

DEVON
ENERGY
OPERATING
CORPORATION

OIL CONSERVATION DIVISION
RECEIVED
405/235-3611
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102
Fax 405/552-4550
Fax 405/552-4552

January 26, 1995

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail
P.O. Box 2088
Santa Fe, New Mexico 87504 - 2088

Attention: Mike Stogner

Re: Non - Standard Location Approval

Dear Sir:

It is requested that administrative approval be granted under Rule 104F. (1) for unorthodox locations for the infill producing wells located within the Keel West Waterflood Project, at the following locations:

WELL	LOCATION
WEST "B" #79	2630' FNL & 2457' FWL, Sec. 9-17S-31E
WEST "B" #77	111' FSL & 1210' FWL, Sec. 4-17S-31E
WEST "A" #33	1299' FSL & 2675' FWL, Sec. 4-17S-31E
WEST "A" 32	2622' FNL & 1330' FEL, Sec. 3-17S-31E
WEST "A" #27	1359' FNL & 50' FWL, Sec. 3-17S-31E
KEEL "B" FED. #67	1290' FNL & 2580' FEL, Sec. 5-17S-31E
(WEST "A" #31	1419' FNL & 1247' FEL, Sec 3-17S-31E)
WEST "B" #81	1261' FSL & 2508' FEL, Sec. 9-17S-31E)

Attached is a plat of the Keel - West Waterflood Project showing the project boundaries that are adjacent to the subject wells. Forms 3160 - 3 and C - 102 are attached for each of the eight wells listed above. The Keel - West Waterflood project is located on federal property and each proposed well is to be part of this active waterflood project.

The above locations do not conform to Rule 104. C. I. because they are located closer than 330' to the governmental quarter - quarter section boundaries. They will be drilled to a depth sufficient to produce the Grayburg - San Andres formation (approximately 4000'). The wells will be drilled at the unorthodox locations in order to prevent waste by developing an efficient production and injection pattern within the Keel - West Waterflood Project, which was approved under Order R - 2268. When fully developed these wells will combine with the existing wells (some of which will eventually be converted to injection) to establish a 40 acre 5 spot waterflood pattern.

Operators that have production in offsetting 40 acre tracts will be notified by certified mail. A copy of this notification to each operator will be sent to you along with the certified mail number. The only wells where notification to offset operators is required are:

(WEST "A" #31
WEST "B" #81)

Each of the locations listed above are offset on three sides of the 40 acre tract by Devon Energy Operating Corporation (DEOC) with the remaining side being offset by a different operator. Although each of the above locations are considered unorthodox in each case the above locations were moved closer to the offsetting tracts that are operated by DEOC.

The remaining 6 wells listed are offset by wells that are already operated by Devon Energy Operating Corporation; therefore, no other notification is necessary.

Should you require any additional information regarding any of these unorthodox locations please notify me at 405-552-4527.

Sincerely,



Karen Rosa
Engineering Technician

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL DEEPEN

b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2630' FNL & 2457' FWL UNORTHODOX LOCATION: Subject to Lits Approval By State
At top proposed prod. zone (SAME)

5. LEASE DESIGNATION AND SERIAL NO.
LC 029426-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNITY AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
WEST "B" #79

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 9-T17 S - R31 E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH
EDDY

13. STATE
NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
2457'
(Also to nearest dir. unit line if any)

16. NO. OF ACRES IN LEASE
1919.88

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
800'

19. PROPOSED DEPTH
4400

20. ROTARY OR CABLE TOOLS*
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3878' GR

22. APPROX. DATE WORK WILL START*
January 1, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM

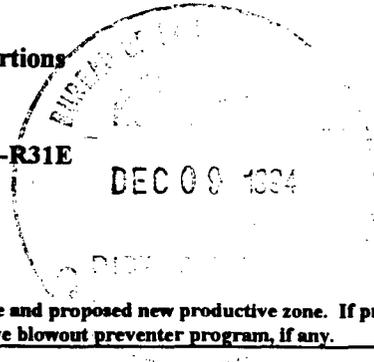
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	600'	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4400'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4400' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029426-B
Legal Description: Section 9-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: CO1151



24. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON DISTRICT ENGINEER

DATE 12/16/94

*(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

APPROVED BY Ronald L. Mann

TITLE _____

DATE 1/19/95

See Instructions On Reverse Side

ACT I
 Box 1980
 805, NM 88241-1980

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

DISTRICT II
 P. O. Drawer DD
 Artesia, NM 88211-0719

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

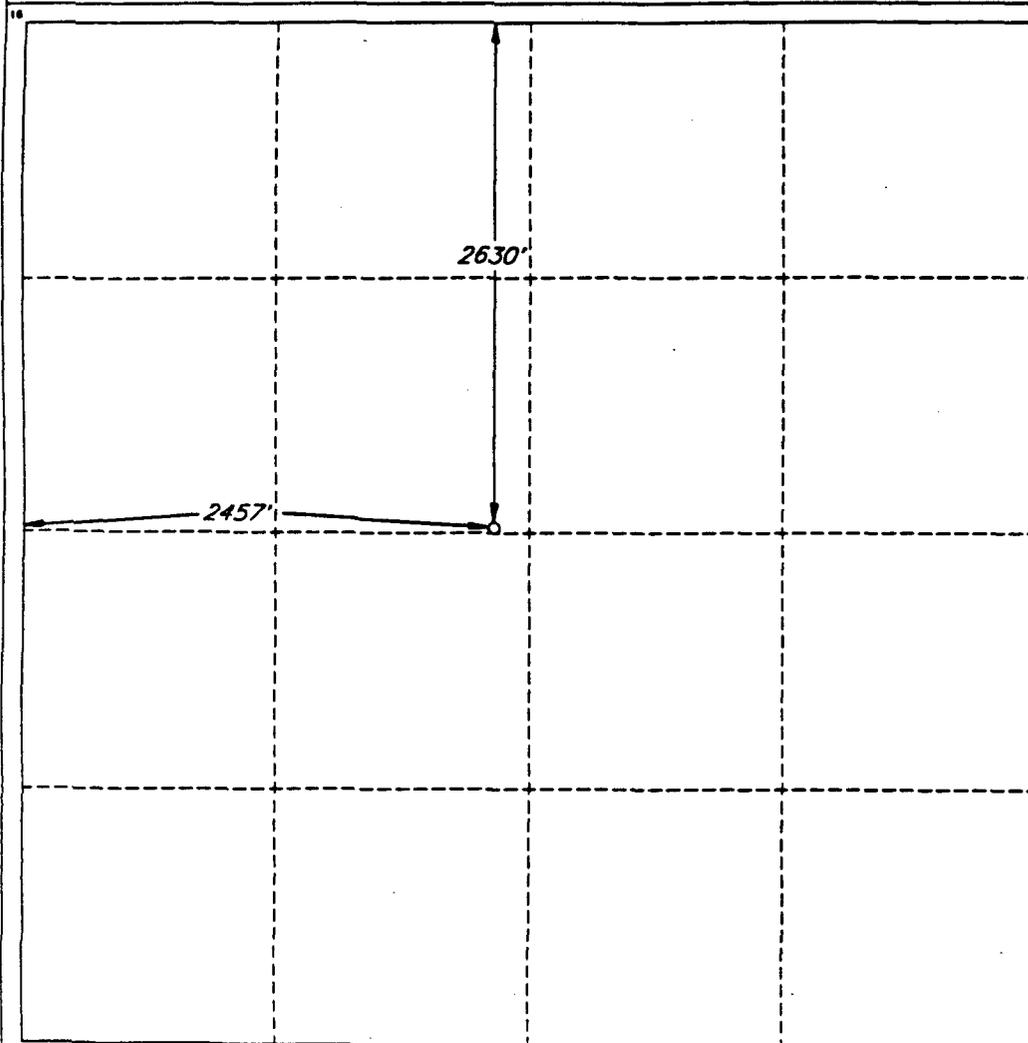
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code F		5 Property Name WEST 'B' FEDERAL						6 Well Number 79	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3878'	
10 SURFACE LOCATION									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	9	17 SOUTH	31 EAST, N.M.P.M.		2630'	NORTH	2457'	WEST	EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature
Randy Jackson
 Printed Name
 Randy Jackson
 Title
 District Engineer
 Date
 12/6/94

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.

Date of Survey
 NOVEMBER 2, 1994

Signature and Seal for Professional Surveyor

 V. LYNN BEZNER
 NO. 7920
 Certifying No.
 V. L. BEZNER R.P.S. #7920

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPPLICATE
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a TYPE OF WORK: DRILL DEEPEN

b TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2 NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 111' FSL & 1210' FWL UNORTHODOX LOCATION: Subject to Like Approval By State
At top proposed prod. zone (SAME)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
1210'
(Also to nearest dtdg. unit line if any)

16. NO. OF ACRES IN LEASE
1919.88

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

19. PROPOSED DEPTH
4400'

20. ROTARY OR CABLE TOOLS*
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3889' GR

22. APPROX. DATE WORK WILL START*
January 1, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM

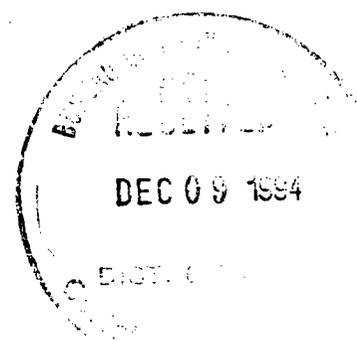
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	600' CIRCULATE	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4400'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4400' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029426-B
Legal Description: Section 4-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: CO1151



Approval Subject to General Requirements and Special Stipulations Attached

24. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON
DISTRICT ENGINEER

DATE 12/16/94

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

APPROVED BY Randy E. Mann TITLE AREA ENGINEER DATE 1/19/95

See Instructions On Reverse Side

CT I
 Box 1980
 Arts, NM 88241-1980

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-1G-94
 Instructions on back

DISTRICT II
 P. O. Drawer DD
 Artesia, NM 88211-0719

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

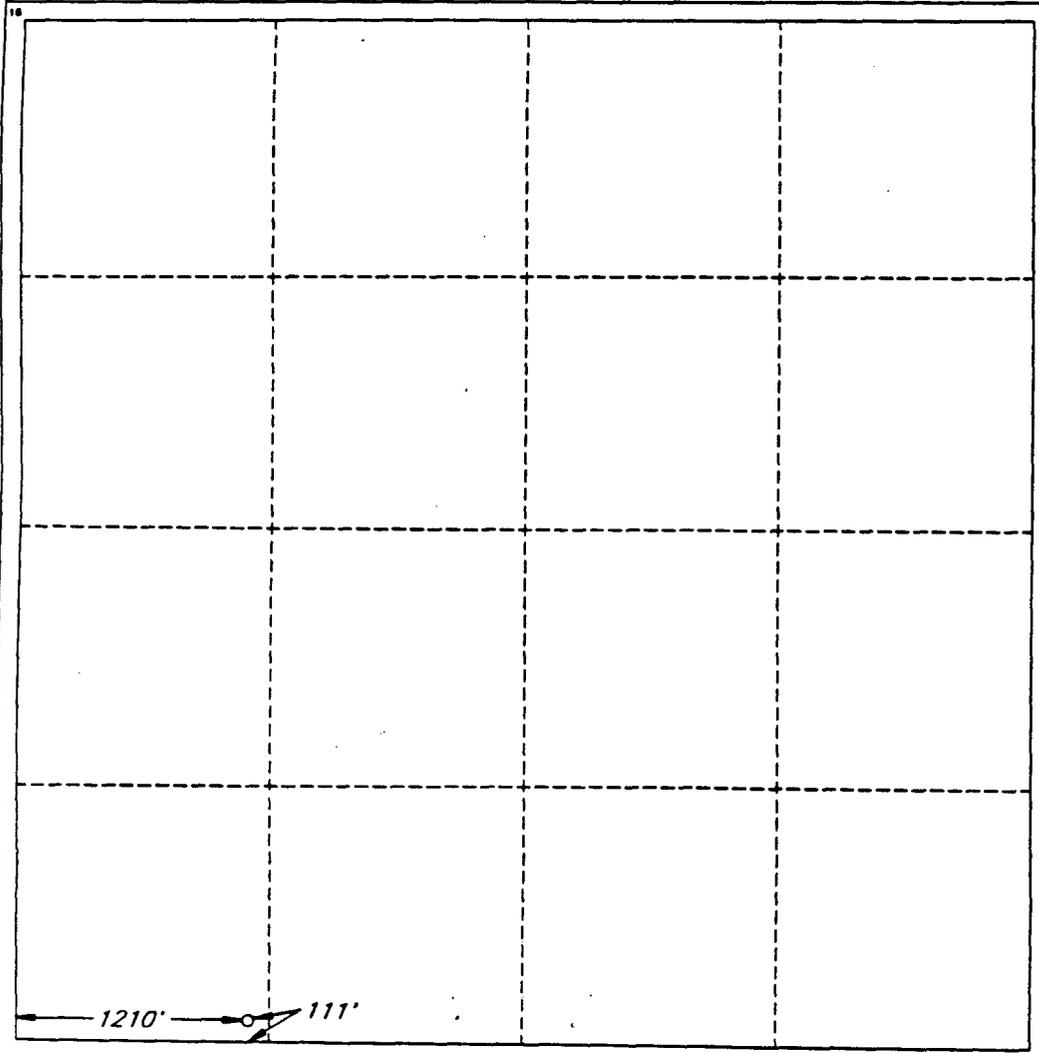
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code M		5 Property Name WEST 'B' FEDERAL						6 Well Number 77	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3889'	
10 SURFACE LOCATION									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	4	17 SOUTH	31 EAST, N.M.P.M.		111'	SOUTH	1210'	WEST	EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature: *Randy Jackson*
 Printed Name: Randy Jackson
 Title: District Engineer
 Date: 12/6/94

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.

Date of Survey: NOVEMBER 3, 1994

Signature and Seal of Professional Surveyor: *Lynn Bezner*

STATE OF NEW MEXICO
 LYNN BEZNER
 NO. 7920

Certified by: V. L. BEZNER AND R.P.S. #7920

JOB #35908-13-98 SW / V.H.B.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATIONS WORK
SUBMIT IN TRIPPLICATE*
(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a TYPE OF WORK: DRILL DEEPEN

b TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2 NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1299' FSL & 2675' FWL UNORTHODOX LOCATION: Subject to Like Approval By State
At top proposed prod. zone (SAME)

5. LEASE DESIGNATION AND SERIAL NO.
LC 029426-A
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA
7. UNIT AGREEMENT NAME
NA
8. FARM OR LEASE NAME, WELL NO.
WEST "A" #33
9. API WELL NO.
10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 4-T17 S - R31 E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH
EDDY
13. STATE
NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 35'
(Also to nearest dde. unit line if any)
16. NO. OF ACRES IN LEASE 639.56
17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 800'
19. PROPOSED DEPTH 4400
20. ROTARY OR CABLE TOOLS* Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3917' GR
22. APPROX. DATE WORK WILL START*
January 1, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM

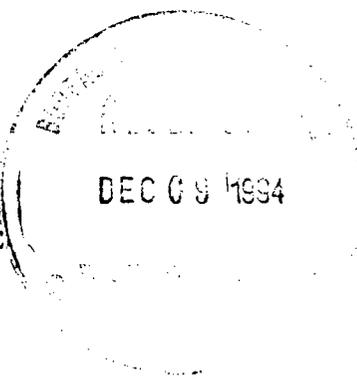
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	600' CIRCULATE	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4400'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4400' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029426-A
Legal Description: Section 4-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: CO1151



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE 12/6/94
RANDY JACKSON
DISTRICT ENGINEER
DATE 12/6/94

*(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

APPROVED BY Richard L. Mann TITLE AREA MANAGER DATE 1/20/95

See Instructions On Reverse Side

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

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

AMENDED REPORT

DISTRICT I
Box 1980
NM 88241-1980

DISTRICT II
O. Drawer DD
Artesia, NM 88211-0719

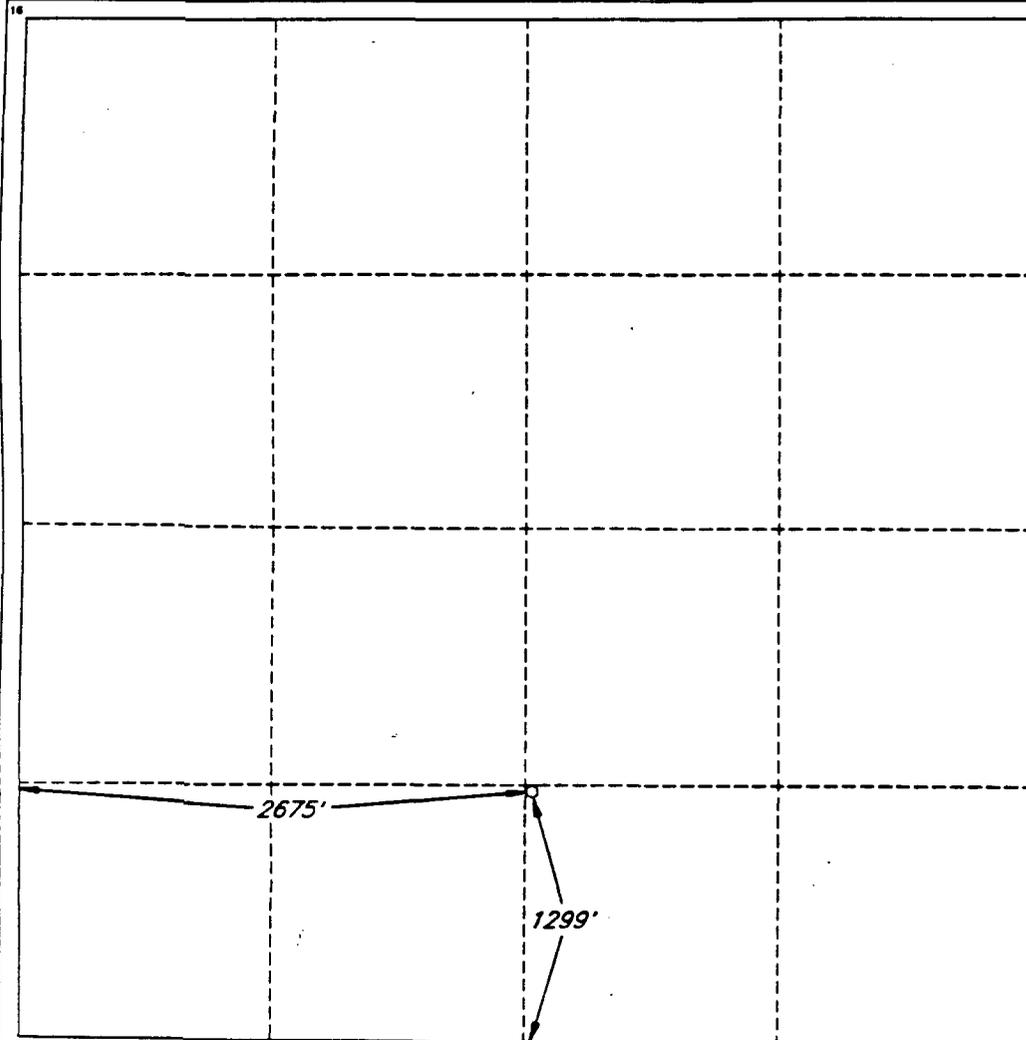
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code 0		5 Property Name WEST 'A' FEDERAL						6 Well Number 33	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3917'	
10 SURFACE LOCATION									
UL or lot no.	Section 4	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1299'	North/South line SOUTH	Feet from the 2675'	East/West line WEST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature
Randy Jackson

Printed Name
Randy Jackson

Title
District Engineer

Date
12/6/94

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.

Date of Survey
NOVEMBER 1, 1994

Signature and Seal of Professional Surveyor
Lynn Bezner

STATE OF NEW MEXICO
LYNN BEZNER
NO. 7920

Signature
V. L. BEZNER R.P.S. #7920

1-3
per 1990)

UNITED STATES OPERATORS COPY
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a TYPE OF WORK: DRILL DEEPEN

b TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2 NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2622' FNL & 1330' FEL UNORTHODOX
At top proposed prod. zone (SAME) LOCATION: Subject to Like Approval By State

5. LEASE DESIGNATION AND SERIAL NO.
LC 029426-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
WEST "A" #32

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 3-T17 S- R31 E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH
EDDY

13. STATE
NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
18'

16. NO. OF ACRES IN LEASE
639.56

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
900'

19. PROPOSED DEPTH
4400

20. ROTARY OR CABLE TOOLS*
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3964' GR

22. APPROX. DATE WORK WILL START*
January 1, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	600' CIRCULATE	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4400'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4400' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029426-A
Legal Description: Section 3-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: CO1151



Approval Subject to General Requirements and Special Stipulations

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Randy Jackson

TITLE DISTRICT ENGINEER

DATE 12/6/94

*(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

APPROVED BY Richard H. Mannus

TITLE DISTRICT ENGINEER

DATE 1/20/95

See Instructions On Reverse Side

T I
 Box 1980
 s. NM 88241-1980

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

DISTRICT II
 O. Drawer DD
 Artesia, NM 88211-0719

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

AMENDED REPORT

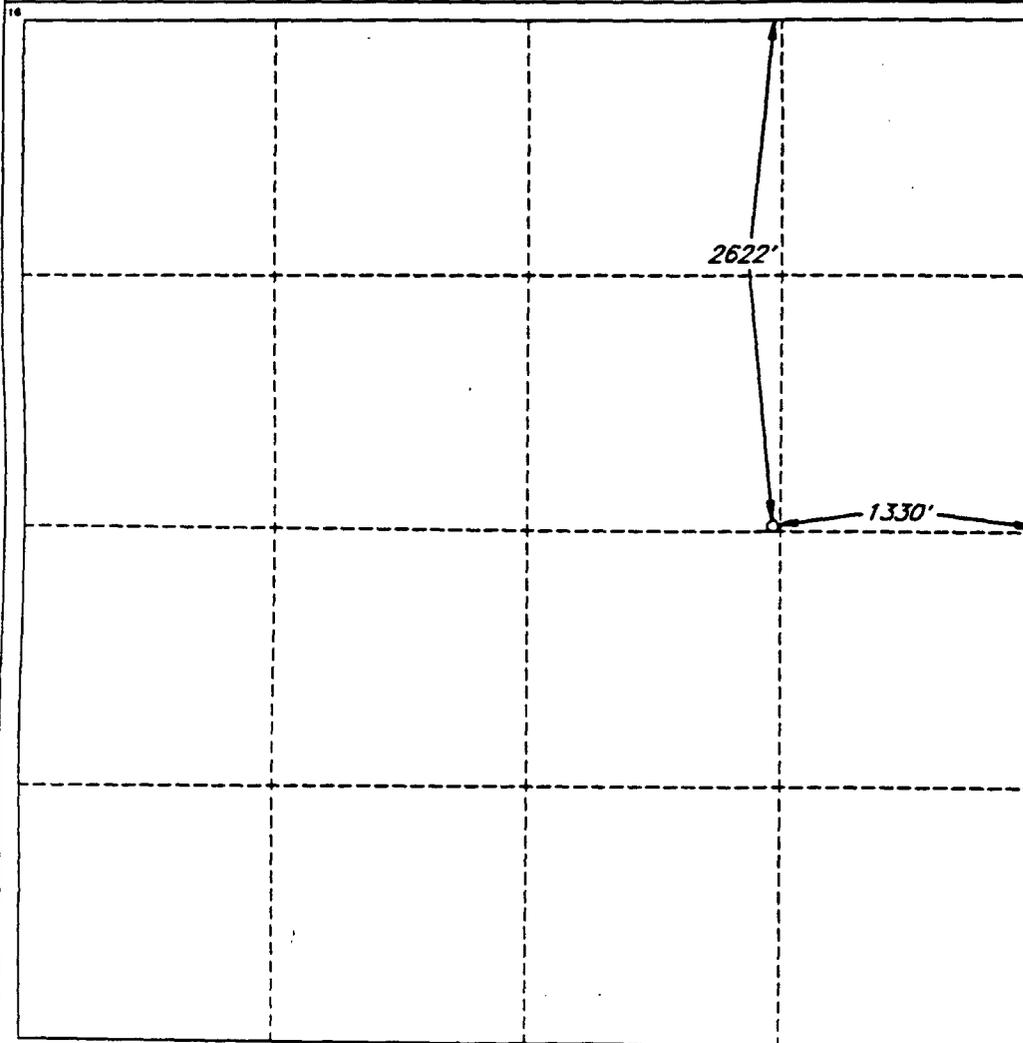
DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code G		5 Property Name WEST 'A' FEDERAL						6 Well Number 32	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3984'	
* SURFACE LOCATION									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	3	17 SOUTH	31 EAST, N.M.P.M.		2822'	NORTH	1330'	EAST	EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

Randy Jackson

Title

District Engineer

Date

12/6/94

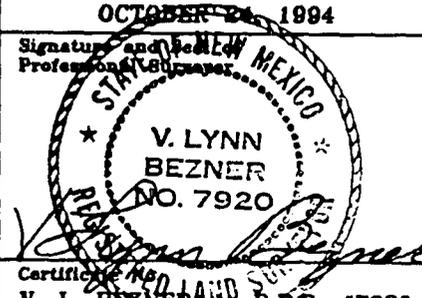
SURVEYOR CERTIFICATION

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.

Date of Survey

OCTOBER 24, 1994

Signature and Seal of Professional Geographer



Certificate No.

V. L. BEZNER, P.S. #7920

JOB #35908-7 / 98 SE / V.H.B.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPEN SUBJECT IN TRIPPLICATE*

(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL DEEPEN

b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1359' FNL & 50' FWL UNORTHODOX Subject to
At top proposed prod. zone (SAME) LOCATION: Like Approval
By State

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1281
(Also to nearest drive unit line if any)

16. NO. OF ACRES IN LEASE 639.56

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 900'

19. PROPOSED DEPTH 4400

20. ROTARY OR CABLE TOOLS* Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3962 GR
No Water Basin

22. APPROX. DATE WORK WILL START*
January 1, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	600'	165 sk lite cnt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4400'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4400' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
 - H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029426-A
Legal Description: Section 3-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: CO1151



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON DISTRICT ENGINEER

DATE 12/16/94

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

APPROVED BY Richard E. Manns

TITLE AREA MANAGER

DATE 1/20/95

See Instructions On Reverse Side

DISTRICT I
 Box 1980
 Artsia, NM 88241-1980

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form O-102
 Revised 02-10-94
 Instructions on back

DISTRICT II
 P. O. Drawer DD
 Artesia, NM 88211-0719

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

AMENDED REPORT

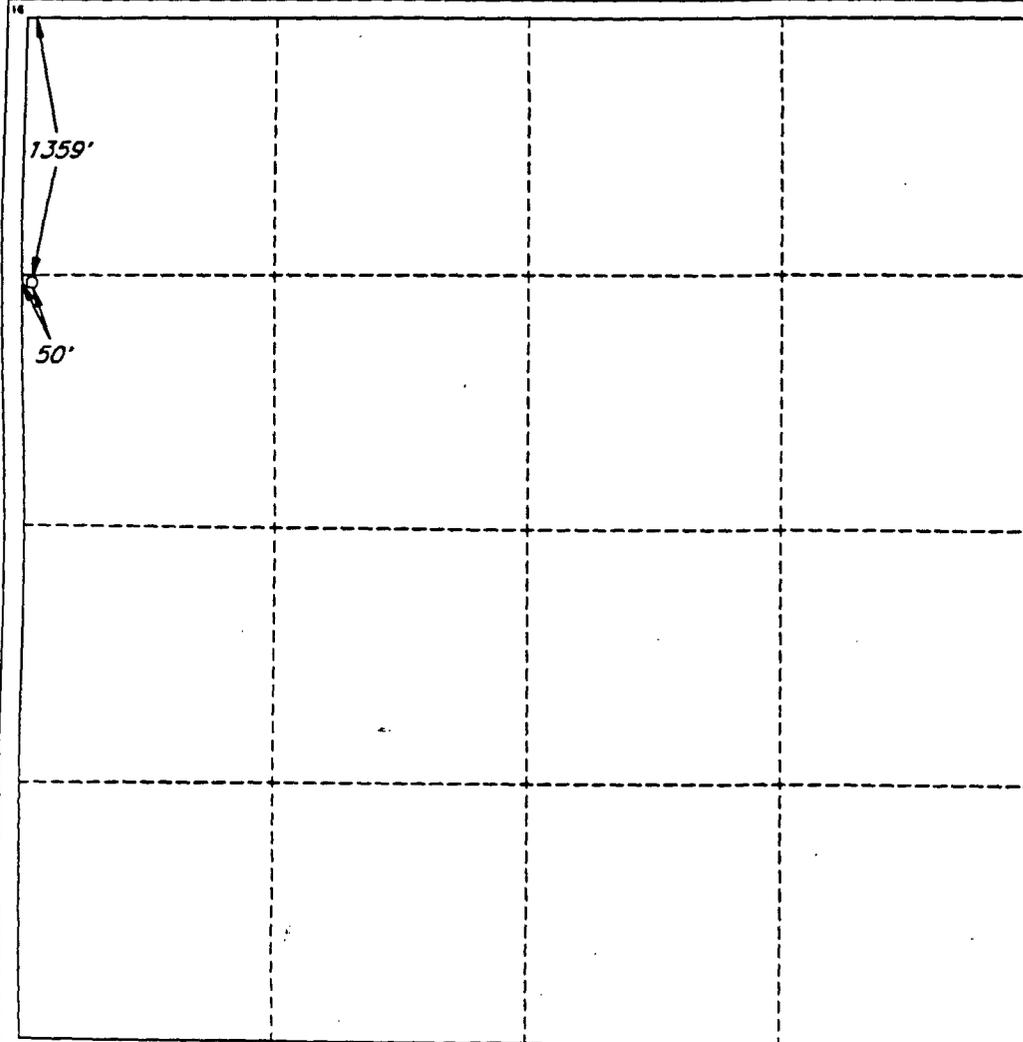
DISTRICT III
 1000 Rio Brozos Rd.
 Aztec, NM 87410

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code E		5 Property Name WEST 'A' FEDERAL						6 Well Number 27	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3962'	
10 SURFACE LOCATION									
UL or lot no.	Section 3	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1359'	North/South line NORTH	Feet from the 50'	East/West line WEST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature

Printed Name

Randy Jackson

Title

District Engineer

Date

12/1/94

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.

Date of Survey

OCTOBER 24, 1994

Signature and Seal of Professional Surveyor

V. LYNN
 BEZNER
 NO. 7920

Certified by V. L. BEZNER R.P.S. #7920

JOB #35908-2 / 98 SE / V.H.B.

1163 (April 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL [X] DEEPEN []
1b. TYPE OF WELL: OIL WELL [X] GAS WELL [] OTHER [] SINGLE EDGE [] MULTIPLE EDGE []

2. NAME OF OPERATOR: DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE: 20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

4. LOCATION OF WELL: 1290' FNL & 2580' FEL At proposed prod. zone 2810' SAME. NON-STANDARD LOCATION. SUBJECT TO LIKE APPROVAL BY STATE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 4 Miles East and 4 miles North of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.: 1290'

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 900'

21. ELEVATION (Show whether D.F., H.C., G.S., etc.): 3865' GR

5. LEASE DESIGNATION AND SERIAL NO.: LC-029435-8

6. IF INDIAN, ALLOTTED OR TRUST LAND: NA

7. UNIT AGREEMENT NAME: NA

8. NAME OF LEASE HOLE WELL NO.: Keel "B" Federal #67

9. APPROVED: []

10. FIELD AND POOL OR WILDCAT: GRAYBURG-JACKSON

11. SEC., T., R. N., OR B.L. AND SURVEY OR AREA: Sec. 6-T17S-R31E

12. COUNTY OR PARISH: EDDY COUNTY 13. STATE: NM

16. NO. OF ACRES IN LEASE: 1885.0

17. NO. OF ACRES ADJACENT TO THIS WELL: 40

18. PROPOSED DEPTH: 4000' 20. REPORT ON CABLE TOOLS: ROTARY 22. APPROX. DATE WORK WILL START: November 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: SIZE OF HOLE, CASING SIZES, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Includes rows for 12 1/4" and 7 7/8" casing sizes.

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design
H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6 T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zones. If proposal is to drill or deepen directionally, give present data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: Randy Jackson TITLE: DISTRICT ENGINEER DATE: September 22, 1994

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

CONDITIONS OF APPROVAL IF ANY: APPROVED BY: [Signature] TITLE: DATE: 11/18/95

*See Instructions On Reverse Side

State of New Mexico, Energy, Minerals, and Natural Resources Department

Form G-102 Revised 02-10-94 Instructions on back

Submit to the Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

Box 1980 Artsic, NM 88241-1980

DISTRICT II P. O. Drawer DD Artsic, NM 88211-0719

DISTRICT III 1000 Rio Brazos Rd. Aztec, NM 87410

DISTRICT IV P. O. Box 2088 Santa Fe, NM 87507-2088

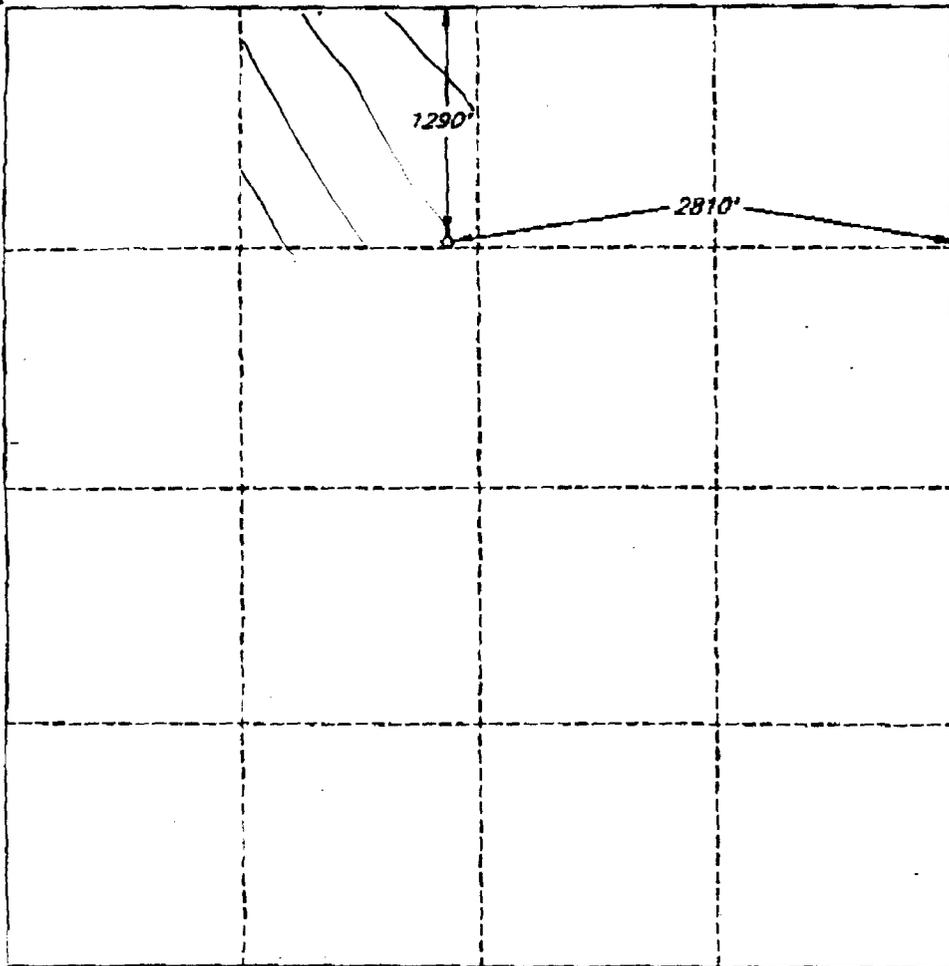
OIL CONSERVATION DIVISION P. O. Box 2088 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form fields: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, Operator Name, Elevation, SURFACE LOCATION table, BOTTOM HOLE LOCATION table, Dedicated Acres, Joint or Infill, Consolidation Code, Order No.

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION, SURVEYOR CERTIFICATION, Date of Survey, Signature and Title, Professional Seal, V. LYNN BEZNER NO. 7920, JOB #34980-8 / 98 SW / V.H.B.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ORIGINAL COPY
SUBMIT IN TRIPLICATE*

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL DEEPEN

1b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1419' FNL & 1247' FEL
At top proposed prod. zone (SAME)
UNORTHODOX LOCATION: Subject to Like Approval By State

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1247
(Also to nearest drive unit line if any)

16. NO. OF ACRES IN LEASE 639.56
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 900'

19. PROPOSED DEPTH 4400'
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3976 GR

5. LEASE DESIGNATION AND SERIAL NO.
LC 029426-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
WEST "A" #31

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 3-T17S-R31E

12. COUNTY OR PARISH
EDDY

13. STATE
NM

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

20. ROTARY OR CABLE TOOLS*
Rotary
22. APPROX. DATE WORK WILL START*
January 1, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	600' CIRCULATE	165 sk lite cement + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4400'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4400' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029426-A
Legal Description: Section 3-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: CO1151

Approved Subject to General Requirements and Special Stipulations Attached



24. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE DISTRICT ENGINEER

DATE 12/16/94

*(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

APPROVED BY Richard H. Mann TITLE AREA MANAGER DATE 1/20/95

See Instructions On Reverse Side

1980
NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
O. Drower DD
Artesia, NM 88211-0719

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

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

AMENDED REPORT

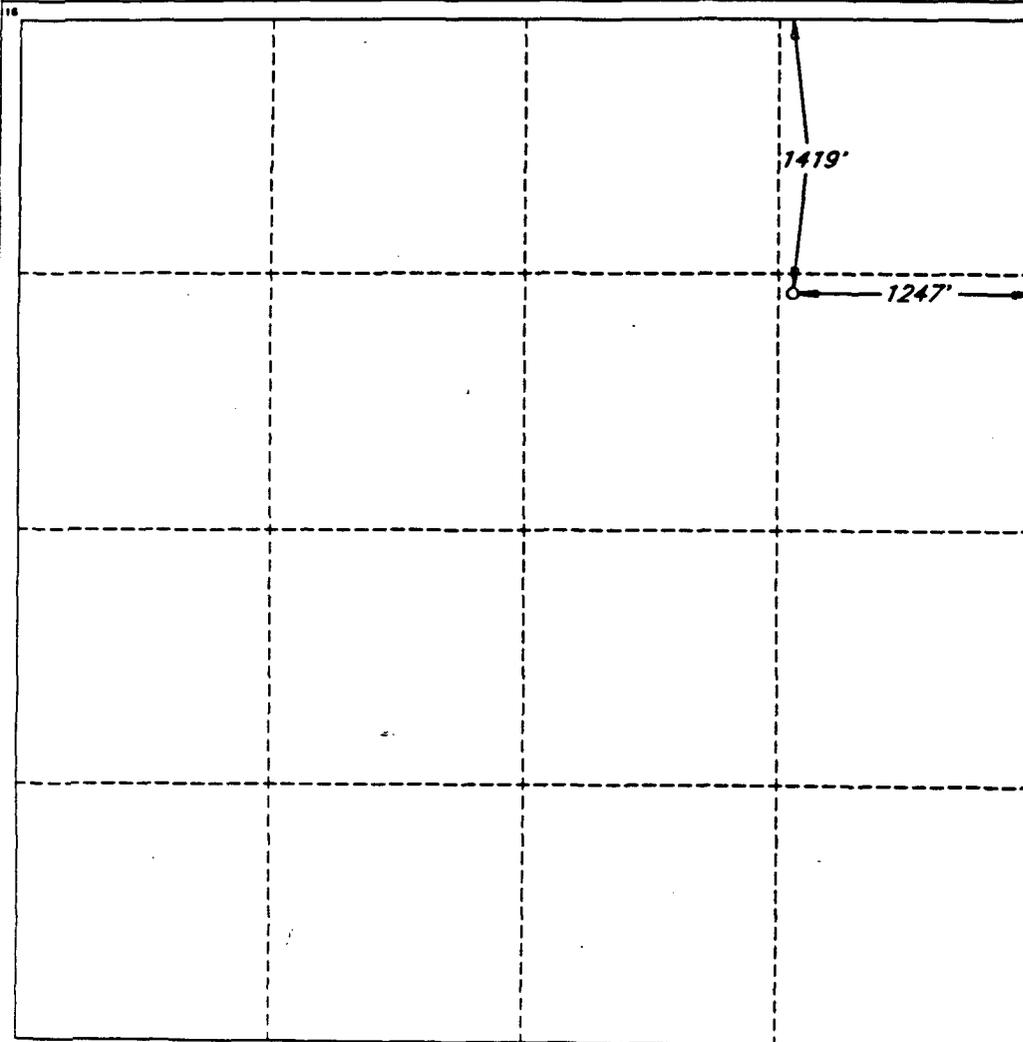
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code H		5 Property Name WEST 'A' FEDERAL					6 Well Number 31		
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY					9 Elevation 3976'		
10 SURFACE LOCATION									
UL or lot no.	Section 3	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1419'	North/South line NORTH	Feet from the 1247'	East/West line EAST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature
Randy Jackson

Printed Name
Randy Jackson

Title
District Engineer

Date
12/1/94

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.

Date of Survey
OCTOBER 26 1994

Signature and Seal of Professional Surveyor
V. L. Beznier

STATE OF NEW MEXICO
* LYNN BEZNER *
NO. 7925

Certified by
V. L. BEZNER LAND R.P.S. #7920

JOB #35908-6 7 98 SE / V.H.B.

UNITED STATES OPERATOR'S COPY
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
 (See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK: DRILL DEEPEN

2. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
 At surface 1261' FSL & 2508' FEL **UNORTHODOX** Subject to
 At top proposed prod. zone (SAME) **LOCATION: Like Approval**
By State

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. **1261'**
 (Also to nearest dir. unit line if any)

16. NO. OF ACRES IN LEASE **1919.88**

17. NO. OF ACRES ASSIGNED TO THIS WELL **40**

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **1000'**

19. PROPOSED DEPTH **4400**

20. ROTARY OR CABLE TOOLS*
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3865' GR

22. APPROX. DATE WORK WILL START*
January 1, 1995

5. LEASE DESIGNATION AND SERIAL NO.
LC 029426-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
WEST "B" #81

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 9-T17 S - R31 E

12. COUNTY OR PARISH
EDDY

13. STATE
NM

23. **PROPOSED CASING AND CEMENTING PROGRAM**

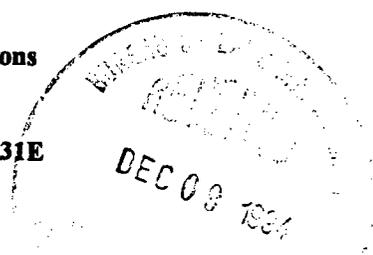
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	600' CIRCULATE	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4400'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4400' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029426-B
 Legal Description: Section 9-T17N-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: CO1151



Approval Subject to General Requirements and Special Stipulations Attached

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE 12/14/94

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

APPROVED BY Richard L. Mann TITLE AREA ENGINEER DATE 1/19/95

See Instructions On Reverse Side

80
88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

I II
Drawer DD
a. NM 88211-0719

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

AMENDED REPORT

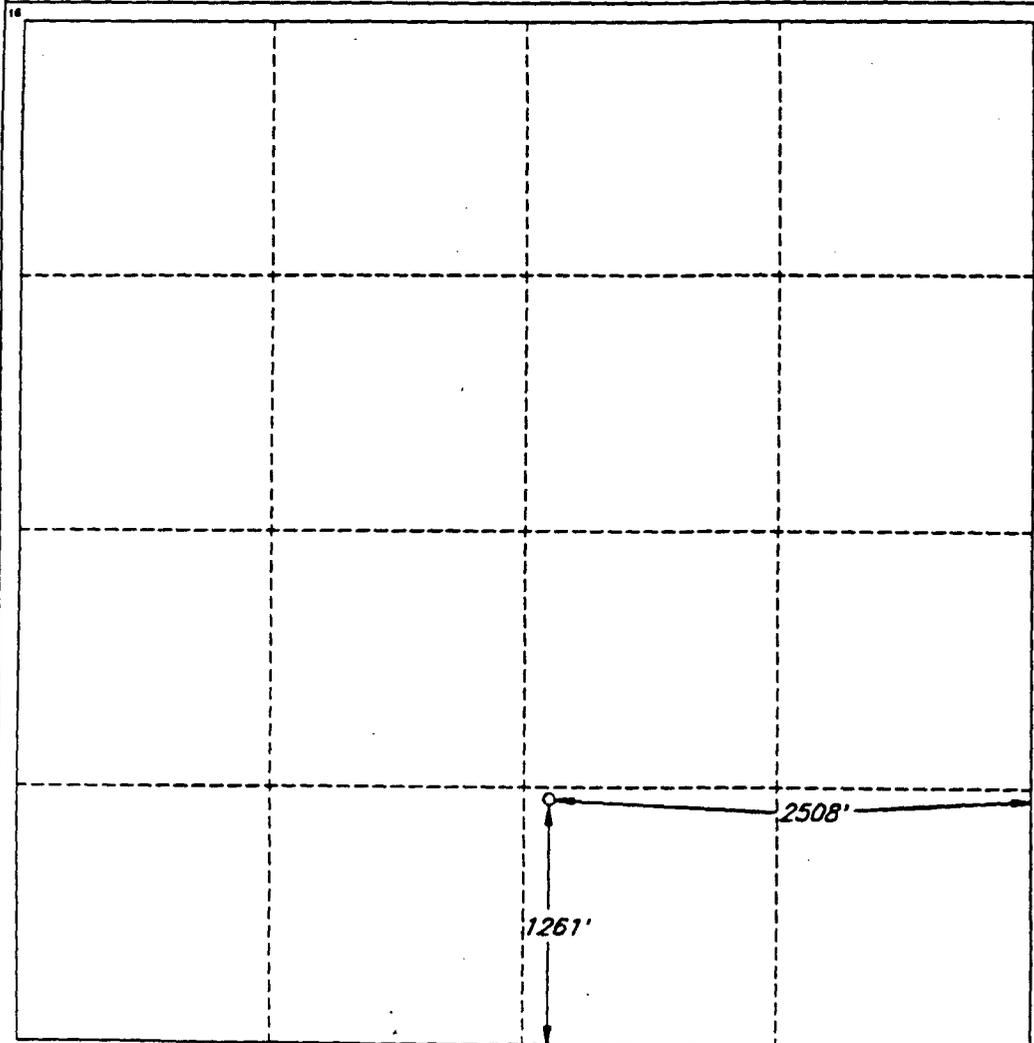
STRICT III
000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code 0		5 Property Name WEST 'B' FEDERAL						6 Well Number 81	
7 GRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3865'	
10 SURFACE LOCATION									
UL or lot no.	Section 9	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1261'	North/South line SOUTH	Feet from the 2508'	East/West line EAST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

Randy Jackson

Title

District Engineer

Date

12/6/94

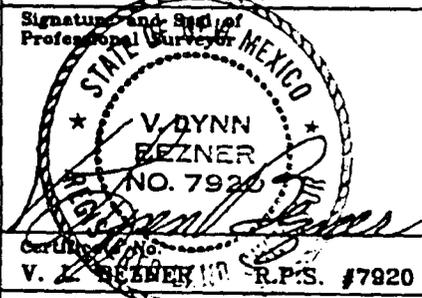
SURVEYOR CERTIFICATION

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.

Date of Survey

NOVEMBER 2, 1994

Signature and Seal of Professional Surveyor



Certificate No. V. J. BEZNER R.P.S. #7920

**DEVON
ENERGY
OPERATING
CORPORATION**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

January 26, 1995

Mack Energy
P. O. Box 400
Duncan, OK 73534

Certified Letter #: Z 781 292 742

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
West "A" 31	1419' FNL & 1247' FEL 3-17S-30E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the West "A" 31:

Well	Location
Tidewater K State #2	Section 2-17S-R31E
Tidewater K State #3	Section 2-17S-R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this location is considered unorthodox it will not be within 330' of

your 40 acre tract as the West "A" 31 has been moved to the west and therefore away from your tracts.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

**DEVON
ENERGY
OPERATING
CORPORATION**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

January 26, 1995

C. E. Staples
5121 McKinney Ave.
Dallas, TX 75205

Certified Letter #: Z 781 292 741

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
West "A" 31	1419' FNL & 1247' FEL 3-17S-30E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the West "A" 31:

Well	Location
Featherstone #4	Section 2D-17S-R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this location is considered unorthodox it will not be within 330' of

your 40 acre tract as the West "A" 31 has been moved to the west and therefore away from your tracts.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,

A handwritten signature in black ink that reads "Randy Jackson". The signature is written in a cursive style with a large, sweeping "R" and "J".

Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

January 26, 1995

Westall Operating Company
P.O. Box 4
Loco Hills, New Mexico 88255

Certified Letter #: Z 781 292 740

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
West "B" 81	1261' FSL & 2508' FEL 9-17S-30E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the West "B" 81:

Well	Location
Kersey State #1	Section 16B-17S-R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this location is considered unorthodox it will not be within 330' of

your 40 acre tract as the West "B" 81 has been moved to the north and therefore away from your tracts.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,

A handwritten signature in black ink that reads "Randy Jackson". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

DEVON ENERGY OPERATING CORPORATION
RECEIVED
AM 8 52
CONSERVATION DIVISION
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

January 27, 1995

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail
P.O. Box 2088
Santa Fe, New Mexico 87504 - 2088

Attention: Mike Stogner

Re: Non - Standard Location Approval

Dear Sir:

On January 26, 1994, we made application for approval of non-standard locations on the following wells: WEST "B" #79, WEST "B" #77, WEST "A" #33, WEST "A" #32, WEST "A" #27, KEEL "B" FED. #67, WEST "A" #31, and WEST "B" #81

Please note that the certified letter sent to Mack Energy was mailed to the wrong Mack Energy. Enclosed is a copy of the certified letter I am mailing today to the correct Mack Energy.

I am sorry for any inconvenience this error may have caused.

Sincerely,

Devon Energy Operating Corporation



Karen Rosa
Engineering Technician

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION
STATE LAND OFFICE BUILDING
310 OLD SANTA FE TRAIL
SANTA FE, NEW MEXICO 87504-2088
TELEPHONE 405/552-4550
FACSIMILE 405/552-4552

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

January 27, 1995

Mack Energy Corporation
11352 Lovington Hwy
Artesia, New Mexico 88211

Certified Letter #: Z 781 292 739

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
West "A" 31	1419' FNL & 1247' FEL 3-17S-30E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the West "A" 31:

Well	Location
Tidewater K State #2	Section 2-17S-R31E
Tidewater K State #3	Section 2-17S-R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this location is considered unorthodox it will not be within 330' of

your 40 acre tract as the West "A" 31 has been moved to the west and therefore away from your tracts.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,

Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

Sec : 03 Twp : 17S Rng : 31E Section Type : NORMAL

L 40.00 Federal owned A	K 40.00 Federal owned A	J 40.00 Federal owned A	I 40.00 Federal owned A
M 40.00 Federal owned A A	N 40.00 Federal owned A A A	O 40.00 Federal owned A	P 40.00 Federal owned A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

Sec : 03 Twp : 17S Rng : 31E Section Type : NORMAL

4 39.93 Federal owned A A	3 39.93 Federal owned A	2 39.91 Federal owned A	1 39.91 Federal owned A
E 40.00 Federal owned A A A	F 40.00 Federal owned A A	G 40.00 Federal owned A A	H 40.00 Federal owned A A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

Sec : 09 Twp : 17S Rng : 31E Section Type : NORMAL

L 40.00 Federal owned A A	K 40.00 Federal owned A	J 40.00 Federal owned A A	I 40.00 Federal owned A
M 40.00 Federal owned A	N 40.00 Federal owned A	O 40.00 Federal owned A A	P 40.00 Federal owned A

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

Sec : 09 Twp : 17S Rng : 31E Section Type : NORMAL

D 40.00 Federal owned A	C 40.00 Federal owned A	B 40.00 Federal owned A A	A 40.00 Federal owned A
E 40.00 Federal owned A	F 40.00 Federal owned A A	G 40.00 Federal owned A A	H 40.00 Federal owned A A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12