

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF 079003
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator DEVON ENERGY CORP.		7. If Unit or CA Agreement, Name and No.
Contact: CHARLES MUZZY E-Mail: charles.muzzy@dmv.com		8. Lease Name and Well No. NEBU 468A
3a. Address 20 NORTH BOARDWAY OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405.552.7955 Fx: 405.552.4553	9. API Well No. 30-039-27751
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENE Lot A 530FNL 355FEL At proposed prod. zone SESE Lot P 800FSL 800FEL		10. Field and Pool, or Exploratory FRUITLAND COAL
14. Distance in miles and direction from nearest town or post office* 39 MILES NORTHEAST OF AZTEC, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 2 T30N R7W Mer NMP A
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease 2560.00	12. County or Parish RIO ARRIBA
17. Spacing Unit dedicated to this well 320.00 E2S35, 31N, 7W	18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	13. State NM
19. Proposed Depth 3961 MD 3542 TVD	20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6501 GL	22. Approximate date work will start	23. Estimated duration 20 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) CHARLES MUZZY	Date 05/24/2004
Title SR. OPERATIONS TECH		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 9-30-04
Title AFM	Office FFO	

Application approval does not warrant or certify 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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

Additional Operator Remarks (see next page)

HOLD C104 FOR Directional Survey

Electronic Submission #31070 verified by the BLM Well Information System
For DEVON ENERGY CORP., sent to the FarmingtonThis action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

NMOCB

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-27751		Pool Code 74629	Pool Name Basin Fruitland Coal
Property Code 19641	Property Name NEBU		Well Number # 468A
OGRID No. 6137	Operator Name Devon Energy Production Company, L.P.		Elevation 6501

Surface Location

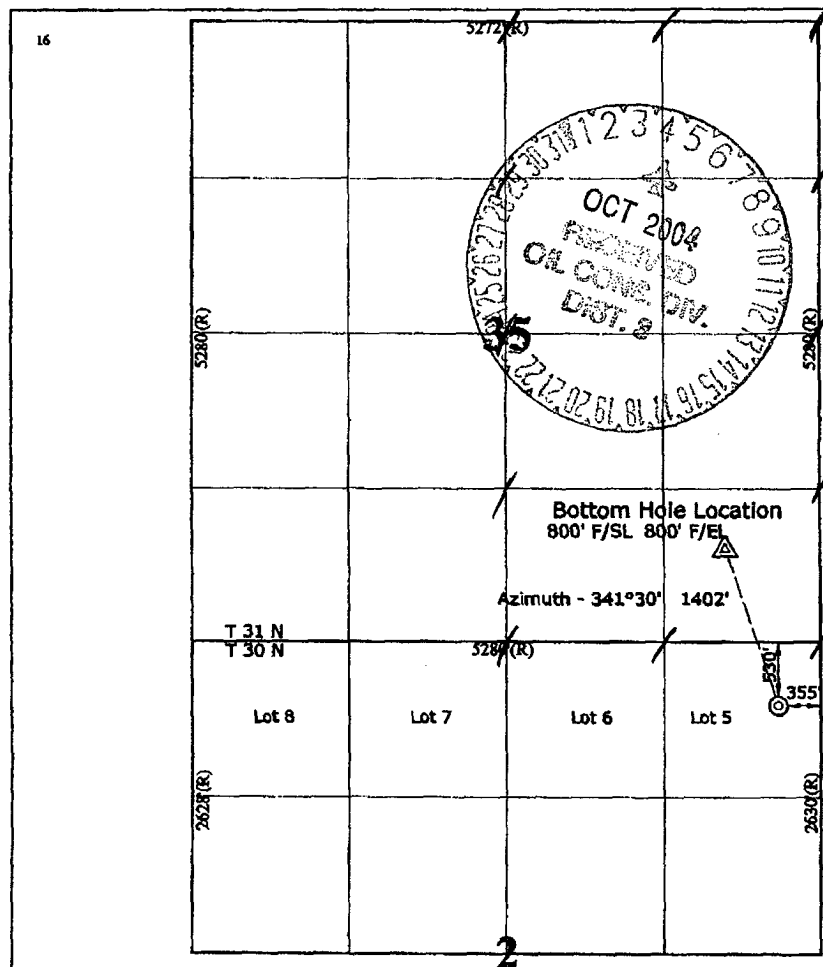
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A (Lot 5)	2	30 N	7 W		530	NORTH	355	EAST	Rio Arriba

