

ABOVE THIS LINE FOR DIVISION USE ONLY

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



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 ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[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.

Print or Type Name _____

Signature _____

Title _____

Date _____

 e-mail Address

District I
1025 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Devon Energy Production Co., LP 20 N. Broadway, Ste 1500 Oklahoma City, OK 73102-8260

Operator Address
Kurland 6 Federal #2 UL12-6-21S-27E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 6137 Property Code 33431 API No. 30-015-33238 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	UNDERS ALACRAN HILLS Burton Flat; Atoka East (Gas)		Burton Flat; Morrow (Gas) Pr. Gas
Pool Code	72200 70060		72200 73280
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10,388' - 10,398'		10,974' - 11,148'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1099		996
Producing, Shut-In or New Zone	Producing		Shut-In
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 07/15/04 Rates: 3/591/0	Date: Rates:	Date: 06/21/04 Rates: 0/555/10
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 100 % 61 %	Oil Gas % %	Oil Gas 0 % 39 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Linda Guthrie TITLE Regulatory Specialist DATE 07/26/04

TYPE OR PRINT NAME Linda Guthrie TELEPHONE NO. (405) 228-8209

E-MAIL ADDRESS linda.guthrie@dmn.com

DISTRICT I
P.O. Box 1988, Hobbs, NM 88241-1988

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-33238	Pool Code 73200	Pool Name Burton Flat; Atoka, East (Gas)
Property Code 33431	Property Name KURLAND "6" FEDERAL	Well Number 2
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3188'

Surface Location

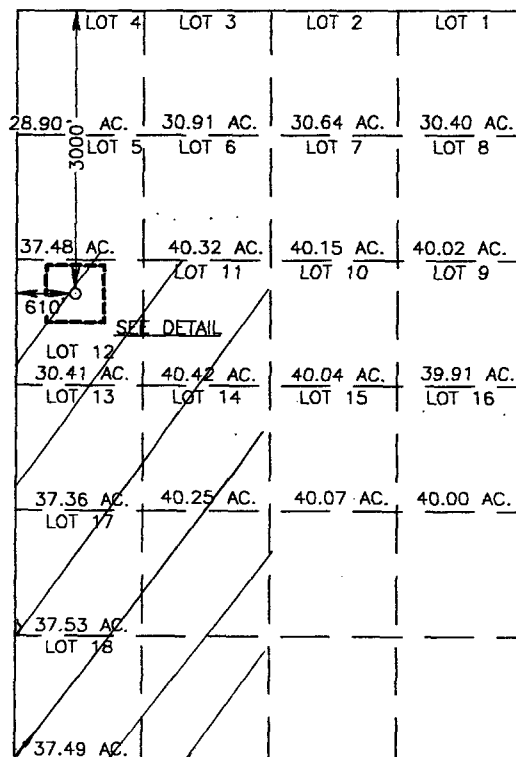
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12	6	21-S	27-E		3000	NORTH	610	WEST	EDDY

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 308	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



SCALE: 1" = 2000'

OPERATOR CERTIFICATION

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

Linda Guthrie
Signature

Linda Guthrie
Printed Name

Regulatory Specialist
Title

July 23, 2004
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.

OCTOBER 10, 2003

Date Surveyed L.A.

Signature & Seal of
Professional Surveyor

Gary E. Edson
10/15/03
03.11.1117

Certificate No. GARY EDSON 12841

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 73320	Pool Name BURTON FLAT: MORROW EAST (GAS)
Property Code	Property Name KURLAND "6" FEDERAL	Well Number 2
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3188'

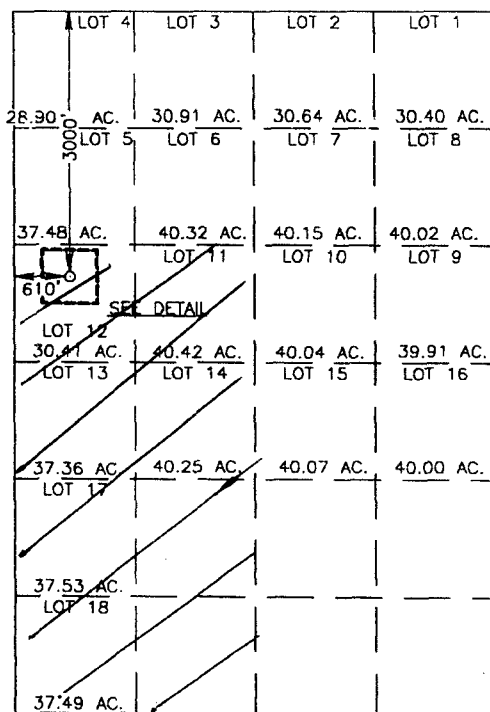
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12	6	21-S	27-E		3000	NORTH	610	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 308	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



SCALE: 1" = 2000'

GEODETIC COORDINATES

NAD 27 NME

Y = 550798.5 N

X = 530342.8 E

LAT. 32°30'51.18"N

LONG. 104°14'05.63"W

OPERATOR CERTIFICATION

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

Signature

Karen Cotton
Printed Name

Operations Technician
Title

November 7, 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.

OCTOBER 10, 2003

Date Surveyed

Signature & Seal of
Professional Surveyor

GARY E. ELLISON
Professional Surveyor

10/15/03
03.11/1117

Certificate No. GARY ELLISON

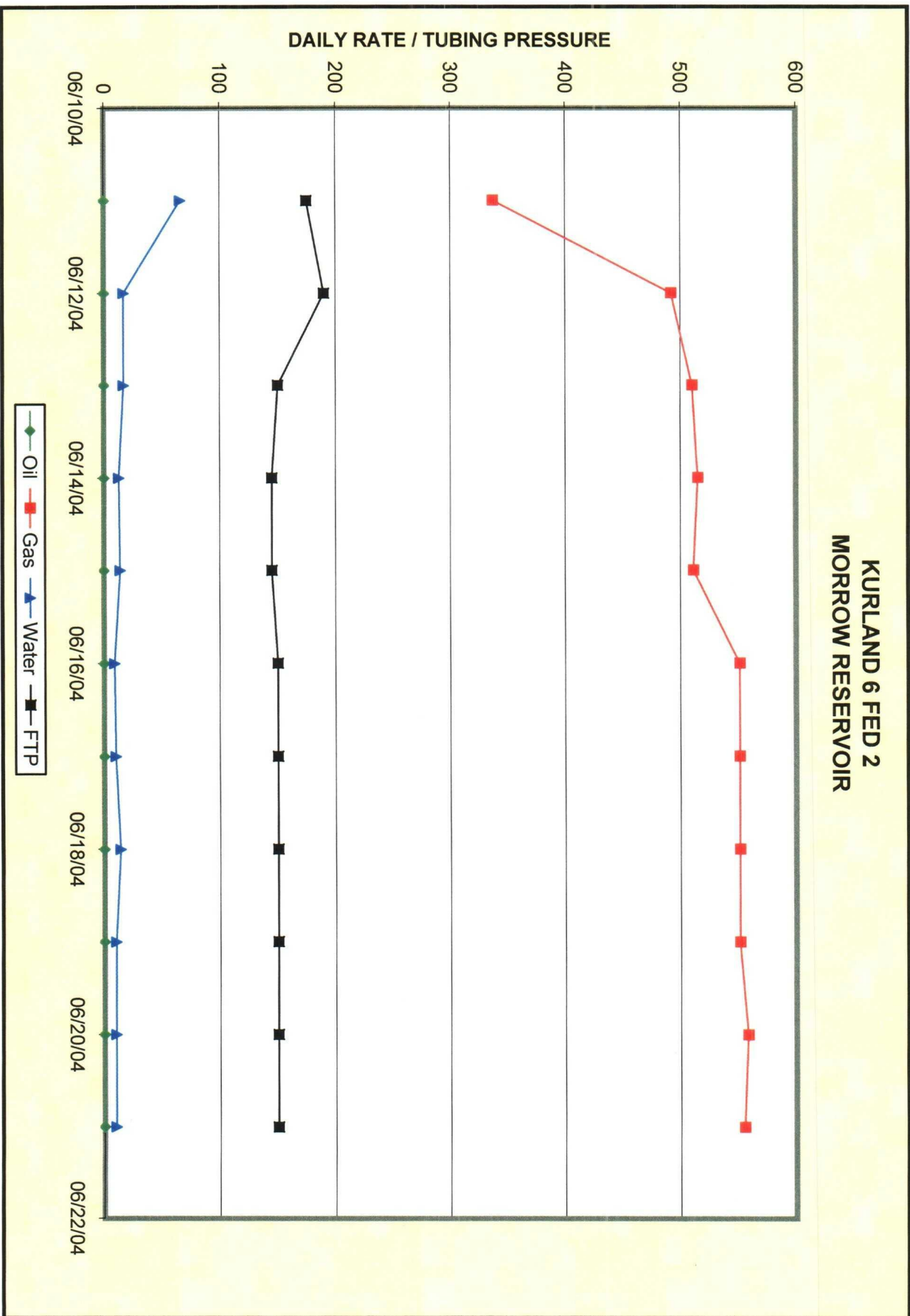
12641

Wellname Prod	Current Status	Current Type	Prod Date	Oil	Gas	Water	FTP	Reservoir	Comments
KURLAND 6 FED 2	Producing	Production - Gas	06/11/04	0	337	66	175.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/12/04	0	492	17	190.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/13/04	0	510	17	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/14/04	0	515	13	145.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/15/04	0	511	14	145.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/16/04	0	551	9	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/17/04	0	551	10	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/18/04	0	551	14	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/19/04	0	551	10	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/20/04	0	558	10	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/21/04	0	555	10	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/29/04	0	143	0	4,200.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	06/30/04	0	837	0	3,960.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/01/04	0	971	0	3,725.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/02/04	0	1,160	0	3,450.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/03/04	0	1,099	0	3,575.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/04/04	0	927	0	3,200.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/05/04	0	1,224	0	3,050.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/06/04	6	1,162	0	3,025.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/07/04	0	759	0	3,350.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/08/04	6	953	0	1,850.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/09/04	0	562	0	1,850.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/10/04	6	630	0	1,850.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/11/04	0	863	0	1,850.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/12/04	0	760	0	1,860.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/13/04	0	760	0	1,860.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/14/04	3	827	0	840.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/15/04	3	591	0	1,250.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/16/04	0	730	0	950.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/17/04	0	508	0	800.	Atoka	

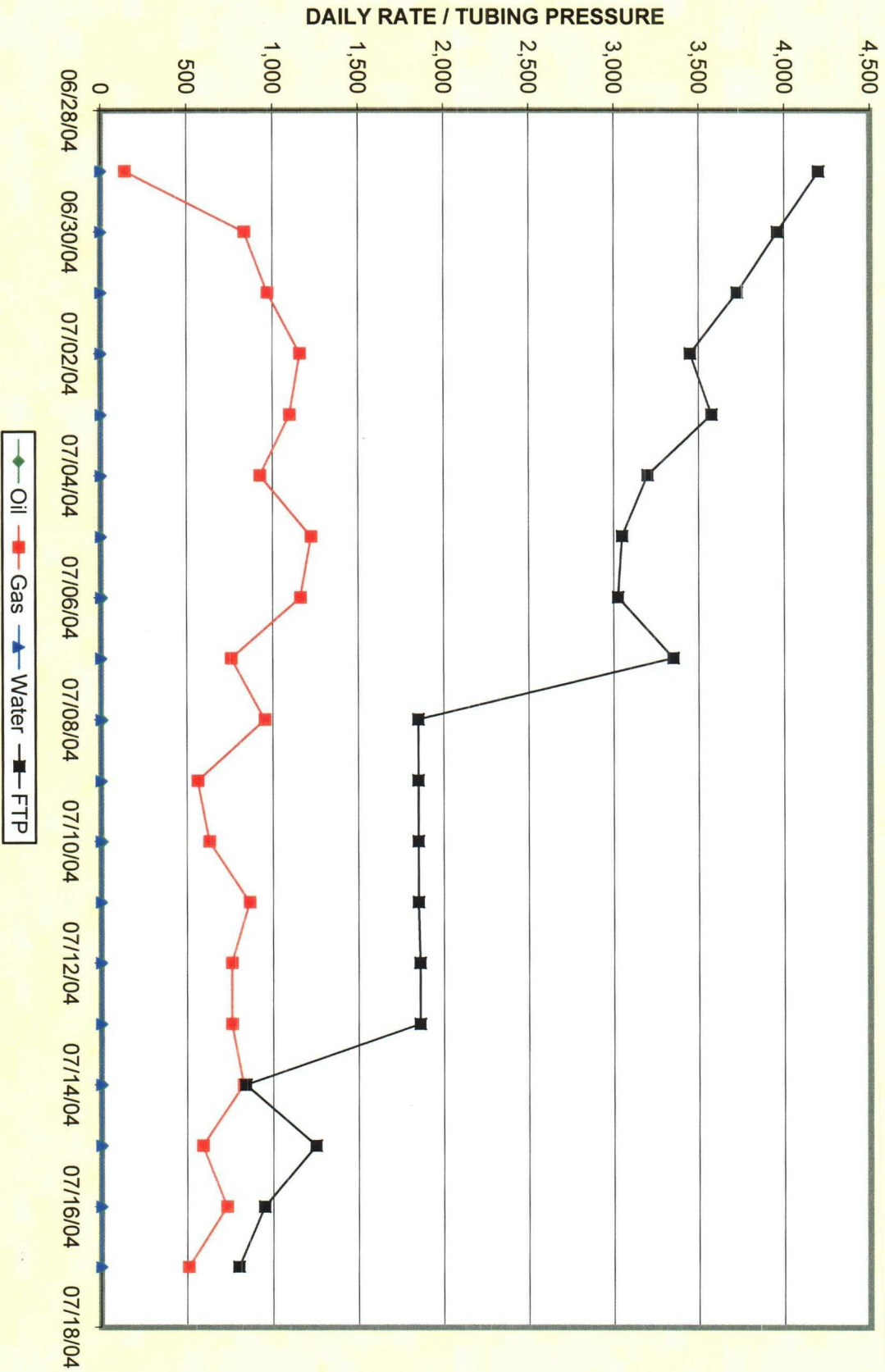
Morrow perfs isolated with tubing plug

Average Morrow Production	0	517	17	155
Average Atoka Production	1	814	0	2,447
Total	1	1,331	17	2,602
Per Cent Morrow	0	39	100	6
Per Cent Atoka	100	61	0	94
Total-%	100	100	100	100

KURLAND 6 FED 2
MORROW RESERVOIR



KURLAND 6 FED 2 ATOKA RESERVOIR





Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Fax 405-552-8113

July 16, 2004

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Kurland 6 Fed #2
3000' FNL & 610' FWL
Section 6-T21S-R27E
Eddy County, New Mexico
DEC #43969-020; #30-0000061

Gentlemen:

Please be advised that Devon Energy Production Company, L. P., operator of the Kurland 6 Fed #2 well located on the referenced lands, owns 100% of Federal Lease NMNM-0501759. Therefore, Devon is the only working interest owner in the well and the Atoka and Morrow formations.

If additional information is required, please advise.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in cursive script that reads "Ken Gray/dh".

Ken Gray
Senior Land Advisor

KG:dh\nmocd.ltr

**Laboratory Services, Inc.**

4016 Fiesta Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

Run File	C:\STAR\DATA\05_21_2002\DEVKIRK6-2 7.04.RUN		
Method	C:\star\method_extended_gas_scott.mth		
Operator	Rolland Perry	Analysis Date	7/15/2004
Station	Kurland 6 Fed. #2	Company	Devon Energy
Effective Date		Pulled Data	7/15/04
Received Date	7/15/04	Composite/Spot	Atoka Formation

<u>Component</u>	<u>Mole %</u>	<u>BTU</u>	<u>GPM</u>
H2S			
Nitrogen	1.0814	0.00	0.0000
Methane	89.1385	902.38	0.0000
CO2	1.2516	0.00	0.0000
Ethane	5.3872	95.55	1.4408
i-Butane	0.3050	9.94	0.0998
n-Butane	0.4118	13.46	0.1298
i-Pentane	0.1778	7.13	0.0651
n-Pentane	0.1081	4.34	0.0391
Cyclopentane	0.0592	2.23	0.0175
2-Methylpentane	0.0425	2.02	0.0176
3-Methylpentane	0.0352	1.67	0.0143
n-Hexane	0.0553	2.63	0.0227
Methylcyclopentane	0.0480	2.16	0.0169
Benzene	0.0389	1.45	0.0109
Cyclohexane	0.0993	4.45	0.0337
n-Heptane	0.0252	1.39	0.0116
Methylcyclohexane	0.0515	2.68	0.0206

7/21/2004

Run File C:\STAR\DATA\05_21_2002\DEVKIRK6-2 7.04.RUN

Method C:\star\method_extended_gas_scott.mth

Operator Rolland Perry

Analysis Date 7/15/2004

Station Kurland 6 Fed. #2

Company Devon Energy

Effective Date

Pulled Data 7/15/04

Received Date 7/15/04

Composite/Spot Atoka Formation

<u>Component</u>	<u>Mole %</u>	<u>BTU</u>	<u>GPM</u>
Toluene	0.0167	0.75	0.0056
n-Octane	0.0044	0.28	0.0023
Propane	1.6528	41.68	0.4554
Ethylbenzene	0.0026	0.13	0.0010
p&m-Xylene	0.0070	0.37	0.0027
n-Nonane	0.0002	0.01	0.0001
Totals	100.0000	1,096.73	2.4076

Relative Density from Composition 0.6224

BTUs @ 14.65 Saturated 1,080

BTUs @ 14.65 Dry 1,099

Compressibility 0.99762

Sampled By: Merv Buecker-Pro Well

REMARKS: 327 MCF Rate
Crude Oil API Gravity @ 60 F = 44.6
Atoka Formation

7/21/2004



Laboratory Services, Inc.

4016 Fiesta Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

Run File	C:\STAR\DATA\05_21_2002\KURLAND6#2 6.11.04.RUN		
Method	C:\star\method_extended_gas_scott.mth		
Operator	Vickie Biggs	Analysis Date	6/11/2004
Station	Kurland 6 Fed. #2	Company	Devon Energy
Effective Date		Pulled Data	6/11/04 6:45 am
Received Date	6/11/04	Composite/Spot	Spot/Manifold

<u>Component</u>	<u>Mole %</u>	<u>BTU</u>	<u>GPM</u>
H2S			
Nitrogen	2.5843	0.00	0.0000
Methane	88.9185	900.15	0.0000
CO2	4.0876	0.00	0.0000
i-Butane	0.1234	4.02	0.0404
Ethane	3.1623	56.09	0.8458
n-Butane	0.1615	5.28	0.0509
i-Pentane	0.0571	2.29	0.0209
n-Pentane	0.0348	1.40	0.0126
Cyclopentane	0.0118	0.44	0.0035
2-Methylpentane	0.0120	0.57	0.0050
3-Methylpentane	0.0103	0.49	0.0042
n-Hexane	0.0163	0.78	0.0067
Methylcyclopentane	0.0106	0.48	0.0038
Benzene	0.0132	0.49	0.0037
Cyclohexane	0.0236	1.06	0.0080
n-Heptane	0.0101	0.56	0.0047
Methylcyclohexane	0.0181	0.95	0.0073

6/11/2004

Run File	C:\STAR\DATA\05_21_2002\KURLAND6#2 6.11.04.RUN		
Method	C:\star\method_extended_gas_scott.mth		
Operator	Vickie Biggs	Analysis Date	6/11/2004
Station	Kurland 6 Fed. #2	Company	Devon Energy
Effective Date		Pulled Data	6/11/04 6:45 am
Received Date	6/11/04	Composite/Spot	Spot/Manifold

<u>Component</u>	<u>Mole %</u>	<u>BTU</u>	<u>GPM</u>
Toluene	0.0032	0.15	0.0011
n-Octane	0.0010	0.06	0.0005
Propane	0.7383	18.62	0.2034
Ethylbenzene	0.0007	0.04	0.0003
p&m-Xylene	0.0012	0.06	0.0005
Totals	100.0000	993.98	1.2231

Relative Density from Composition	0.5745
BTUs @ 14.65 Saturated	979
BTUs @ 14.65 Dry	996
Compressibility	0.99802

6/11/2004