

04.23.07

D. Brooks

04.24.03

NSL

PCLP0711437760

ABOVE THE LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Newton
N. P. 10/10/14 4 Fed #44
5627

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 action 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

E-mail Address



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

April 23, 2007

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

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

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, intends to drill the referenced horizontal Lower Brushy Canyon Delaware well to a total vertical depth of approximately 7950' with a total measured depth of approximately 12,900'. Devon is electing to drill this horizontal well due to the inability to obtain a vertical APD due to Potash restrictions. As reflected on the attached C-102, the well will be permitted at a surface location of 1980' FWL and 150' FNL with a permitted bottom hole location of 1980' FWL and 330' FSL of Section 4, Township 23 South, Range 31 East. The Bureau of Land Management 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 chose this location in order to cause as little interference as possible with the potash resource in the area that has been determined to be measured ore. The initial portion of the open hole and potentially productive horizontal section of the well will be located 330' FNL and 1980' FWL of said Section 4. Devon will penetrate the top of the Delaware Mountain group with the vertical portion of the well bore and according to Division rules the above mentioned surface hole location would be classified as a non-standard location.

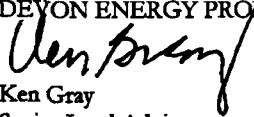
Even though the initial portion of the open hole horizontal section of the referenced well appears to be located at a standard location in accordance with Division rules, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location in accordance with Division Rule 104(F) (3) with regard to the vertical unorthodox portion of the well. 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 Bureau of Land Management Carlsbad Resource Office. Additionally, Devon requests Commission approval to designate a 160 acre project area consisting of four standard oil spacing units comprised of the E/2 W/2 (Unit letters C, F, K & N) of said Section 4.

Attached for your review you will find a land plat reflecting the BLM as the only affected party, a structure map on top of the Bone Spring formation, a State of New Mexico form C-102, a Well Profile Report prepared by Baker Hughes and copy of a notification letter to the BLM.

Feel free to contact the undersigned at (405) 552-4633 if there are any concerns or questions regarding this application.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Land Advisor

KG\North Pure Gold 4 Federal #4H UL
Enclosure

devon

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

FAX

To: DAVID BROOKS

From: KEN GRAY

Fax: 505-476-3462

Date: 4/23/07

Phone:

Pages: 11 (including cover page)

Re: NPG 4 FED #4 H

CC:

☐ Urgent

☒ For Review

☐ Please Comment

☐ Please Reply

☐ Please Recycle

• Comments:

DISTRICT I

6000 N. Fourth St., Dallas, TX 75206

DISTRICT II

6001 N. Grand Avenue, Austin, TX 78703

DISTRICT III

1600 N. Tenth St., Tulsa, OK 74110

DISTRICT IV

6000 N. Fourth St., Dallas, TX 75206

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1820 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form O-108

Revised October 15, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Well Code	Well Name
Property Code	Property Name	Well Number
	NORTH PURE GOLD "4" FEDERAL	4H
OWNER No.	Operator Name	Elevation
	DEVON ENERGY PRODUCTION COMPANY LP	3367'

Surface Location

TL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
C	4	23 S	31 E		150	NORTH	1980	WEST	EDDY

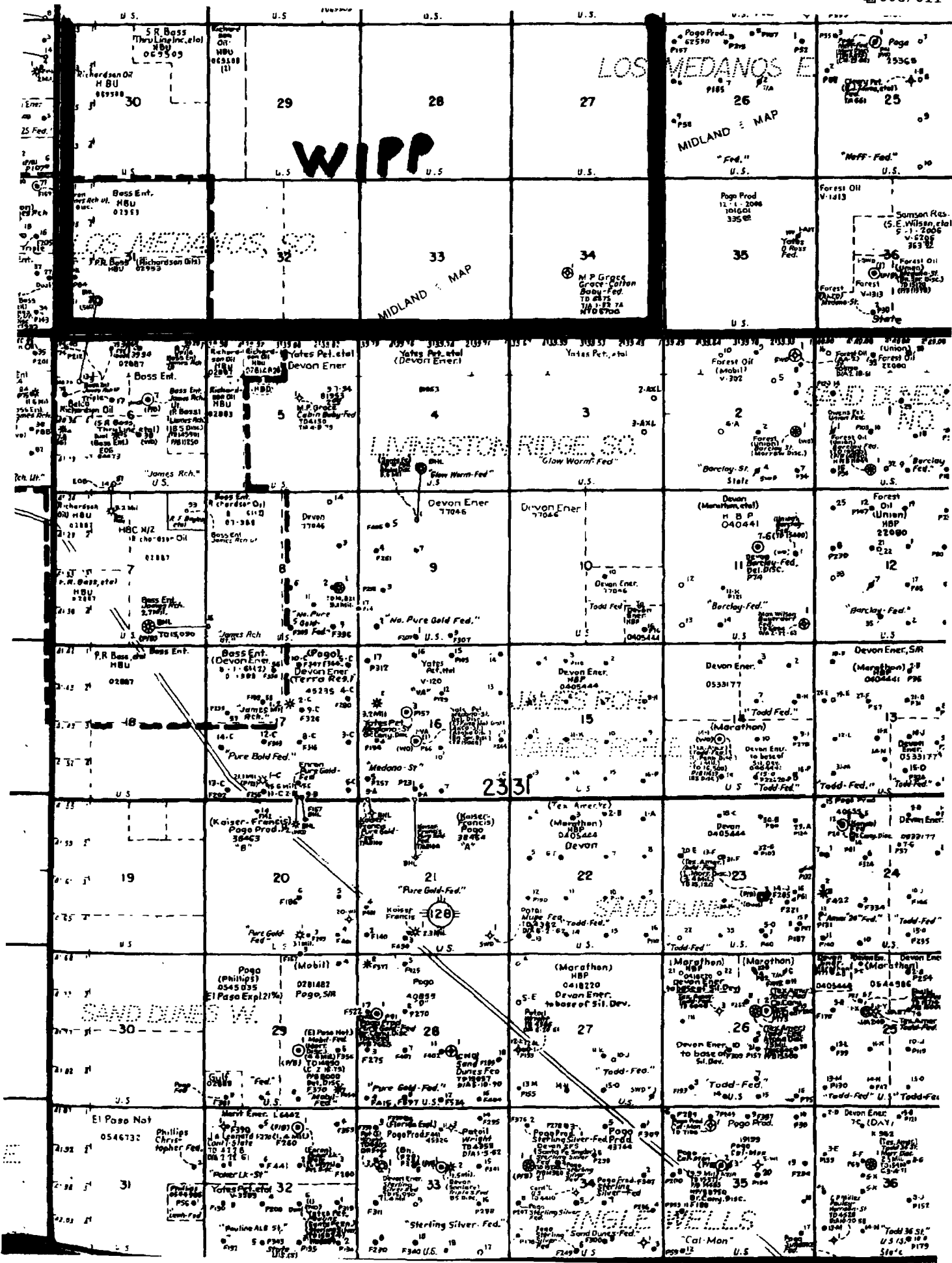
Bottom Hole Location if Different from Surface

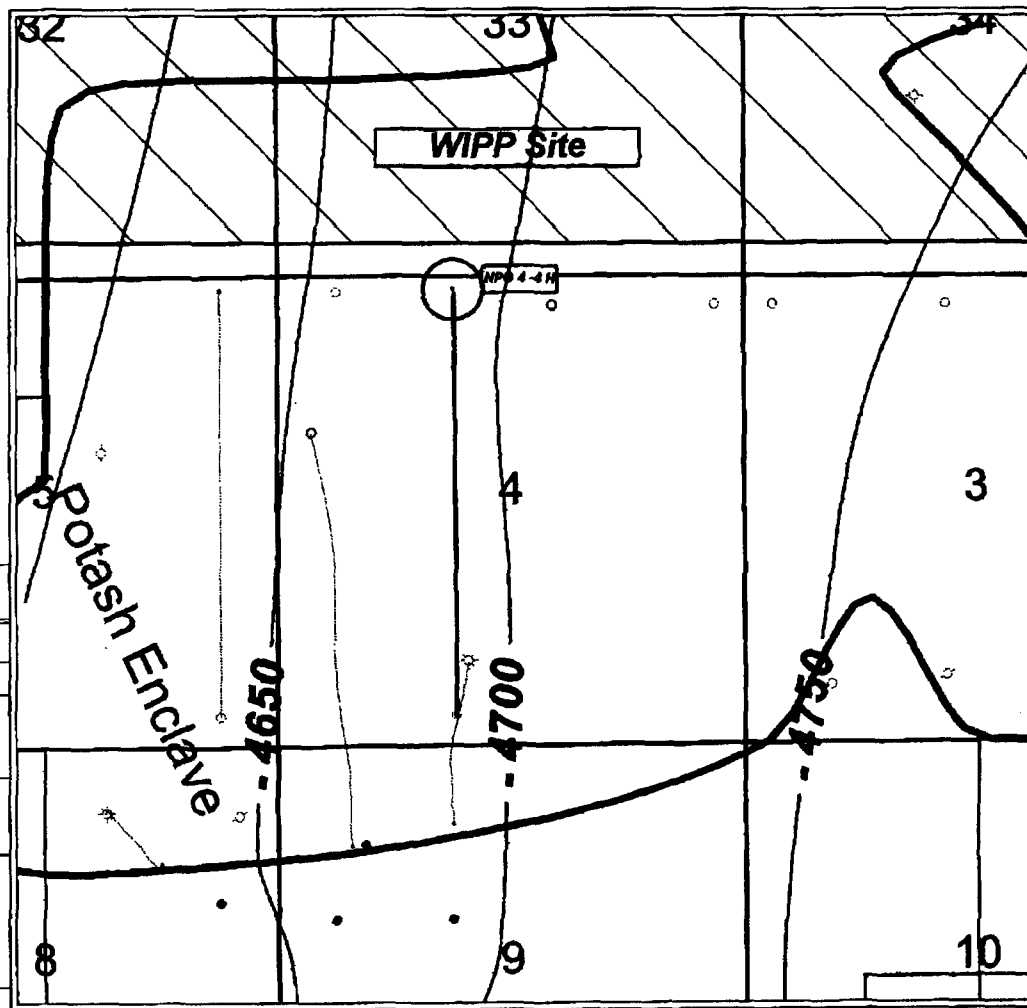
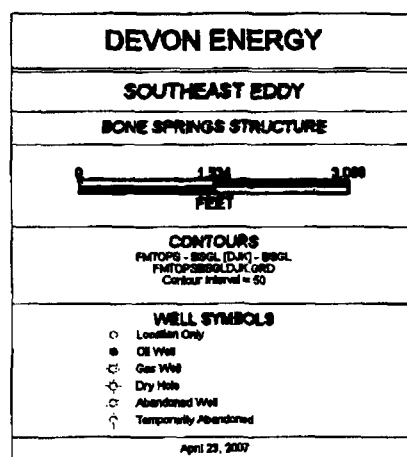
TL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
N	4	23 S	31 E		330	SOUTH	1980	WEST	EDDY

Dedicated Acres	Joint or In-It	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

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this information either came from a reliable source or was obtained from the land owner, and that the location shown is a correct and reliable location, and that the same is true and correct to the best of my belief. Signature _____ Date _____ Printed Name _____ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of correct surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. MARCH 12 2007 State _____ Professional _____ Certificate No. 6877 L. Jones 7877 Eddy County
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PETRA 4/23/07 7:58:18 AM



Planned Wellpath Report

Plan #1
Page 1 of 4



REFERENCE WELLPATH IDENTIFICATION

Operator	Devon Energy	Slot	#4H_SHL
Area	Eddy County, NM	Well	#4H
Field	Sand Dunes West Field	Wellbore	#4H_PWB
Facility	North Pure Gold 4 Federal #4H		

REPORT SETUP INFORMATION

Projection System	NAD83 / TM New Mexico State Planes, Eastern Zone (3001)	Software System	WellArchitect™ 1.2
North Reference	Grid	User	GomeOscR
Scale	0.999942	Report Generated	04/18/07 at 09:35:19
Wellbore last revised	04/18/07	Database/Source file	WA_Midland/#4H_PWB.xml

WELLPATH LOCATION

	Local coordinates		Grid coordinates		Geographic coordinates	
	North [feet]	East [feet]	Easting [meters]	Northing [meters]	Latitude [°]	Longitude [°]
Slot Location	0.00	0.00	216619.70	148736.24	32 20 25.200N	103 47 05.900W
Facility Reference Pt			216619.70	148736.24	32 20 25.200N	103 47 05.900W
Field Reference Pt			0.00	0.00	30 59 18.404N	106 03 38.987W

WELLPATH DATUM

Calculation method	Minimum curvature	Rig on #4H_SHL (RT) to Facility Vertical Datum	0.00 feet
Horizontal Reference Pt	Slot	Rig on #4H_SHL (RT) to GRN. ELEV.	3367.00 feet
Vertical Reference Pt	Rig on #4H_SHL (RT)	Facility Vertical Datum to Mud Line (Facility)	0.00 feet
MD Reference Pt	Rig on #4H_SHL (RT)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	GRN. ELEV.	Section Azimuth	179.71°



Planned Wellpath Report

Plan #1
Page 2 of 4



REFERENCE WELLPATH IDENTIFICATION

Operator	Devon Energy	Slot	#4H_SHL
Area	Eddy County, NM	Well	#4H
Field	Sand Dunes West Field	Wellbore	#4H_PWB
Facility	North Pure Gold 4 Federal #4H		

WELLPATH DATA (61 stations) † = interpolated/extrapolated station

MD [feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sect [feet]	North [feet]	East [feet]	DLS [°/100ft]	Design Comments	Path Comment
0.00	0.000	179.707	0.00	0.00	0.00	0.00	0.00	Tie On	
510.00†	0.000	179.707	510.00	0.00	0.00	0.00	0.00		Rustler
930.00†	0.000	179.707	930.00	0.00	0.00	0.00	0.00		Top of Salt
3930.00†	0.000	179.707	3930.00	0.00	0.00	0.00	0.00		Base of Salt
4200.00†	0.000	0.000	4200.00	0.00	0.00	0.00	0.00		Bell Canyon
5100.00†	0.000	0.000	5100.00	0.00	0.00	0.00	0.00		Cherry Canyon
6700.00†	0.000	0.000	6700.00	0.00	0.00	0.00	0.00		Brushy Canyon
7470.00	0.000	179.707	7470.00	0.00	0.00	0.00	0.00	KOP	
7670.00†	23.860	179.707	7664.27	41.05	-41.04	0.21	11.93		
7770.00†	35.790	179.707	7750.87	90.69	-90.69	0.46	11.93		
7870.00†	47.720	179.707	7825.33	157.17	-157.16	0.80	11.93		
7970.00†	59.650	179.707	7884.45	237.60	-237.59	1.22	11.93		
8170.00†	83.510	179.707	7947.19	425.98	-425.98	2.18	11.93		
8224.43	90.004	179.707	7950.27	480.30	-480.29	2.46	11.93	EOC	
8270.00†	90.004	179.707	7950.26	525.87	-525.86	2.69	0.00		
8370.00†	90.004	179.707	7950.26	625.87	-625.86	3.20	0.00		
8570.00†	90.004	179.707	7950.25	825.87	-825.85	4.23	0.00		
8670.00†	90.004	179.707	7950.24	925.87	-925.85	4.74	0.00		
8770.00†	90.004	179.707	7950.23	1025.87	-1025.85	5.25	0.00		
8870.00†	90.004	179.707	7950.23	1125.87	-1125.85	5.76	0.00		
9070.00†	90.004	179.707	7950.21	1325.87	-1325.85	6.79	0.00		
9170.00†	90.004	179.707	7950.21	1425.87	-1425.85	7.30	0.00		
9270.00†	90.004	179.707	7950.20	1525.87	-1525.85	7.81	0.00		
9370.00†	90.004	179.707	7950.20	1625.87	-1625.84	8.32	0.00		
9570.00†	90.004	179.707	7950.18	1825.87	-1825.84	9.35	0.00		
9670.00†	90.004	179.707	7950.18	1925.87	-1925.84	9.86	0.00		
9770.00†	90.004	179.707	7950.17	2025.87	-2025.84	10.37	0.00		
9870.00†	90.004	179.707	7950.16	2125.87	-2125.84	10.88	0.00		
10070.00†	90.004	179.707	7950.15	2325.87	-2325.84	11.91	0.00		
10170.00†	90.004	179.707	7950.15	2425.87	-2425.83	12.42	0.00		
10270.00†	90.004	179.707	7950.14	2525.87	-2525.83	12.93	0.00		
10370.00†	90.004	179.707	7950.13	2625.87	-2625.83	13.44	0.00		



Planned Wellpath Report

Plan #1
Page 3 of 4



REFERENCE WELLPATH IDENTIFICATION

Operator	Devon Energy	Slot	#4H_SHL
Area	Eddy County, NM	Well	#4H
Field	Sand Dunes West Field	Wellbore	#4H_PWB
Facility	North Pure Gold 4 Federal #4H		

