9/9/96



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 Felephone 405/235-3611

 20 North Broadway, Suite 1500
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 Felephone 405/235-3611

 Oklahoma City, Oklahoma 73102-8260
 FAX 405/552-4550

CIL CONSERVATION DIVISION RECEIVED

August 15, 1996

Certified Mail No. Z 731 697 784

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

RE: Non-Standard Location Approval Kite "4E" Federal #2 Eddy County, New Mexico

Gentlemen:

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Devon Energy Corporation (Nevada) requests "Non-Standard Location" approval for the referenced well located as listed below. This unorthodox location is necessary due to pipeline and topography problems (see attached topography map).

<u>Well Name &amp; No.</u>	<u>Unit Ltr</u>	Section-T-R	Footage Location		
Kite "4E" Federal #2	L	8-18S-27E	2100' FNL & 1090'		
			FWL		

Enclosed is a map of the West Red Lake Area showing the well's location and a copy of form C-102.

Operators having wells and/or lease holdings in the offsetting 40 acre tracts will be notified by certified mail. Copies of our letters of notification to the following operators are enclosed.

Breck Operating Corporation	Andrews, Texas
Arco Permian	Midland, Texas
Merit Energy Corporation	Dallas, Texas

Kite "4E" Federal #2 NSL Approval 8/15/96 Page Two

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State of New Mexico Energy, Minerals and Natural Resources Dept. Oil Conservation Division

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If you have any questions, please contact the undersigned at (405) 235-3611, X4509.

Sincerely yours,

DEVON ENERGY CORPORATION (NEVADA)

E. L. Bultross Jr.

Mr. E.L. Buttross, Jr. District Engineer

ELB\re Enclosures

cc: Oil Conservation Division - Artesia, NM Bureau of Land Management - Carlsbad, NM P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 85210

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

38.64 AC

38.43 AC

38.01 AC

37.80 AC

#### State of New Mexico

Energy, Minerals and Natural Resources Department

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

EXHIBIT 2

Certificate No. Gory L. Jones

BASIN SURVEYS

7977

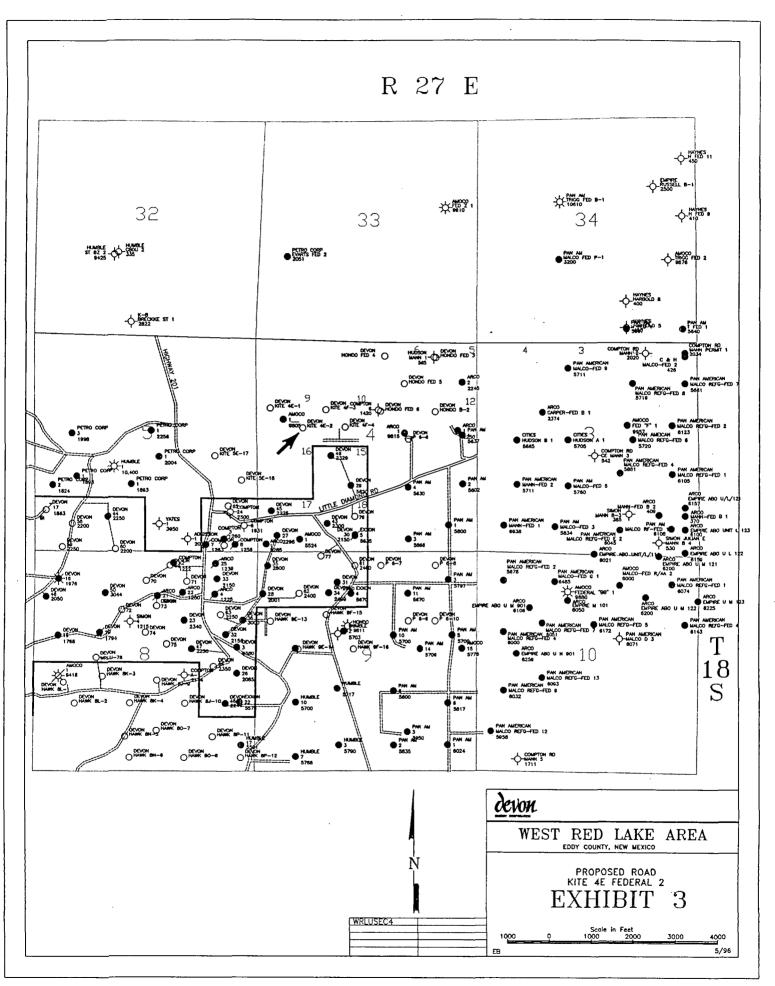
## OIL CONSERVATION DIVISION

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

□ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Code Pool Name API Number Red Lake (Q-GB-SA) 51300 Property Code Property Name Well Number Kite -----Dakota-Federal Hawk "4E" Federal 2 **Operator** Name OGRID No. Elevation 6137 **Devon Energy Corporation** (Nevada) 3574' Surface Location Feet from the North/South line UL or lot No. Section Township Range Lot Idn Feet from the Bast/West line County Lot 9 4 18 S 27 E 2100 North 1090 West Eddy Bottom Hole Location If Different From Surface North/South line Lot Idn Feet from the Bast/West line UL or lot No. Section Township Range Feet from the County Joint or Infill Consolidation Code Order No. Dedicated Acres 40 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 Lot 8 Lot 7 Lot 6 Lot 5 I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. $\mathcal{E}.\mathcal{I}.\mathcal{B}$ 39.92 AC 39.37 AC 37.70 AC 37.73 AC Signature ot 9 Lot 10 Lot 11 Lot 12 Buttross, Jr E.L. Printed Name 3580.9 District Engineer 3565.2' Title 090' May 28, 1996 Date 3581 727 39.93 AC 38.43 AC 37.23 AC 37.28 AC SURVEYOR CERTIFICATION Lot 16 Lot 14 Lot 15 Lot 13 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 supervison, and that the same is true and correct to the best of my belief. March 13, 1996 Date Surveyed At TACKI 38.85 AC 38.64 AC 37.82 AC 37.61 AC Signature & Seal of Professional Surveyor Lot 17 Lot 19 Lot 18 Lot 20 80, Reco ŴÒ. NO. 60930

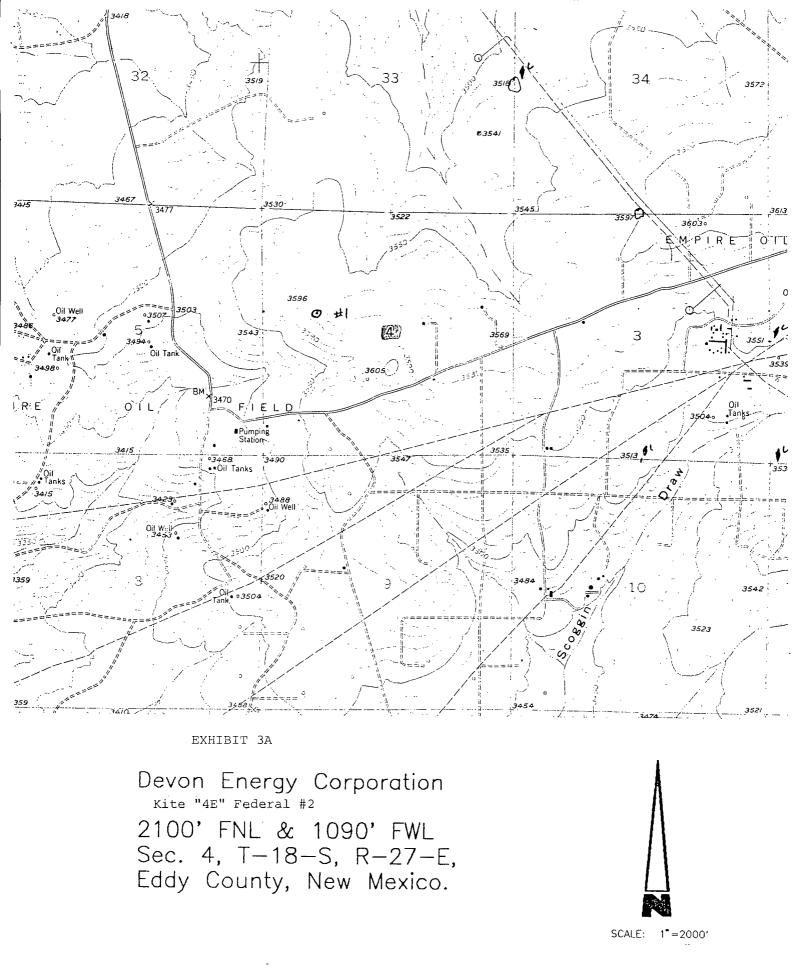
DISTRICT 1



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BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO	2000'		2000'	4000	) Feet
W.O. Number: 6093 Drawn By: S.C. Nichols	Survey Date: 3-	13-96	Sheet 1	of 1	Sheets



20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260 FAX 405/552-4550

Telephone 405/235-3611

August 15, 1996

### Certified Mail No. Z 731 697 799

Breck Operating Corporation Post Office Box 1705 Andrews, Texas 79714

**RE:** Non-Standard Location Approval Proposed 2500' San Andres Test Kite "4E" Federal #2 2100' FNL & 1090' FWL Section 4-T18S-R27E, Lot 9 Eddy County, New Mexico

Gentlemen:

We have applied for a permit to drill the referenced well. This unorthodox location was due to pipeline and topography problems. The proposed well site is in the West Red Lake area in Eddy County, New Mexico, and offsets your lease hold in Section 5-T18S-R27E.

The NMOCD Non-Standard Location Approval process requires that we notify offset lease holders and submit Proof of Notice.

Breck Operating Corporation

Kite "4E" Federal #2 Non-Standard Location Approval August 15, 1996 Page Two

Please accept this certified letter as notification. If you have any questions, please contact Ernie Buttross, Jr., at (405) 235-3611, X4509.

Sincerely yours,

DEVON ENERGY CORPORATION (NEVADA)

e Elliot

Renee Elliott Engineering Tech.

/re

cc: Oil Conservation Division - Santa Fe, NM Oil Conservation Division - Artesia, NM Bureau of Land Management - Carlsbad, NM



20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260 FAX 405/552-4550

Telephone 405/235-3611

August 15, 1996

## Certified Mail No. Z 731 697 798

Arco Permian Post Office Box 1610 Midland, Texas 79702

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**RE:** Non-Standard Location Approval Kite "4E" Federal #2 2100' FNL & 1090' FWL Section 4-T18S-R27E, Lot 9 Eddy County, New Mexico

Gentlemen:

We have applied for a permit to drill the referenced well. This unorthodox location is necessary due to the original location being close to a nearby pipeline. The proposed well site is in the West Red Lake area in Eddy County, New Mexico, and is offset your lease hold in Section 4-T18S-R27E.

The NMOCD Non-Standard Location Approval process requires that we notify offset lease holders and submit Proof of Notice.

# Arco Permian

Kite "4E" Federal #2 Non-Standard Location Approval August 15, 1996 Page Two

Please accept this certified letter as notification. If you have any questions, please contact Ernie Buttross, Jr., at (405) 235-3611, X4509.

Sincerely yours,

DEVON ENERGY CORPORATION (NEVADA)

ence Elliot

Renee Elliott Engineering Tech.

/re

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cc: Oil Conservation Division - Santa Fe, NM Oil Conservation Division - Artesia, NM Bureau of Land Management - Carlsbad, NM



20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260 FAX 405/552-4550

Telephone 405/235-3611

August 15, 1996

Certified Mail No. Z 731 697 785

Merit Energy Company 12222 Merit Drive, Suite 1500 Dallas, Texas 75251

RE: Non-Standard Location Approval Kite "4E" Federal #2 2100' FNL & 1090' FWL Section 4-T18S-R27E, Lot 9 Eddy County, New Mexico

Gentlemen:

We have applied for a permit to drill the referenced well. This unorthodox location is necessary due to the original location being close to a nearby pipeline. The proposed well site offsets the following property which our records show you operate.

> Merit Federal API # 30-015-23542

The NMOCD Non-Standard Location Approval process requires that we notify offset lease holders and submit Proof of Notice.

Kite "4E" Federal #2 Non-Standard Location Approval August 15, 1996 Page Two

Please accept this certified letter as notification. If you have any questions, please contact Ernie Buttross, Jr., at (405) 235-3611, X4509.

Sincerely yours,

DEVON ENERGY CORPORATION (NEVADA)

re Elliot

Renee Elliott Engineering Tech.

## /re

cc: Oil Conservation Division - Santa Fe, NM Oil Conservation Division - Artesia, NM Bureau of Land Management - Carlsbad, NM

ONGARD 10/25/96 11:06:19 - CMD : ONGARD
 ONGARD
 OG6C101
 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -EMGR : 6137 API Well No: 30 15 29024 APD Status(A/C/P): A OGRID Idn Opr Name, Addr: DEVON ENERGY CORP (NEVADA) Aprvl/Cncl Date : 06-28-1996 20 N BROADWAY SU 1500 OKLAHOMA CITY, OK 73102 Well No: 2 Prop Idn: 19135 KITE 4 E FEDERAL U/L Sec Township Range Lot Idn North/South East/West \_\_\_\_\_ FTG 2100 F N FTG 1090 F W Surface Locn : 9 4 18S 27E OCD U/L : E API County : 15 Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : R Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3574 State Lease No: Multiple Comp (Y/N) : N Prpsd Depth : 2500 Prpsd Frmtn : SAN ANDRES

E0009: Enter data to modify recordPF01 HELPPF02PF03 EXITPF04 GoToPF05PF06 CONFIRMPF07PF08PF09 PRINTPF10 C102PF11 HISTORY PF12