

DATE IN <u>6/19/09</u>	SUSPENSE	ENGINEER <u>Bruce</u>	LOGGED IN <u>6/22/09</u>	TYPE <u>NSL</u>	PTG-N 0917335466
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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



30-025-35118
 Bell Lake Unit Well #21
 Devon (20305)
 Brett Hudson
 6061

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



June 16, 2009

RECEIVED

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

405 235 3611 Phone
Brett.Hudson@dvn.com

2009 JUN 19 PM 1 17

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

RE: Request for Unorthodox Location
Bell Lake Unit 21 Well
1340' FSL & 660' FWL
Section 32-T22S-R34E
Lea County, New Mexico

30-025-35118
unit 21

Rock Lake BS

Dear Mr. Brooks:

Devon Energy Production Company, L. P. ("Devon"), as Operator, has recompleted the Bell Lake Unit 21 well in the Bone Springs formation. This gas well was originally drilled to a total depth of 13,500' at an orthodox surface location 1340' FSL & 660' FWL of Section 32-T22S-R34E, Lea Co., New Mexico. The well was completed in the Morrow formation and has been producing since January 2001.

The recompleted Undesignated NE Bell Lake-Delaware and Wildcat Bone Spring Pool is located closer than 330' from the SW/4 SW/4 line of Section 32-T22S-R34E, Lea County, New Mexico, being an unorthodox location from that permitted by the current Statewide Pool Rules. Therefore, Devon respectfully requests that the Commission administratively approve the enclosed Application for an Unorthodox Location in accordance with Division Rule 104(F)(3).

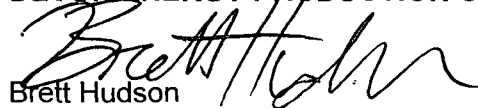
Notice of this application has been given to the affected contractual owners under the Bell Lake Unit covering the W/2 of Section 32-T22S-R34E, New Mexico, among other lands. A list of these owners is enclosed.

Also, enclosed for review are land plat reflecting the leasehold owners in the W/2 of Section 32-T22S-R34E, porosity and resistivity logs for the NE Bell Lake-Delaware and Wildcat Bone Spring intervals, and the State of New Mexico form C-102 for the previous completion.

Please contact me at (405) 228-8589 or at my email address above, if additional information is needed.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L. P.


Brett Hudson
Petroleum Landman

CONTRACTUAL OWNERS
BELL LAKE UNIT 21
SECTION 32-T22S-R34E
LEA COUNTY, NEW MEXICO

Tom Scarbrough
ConocoPhillips Company
3WL-14056
600 N. Dairy Ashford
Houston, TX 77079
Phone: 832-486-2338
Fax: 832-486-2674

Robert E. Landreth
110 W. Louisiana, Suite 404
Midland, TX 79701

Mark L. Shidler Inc.
1010 Lamar, Suite 500
Houston, TX 77002

Edward R. Hudson Trust #4
Mary T. Hudson Ard Trustee
222 W. 4th Street, PH 5
Fort Worth, TX 76102
Phone: 817-882-9377

Kruse Properties
P. O. Box 327
Key West, FL 33040-0327

Michelle Hampton
Apache Corporation
Two Warren Place
6120 S. Yale Ave., Suite 1500
Tulsa, OK 74136

Delmar Hudson Lewis Irrev Trs
Bank of America NA Trustee
P. O. Drawer 832407
Dallas, TX 75283-2407

Francis H. Hudson, Trustee
UTA 7894
Lindy's Living Trust
6300 Ridglea Pl., Suite 1005A
Fort Worth, TX 76116

Wayne Fields
Kaiser-Francis Oil Company
P. O. Box 21468
Tulsa, OK 74121-1468
Phone: 918-491-4510 (Jim Wakefield)

Scott W. Tanberg
P. O. Box 7662
Midland, TX 79708

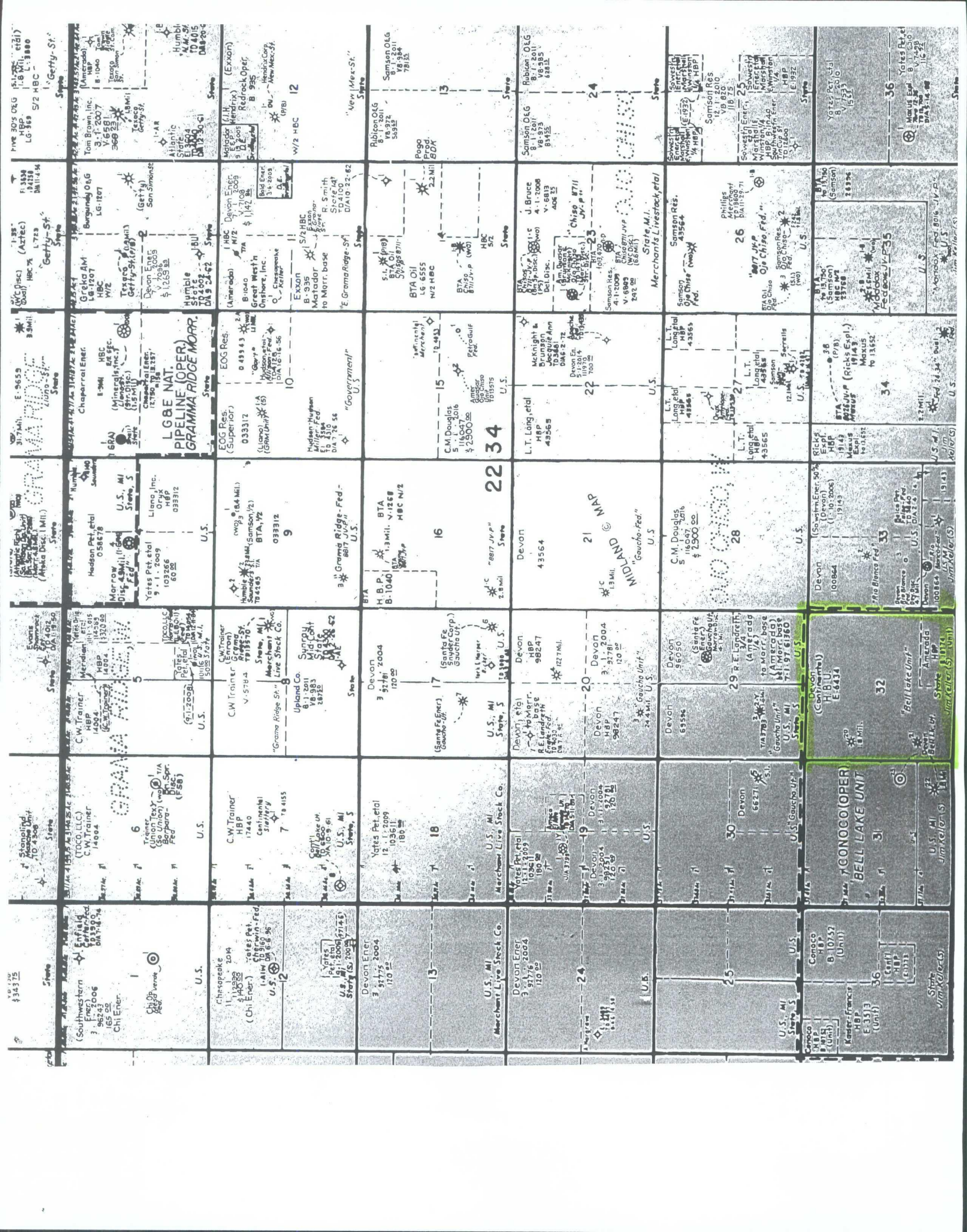
Edward R. Hudson Trusts 1, 2, & 3
Edward R. Hudson Jr. Trustee
616 Texas Street
Fort Worth, TX 76102

Moore & Shelton Company, Ltd.
P. O. Box 3070
Galveston, TX 77552

Hayes Land Corporation
P. O. Box 51510
Midland, TX 79710-1510

Hayes Land & Production LP
P. O. Box 51407
Midland, TX 79710-1407

Devon Energy Production Co., L.P.
20 N. Broadway
Oklahoma City, OK 73102-8260



DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

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

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-35118		2 Pool Code 96665		3 Pool Name Ojo Chiso Morrow, West		
4 Property Code 24635		5 Property Name BELL LAKE UNIT			6 Well Number 21	
7 OGRID No. 20305 ✓		8 Operator Name SANTA FE SNYDER CORPORATION			9 Elevation 3431'	

10 SURFACE LOCATION

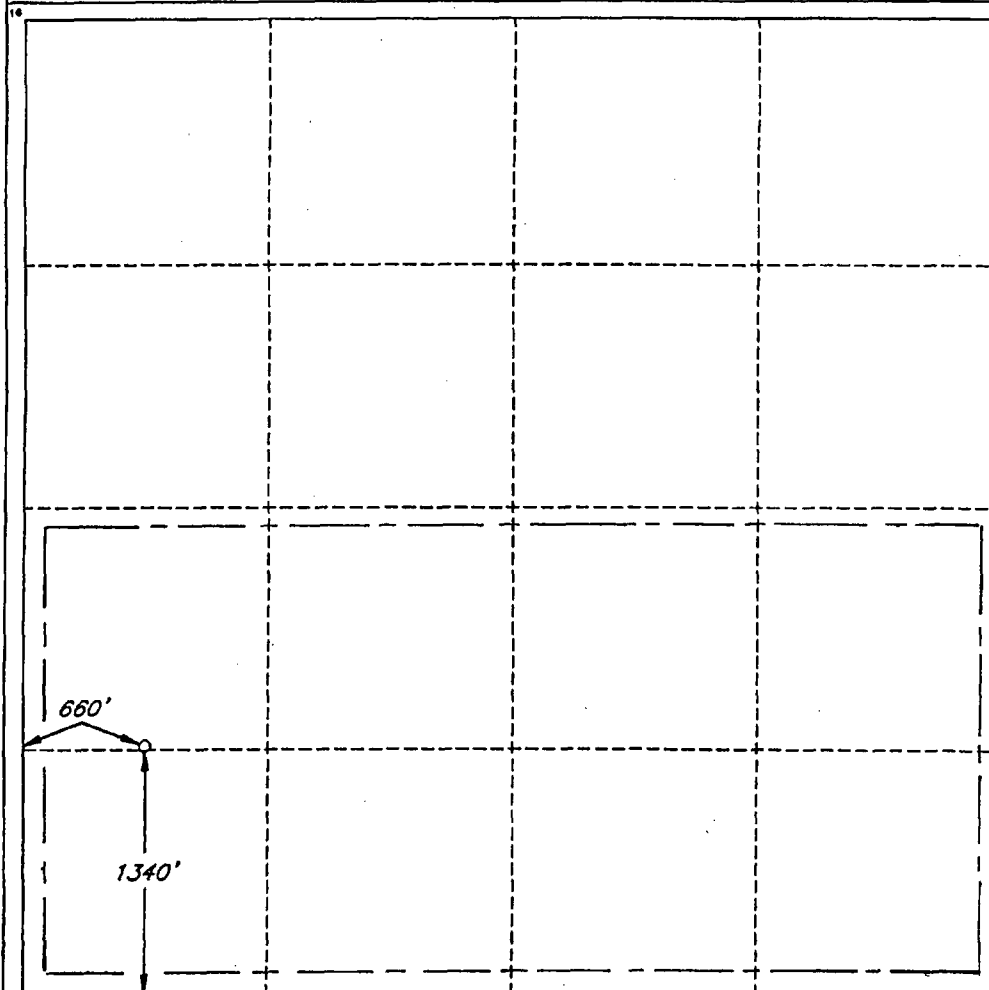
UL or lot no. L	Section 32	Township 22 SOUTH	Range 34 EAST, N.M.P.M.	Lot Ida	Feet from the 1340'	North/South line SOUTH	Feet from the 660'	East/West line WEST	County LEA
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"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN
CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature
James P. "Phil" Stinson

Printed Name
James P. "Phil" Stinson

Title
Agent for Santa Fe Snyder

Date
7-26-2000

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.

Date of Survey
JULY 20, 2000

Signature and Seal of
Professional Surveyor

Signature
V. L. BEZNER

Certificate No.
V. L. BEZNER R.P.S. #7920

JOB #70567 / 46 SW / V.H.B.

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, June 23, 2009 2:02 PM
To: 'Hudson, Brett'
Subject: RE: Bell Lake Unit Well No. 21; NSL Application

Dear Mr. Hudson

Thanks for your prompt response to my questions.

Unfortunately, your letter to affected interest owners does not comply with OCD Rule 15.13.D, because it does not notify them that they have 20 days to file objections with NMOCD. We will therefore require that new notices be sent, and will defer ruling on the application until 20 days after new notices are sent.

Sincerely

David K. Brooks
Legal Examiner
505-476-3450

From: Hudson, Brett [mailto:Brett.Hudson@dmv.com]
Sent: Tuesday, June 23, 2009 1:48 PM
To: Brooks, David K., EMNRD
Cc: Robertson, Kim
Subject: RE: Bell Lake Unit Well No. 21; NSL Application

Mr. Brooks:

Attached is the notification letter that was sent to each offset owner in the Bone Spring and Delaware formations for the Bell Lake 21 NSL application. Devon does request a non standard location be approved for both the Bone Spring and Delaware for the Bell Lake 21.

Please let me know if you need any additional information.

Thanks,

Brett Hudson

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Tuesday, June 23, 2009 12:23 PM
To: Hudson, Brett
Subject: Bell Lake Unit Well No. 21; NSL Application

Dear Mr. Hudson

I have two questions about this application.

First, I call your attention to the requirement of Rule 15.13.D [19.15.15.13.D NMAC] describing the notice that must be given to affected persons of an NSL application, and the contents of the proof of notice that is required. Your

application states that you gave notice to all owners in the W/2 of Section 32, but neither includes a copy of your notification, nor certifies that these owners were furnished a copy of your application and informed that they have 20 days to file objections with OCD. If a notice in this form was sent, please furnish us a copy of the notice letter. Otherwise, new notices will need to be sent.

Second, you have indicated that this well has been re-completed in the Bone Spring, but you also name a Delaware pool. Are you applying for NSL approval in both the Delaware and the Bone Spring, or only in the Bone Spring?

Sincerely

David K. Brooks
Legal Examiner
505-476-3450

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Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the MessageLabs Email Security System.

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This inbound email has been scanned by the MessageLabs Email Security System.

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, June 23, 2009 11:23 AM
To: 'Brett.Hudson@dvn.com'
Subject: Bell Lake Unit Well No. 21; NSL Application

Dear Mr. Hudson

I have two questions about this application.

First, I call your attention to the requirement of Rule 15.13.D [19.15.15.13.D NMAC] describing the notice that must be given to affected persons of an NSL application, and the contents of the proof of notice that is required. Your application states that you gave notice to all owners in the W/2 of Section 32, but neither includes a copy of your notification, nor certifies that these owners were furnished a copy of your application and informed that they have 20 days to file objections with OCD. If a notice in this form was sent, please furnish us a copy of the notice letter. Otherwise, new notices will need to be sent.

Second, you have indicated that this well has been re-completed in the Bone Spring, but you also name a Delaware pool. Are you applying for NSL approval in both the Delaware and the Bone Spring, or only in the Bone Spring?

Sincerely

David K. Brooks
Legal Examiner
505-476-3450



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

405 235 3611 Phone
Brett.Hudson@devn.com

NEED TO ADDRESS
EACH WELL OWNER

RE: Bell Lake Unit 21
1340' FSL & 660' FWL
Section 32-T22S-R34E
Lea County, New Mexico

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 your company is an affected owner and are entitled to notice of this application in accordance with Division Rule 104 (f). Objections to this application should be submitted to the NMOCD. 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 to call me at (405) 228-8589.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Brett Hudson
Landman

BH:
Enclosures

_____ has no objection to this administrative application for an unorthodox location.

By: _____

Title: _____

Date: _____



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

405 235 3611 Phone
Brett.Hudson@devn.com

June 26, 2009

**WORKING INTEREST OWNERS
(SEE ATTACHED LIST)**

RE: Bell Lake Unit 21
1340' FSL & 660' FWL
Section 32-T22S-R34E
Lea County, New Mexico

Ladies and Gentlemen:

In accordance with Division Rule 104 (f), notice is hereby given of the enclosed administrative application for approval of an unorthodox well location for the Bell Lake Unit 21 well.

Objections to this application should be submitted to the NMOCD within twenty (20) days of receipt of this letter. If you have no objection to this application, please indicate by signing and returning a copy of this letter to me.

Please contact me at (405) 228-8589 or at my email address above, if additional information is needed.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L. P.

Brett Hudson
Landman

Enclosures

_____ NO OBJECTION TO ADMINISTRATIVE APPLICATION FOR AN UNORTHODOX
LOCATION FOR THE BELL LAKE UNIT 21 WELL.

By: _____

Title: _____

Date: _____

CONTRACTUAL OWNERS
BELL LAKE UNIT 21
SECTION 32-T22S-R34E
LEA COUNTY, NEW MEXICO

Tom Scarbrough
ConocoPhillips Company
3WL-14056
600 N. Dairy Ashford
Houston, TX 77079
Phone: 832-486-2338
Fax: 832-486-2674

Robert E. Landreth
110 W. Louisiana, Suite 404
Midland, TX 79701

Mark L. Shidler Inc.
1010 Lamar, Suite 500
Houston, TX 77002

Edward R. Hudson Trust #4
Mary T. Hudson Ard Trustee
222 W. 4th Street, PH 5
Fort Worth, TX 76102
Phone: 817-882-9377

Kruse Properties
P. O. Box 327
Key West, FL 33040-0327

Michelle Hampton
Apache Corporation
Two Warren Place
6120 S. Yale Ave., Suite 1500
Tulsa, OK 74136

Delmar Hudson Lewis Irrev Trs
Bank of America NA Trustee
P. O. Drawer 832407
Dallas, TX 75283-2407

Francis H. Hudson, Trustee
UTA 7894
Lindy's Living Trust
6300 Ridglea Pl., Suite 1005A
Fort Worth, TX 76116

Wayne Fields
Kaiser-Francis Oil Company
P. O. Box 21468
Tulsa, OK 74121-1468
Phone: 918-491-4510 (Jim Wakefield)

Scott W. Tanberg
P. O. Box 7662
Midland, TX 79708

Edward R. Hudson Trusts 1, 2, & 3
Edward R. Hudson Jr. Trustee
616 Texas Street
Fort Worth, TX 76102

Moore & Shelton Company, Ltd.
P. O. Box 3070
Galveston, TX 77552

Hayes Land Corporation
P. O. Box 51510
Midland, TX 79710-1510

Hayes Land & Production LP
P. O. Box 51407
Midland, TX 79710-1407

Devon Energy Production Co., L.P.
20 N. Broadway
Oklahoma City, OK 73102-8260