

| | | | | | |
|-------------------|----------|-----------------------|---------------------|-------------|---------------------------|
| DATE IN 4/6/09 | SUSPENSE | ENGINEER D. Brooks | LOGGED IN 4/6/09 | TYPE NSL | APP NO. pKAA0909649115 |
|-------------------|----------|-----------------------|---------------------|-------------|---------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED

2009 APR 6 PM 1:10

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

South St. Francis Drive, Santa Fe, NM 87505



API: 30-045-33265
WELL NAME: NEBU 236
CO: Devon
OGRID: 6137

ADMINISTRATIVE APPLICATION CHECKLIST

6029

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

(offsets common to NEBU 236 ownership)

[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.

W.P. McAlister

Print or Type Name

W.P. McAlister

Signature

Land Manager

Title

3/26/09

Date

jan.wooldridge@devn.com

Email Address



20 North Broadway
Oklahoma City, Oklahoma 73102
405-234-2790 FAX

Janet Wooldridge, CPL
Senior Landman
405-552-4626

March 27, 2009

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attention: Engineering

Re: Request for Administrative Exception to
Unorthodox Location
Northeast Blanco Unit No. 236
Section 25-T31N-R7W
San Juan County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon") as Operator, drilled the referenced Pictured Cliffs well and dedicated the NW/4 of Section 25-T31N-R7W as the spacing unit. Devon attempted to place this well at a legal location that would prevent waste by incorporating the wellpad for this well with the existing wellpad for the NEBU 220 Pictured Cliffs well and the NEBU 307M Mesaverde/Dakota well.

The NEBU 236 is a Pictured Cliffs directional well with a spacing unit covering the NW/4 of Section 25-T31N-R7W. The surface location is 620' FSL and 630' FWL of Section 24-T31N-R7W. The original September 13, 2004 well location plat was amended on March 28, 2005 to show a new BHL of 150' FNL and 1190' FWL of Section 25-T31N-R7W. By revised plat dated April 18, 2005, the BHL was again changed, this time to 520' FNL and 1400' FWL of Section 25-T31N-R7W. On September 19, 2005, Devon filed a sundry notice that changed the well name for the NEBU 493A to the NEBU 236 and also changed the well location; a survey plat for the NEBU 236 was attached to the sundry notice. On that same day, an APD was filed for the NEBU 236 showing locations of 620' FSL and 630' FWL of Section 24-T31N-T7W for the surface and although the BHL was typed on the form as 520' FNL and 1400' FWL of Section 25-T31N-R7W someone struck through that description and inserted 150' FNL and 1190' FWL because the plat attached to the sundry notice was erroneously the March 28, 2005 plat showing this same 150' FNL and 1190' FWL BHL.

This Pictured Cliffs well was drilled early in our Pictured Cliffs drilling program. Believing the proposed location to be 520' FNL and 1400' FWL (still an unorthodox location), the well was drilled and the as-drilled BHL for the well is 527' FNL and 1400' FWL of Section 25-T31N-R7W which left us 133' too close to the spacing unit line and in an unorthodox location situation. Being familiar with the set-back requirements of 10' for spacing unit boundaries within the unit

and 660' for spacing on unit boundaries for the Fruitland Coal, Mesaverde and Dakota formations the fact that this well was in an unorthodox location was not initially noticed by Devon nor by the NMOCD. The well produced had produced long enough to receive a commercial well determination before we were notified by the NMOCD of the unorthodox location and requested to shut the well in. The status of this well is shut-in awaiting approval for the unorthodox location.

Leasehold for the NW/4 of Section 25-T31N-R7W where NEBU 236 is located is Federal Lease NMSF-079010, NEBU Unit Tract 8-B. All eight contiguous quarter section spacing units are also under Federal Lease NMSF-079010. The NE/4 of Section 25 (Unit Tract 8-A) is dedicated to the NEBU 335 well. A commercial well determination has been received for this well and it will be included in the 10th Expansion of the Pictured Cliffs PA effective 1/1/2005. North of the NEBU 335 spacing unit is the SE/4 of Section 24-T31N-R7W (Unit Tract 8-B) which is dedicated to the NEBU 235 well. A commercial well determination was also received for this well and it will be included in the 11th Expansion of the Pictured Cliffs PA effective 6/1/2005. To the north of the NEBU 236 well, in the SW/4 of Section 24-T31N-R7W (Unit Tract 8-B) is the NEBU 220. A commercial well determination allowed this well to become part of the 7th Expansion to the Pictured Cliffs PA effective 7/01/04. Northwest of the NEBU 236 spacing unit in the SE/4 of Section 23-T31N-R7W (Unit Tract 8-B) is the NEBU 234 well. The commercial well determination received for this well means it will be included in the 12th Expansion of the Pictured Cliffs PA effective 7/1/2005. Just west of the NEBU 236 spacing unit in the NE/4 of Section 26-T31N-R7W (Unit tract 8-B) is the NEBU 334 well. This well has a commercial well determination and is also a part of the 7th Expansion of the Pictured Cliffs PA effective 1/1/2005. To the SW of the NEBU 236 spacing unit is the SE/4 of Section 26-T31N-R7W (Unit Tract 8-B), the spacing unit for the NEBU 237. This well is commercial and will be a part of the 12th Expansion of the Pictured Cliffs PA effective 7/1/2005. Just south of the NEBU 236 spacing unit is the SW/4 of Section 25-T31N-R7W (Unit Tract 8-A) which is the spacing unit for the NEBU 339 well. The commercial determination we received on this well allows us to include it in the 17th Expansion to the Pictured Cliffs PA effective 1/1/2006. The NEBU 236 and the surrounding 8 spacing unit have common leasehold interest. The spacing units for the NEBU 220 (SW Sec. 24) and 334 wells have the same owners but the interest is proportionate slightly different due to their inclusion in the Pictured Cliffs PA. As stated above, all wells contiguous to the NEBU 236 spacing unit and including the NEBU 236 are either already in the Pictured Cliffs PA or have commercial well determinations and are in the process of being included in the Pictured Cliffs PA.

Devon respectfully regrets drilling this well 133' too close to the spacing unit line and assures you it was an unintentional oversight. However, we do not believe the 133' encroachment will jeopardize production from the SW/4 of Section 24-T31N-R7W nor any of the other surrounding spacing units. Considering these facts and the common ownership of the NEBU 236 well and the wells identified above, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location.

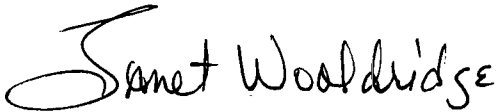
Attached for your review you will find (a) land plat showing the spacing unit and surrounding units; (b) as-built survey plat and copy of Inwell as built directional survey; (c) Copy of recently

filed Sundry Notice correcting the BHL to the stated as-built description; (d) Copy of page 1 of APD showing the marked thru BHL description as well as the Sundry Notice with attached plat containing the erroneous 150' FNL and 1190' FWL description; and, (e) Copy of recently filed Sundry Notice confirming this well should continue its shut-in status until receipt of non-standard location approval. Because ownership of the surrounding spacing units is common with the NEBU 236 well, no notice to third parties is required with this application.

If you have any questions or concerns regarding this application, please contact me at 405-552-4626 or jan.wooldridge@dvn.com.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink that reads "Janet Wooldridge". The signature is written in a cursive, flowing style with a large initial "J".

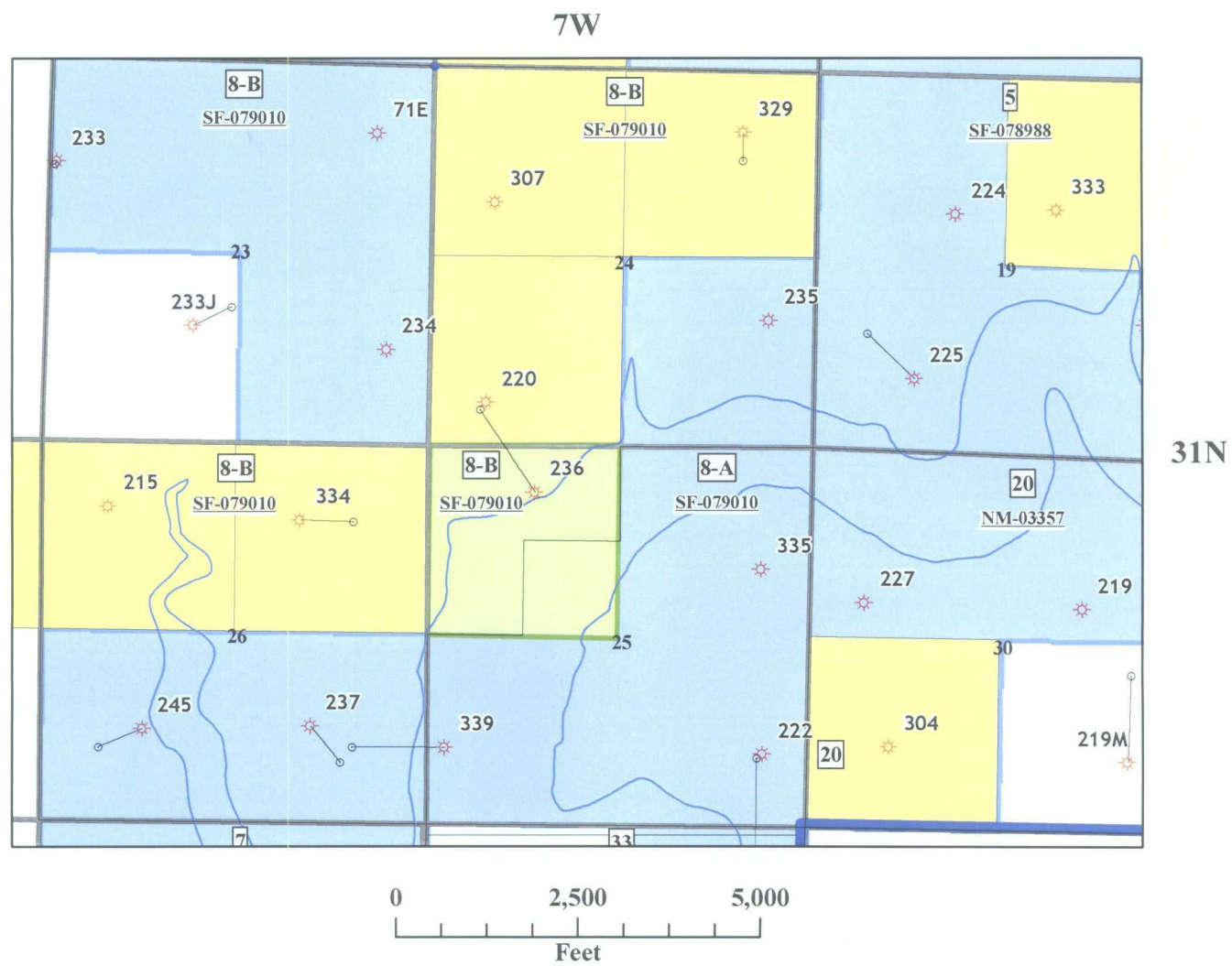
Janet Wooldridge, CPL
Senior Division Landman

Enc.

