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November 9, 1995

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# NOV 9 1995 OIL CONSERVATION DIVISION

### VIA HAND DELIVERY

Michael E. Stogner Oil Conservation Division 2040 So. Pacheco Street Santa Fe, New Mexico 87501

Dear Mr. Stogner:

Pursuant to Division Rule 104(F)(1) and Division Memorandum 1-90, Devon Energy Corporation (Nevada) hereby applies for administrative approval of an unorthodox oil well location for the following well:

Cactus State Well No. 12; 990 feet FNL and 1190 feet FEL (Unit A) of Section 16, Township 21 South, Range 26 East, N.M.P.M., Eddy County, New Mexico; Undesignated East Catclaw Draw-Delaware Pool. (A Form C-102 for the well is attached as Exhibit A.)

The East Catclaw Draw-Delaware Pool is subject to statewide spacing rules, with 40-acre spacing and wells to be located no closer than 330 feet to the boundary of the well unit.

The unorthodox location is necessary primarily due to topographic reasons. Referring to Exhibit B, existing oil wells are marked by black dots, and the proposed well is circled in red. The proposed well was moved west from an orthodox location due to a drainage ditch at approximately 990 feet FEL.

Geology is a factor in this application. Attached as Exhibit C is a structure map on top of the Delaware "B" zone. As you move further East in the NE¼NE¼ of Section 16, the acreage becomes less prospective.

Exhibit C also indicates offset leasehold ownership. The information on the plat is current and correct. Devon is the operator of Section 16, and owns the leases on the S½SE¼ of Section 9, SW¼SW¼ of Section 10, and Section 15. Thus, it is the only offset lessee.

Michael E. Stogner November 9, 1995 Page 2

Directional drilling to reach a standard bottom-hole location would increase the cost of the well by approximately \$30,000, and lead to substantially higher operating costs. Other operators who have drilled directional wells in the Delaware have experienced substantial cost overruns and operational difficulties. As a result, Devon does not desire to directionally drill the well.

Based on all these factors, Devon requests approval of the proposed location.

This application is submitted in triplicate. Your attention to this matter is appreciated. If this matter cannot be processed administratively, please set it for the first available hearing. Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD & HENSLEY, P.L.L.C., Ltd., Co.

James Bruce

Attorneys for Devon Energy

Corporation (Nevada)

Enclosures

cc: Ken Gray (w/o encl.)

devon7.ltr

DISTRICT I 7 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

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

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

<u>DISTRICT III</u> 1000 Rio Brazos Rd. Aztec, NM 87410

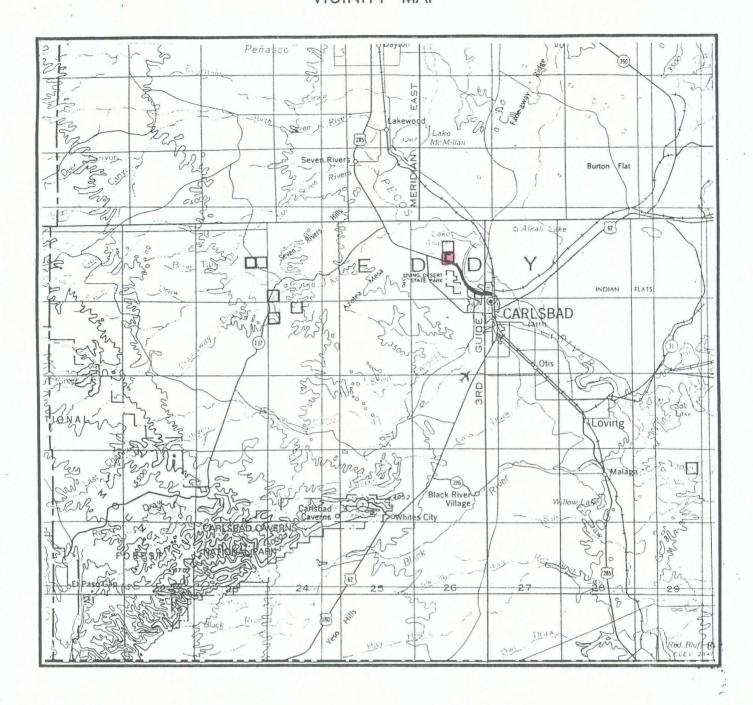
# OIL CONSERVATION DIVISION P. 0. Box 2088 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

JOB #42088 / 50 NE / V.H.B.

API Number	•		<sup>2</sup> Pool Code	2	3 Poo	l Name						
* Property Code 5 Property  OGRID No. 8 Operator			ame	CACTUS STATE						• Well Number	* Well Number	
									<sup>9</sup> Elevation 3233'			
		<u> </u>	-	" SUI	RFACE	LOCA	TION	· · · · · · · · · · · · · · · · · · ·				
L or lot no.	Section 16	Township 21 SOUTH	l	nge , N.M.P.M.	Lot Ida	Feet fr		North/South NORTH	line	Feet from the 1190'	East/West line EAST	Count
	L	"BOTTO	M HOL	E LOCAT	ON IF	DIFF	ERE	NT FROM	SU	JRFACE	<u> </u>	<del> </del>
L or lot no.	Section	Township	Ra	nge	Lot Ida	Feet fr	om the	North/South	line	Feet from the	East/West line	Count
Dedicated A	cres 13 Joi	nt or Infill	14 Consolida	tion Code	15 Order	No.		<u></u>				
	NO ALI	OWABLE WI	ELL BE AS	SSIGNED T	O THIS	COMPL	ETION	UNTIL AL	L IN	TERESTS HA	VE BEEN	
	CON	SOLIDATED	OR A NO	ON-STANDA	ARD UNI	T HAS	BEEN	APPROVE	) BY	Y THE DIVIS	ION	
· · · · · · · · · · · · · · · · · · ·	·		·		· 	99		-1190*		Contained here to the best of Signature  Frinted Name  Title  Date  SURVEYOU  I hereby colocation should from surveys many supervises.		ATION  he we lat was factor under at the
					Tabelts.	EXH	IBIT			OCTO Signature Professional Signature	BER 23, 199	#792

### VICINITY MAP



SECTION	16	TWP	21-5	RC	SE	26-E
SURVEY	NEW	MEXICO	PRINCIPA	L MERI	DIAN	
COUNTY	- 1	EDDY		STATE	NM	
DESCRIPTION		99	0' FNL &	1190'	FEL	

OPERATOR DEVON ENERGY CORPORATION CACTUS STATE #12

DISTANCE & DIRECTION FROM CARLSBAD, GO WEST 3.4 MILES ON U.S. HWY. 285, THENCE NORTH 0.7 MILE ON LEASE ROAD, THENCE EAST 0.5 MILE ON LEASE ROAD TO A POINT ±500' NORTH OF THE LOCATION.



This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us.

Review this plat and notify us immediately of any

possible discrepancy.

### TOPOGRAPHIC LAND SURVEYORS

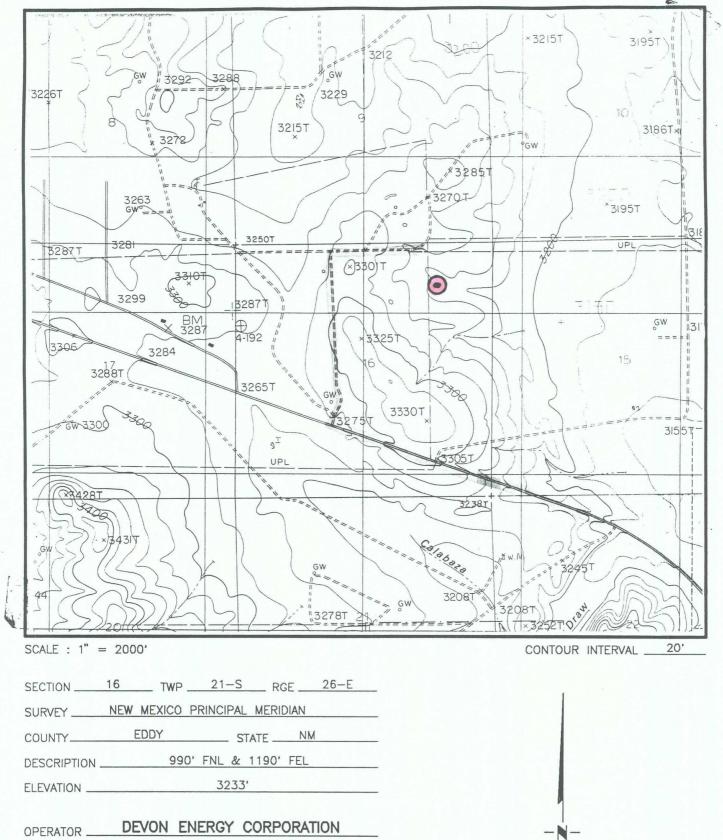
Surveying & Mapping for the Oil & Gas Industry

1307 N. HOBART PAMPA, TX. 79065 (800) 658-6382

6709 N. CLASSEN BLVD. OKLAHOMA CITY, OK. 73116 (800) 654-3219

2903 N. BIG SPRING MIDLAND, TX. 79705 (800) 767-1653

### LOCATION & ELEVATION VERIFICATION MAP



CACTUS STATE #2 LEASE U.S.G.S. TOPOGRAPHIC MAP CARLSBAD WEST, NEW MEXICO N 32°29'04" SCALED LAT. \_ W 104°17'34"



This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us.

Review this plat and notify us immediately of any possible discrepancy.

### TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

LONG. \_

