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July 31, 2003

RECEIVED
JUL 31 2003
Oil Conservation Division

Hand Delivered

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

Re: **Supplement** to amended application of Devon Energy Production Company, L.P. ("Devon") for administrative approval of an unorthodox oil well location:

Well: Eagle 35E Fed. Well No. 10
Location: 2310 feet FNL & 215 feet FWL
Well Unit: SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 35, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico

Administrative application reference No. pMES0-318937881

Dear Mr. Stogner:

Last week you requested additional information as to why the proposed well could not be located at an orthodox location in the northern part of the well unit. I hope this letter answers your questions.

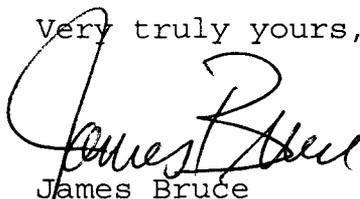
The target of the well is the Northeast Red Lake Glorieta-Yeso Pool, which is spaced on statewide rules. Wells completed in this pool tend to start producing at rates near the allowable (which I believe is 80 BOPD), and then drop off rapidly to a fairly stable rate below the allowable. It is Devon's plan, and practice, to complete two wells in the Glorieta-Yeso on each well unit. These wells are being planned in the southwest and northeast parts of each well unit in order to minimize possible drainage or interference between wells. Attached as Exhibit A is a plat of Sections 34 and 35, showing Devon's currently existing and planned Glorieta-Yeso wells. As you can see, the proposed well fits into the northeast-southwest pattern.

Devon has received an APD from the Bureau of Land Management for the second well in the SW¹/₄NW¹/₄ of Section 35. A copy is attached hereto as Exhibit B. That well, the Eagle 35E Fed. Well No. 11, is also at an unorthodox location. (I am preparing an unorthodox location application for that well.)

With respect to the proposed No. 10 well, it needs to be in the southwest corner of the well unit to conform to the well spacing pattern. Once the well is placed in that portion of the well unit, then the topographic factors discussed in the application come into play, causing its location to be unorthodox.

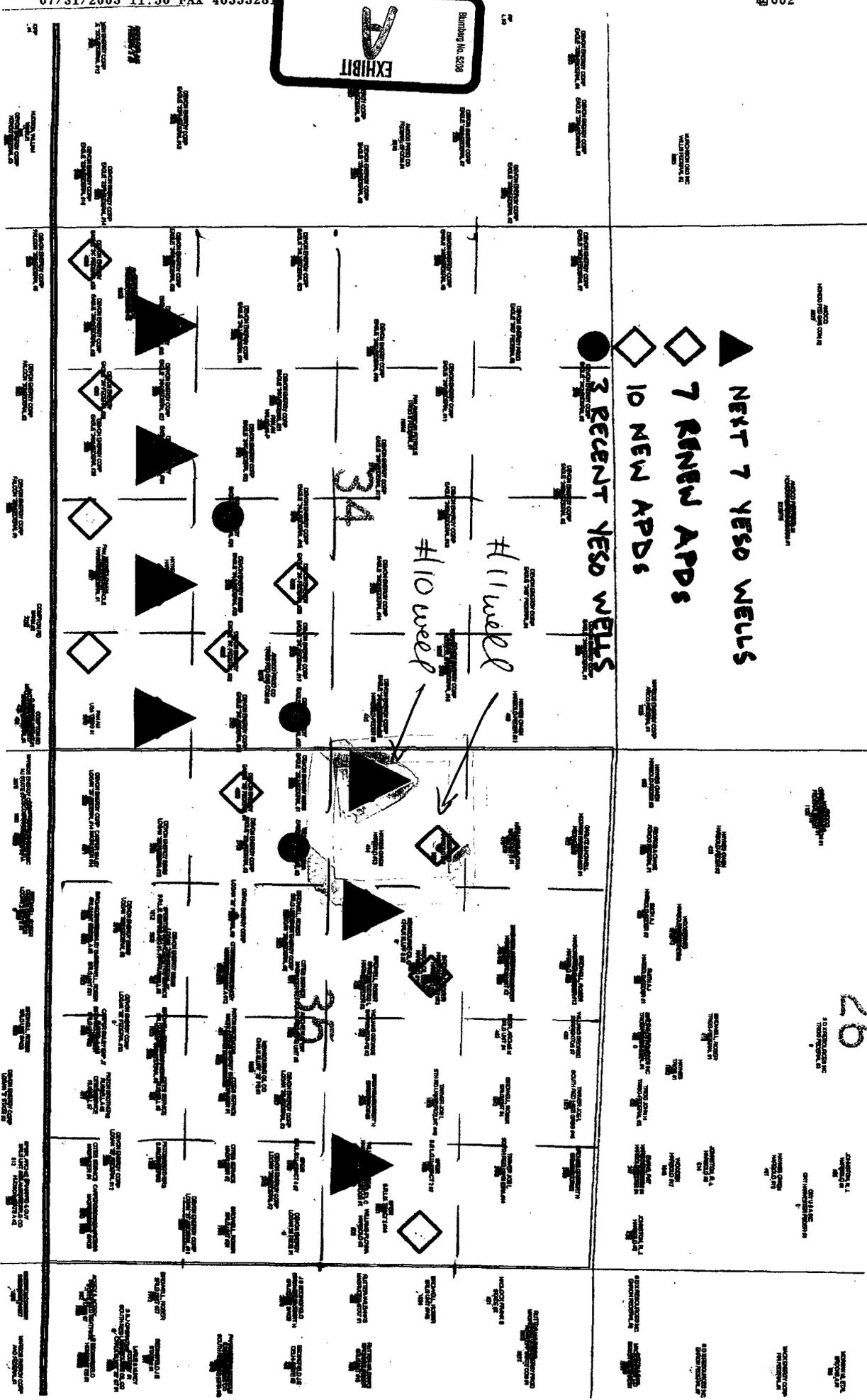
Please let me know if you need additional information to process this application. Thank you.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce". The signature is written in black ink and is positioned above the printed name.

James Bruce

Attorney for Devon Energy Production Company, L.P.



▲ NEXT 7 YESD WELLS
 ◇ 7 RENEW APDS
 ● 3 RECENT YESD WELLS

34
 #11 well
 #10 well

20

Form 3160-3 (August 1999)

OPERATOR'S COPY

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



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

H-13

APPLICATION FOR PERMIT TO DRILL OR REENTER

Form fields 1a-23 including Type of Work, Type of Well, Name of Operator, Address, Location of Well, Distance from nearest town, etc.

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... 4. Bond to cover the operations... 5. Operator certification. 6. Such other site specific information...

25. Signature (Electronic Submission) Name (Printed/Typed) KAREN COTTOM Date 05/12/2003

Title ENGINEERING TECHNICIAN

Approved by (Signature) Name (Printed/Typed) /s/ Leslie A. Theiss Date 11 JUN 2003

Title 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 #21656 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 05/12/2003 (03AL0275AE)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

** BLM REVISED **



Additional Operator Remarks:

Devon Energy proposes to drill a San Andres, Glorieta-Yeso well to TD 4,000' for commercial quantities of oil and gas. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations. Devon Energy Production Company, LP will drill the well per the Master Drilling and Surface Use Program submitted for the Red Lake Field.

Directions: From the junction of Co. Rd. 204 and Co. Rd. 258, go south on Co. Rd. 204 from approx 0.25 mile to Co. Rd. 225; thence southwesterly on Co. Rd. 225 for approx 1.25 mile to a lease road; thence northwesterly on lease road for approx 0.4 mile; thence north for approx 0.1 mile to a point on the proposed well pad.

WITNESS 8 5/8" CMT JOB

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

DISTRICT II
511 South First, Artesia, NM 88210

DISTRICT III
1009 Rio Grande 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
	51120	RED LAKE GLORIETA YESO
Property Code	Property Name	Well Number
	EAGLE 35E FEDERAL	11
OCRD No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION CO., L.P.	3575'

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	35	17 S	27 E		1800	NORTH	1100	WEST	EDDY

Bottom Hole Location If Different From Surface

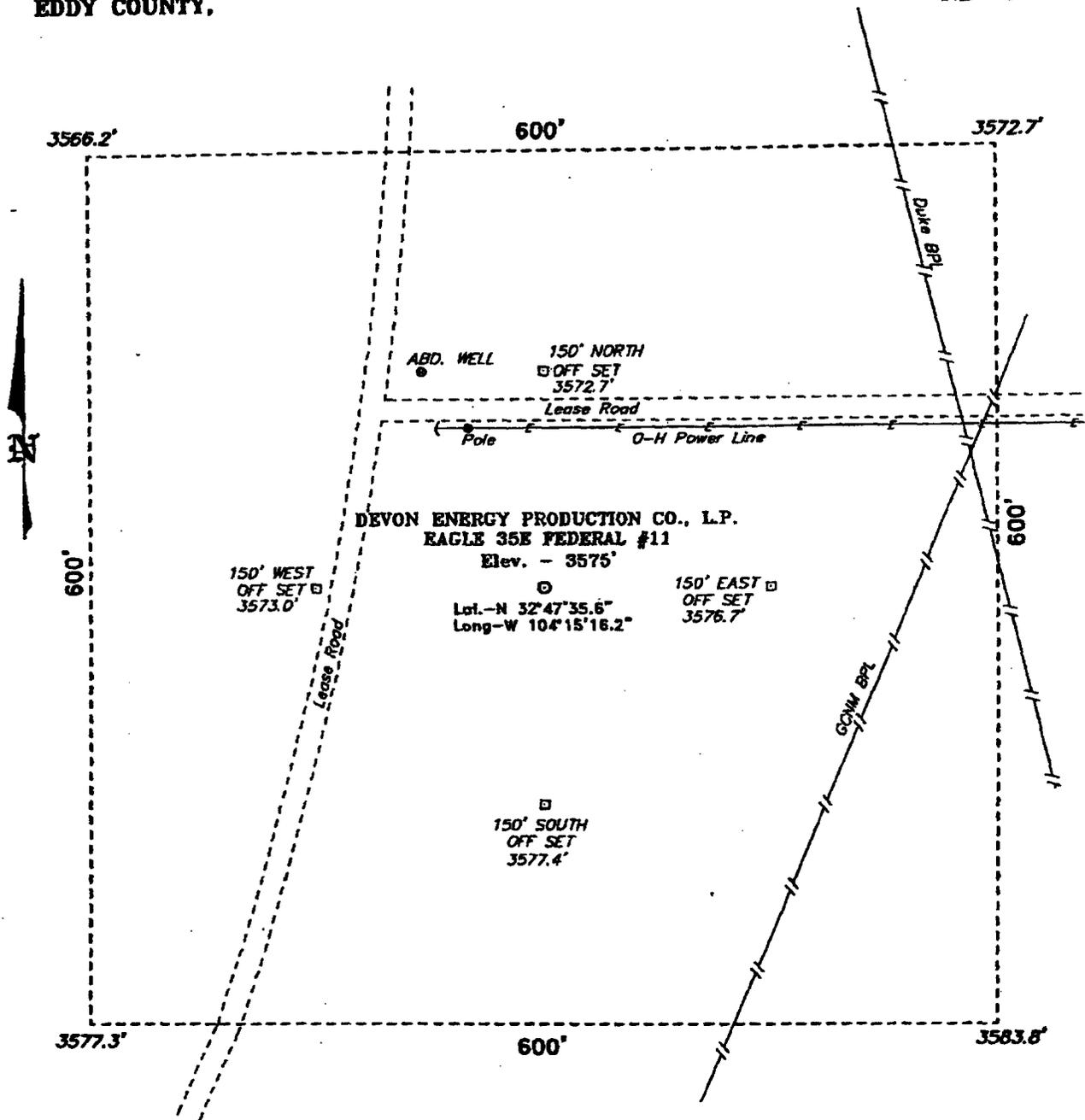
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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

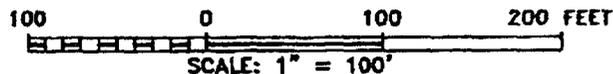
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Gerald T. Pepper</i> Signature</p> <p>Gerald T. (Tom) Pepper Printed Name</p> <p>Operations Engineering Ad Title</p> <p>May 6, 2003 Date</p>
	<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>APRIL 21, 2003</p> <p>Date Surveyed</p> <p><i>Gary L. Jones</i> Signature of Professional Surveyor</p> <p>NEW MEXICO 7977 W.S. No. 322</p> <p>Certificate No. Gary L. Jones 7977 PROFESSIONAL SURVEYORS</p>

**SECTION 35, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



Directions to Location:

FROM THE JUNCTION OF CO. RD. 204 AND CO. RD. 25B, GO SOUTH ON CO. RD. 204 FOR APPROX. 0.25 MILE TO CO. RD. 225; THENCE SOUTHWESTERLY ON CO. RD. 225 FOR APPROX. 1.25 MILE TO A LEASE ROAD; THENCE NORTHWESTERLY ON LEASE ROAD FOR APPROX. 0.4 MILE; THENCE NORTH FOR APPROX. 0.1 MILE TO A POINT ON THE PROPOSED WELL PAD.



DEVON ENERGY PROD. CO., L.P.

REF: EAGLE 35E FED. No. 11 / Well Pad Topo

THE EAGLE 35E FED. No. 11 LOCATED 1800' FROM THE NORTH LINE AND 1100' FROM THE WEST LINE OF SECTION 35, 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: 3226

Drawn By: K. GOAD

Date: 04-22-2003

Disk: KJG CD#4 - 3226A.DWG

Survey Date: 04-21-2003

Sheet 1 of 1 Sheets