

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*Devon*

**ADMINISTRATIVE APPLICATION CHECKLIST**

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
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_

**RECEIVED**  
 MAY 27 2004  
 Oil Conservation Division  
 1220 S. St. Francis Drive  
 Santa Fe, NM 87505

- [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

[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.

James Bruce	<i>James Bruce</i>	Attorney for Applicant	<i>5/27/04</i>
Print or Type Name	Signature	Title	Date
		jamesbruc@aol.com	
		e-mail Address	

**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) 660-6612 (Cell)  
(505) 982-2151 (Fax)

jamesbruc@aol.com

May 27, 2004

Hand Delivered

Michael E. Stogner  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), Devon Energy Production Company, L.P. ("Devon") applies for administrative approval of an unorthodox oil well location for the following well in both the San Andres formation (~~South~~ Red Lake Queen-Grayburg-San Andres Pool) and Glorieta/Yeso formations (Undesignated Northeast Red Lake Glorieta-Yeso Pool):

<u>Well:</u>	Falcon 3D Federal Well No. 26
<u>Location:</u>	890 feet FNL & 280 feet FWL
<u>Well Unit:</u>	Lot 4 (the NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 3, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

Both the ~~South~~ Red Lake Queen-Grayburg-San Andres Pool and Northeast Red Lake Glorieta-Yeso Pool are developed on statewide rules. An APD for the well, with a Form C-102, is attached as Exhibit A.

The application is based on engineering and topographic reasons. Attached as Exhibit B is a well plat of Glorieta-Yeso wells drilled or being drilled by Devon in Sections 34 and 35, Township 17 South, Range 27 East, N.M.P.M., and Sections 2 and 3, Township 18 South, Range 27 East, N.M.P.M. Devon has an ongoing program to develop the Glorieta-Yeso by drilling two wells in each quarter-quarter section, in a northeast-southwest pattern. Wells are being placed in the northeast and southwest corners of each well unit to maximize the distance between the wells.

Devon planned to place the well at an orthodox location approximately 990 feet FNL and 330 feet FWL of Section 3, but due to hills to the east, the BLM required the well to be moved west of an orthodox location.

Attached as Exhibit C is a land plat, highlighting the well unit. Lot 4 (the NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 3 is covered by United States Lease LC 065478-B. Lot 5 (the NE $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 4 is covered by United States Lease NM 033825. Although royalty ownership is common, Occidental Permian Limited Partnership and BP America Production Co. own working interests in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 4, as to certain depths. In addition, there are numerous overriding royalty owners in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 4. All offset owners are listed in Exhibit D, and they were notified of this application as shown by Exhibit E.

Please call me if you need any further information on this matter.

Very truly yours,



James Bruce

Attorney for Devon Energy  
Production Company, L.P.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC065478B
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator DEVON ENERGY PRODUCTION CO LP		7. If Unit or CA Agreement, Name and No.
Contact: LINDA GUTHRIE E-Mail: linda.guthrie@dvn.com		8. Lease Name and Well No. FALCON 3D FEDERAL 26
3a. Address 20 NORTH BROADWAY, STE 1500 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405.228.8209 Fx: 405.552.1319	9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNW 890FNL 280FWL At proposed prod. zone		10. Field and Pool, or Exploratory RED LAKE GLORIETA YESO NE
14. Distance in miles and direction from nearest town or post office* APPROX 5 MILES SE OF ARTESIA, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T18S R27E Mer NMP SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease 400.00	12. County or Parish EDDY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 4000 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3554 GL	22. Approximate date work will start 03/10/2004	17. Spacing Unit dedicated to this well 40.00
		20. BLM/BIA Bond No. on file
		23. Estimated duration 30

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 (Electronic Submission)	Name (Printed/Typed) LINDA GUTHRIE	Date 02/10/2004
Title OPERATIONS ASSOCIATE		
Approved by (Signature)	Name (Printed/Typed)	Date
Title Office		

Application approval does not warrant or certify 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.

**Additional Operator Remarks (see next page)**

Electronic Submission #27742 verified by the BLM Well Information System  
For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad  
Committed to AFMSS for processing by ARMANDO LOPEZ on 02/10/2004 ( )



**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional Operator Remarks:**

Devon Energy Production Company, LP proposes to drill a San Andres, Glorieta Yeso well per the approved Master Drilling and Surface Use Plan for the Red Lake Field Area to 4000' TD for commercial quantities of oil and gas. If the well is deemed noncommercial the well bore will be plugged and abandoned per Federal regulations.

Approximately 447' of new access road will be constructed per the MDSUP.

Directions to the location are located on the attached Well Pad Topo exhibit.

DISTRICT I  
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II  
811 South First, Artesia, NM 88210

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

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised March 17, 1999

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

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	96836	Redlake Glorieta Yeso NE
Property Code	Property Name	Well Number
	FALCON "3D" FEDERAL	26
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY LP	3554'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 4	3	18 S	27 E		890	NORTH	280	WEST	EDDY

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

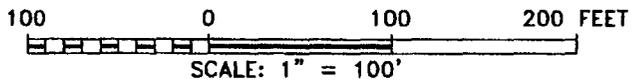
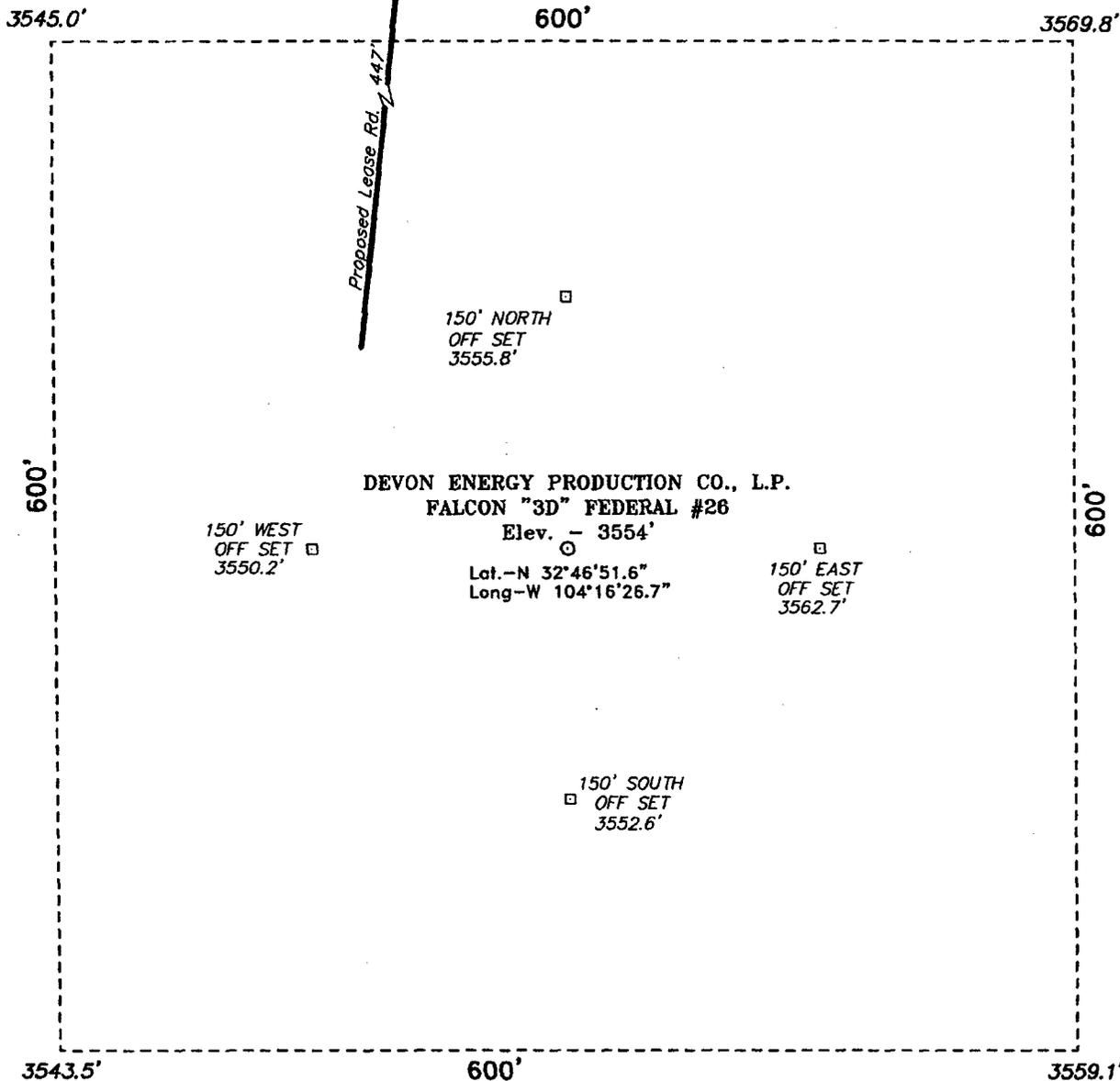
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Linda Guthrie</i> Signature</p> <p>Linda B Guthrie Printed Name</p> <p>Operations Associate Title</p> <p>02/10/04 Date</p>	
	<p><b>SURVEYOR CERTIFICATION</b></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>JANUARY 28, 2004 Date Surveyed</p> <p><i>[Signature]</i> Signature &amp; Seal of Professional Surveyor</p> <p>N.O. No. 3965 Certificate No. GPP 7977</p>	

SECTION 3, TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO.

FALCON 3D;  
 FED. #5



Directions to Location:

FROM THE JUNCTION OF CO. RD. 225 AND CO. RD. 227, GO WEST ON 227 FOR 0.4 MILE; THENCE NORTH FOR 0.2 MILE; THENCE WEST FOR 0.5 MILE TO THE FALCON 3D #5 AND PROPOSED LEASE ROAD.

**DEVON ENERGY PROD. CO., L.P.**

REF: FALCON "3D" FED. No. 26 / Well Pad Topo

THE FALCON "3D" FED. No. 26 LOCATED 890' FROM THE NORTH LINE AND 280' FROM THE WEST LINE OF SECTION 3, TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

**BASIN SURVEYS** P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 3965

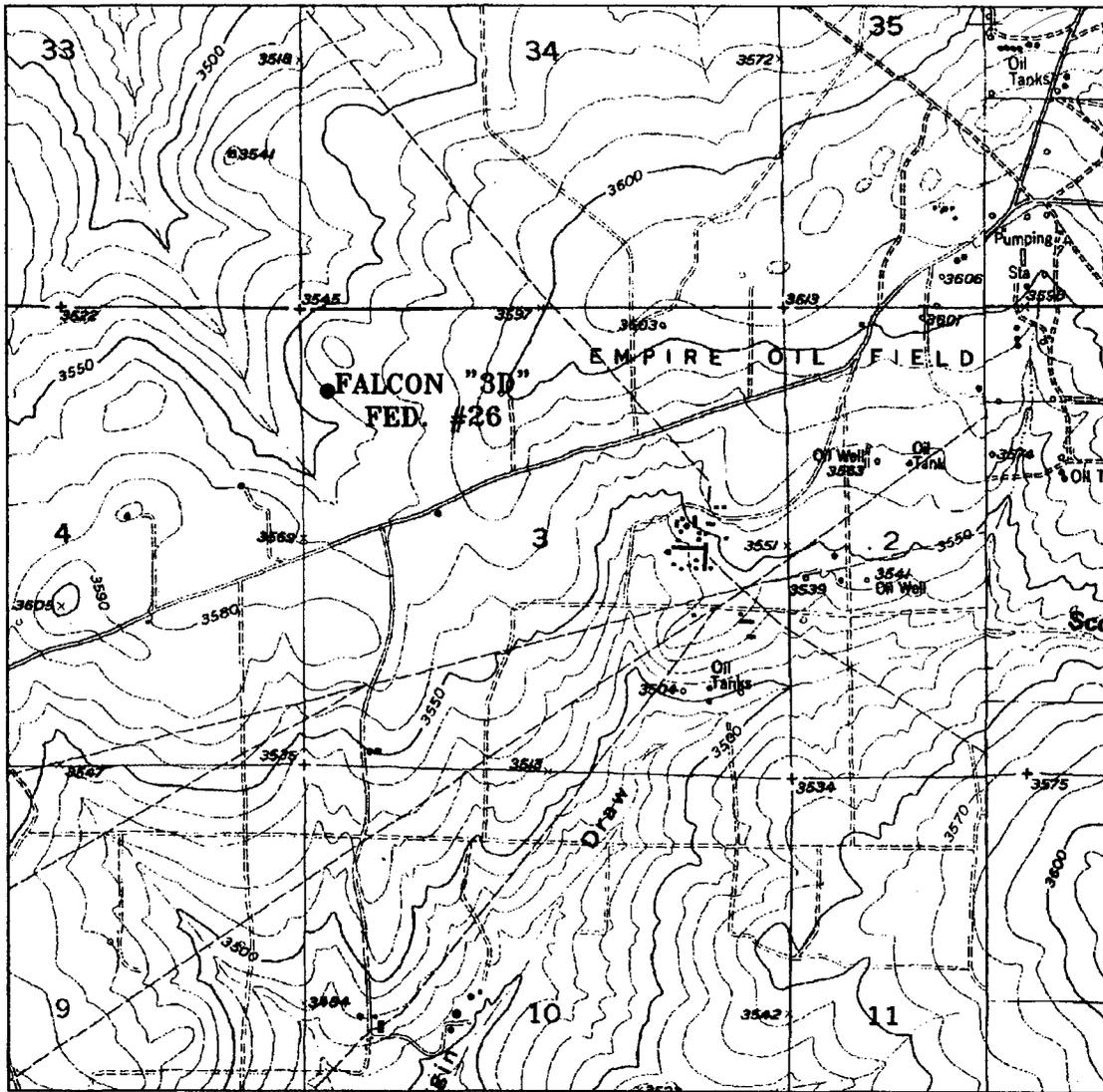
Drawn By: K. GOAD

Date: 02-04-2004

Disk: KJG CD#4 - 3965A.DWG

Survey Date: 01-28-2004

Sheet 1 of 1 Sheets



**FALCON "3D" FEDERAL #26**  
 Located at 890' FNL and 280' FWL  
 Section 3, Township 18 South, Range 27 East,  
 N.M.P.M., Eddy County, New Mexico.



focused on excellence  
in the oilfield.

P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basinsurveys.com

W.O. Number: 3965AA - KJG #1

Survey Date: 01-28-2004

Scale: 1" = 2000'

Date: 02-04-2004

**DEVON ENERGY  
 PRODUCTION  
 COMPANY LP.**

EAGLE 35 FEDERAL 11

EAGLE 35 FEDERAL 13

EAGLE 35 FEDERAL 15

EAGLE 35 FEDERAL # 10  
49 124

EAGLE 35 FEDERAL # 12  
49 124

EAGLE 35 FEDERAL # 14  
49 124

EAGLE 35 FEDERAL 15

EAGLE 34 FEDERAL # 30  
EAGLE 35L FEDERAL # 1  
176 33 145 48 118  
LOGAN 35 FEDERAL # 5  
81 170

35

LOGAN 35 FEDERAL # 2  
48 149

EAGLE 35 FEDERAL # 4  
201 555

LOGAN 35 FEDERAL # 6  
105 216

LOGAN 35 FEDERAL # 4  
105 216

LOGAN 35 FEDERAL # 11  
19 56

DEVON ENERGY CORP  
EAGLE 34 FEDERAL # 31  
47 84 39 139

EAGLE 34 FEDERAL 32

LOGAN 35 FEDERAL # 7  
40 136

LOGAN 35B FEDERAL # 9  
47 171 38 112  
LOGAN 35B FEDERAL # 9  
35 95

LOGAN 35 FEDERAL # 12  
19 29

DEVON ENERGY PROD  
EAGLE 34 FEDERAL # 2  
49 124

LOGAN 35B FEDERAL # 8  
8 13

LOGAN 35 FEDERAL # 14  
51 103

DEVON ENERGY PROD

DEVON ENERGY CORP  
EAGLE 34 FEDERAL # 1  
49 124

EAGLE 34 FEDERAL 37

MU STATE # 1  
35 73 20 40

DEVON ENERGY CORP  
LOGAN 2 STATE # 2  
5 15

MARBOB ENERGY CORP  
SB STATE # 1  
19 20

MARBOB ENERGY CORP  
TDF STATE # 1  
21 51

DEVON ENERGY PROD  
EAGLE 34 FEDERAL # 3  
49 124

DEVON ENERGY CORP  
LOGAN 2 STATE # 4  
1

MARBOB ENERGY CORP  
LOGAN 2 STATE # 3  
1

MARBOB ENERGY CORP  
LOGAN 2 STATE # 4  
1

MARBOB ENERGY CORP  
LOGAN 2 STATE # 3  
1

LE 34 FEDERAL 35

DEVON ENERGY PROD

DEVON ENERGY PROD

DEVON ENERGY PROD

DEVON ENERGY PROD

ARCO PERMIAN  
LAKE 3 FEDERAL # 1  
32 71

ARCO PERMIAN  
RED LAKE 3 FEDERAL # 1  
14 45

ARCO PERMIAN  
RED LAKE 3 FEDERAL # 1  
14 45

ARCO PERMIAN  
RED LAKE 3 FEDERAL # 1  
14 45

ARCO PERMIAN  
RED LAKE 3 FEDERAL # 1  
14 45





EXHIBIT A

Ann D. Allison  
P.O. Box 64035  
Lubbock, Texas 79464

Edith C. Wheeler  
P.O. Box 64035  
Lubbock, Texas 79464

Penroc Oil Corporation  
P.O. Box 2769  
Hobbs, NM 88241

David W. Thorne  
443 Wellington Avenue  
Rochester, NY 14619-1249

John E. Thorne  
5304 Chamois Drive  
Columbia, MO 65203

Davis A. Coppedge  
466 Goodwin Drive  
Richardson, TX 75081

James T. Coppedge  
P.O. Box 43  
Spencer, IN 47460

Occidental Permian Limited Partnership  
P.O. Box 50250  
Midland, Texas 79710

Conrad G. & Ada J. Keyes Living Trust  
P.O. Box 156  
Ruidoso, NM 88355

Michael H. Moore  
Box 1669  
Santa Rose Bch, FL 32459

LaRue M. White  
Llanfair-Belwood  
1776 Larch Avenue #303  
Cincinnati, OH 45224



Jane A. Ronca-Washburn  
11805 La Charles Avenue NE  
Albuquerque, NM 87111

Henry F. Thorne  
P.O. Box 36  
Long Pine, NE 69217-0036

Janice Gettys  
803 S. Stratton Street  
Decatur, TX 76234

Robert Grant & Alberta N. Keyes,  
JTWROS, Life Estate  
1119 S. Missouri Avenue  
Roswell, NM 88203

Laura Patricia Lodewick  
511 Newell Street  
Dallas, Texas 75223-1155

John Widney Lodewick  
3305 Wentwood  
Dalas, TX 75225-4847

Mary J. McWhorter  
769 Canyon Road  
Logan, UT 84321-4316

Yates Bros, A Partnership  
105 South 4<sup>th</sup> Street  
Artesia, NM 88210

William Richard Ballard  
11651 Calle Javelina  
Tucson, AZ 85748

Betty L. Price Morgan  
5210 Churubusco Drive  
San Antonio, TX 78239-3107

Richard K. Davidson  
P.O. Box 387  
La Jara, CO 81140-0387

Balwick Limited Partnership  
P.O. Box 2493  
Midland, TX 79702

Family Trust of John Olaf Larsgaard  
And Sharon LaRue Larsgaard  
7627 146<sup>th</sup> Avenue E  
Summer, WA 98390

Zanaida Ruth Griffin  
2808 Abingdon Parkway  
Birmingham, AL 35243

Vicki L. Owens  
P.O. Box 696  
Eunice, NM 88231

Scott C. Henson  
1118 Salmon Drive  
Roseville, CA 95661

Nancy Brunden  
C/o 1<sup>st</sup> National Bank Trust Dept  
P.O. Box AA  
Artesia, NM 88211-7526

Steven M. Henson  
2170 N. Texas St. #127  
Fairfield, CA 94533

Martha M. Byrd  
9825 Admiral Nimitz NE  
Albuquerque, NM 87111

Patricia M. Marshall  
2506 N. Nevada  
Roswell, NM 88201

Richard Oscar Greene  
5404 Noah Way  
San Diego, CA 92117

Charles Henry Greene  
840 Camino Del Rex  
Las Cruces, NM 88001

Franklin Stuart Greene  
P.O. Box 1135  
Silver City, NM 88062

Robert Wayne Delancy  
1715 S. Gary Avenue  
Tulsa, OK 74104

Robert K. Meyer  
P.O. Box 57  
Elk Mountain, WY 82324

Thunderbird Oil  
7801 N.W. Lynn's Lane  
Weatherby Lake, MO 64152

Noble Royalties Inc.  
13601 Preston Road, Suite 1008 W  
Dallas, TX 75240

Ralph Alexander Stricker  
3702 E. Campbell Avenue  
Phoenix, AZ 85018

McWhorter Living Trust  
6140 E. Voltaire  
Scottsdale, AZ 85254

BP America Production Co.  
P.O. Box 3092  
Houston, TX 77253

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**JAMES BRUCE**  
ATTORNEY AT LAW

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(505) 982-2151 (Fax)

jamesbruc@aol.com

May 27, 2004

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by Devon Energy Production Company, L.P., requesting administrative approval of an unorthodox oil well location in the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 3, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. You own an interest in the offsetting NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 4. If you object to the well's location, you must notify the Division in writing no later than Wednesday, June 16, 2004 (1220 South St. Francis Drive, Santa Fe, New Mexico 87505; attention: Michael E. Stogner). Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,

  
James Bruce

Attorney for Devon Energy  
Production Company, L.P.

