

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

District II
811 South First Street, Artesia, NM 88210

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

3178

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

District III
1000 Rio Brazos Road, Aztec, NM 87410

APPLICATION FOR DOWNHOLE COMMINGLING

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

Devon Energy Production Company, L.P. 20 N. Broadway, Suite 1500, Oklahoma City, OK 73102
Operator Address

Apache 25 Federal 5 I, Sec 25 T22S R30E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 6137 Property Code 31920 API No. 30-015-32720 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Los Medanos; Bone Spring		Los Medanos; Wolfcamp South
Pool Code	40295		96336
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10950' - 10975'		11121' - 11134'
Method of Production (Flowing or Artificial Lift)	Flowing	RECEIVED JUL 25 2003 Oil Conservation Division	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)	46.1		45.7
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: 6/22/03 Rates: 70 BO 116 MCF 30 BW	Date: Rates:	Date: 5/29/03 Rates: 56 BO 80 MCF 19 BW
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 51% 49%	Oil Gas % %	Oil Gas 49% 51%

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 James Blount TITLE Operations Engineering Advisor DATE July 23, 2003

TYPE OR PRINT NAME James Blount TELEPHONE NO. (405) 228-4301

devon

ENERGY CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Telephone 405/228-7512
FAX 405/552-4667

July 23, 2003

Certified Mail No. 7001 0320 0004 3101 8109

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Dept.
Attn Michael Stogner
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Downhole Commingling
Apache 25 Federal #5
Section 25-22S-30E Unit I
API #30-015-32720
Los Medanos; Wolfcamp and
Los Medanos; Bone Spring, fields
Eddy County, NM

Gentlemen:

Concerning the referenced enclosed please find the Form 3160-5 Sundry Notice of Intent to downhole commingle and attachments (and five copies).

Please direct inquiries concerning this notice to me at (405) 228-7512.

Yours truly,



Karen Cottom
Engineering Tech.
DEVON ENERGY PRODUCTION COMPANY, L.P.

/kac
Enclosures

c: BLM w/3160-5 Sundry Notice of Intent & attachments

Apache 25 Federal #5

Allocation Formula

<u>Well Name</u>	<u>Producing Formation</u>	<u>*Daily Production Test 3-4 month average</u>	<u>% of Total Oil</u>
Apache 25 Federal #5	(96336)Los Medanos; Wolfcamp South	54 BO/ 97 MCF/ 19 BW	49 %
Apache 25 Federal #5	(40295)Los Medanos; Bone Spring	56 BO/ 93 MCF/ 12 BW	51 %

* From attached production plots

The above production test represents stable production from a Wolfcamp producer and a Bone Spring producer. We believe these rates of production represent an acceptable means to allocate production.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other _____

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY, LP.

3. Address and Telephone No.
20 NORTH BROADWAY, SUITE 1100, OKLAHOMA CITY, OKLAHOMA 73102 (405) 228-7512

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 330 FEL, Sec 25 T22s R30E, NESE

5. Lease Designation and Serial No.
NMNM91509

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Apache 25 Federal #5

9. API Well No.
30-015-32720

10. Field and Pool, or Exploratory Area
Los Medanos Bone Spring

11. County or Parish, State
Eddy, NM

CHECK APPROPRIATE BOX(S) 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"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Downhole Commingle</u>	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Devon Energy Production Company, L.P. is applying with the New Mexico Oil Conservation Division to downhole commingle the Los Medanos; Bone Spring 40295 and the Los Medanos; Wolfcamp North 96336. The commingling will not reduce the value of the total remaining production. Ownership in the zones is identical.

The proposed allocations are as follows

(96336) Los medanos; Wolfcamp South 49% Oil 51% MCF 62% WTR

(40295) Los Medanso; Bone Spring 51% Oil 49% MCF 38% WTR

Current and proposed wellbore schematics are attached along with the allocation method and supporting data

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

Signed Karen A. Cottom Title Engineering Technician Date July 23, 2003
(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

devon

ENERGY CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Telephone 405/228-7512
FAX 405/552-4667

July 23, 2003

Certified Mail No. 7001 0320 0004 3101 8086

Bureau of Land Management
2909 West Second Street
Roswell, NM 88201

RE: Downhole Commingling
Apache 25 Federal #5
Section 25-22S-30E Unit I
API #30-015-32720
Los Medanos; Wolfcamp and
Los Medanos; Bone Spring, fields
Eddy County, NM

Gentlemen:

Concerning the referenced enclosed please find the Form 3160-5 Sundry Notice of Intent to downhole commingle and attachments (and five copies).

Please direct inquiries concerning this notice to me at (405) 228-7512.

Yours truly,



Karen Cotton
Engineering Tech.
DEVON ENERGY PRODUCTION COMPANY, L.P.

/kac
Enclosures

c: OCD w/C103 Sundry Notice of Intent & attachments

Apache 25 Federal #5

Allocation Formula

<u>Well Name</u>	<u>Producing Formation</u>	<u>*Daily Production Test 3-4 month average</u>	<u>% of Total Oil</u>
Apache 25 Federal #5	(96336)Los Medanos; Wolfcamp South	54 BO/ 97 MCF/ 19 BW	49 %
Apache 25 Federal #5	(40295)Los Medanos; Bone Spring	56 BO/ 93 MCF/ 12 BW	51 %

* From attached production plots

The above production test represents stable production from a Wolfcamp producer and a Bone Spring producer. We believe these rates of production represent an acceptable means to allocate production.

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd, Aztec, NM 87410

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

WELL API NO. 30-015-32720 - FEDERAL
5. Indicate Type of Lease STATE [] FEE []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Apache 25 Federal
8. Well No. 5
9. Pool name or Wildcat Los medianos; Bone Spring

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well [X] Oil Well [] Gas Well [] Other []
2. Name of Operator DEVON ENERGY PRODUCTION COMPANY, L. P.
3. Address of Operator 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 228-7512

4 Well Location Unit Letter L:1980 Feet From The SOUTH Line and 330 Feet From The EAST Line Section 25 Township 22S Range 30E NMPM EDDY County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3344' GR

Check Appropriate Box To Indicate Nature Of Notice, Report, Or Other Data
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] TEMPORARILY ABANDON [] CHANGE PLANS [] PULL OR ALTER CASING [] OTHER: DOWNHOLE COMMINGLE [X]
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [] OTHER: []

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103.
Devon Energy Production Company, L.P. is applying with the New Mexico Oil Conservation Division to downhole commingle the Los Medanos; Bone Spring 40295 and the Los Medanos; Wolfcamp North 96336. The commingling will not reduce the value of the total remaining production. Ownership in the zones is identical.
The proposed allocations are as follows
(96336) Los medianos; Wolfcamp South 49% Oil 51% MCF 62% WTR
(40295) Los Medanso; Bone Spring 51% Oil 49% MCF 38% WTR
Current and proposed wellbore schematics are attached along with the allocation method and supporting data

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE [Signature] TITLE ENGINEERING TECHNICIAN DATE July 23, 2003
TYPE OR PRINT NAME Karen Cottom TELEPHONE NO. (405) 228-7512

(This space for State use)
Approved by _____ TITLE _____ DATE _____
Conditions of approval, if any: _____

WOLFCAMP			
Date	Oil	Gas	Water
5/23/2003	69	108	28
5/24/2003	63	105	32
5/25/2003	61	97	25
5/26/2003	56	100	20
5/27/2003	58	86	36
5/28/2003	66	54	25
5/29/2003	56	80	19
5/30/2003	45	83	16
5/31/2003	46	56	12
6/1/2003	51	57	10
6/2/2003	49	61	6
6/3/2003	47	71	6
6/4/2003	54	141	16
6/5/2003	42	212	9
6/6/2003	47	183	15
6/7/2003	51	66	27
6/8/2003	66	83	16
	54	97	19

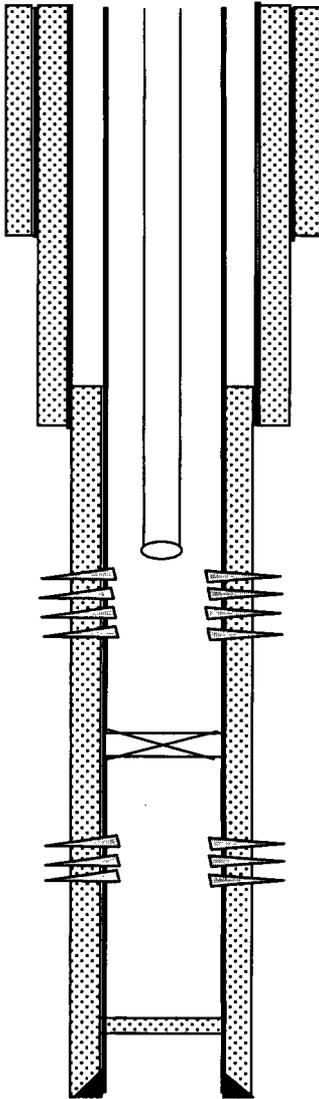
BONE SPRING			
Date	Oil	Gas	Water
7/5/2003	50	96	14
7/6/2003	49	94	9
7/7/2003	56	51	11
7/8/2003	59	106	12
7/9/2003	55	104	14
7/10/2003	52	105	14
7/11/2003	69	91	13
7/12/2003	55	91	12
7/13/2003	51	91	12
7/14/2003	52	90	13
7/15/2003	53	90	12
7/16/2003	53	92	11
7/17/2003	53	92	11
7/18/2003	58	94	9
7/19/2003	46	90	5
7/20/2003	43	90	14
7/21/2003	104	113	14
	56	93	12

	OIL	GAS	WATER
COMBINED PRODUCTION	111	190	30
WOLFCAMP	49%	51%	62%
BONE SPRING	51%	49%	38%

DEVON ENERGY CORPORATION WELLBORE SCHEMATIC

WELL NAME: Apache 25 Federal #5			FIELD: Los Medanos; Bone Spring			
LOCATION: Sect 25-T22S-R30E			COUNTY: Eddy		STATE: NM	
ELEVATION: GL=3344"			SPUD DATE: 3/31/2003		COMP DATE: 6/16/2003	
API#: 30-025-32720		PREPARED BY: Karen Cottom			DATE: 7/23/03	
TUBULARS	DEPTH	SIZE	WEIGHT	GRADE	THREAD	HOLE SIZE
CASING:	0 - 596'	13 3/8"	48#	H-40		17 1/2"
CASING:	0 - 3868'	8 5/8"	32#	J-55		11"
CASING:	0 - 11,295'	5 1/2"	17#	N-80		7 7/8"
CASING:						
TUBING:	10851'	2 7/8"				

CURRENT
 PROPOSED



13 3/8" casing set @596' cmt w/560 sx to surface

8 5/8" casing set @3,868' cmt w/1050 sx to surface

2 7/8" tbg SN@10851'

Bone Spring Perforation
10950' - 10975' (50 holes)

RBP @ 11,100'

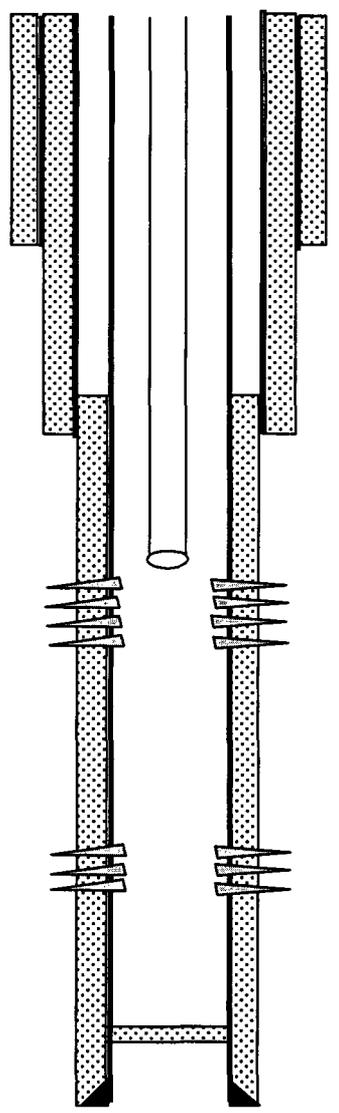
Wolfcamp Perforations
11,121' - 11,134' (26 holes)

PBTD @ 11,239'
5 1/2" casing, set @11,295' Cmt'd w/1440 sx cmt TOC @ 3080'
TD @ 11,300'

DEVON ENERGY CORPORATION WELLBORE SCHEMATIC

WELL NAME: Apache 25 Federal #5			FIELD: Los Medanos; Bone Spring			
LOCATION: Sect 25-T22S-R30E			COUNTY: Eddy		STATE: NM	
ELEVATION: GL=3344"			SPUD DATE: 3/31/2003		COMP DATE: 6/16/2003	
API#: 30-025-32720		PREPARED BY: Karen Cottom			DATE: 7/23/03	
TUBULARS	DEPTH	SIZE	WEIGHT	GRADE	THREAD	HOLE SIZE
CASING:	0 - 596'	13 3/8"	48#	H-40		17 1/2"
CASING:	0 - 3868'	8 5/8"	32#	J-55		11"
CASING:	0 - 11,295'	5 1/2"	17#	N-80		7 7/8"
CASING:						
TUBING:	10851'	2 7/8"				

CURRENT PROPOSED



13 3/8" casing set @596' cmt w/560 sx to surface

8 5/8" casing set @3,868' cmt w/1050 sx to surface

2 7/8" tbg SN@10851'

Bone Spring Perforation
10950' - 10975' (50 holes)

RBP @ 11,100'

Wolfcamp Perforations
11,121' - 11,134' (26 holes)

PBTD @ 11,239'
5 1/2" casing, set @11,295' Cmt'd w/1440 sx cmt TOC @ 3080'
TD @ 11,300'

MAR 18 2003

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 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., Artec, NM 87410

DISTRICT IV

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-32720	Pool Code 40295	Pool Name LOS MEDANOS: BONE SPRING
Property Code 31920	Property Name APACHE "25" FEDERAL	Well Number 5
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3343'

Surface Location

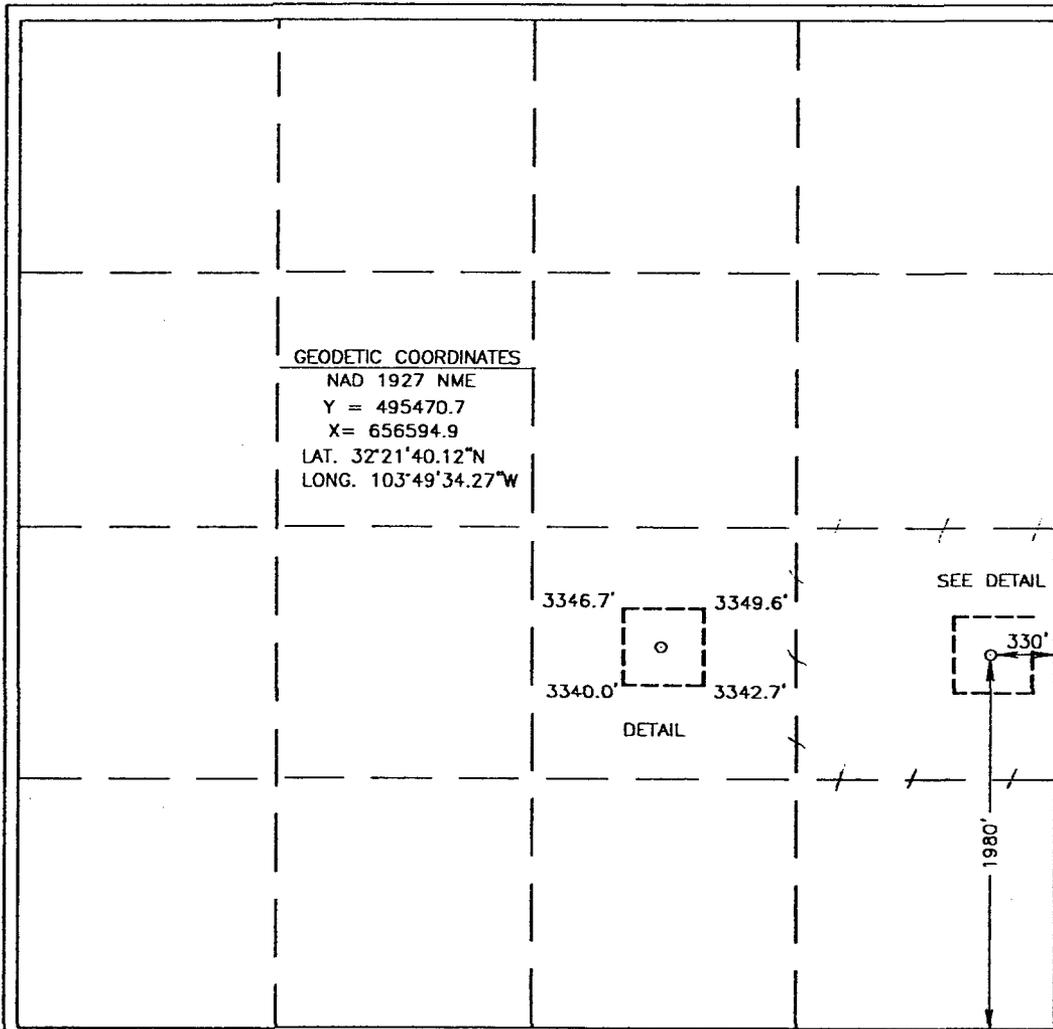
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	25	22-S	30-E		1980'	SOUTH	330'	EAST	EDDY

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



GEODETIC COORDINATES
 NAD 1927 NME
 Y = 495470.7
 X = 656594.9
 LAT. 32°21'40.12"N
 LONG. 103°49'34.27"W

OPERATOR CERTIFICATION

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

Karen Cottom
 Signature

Karen Cottom
 Printed Name

Operations Technician
 Title

July 8, 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.

MARCH 12, 2003
 Date Surveyed

AWB
 Signature & Seal of Professional Surveyor

Gary Ebdson
 03.11.0289

Certificate No. RONALD L. EIDSON 3239
 GARY EBDSON 12641

State of New Mexico

MAR 18 2003

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

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

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

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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

Santa Fe, New Mexico 87504-2088

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-32720	Pool Code 96336	Pool Name LOS MEDANOS: WOLFECAMP SOUTH
Property Code 31920	Property Name APACHE "25" FEDERAL	Well Number 5
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3343'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	25	22-S	30-E		1980'	SOUTH	330'	EAST	EDDY

Bottom Hole Location If Different From Surface

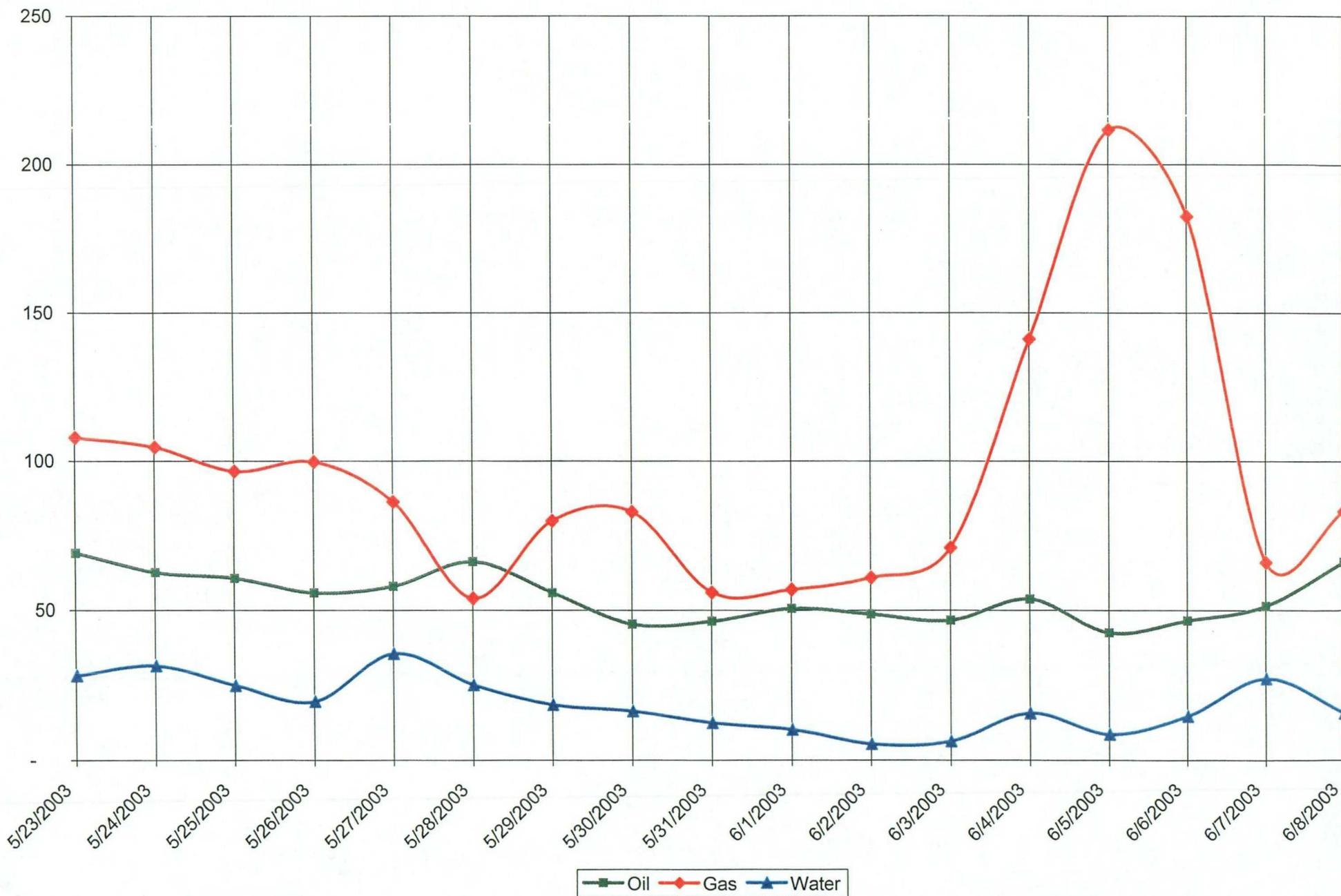
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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>GEODETTIC COORDINATES NAD 1927 NME Y = 495470.7 X = 656594.9 LAT. 32°21'40.12"N LONG. 103°49'34.27"W</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Karen Cottom</i> Signature</p> <p>Karen Cottom Printed Name</p> <p>Operations Technician Title</p> <p>July 8, 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>MARCH 12, 2003 Date Surveyed</p> <p>AWB Signature & Seal of Professional Surveyor</p> <p><i>Gary Eidsen</i> 03.11.0289</p> <p>Certificate No. RONALD I. EIDSON 3239 GARY EIDSON 12641</p>

WOLFCAMP



BONE SPRING

