NM LC-070678-A

6. If Indian, Allottee or Tribe Name

1a. Type of work: ☒ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.
Condor 8 Federal 1 H

2. Name of Operator
Devon Energy Production Company, LP

9. API Well No.

3a. Address **20 North Broadway
Oklahoma City, Oklahoma City 73102-8260**

3b. Phone No. (include area code)
405-552-8198

10. Field and Pool, or Exploratory
Red Lake; Glorieta-Yeso, NE

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface **1770 FNL & 2525 FWL, Unit F**
At proposed prod. zone **2310 FNL & 330 FWL, Unit E**

11. Sec., T. R. M. or Blk. and Survey or Area
Sec 8, T18S R27E, Unit F; Unit E

14. Distance in miles and direction from nearest town or post office*
Approximately 8 miles southeast of Artesia, NM

12. County or Parish
Eddy County

13. State
NM

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)
246'

16. No. of acres in lease
120
320 acres

17. Spacing Unit dedicated to this well
80
320 acres

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.
101'

19. Proposed Depth
4816' MD 2800' TVD

20. BLM/BIA Bond No. on file
CO-1104

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3423' GL

22. Approximate date work will start*
09/30/2007

23. Estimated duration
30 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 
Title **Sr. Staff Eng. Tech**

Name (Printed/Typed)
Norvella Adams

Date
08/21/2007

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)

sent 1/2 BLM 7356-2355-2610

sent 1/2 BLM 7356-2355-3329

EXHIBIT

A

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

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name CONDOR "8" FEDERAL	Well Number 1H
OGRID No.	Operator Name DEVON ENERGY PRODUCTION COMPANY LP	Elevation 3423'

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	8	18 S	27 E		1770	NORTH	2525	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
E	8	18 S	27 E		2310	NORTH	330	WEST	EDDY
Dedicated Acres	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>SURFACE LOCATION Lat - N32°45'52.86" Long - W104°18'03.37" SPC - N.: 641922.932 E.: 551298.866 (NAD-83)</p> <p>BOTTOM HOLE LOCATION Lat - N32°45'47.5" Long - W104°18'29.1" SPC - N.: 641385.68 E.: 549103.33 (NAD-83)</p> <p>ENTRY POINT Lat - N32°45'52.5" Long - W104°18'04.8" SPC - N.: 641890.80 E.: 551169.98 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>SURVEYOR CERTIFICATION</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>JULY 13, 2007</p> <p>Date Surveyed _____ Signature _____ Professional _____</p> <p></p> <p>Certificate No. Gary L. Jones 7977</p> <p>Basin Surveys</p>
--	--

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

DISTRICT II
1801 W. Grand Avenue, Artesia, NM 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Red Lake; Glorieta-Yeso
Property Code	Property Name	Well Number
	CONDOR "8" FEDERAL	1H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY LP	3423'

Surface Location

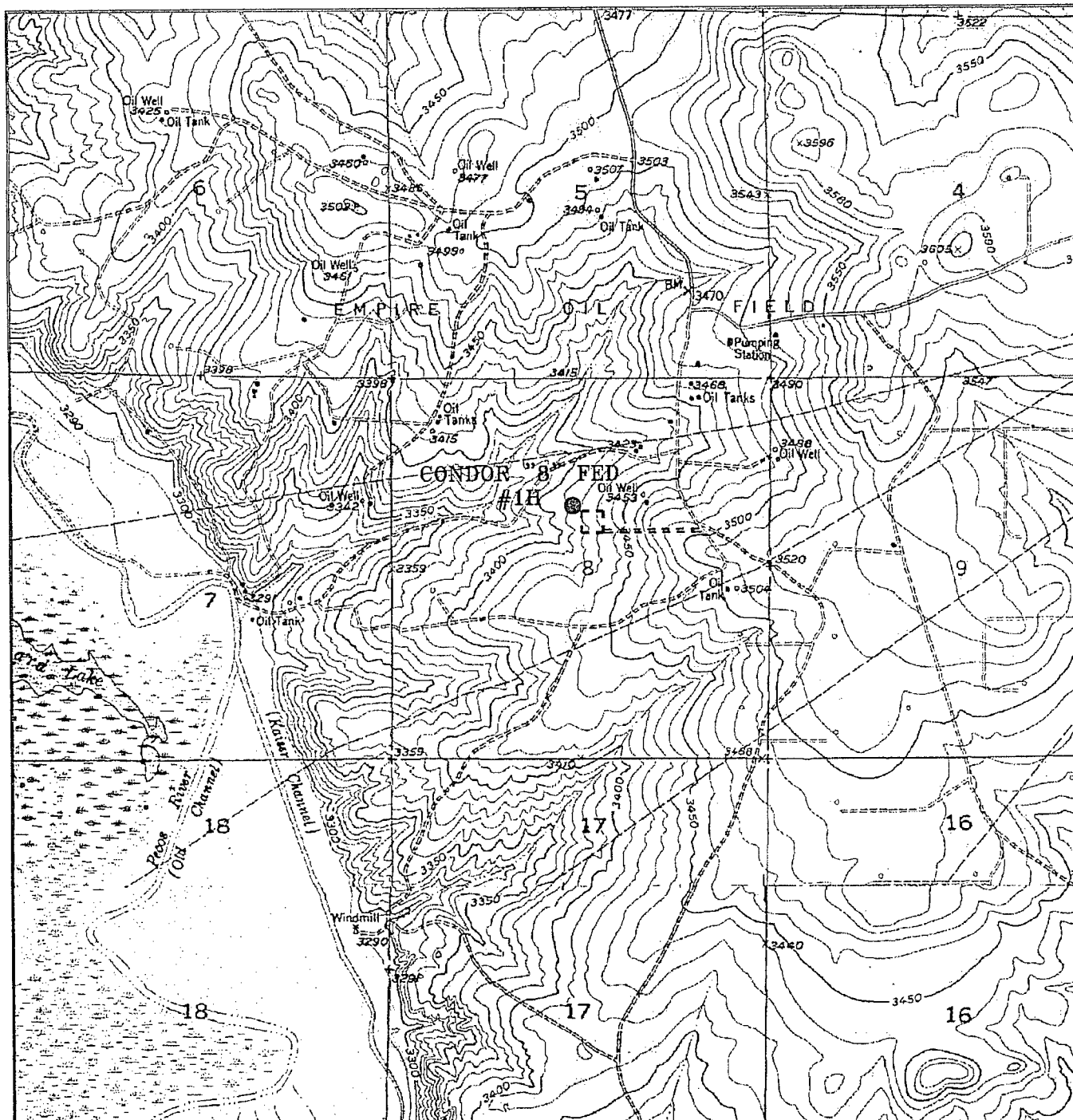
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	8	18 S	27 E		1770	NORTH	2525	WEST	EDDY

Bottom Hole Location If Different From Surface

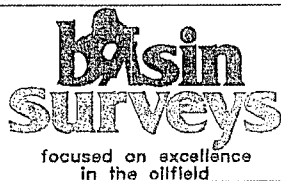
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	8	18 S	27 E		2310	NORTH	330	WEST	EDDY
Dedicated Acres		Joint or Infill		Consolidation Code		Order No.			
40									

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>SURFACE LOCATION Lat - N32°45'52.86" Long - W104°18'03.37" SPC - N.: 641922.932 E.: 551298.866 (NAD-83)</p> <p>BOTTOM HOLE LOCATION Lat - N32°45'47.5" Long - W104°18'29.1" SPC - N.: 641385.68 E.: 549103.33 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Norvella Adams</i> 8/21/07 Signature Date</p> <p>Norvella Adams Printed Name</p> <p>SURVEYOR CERTIFICATION</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>JULY 17, 2007 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature</p> <p>GARY L. JONES Professional Surveyor</p> <p>7977</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>
---	--



CONDOR "8" FEDERAL #1H
 Located at 1770' FNL AND 2525' FWL
 Section 8, Township 18 South, Range 27 East,
 N.M.P.M., Eddy County, New Mexico.



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

W.O. Number: JMS 18278T

Survey Date: 07-13-2007

Scale: 1" = 2000'

Date: 07-16-2007

DEVON ENERGY
 PROD. CO., L.P.

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 09/28/07 10:23 AM

Page 1 of 3

01 02-25-1920;041STAT0437;30USC226

**Total Acres
240.000**

**Serial Number
NMLC-- 0 070678A**

Case Type 310781: O&G RENEWAL LEASE - PD

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Serial Number: NMLC-- 0 070678A

Name & Address

Int Rel % Interest

BP AMERICA PRODUCTION CO	PO BOX 3092	HOUSTON TX 772533092	OPERATING RIGHTS	0.000000000
DEVON ENERGY PROD CO LP	20 N BROADWAY #1500	OKLAHOMA CITY OK 73102	OPERATING RIGHTS	0.000000000
OCCIDENTAL PERMIAN LP	5 E GREENWAY PLAZA #110	HOUSTON TX 770460521	LESSEE	100.000000000

Serial Number: NMLC-- 0 070678A

Mer Twp Rng Sec	STyp SNr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0180S 0270E 008	ALIQ	W2NW,SENW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	01 ALL FORMS EXCEPT THE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	02 STRATIGRAPHIC INTERVAL;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	03 BETWEEN THE TOP OF THE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	04 GRAYBURG FORMATION AND A;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	05 CORRELATIVE POINT IN THE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	06 SAN ANDRES FORMATION AS;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	07 DEFINED BY SEC 2F OF THE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	08 W RED LAKE UA;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	09 N2SW,SWSE,ALL FORMATIONS;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMLC-- 0 070678A

23 0180S 0270E 708	FF	01 W2NW,SENW,SEGR,LIMITED;	CARLSBAD FO	EDDY	BUREAU OF LAND
23 0180S 0270E 708	FF	02 TO THE STRATIGRAPHIC;	CARLSBAD FO	EDDY	BUREAU OF LAND
23 0180S 0270E 708	FF	03 INTERVAL BETWEEN THE TOP;	CARLSBAD FO	EDDY	BUREAU OF LAND
23 0180S 0270E 708	FF	04 OF THE GRAYBURG FORM AND;	CARLSBAD FO	EDDY	BUREAU OF LAND
23 0180S 0270E 708	FF	05 A CORRELATIVE POINT IN;	CARLSBAD FO	EDDY	BUREAU OF LAND
23 0180S 0270E 708	FF	06 THE SAN ANDRES FORMATION;	CARLSBAD FO	EDDY	BUREAU OF LAND
23 0180S 0270E 708	FF	07 AS DEFINED BY SECTION;	CARLSBAD FO	EDDY	BUREAU OF LAND
23 0180S 0270E 708	FF	08 2(F) OF THE WEST RED;	CARLSBAD FO	EDDY	BUREAU OF LAND
23 0180S 0270E 708	FF	09 LAKE UNIT AGREEMENT;	CARLSBAD FO	EDDY	BUREAU OF LAND
23 0180S 0270E 718	FF	SESE,SEGR,ALL FORMATIONS;	CARLSBAD FO	EDDY	BUREAU OF LAND

Serial Number: NMLC-- 0 070678A

Act Date	Code	Action	Action Remarks	Pending Office
01/01/1940	387	CASE ESTABLISHED		
01/01/1940	496	FUND CODE	05;145003	
01/01/1940	553	CASE CREATED BY ASGN	OUT OF NMLC026855-A;	
01/01/1940	868	EFFECTIVE DATE		
04/18/1949	553	CASE CREATED BY ASGN	OUT OF NMLC026855A;	
12/29/1955	232	LEASE COMMITTED TO UNIT	;CHALK BLUFF DRAW	
12/29/1955	501	REFERENCE NUMBER	UA-14080012447;	
11/20/1956	102	NOTICE SENT-PROD STATUS		
01/01/1960	237	LEASE ISSUED		
01/01/1960	242	LEASE RENEWED	THRU 12/31/59;	
01/01/1960	549	RLTY RATE 12.5-25% SCH C	/A/	
01/01/1960	868	EFFECTIVE DATE	LAST RENEWAL;	
08/10/1966	940	NAME CHANGE RECOGNIZED	ATL RFG/ATL RICHFIELD	

EXHIBIT **B**

**NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM**

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 09/28/07 10:23 AM

Page 2 of 3

01 02-25-1920;041STAT0437;30USC226

Case Type 310781: O&G RENEWAL LEASE - PD

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

**Total Acres
240.000**

**Serial Number
NMLC-- 0 070678A**

08/01/1968	700	LEASE SEGREGATED	INTO NMNM7716;
01/12/1970	039	POST AUTH APLN DENIED	RENEWAL LSE APLN
01/03/1971	648	EXT BY PROD ON ASSOC LSE	NMNM7716
03/19/1971	940	NAME CHANGE RECOGNIZED	PAN AMER PETRO/AMOCO
09/30/1973	700	LEASE SEGREGATED	INTO NMNM29273;
02/15/1974	246	LEASE COMMITTED TO CA	SW 959
05/24/1980	235	EXTENDED	THRU 05/24/82;
05/24/1980	336	UNIT AGRMT TERMINATED	;CHALK BLUFF DRAW
02/28/1985	522	CA TERMINATED	SW 959
09/13/1985	817	MERGER RECOGNIZED	ATL RICHFIELD PA/DE
10/24/1985	963	CASE MICROFILMED	CNUM 501,425 AC
03/10/1987	932	TRF OPER RGTS FILED	(1)
03/10/1987	932	TRF OPER RGTS FILED	(2)
06/10/1987	103	ADDTL INFO RECD	MORTGAGE
06/10/1987	817	MERGER RECOGNIZED	HONDO OG/ATL RICHFLD
07/02/1987	933	TRF OPER RGTS APPROVED	(1)EFF 04/01/87;
07/02/1987	933	TRF OPER RGTS APPROVED	(2)EFF 04/01/87;
07/02/1987	974	AUTOMATED RECORD VERIF	MLM/SG
10/11/1990	974	AUTOMATED RECORD VERIF	GG
07/07/1992	974	AUTOMATED RECORD VERIF	LO/MV
08/14/1992	932	TRF OPER RGTS FILED	HONDO O&G/DEVON ENE
10/30/1992	933	TRF OPER RGTS APPROVED	EFF 09/01/92;
10/30/1992	974	AUTOMATED RECORD VERIF	TF/JS
06/30/1993	932	TRF OPER RGTS FILED	DEVON ENE/DEVON CORP
09/17/1993	933	TRF OPER RGTS APPROVED	EFF 07/01/93;
09/17/1993	974	AUTOMATED RECORD VERIF	BTM/KRP
05/22/1996	575	APD FILED	
05/23/1996	575	APD FILED	
06/06/1996	575	APD FILED	
06/07/1996	575	APD FILED	
06/19/1996	575	APD FILED	
06/21/1996	575	APD FILED	
06/25/1996	576	APD APPROVED	3-HAWK 8K FED
06/26/1996	576	APD APPROVED	5-HAWK 8L FED
07/11/1996	576	APD APPROVED	4-HAWK 8K FED
07/17/1996	576	APD APPROVED	10-HAWK 8O FED
07/25/1996	576	APD APPROVED	6-HAWK 8L FED
07/29/1996	576	APD APPROVED	9-HAWK 8O FED
04/02/1997	140	ASGN FILED	AMOCO/ALTURA ENERGY
04/25/1997	139	ASGN APPROVED	EFF 05/01/97;
04/25/1997	974	AUTOMATED RECORD VERIF	JLV
06/12/2000	940	NAME CHANGE RECOGNIZED	ALTURA/OCCIDENTALPER
11/22/2000	817	MERGER RECOGNIZED	DEVONENE/DEVONENEPD
11/22/2000	974	AUTOMATED RECORD VERIF	AT
12/11/2001	932	TRF OPER RGTS FILED	ATLANTIC RICHFIELD;1
04/02/2002	933	TRF OPER RGTS APPROVED	EFF 01/01/02;

**NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM**

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 09/28/07 10:23 AM

Page 3 of 3

01 02-25-1920;041STAT0437;30USC226

Case Type 310781: O&G RENEWAL LEASE - PD

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Total Acres
240.000

Serial Number
NMLC-- 0 070678A

04/02/2002 974 AUTOMATED RECORD VERIF MV
06/21/2002 940 NAME CHANGE RECOGNIZED AMOCO/BP AMERICA PROD

Line Nr Remarks Serial Number: NMLC-- 0 070678A

0002 SECTION 2(F) UNITIZED FORMATION IS DEFINED AS THAT
0003 PORTION OF THE GRAYBURG AND SAN ANDRES FORMATIONS
0004 UNDERLYING THE UNIT AREA WHICH INCLUDES THE
0005 CONTINUOUS STRATIGRAPHIC INTERVAL OCCURRING
0006 BETWEEN A POINT FROM THE TOP OF THE GRAYBURG FORM
0007 AND A CORRELATIVE POINT IN THE SAN ANDRES FORM,
0008 SAID INTERVAL HAVING BEEN PENETRATED BETWEEN 1240
0009 FT (THE TOP OF THE GRAYBURG FORM) AND 2240 FT
0010 BENEATH THE DERRICK FLOOR IN THE HONDO O&G COMPANY
0011 FEDERAL 'EG' NO 1 WELL (DRILLED AS THE HUMBLE OIL
0012 AND REFINING COMPANY'S ABO CHALK BLUFF DRAW UNIT
0013 NO 21 WELL) LOCATED L650 FT FROM THE S LINE AND
0014 2310 FT FROM THE WEST LINE OF SEC 4, T 18S, R 27E
0015 EDDY COUNTY, NEW MEXICO, AS SHOWN BY THE RADIO-
0016 ACTIVITY LOG DATED FEBRUARY 7, 1961
0017 -
0018 THIS LEASE NOT COMMITTED TO THE WEST RED LAKE UA.
0019 HORIZONTAL SEGREGATION OF UNITIZED FORMATIONS INTO
0020 NM NM-7716 EFFECTIVE 8/1/68. THIS LEASE HELD BY
0021 ASSOCIATION.
0022 -
0023 /A/AC 535 RLTY RATE 5% EFF 1/1/1940 THRU 12/31/1959
0024 AC 549 RLTY RATE 12.5-25% SCH C EFF 1/1/1960 THRU
0025 THE PRESENT.
0026 -

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 09/28/07 10:05 AM

Page 1 of 1

01 12-22-1987;101STAT1330;30USC181 ET SE
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
120.000

Serial Number
NMNM-- - 118703

Serial Number: NMNM-- - 118703

Name & Address

Int Rel % Interest

DEVON ENERGY PROD CO LP	20 N BROADWAY #1500	OKLAHOMA CITY OK 73102	LESSEE	100.000000000
-------------------------	---------------------	------------------------	--------	---------------

Serial Number: NMNM-- - 118703

Mer Twp Rng Sec	STyp SNr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0180S 0270E 007	ALIQ	E2NE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	ALIQ	SWNE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	01 SECS 7 AND 8:	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	02 ALL FORMATIONS EXCEPT THE	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	03 BETWEEN THE TOP OF THE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	03 SRATIGRAPHIC INTERVAL;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	05 GRAYBURG FORMATION AND A;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	06 CORRELATIVE POINT IN THE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	07 SAN ANDRES FORMATION AS;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	08 DEFINED BY SEC.2(F) OF;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0180S 0270E 008	FF	09 THE W RED LAKE UA;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 118703
Pending Office

Act Date	Code	Action	Action Remarks
05/25/2007	387	CASE ESTABLISHED	200707042;
07/18/2007	191	SALE HELD	
07/18/2007	267	BID RECEIVED	\$288000.00;
08/14/2007	237	LEASE ISSUED	
08/14/2007	974	AUTOMATED RECORD VERIF	LBO
09/01/2007	496	FUND CODE	05;145003
09/01/2007	530	RLTY RATE - 12 1/2%	
09/01/2007	868	EFFECTIVE DATE	
08/31/2017	763	EXPIRES	

Serial Number: NMNM-- - 118703

Line Nr	Remarks
02	STIPULATIONS ATTACHED TO LEASE:
03	NM-11-LN SPECIAL CULTURAL RESOURCE
04	SENM-LN-1 CAVE - KARST OCCURRENCE AREA
05	SENM-S-17 SLOPES OR FRAGILE SOILS
06	SENM-S-20 SPRINGS, SEEPS AND TANKS
07	SENM-S-21 CAVES AND KARST

EXHIBIT



NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM