



ENERGY CORPORATION

20 North Broadway, Suite 1500  
Oklahoma City, Oklahoma 73102-8260

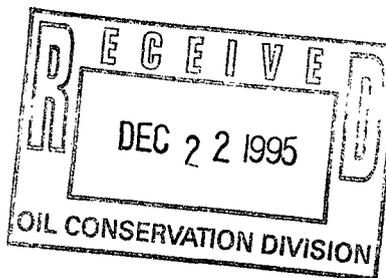
Telephone 405/235-3611  
FAX 405/552-4550

December 19, 1995

**Certified Mail No. Z 731 676 988**

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87504-2088

RE: Non-Standard Location Approval  
East Shugart Unit #65  
200' FNL & 2260' FWL  
Section C-3-T19S-R31E  
Eddy County, New Mexico



Gentlemen:

Devon Energy Corporation (Nevada) requests "Non-Standard Location" approval for the referenced well. This unorthodox location was necessary due to the nearby road and many pipelines in the area.

The East Shugart Unit is a federal unit (#14-08-001-11572) and the proposed well is to be part of this active waterflood project. Enclosed is a map of the East Shugart Unit showing the Unit's boundaries and a copy of form C-102 for the proposed well.

Operators having wells in the offsetting 40 acre tracts will be notified by certified mail. Copies of our letters of notification to the following operators are enclosed.

Oxy U.S.A. Inc.  
Texaco, Inc.  
General NM, Inc.

Midland, TX  
Hobbs, NM  
Artesia, NM

East Shugart Unit #65  
NSL Approval  
12/19/95  
Page Two

State of New Mexico  
Energy, Minerals and Natural Resources Dept  
Oil Conservation Division

If you have any questions, please contact the undersigned at (405) 235-3611, X4509.

Sincerely yours,

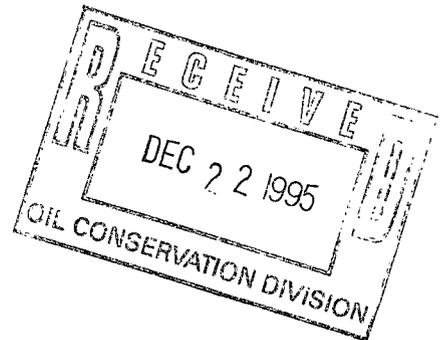
DEVON ENERGY CORPORATION (NEVADA)



Mr. E.L. Buttross, Jr.  
District Engineer

ELB\cg  
Enclosures

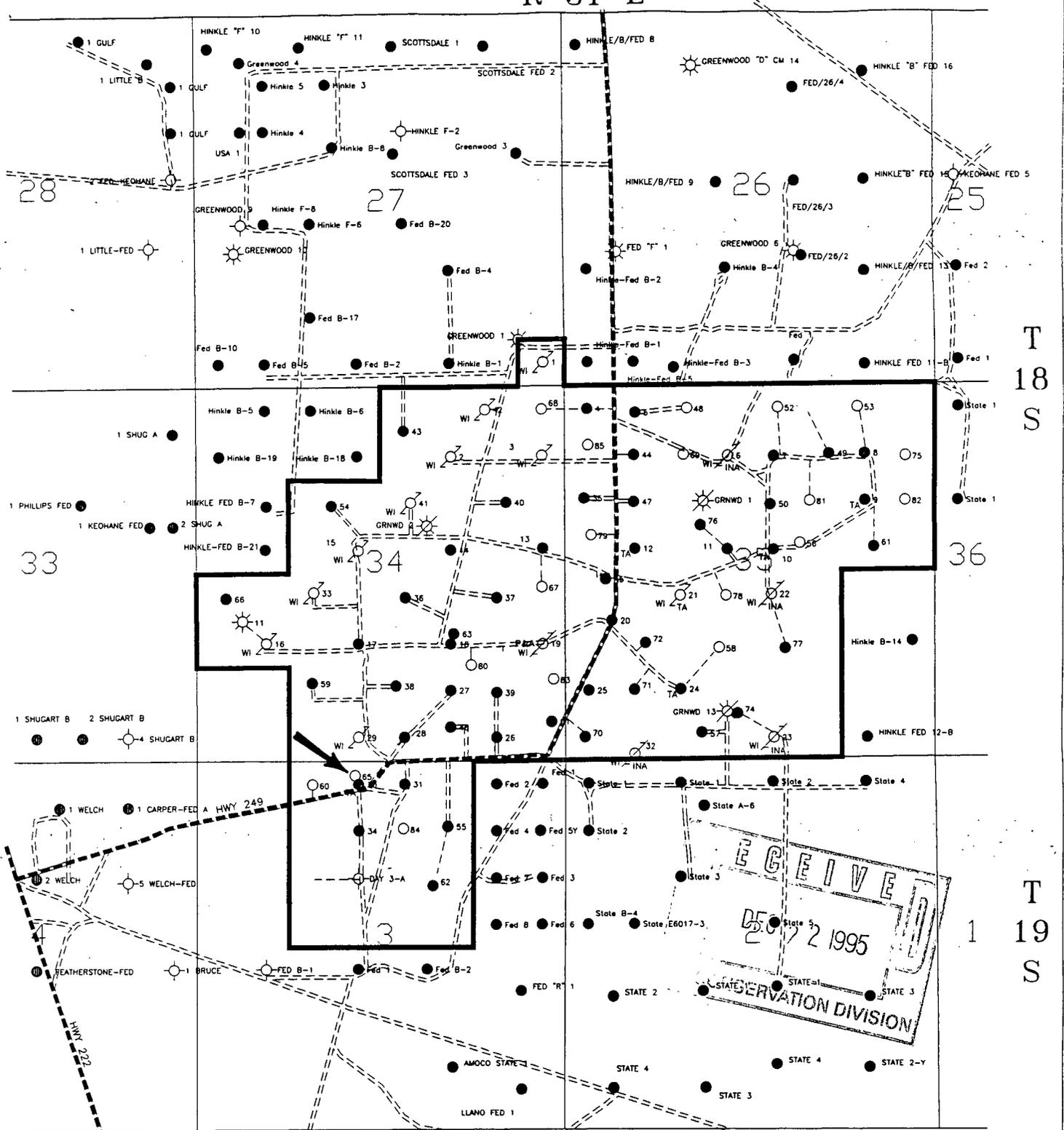
cc: Oil Conservation Division - Artesia, NM  
Bureau of Land Management - Carlsbad, NM



R 31 E

T 18 S

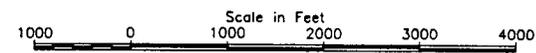
T 19 S



devon ENERGY CORPORATION

EAST SHUGART UNIT  
EDDY COUNTY, NEW MEXICO

EXHIBIT 3



DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

EXHIBIT 2 Form C-102  
Revised February 10, 1994  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 56349	Pool Name Shugart (Y-SR-Q-G)
Property Code 003493	Property Name EAST SHUGART UNIT	Well Number 65
OGRID No. 6137	Operator Name DEVON ENERGY CORPORATION	Elevation 3606'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	3	19 S	31 E		200	NORTH	2260	WEST	EDDY

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

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>E.L. Buttross Jr.</i> Signature</p> <p>E.L. Buttross, Jr. Printed Name</p> <p>District Engineer Title</p> <p>08-22-95 Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>May 2, 1995 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature &amp; Seal of Professional Surveyor</p> <p>7977 W.O. Num. 5131</p> <p>Certificate No. Gary L. Jones 7977</p>

**devon**

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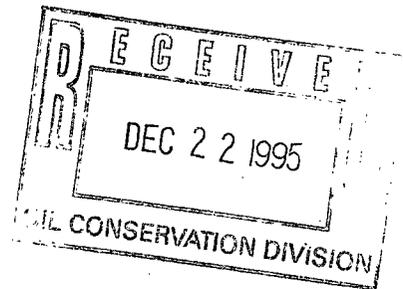
December 19, 1995

**Certified Mail No. Z 731 676 991**

General NM Inc.  
Post Office Box 385  
Artesia, NM 88211

Attn: Jack Plemons

RE: Non-Standard Location Approval  
East Shugart Unit #65  
200' FNL & 2260' FWL  
Section C-3-T19S-R31E  
Eddy County, New Mexico



Gentlemen:

We have applied for a permit to drill the above referenced well. This unorthodox location was due to the nearby road and to many pipelines in the area. The proposed wellsite is within our East Shugart Unit in Eddy County and offsets the following properties which our records show you operate.

McFadden Federal 1, 2, 3, 4, 5Y, 6, 7, 8

East Shugart Unit #65  
Non-Standard Location Approval  
December 19, 1995  
Page Two

General NM Inc.

The NMOCD Non-Standard Location Approval process requires that we notify offset operators and submit Proof of Notice.

Please accept this certified letter as notification. If you have any questions, please contact Ernie Buttross, Jr., at (405) 235-3611, X4509.

Sincerely yours,

DEVON ENERGY CORPORATION (NEVADA)



Ms. Candace R. Graham  
Engineering Tech.

/cg

cc: Oil Conservation Division - Santa Fe, NM  
Oil Conservation Division - Artesia, NM  
Bureau of Land Management - Carlsbad, NM

CMD :  
OG6IWCM

ONGARD  
INQUIRE WELL COMPLETIONS

12/26/95 11:09:57  
OGOMES -EMDQ

API Well No : 30 15 5717 Eff Date : 01-01-1900 WC Status : A  
Pool Idn : 56439 SHUGART;YATES-7RS-QU-GRAYBURG  
OGRID Idn : 6137 DEVON ENERGY CORP (NEVADA)  
Prop Idn : 3493 EAST SHUGART UNIT

Well No : 030  
GL Elevation: 99999

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn	: 3	3	19S	31E	FTG 999 F S	FTG 999 F E	P

Lot Identifier:  
Dedicated Acre: 39.69  
Lease Type : F  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD :  
OG6IWCM

ONGARD  
INQUIRE WELL COMPLETIONS

12/26/95 11:10:16  
OGOMES -EMDQ

API Well No : 30 15 26483 Eff Date : 04-01-1991 WC Status : A  
Pool Idn : 56439 SHUGART;YATES-7RS-QU-GRAYBURG  
OGRID Idn : 6137 DEVON ENERGY CORP (NEVADA)  
Prop Idn : 3493 EAST SHUGART UNIT

Well No : 034  
GL Elevation: 99999

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: 3	3	19S	31E	FTG 990 F N	FTG 2310 F W	A

Lot Identifier:

Dedicated Acre: 39.69

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC