

DATE IN 9/10/07	SUSPENSE	ENGINEER D. BROOKS	LOGGED IN 9/11/07	TYPE NSL	APP NO. p TDS0725450783
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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



Devon
N Pure Hold 5#21
5696

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

devon

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

FAX:

To: DAVID BROOKS

From: KEN GRAY

Fax: 505-476-3462

Date: 9/10/07

Phone:

Pages: 11 (including cover page)

Re: NPG 5 FEDERAL #2H

CC:

☐ Urgent

☒ For Review

☐ Please Comment

☐ Please Reply

☐ Please Recycle

• Comments:



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

September 7, 2007

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: David Brooks

RE: North Pure Gold 5 Federal #2H
Section 5-T23S-R31E
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, intends to drill the referenced horizontal Lower Brushy Canyon Delaware well to a total vertical depth of approximately 7900' with a total measured depth of approximately 12,500'. Devon is electing to drill this horizontal well due to the inability to obtain vertical APDs due to Potash restrictions. As reflected on the attached C-102, the well will be permitted at a surface location of 1980' FEL and 150' FNL with a permitted bottom hole location of 1980' FEL and 330' FSL of Section 5, Township 23 South, Range 31 East. The Bureau of Land Management will establish a "drilling island" for this well along the South side of the WIPP site in accordance with the applicable Secretarial Order governing oil and gas development in the Potash Area of Southeast New Mexico. Devon chose this location in order to cause as little interference as possible with the potash resource in the area that has been determined to be measured ore. The initial portion of the open hole and potentially productive horizontal section of the well will be located 650' FNL and 660' FEL of said Section 5. Devon will penetrate the top of the Delaware Mountain group with the vertical portion of the well bore and according to Division rules the above mentioned surface hole location would be classified as a non-standard location.

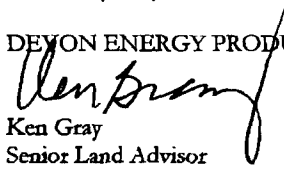
In accordance with Division rules, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location in accordance with Division Rule 104(F) (3) with regard to the vertical unorthodox portion of the well. This unorthodox location affects the unleased mineral interests owned by the United States of America, Bureau of Land Management ("BLM") in the spacing unit to the North in Section 32-T22S-R31E located inside the boundary of the WIPP site. Devon has given notice of this application to the BLM. Additionally, Devon requests Commission approval to designate a 160 acre project area consisting of four standard oil spacing units comprised of the W/2 E/2 (Unit letters B, G, J & O) of said Section 5.

Attached for your review you will find a land plat reflecting the BLM as the only affected party, a structure map on top of the Bone Spring formation, a State of New Mexico form C-102, a Well Profile Report prepared by Baker Hughes and copy of a notification letter to the BLM.

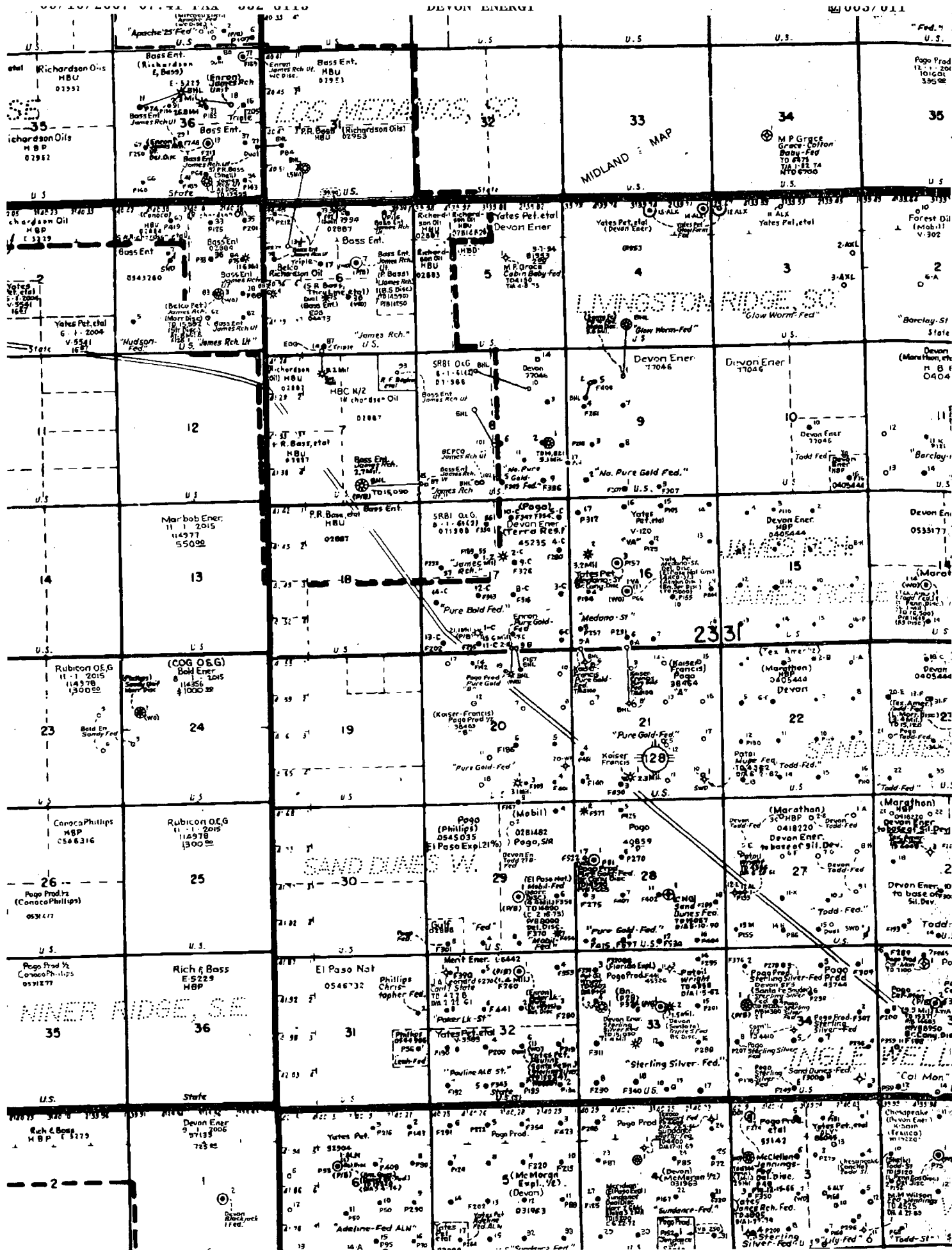
Feel free to contact the undersigned at (405) 552-4633 if there are any concerns or questions regarding this application.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Land Advisor

KG\North Pure Gold 5 Federal #2 UL
Enclosure



Devon

Eddy County, NM

Bone Springs Structure

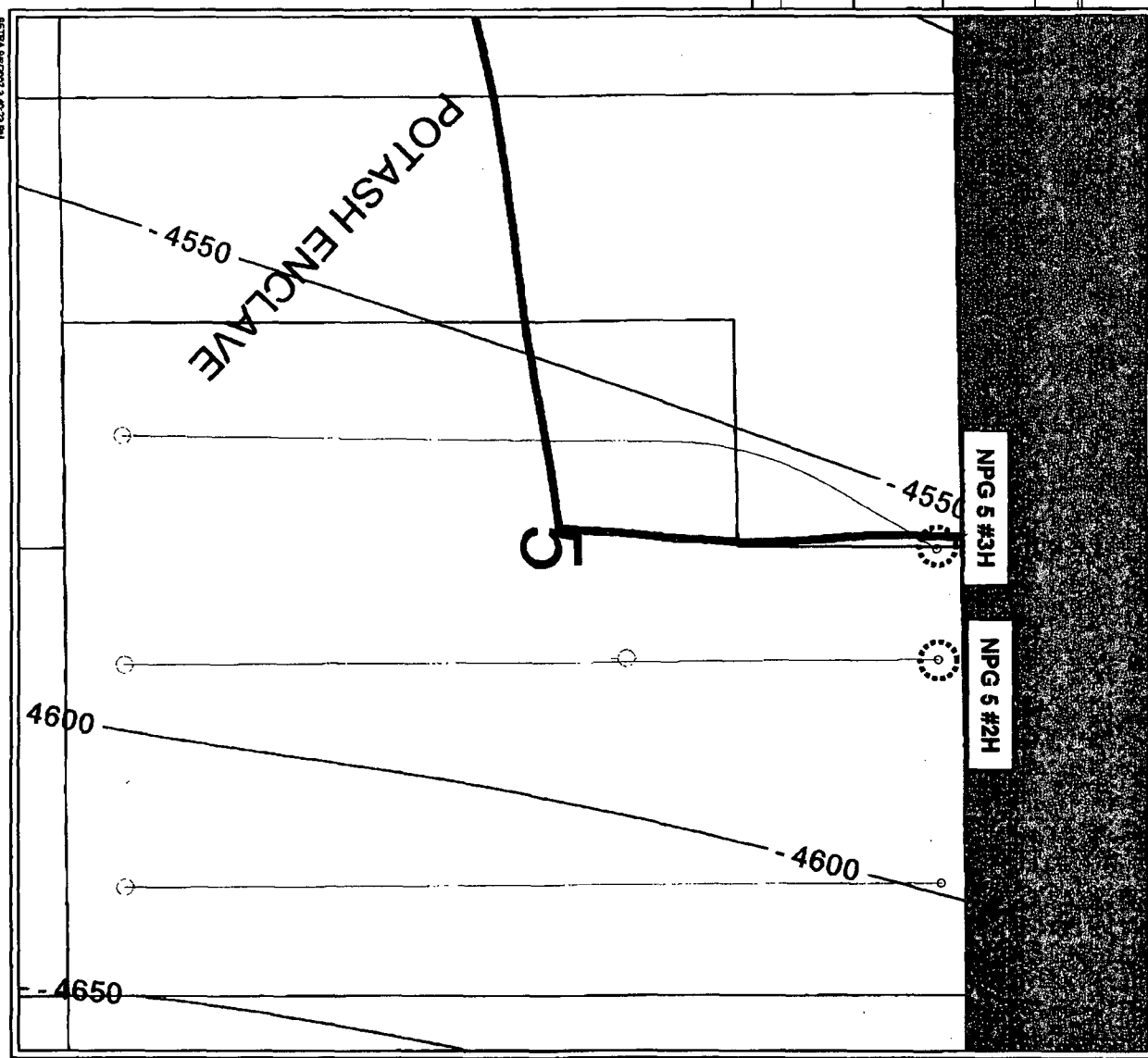
C.I. = 50'



WELL SYMBOLS

- Location Only
- ⊙ Temporarily Abandoned

By: Carl Burdick



SECTION 36, T27N, R10E



Planned Wellpath Report

Plan #1
Page 1 of 4



INTEQ

REFERENCE WELLPATH IDENTIFICATION

Operator	Devon Energy	Slot	#2H_SHL
Area	Eddy County, NM	Well	#2H
Field	Sand Dunes West Field	Wellbore	#2H_PWB
Facility	North Pure Gold 5 Federal #2H		

REPORT SETUP INFORMATION

Projection System	NAD83 / TM New Mexico State Planes, Eastern Zone (3001), US feet	Software System	WellArchitect™ 1.2
North Reference	Grid	User	Gomeoscr
Scale	0.99994	Report Generated	07/09/07 at 11:15:38
Wellbore last revised	07/09/07	Database/Source file	WA_Midland/#2H_PWB.xn

WELLPATH LOCATION

	Local coordinates		Grid coordinates		Geographic coordinates	
	North [feet]	East [feet]	Easting [US feet]	Northing [US feet]	Latitude [°]	Longitude [°]
Slot Location	0.00	0.00	706739.38	487965.43	32 20 25.266N	103 47 51.986W
Facility Reference Pt			706739.38	487965.43	32 20 25.266N	103 47 51.986W
Field Reference Pt			0.00	0.00	30 59 18.404N	106 03 38.987W

WELLPATH DATUM

Calculation method	Minimum curvature	Rig on #2H_SHL (RT) to Facility Vertical Datum	0.00 feet
Horizontal Reference Pt	Slot	Rig on #2H_SHL (RT) to GRN. ELEV.	3337.00 feet
Vertical Reference Pt	Rig on #2H_SHL (RT)	Facility Vertical Datum to Mud Line (Facility)	0.00 feet
MD Reference Pt	Rig on #2H_SHL (RT)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	GRN. ELEV.	Section Azimuth	180.00°



Planned Wellpath Report

Plan #1
Page 2 of 4



REFERENCE WELLPATH IDENTIFICATION			
Operator	Devon Energy	Slot	#2H_SHL
Area	Eddy County, NM	Well	#2H
Field	Sand Dunes West Field	Wellbore	#2H_PWB
Facility	North Pure Gold 5 Federal #2H		

WELLPATH DATA (60 stations) † = interpolated/extrapolated station									
MD [feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sect [feet]	North [feet]	East [feet]	DLS [°/100ft]	Design Comments	Path Comment
0.00	0.000	180.000	0.00	0.00	0.00	0.00	0.00	Tie On	
400.00†	0.000	0.000	400.00	0.00	0.00	0.00	0.00		Rustler
850.00†	0.000	180.000	850.00	0.00	0.00	0.00	0.00		Top of Salt
3830.00†	0.000	180.000	3830.00	0.00	0.00	0.00	0.00		Base of Salt
4140.00†	0.000	180.000	4140.00	0.00	0.00	0.00	0.00		Bell Canyon
6650.00†	0.000	180.000	6650.00	0.00	0.00	0.00	0.00		Brushy Canyon
7420.00	0.000	180.000	7420.00	0.00	0.00	0.00	0.00	KOP	
7520.00†	11.930	180.000	7519.28	10.37	-10.37	0.00	11.93		
7720.00†	35.790	180.000	7700.87	90.69	-90.69	0.00	11.93		
7820.00†	47.720	180.000	7775.33	157.17	-157.17	0.00	11.93		
7920.00†	59.650	180.000	7834.45	237.60	-237.60	0.00	11.93		
8020.00†	71.580	180.000	7875.66	328.51	-328.51	0.00	11.93		
8174.43	90.004	180.000	7900.27	480.30	-480.30	0.00	11.93	EOC	
8220.00†	90.004	180.000	7900.26	525.87	-525.87	0.00	0.00		
8320.00†	90.004	180.000	7900.26	625.87	-625.87	0.00	0.00		
8420.00†	90.004	180.000	7900.25	725.87	-725.87	0.00	0.00		
8620.00†	90.004	180.000	7900.24	925.87	-925.87	0.00	0.00		
8720.00†	90.004	180.000	7900.23	1025.87	-1025.87	0.00	0.00		
8820.00†	90.004	180.000	7900.23	1125.87	-1125.87	0.00	0.00		
8920.00†	90.004	180.000	7900.22	1225.87	-1225.87	0.00	0.00		



Planned Wellpath Report

Plan #1
Page 3 of 4



REFERENCE WELLPATH IDENTIFICATION			
Operator	Devon Energy	Slot	#2H_SHL
Area	Eddy County, NM	Well	#2H
Field	Sand Dunes West Field	Wellbore	#2H_PWB
Facility	North Pure Gold 5 Federal #2H		

WELLPATH DATA (60 stations) † = interpolated/extrapolated station									
MD [feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sect [feet]	North [feet]	East [feet]	DLS [°/100ft]	Design Comments	Path Comment
9120.00†	90.004	180.000	7900.21	1425.87	-1425.87	0.00	0.00		
9220.00†	90.004	180.000	7900.20	1525.87	-1525.87	0.00	0.00		
9320.00†	90.004	180.000	7900.20	1625.87	-1625.87	0.00	0.00		
9420.00†	90.004	180.000	7900.19	1725.87	-1725.87	0.00	0.00		
9620.00†	90.004	180.000	7900.18	1925.87	-1925.87	0.00	0.00		
9720.00†	90.004	180.000	7900.17	2025.87	-2025.87	0.00	0.00		
9820.00†	90.004	180.000	7900.16	2125.87	-2125.87	0.00	0.00		
9920.00†	90.004	180.000	7900.16	2225.87	-2225.87	0.00	0.00		
10120.00†	90.004	180.000	7900.15	2425.87	-2425.87	0.00	0.00		
10220.00†	90.004	180.000	7900.14	2525.87	-2525.87	0.00	0.00		
10320.00†	90.004	180.000	7900.13	2625.87	-2625.87	0.00	0.00		
10420.00†	90.004	180.000	7900.13	2725.87	-2725.87	0.00	0.00		
10620.00†	90.004	180.000	7900.12	2925.87	-2925.87	0.00	0.00		
10720.00†	90.004	180.000	7900.11	3025.87	-3025.87	0.00	0.00		
10820.00†	90.004	180.000	7900.10	3125.87	-3125.87	0.00	0.00		
10920.00†	90.004	180.000	7900.10	3225.87	-3225.87	0.00	0.00		
11120.00†	90.004	180.000	7900.08	3425.87	-3425.87	0.00	0.00		
11220.00†	90.004	180.000	7900.08	3525.87	-3525.87	0.00	0.00		
11320.00†	90.004	180.000	7900.07	3625.87	-3625.87	0.00	0.00		
11420.00†	90.004	180.000	7900.07	3725.87	-3725.87	0.00	0.00		

devon

Devon Energy

Location: Eddy County, NM Slot: #2H_SHL
 Field: Sand Dunes West Field Well: #2H
 Facility: North Pure Gold & Federal #2H Wellbore: #2H PWB

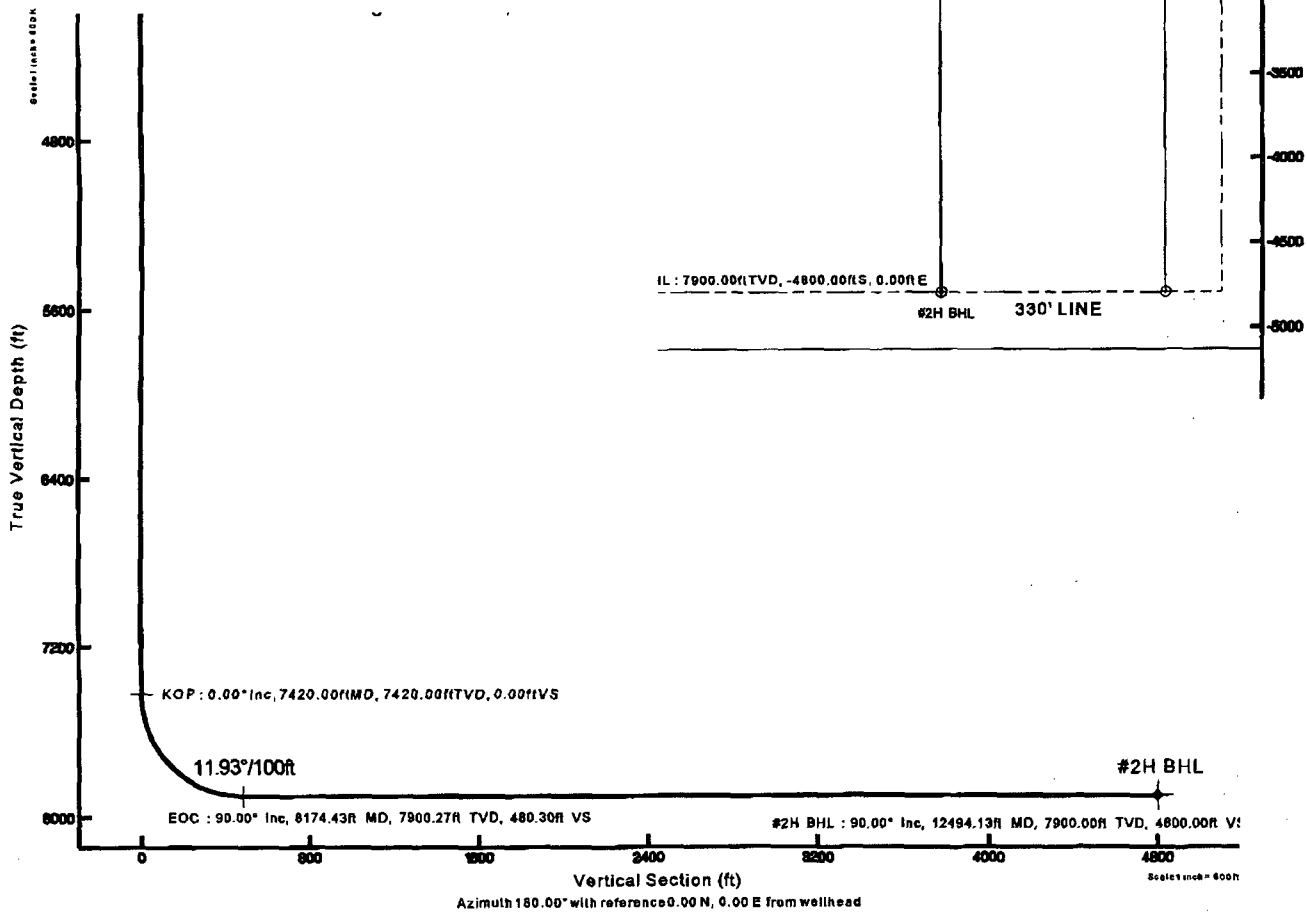
BAKER
 HUGHES
 INTEQ

Well Profile Data							
Design Constant	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLR (°/100ft)
Tie On	0.00	0.000	180.000	0.00	0.00	0.00	0.00
KOP	7420.00	0.000	180.000	7420.00	0.00	0.00	0.00
EOC	8174.43	90.004	180.000	7900.27	-480.30	0.00	11.93
#2H BHL	12494.13	90.004	180.000	7900.00	-480.00	0.00	0.00

This section, south of Plot #1			
This section, south of Plot #1			
This section, south of Plot #1			
This section, south of Plot #1			
This section, south of Plot #1			
This section, south of Plot #1			
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This section, south of Plot #1			



BGGM (1845.0 to 2008.0) Dip: 00.37° Field: 48127.3 uT
 Magnetic North is 5.25 degrees East of True North (at 07/08/07)
 Grid North is 0.28 degrees East of True North
 To correct azimuth from True to Grid subtract 0.28 degrees
 To correct azimuth from Magnetic to Grid add 7.53 degrees





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

September 7, 2007

United States Department of the Interior
Bureau of Land Management
620 East Greene Street
Carlsbad, New Mexico 88220-6292

Re: North Pure Gold 5 Federal #2H
Section 5-T23S-R31E
Eddy County, NM

Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s administrative application for approval of an unorthodox well location covering the referenced well. Our records indicate that the United States of America Department of the Interior, Bureau of Land Management is an affected owner of an offset spacing unit and is entitled to notice of this application in accordance with Division Rule 104(f). Objections to this application should be submitted to the New Mexico Oil Conservation Division. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned.

If there are any questions or if additional information is required, feel free to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Ken Gray
Senior Land Advisor

United States of America Department of the Interior, Bureau of Land Management has no objection to this administrative application for unorthodox location.

By: _____

Title: _____

Date: _____

Brooks, David K., EMNRD

From: Gray, Ken (OKC) [Ken.Gray@dvn.com]
Sent: Wednesday, October 03, 2007 8:44 AM
To: Brooks, David K., EMNRD
Subject: NSLs

Attachments: Gray, Ken (grayk) - 10-03-07 - RR3XFHF.pdf



Gray, Ken (grayk) -
10-03-07 -...

David, attached for OCD file are waiver letters from BLM covering our administrative applications for the North Pure Gold 5 Federal #2H and North Pure Gold 5 Federal #3H.

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.

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

September 7, 2007

United States Department of the Interior
Bureau of Land Management
620 East Greene Street
Carlsbad, New Mexico 88220-6292

Re: North Pure Gold 5 Federal #3H
Section 5-T23S-R31E
Eddy County, NM

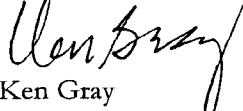
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If there are any questions or if additional information is required, feel free to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Land Advisor

United States of America Department of the Interior, Bureau of Land Management has no objection to this administrative application for unorthodox location.

By: 

Title: Field Manager

Date: 9/27/07

