

DATE IN <u>2/27/06</u>	SUSPENSE <u>na</u>	ENGINEER <u>MIKE</u>	LOGGED IN <u>2/28/06</u>	TYPE <u>NSL</u>	APP NO. <u>pTDS0605929958</u>
------------------------	--------------------	----------------------	--------------------------	-----------------	-------------------------------

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.

James Bruce
 Print or Type Name

Signature

Attorney for applicant
 Title

jamesbruc@aol.com
 e-mail Address

Date

2006 FEB 27 PM 1 25

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

February 27, 2006

Hand delivered

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

API No. 30-025-37069

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Devon Energy Production Company, L.P. applies for approval of an unorthodox oil well location for the following well:

<u>Well name:</u>	Red Bull 31 State Well No. 2
<u>Well location:</u>	983 feet FSL & 1298 feet FEL
<u>Well unit:</u>	SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31, Township 23 South, Range 35 East, N.M.P.M., Lea County, New Mexico

The well was drilled to and completed in the Morrow formation. The well has been temporarily abandoned in the Morrow to attempt a completion in the Delaware formation (Cinta Roja-Delaware Pool). See Exhibit A (if successful, the well will be dually completed). The Delaware pool is spaced on statewide rules, with 40 acre spacing, and wells to be located no closer than 330 feet to a quarter-quarter section line.

Attached as Exhibit B is a land plat. The entire S $\frac{1}{2}$ of Section 31 is subject to State Lease VA-2488 (see Exhibit C), and ownership is common in the lease as to all depths. Therefore, there is no adversely affected party to notify of this application.

Please contact me if you need any further information on this application.

Very truly yours,


James Bruce

Attorney for Devon Energy Production Company, L.P.

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

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Devon Energy Production Company, LP 20 North Broadway, Oklahoma City, Oklahoma 73102-8260		² OGRID Number 6137
		³ API Number 30 - 025-37069
⁴ Property Code	⁵ Property Name Red Bull 31 State	⁶ Well No. 2
⁹ Proposed Pool 1 96341 Delaware CINTA ROJA, DEWYVILLE		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	23S	35E		983	South	1298	East	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	23S	35E		983	South	1298	East	Lea

Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3448'
¹⁶ Multiple	¹⁷ Proposed Depth 14,500'	¹⁸ Formation Delaware	¹⁹ Contractor	²⁰ Spud Date 3/15/05
Depth to Groundwater 100 feet or more		Distance from nearest fresh water well Not in wellhead protection area		Distance from nearest surface water Approximately 500'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

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

1. MIRU slickline. RIH with plug and set in the 1.81" "R" profile to TA existing Morrow perfs
2. MIRU PU. TOOH with tubing.
3. Set RBP at ~ 9000'. Dump 10' of sand on top of RBP.
4. Perforate Delaware from 8642'-8691'.
5. Stimulate as necessary and turn to test.
6. If sufficient production is obtained, RIH with dual string assembly and restore Morrow production. Each zone will be produced independently.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐

Printed name: Norvella Adams

Title: Sr. Staff Eng. Tech

E-mail Address: norvella.adams@dvn.com

Date: February 7, 2006

Phone: (405) 552-8198

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached ☐

Blumberg No. 5119

EXHIBIT

A

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30 025 37069	Pool Code	Pool Name Delaware CINTAROTA, DELAWARE
Property Code 90341	Property Name RED BULL "31" STATE	Well Number 2
OGRD No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3448'

Surface Location

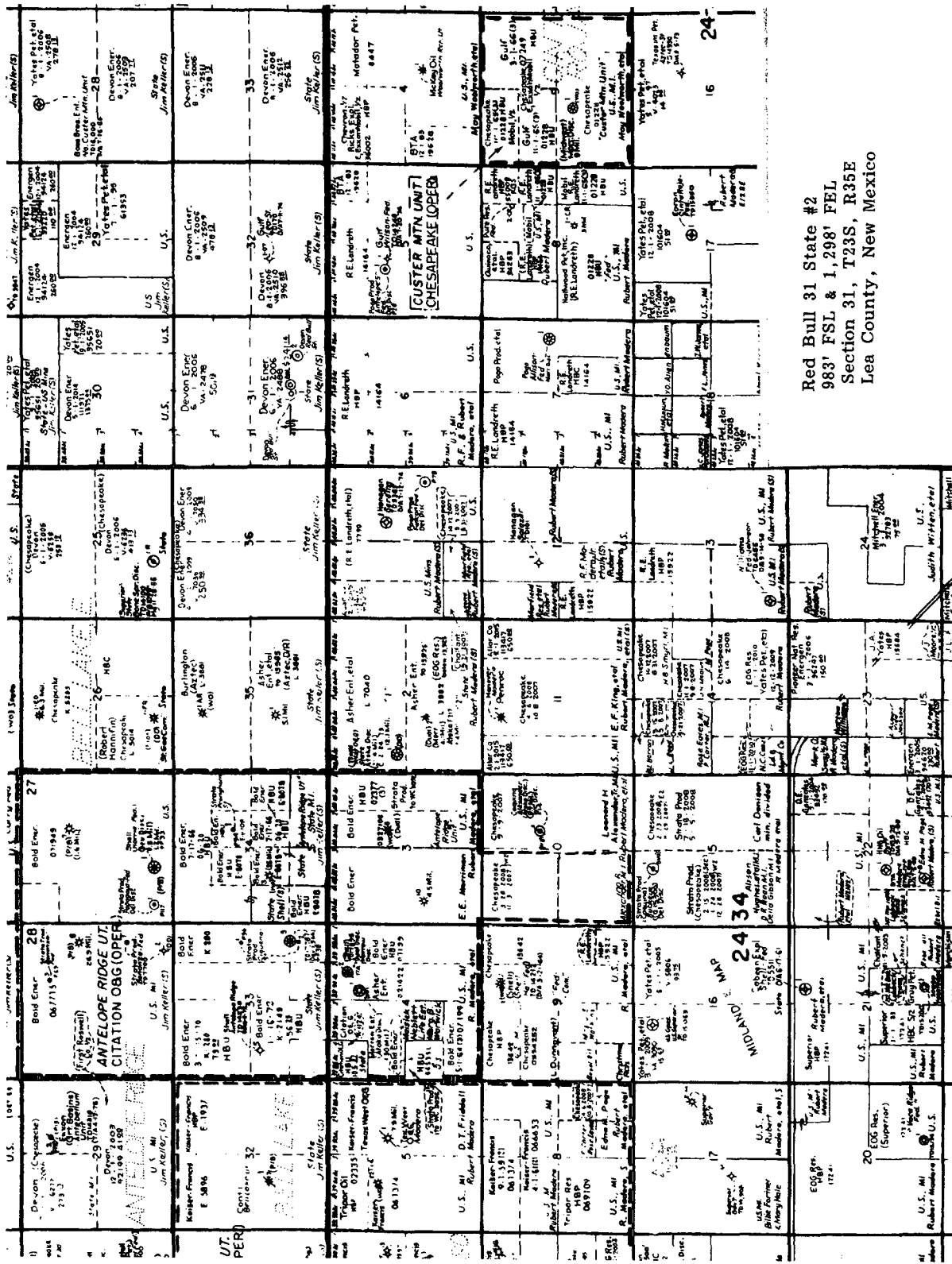
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	23 S	35 E		983	SOUTH	1298	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Norvella Adams Printed Name Sr. Staff Eng. Tech. Title February 7, 2006 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. JANUARY 21, 2005 Date Surveyed Signature of Seal of Professional Surveyor Certificate No. Gary L. Jones 7977 BASS SURVEYS	
	Lot - N32°15'23.5" Long - W103°24'08.5"	
	1298' 983'	



Red Bull 31 State #2
 983' FSL & 1,298' FEL
 Section 31, T23S, R35E
 Lea County, New Mexico

STATE LAND OFFICE DATA ACCESS[Home](#)[Select a different page.....](#)[Go Tech](#)[NM State Land and
Office](#)**lease information**Lease Prefix: Number: Assignment:

Example: A0 1234 0000

8 Records found.

Lease Number:

VA-2488-0000

Company name: DEVON ENERGY PRODUCTION COMPANY, LP
Company ID: 6137
Assigned from: N/A
Total acres: 319.32
Prod stat: N/A

Lease term:

Lease term: FIVE(5) YEAR TERM, 1/8th ROYALTY
Issue date: 6/1/2001
Termination date: Active
Termination reason: N/A
Current term: Primary Term

Billing information:

Bill to: DEVON ENERGY PRODUCTION COMPANY, LP
Rent per acre: 1.00
Billing frequency: Annual
Minimum annual rent: 319.32
Last bill date: 5/5/2005
Next bill date: 6/1/2006
Escalation: 0

Land information:

Section	Township	Range	Unit Letter	Lot	Tract	Acreage	Link
31	23S	35E	3	3		39.64	[Land Details]
			4	4		39.68	[Land Details]
			I			40.00	[Land Details]
			J			40.00	[Land Details]
			K			40.00	[Land Details]
			N			40.00	[GoTech] [Land Details]
			O			40.00	[Land Details]
			P			40.00	[GoTech] [Land Details]

If you have any questions about the data or this site please contact Joe Mraz (jmraz@slo.state.nm.us) of the Office.

Site maintained by the PRRC, webmaster gotech_prcc@yahoo.com

Subj: **RE: Red Bull 31 State #2 - Unorthodox Location**
Date: 2/23/2006 4:10:19 PM Mountain Standard Time
From: Kelly.Robertson@dvn.com
To: JamesBruc@aol.com

This well was approved for a legal location for a Morrow test & was completed in the Morrow. Devon is now proposing to temporarily abandon the Morrow & attempt a completion in the Delaware. If successful, we plan to dual complete.

Will this explanation suffice along with a Midland Map Co plat?

From: JamesBruc@aol.com [mailto:JamesBruc@aol.com]
Sent: Thursday, February 23, 2006 4:35 PM
To: Robertson, Kelly
Cc: Lundeen, Chuck
Subject: Re: Red Bull 31 State #2 - Unorthodox Location

Kelly: I'll need (a) a Midland Map Co. plat, and (b) a reason for the unorthodox location. If it's geological, I'll need a geological plat to justify it. If its topographical, send me an appropriate plat.

Jim Bruce