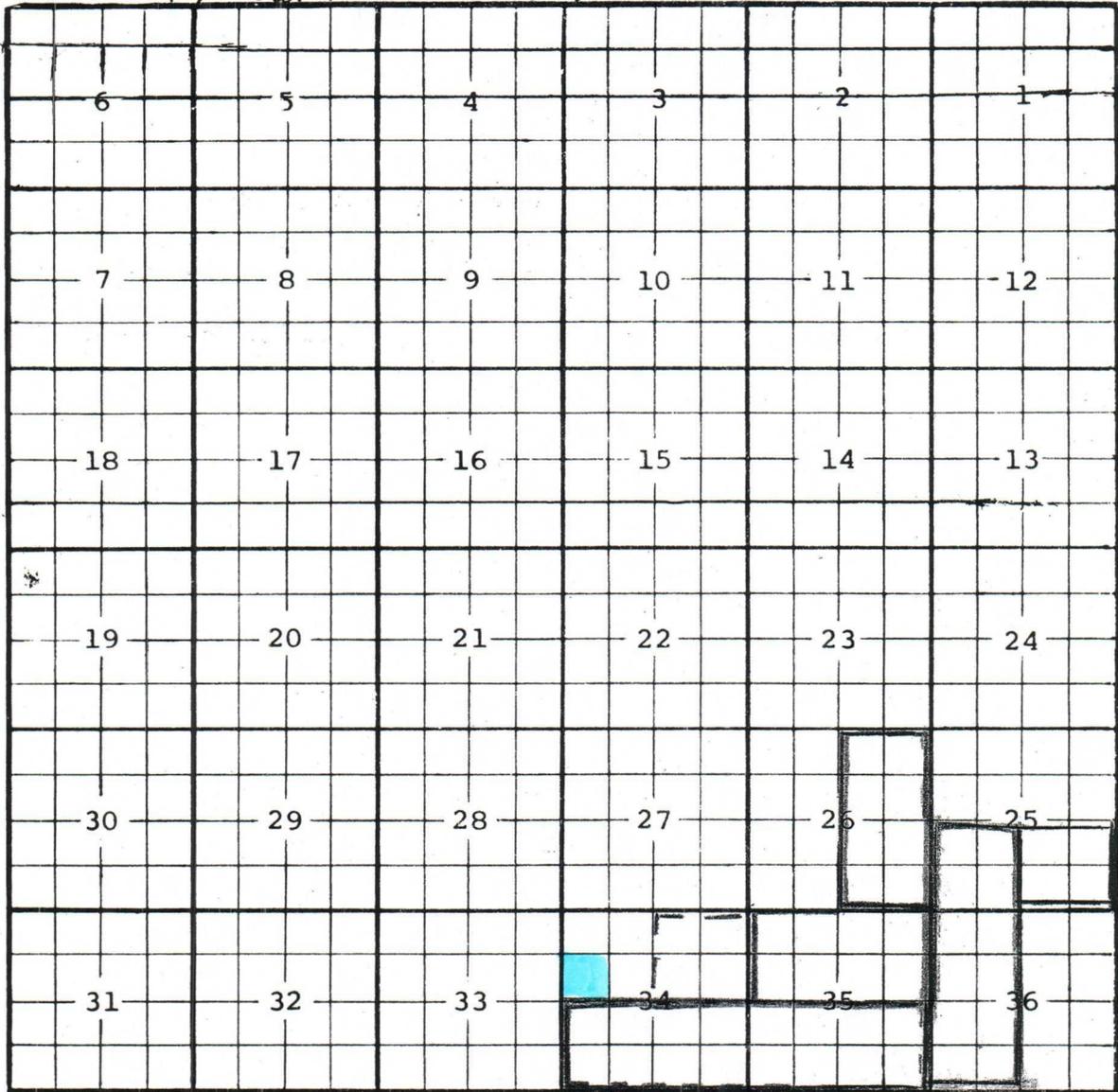


county Eddy pool Northeast Red Lake-Glorieta-Yeso

TOWNSHIP 17 South Range 27 East NMPM



Ext: $\frac{S}{2}$ Sec. 34, $\frac{S}{2}$ Sec. 35 (R-11170, 4-7-99) Ext: $\frac{SW}{4}$ Sec. 25, $\frac{W}{2}$ Sec. 36 (R-11359, 4-12-00)

Ext: $\frac{E}{2}$ Sec. 26 (R-11470, 10-11-00) Ext: $\frac{SE}{4}$ Sec. 25 (R-11544, 7-13-01)

Ext: $\frac{N}{2}$ Sec. 35 (R-12088, 1-14-01)

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 11966
ORDER NO. R-11162

APPLICATION OF DEVON ENERGY CORPORATION (NEVADA) FOR 23
UNORTHODOX OIL WELL LOCATIONS, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on April 16, 1998 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 13th day of April, 1999, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) The applicant, Devon Energy Corporation (Nevada) ["Devon"], seeks authority to drill and produce the following wells at unorthodox oil well locations in Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico:

<u>Well Name and Number</u>	<u>API Number</u>	<u>Section</u>	<u>Footage Location</u>	<u>Unit</u>
Eagle "27-H" Federal No. 15	30-015-29942	27	1450' FNL & 990' FEL	H
Evarts "31" Federal No. 3	30-015-30171	31	1330' FSL & 1630' FEL	J
Eagle "33-G" Federal No. 6	30-015-29595	33	2460' FNL & 1350' FEL	G
Eagle "33-H" Federal No. 8	30-015-29596	33	2435' FNL & 531' FEL	H
Eagle "33-N" Federal No. 10	30-015-29598	33	230' FSL & 2140' FWL	N
Eagle "34-E" Federal No. 10	30-015-29632	34	2310' FNL & 1240' FWL	E
Eagle "34-F" Federal No. 12	30-015-29635	34	2310' FNL & 2420' FWL	F
Eagle "34-G" Federal No. 14	30-015-29636	34	2310' FNL & 1600' FEL	G
Eagle "34-I" Federal No. 18	30-015-29655	34	1740' FSL & 280' FEL	I
Eagle "34-L" Federal No. 24	30-015-29643	34	1740' FSL & 1065' FWL	L

In addition, Devon seeks authority to drill and produce the following wells at unorthodox oil well locations in Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico:

<u>Well Name and Number</u>	<u>API Number</u>	<u>Section</u>	<u>Footage Location</u>	<u>Unit</u>
Falcon "3-N" Federal No. 18	30-015-29575	3	680' FSL & 1350' FWL	N
Carter Collier "5" Federal No. 9	30-015-29995	5	330' FNL & 2360' FEL	B
Evarts "6" Federal No. 4	30-015-30109	6	330' FNL & 1190' FEL	A
Fred "6" Federal. No. 5	30-015-30155	6	1260' FNL & 990' FWL	D
Patton "6" Federal No. 6	30-015-30085	6	2460' FNL & 2310' FWL	F
Patton "6" Federal No. 4	30-015-30079	6	1593' FSL & 1469' FWL	K
Patton "6" Federal No. 3	30-015-29980	6	930' FSL & 1450' FWL	N
Hawk "9-B" Federal No. 4	30-015-29480	9	990' FNL & 1360' FEL	B
Hawk "9-J" Federal No. 16	30-015-29483	9	1630' FSL & 1650' FEL	J
Hawk "9-O" Federal No. 17	30-015-29484	9	1170' FSL & 2310' FEL	O
Hawk "17-C" Federal No. 1	30-015-29515	17	380' FNL & 1450' FWL	C
Hawk "17-C" Federal No. 2	30-015-29726	17	890' FNL & 2585' FWL	C
Kaiser No. 1	NA	18	330' FNL & 1110' FEL	A

(3) Prior to the hearing the Division issued the following Administrative Orders for four of the above-described wells:

- (a) NSL-3969 (SD), dated March 11, 1998, granted Devon approval to drill its Hawk "17-C" Federal Wells No. 1 and 2 at the above-described unorthodox oil well locations;
- (b) NSL-3982, dated March 23, 1998, granted Devon approval to drill its Carter Collier "5" Federal Well No. 9 at the above-described unorthodox oil well location; and
- (c) NSL-3983, dated March 23, 1998, granted Devon approval to drill its Evarts "6" Federal Well No. 4 at the above-described unorthodox oil well location.

Since it is unnecessary at this time to include these four wells in this application, they should be dismissed.

(4) The Red Lake (Queen-Grayburg-San Andres) Pool, as currently designated, includes the following lands in Eddy County, New Mexico:

TOWNSHIP 16 SOUTH, RANGE 28 EAST,
NMPM

Section 24: SE/4
Section 25: All
Section 26: S/2 S/2
Section 27: SE/4 SE/4
Section 34: All
Section 35: All
Section 36: All

TOWNSHIP 17 SOUTH, RANGE 27 EAST,
NMPM

Section 12: SE/4
Section 13: N/2 and SE/4
Section 22: S/2 NE/4
Section 23: S/2 NW/4, NE/4 SW/4, and SE/4
Section 24: NE/4, S/2 NW/4, N/2 SW/4, and SE/4
Section 25: NE/4 and S/2
Section 26: S/2 S/2
Section 27: All
Section 32: SE/4
Section 33: NE/4 and S/2
Section 34: All
Section 35: All
Section 36: All

TOWNSHIP 17 SOUTH, RANGE 28 EAST,
NMPM

Section 7: All
Section 8: SW/4
Section 9: NE/4 NE/4, S/2 NE/4, and SE/4
Section 10: SW/4
Section 11: S/2
Section 12: SW/4 SW/4
Section 14: W/2

TOWNSHIP 17 SOUTH, RANGE 28 EAST,
NMPM

(Continued)

Section 15: All
Section 16: NE/4 and S/2
Section 18: W/2
Section 19: S/2
Section 20: All
Section 22: All
Section 23: S/2 NW/4 and S/2
Section 25: N/2
Section 26: N/2
Section 27: N/2 N/2 and SW/4
Section 28: All
Section 29: N/2, SW/4, and N/2 SE/4
Section 30: All
Section 31: NE/4 NE/4, W/2 E/2, and W/2

TOWNSHIP 18 SOUTH, RANGE 26 EAST,
NMPM

Section 1: E/2

TOWNSHIP 18 SOUTH, RANGE 27 EAST,
NMPM

Section 1: S/2
Section 2: S/2
Section 3: All
Section 4: All
Section 5: All
Section 6: All
Section 7: All
Section 8: All
Section 9: All
Section 17: N/2
Section 18: NE/4, N/2 NW/4, and SE/4 NW/4.

(5) Currently the Red Lake (Queen-Grayburg-San Andres) Pool is governed by the Division's statewide rules, which require development on standard 40-acre spacing and proration units, each having a top unit depth bracket allowable of 80 barrels of oil per day and a limiting gas/oil ratio of 2,000 cubic feet of gas per barrel of oil, and allow infill drilling on each 40-acre unit.

(6) Within a 1236.85-acre area, more or less, comprising the following described

acreage in Eddy County, New Mexico, Devon is the operator of the West Red Lake Unit Area (approved by Division Order No. R-3453 dated July 12, 1968) in which waterflood operations are being conducted with injection into the Red Lake (Queen-Grayburg-San Andres) Pool (approved by Division Order No. R-3469, issued in Case No. 3824, dated August 13, 1968, and designated the West Red Lake Waterflood Project).

(7) The remaining 19 wells listed in Paragraph No. (2) above are either completed in or proposed to be completed in the Red Lake (Queen-Grayburg-San Andres) Pool, and each well will have a standard 40-acre, more or less, unit dedicated thereto. Eleven wells will be infill wells within existing 40-acre oil proration units while the remaining eight wells will be considered new designations.

(8) The applicant presented evidence that indicates the following:

- (a) All of the wells are located on federal land, except the Kaiser No. 1, which is located on fee land.
- (b) The subject pool is continuous across the area, trending in a northeast-southwest direction.
- (c) The original locations for all of the subject wells were orthodox, but were moved due to topographic and engineering reasons.
- (d) The subject area is near the Pecos River, with numerous draws and elevation changes of 100-200 feet. The Bureau of Land Management requested that numerous well locations be moved to prevent extreme cut and fill of slopes and prevent erosion of the highly erodible soil in this area. In addition, there are numerous gas transmission and gathering pipelines, roads, existing wells, and a gas plant. All of these factors limit well locations.
- (e) Average reserves in wells completed in the subject pool are about 50,000 barrels of oil, which equate to approximately 24 acres of drainage. The drainage radius of such a well is much less than a well that is capable of draining 40 acres. The applicant has drilled wells within 400-450 feet of older, above-average wells in the pool, and has seen no evidence of drainage from those older wells.
- (f) Directional drilling is not feasible because the small reserves in these wells do not justify the additional drilling and operating costs.

(g) Applicant is drilling two wells per 40-acre unit to: (i) adequately drain each unit, and (ii) prepare for a possible future waterflood project. Injection in the West Red Lake Unit has shown a favorable production response. Drilling two wells per 40-acre unit could allow the Unit's waterflood project to be expanded in the future.

(9) Each of the above-described unorthodox oil well locations should be approved for one or more of the following reasons:

- (a) The location is a move toward the interior of a lease;
- (b) The location encroaches on a lease not owned or operated by the applicant, but notice was given to the offset and the Division received no objection;
- (c) The location will not drain the offset well unit due to the limited drainage areas in the subject pool;
- (d) A well will be drilled offsetting the proposed unorthodox well, or the offsetting well unit has existing wells producing from the same pool; and/or
- (e) There are no overriding royalty interest owners in the tract offsetting the subject well, or the applicant is the only overriding royalty interest owner in the offsetting tract.

(10) Approval of the proposed unorthodox oil well locations will afford the applicant the opportunity to produce its just and equitable share of oil and gas from the subject pool and will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Devon Energy Corporation (Nevada), is hereby authorized to drill the wells described below at unorthodox oil well locations in the Red Lake (Queen-Grayburg-San Andres) Pool in Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico:

<u>Well Name and Number</u>	<u>API Number</u>	<u>Section</u>	<u>Footage Location</u>	<u>Unit</u>
Eagle "27-H" Federal No. 15	30-015-29942	27	1450' FNL & 990' FEL	H
Evarts "31" Federal No. 3	30-015-30171	31	1330' FSL & 1630' FEL	J

Eagle "33-G" Federal No. 6	30-015-29595	33	2460' FNL & 1350' FEL	G
Eagle "33-H" Federal No. 8	30-015-29596	33	2435' FNL & 531' FEL	H
Eagle "33-N" Federal No. 10	30-015-29598	33	230' FSL & 2140' FWL	N
Eagle "34-E" Federal No. 10	30-015-29632	34	2310' FNL & 1240' FWL	E
Eagle "34-F" Federal No. 12	30-015-29635	34	2310' FNL & 2420' FWL	F
Eagle "34-G" Federal No. 14	30-015-29636	34	2310' FNL & 1600' FEL	G
Eagle "34-I" Federal No. 18	30-015-29655	34	1740' FSL & 280' FEL	I
Eagle "34-L" Federal No. 24	30-015-29643	34	1740' FSL & 1065' FWL	L

And in Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico:

<u>Well Name and Number</u>	<u>API Number</u>	<u>Section</u>	<u>Footage Location</u>	<u>Unit</u>
Falcon "3-N" Federal No. 18	30-015-29575	3	680' FSL & 1350' FWL	N
Fred "6" Federal. No. 5	30-015-30155	6	1260' FNL & 990' FWL	D
Patton "6" Federal No. 6	30-015-30085	6	2460' FNL & 2310' FWL	F
Patton "6" Federal No. 4	30-015-30079	6	1593' FSL & 1469' FWL	K
Patton "6" Federal No. 3	30-015-29980	6	930' FSL & 1450' FWL	N
Hawk "9-B" Federal No. 4	30-015-29480	9	990' FNL & 1360' FEL	B
Hawk "9-J" Federal No. 16	30-015-29483	9	1630' FSL & 1650' FEL	J
Hawk "9-O" Federal No. 17	30-015-29484	9	1170' FSL & 2310' FEL	O
Kaiser No. 1	NA	18	330' FNL & 1110' FEL	A

(2) Each well shall have a standard 40-acre oil spacing and proration unit dedicated thereto.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director

SEAL

CMD : ONGARD 06/15/04 11:02:23
OG6IWCN INQUIRE WELL COMPLETIONS OGWMS -TPWK

API Well No : 30 15 29632 Eff Date : 11-15-1997 WC Status : A
Pool Idn : 51300 RED LAKE;QUEEN-GRAYBURG-SA
OGRID Idn : 6137 DEVON ENERGY PRODUCTION COMPANY, LP
Prop Idn : 19358 EAGLE 34 E FEDERAL

Well No : 010
GL Elevation: 3536

U/L Sec Township Range North/South East/West Prop/Act (P/A)

B.H. Locn : E 34 17S 27E FTG 2310 F N FTG 1240 F W P
Lot Identifier:
Dedicated Acre: 40.00
Lease Type : F
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

E6317: No more recs. for this api well no.
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXXTRC

ONGARD

06/15/04 11:02:34

CMD :

INQUIRE PRODUCTION BY POOL/WELL

OGOMES -TPWK

Page No: 1

OGRID Identifier : 6137 DEVON ENERGY PRODUCTION COMPANY, LP

Pool Identifier : 51300 RED LAKE;QUEEN-GRAYBURG-SA

API Well No : 30 15 29632 Report Period - From : 01 2003 To : 06 2004

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30	15 29632 EAGLE 34 E FEDERAL	01 03 31	451 30 806	P
30	15 29632 EAGLE 34 E FEDERAL	02 03 28	488 70 834	P
30	15 29632 EAGLE 34 E FEDERAL	03 03 31	511 95 583	P
30	15 29632 EAGLE 34 E FEDERAL	04 03 30	458 84 537	P
30	15 29632 EAGLE 34 E FEDERAL	05 03 31	485 59 381	P
30	15 29632 EAGLE 34 E FEDERAL	06 03 30	434 50 236	P
30	15 29632 EAGLE 34 E FEDERAL	07 03 31	419 64 297	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPPOOL PF11 NXTOGD PF12

ONGARD

06/15/04 11:02:36

CMD :
 OGGIPRD INQUIRE PRODUCTION BY POOL/WELL

OGOMES -TPWK
 Page No: 2

OGRID Identifier : 6137 DEVON ENERGY PRODUCTION COMPANY, LP

Pool Identifier : 51300 RED LAKE;QUEEN-GRAYBURG-SA

API Well No : 30 15 29632 Report Period - From : 01 2003 To : 06 2004

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 15 29632	EAGLE 34 E FEDERAL	08 03 31	428 76 225	P
30 15 29632	EAGLE 34 E FEDERAL	09 03 30	478 72 312	P
30 15 29632	EAGLE 34 E FEDERAL	10 03 31	415 69 333	P
30 15 29632	EAGLE 34 E FEDERAL	11 03 30	293 71 260	P
30 15 29632	EAGLE 34 E FEDERAL	12 03 31	335 90 222	P
30 15 29632	EAGLE 34 E FEDERAL	01 04 31	474 65 355	P
30 15 29632	EAGLE 34 E FEDERAL	02 04 29	422 39 324	P
Reporting Period Total (Gas, Oil) :			6091 934 5705	

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPPOOL PF11 NXTOGD PF12

CMD :
OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

06/15/04 11:01:50
OGOMES -TPWK

API Well No : 30 15 29083 Eff Date : 03-19-1997 WC Status : A
Pool Idn : 51300 RED LAKE,QUEEN-GRAYBURG-SA
OGRID Idn : 6137 DEVON ENERGY PRODUCTION COMPANY, LP
Prop Idn : 19358 EAGLE 34 E FEDERAL

Well No : 009
GL Elevation: 3514

U/L Sec Township Range North/South East/West Prop/Act (P/A)

B.H. Locn : E 34 17S 27E FTG 1650 F N FTG 330 F W P
Lot Identifier:
Dedicated Acre: 40.00
Lease Type : F
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

ONGARD

06/15/04 11:02:02

CMD :
 OGIIPRD INQUIRE PRODUCTION BY POOL/WELL

OGOMES -TPWK
 Page No: 1

OGRID Identifier : 6137 DEVON ENERGY PRODUCTION COMPANY, LP
 Pool Identifier : 51300 RED LAKE;QUEEN-GRAYBURG-SA

API Well No : 30 15 29083 Report Period - From : 01 2003 To : 06 2004

API Well No	Property Name	Prodn. Days MM/yy Prod	Production Volumes Gas Oil Water	Well Stat
30 15 29083	EAGLE 34 E FEDERAL	01 03 31	414 179 385	P
30 15 29083	EAGLE 34 E FEDERAL	02 03 28	447 105 465	P
30 15 29083	EAGLE 34 E FEDERAL	03 03 31	468 127 424	P
30 15 29083	EAGLE 34 E FEDERAL	04 03 30	420 103 2134	P
30 15 29083	EAGLE 34 E FEDERAL	05 03 31	445 143 544	P
30 15 29083	EAGLE 34 E FEDERAL	06 03 30	398 174 331	P
30 15 29083	EAGLE 34 E FEDERAL	07 03 31	384 80 243	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPPOOL PF11 NXTOGD PF12

ONGARD

06/15/04 11:02:04

OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

OGOMES -TPWK

Page No: 2

OGRID Identifier : 6137 DEVON ENERGY PRODUCTION COMPANY, LP

Pool Identifier : 51300 RED LAKE;QUEEN-GRAYBURG-SA

API Well No : 30 15 29083 Report Period - From : 01 2003 To : 06 2004

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 15 29083	EAGLE 34 E FEDERAL	08 03 31	393 100 199	P
30 15 29083	EAGLE 34 E FEDERAL	09 03 30	438 96 291	P
30 15 29083	EAGLE 34 E FEDERAL	10 03 31	380 114 376	P
30 15 29083	EAGLE 34 E FEDERAL	11 03 30	262 115 287	P
30 15 29083	EAGLE 34 E FEDERAL	12 03 31	308 100 324	P
30 15 29083	EAGLE 34 E FEDERAL	01 04 31	434 78 347	P
30 15 29083	EAGLE 34 E FEDERAL	02 04 29	442 115 329	P
Reporting Period Total (Gas, Oil) :		5633	1629	6679

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPPOOL PF11 NXTOGD PF12

CMD :
OG6IWCW

ONGARD
INQUIRE WELL COMPLETIONS

06/15/04 11:02:45
OGOMES -TPWK

API Well No : 30 15 33263 Eff Date : 01-29-2004 WC Status : N
Pool Idn : 96836 RED LAKE; GLORIETA YESO, NORTHEAST
OGRID Idn : 6137 DEVON ENERGY PRODUCTION COMPANY, LP
Prop Idn : 19358 EAGLE 34 E FEDERAL

Well No : 056
GL Elevation: 3513

U/L Sec Township Range North/South East/West Prop/Act (P/A)

B.H. Locn : E 34 17S 27E FTG 2195 F N FTG 505 F W P
Lot Identifier:
Dedicated Acre: 40.00
Lease Type : F
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

E6317: No more recs. for this api well no.
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

EC

OCD-ARTESIA

Form 3160-3
(August 1999)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No.
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		8. Lease Name and Well No. EAGLE 34E FEDERAL 56
2. Name of Operator DEVON ENERGY PRODUCTION CO L P		9. API Well No. 30-015-33263
Contact: KAREN COTTOM E-Mail: karen.cottom@dvn.com		10. Field and Pool, or Exploratory RED LAKE; GLORIETA-YESO, NE
3a. Address 20 NORTH BROADWAY SUITE 1500 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405.228.7512 Fx: 405.552.4621	11. Sec., T., R., M., or Blk. and Survey or Area Sec 34 T17S R27E Mer NMP SME: BLM
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNW 2195 25 230FNL 470FWL Per B Hunt & SN dated 1/19/04 At proposed prod. zone SWNW 2280FNL 470FWL		12. County or Parish EDDY
14. Distance in miles and direction from nearest town or post office* APPROX 5 MILES SOUTHEAST OF ARTESIA NM		13. State NM
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 FER 0 2 7004 800.00 OCD-ARTESIA	17. Spacing Unit dedicated to this well 40.00
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 4000 MD	20. BLM/BIA Bond No. on file
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3513 GL	22. Approximate date work will start 12/31/2003	23. Estimated duration 45 DAYS

24. Attachments ROSWELL CONTROLLED WATER BASIN

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 (Electronic Submission)	Name (Printed/Typed) KAREN COTTOM	Date 12/10/2003
Title OPERATIONS TECHNICIAN		
Approved by (Signature) /s/ Joe G. Lara	Name (Printed/Typed) /s/ Joe G. Lara	Date 29 JAN 2004
Title ACTING FIELD MANAGER		
Office CARLSBAD FIELD 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.

APPROVAL FOR 1 YEAR

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 #25983 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad
Committed to AFMSS for processing by LINDA ASKWIG on 12/11/2003 (04LA0152AE)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

Witness Surface Casing

** BLM REVISED **

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 392' of new access road will be constructed per the MDSUP

Directions: From the junction of US Hwy 82 and Co. Rd. 204, go south 0.1 mile to Co. Rd. 225; thence south on 225 for approx 2.1 mile to Co. Rd. 227; thence westerly on 227 for approx 0.5 mile to lease road; thence north on lease road for approx 1.1 mile; thence west 0.25 mile to the Eagle 34E Fed 9 and the proposed lease road
Please see attached MDSUP.

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.

5. Lease Serial No.
NMLC067849

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
EAGLE 34E FEDERAL 56

2. Name of Operator
DEVON ENERGY PRODUCTION CO L P
Contact: KAREN COTTOM
E-Mail: karen.cottom@dvn.com

9. API Well No.

3a. Address
20 NORTH BROADWAY SUITE 1500
OKLAHOMA CITY, OK 73102
3b. Phone No. (include area code)
Ph: 405.228.7512
Fx: 405.552.4621

10. Field and Pool, or Exploratory
RED LAKE;GLORIETA-YESO

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T17S R27E SWNW 2230FNL 470FWL

11. County or Parish, and State
EDDY COUNTY, NM

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	Change to Original A PD
	<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 recomplate 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 recompletion 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 Energy Production Company, LP request approved to move the following locations per Barry Hunt's directions moving would put the well out of the flood plane.

Old Location : 2230 FNL & 470 FWL
New Location : 2195 FNL & 505 FWL

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

Electronic Submission #26949 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 01/20/2004 (04AL0025SE)

Name (Printed/Typed) KAREN COTTOM

Title ENGINEERING TECHNICIAN

Signature (Electronic Submission)

Date 01/19/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ Joe G. Lara

ACTING FIELD MANAGER

29 JAN 2004

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.

CARLSBAD FIELD 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.

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 96836	Pool Name Red Lake; Glorieta-Yeso NE
Property Code	Property Name EAGLE "34E" FEDERAL	Well Number 56
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3514'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	34	17 S	27 E		2195	NORTH	505	WEST	EDDY

Bottom Hole Location If Different From Surface

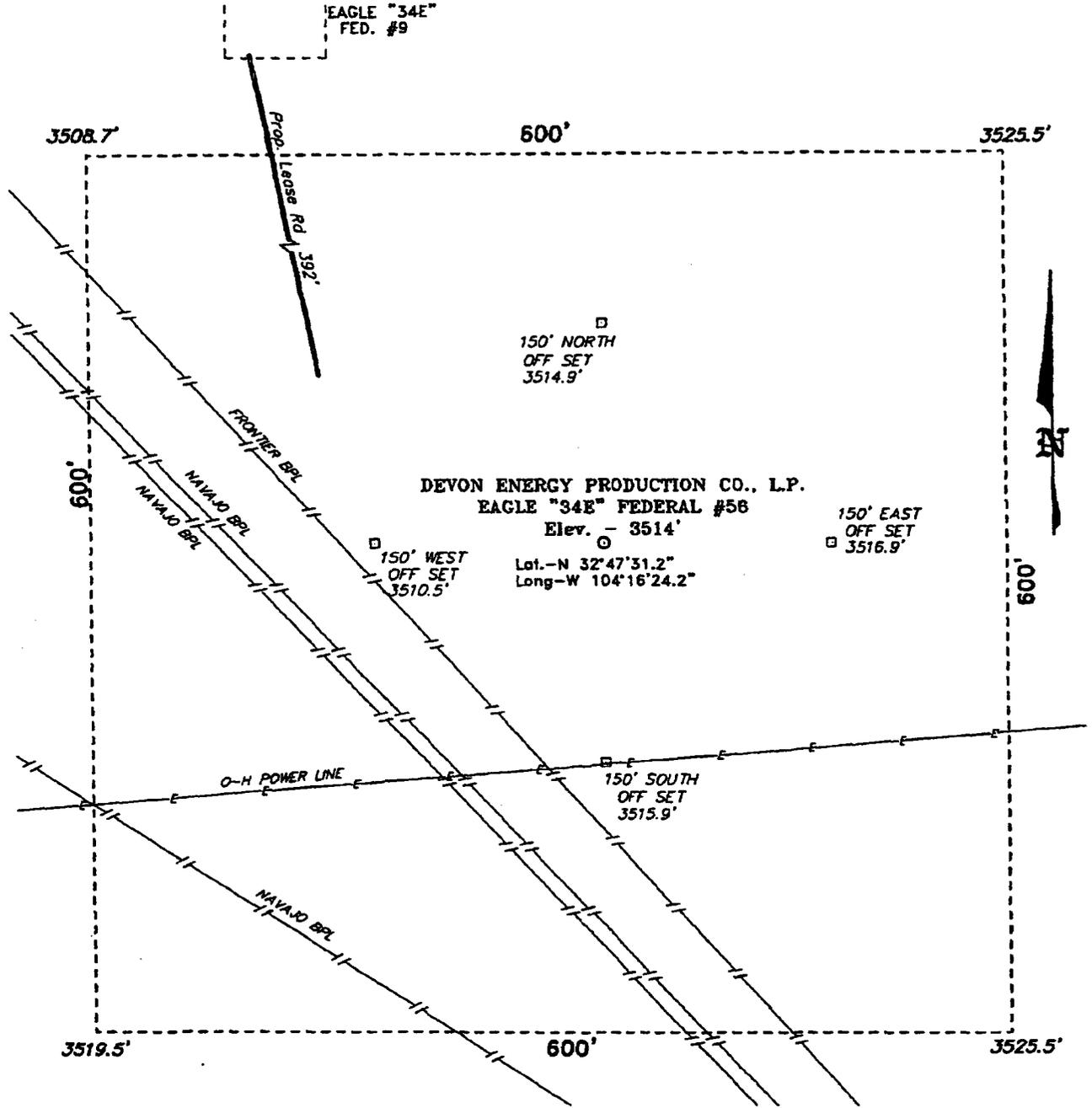
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	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>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Linda B Guthrie</i> Signature</p> <p>Linda B Guthrie Printed Name</p> <p>Operations Associate Title</p> <p>01/15/04 Date</p>
	<p>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>JANUARY 5, 2004 Date Surveyed</p> <p>Signature: <i>Gary L. Jones</i> Professional Land Surveyor</p>
	<p>NEW MEXICO Professional Land Surveyor No. 3803 7977</p>
	<p>Certified: Gary L. Jones 7977</p>

**SECTION 34, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



DEVON ENERGY PRODUCTION CO., L.P.
EAGLE "34E" FEDERAL #56
 Elev. - 3514'
 Lat. - N 32°47'31.2"
 Long - W 104°16'24.2"

Directions to Location:

FROM THE JUNCTION OF US HWY 82 AND CO. RD. 204, GO SOUTH 0.1 MILE TO CO. RD. 225; THENCE SOUTH ON 225 FOR APPROX. 2.1 MILE TO CO. RD. 227; THENCE WESTERLY ON 227 FOR APPROX. 0.5 MILE TO LEASE ROAD; THENCE NORTH ON LEASE ROAD FOR APPROX. 1.0 MILE; THENCE WEST 0.25 MILE TO THE EAGLE "34E" FED. #9 AND THE PROPOSED LEASE ROAD.

DEVON ENERGY PROD. CO., L.P.

REF: EAGLE "34E" FED. No. 56 / Well Pad Topo

THE EAGLE "35E" FED. No. 56 LOCATED 2195' FROM THE NORTH LINE AND 505' FROM THE WEST LINE OF SECTION 34, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 3903

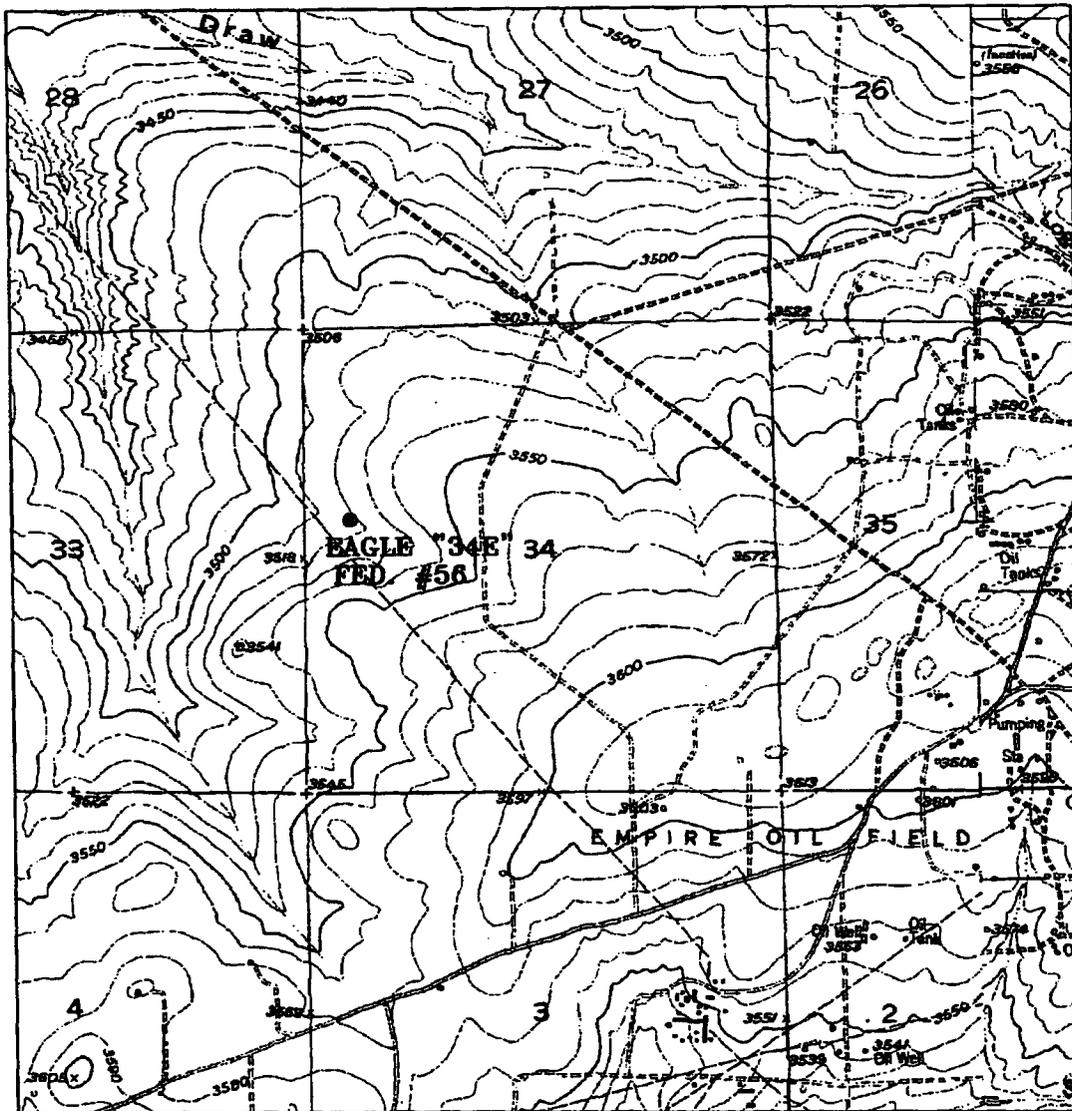
Drawn By: K. GOAD

Date: 01-07-2004

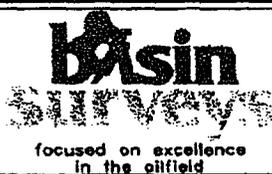
Disk: KJG CD#4 - 3903A.DWG

Survey Date: 01-05-2004

Sheet 1 of 1 Sheets



EAGLE "34E" FEDERAL #56
 2195' FNL AND 505' FWL
 Section 34, Township 17 South, Range 27 East,
 N.M.P.M., Eddy County, New Mexico.



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

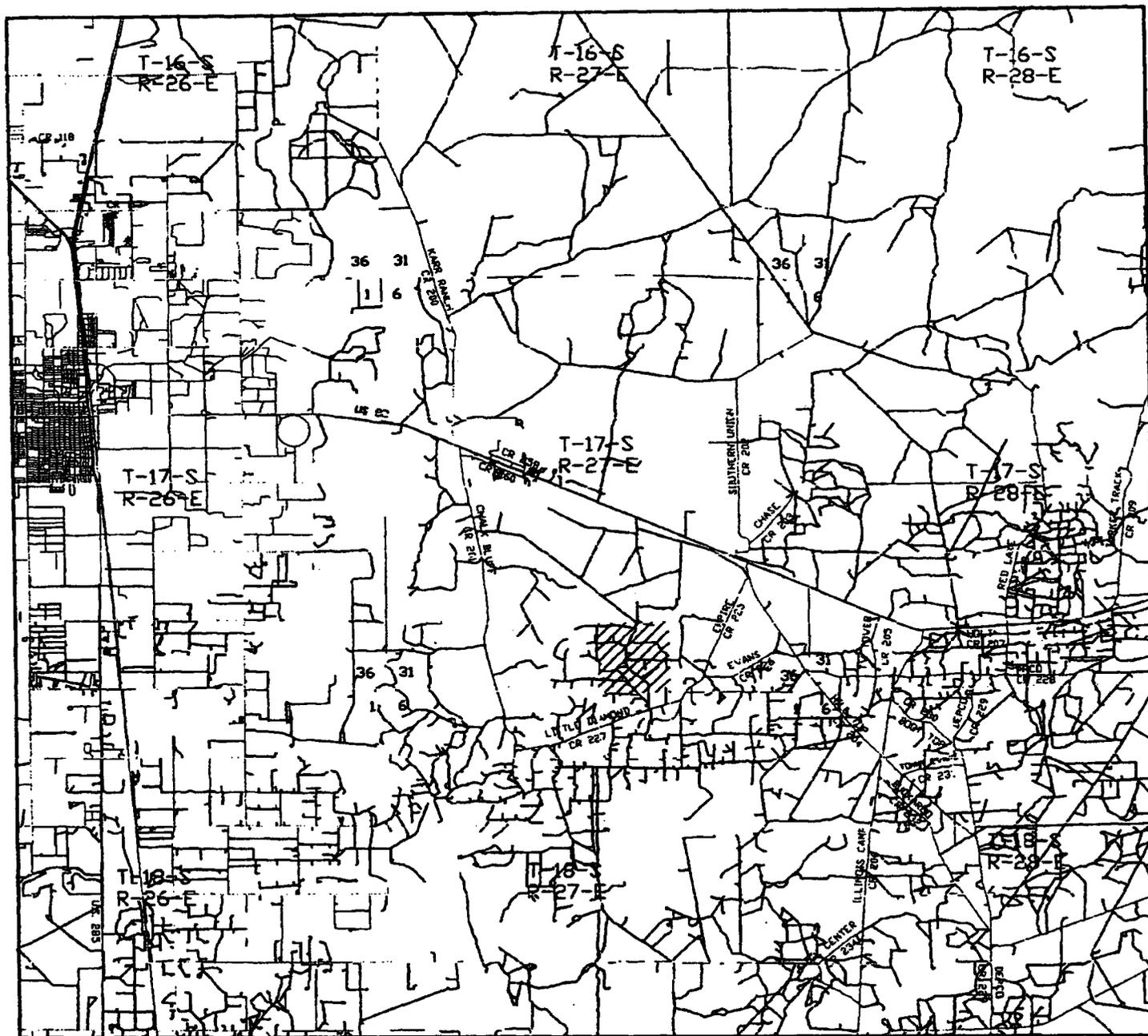
W.O. Number: 3903AA - KJG CD#4

Survey Date: 01-05-2004

Scale: 1" = 2000'

Date: 01-07-2004

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



EAGLE "34E" FEDERAL #56
2195' FNL AND 505' FWL
 Section 34, Township 17 South, Range 27 East,
 N.M.P.M., Eddy County, New Mexico.

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 (505) 392-3074 - Fax
 basin-surveys.com

W.O. Number: 3903AA - KJG CD#4

Survey Date: 01-05-2004

Scale: 1" = 2 MILES

Date: 01-07-2004

DEVON ENERGY
PROD. CO., L.P.

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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 96836	Pool Name RED LAKE GLORIETA YESO, NE
Property Code	Property Name EAGLE "34E" FEDERAL	Well Number 56
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3513'

Surface Location

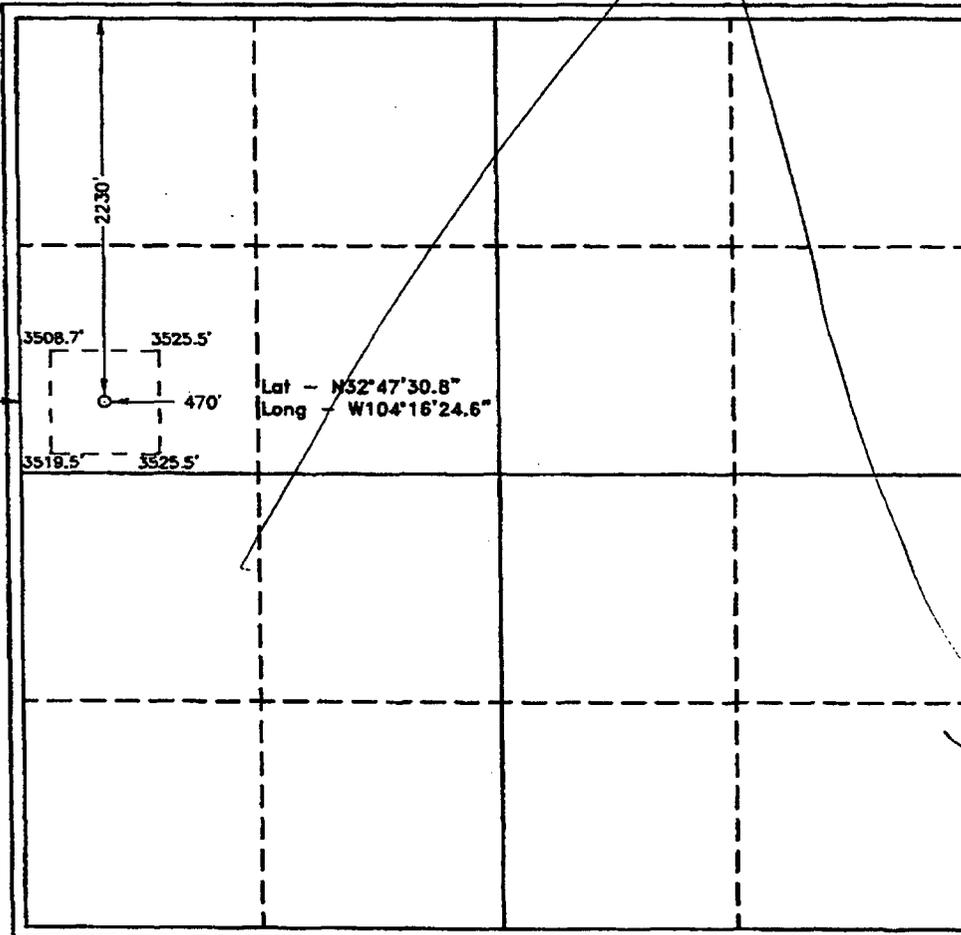
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	34	17 S	27 E		2230	NORTH	470	WEST	EDDY

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 40	Joint or Infill	Consolidation Code	Order No.
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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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Karen Cotton
Signature

Karen Cotton
Printed Name

Operations Technician
Title

December 9, 2003
Date

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.

NOVEMBER 26, 2003
Date Surveyed

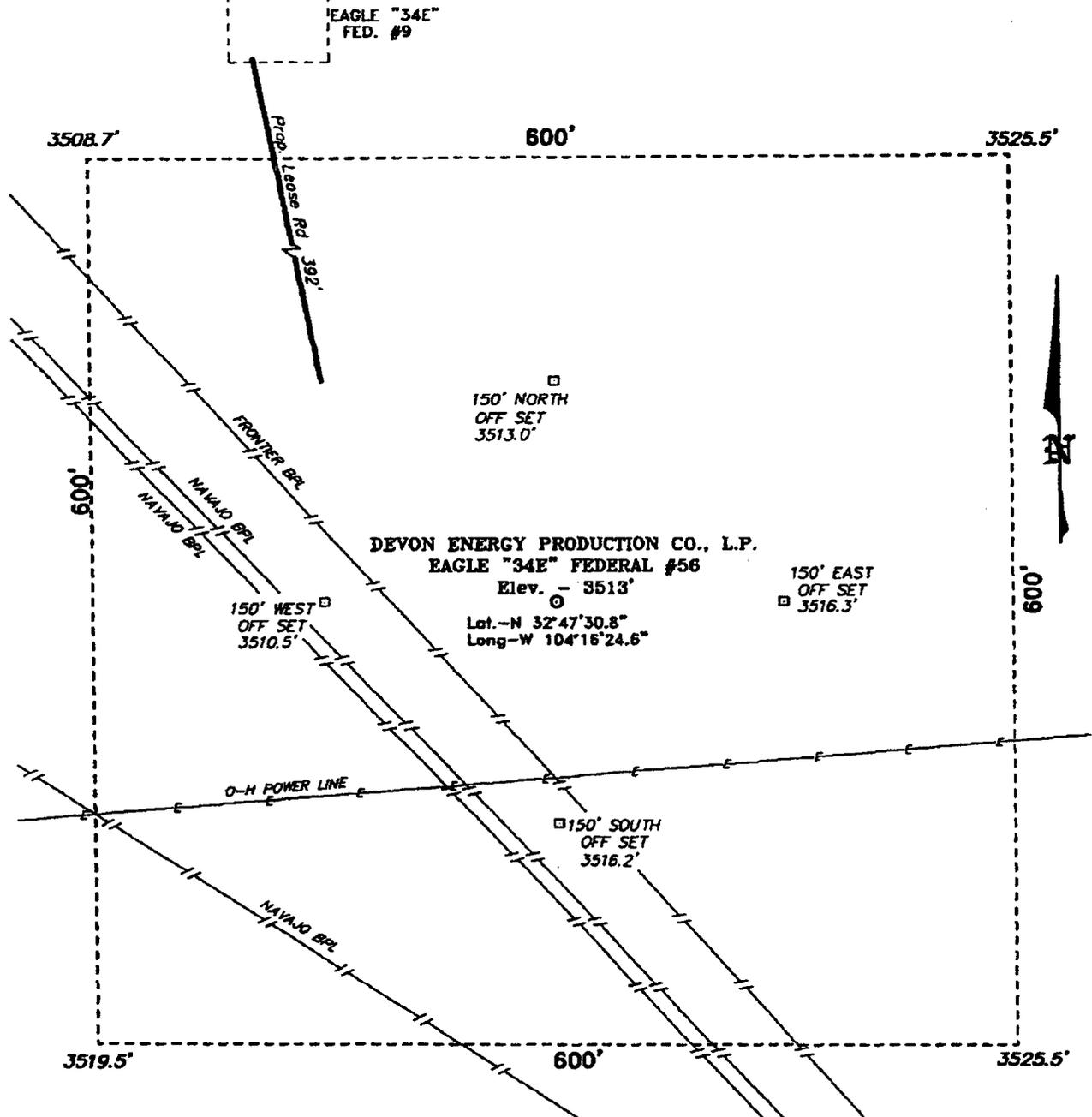
[Signature]
Professional Surveyor

NEW MEXICO
1977
W.O. No. 3858

Certificate No. 7977

PROFESSIONAL LAND SURVEYORS

**SECTION 34, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



Directions to Location:

FROM THE JUNCTION OF US HWY 82 AND CO. RD. 204, GO SOUTH 0.1 MILE TO CO. RD. 225; THENCE SOUTH ON 225 FOR APPROX. 2.1 MILE TO CO. RD. 227; THENCE WESTERLY ON 227 FOR APPROX. 0.5 MILE TO LEASE ROAD; THENCE NORTH ON LEASE ROAD FOR APPROX. 1.0 MILE; THENCE WEST 0.25 MILE TO THE EAGLE "34E" FED. #9 AND THE PROPOSED LEASE ROAD.

DEVON ENERGY PROD. CO., L.P.

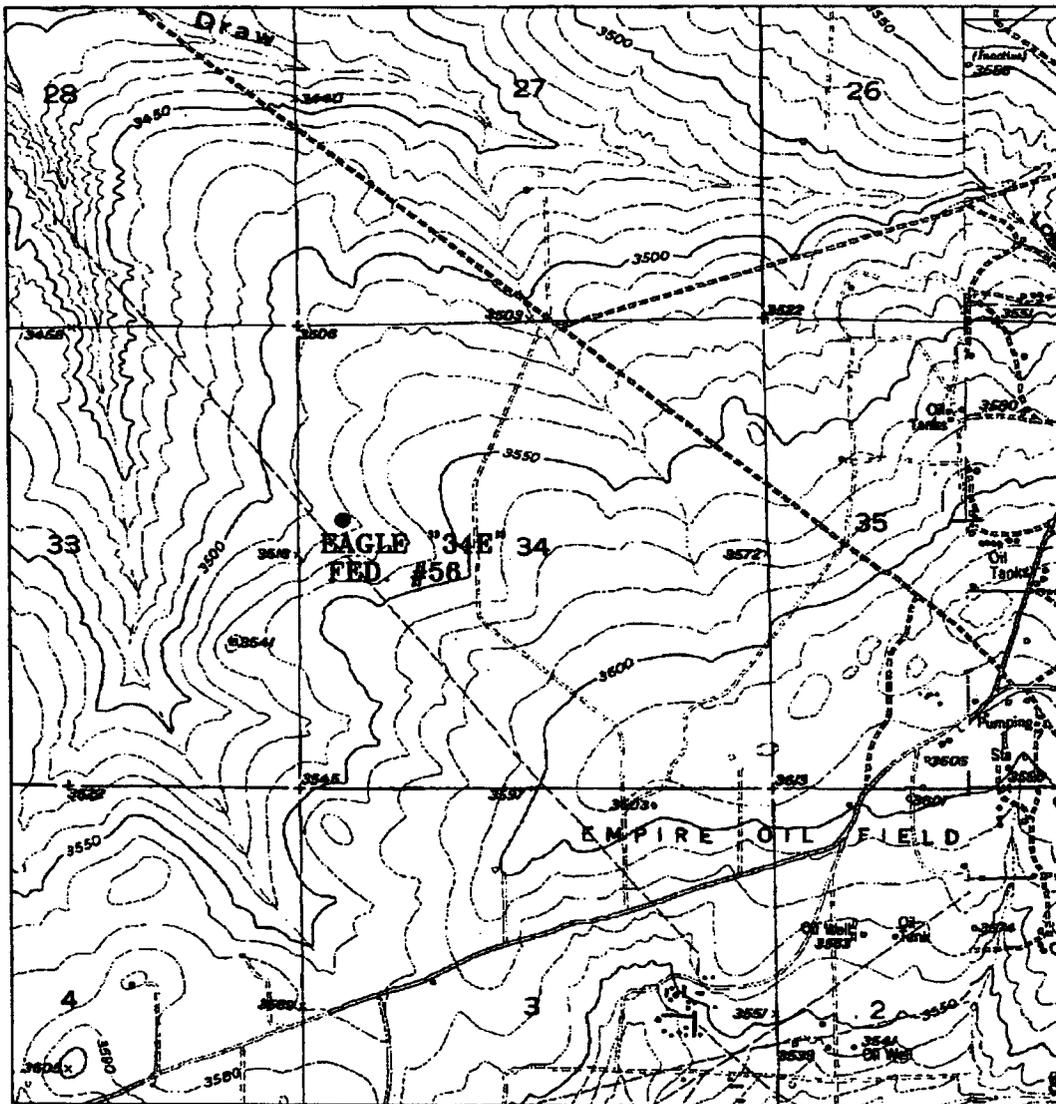
REF: EAGLE "34E" FED. No. 56 / Well Pad Topo
 THE EAGLE "35E" FED. No. 56 LOCATED 2230' FROM THE NORTH LINE AND 470' FROM THE WEST LINE OF SECTION 34, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 3816 Drawn By: K. GOAD

Date: 11-26-2003 Disk: KJG CD#4 - 3816A.DWG

Survey Date: 11-25-2003 Sheet 1 of 1 Sheets



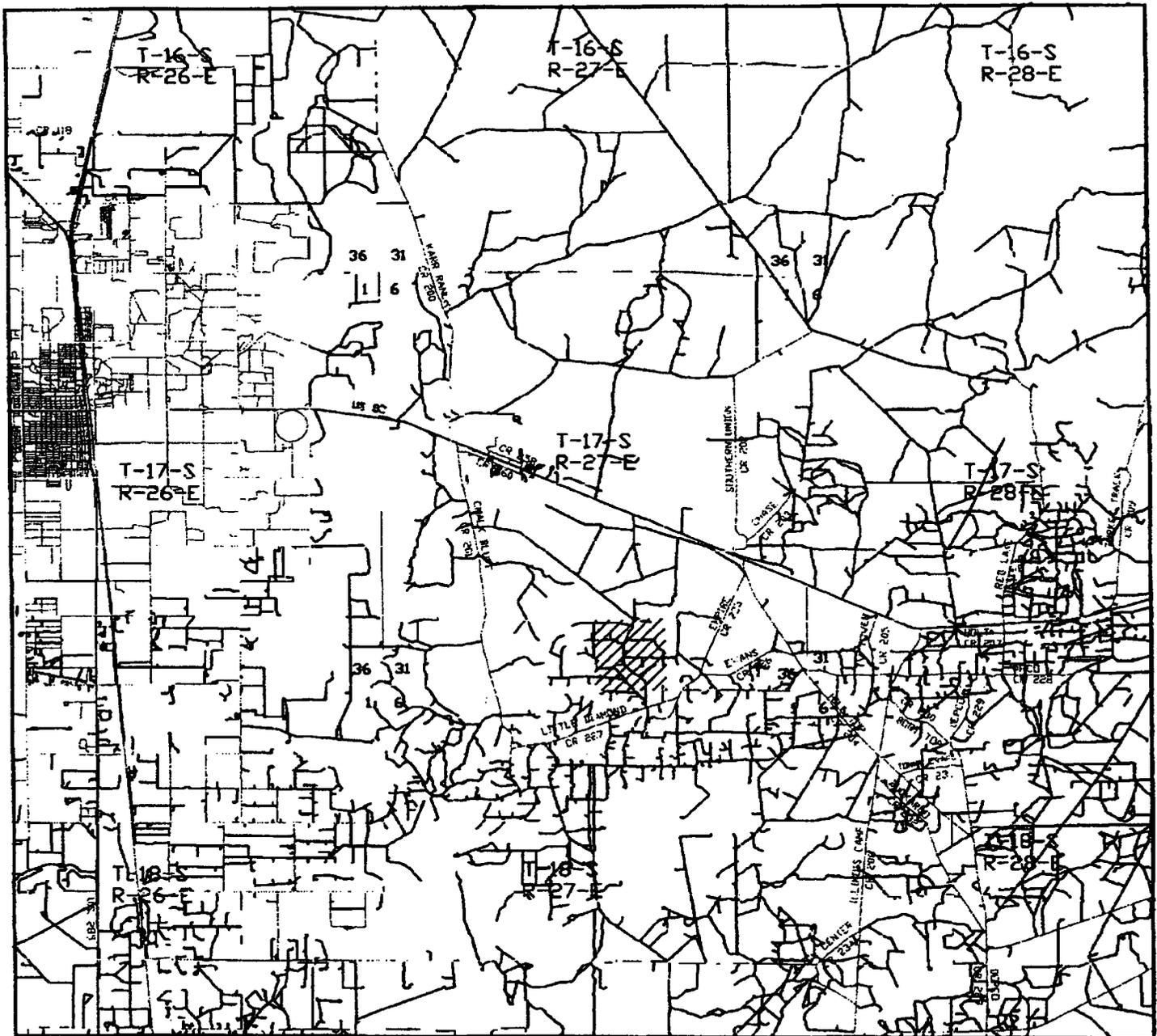
EAGLE "34E" FEDERAL #56
 2230' FNL AND 470' FWL
 Section 34, Township 17 South, Range 27 East,
 N.M.P.M., Eddy County, New Mexico.

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 basinsurveys.com

W.O. Number:	3816AA - KJG CD#4
Survey Date:	11-25-2003
Scale:	1" = 2000'
Date:	11-26-2003

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



EAGLE "34E" FEDERAL #56
2230' FNL AND 470' FWL
 Section 34, Township 17 South, Range 27 East,
 N.M.P.M., Eddy County, New Mexico.

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W.O. Number: 3816AA - KJG CD#4

Survey Date: 11-25-2003

Scale: 1" = 2 MILES

Date: 11-26-2003

DEVON ENERGY
PROD. CO., L.P.