

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

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July 7, 2006

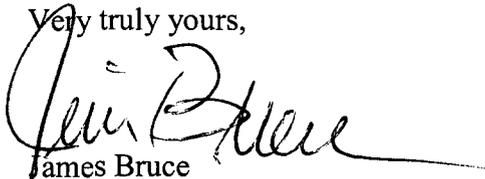
Richard Ezeanyim
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Case No. 13,738/Devon Energy Production Company, L.P.

Dear Mr. Ezeanyim:

Enclosed is a copy of the unorthodox location application filed with the Division on the well involved in the above pooling case.

Very truly yours,


James Bruce

Attorney for Devon Energy Production Company, L.P.

devon

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

July 6, 2006

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

Re: Unorthodox Location
Perfecto 2 State Com #1
2,070' FNL & 675' FWL
Section 2-T22S-R26E
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. (Devon), as Operator, intends to drill the referenced Morrow well to a depth of approximately 11,500' and dedicate the W/2 of Section 2 as the drilling and spacing unit. Devon initially attempted to stake and permit this well at an orthodox location. However, the original location was located on the side of a hill with a steep grade and Devon was required to move the location to flatter ground. The closest drillable location as approved by the NMOCD is located 2,070' FNL & 675' FWL which is an unorthodox location as it is closer than 660' to the center quarter section line of the designated spacing unit pursuant to the statewide pool rules.

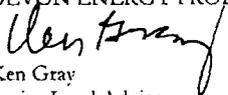
Inasmuch as this well will be producing from an unorthodox location from that permitted by the statewide pool rules, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location in accordance with Division Rule 104(F)(3). Devon is the owner of 100% of the leasehold interest (all private lands) in the SW/4 of said Section 2 and the only party affected by this application. Therefore, no additional notification is required.

Attached you will find a land plat of the area affected by this application, a Bone Spring Limestone structure, a State of New Mexico form C-102 and a Basin Surveys topographic map.

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

Kg/
Enclosure

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Artesia, 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 PERFECTO "2" STATE	Well Number 1
OGRD No.	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3236'

Surface Location

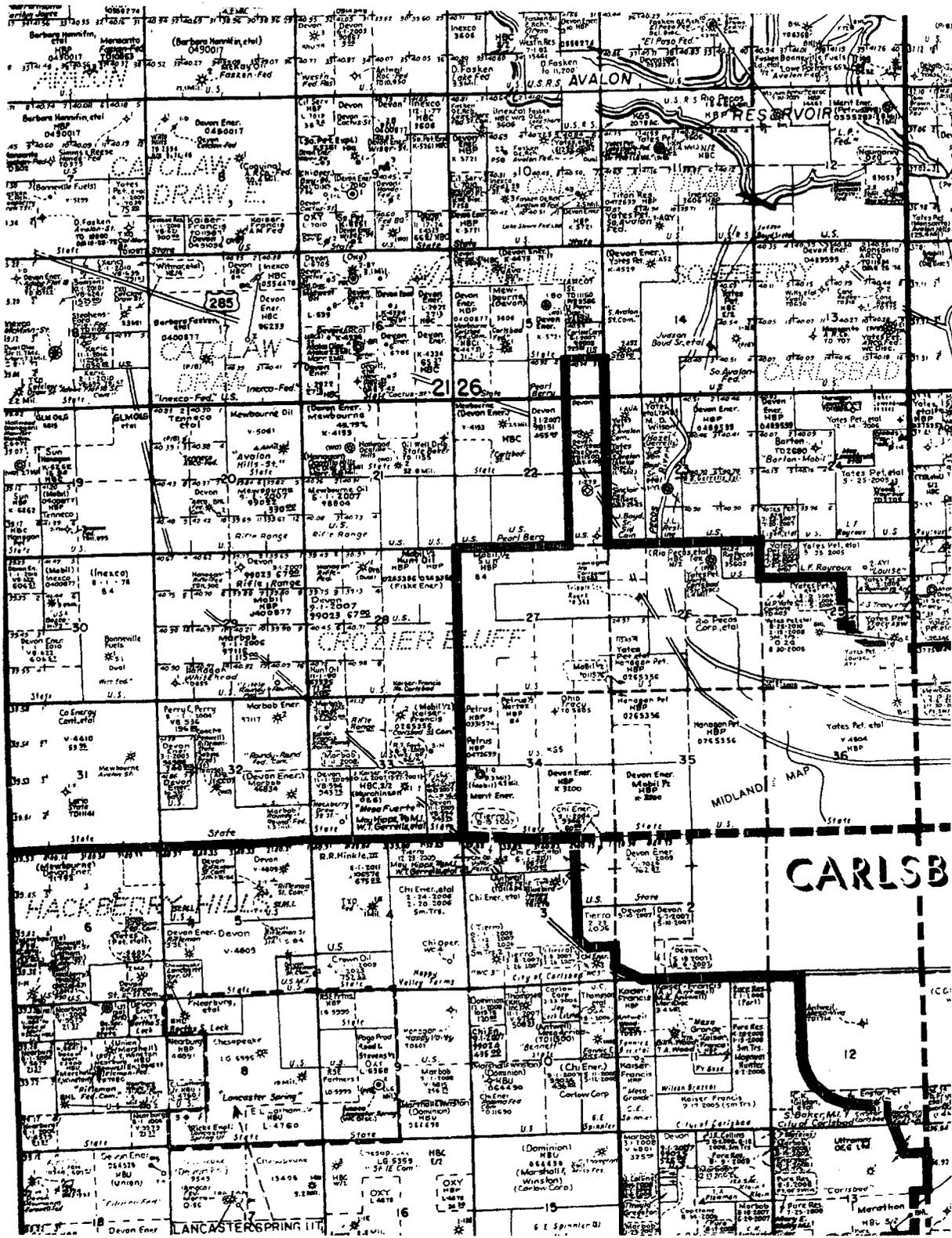
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	22 S	26 E		2070	NORTH	675	WEST	EDDY

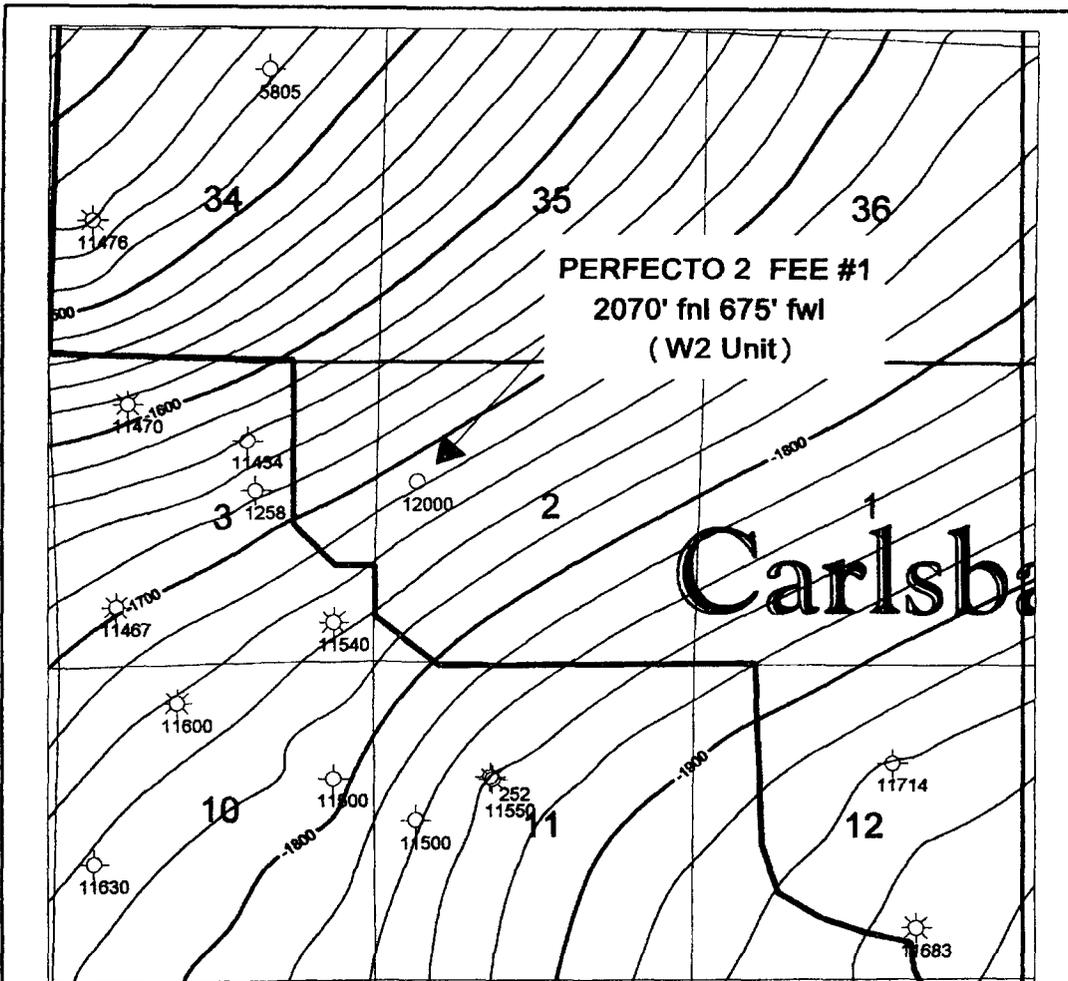
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		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>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>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>FEBRUARY 25, 2006</p> <p>Date Surveyed</p> <p>Signature of L. JONES Professional Surveyor</p>		
	<p>W.O. No. 6288</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>		





Well Status

- ☼ 1O&1G
- ☼ 2GAS
- ☼ 3GAS
- ⊙ D&A
- ⊙ D&A-G
- ⊙ D&A-OG
- ⊙ J&A
- ⊙ P&A
- ☼ GAS
- ☼ GAS-WO
- LOC
- OIL
- W/INJ

devon

Devon Perfecto 2 Fee 1 NSL locator plat
Structure: Top Subsea Bone Spring Limestone

Author: CDM	Isopach C.I. 20 ft	Date: 5 July, 2006
Perfecto_NSL Plat.gmp	Scale: 1 : 2000	A_C_FH AOI