



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

March 21, 2005

Mark E. Fesmire, P.E.
Director

Joanna Prukop
Cabinet Secretary

Oil Conservation Division

Devon Energy Production Company, L.P.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87501

Case 13470

Re: Administrative application (application reference No. pSEM0-504749516) submitted to the New Mexico Oil Conservation Division ("Division") on February 16, 2005 for Devon Energy Production Company, L.P.'s proposed Eagle "33-P" Well No. 16 to be drilled to an unorthodox oil well location 1090 feet from the South line and 330 feet from the East line (Unit P) of Section 33, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, within both the Red Lake (Queen-Grayburg-San Andres) Pool (51300) and Undesignated Northeast Red Lake-Glorieta Yeso Pool (96836). The SE/4 SE/4 of Section 33, being a standard 40-acre oil spacing and proration unit for both intervals is to be dedicated to this well.

Dear Mr. Bruce:

On March 7, 2005 the Division received an objection filed in a timely manner by Mr. Don M. Fedric of the Law Offices of Hunker-Fedric, P.A. of Roswell, New Mexico, representing: (i) Ms. Sandra Leigh Terry of El Paso, Texas; (ii) Ms. Barbara Kruse Frankenfield of Mansfield, Texas; and (iii) Ms. Susan Lynn Terry of Albuquerque, New Mexico to the subject application; see copy of letter attached.

This application will therefore be set for hearing before a Division Hearing Examiner on the next available docket scheduled for April 21, 2005. To help expedite this matter I have prepared the following advertisement; however, please review it carefully for any errors:

"Application of Devon Energy Production Company, L. P. for an unorthodox oil well location, Eddy County, New Mexico. Applicant seeks to drill its proposed Eagle "33-P" Federal Well No. 16 at an unorthodox oil well location within both the Red Lake (Queen-Grayburg-San Andres) Pool (51300) and Undesignated Northeast Red Lake-Glorieta Yeso Pool (96836) 1090 feet from the South line and 330 feet from the East line (Unit P) of Section 33, Township 17 South, Range 27 East. This well is to be an infill well in the Red Lake (Queen-Grayburg-San Andres) Pool within an existing 40-acre oil spacing and proration unit comprising the SE/4 SE/4 of Section 33 and an initial well in the Undesignated Northeast Red Lake-Glorieta Yeso Pool for a standard unit comprising the same 40 acres. This unit is located approximately eight (8) miles east-southeast of Artesia, New Mexico."

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465.

Sincerely,

Michael E. Stogner
Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
Mr. Don M. Fedric - Roswell, NM
Ms. Florene Davidson, NMOCD Staff Specialist - Santa Fe

Law Offices of
HUNKER-FEDRIC, P.A.

215 West Third Street
Post Office Box 1837
Roswell, New Mexico 88202-1837

George H. Hunker, Jr. (1914 - 2001)
DON M. FEDRIC - Board Recognized Specialist - Oil & Gas Law
E-mail: dmfedric@zianet.com

Telephone 505-622-2700
Fax Number 505-622-2704
TIN 85-0214827

March 1, 2005

RECEIVED

MAR 7 2005

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Certified - Return Receipt Requested

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

ATTN: Mr. Michael E. Stogner

Re: Application of Devon Energy Production Company LP for
Administrative Approval of Unorthodox Oil Well Location in
Township 17 South, Range 27 East, NMPM
Section 33: SE/4SE/4
Eddy County, New Mexico

Case 13470

Dear Mr. Stogner:

I represent **Sandra Leigh Terry** (P O Box 12617, El Paso, TX 79913); **Barbara Kruse Frankenfield** (7333 Wooded Acres Trail, Mansfield, TX 76063; and **Susan Lynn Terry** (7200 Montgomery NE #367, Albuquerque, NM 87109). The three ladies are overriding royalty interest owners under a producing well located in the NE/4SE/4 of Section 33, Township 17 South, Range 27 East.

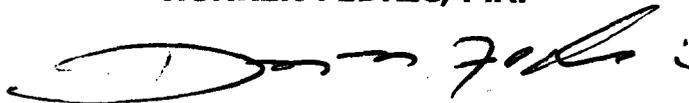
The Devon proposed unorthodox location moves Devon's Eagle 33P Federal well #16 further north and closer to my clients' well in the NE/4SE/4 of Section 33, substantially increasing the possibility of drainage from that well. Orthodox locations protect correlative rights and against unfair drainage. In this particular case, Devon is the operator of both my clients' well in the NE/4SE/4 and the proposed new unorthodox well, the Eagle 33P Fed #16, in the SE/4SE/4. However, Devon apparently owns a 50% working interest and a 5% overriding royalty interest in the proposed unorthodox well, while Devon has a 50% or less working interest and no overriding royalty interest under my clients' presently producing well located in the NE/4SE/4. The proposed unorthodox #16, if productive, will mostly benefit Devon, at the expense of the overriding royalty interest owners under my clients' existing orthodox well located in the NE/4SE/4. Devon could just as easily move its location 100 feet south of orthodox, rather than 100 feet to the north as they propose.

Mr. Michael E. Stogner
NM Oil Conservation Division
March 1, 2005
Page 2

My clients received notice of the captioned application and have asked me to object on their behalf to Devon's proposed unorthodox well location. Please accept this letter as such an objection.

Yours very sincerely,

HUNKER-FEDRIC, P.A.



Don M. Fedric

DMF/jw

XC James Bruce, Attorney for Devon
Our clients: Sandra Terry, Barbara Frankenfeld and Susan Terry
AND other Overriding Royalty Interest Owners:
Patricia Jaynes
Yates Petroleum Corporation
Eugene P. Burkeholder
Bea Caywood McMillion
Clyde Guy
Yates Brothers
Anita Britain
Robert Everts
Exxon Mobil Corporation
Clyde Lamar Guy & Mary Jo Guy Revocable Trust A
S. J. Iverson, Jr.
Wendell Welch Iverson
Wendell W. Iverson, Trustee of P.I.P. 1990 Trust, S.J.I, Jr. 1990 Trust and W.W.I. 1990 Trust
Patsy Iverson Page
Phoebe Shelton
Jane Ann Hudson Davis
Jonel Susan Grasso
Joan A. Hudson
Howard B. Wright Trust
Summit Overseas Exploration, Inc.

2-16-05	3-8-05	STONER	2-16-05	NSL	SD	PSEM0504749516
DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO	

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Case 13470

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]

2005 FEB 16 AM 11 46

- [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.

JAMES BRUCE
 PO BOX 1056
 SANTA FE NM 87504

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

Print or Type Name

Signature

Title

Date

e-mail Address

James Bruce _____ *Attorney* _____ *2/16/05* _____
jamesbruce@aol.com

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 15, 2005

Hand Delivered

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

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), Devon Energy Production Company, L.P. ("Devon") applies for administrative approval of an unorthodox oil well location for the following well, in both the San Andres formation (South Red Lake Queen-Grayburg-San Andres Pool) and Glorieta/Yeso formations (Northeast Red Lake Glorieta-Yeso Pool):

<u>Well:</u>	Eagle 33P Federal Well No. 16
<u>Location:</u>	1090 feet FSL & 330 feet FEL
<u>Well Unit:</u>	SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 33, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

Both the South Red Lake Queen-Grayburg-San Andres Pool and the Northeast Red Lake Glorieta-Yeso Pool are developed on statewide spacing rules. A Form C-102 is attached as Exhibit A.

The application is based on engineering and topographic reasons. Attached as Exhibit B is a well plat of Glorieta-Yeso wells drilled by Devon in the immediate area. Devon has an ongoing program to develop the Glorieta-Yeso by drilling two wells in each quarter-quarter section, in a northeast-southwest pattern. Wells are being placed in the northeast and southwest corners of each well unit to maximize the distance between the wells. In fact, Devon soon plans on drilling the Eagle 33P Federal Well No. 15 (to test the San Andres formation and Glorieta/Yeso formations) at a location 330 feet FSL and 890 feet FEL of Section 33 (see Exhibit C).

Devon planned to place the proposed well at an orthodox location approximately 990 feet FSL and 330 feet FEL of Section 33, but due

to a road and pipelines at the preferred location, the well had to be moved north of an orthodox location (see Exhibit A).

Attached as Exhibit D is a land plat, highlighting the well unit, and attached as Exhibit E is a listing of leases and interest owners. The offset owners in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 33 and the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 34 were notified of this application, as shown by Exhibit F.

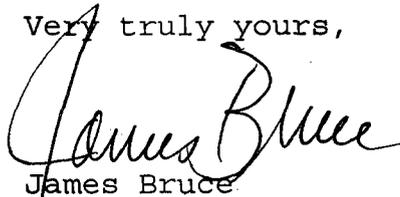
In addition, applicant requests simultaneous dedication approval as follows:

(a) in the San Andres formation, with the Eagle 33P Federal Well Nos. 13, 14, and 15; and

(b) in the Glorieta/Yeso formations, with the Eagle 33P Federal Well No. 15.

Please call me if you need any further information on this matter.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above the printed name.

James Bruce

Attorney for Devon Energy
Production Company, L.P.

DISTRICT I
1825 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	Pool Code	Pool Name
Property Code	Property Name EAGLE "33P" FEDERAL	Well Number 16
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY LP	Elevation 3532'

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	33	17 S	27 E		1090	SOUTH	330	EAST	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

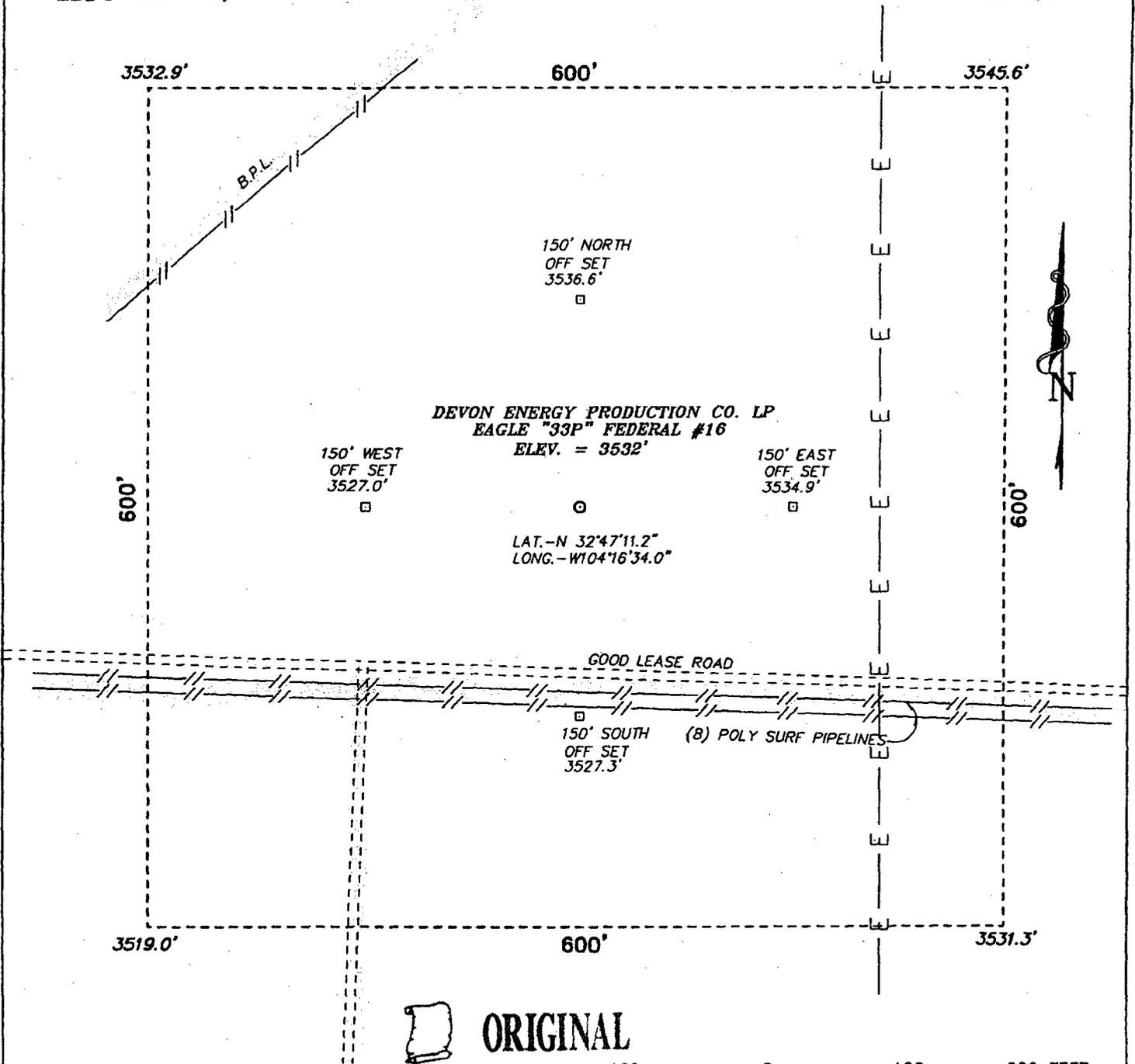
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No. SNMAS-04NM-1627
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

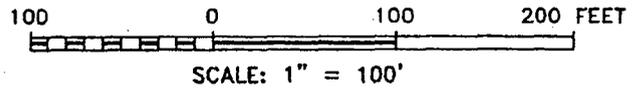
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Linda Guthrie</i> Signature</p> <p>Linda Guthrie Printed Name</p> <p>Regulatory Specialist Title</p> <p>08/31/04 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JUNE 22, 2004 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature Professional Surveyor</p> <p>7977 No. 4783 Certified No. Gary L. Jones 7977</p> <p>JLP</p>



SECTION 33, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.



 ORIGINAL



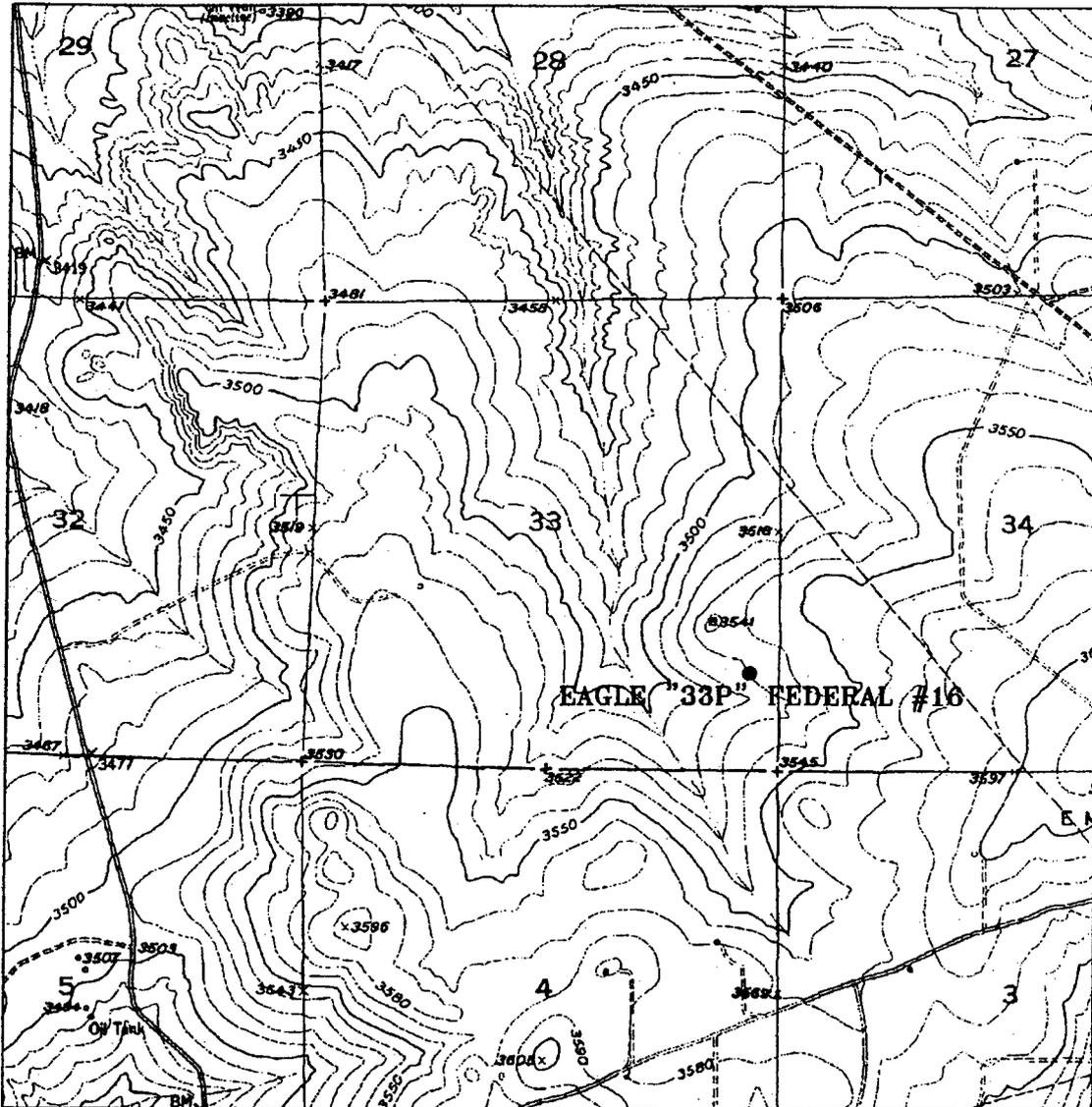
Directions to Location:

FROM THE JUNCTION OF US HWY 82 & CO. RD. 201, GO SOUTH TO THE INTERSECTION OF CO. RD. 201 AND 227 THEN EAST ON 227 APPROX 2.0 MILES TO A LEASE ROAD NORTHWEST, THEN NORTHWEST TO A "Y" GO LT. APPROX 2000' TO A "Y" GO LEFT APPROX 2000' TO PAD AND LOCATION.

SNMAS-04NM-1627

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

DEVON ENERGY PRODUCTION CO. LP.	
REF: EAGLE "33P" FEDERAL #16 / Well Pad Topo	
EAGLE "33P" FEDERAL #16 LOCATED 1090' FROM THE SOUTH LINE AND 330' FROM THE EAST LINE OF SECTION 33, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.	
W.O. Number: 4383	Drawn By: JAMES PRESLEY
Date: 06/23/04	Disk: JLP #1 - DEV4383A
Survey Date: 06/22/04	Sheet 1 of 1 Sheets



SUMAS-CHIM-1627

EAGLE "33P" FEDERAL #16

Located at 1090' FSL and 330' FEL
 Section 33, Township 17 South, Range 27 East,
 N.M.P.M., Eddy County, New Mexico.

 ORIGINAL

basin
 SURVEYS
 focused on excellence
 in the oilfield

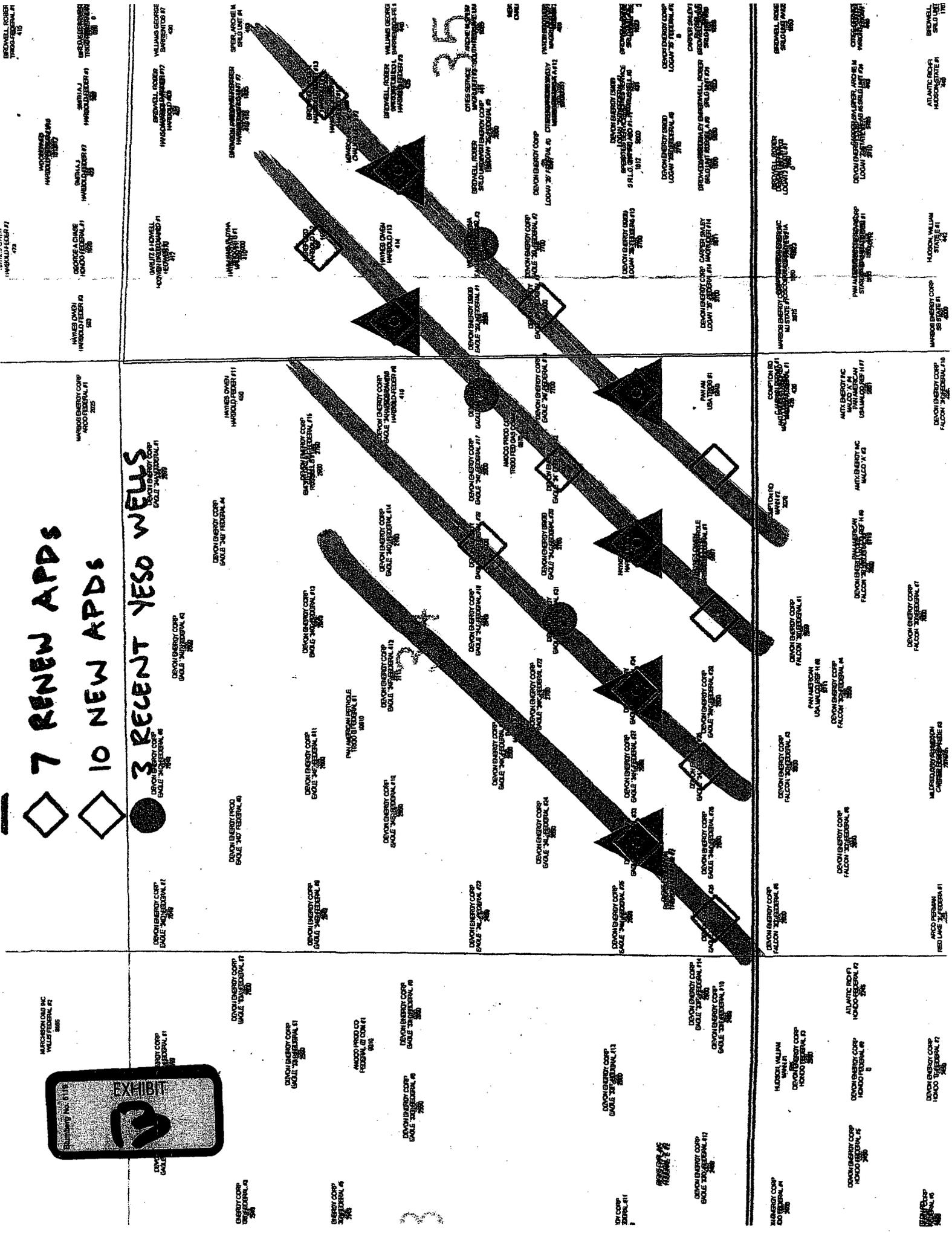
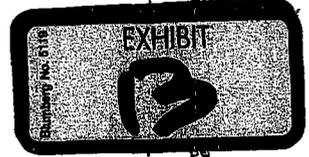
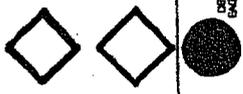
P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basin-surveys.com

W.O. Number: 4383AA - JLP #1
Survey Date: 06/22/04
Scale: 1" = 2000'
Date: 06/23/04

**DEVON ENERGY
 PRODUCTION
 COMPANY LP.**

7 RENEW APDS
 10 NEW APDS
 3 RECENT YESO WELLS

7 RENEW APDS
 10 NEW APDS
 3 RECENT YESO WELLS



OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

R-04-77



APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMNM025528

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
EAGLE 33P FEDERAL 15

9. API Well No.
30-015-33825

10. Field and Pool, or Exploratory
RED LAKE;GLORIETA-YESO

11. Sec., T., R., M., or Blk. and Survey or A
Sec 33 T17S R27E Mer NMP
SME: BLM

12. County or Parish
EDDY

13. St
NM

1a. Type of Work: DRILL REENTER

Other Single Zone Multiple Zone

DEVON ENERGY PRODUCTION CO LP
20 NORTH BROADWAY SUITE 1500
OKLAHOMA CITY OK 73102

Contact: LINDA GUTHRIE
E-Mail: linda.guthrie@dvn.com

3b. Phone No. (include area code)
Ph: 405.228.8209
Fx: 405.552.4621

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface SESE 330FSL 890FEL

At proposed prod. zone

RECEIVED

DEC 10 2004

14. Distance in miles and direction from nearest town or post office*

OCD-ARTESIA

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)

16. No. of Acres in Lease

360.00

17. Spacing Unit dedicated to this well

40.00

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.

19. Proposed Depth

4000 MD

20. BLM/BIA Bond No. on file

21. Elevations (Show whether DF, KB, RT, GL, etc.)
3522 GL

22. Approximate date work will start
10/15/2004

23. Estimated duration

24. Attachments **Lease Well Controlled Water Basin**

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 (Item 20 above).
- 5. Operator certification
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission) Name (Printed/Typed) LINDA GUTHRIE Date 08/31/200

Title REGULATORY SPECIALIST

Approved by (Signature) 151 RUSSELL SORENSON Name (Printed/Typed) 151 RUSSELL SORENSON Date DEC 08

Title ACTING FIELD MANAGER Office CARLSBAD FIELD OFFICE

Application approval does not warrant or certify 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 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.

Additional Operator Remarks (see next page)

Electronic Submission #35480 verified by the BLM Well Information System For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad

mitted to AFMSS for processing by LINDA ASKWIG on 08/31/2004 (04LA0781AF)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

Witness Surface Casing



** E If earthen pits are used in association with the drilling of this well, an OCD pit permit must be

REVISIED ** BLM REVISIED ** BLM REVISIED **

Additional Operator Remarks:

Devon Energy Production Company, LP proposes to drill a San Andres, Glorieta Yeso well per the approved Master Drilling and Surface Use Plan for the Red Lake Field Area to 4000' TD for commercial quantities of oil and gas. If the well is deemed noncommercial the wellbore will be plugged and abandoned per Federal regulations.

No additional new access road is anticipated.

Directions: From the junction of US Hwy 82 & Co. Rd. 201, go south on 201 to Co. Rd. 227, then east on 227 approximately 2 miles to a lease road north, then north approx 500' to a "Y", go right approximately 2500 feet to a lease road west, then west 2500 feet to a road to the Eagle #14. The road to location is just before the #14 location.

Please see attached MDSUP.

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 Paseo, 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 Paseo
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name EAGLE "33P" FEDERAL	Well Number 15
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY LP	Elevation 3522'

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	33	17 S	27 E		330	SOUTH	890	EAST	EDDY

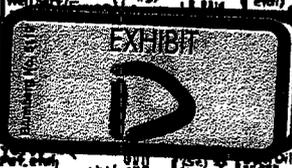
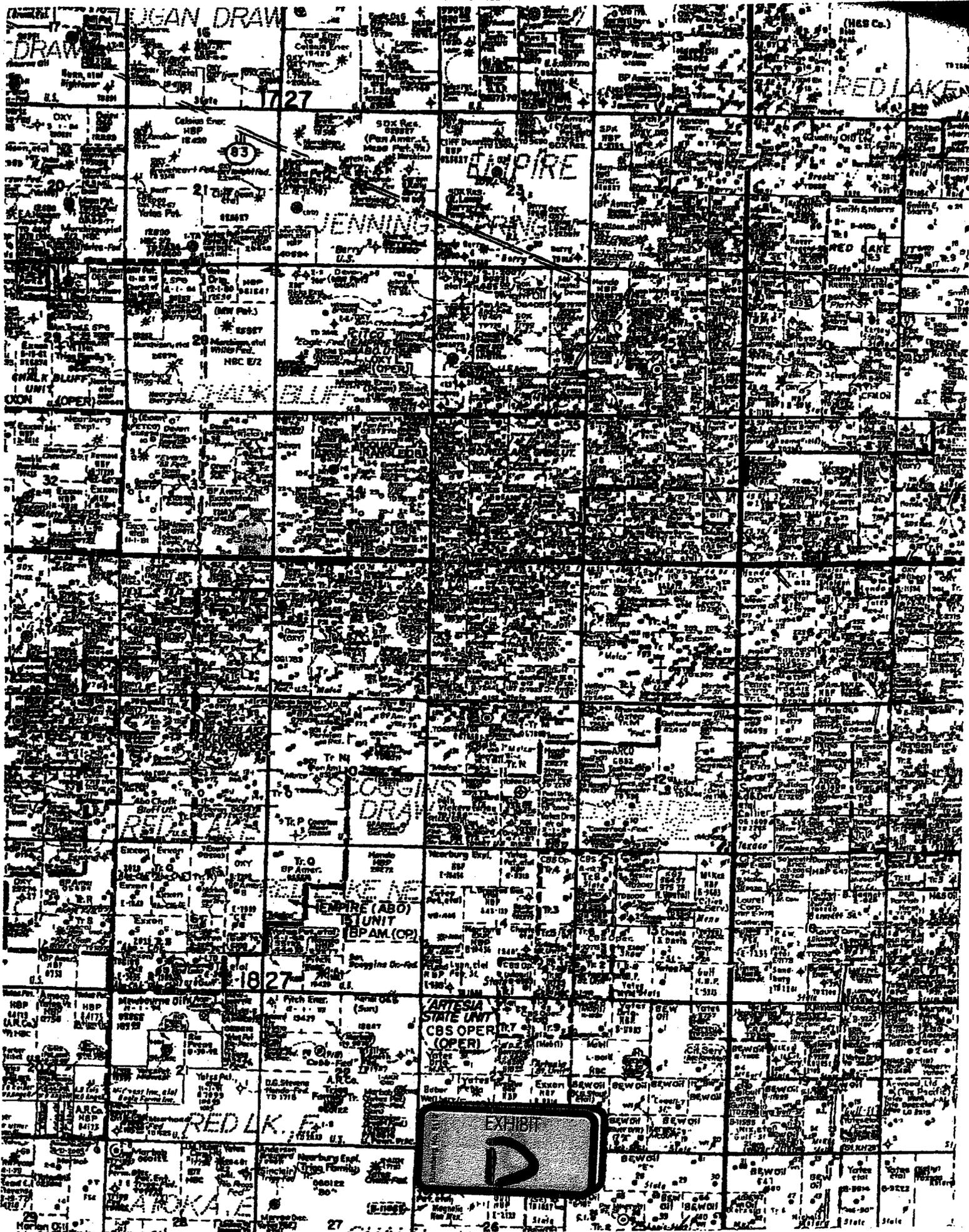
Bottom Hole Location If Different From Surface

Ul. or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 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

	<p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p align="right"><u>Linda Guthrie</u> Signature</p> <p align="right"><u>Linda Guthrie</u> Printed Name</p> <p align="right"><u>Regulatory Specialist</u> Title</p> <p align="right"><u>08/31/04</u> Date</p>
	<p align="center">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p align="right">JUNE 25, 2004</p> <p>Date Surveyed</p> <p align="right"><u>GARY L. JONES</u> Signature</p> <p align="right"><u>PROFESSIONAL LAND SURVEYOR</u> Title</p> <p align="right"><u>7977</u> W.O. No.</p> <p align="right">Corrected No. <u>Gary L. Jones</u> 7977</p> <p align="right">JLP</p>



**Ownership of Leases Involved in Unorthodox Location
Township 17 South, Range 27 East
Eagle 33P Federal #16**

Lease No. NM111-025528	Working Interest Owners	Overriding Royalty Interest Owners
SE/4SE/4 Sec. 33		
Surface to the base of San Andres	Devon Energy - 50%	Devon Energy- 5%
	Occidental Permian - 50%	
Base of San Andres to top of Abo	Devon Energy -50%	Devon Energy- 5%
	Chesapeake 50%	
Lease No. NM111-033365		
NE/4 SE/4 of Sec. 33		
Surface to the base of San Andres	Devon Energy	James R. Evarts, Jr.
	Bea Evarts Caywood McMillion	Norman Montgomery
	Irene E. Hardie	Walter Montgomery
	Eugene P. Burkholder	Betty Jane Evarts Gilbert
	Patricia I Jaynes	Irene E. Hardie
	Yates Petroleum Corporation	Robert T. Evarts
		Eugene P. Burkeholder
		Patricia I Jaynes
		Bea Evarts Caywood McMillion
		Sandra Leigh Terry
		Barbara Frankenfeld
		Clyde Guy & Sons, Inc.
		Yates Brothers, a partnership
Base of San Andres to top of Abo	Devon Energy -50%	Anita Britain
	Chesapeake 50%	Eugene P. Burkeholder
		Irene Evarts
		James R. Evarts, Jr.
		Robert Evarts
		Exxon Mobil Corporation
		Barbara Kruse Frankenfield
		Betty Evarts Gilbert
		Mary Jo Guy and Russell Edward Guy
		Irene Hardie
		S.J. Iverson, Jr.
		Wendell W. Iverson
		Wendell W. Iverson, Trustee of P.I.P. 1990 Trust, S.J.I. Jr. 1990 Trust, W.W.I. 1990 Trust
	Patricia I. Jaynes	
	Bea Caywood McMillion	
	Norman Montgomery	
	Walter Montgomery	
	Patsy Iverson Page	
	Phoebe Shelton	
	Sandra Leigh Terry	
	Susan Lynn Terry	
	Yates Brothers, a partnership	



Lease LC 067849 (W $\frac{1}{4}$ SW $\frac{1}{4}$ S34)

Overriding Royalty Owners

Jane Ann Hudson Davis
6770 Wolf Creek Court
Rio Rancho, New Mexico 87124

Jonel Susan Grasso
11 Ocean Ridge
Laguna Niguel, California 92677

Joan A. Hudson
81 North Street
Naples, Florida 34108

Summitt Overseas Exploration, inc.
P.O. Box 260590
Lakewood, Colorado 80226

Howard B. Wright Trust
c/o Wells Fargo Bank, NA, Trustee
P.O. Box 5383
Denver, Colorado 80217

Working Interest Owner

Devon Energy Production Co.

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 15, 2005

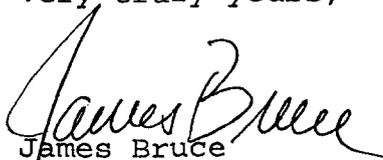
CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit 1

Ladies and gentlemen:

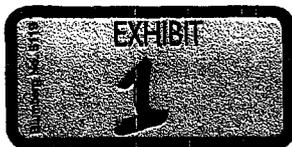
Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by Devon Energy Production Company, L.P., requesting administrative approval of an unorthodox oil well location in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 33, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. You are an offset interest owner. If you object to the well's location, you must notify the Division in writing no later than Monday, March 7, 2005 (1220 South St. Francis Drive, Santa Fe, New Mexico 87505; attention: Michael E. Stogner). Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,


James Bruce

Attorney for Devon Energy
Production Company, L.P.





WORKING/OVERRIDING ROYALTY INTEREST OWNERS
Eagle 33P Federal #16
T17S-R27E
Eddy County, New Mexico

Working Interest Owners

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

Occidental Permian Ltd.
P. O. Box 50250
Midland, TX 79710

Chesapeake Energy Corporation
P. O. Box 18496
Oklahoma City, OK 73154-0496

Bea Caywood McMillion
809 E. Walnut Street
Dawson Springs, KY 42408-1121

Irene Evarts Hardie
78 Bonita Place
Ukiah, CA 95482-9416

Eugene P. Burkeholder
1416 80th Street E
Tacoma, WA 88404-3313

Patricia Jaynes
1410 Country Club Road
Arlington, TX 76013

Yates Petroleum Corporation
105 South 4th Street
Artesia, NM 88210

Overriding Royalty Interest Owners

James R. Evarts, Jr.
2108 Bullock Avenue
Artesia, NM 88210

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San Angelo, TX 76903

Walter A. Montgomery
207 Hobbs Street
San Angelo, TX 76903-7907

Betty Evarts Gilbert
403 Douglas
Hereford, TX 79045

Irene Evarts Hardie
78 Bonita Place
Ukiah, CA 95482-9416

Robert T. Evarts
310 W. Greene, Apt. 5
Carlsbad, NM 88220-6328

Eugene P. Burkeholder
1416 80th Street E
Tacoma, WA 88404-3313

Patricia Jaynes
1410 Country Club Road
Arlington, TX 76013

Bea Caywood McMillion
809 E. Walnut Street
Dawson Springs, KY 42408-1121

Sandra Leigh Terry
P. O. Box 12617
El Paso, TX 79912

Barbara Kruse Frankenfield
7333 Wooded Acres Trail
Mansfield, TX 76063

Overriding Royalty Interest Owners
Cont.

Clyde Guy
101 W. Main Street
Artesia, NM 88210

Yates Brothers, a partnership
105 South 4th Street
Artesia, NM 88210

Anita Britain

Robert Evarts
301 Glendale
Carlsbad, NM 88220

Exxon Mobil Corporation
P. O. Box 4778
Houston, TX 77210-4778

Clyde Lamar Guy & Mary Jo Guy
Revocable Trust A
Mary Jo Guy & Russell Edward Guy,
Co-Trustees
101 W. Main Street
Artesia, NM 88210

S. J. Iverson, Jr.
2518 Sinclair
Midland, TX 79701

Wendell Welch Iverson
P. O. Box 1343
Midland, TX 79702

Wendell W. Iverson, Trustee of P.I.P.
1990 Trust, S. J. I. Jr. 1990 Trust, W. W.
I. 1990 Trust
P. O. Box 1343
Midland, TX 79702

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LaJolla, CA 72037

Phoebe Shelton
3412 Airway Blvd.
Amarillo, TX 79118-7741

Susan Lynn Terry
7200 Montgomery NE #367
Albuquerque, NM 87109

Jane Ann Hudson Davis
6770 Wolf Creek Court
Rio Rancho, New Mexico 87124

Jonel Susan Grasso
11 Ocean Ridge
Laguna Niguel, California 92677

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