

ABOVE THE LINE FOR DIVISION USE ONLY

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



195

**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  
 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

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

**CERTIFICATION:** I hereby certify that the information submitted with this application for administrative purposes 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 \_\_\_\_\_

Serial Address \_\_\_\_\_



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

April 26, 2007

New Mexico Oil Conservation Division  
1220 S St. Francis Drive  
Santa Fe, New Mexico 87505

30-015-35095

Attn: David Catanach

Re: Application for Off-Lease Storage and Measurement (Form C-107-B)  
Simpson 15A #1  
Section 15 Township 18 South, Range 26 East  
Eddy County, New Mexico  
API # 30-015-35095

Mr. Catanach:

Devon Energy Production Company, LP requests approval for off lease storage and measurement of hydrocarbon production from the Simpson 15A #1 well located on the Simpson Lease at 330' FNL 330' FEL Section 15-18S-26E. The battery for storage and measurement is located on the existing Atoka San Andres Unit #162 well site located at 375' FNL 330' FWL Section 14, Township 18 South, Range 26 East.

Exhibit I is a schematic, which shows the current temporary equipment setup that will be utilized until the battery is completed. After the battery is completed, production will go to the permanent equipment displayed in Exhibit II. A map (Exhibit III) is enclosed that shows the location of the well, battery, and the boundaries of both leases.

Devon Energy Production Company, LP has 100% WI in the referenced well.

The reason for the proposed off lease storage and measurement is that no surface location agreement for the battery could be reached with the surface owner on the Simpson lease.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Please contact me at 405-552-8152 should you have any questions.

Sincerely,

Devon Energy Production Company, LP

Marcos Ortiz  
Operations Engineer

Enclosure

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
1301 W. Grand Ave, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised June 10, 2003

**OIL CONSERVATION DIVISION**

1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

2007 MAY 11 AM 9 46

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Devon Energy Production Company, L.P.  
OPERATOR ADDRESS: 20 North Broadway, Oklahoma City, Oklahoma 73102-8260  
APPLICATION TYPE:

Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. \_\_\_\_\_  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
 Yes  No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.  
(4) Measurement type:  Metering  Other (Specify)  
(5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

- (1) Pool Name and Code.  
(2) Is all production from same source of supply?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
(4) Measurement type:  Metering  Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

- (1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

- (1) Is all production from same source of supply?  Yes  No  
(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE:  TITLE: Sr. Staff Engineering Technician DATE: May 9, 2007

TYPE OR PRINT NAME Norvella Adams TELEPHONE NO.: 405-552-8198

E-MAIL ADDRESS: norvella.adams@dvn.com

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. Franklin Ave., Hobbs, NM 88240  
 District II  
 1301 W. ... Ave., Artesia, NM 88210  
 District III  
 1000 Rio Pecos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 May 27, 2004

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

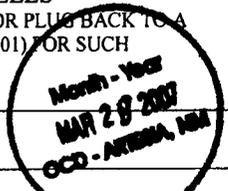
WELL API NO. 30-015-35095
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Simpson 15 A
8. Well Number 1
9. OGRID Number 6137
10. Pool name or Wildcat Red Lake; Glorieta-Yeso; NE

**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: Oil Well  Gas Well  Other

2. Name of Operator  
Devon Energy Production Company, LP

3. Address of Operator  
20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-8198



4. Well Location  
 Unit Letter A : 330 feet from the North line and 330 feet from the East line  
 Section 15 18S Township 26E Range NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 3327' GR

Pit or Below-grade Tank Application  or Closure

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Drilling Operations <input checked="" type="checkbox"/>	

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

3/05/07 MIRU. Spud well.  
 3/06/07 TD 12 1/4" hole at 880'. Ran in with 80 joints, 8 5/8", 24#, J-55, ST&C casing and set at 880'. Cement lead with 440 sacks 35:65 Class C and tail with 200 sacks Class C. WOC 21 1/2" hours.  
 3/07/07 Test BOP and choke to 1000 psi - ok. Test casing to 600 psi - ok.  
 3/14/07 TD 7 7/8" hole at 3505'.  
 3/15/07 Ran in with 83 joints of 5 1/2", 15.5#, J-55, LT&C casing. Cement with 200 sacks of 35:65 Class C, tail with 360 sacks 60:40 Class C. Release rig.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE Norvella Adams TITLE Sr. Staff Engineering Technician DATE 3/26/07

Type or print name Norvella Adams E-mail address: norvella.adams@dvn.com Telephone No. (405) 552-8198

**FOR STATE USE ONLY**  
**FOR RECORDS ONLY**  
 APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE MAR 30 2007  
 Conditions of Approval (if any): \_\_\_\_\_



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

Meg Muhlinghouse  
Land Advisor

Phone: (405) 228-4416  
Fax: (405) 552-8113

April 26, 2007

Mr. David Catanach  
New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, NM 87505

Re: Simpson 15A #1 well  
330' FNL & 330' FEL  
Section 15, T-18-S, R-26-E  
Eddy County, New Mexico

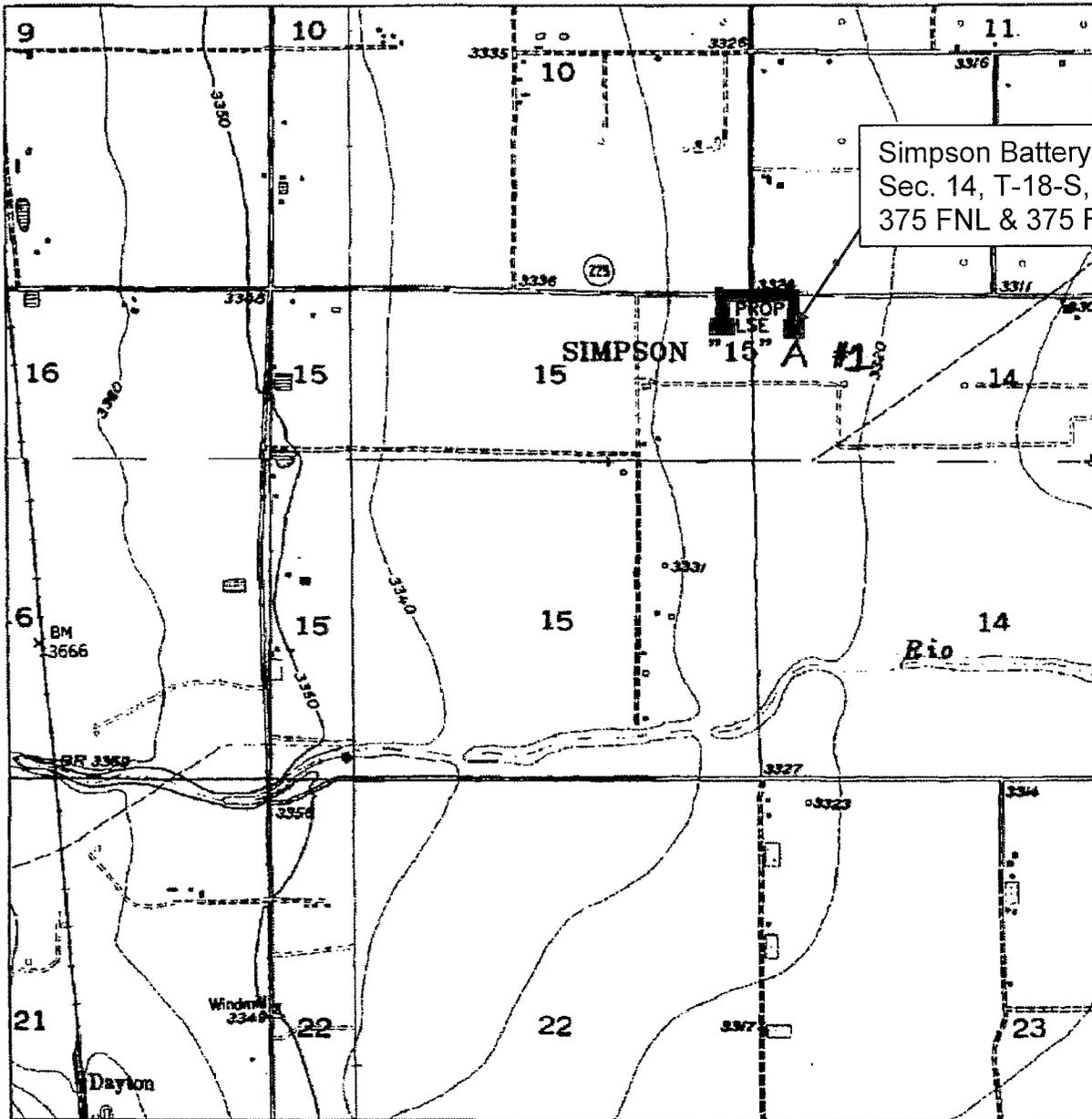
Mr. Catanach:

Upon review of the title information in Devon's records, please be advised that the working interest ownership in Devon's captioned well is identical to the ownership in Devon's Atoka San Andres Unit #162 well located 175' FNL & 375' FWL in Section 14, T-18-S, R-26-E, Eddy County, NM. This statement is true for the Red Lake Glorieta-Yeso Pool. Should you have any questions or need anything additional, please advise.

Sincerely,

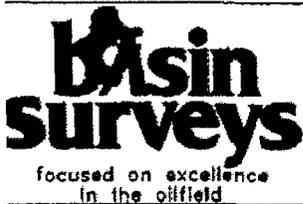
Meg Muhlinghouse  
Land Advisor

\* ALL Leases are Fee Leases.



**SIMPSON "15" A #1**

Located at 330' FNL AND 330' FEL  
 Section 15, Township 18 South, Range 26 East,  
 N.M.P.M., Eddy County, New Mexico.



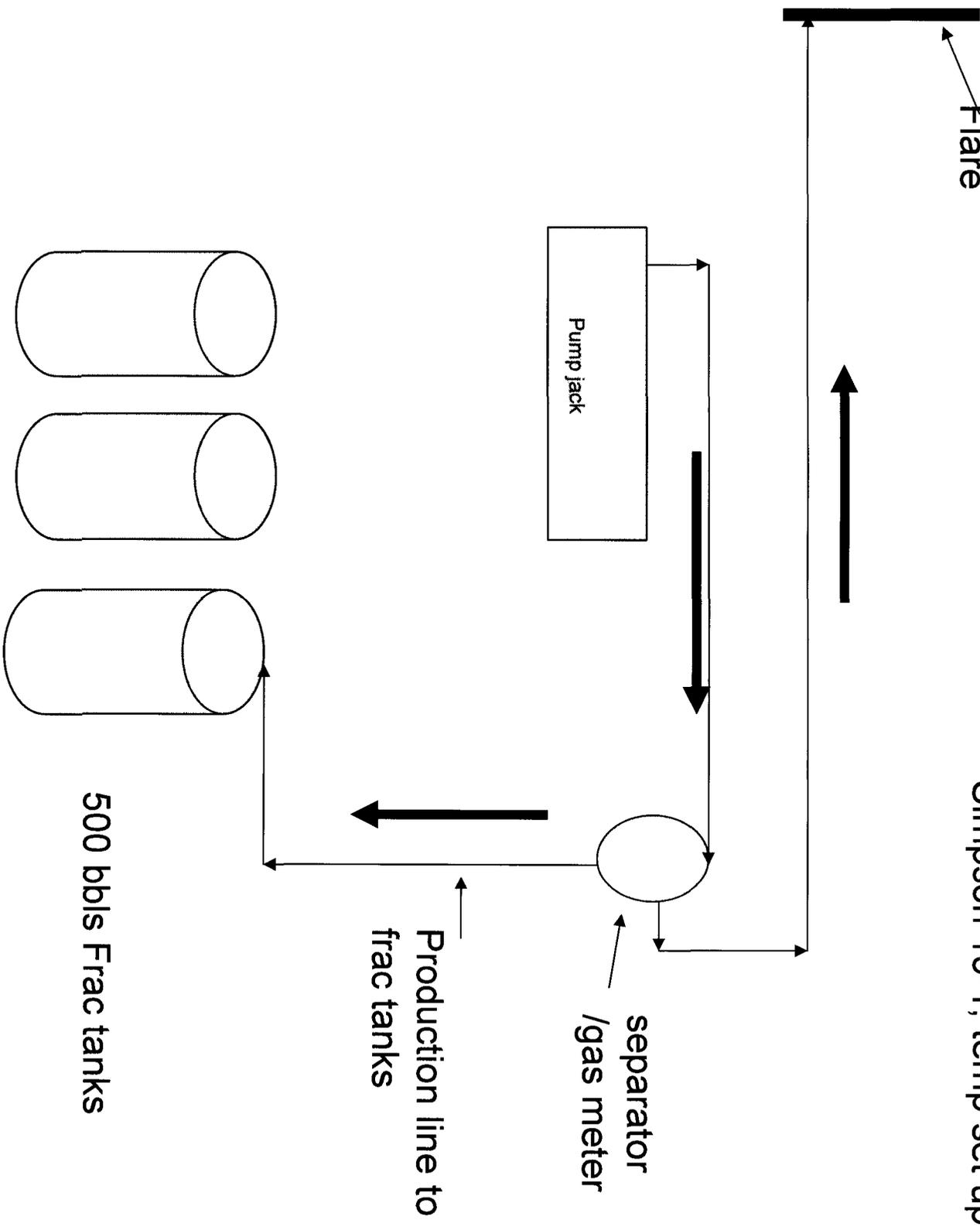
P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basinsurveys.com

W.O. Number: 6498AA - JMS  
 Survey Date: 04-17-2006  
 Scale: 1" = 2000'  
 Date: 04-19-2006

**DEVON ENERGY  
 PROD. CO., L.P.**

Flare

Simpson 15-1, temp set up



Pump jack

separator /gas meter

500 bbls Frac tanks

Production line to frac tanks