NEBU 236

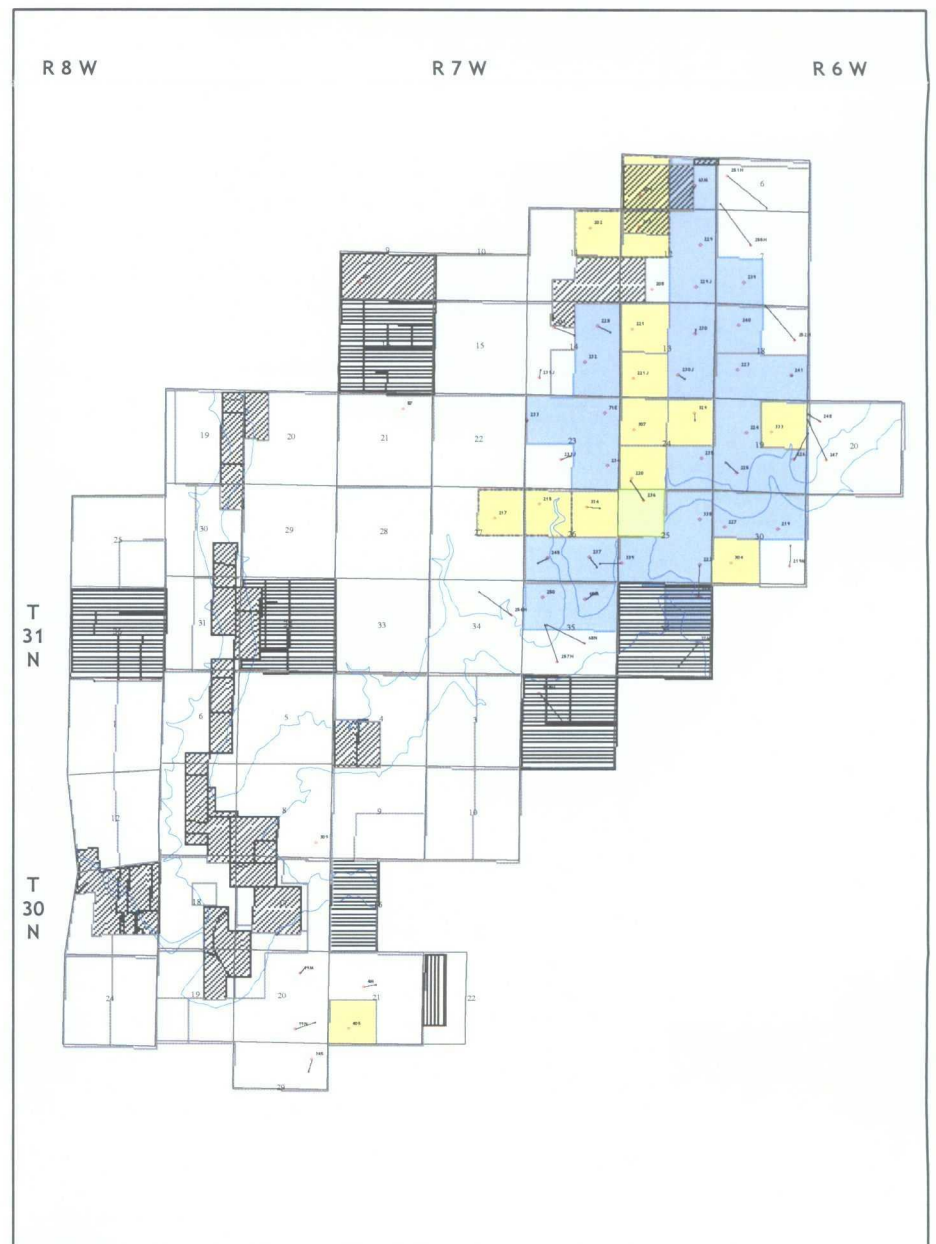
Offset Ownership

Unorthodox Location



WORKING INTEREST OWNERSHIP

| | |
|---|-----------------------------|
| NEBU 236 NW/4 | Sec 25 - 31N - 7W (TR. 8-B) |
| NEBU 335 NE/4 | Sec 25 - 31N - 7W (TR. 8-A) |
| NEBU 235 SE/4 | Sec 24 - 31N - 7W (TR. 8-B) |
| NEBU 234 SE/4 | Sec 23 - 31N - 7W (TR. 8-B) |
| NEBU 237 SE/4 | Sec 26 - 31N - 7W (TR. 8-B) |
| NEBU 339 SW/4 | Sec 25 - 31N - 7W (TR. 8-A) |
| NEBU 222 SE/4 | Sec 25 - 31N - 7W (TR. 8-A) |
| BP America Production Company | .50000000 |
| Burlington Resources Oil & Gas Co. L.P. | .11756569 |
| Conoco Philips Company | .04898858 |
| B & N Co., A Limited Partnership | .00864412 |
| BN Non-Coal | .07050376 |
| Devon Energy Production Company | .25429785 |
| NEBU 220 SW/4 | Sec 24 - 31N - 7W (TR. 8-B) |
| NEBU 334 NE/4 | Sec 26 - 31N - 7W (TR. 8-B) |
| BP America Production Company | .33544014 |
| Burlington Resources Oil & Gas Co. L.P. | .15625888 |
| Conoco Philips Company | .06511168 |
| B & N Co., A Limited Partnership | .01148907 |
| BN Non-Coal | .09370793 |
| Devon Energy Production Company | .33799230 |



devon



Northeast Blanco Unit

San Juan and Rio Arriba, New Mexico

| | |
|-----------------------|-----------------------------------|
| NEBU 236 Spacing Unit | State Lands |
| Federal Lands | Communitized W/ Outside Lands |
| Patented Lands | Pictured Cliff Participating Area |
| Unit Outline | Commercial Determination |
| 35 Tract Number | SF-079003 Lease Number |

District I
1625 N. French Dr., Hobbs NM 88240
District II

District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87504-2088

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|--------------------------------|--|---|--|---|-------------------------------|
| 1 API Number | | 2 Pool Code 72359 | | 3 Pool Name <i>Undesignated Blancos MV</i> | |
| 4 Property Code NEBU | | 5 Property Name | | | 6 Well Number # 236 |
| 7 OGRID No. 6137 | | 8 Operator Name Devon Energy Production Company, L.P. | | | 9 Elevation 6418 |

10 Surface Location

| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|-----------|-------------|------------|---------|---------------|------------------|---------------|----------------|-----------------|
| M | 24 | 31 N | 7 W | | 620 | SOUTH | 630 | WEST | SAN JUAN |

11 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 |
|---------------|-----------|-------------|------------|---------|---------------|------------------|---------------|----------------|-----------------|
| C | 25 | 31 N | 7 W | | 527 | NORTH | 1400 | WEST | SAN JUAN |

| | | | |
|--------------------|--------------------|-----------------------|--------------|
| 12 Dedicated Acres | 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

| | | |
|--|--|--|
| | <p>16</p> <p>24</p> <p>25</p> <p>5277(R)</p> <p>Section 24 Section 25</p> | <p>17 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 leased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this 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>Janet Woodridge</i> 3/24/09 Signature Date <i>Janet Woodridge</i> Printed Name</p> |
| | <p>18 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>March 19, 2009 as drilled calc. September 13, 2004 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p><i>GARY D. VANN</i> 7016 REGISTERED PROFESSIONAL LAND SURVEYOR</p> <p>7016 Certificate Number</p> | |

(R) - GLO Record



Job Number: 05222

State/Country: NM

Company: Devon Energy

Declination:

Lease/Well: NEBU 236

Grid:

Location: San Juan County

File name: C:\DATA\CUST05\SURVEYS\TEMP\05222.SVY

Rig Name:

Date/Time: 17-Oct-05 / 07:34

RKB:

Curve Name: As Drilled

G.L. or M.S.L.:

30-045-33265

Surface 620/S 630/W Sec 24 31N7W
Inwell Inc.