WELLPATH DATA (61 stations) † = interpolated/extrapolated station

MD [feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sect [feet]	North [feet]	East [feet]	DLS [°/100ft]	Design Comments	Path Comment
10570.00†	90.004	179.707	7950.12	2825.87	-2825.83	14.47	0.00		
10670.00†	90.004	179.707	7950.12	2925.87	-2925.83	14.98	0.00		
10770.00†	90.004	179.707	7950.11	3025.87	-3025.83	15.49	0.00		
10870.00†	90.004	179.707	7950.10	3125.87	-3125.82	16.00	0.00		
11070.00†	90.004	179.707	7950.09	3325.87	-3325.82	17.03	0.00		
11170.00†	90.004	179.707	7950.08	3425.87	-3425.82	17.54	0.00		
11270.00†	90.004	179.707	7950.08	3525.87	-3525.82	18.05	0.00		
11370.00†	90.004	179.707	7950.07	3625.87	-3625.82	18.56	0.00		
11570.00†	90.004	179.707	7950.06	3825.87	-3825.82	19.58	0.00		
11670.00†	90.004	179.707	7950.05	3925.87	-3925.81	20.10	0.00		
11770.00†	90.004	179.707	7950.05	4025.87	-4025.81	20.61	0.00		
11870.00†	90.004	179.707	7950.04	4125.87	-4125.81	21.12	0.00		
12070.00†	90.004	179.707	7950.03	4325.87	-4325.81	22.14	0.00		
12170.00†	90.004	179.707	7950.02	4425.87	-4425.81	22.66	0.00		
12270.00†	90.004	179.707	7950.02	4525.87	-4525.81	23.17	0.00		
12370.00†	90.004	179.707	7950.01	4625.87	-4625.81	23.68	0.00		
12544.15	90.004	179.707	7950.00†	4800.02	-4799.95	24.57	0.00	#4H BHL	

HOLE & CASING SECTIONS Ref Wellbore: #4H_PWB Ref Wellpath: Plan #1

String/Diameter	Start MD [feet]	End MD [feet]	Interval [feet]	Start TVD [feet]	End TVD [feet]	Start N/S [feet]	Start E/W [feet]	End N/S [feet]	End E/W [feet]
13.375in Casing	0.00	850.00	850.00	0.00	850.00	0.00	0.00	0.00	0.00
9.625in Casing	0.00	4170.00	4170.00	0.00	4170.00	0.00	0.00	0.00	0.00
8.75in Open Hole	4170.00	8224.43	4054.43	4170.00	7950.27	0.00	0.00	-480.29	2.46
7in Casing	0.00	8224.43	8224.43	0.00	7950.27	0.00	0.00	-480.29	2.46
6.125in Open Hole	8224.26	12544.12	4319.86	7950.27	7950.00	-480.12	2.46	-4799.92	24.57

devon

Devon Energy

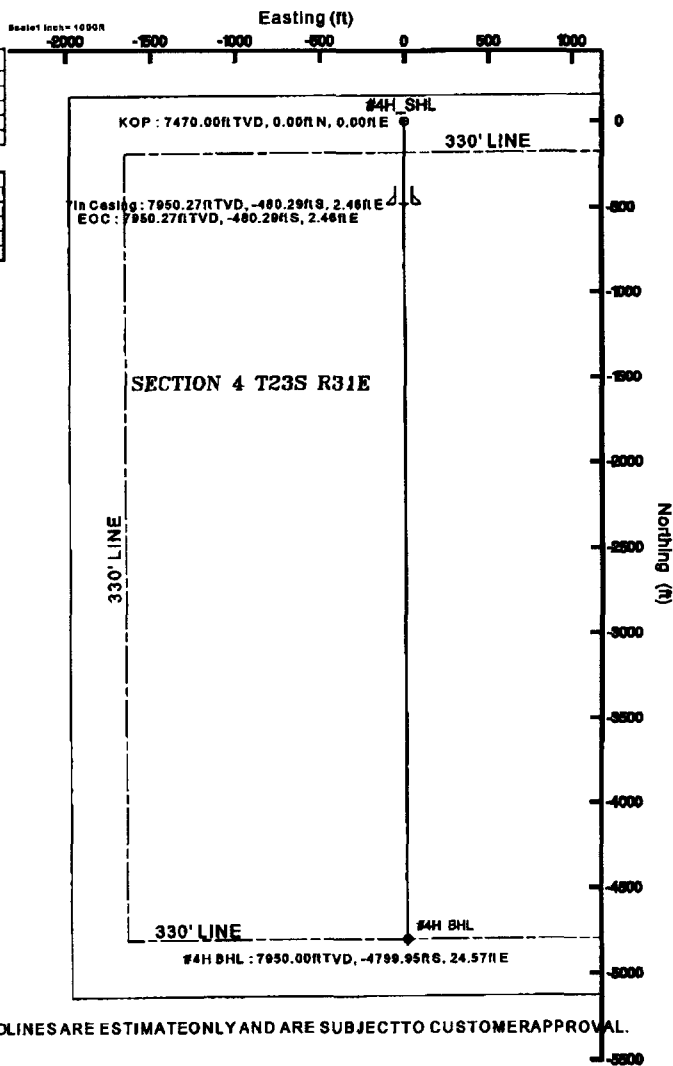
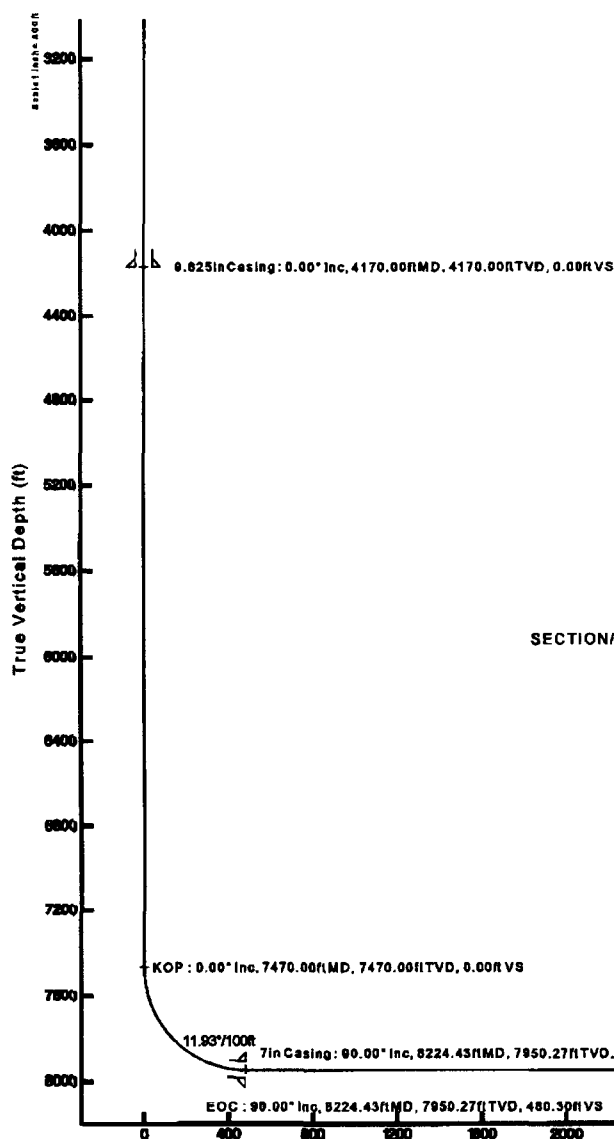
Location: Eddy County, NM
 Field: Sand Dunes West Field
 Facility: North Pure Gold 4 Federal #4H

Slot: #4H_SHL
 Well: #4H
 Wellbore: #4H_PWB

BAKER
HUGHES
 INTEQ

Well Profile Data							
Design Component	MD (ft)	Inc. (°)	Az. (°)	TVD (ft)	Local N (ft)	Local E (ft)	VS (ft)
Tie On	0.00	0.00	179.707	0.00	0.00	0.00	0.00
KOP	7470.00	0.00	179.707	7470.00	0.00	0.00	0.00
EOC	8224.43	90.00	179.707	7950.27	-480.29	2.46	1188
#4H SHL	12544.15	90.00	179.707	7950.00	-4799.95	24.57	4800.02

This information is provided for your use only.		Well Name: #4H_SHL	
This section is not to be used for any other purpose.		Well Number: 04H	
This section is not to be used for any other purpose.		Well Depth: 12544.15	
This section is not to be used for any other purpose.		Well Status: Active	
This section is not to be used for any other purpose.		Well Type: Oil	
This section is not to be used for any other purpose.		Well Completion: Open	
This section is not to be used for any other purpose.		Well Production: 0.00	
This section is not to be used for any other purpose.		Well Injection: 0.00	



BGM (1845.0 to 2000.0) Dip: 60.30° Plank: 40126.7 ft
 Magnetic North is 5.22 degrees East of True North (at 04/19/07)
 Grid North is 0.28 degrees East of True North
 To correct azimuth from True to Grid subtract 0.28 degrees
 To correct azimuth from Magnetic to Grid add 7.62 degrees

Vertical Section (ft)
 Azimuth 179.71° with reference 0.00 N, 0.00 E from wellhead



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

April 23, 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 #4H
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: _____