

NSL 7/27/98

devon

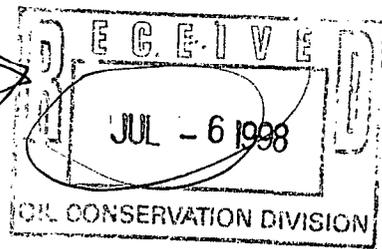
ENERGY CORPORATION

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

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

15  
84 NSL  
59 DIC  
#10

June 30, 1998



New Mexico Energy, Mineral & Natural Resources Dept.  
Oil Conservation Division  
Attention: Mike Stogner  
2040 South Pacheco  
Santa Fe, New Mexico 87504 - 2088

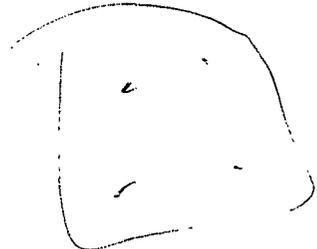
**CERTIFIED MAIL: Z 076 700 872**

Re: Non - Standard Location Approval

Dear Sir:

It is requested that administrative approval be granted under Rule 104F. (1) for unorthodox location at the following location:

WELL	LOCATION
Turner A #61	1050' FNL & 25' FEL, Sec. 19-17S-31E



Forms 3160 - 3 and C - 102 are attached for the well listed above.

The above location does not conform to Rule 104. C. I. because it is located closer than 330' to the governmental quarter - quarter section boundary. It will be drilled to a depth sufficient to produce the Grayburg - San Andres formation (approximately 4000'). The well will be drilled at the unorthodox location in order to prevent waste by developing an efficient production injection pattern within the Turner "A" Waterflood Project, which was approved under Order R - 3185-A and to avoid an archaeological site. When fully developed this well will combine with the existing wells (some of which will eventually be converted to injection) to establish a 40 acre 5 spot waterflood pattern.

Since we are the operator and own 100% of the working interest of the offsetting 40 acre tracts, no notice is necessary. There are no over riding royalty interest owners in the Turner B lease. The Bureau of Land Management has matching royalty interest in the Turner A & Turner B leases. Copies of notification to the Bureau of Land Management with certified mail number is attached. Copies of the return receipt will be forwarded to you when it is received.

Should you require any additional information regarding this unorthodox location, please notify me at 405-552-4527.

Sincerely,  
*Karen Byers*  
Karen Byers  
Engineering Technician

Enclosures (4)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**DEVON ENERGY CORPORATION (NEVADA)**

3. Address and Telephone No.  
**20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611**

4. Location of Well (Footage. Sec., T., R., M., or Survey Description)  
**1050' FNL & 25' FEL, Sec. 19-17S-31E**

5. Lease Designation and Serial No.  
**LC-0229395-A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
**Turner A #61**

9. API Well No.

10. Field and Pool, or Exploratory Area  
**Grayburg Jackson**

11. County or Parish, State  
**Eddy County, NM**

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Devon Energy Corporation plans to change the name and location of this well as follows:

**From: Turner B #115**

**to: Turner A #61**

And

**From: 1050' FNL & 25' FWL, Sec. 20-17S-31E**

**To: 1050' FNL & 25' FEL, Sec. 19-17S-31E**

Enclosed is a plat showing the new location.

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

Signed Karen Byers

Karen Byers

Title Engineering Technician

Date 5/13/98

(This space for Federal or State office use)

Approved by Earl Smith  
 Conditions of approval, if any:

Title Acting Field Office Mgr.  
Lands & Minerals

Date 6/24/98

**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**

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name Grayburg Jackson
<sup>4</sup> Property Code 20077	<sup>5</sup> Property Name Turner A-	
<sup>6</sup> Well Number 61		
<sup>7</sup> OGRID No. 6137	<sup>8</sup> Operator Name DEVON ENERGY Corporation (Nevada)	<sup>9</sup> Elevation 3662'

**<sup>10</sup> SURFACE LOCATION**

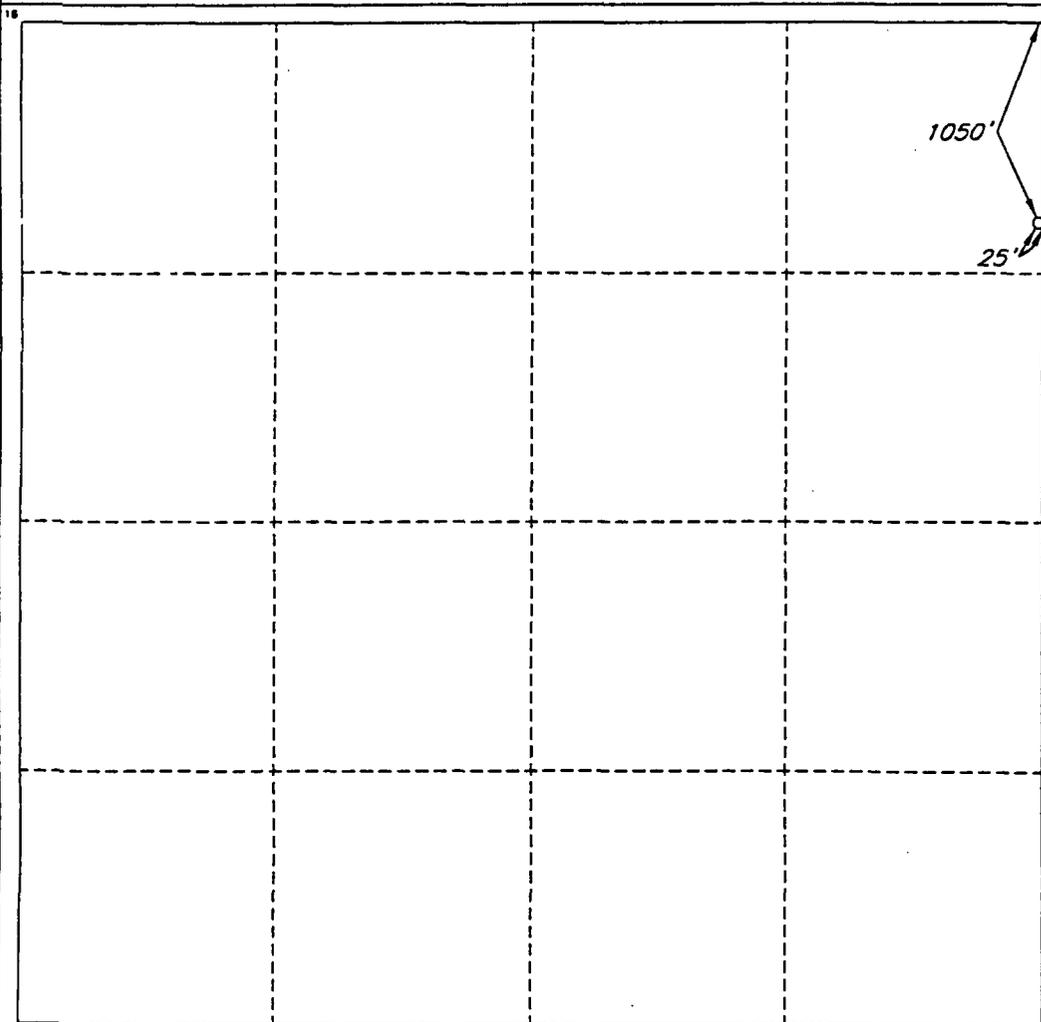
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	19	17 SOUTH	31 EAST, N.M.P.M.		1050'	NORTH	25'	EAST	EDDY

**"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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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



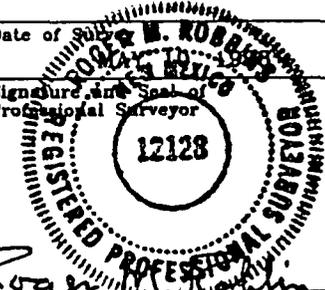
**OPERATOR CERTIFICATION**

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

Signature <i>Randy Jackson</i>
Printed Name Randy Jackson
Title District Engineer
Date 5/13/98

**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
Signature and Seal of Professional Surveyor 
Certificate No. ROGER M. ROBBINS P.S. #12128
JOB #58323/ 98 SW / JSJ

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN  
(See other instructions on  
reverse side)

OPERATOR'S COPY  
Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

RECEIVED

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 CORPORATION (Nevada)

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 1050' FNL & 25' FWL  
UNORTHODOX LOCATION  
At top proposed prod. zone (SAME)

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

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.  
25'

16. NO. OF ACRES IN LEASE  
609.43

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.  
600'

19. PROPOSED DEPTH  
4200'

20. ROTARY OR CABLE TOOLS\*  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3663'

22. APPROX. DATE WORK WILL START\*  
October 1, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8" H-40	48.0#	40'	Cemented to surface w/Redmix
12 1/4"	8 5/8" J-55	24.0#	400' 425'	125 sk PSL C + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4200'	550 sk PSL C + 425 sk C1 H w/10% Gypsol

We plan to circulate cement to surface on all casing strings. Devon Energy Corporation (Nevada) proposes to drill to 4200' 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. LC029395-A  
 Legal Description: Section 20-T17N-R31E  
 Bond Coverage: Nationwide  
 BLM Bond No.: CO1104

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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.

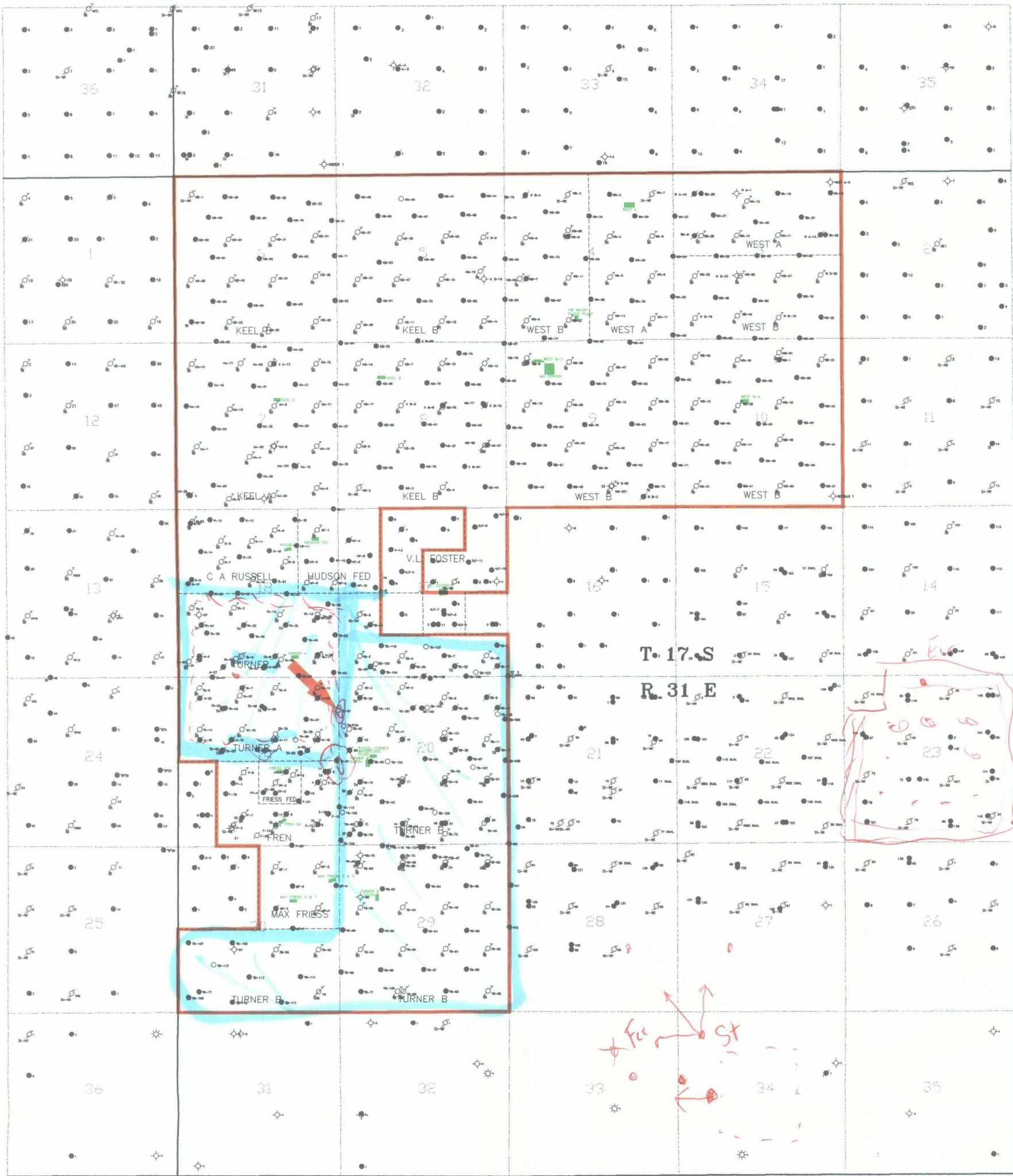
24. SIGNED Randy Jackson TITLE DISTRICT ENGINEER DATE 7/7/97

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 Arnold C. Boyd TITLE Acting ADM - Minerals DATE 4/7/98  
See Instructions On Reverse Side





  
**GRAYBURG-JACKSON AREA**  
 EDDY COUNTY, NEW MEXICO

Scale in Feet  
 1000 0 1000 2000 3000 4000  
 OBJKJNT 6/98

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 12036  
ORDER NO. R-11083

APPLICATION OF DEVON ENERGY CORPORATION (NEVADA) FOR AN  
UNORTHODOX OIL WELL LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on September 3, 1998, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 16th day of November, 1998, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

- (1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.
- (2) Devon Energy Operating Corporation (Nevada) ["Devon"] is the operator of the Turner "A" (Lease) Grayburg-Jackson Waterflood Project and the Turner "B" (Lease) Grayburg-Jackson Waterflood Project, both established by Division Order No. R-3185, as amended by Orders No. R-3185-A, R-3528, and R-3528-A. The waterflood projects comprise the following described areas in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico:

(a) Turner "A" (Lease) Grayburg-Jackson Waterflood Project Area

Section 18: S/2  
Section 19: N/2

(b) Turner "B" (Lease) Grayburg-Jackson Waterflood Project Area

Section 17: NW/4 SW/4 and S/2 S/2

Section 20: All  
Section 29: All  
Section 30: SE/4

(3) The Grayburg-Jackson Pool within both projects is subject to the statewide rules for oil wells set forth in **Rules 104.C(1) and F(1)** which provide for 40-acre oil spacing and proration units, or drilling units, and requires that wells be located no closer than 330 feet to the outer boundary of the lease or unitized area (pressure maintenance/waterflood project area), nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.

(4) Devon now seeks approval for a non-standard oil well location for the purpose of completing an efficient production/injection pattern between these two separate waterflood project areas. The proposed Turner "B" Well No. 115 is to be drilled 1050 feet from the North line and 25 feet from the West line (Unit D) of Section 20, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico. The existing 40-acre oil spacing and proration unit comprising the NW/4 NW/4 (Unit D) that is currently dedicated to Devon's Turner "B" Well No. 101 (API No. 30-015-26695), located 990 feet from the North line and 1150 feet from the West line of Section 20, is to be simultaneously dedicated to the Turner "B" Well No. 115.

(5) Devon has drilled and completed three other wells on this line over the last 2 ½ years:

- (a) the Turner "A" Well No. 44 (API No. 30-015-28771), located 150 feet from the South line and 160 feet from the East line (Unit P) of Section 18, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico, approved by Division Administrative Order NSL-3616, dated January 18, 1996;
- (b) the Turner "A" Well No. 51 (API No. 30-015-28758), located 2632 feet from the North line and 75 feet from the East line (Unit H) of Section 19, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico, also approved by Division Administrative Order NSL-3616; and
- (c) the Turner "A" Well No. 52 (API No. 30-015-28795), located 1335 feet from the South line and 110 feet from the East line (Unit I) of Section 18, approved by Division Administrative Order NSL-3632, dated February 28, 1996.

(6) The allocation of production and the distribution of well costs for the existing Turner "A" Wells No. 44, 51, and 52 and the proposed Turner "B" Well No. 115 should be divided between both leases in a fair and equitable manner.

(7) This case was advertised, "In the absence of objection, this case will be taken under advisement."

(8) No other affected party, owner or operator appeared at the hearing in opposition to this application.

IT IS THEREFORE ORDERED THAT:

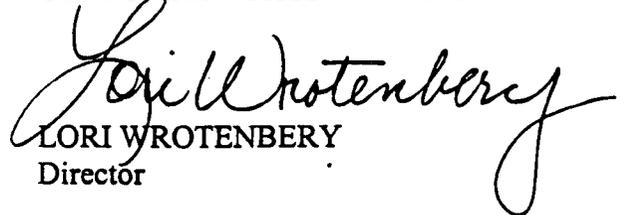
(1) The application of Devon Energy Corporation (Nevada) ["Devon"] to drill its Turner "B" Well No. 115 at an unorthodox oil well location 1050 feet from the North line and 25 feet from the West line (Unit D) of Section 20, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Turner "A" (Lease) Grayburg-Jackson Waterflood Project Area, Eddy County, New Mexico, is hereby approved.

(2) The existing 40-acre oil spacing and proration unit comprising the NW/4 NW/4 (Unit D) that is currently dedicated to Devon's Turner "B" Well No. 101 (API No. 30-015-26695), located 990 feet from the North line and 1150 feet from the West line of Section 20, is to be simultaneously dedicated to the Turner "B" Well No. 115.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
LORI WROTENBERY  
Director

SEAL