B H C 516/N 14500/W Sec 25

WINSERVE SURVEY CALCULATIONS

Minimum Curvature Method

Vertical Section Plane 145.96

Vertical Section Referenced to Wellhead

Rectangular Coordinates Referenced to Wellhead

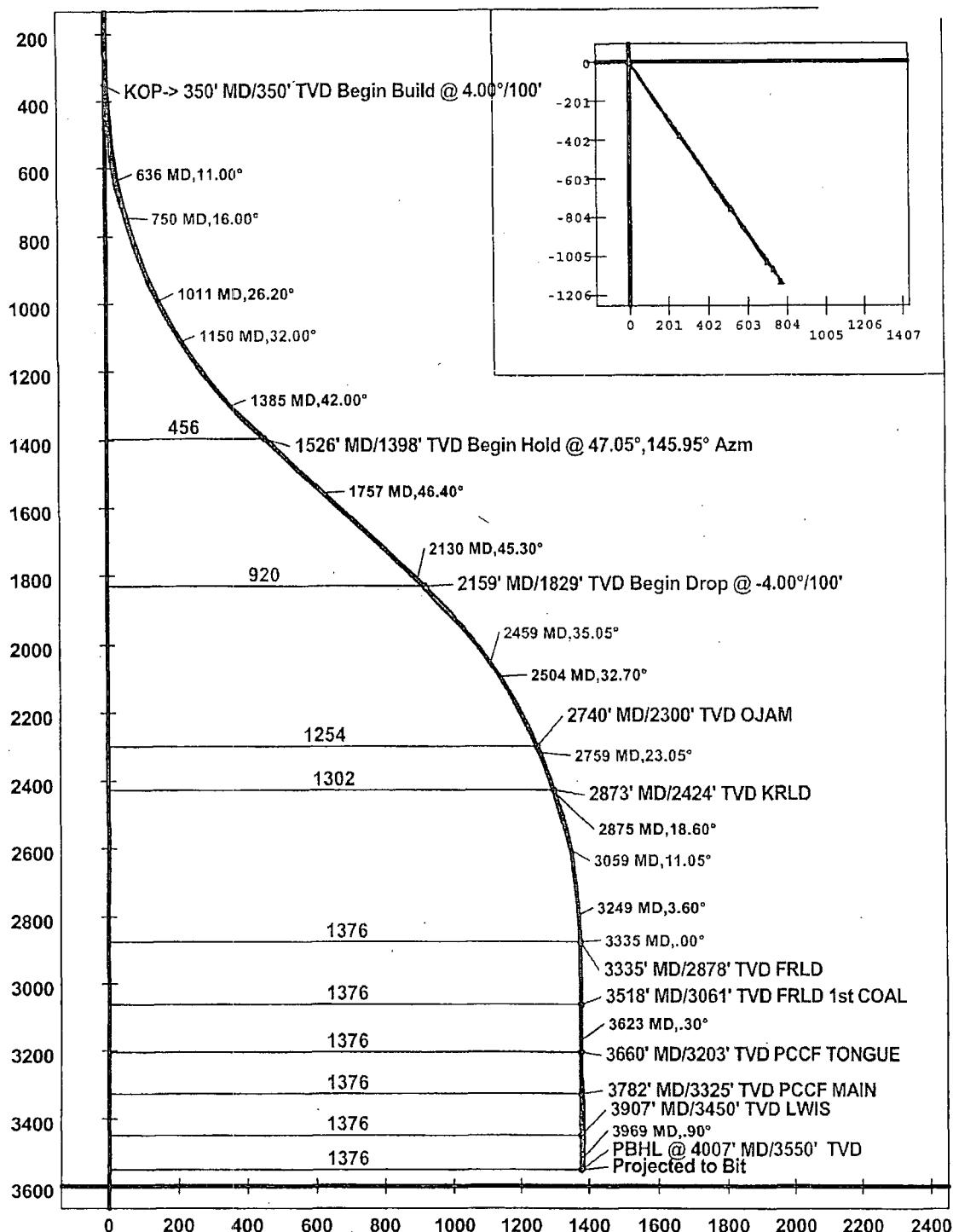


HOLD C104 FOR NSL

| Measured Depth FT | Incl Angle Deg | Drift Direction Deg | True Vertical Depth | Vertical Section FT | N-S FT | E-W FT | C L O S U R E | | Dogleg Severity Deg/100 |
|-------------------------|----------------------|---------------------------|---------------------------|---------------------------|-----------|-----------|----------------|------------------|-------------------------------|
| | | | | | | | Distance FT | Direction Deg | |
| .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 |
| 354.00 | 1.80 | 130.20 | 353.94 | 5.35 | -3.59 | 4.25 | 5.56 | 130.20 | .51 |
| 448.00 | 4.40 | 144.00 | 447.80 | 10.38 | -7.46 | 7.49 | 10.57 | 134.87 | 2.86 |
| 542.00 | 7.10 | 146.60 | 541.32 | 19.79 | -15.23 | 12.81 | 19.90 | 139.92 | 2.88 |
| 636.00 | 11.00 | 145.30 | 634.13 | 34.57 | -27.46 | 21.12 | 34.64 | 142.43 | 4.15 |
| 730.00 | 14.20 | 146.20 | 725.85 | 55.08 | -44.41 | 32.64 | 55.12 | 143.69 | 3.41 |
| 824.00 | 18.60 | 146.30 | 816.01 | 81.61 | -66.48 | 47.38 | 81.63 | 144.52 | 4.68 |
| 918.00 | 22.10 | 147.20 | 904.13 | 114.29 | -93.82 | 65.28 | 114.30 | 145.17 | 3.74 |
| 1011.00 | 26.20 | 146.50 | 988.97 | 152.32 | -125.66 | 86.10 | 152.33 | 145.58 | 4.42 |
| 1104.00 | 29.50 | 147.00 | 1071.18 | 195.76 | -161.99 | 109.91 | 195.76 | 145.84 | 3.56 |
| 1197.00 | 33.90 | 147.30 | 1150.29 | 244.60 | -203.04 | 136.40 | 244.61 | 146.11 | 4.73 |
| 1291.00 | 38.20 | 147.00 | 1226.27 | 299.90 | -249.50 | 166.41 | 299.90 | 146.30 | 4.58 |
| 1385.00 | 42.00 | 146.50 | 1298.16 | 360.43 | -300.12 | 199.61 | 360.44 | 146.37 | 4.06 |
| 1479.00 | 45.90 | 146.00 | 1365.82 | 425.65 | -354.35 | 235.86 | 425.66 | 146.35 | 4.17 |
| 1571.00 | 47.00 | 146.00 | 1429.21 | 492.33 | -409.63 | 273.14 | 492.34 | 146.30 | 1.20 |
| 1665.00 | 46.70 | 145.80 | 1493.50 | 560.91 | -466.41 | 311.59 | 560.92 | 146.25 | .35 |
| 1757.00 | 46.40 | 145.50 | 1556.77 | 627.70 | -521.56 | 349.27 | 627.70 | 146.19 | .40 |
| 1850.00 | 47.70 | 145.30 | 1620.13 | 695.77 | -577.58 | 387.93 | 695.77 | 146.11 | 1.41 |
| 1942.00 | 46.30 | 147.10 | 1682.88 | 763.04 | -633.48 | 425.36 | 763.05 | 146.12 | 2.09 |
| 2036.00 | 46.20 | 146.70 | 1747.88 | 830.94 | -690.37 | 462.45 | 830.94 | 146.18 | .33 |

| Measured Depth FT | Incl Angle Deg | Drift Direction Deg | True Vertical Depth | Vertical Section FT | N-S FT | E-W FT | C L O S U R E | | Dogleg Severity Deg/100 |
|-------------------------|----------------------|---------------------------|---------------------------|---------------------------|-----------|-----------|----------------|------------------|-------------------------------|
| | | | | | | | Distance FT | Direction Deg | |
| 2130.00 | 45.30 | 146.50 | 1813.47 | 898.26 | -746.58 | 499.51 | 898.27 | 146.21 | .97 |
| 2222.00 | 45.10 | 145.70 | 1878.30 | 963.54 | -800.76 | 535.92 | 963.55 | 146.21 | .65 |
| 2317.00 | 42.70 | 146.50 | 1946.75 | 1029.41 | -855.43 | 572.66 | 1029.42 | 146.20 | 2.59 |
| 2411.00 | 37.80 | 146.40 | 2018.47 | 1090.12 | -906.03 | 606.22 | 1090.13 | 146.21 | 5.21 |
| 2504.00 | 32.70 | 144.50 | 2094.39 | 1143.77 | -950.25 | 636.60 | 1143.78 | 146.18 | 5.61 |
| | | | | | | | | | |
| 2596.00 | 29.00 | 144.70 | 2173.36 | 1190.93 | -988.70 | 663.93 | 1190.93 | 146.12 | 4.02 |
| 2690.00 | 25.10 | 144.10 | 2257.06 | 1233.65 | -1023.46 | 688.79 | 1233.65 | 146.06 | 4.16 |
| 2782.00 | 21.20 | 141.80 | 2341.64 | 1269.76 | -1052.35 | 710.53 | 1269.76 | 145.97 | 4.35 |
| 2875.00 | 18.60 | 145.20 | 2429.08 | 1301.37 | -1077.75 | 729.40 | 1301.37 | 145.91 | 3.06 |
| 2968.00 | 14.70 | 147.10 | 2518.17 | 1328.01 | -1099.84 | 744.28 | 1328.01 | 145.91 | 4.23 |
| | | | | | | | | | |
| 3061.00 | 10.40 | 147.90 | 2608.92 | 1348.20 | -1116.87 | 755.15 | 1348.20 | 145.94 | 4.63 |
| 3155.00 | 7.00 | 147.10 | 2701.83 | 1362.41 | -1128.87 | 762.78 | 1362.41 | 145.95 | 3.62 |
| 3249.00 | 3.60 | 146.90 | 2795.41 | 1371.09 | -1136.15 | 767.50 | 1371.09 | 145.96 | 3.62 |
| 3342.00 | .60 | 168.70 | 2888.34 | 1374.46 | -1139.08 | 769.19 | 1374.46 | 145.97 | 3.28 |
| 3436.00 | .70 | 146.90 | 2982.34 | 1375.49 | -1140.04 | 769.60 | 1375.49 | 145.98 | .28 |
| | | | | | | | | | |
| 3530.00 | .80 | 116.90 | 3076.33 | 1376.64 | -1140.82 | 770.50 | 1376.64 | 145.97 | .43 |
| 3623.00 | .30 | 253.90 | 3169.33 | 1377.13 | -1141.18 | 770.84 | 1377.13 | 145.96 | 1.12 |
| 3717.00 | .80 | 194.50 | 3263.32 | 1377.49 | -1141.88 | 770.44 | 1377.49 | 145.99 | .74 |
| 3810.00 | 1.20 | 177.60 | 3356.31 | 1378.75 | -1143.48 | 770.32 | 1378.75 | 146.03 | .53 |
| 3904.00 | .90 | 187.50 | 3450.29 | 1380.14 | -1145.20 | 770.27 | 1380.14 | 146.08 | .37 |
| | | | | | | | | | |
| 3969.00 | .90 | 190.80 | 3515.28 | 1380.88 | -1146.21 | 770.10 | 1380.89 | 146.10 | .08 |
| Projected to Bit | | | | | | | | | |
| 4007.00 | .90 | 190.80 | 3553.28 | 1381.31 | -1146.79 | 769.99 | 1381.31 | 146.12 | .00 |

Company: Devon Energy
 Lease/Well: NEBU 236
 Location: San Juan County
 State/Country: NM



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS
**Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No. SF 079010
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Devon Energy Production Company, L. P.

