

13. March.07

O. Brooks

19. March.07

USL

RCLP0707025628

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Devon
N Perm Hold # 3

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
[X] 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.

Signature Title Date

Official Address



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Fax 405-552-8111

March 13, 2007

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

Re: North Pure Gold 4 Federal #3
Section 4-T23S-R31E
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. (Devon), as Operator, intends to drill the referenced Delaware test well to a depth of approximately 8,500'. The Bureau of Land Management (BLM) will establish a "drilling island" for this well along the South side of the WIPP site in accordance with the applicable Secretarial Order governing oil and gas development in the Potash Area of Southeast New Mexico. Devon initially attempted to stake and permit this well at an orthodox location of 660' FWL & 330" FNL. However, due to the proximity of the location to an existing arch site and sand dunes, the BLM has required Devon to move the location. The closest drillable location as approved by the BLM is located 660' FWL & 180' FNL which is an unorthodox location as it is closer than 330' to the outer boundary of the designated spacing unit pursuant to existing pool rules.

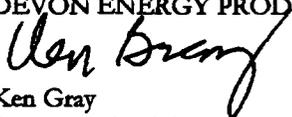
Inasmuch as this well will be producing from an unorthodox location from that permitted by existing pool rules, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location in accordance with Division Rule 104(F)(3). This unorthodox location affects the unleased mineral interests owned by the United States Government in the spacing unit to the North in Section 33-T22S-R31E located inside the boundary of the WIPP site. Devon has given notice of this application to the BLM Carlsbad Resource office.

Attached you will find a land plat reflecting BLM as the only affected party, a structure map on top of the Bone Spring formation, a State of New Mexico form C-102 and a copy of Devon's notice to BLM.

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
1623 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 V. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Ed., Artesia, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised October 12, 2006

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name NORTH PURE GOLD "4" FEDERAL	Well Number 3
GRID No.	Operator Name DEVON ENERGY PRODUCTION COMPANY LP	Elevation 3344'

Surface Location

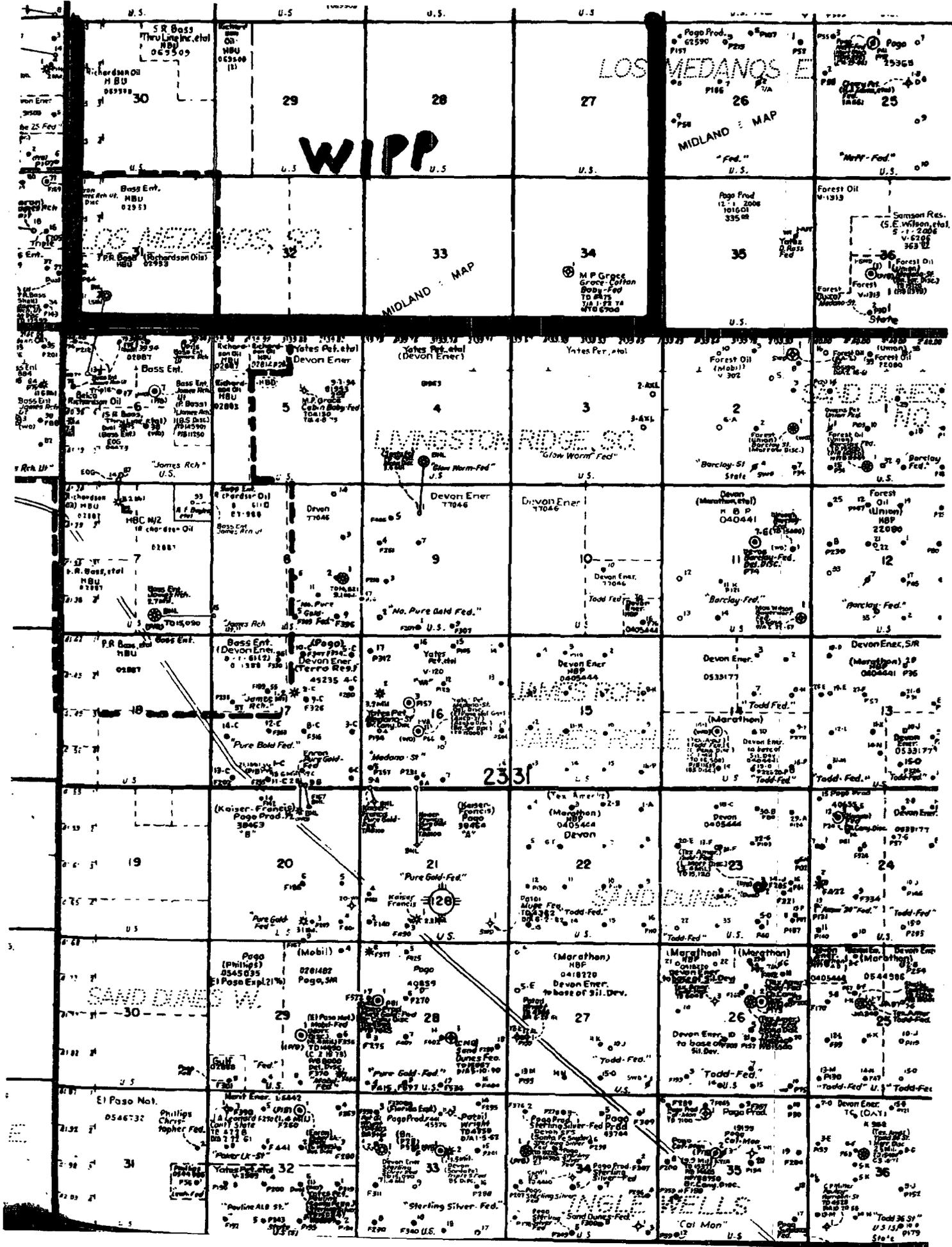
UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
D	4	23 S	31 E		180	NORTH	660	WEST	EDDY

Bottom Hole Location If Different From Surface

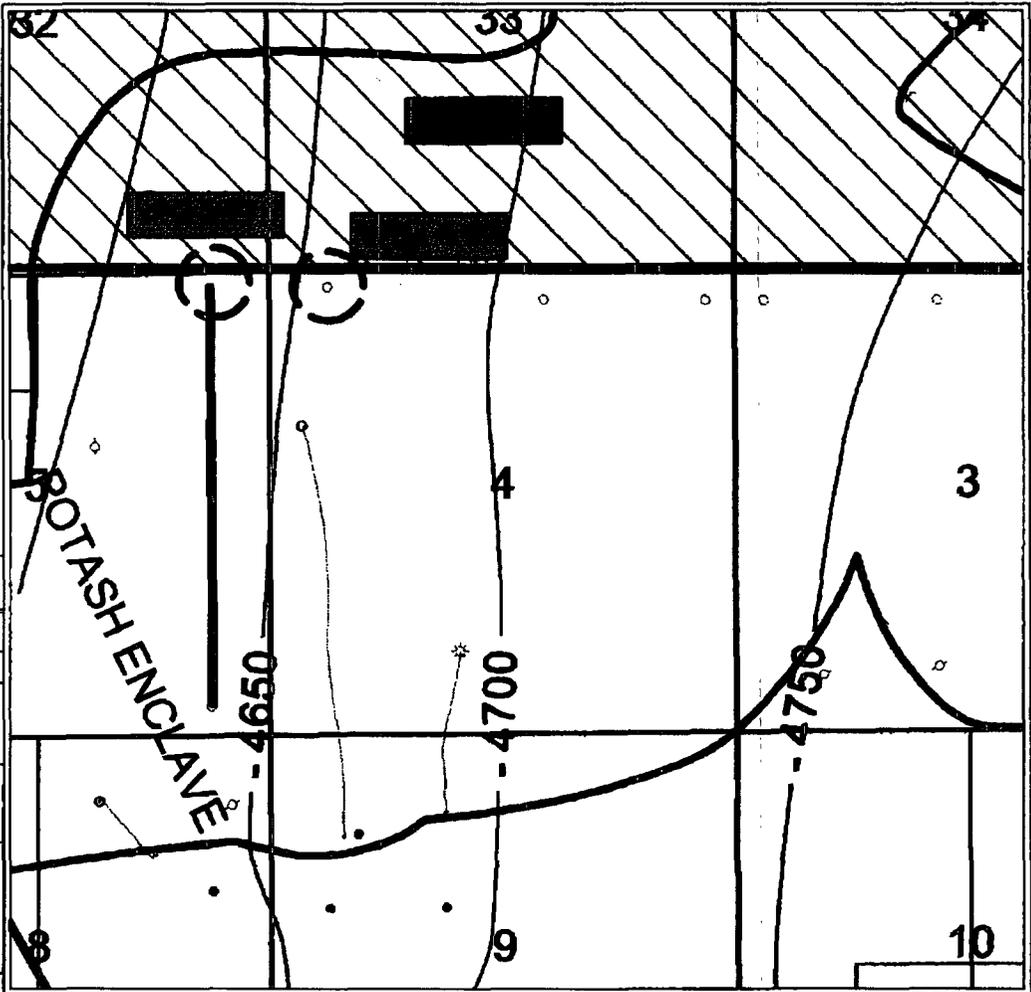
UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Infill	Consolidation Code	Order No.					

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>SURFACE LOCATION Lat - N32°20'24.9" Long - W103°47'21.3" (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p>	
	<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>MARCH 05 2007</p> <p>Date Surveyed _____ Signature _____ Professional Surveyor</p>	
	<p>Certificate No. Gary L. Jones 7977</p>	
	<p>BASIN SURVEYS</p>	



DEVON ENERGY
SOUTHEAST EDDY
BONE SPRINGS STRUCTURE
<p>0 1,500 3,000 FEET</p>
<p>CONTOURS FWP05 - 85SL (DUG - 85SL) FWP05SL01K.GSD Contour Interval = 25</p>
<p>WELL SYMBOLS</p> <ul style="list-style-type: none"> ○ Location Only ● Oil Well ☆ Gas Well ◇ Dry Hole ⋈ Abandoned Well ○ Temporarily Abandoned
March 12, 2007



FWP05SL01K.GSD

devon

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

March 13, 2007

United States Department of the Interior
Bureau of Land Management
620 East Greene Street
Carlsbad, NM 88220-6292

Re: North Pure Gold 4 Federal #3
Section 4-T23S-R31E
Eddy County, NM

Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s administrative application for approval of an unorthodox well location covering the referenced well. Our records indicate that the United States of America is an affected owner 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 New Mexico Oil Conservation Division. 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 free to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Ken Gray
Senior Land Advisor

United States of America, Department of Interior, Bureau of Land Management has no objection to this administrative application for unorthodox location.

By: _____

Title: _____

Date: _____

devon

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

FAX

To: DAVID BROOKS

From: KEN GRAY

Fax: 505-476-3462

Date: 3/13/07

Phone:

Pages: 6 (including cover page)

Re: NPG 4 FEDERAL #3

CC:

Urgent

For Review

Please Comment

Please Reply

Please Recycle

• Comments: