

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED Submit to appropriate District Office

OCT 28 2005

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1 Operator Name and Address Devon Louisiana Corporation 20 North Broadway OKC, OK 73102-8260		2 OGRID Number 169355	
3 Property Code 23456		4 API Number 30-015-29628	
5 Property Name Parkway West Unit 28		6 Well No. 2	
7 Proposed Pool 1 Parkway, Strawn, West 82640		8 Proposed Pool 2	

9 Surface Location									
UL or lot no. E	Section 28	Township 19S	Range 29E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 1310	East/West line West	County Eddy

8 Proposed 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

Additional Well Information				
11 Work Type Code N	12 Well Type Code O	13 Cable/Rotary R	14 Lease Type Code S	15 Ground Level Elevation 3315'
16 Multiple No	17 Proposed Depth 11,500	18 Formation Parkway Morrow, West	19 Contractor	20 Spud Date
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	350'	500 sx	surface
12 1/4"	8 5/8"	32#	3200'	1500 sx	surface
5 1/2"	5 1/2"	17#	11500'	750 sx	8500'

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Devon Energy Production Company, LP requests approval to re-complete to the Strawn zone as follows:

- MIRU PU and WL Unit, POOH with existing completion. Set CIBP at approximately 10850' above Atoka perforations located at 10880'-86'. Dump bail minimum of 35 feet cement on top of CIBP.
- RIH with perforating guns and perforate Strawn formation from 10,242'-10,250' at 3spf 120 degree phasing.
- RIH with packer and tubing setting packer at approximately 10200', swab test perforations.
- If necessary, acidize/frac Strawn formation, swab back stimulation load, turn to sales.

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Stephanie A. Ysasaga		Approved by: <i>Jim W. Green</i>	
Title: Senior Engineering Technician		Title: <i>District II Supervisor</i>	
E-mail Address: Stephanie.Ysasaga@dyn.com		Approval Date: NOV 09 2005 Expiration Date: NOV 09 2006	
Date: 10/06/05	Phone: (405)-552-7802	Conditions of Approval: Please submit BOP plan prior to re-entry	

DISTRICT I
P.O. Box 1900, Hobbs, NM 88241-1900

DISTRICT II
P.O. Drawer 22, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29628	Pool Code 82640	Pool Name Undesignated Parkway; Strawn West
Property Code	Property Name PARKWAY WEST UNIT "28"	Well Number 2
OCRD No. 169355	Operator Name Devon Louisiana Corporation	Elevation 3315

Surface Location

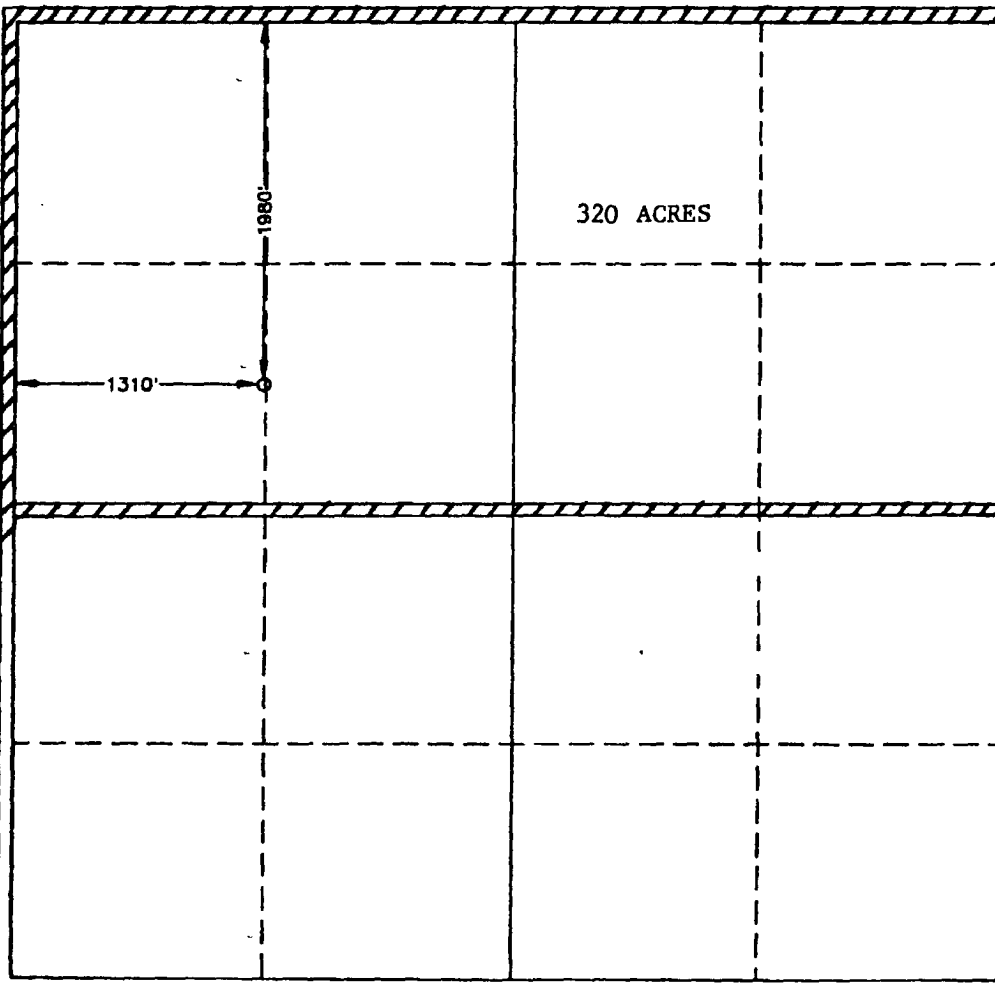
UL or lot No. E	Section 28	Township 19 S	Range 29 E	Lot Idn	Feet from the 1980	North/South line NORTH	Feet from the 1310	East/West line WEST	County Eddy
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 320 LD	Joint or Infill 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

	OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature: <u>Stephanie A. Ysasaga</u> Printed Name: <u>Stephanie A. Ysasaga</u> Title: <u>Senior Engineering Technician</u> Date: <u>10/26/05</u>
	SURVEYOR CERTIFICATION <i>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.</i> Date Surveyed: <u>MAY 9, 1997</u> Signature: <u>[Signature]</u> Professional Surveyor: <u>542-97</u> P.O. Num. <u>87-1160828</u> Certification No. <u>WEST, 876</u> EIDSON, 3236 EIDSON, 12641



Devon Energy Production Company
Regulatory Affairs
20 North Broadway – Suite 600
Oklahoma City, Oklahoma 73102-8260
Phone: (405)-552-7802
Fax (405)-552-4553
Stephanie.Ysasaga@dyn.com

October 18th, 2005

Bryan Arrant
Oil Conservation Division
1301 W. Grand Avenue
Artesia, New Mexico 88210

**Re: Parkway West Unit 28 #2
H2S Contingency Plan & BOP Plan**

Dear Mr. Arrant:

Sources at Devon Energy Production Co., LP have relayed information to me that they believe there will not be enough H2S found from the surface through the Strawn formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Also, a 5000 psi BOP will be used for this re-completion.

Should we need to provide additional information, please call me at (405)-552-7802.

Very truly yours,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Stephanie A. Ysasaga
Senior Engineering Technician ☺

SY

RECEIVED
OCT 19 2005
OCD-ARTESIA



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

June 2, 1997

UMC Petroleum Corporation
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87501

Administrative Order NSL-3800

Dear Mr. Bruce:

Reference is made to your application dated May 19, 1997 on behalf of the operator, UMC Petroleum Corporation, for approval to drill the Parkway West Unit "28" Well No. 2 at an unorthodox gas well location to test both the West Parkway-Strawn Gas Pool and the West Parkway-Morrow Gas Pool 1980 feet from the North line and 1310 feet from the West line (Unit E) of Section 28, Township 19 South, Range 29 East, NMPM, Lea County, New Mexico. The N/2 of said Section 28 to be dedicated to said well to form a standard 320-acre gas spacing and proration unit for both intervals.

It is our understanding that the subject well is to be drilled to a depth sufficient to test the Morrow formation; however, the shallower Strawn formation is the primary zone of interest. Furthermore, the Parkway West Unit "28" Well No. 2 is being drilled as a replacement well for the Parkway West Unit Well No. 1 (API No. 30-025-20760), located at a standard gas well 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 28, which produced from the West Parkway-Strawn Gas Pool from September 1973 until August, 1984, an attempt to return the Strawn interval to production in 1993 was unsuccessful. The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox Strawn gas well location is within the optimum sand thickness, but outside the area previously drained by the Parkway West Unit Well No. 1. The proposed location further provides the operator the best chance of successfully encountering potential Strawn pay within the N/2 of said Section 28.

Further, that area comprising all of Sections 20, 21, 22, 27, 28, and 29 of said Township 19 South, Range 29 East, NMPM, in Lea County, New Mexico is the Parkway West Unit Area operated by UMC Petroleum Corporation; therefore, there are no effected offsets to the subject 320-acre tract other than UMC.

Administrative Order NSL-3800

UMC Petroleum Corporation

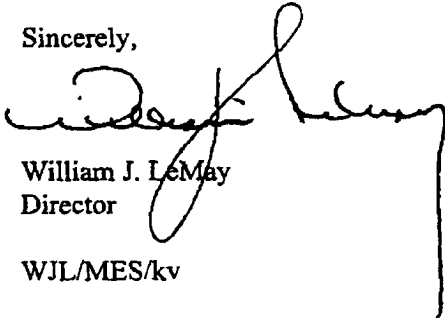
June 2, 1997

Page 2

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', is written over the typed name and title. The signature is fluid and cursive, with a long vertical stroke extending downwards from the end of the name.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe

DISTRICT I

P.O. Box 1960, Hobbs, NM 88241-1960

DISTRICT II

P.O. Drawer 22, Artesia, NM 88211-0712

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Strawn/Atoka/Morrow
Property Code	Property Name	Well Number
	PARKWAY WEST UNIT "28"	2
OGRID No.	Operator Name	Elevation
023654	UMC PETROLEUM CORP.	3315

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	28	19 S	29 E		1980	NORTH	1310	WEST	LEA

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	Joint or Infill	Consolidation Code	Order No.						
320 LD	Infill								

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

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>Scott M. Webb</u> Printed Name: <u>Scott M. Webb</u> Title: <u>Regulatory Coordinator</u> Date: <u>5/14/97</u>
	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 Surveyed: <u>MAY 9, 1997</u> Signature: <u>[Signature]</u> Printed Name: <u>JOHN EIDSON</u> Title: <u>Professional Surveyor</u> Date: <u>5/14/97</u> P.O. Num. <u>87-116828</u> Certified No. <u>3230</u> State: <u>NEW MEXICO</u> Surveyor: <u>J. EIDSON</u> License No. <u>12941</u>

5/19/97 6/9/97 MS KV NSL

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

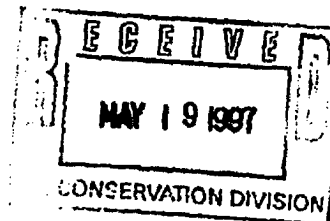
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

James Hruce
 P.O. Box 1056
 Santa Fe, NM 87504

Print or Type Name

Signature

Title

Date

James Hruce Attorney for Applicant 5/14/97

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

SUITE B
612 OLD SANTA FE TRAIL
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

May 19, 1997

Hand Delivered

Michael E. Stogner
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), UMC Petroleum Corporation ("UMC") hereby applies for administrative approval of an unorthodox gas well location for the following well:

Parkway West Unit Well No. 28-2
1980 feet FNL & 1310 feet FWL
N $\frac{1}{4}$ S28, Township 19 South, Range 29 East, NMPM
Eddy County, New Mexico

The well will be drilled to a depth sufficient to test the Strawn and Morrow formations (West Parkway-Strawn Pool and West Parkway-Morrow Pool), and UMC requests unorthodox location approval for both zones. Well spacing is 320 acres. A Form C-102 for the well is attached as Exhibit A.

The well is being drilled as a replacement well for the Parkway West Unit Well No. 1, which produced from the Strawn formation. The proposed location is based upon geologic reasons. Attached as Exhibit B is an isopach of the Strawn formation. It shows that the proposed location is within the optimum sand thickness, but outside the area previously drained by Unit Well No. 1. The location provides the best chance of successfully encountering potential Strawn pay. Thus, placing the well at its proposed location reduces the risk involved in drilling the well.

Submitted as Exhibit C is a land plat of the Parkway West Unit, approved by Division Order No. R-4386, with the location of the proposed well marked thereon. The well is unorthodox due to being too close to the end line of the well unit and to a quarter-quarter section line. UMC operates the Parkway West Unit, and the well