



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

November 2, 2004

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Devon Energy Production Company, L. P.
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

Attention: Linda Guthrie
Linda.Guthrie@dmn.com

Re: *Devon Energy Production Company, L. P.'s Kurtland "6" Federal Well No. 2 (API No. 30-015-33238), located on the surface 3000 feet from the North line and 610 feet from the West line (Lot 12/Unit L) of Irregular Section 6, Township 21 South, range 27 East, NMPM, Eddy County, New Mexico.*

Dear Ms. Guthrie:

I received your letter dated September 9, 2004, and have subsequently reviewed the Division's well file on the Kurtland "6" Federal Well No. 2 and Division Administrative Orders NSL-4974 and DHC-3323. Please refer to Division Administrative Order NSL-4974, which was issued for the Burton Flat-Morrow Gas Pool (73280) only. Since the subject well is dually completed in the Morrow interval and the Undesignated Alacran Hills-Atoka Gas Pool (70060) under the authorization of Division Administrative Order DHC-3323, dated August 6, 2004, the NSL order will need to be amended to include the Atoka interval.

In lieu of running a directional survey on this wellbore, the Division will accept a "worst case scenario" non-standard location request for both the Atoka and Morrow intervals in this matter. Please file your application to amend Division Administrative Order NSL-4974 in accordance with Division Rules 104.F and 1207.A (2).

Should you have any questions or comments concerning this matter, please contact your legal counsel, Mr. James Bruce in Santa Fe at (505) 982-2043. Thank you.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia
James Bruce, Legal Counsel for Devon Energy Production Company, L. P. - Santa Fe

Stogner, Michael

From: Stogner, Michael
Sent: Tuesday, November 02, 2004 12:49 PM
To: Linda Guthrie (E-mail)
Cc: Arrant, Bryan
Subject: Kurtland "6" Federal #2 (30-015-33238)

Per your voice mail message to me yesterday morning concerning your letter dated Sept. 9, 2004; please see the attached letter:



devon10.doc

Monday Nov. 1st 8:42
left a voice mail asking
about her NSL (B#4) address

November 2, 2004

Devon Energy Production Company, L. P.
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

Attention: Linda Guthrie
Linda.Guthrie@dvn.com

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Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia
James Bruce, Legal Counsel for Devon Energy Production Company, L. P. - Santa Fe

devon

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

FAX

To: MIKE STOGNER

From: KEN GRAY

Fax: 505-476-3462

Date: 11/11/04

Phone:

Pages: 5 (including cover page)

Re: KURLIND 6 FED #2

CC:

Urgent

For Review

Please Comment

Please Reply

Please Recycle

• Comments:

devon

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8280
Fax 405-552-8113

November 10, 2004

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

Re: Kurland 6 Federal #2
Section 6-T21S-R27E
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. (Devon), as Operator, has drilled and completed the referenced well in the Burton Flat Morrow Gas Pool and the Undesignated Alacran Hills-Atoka Gas Pool. Devon intends to downhole commingle the above-mentioned Pools and the NMOCD has approved such commingling under Administrative Order DHC-3323. The Kurland 6 Federal #2 is located at an unorthodox location of 330' FSL & 660' FWL. The NMOCD has previously approved such unorthodox location with respect to the production of gas from the Burton Flat Morrow Gas Pool under administrative Order NSL-4974 dated December 31, 2003.

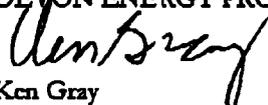
Inasmuch as this well will be producing from an unorthodox location from that permitted by the Burton Flat East Morrow Pool Rules and the Undesignated Alacran Hills Atoka Gas Pool, Devon respectfully requests that the Commission administratively approve an amendment to NSL-4974 to include both of the above mentioned Pools in accordance with Division Rule 104(F)(3). Fasken Oil & Ranch, Ltd. and Merit Energy Company as offset operators have been given notice of this application.

Attached you will find a land plat reflecting Fasken Oil & Ranch, Ltd. and Merit Energy Company as the offset operator, and a State of New Mexico form C-102.

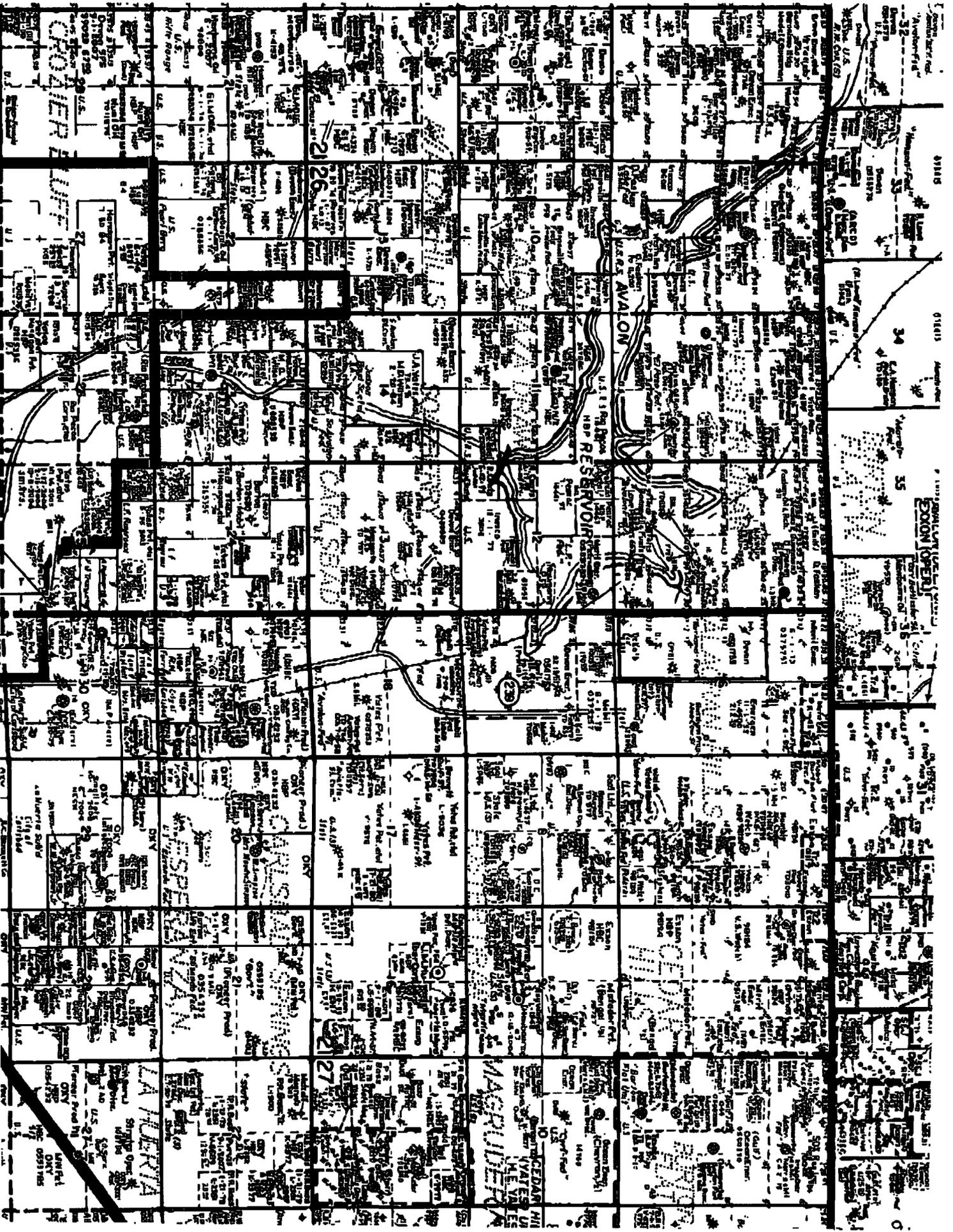
If there are any questions or if additional information is required feel free to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Land Advisor

