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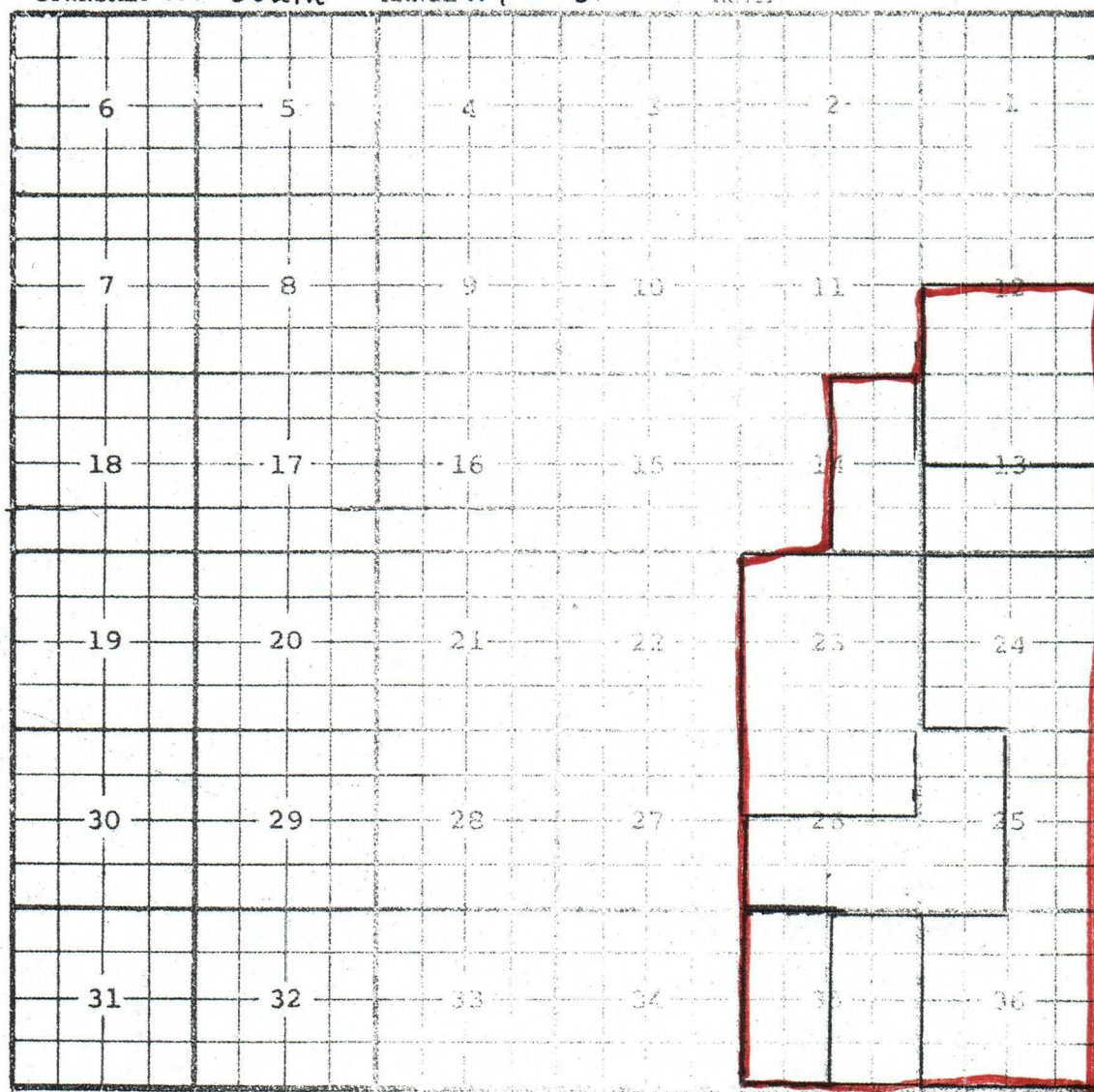
ONGARD
INQUIRE LAND BY SECTION

Sec : 06 Twp : 21S Rng : 27E Section Type : LONG

12	4	5	11	3	6	10	2	7	1	8	9
37.12	28.23	37.12	40.00	30.38	40.00	40.00	30.32	40.00	30.27	40.00	40.00
Federal owned			Federal owned			MULTI			MULTI		
C			C			CS			CS		
A A			A P			A			A		
13			14			15			16		
37.12			40.00			40.00			40.00		
Federal owned			Federal owned			CS			CS		
						V04500 0000			V04500 0000		
						NGX COMPANY			NGX COMPANY		
						11/01/99			11/01/99		
17			K			J			I		
37.12			40.00			40.00			40.00		
Federal owned			Federal owned			CS			CS		
						V04500 0000			V04500 0000		
						NGX COMPANY			NGX COMPANY		
						11/01/99			11/01/99		
A			A						C		
18			N			O			P		
37.12			40.00			40.00			40.00		
Federal owned			Federal owned			CS			CS		
						V04500 0000			V04500 0000		
						NGX COMPANY			NGX COMPANY		
						11/01/99			11/01/99		
									A		

COUNTY EddyPOOL Burton Flat - Morrow GasTOWNSHIP 20 SouthRANGE 27 East

NWPM



Ext: All Secs 24 & 36, $\frac{E}{2}$ Sec 25 (R-5534, 10-1-77)

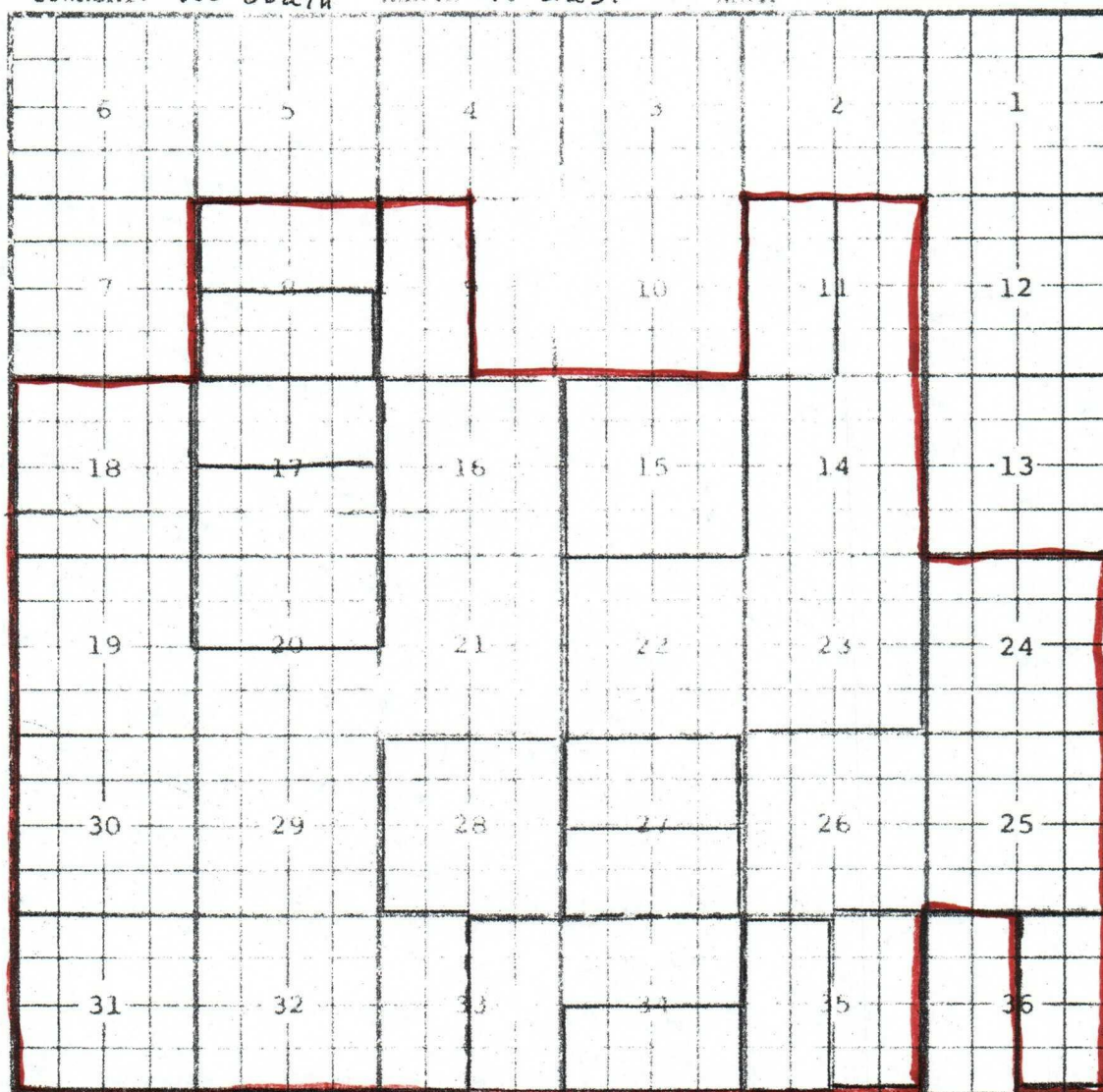
Ext: $\frac{S}{2}$ Sec 13, All Sec 23, $\frac{N}{2}$ Sec 26 (R-5667, 4-1-78)

Ext: $\frac{E}{2}$ Sec 14 (R-5781, 9-1-78)

Ext: $\frac{S}{2}$ Sec 12, $\frac{N}{2}$ Sec 13 (R-6033, 7-1-79) Ext: $\frac{E}{2}$ Sec 35 (R-6576, 2-10-81)

Ext: $\frac{W}{2}$ Sec 25, $\frac{S}{2}$ Sec 26 (R-6890, 1-2-82) Ext: $\frac{W}{2}$ Sec 35 (R-6838, 11-8-81)

COUNTY Eddy POOL Burton Flat - Morrow Gas
 TOWNSHIP 20 South RANGE 28 East NMT



Ext: $\frac{5}{2}$ Sec 34 (R-4706, 1-18-74)

Ext: $\frac{1}{2}$ Sec 33, $\frac{1}{2}$ Sec 34 (R-4734, 3-1-74)

Ext: $\frac{5}{2}$ Sec 27, $\frac{1}{2}$ Sec 35 (R-4782, 6-1-74)

Ext: $\frac{1}{2}$ Sec 27 (R-4821, 8-1-74)

Ext: $\frac{1}{2}$ Sec 11, All Sec 14, 22 & 23 (R-4915, 12-1-74)

Ext: All Sec 15 & 28 (R-4969, 4-1-75) Ext: $\frac{1}{2}$ Sec 11 (R-5063, 7-1-75)

Ext: All Sec 16, 18, 19, 21, 29, 30, 31 & 32, $\frac{5}{2}$ Sec 26, $\frac{1}{2}$ Sec 33 (R-5534, 10-1-77)

Ext: $\frac{5}{2}$ Sec 17, (R-6499, 11-1-80) - $\frac{1}{2}$ Sec 20 Ext: $\frac{1}{2}$ Sec 17 (R-6890, 1-2-82)

EXT: $\frac{5}{2}$ Sec 8 (R-7009, 6-19-82)

Ext: All Secs 24 through 26 (R-7322, 8-1-83) EXT w/2 Sec 9 (R-8969, 8-1-89)

Ext: $\frac{1}{2}$ Sec 8 (R-9545, 7-1-91) Ext: $\frac{1}{2}$ Sec 36 (R-11815, 8-13-02)

Ext: $\frac{1}{2}$ Sec 35 (R-11895, 2-6-03)

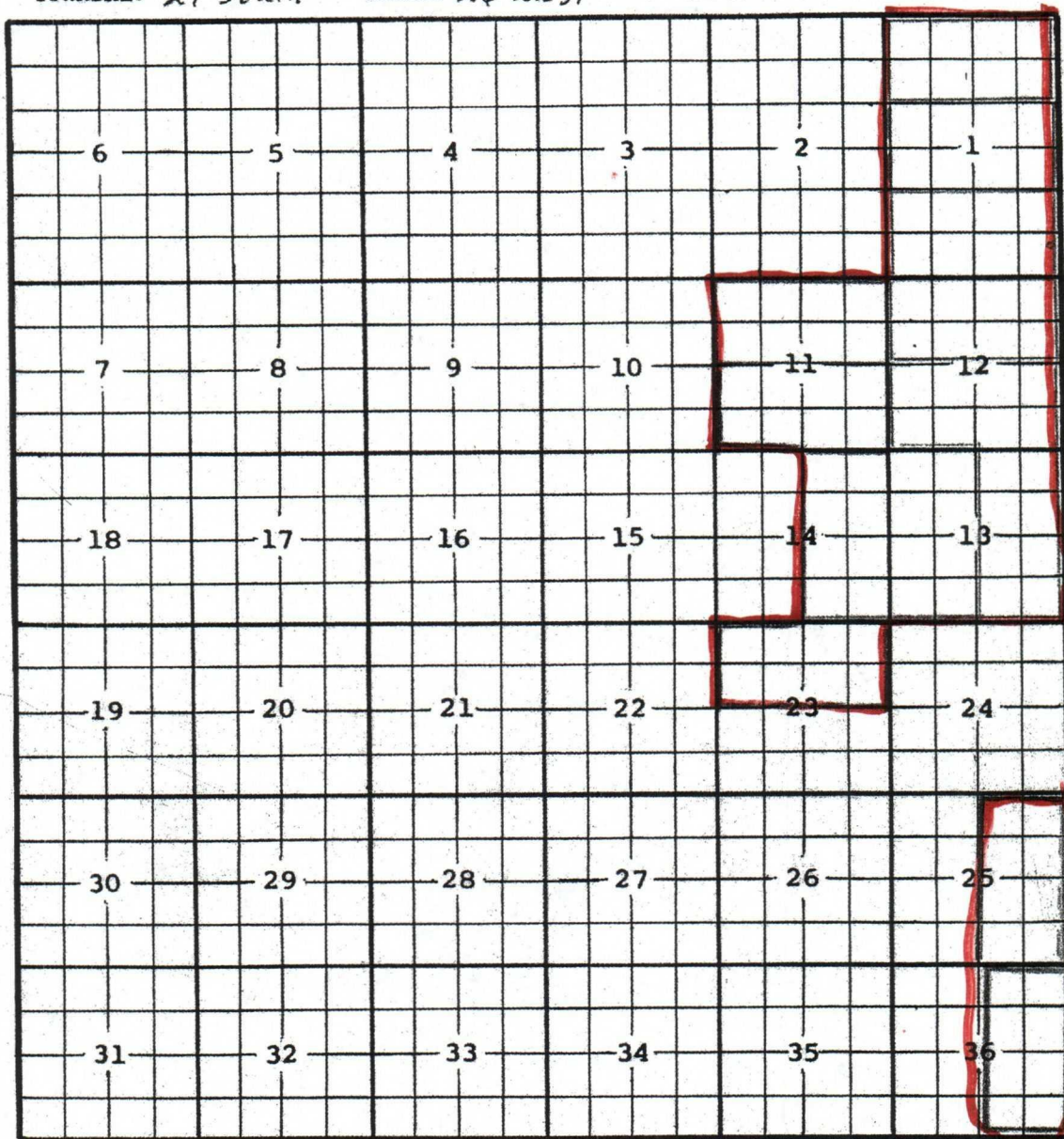
COUNTY Eddy

POOL Burton Flat - Morrow Gas

TOWNSHIP 21 South

RANGE 26 East

NMPM

Ext: $\frac{N}{2}$ Sec 12 (R-4915, 12-1-74)

Ext: Lots 1 thru 8 Sec 1 (R-4937, 2-1-75)

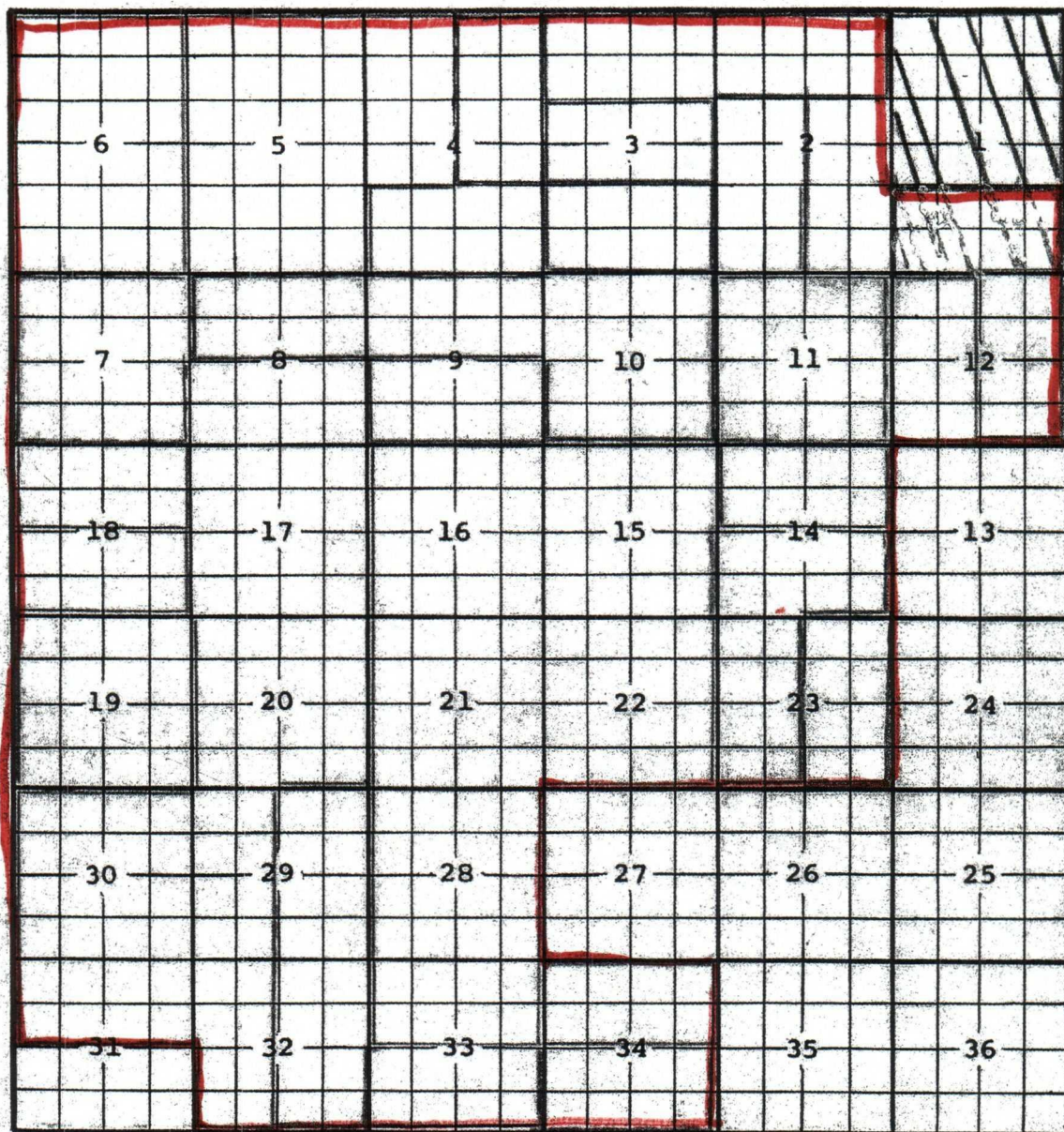
Ext: $\frac{S}{2}$ Sec 12, $\frac{E}{2}$ Sec 13 (R-5162, 3-1-76)Ext: $\frac{S}{2}$ Sec 1 (R-5309, 11-1-76) Ext: ($\frac{W}{2}$ Sec. 13, $\frac{E}{2}$ Sec. 14) R-6368, 7-1-80

Ext: Lots 9, 10, 11, 12, 13, 14, 15, 16 Sec 1 (R-6576, 2-10-81)

Ext: $\frac{N}{2}$ Sec 11 (R-7419, 12-21-83) Ext: $\frac{S}{2}$ Sec 11 (R-11005, 7-24-98)Ext: $\frac{N}{2}$ Sec. 23 (R-11691, 11-28-01) Ext: $\frac{E}{2}$ Sec. 25 (R-12030, 9-24-03)

COUNTY EddyPOOL Burton Flat - Morrow GasTOWNSHIP 21 SouthRANGE 27 East

NMPM



Description: Lots 9 thru 16 Sec. 3 (R-4486, 3-1-73)

Ext: Lots 1 thru 8 Sec. 2; Lots 1 thru 8 & $\frac{1}{2}$ Sec. 3 (R-4540, 6-1-73)

Ext: $\frac{1}{2}$ Sec 8, $\frac{1}{2}$ Sec 9, All Sec 10 (R-^{1670-P}~~4707~~, 1-18-74)

Ext: Lots 1, 2, 7, 8, 9, 10, 15 & 16, Sec 4 (R-4734, 3-1-74)

Ext: All Sec. 7, All Sec. 11 (R-4782, 6-1-74)

Ext: All Sec 6 (R-4850, 9-10-74) Ext: $\frac{1}{2}$ Sec 9, $\frac{1}{2}$ Sec 14 (R-4861, 11-1-74)

Ext: $\frac{1}{2}$ Sec 12 (R-4937, 2-1-75) Ext: $\frac{1}{2}$ Sec 18 (R-5015, 6-1-75)

Ext: $\frac{1}{2}$ Sec 4, $\frac{1}{2}$ Sec 18 (R-5063, 7-1-75)

Ext: Lots 11, 12, 13, 14 & $\frac{1}{4}$ Sec 2, All Sec 15, 16, 21, 22 & 28, -

- $\frac{1}{2}$ Sec 33 (R-5162, 3-1-76) Ext: $\frac{1}{2}$ Sec 34 (R-5361, 3-1-77)

Ext: Lots 3, 4, 5, 6, 11, 12, 13 & 14 Sec 4, All Sec 5, 17, 20 & 30 -

- $\frac{1}{2}$ Sec 8, $\frac{1}{2}$ Sec 29, $\frac{1}{2}$ Sec 31, $\frac{1}{2}$ Sec 32 (R-5534, 10-1-77)

Ext: $\frac{1}{2}$ Sec 29, $\frac{1}{2}$ Sec 32 (R-6758, 8-26-81) Ext: $\frac{1}{2}$ Sec 14, $\frac{1}{2}$ Sec 23 (R-6890, 1-2-82)

Ext: All Sec. 1, Lots 9, 10, 15, 16, and 5th 4 (R-7419, 12-21-83)

Delete All Sec. 1 (R-7958, 6-12-85) Ext: All Sec. 19 (R-7958, 6-12-85)

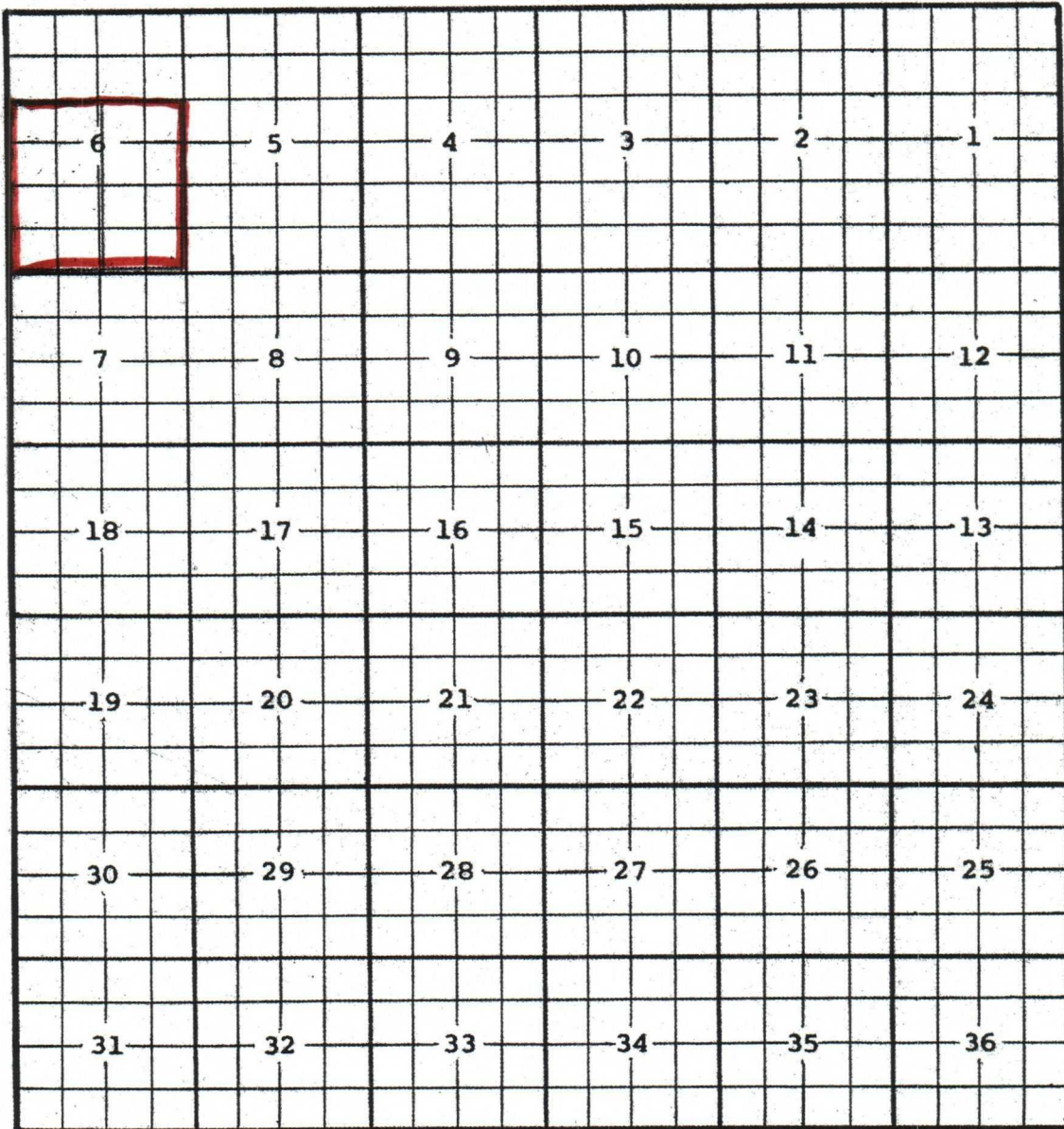
Ext: 5/2 Sec. 33 (R-9545, 7-1-91) Ext: 5/2 Sec. 34 (R-9709, 8-25-92)

Ext: 5/2 Sec. 12 (R-12083, 1-11-04) Ext: 5/2 Sec. 23 (R-12126, 3-30-04)

Ext: 5/2 Sec. 1 (R-12208, 9-8-04)

COUNTY *Eddy*POOL *Alacran Hills - Atoka Gas*TOWNSHIP *21 South*RANGE *27 East*

NMPM



Description: Lots 9, 10, 15, 16 & $\frac{SE}{4}$ Sec 6 (R-5667, 4-1-78)

Ext: Lots 11, 12, 13, 14, 17 and 18 and Units K and N (R-12288, 2-23-05)

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 6178
Order No. R-5667

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING, ASSIGNING DISCOVERY
ALLOWABLE, AND EXTENDING VERTICAL AND
HORIZONTAL LIMITS OF CERTAIN POOLS IN
CHAVES, EDDY, LEA, AND ROOSEVELT
COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on March 8, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of March, 1978, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Alacran Hills-Atoka Gas Pool. Said Alacran Hills-Atoka Gas Pool was discovered by the Read & Stevens, Inc. W R State Com Well No. 1 located in Unit X of Section 6, Township 21 South, Range 27 East, NMPM. It was completed in the Atoka formation on June 6, 1977. The top of the perforations is at 10,382 feet.

(3) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of West Malaga-Atoka Gas Pool. Said West Malaga-Atoka Gas Pool was discovered by the HNG Oil Company Valdez 5 Com Well

No. 1 located in Unit H of Section 5, Township 24 South, Range 28 East, NMPM. It was completed in the Atoka formation on October 4, 1977. The top of the perforations is at 11,936 feet.

(4) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of Palmillo-Wolfcamp Pool. Further, that the discovery well for said pool, the Southland Royalty Company Palmillo State Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 43,300 barrels to be assigned over a two-year period. Said discovery well was completed in the Wolfcamp formation on December 11, 1977. The top of the perforations is at 8,660 feet.

(5) That there is need for the creation of a new oil pool in Eddy County, New Mexico for the production of oil from the San Andres formation, said pool to bear the designation of Railroad Mountain-San Andres Pool. Said Railroad Mountain-San Andres Pool was discovered by The Harlow Corporation Graves Well No. 1 located in Unit F of Section 11, Township 8 South, Range 28 East, NMPM. It was completed in the San Andres formation on April 14, 1975. The top of the perforations is at 2,577 feet.

(6) That there is need for the extension of the vertical limits of the Daughterity-San Andres Pool in Eddy County, New Mexico, to include the Grayburg formation, the redesignation of said pool as the Daughterity-Grayburg-San Andres Pool, and the extension of the horizontal limits of said pool.

(7) That there is need for the certain extensions to the Buffalo Valley Pennsylvanian Gas Pool, the Cato-San Andres Pool, the East Chisum-San Andres Pool, and the Sams Ranch-Grayburg Gas Pool, all in Chaves County, New Mexico, and the Angell Ranch-Morrow Gas Pool, the Avalon-Strawn Gas Pool, the Bass-Morrow Gas Pool, the West Bubbling Springs-Morrow Gas Pool, the Burton Flat-Morrow Gas Pool, the East Burton Flat-Morrow Gas Pool, the Cabin Lake-Strawn Pool, the South Carlsbad-Cherry Canyon Pool, the South Carlsbad-Morrow Gas Pool, the East Carlsbad-Wolfcamp Gas Pool, the Cemetery-Morrow Gas Pool, the North Dagger Draw-Upper Pennsylvanian Pool, the East Eagle Creek-Atoka-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the Fordinkus-Cisco Gas Pool, the West Four Mile Draw-Morrow Gas Pool, the Kennedy Farms-Morrow Gas Pool,

and the North Turkey Track-Morrow Gas Pool, all in Eddy County, New Mexico, and the South Brunson-Abo Pool, the South Corbin-Morrow Gas Pool, the Dickenson-San Andres Pool, the South Leonard-Queen Pool, the Reeves-Queen Pool, the Sanmal-Wolfcamp Pool, and the North Vacuum-Abo Pool, all in Lea County, New Mexico, and the Chaveroo-San Andres Pool and the Tomahawk-San Andres Pool, both in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production, is hereby created and designated as the Alacran Hills-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 6: Lots 9, 10, 15, 16 and SE/4

(b) That a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production, is hereby created and designated as the West Malaga-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 5: E/2

(c) That a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production, is hereby created and designated as the Palmillo-Wolfcamp Pool, consisting of the following described area:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 32: NE/4

Further, that the discovery well for said Palmillo-Wolfcamp Pool, being Southland Royalty Company Palmillo State Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, NMPM, is hereby assigned a bonus discovery allowable in the amount of 43,300 barrels to be produced over a two-year period.

(d) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the Railroad Mountain-San Andres Pool, consisting of the following described area:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 11: NW/4

(e) That the Angell Ranch-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 31: All

(f) That the Avalon-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 31: S/2
Section 32: S/2

(g) That the Bass-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 29: W/2

(h) That the South Brunson-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 31: S/2

(i) That the West Bubbling Springs-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 25: All
Section 26: E/2

(j) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 17: N/2

(k) That the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 13: S/2
Section 23: All
Section 26: N/2

(l) That the East Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 12: E/2

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM

Section 7: All

(m) That the Cabin Lake-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM

Section 1: S/2 SW/4

Section 2: SE/4 SE/4

(n) That the South Carlsbad Cherry Canyon Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 20: NW/4 SW/4

(o) That the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 11: All

Section 12: S/2

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 7: W/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 8: E/2

Section 9: All

Section 16: All

(p) That the East Carlsbad-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 2: SE/4

Section 11: E/2

(q) That the Cato-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM

Section 5: NW/4

(r) That the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM

Section 24: N/2

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM

Section 6: S/2

(s) That the East Chisum-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM

Section 16: E/2 W/2 and SE/4

(t) That the Chaveroo-San Andres Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM

Section 34: SE/4

(u) That the South Corbin-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 20: SE/4

(v) That the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM

Section 16: NW/4

(w) That the vertical limits of the Daughterity-San Andres Pool in Eddy County, New Mexico, are hereby extended to include

the Grayburg formation, and said Daugherty San Andres Pool is redesignated the Daugherty-Grayburg-San Andres Pool. Also, said Daugherty-Grayburg-San Andres Pool is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 10: N/2 NE/4

(x) That the Dickenson-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM
Section 35: S/2

(y) That the East Eagle Creek Atoka-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 23: E/2

(z) That the South Empire-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 5: N/2
Section 7: N/2
Section 8: W/2

(aa) That the Fordinkus-Cisco Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 22: E/2
Section 23: All

(bb) That the West Four Mile Draw-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM
Section 5: S/2

(cc) That the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM

Section 26: S/2

Section 35: N/2

(dd) That the South Leonard-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM

Section 13: SW/4

(ee) That the Reeves-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM

Section 22: SW/4

(ff) That the Sams Ranch-Grayburg Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 28 EAST, NMPM

Section 8: NE/4

Section 9: NW/4

Section 15: SW/4

(gg) That the Sanmal-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM

Section 33: NW/4

(hh) That the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM

Section 31: NW/4

(ii) That the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 25: E/2

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 30: S/2

Section 32: S/2

(jj) That the North Vacuum-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 30: NE/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations, discovery allowable assignment, and extensions included herein shall be April 1, 1978.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

S E A L

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4914
Order No. R-4486

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING CERTAIN
POOLS IN EDDY, LEA AND ROOSEVELT
COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on February 28, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 2nd day of March, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Burton Flat-Morrow Gas Pool. Said Burton Flat-Morrow Gas Pool was discovered by the Monsanto Company, Burton Flat Deep Unit No. 1, located in Unit 0 of Section 3, Township 21 South, Range 27 East, NMPM. It was completed in the Morrow formation on November 3, 1972. The top of the perforations is at 11,308 feet.

(3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Lea-San Andres Pool. Said Lea-San Andres Pool was discovered by the Superior Oil Company Government "E" No. 2, located in Unit A of Section 25, Township 19 South, Range 34 East, NMPM. It was completed in the San Andres formation on November 29, 1972. The top of the perforations is at 5,855 feet.

(4) That there is need for the creation of a new oil pool in Roosevelt County, New Mexico, for the production of oil from the Pennsylvanian formation, said pool to bear the designation of South Peterson-Pennsylvanian Pool. Said South Peterson-Pennsylvanian Pool was discovered by the Phillips Petroleum Company Goldston "A" No. 2, located in Unit P of Section 36, Township 5 South, Range 32 East, NMPM. It was completed in the Pennsylvanian formation on November 18, 1972. The top of the perforations is at 7,706 feet.

(5) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of Triple X-Delaware Pool. Said Triple X-Delaware Pool was discovered by Hondo Drilling Company Gulf "NW" State No. 1, located in Unit M of Section 6, Township 24 South, Range 33 East, NMPM. It was completed in the Delaware formation on January 2, 1973. The top of the perforations is at 5,020 feet.

(6) That there is need for certain extensions to the Anderson-Pennsylvanian Gas Pool, Boyd-Morrow Gas Pool, Fren-Seven Rivers Pool, Rock Tank Upper-Morrow Pool, and Rock Tank Lower-Morrow Pool, all in Eddy County, New Mexico; the Bell Lake-Bone Spring Pool, Blinebry Oil Pool, Cary-Montoya Pool, Maljamar-Grayburg San Andres Pool, West Sawyer-San Andres Pool, Tres Papalotes-Pennsylvanian Pool, North Vacuum-Abo Pool, North Vacuum-Morrow Gas Pool, and the Wantz-Abo Pool, all in Lea County, New Mexico; and the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production, is hereby created and designated as the Burton Flat-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 3: Lots 9 through 16

(b) That a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the Lea-San Andres Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 25: NE/4

(c) That a new pool in Roosevelt County, New Mexico, classified as an oil pool for Pennsylvanian production, is hereby created and designated as the South Peterson-Pennsylvanian Pool, consisting of the following described area:

TOWNSHIP 5 SOUTH, RANGE 32 EAST, NMPM
Section 36: SE/4

(d) That a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production, is hereby created and designated as the Triple X-Delaware Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 6: SW/4

(e) That the Anderson-Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 7: S/2

(f) That the Bell Lake-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 31: SE/4

(g) That the Blinebry Oil Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 1: NE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 6: N/2

(h) That the Boyd-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 10: N/2

(i) That the Cary-Montoya Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 16: NW/4

(j) That the Fren-Seven Rivers Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM
Section 14: NW/4 NW/4
Section 15: N/2 N/2

Case No. 4914
Order No. R-4486

(k) That the Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 10: SE/4

(l) That the Rock Tank Upper-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein;

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM
Section 11: All
Section 14: All
Section 23: All

(m) That the Rock Tank Lower-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM
Section 14: All

(n) That the West Sawyer-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
Section 27: NE/4

(o) That the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 32: SE/4

(p) That the North Vacuum-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 20: N/2

(q) That the North Vacuum-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 18: E/2

Case No. 4914
Order No. R-4486

(r) That the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM
Section 34: SW/4

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 28: NW/4

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 1: S/2
Section 2: SE/4
Section 12: NE/4

(s) That the Wantz Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 16: NE/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations and extensions included herein shall be March 1, 1973.

-6-

Case No. 4914

Order No. R-4486

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

dr/



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3323

Devon Energy Production Company LP
20 N Broadway, Suite 1500
Oklahoma City, OK 73102-8260

Attention: Linda Guthrie

*Kurland 6 Federal Well No. 2
API No. 30-015-33238
Lot 12, Section 6, Township 21 South, Range 27 East, NMPM,
Eddy County, New Mexico
Burton Flat-Morrow (Prorated Gas 73280), and
Undesignated Alacran Hills-Atoka (Gas 70060) Pools*

Dear Ms. Guthrie:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be as follows. These percentages shall be amended only with permission of the Artesia District Office and copied in writing to the Division office in Santa Fe.

Burton Flat-Morrow Prorated Gas Pool	Oil-0%	Gas-39%
Undesignated Alacran Hills-Atoka Gas Pool	Oil-100%	Gas-61%

REMARKS: The operator shall notify the Artesia District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 6th day of August 2004.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



MARK E. FESMIRE, P.E.
Director

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

DATE IN 7-30-04	SUSPENSE	ENGINEER Jones	LOGGED IN 8-2-04	TYPE DHC	APP NO. DEM0421535554
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
☐ NSL ☐ NSP ☐ 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

[D] Other: Specify _____

[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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

District I
1025 N. French Drive, 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 87503

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Devon Energy Production Co., LP 20 N. Broadway, Ste 1500 Oklahoma City, OK 73102-8260

Operator Address

Kurland 6 Federal #2 ULL12-6-21S-27E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 6137 Property Code 33431 API No. 30-015-33238 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	UNDERS ALACRAN HILLS Burton Flat; Atoka East (Gas)		Burton Flat; Morrow East (Gas) Pro Gas
Pool Code	73280 70060		73280 73280
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10,388' - 10,398'		10,974' - 11,148'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1099		996
Producing, Shut-In or New Zone	Producing		Shut-In
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 07/15/04 Rates: 3/591/0	Date: Rates:	Date: 06/21/04 Rates: 0/555/10
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 100 % 61 %	Oil Gas % %	Oil Gas 0 % 39 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Linda Guthrie TITLE Regulatory Specialist DATE 07/26/04

TYPE OR PRINT NAME Linda Guthrie TELEPHONE NO. (505) 228-8209

E-MAIL ADDRESS linda.guthrie@dmn.com

DISTRICT I
P.O. Box 1880, Hobbs, NM 88241-1880

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

DISTRICT II
P.O. Drawer 80, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-33238	Pool Code 73200	Pool Name Burton Flat; Atoka, East (Gas)
Property Code 33431	Property Name KURLAND "6" FEDERAL	Well Number 2
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3188'

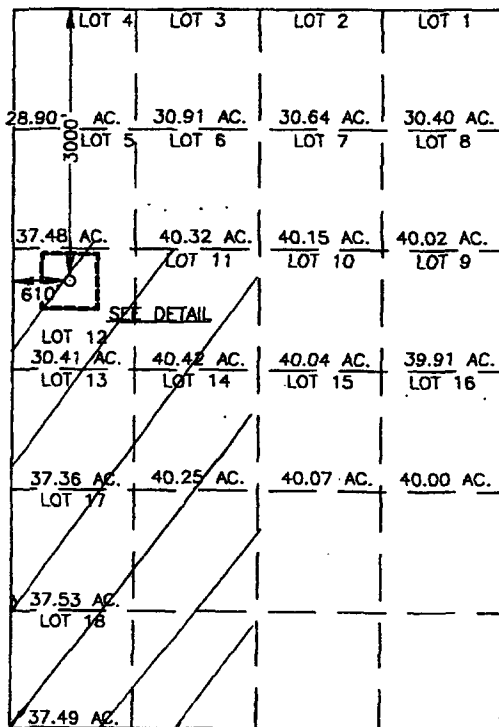
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12	6	21-S	27-E		3000	NORTH	610	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 308	Joint or Infill	Consolidation Code	Order No.						

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



DETAIL
3198.2' 3190.3'
3184.3' 3179.2'
600'
600'
GEODETIC COORDINATES
NAD 27 NME
Y = 550798.5 N
X = 530342.8 E
LAT. 32°30'51.16"N
LONG. 104°14'05.63"W

OPERATOR CERTIFICATION

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

Linda Guthrie
Signature

Linda Guthrie

Printed Name

Regulatory Specialist

Title

July 23, 2004

Date

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.

OCTOBER 10, 2003

Date Surveyed
Signature of Seal of
Professional Surveyor

GARY E. EDSON
10/15/03
03.11.1117

Certificate No. GARY E. EDSON 12841

DISTRICT I
P.O. Box 1888, Hobbs, NM 88241-1888

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0718

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
	73320	BURTON FLAT; MORROW EAST (GAS)
Property Code	Property Name	Well Number
	KURLAND "6" FEDERAL	2
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION CO., L.P.	3188'

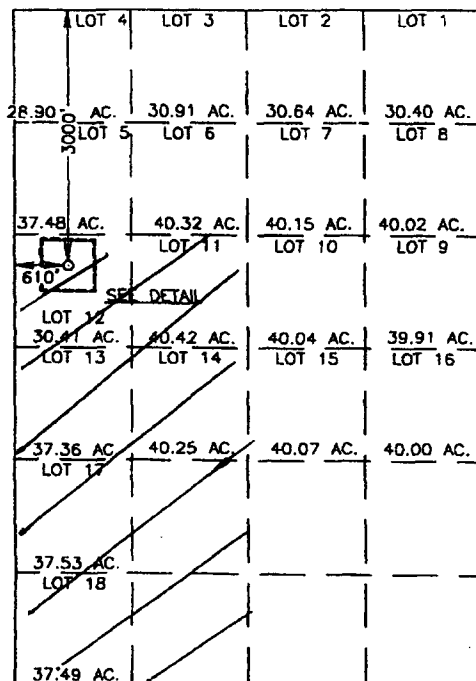
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12	6	21-S	27-E		3000	NORTH	610	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	Joint or Infill	Consolidation Code	Order No.						
308									

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



SCALE: 1" = 2000'

DETAIL
3198.2' 3190.3'
3184.3' 3179.2'
600'
GEODETIC COORDINATES
NAD 27 NME
Y = 550798.5 N
X = 530342.8 E
LAT. 32°30'51.18"N
LONG. 104°14'05.63"W

OPERATOR CERTIFICATION

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

Karen Cotton
Signature

Karen Cotton
Printed Name

Operations Technician
Title

November 7, 2003
Date

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.

OCTOBER 10, 2003

Date Surveyed _____ A.

Signature of _____
Professional Surveyor

GARY ELLISON
10/15/03
03.11.1117

Certificate No. GARY ELLISON 12841

Wellname Prod	Current Status	Current Type	Prod Date	Oil	Gas	Water	FTP	Reservoir	Comments
KURLAND 6 FED 2	Producing	Production - Gas	06/11/04	0	337	66	175.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/12/04	0	492	17	190.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/13/04	0	510	17	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/14/04	0	515	13	145.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/15/04	0	511	14	145.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/16/04	0	551	9	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/17/04	0	551	10	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/18/04	0	551	14	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/19/04	0	551	10	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/20/04	0	558	10	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/21/04	0	555	10	150.	Morrow	
KURLAND 6 FED 2	Producing	Production - Gas	06/29/04	0	143	0	4,200.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	06/30/04	0	837	0	3,960.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/01/04	0	971	0	3,725.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/02/04	0	1,160	0	3,450.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/03/04	0	1,099	0	3,575.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/04/04	0	927	0	3,200.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/05/04	0	1,224	0	3,050.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/06/04	6	1,162	0	3,025.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/07/04	0	759	0	3,350.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/08/04	6	953	0	1,850.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/09/04	0	562	0	1,850.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/10/04	6	630	0	1,850.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/11/04	0	863	0	1,850.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/12/04	0	760	0	1,860.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/13/04	0	760	0	1,860.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/14/04	3	827	0	840.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/15/04	3	591	0	1,250.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/16/04	0	730	0	950.	Atoka	
KURLAND 6 FED 2	Producing	Production - Gas	07/17/04	0	508	0	800.	Atoka	

Morrow perfs isolated with tubing plug

Average Morrow Production	0	517	17	155
Average Atoka Production	1	814	0	2,447
Total	1	1,331	17	2,602
Per Cent Morrow	0	39	100	6
Per Cent Atoka	100	61	0	94
Total-%	100	100	100	100



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Fax 405-552-8113

July 16, 2004

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Kurland 6 Fed #2
3000' FNL & 610' FWL
Section 6-T21S-R27E
Eddy County, New Mexico
DEC #43969-020; #30-0000061

Gentlemen:

Please be advised that Devon Energy Production Company, L. P., operator of the Kurland 6 Fed #2 well located on the referenced lands, owns 100% of Federal Lease NMNM-0501759. Therefore, Devon is the only working interest owner in the well and the Atoka and Morrow formations.

If additional information is required, please advise.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in cursive script that reads "Ken Gray/dh".

Ken Gray
Senior Land Advisor

KG:dh\nmocc.ltr

**Laboratory Services, Inc.**

4016 Fiesta Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

Run File	C:\STAR\DATA\05_21_2002\DEVKIRK6-2 7.04.RUN		
Method	C:\star\method_extended_gas_scott.mth		
Operator	Rolland Perry	Analysis Date	7/15/2004
Station	Kurland 6 Fed. #2	Company	Devon Energy
Effective Date		Pulled Data	7/15/04
Received Date	7/15/04	Composite/Spot	Atoka Formation

<u>Component</u>	<u>Mole %</u>	<u>BTU</u>	<u>GPM</u>
H2S			
Nitrogen	1.0814	0.00	0.0000
Methane	89.1385	902.38	0.0000
CO2	1.2516	0.00	0.0000
Ethane	5.3872	95.55	1.4408
i-Butane	0.3050	9.94	0.0998
n-Butane	0.4118	13.46	0.1298
i-Pentane	0.1778	7.13	0.0651
n-Pentane	0.1081	4.34	0.0391
Cyclopentane	0.0592	2.23	0.0175
2-Methylpentane	0.0425	2.02	0.0176
3-Methylpentane	0.0352	1.67	0.0143
n-Hexane	0.0553	2.63	0.0227
Methylcyclopentane	0.0480	2.16	0.0169
Benzene	0.0389	1.45	0.0109
Cyclohexane	0.0993	4.45	0.0337
n-Heptane	0.0252	1.39	0.0116
Methylcyclohexane	0.0515	2.68	0.0206

7/21/2004

21 Jul 04 12:24

P. 3

Run File	C:\STAR\DATA\05_21_2002\DEVKIRK6-2 7.04.RUN		
Method	C:\star\method_extended_gas_scott.mth		
Operator	Roland Perry	Analysis Date	7/15/2004
Station	Kurland 6 Fed. #2	Company	Devon Energy
Effective Date		Pulled Data	7/15/04
Received Date	7/15/04	Composite/Spot	Atoka Formation

<u>Component</u>	<u>Mole %</u>	<u>BTU</u>	<u>GPM</u>
Toluene	0.0167	0.75	0.0056
n-Octane	0.0044	0.28	0.0023
Propane	1.6528	41.68	0.4554
Ethylbenzene	0.0026	0.13	0.0010
p&m-Xylene	0.0070	0.37	0.0027
n-Nonane	0.0002	0.01	0.0001
Totals	100.0000	1,096.73	2.4076

Relative Density from Composition	0.6224
BTUs @ 14.65 Saturated	1,080
BTUs @ 14.65 Dry	1,099
Compressibility	0.99762

Sampled By: Merv Buecker-Pro Well

REMARKS: 327 MCF Rate
Crude Oil API Gravity @ 60 F = 44.6
Atoka Formation

7/21/2004



Laboratory Services, Inc.

4016 Fiesta Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

Run File	C:\STAR\DATA\05_21_2002\KURLAND6#2 6.11.04.RUN		
Method	C:\star\method_extended_gas_scott.mth		
Operator	Vickie Biggs	Analysis Date	6/11/2004
Station	Kurland 6 Fed. #2	Company	Devon Energy
Effective Date		Pulled Data	6/11/04 6:45 am
Received Date	6/11/04	Composite/Spot	Spot/Manifold

<u>Component</u>	<u>Mole %</u>	<u>BTU</u>	<u>GPM</u>
H2S			
Nitrogen	2.5843	0.00	0.0000
Methane	88.9185	900.15	0.0000
CO2	4.0876	0.00	0.0000
i-Butane	0.1234	4.02	0.0404
Ethane	3.1623	56.09	0.8458
n-Butane	0.1615	5.28	0.0509
i-Pentane	0.0571	2.29	0.0209
n-Pentane	0.0348	1.40	0.0126
Cyclopentane	0.0118	0.44	0.0035
2-Methylpentane	0.0120	0.57	0.0050
3-Methylpentane	0.0103	0.49	0.0042
n-Hexane	0.0163	0.78	0.0067
Methylcyclopentane	0.0106	0.48	0.0038
Benzene	0.0132	0.49	0.0037
Cyclohexane	0.0236	1.06	0.0080
n-Heptane	0.0101	0.56	0.0047
Methylcyclohexane	0.0181	0.95	0.0073

6/11/2004

Run File	C:\STAR\DATA\05_21_2002\KURLAND6#2 6.11.04.RUN		
Method	C:\star\method_extended_gas_scott.mth		
Operator	Vickie Biggs	Analysis Date	6/11/2004
Station	Kurland 6 Fed. #2	Company	Devon Energy
Effective Date		Pulled Data	6/11/04 6:45 am
Received Date	6/11/04	Composite/Spot	Spot/Manifold

<u>Component</u>	<u>Mole %</u>	<u>BTU</u>	<u>GPM</u>
Toluene	0.0032	0.15	0.0011
n-Octane	0.0010	0.06	0.0005
Propane	0.7383	18.62	0.2034
Ethylbenzene	0.0007	0.04	0.0003
p&m-Xylene	0.0012	0.06	0.0005
Totals	100.0000	993.98	1.2231

Relative Density from Composition	0.5745
BTUs @ 14.65 Saturated	979
BTUs @ 14.65 Dry	996
Compressibility	0.99802

6/11/2004



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

December 31, 2003

Lori Wrotenbery

Director

Oil Conservation Division

Devon Energy Production Company, L. P.
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

Telefax No. (405) 552-8113

Attention: Ken Gray

Administrative Order NSL-4974

Dear Mr. Gray:

Reference is made to the following: (i) your application (*administrative application reference No. pMES0-335136688*) that was submitted to the New Mexico Oil Conservation Division ("Division") on December 11, 2003; and (ii) the Division's records in Artesia and Santa Fe: all concerning Devon Energy Production Company, L. P.'s ("Devon") request for an unorthodox Morrow gas well location for its proposed Kurland "6" Federal Well No. 2 to be drilled 3000 feet from the North line and 610 feet from the West line (Lot 12/Unit L) of Irregular Section 6, Township 21 South, Range 27 East, NMPM, Burton Flat-Morrow Gas Pool (73280), Eddy County, New Mexico.

Lots 11 through 14 and the SW/4 of Irregular Section 12 is to be dedicated to this well in order to form a standard 308.48-acre stand-up gas spacing and proration unit for the Burton Flat-Morrow Gas Pool.

The subject application has been duly filed under the applicable provisions of the rules governing this pool and the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Order No. R-8170-E-1, issued in Case 9872 and dated October 28, 1991, and Division Rule 104.F (2), as revised, the above-described unorthodox gas well location within the Burton Flat-Morrow Gas Pool is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/mes

cc: New Mexico Oil Conservation Division – Artesia
U. S. Bureau of Land Management – Carlsbad

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N.M. Oil Cons. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form approved
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. TYPE OF WORK: ☒ DRILL ☐ REENTER

b. TYPE OF WELL: ☐ OIL WELL ☒ GAS WELL ☒ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE

2. NAME OF OPERATOR
DEVON ENERGY PRODUCTION COMPANY, L.P.

3a. ADDRESS AND TELEPHONE NO. 20 NORTH BROADWAY, SUITE 1500, OKC, OK 73102
3b. TELEPHONE (Include area code). (405) 228-7512

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 3300' FSL & 660' FWL

At top proposed prod. zone 3300' FSL & 660' FWL
3000' N & 610' W per SN dated 11/10/03

RECEIVED

JAN 28 2004

OCD-ARTESIA

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

5 miles north of Carlsbad

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT. 660'
(Also to nearest drg. unit line if any)

16. NO. OF ACRES IN LEASE

696.64

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

11,400'

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

3170' GR

22. APPROX. DATE WORK WILL START*

October 2003

17. Spacing Unit dedicated to this well

308

20. BLM/BIA Bond No. on file

CO1104

23. Estimated duration

45 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:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

CARLSBAD CONTROLLED WATER BASIN

Drilling Program

Surface Use and Operating Plan

Exhibit #1 = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibit #3 = Road Map and Topo Map

Exhibit #4 = Production Facilities Plat

Exhibit #5 = Rotary Rig Layout

Exhibit #6 = Casing Design

H₂S Operating Plan

Archeological clearance report

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described above

Bond Coverage: Nationwide
BLM Bond #: CO-1104

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

25. Signature

Karen Cotton

Name (Printed/Typed)

KAREN COTTOM

Date

9/24/03

Title

OPERATIONS TECHNICIAN

Approved by (signature)

/s/ Joe G. Lara

Name (Printed/Typed)

/s/ Joe G. Lara

Date

27 JAN 2004

Title

ACTING FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

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, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001, makes 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

*(Instructions on reverse)

NSL - 4974

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM0501759

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
KURLAND 6 FEDERAL 2

9. API Well No.

10. Field and Pool, or Exploratory
BURTON FLAT11. County or Parish, and State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☒ Other: INJECTION

2. Name of Operator

DEVON ENERGY PRODUCTION CO L P

Contact: KAREN COTTOM

E-Mail: karen.cottom@dvn.com

3a. Address

20 NORTH BROADWAY SUITE 1500
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)

Ph: 405.228.7512
Fx: 405.552.4621

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 6 T21S R27E NWSW 3300FSL 660FWL

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The BOR requested that Devon Energy Production Company LP move the referenced well's location due to the Avalon Reservoir.

Current Location
3300 FSL & 660 FWL
New Location
3000 FNL & 610 FWL

See attached plat

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

Electronic Submission #24930 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad
Committed to AFMS for processing by ARMANDO LOPEZ on 11/10/2003 (04AL0107SE)

Name (Printed/Typed) KAREN COTTOM

Title ENGINEERING TECHNICIAN

Signature (Electronic Submission)

Date 11/10/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ Joe G. Lara

ACTING FIELD MANAGER

24 JAN 2004

Conditions of approval, if any, are attached. Approval of this notice 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.

Office CARLSBAD FIELD OFFICE

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

DISTRICT I
P.O. Box 1880, Hobbs, NM 88241-1880

DISTRICT II
P.O. Drawer 88, Artesia, NM 88211-8718

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 73320	Pool Name BURTON FLAT: MORROW EAST (GAS)
Property Code	Property Name KURLAND "6" FEDERAL	Well Number 2
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3188'

Surface Location

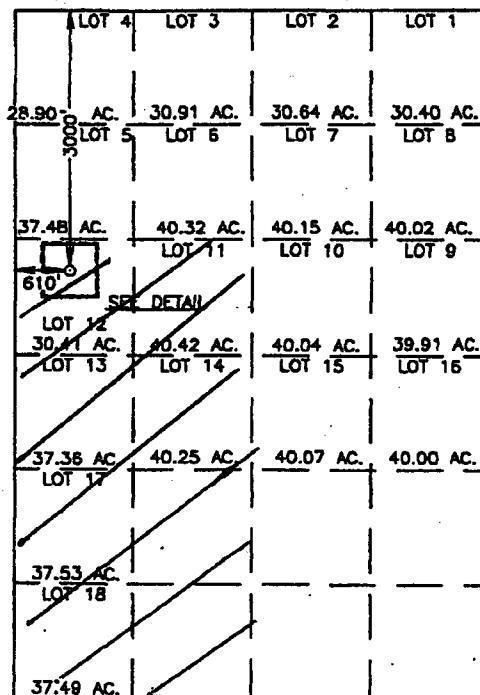
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12	6	21-S	27-E		3000	NORTH	610	WEST	EDDY

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 308	Joint or Infill	Consolidation Code	Order No.
------------------------	-----------------	--------------------	-----------

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



SCALE: 1" = 2000'

OPERATOR CERTIFICATION

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

Karen Cottoom
Signature

Karen Cottoom
Printed Name

Operations Technician
Title

November 7, 2003
Date

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.

OCTOBER 10, 2003

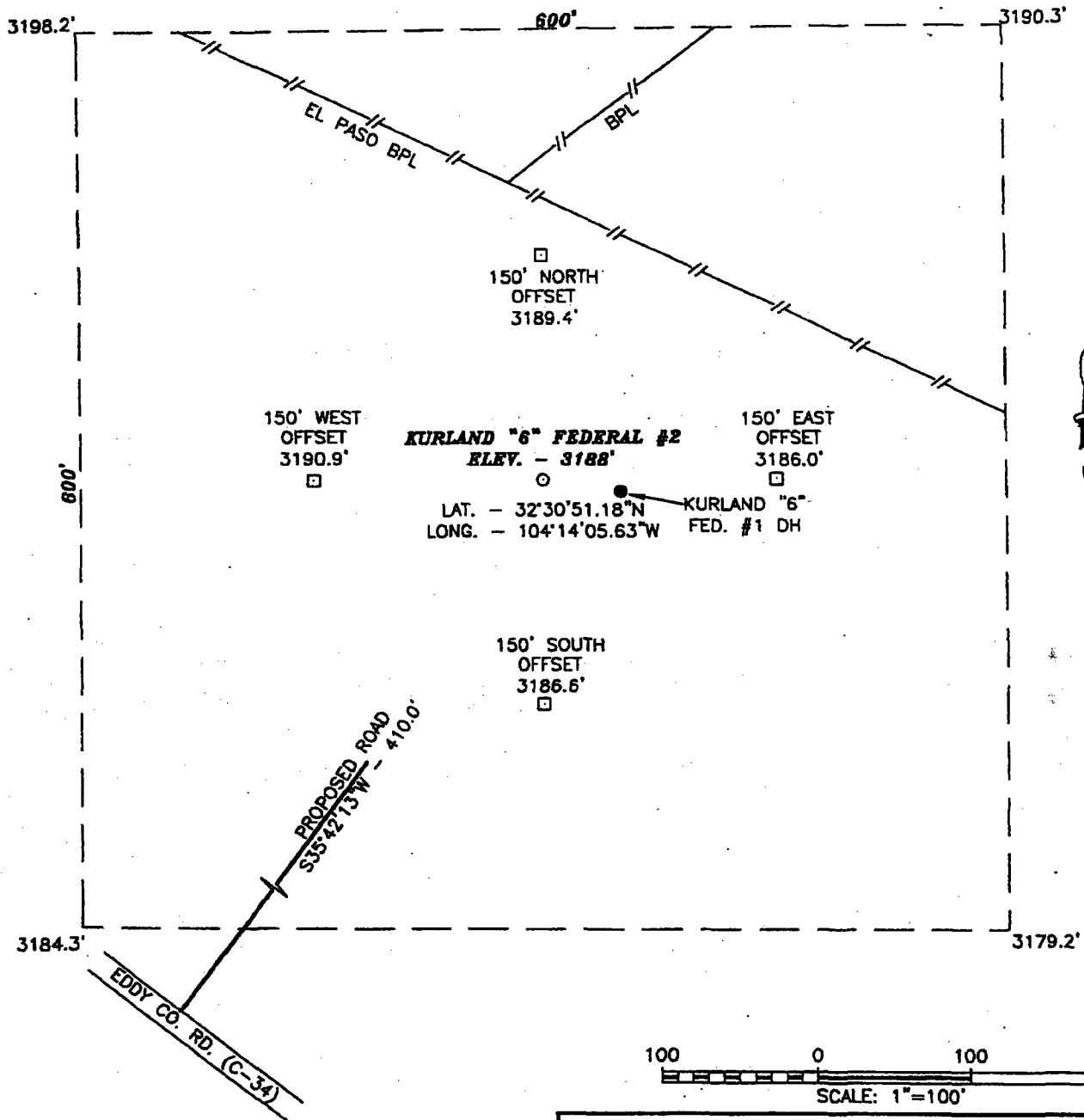
Date Surveyed _____ A.

Signature of Gary E. Emerson
Professional Surveyor

Gary E. Emerson
Professional Surveyor
03.11.1117

Certificate No. GARY E. EMERSON 12641

SECTION 6, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE INTERSECTION OF ILLINOIS CAMP ROAD (CO. RD. #209) AND LAKE ROAD (CO. RD. #34) GO NORTHWEST ON LAKE ROAD APPROX. 0.9 MILES TO A STAKED ROAD. THE PROPOSED WELL IS 410 FT. NORTHEAST.

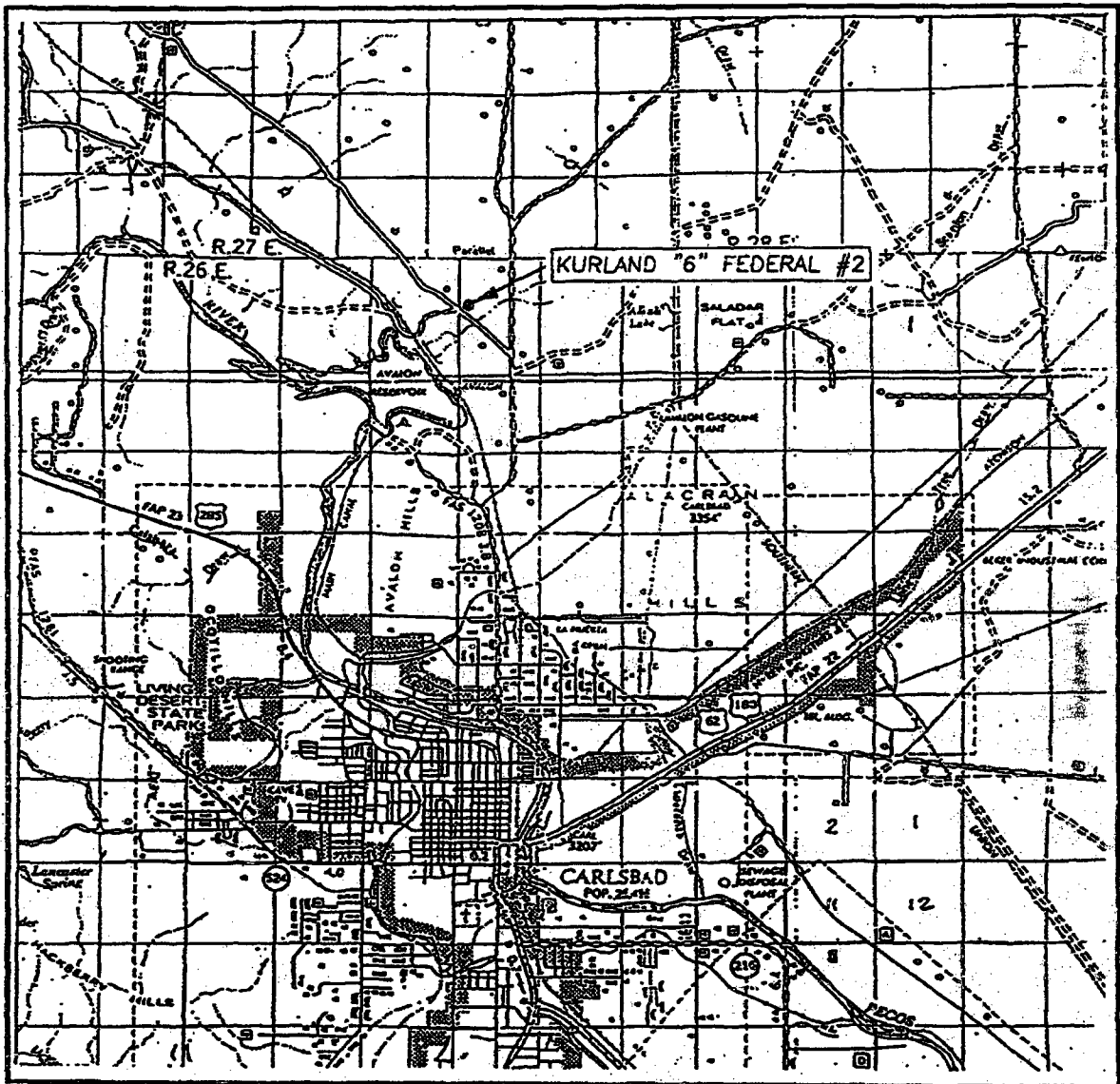
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO - HOBBS, NEW MEXICO - 505-393-3117

DEVON ENERGY PRODUCTION CO., L.P.

THE KURLAND "6" FEDERAL #2 LOCATED 3000 FROM THE NORTH LINE AND 610 FROM THE WEST LINE SECTION 6, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 10/10/03	Sheet 1 of 1 Sheets
W.O. Number: 03.11.1117	Drawn By: L.A.
Date: 10/13/03	DISK:CD#2
	03111117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 6 TWP. 21-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 3000' FSL & 610' FWL

ELEVATION 3188'

OPERATOR DEVON ENERGY PRODUCTION CO., L.P.

LEASE KURLAND "6" FEDERAL

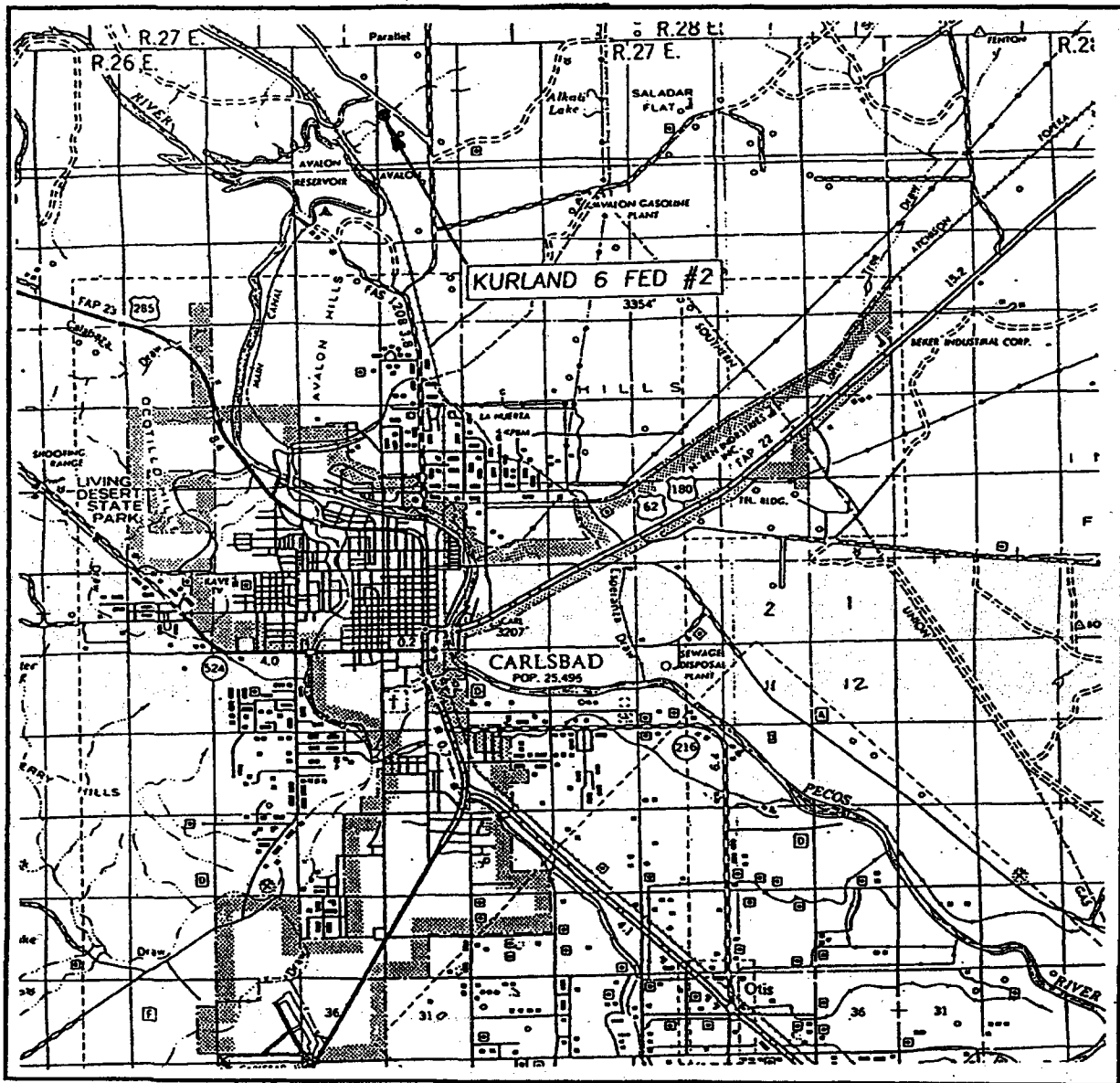
JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

CONTOUR INTERVAL: 10'
ANGEL DRAW, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
P. (505) 393-3117

U.S.G.S. TOPOGRAPHIC MAP
ANGEL DRAW, N.M.

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 6 TWP. 21-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 3300 FSL & 660' FWL

ELEVATION 3170'

OPERATOR DEVON ENERGY PROD. CO. L.P.

LEASE KURLAND 6 FEDERAL

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMNM0501759
2. Name of Operator DEVON ENERGY PRODUCTION CO L P		6. If Indian, Allottee or Tribe Name
Contact: LINDA GUTHRIE E-Mail: linda.guthrie@dvn.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 20 NORTH BROADWAY SUITE 1500 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405.228.8209 Fx: 405.552.13	8. Well Name and No. KURLAND 6 FEDERAL 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T21S R27E SWNW Lot 12 3000FNL 610FWL		9. API Well No. 30-015-33238
FER 1 2 7004 OCD-ARTESIA		10. Field and Pool, or Exploratory BURTON FLAT
		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change to Original PD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy Production Company, LP respectfully requests approval to substitute the previously submitted cementing plan IF DRILLING CONDITIONS WARRANT with the following:

Surface csg: Lead w/400 sx Class C w/2% CaCl₂ + 2% foaming agent +50scf of nitrogen per bbl of cement. 11.2lb/gal, 1.78 cu ft/sk, 6.81 gal/sk. Tail w/ 100 sx Class C w/2% CaCl₂. 14.8lb/gal, 1.34 cu ft/sk, 6.34 gal/sk Cap w/ 75 sx Class C w/2% CaCl₂. 14.8 lb/gal, 1.34 cu ft/sk, 6.34 gal/sk

Intermediate csg: Lead w/800 sx Class C w/2% CaCl₂+2% foaming agent + 50 scf of nitrogen per bbl of cmt. 11.2 lb/gal, 1.78 cu ft/sk, 6.81 gal/sk Tail w/100 sx Class C w/2%CaCl₂. 14.8 lb/gal, 1.34 cu ft/sk, 6.34 gal/sk Cap w/ 75 sx Class C w/2% CaCl₂. 14.8 lb/gal, 1.34 cu ft/sk, 6.34 gal/sk

14. I hereby certify that the foregoing is true and correct. Electronic Submission #27674 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad Committed to AFMSS for processing by ARMANDO LOPEZ on 02/10/2004 (04AL0096SE)	
Name (Printed/Typed) LINDA GUTHRIE	Title OPERATIONS ASSOCIATE
Signature (Electronic Submission)	Date 02/09/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LES BABYAK	Title PETROLEUM ENGINEER	Date 02/10/2004
Conditions of approval, if any, are attached. Approval of this notice 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.		Office Carlsbad

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other Instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		8. Well Name and No. KURLAND 6 FEDERAL 2
2. Name of Operator DEVON ENERGY PRODUCTION CO L P		9. API Well No. 30-015-33238
3a. Address 20 NORTH BROADWAY SUITE 1500 OKLAHOMA CITY, OK 73102		10. Field and Pool, or Exploratory BURTON FLAT
3b. Phone No. (include area code) Ph: 405.228.8209 Fx: 405.552.1319		11. County or Parish, and State EDDY COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T21S R27E Lot 12 3000FNL 610FWL		

RECEIVED
MAR - 8 2004
OCD-ARTESIA

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy Production Company, LP respectfully requests approval for the following BOP design:

3000# BOP, 3000# pipe ram w/no hydril until drill out from under intermediate casing point. At that time:

5000# stack w/ 5000# pipe ram, 5000# blind ram and 5000# hydril

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #28189 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad Committed to AFMSS for processing by LINDA ASKWIG on 02/23/2004 (04LA0185SE)	
Name (Printed/Typed) LINDA GUTHRIE	Title OPERATIONS ASSOCIATE
Signature (Electronic Submission)	Date 02/23/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LES BABYAK	Title PETROLEUM ENGINEER	Date 02/25/2004
Conditions of approval, if any, are attached. Approval of this notice 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.		Office Carlsbad

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
NMNM0501759

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.8. Well Name and No.
KURLAND 6 FEDERAL 2

9. API Well No.

10. Field and Pool, or Exploratory
BURTON FLAT11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

2. Name of Operator

DEVON ENERGY PRODUCTION CO L P

Contact: LINDA GUTHRIE

E-Mail: linda.guthrie@devn.com

3a. Address

20 NORTH BROADWAY SUITE 1500
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)

Ph: 405.228.8209

Fx: 405.552.1319

RECEIVED

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 6 T21S R27E Lot 12 3000FNL 610FWL

APR 08 2004

OEB-ARTESIA

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy Production Company, LP representative contacted Armando Lopez w/BLM regarding problems with lost circulation and high pressure zones encountered while drilling through the Atoka and the need to change casing plans. Verbal approval was given to set an additional 7" P110H intermediate string @10770' instead of drilling to proposed TD of 11,400'. 24 hours prior to running casing, Clark Bennett was given notice as requested.

04/01/04 Ran 237 jts 7", 25#, P110, LT&C csg @10770'. 2hrs prior to cementing, Clark Bennett was contacted as requested.

04/02/04 Cmdt csg w/915 sx Class H. Temperature survey run and TOC @7100'.

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

Electronic Submission #29319 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad
Committed to AFMSS for processing by LINDA ASKWIG on 04/06/2004 (04LA0287SE)

Name (Printed/Typed) LINDA GUTHRIE

Title OPERATIONS ASSOCIATE

Signature (Electronic Submission)

Date 04/06/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

LES BABYAK
Title PETROLEUM ENGINEER

Date 04/06/2004

Conditions of approval, if any, are attached. Approval of this notice 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.

Office Carlsbad

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMNM0501759
2. Name of Operator DEVON ENERGY PRODUCTION CO L P		6. If Indian, Allottee or Tribe Name
3a. Address 20 NORTH BROADWAY SUITE 1500 OKLAHOMA CITY, OK 73102		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 405.228.8209 Fax: 405.552.1319		8. Well Name and No. KURLAND 6 FEDERAL 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T21S R27E Lot 12 3000FNL 610FWL		9. API Well No. 30-015-33238
11. County or Parish, and State EDDY COUNTY, NM		10. Field and Pool, or Exploratory BURTON FLAT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Deepen
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Drilling Operations

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

02/22/04 Spud 17 1/2" hole. TD @ 528'. Ran 12 jts 13 3/8" H40, 48#, ST&C csg @505'. Cmt lead w/150 sx Class C, slurry 2 w/195 sx Class C, tail w/250 sx Class C. No returns
#1 tag @300' pump 25 sx Class C, WOC 2 hrs
#2 tag @300' pump 50 sx Class C, WOC 1.5 hrs
#3 tag @300' pump 50 sx Class C, WOC 1.5 hrs
#4 tag @300' pump 50 sx Class C, WOC 1.5 hrs
#5 tag @300' pump 50 sx Class C, WOC 1.5 hrs
#6 tag @300' pump 25 sx Class C, WOC 1.5 hrs
#7 tag @272' pump 50 sx Class C, WOC 1.5 hrs
#8 tag @219' pump 170 sx Class C, Circ 2 bbls to surface
03/01/04 TD 12 1/4" hole @ 2490'. Ran 56 jts 9 5/8", J55, 36#, ST&C csg @2489'. Cmt lead w/1200 sx Class C, tail w/200 sx Class C, did not circ cmt to surf.

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #30013 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad Committed to AFMSS for processing by LINDA ASKWIG on 04/29/2004 (04LA0185SE)	
Name (Printed/Typed) LINDA GUTHRIE	Title OPERATIONS ASSOCIATE
Signature (Electronic Submission)	Date 04/29/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	LES BABYAK Title PETROLEUM ENGINEER	Date 04/29/2004
Conditions of approval, if any, are attached. Approval of this notice 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.		Office Carlsbad

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #30013 that would not fit on the form

32. Additional remarks, continued

03/02/04 Run temp survey, TOC @150'. TIH w/1" & tag @225' - pump 85 sx Class C, circ 2 barrels to pit. WOC 18 hrs.

03/28/04 TD 8 3/4" hole @ 10,800'. Circ & cond hole for logs

04/01/04 Ran 237 jts 7", P110, LT&C csg @ 10,770'

04/02/04 Cmt lead w/915 sx Class H. Ran temp survey, TOC @7100'. WOC 21 hrs.

04/06/04 TD 6 1/8" hole @ 11,400'. Ran 18 jts 4 1/2", P110 13.5#, LT&C csg w/liner hanger. Top of liner @10619', btm @11,398'. Cmt w/150 sx Class H. Set pkr, reverse circ 47 sx to pit.

04/10/04 Displace w/KCI Water

04/11/04 Released rig.

EC

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM0501759

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
KURLAND 8 FEDERAL 2

9. API Well No.

30-015-33238

10. Field and Pool, or Exploratory
BURTON FLAT

11. County or Parish, and State

EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

2. Name of Operator

DEVON ENERGY PRODUCTION CO L P

Contact: LINDA GUTHRIE

E-Mail: linda.guthrie@dvn.com

3a. Address

20 NORTH BROADWAY SUITE 1500
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)

Ph: 405.228.8209

Fx: 405.552.1319

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 6 T21S R27E Lot 12 3000FNL 610FWL

RECEIVED

JUN 21 2004

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Facility Changes
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy Productin Company, LP respectfully requests a 30 day extension of time (until July 20, 2004) to comply with the Notice of Incidents of Noncompliance dated 05/19/04 regarding the location of the tank battery below the 3200' contour elevation. Attached is a plat that indicates the new location of the tank battery. Any part of the proposed location not at 3200' or more will be built up to ensure that all areas of the proposed pad are located at or above 3200' contour elevation.

APPROVED FOR 1 MONTH PERIOD
ENDING 7/20/04

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

Electronic Submission #31748 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO L P. sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 06/15/2004 (04AL0204SE)

Name (Printed/Typed) LINDA GUTHRIE

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 06/10/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

/s/ Joe G. Lara

Title

Petroleum Engineer

Date JUN 2004

Conditions of approval, if any, are attached. Approval of this notice 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.

Office CARLSBAD FIELD OFFICE

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM0501759

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: INJECTION8. Well Name and No.
KURLAND 6 FEDERAL 2

2. Name of Operator

DEVON ENERGY PRODUCTION CO L P

Contact: LINDA GUTHRIE

E-Mail: linda.guthrie@dm.com

9. API Well No.
30-015-33238-00-X1

3a. Address

20 NORTH BROADWAY SUITE 1500
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)

Ph: 405.228.8209

Fx: 405.552.4621

10. Field and Pool, or Exploratory
BURTON FLAT

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 6 T21S R27E Lot 12 3000FNL 610FWL

RECEIVED

JUL 30 2004

OCCASION

11. County or Parish, and State

EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Subsurface Commi ng
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy Production Company, LP is applying with the New Mexico Oil Conservation Division to downhole commingle the existing producing Atoka perms (10388'-10398') with the existing Morrow perms (10,974'-11148'). The commingling will not reduce the value of the total remaining production. Ownership in the zones is identical.

The proposed allocation is:

73200 - Burton Flat; Atoka East Gas Oil 100% Gas 61%

73320 - Burton Flat; Morrow East Gas Oil 0% Gas 39%

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

Electronic Submission #33622 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 07/27/2004 (04AL02993E)

Name (Printed/Typed) LINDA GUTHRIE

Title REGULATORY SPECIALIST

Signature

(Electronic Submission)

Date 07/27/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ALEXIS C SWOBODA

Title PETROLEUM ENGINEER

Date 07/29/2004

Conditions of approval, if any, are attached. Approval of this notice 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.

Office Carlsbad

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

DISTRICT I
P.O. Box 1982, Hobbs, NM 88241-1982

DISTRICT II
P.O. Drawer 82, Artesia, NM 88211-0719

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-33238	Pool Code 73200	Pool Name Burton Flat; Atoka, East (Gas)
Property Code 33431	Property Name KURLAND "6" FEDERAL	Well Number 2
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3188'

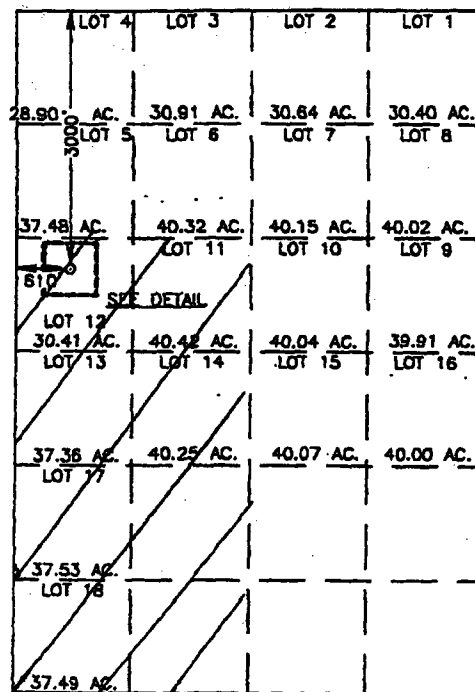
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12	6	21-S	27-E		3000	NORTH	610	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 308	Joint or Infill	Consolidation Code	Order No.						

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

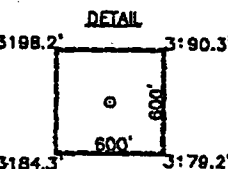


SCALE: 1" = 2000'

RECEIVED

JUL 30 2004

OOB-ARTESIA



GEODETIC COORDINATES
NAD 27 NME
Y = 550798.5 N
X = 530342.8 E
LAT. 32°30'51.18"N
LONG. 104°14'05.63"W

OPERATOR CERTIFICATION

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

Linda Guthrie
Signature

Linda Guthrie
Printed Name

Regulatory Specialist
Title

July 23, 2004
Date

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.

OCTOBER 10, 2003

Date Surveyed
Signature of Seal of Professional Surveyor

Gary A. Smith
03.11.1112

Certificate No. GARY A. SMITH 12841

DISTRICT I
P.O. Box 1000, Hobbs, NM 88241-1000

DISTRICT II
P.O. Boxer 10, Artesia, NM 88211-0710

DISTRICT III
1000 Rio Bravo Rd., Artesia, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
	73320	BURTON FLAT; MORROW EAST (GAS)
Property Code	Property Name	Well Number
	KURLAND "6" FEDERAL	2
GRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION CO., L.P.	3188'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12	6	21-S	27-E		3000	NORTH	610	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	Joint or Infill	Consolidation Code	Order No.						
308									

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

RECEIVED
JUL 30 2004
900-ARTESIA

OPERATOR CERTIFICATION

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

Karen Cotton
Signature

Karen Cotton
Printed Name

Operations Technician
Title

November 7, 2003
Date

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.

OCTOBER 10, 2003
Date Surveyed

Gary Eldon
Signature & Seal of Professional Surveyor

03.11.1117
Certificate No. GARY ELDON 12841

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
EXPIRES: NOVEMBER 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other _____
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,
☐ Other _____
2. Name of Operator **DEVON ENERGY PRODUCTION COMPANY, LP**
3. Address **20 North Broadway, Ste 1500
Oklahoma City, OK 73102-8260** 3a. Phone No. (include area code) **405-228-8209**
4. Location of Well (Report location clearly and in accordance with Federal requirements)
At Surface **3000 FNL 610 FWL**
At top prod.: Interval reported below
At total Depth

5. Lease Serial No. **NMNM0501759**
6. If Indian, Allottee or Tribe Name _____
7. Unit or CA Agreement Name and No. _____
8. Lease Name and Well No. **Kurland 6 Federal 2**
9. API Well No. **30-015-33238**
10. Field and Pool, or Exploratory **Burton Flat**
11. Sec. T., R., M., on Block and Survey or Area **6 21S 27E**
12. County or Parish **Eddy** 13. State **NM**
17. Elevations (DR, RKB, RT, GL)* **3188**

14. Date Spudded **2/22/2004** 15. Date T.D. Reached **4/6/2004** 16. Date Completed **4/6/2004** ☐ D & A ☒ Ready to Prod.
18. Total Depth: MD **11,400'** 19. Plug Back T.D.: MD **11,343'** 20. Depth Bridge Plug Set: MD **TVI**
TVD TVI

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) _____ 22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

DLL-GR-ZDL-CN-DSL

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17 1/2	13 3/8 H40	48	0	505		915 ex CI C, circ 2 bbls		0	
12 1/4	9 5/8 J55	36	0	2489		1485 ex CI C, circ 2 bbls		0	
8 3/4	7 P110	26	0	10770		915 ex CI H		7100	
6 1/8	4 1/2 P110	13.5	10619	11398		150 ex CI H, circ 47			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
(A) Atoka	10388	10398	10338-10398		60	Producing
(B) Morrow	10974	11148	10974-11148		198	Shut in

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
10974-11132	Acidize w/ 3000 gals 15% HCl; Frac w/ 13,468gals 70Q binary foam, 61 tons CO2, 9190 scf N2, 52100# Bauxite

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
6/29/2004	7/15/2004	24	→	3	591	0		1099	Flowing
Choke Size	Tbg. Press. Flwg SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
12	100	200	→	3	591	0	197,000		Producing Gas well

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
6/11/2004	6/21/2004	24	→	0	555	10		996	Flowing
Choke Size	Tbg. Press. Flwg SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	
			→	0	555	10			Gas well- shut in

See instructions and spaces for additional data on reverse side)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Ibg. Press. Flwg SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Ibg. Press. Flwg SI	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

(See instructions and spaces for additional data on reverse side)

Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof; Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Delaware	2620
				Bone Spring	4542
				Wolfcamp	8784
				Penn	9380
				Strawn	9969
				Atoka	10214
				Morrow	10828
				Lower Morrow	11130
				Barnett	11274

Additional remarks (include plugging procedure):

05/12/04 MIRUPU. NU BOP
 05/13/04 Displace hole w/ 2% KCl. Pressure test csg to 1000#—Held
 05/18/04 RIH w/ 3 3/8" csg gun & perf Morrow at 11,132-11,148, 10992-10999, 10980-10988, 10974-10976 w/ 6 SPF. 198 holes
 05/19/04 Acidize 10,974-11,132 w/3000 gals 15% HCl.
 05/29/04 Frac 10,974-11,148 w/ 13,468 gals 70Q binary foam, 61 tons CO₂, 9190 scf N₂ & 52,100 # Bauxite
 06/06/04 Blow down well from trapped foam air.
 06/08/04 RIH 2' bit & drill collars to clean out hole, set packer @ 10,911'
 06/11/04 Turn well to test.
 06/24/04 TIH w/ perf gun
 06/25/04 Set packer @ 10,286'. Perf Atoka @ 10388-10,398' w/ 6 SPF (60 holes)
 06/29/04 Turn well to test.

Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7. Other

I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (Please print)

Linda Guthrie

Title

Regulatory Specialist

Signature

Linda Guthrie

Date

8/11/2004

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.

KURLAND 6 FED #2

SEC 6, 21S, 27E

Eddy County, New Mexico

LEASE & WELL

(Give Unit, Section, Township and Range)

OPERATOR

DEVON ENERGY 20 N BROADWAY, SUITE 1500 OKLAHOMA CITY, OK 73102

DRILLING CONTRACTOR

NABORS DRILLING USA, LP

The Undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

DEGREES @ DEPTH	DEGREES @ DEPTH	DEGREES @ DEPTH	DEGREES @ DEPTH
1 228	2 5405	2 3/4 8320	
1 539	1 1/2 5958	3 8447	
3/4 1028	2 6426	2 1/4 8694	
4 1/4 1526	3 1/4 6926	2 8944	
5 3/4 1618	4 7097	3 9193	
5 3/4 1712	3 1/2 7224	3 3/4 9444	
5 1/4 1807	4 7313	3 1/2 9693	
4 1/2 1903	3 1/2 7384	3 9948	
3 1/2 2096	4 7508	3 10131	
2 1/2 2490	5 3/4 7635	3 10649	
1 1/4 2906	5 1/4 7729	1 1/2 10915	
1 3406	5 1/2 7820		
1 3915	4 3/4 7913		
1 4406	4 8007		
2 4905	3 8227		

RECEIVED

AUG 18 2004

OCDEARTESIA

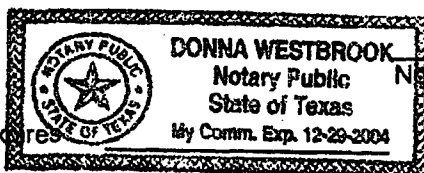
Drilling Contractor

Nabors Drilling USA, LP

By

Don Nelson-District Drilling Superintendent

Subscribed and sworn to before me this 21 day of April, 2004



My Commission Expires

Donna Westbrook
Notary Public

MIDLAND

County TEXAS

District I

PO Box 1980, Hobbs, NM 88241-1980

District II

PO Drawer DD, Artesia, NM 88211-0719

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

Form C-104

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

5 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, NM 87505

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator Name and Address Devon Energy Production Company, LP 20 N. Broadway, Suite 1500 Oklahoma City, OK 73102-8260		OGRID Number 6137
		Reason for Filing Code NW
API Number 30-015-33238	Pool Name Alacma H:115: A-100	Pool Code 70060
Property Code 33431	Property Name Kurland 6 Federal	Well Number 2

II. Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
Lot 12	6	21S	27E		3000	North	610	East	Eddy

Bottom Hole Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
Lse Code F	Producing Method Code F	Gas Connection Date 6/29/2004	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
9171	Duke PO Box 50020 Midland, TX 79710-0020		G	
138648	BP Amoco PO Box 591 Tulsa, OK 74102		O	
				RECEIVED
				AUG 18 2004
				OOD-ARTESIA

IV. Produced Water

POD	POD ULSTR Location and Description

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations	DHC, DC, MC
2/22/2004	6/29/2004	11,400'	11,343'	10388-10398	
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement		
17 1/2	13 3/8 H40	505	915 sx CI C, circ 2 bbls		
12 1/4	9 5/8 J55	2489	1485 sx CI C, circ 2 bbls		
8 3/4	7 P110	10770	915 sx CI H		
6.125	4 1/2 P110	11398	150 sx CI H, circ 47		

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
6/29/2004	6/29/2004	7/15/2004	24	100	200
Choke Size	Oil	Water	Gas	AOF	Test Method
12	3	0	591		F

"I hereby certify that the rules of the Oil Conservation division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed Name: Linda Guthrie
Title: Regulatory Specialist

Date: 8/11/2004

Phone: (405) 228-8209

Approved by:

Title:

Approval Date:

OIL CONSERVATION DIVISION

TIM W. GUM

DISTRICT II SUPERVISOR

If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date

devon

Rec: 9-10-2004
PMESD-426535117
Susp: 9-30-04

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

September 9, 2004

Mr. Michael Stogner
New Mexico OCD
1220 South St. Francis Dr.
Santa Fe, NM 87505

Re: Kurland 6 Federal #2
API# 30-015-33238

Dear Mr. Stogner;

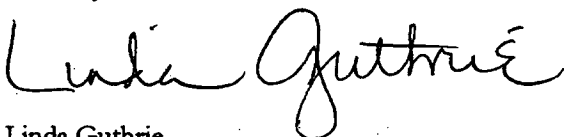
Per our earlier conversation, I am attaching a copy of our calculations of the maximum possible horizontal displacement in this well along with the lease map.

Our calculations reveal a maximum displacement of 490.77'. If you assume the worst case scenario the results would still not exceed the distance to the nearest outer boundary line, which in this case would be 610'. Therefore, we do not believe that the displacement "triggers" the requirement in the rules to need to run a directional survey. However, the Artesia office has requested such under 19.15.3.111.B(2). I discussed this with Bryan Arrant and as I mentioned on the phone, he suggested I contact you with my concerns. If it is not necessary, I would obviously prefer to not have to spend those resources on a survey.

Additionally for your information, we have a NSL order #4974 as well as Order DHC-3323 for commingling the Burton Flat-Morrow and Undesignated Alacran Hills-Atoka pools.

Thank you for your assistance in clarifying the interpretation of this requirement for me. Please contact me at 405 228-8209 if I can provide any additional information.

Sincerely,



Linda Guthrie
Regulatory Specialist

Linda.guthrie@
dev.com

2004 SEP 10 PM 6 34

KURLAND 6 FEL #2

SEC 6, 21S, 27E

Eddy County, New Mexico

LEASE & WELL

(Give Unit, Section, Township and Range)

OPERATOR

DEVON ENERGY 20 N BROADWAY, SUITE 1500 OKLAHOMA CITY, OK 73102

DRILLING CONTRACTOR

NABORS DRILLING USA, LP

The Undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

DEGREES @ DEPTH	DEGREES @ DEPTH	DEGREES @ DEPTH	DEGREES @ DEPTH
Ft	Ft	Ft	
1 3.97 228	2 17.44 5405	2 3/4 4.46 8320	
1 5.42 539	1 1/2 14.47 5958	3 6.64 8447	
3/4 6.40 1028	2 16.33 6426	2 1/4 9.69 8694	
4 1/4 36.90 1526	3 1/4 28.34 6926	2 8.72 8944	
5 3/4 9.21 1618	4 11.92 7097	3 13.03 9193	
5 3/4 9.41 1712	3 1/2 7.75 7224	3 3/4 16.41 9444	
5 1/4 8.69 1807	4 6.20 7313	3 1/2 15.20 9693	
4 1/2 7.53 1903	3 1/2 4.33 7384	3 13.34 9948	
3 1/2 11.78 2096	4 8.64 7508	3 9.57 10131	
2 1/2 17.18 2490	5 3/4 12.72 635	3 27.11 10649	
1 1/4 9.07 2908	5 1/4 8.60 7729	1 1/2 6.96 10915	
1 8.72 3406	5 1/2 8.72 7820		
1 8.88 3915	4 3/4 7.70 7913		
1 8.56 4406	4 6.55 8007		
2 17.41 4905	3 11.51 8227		

Cum Totals 177.41 + 178.22 + 135.14 = 490.77' cum Displacement

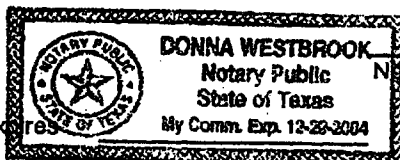
Drilling Contractor

Nabors Drilling USA, LP

By

Don Nelson-District Drilling Superintendent

Subscribed and sworn to before me this 21 day of April, 2004



My Commission Expires

MIDLAND

County

TEXAS

41 stations
20.5'

926
8/19/04



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

August 25, 2004

Devon Energy Production Company
20 N. Broadway, Suite 1500
Oklahoma City, OK 73102-8260

Attn: Ms. Linda Guthrie or To Whom It may Concern:

**RE: Devon Energy Production Company, L.P. well: The Kurland '6' Federal #2, located in Lot 12, 3000' FNL & 610' FWL of Section 6 in Township 21 South, Range 27 East in Eddy County, New Mexico.
API # 30-015-33238**

Dear Ms. Linda Guthrie or To Whom It May Concern:

In regards to the above referenced well, a directional survey shall be ran immediately in order to establish the bottom hole location and the producing interval per New Mexico Oil Conservation Division Rule 111.B.(2). The cumulative displacement of 490.77' supports the requirement of this rule although a NSL # 4974 for said well has been issued. I have provided a part of NMOCD Rule 111 that pertains to this matter for your reference.

19.15.3.111 DEVIATION
TESTS AND DIRECTIONAL WELLS:

(2) Excessive Deviation. When the deviation averages more than five degrees in any 500-foot interval, the operator shall include the calculations of the maximum possible horizontal displacement of the hole. When the maximum possible horizontal displacement exceeds the distance to the nearest outer boundary line of the appropriate unit, the operator shall run a directional survey to establish the location of the producing interval(s).

Please call if you have any questions regarding this matter,

Bryan G. Arrant
PES

Cc: Tim Gum, District Supervisor, Artesia
Michael Stogner-Chief Hearing Examiner, Santa Fe
Well File