

# devon

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

November 25, 2002

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

Re: Old Ranch Knoll 8 Fed Com #9  
Section 8-T22S-R24E  
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. (Devon) as Operator, intends to drill the referenced Cisco Canyon well to a depth of approximately 8,600'. Devon initially attempted to stake and permit this well at a location of 850' FSL & 660' FEL. However, due to the extreme slope of the surface the Bureau of Land Management (BLM) required Devon to move the location. The closest drillable location as approved by the BLM is located to the South and East to a location 810' FSL & 350' FEL which is an unorthodox location pursuant to the Indian Basin Upper Penn Associated Pool Rules.

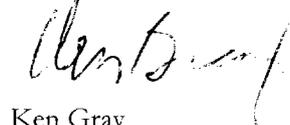
Inasmuch as this well will be producing from an unorthodox location from that permitted by the Indian Basin Upper Penn Associated Pool Rules, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location in accordance with Division Rule 104(F)(3). This well will be the third well drilled in the designated spacing unit as the Old ranch Knoll #2 and #7 have been previously drilled, with the Old Ranch Knoll #8 planned for early in 2003. Our records reflect that Yates Petroleum Corporation, Yates Drilling Company, MYCO Industries, Inc. and Abo Petroleum Corporation are the offsetting interest owners affected by this application.

Attached you will find a land plat reflecting Yates, etal as the affected parties, a net Cisco Canyon Isopach map, a State of New Mexico form C-102 and a topographic map. You will note that the well is being permitted as a deviated well with an orthodox bottom hole location of 850' FSL & 660' FEL. However, given the fact that Devon has been required by the BLM to move this well to an unorthodox location, Devon would prefer to drill this well vertically and avoid the unnecessary expense of drilling a deviated well.

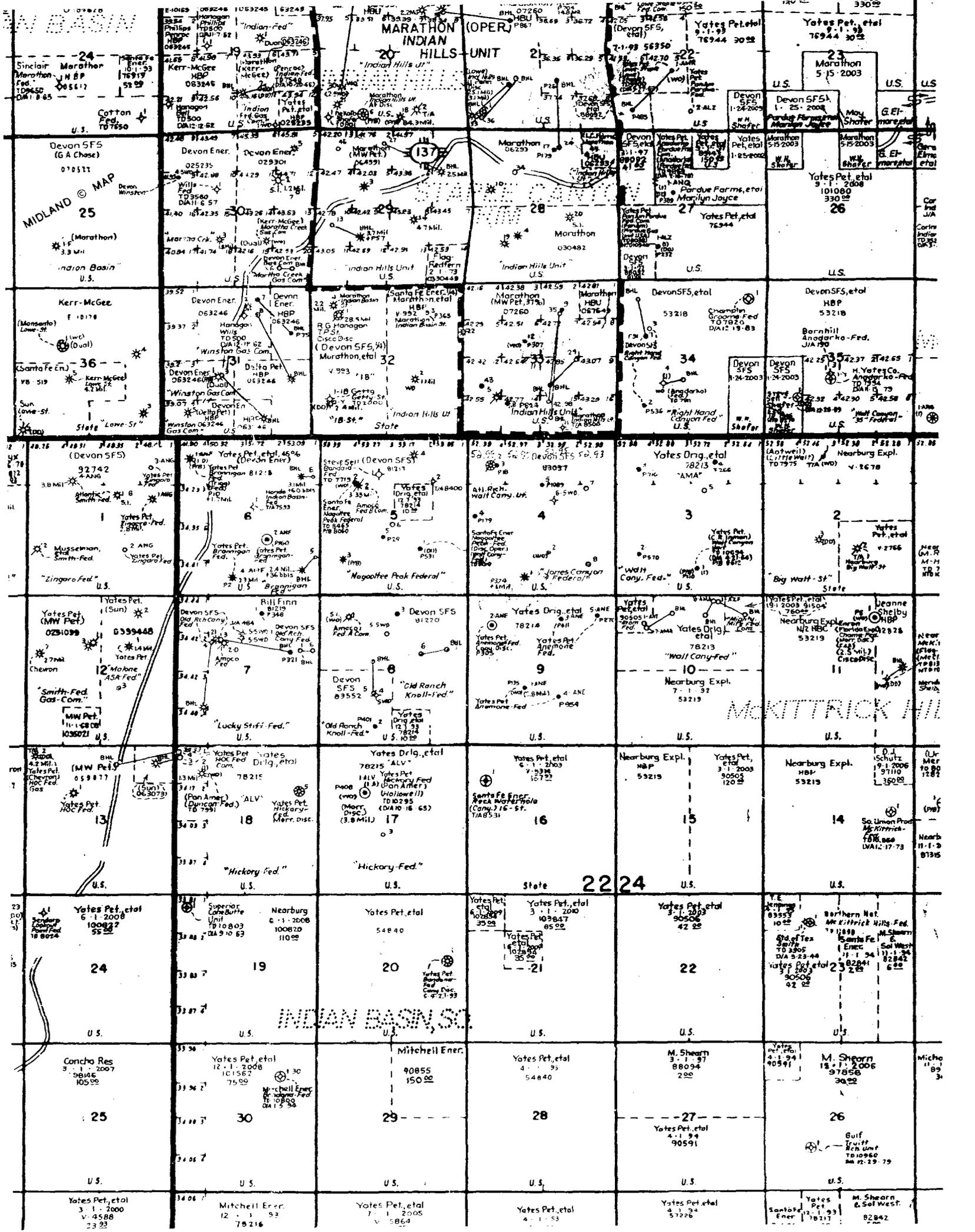
Feel free to call me at (405) 552-4633 if there are any questions or concerns regarding this application.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Ken Gray  
Senior Land Advisor  
Kg/WGC 9 UL



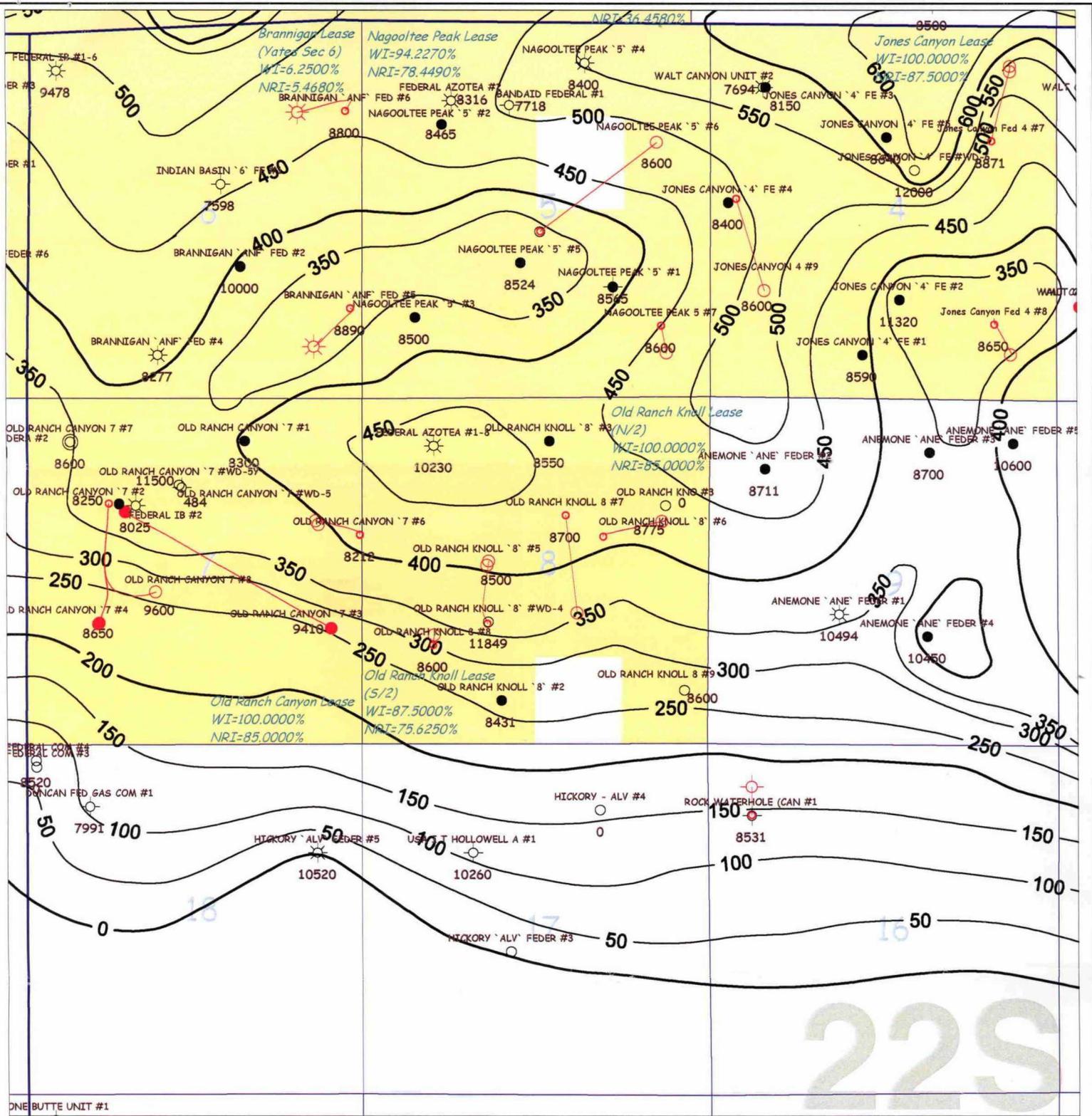
MARATHON (OPER)  
INDIAN HILLS UNIT

MIDLAND EXPRESSWAY

MCKITTRICK HIL

INDIAN BASIN, S.E.

24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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*devon*

**Indian Basin Area  
Eddy County, NM**

**Isopach:  
Net Cisco-Canyon  
Dolomite**

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0710

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