3a. Address

P. O. Box 6459
Navajo Dam, NM 87419

3b. Phone No. (include area code)

505-632-0244

7. If Unit of CA/Agreement, Name and/or No.
Northeast Blanco Unit

8. Well Name and No. NEBU 236

9. API Well No. 30-045-33265

10. Field and Pool or Exploratory Area
S. Los Pinos Fr/Sd Pictured Cliffs

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

620' FSL & 630' FWL, SW SW, Unit M, Sec., 24-T31N-R7W - Surfac
527' FN. & 1400' FWL, NE NW, Unit C, Sec. 25-T31N-R7W - BHL

11. Country or Parish, State
San Juan, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Revise BHL to</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>as- drilled</u> |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Attached is well location plat for the referenced well which was based upon INWELL (as-drilled survey), October 17, 2005

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

Janet Wooldridge

Title Senior Landman

Signature

Janet Wooldridge

Date 03/25/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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)

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

District II

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

District IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87504-2088

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|-----------------|--|---------------------------------------|--|-------------|---------------|
| 1 API Number | | 2 Pool Code | | 3 Punt Name | |
| 4 Property Code | | 5 Property Name | | | 6 Well Number |
| | | NEBU | | | # 236 |
| 7 OGRID No. | | 8 Operator Name | | | 9 Elevation |
| | | Devon Energy Production Company, L.P. | | | 6418 |

10 Surface Location

| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| M | 24 | 31 N | 7 W | | 620 | SOUTH | 630 | WEST | SAN JUAN |

11 Bottom Hole Location If Different From Surface

| 7 UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| C | 25 | 31 N | 7 W | | 527 | NORTH | 1400 | WEST | SAN JUAN |

| 12 Dedicated Acres | 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

| | | |
|--|--|--|
| | <p>16</p> <p>24</p> <p>25</p> <p>5277(R)</p> <p>Section 24 Section 25</p> | <p>17 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 or has a right to drill this well at this 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.</p> <p>heretofore entered by the division</p> <p><i>Janet Wooldridge</i> 3/25/09 Signature</p> <p>Janet Wooldridge Printed Name</p> |
| | <p>18 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>March 19, 2009 as drilled calc. September 13, 2004 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>GARY D. VANN NEW MEXICO 7016 REGISTERED PROFESSIONAL LAND SURVEYOR</p> <p>7016 Certificate Number</p> | |

(R) - GLO Record

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2005 AUG 4 AM 10:25

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED
070 FARMINGTON NM

| | | | |
|--|--|--|--|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. SF 079010 | |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name | |
| 2. Name of Operator Devon Energy Production Company, L.P. | | 7. If Unit or CA Agreement, Name and No. Northeast Blanco Unit | |
| 3a. Address PO Box 6459 Farmington, NM 87419 | | 8. Lease Name and Well No. NEBU 236 | |
| 3b. Phone No. (include area code) 505-632-0244 | | 9. API Well No. 30-045-33265 | |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SW SW, Unit M, 620' FSL & 630' FWL At proposed prod. zone NW NW, Unit C, 150' FNL & 1190' FWL, Sec. 25, T31N, R7W | | 10. Field and Pool, or Exploratory S. Los Pinos Frt Snd Pictured Cliffs | |
| 11. Sec., T. R. M. or Blk. and Survey or Area M Sec. 24, T31N, R7W | | 12. County or Parish San Juan | |
| 13. State NM | | 14. Distance in miles and direction from nearest town or post office* Approximately 12.8 miles | |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 620' | | 16. No. of acres in lease 2560 Acres | |
| 17. Spacing Unit dedicated to this well 160 Acres NW/4 Sec 25 | | 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. | |
| 19. Proposed Depth 3,550' | | 20. BLM/BIA Bond No. on file | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) GR 6,418' | | 22. Approximate date work will start* 10/02/2005 | |
| 23. Estimated duration Unknown | | 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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

| | | |
|---------------------------------------|--|----------------|
| 25. Signature <i>M.S. Zimmer</i> | Name (Printed/Typed) Melisa Zimmerman | Date 8-2-05 |
| Title Senior Operations Technician | | |

| | | |
|---|----------------------|-----------------|
| Approved by (Signature) <i>Jim Lovel</i> | Name (Printed/Typed) | Date 9/16/05 |
| Title Acting Field Manager - Minerals | | |

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)

HOLD C104 FOR directional survey

NMOCD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

2005 SEP 16 AM 8 19

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
DEVON ENERGY PROD. Co. LP

3a. Address
P.O. Box 6459 Navajo Dam N.M. 505-632-0244

3b. Phone No. (include area code)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NEBU #236 620' FSL 630' FWL SEC 24-T31N-R7W
NEBU #493A 645' FSL 375' FWL SEC 24-T31N-R7W

5. Lease Serial No.
SF-079010

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
NORTH EAST BLANCO UNIT

8. Well Name and No.
#236 & 493A

9. API Well No.
3003933265

10. Field and Pool, or Exploratory Area
SAN JUAN BGS IN

11. County or Parish, State
SAN JUAN Co. N.M.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | NAME CHANGE |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

DEVON REQUESTS TO CHANGE NEBU #493A WELL TO
NEBU #236 WELL NAME & NEBU #236 WELL TO NEBU
#493A WELL NAME DUE TO DOWN HOLE PLACEMENT
FOOTAGE.
NEBU #493A WELL AT 645' FSL 375' FWL SEC 24-T31N-R7W
NEBU #236 WELL AT 620' FSL 630' FWL SEC 24-T31N-R7W
SURVEY plat ATTACHED

- Due to these changes, submit the original 493A APD as the 236.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) GLEN A. BENFIELD Title CONTRACT AGENT

Signature [Signature] Date 9-15-05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by [Signature] Title Acting Field Manager Date 9/16/05

Conditions of approval, if any, are attached. Approval of this notice 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.

Office Minerals

OPERATOR

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer R K, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Revised February 21, 1994

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|-----------------|--|---------------------------------------|--|---------------|--|
| 1 API Number | | 2 Pool Code | | 3 Well Name | |
| 4 Property Code | | 5 Property Name | | 6 Well Number | |
| NEBU | | OTO FARMINGTON NM | | # 236 | |
| 7 OGRID No. | | 8 Operator Name | | 9 Elevation | |
| | | Devon Energy Production Company, L.P. | | 6418 | |

10 Surface Location

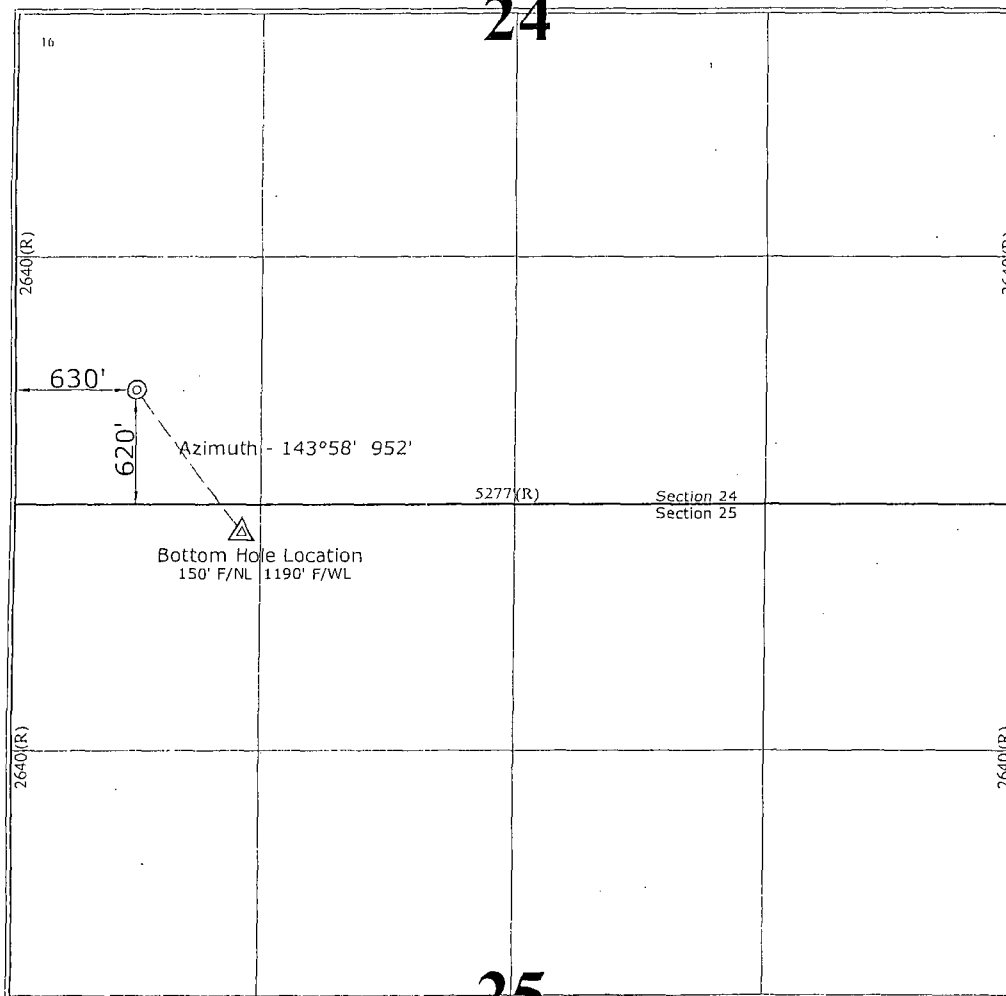
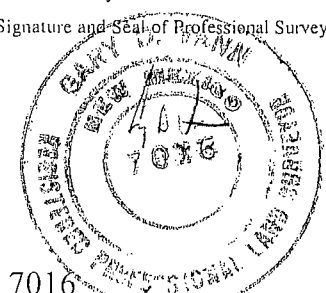
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| M | 24 | 31 N | 7 W | | 620 | SOUTH | 630 | WEST | SAN JUAN |

11 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| D | 25 | 31 N | 7 W | | 150 | NORTH | 1190 | WEST | SAN JUAN |

| | | | |
|--------------------|--------------------|-----------------------|--------------|
| 12 Dedicated Acres | 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

| | | | |
|--|--|--|--|
|  | | 17 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 _____ Title _____ Date _____ | |
| | | 18 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. Revised: March 28, 2005 September 13, 2004 Date of Survey _____ Signature and Seal of Professional Surveyor  7016 Certificate Number _____ | |

(R) - GLO Record

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS
**Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No. SF 079010
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Devon Energy Production Company, L. P.

3a. Address

P. O. Box 6459
Navajo Dam, NM 87419

3b. Phone No. (include area code)

505-632-0244

7. If Unit of CA/Agreement, Name and/or No.
Northeast Blanco Unit

8. Well Name and No.
NEBU 236

9. API Well No.
30-045-33265

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

620' FSL & 630' FWL, SW SW, Unit M, Sec. 24-T31N-R7W - Surfac
527' FN. & 1400' FWL, NE NW, Unit C, Sec. 25-T31N-R7W - BHL

10. Field and Pool or Exploratory Area
S. Los Pinos Frt/Sd Pictured Cliffs

11. Country or Parish, State
San Juan, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Continue shut-in |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | status |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

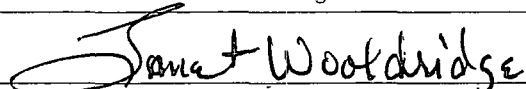
An application for approval of a non-standard location has been filed this date with NMOCD. This well will continue its shut-in status until receipt of non-standard location approval.

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

Janet Wooldridge

Title Senior Landman

Signature



Date 03/25/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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)



20 North Broadway
Oklahoma City, Oklahoma 73102
405-234-2790 FAX

Janet Wooldridge, CPL
Senior Landman
405-552-4626

March 27, 2009

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attention: Engineering

Re: Request for Administrative Exception to
Unorthodox Location
Northeast Blanco Unit No. 236
Section 25-T31N-R7W
San Juan County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon") as Operator, drilled the referenced Pictured Cliffs well and dedicated the NW/4 of Section 25-T31N-R7W as the spacing unit. Devon attempted to place this well at a legal location that would prevent waste by incorporating the wellpad for this well with the existing wellpad for the NEBU 220 Pictured Cliffs well and the NEBU 307M Mesaverde/Dakota well.

The NEBU 236 is a Pictured Cliffs directional well with a spacing unit covering the NW/4 of Section 25-T31N-R7W. The surface location is 620' FSL and 630' FWL of Section 24-T31N-R7W. The original September 13, 2004 well location plat was amended on March 28, 2005 to show a new BHL of 150' FNL and 1190' FWL of Section 25-T31N-R7W. By revised plat dated April 18, 2005, the BHL was again changed, this time to 520' FNL and 1400' FWL of Section 25-T31N-R7W. On September 19, 2005, Devon filed a sundry notice that changed the well name for the NEBU 493A to the NEBU 236 and also changed the well location; a survey plat for the NEBU 236 was attached to the sundry notice. On that same day, an APD was filed for the NEBU 236 showing locations of 620' FSL and 630' FWL of Section 24-T31N-T7W for the surface and although the BHL was typed on the form as 520' FNL and 1400' FWL of Section 25-T31N-R7W someone struck through that description and inserted 150' FNL and 1190' FWL because the plat attached to the sundry notice was erroneously the March 28, 2005 plat showing this same 150' FNL and 1190' FWL BHL.

This Pictured Cliffs well was drilled early in our Pictured Cliffs drilling program. Believing the proposed location to be 520' FNL and 1400' FWL (still an unorthodox location), the well was drilled and the as-drilled BHL for the well is 527' FNL and 1400' FWL of Section 25-T31N-R7W which left us 133' too close to the spacing unit line and in an unorthodox location situation. Being familiar with the set-back requirements of 10' for spacing unit boundaries within the unit

and 660' for spacing on unit boundaries for the Fruitland Coal, Mesaverde and Dakota formations the fact that this well was in an unorthodox location was not initially noticed by Devon nor by the NMOCD. The well produced had produced long enough to receive a commercial well determination before we were notified by the NMOCD of the unorthodox location and requested to shut the well in. The status of this well is shut-in awaiting approval for the unorthodox location.

Leasehold for the NW/4 of Section 25-T31N-R7W where NEBU 236 is located is Federal Lease NMSF-079010, NEBU Unit Tract 8-B. All eight contiguous quarter section spacing units are also under Federal Lease NMSF-079010. The NE/4 of Section 25 (Unit Tract 8-A) is dedicated to the NEBU 335 well. A commercial well determination has been received for this well and it will be included in the 10th Expansion of the Pictured Cliffs PA effective 1/1/2005. North of the NEBU 335 spacing unit is the SE/4 of Section 24-T31N-R7W (Unit Tract 8-B) which is dedicated to the NEBU 235 well. A commercial well determination was also received for this well and it will be included in the 11th Expansion of the Pictured Cliffs PA effective 6/1/2005. To the north of the NEBU 236 well, in the SW/4 of Section 24-T31N-R7W (Unit Tract 8-B) is the NEBU 220. A commercial well determination allowed this well to become part of the 7th Expansion to the Pictured Cliffs PA effective 7/01/04. Northwest of the NEBU 236 spacing unit in the SE/4 of Section 23-T31N-R7W (Unit Tract 8-B) is the NEBU 234 well. The commercial well determination received for this well means it will be included in the 12th Expansion of the Pictured Cliffs PA effective 7/1/2005. Just west of the NEBU 236 spacing unit in the NE/4 of Section 26-T31N-R7W (Unit tract 8-B) is the NEBU 334 well. This well has a commercial well determination and is also a part of the 7th Expansion of the Pictured Cliffs PA effective 1/1/2005. To the SW of the NEBU 236 spacing unit is the SE/4 of Section 26-T31N-R7W (Unit Tract 8-B), the spacing unit for the NEBU 237. This well is commercial and will be a part of the 12th Expansion of the Pictured Cliffs PA effective 7/1/2005. Just south of the NEBU 236 spacing unit is the SW/4 of Section 25-T31N-R7W (Unit Tract 8-A) which is the spacing unit for the NEBU 339 well. The commercial determination we received on this well allows us to include it in the 17th Expansion to the Pictured Cliffs PA effective 1/1/2006. The NEBU 236 and the surrounding 8 spacing unit have common leasehold interest. The spacing units for the NEBU 220 (SW Sec. 24) and 334 wells have the same owners but the interest is proportionate slightly different due to their inclusion in the Pictured Cliffs PA. As stated above, all wells contiguous to the NEBU 236 spacing unit and including the NEBU 236 are either already in the Pictured Cliffs PA or have commercial well determinations and are in the process of being included in the Pictured Cliffs PA.

Devon respectfully regrets drilling this well 133' too close to the spacing unit line and assures you it was an unintentional oversight. However, we do not believe the 133' encroachment will jeopardize production from the SW/4 of Section 24-T31N-R7W nor any of the other surrounding spacing units. Considering these facts and the common ownership of the NEBU 236 well and the wells identified above, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location.

Attached for your review you will find (a) land plat showing the spacing unit and surrounding units; (b) as-built survey plat and copy of Inwell as built directional survey; (c) Copy of recently

filed Sundry Notice correcting the BHL to the stated as-built description; (d) Copy of page 1 of APD showing the marked thru BHL description as well as the Sundry Notice with attached plat containing the erroneous 150' FNL and 1190' FWL description; and, (e) Copy of recently filed Sundry Notice confirming this well should continue its shut-in status until receipt of non-standard location approval. Because ownership of the surrounding spacing units is common with the NEBU 236 well, no notice to third parties is required with this application.

If you have any questions or concerns regarding this application, please contact me at 405-552-4626 or jan.wooldridge@dvn.com.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink that reads "Janet Wooldridge". The signature is written in a cursive, flowing style.

Janet Wooldridge, CPL
Senior Division Landman

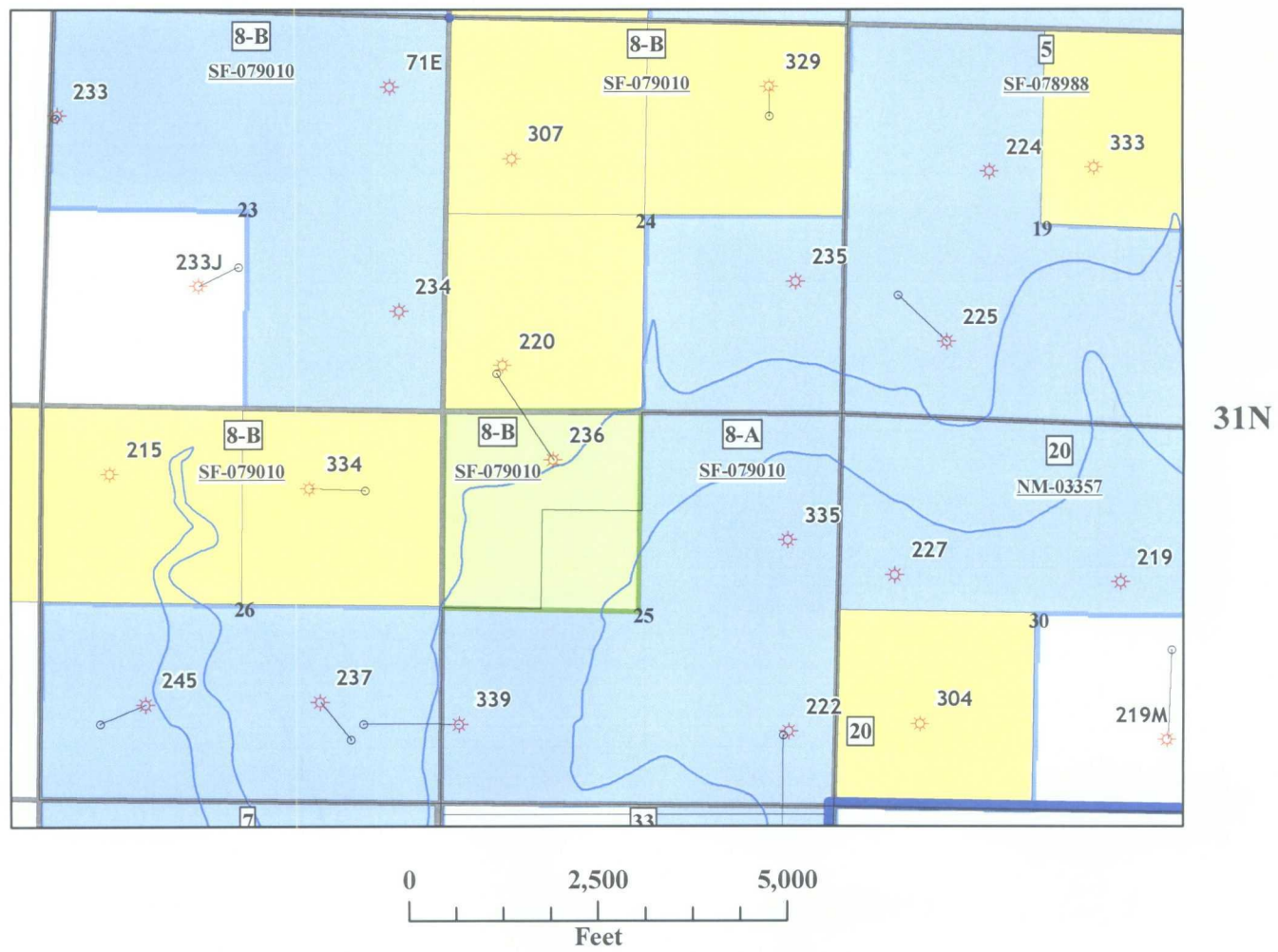
Enc.

NEBU 236

Offset Ownership

Unorthodox Location

7W



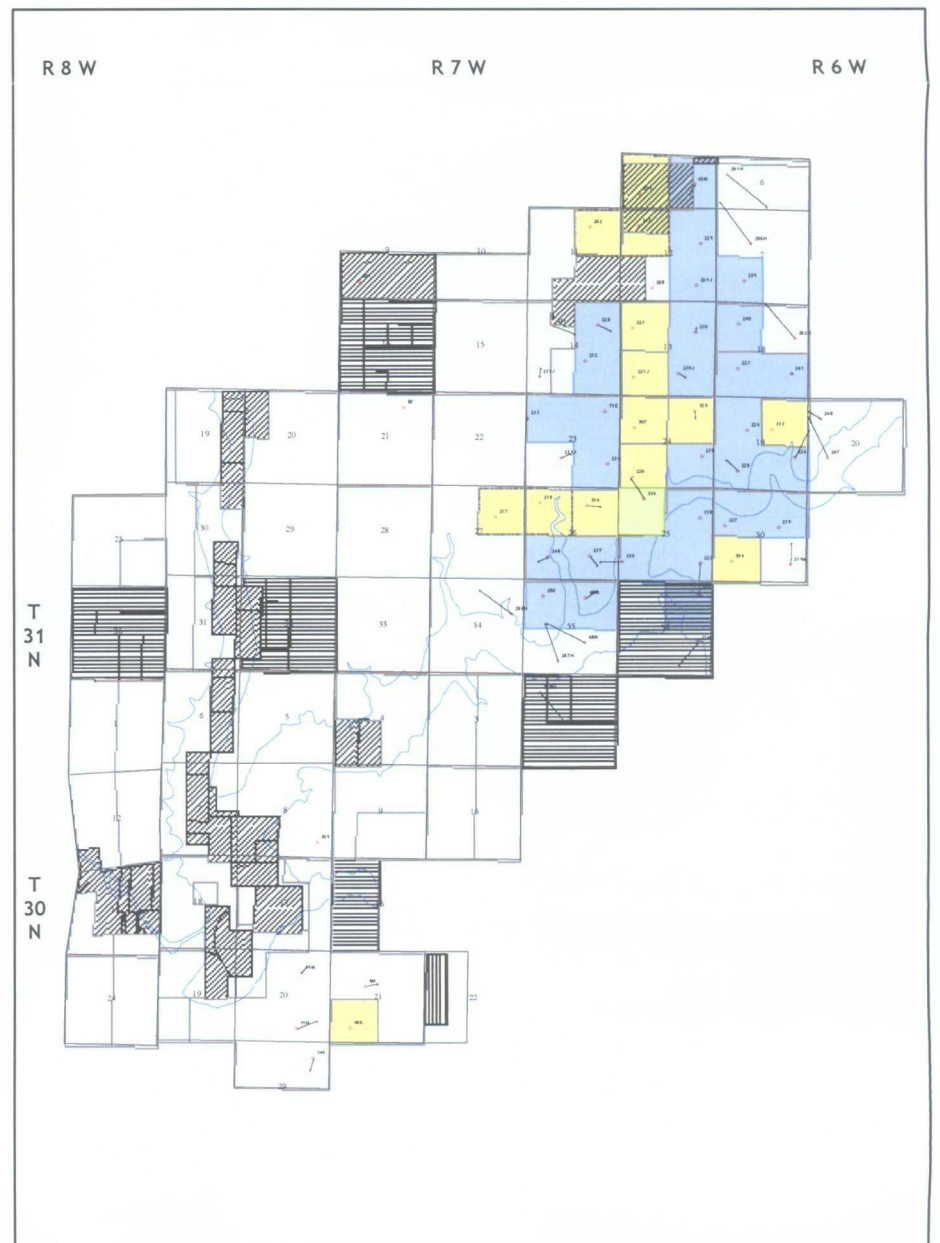
WORKING INTEREST OWNERSHIP

| | |
|---------------|-----------------------------|
| NEBU 236 NW/4 | Sec 25 - 31N - 7W (TR. 8-B) |
| NEBU 335 NE/4 | Sec 25 - 31N - 7W (TR. 8-A) |
| NEBU 235 SE/4 | Sec 24 - 31N - 7W (TR. 8-B) |
| NEBU 234 SE/4 | Sec 23 - 31N - 7W (TR. 8-B) |
| NEBU 237 SE/4 | Sec 26 - 31N - 7W (TR. 8-B) |
| NEBU 339 SW/4 | Sec 25 - 31N - 7W (TR. 8-A) |
| NEBU 222 SE/4 | Sec 25 - 31N - 7W (TR. 8-A) |

| | |
|---|-----------|
| BP America Production Company | .50000000 |
| Burlington Resources Oil & Gas Co. L.P. | .11756569 |
| Conoco Philips Company | .04898858 |
| B & N Co., A Limited Partnership | .00864412 |
| BN Non-Coal | .07050376 |
| Devon Energy Production Company | .25429785 |

| | |
|---------------|-----------------------------|
| NEBU 220 SW/4 | Sec 24 - 31N - 7W (TR. 8-B) |
| NEBU 334 NE/4 | Sec 26 - 31N - 7W (TR. 8-B) |

| | |
|---|-----------|
| BP America Production Company | .33544014 |
| Burlington Resources Oil & Gas Co. L.P. | .15625888 |
| Conoco Philips Company | .06511168 |
| B & N Co., A Limited Partnership | .01148907 |
| BN Non-Coal | .09370793 |
| Devon Energy Production Company | .33799230 |



Northeast Blanco Unit

San Juan and Rio Arriba, New Mexico

| | |
|-----------------------|-----------------------------------|
| NEBU 236 Spacing Unit | State Lands |
| Federal Lands | Communitized W/ Outside Lands |
| Patented Lands | Pictured Cliff Participating Area |
| Unit Outline | Commercial Determination |
| 35 Tract Number | SF-079003 Lease Number |

District I
1625 N. French Dr., Hobbs NM 88240
District II
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87504-2088

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|-----------------|--|---------------------------------------|--|-------------|---------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | |
| 4 Property Code | | 5 Property Name | | | 6 Well Number |
| | | NEBU | | | # 236 |
| 7 OGRID No. | | 8 Operator Name | | | 9 Elevation |
| | | Devon Energy Production Company, L.P. | | | 6418 |

10 Surface Location

| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| M | 24 | 31 N | 7 W | | 620 | SOUTH | 630 | WEST | SAN JUAN |

11 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| C | 25 | 31 N | 7 W | | 527 | NORTH | 1400 | WEST | SAN JUAN |

| | | | |
|--------------------|--------------------|-----------------------|--------------|
| 12 Dedicated Acres | 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

| | |
|---|--|
| <p>Bottom Hole Location (as-drilled) 527' F/NL 1400' F/WL Calculation based upon INWELL (as-drilled survey), October 17, 2005</p> | <p>17 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 or has a right to drill this well at this 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><u>Janet Woodbridge</u> 3/24/09 Signature Date <u>Janet Woodbridge</u> Printed Name</p> |
| | <p>18 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>March 19, 2009 as drilled calc. September 13, 2004 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p> 7016 Certificate Number</p> |

(R) - GLO Record



Job Number: 05222

Company: Devon Energy

Lease/Well: NEBU 236

Location: San Juan County

Rig Name:

RKB:

G.L. or M.S.L.:

State/Country: NM

Declination:

Grid:

File name: C:\DATA\CUST05\SURVEYS\TEMP\05222.SVY

Date/Time: 17-Oct-05 / 07:34

Curve Name: As Drilled

30-045-33265

Surface 620/S 630/W Sec 24 31N7W
BHL 516/N 14500/W Sec 25
Inwell Inc.

