

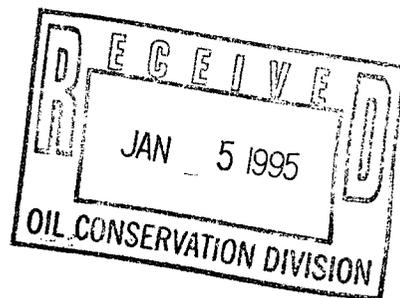
DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 28, 1994

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail
P.O. Box 2088
Santa Fe, New Mexico 87504 - 2088



Attention: David Catanach

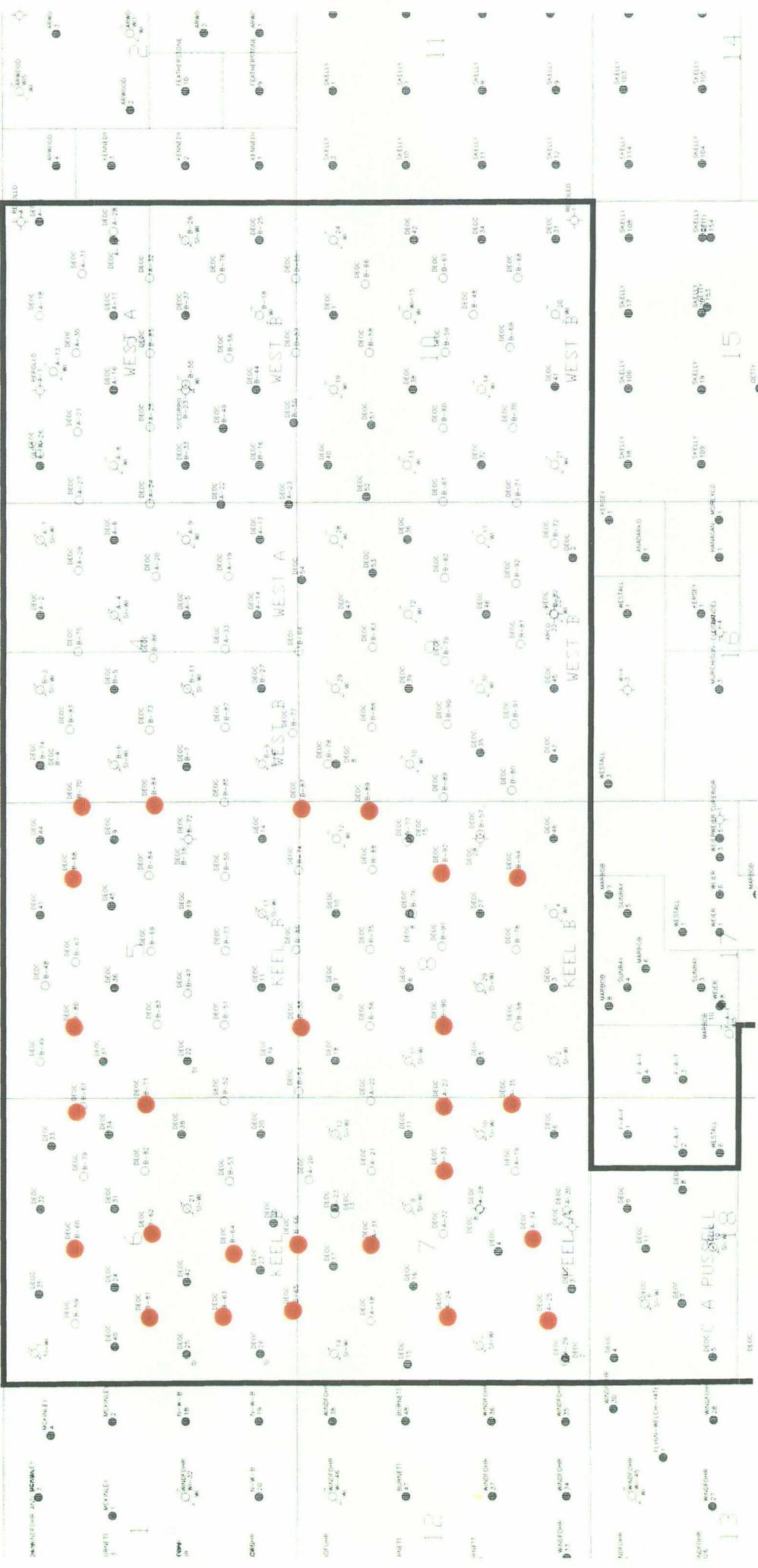
Re: Non - Standard Location Approval

Dear Sir:

It is requested that administrative approval be granted under Rule 104F. (1) for unorthodox locations for the infill producing wells located within the Keel West Waterflood Project, at the following locations:

WELL	LOCATION
Keel "A" 24	2560' FSL & 1200' FWL 7-17S-31E
Keel "A" 25	754' FSL & 1165' FWL 7-17S-31E
Keel "A" 27	2630' FSL & 85' FEL 7-17S-31E
Keel "A" 31	1359' FNL & 2448' FWL 7-17S-31E
Keel "A" 33	2593' FNL & 1310' FEL 7-17S-31E
Keel "A" 34	1053' FSL & 2604' FWL 7-17S-31E
Keel "A" 35	1430' FSL & 90' FEL 7-17S-31E
Keel "B" 55	110' FNL & 1220' FWL 8-17S-31E
Keel "B" 60	1300' FNL & 2450' FWL 6-17S-31E
Keel "B" 61	1410' FNL & 150' FEL 6-17S-31E
Keel "B" 62	2650' FSL & 2650' FWL 6-17S-31E
Keel "B" 63	1310' FSL & 1190' FWL 6-17S-31E
Keel "B" 64	1180' FSL & 2350' FWL 6-17S-31E
Keel "B" 65	50' FSL & 1290' FWL 6-17S-31E
Keel "B" 66	50' FSL & 2510' FWL 6-17S-31E

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 WINDOMER 150

Keel "B" 68	1250' FNL & 1300' FEL	5-17S-31E
Keel "B" 70	1338' FNL & 40' FEL	5-17S-31E
Keel "B" 71	2521' FNL & 67' FEL	6-17S-31E
Keel "B" 80	1275' FNL & 1302' FWL	5-17S-31E
Keel "B" 81	2550' FNL & 1190' FWL	6-17S-31E
Keel "B" 87	40' FNL & 40' FEL	8-17S-31E
Keel "B" 89	1194' FNL & 100' FEL	8-17S-31E
Keel "B" 90	2575' FNL & 1335' FWL	8-17S-31E
Keel "B" 92	2630' FSL & 1182' FEL	8-17S-31E
Keel "B" 94	1309' FSL & 1299' FEL	8-17S-31E
West "B" 84	2620' FSL & 10' FWL	4-17S-31E

Attached is a plat of the Keel - West Waterflood Project showing the project boundaries that are adjacent to the subject wells. Forms 3160 - 3 and C - 102 are attached for each of the twenty - six wells listed above. The Keel - West Waterflood project is located on federal property and each proposed well is to be part of this active waterflood project.

The above locations do not conform to Rule 104. C. I. because they are located closer than 330' to the governmental quarter - quarter section boundaries. They will be drilled to a depth sufficient to produce the Grayburg - San Andres formation (approximately 4000'). The wells will be drilled at the unorthodox locations in order to prevent waste by developing an efficient production and injection pattern within the Keel - West Waterflood Project, which was approved under Order R - 2268. When fully developed these wells will combine with the existing wells (some of which will eventually be converted to injection) to establish a 40 acre 5 spot waterflood pattern.

Operators that have production in offsetting 40 acre tracts will be notified by certified mail. A copy of this notification to each operator will be sent to you along with the certified mail number. The only wells where notification to offset operators is required are:

Keel "A" 24
Keel "A" 25
Keel "B" 60
Keel "B" 63
Keel "B" 65
Keel "B" 68
Keel "B" 80
Keel "B" 81
Keel "B" 94

Each of the locations listed above are offset on three sides of the 40 acre tract by Devon Energy Operating Corporation (DEOC) with the remaining side being offset by a different operator. Although each of the above locations are considered unorthodox in

each case the above locations were moved closer to the offsetting tracts that are operated by DEOC.

The remaining 17 wells listed are offset by wells that are already operated by Devon Energy Operating Corporation; therefore, no other notification is necessary.

Should you require any additional information regarding any of these unorthodox locations please notify me at 405-552-4560.

Sincerely,

A handwritten signature in cursive script that reads "Randy Jackson".

Randy Jackson
District Engineer

OPERATOR'S COPY

SUBMIT BY TELETYPE
(Obey instructions on reverse side)

Form approved
Budget Bureau No. 1004-G136
Expires: December 31, 1991

3108-3
(Rev. 1990)

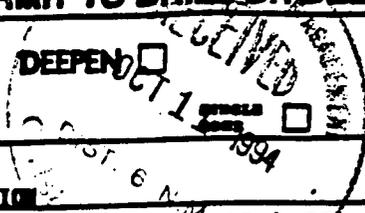
**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL **DEEPEN**

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION



4. LEASE REGISTRATION AND SERIAL NO.
LC 029435-A

6. IF MINOR, ALLOTTEE OR TRUST NAME
NA

7. UNIT AGREEMENT NAME
NA

8. DRILLER/LEASE NAME WELL NO.
KEEL "A" FEDERAL #24

9. APPROVED
NA

10. FIELD AND POOL OR WELDCAT
GRAYBURG-JACKSON

11. SEC. T. R. N. OR BLM AND SURVEY OR AREA
Sec. 7-T17S-R31E

12. COUNTY OR PARISH
EDDY

13. STATE
NEW MEXICO

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N. M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest city, town, etc. if any)
1200'

16. NO. OF ACRES IN LEASE
606.92

17. NO. OF ACRES ADJACENT TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

19. PROPOSED DEPTH
4000'

20. REPORT OR CABLE TOOL
ROTARY

21. ELEVATION (Show whether M., H., etc.)
3700'

22. APPROX. DATE WORK WILL START
NOVEMBER 1, 1994

1. ADDRESS AND TELEPHONE
20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

3. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements.)
2560' PSL & 1200' FWL UNORTHODOX LOCATION: Subject to like Approval By State

10. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest city, town, etc. if any)
1200'

11. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

12. ELEVATION (Show whether M., H., etc.)
3700'

22. APPROX. DATE WORK WILL START
NOVEMBER 1, 1994

31. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLES	CASING DEPTHS	WEIGHT PER FOOT	CEMENTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	29.07	400'	165 sk 11te cnt + 200 sk Class "C" CIRCULATE
7 7/8"	5 1/2" J-55	15.58	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design **Subject to General Requirements and Special Stipulations Attached**
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-A
 Legal Description: Section 7 T17N-R31E
 Bond Coverage: Nationwide
 HLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give present data on subsurface location and measured and true vertical depths. Give blowout prevention program, if any.

34. BY: Randy Jackson TITLE: DISTRICT ENGINEER DATE: September 27, 1994

(This space for Federal or State office use)
 PERMIT NO. _____ APPROVAL DATE _____

Application approved does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 CONDITIONS OR APPROVAL, IF ANY:

APPROVED BY: Paul H. Manns TITLE: AREA MANAGER DATE: 11/23/94

*See Instructions On Reverse Side
 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 statements or representations or to any matter within its jurisdiction.

T I
Box 1980
NM 88241-1980

DISTRICT II
J. Drawer DD
Mesita, NM 88211-0719

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

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

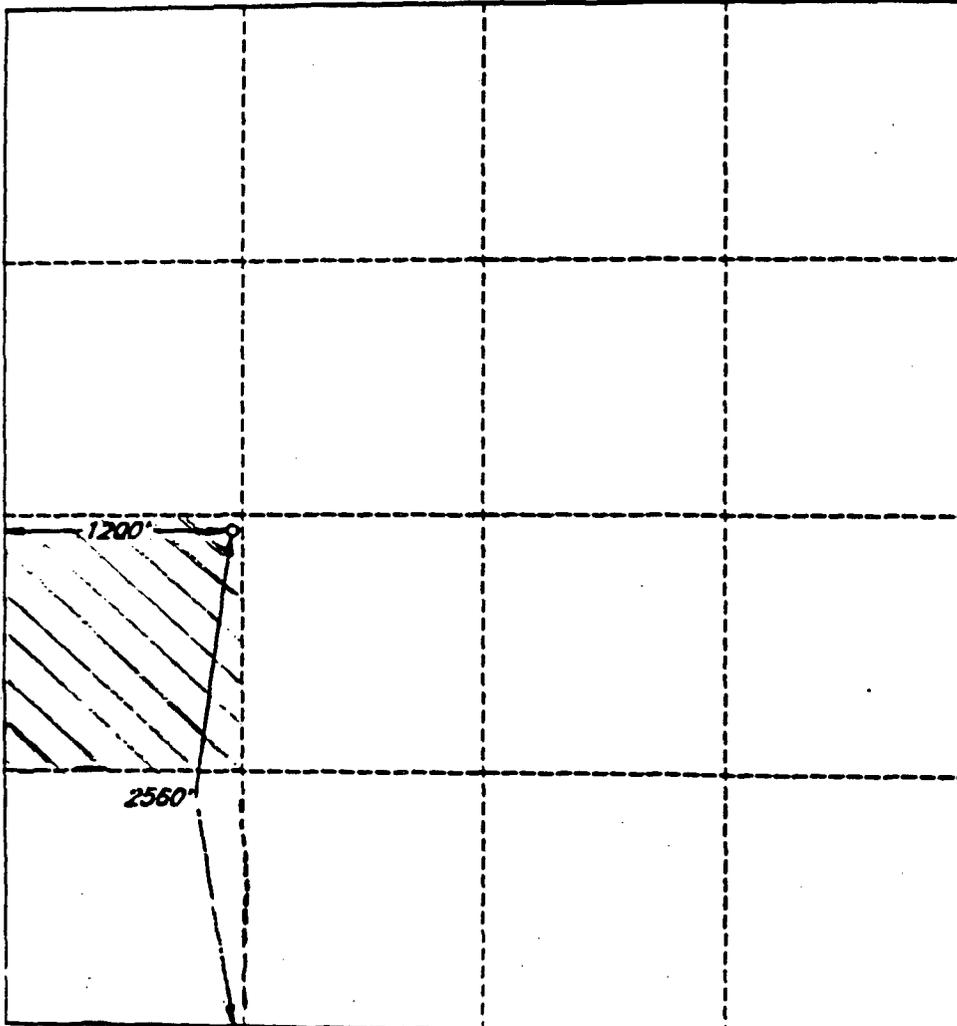
AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name			
* Property Code L		* Property Name KEEL 'A' FEDERAL				* Well Number 24	
* OGGID No.		* Operator Name DEVON ENERGY OPERATING CORPORATION				* Elevation 3700'	
* SURFACE LOCATION							
UL or lot no.	Section	Township	Range	Lot No	Feet from the North/South line	Feet from the East/West line	County
	7	17 SOUTH	31 EAST, N.M.P.M.		2560'	1200'	EDDY
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE							
UL or lot no.	Section	Township	Range	Lot No	Feet from the North/South line	Feet from the East/West line	County
** Dedicated Acres 40		** Joint or Infill		** Consolidation Code		** Order No.	

⁵⁰⁹NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

September 30, 1994

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.

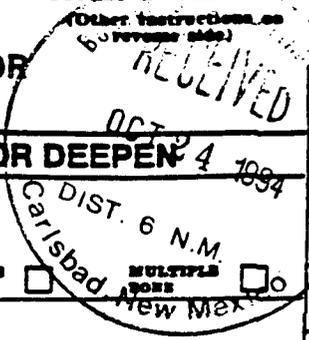
Date of Survey

AUGUST 1994

Signature of Surveyor
Professional Surveyor

V. LYNN
BEZNER
NO. 7920
V. L. BEZNER LAND SURVEYOR
P.S. #7920

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL [X] DEEPEN []
1b. TYPE OF WELL: OIL WELL [X] GAS WELL [] OTHER []
SINGLE BORE [] MULTIPLE BORES []

2. NAME OF OPERATOR: DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE: 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

4. LOCATION OF WELL: 754' FSL & 1165' FWL At proposed prod. zone SAME
NON-STANDARD LOCATION... SUBJECT TO LIKE APPROVAL BY STATE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 4 miles east and 4 miles north of Loco Hills, N.M.

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.: 754'
16. NO. OF ACRES IN LEASE: 606.92

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 1000'
19. PROPOSED DEPTH: 4000'

21. ELEVATIONS (Show whether NP, RT, GR, etc.): 3714'

6. LEASE DESIGNATION AND SERIAL NO.: LC 029435-A
7. UNIT AGREEMENT NAME: NA
8. NAME OR LEASE NAME WELL NO.: KEEL "A" #25
10. FIELD AND POOL OR WILDCAT: GRAYBURG-JACKSON
11. SEC., T., R. N., OR S.E. AND SUBVEY OR AREA: Sec. 7-T17S-R31E
12. COUNTY OR PARISH: KDDY
13. STATE: NEW MEXICO

17. NO. OF ACRES ASSIGNED TO THIS WELL: 40
20. ROTARY OR CABLE TOOLS: ROTARY
22. APPROX. DATE WORK WILL START: NOVEMBER 1, 1994

23. PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: SIZE OF HOLE, GRADE AND WEIGHT, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Includes rows for 17 1/2", 11", and 7 7/8" hole sizes.

(SEE STIPS)

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design
H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below: Lease No. LC 029435-A Legal Description: Section 7-T17N-R31E Bond Coverage: Nationwide BLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zone. If proposal is to drill or deepen directionally, give present data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. SIGNED: Randy Jackson TITLE: DISTRICT ENGINEER DATE: September 22, 1994

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED
APPROVED BY: Scott Power TITLE: AREA MANAGER DATE: 12/2/94

*See Instructions On Reverse Side

241-1980

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DD
NM 88211-0719

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

AMENDED REPORT

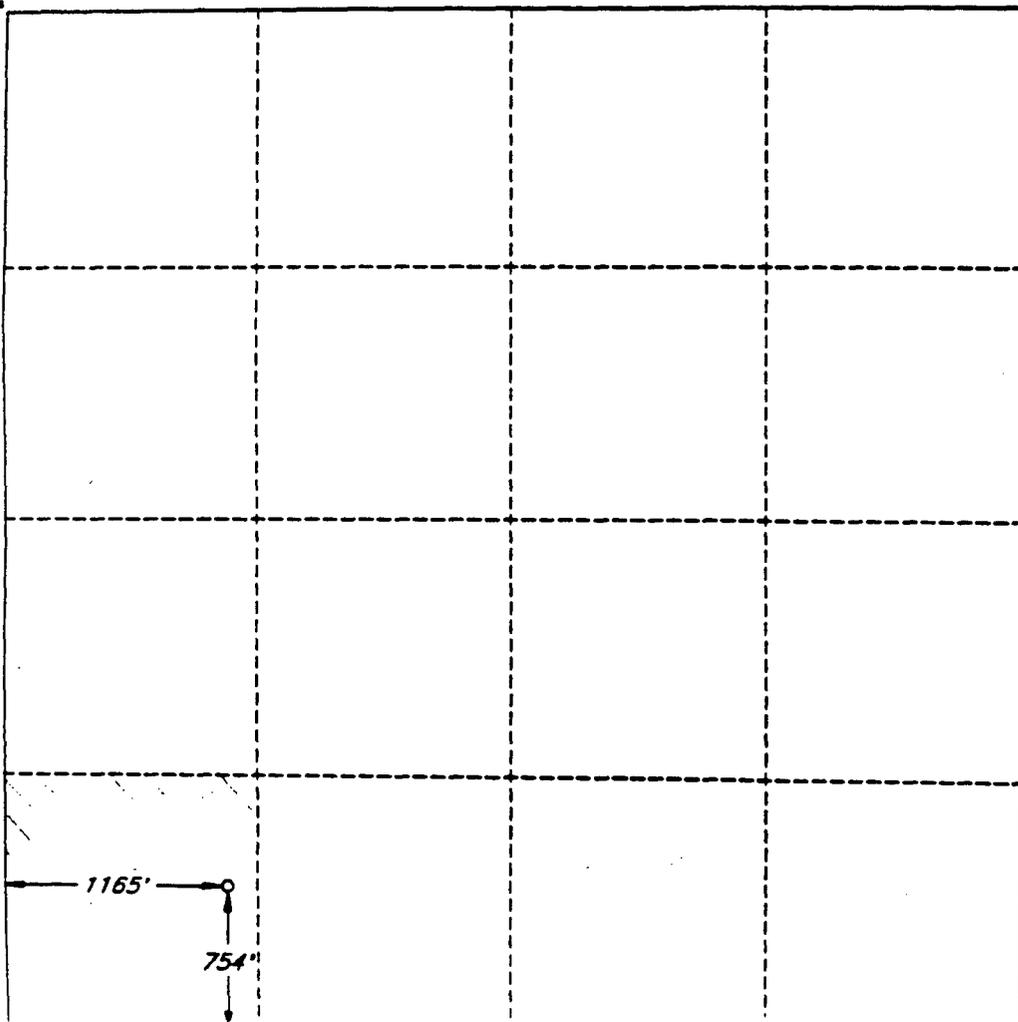
DISTRICT III
Rio Brazos Rd.
Sec. NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code M		5 Property Name KEEL 'A' FEDERAL						6 Well Number 25	
7 GRID No.		8 Operator Name DEVON ENERGY OPERATING CORPORATION						9 Elevation 3714'	
10 SURFACE LOCATION									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	7	17 SOUTH	31 EAST, N.M.P.M.		754'	SOUTH	1165'	WEST	EDDY
11 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
12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code		15 Order No.					

NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 4, 1994

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.

Date of Survey

SEPTEMBER 15, 1994

Signature and Seal of Professional Surveyor

V. J. DeWitt

Certificate No.

V. J. DEWITT

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL DEEPEN

b. TYPE OF WELL:
 OIL WELL GAS WELL Other
 SINGLE ZONE MULTIPLE ZONE

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
 At surface **2630 FSL & 85' FEL**
 At top proposed prod. zone (SAME)

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "A" #27

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 7-T17S-R31E

Non-standard Location... SUBJECT TO LIKE APPROVAL BY STATE

12. COUNTY OR PARISH
EDDY

13. STATE
NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. **85'**
(Also to nearest drip unit line if any)

16. NO. OF ACRES IN LEASE
606.92

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **1300'**

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
26-

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- 2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-A
 Legal Description: Section 7-T17N-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson TITLE RANDY JACKSON DISTRICT ENGINEER DATE October 27, 1994

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

APPROVAL DATE _____

APPROVED BY Richard L. Mann TITLE AREA MANAGER DATE 12/14/94

See Instructions On Reverse Side

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-100
 Revised 02-10-94
 Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

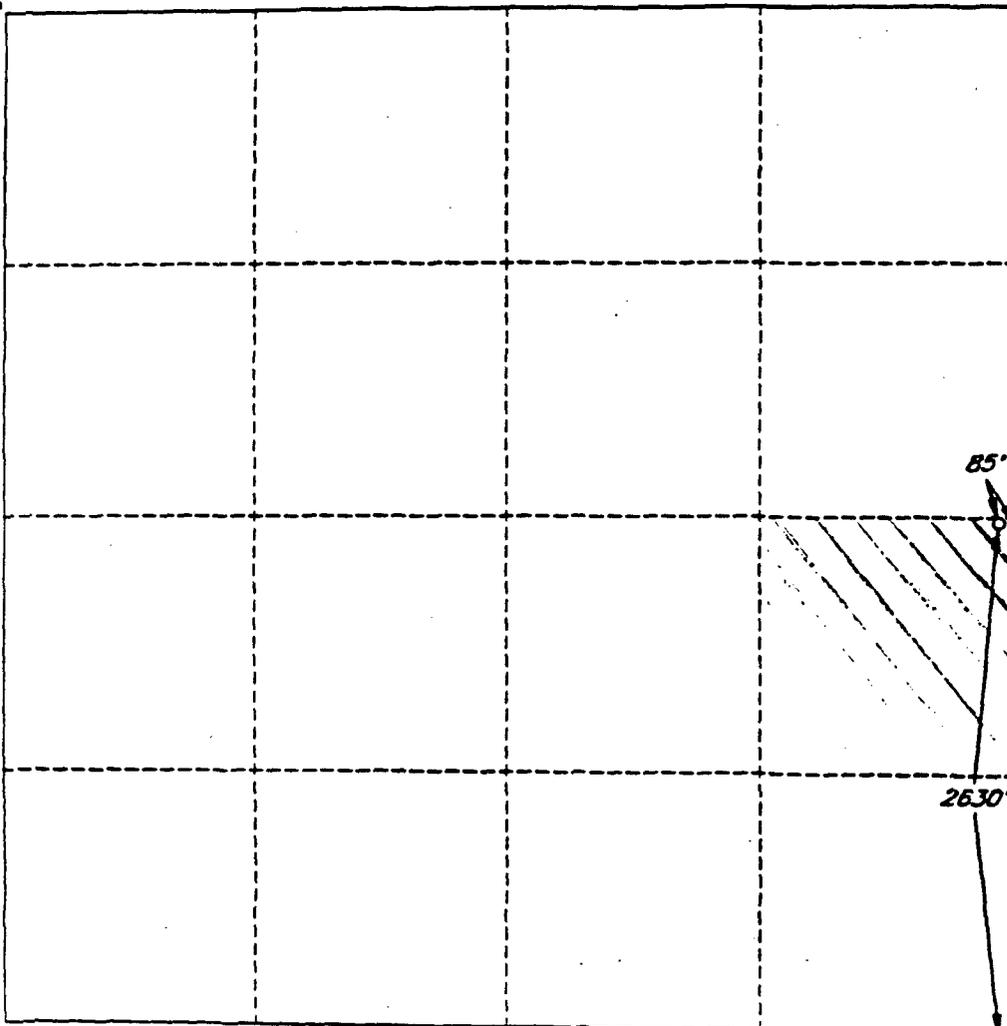
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name			
* Property Code		* Property Name KEEL 'A' FEDERAL				* Well Number 27	
* OGRID No.		* Operator Name DEVON ENERGY OPERATING COMPANY				* Elevation 3728'	
* SURFACE LOCATION							
UL or lot no. ✓	Section 7	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ids	Feet from the North/South line 2630' SOUTH	Feet from the East/West line 85' EAST	County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE							
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the North/South line	Feet from the East/West line	County
* Dedicated Acres 40		* Joint or Infill	* Consolidation Code	* Order No.			

SJS NO ALLOWABLE WELL 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.

Signature
Randy Jackson

Printed Name
RANDY JACKSON

Title
DISTRICT ENGINEER

Date
 November 1, 1994

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.

Date of Survey
OCTOBER 15, 1994

Signature and Seal of Professional Surveyor

 V. LYNN BEZNER
 NO. 7920
 V. J. BEZNER AND SONS, S.E.S. #7920

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

OPERATOR'S COPY

SUBMIT IN TRIPPLICATE*

(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL DEEPEN

1b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1359' FNL & 2448' FWL **UNORTHODOX LOCATION: Subject to Line Approval By State**
At top proposed prod. zone (SAME)

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "A" #31

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 7 T17 S- R31 E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH
KDDY

13. STATE
NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
1359' FNL
(Also to nearest title unit line if any)

16. NO. OF ACRES IN LEASE
606.92

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

1. ELEVATIONS (Show whether DF, RT, GR, etc.)
752' GR

22. APPROX. DATE WORK WILL START*
NOVEMBER 1, 1994

3. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
2 1/4"	8 5/8" J-55	24.0#	400'	145 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- 12S Operating Plan
General Requirements and Special Stipulations Attached

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

RECEIVED
 OCT 27 1994
 DISTRICT ENGINEER
 KDDY COUNTY
 NEW MEXICO

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE October 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Notification approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Scott Rowe TITLE Acting AREA MANAGER DATE 12/2/94

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-107
 Revised 02-10-94
 Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

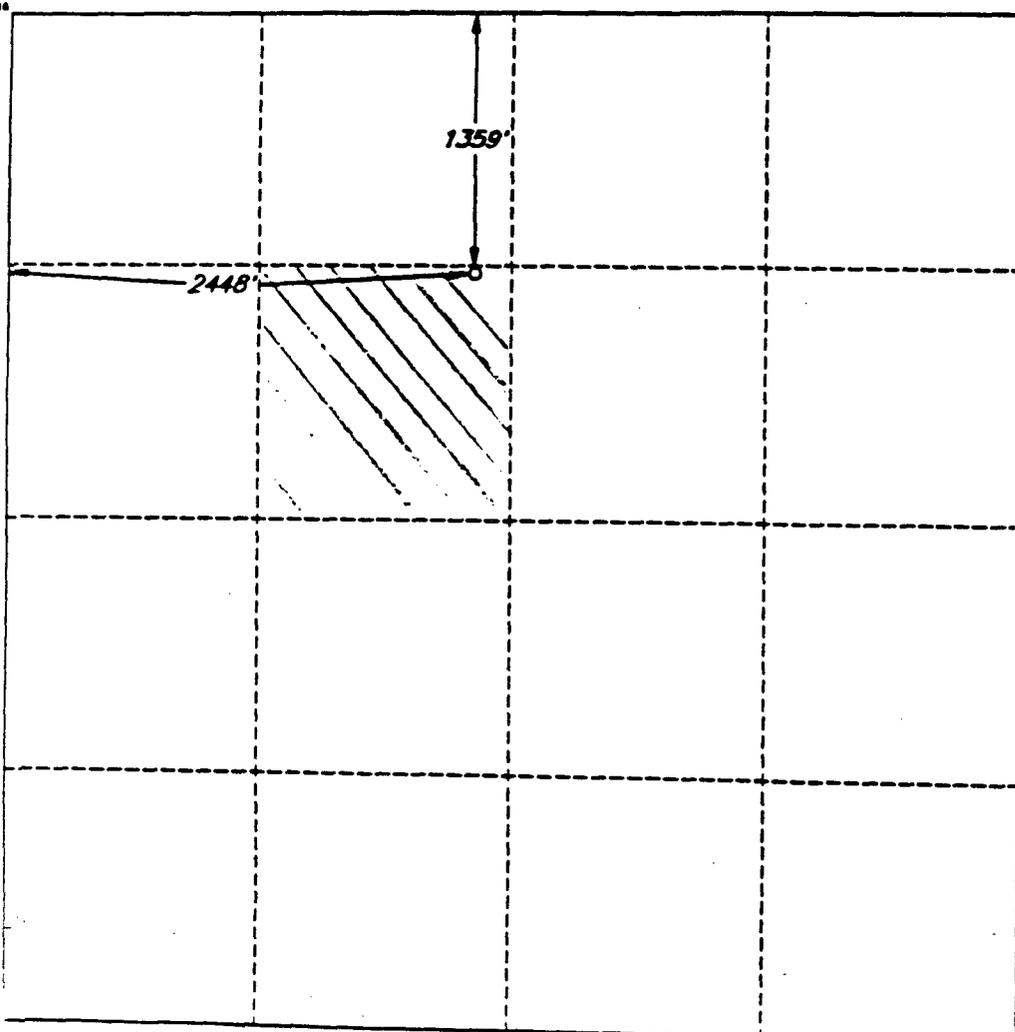
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code F		5 Property Name KEEL 'A' FEDERAL						6 Well Number 31	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3752'	
10 SURFACE LOCATION									
UL or lot no.	Section 7	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot 1/4	Feet from the	North/South line NORTH	Feet from the	East/West line WEST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 29, 1994

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.

Date of Survey

OCTOBER 15, 1994

Signature and Seal of Professional Surveyor

V. Lynn Bezner
 STATE OF NEW MEXICO
 V. LYNN BEZNER
 NO. 7920
 CERTIFICATE NO. 7920

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a TYPE OF WORK: DRILL DEEPEN

b TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2 NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3 ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4 LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2593' FNL & 1310' FEL
At top proposed prod. zone (SAME)

Non-Standard Location... SUBJECT TO LIKE APPROVAL BY STATE

4. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "A" #33

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 7-T17 S- R31 E

5. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. **1310' FEL**
(Also to nearest title unit line if any)

16. NO. OF ACRES IN LEASE **606.92**

17. NO. OF ACRES ASSIGNED TO THIS WELL **40**

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **1000'**

19. PROPOSED DEPTH **4000**

20. ROTARY OR CABLE TOOLS*
Rotary

1. ELEVATIONS (Show whether DF, RT, GR, etc.)
710

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

3. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
2 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- 12S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson TITLE RANDY JACKSON DISTRICT ENGINEER DATE October 27, 1994

(This space for Federal or State office use)

UNIT NO. _____ APPROVAL DATE _____

Approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY Richard H. Mannus TITLE AREA MANAGER DATE 12/15/94

See Instructions On Reverse Side

Submit to the Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

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

State of New Mexico
Energy, Minerals, and Natural Resources Department

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

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

AMENDED REPORT

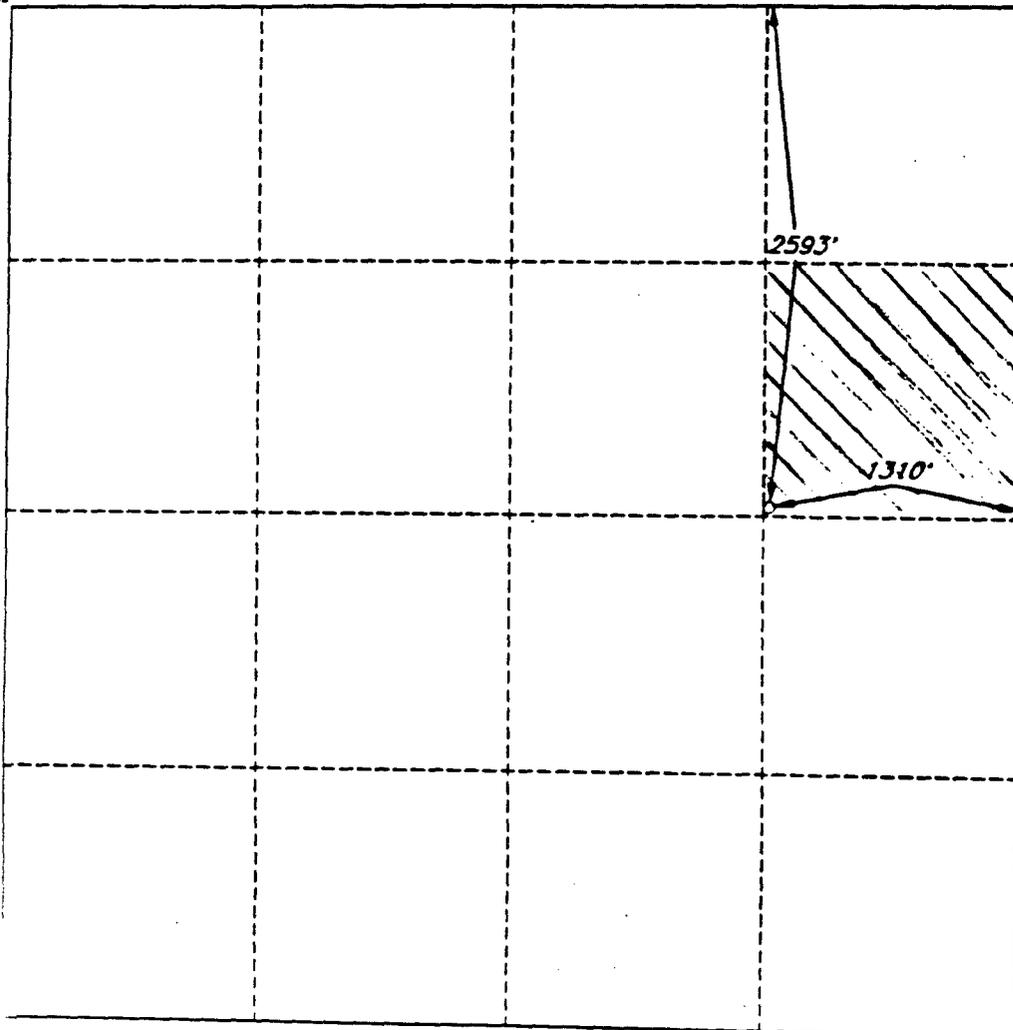
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code H		5 Property Name KEEL 'A' FEDERAL						6 Well Number 33	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3710'	
" SURFACE LOCATION									
10 UL or lot no.	11 Section 7	12 Township 17 SOUTH	13 Range 31 EAST, N.M.P.M.	14 Lot Ida	15 Feet from the 2593'	16 North/South line NORTH	17 Feet from the 1310'	18 East/West line EAST	19 County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
20 UL or lot no.	21 Section	22 Township	23 Range	24 Lot Ida	25 Feet from the	26 North/South line	27 Feet from the	28 East/West line	29 County
30 Dedicated Acres 40		31 Joint or Infill		32 Consolidation Code		33 Order No.			

NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 21, 1994

Signature and Seal of Professional Surveyor

V. Lynn Bezner
V. LYNN BEZNER
NO. 7920
Certification No. **V. L. BEZNER - P.S. #7920**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL DEEPEN

b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1053 FSL & 2604 FWL UNORTHODOX LOCATION: *Not to be Approved By State*
At top proposed prod. zone (SAME)

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNITY AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "A" #34

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 7 T17 S- R31 E

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH
EDDY

13. STATE
NM

DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1053' FSL (Also to nearest drg. unit line, if any)	16. NO. OF ACRES IN LEASE 606.92	17. NO. OF ACRES ASSIGNED TO THIS WELL 40
---	-------------------------------------	--

DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1000'	19. PROPOSED DEPTH 4000'	20. ROTARY OR CABLE TOOLS* Rotary
--	-----------------------------	--------------------------------------

ELEVATIONS (Show whether DF, RT, GR, etc.) 97' GR	22. APPROX. DATE WORK WILL START* NOVEMBER 1, 1994
--	---

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	CIRCULATE 500 sk lite cement + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibit #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design

2S Operating Plan
Approval Subject to General Requirements and Special Stipulations

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

Stamp: OCT 27 1994

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson TITLE RANDY JACKSON DISTRICT ENGINEER DATE October 27, 1994

space for Federal or State office use)

MIT NO. _____ APPROVAL DATE _____

condition approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY Scott Power TITLE Acting AREA MANAGER DATE 12/2/94

See Instructions On Reverse Side

8 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 statements or representations as to any matter within its jurisdiction

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94

Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

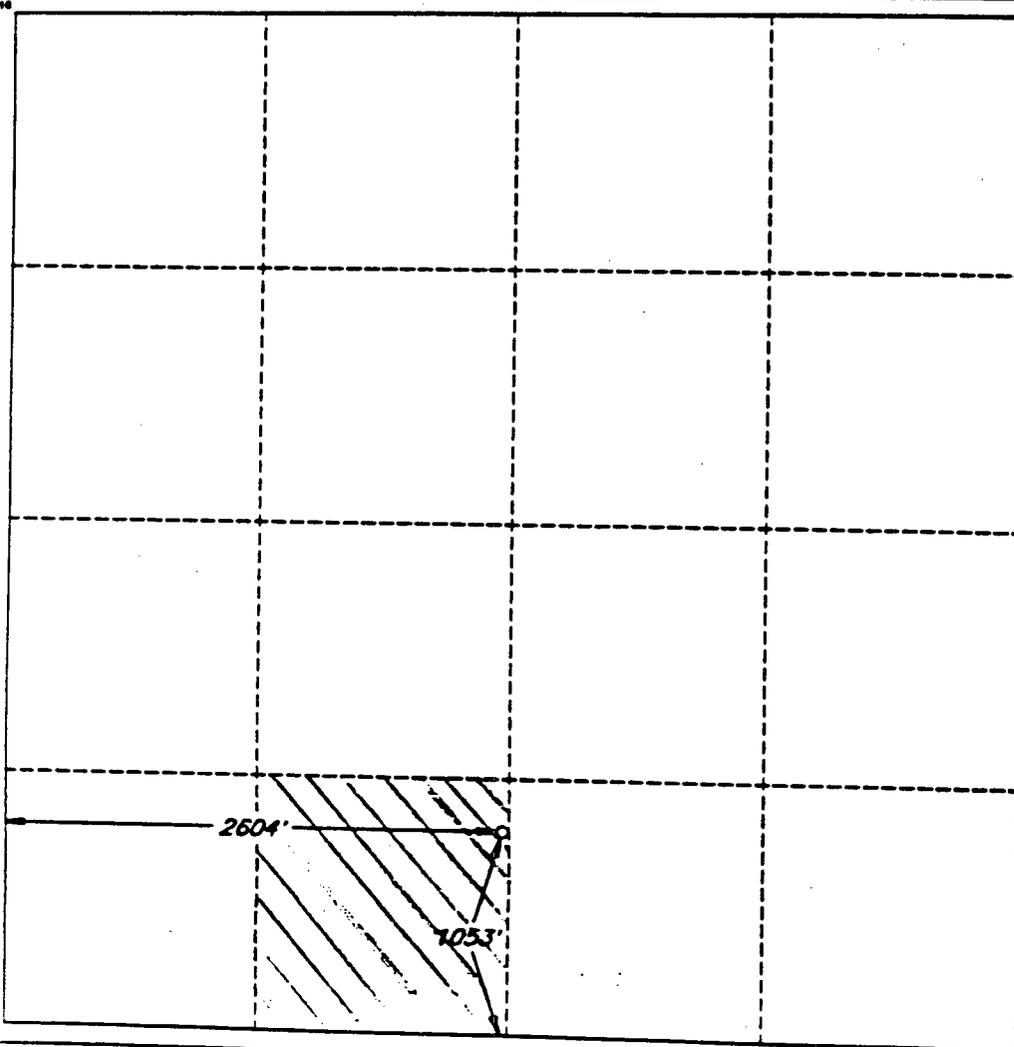
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code N		5 Property Name KEEL "A" FEDERAL						6 Well Number 34	
7 OGEID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3697'	
10 SURFACE LOCATION									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	7	17 SOUTH	31 EAST, N.M.P.M.		1053'	SOUTH	2604'	WEST	EDDY
11 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
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature: *Randy Jackson*
 Printed Name: RANDY JACKSON
 Title: DISTRICT ENGINEER
 Date: October 29, 1994

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.

