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May 4, 2004

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MAY - 4 2004

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

Hand Delivered

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 Case 13272

Dear Florene:

Enclosed are an original and one copy of an application for an exception to Order No. R-111-P, together with a proposed advertisement, filed on behalf of Devon Energy Production Company, L.P. Please set this matter for the May 27, 2004 Examiner hearing. Thank you.

The proposed advertisement is also on the enclosed disk.

Very truly yours,

James Bruce

Attorney for Devon Energy Production Company, L.P.



MAY - 4 2004

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION 1220 S St. T. Division

1220 S. St. Francis Drive Santa Fe, NM 87505

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR AN EXCEPTION TO DIVISION ORDER NO. R-111-P, EDDY COUNTY, NEW MEXICO.

Case No. $\frac{13272}{}$

APPLICATION

Devon Energy Production Company, L.P. applies for an order excepting acreage from certain requirements of Division Order No. R-111, as amended. In support thereof, applicant states:

1. Applicant is the operator of the oil and gas lease covering the federally-owned lands described below, located in Eddy County, New Mexico:

Township 24 South, Range 30 East, N.M.P.M. Section 1: Lots 1-4, S%N%, and S% (All)

- 2. Lots 1-4, S½N½, SW¼, and the NW½SE½ of Section 1 are within the boundaries of the oil-potash area described in Division Order No. R-111.
- 3. Ordering Paragraph D of Division Order No. R-111-P contains certain casing and cementing requirements for wells drilled in the oil-potash area.
- 4. Applicant desires to drill wells on the above-described acreage to a depth sufficient to test the Delaware formation (Undesignated Northwest Poker Lake-Delaware Pool) and Bone Spring formation (wildcat Bone Spring).
- 5. Applicant requests that, for Delaware/Bone Spring wells drilled on the above-described acreage, it not be required to cement the production strings to the surface. A wellbore sketch for the first well to be drilled, the Blackjack 1 Fed. Well No. 2,



is attached hereto as Exhibit A.

6. Granting this application will prevent waste and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order granting the relief requested above.

Respectfully submitted,

James Bruce

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Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Devon Energy Production Company, L.P.

Proposed

KB: 12' GL: 3449'

TOC @ 3700'

JSB 4/14/04



Blackjack 1 Fed #2 Sec 1, T24S, R30E Eddy County, NM

13 3/8" 48# H-40 @ 680' cmtd w/500 sx CI C to surf

8 5/8" 32# K-55 @ 4000' cmtd w/1200 sx CI C

5 1/2" 15.5# &17# K-55 @ 8300' cmtd w/500 sx PSL C + 300 sx Cl C



PROPOSED ADVERTISEMENT

4 4 6 4

Case 13272: Application of Devon Energy Production Company, L.P. for an exception to Division Order No. R-111-P, Eddy County, New Mexico. Applicant seeks an order holding that it need not cement the production strings to the surface on wells drilled on a federal oil and gas lease covering the all of Section 1, Township 24 South, Range 30 East, N.M.P.M. The affected area is centered approximately 11 miles east of Harroun, New Mexico.

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