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
P	35	31 N	7 W		800	SOUTH	800	EAST	Rio Arriba

Dedicated Acres 320	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



OPERATOR CERTIFICATION

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

Signature
Charles Muzzey
Printed Name
Charles Muzzey
Title
St. Ops. Tech
Date
5-21-04

SURVEYOR CERTIFICATION

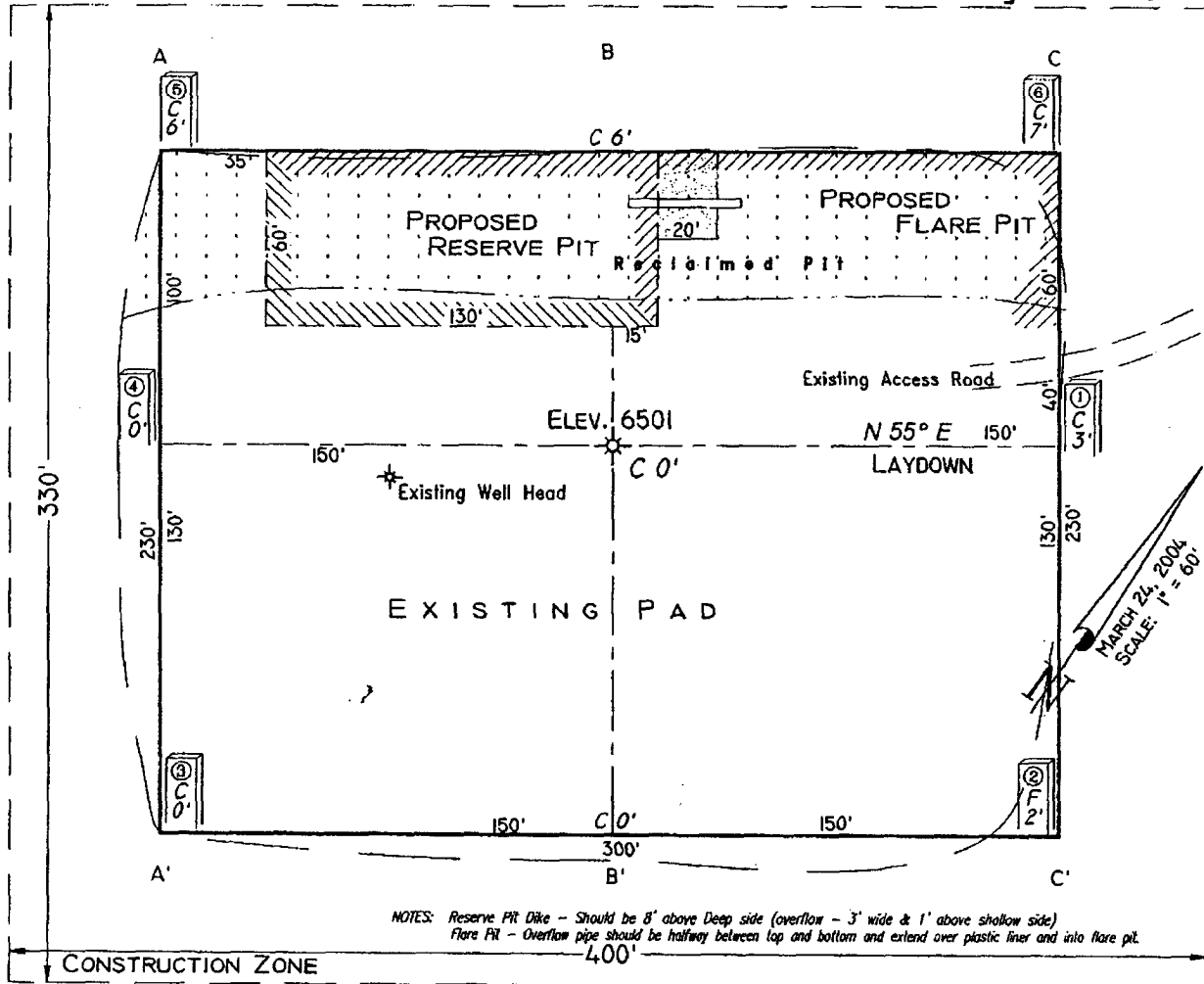
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

March 24, 2004
Date of Survey
Signature and Seal of Professional Surveyor

7016
Certificate Number

PAD LAYOUT PLAN & PROFILE
DEVON ENERGY PRODUCTION COMPANY, L.P.
 NEBU # 468A
 530' F/NL 355' F/EL
 SEC. 2, T30N, R7W, N.M.P.M.
 RIO ARRIBA COUNTY, NEW MEXICO

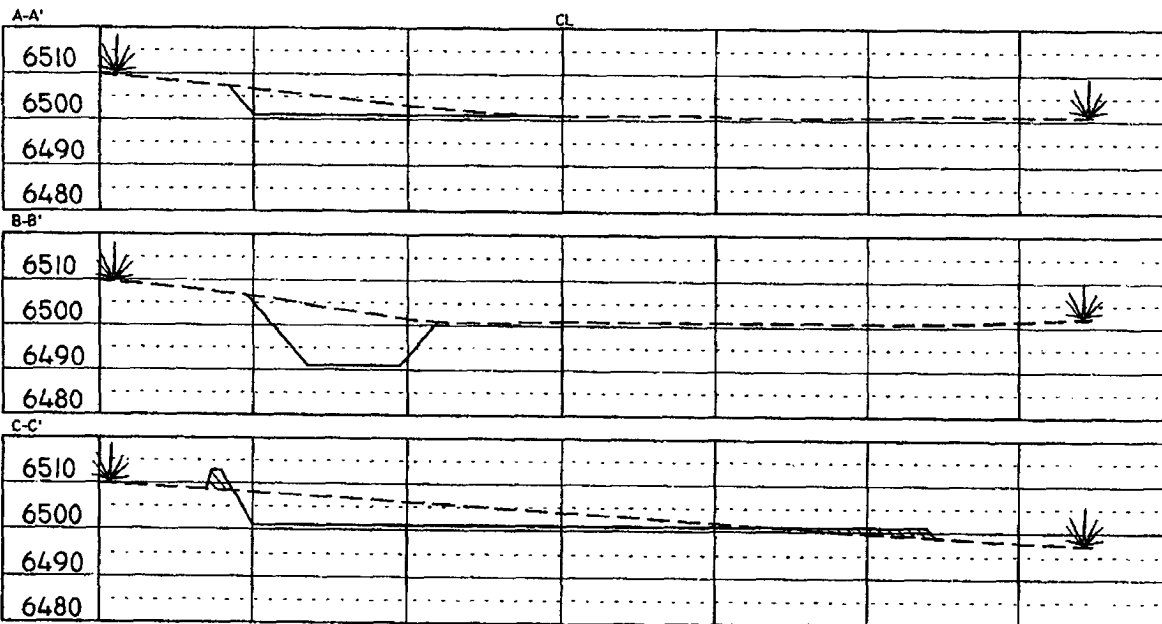
Lat: 36°50'51"
 Long: 107°31'57"



NOTES: Reserve Pit Dike - Should be 8' above Deep side (overflow - 3' wide & 1' above shallow side)
 Flare Pit - Overflow pipe should be halfway between top and bottom and extend over plastic liner and into flare pit.

Area of Construction Zone - 330'x400' or 3.03 acres, more or less.

SCALE: 1"=60'-HORIZ.
 1"=40'-VERT.



NOTE: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction.

Cuts and fills shown are approximate - final finished elevation is to be adjusted so earthwork will balance. Corner stakes are approximate and do not include additional areas needed for sideslopes and drainages. Final Pad Dimensions are to be verified by Contractor.

VANN SURVEYS
 P. O. Box 1306
 Farmington, NM

**NEBU 468A
Unit A (Lot 5) 2-30N-7W
Rio Arriba Co., NM**

DRILLING PLAN

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS & ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:

Formation	TVD (ft)	TMD (ft)	Hydrocarbon/Water Bearing Zones
San Jose	Surface	Surface	
Ojo Alamo	2383	2774	Aquifer
Kirtland	2508	2914	
Fruitland	2962	3381	Gas
Pictured Cliffs	3442	3861	Gas
PTD	3542	3961	

All shows of fresh water and minerals will be adequately protected and reported. A 100' sump will be drilled into the Picture cliffs. A mud logger will be on location collecting samples and measuring gas levels. Should the Picture Cliffs interval appear to be productive the sump will be filled with cuttings and abandoned

2. PRESSURE CONTROL EQUIPMENT:

All well control equipment shall be in accordance with Onshore Order #2 for 2M systems.

The minimum specifications for pressure control equipment that will be provided are included on the attached schematic diagram, which shows the size, and pressure ratings.

- 2000# BOP With Pipe Rams and 2000# BOP With Blind Rams

Auxiliary equipment to be used:

- Upper kelly cock with handle available.

The manifold includes appropriate valves and adjustable chokes. The kill line will have one check valve. Ram type preventers will be pressure tested to full working pressure (utilizing a test plug) or 70% of the internal yield pressure (without a test plug) at:

- Initial installation
- Whenever any seal subject to test pressure is broken
- Following related repairs

- At 30 day intervals

Pipe and blind rams shall be activated each trip.

A BOPE pit level drill will be conducted weekly for each drilling crew.

All tests and drills will be recorded in the drilling log.

The accumulator will have sufficient capacity to close all rams and retain 200 psi above pre-charge pressure without the use of closing unit pumps.

Master controls will be at the accumulator. Anticipated bottom hole pressure is 1000 psi.

3. **CASING & CEMENTING PROGRAM:**

A. The proposed casing program will be as follows:

TVD	TMD	Hole Size	Size	Grade	Weight	Thread	Condition
0-285	0-285	12-1/4"	9-5/8"	H-40	32#	STC	New
0-2962	0-3381	8-3/4"	7"	J-55	23#	LTC	New
0- TD	0- TD	6-1/4"	5-1/2"*	J-55	15.5 #	LTC	New

The 9-5/8" surface pipe will be tested to 750 psi. All casing strings below the surface shoe shall be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi, whichever is greater, but not to exceed 70% minimum internal yield.

Surface: The bottom three joints of the surface casing will have a minimum of one centralizer per joint and one centralizer every joint thereafter (Total 5 centralizers estimated)

7" Casing: The bottom three joints of the 7" casing will have a minimum of one centralizer per joint and one centralizer every fifth joint thereafter to above Ojo Alamo with turbolizers below and throughout the Ojo Alamo. (Total 12 centralizers, 3 turbolizers estimated).

B. The proposed cementing program will be as follows:

Surface String: 9-5/8" Surface cemented in a 12-1/4" hole at 285'.
32.3# H-40 ST&C 8 Rnd
Saw tooth guide shoe
Cemented with 200 sacks Class B mixed at 15.6 ppg w/.25 pps
Celloflake, 2% calcium chloride. Yield 1.19 ft³/sx. *

** Minor variations possible due to existing hole conditions*

Production String: 7" Production casing cemented in an 8-3/4" hole
23# J-55 LT&C 8 Rnd

Float collar
Joint
Float Shoe
Cement with

Lead: 500 sacks Class B 50/50 POZ, 3% gel, 5# gilsonite, ¼"# Flocele, .1% CFR 3, .2% Halad 344, yield 1.47 ft3/sx.

Tall: 25 sx Class 'B'. 1.18 ft3/sx. *

Cement designed to circulate to surface.

Pending hole conditions, cement baskets may be installed above TD

*** Minor variations possible due to existing hole conditions.**

Liner:

5-1/2" liner*
15.5# J-55 LT&C 8 Rnd
Shoe
Not Cemented

* May not be run pending hole conditions.

If well does not respond to proposed to completion, the 5 ½ " liner will be cemented using 300 sacks class B 50/50 POZ, 3% gel, 5# gilsonite, ¼"# Flocele, .1% CFR 3, .2% Halad 344, yield 1.47 ft3/sx. **

**** Minor variations possible due to existing hole conditions**

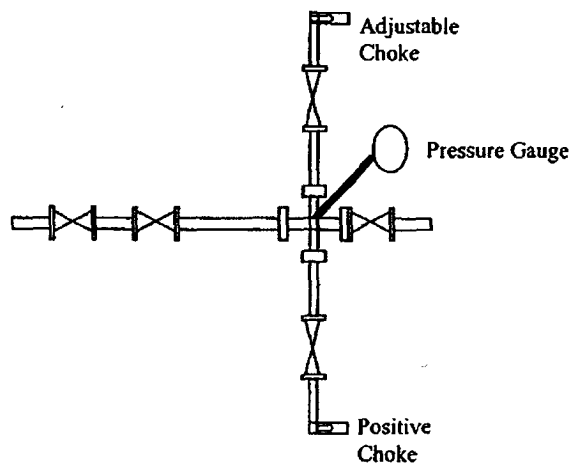
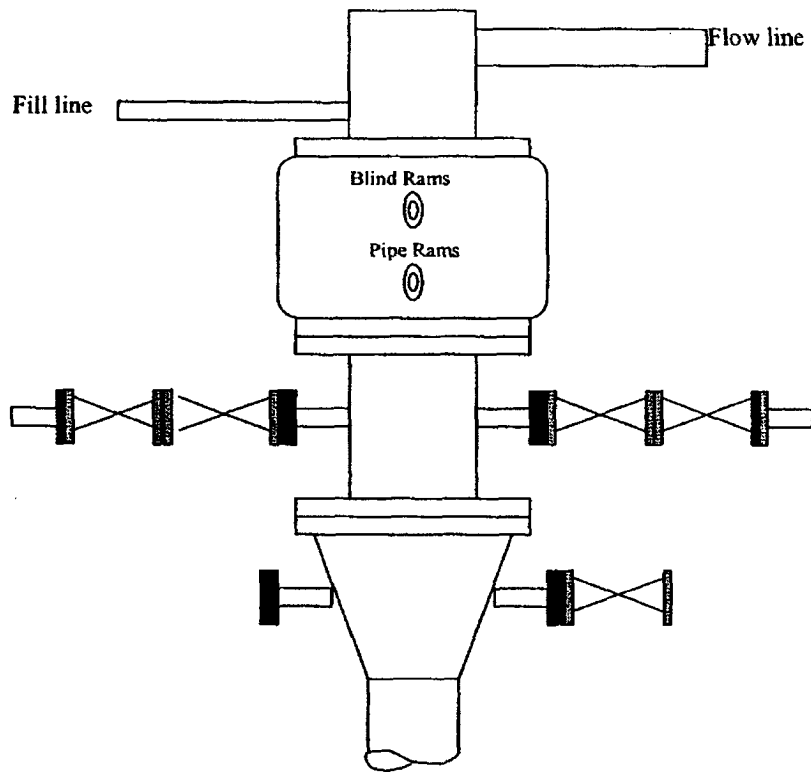
4. DRILLING FLUIDS PROGRAM:

TVD	TMD	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0-285	0-285	Spud	8.4-9.0	29-70	8.0	NC	FW gel,
285-2962	285-3381	LSND	8.4-9.0	29-70	8.0	10-12	LCM as needed
2775 - TD	3381 - TD	Air					Foam as needed

NC = no control

Sufficient quantities of mud material will be maintained on site or be readily accessible for the purpose of assuring well control. SPR will be recorded on daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

Well Control Equipment
2,000 psi Configuration



All well control equipment designed to meet or exceed the Onshore Oil and Gas Order No. 2, BLM 43 CFR 3160 requirements for 2M systems.



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

June 2, 2004

*Release
June 17, 2004*

New Mexico Oil Conservation Commission
District 3
1000 Rio Brazos Road
Aztec, NM 87410

RE: Offset Operator Notification of Application for Permit to Drill
NEBU 468A Well
800' FSL x 800' FEL Section 2, T-30N, R-7-W
Rio Arriba County, New Mexico



ATTN: Steve Hayden

Enclosed, as required under Order R-8768-F dated July 17, 2003, you will find a copy of the notification letter to offset operator(s) of the intent to drill an Optional Infill Well in the High Productivity Area of the Basin-Fruitland Coal Pool by Devon Energy Production Company L.P.

You may contact me with any comments or questions at the (405) 228-7533.

Cordially,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Teresia D. McGinnis, CPL
Contract Landman
(405) 228-7533
teresia.mcgininis@dvn.com



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

May 25, 2004

(Certified Mail – Return Receipt Requested)

ConocoPhillips Company
P. O. Box 2197
Houston, TX 77252-2197

RE: Notification of Application for Permit to Drill
NEBU 468A Well
800' FSL x 800' FEL Section 2, T-30-N, R-7-W
Rio Arriba County, New Mexico



Attention: Jennifer Barber

Devon Energy Production Company L.P. ("Devon") is submitting the enclosed Application for Permit to Drill the Northeast Blanco Unit 468A Well to the appropriate regulatory agency(s) for approval.

Pursuant to New Mexico Oil Conservation Commission Order R-8768-F dated July 17, 2003, consider the enclosed copy of this Application for Permit to Drill, including NMOCD form C-102, to serve as notice of Devon's intent to drill an Optional Infill Well in the High Productivity Area of the Basin-Fruitland Coal Pool.

Affected parties have twenty (20) days from receipt of this notice in which to file with the District Office of the New Mexico Oil Conservation Division written objection to the proposed Application for Permit to Drill.

Cordially,

DEVON ENERGY PRODUCTION COMPANY L.P.

Teresia D. McGinnis, CPL

Contract Landman

(405) 228-7533

Teresia.mcginis@dvn.com

Attachment(s): Federal Form 3160-3
NMOCD Form C-102
Area Map

R 6 W

**T
31
N**

**T
30
N**

28 NE

SI 30-4 Unit
Communization Agreement
Meridian operated

NOTES

1. TRACTS FROM OCTOBER 28, 1918 Q.L.O. PLAT.
2. SAN JUAN - RIO ARRIBA COUNTY LINE DIGITIZED FROM UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY PINE RIVER, BURRIT MESA AND BANCOS MESA QUADRANGLES.
3. TOTAL AREA OF TRACTS AND SECTIONS ON EACH SIDE OF THE COUNTY LINE CALCULATED WITH AUTOCAD AND THE RESULTS PROPORTIONED TO LOTS AND TRACTS.

LEGEND

PRINCIPAL LIVES

SPACE LAUNCH

















PAINTING LADS

TRACK NUMBERDISCONTINUOUS TRACES OF
ONE OR MORE PARCELS

FRIDLAND-PICTURED GUY

BANUN DATOKA DISTAL PARTICIPATING AREA

**MAVOD MINERALS AND
BARKEN FRICTIONAL COAL**

	AMOCO, ETL
	MEDIAN OIL, INC. - 1.00
	AMOCO PRODUCTION COMPANY - .50
	CONROD INC. - .50
	DEVCON, ETL
	NORTHWEST PIPELINE CORPORATION - 1.00
	AMOCO, ETL
	WESER OIL COMPANY - 1.00
	TEXACO, INC - 1.00
	JACQUELIN M. WILLIAMS - 1.00
	DEVCON ENERGY - 1.00
	AMOCO, ETL
	MEDIAN OIL & GAS - 1.00
	MEDIAN OIL & GAS - .50
	NORTHWEST PIPELINE - .50
	BLACKSTONE & NICHOLS, ETL

GROUP 1

AMCO PRODUCTION COMPANY	20	AMCO PRODUCTION COMPANY	2000000
MERIDIAN CO. INC.	15190007	MERIDIAN CO. INC.	2010170
COHEN ENERGY CORPORATION	20430003	COHEN ENERGY CORPORATION	10240000
SON (NEW MEXICO) INC.	20000000	SON (NEW MEXICO) INC.	20040000
WESTLAND CO. DEVELOPMENT CORP.	20000010	WESTLAND CO. DEVELOPMENT CORP.	20000010
WYOMING H. LAURE	20000010	WYOMING H. LAURE	20000010
T.A. LAURE & S.A. MILLS, TR.	20000010	T.A. LAURE & S.A. MILLS, TR.	20000010

GROUP 2

N.A. PHILLIPS EDGE	36088800	DECON ENERGY CORPORATION	36088800
WATKINSON ENERGY CORPORATION	33457400	MORGAN CL. INC	3439000
CHICAGO, ILL	33327400	BOG (DEE) INCORP INC	1812700
ANN E. WILLIAMS	34184810	WESTLAND CL. DEVELOPMENT CORP	36088800
N.A. PHILLIPS JR	36077430	THAYER L. LAURE	36088800
N.A. PHILLIPS, THOMAS	36077430	TAL. LAURE & C.L. MILES, JR	36088800
CHICAGO, ILL	36077430		

GROUP 3

[illegible]

GROUP 4

AMCO PRODUCTION COMPANY	35000000
MEDWAY CO. INC.	3810179
DOCK ENERGY CORPORATION	133-4883
BOO (NEW MEXCO) INC	333-4636
WICKLAND OIL DEVELOPMENT CORP	24-08543
BAKER H. LAURE	24-6138
T.H. LAURE & D.R. MILLER, III	24-08591

GROUP 5

DIXON ENERGY CORPORATION	2880008
MEXICAN OIL, INC	3430000
SON GROW SCHOOL INC	1212008
WESTLAND OIL DEVELOPMENT CORP	0804863
THAYER H. LAURE	0084042
T.H. LAURE & O.H. MILLS, JR	0000008

NORTHEAST BLANCO UNIT

**UNIT AGREEMENT
PLAN OF DEVELOPMENT
FOR 2004**

Income Bracket (Scale in Feet)	Percentage
2000 - 4000	~10%
4000 - 6000	~35%
6000 - 8000	~25%
8000 - 10000	~15%
10000 - 12000	~10%
12000 - 14000	~5%
14000 - 16000	~2%
16000 - 18000	~1%
18000 - 20000	~1%

34

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Conoco Phillips Company
ATTENTION: Jennifer Barber
P. O. Box 2197
Houston, TX 77252-2197

2. Article Number
(Transfer from service label)

7003 1680 0002 1827 9882

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

MAY 28 2004

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

Devon Energy Production Company LP
ATTN: Teresia D. McGinnis - MAT 212
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260

NEBU 468A