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-	Pool Code 33685	Pool Name Indian Basin (Upper Penn) Assoc.
Property Code 16875	Property Name OLD RANCH KNOLL 8 FEDERAL COM.	Well Number 9
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 4086'

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	8	22-S	24-E		810'	SOUTH	350'	EAST	EDDY

Bottom Hole Location If Different From Surface

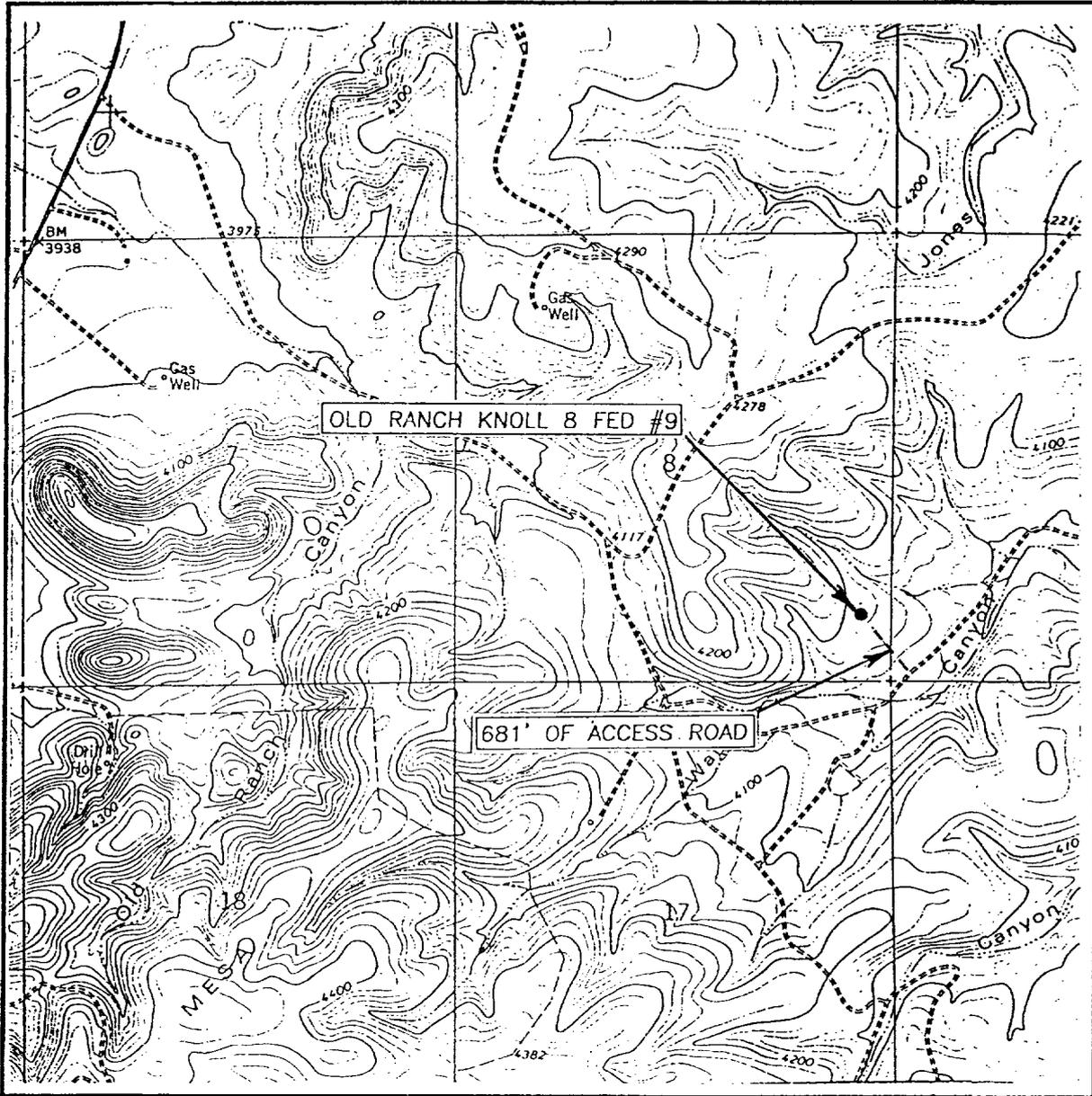
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	8	22-S	24-E		850'	SOUTH	660'	EAST	EDDY

