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HAND DELIVERED

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

Re: NMOCC Cases 13048 (de novo)
Order R-11962
Application of Devon Energy Production Company, L.P.
for compulsory pooling N/2 of Section 4, T23SR34E,
Re-entry of the Rio Blanco "4" Well No. 1, Unit F,
Lea County, New Mexico

Dear Mr. Fesmire:

At yesterday Pre-Hearing Conference, you asked about the gas/water contact in the Devonian formation and its relationship to the Rio Blanco "33" Well No. 1, operated by Devon, and the Rio Blanco "4" Well No. 1 operated by EGL. To supplement my comments I have the following information based upon the record of this case:

- (1) The thickness of the Devonian formation is unknown at Northeast Bell Lake Devonian Gas Pool because neither of these wells penetrated the entire thickness of the Devonian.
- (2) The original gas/water contact is still unknown because a well has not yet been drilled below the contact. From DST data and production histories of both wells the gas/water contact must be below -11253 feet.
- (3) The 4-1 well was deepened to -11165 feet and did not reach the gas/water contact. This well is an open-hole completion with the Devonian penetrated from -11067 to -11165 feet.

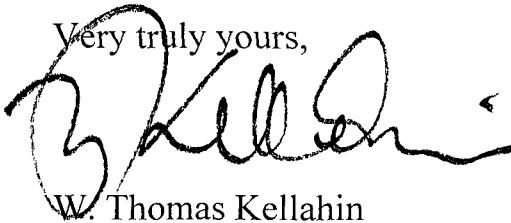
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Mr. Mark Fesmire, Director
Oil Conservation Division
April 15, 2004

- (4) The 33-1 well was drilled to -11253 feet and did not reach the gas/water contact. This well is an open-hole completion with the Devonian penetrated from -11057 to -11253 feet producing about 13 mmcgfpd.
- (5) The total depth of the 33-1 well is 88 feet lower than the total depth of the 4-1 well rather than the 97 feet I recalled.
- (6) The 4-1 penetrated 98 feet of Devonian starting at -11067 feet while the 33-1 penetrated 196 feet of the Devonian starting at -11057 feet.

As a visual aid, I have also enclosed a copy of Devon's proposed Exhibit 12 for the April 8, 2004 Commission hearing was cancelled.

Very truly yours,

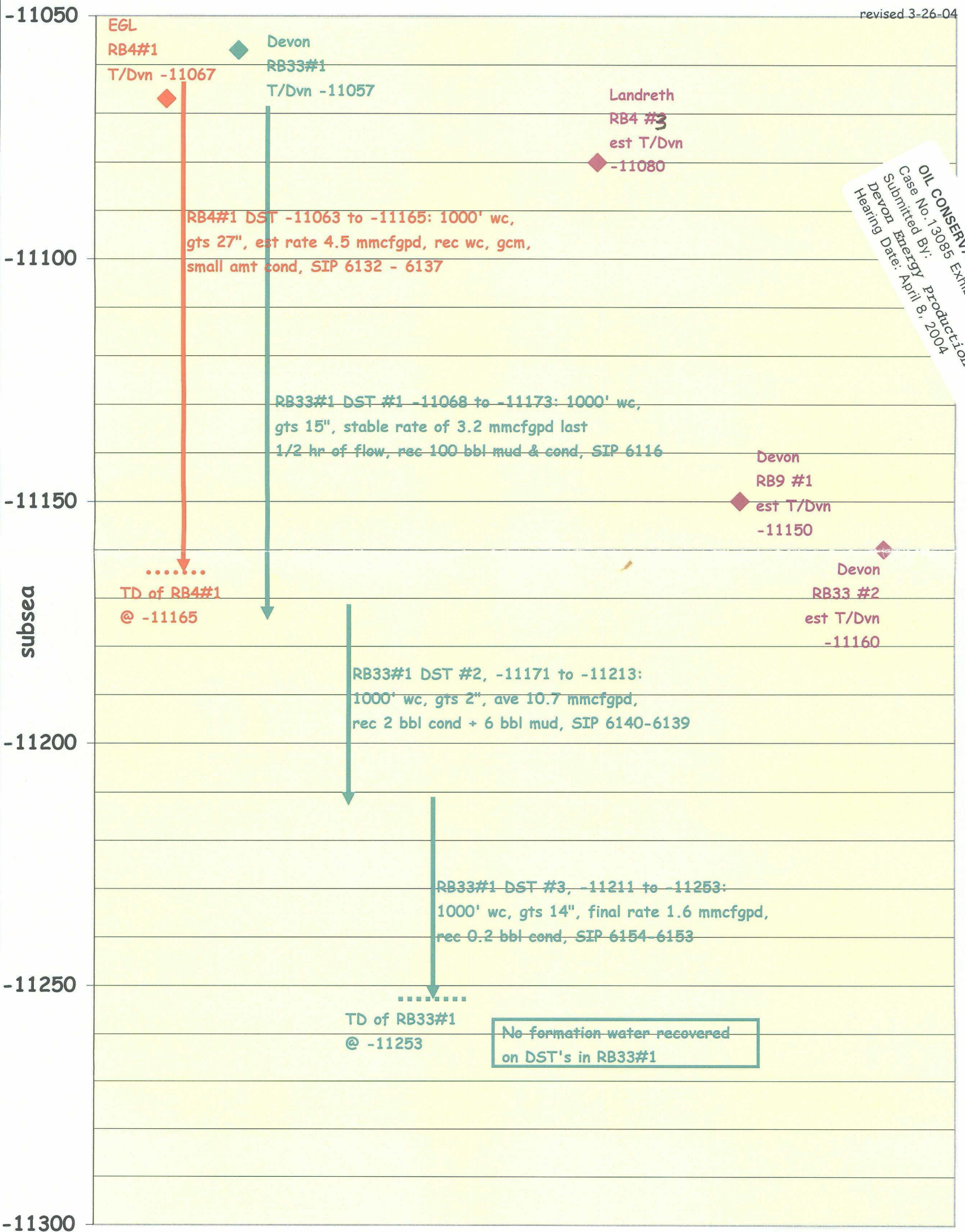
A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over a horizontal line.

W. Thomas Kellahin

cc: Hand delivered or faxed:
Gail MacQuesten, Esq.
Attorney for the OCD
J. Scott Hall, Esq.
Attorney for EGL-Landreth
James Bruce, Esq.
Attorney for Southwestern Energy
Devon Energy Production Company, L.P.
Attn: Richard Winchester

Northeast Bell Lake Devonian Gas Pool

Devonian tops and DST's



OIL CONSERVATION COMMISSION
Case No. 13085 Exhibit No. 12
Submitted By:
Devon Energy Production Co.
Hearing Date: April 8, 2004