WINSERVE SURVEY CALCULATIONS

Minimum Curvature Method

Vertical Section Plane 145.96

Vertical Section Referenced to Wellhead

Rectangular Coordinates Referenced to Wellhead

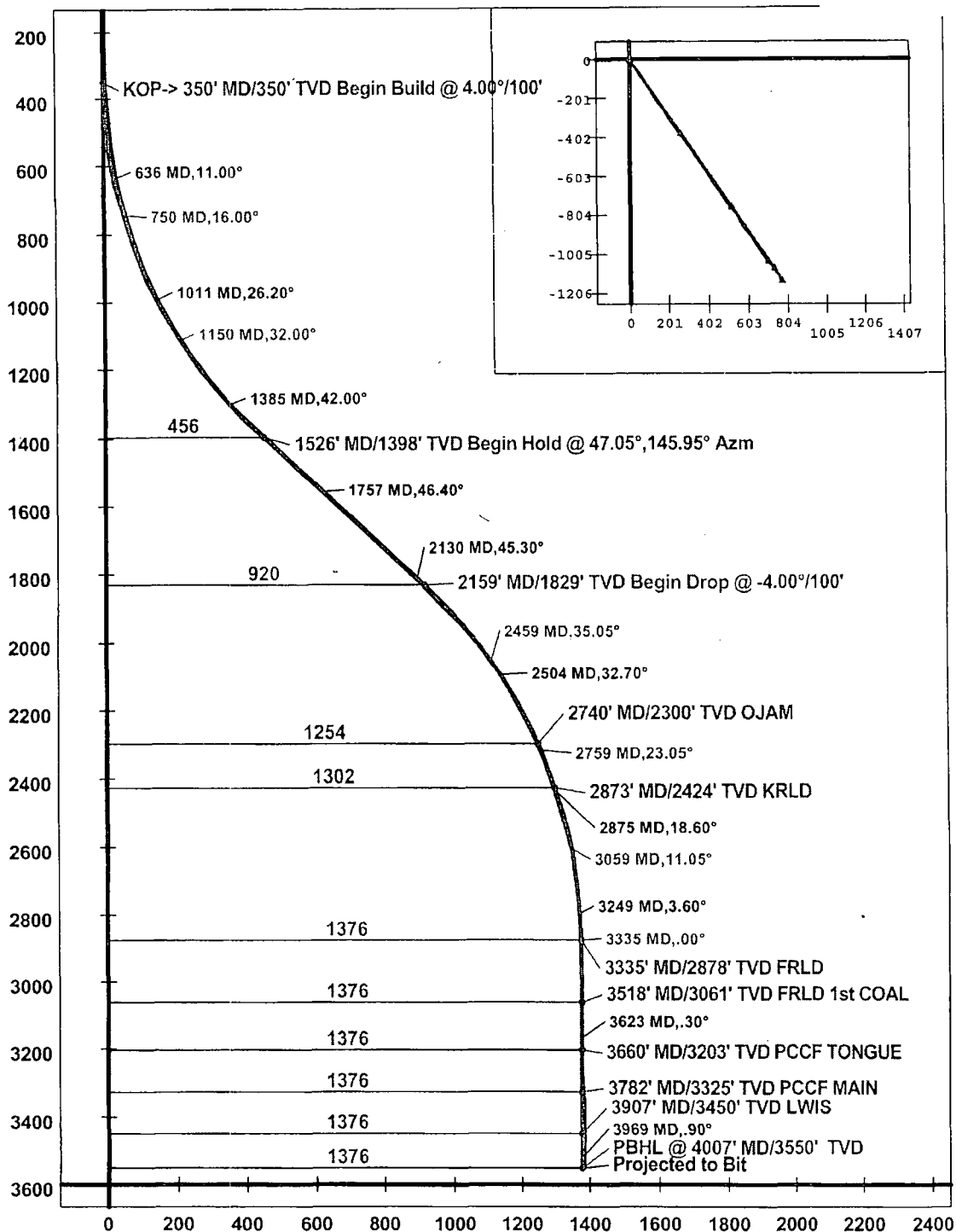


HOLD C104 FOR NSL

| Measured Depth FT | Incl Angle Deg | Drift Direction Deg | True Vertical Depth | Vertical Section FT | N-S FT | E-W FT | C L O S U R E | | Dogleg Severity Deg/100 |
|-------------------------|----------------------|---------------------------|---------------------------|---------------------------|-----------|-----------|----------------|------------------|-------------------------------|
| | | | | | | | Distance FT | Direction Deg | |
| .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 | .00 |
| 354.00 | 1.80 | 130.20 | 353.94 | 5.35 | -3.59 | 4.25 | 5.56 | 130.20 | .51 |
| 448.00 | 4.40 | 144.00 | 447.80 | 10.38 | -7.46 | 7.49 | 10.57 | 134.87 | 2.86 |
| 542.00 | 7.10 | 146.60 | 541.32 | 19.79 | -15.23 | 12.81 | 19.90 | 139.92 | 2.88 |
| 636.00 | 11.00 | 145.30 | 634.13 | 34.57 | -27.46 | 21.12 | 34.64 | 142.43 | 4.15 |
| 730.00 | 14.20 | 146.20 | 725.85 | 55.08 | -44.41 | 32.64 | 55.12 | 143.69 | 3.41 |
| 824.00 | 18.60 | 146.30 | 816.01 | 81.61 | -66.48 | 47.38 | 81.63 | 144.52 | 4.68 |
| 918.00 | 22.10 | 147.20 | 904.13 | 114.29 | -93.82 | 65.28 | 114.30 | 145.17 | 3.74 |
| 1011.00 | 26.20 | 146.50 | 988.97 | 152.32 | -125.66 | 86.10 | 152.33 | 145.58 | 4.42 |
| 1104.00 | 29.50 | 147.00 | 1071.18 | 195.76 | -161.99 | 109.91 | 195.76 | 145.84 | 3.56 |
| 1197.00 | 33.90 | 147.30 | 1150.29 | 244.60 | -203.04 | 136.40 | 244.61 | 146.11 | 4.73 |
| 1291.00 | 38.20 | 147.00 | 1226.27 | 299.90 | -249.50 | 166.41 | 299.90 | 146.30 | 4.58 |
| 1385.00 | 42.00 | 146.50 | 1298.16 | 360.43 | -300.12 | 199.61 | 360.44 | 146.37 | 4.06 |
| 1479.00 | 45.90 | 146.00 | 1365.82 | 425.65 | -354.35 | 235.86 | 425.66 | 146.35 | 4.17 |
| 1571.00 | 47.00 | 146.00 | 1429.21 | 492.33 | -409.63 | 273.14 | 492.34 | 146.30 | 1.20 |
| 1665.00 | 46.70 | 145.80 | 1493.50 | 560.91 | -466.41 | 311.59 | 560.92 | 146.25 | .35 |
| 1757.00 | 46.40 | 145.50 | 1556.77 | 627.70 | -521.56 | 349.27 | 627.70 | 146.19 | .40 |
| 1850.00 | 47.70 | 145.30 | 1620.13 | 695.77 | -577.58 | 387.93 | 695.77 | 146.11 | 1.41 |
| 1942.00 | 46.30 | 147.10 | 1682.88 | 763.04 | -633.48 | 425.36 | 763.05 | 146.12 | 2.09 |
| 2036.00 | 46.20 | 146.70 | 1747.88 | 830.94 | -690.37 | 462.45 | 830.94 | 146.18 | .33 |

| Measured Depth FT | Incl Angle Deg | Drift Direction Deg | True Vertical Depth | Vertical Section FT | N-S FT | E-W FT | C L O S U R E | | Dogleg Severity Deg/100 |
|-------------------------|----------------------|---------------------------|---------------------------|---------------------------|-----------|-----------|----------------|------------------|-------------------------------|
| | | | | | | | Distance FT | Direction Deg | |
| 2130.00 | 45.30 | 146.50 | 1813.47 | 898.26 | -746.58 | 499.51 | 898.27 | 146.21 | .97 |
| 2222.00 | 45.10 | 145.70 | 1878.30 | 963.54 | -800.76 | 535.92 | 963.55 | 146.21 | .65 |
| 2317.00 | 42.70 | 146.50 | 1946.75 | 1029.41 | -855.43 | 572.66 | 1029.42 | 146.20 | 2.59 |
| 2411.00 | 37.80 | 146.40 | 2018.47 | 1090.12 | -906.03 | 606.22 | 1090.13 | 146.21 | 5.21 |
| 2504.00 | 32.70 | 144.50 | 2094.39 | 1143.77 | -950.25 | 636.60 | 1143.78 | 146.18 | 5.61 |
| | | | | | | | | | |
| 2596.00 | 29.00 | 144.70 | 2173.36 | 1190.93 | -988.70 | 663.93 | 1190.93 | 146.12 | 4.02 |
| 2690.00 | 25.10 | 144.10 | 2257.06 | 1233.65 | -1023.46 | 688.79 | 1233.65 | 146.06 | 4.16 |
| 2782.00 | 21.20 | 141.80 | 2341.64 | 1269.76 | -1052.35 | 710.53 | 1269.76 | 145.97 | 4.35 |
| 2875.00 | 18.60 | 145.20 | 2429.08 | 1301.37 | -1077.75 | 729.40 | 1301.37 | 145.91 | 3.06 |
| 2968.00 | 14.70 | 147.10 | 2518.17 | 1328.01 | -1099.84 | 744.28 | 1328.01 | 145.91 | 4.23 |
| | | | | | | | | | |
| 3061.00 | 10.40 | 147.90 | 2608.92 | 1348.20 | -1116.87 | 755.15 | 1348.20 | 145.94 | 4.63 |
| 3155.00 | 7.00 | 147.10 | 2701.83 | 1362.41 | -1128.87 | 762.78 | 1362.41 | 145.95 | 3.62 |
| 3249.00 | 3.60 | 146.90 | 2795.41 | 1371.09 | -1136.15 | 767.50 | 1371.09 | 145.96 | 3.62 |
| 3342.00 | .60 | 168.70 | 2888.34 | 1374.46 | -1139.08 | 769.19 | 1374.46 | 145.97 | 3.28 |
| 3436.00 | .70 | 146.90 | 2982.34 | 1375.49 | -1140.04 | 769.60 | 1375.49 | 145.98 | .28 |
| | | | | | | | | | |
| 3530.00 | .80 | 116.90 | 3076.33 | 1376.64 | -1140.82 | 770.50 | 1376.64 | 145.97 | .43 |
| 3623.00 | .30 | 253.90 | 3169.33 | 1377.13 | -1141.18 | 770.84 | 1377.13 | 145.96 | 1.12 |
| 3717.00 | .80 | 194.50 | 3263.32 | 1377.49 | -1141.88 | 770.44 | 1377.49 | 145.99 | .74 |
| 3810.00 | 1.20 | 177.60 | 3356.31 | 1378.75 | -1143.48 | 770.32 | 1378.75 | 146.03 | .53 |
| 3904.00 | .90 | 187.50 | 3450.29 | 1380.14 | -1145.20 | 770.27 | 1380.14 | 146.08 | .37 |
| | | | | | | | | | |
| 3969.00 | .90 | 190.80 | 3515.28 | 1380.88 | -1146.21 | 770.10 | 1380.89 | 146.10 | .08 |
| Projected to Bit | | | | | | | | | |
| 4007.00 | .90 | 190.80 | 3553.28 | 1381.31 | -1146.79 | 769.99 | 1381.31 | 146.12 | .00 |