Kg/
Enclosure



DISTRICT I
P.O. Box 1000, Hobbs, NM 88241-1990

DISTRICT II
P.O. Box 99, Artesia, NM 88211-0710

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87110

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

Surface Location

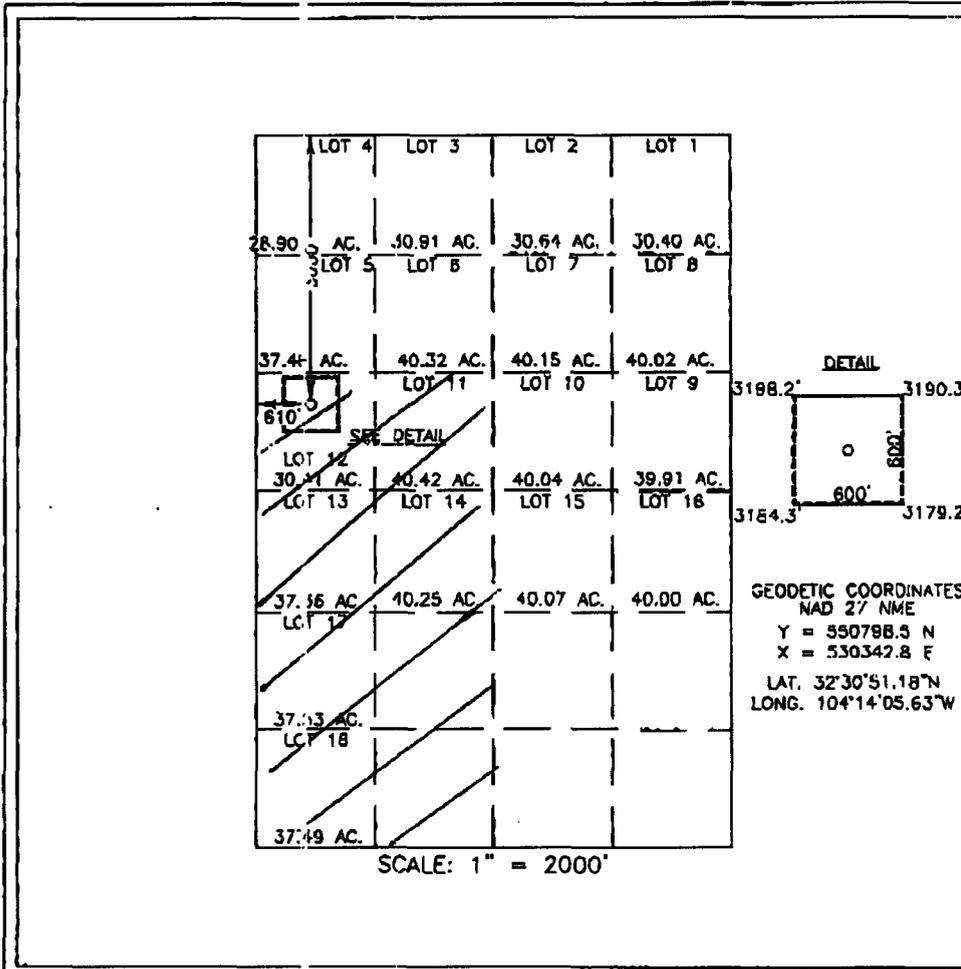
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12	6	21-S	27-E		3000	NORTH	610	WEST	EDDY

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	Joint or In/In	Consolidation Code	Order No.
308			

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
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

Cary E. Eason
Signature & Seal of Professional Surveyor
03.11.117
Professional Surveyor

Certificate No. CARY EASON 12641

devon

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

November 10, 2004

Merit Energy Company
13727 Noel Road, Suite 500
Dallas, Texas 75240-1336
Attn: Anna M. McMinn

Re: Kurland G Federal #2
Section 6-121S-R27L
Eddy County, New Mexico

Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s administrative application for approval of an amendment to NMOCD Administrative Order NSI.-4974, a copy of which is attached, for an unorthodox well location covering the referenced test well which has been approved for downhole commingling for the production of natural gas from the Burton Flat Morrow Gas and the Undesignated Alacran Hills Atoka Gas Pool. New Mexico Oil Conservation Division (NMOCD) records indicate that your company is the named operator of an offset spacing unit and are entitled to notice of this application in accordance with Division Rule 104 (f). Objections to this application should be submitted to the NMOCD. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned.

If there are any questions or if additional information is required, feel to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Ken Gray
Senior Land Advisor

KG:
Enclosures

Merit Energy Company has no objection to this administrative application for amendment to NMOCD Administrative Order NSI.-4974.

By: _____

Title: _____

devon

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Fax 405-552-3113

November 10, 2004

Fasken Oil & Ranch, Ltd.
303 West Wall, Suite 1800
Midland, Texas 79701-5106
Attn: Sally Kvasnicka

Re: Kurland 6 Federal #2
Section 6-721S-R27E
Eddy County, New Mexico

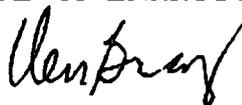
Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s administrative application for approval of an amendment to NMOCD Administrative Order NSL-4974, a copy of which is attached, for an unorthodox well location covering the referenced test well which has been approved for downhole commingling for the production of natural gas from the Burton Flat Morrow Gas and the Undesignated Alacran Hills Atoka Gas Pool. New Mexico Oil Conservation Division (NMOCD) records indicate that your company is the named operator of an offset spacing unit and are entitled to notice of this application in accordance with Division Rule 104 (f). Objections to this application should be submitted to the NMOCD. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned.

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Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Ken Gray
Senior Land Advisor

KG:
Enclosures

Fasken Oil & Ranch, Ltd. has no objection to this administrative application for amendment to NMOCD Administrative Order NSL-4974.

By: _____

Title: _____

devon

RECEIVED

NOV 15 2004

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

November 10, 2004

OIL CONSERVATION
DIVISION

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

Re: Kurland 6 Federal #2
Section 6-T21S-R27E
Eddy County, New Mexico

Gentlemen:

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Inasmuch as this well will be producing from an unorthodox location from that permitted by the Burton Flat East Morrow Pool Rules and the Undesignated Alacran Hills Atoka Gas Pool, Devon respectfully requests that the Commission administratively approve an amendment to NSL-4974 to include both of the above mentioned Pools in accordance with Division Rule 104(F)(3). Fasken Oil & Ranch, Ltd. and Merit Energy Company as offset operators have been given notice of this application.

Attached you will find a land plat reflecting Fasken Oil & Ranch, Ltd. and Merit Energy Company as the offset operators, and a State of New Mexico form C-102.

If there are any questions or if additional information is required feel free to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Land Advisor

Kg/
Enclosure

DISTRICT I
P.O. Box 1980, Hobbs, NM 86241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 86211-0719

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

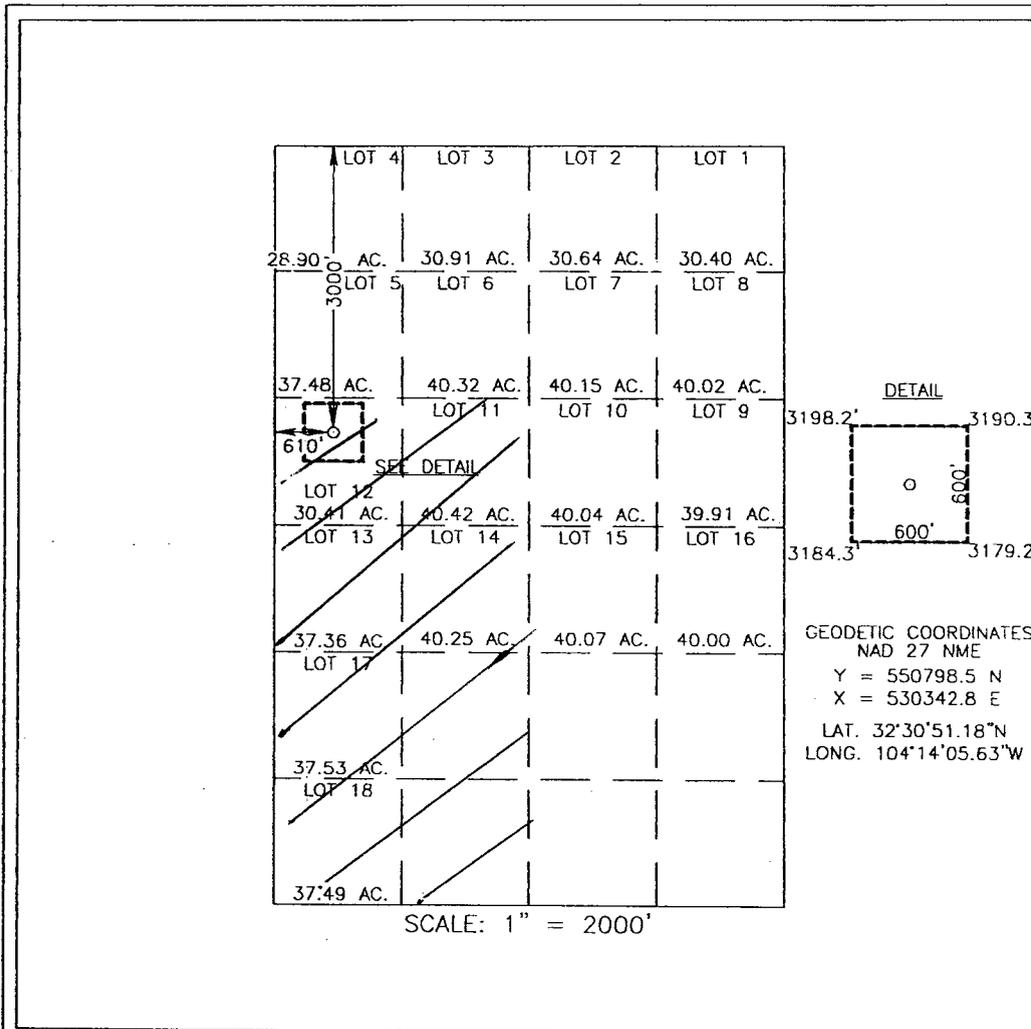
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12	6	21-S	27-E		3000	NORTH	610	WEST	EDDY

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.
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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.

Karen Cotton
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

Gary Eidson
Signature & Seal of Professional Surveyor

03.11.1117

Certificate No. GARY EIDSON 12641



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

November 10, 2004

Merit Energy Company
13727 Noel Road, Suite 500
Dallas, Texas 75240-1336
Attn: Anna M. McMinn

Re: Kurland 6 Federal #2
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Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Ken Gray
Senior Land Advisor

KG:
Enclosures

Merit Energy Company has no objection to this administrative application for amendment to NMOCD Administrative Order NSL-4974.

By: _____

Title: _____



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

November 10, 2004

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Ken Gray
Senior Land Advisor

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Enclosures

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By: _____

Title: _____