

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other Instructions on reverse side.**5. Lease Serial No.
NMNM0501759

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
KURLAND 6 FEDERAL 29. API Well No.
30-015-33238-00-X110. Field and Pool, or Exploratory
BURTON FLAT11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

2. Name of Operator

DEVON ENERGY PRODUCTION CO L P

Contact:

LINDA GUTHRIE

E-Mail: linda.guthrie@devn.com

3a. Address

20 NORTH BROADWAY SUITE 1500
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)

Ph: 405.228.8209

Fx: 405.552.4621

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 6 T21S R27E Lot 12 3000FNL 610FWL

RECEIVED

JUL 30 2004

OCC-ARTEQA

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Subsurface Commi |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | ng |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Devon Energy Production Company, LP is applying with the New Mexico Oil Conservation Division to downhole commingle the existing producing Atoka perms (10388'-10398') with the existing Morrow perms (10,974-11148'). The commingling will not reduce the value of the total remaining production. Ownership in the zones is identical.

The proposed allocation is:

73200 - Burton Flat; Atoka East Gas Oil 100% Gas 61%

73320 - Burton Flat; Morrow East Gas Oil 0% Gas 39%

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #33622 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO L P, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 07/27/2004 (04AL0299SE)

Name (Printed/Typed) LINDA GUTHRIE

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 07/27/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ALEXIS C SWOBODA

Title PETROLEUM ENGINEER

Date 07/29/2004

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Carlsbad

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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., Artec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|----------------------------|--|---|
| API Number 30-015-33238 | Pool Code 73200 | Pool Name Burton Flat; Atoka, East (Gas) |
| Property Code 33431 | Property Name KURLAND "6" FEDERAL | Well Number 2 |
| OGRID No. 6137 | Operator Name DEVON ENERGY PRODUCTION CO., L.P. | Elevation 3188' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 12 | 6 | 21-S | 27-E | | 3000 | NORTH | 610 | 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 308 | 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

| | |
|---|---|
| <div><p>RECEIVED JUL 9 0 2004 OCC-ARTESIA</p><p>SCALE: 1" = 2000'</p></div> | <div><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 Linda Guthrie Printed Name Regulatory Specialist Title July 23, 2004 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>OCTOBER 10, 2003 Date Surveyed Signature and Seal of Professional Surveyor GARY J. ELSNER Certificate No. GARY ELSNER 12641</p></div> |
|---|---|

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

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

OIL CONSERVATION DIVISION

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|---------------|-----------------------------------|--------------------------------|
| API Number | Pool Code | Pool Name |
| | 73320 | BURTON FLAT; MORROW EAST (GAS) |
| Property Code | Property Name | Well Number |
| | KURLAND "6" FEDERAL | 2 |
| OGRID No. | Operator Name | Elevation |
| 6137 | DEVON ENERGY PRODUCTION CO., L.P. | 3188' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 12 | 6 | 21-S | 27-E | | 3000 | NORTH | 610 | 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. | | | | | | |
| 308 | | | | | | | | | |

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

RECEIVED
JUL 30 2004
OCC-ARTESIA

SCALE: 1" = 2000'

DETAIL

GEODETIC COORDINATES
NAD 27 NME
Y = 550798.5 N
X = 530342.8 E
LAT. 32°30'51.18"N
LONG. 104°14'05.63"W

OPERATOR CERTIFICATION

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

Signature
Karen Cottom
Printed Name
Operations Technician
Title
November 7, 2003
Date

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.

OCTOBER 10, 2003

Date Surveyed _____
Signature & Seal of Professional Surveyor

Certificate No. GARY EASON 12841

| Wellname Prod | Current Status | Current Type | Prod Date | Oil | Gas | Water | FTP | Reservoir | Comments |
|-----------------|----------------|------------------|-----------|-----|-------|-------|--------|-----------|--|
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/11/04 | 0 | 337 | 66 | 175. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/12/04 | 0 | 492 | 17 | 190. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/13/04 | 0 | 510 | 17 | 150. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/14/04 | 0 | 515 | 13 | 145. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/15/04 | 0 | 511 | 14 | 145. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/16/04 | 0 | 551 | 9 | 150. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/17/04 | 0 | 551 | 10 | 150. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/18/04 | 0 | 551 | 14 | 150. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/19/04 | 0 | 551 | 10 | 150. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/20/04 | 0 | 558 | 10 | 150. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/21/04 | 0 | 555 | 10 | 150. | Morrow | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/29/04 | 0 | 143 | 0 | 4,200. | Atoka | Morrow perms isolated with tubing plug |
| KURLAND 6 FED 2 | Producing | Production - Gas | 06/30/04 | 0 | 837 | 0 | 3,960. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/01/04 | 0 | 971 | 0 | 3,725. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/02/04 | 0 | 1,160 | 0 | 3,450. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/03/04 | 0 | 1,099 | 0 | 3,575. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/04/04 | 0 | 927 | 0 | 3,200. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/05/04 | 0 | 1,224 | 0 | 3,050. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/06/04 | 6 | 1,162 | 0 | 3,025. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/07/04 | 0 | 759 | 0 | 3,350. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/08/04 | 6 | 953 | 0 | 1,850. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/09/04 | 0 | 562 | 0 | 1,850. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/10/04 | 6 | 630 | 0 | 1,850. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/11/04 | 0 | 863 | 0 | 1,850. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/12/04 | 0 | 760 | 0 | 1,860. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/13/04 | 0 | 760 | 0 | 1,860. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/14/04 | 3 | 827 | 0 | 840. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/15/04 | 3 | 591 | 0 | 1,250. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/16/04 | 0 | 730 | 0 | 950. | Atoka | |
| KURLAND 6 FED 2 | Producing | Production - Gas | 07/17/04 | 0 | 508 | 0 | 800. | Atoka | |

Average Morrow Production

Average Atoka Production

Total

| | | | |
|---|-------|----|-------|
| 0 | 517 | 17 | 155 |
| 1 | 814 | 0 | 2,447 |
| 1 | 1,331 | 17 | 2,602 |

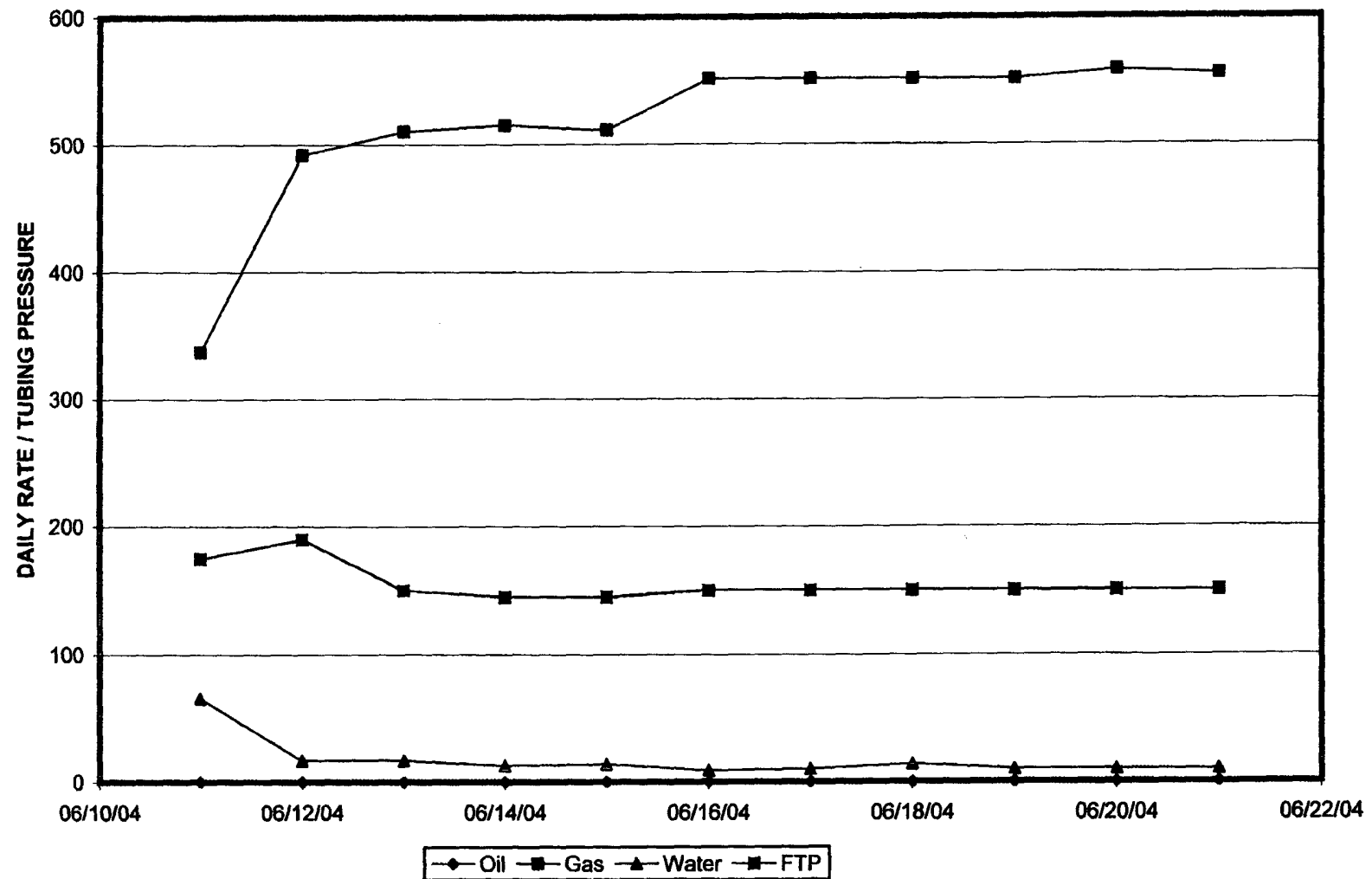
Per Cent Morrow

Per Cent Atoka

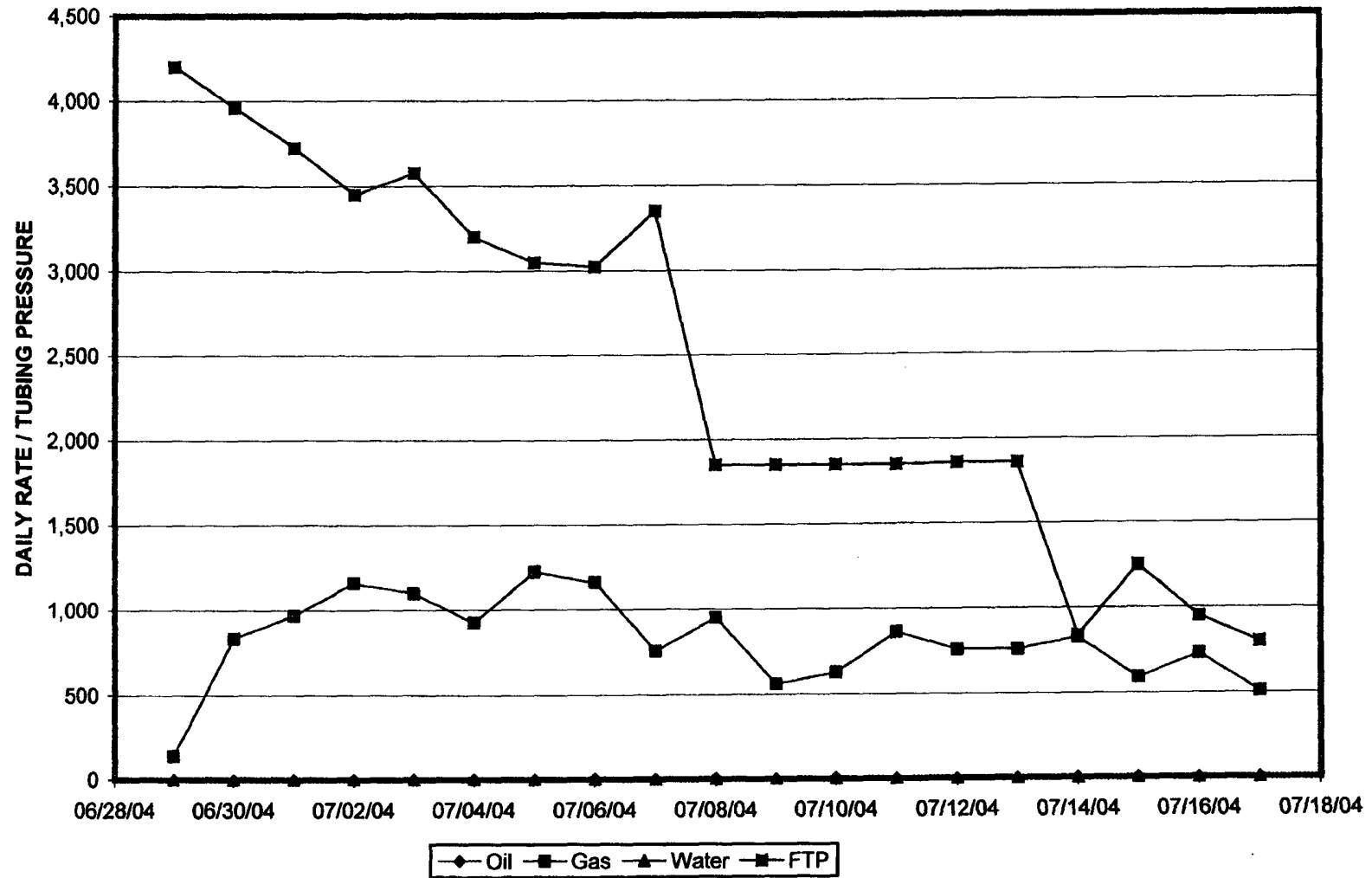
Total-%

| | | | |
|-----|-----|-----|-----|
| 0 | 39 | 100 | 6 |
| 100 | 61 | 0 | 94 |
| 100 | 100 | 100 | 100 |

KURLAND 6 FED 2
MORROW RESERVOIR



KURLAND 6 FED 2
ATOKA RESERVOIR





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

July 16, 2004

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

Re: Kurland 6 Fed #2
3000' FNL & 610' FWL
Section 6-T21S-R27E
Eddy County, New Mexico
DEC #43969-020; #30-0000061

Gentlemen:

Please be advised that Devon Energy Production Company, L. P., operator of the Kurland 6 Fed #2 well located on the referenced lands, owns 100% of Federal Lease NMNM-0501759. Therefore, Devon is the only working interest owner in the well and the Atoka and Morrow formations.

If additional information is required, please advise.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in cursive script that reads "Ken Gray".

Ken Gray
Senior Land Advisor

KG:dh\nmocc.ltr

**Laboratory Services, Inc.**

4016 Fiesta Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

| | | | |
|----------------|---|----------------|-----------------|
| Run File | C:\STAR\DATA\05_21_2002\DEVKIRK6-2 7.04.RUN | | |
| Method | C:\star\method_extended_gas_scott.mth | | |
| Operator | Rolland Perry | Analysis Date | 7/15/2004 |
| Station | Kurland 6 Fed. #2 | Company | Devon Energy |
| Effective Date | | Pulled Data | 7/15/04 |
| Received Date | 7/15/04 | Composite/Spot | Atoka Formation |

| <u>Component</u> | <u>Mole %</u> | <u>BTU</u> | <u>GPM</u> |
|--------------------|---------------|------------|------------|
| H2S | | | |
| Nitrogen | 1.0814 | 0.00 | 0.0000 |
| Methane | 89.1385 | 902.38 | 0.0000 |
| CO2 | 1.2516 | 0.00 | 0.0000 |
| Ethane | 5.3872 | 95.55 | 1.4408 |
| i-Butane | 0.3050 | 9.94 | 0.0998 |
| n-Butane | 0.4118 | 13.46 | 0.1298 |
| i-Pentane | 0.1778 | 7.13 | 0.0651 |
| n-Pentane | 0.1081 | 4.34 | 0.0391 |
| Cyclopentane | 0.0592 | 2.23 | 0.0175 |
| 2-Methylpentane | 0.0425 | 2.02 | 0.0176 |
| 3-Methylpentane | 0.0352 | 1.67 | 0.0143 |
| n-Hexane | 0.0553 | 2.63 | 0.0227 |
| Methylcyclopentane | 0.0480 | 2.16 | 0.0169 |
| Benzene | 0.0389 | 1.45 | 0.0109 |
| Cyclohexane | 0.0993 | 4.45 | 0.0337 |
| n-Heptane | 0.0252 | 1.39 | 0.0116 |
| Methylcyclohexane | 0.0515 | 2.68 | 0.0206 |

7/21/2004

Run File C:\STAR\DATA\05_21_2002\DEVKIRK6-2 7.04.RUN

Method C:\star\method_extended_gas_scott.mth

Operator Rolland Perry

Analysis Date 7/15/2004

Station Kurland 6 Fed. #2

Company Devon Energy

Effective Date

Pulled Data 7/15/04

Received Date 7/15/04

Composite/Spot Atoka Formation

| <u>Component</u> | <u>Mole %</u> | <u>BTU</u> | <u>GPM</u> |
|------------------|---------------|------------|------------|
| Toluene | 0.0167 | 0.75 | 0.0056 |
| n-Octane | 0.0044 | 0.28 | 0.0023 |
| Propane | 1.6528 | 41.68 | 0.4554 |
| Ethylbenzene | 0.0026 | 0.13 | 0.0010 |
| p&m-Xylene | 0.0070 | 0.37 | 0.0027 |
| n-Nonane | 0.0002 | 0.01 | 0.0001 |
| Totals | 100.0000 | 1,096.73 | 2.4076 |

Relative Density from Composition 0.6224

BTUs @ 14.65 Saturated 1,080

BTUs @ 14.65 Dry 1,099

Compressibility 0.99762

Sampled By: Merv Buecker-Pro Well

REMARKS: 327 MCF Rate
Crude Oil API Gravity @ 60 F = 44.6
Atoka Formation

7/21/2004



Laboratory Services, Inc.

4016 Fiesta Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

| | | | |
|----------------|--|----------------|-----------------|
| Run File | C:\STAR\DATA\05_21_2002\KURLAND6#2 6.11.04.RUN | | |
| Method | C:\star\method_extended_gas_scott.mth | | |
| Operator | Vickie Biggs | Analysis Date | 6/11/2004 |
| Station | Kurland 6 Fed. #2 | Company | Devon Energy |
| Effective Date | | Pulled Data | 6/11/04 6:45 am |
| Received Date | 6/11/04 | Composite/Spot | Spot/Manifold |

| <u>Component</u> | <u>Mole %</u> | <u>BTU</u> | <u>GPM</u> |
|--------------------|---------------|------------|------------|
| H2S | | | |
| Nitrogen | 2.5843 | 0.00 | 0.0000 |
| Methane | 88.9185 | 900.15 | 0.0000 |
| CO2 | 4.0876 | 0.00 | 0.0000 |
| i-Butane | 0.1234 | 4.02 | 0.0404 |
| Ethane | 3.1623 | 56.09 | 0.8458 |
| n-Butane | 0.1615 | 5.28 | 0.0509 |
| i-Pentane | 0.0571 | 2.29 | 0.0209 |
| n-Pentane | 0.0348 | 1.40 | 0.0126 |
| Cyclopentane | 0.0118 | 0.44 | 0.0035 |
| 2-Methylpentane | 0.0120 | 0.57 | 0.0050 |
| 3-Methylpentane | 0.0103 | 0.49 | 0.0042 |
| n-Hexane | 0.0163 | 0.78 | 0.0067 |
| Methylcyclopentane | 0.0106 | 0.48 | 0.0038 |
| Benzene | 0.0132 | 0.49 | 0.0037 |
| Cyclohexane | 0.0236 | 1.06 | 0.0080 |
| n-Heptane | 0.0101 | 0.56 | 0.0047 |
| Methylcyclohexane | 0.0181 | 0.95 | 0.0073 |

6/11/2004

| | | | |
|----------------|--|----------------|-----------------|
| Run File | C:\STAR\DATA\05_21_2002\KURLAND6#2 6.11.04.RUN | | |
| Method | C:\star\method_extended_gas_scott.mth | | |
| Operator | Vickie Biggs | Analysis Date | 6/11/2004 |
| Station | Kurland 6 Fed. #2 | Company | Devon Energy |
| Effective Date | | Pulled Data | 6/11/04 6:45 am |
| Received Date | 6/11/04 | Composite/Spot | Spot/Manifold |

| <u>Component</u> | <u>Mole %</u> | <u>BTU</u> | <u>GPM</u> |
|------------------|---------------|------------|------------|
| Toluene | 0.0032 | 0.15 | 0.0011 |
| n-Octane | 0.0010 | 0.06 | 0.0005 |
| Propane | 0.7383 | 18.62 | 0.2034 |
| Ethylbenzene | 0.0007 | 0.04 | 0.0003 |
| p&m-Xylene | 0.0012 | 0.06 | 0.0005 |
| Totals | 100.0000 | 993.98 | 1.2231 |

| | |
|-----------------------------------|---------|
| Relative Density from Composition | 0.5745 |
| BTUs @ 14.65 Saturated | 979 |
| BTUs @ 14.65 Dry | 996 |
| Compressibility | 0.99802 |

6/11/2004