

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Office New Mexico

Serial No. 0533177

OFFER TO LEASE AND LEASE FOR OIL AND GAS  
(Sec. 17 Noncompetitive Public Domain Lease)

The undersigned hereby offers to lease all or any of the lands described in item 2 that are available for lease, pursuant and subject to the terms and provisions of the act of February 25, 1920 (41 Stat. 437, 30 U. S. C. sec. 181), as amended, hereinafter referred to as the act, and to all reasonable regulations of the Secretary of the Interior now or hereafter in force, when not inconsistent with any express and specific provisions herein, which are made a part hereof.

~~Mrs.~~  
Mrs. Frances L. Solsbery  
(First Name, Middle Initial, Last Name)  
1804 South Missouri  
(Number and Street)  
Roswell, New Mexico  
(City and State)

Please notify the signing officer of any change of address.

2. Land requested: State New Mexico County Eddy T. 23S. : R. 31E. N. Meridian

- Sec. 13: SE 1/4
- Sec. 14: ~~xxx~~ N/2
- Sec. 18: Lot 4
- Sec. 19: Lots 1, 2, 3, 4, S/2NE 1/4, E/2W/2, SE 1/4
- Sec. 24: E/2
- Sec. 30: Lots 1, 2, NE 1/4, E/2NW 1/4

OIL CONSERVATION DIVISION

CASE NUMBER

12961 (Resurvey)

EXHIBIT 2

Total Area 1731.33 Acres

3. Land included in lease: State New Mexico County Eddy T. 23 S. R. 31 E. NMP Meridian

NM-0533177-A  
eff. 5/7/64  
See T/O

- Sec. 13: SE 1/4
- Sec. 14: N 1/2
- Sec. 19: Lot 4, SE 1/4 SW 1/4, S 1/2 SE 1/4
- Sec. 24: E 1/2
- Sec. 30: Lots 1, 2, NE 1/4, E 1/2 NW 1/4

(Offeror does not fill in this block) Total Area 1285.06 Acres Rental retained \$ 643.00

4. Amount remitted: Filing fee \$10, Rental \$ 866.00, Total \$ 876.00

5. Undersigned certifies as follows:

(a) Offeror is a citizen of the United States. Native born  Naturalized  Corporation or other legal entity (specify what kind): Individual

(b) Offeror's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,080 chargeable acres in options, offers to lease and leases in the same State, or 300,000 chargeable acres in leases, offers to lease and options in each leasing district in Alaska. (c) Offeror accepts as a part of this lease, to the extent applicable, the stipulations provided for in 43 CFR 191.6. (d) Offeror is 21 years of age or over (or if a corporation or other legal entity, is duly qualified as shown by statements made or referred to herein). (e) Offeror has described all surveyed lands by legal subdivisions, all lands covered by protracted surveys by appropriate subdivisions thereof, or all unsurveyed lands not covered by protracted surveys by metes and bounds, and further states that there are no settlers on unsurveyed lands described herein.

6. Offeror  is  is not the sole party in interest in this offer and lease, if issued. (If not the sole party in interest, statements should be filed as prescribed in Item 6 of the Special Instructions.)

7. Offeror's signature to this offer shall also constitute offeror's signature to, and acceptance of, this lease and any amendment thereto that may cover any land described in this offer open to lease application at the time the offer was filed but omitted from this lease for any reason, or signature to, or acceptance of, any separate lease for such land. The offeror further agrees that (a) this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the land office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed in behalf of the United States, and (b) this offer and lease shall apply only to lands not within a known geologic structure of a producing oil or gas field at the time the offer is filed.

8. If this lease form does not contain all of the terms and conditions of the lease form in effect at the date of filing, the offeror further agrees to be bound by the terms and conditions contained in that form.

9. It is hereby certified that the statements made herein are complete and correct to the best of offeror's knowledge and belief and are made in good faith.

Offeror duly executed this instrument this 21st day of February, 1964

Frances L. Solsbery  
(Lessee signature)

\_\_\_\_\_  
(Lessee signature)  
\_\_\_\_\_  
(Attorney-in-fact)

This lease for the lands described in item 3 above is hereby issued, subject to the provisions of the offer and on the reverse side hereof.

THE UNITED STATES OF AMERICA

By Seward M. Weather  
Chief (Signing officer)  
Mineral Adjudication Section  
MAR 13 1964 (Date)

APR 1 1964

Effective date of lease \_\_\_\_\_

THIS OFFER MAY BE REJECTED AND RETURNED TO THE OFFEROR AND WILL AFFORD THE OFFEROR NO PRIORITY IF IT IS NOT PROPERLY FILLED IN AND EXECUTED OR IF IT IS NOT ACCOMPANIED BY THE REQUIRED DOCUMENTS OR PAYMENTS. SEE ITEM 9 OF GENERAL INSTRUCTIONS

13 U. S. C. sec. 1001 makes 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.

This form may be reproduced provided that the copies are exact reproductions on one sheet of both sides of this official form, in accordance with the provisions of 43 CFR 102.42 (a).

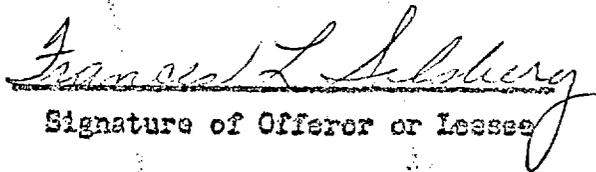


DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Stipulations, to be executed and made part of any oil and gas lease involving lands described in the Departmental Notice of October 16, 1951.

The lessee further agrees that:

- (1) No wells will be drilled for oil or gas in formations above the base of the Delaware sand, or above a depth of 5,000 feet, whichever is the lesser, except upon approval of the Director of the Geological Survey, it being understood that drilling for production to these formations will be permitted only in the event that it is satisfactorily established that such drilling will not interfere with the mining and recovery of potash deposits or the interest of the United States would best be subserved thereby.
- (2) No wells will be drilled for oil or gas in formations below the base of the Delaware sand, or below a depth of 5,000 feet, whichever is the lesser, except pursuant to a unit plan approved by the Director of the Geological Survey, unless drilling is otherwise required or approved by the Director to protect the lease from drainage.
- (3) No wells will be drilled for oil or gas at a location which, in the opinion of the Oil and Gas Supervisor of the Geological Survey, would result in undue waste of potash deposits or constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits.
- (4) The drilling or the abandonment of any well on said lease shall be done in accordance with applicable oil and gas operating regulations including such requirements as the Oil and Gas Supervisor of the Geological Survey may prescribe as necessary to prevent the infiltration of oil, gas, or water into formations containing potash deposits or into mines or workings being utilized in the extraction of such deposits.

  
Signature of Offeror or Lessee

NM 3706

*Oil & Gas Lease*

*United States of America*

*To*

*Frances H. Solberg  
Eddy County, New Mexico*

*Recorded April 2, 1964  
Oil & Gas Records  
Eddy Co  
Book 141  
Page 269*

*THIS COPY FOR TITLE RECORDS,  
RETURN ORIG, RECORDED LS TO  
SILIPSEY.*

RETURN TO  
MOBIL OIL COMPANY  
TITLE RECORDS SECTION  
P. O. BOX 633 MIDLAND, TEXAS



**JAMES BRUCE**

ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)  
(505) 982-2151 (FAX)

jamesbruc@aol.com

June 19, 2003

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

Bureau of Land Management  
2909 West Second Street  
Roswell, New Mexico 88201

IMC Potash Carlbad Inc.  
P.O. Box 71  
Cralsbad, New Mexico 88221

Ladies and Gentlemen:

Enclosed is a copy of an application for an exception to Order No. R-111-P, filed with the New Mexico Oil Conservation Division by Devon Energy Production Company, L.P., regarding a federal oil and gas lease covering the N½ of Section 14, Township 23 South, Range 31 East, N.M.P.M., N.M.P.M., Eddy County, New Mexico. This application is scheduled to be heard at 8:15 a.m. on Thursday, July 10, 2003 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

You are requested to notify in writing the Division, and the undersigned, by Thursday, July 3, 2003, if you intend to enter an appearance and participate in the case.

Very truly yours,

  
James Bruce

Attorney for Devon Energy  
Production Company, L.P.



**U.S. Postal Service<sup>TM</sup>**  
**CERTIFIED MAIL<sup>SM</sup> RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

For delivery information visit our website at [www.usps.com](http://www.usps.com)

ROSWELL, NM 88201

Postage	\$ 0.63
Certified Mail Fee	2.20
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	4.65
<b>Total Charges</b>	<b>\$ 8.63</b>

UNIT ID: 0615

Postmark Here

Clerk: KPNRDS

06/19/03

Sent To  
 Bureau of Land Management  
 2909 West Second Street  
 Roswell, New Mexico 88201

PS Form 3800, June 2002 See Reverse for Instructions

7002 2030 0004 5186 7452

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management  
 2909 West Second Street  
 Roswell, New Mexico 88201

Article Number  
 (Transfer from service label)

3811, August 2001

7002 2030 0004 5186 7452

Domestic Return Receipt

*Devan*

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) \_\_\_\_\_

C. Date of Delivery 6-20-03

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

IMC Potash Carlsbad Inc.  
 P.O. Box 71  
 Carlsbad, New Mexico 88221

2. Article Number

(Transfer from service label)

7002 2030 0004 5186 7445

PS Form 3811, August 2001

Domestic Return Receipt

*Devan*

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 Addressee

B. Received by (Printed Name) \_\_\_\_\_

C. Date of Delivery 6-20-03

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

**U.S. Postal Service<sup>TM</sup>**  
**CERTIFIED MAIL<sup>SM</sup> RECEIPT**  
*(Domestic Mail Only; No Insurance Coverage Provided)*

For delivery information visit our website at [www.usps.com](http://www.usps.com)

ROSWELL, NM 88201

Postage	\$ 0.63
Certified Mail Fee	2.20
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	4.65
<b>Total Postage &amp; Fees</b>	<b>\$ 9.23</b>

UNIT ID: 0615

Postmark Here

Clerk: KPNRDS

06/19/03

Sent To  
 IMC Potash Carlsbad Inc.  
 P.O. Box 71  
 Carlsbad, New Mexico 88221

PS Form 3800, June 2002 See Reverse for Instructions

7002 2030 0004 5186 7445

## DEVON ENERGY CORPORATION WELLBORE SCHEMATIC

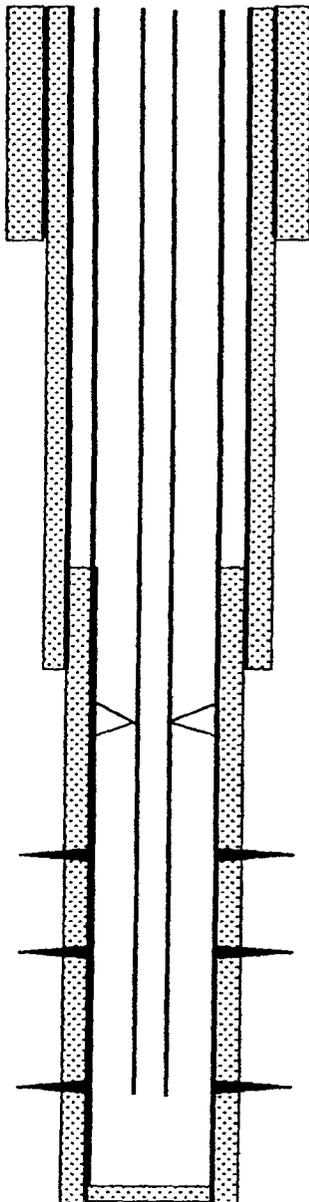
WELL NAME: Todd "24G" Federal #7		FIELD: Ingle Wells (Delaware)	
LOCATION: 1650' FNL & 2310' FEL, G-24-23S-31E		COUNTY: EDDY	STATE: NM
ELEVATION: GL=3526' - KB=3538'		SPUD DATE: 05/26/95	COMP DATE: 07/28/95
API#: 30-015-27692	PREPARED BY: C.Graham		DATE: 11/24/97

TUBULARS	DEPTH	SIZE	WEIGHT	GRADE	THREAD	HOLE SIZE
CASING:	0' - 858'	13 3/8"	48#	H-40	ST&C	17 1/2"
CASING:	0' - 4359'	8 5/8"	32#	J-55	ST&C	11"
CASING:	0' - 8650'	5 1/2"	15.5 / 17#	J-55	LT&C	7 7/8"
TUBING:	0' - 8159'	2 7/8"	6.5#	J-55	EUE 8rd	
TUBING:						

OIL CONSERVATION DIVISION

CASE NUMBER \_\_\_\_\_

EXHIBIT 8



13 3/8" @ 858'. CASING CMT'D W/700 SXS. TOC @ SURFACE.

Tubing String Detail:

194 fts 2 7/8" 6.5# 8rd EUE tbg (6380.31')  
TAC @ 6382.91'  
54 fts 2 7/8" 6.5# 8rd tbg @ 8157.80'  
SN @ 8158.90'  
perf'd sub @ 8163'  
1 BPMA @ 8196.15'

Rod String Detail:

1 1/4" PR w/1 1/2" liner  
4' & 6' - 1", HS97 pony rods  
92- 1", HS97 rods  
98- 7/8" HS97ds  
134- 3/4", HS97 rods  
shear tool 3/4"  
1- 3/4" HS97 pony rod  
2 1/2" x 1 3/4" x 22' pump  
@ 8161'  
1 1/4" gas anchor 6'

8 5/8" @ 4359'. CASING CMT'D W/1500 SXS. TOC @ SURFACE.

5 1/2" DV @ 5283'. CASING CMT'D W/560 SXS. TOC @ 3877' f/CBL

LCC Perfs 6804-6822' (10 shots)  
Frac'd w/30.2 Mlbs of 16/30 sand in 13 Mgals fluid

UBC Perfs 7091-7171' (18 shots)  
Frac'd w/52 Mlbs of 16/30 sand in 14.5 Mgals fluid

LBC D-C-A Perfs 8160-8342' (36 shots)  
Frac'd w/153.3 Mlbs of 16/30 sand in 35.5 Mgals fluid

PBTD @ 8602'

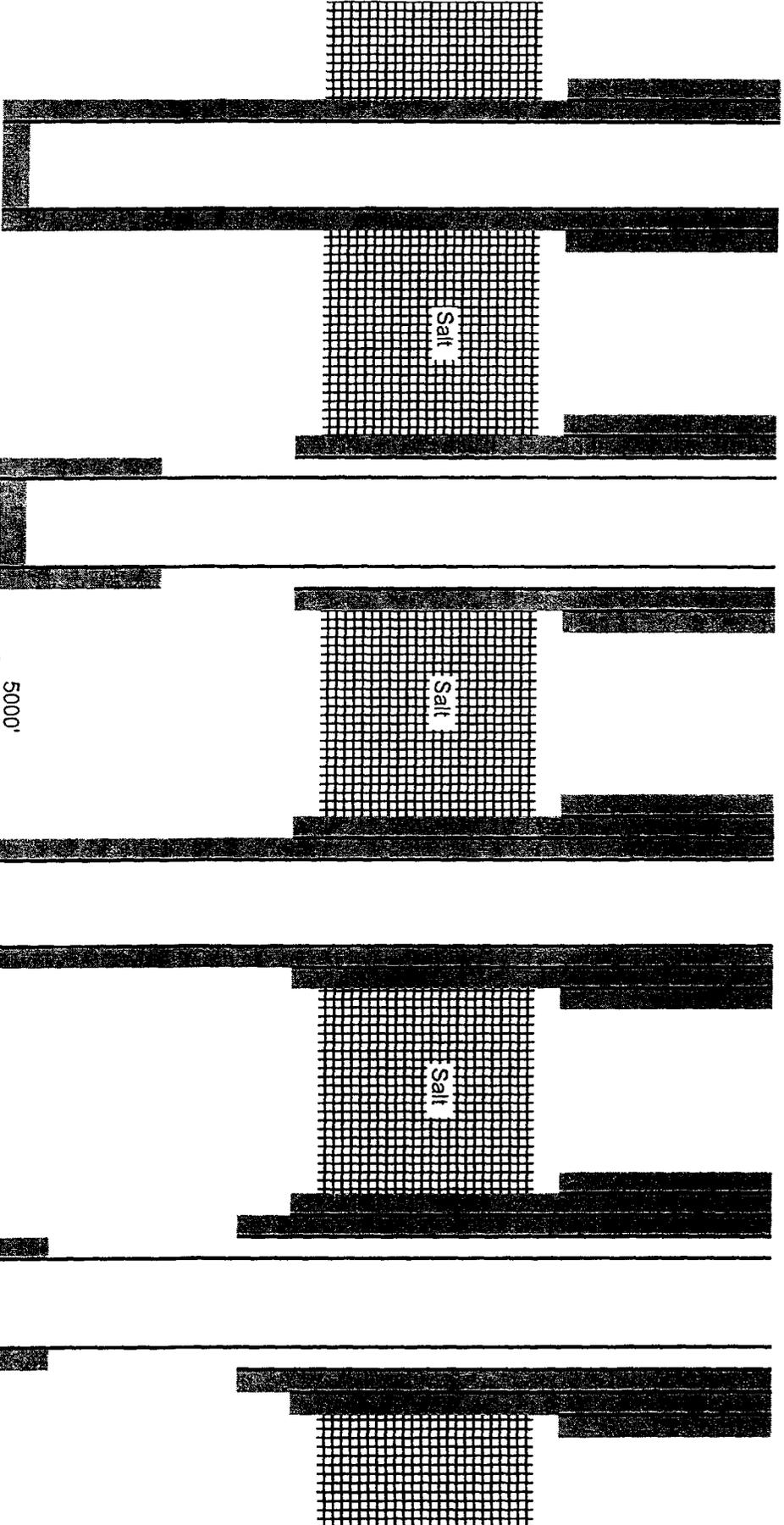
5 1/2" @ 8650'. CASING CMT'D W/600 SXS. TOC @ DV  
TD @ 8650'

FEDERAL BUREAU OF INVESTIGATION  
COMMERCIAL DIVISION

CASE NUMBER

REMARKS

9



TD < 5000'

TD > 5000'

TD > 5000'