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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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><b>GEODETIC COORDINATES</b> NAD 1927 NME Y=509399.6 X=444690.0 LAT. 32°24'01.17"N LONG. 104°30'45.14"W</p> <p><b>DETAIL</b></p> <p>4114.4' 4054.7' 4095.1' 4063.1'</p> <p><b>PROPOSED BOTTOM HOLE LOCATION</b> NAD 27 NM EAST ZONE Y = 509439 X = 444380</p> <p>SEE DETAIL SURFACE LOC</p> <p>B.H. LOC.</p> <p>850' 810' 660' 350'</p>	<p><b>OPERATOR CERTIFICATION</b></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>Candace R. Graham</i> Signature Candace R. Graham Printed Name Engineering Tech. Title November 18, 2002 Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></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>OCTOBER 22, 2002 Date Surveyed</p> <p>AWB Signature Professional Surveyor</p> <p><i>Ronald J. Eirson</i> 02.11.0784</p>
	<p>Certificate No. RONALD J. EIRSON 3239 GARY EIRSON 12841</p>

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'  
MARTHA CREEK, N.M.

SEC. 8 TWP. 22-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 810' FSL & 350' FEL

ELEVATION 4086'

OPERATOR DEVON ENERGY PROD, CO. L.P.

LEASE OLD RANCH KNOLL 8 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP  
MARTHA CREEK, N.M.

**JOHN WEST SURVEYING**  
**HOBBS, NEW MEXICO**  
**(505) 393-3117**



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

November 25, 2002

Yates Petroleum Corporation  
Abo Petroleum Corporation  
Yates Drilling Company  
MYCO Industries, Inc.  
105 South 4<sup>th</sup> Street  
Artesia, New Mexico 88210-2118

Attn: Janet Richardson

Re: Old Ranch Knoll 8 Fed Com #9  
Section 8-T22S-R24E  
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, has filed with New Mexico Oil Conservation Division, an Application for Administrative approval for an Unorthodox Well Location covering the referenced well for the reasons cited in the Application which is attached hereto. Our records reflect that, as an interest owner in Sections 9, 16 & 17-T22S-R24E, you are an affected owner.

In that regard, Devon respectfully requests that you waive any objection you may have to this Application by signing and returning one (1) copy of this letter to the undersigned at your earliest convenience.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

  
Ken Gray  
Senior Land Advisor

Kg/old ranch knoll 8-9 ul  
Enclosure

Agree to waive objection to Devon's Application for Administrative approval of an Unorthodox Well Location covering the Old Ranch Knoll Fed Com 8-9.

Yates Petroleum Corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

MYCO Industries, Inc

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Abo Petroleum Corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Yates Drilling Company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_