

**DEVON
ENERGY
CORPORATION**

20 North Broadway
Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/236-4258

April 15, 1993

NSL-3299

Oil Conservation Division
Artesia District Office
P.O. Drawer DD
Artesia, NM 88210

RE: Non-Standard Location Approval
Todd "23J" Federal #14
2077' FSL & 1600' FEL
Section 23-T23S-R31E
Eddy County, NM

Und.

Dear Sirs:

On April 13, 1993, we received your letter instructing us to apply for "Non-Standard Location Approval" for the referenced well. As per your request, we are submitting the following documents to support the approval of this location:

1. Federal sundry notice explaining why we chose this location.
2. Location plat (Form C-102).
3. An exhibit from the BLM approved APD depicting the offset wells and offset operators.
4. Three denial letters from the BLM office in Santa Fe that offer "drilling pad" sites as alternative locations for staking new wells within the BLM designated potash area (Section 23-T23S-R31E, Eddy County).
5. A copy of the letter submitted to the offset operator, Pogo Producing Company.

Post-It™ brand fax transmittal memo 7671 # of pages ▶ 11

To <i>Mike Stogner</i>	From <i>Debra O'Donnell</i>
Co. <i>OCD</i>	Co. <i>Devon Energy</i>
Dept.	Phone # <i>(405) 552-4511</i>
Fax # <i>(505) 827-5741</i>	Fax #

Page 2

Please contact Chuck Horsman at (405) 552-4508 if you have any questions or need additional information. Thank you for your attention in this matter.

Sincerely yours,

DEVON ENERGY CORPORATION



Debby O'Donnell
Engineering Technician

Enc.

Form 3160-5
(June 1990)

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

5. Lease Designation and Serial No.

NM 0405444

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

NA

8. Well Name and No.

Todd "23J" Federal #1

9. API Well No.

30-015-27384

10. Field and Pool, or Exploratory Area

Ingle Wells Delaware

11. County or Parish, State

Eddy County, NM

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Devon Energy Corporation (Nevada)

3. Address and Telephone No.

(405) 552-4508

20 North Broadway Suite 1500 Oklahoma City, OK 73102

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2077' FSL & 1600' FEL
Section 23-T23S-R31E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Alarming Casing
- Other Non-Standard Location
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

Approval - OCD

(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.)

On March 26, 1993, the BLM office in Santa Fe approved our APD for this well. Upon receiving a copy of your approval, The State of New Mexico Oil Conservation Office ruled that this was a "Non-Standard Location". They are requiring us to submit a federal sundry notice stating why the well was staked in this location.

We chose this location in an effort to comply with the "drilling pad" rule the BLM has which allows an operator to stake a well within 150' of an existing well. The location we staked, was recommended by the Santa Fe BLM office as an alternative location to those that were staked and denied in Section 23 that fell within the Potash area.

In compliance with the OCD approval process, we are notifying offset operators of this location. Also, we will supply the OCD with copies of the letters denying our other locations in Section 23. These letters offer the "drilling pad" as an option in choosing an alternative location.

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

Signed

Debby O'Donnell

Title

Debby O'Donnell

Engineering Technician

Date

April 15, 1993

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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 statement or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

SENT BY:
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

8-23-93 ; 16:56 ; DEVON ENERGY-
 STATE OF NEW MEXICO

5058275741;# 4/11

Geology, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1860, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer 80, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

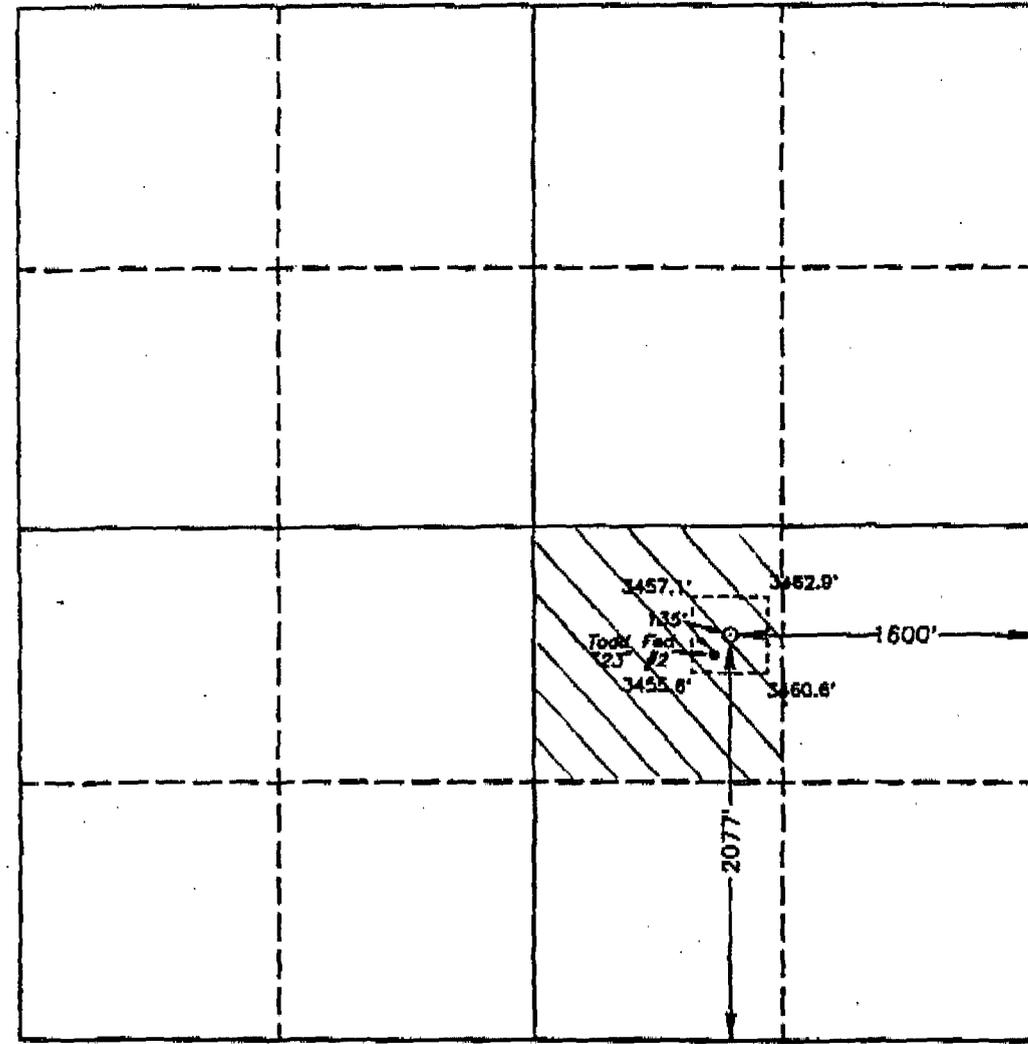
Operator DEVON ENERGY		Lease TODD "23J" FEDERAL		Well No. 14
Unit Letter J	Section 23	Township 23 SOUTH	Range 31 EAST	County NMPM EDOY
Actual Footage Location of Well:				
2077 feet from the SOUTH line and		1600 feet from the EAST line		
Ground Level Elev. 3458.2'	Producing Formation Delaware	Pool Ingle Wells Delaware	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: *[Signature]*
 Printed Name: **Charles W. Horsman**
 Position: **District Engineer**
 Company: **Devon Energy Corporation (Nevada)**
 Date: **December 21, 1992**

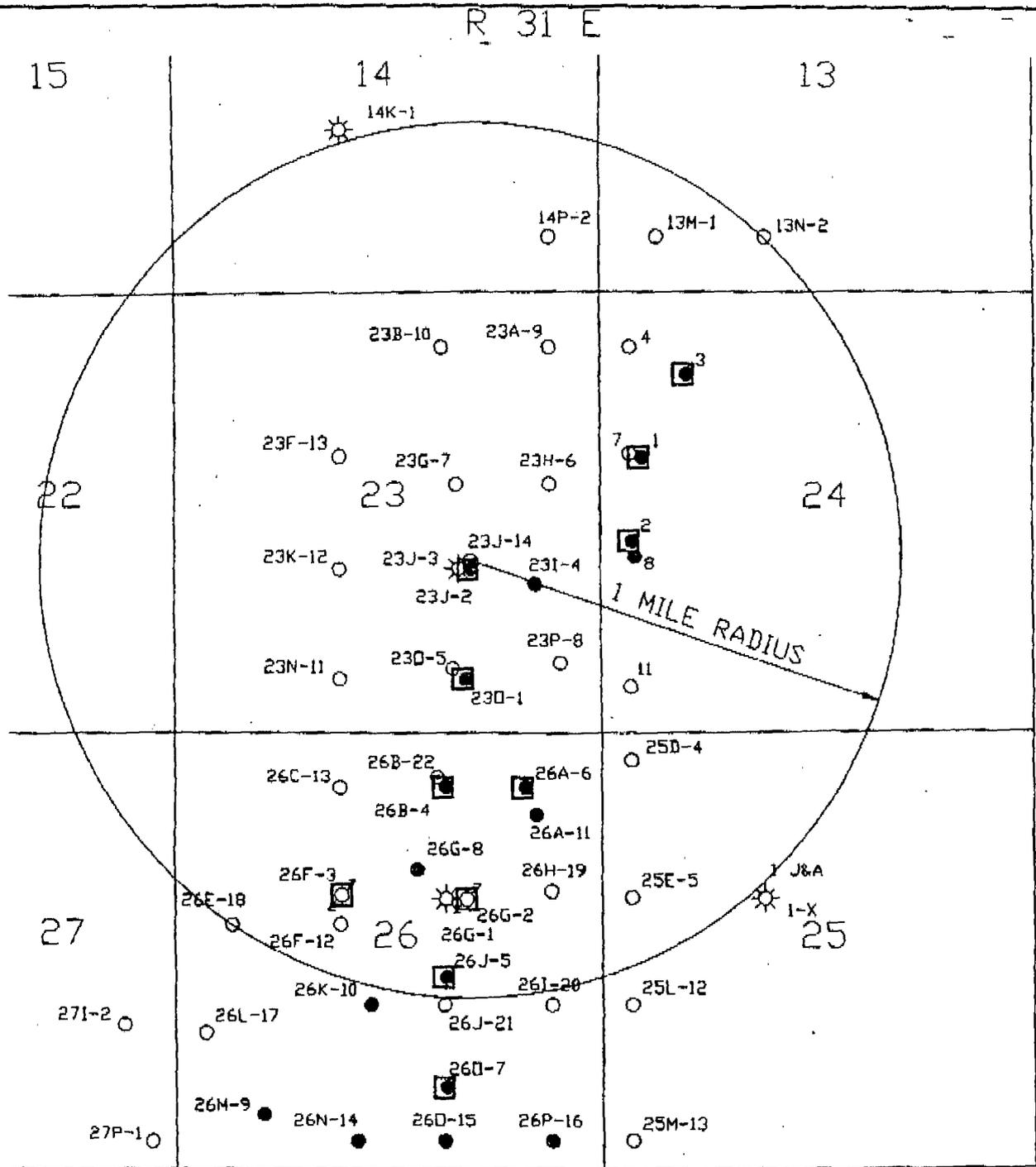
SURVEYOR CERTIFICATION

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 knowledge and belief.

Date Surveyed: **NOVEMBER 30, 1992**
 Signature & Seal of Professional Surveyor:

 Certificate No. **WEST, 878**
PROFESSIONAL SURVEYOR, 3238
GARY L. JONES, 7877

92-11-1838



devon

SAND DUNES FIELD
EDDY COUNTY, NEW MEXICO

WELLS WITHIN 1 MILE RADIUS
TODD-23J FED-14

EXHIBIT 4

Scale in Feet
0 2000

Fig: 23J-14 8/82

Attachment to Exhibit #4

STATUS OF WELLS WITHIN ONE MILE RADIUS

Todd "23J" Federal #14
 Section 23-T23S-R31E
 Eddy County, New Mexico
 January 1993

Sec. 23-T23S-R31E

Devon Energy Corp

Todd "23O" Federal #1	660' FSL & 1650' FEL	Delaware Oil Well
Todd "23J" Federal #2	1980' FSL & 1650' FEL	Delaware Oil Well
Todd "23J" Federal #3	1980' FSL & 1800' FEL	Atk/Mrw Gas Well
Todd "23I" Federal #4	900' FSL & 1800' FEL	Delaware Oil Well

Sec. 24-T23S-R31E

Amax Petroleum (now operated by Pogo Producing Company)

Federal 24-1	3300' FSL & 4813' FEL	Delaware Oil Well
Federal 24-2	2310' FSL & 4950' FEL	Delaware Oil Well
Federal 24-3	4290' FSL & 4290' FEL	Delaware Oil Well

Pogo Producing

Amax Federal 24-8	2160' FSL & 330' FWL	Delaware Oil Well
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Sec. 26-T23S-R31E

Devon Energy Corp

Todd "26G" Federal #1	3300' FSL & 1980' FEL	Atoka Gas Well
Todd "26G" Federal #2	3300' FSL & 1650' FEL	Delw Wtr Inj Well
Todd "26F" Federal #3	3300' FSL & 3300' FEL	Delw Wtr Inj Well
Todd "26B" Federal #4	4620' FSL & 1980' FEL	Delaware Oil Well
Todd "26J" Federal #5	2310' FSL & 1980' FEL	Delaware Oil Well
Todd "26A" Federal #6	4620' FSL & 990' FEL	Delaware Oil Well
Todd "26A" Federal #11	990' FNL & 890' FEL	Delaware Oil Well

SENT BY:

8-23-93 : 16:58 :

DEVON ENERGY-

5058275741:# 7/11



United States Department of the Interior

TAKE PRIDE IN AMERICA
IN REPLY REFER TO:
3160(067)
NM-0405444

BUREAU OF LAND MANAGEMENT

New Mexico State Office
1474 Rodco Rd.
P.O. Box 27115
Santa Fe, New Mexico 87502-7115

CERTIFIED--RETURN RECEIPT REQUESTED
P 696 486 620

AUG 21 1993

Devon Energy Corporation
Attention: Chuck Horsman
1500 Mid-America Tower
20 North Broadway
Oklahoma City, OK 73102-8250

RE: Todd "23" Federal Well No. 6
NM-0405444
2310' FNL & 660' FEL, Sec. 23, T23S, R31E
Eddy County, New Mexico

Dear Mr. Horsman:

On June 22, 1992, this office received an Application for Permit to Drill (APD) for the above referenced well location. This location falls within the designated Secretary's Potash Area as defined in 1986 Order.

Considerable time has been spent evaluating the physical characteristics of the ore body and the feasibility of economically mining potash in the subject area. A mineralogical evaluation of the various ore zones in the area leads us to conclude that the well site is located within a "Potash Enclave". Therefore, the drilling of this well may result in undue waste of potash.

In accordance with the 1986 Secretary's Order, the APD can not be approved at the present location. Therefore, your APD is returned unapproved. However, a well could possibly be obtained by drilling directionally from either of two existing producing wells located on the same lease, the Todd "23" Federal Wells Nos. 2 or 4. Another possibility would be to drill directionally from the Todd "24" Federal Well No. 1 on section 24.

This decision was given serious consideration by the BLM, regrettably it may have an adverse impact to your company. Therefore, and in accordance with 43 CFR 3165.4, you may appeal this decision to the Interior Board of Land Appeals according to the procedures outlined on the enclosed Form 1842-1. Please contact Tony Herrell at (505) 887-6544 if you have any further questions.

Sincerely,

Larry L. Woodard
State Director

2 Enclosures:
RECEIVED 1842-1
(5 copies)

AUG 24 1992

LAND DEPARTMENT



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

New Mexico State Office
1474 Rodeo Rd.
P.O. Box 27115
Santa Fe, New Mexico 87502-7115



IN REPLY REFER TO:
3160(067)
NM-0405444

CERTIFIED--RETURN RECEIPT REQUESTED
P 696 486 616

AUG 21

Devon Energy Corporation
Attention: Chuck Horsman
1500 Mid-America Tower
20 North Broadway
Oklahoma City, OK 73102-8250

RE: Todd "23" Federal Well No. 7
NM-0405444
2310' FNL & 1800' FEL, Sec. 23, T23S, R31E
Eddy County, New Mexico

Dear Mr. Horsman:

On April 29, 1992, this office received an Application for Permit to Drill (APD) for the above referenced well location. This location falls within the designated Secretary's Potash Area as defined in 1986.

Considerable time has been spent evaluating the physical characteristics of the ore body and the feasibility of economically mining potash in the subject area. A mineralogical evaluation of the various ore zones in the area leads us to conclude that the well site is located within a "Potash Enclave". Therefore, the drilling of this well may result in undue waste of potash.

In accordance with the 1986 Secretary's Order, the APD can not be approved at the present location. Therefore, your APD's are returned unapproved. However, a well could possibly be obtained by drilling directionally from an existing producing well located on the same lease, the Todd "23" Federal Wells No. 2 or 3.

This decision was given serious consideration by the Bureau of Land Management (BLM), regrettably, it may have an adverse impact to your company. Therefore, and in accordance with 43 CFR 3165.4, you may appeal this decision to the Interior Board of Land Appeals according to the procedures outlined on the enclosed Form 1842-1. Please contact Tony Herrell at (505) 887-6544, if you have any further questions.

Sincerely,

Larry L. Woodard
State Director

RECEIVED

2 Enclosures:

1 - Form 1842-1

2 - APD's (5 copies)

AUG 25 1992

LAND DEPARTMENT



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

NEW MEXICO STATE OFFICE
1474 RODEO RD.
P.O. BOX 27115
SANTA FE, NEW MEXICO 87502-7115



IN REPLY REFER TO:
3160(067)
NM-0405444

CERTIFIED--RETURN RECEIPT REQUESTED
P 696 486 678

Devon Energy Corporation
Attention: Charles Horsman
1500 Mid-America Tower
20 North Broadway
Oklahoma City, OK 73102-8250

RE: Todd "23" Federal Well No. 8
NM-0405444
860' FSL & 540' FEL, Sec. 23, T23S, R31E
Eddy County, New Mexico

Dear Mr. Horsman:

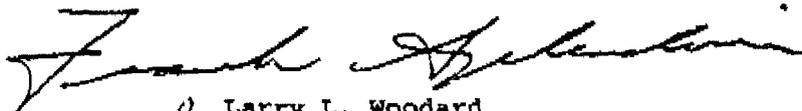
On July 31, 1992, this office received an Application for Permit to Drill (APD) for the above referenced well location. This location falls within the designated Secretary's Potash Area as defined in the 1986 Secretary's Order.

Considerable time has been spent evaluating the physical characteristics of the ore body and the feasibility of economically mining potash in the subject area. A mineralogical evaluation of the various ore zones in the area leads us to conclude that the well site is located within a "Potash Enclave". Therefore, the drilling of this well may result in undue waste of potash.

In accordance with the 1986 Secretary's Order, the APD can not be approved at the present location. Therefore, your APD is returned unapproved. However, a well could possibly be obtained by drilling directionally from several locations including: two wells located on the same lease, the Todd "23" Federal Well Nos. 1 and 4, locations 800 feet to the southeast and 850 feet to the south.

This decision was given serious consideration by the Bureau of Land Management (BLM), regrettably, it may have an adverse impact to your company. Therefore, and in accordance with 43 CFR 3165.4, you may appeal this decision to the Interior Board of Land Appeals according to the procedures outlined on the enclosed Form 1842-1. Please contact Tony Herrell at (505) 887-6544, if you have any further questions.

Sincerely,


for Larry L. Woodard
State Director

2 Enclosures:
1 - Form 1842-1
2 - APD's (5 copies)

**DEVON
ENERGY
CORPORATION**20 North Broadway
Suite 1500
Oklahoma City, Oklahoma 73102405/235-3611
Fax 405/236-4258

April 15, 1993

**RE: Todd "23J" Federal #14
Non-Standard Location Approval**Pogo Producing Company
P. O. Box
Midland, TX 79702-7340
Attn: Mr. Richard Wright

Certified Letter #: P 105 481 655

Dear Mr. Wright:

On March 26, 1993, the BLM office in Santa Fe, NM approved our APD to drill the Todd "23J" Federal #14 well in Eddy County, NM. The BLM approved this location based upon their established "drilling pad" criteria. The "drilling pad" rule allows the operator to stake and drill (upon approval), a well that falls within 150' of an existing well. In this case, we are drilling off the pads of the Todd "23J" Federal #2 and Todd "23J" Federal #3 wells. The approved surface location of this proposed well is:

2077' FSL & 1600' FEL
Section 23-T23S-R31E

The State of New Mexico Oil Conservation Division has since ruled that this location is "non-standard". They require that we obtain Non-Standard Location Approval from their Artesia District Office before drilling. The approval process requires that we notify offset operators and submit Proof of Notice.

Page 2

Please accept this certified letter as notification. If you have any questions, please call Chuck Horsman at (405) 552-4508.

Sincerely yours,

DEVON ENERGY CORPORATION

Debby O'Donnell

Ms. Debby O'Donnell
Engineering Technician

cc.

Oil Conservation Division - Artesia District

In your RETURN ADDRESS completed on the reverse side	SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, and 4a & b. MIDLAND TEXAS 797 Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services for an extra fee: 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
	3. Article Addressed to: <i>Pogo Producing Company</i> <i>P.O. Box 10340</i> <i>Midland, TX 79702-7340</i>		4a. Article Number: <i>PI05 48-1-055</i>	
	4b. Service Type: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise		7. Date of Delivery: <i>8-19-93</i>	
	5. Signature (Addressee): 		8. Addressee's Address (Only if requested and fee is paid): 	
	6. Signature (Agent): <i>[Signature]</i>		 	
	PS Form 3871, December 1991 U.S. GPO: 1992-323-402		DOMESTIC RETURN RECEIPT	

Thank you for using Return Receipt Service.