Company: Devon Energy
 Lease/Well: NEBU 236
 Location: San Juan County
 State/Country: NM



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
SF 079010

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Devon Energy Production Company, L. P.

3a. Address

P. O. Box 6459
Navajo Dam, NM 87419

3b. Phone No. (include area code)

505-632-0244

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

620' FSL & 630' FWL, SW SW, Unit M, Sec. 24-T31N-R7W - Surface
527' FN. & 1400' FWL, NE NW, Unit C, Sec. 25-T31N-R7W - BHL

7. If Unit of CA/Agreement, Name and/or No.
Northeast Blanco Unit

8. Well Name and No.
NEBU 236

9. API Well No.
30-045-33265

10. Field and Pool or Exploratory Area
S. Los Pinos Frt/Sd Pictured Cliffs

11. Country or Parish, State
San Juan, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Revise BHL to</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>as- drilled</u> |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Attached is well location plat for the referenced well which was based upon INWELL (as-drilled survey), October 17, 2005

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

Janet Wooldridge

Title Senior Landman

Signature

Janet Wooldridge

Date 03/25/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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

Office

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)

District I
1625 N. French Dr., Hobbs NM 88240
District II

District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87504-2088

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|-----------------|--|---------------------------------------|--|-------------|---------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | |
| 4 Property Code | | 5 Property Name | | | 6 Well Number |
| | | NEBU | | | # 236 |
| 7 OGRID No. | | 8 Operator Name | | | 9 Elevation |
| | | Devon Energy Production Company, L.P. | | | 6418 |

10 Surface Location

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| M | 24 | 31 N | 7 W | | 620 | SOUTH | 630 | WEST | SAN JUAN |

11 Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|-----------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| 7 UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| C | 25 | 31 N | 7 W | | 527 | NORTH | 1400 | WEST | SAN JUAN |

| | | | |
|--------------------|--------------------|-----------------------|--------------|
| 12 Dedicated Acres | 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

| | | |
|--|---|--|
| | <p>16</p> | <p>17 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 or has a right to drill this well at this 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.</p> <p>Signature: <u>Janet Wooldridge</u> 3/25/09</p> <p>Printed Name: <u>Janet Wooldridge</u></p> |
| | <p>18 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>March 19, 2009 as drilled calc. September 13, 2004</p> <p>Date of Survey: <u>September 13, 2004</u></p> <p>Signature and Seal of Professional Surveyor: <u>GARY B. VANN</u></p> <p>7016</p> <p>7016 Certificate Number</p> | |

(R) - CLO Record

03/19/2009 1:45PM (GMT-05:00)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2005 AUG 4 AM 10:25

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED
070 FARMINGTON NM

| | | |
|--|---|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. SF 079010 |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator Devon Energy Production Company, L.P. | | 7. If Unit or CA Agreement, Name and No. Northeast Blanco Unit |
| 3a. Address PO Box 6459 Farmington, NM 87419 | | 8. Lease Name and Well No. NEBU 236 |
| 3b. Phone No. (include area code) 505-632-0244 | | 9. API Well No. 30-045-33265 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SW SW, Unit M, 620' FSL & 630' FWL At proposed prod. zone NW NW, Unit C, 520' FNL & 1170' FWL, Sec. 25, T31N, R7W | | 10. Field and Pool, or Exploratory S. Los Pinos Frt Snd Pictured Cliffs |
| 11. Sec., T. R. M. or Blk. and Survey or Area M Sec. 24, T31N, R7W | | 12. County or Parish San Juan |
| 13. State NM | | 14. Distance in miles and direction from nearest town or post office* Approximately 12.8 miles |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 620' | 16. No. of acres in lease 2560 Acres | 17. Spacing Unit dedicated to this well 160 Acres NW/4 Sec 25 |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. | 19. Proposed Depth 3,550' | 20. BLM/BIA Bond No. on file |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) GR 6,418' | 22. Approximate date work will start* 10/02/2005 | 23. Estimated duration Unknown |

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 <i>M.S. Zimmer</i> | Name (Printed/Typed) Melisa Zimmerman | Date 8-2-05 |
| Title Senior Operations Technician | | |

| | | |
|--|----------------------|-----------------|
| Approved by (Signature) <i>Jim Lovab</i> | Name (Printed/Typed) | Date 9/16/05 |
| Title Acting Field Manager - Minerals | | |

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)

HOLD C104 FOR directional survey

NMOCD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

2005 SEP 16 AM 8 19

SUBMIT IN TRIPLICATE - Other instructions on reverse side

5. Lease Serial No.
SF-079010

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
NORTH EAST BLANCO UNIT

8. Well Name and No.
236 & 493 A

9. API Well No.
303933265

10. Field and Pool, or Exploratory Area
SAN JUAN BASIN

11. County or Parish, State
SAN JUAN Co. N.M.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
DEVON ENERGY PROD. Co. LP

3a. Address
P.O. BOX 6459 NAVAJO DAM, N.M. 505-632-0244

3b. Phone No. (include area code)
505-632-0244

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NEBU # 236 620' FSL 630' FWL SEC 24-T31N-R7W
NEBU # 493A 645' FSL 375' FWL SEC 24-T31N-R7W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>NAME CHANGE</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

DEVON REQUESTS TO CHANGE NEBU # 493 A WELL TO
NEBU # 236 WELL NAME & NEBU # 236 WELL TO NEBU
493 A WELL NAME DUE TO DOWN HOLE PLACEMENT
FOOTAGE.

NEBU # 493 A WELL AT 645' FSL 375' FWL SEC 24-T31N-R7W
NEBU # 236 WELL AT 620' FSL 630' FWL SEC 24-T31N-R7W
SURVEY plat ATTACHED

- Due to these changes, submit the original 493A APD as the 236.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

GLEN A. BENFIELD

Title CONTRACT AGENT

Signature

Date 9-15-05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Jim Lohs

Title

Acting Field Manager Minerals

Date

9/16/05

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

OPERATOR

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Revised February 21, 1994

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|-----------------|--|---------------------------------------|--|---------------|--|
| 1 API Number | | 2 Pool Code | | 3 Well Name | |
| 4 Property Code | | 5 Property Name | | 6 Well Number | |
| NEBU | | OTO FARMINGTON NM. | | # 236 | |
| 7 OGRID No. | | 8 Operator Name | | 9 Elevation | |
| | | Devon Energy Production Company, L.P. | | 6418 | |

10 Surface Location

| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| M | 24 | 31 N | 7 W | | 620 | SOUTH | 630 | WEST | SAN JUAN |

11 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| D | 25 | 31 N | 7 W | | 150 | NORTH | 1190 | WEST | SAN JUAN |

| | | | |
|--------------------|--------------------|-----------------------|--------------|
| 12 Dedicated Acres | 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

| | | | |
|--|--|--|--|
| | | 17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature _____ Printed Name _____ Title _____ Date _____ | |
| | | 18 SURVEYOR CERTIFICATION <i>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.</i> Revised: March 28, 2005 September 13, 2004 Date of Survey _____ Signature and Seal of Professional Surveyor 7016 Certificate Number | |

(R) - GLO Record

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS
**Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.
SF 079010

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Devon Energy Production Company, L. P.

3a. Address

P. O. Box 6459
Navajo Dam, NM 87419

3b. Phone No. (include area code)

505-632-0244

7. If Unit of CA/Agreement, Name and/or No.
Northeast Blanco Unit

8. Well Name and No.

NEBU 236

9. API Well No.

30-045-33265

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

620' FSL & 630' FWL, SW SW, Unit M, Sec. 24-T31N-R7W - Surfac
527' FN. & 1400' FWL, NE NW, Unit C, Sec. 25-T31N-R7W - BHL

10. Field and Pool or Exploratory Area

S. Los Pinos Frt/Sd Pictured Cliffs

11. Country or Parish, State

San Juan, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Continue shut-in</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | status _____ |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | _____ |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

An application for approval of a non-standard location has been filed this date with NMOCD. This well will continue its shut-in status until receipt of non-standard location approval.

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

Janet Wooldridge

Title Senior Landman

Signature

Janet Wooldridge

Date 03/25/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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)