

DEVON  
ENERGY  
OPERATING  
CORPORATION

OIL CONSERVATION DIVISION 405/235-3611  
20 North Broadway, Suite 1500 RECEIVED Fax 405/552-4550  
Oklahoma City, Oklahoma 73102 Fax 405/552-4552  
53 JAN 24 AM 8 52

January 17, 1995

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 "B" 78	1330' FSL & 2616' FEL 8-17S-31E
Keel "B" 82	2519' FNL & 1310' FEL 6-17S-31E
Keel "B" 83	2741' FNL & 1330' FWL 5-17S-31E
Keel "B" 85	1341' FSL & 10' FEL 5-17S-31E
West "B" 80	1410' FSL & 193' FWL 9-17S-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 five 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.

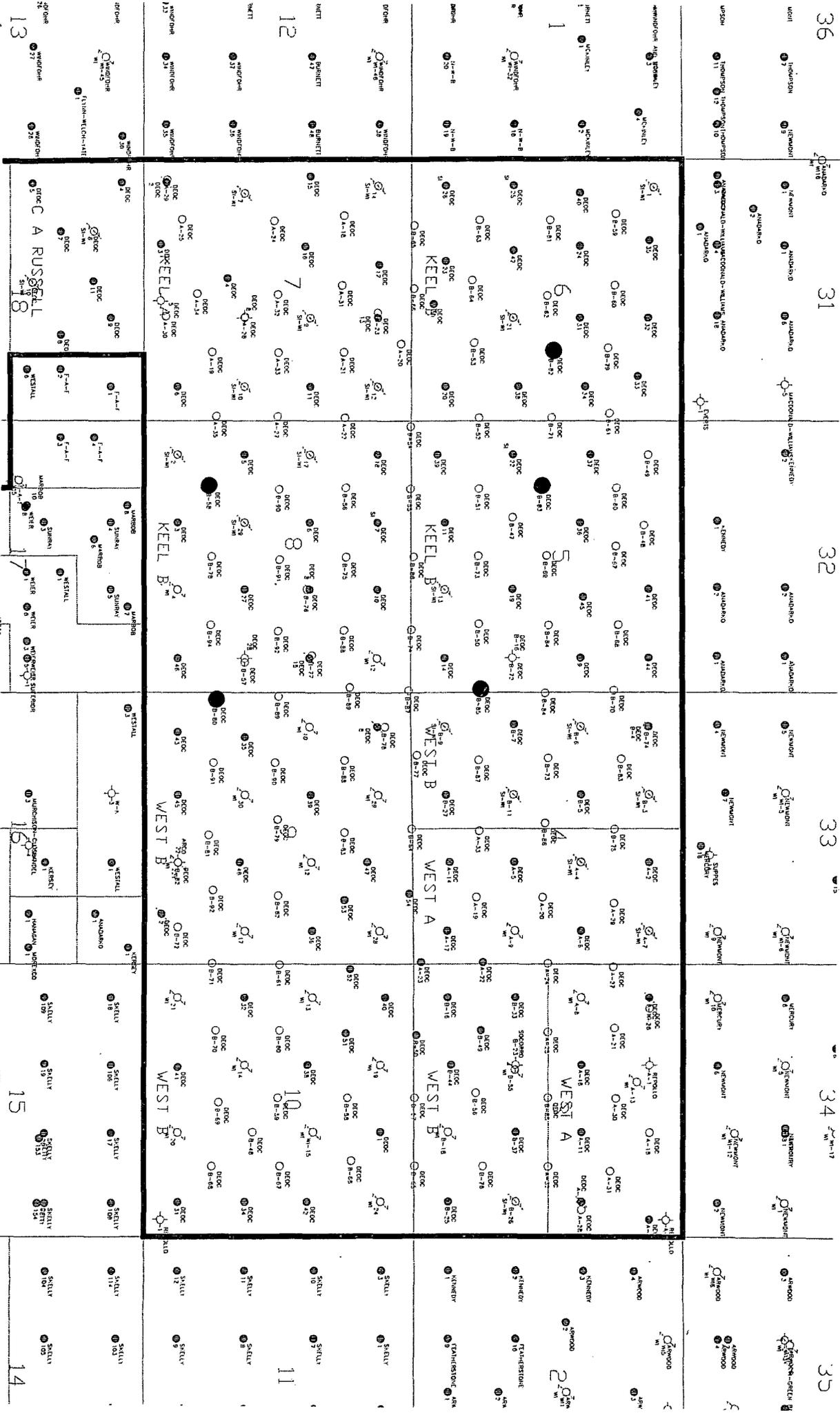
There are no other operators that have production in offsetting 40 acre tracts. The 5 wells listed are offset by wells that are already operated by Devon Energy Operating Corporation; therefore, no other notification is necessary.

Should you require any additional information regarding any of these unorthodox locations please notify me at 405-552-4527.

Sincerely,

A handwritten signature in cursive script that reads "Karen Rosa".

Karen Rosa  
Engineering Technician



36 31 32 33 34 35

12 7 8 10 11 13 14 15

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) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 1330' FSL & 2616' FEL  
At top proposed prod. zone (SAME)  
UNORTHODOX LOCATION: Subject to BLM 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" #78

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

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.  
1330  
(Also to nearest drive unit line if any)

16. NO. OF ACRES IN LEASE  
1885.00

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

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3740 GR

22. APPROX. DATE WORK WILL START\*  
January 1, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM

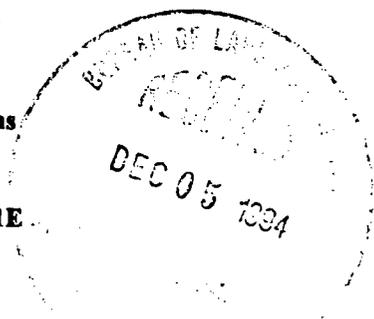
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

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

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.: CO1151



H2S Operating Plan

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 12/1/94

(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 Greg Bourne

TITLE SEE AREA MANAGER

DATE 1/10/95

See Instructions On Reverse Side

11  
 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  
 O. Drawer DD  
 Aztec, 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

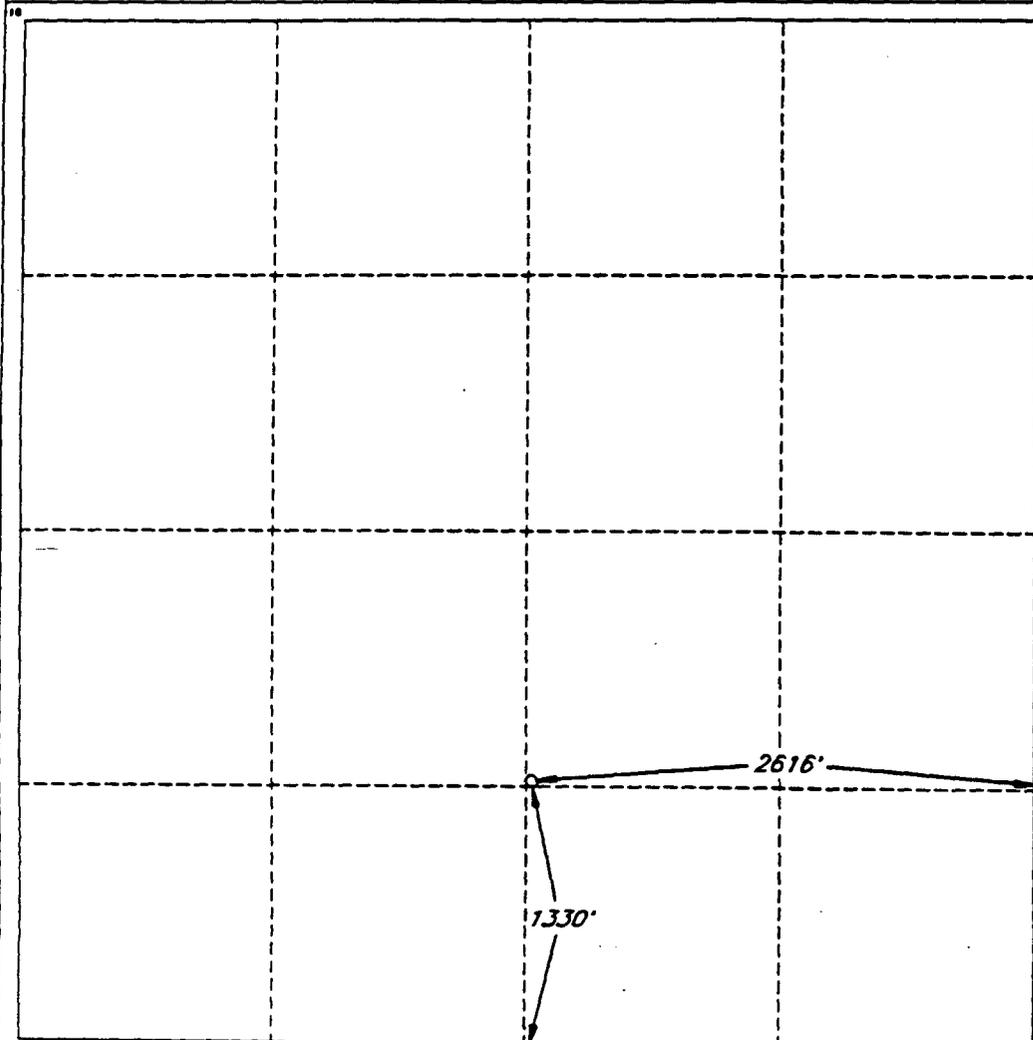
AMENDED REPORT

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 J		5 Property Name KEEL "B" FEDERAL						6 Well Number 78	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3740'	
* SURFACE LOCATION									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	8	17 SOUTH	31 EAST, N.M.P.M.		1330'	SOUTH	2616'	EAST	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
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

11/30/94

**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

OCTOBER 27, 1994

Signature and Seal of Professional Surveyor MEXICO

V. LYNN  
 BEZNER  
 NO. 7920

V. L. BEZNER NO. 7920 R.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

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) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 2519' FNL & 1310' FEL  
At top proposed prod. zone (SAME)  
UNORTHODOX LOCATION: Subject to Lias Approval By State

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" #82

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-T17S-R31E

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.  
2519  
(Also to nearest dip. unit line if any)

16. NO. OF ACRES IN LEASE  
1885.00

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.)  
3745 GR  
No Water Basin

22. APPROX. DATE WORK WILL START\*  
January 1, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM

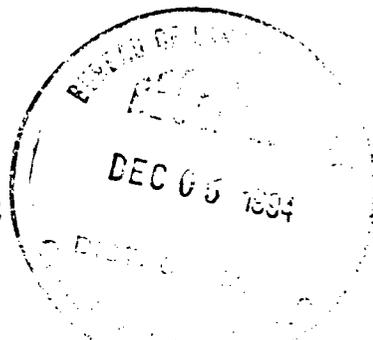
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

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
- Approved Subject to 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-B  
Legal Description: Section 6-T17N-R31E  
Bond Coverage: Nationwide  
BLM Bond No.: CO1151



24. 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 12/2/94

(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 TITLE Acting AREA MANAGER DATE 1/11/95

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

**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

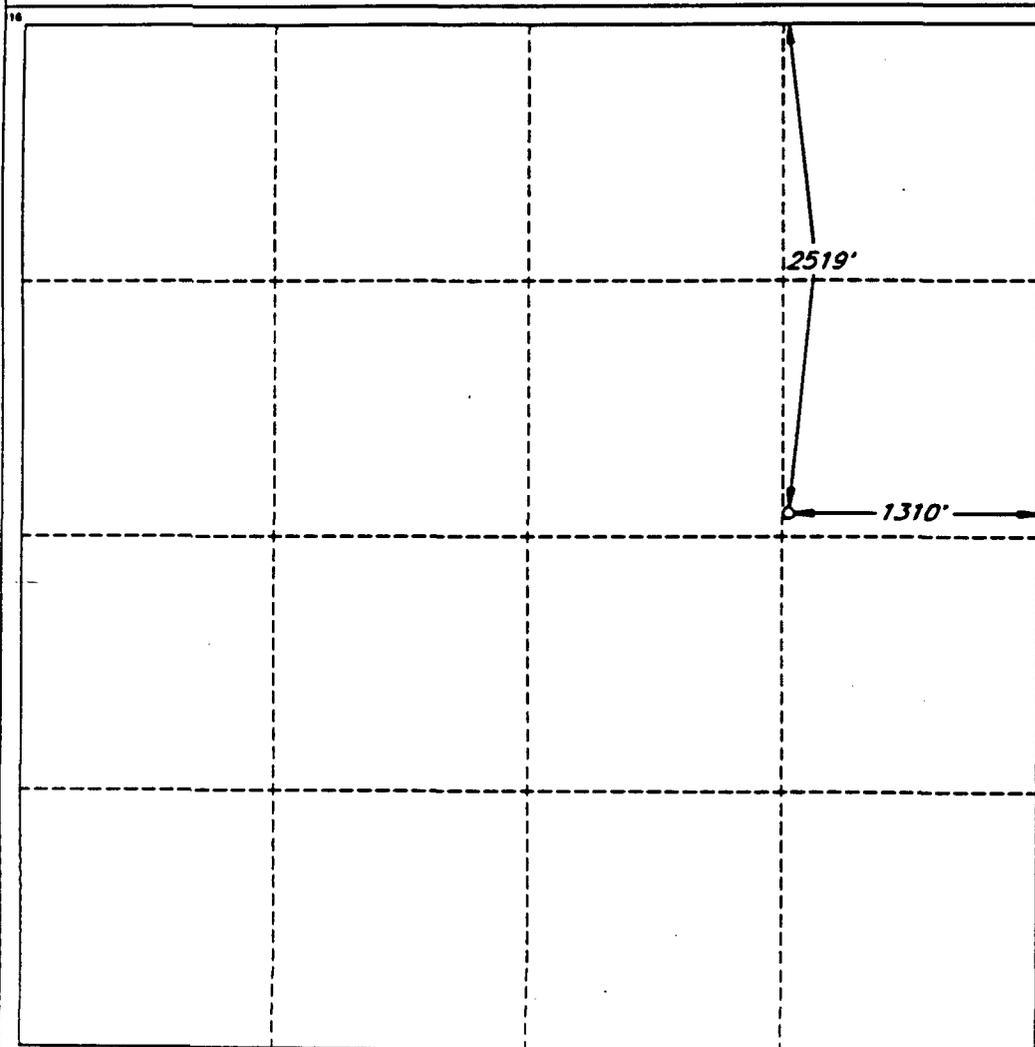
AMENDED REPORT

**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 H		5 Property Name KEEL 'B' FEDERAL						6 Well Number 82	
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3745'	
10 SURFACE LOCATION									
UL or lot no.	Section 6	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 2519'	North/South line NORTH	Feet from the 1310'	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		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  
12/1/94

**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 2, 1994  
Signature and Seal of Professional Surveyor  
*V. Lynn Ezner*  
STATE OF NEW MEXICO  
V. LYNN  
EZNER  
NO. 792  
Certification No.  
V. L. EZNER AND R.P.S. #7920

UNITED STATES OPERATOR'S COPY  
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

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) 552-4560

4 LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 2741' FNL & 1330' FWL UNORTHODOX LOCATION:  
At top proposed prod. zone (SAME)

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" #83

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

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. 2741  
(Also to nearest ddg. unit line if any)

16. NO. OF ACRES IN LEASE  
1885.00

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.)  
3811 GR

22. APPROX. DATE WORK WILL START\*  
January 1, 1995

23. PROPOSED CASING AND CEMENTING PROGRAM

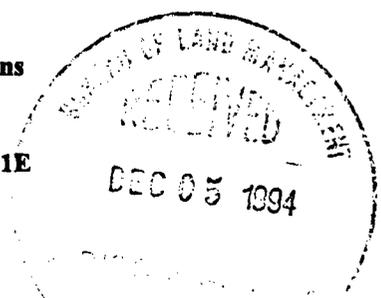
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24.0#	400'	165 sk lite cmt + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4000'	500 sk Class "C" 35/65 + 500 sk Class "C" + 1/4 lb/sk cellophane flakes

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.

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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
- 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.: CO1151



Approval Subject to General Requirements and Special Stipulations Attached

24. 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 12/2/94

(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 these 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 District Engineer DATE 1/11/95

See Instructions On Reverse Side

**TRICT 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  
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 State Lease - 4 copies  
 Fee Lease - 3 copies

**DISTRICT III**  
 1000 Rio Brazos Rd.  
 Aztec, NM 87410

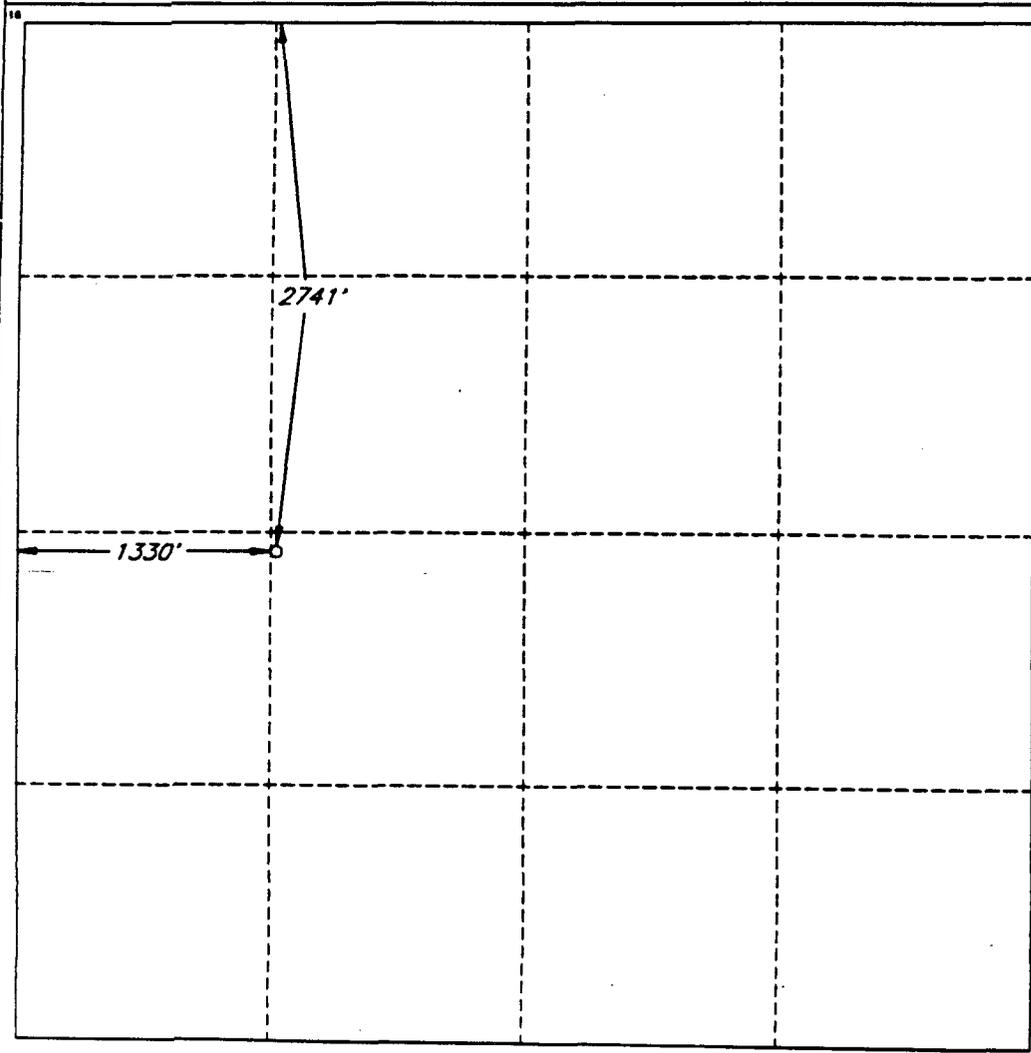
AMENDED REPORT

**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 K		5 Property Name KEEL 'B' FEDERAL				6 Well Number 83			
7 OGRID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3811'			
10 SURFACE LOCATION									
UL or lot no.	Section 5	Township 17 SOUTH	Range 31 EAST, N.M.P.M.	Lot Ida	Feet from the 2741'	North/South line NORTH	Feet from the 1330'	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		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: *[Handwritten Signature]*  
 Printed Name: Randy Jackson  
 Title: District Engineer  
 Date: 12/1/94

**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 2, 1994

Signature and Seal of Professional Surveyor:  
*[Handwritten Signature]*  
 V. L. BEZNER  
 No. 7920  
 State of New Mexico  
 Professional Surveyor

V. L. BEZNER AND ASSOCIATES, 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

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 1341 FSL & 10 FEL  
At top proposed prod. zone (SAME)  
**Non-Standard Location...**

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" #85  
9. APT 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

**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.

12. COUNTY OR PARISH  
EDDY  
13. STATE  
NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.  
10' FEL  
(Also to nearest drilg. 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.  
1300'

19. PROPOSED DEPTH  
4000

20. ROTARY OR CABLE TOOLS\*  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3886' 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 lite cmt + 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 5-T17N-R31E  
Bond Coverage: Nationwide  
BLM Bond No.: PENDING

NOV 3 10 30 AM '94  
RECEIVED

4. 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 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)

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 TITLE Acting AREA MANAGER DATE 1/11/95

See Instructions On Reverse Side

11  
 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

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

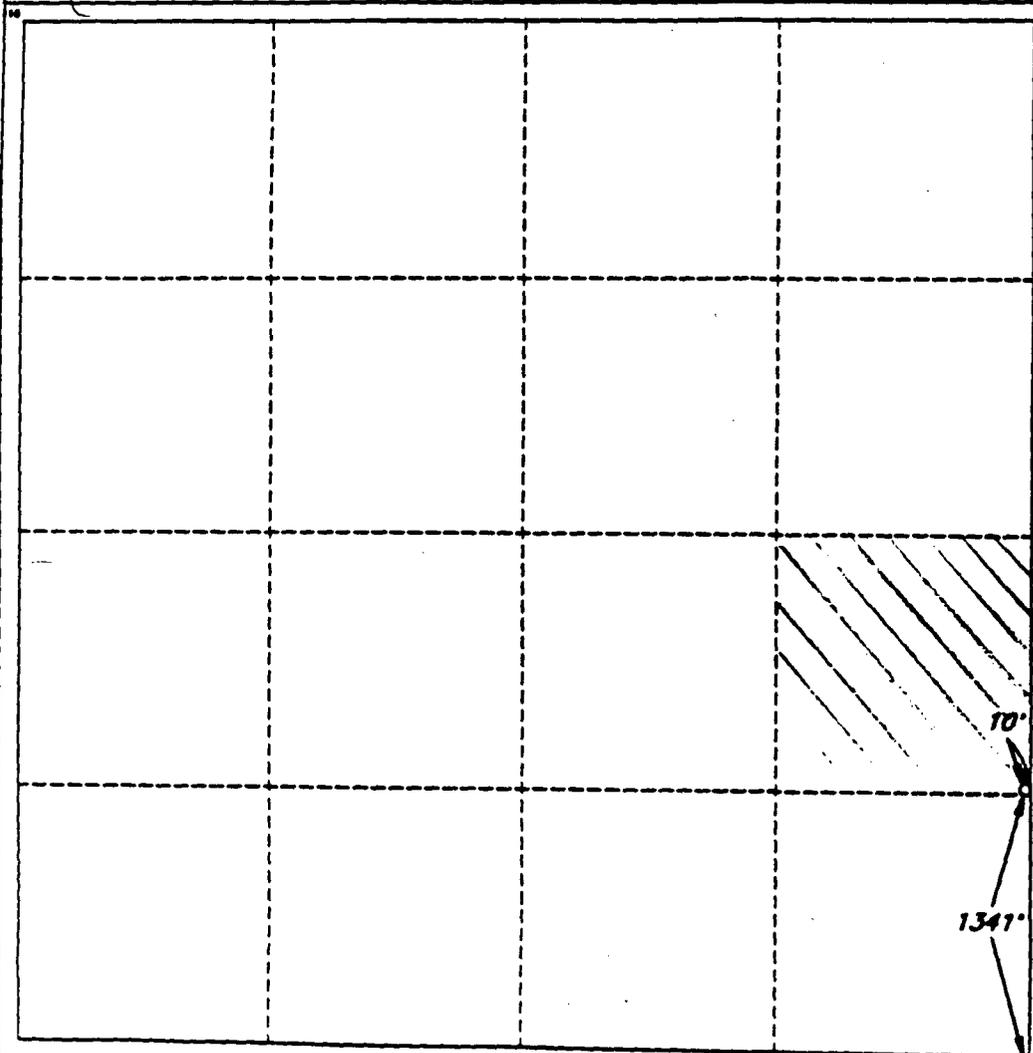
DISTRICT III  
 1000 Rio Brazos Rd.  
 Aztec, NM 87410

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 1		5 Property Name KEEL "B" FEDERAL						6 Well Number 85	
7 OGHID No.		8 Operator Name DEVON ENERGY OPERATING COMPANY						9 Elevation 3886'	
10 SURFACE LOCATION									
11 UL or lot no.	12 Section 5	13 Township 17 SOUTH	14 Range 31 EAST, N.M.P.M.	15 Lot 1/4	16 Feet from the 1341'	17 North/South line SOUTH	18 Feet from the 10'	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.					

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 14, 1994  
 Signature and Seal of Professional Surveyor:  
  
 V. LYNN BEZNER  
 NO. 7920  
 V. L. BEZNER, 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

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 1310' FSL & 95' FWL  
1410' 113'  
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. 93' FWL  
(Also to nearest dir. unit line if any)

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

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3830

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
NA

7. UNIT AGREEMENT NAME  
NA

8. FARM OR LEASE NAME, WELL NO.  
West "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 9-T17 S- R31 E

12. COUNTY OR PARISH  
EDDY

13. STATE  
NM

16. NO. OF ACRES IN LEASE  
1919.88

17. NO. OF ACRES ASSIGNED TO THIS WELL  
40

19. PROPOSED DEPTH  
4400

20. ROTARY OR CABLE TOOLS\*  
Rotary

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 cement + 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 cellophane 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
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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. LC029426-B  
Legal Description: Section 9-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.

24.

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 Scott Power

Active  
AREA MANAGER  
TITLE \_\_\_\_\_

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED  
DATE 1/11/95

See Instructions On Reverse Side

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

Energy, Minerals, and Natural Resources Department

1 000 0204-17 21 2  
 Revised 02-10-84  
 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 Graza Rd.  
 Artec, NM 87410

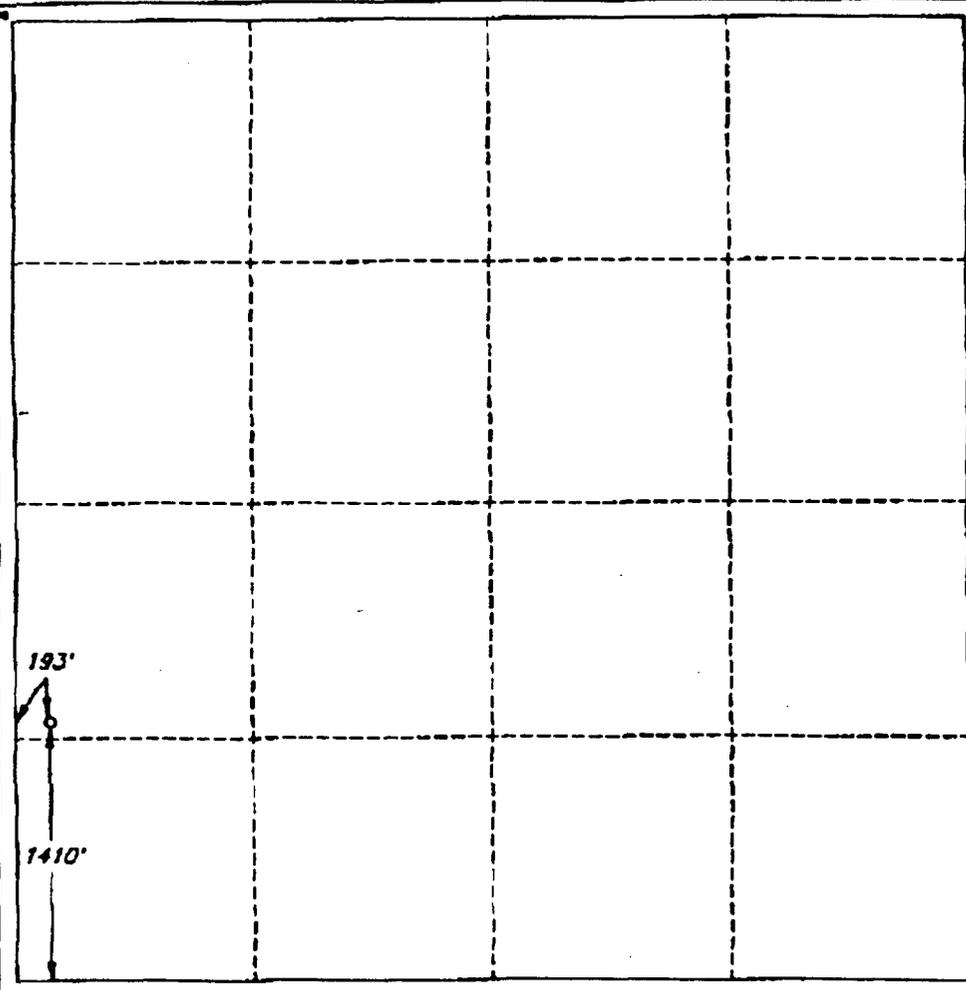
AMENDED REPORT

**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 L		5 Property Name WEST 'B' FEDERAL				6 Well Number 80	
7 OCSIS No.		8 Operator Name DEVON ENERGY OPERATING COMPANY				9 Elevation 3841'	
10 SURFACE LOCATION							
11 Well or lot no.	12 Section 9	13 Township 17 SOUTH	14 Range 31 EAST, N.M.P.M.	15 Lot No.	16 Feet from the North/South line 1410'	17 Feet from the East/West line 193'	18 County EDDY
19 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE							
20 Well or lot no.	21 Section	22 Township	23 Range	24 Lot No.	25 Feet from the North/South line	26 Feet from the East/West line	27 County
28 Dedicated Acres	29 Joint or Infill	30 Consolidation Code	31 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*  
 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 1994

Signature  
*V. Lynn Bezner*  
 V. LYNN BEZNER  
 NO. 7920

Professional Surveyor  
 STATE OF NEW MEXICO  
 V. L. BEZNER  
 S. 7920

JOE #35908-53 / 98 SW / V.H.B.