



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

NSL-5089(BHL)

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

September 16, 2004

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Devon Energy Production Company, L.P.
c/o W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504

AMENDED Administrative Order NSL-5089 (BHL)

Dear Mr. Kellahin:

Reference is made to the following: (i) your application on behalf of the operator, Devon Energy Production Company, L.P. ("Devon"), that was submitted to the New Mexico Oil Conservation Division ("Division") on Tuesday, September 14, 2004 (**administrative application reference No. pSEM0-425936529**); (ii) our meeting on Thursday morning, September 16, 2004; and (iii) the Division's records in Santa Fe, including the files on Division Administrative Order NSL-5089 (BHL) and Division Case No. 13300: all concerning your application to amend Division Administrative Order NSL-5089 (BHL), dated August 2, 2004, by changing the subsurface configuration of Devon's proposed Red Bull "31: State Well No. 1 (API No. 30-025-36798) within the Atoka and Morrow formations underlying Lots 3 and 4, the E/2 SW/4, and the SE/4 (S/2 equivalent) of Section 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico, being a standard 319.32-acre lay-down gas spacing unit, pursuant to Division Rule 104.C (2), for the Undesignated Antelope Ridge-Atoka Gas Pool (70360), Undesignated Antelope Ridge-Morrow Gas Pool (70440), and Undesignated West Cinta Roja-Morrow Gas Pool (96602).

The first paragraph on the first page of Division Administrative Order NSL-5089 (BHL) is hereby amended to read in its entirety as follows:

*"Reference is made to the following: (i) your initial application on behalf of the operator, Devon Energy Production Company, L.P. ("Devon"), that was submitted to the New Mexico Oil Conservation Division ("Division") on June 29, 2004 (**administrative application reference No. pSEM0-418231425**); (ii) your subsequent application filed with the Division on September 14, 2004 (**administrative application reference No. pSEM0-425936529**) to amend Division Administrative Order NSL-5089 (BHL), dated August 2, 2004; and (iii) the Division's records in Santa Fe: all concerning Devon's proposed Red Bull "31" State Well No. 1 (API No. 30-025-36798) to be drilled vertically from an unorthodox gas well location 1300 feet from the South line and 2610 feet from the West line (Unit N) of Section 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico, down to a measured depth of 11,987 feet, kicked-off to the west, and directionally drilled such that the:*

Devon Energy Production Company, L.P.
AMENDED Administrative Order NSL-5089 (BHL)

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(a) top of the Atoka formation at an estimated measured depth of 12,677 feet (12,662 feet TVD) is penetrated at a subsurface location 1272 feet from the South line and 2550 feet from the East line (Unit O) of Section 31;

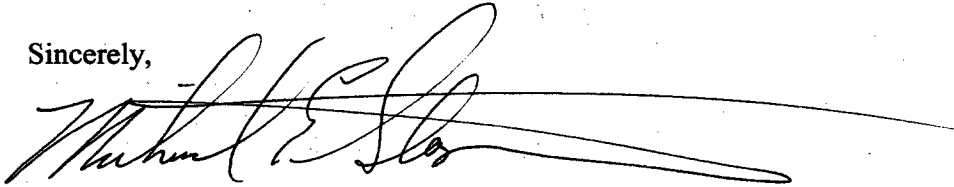
(b) top of the Morrow "C" interval of the Morrow formation at an estimated measured depth of 14,470 feet (13,942 feet TVD) is penetrated at a subsurface location 1000 feet from the South line and 1370 feet from the East line (Unit O) of Section 31; and

(c) targeted bottomhole location within the Morrow formation at a measured depth of 14,783 feet (14,130 TVD) feet 954 feet from the South line and 1126 feet from the East line (Unit P) of Section 31."

This order is further amended to include reference to Division Order No. R-3161-A, issued in Case No. 13300 dated September 7, 2004, which order amended the special pool rules governing the Cinta Roja-Morrow Gas Pool (75000), and was issued subsequent to the release of Division Administrative Order NSL-5089 (BHL).

All other provisions of Division Administrative Order NSL-5089 (BHL) shall remain in full force and effect until further notice.

Sincerely,



Michael E. Stogner
Engineer/Hearing Officer

MS/mes

cc: New Mexico Oil Conservation Division - Artesia
New Mexico State Land Office - Santa Fe
File: Division Case No. 13300
Division Administrative Order NSL-5089 (BHL)

CMD : ONGARD 09/16/04 13:04:02
 OG6CLOG C105-WELL COMPLETION OR RECOMP CASING LOG OGOMES -TPEO

OGRID Identifier : 6137 DEVON ENERGY PRODUCTION COMPANY, LP
 Prop Identifier : 34087 RED BULL 31 STATE
 API Well Identifier : 30 25 36798 Well No : 001
 Surface Locn - UL : N Sec : 31 Twp : 23S Range : 35E Lot Idn :
 Multiple comp (S/M/C) : TVD Depth (Feet) : MVD Depth (Feet):
 Spud Date : P/A Date :
 Casing/Linear Record:

 S Size Grade Weight Depth(ft) Depth(ft) Hole Size Cement ---- TOC ----
 (inches) (lb/ft) Top-Liner Bot-Liner (inches) (Sacks) (feet) Code

E0004: No matching record found. Enter data to create.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 PF08 PF09 COMMENT PF10 TLOG PF11 PF12

CMD : ONGARD 09/16/04 13:04:08
 OGC101 C101-APPLICATION FOR PERMIT TO DRILL OGMES -TPEO

OGRID Idn : 6137 API Well No: 30 25 36798 APD Status(A/C/P) : A
 Opr Name, Addr: DEVON ENERGY PRODUCTION COMPANY, Aprvl/Cncl Date : 08-02-2004

20 N BROADWAY
 STE 1500

OKLAHOMA CITY, OK 73102

Prop Idn: 34087 RED BULL 31 STATE Well No: 1

U/L	Sec	Township	Range	Lot Idn	North/South	East/West
Surface Locn	: N	31	23S	35E	FTG 1300 F S	FTG 2610 F W
OCD U/L	: N	API County : 25				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C) : G Cable/Rotary (C/R) : R
 Lease typ(F/S/P/N/J/U/I) : S Ground Level Elevation : 3435

State Lease No: Multiple Comp (S/M/C) :
 Prpsd Depth : 14400 Prpsd Frmtn : Morrow

E0009: Enter data to modify record
 PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
 PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

District I
1625 N. French Dr., Hobbs, NM 88240

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

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

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

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 1177

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 20 N. Broadway Oklahoma City, OK 73102		OGRID Number 6137
		API Number 30-025-36798
Property Code 34087	Property Name RED BULL 31 STATE	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	31	23S	35E	N	1300	S	2610	W	Lea

Bottom Holes

Pool: MORROW

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	31	23S	35E	O	1300	S	2320	E	Lea

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 3435
Multiple N	Proposed Depth 14400	Formation Morrow	Contractor	Spud Date 07/15/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	870	660	0
Intl	12.25	9.625	40	5270	1464	0
Prod	8.75	7	26	12600	442	9500
Liner1	6.125	4.5	13.5	14400	280	12300

Casing/Cement Program: Additional Comments

13 3/8 csg- cmt lead w/360 sx Poz, tail w/300 sx C1C. 9 5/8 csg- cmt lead w/1164 sx Poz, tail w/300 sx Poz 7 csg - cmt w/442 sx Super H 6 1/8 liner - cmt w/280 sx Class H Mud: 0-870 8.4-9.4 32-34 vis, N/C Fluid loss 870-5270 9.9-10.1 28-29 vis N/C fluid loss 5270-12600 8.5-10.0 28-29 vis, N/C fluid loss 12600-14400 12.0-13.5 34-40 vis 8-6cc fluid loss

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	5000	5000	
Double Ram	10000	10000	
Pipe	10000	10000	

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

Electronically Signed By: Linda Guthrie

Title: Regulatory Specialist

Date: 07/07/2004

Phone: 405-228-8209

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 08/02/2004 Expiration Date: 08/02/2005

Conditions of Approval:
There are conditions. See Attached.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Ed., 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
		Wildcat; Morrow
Property Code 6137	Property Name RED BULL "31" STATE	Well Number 1
OGRID No.	Operator Name DEVON ENERGY PRODUCTION COMPANY LP	Elevation 3435'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	23 S	35 E		1300'	SOUTH	2610'	WEST	LEA

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
O	31	23 S	35 E		1300'	SOUTH	2320'	EAST	LEA

Dedicated Acres 319.32	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 the the information contained herein is true and complete to the best of my knowledge and belief. Signature Linda Guthrie Printed Name Regulatory Specialist Title 06/28/04 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. June 21, 2004 Date Surveyed Signature & Seal of Professional Surveyor W.O. No. 4376 Certificate No. Gary Jones 7977 JLP BASIN SURVEYS