Date of Survey: OCTOBER 19, 1994
 Signature: *V. Lynn Bezner*
 Professional Surveyor
 V. LYNN BEZNER
 NO. 7920
 V. L. BEZNER R.P.S. #7820

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL DEEPEN

1b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface **1430' FSL & 90' FEL**
At top proposed prod. zone (SAME)
Non-Standard Location...

**SUBJECT TO
LIKE APPROVAL
BY STATE**

4. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
1 miles east & 4 miles north of Loco Hills, N.M.

5. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
90' FEL
(Also to nearest dike, unit line if any)

16. NO. OF ACRES IN LEASE
606.92

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

1. ELEVATIONS (Show whether DF, RT, GR, etc.)
701-

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

3. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

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 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- 2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-A
Legal Description: Section 7-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE **RANDY JACKSON
DISTRICT ENGINEER**

DATE **October 27, 1994**

(This space for Federal or State office use)

UNIT NO. _____ APPROVAL DATE _____

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

APPROVED BY Donald E. Mann

TITLE **AREA MANAGER**

DATE **12/15/94**

See Instructions On Reverse Side

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 statements or representations as to any matter within its jurisdiction

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

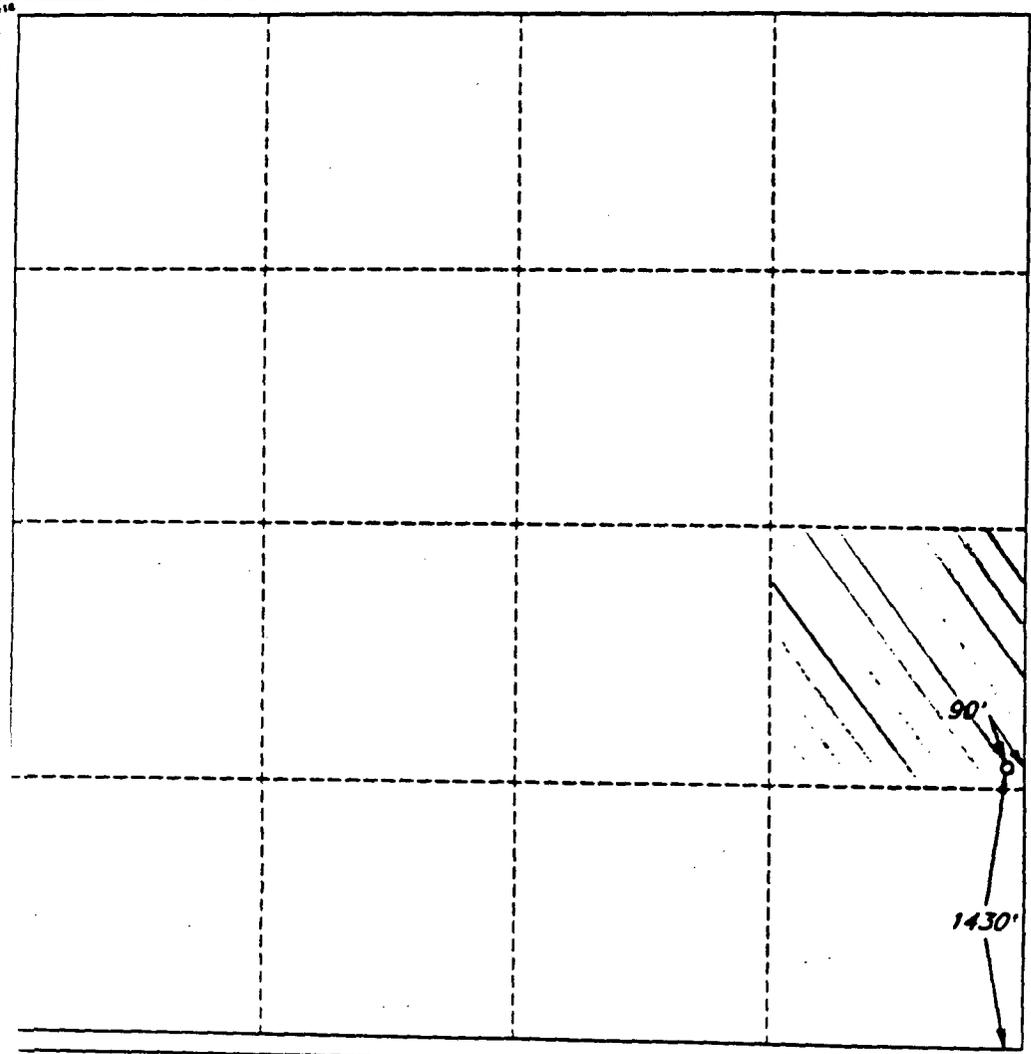
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code 1		5 Property Name KEEL "A" FEDERAL					6 Well Number 35		
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY					9 Elevation 3701'		
10 SURFACE LOCATION									
UL or lot no. ↓	Section 7	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1430'	North/South line SOUTH	Feet from the 90'	East/West line EAST	County EDDY
11 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
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature: *Randy Jackson*
 Printed Name: RANDY JACKSON
 Title: DISTRICT ENGINEER
 Date: November 1, 1994

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.

Date of Survey: OCTOBER 28, 1994

Signature and Seal: *V. Lynn Bezner*
 Professional Surveyor
 STATE OF NEW MEXICO
 V. LYNN BEZNER
 NO. 7920
 V. L. BEZNER
 #7920

JOB #35908-1840

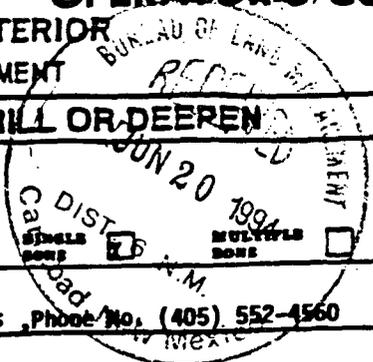
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

SUBMIT IN TRIPPLICATE

Form approved.
Budget Bureau No. 1074-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN



1. TYPE OF WORK
DRILL DEEPEN

2. TYPE OF WELL
OIL WELL GAS WELL OTHER

3. NAME OF OPERATOR
Socorro Petroleum Company Attn: Jo Ann Hooks, Phone No. (405) 552-4560

4. ADDRESS AND TELEPHONE NO.
20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1220' **NON-STANDARD LOCATION... SUBJECT TO LIKE APPROVAL BY STATE**
10-1/2 FNL & 1320' FNL **INT**
At proposed prod. zone SAME

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1320'
(Also to nearest city, salt dom. if any)

8. NO. OF ACRES IN LEASE
1885.0

9. NO. OF ACRES ASSIGNED TO THIS WELL
20 → 40 575

10. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DOLLING, COMPANION, OR APPLIED FOR THIS LEASE, FT. 950'

11. PROPOSED DEPTH
4000'

12. SURFACE OR CABLE TOOLS
Rotary

13. ELEVATION (Show whether DT, RT, OR, ORL)
3781'

14. APPROX. DATE WORK WILL START
July 15, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING END-OPENING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	14"		60'	Cemented with redmix to surface.
12 1/2"	8 5/8" J-55 ERW, FBN ST&C R-E	24 ppf	950'	125 sks lite + 220 sks Class 'C' cellophane flakes.
7 7/8"	5 1/2" J-55, ST&C seamless	15 1/2 ppf	0-TD	Cemented to surface with 475 sks 35.65 (Poz:Class C) 6% gel + 10% salt + 1/4 lb/sk cellophane flakes and 475 sks Class C + 2% gel + fluid loss additive + 1/4 lb/sk cellophane flakes.

* We plan to circulate cement to surface on all casing strings. Socorro Petroleum Company proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Surface Use and Operating Plan
 - Exhibit #1/1-A - Blowout Prevention Equipment
 - Exhibit #2 - Location and Elevation Plat
 - Exhibit #3/3-A - Road Map and Topo Map
 - Exhibit #4 - Wells Within 1 Mile Radius
 - Exhibit #5 - Production Facilities Plat
 - Exhibit #6 - Rotary Rig Layout
 - Exhibit #7 - Casing Design

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease #: LC-029435-B
Legal Description: Section 8 -T17S-31E
Formation: Grayburg-Jackson
Bond Coverage: Nationwide
BLM Bond #: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or spin directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED Randy Jackson TITLE District Engineer DATE May 27, 1994

(This space for Federal or State office use)
PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL IF ANY:

APPROVED BY Scott Rowin TITLE Acting AREA MANAGER DATE 12/21/94

*See Instructions On Reverse Side

O. Box 1880
 Artesia, NM 88211-1880

STATE of New Mexico
 Energy, Minerals, and Natural Resources Department

Revised 02-10-94
 Instructions on back

DISTRICT II
 P. O. Drawer 00
 Artesia, NM 88211-0719

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

Shown to the Approver
 District Office
 State Lease - 1 copy
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Arriba Rd.
 Artesia, NM 87410

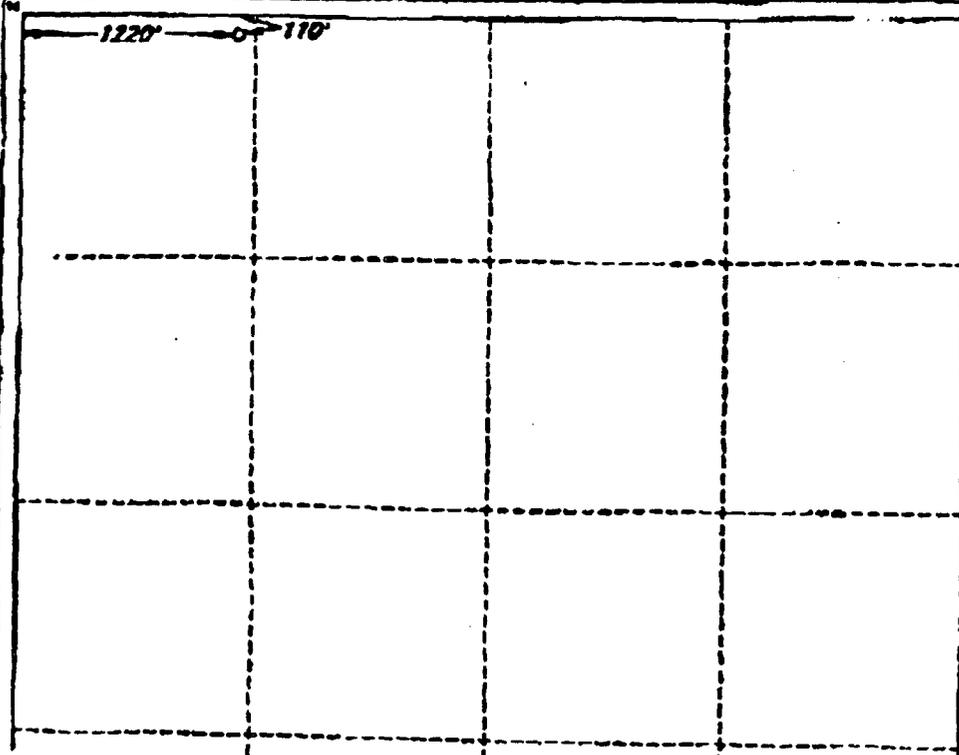
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name		
* Property Code B		* Property Name KEEL "B" FEDERAL				* Well Number 55
* UCEID No.		* Operator Name DEVON ENERGY OPERATING COMPANY				* Elevation 3764'
* SURFACE LOCATION						
UL or lot no.	Section 8	Township 17 SOUTH	Range 81 EAST, N.M.P.M.	Lot No.	Feet from the North/South line 110'	Feet from the East/West line 1220'
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE						
UL or lot no.	Section	Township	Range	Lot No.	Feet from the North/South line	Feet from the East/West line
** Dedicated Acres		** Total or Initial		** Consolidation Code		** Order No.

NO ALLOWABLE WELL 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.

Signature: *Randy Jackson*
 Printed Name: Randy Jackson
 Title: District Engineer
 Date: 12/13/94

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.

Date of Survey: 1994

V. LYNN BEYER
 NO. 7920

[Signature]
 V. L. BEYER R.P.S. #7920
 JOB #349/9 / 985W-SE ds

Form 7871 - brand tax transmittal memo 7871 1 of pages 1

To: <i>ARITA SLACK</i>	From: <i>RANDY J.</i>
By: <i>[Signature]</i>	Date: <i>12/13/94</i>
Phone: <i>462-552-4600</i>	Phone: <i>462-552-4600</i>
Fax: <i>505-887-2200</i>	Fax: <i>462-552-4600</i>

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. LEASE NUMBER AND SERIAL NO.
LC 029435-B

2. BY WHOM, ALLOTTED OR THIS DATE
BLM

3. DATE ASSIGNMENT MADE
BLM

4. OPERATOR'S WELL NO.
KEEL "B" #60

5. OPERATOR

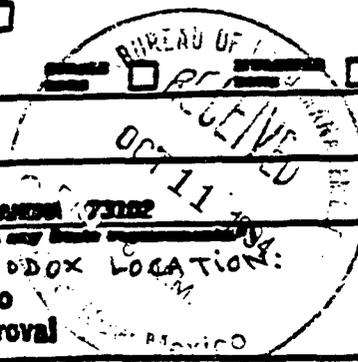
6. FIELD AND WELL OR UTILITY
GRAYBURG-JACKSON

7. SEC. T. R. S. OR B.L. AND COUNTY OR AREA
Sec. 6, T17S-R31E

8. COUNTY OR PARISH
EMERY

9. STATE
NEW MEXICO

10. APPROX. DATE WELL WILL START
NOVEMBER 1, 1994



11. TYPE OF WELL
DRILL DEEPEN

12. TYPE OF WELL
OR WELL GAS WELL OTHER

13. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

14. ADDRESS OF OPERATOR
20 NORTH BROADWAY, SUITE 1000, OKLAHOMA CITY, OKLAHOMA 73102

15. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements)
1300' FNL & 2450' FWL

16. AS PROPOSED (incl. size)
4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N. M.

17. DISTANCE FROM PROPERTY LOCATED TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest city, town, etc. if any)
1300'

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, BOREHOLE, COMPLETION, OR APPROVED WELL, OF THIS AREA, FT.
1350'

19. DEPTH OF WELL (Specify whether 20', 25', 30', etc.)
3774' GR

20. NO. OF ACRES IN LEASE
1885.0

21. NO. OF ACRES ASSIGNED TO THIS WELL
40

22. PURPOSE OF WELL
ROTARY

23. APPROX. DATE WELL WILL START
NOVEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF PIPE	WEIGHT PER FOOT	CEMENT PER FOOT	CEMENT DEPTH	GRAINITY OF CEMENT
12 1/4"	8 5/8" 2-55	24.00	370'	155 st 11hr ext + 200 st Class "C" CIRCULATE
7 7/8"	5 1/2" 2-55	15.50	4000'	200 st Class "C" 35/65 + 200 st Class "C" + 1/4 lb/st collophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC 029435-B
 Legal Description: Section 6 T17N-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING

Approval Subject to General Requirements and Special Stipulations Attached

HOME SPACE DESCRIBE PROPOSED PROGRAM: If proposed to re-drill, give data on present productive zones and proposed new productive zones. If proposed to re-drill or to shut-in, give present data on productive zones and treatment and new vertical depths. Give alternate production program, if any.

DATE: September 22, 1994
 BY: Randy Jackson
 TITLE: DISTRICT ENGINEER

APPROVED BY: Richard L. Mann
 TITLE: AREA MANAGER
 DATE: 11/23/94

T I
 Box 1960
 s. NM 88241-1980

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-10
 Revised 02-10-9-

Instructions on back

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

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

OIL CONSERVATION DIVISION

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

AMENDED REPORT

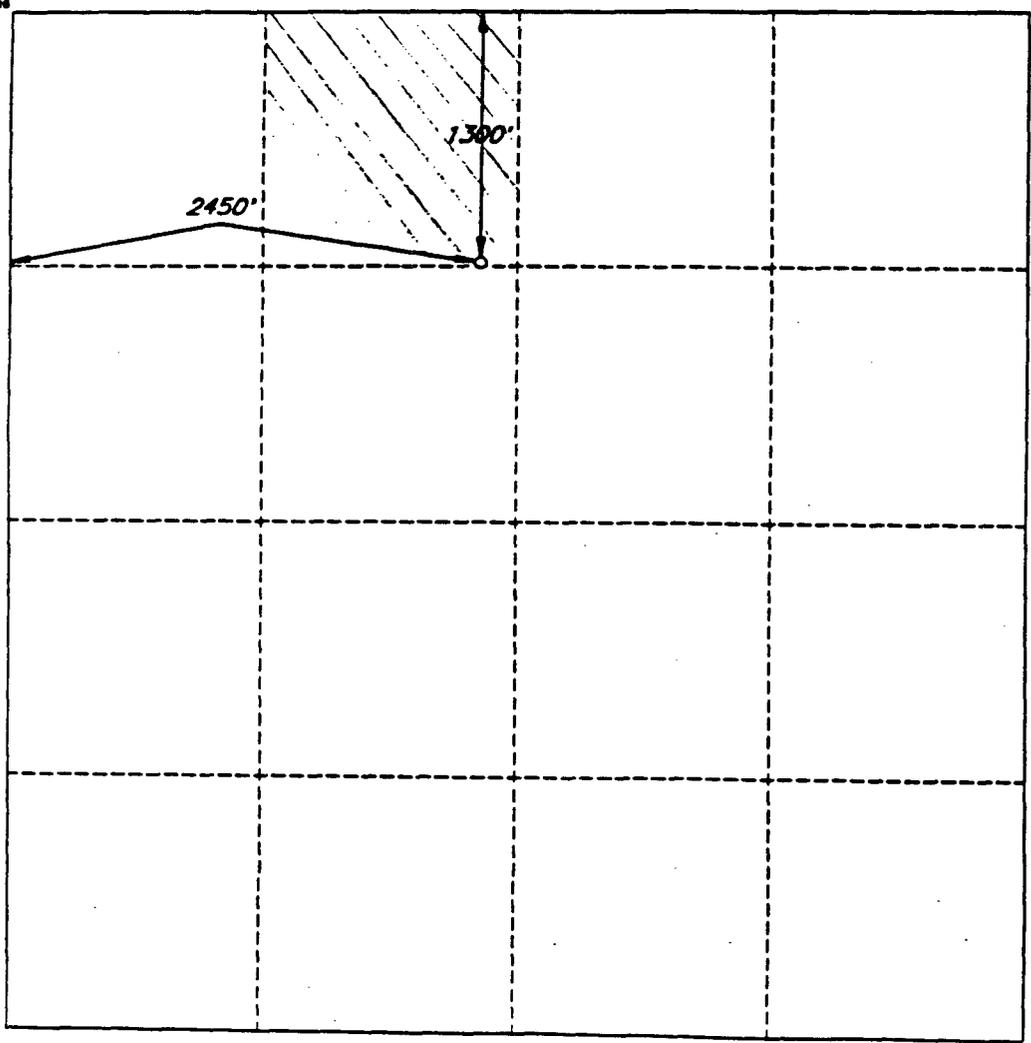
DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name			
4 Property Code C		5 Property Name KEEL 'B' FEDERAL			6 Well Number 60		
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING CORPORATION			9 Elevation 3774'		
10 SURFACE LOCATION							
UL or lot no.	Section	Township	Range	Lot Id#	Feet from the North/South line	Feet from the East/West line	County
	6	17 SOUTH	31 EAST, N.M.P.M.		1300'	2450	EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE							
UL or lot no.	Section	Township	Range	Lot Id#	Feet from the North/South line	Feet from the East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.	

NO ALLOWABLE WELL 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.

Signature
Randy Jackson
 Printed Name
 RANDY JACKSON
 Title
 DISTRICT ENGINEER
 Date
 October 4, 1994

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.

Date of Survey
 OCTOBER 25 1994
 Signature and Seal of Professional Surveyor

 V. LYNN BEZNER
 NO. 7920
 CERTIFIED
 V. L. BEZNER R.P.S. #7920

OPERATOR'S COPY

SUBMIT IN TRIPPLICATE*
(Only instructions on reverse side)

Form approved.
Budget Bureau No. 1074-0136
Expires: December 31, 1991

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL **DEEPEN**

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER **SHOULD HOLES** **MULTIPLE HOLES**

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE
20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At offset **1210' FNL & 150' FBI**
 At proposed prod. hole **(met)**
Non-Standard Location...

**SUBJECT TO
LIKE APPROVAL
BY STATE**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 Miles East and 4 miles North of Loco Hills, N.M.

16. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
50'
 (Also to nearest Crig. Salt Dug. if any)

16. NO. OF ACRES IN LEASE
1885.0

17. NO. OF ACRES ADJACENT TO THIS WELL
60

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETION, OR APPLIED FOR, OF THIS LEASE, FT.
1000'

18. PROPOSED DEPTH
4000'

20. RIGGING OR CABLE TOOLS
ROTARY

21. ELEVATION (Show whether SP, RL, OR, ORA.)
3778' GR

22. APPROX. DATE WORK WILL START*
November 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING DIMENSIONS	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	420'	165 sk 11te cement + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.54	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk callophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-B
 Legal Description: Section 6 T17N-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING

RECEIVED
 OCT 11 10 46 AM '94

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zones. If proposal is to drill or deepen directionally, give present data on subsurface features and estimated and true vertical depths. Give blowout prevention program, if any.

34. SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE September 22, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approved does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Scott Powin TITLE Acting AREA MANAGER DATE 12/21/94

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

*See Instructions On Reverse Side

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

AMENDED REPORT

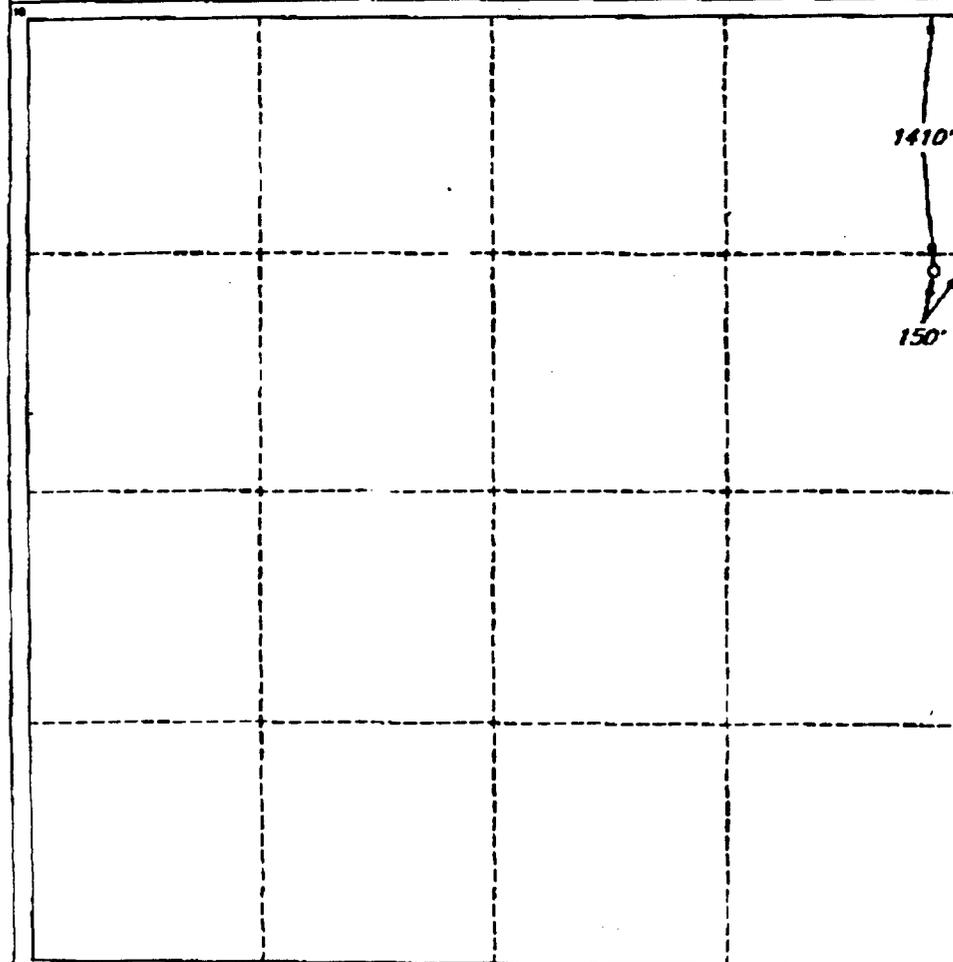
DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code H		5 Property Name KEEL "B" FEDERAL				6 Well Number 61			
7 O&G No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3801'			
* SURFACE LOCATION									
10 UL or lot no.	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot No.	Feet from the 1410'	North/South line NORTH	Feet from the 150'	East/West line EAST	County KDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
11 UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code		15 Order No.					

NO ALLOWABLE WELL 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.

Signature
Randy Jackson
 Printed Name
 Randy Jackson

Title
 District Engineer

Date
 12/13/94

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.

Date of Survey
 NOVEMBER 18 1994

Signature of Professional Surveyor
V. Lynn Beznier

Professional Surveyor
 V. LYNN BEZNER
 NO. 7920

State of New Mexico
 V. L. BEZNER, LAND SURVEYOR, #7920

JOB #34980-1798 SW / V.H.B.

OPERATOR'S COPY

SUBMIT IN TRIPLICATE
(Copy instructions on reverse side)

Form approved
Budget Bureau No. 1074-0136
Expires: December 31, 1991

Form 3-93-3
(December 1990)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

2a. TYPE OF WELL DRILL DEEPEN

b. TYPE OF WELL
OIL WELL GAS WELL OTHER GEOTHERMAL WELL HYDROPOWER WELL

3. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

4. ADDRESS AND TELEPHONE
20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

5. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements.)
At surface: 2650' PSL & 2650' FWL
At proposed prod. zone: Same
Non-standard Location... **SUBJECT TO LIKE APPROVAL BY STATE**

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 Miles East and 4 miles North of Loco Hills, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest city, town, or village, if any) 2650'

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR APPLIED FOR, OF THIS LEASE, FT. 1000'

9. NO. OF ACRES IN LEASE 1885.0

10. PROPOSED DEPTH 4000'

11. SURVEY OR CABLE TOOLS ROTARY

12. APPROX. DATE WORK WILL START* November 1, 1994

13. OPERATING (Show whether DF, EC, or other) 3769' GR

1. LEASE IDENTIFICATION AND SERIAL NO
LC-029435-B

2. IF FEDERAL, ALLOTTEE OR TRUST NAME
NA

3. SURVEY IDENTIFICATION NAME
NA

4. NAME OF LEASE (NAME WELL ID)
Keel "B" Federal # 62

5. AP WELL ID

14. FIELD AND POOL OR WELDCAT
GRAYBURG-JACKSON

15. SEC. T. R. N. OR BLM AND SURVEY OR AREA
Sec. 6-T17S-R31E

16. COUNTY OR PARISH EDDY COUNTY

17. STATE NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING DEPTH	WEIGHT PER FOOT	CEMENTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	370'	165 sk 1112 cement + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.52	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Exhibits #1/1-A - Blowout Prevention Equipment
 - Exhibit #2 - Location and Elevation Plat
 - Exhibit #3/3-A - Road Map and Topo Map
 - Exhibit #4 - Wells Within 1 Mile Radius
 - Exhibit #5 - Production Facilities Plat
 - Exhibit #6 - Rotary Rig Layout
 - Exhibit #7 - Casing Design
 - H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6 T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

OCT 11 1994

PLEASE DISCLOSE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zones. If proposal is to drill or deviate, give present data on subsurface formations and measured and true vertical depths. Give blowout prevention program, if any.

BY: Randy Jackson TITLE: DISTRICT ENGINEER DATE: September 22, 1994

EXMIT NO. _____ APPROVAL DATE _____

Operator approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to produce operations thereon.

OPTION OF APPROVAL, IF ANY: _____

LOVED BY: Richard E. Mann TITLE: AREA MANAGER DATE: 12/8/94

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

*See Instructions On Reverse Side

8 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to state any false, fictitious or fraudulent information.

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form G-102
 Revised 02-10-94

Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

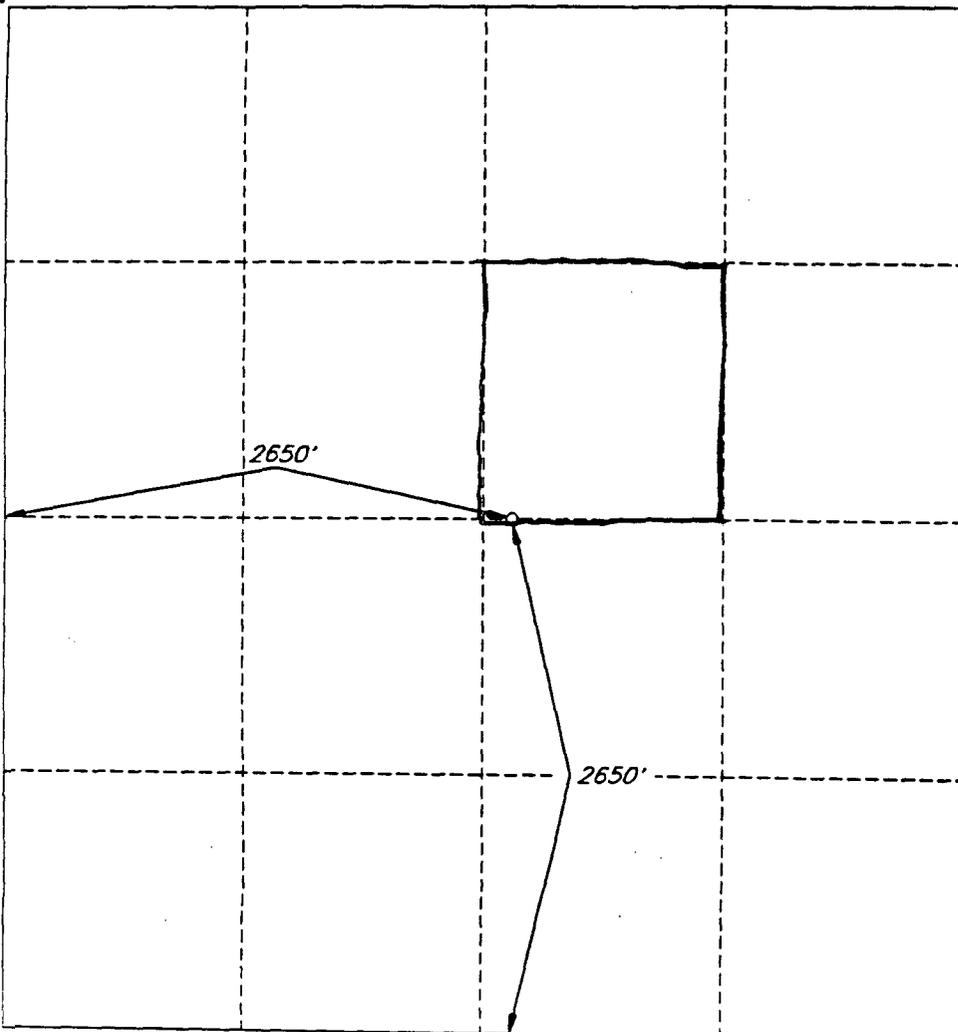
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code G		5 Property Name KEEL 'B' FEDERAL					6 Well Number 62		
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY					9 Elevation 3769'		
10 SURFACE LOCATION									
UL or lot no.	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 2850'	North/South line SOUTH	Feet from the 2650'	East/West line WEST	County EDDY
11 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
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL 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.

Signature
Randy Jackson

Printed Name
 RANDY JACKSON

Title
 DISTRICT ENGINEER

Date
 October 11, 1994

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.

Date of Survey
 SEPTEMBER 15, 1994

Signature and Seal of Professional Surveyor
V. Lynn Beizer

Certification No.
 V. L. BEIZER, R.P.S. #7920

JOB #34966-5798SE&SW/cis

OPERATOR'S COPY

SUBMIT IN TRIPPLICATE*
(Only instructions on reverse side)

Form approved
Budget Bureau No. 1874-01M
Expires: December 31, 1991

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

10. TYPE OF WORK
DRILL **DEEPEN**

11. TYPE OF WELL
 OIL WELL GAS WELL OTHER SPECIAL USE MULTIPLE USE

12. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

13. ADDRESS AND TELEPHONE
20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

14. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements)
 At surface: **1310' FSL & 1190' FWL**
 At proposed prod. hole: **SAME**
NON STANDARD LOCATION...

**... SUBJECT TO
LIKE APPROVAL
BY STATE**

15. DISTANCE IN MILES AND DIRECTIONS FROM NEAREST TOWN OR POST OFFICE
4 Miles East and 4 miles North of Loco Hills, N.M.

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest Crp. Well No. if any)	1190'	17. NO. OF ACRES IN LEASE	1885.0
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, SKELING, CONDUIT, OR APPLIED PUL. ON THIS LEASE, FT.	1100'	19. PROPOSED DEPTH	4000'

20. ELEVATION (Show whether SF, RL, MSL, etc.)
3731' GR

2. LEASE IDENTIFICATION AND SERIAL NO.
LC-029435-B

3. BY ORDER, ALLOTTEE OR TITLE HARBOR
BA

4. SURVEY AGREEMENT NAME
BA

5. SURVEY AGREEMENT WELL NO.
Keel "P" Federal #63

6. SURVEYED

7. FIELD AND POOL OR WELDELT
GRAYBURG-JACKSON

8. SEC. T. R. N., OR S.E. AND SURVEY OR AREA
Sec. 6-T175-R31E

9. COUNTY OR PARISH
EDDY COUNTY

10. STATE
NM

21. APPROX. DATE WELL WILL START
November 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

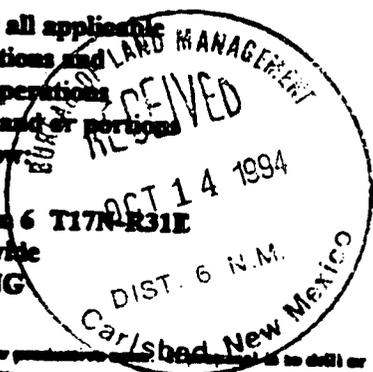
SIZE OF HOLE	CASING DEPTH	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.09	340'	165 sk 11tz cement + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.52	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-B
 Legal Description: Section 6 T175-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING



ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed to be deepened, give data on present productive zone and proposed new productive zone, and to drill or run directionally, give present data on subsurface features and proposed new zone vertical depths. Give blowout prevention program, if any.

RECEIVED Randy Jackson TITLE DISTRICT ENGINEER DATE September 27, 1994
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to drill or run directionally, give present data on subsurface features and proposed new zone vertical depths. Give blowout prevention program, if any.

APPROVED BY Richard L. Mann TITLE AREA MANAGER DATE 12/8/94

*See Instructions On Reverse Side

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 statements or reports, or any false, fictitious or fraudulent documents.

Box 1980
 os, NM 88241-1980

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

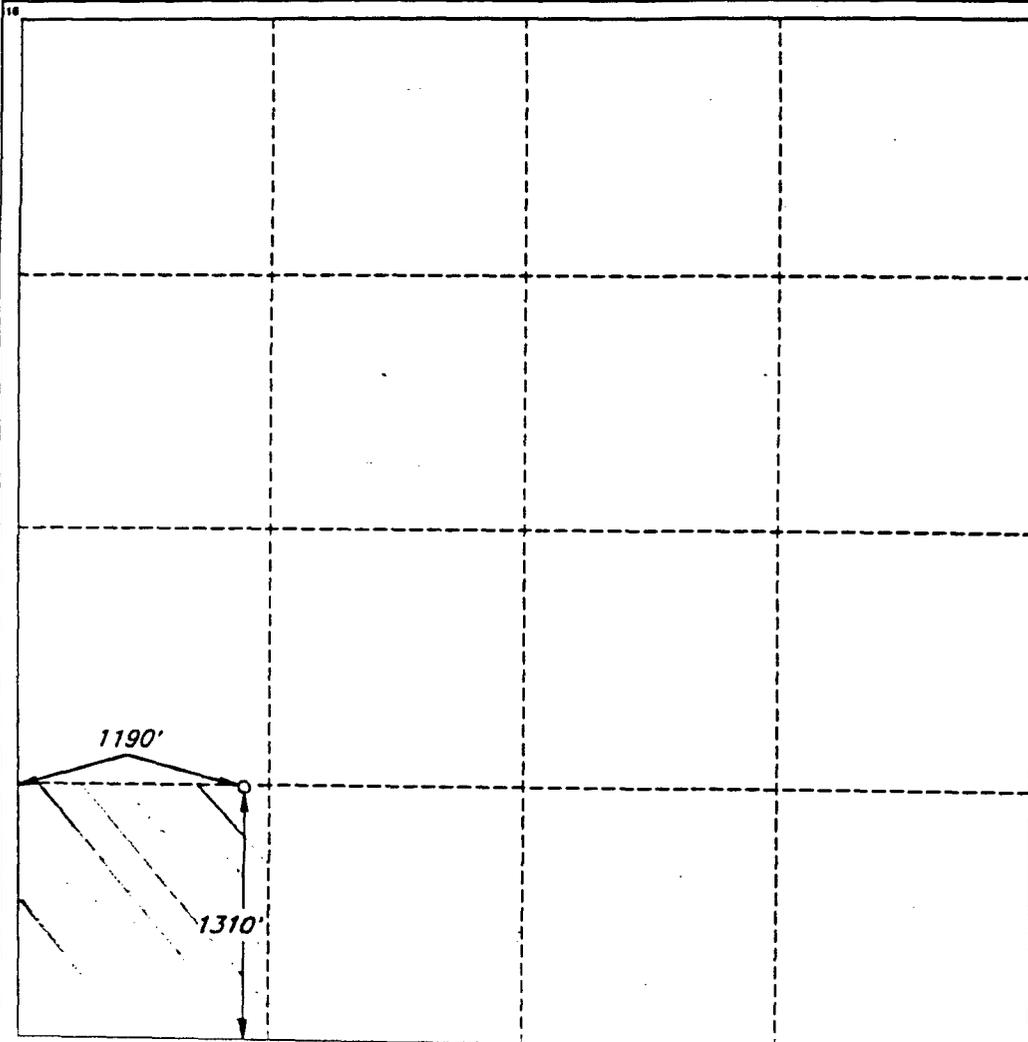
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

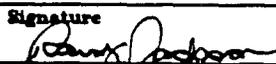
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code M		5 Property Name KEEL 'B' FEDERAL						6 Well Number 63	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3731'	
10 SURFACE LOCATION									
UL or lot no.	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 1310'	North/South line SOUTH	Feet from the 1190'	East/West line WEST	County EDDY
11 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
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

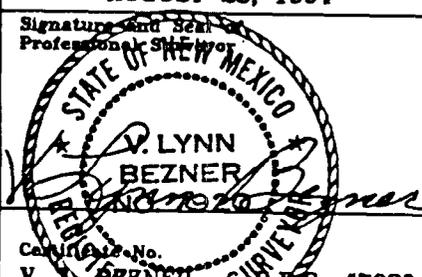


OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

 Printed Name
RANDY JACKSON
 Title
DISTRICT ENGINEER
 Date
October 6, 1994

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.

Date of Survey
AUGUST 23, 1994

Signature and Seal of Professional Surveyor

V. LYNN BEZNER
 License No. 7920

OPERATOR'S COPY

FORM IN TRIPLICATE
(Other instructions on reverse side)

Form approved
Budget Bureau No. 1074-0136
Expires: December 31, 1991

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK
 DRILL DEEPEN

B. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
 20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements)
 AT SURFACE: 1180' FSL & 2350' FML
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 4 Miles East and 4 miles North of Loco Hills, N.M.

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest city, state line, if any)
 1180'

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, BEILING, COMPLETION, OR APPLIED FOR, OF THIS LEASE, FT.
 600'

21. ELEVATIONS (Show whether DT, RL, GEL, etc.)
 3742' GR

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, WEIGHT AND TYPE	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	B 5/8" J-55	24.07	360'	165 sk lite cement + 200 sk Class "C" 35/65
7 7/8"	5 1/2" J-55	15.57	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk collophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-B
 Legal Description: Section 6 T17N-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING

4 ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zones. If proposal is to drill or open directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE September 22, 1994

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
 APPROVED BY Richard L. Mannis TITLE AREA MANAGER DATE 11/25/94

*See Instructions On Reverse Side

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals, and Natural Resources Department

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

AMENDED REPORT

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

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

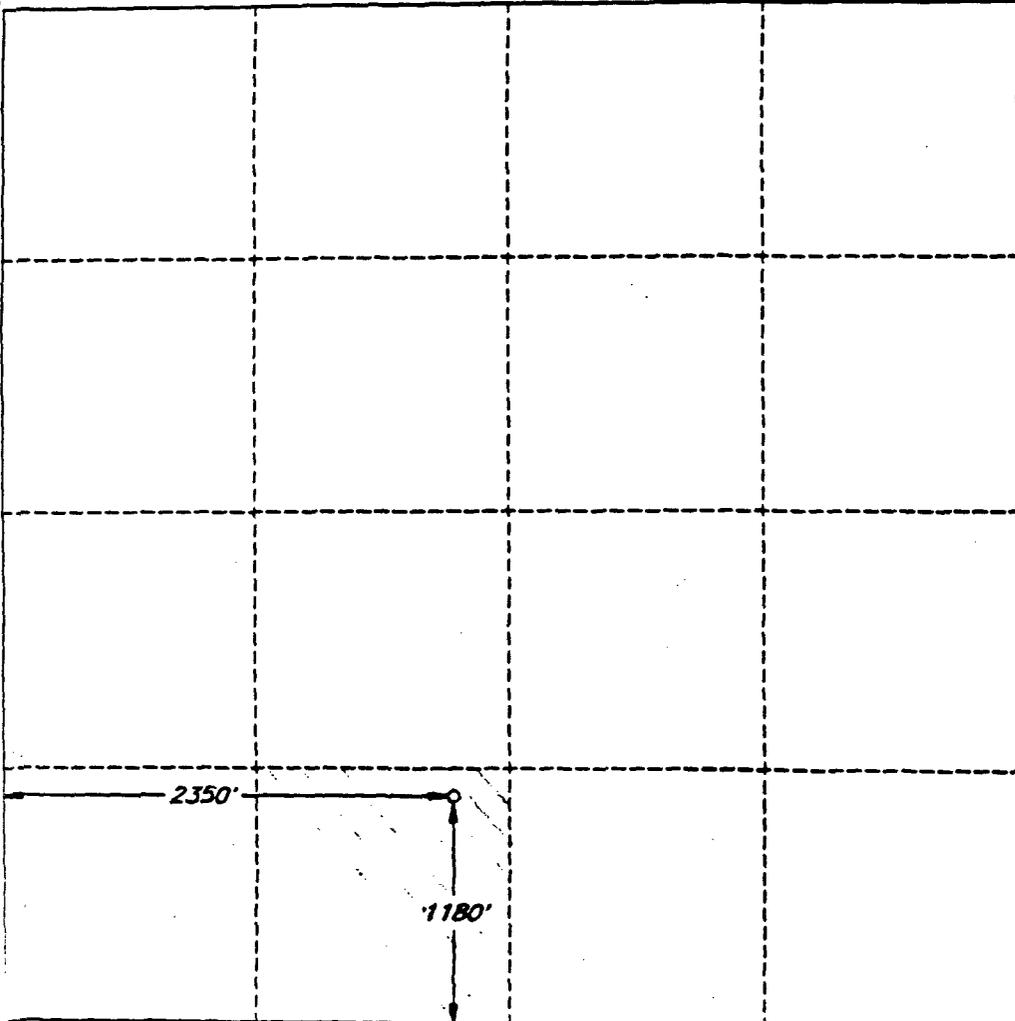
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name							
4 Property Code N		5 Property Name KEEL 'B' FEDERAL				6 Well Number 64					
7 OGHM No.		8 Operator Name DEVON ENERGY OPERATING CORPORATION				9 Elevation 3742'					
* SURFACE LOCATION											
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the North/South line	Feet from the East/West line	County				
	6	17 SOUTH	31 EAST, N.M.P.M.		1180'	2350'	EDDY				
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE											
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the North/South line	Feet from the East/West line	County				
<table border="1"> <tr> <td>10 Dedicated Acres 40</td> <td>11 Joint or Infill</td> <td>12 Consolidation Code</td> <td>13 Order No.</td> </tr> </table>								10 Dedicated Acres 40	11 Joint or Infill	12 Consolidation Code	13 Order No.
10 Dedicated Acres 40	11 Joint or Infill	12 Consolidation Code	13 Order No.								

NO ALLOWABLE WELL 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.

Signature: *Randy Jackson*
Printed Name: **RANDY JACKSON**
Title: **DISTRICT ENGINEER**
Date: **October 4, 1994**

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.

Date of Survey: **October 1994**

Signature and Seal of Professional Surveyor: *V. Lynn Bezner*

STATE OF NEW MEXICO
V. LYNN BEZNER
NO. 7920
V. L. BEZNER S.P.S. #7920

Job #34980-5/98SEA/SW/VLP

OPERATOR'S COPY

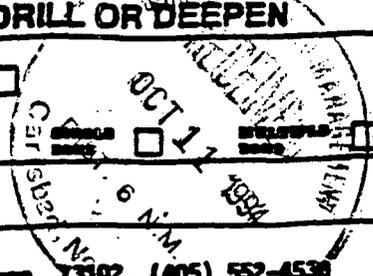
SUBMIT IN TRIPlicate (Check instructions on reverse side)

Form approved Budget Bureau No. 1004-0136 Expires: December 31, 1991

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL [X] DEEPEN []
1b. TYPE OF WELL OIL WELL [X] GAS WELL [] OTHER []



2. NAME OF OPERATOR DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE 20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102, (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements) 50' PSL & 1290' FWL At proposed prod. zone Same

NON-STANDARD LOCATION... SUBJECT TO LIKE APPROVAL BY STATE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 4 Miles East and 4 miles North of Loco Hills, N.M.

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 50'

19. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR APPLIED FOR, ON THIS LEASE, FT. 900'

21. ELEVATION (Show whether TO, AT, OR, etc.) 3733' GR

1. LEASE IDENTIFICATION AND SERIAL NO. LC-029435-B
2. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
3. UNIT AGREEMENT NAME NA
4. BOND OR LEASE NAME WELL NO. Keel "P" Federal # 65
5. AP WELL NO.
10. FIELD AND POOL OR WELDCAT GRAYBURG-JACKSON
11. SEC., T., R., N., OR S.E., AND CORNER OR AREA Sec. 6-T17S-R31E
12. COUNTY OR PARISH EDDY COUNTY
13. STATE NM
17. NO. OF ACRES ABANDONED TO THIS WELL 40
20. DRIFT OR CABLE TOOLS ROTARY
22. APPROX. DATE WORK WELL STARTED November 1, 1994

Table with 5 columns: SIZE OF HOLE, CHAMFER/STRENGTH, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Includes rows for 12 1/4" and 7 7/8" holes.

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design
H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6 T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

Approval Subject to General Requirements and Special Stipulations

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zones. If proposal is to drill or run directionally, give present data on subsurface conditions and estimated and true vertical depths. Give blowout prevention program, if any.

SIGNED: Randy Jackson TITLE: DISTRICT ENGINEER DATE: September 22, 1994

PERMIT NO. APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY: APPROVED BY: [Signature] TITLE: AREA MANAGER DATE: 11/22/94

*See Instructions On Reverse Side

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 statements or representations.

CT I
 Box 1980
 S. NM 88241-1980

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

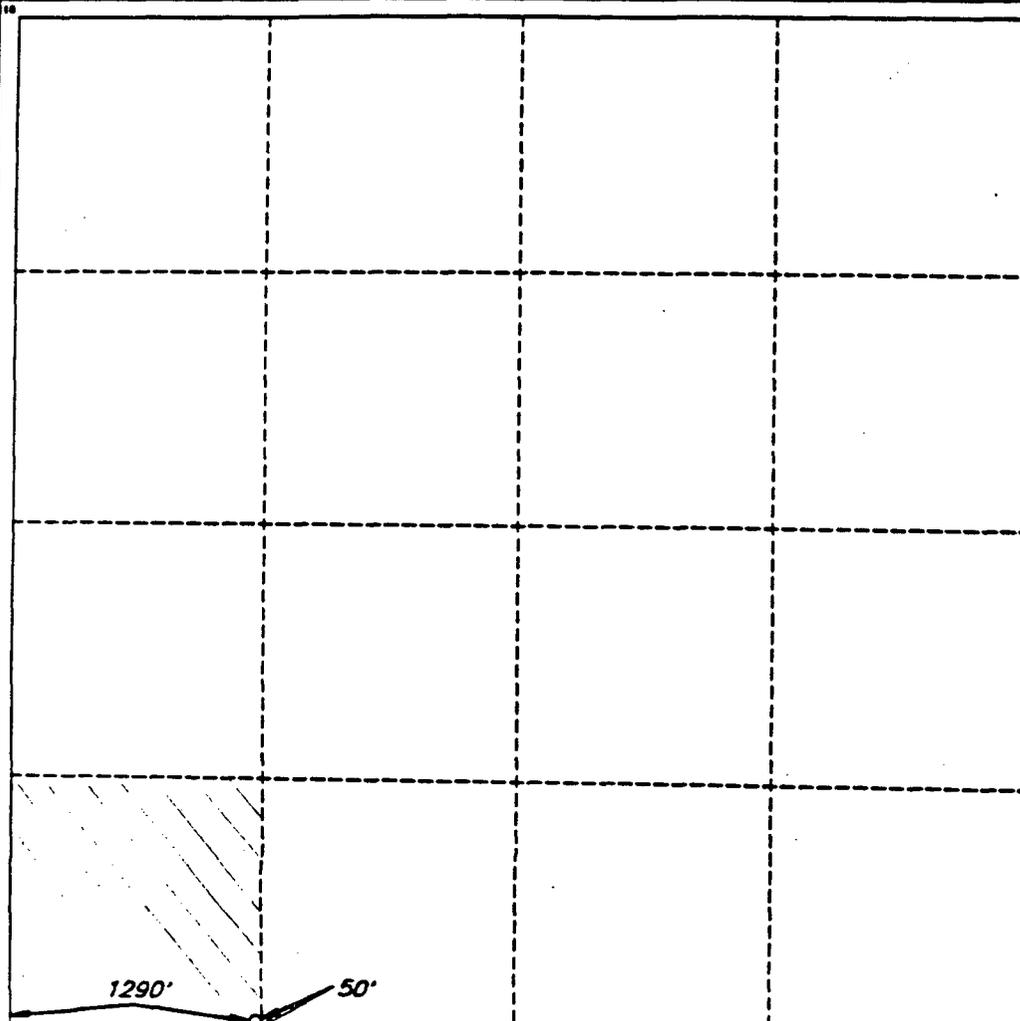
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code M		5 Property Name KEEL "B" FEDERAL						6 Well Number 65	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING CORPORATION						9 Elevation 3733'	
10 SURFACE LOCATION									
11 UL or lot no.	12 Section 6	13 Township 17 SOUTH	14 Range 31 EAST, N.M.P.M.	15 Lot Idn	16 Feet from the 50'	17 North/South line SOUTH	18 Feet from the 1290'	19 East/West line WEST	20 County EDDY
21 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
22 UL or lot no.	23 Section	24 Township	25 Range	26 Lot Idn	27 Feet from the	28 North/South line	29 Feet from the	30 East/West line	31 County
32 Dedicated Acres	33 Joint or Infill	34 Consolidation Code		35 Order No.					

NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

October 4, 1994

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.

Date of Survey

AUGUST 25, 1994

Signature and Seal of Professional Surveyor

V. LYNN BEZNER
 NO. 7920

Certification No.

V. L. BEZNER

R.P.S. #7920

OPERATOR'S COPY

FORGET IN TRIPLICATE
(Obey instructions on reverse side)

Form approved
Budget Bureau No. 1004-0136
Expires: December 31, 1991

Form 5167-3
(December 1990)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL **DEEPEN**

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER **SHOULD BE DRILL** **SHOULD BE DEEPEN**

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At OUTLET: **50' FSL & 2510' FWL** **Non-Standard Location...** **SUBJECT TO LIKE APPROVAL BY STATE**
 At proposed prod. hole: **Same**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
4 Miles East and 4 miles North of Loco Hills, N.M.

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE (ft.)
50'

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETION, OR APPLIED FOR WELL (ft.)
1100'

21. ELEVATION (Show whether SP, FC, OIL, etc.)
3764' GR

PROPOSED CASING AND CEMENTING PROGRAM

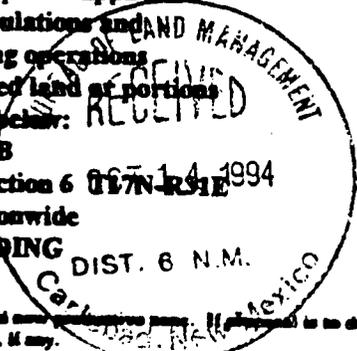
SIZE OF HOLE	CASING SPECIFICATIONS	WEIGHT PER FOOT	CASING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	400'	165 sk lite cement + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.57	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

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- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-B
 Legal Description: Section 6 **67N-R31E**
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING



24. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed to deepen, give data on present productive zone and proposed new productive zone. If proposed to drill or deepen directionally, give pertinent data on subsurface formation and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE September 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY: **APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED**

APPROVED BY Paul H. Mann TITLE AREA MANAGER DATE 12/20/94

*See Instructions On Reverse Side

T I
Box 1920
NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-84
Instructions on back

DISTRICT II
O. Drawer DD
Mesia, NM 88211-0719

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

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

AMENDED REPORT

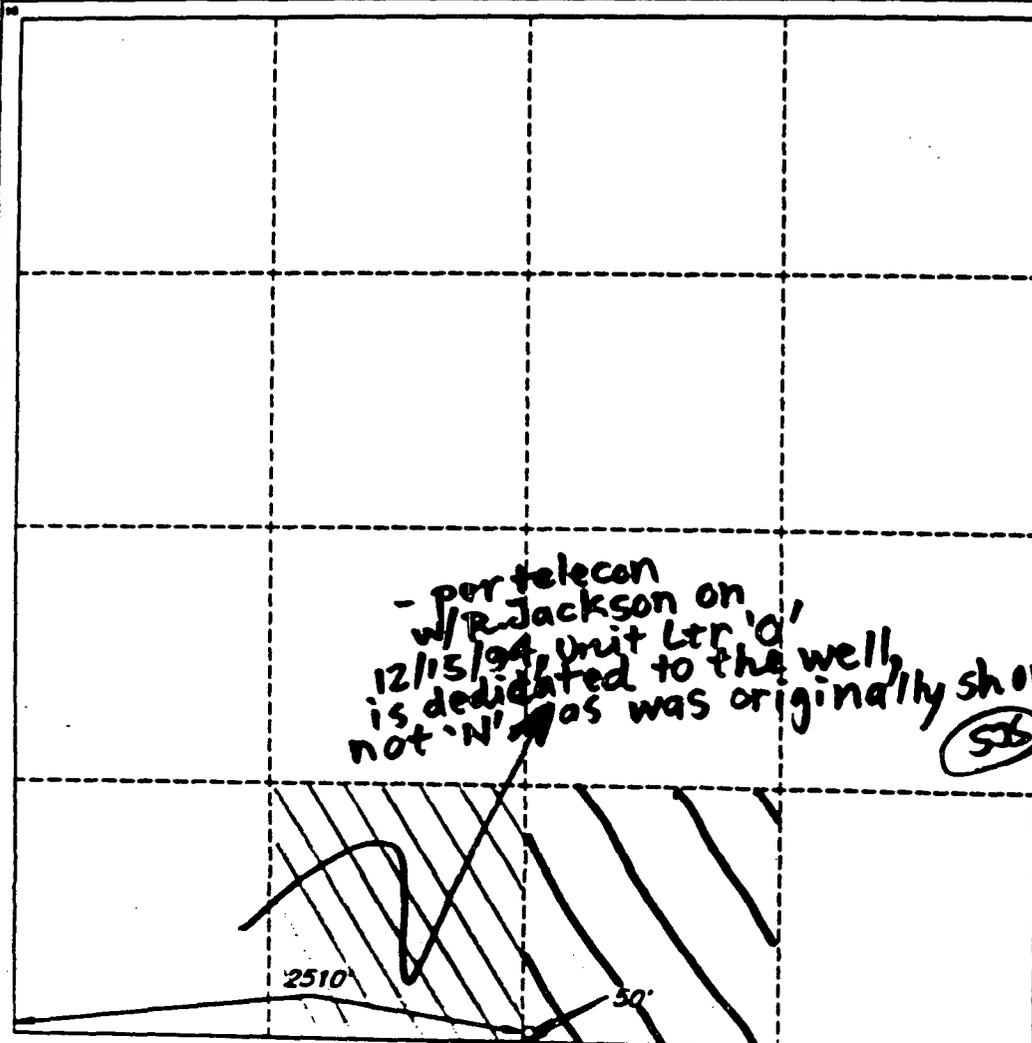
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name			
* Property Code 0		* Property Name KEEL 'B' FEDERAL				* Well Number 66	
* OCHED No.		* Operator Name DEVON ENERGY OPERATING CORPORATION				* Elevation 3764'	
* SURFACE LOCATION							
UL or lot no. Y	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot No.	Feet from the North/South line 50'	Feet from the East/West line 2510'	County EDDY
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE							
UL or lot no.	Section	Township	Range	Lot No.	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 WELL 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.

Signature: *Randy Jackson*
Printed: **RANDY JACKSON**
Title: **DISTRICT ENGINEER**
Date: **October 4, 1994**

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.

Date of Survey: **AUGUST 25, 1994**

Signature and Seal of Professional Surveyor: *V. Lynn Bezner*

V. LYNN BEZNER
NO. 7920

V. L. BEZNER P.S. #7920

OPERATOR'S COPY

SUBMIT BY TELETYPE
(Other instructions on reverse side)

Form approved
Budget Number No. 1004-0136
Expires: December 31, 1991

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL DEEPEN

b. TYPE OF WELL OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE
20 N. Broadway, Suite 1500, Oklahoma City, Oklahoma 73102 (405) 552-4530

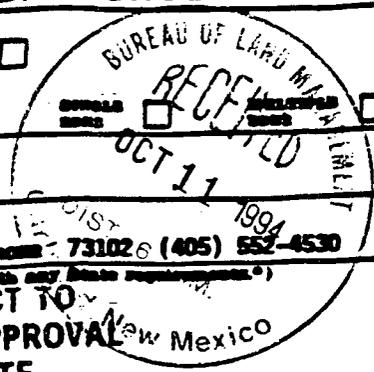
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: 1250' FNL & 1300' ^{NON} STANDARD LOCATION...
At proposed prod. hole: 1000' SIDE

5. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 Miles East and 4 miles North of Loco Hills, N.M.

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1250'

19. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DRILLING, COMPLETED, OR APPLIED FOR, OF THIS LEASE, FT. 1000'

21. REMARKS (Show whether DR., RE., GR., etc.)
3898' GR No Water Basin



6. LEASE DESCRIPTION AND SERIAL NO.
LC-029435-B

8. IF FEDERAL, ALLOTTEE OR THIRD PARTY
NA

7. STATE ABBREVIATION
NA

9. SURVEYED NAME WELL IS
Keel "B" Federal #68

10. FIELD AND POOL OR WELDCAT
GRAYBURG-JACKSON

11. SEC., T., R., N., OR S.E. AND SURVEY OR AREA
Sec. 5-T17S-R31E

12. COUNTY OR PARISH EDDY COUNTY

13. STATE NM

16. NO. OF ACRES IN LEASE 1885.0

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

20. SURVEY OR CABLE TOOLS ROTARY

22. APPROX. DATE WORK WILL START* November 1, 1994

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING DEPTH	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.07	450'	165 sk 11te cmt + 200 sk Class "C" CIRCULATE
7 7/8"	5 1/2" J-55	15.57	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 5 T17N-R31E
Bond Coverage: Nationwide
BEM Bond No.: PENDING

General Subject to
General Requirements
Special Stipulations
Attached

24. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zones. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED: Randy Jackson TITLE: DISTRICT ENGINEER DATE: September 22, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY: Richard L. Mann TITLE: AREA MANAGER DATE: 11/23/94

*See Instructions On Reverse Side

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 statements or representations.

T I
Box 1980
NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-100
Revised 02-10-84
Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT II
O. Drower DD
Artesia, NM 88211-0719

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

AMENDED REPORT

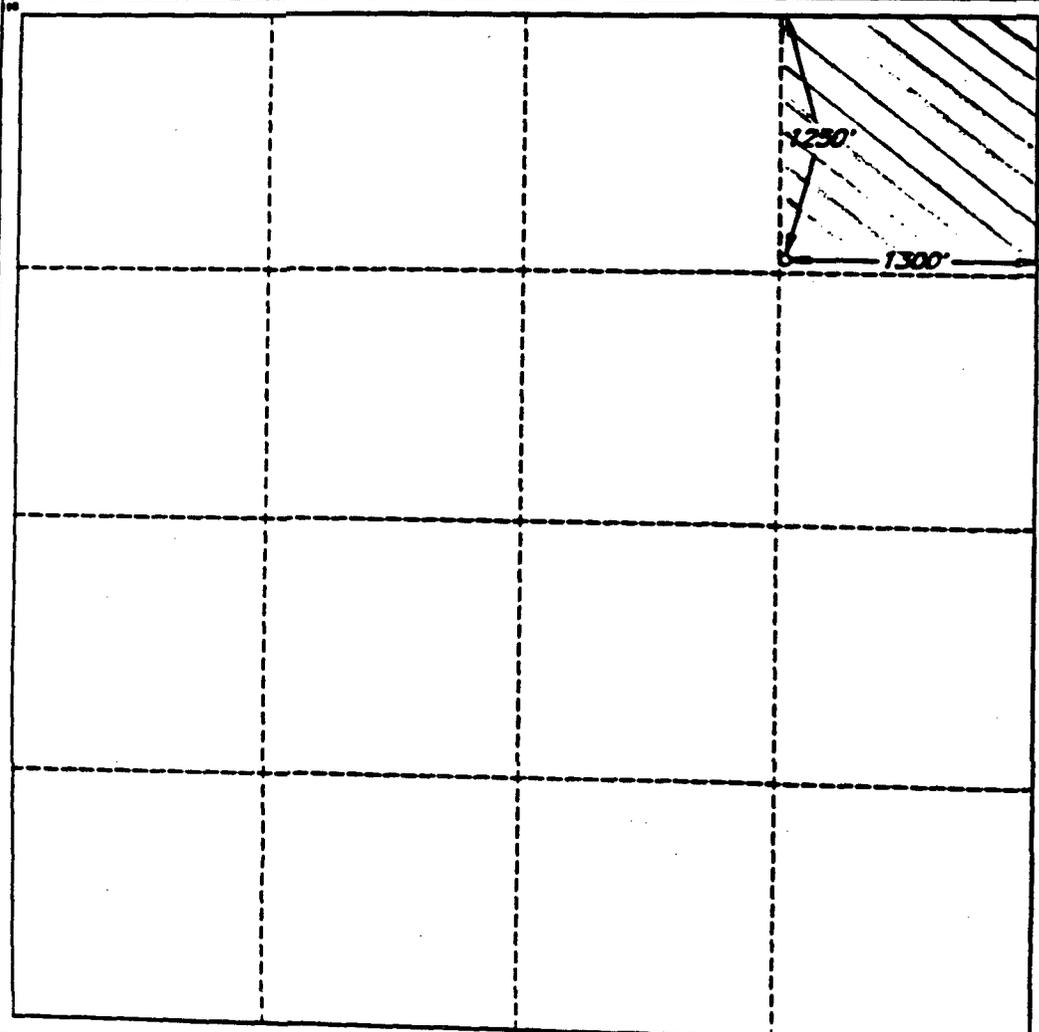
DISTRICT III
1000 Rio Brazos Rd.
Artec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* APT Number		* Pool Code		* Pool Name					
* Property Code A		* Property Name KEEL "B" FEDERAL				* Well Number 68			
* OGEED No.		* Operator Name DEVON ENERGY OPERATING CORPORATION				* Elevation 3898'			
* SURFACE LOCATION									
UL or lot no.	Section 5	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot No.	Foot from the 1250'	North/South Line NORTH	Foot from the 1300'	East/West Line EAST	County KDDY
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot No.	Foot from the	North/South Line	Foot from the	East/West Line	County
** Dedicated Acres		** Joint or Infill		** Consolidation Code		** Order No.			

NO ALLOWABLE WELL 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.

Signature
Randy Jackson

Printed Name
RANDY JACKSON

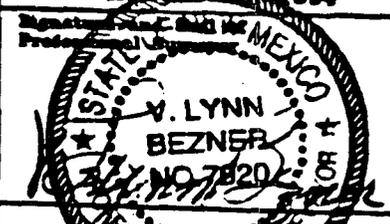
Title
DISTRICT ENGINEER

Date
October 4, 1994

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.

Date of Survey
AUGUST 1994



Certified by
V. L. BEZNER
P.E. S. #7820

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK: DRILL DEEPEN

TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1338 FNL & 40 FEL

At top proposed prod. zone (SAME)

NON-STANDARD LOCATION...

SUBJECT TO LIKE APPROVAL BY STATE

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "B" #70

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 5 T17 S - R31 E

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH
KDDY

13. STATE
NM

DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
40' FEL

16. NO. OF ACRES IN LEASE
1885.0

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1000'

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

ELEVATIONS (Show whether DF, RT, GR, etc.)
5' GR

22. APPROX. DATE WORK WILL START*
December 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

The plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- 2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

NOV 10 1994
10:30 AM
100
100
100
100

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON DISTRICT ENGINEER

DATE October 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

Approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.

APPROVED BY Charles M. Mann

TITLE AREA MANAGER

DATE 12/20/94

See Instructions On Reverse Side

CT I
Box 1980
s. NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

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

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

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

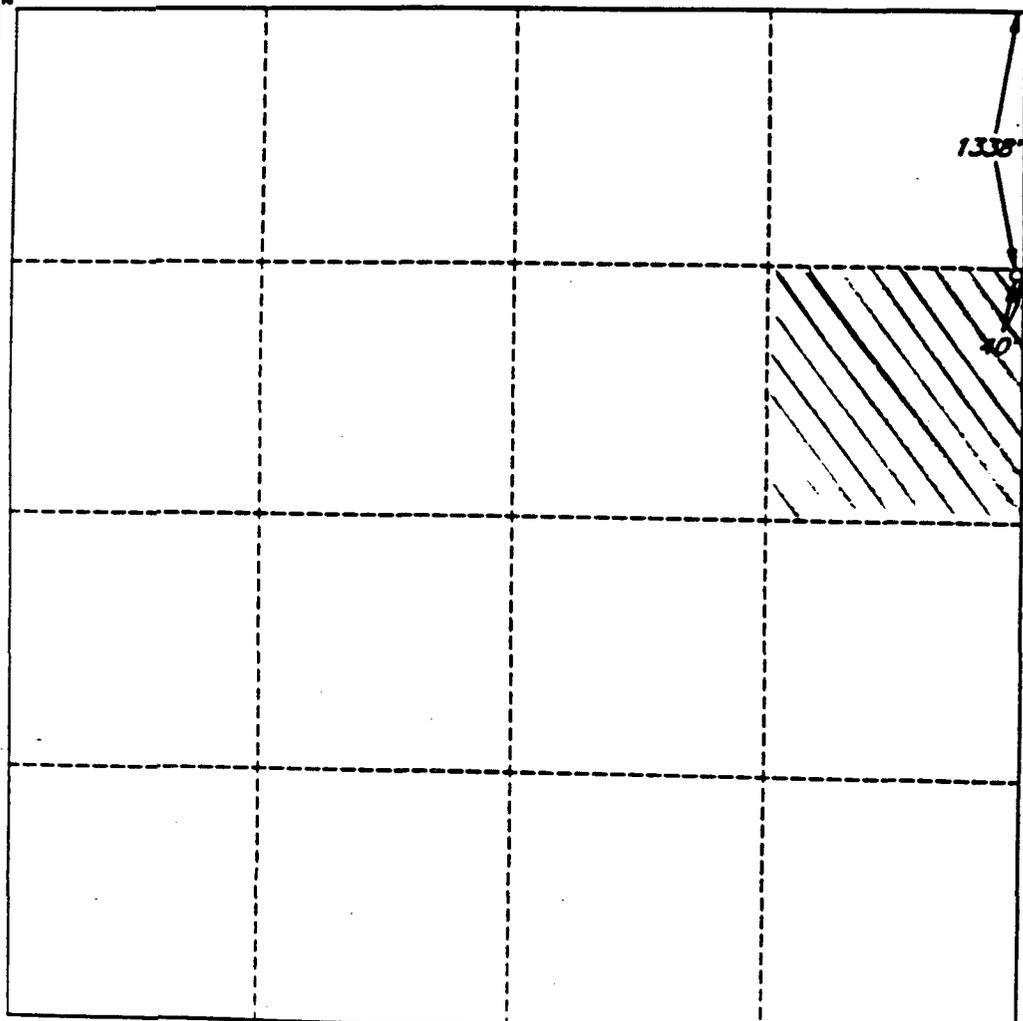
AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code		* Property Name KEEL 'B' FEDERAL						* Well Number 70	
* OGRD No.		* Operator Name DEVON ENERGY OPERATING COMPANY						* Elevation 3925'	
* SURFACE LOCATION									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
↓	5	17 SOUTH	31 EAST, N.M.P.M.		1338'	NORTH	40'	EAST	EDDY
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
** Dedicated Acres 40		** Joint or Infill		** Consolidation Code		** Order No.			

(SJS) NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 15, 1994

Signature of Surveyor

V. Lynn Bezner

**V. LYNN
BEZNER
NO. 7920**

V. L. BEZNER, Surveyor, State License No. 7920

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

OPERATOR'S COPY

SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO. LC 029435-B	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA	
7. UNITY AGREEMENT NAME NA	
8. FARM OR LEASE NAME, WELL NO. Keel "B" #71	
9. API WELL NO.	
10. FIELD AND POOL, OR WILDCAT GRAYBURG-JACKSON	
11. SEC., T., R. M., OR BLOCK AND SURVEY OR AREA SECTION 6 T17 S- R31 E	
12. COUNTY OR PARISH EDDY	13. STATE NM
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 67' FEL <small>(Also to nearest dist. unit line if any)</small>	16. NO. OF ACRES IN LEASE 1885.0
17. NO. OF ACRES ASSIGNED TO THIS WELL 40	18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 900'
19. PROPOSED DEPTH 4000	20. ROTARY OR CABLE TOOLS* Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3767' GR	22. APPROX. DATE WORK WILL START* December 1, 1994

NON-STANDARD LOCATION... SUBJECT TO STATE APPROVAL BY STATE

1a. TYPE OF WORK: DRILL DEEPEN

b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2521 FNL & 67 FEL
At top proposed prod. zone (SAME)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
67' FEL
(Also to nearest dist. unit line if any)

16. NO. OF ACRES IN LEASE
1885.0

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
900'

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3767' GR

22. APPROX. DATE WORK WILL START*
December 1, 1994

13. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
2 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE October 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
PROVED BY Richard L. Mann TITLE AREA MANAGER DATE 12/13/94

See Instructions On Reverse Side

GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

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

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

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

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

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

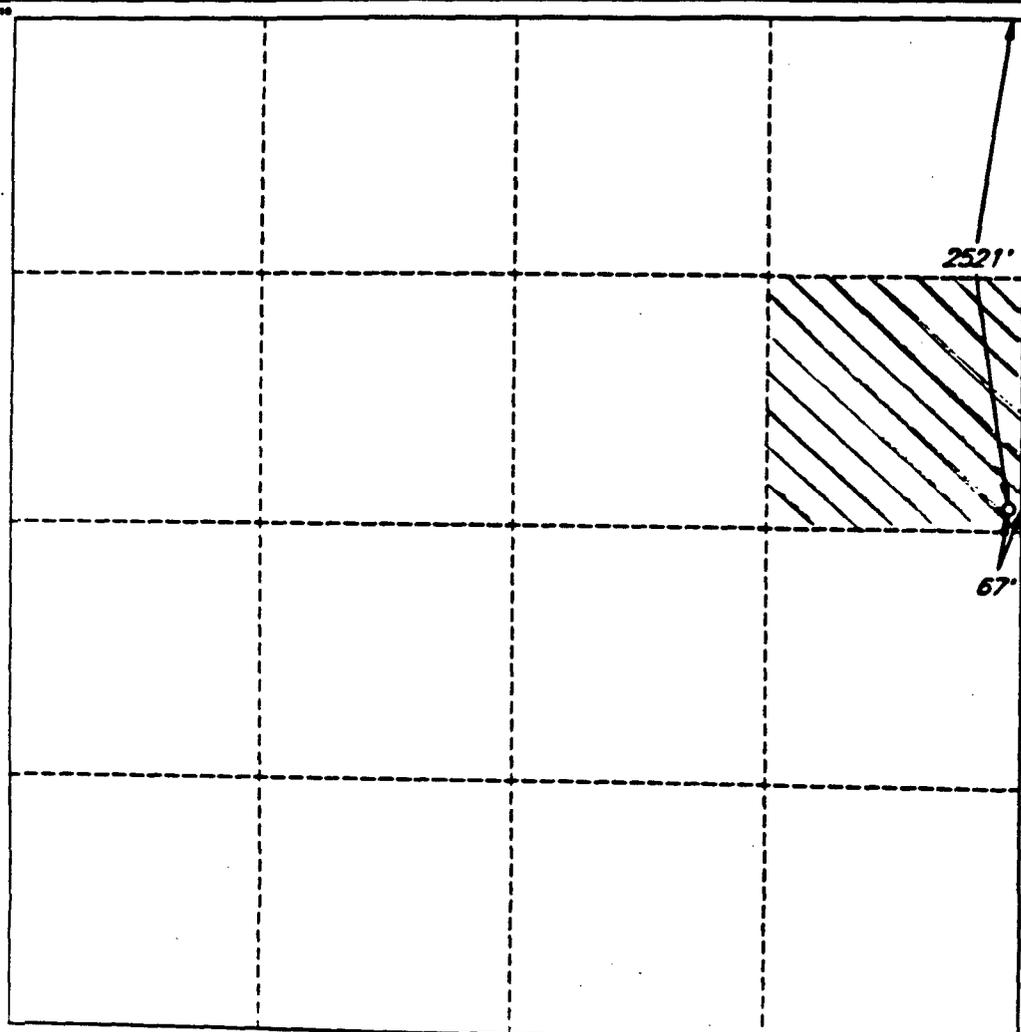
AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name									
* Property Code H		* Property Name KEEL "B" FEDERAL						* Well Number 71					
* OCKID No.		* Operator Name DEVON ENERGY OPERATING COMPANY						* Elevation 3767'					
* SURFACE LOCATION													
UL or lot no. ↓	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County EDDY				
					2521'	NORTH	67'	EAST					
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"													
UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County				
<table border="1"> <tr> <td>* Dedicated Acres 40</td> <td>* Joint or Infill</td> <td>* Consolidation Code</td> <td>* Order No.</td> </tr> </table>										* Dedicated Acres 40	* Joint or Infill	* Consolidation Code	* Order No.
* Dedicated Acres 40	* Joint or Infill	* Consolidation Code	* Order No.										

555 NO ALLOWABLE WELL 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.

Signature: *Randy Jackson*
Printed Name: RANDY JACKSON
Title: DISTRICT ENGINEER
Date: November 1, 1994

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.

Date of Survey: OCTOBER 18, 1994

Signature and Seal of Professional Surveyor:

 V. LYNN BEZNER
 License No. 7920
 State of New Mexico
 P.S. #7920

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK: DRILL [X] DEEPEN []

TYPE OF WELL: OIL WELL [X] GAS WELL [] Other [] SINGLE ZONE [] MULTIPLE ZONE []

NAME OF OPERATOR DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO. 20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1275 FNL & 1302 FWL

At top proposed prod. zone (SAME) NON-STANDARD LOCATION...

SUBJECT TO LIKE APPROVAL BY STATE

5. LEASE DESIGNATION AND SERIAL NO. LC 029435-B
6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
7. UNIT AGREEMENT NAME NA
8. FARM OR LEASE NAME, WELL NO. Keel "B" #80
9. API WELL NO.
10. FIELD AND POOL, OR WILDCAT GRAYBURG-JACKSON
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA SECTION 5 T17 S - R31 E

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH EDDY 13. STATE NM

DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1275' FNL

16. NO. OF ACRES IN LEASE 1885.0

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 900'

19. PROPOSED DEPTH 4000

20. ROTARY OR CABLE TOOLS Rotary

ELEVATIONS (Show whether DF, RT, GR, etc.) 313' GR

22. APPROX. DATE WORK WILL START DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: SIZE OF HOLE, GRADE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows for 1 1/4" and 7/8" hole sizes.

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design
H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below: Lease No. LC029435-B Legal Description: Section 5-T17N-R31E Bond Coverage: Nationwide BLM Bond No.: PENDING

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE DISTRICT ENGINEER

DATE October 27, 1994

This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

APPROVED BY Richard L. Mann

TITLE AREA MANAGER

DATE 12/13/94

See Instructions On Reverse Side

T I
Box 1980
A. NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
O. Drower DD
Artesia, NM 88211-0719

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

Submit to the Appropriate
District Office
State Loose - 4 copies
Fee Loose - 3 copies

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code	* Pool Name
* Property Code D	* Property Name KEEL 'B' FEDERAL		* Well Number 80
* OGRID No.	* Operator Name DEVON ENERGY OPERATING COMPANY		* Elevation 3813'

* SURFACE LOCATION

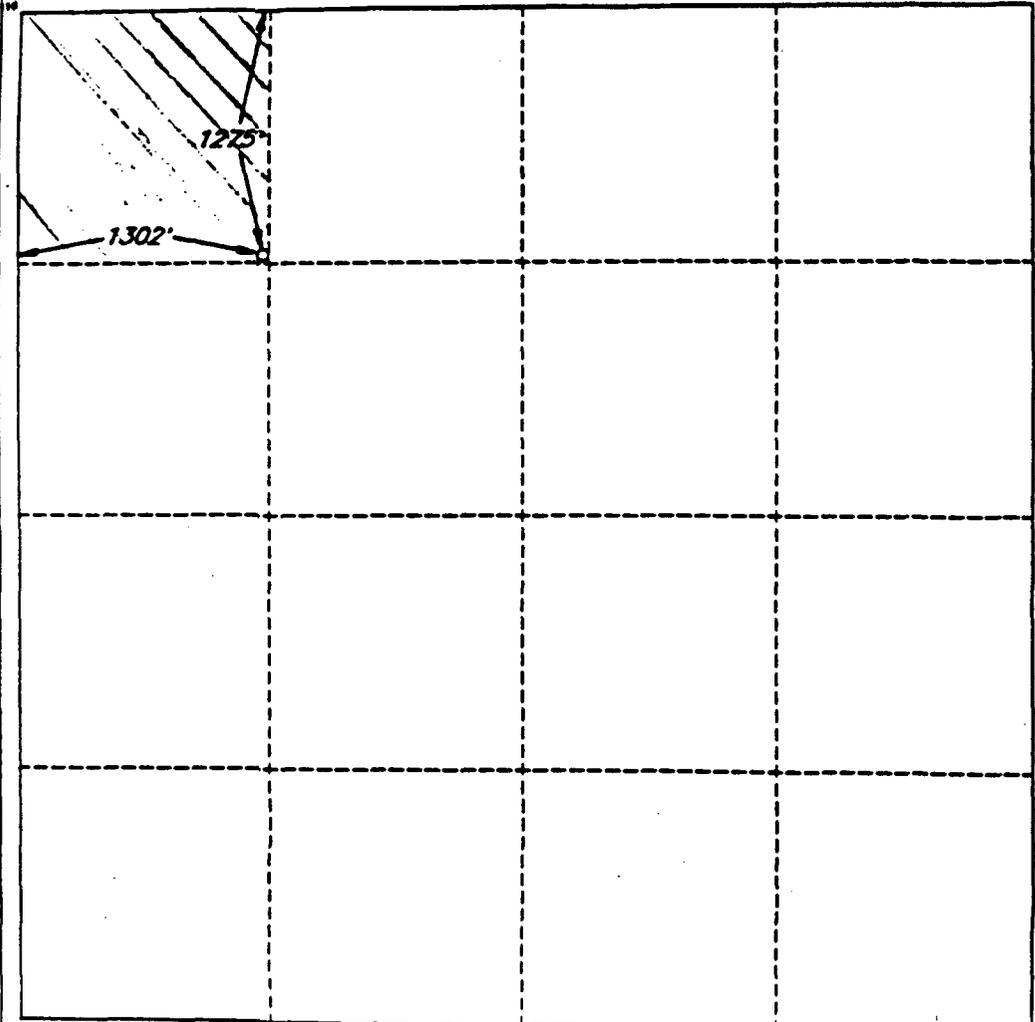
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the North/South line	Feet from the East/West line	County
↓	5	17 SOUTH	31 EAST, N.M.P.M.		1275'	1302'	EDDY

"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot 1/4	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 WELL 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.

Signature
Randy Jackson

Printed Name
RANDY JACKSON

Title
DISTRICT ENGINEER

Date
November 1, 1994

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.

Date of Survey
OCTOBER 19, 1994

Signature and Seal of Professional Surveyor
V. Lynn Bezner

STATE OF NEW MEXICO
V. LYNN BEZNER
NO. 7920

Certified by
V. L. BEZNER AND S.P.S. #7920

3
1990

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL DEEPEN
b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR: **DEVON ENERGY OPERATING CORPORATION**

3. ADDRESS AND TELEPHONE NO.: **20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface: **2550 FNL & 1190 FWL**
At top proposed prod. zone: **(SAME)**
Non-standard location... **SUBJECT TO LIKE APPROVAL BY STATE**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.: **1190' FWL**
(Also to nearest drive unit line if any)

16. NO. OF ACRES IN LEASE: **1885.0**

17. NO. OF ACRES ASSIGNED TO THIS WELL: **40**

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: **800'**

19. PROPOSED DEPTH: **4000**

20. ROTARY OR CABLE TOOLS*: **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.): **3759' GR**

22. APPROX. DATE WORK WILL START*: **December 1, 1994**

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	400'	165 sk late cnt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 6-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE DISTRICT ENGINEER

DATE October 27, 1994

*(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY Edmund M. Mann

TITLE AREA MANAGER

DATE 12/13/94

See Instructions On Reverse Side

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 statements or representations as to any matter within its jurisdiction

Box 1980
 NM 88241-1980

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

DISTRICT II
 G. Drower DD
 Artesia, NM 88211-0719

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

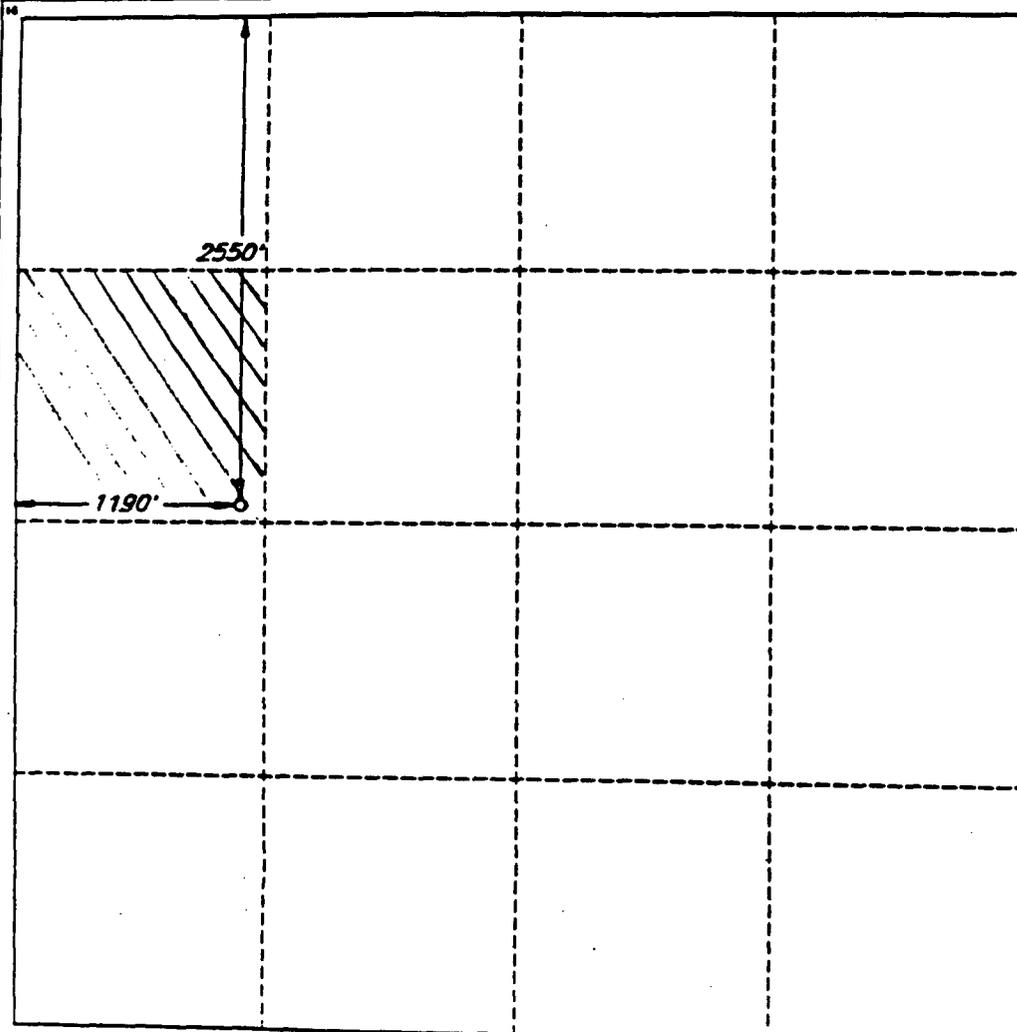
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property CSD# E		* Property Name KEEL "B" FEDERAL				* Well Number 81			
* OGRID No.		* Operator Name DEVON ENERGY OPERATING COMPANY				* Elevation 3759'			
* SURFACE LOCATION									
UL or lot no. V	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot No.	Feet from the 2550'	North/South line NORTH	Feet from the 1190'	East/West line WEST	County EDDY
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot No.	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 WELL 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.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

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.

Date of Survey

OCTOBER 15, 1994

Signature and Seal of Professional Surveyor

V. LYNN BEZNER
 NO. 7920
 V. L. BEZNER SURVEYOR
 R.P.S. #7920

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

OPERATOR'S COPY
DO NOT DUPLICATE
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK: DRILL DEEPEN

TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 40' FNL & 40' FEL

At top proposed prod. zone (SAME) **NON-STANDARD LOCATION...**

**SUBJECT TO
LIKE APPROVAL
BY STATE**

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
miles east & 4 miles north of Loco Hills, N.M.

DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
40' FEL

16. NO. OF ACRES IN LEASE
1885.0

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
900'

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

ELEVATIONS (Show whether DF, RT, GR, etc.)
6

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
1"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk collophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Exhibit #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- 3 Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

PLEASE OVER SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON DISTRICT ENGINEER DATE October 27, 1994

(space for Federal or State office use)

IT NO. _____ APPROVAL DATE _____

Approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Blair L. Mannus TITLE AREA MANAGER DATE 12/13/94

See Instructions On Reverse Side

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Submit to the Appropriate
 District Office
 State Leader - 4 copies
 Fee Leader - 3 copies

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

AMENDED REPORT

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

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

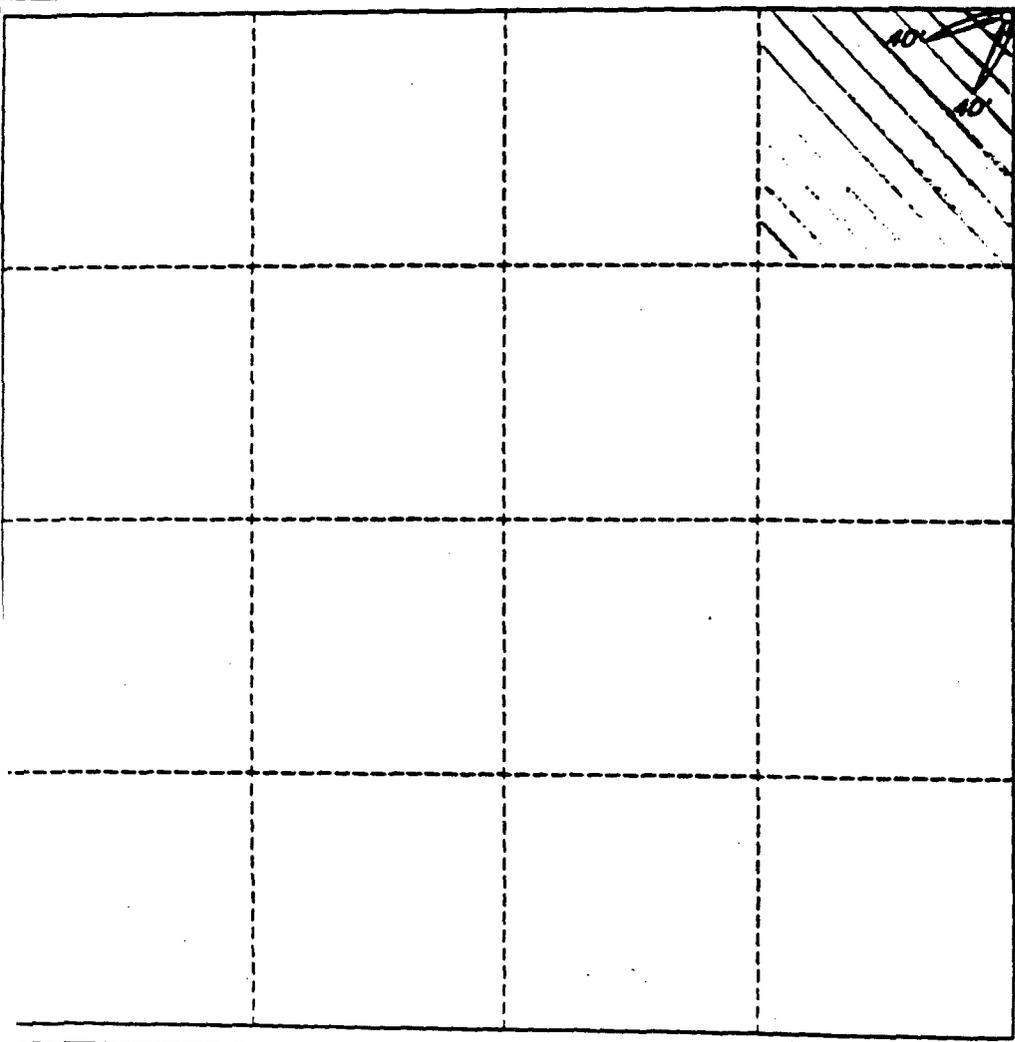
DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name			
* Property Code		* Property Name KEEL 'B' FEDERAL				* Well Number 87	
* OGRID No. (A)		* Operator Name DEVON ENERGY OPERATING COMPANY				* Elevation 3886'	
* SURFACE LOCATION							
UL or lot no. ✓	Section 8	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot No.	Feet from the North/South line 40'	Feet from the East/West line 40'	County EDDY
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE							
UL or lot no.	Section	Township	Range	Lot No.	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 WELL 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.

Signature: *Randy Jackson*
 Printed Name: **RANDY JACKSON**
 Title: **DISTRICT ENGINEER**
 Date: **November 1, 1994**

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.

Date of Survey: **OCTOBER 19, 1994**

Signature: *V. Lynn Rezner*
 Professional Surveyor

STATE OF NEW MEXICO
V. LYNN REZNER
NO. 7920

California No. **V. REZNER SURV. ES. #7920**
 JOB # **35808-445** SW / V.H.B.

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

OPERATOR'S COPY
SUBMIT IN TRIPLICATE*
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL DEEPEN

b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "B" #89

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M. OR BLOCK AND SURVEY OR AREA
SECTION 8-T17 S- R31 E

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface **1194' FNL & 100' FEL**

At top proposed prod. zone (SAME) **Non-Standard Location...**

SUBJECT TO LIKE APPROVAL BY STATE

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH
KIDDY

13. STATE
NM

DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. **100' FEL**
(Also in nearest dir. unit line if any)

16. NO. OF ACRES IN LEASE
1885.00

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **1000'**

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS*
Rotary

ELEVATIONS (Show whether DF, RT, GR, etc.)
58'

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
3/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Exhibit #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
 - 2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

BOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

RANDY JACKSON
TITLE DISTRICT ENGINEER DATE October 27, 1994

5 space for Federal or State office use)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

4. IT NO. _____ APPROVAL DATE _____

Approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Donald E. Mann

TITLE AREA MANAGER DATE 12/15/94

See Instructions On Reverse Side

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

AMENDED REPORT

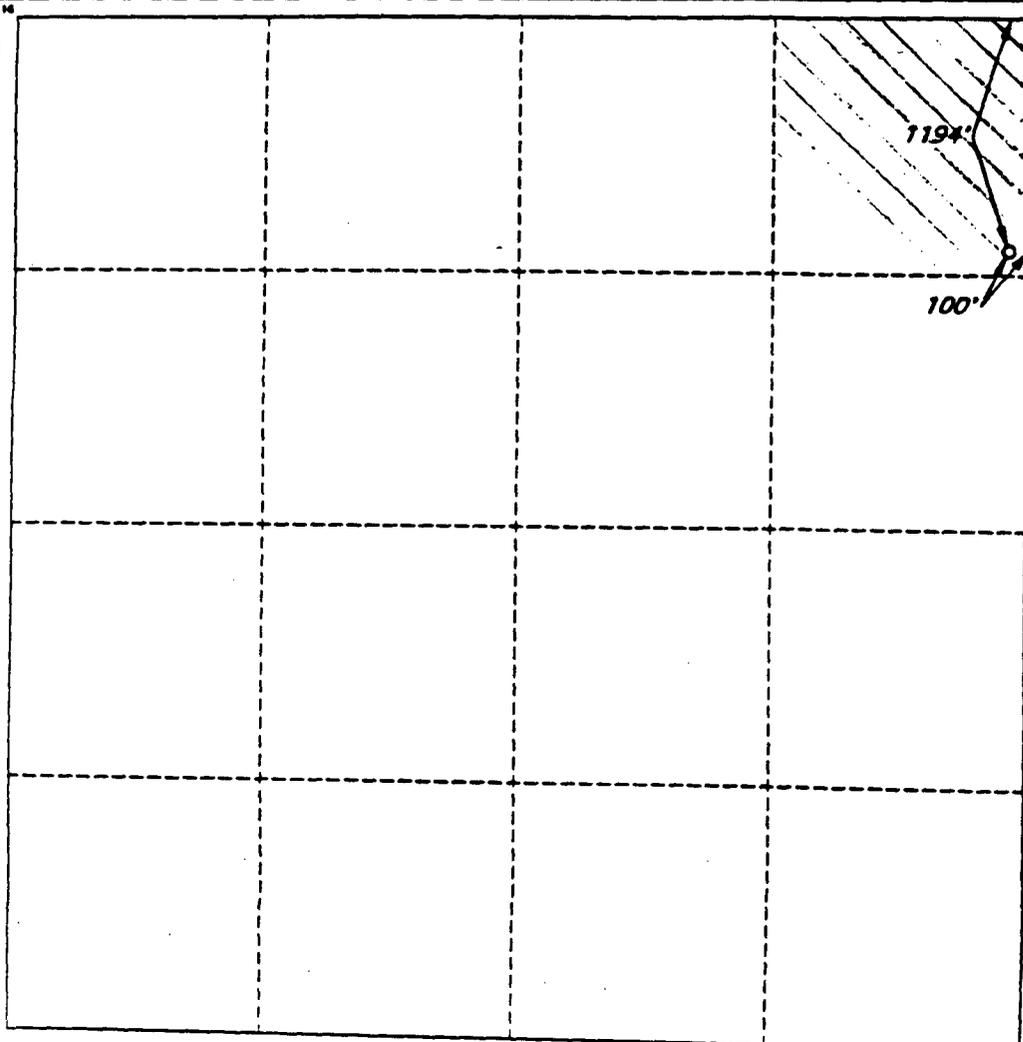
DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code		5 Property Name KEEL 'B' FEDERAL						6 Well Number 89	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3858'	
10 SURFACE LOCATION									
11 UL or lot no. V	12 Section 8	13 Township 17 SOUTH	14 Range 31 EAST, N.M.P.M.	15 Lot Ida	16 Feet from the 1194'	17 North/South line NORTH	18 Feet from the 100'	19 East/West line EAST	20 County EDDY
21 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
22 UL or lot no.	23 Section	24 Township	25 Range	26 Lot Ida	27 Feet from the	28 North/South line	29 Feet from the	30 East/West line	31 County
32 Dedicated Acres 40		33 Joint or Infill		34 Consolidation Code		35 Order No.			

SSS

NO ALLOWABLE WELL 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.

Signature: *Randy Jackson*
 Printed Name: RANDY JACKSON
 Title: DISTRICT ENGINEER
 Date: November 1, 1994

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.

Date of Survey: OCTOBER 26, 1994

Signature and Seal of Professional Surveyor for New Mexico:

 V. LYNN BEZNER
 NO. 7920

Certificate No. V. L. BEZNER SURV. B.P.S. #7920

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
SUBMIT IN TRIPPLICATE
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL DEEPEN

b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 2575' FNL & 1335' FWL

At top proposed prod. zone (SAME)
NON-STANDARD LOCATION... SUBJECT TO LIKE APPROVAL BY STATE

DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
miles east & 4 miles north of Loco Hills, N.M.

DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
1335' FWL

16. NO. OF ACRES IN LEASE
1885.0

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
900'

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS
Rotary

ELEVATIONS (Show whether DF, RT, CR, etc.)
13

22. APPROX. DATE WORK WILL START
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	165 sk lts emt + 200 sk Class "C"
8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk callophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Casing Program**
- Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease No. LC029435-B
 Legal Description: Section 8-T17N-R31E
 Bond Coverage: Nationwide
 BLM Bond No.: PENDING

NOV 10 10 51 AM '94
RECEIVED

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

TITLE RANDY JACKSON DISTRICT ENGINEER

DATE October 27, 1994

space for Federal or State office use)

APPROVAL DATE _____ APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

CONDITIONS OF APPROVAL, IF ANY: _____

APPROVED BY Richard L. Mann

TITLE AREA MANAGER

DATE 12/13/94

See Instructions On Reverse Side

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-1C
 Revised 02-10-94
 Instructions on back

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

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

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

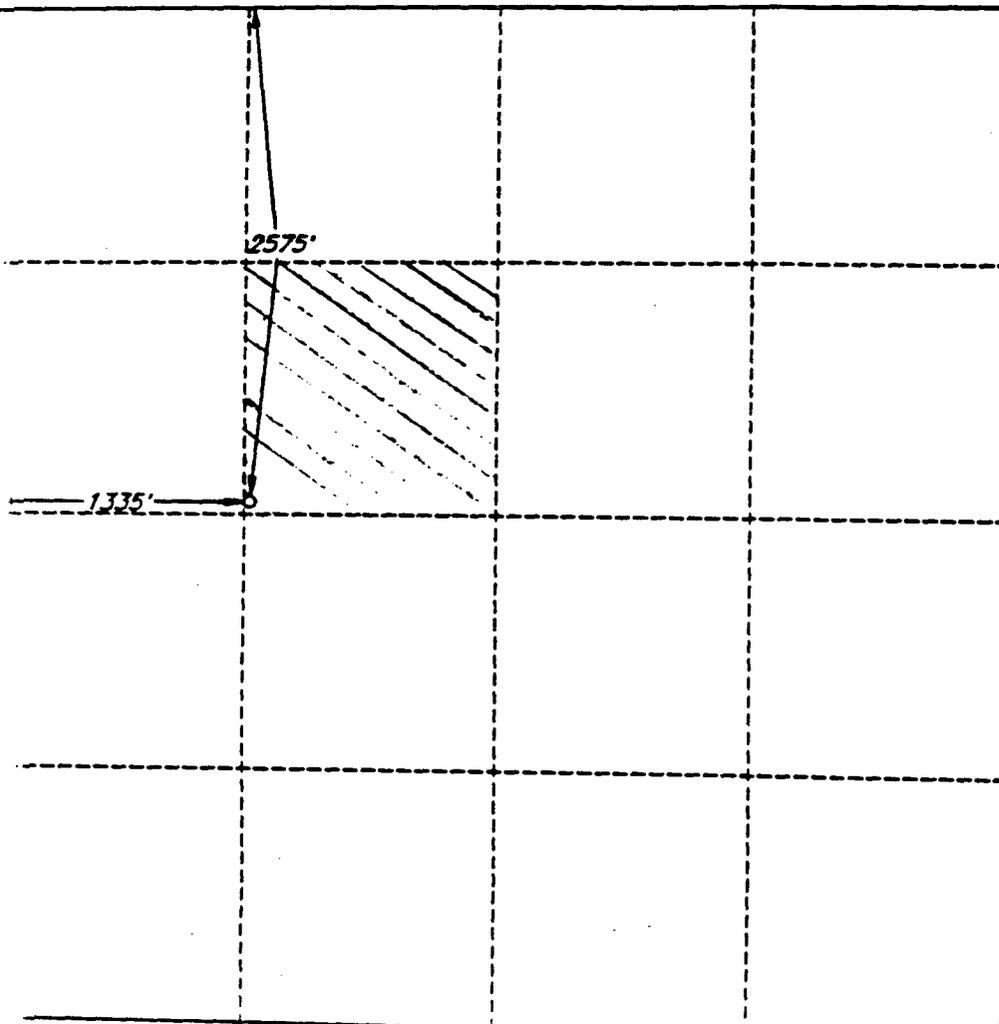
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code F		* Property Name KEEL 'B' FEDERAL						* Well Number 90	
* OGRID No.		* Operator Name DEVON ENERGY OPERATING COMPANY						* Elevation 3733'	
* SURFACE LOCATION									
UL or lot no. ✓	Section 8	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 2575'	North/South line NORTH	Feet from the 1335'	East/West line WEST	County 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 40		* Joint or Infill		* Consolidation Code		* Order No.			

SJS NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

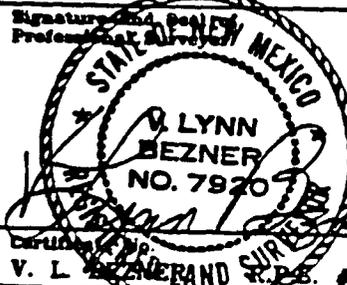
SURVEYOR CERTIFICATION

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.

Date of Survey

OCTOBER 21, 1994

Signature and Seal of Professional Surveyor



V. L. BEZNER AND S.P.S. #7920

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

OPERATOR'S COPY
SUBMIT IN TRIPLICATE
(See other instructions on reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL DEEPEN

b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

1. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

2. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "B" #92

9. APT WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 8-T17S-R31E

3. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface **2630' FSL & 1282' FEL**
At top proposed prod. zone (SAME) **1182' ^{SD} Non-standard Location...**

**SUBJECT TO
LIKE APPROVAL
BY STATE**

4. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH
KDDY

13. STATE
NM

16. NO. OF ACRES IN LEASE
1885.00

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. PROPOSED DEPTH
4000'

20. ROTARY OR CABLE TOOLS
Rotary

19. PROPOSED DEPTH TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **1000'**

22. APPROX. DATE WORK WILL START
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibit #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- 2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depth. Give blowout preventer program, if any.

SIGNED Randy Jackson TITLE **RANDY JACKSON DISTRICT ENGINEER** DATE **October 27, 1994**

(This space for Federal or State office use)

APPROVAL DATE _____ APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

APPROVED BY Richard E. Mann TITLE **AREA MANAGER** DATE **12/14/94**

See Instructions On Reverse Side

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

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

OIL CONSERVATION DIVISION

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

Submit to the Appropriate
 District Office
 State Copies - 4 copies
 Fee Letters - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

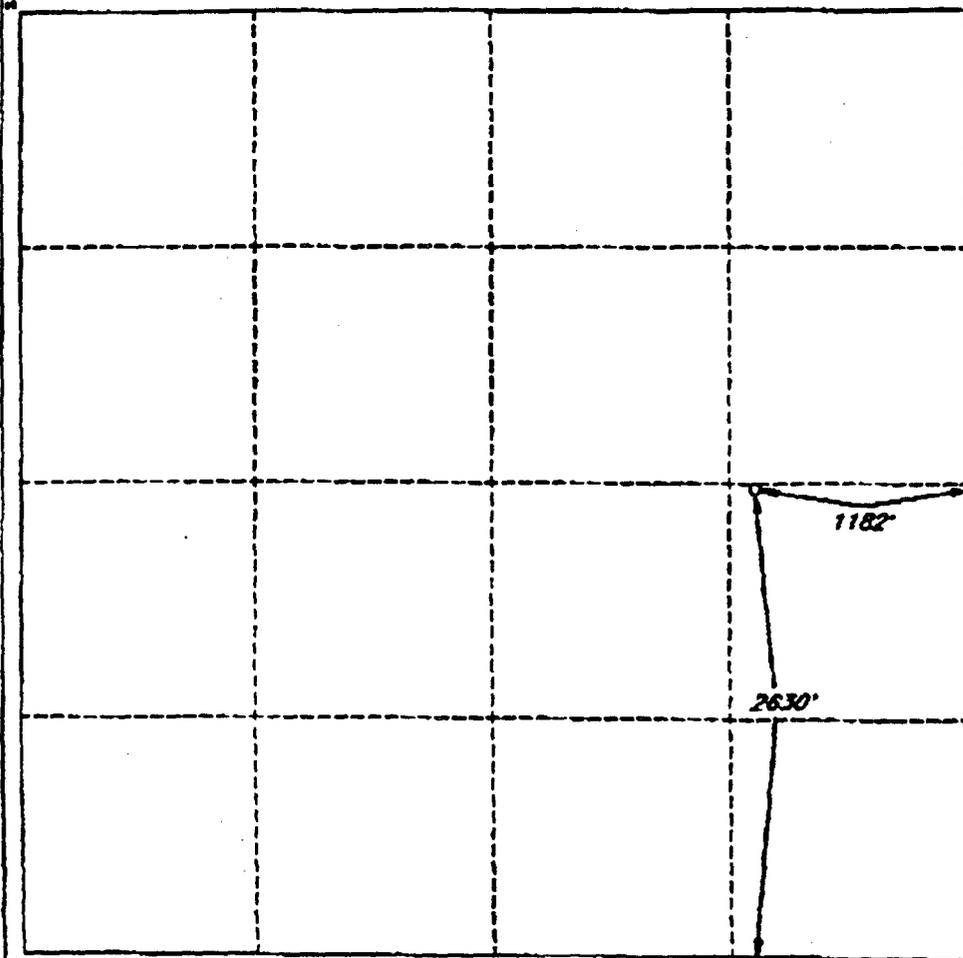
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name					
* Property Code 1		* Property Name KEEL 'B' FEDERAL				* Well Number 92			
* OGSID No.		* Operator Name DEVON ENERGY OPERATING COMPANY				* Elevation 3529'			
* SURFACE LOCATION									
Tr. or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
	8	17 SOUTH	31 EAST, N.M.P.M.		2630'	SOUTH	1182'	EAST	EDDY
* BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
Tr. or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
* Dedicated Acres		* Joint or Infill		* Dedication Code		* Order No.			

NO ALLOWABLE WELL 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.

Signature
Randy Jackson

Printed Name
 Randy Jackson

Title
 District Engineer

Date
 12/17/94

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.

Date of Survey
 NOVEMBER 16, 1994

Signature and Stamp

 V. L. BLAKER No. 7920

JOB #35908-48-7 98 SW / V.H.B

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
SUBMIT IN TRIPLICATE
(See other instructions on reverse side)

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK: DRILL DEEPEN

b. TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

5. LEASE DESIGNATION AND SERIAL NO.
LC 029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
Keel "B" #94

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 8-T17S-R31E

ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 1309' FSL & 1299' FEL

At top proposed prod. zone (SAME) **NON-STANDARD LOCATION...**

... SUBJECT TO LIKE APPROVAL BY STATE

12. COUNTY OR PARISH
EDDY

13. STATE
NM

1. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
miles east & 4 miles north of Loco Hills, N.M.

5. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1299' FEL
(Also to nearest title unit line if any)

16. NO. OF ACRES IN LEASE
1885.0

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

19. PROPOSED DEPTH
4000

20. ROTARY OR CABLE TOOLS
Rotary

1. ELEVATIONS (Show whether DF, KT, GR, etc.)
788

22. APPROX. DATE WORK WILL START
DECEMBER 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
2 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cement + 200 sk Class "C"
7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029435-B
Legal Description: Section 8-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

RECEIVED
NOV 1 10 20 AM '94

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson TITLE RANDY JACKSON DISTRICT ENGINEER DATE October 27, 1994

This space for Federal or State office use)

ERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Richard L. Mann TITLE AREA MANAGER DATE 12/13/94

See Instructions On Reverse Side

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 statements or representations as to any matter within its jurisdiction

1980
NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT II
Drawer DD
Aztec, NM 88211-0719

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

AMENDED REPORT

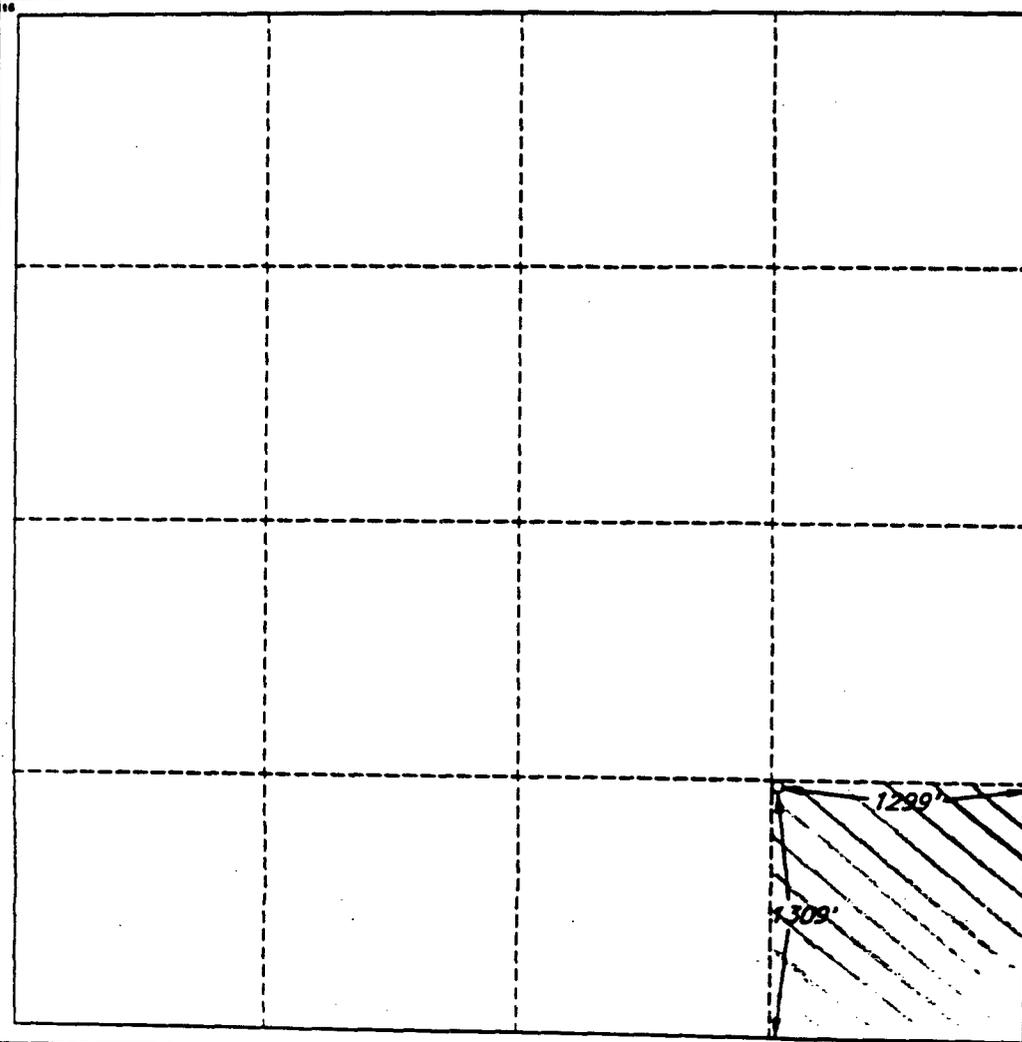
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
4 Property Code P		5 Property Name KEEL 'B' FEDERAL				6 Well Number 94			
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3788'			
10 SURFACE LOCATION									
11 UL or lot no.	12 Section 8	13 Township 17 SOUTH	14 Range 31 EAST, N.M.P.M.	15 Lot 1/4	16 Feet from the 1309'	17 North/South line SOUTH	18 Feet from the 1299'	19 East/West line EAST	20 County EDDY
21 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
22 UL or lot no.	23 Section	24 Township	25 Range	26 Lot 1/4	27 Feet from the	28 North/South line	29 Feet from the	30 East/West line	31 County
32 Dedicated Acres 40	33 Joint or Infill	34 Consolidation Code	35 Order No.						

NO ALLOWABLE WELL 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.

Signature

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

November 1, 1994

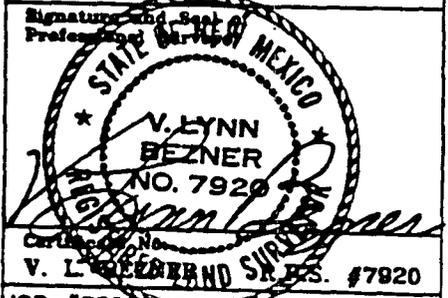
SURVEYOR CERTIFICATION

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.

Date of Survey

OCTOBER 20, 1994

Signature and Seal of Professional Surveyor



A-3
per 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

SUBMIT IN TRIPLICATE*

(See other instructions on
reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK: DRILL DEEPEN

TYPE OF WELL: OIL WELL GAS WELL Other SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
DEVON ENERGY OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO.
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4530

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2620' FSL & 10' FWL
At top proposed prod. zone (SAME) **Non-Standard Location...**

**SUBJECT TO
LIKE APPROVAL
BY STATE**

5. LEASE DESIGNATION AND SERIAL NO.
LC 029426-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UMW AGREEMENT NAME
NA

8. FARM OR LEASE NAME, WELL NO.
West "B" #84

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
GRAYBURG-JACKSON

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SECTION 4-T17 S - R31 E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles east & 4 miles north of Loco Hills, N.M.

12. COUNTY OR PARISH
EDDY

13. STATE
NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
10' FWL
(Also to nearest drg. unit line if any)

16. NO. OF ACRES IN LEASE
1919.88

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
900'

19. PROPOSED DEPTH
4400'

20. ROTARY OR CABLE TOOLS*
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3914'

22. APPROX. DATE WORK WILL START*
DECEMBER 1, 1994

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	600'	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4400'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk collophane flakes

We plan to circulate cement to surface on all casing strings. Devon Energy Operating Corporation proposes to drill to 4400' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design
- H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029426-B
Legal Description: Section 4-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Randy Jackson

RANDY JACKSON
TITLE DISTRICT ENGINEER

DATE October 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY.

APPROVED BY Scott Power

Acturs
TITLE AREA MANAGER

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED
DATE 12/21/94

See Instructions On Reverse Side

CT I
Box 1980
S. NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form O-10.
Revised 02-10-94
Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

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

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

AMENDED REPORT

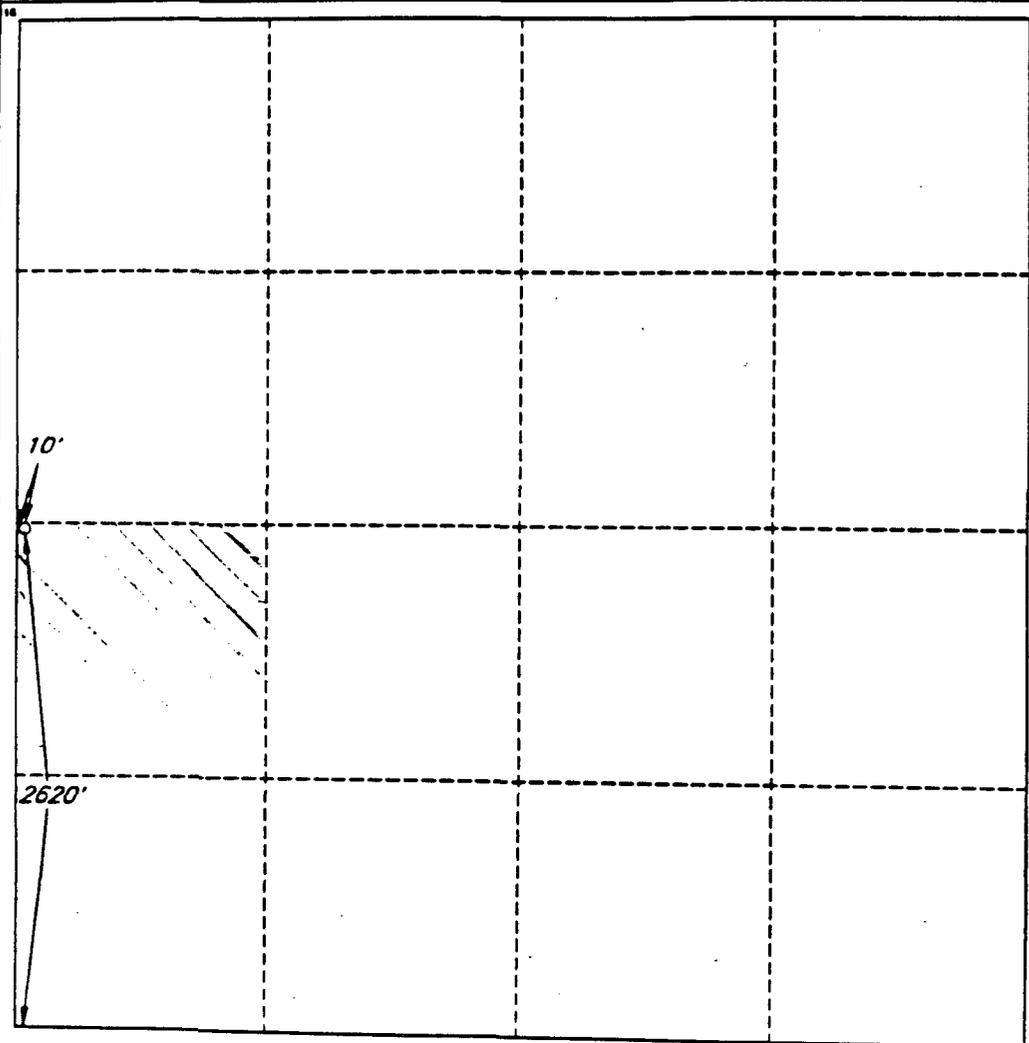
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santo Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name			
4 Property Code L		5 Property Name WEST 'B' FEDERAL			6 Well Number 84		
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY			9 Elevation 3914'		
10 SURFACE LOCATION							
11 UL or lot no.	12 Section	13 Township	14 Range	15 Lot 1/4	16 Feet from the North/South line	17 Feet from the East/West line	18 County
	4	17 SOUTH	31 EAST, N.M.P.M.		2620'	10'	EDDY
19 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE							
20 UL or lot no.	21 Section	22 Township	23 Range	24 Lot 1/4	25 Feet from the North/South line	26 Feet from the East/West line	27 County
28 Dedicated Acres 40		29 Joint or Infill		30 Consolidation Code		31 Order No.	

(535) NO ALLOWABLE WELL 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.

Signature: *Randy Jackson*
Printed Name: RANDY JACKSON
Title: DISTRICT ENGINEER
Date: November 1, 1994

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.

Date of Survey: OCTOBER 19, 1994

Signature and Seal of Professional Surveyor:
V. LYNN BEZNER
NO. 7920

Professional Surveyor
V. L. BEZNER SURV. S.S. #7920

**DEVON
ENERGY
OPERATING
CORPORATION**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

MARBOB ENERGY CORPORATION
11352 Lovington, Highway
Artesia, New Mexico 88210

Certified Letter #: P 005 347 284

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following wells:

WELL	LOCATION
Keel "B" 94	1309' FSL & 1299' FWL 8-17S-31E

All of the proposed locations are located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 94:

Well	Location
Eddy Foster #5	17B-T17S-R31E
Eddy Foster #7	17B-T17S-R31E

The State of New Mexico Oil Conservation Division has ruled that these are "non - standard locations" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although these locations are considered unorthodox they will not be within

330' of your 40 acre tract as it has been moved to the north and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

Westhall Operating Company
P.O. Box 4
Loco Hills, New Mexico 88255

Certified Letter #: P 005 347 281

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following wells:

WELL	LOCATION
Keel "B" 81	2550' FNL & 1190' FWL 6-17S-30E
Keel "B" 94	1309' FSL & 1299' FWL 8-17S-31E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 81:

Well	Location
Artesia Petroleum Company #4	Section 1A-T17S-R30E

Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 94:

Well	Location
Kersey State #3	16D-T17S-R31E

The State of New Mexico Oil Conservation Division has ruled that these are "non - standard locations" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although these locations are considered unorthodox they will not be within 330' of your 40 acre tract as the Keel "B" 81 has both been moved to the east and the Keel "B" 94 has been moved to the north and therefore away from your tracts.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

**DEVON
ENERGY
OPERATING
CORPORATION**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

Kennedy Oil Company
P.O. Box 47
Mayhill, New Mexico 88339-0047

Certified Letter #: P 164 780 246

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
Keel "B" 80	1275' FNL & 1302' FWL 5-17S-31E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

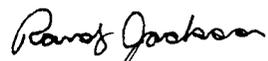
Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 80:

Well	Location
Doolin #1	Section 32N-T16S-R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this locations are considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the south and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

**DEVON
ENERGY
OPERATING
CORPORATION**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

Yates Petroleum Corporation
104 S. 4th
Yates Building
Artesia, N. M. 88210

Certified Letter #: P 005 347 282

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
Keel "B" 68	1250' FNL & 1300' FEL 5-17S-31E

The proposed location is located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 68:

Well	Location
Kennedy #4	Section 33M-T16S-R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this locations are considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the south and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,

A handwritten signature in black ink that reads "Randy Jackson". The signature is written in a cursive style with a large initial "R".

Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

DEVON
ENERGY
OPERATING
CORPORATION

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

W. H. McKinley
P. O. Box 2145
Roswell, New Mexico 88201

Certified Letter #: P 005 347 283

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following well:

WELL	LOCATION
Keel "B" 81	2550' FNL & 1190' FWL 6-17S-31E

All of the proposed locations are located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following well that is offset to the Keel "B" 81:

Well	Location
Artesia Petroleum Company #1	Section 1H-T17S-R30E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this locations are considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the east and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,


Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

**DEVON
ENERGY
OPERATING
CORPORATION**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

Burnett Oil Company
1500 Interfirst Tower
801 Cherry Street
Fort Worth, Texas 76102

Certified Letter #: P 080 276 354

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following 5 wells:

WELL	LOCATION
Keel "A" 24	2560' FSL & 1200' FWL 7-17S-31E
Keel "A" 25	754' FSL & 1165' FWL 7-17S-31E
Keel "B" 63	1310' FSL & 1190' FWL 6-17S-31E
Keel "B" 65	50' FSL & 1290' FWL 6-17S-31E
Keel "B" 81	2550' FNL & 1190' FWL 6-17S-31E

All of the proposed locations are located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "A" 24:

Well	Location
Grayburg Jackson San Andres Unit #48	Section 12H-T17S-R30E
Grayburg Jackson San Andres Unit #36	Section 12I-T17S-30E
Grayburg Jackson San Andres Unit #35	Section 12P-T17S-R30E

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "A" 25:

Well	Location
Grayburg Jackson San Andres Unit #35	Section 12P-T17S-R30E
Grayburg Jackson San Andres Unit #36	Section 12I-T17S-30E
Grayburg Jackson San Andres Unit #30	Section 13A-T17S-R30E

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 63 and Keel "B" 65:

Well	Location
Jackson "B" Tract 5 - #18	Section 1I-T17S-R30E
Jackson "B" Tract 5 - #19	Section 1P-T17S-R30E
Jackson "B" Tract 5 - #38	Section 12A-T17S-R30E

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 81:

Well	Location
Jackson "B" Tract 5 - #18	Section 1I-T17S-R30E

The State of New Mexico Oil Conservation Division has ruled that these are "non - standard locations" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although these locations are considered unorthodox they will not be within 330' of your 40 acre tract as it has been moved to the east and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

**DEVON
ENERGY
OPERATING
CORPORATION**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

December 29, 1994

Anadarko Petroleum Corporation
400 W Illinois
STE 1300
Midland, Texas 79701

Certified Letter #: P 164 780 245

Dear Sir:

The BLM has issued Devon Energy Operating Corporation a permit to drill the following wells:

WELL	LOCATION
Keel "B" 60	1300' FNL & 2450' FWL 6-17S-31E
Keel "B" 68	1250' FNL & 1300' FEL 5-17S-31E

All of the proposed locations are located within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico.

Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 60:

Well	Location
H. J. Loe Federal #5	Section 31M-T16S-R31E
H.J. Loe Federal #1	Section 31N-T16S-R31E
Grier #18	Section 31O-T16S-R31E

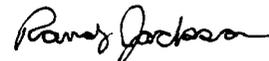
Dwights Production Data shows that you are the operator of the following wells that are offset to the Keel "B" 68:

Well	Location
Tidewater State #2	Section 32O-T16S-R31E
Western Dev A State	Section 32P-T16S-31E

The State of New Mexico Oil Conservation Division has ruled that these are "non - standard locations" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although these locations are considered unorthodox they will not be within 330' of your 40 acre tract as it has been moved to the south and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico