

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Devon

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.

James Bruce	<i>James Bruce</i>	Attorney for Applicant	<i>5/27/04</i>
Print or Type Name	Signature	Title	Date
		jamesbruc@aol.com	
		e-mail Address	

RECEIVED
 MAY 27 2004
 Oil Conservation Division
 1220 S. St. Francis Drive
 Santa Fe, NM 87505

JAMES BRUCE
ATTORNEY AT LAW

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jamesbruc@aol.com

May 27, 2004

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 (Undesignated Northeast Red Lake Glorieta-Yeso Pool):

<u>Well:</u>	Falcon 3D Federal Well No. 26
<u>Location:</u>	890 feet FNL & 280 feet FWL
<u>Well Unit:</u>	Lot 4 (the NW $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 3, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

Both the ~~South~~ Red Lake Queen-Grayburg-San Andres Pool and Northeast Red Lake Glorieta-Yeso Pool are developed on statewide rules. An APD for the well, with 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 or being drilled by Devon in Sections 34 and 35, Township 17 South, Range 27 East, N.M.P.M., and Sections 2 and 3, Township 18 South, Range 27 East, N.M.P.M. 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.

Devon planned to place the well at an orthodox location approximately 990 feet FNL and 330 feet FWL of Section 3, but due to hills to the east, the BLM required the well to be moved west of an orthodox location.

Attached as Exhibit C is a land plat, highlighting the well unit. Lot 4 (the NW $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 3 is covered by United States Lease LC 065478-B. Lot 5 (the NE $\frac{1}{4}$ NE $\frac{1}{4}$) of Section 4 is covered by United States Lease NM 033825. Although royalty ownership is common, Occidental Permian Limited Partnership and BP America Production Co. own working interests in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, as to certain depths. In addition, there are numerous overriding royalty owners in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4. All offset owners are listed in Exhibit D, and they were notified of this application as shown by Exhibit E.

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMLC065478B
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator DEVON ENERGY PRODUCTION CO LP		7. If Unit or CA Agreement, Name and No.
Contact: LINDA GUTHRIE E-Mail: linda.guthrie@dvn.com		8. Lease Name and Well No. FALCON 3D FEDERAL 26
3a. Address 20 NORTH BROADWAY, STE 1500 OKLAHOMA CITY, OK 73102	3b. Phone No. (include area code) Ph: 405.228.8209 Fx: 405.552.1319	9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNW 890FNL 280FWL At proposed prod. zone		10. Field and Pool, or Exploratory RED LAKE GLORIETA YESO NE
14. Distance in miles and direction from nearest town or post office* APPROX 5 MILES SE OF ARTESIA, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T18S R27E Mer NMP SME: BLM
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 400.00	12. County or Parish EDDY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 4000 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3554 GL	22. Approximate date work will start 03/10/2004	17. Spacing Unit dedicated to this well 40.00
		20. BLM/BIA Bond No. on file
		23. Estimated duration 30

24. Attachments

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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 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). | 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 02/10/2004
Title OPERATIONS ASSOCIATE		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	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.

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 #27742 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 02/10/2004 ()



** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

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 well bore will be plugged and abandoned per Federal regulations.

Approximately 447' of new access road will be constructed per the MDSUP.

Directions to the location are located on the attached Well Pad Topo exhibit.

1625 N. French Dr., Hobbs, NM 88240

811 South First, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

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
	96836	Redlake Glorieta Yeso NE
Property Code	Property Name	Well Number
	FALCON "3D" FEDERAL	26
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY LP	3554'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 4	3	18 S	27 E		890	NORTH	280	WEST	EDDY

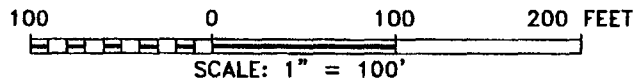
Bottom Hole Location If Different From Surface

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

	<h3 style="text-align: center;">OPERATOR CERTIFICATION</h3> <p><i>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p style="font-family: cursive; font-size: 1.2em;"><u>Linda Guthrie</u></p> <hr/> <p>Signature</p> <p><u>Linda B Guthrie</u></p> <hr/> <p>Printed Name</p> <p><u>Operations Associate</u></p> <hr/> <p>Title</p> <p><u>02/10/04</u></p> <hr/> <p>Date</p>
<h3 style="text-align: center;">SURVEYOR CERTIFICATION</h3> <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 style="text-align: right; font-weight: bold;">JANUARY 28, 2004</p> <p>Date Surveyed _____</p> <p>Signature & Seal of Professional Surveyor</p> <div style="text-align: center;"> </div> <p>Certificate No. GGP-_____ Jones 7977</p> <p style="text-align: center;">PROFESSIONAL LAND SURVEYS</p>	

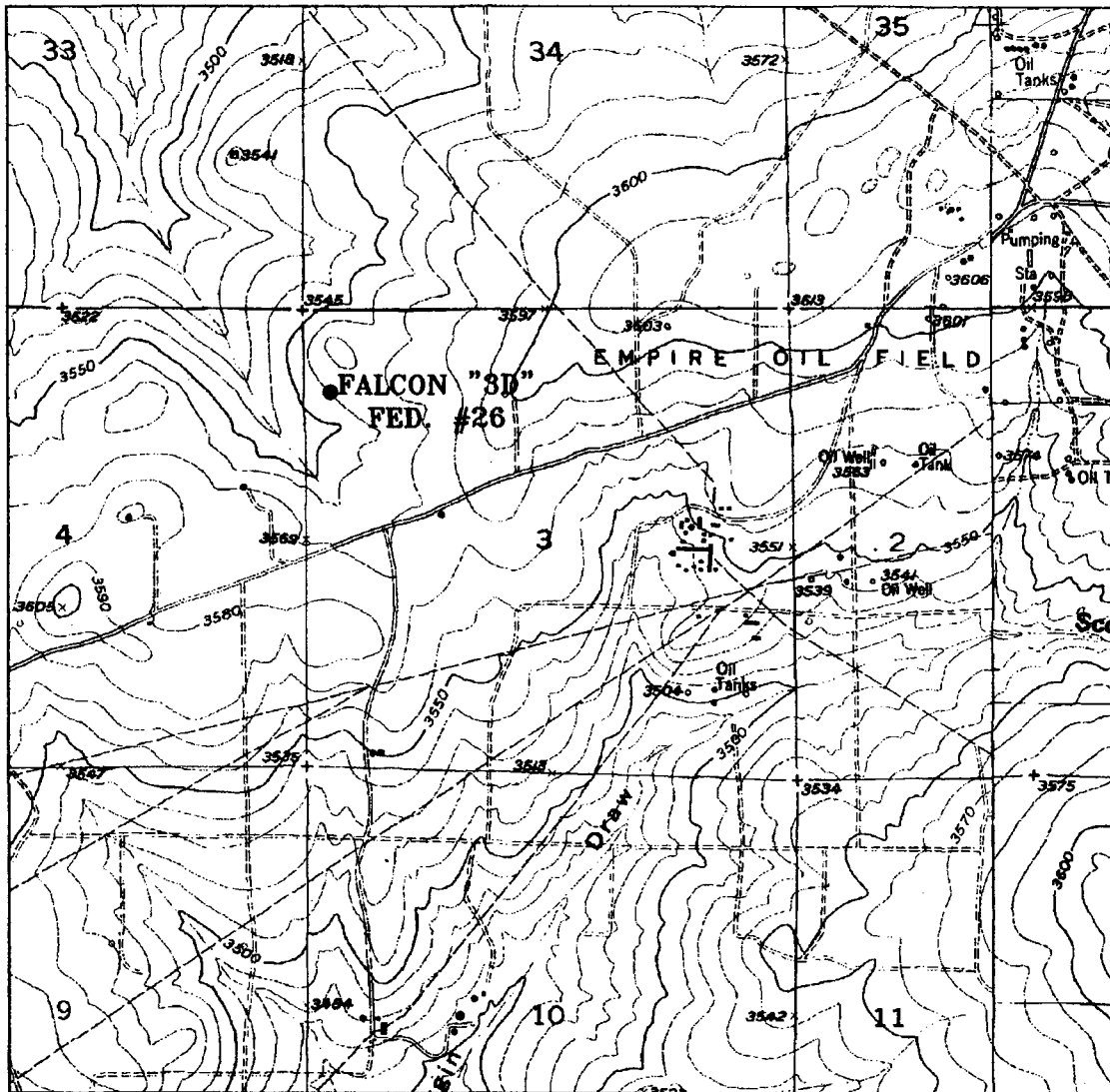
FALCON 3D;
FED. #5



FROM THE JUNCTION OF CO. RD. 225 AND CO. RD. 227, GO WEST ON 227 FOR 0.4 MILE; THENCE NORTH FOR 0.2 MILE; THENCE WEST FOR 0.5 MILE TO THE FALCON 3D #5 AND PROPOSED LEASE ROAD.

THE FALCON "3D" FED. No. 26 LOCATED 890' FROM
THE NORTH LINE AND 280' FROM THE WEST LINE OF
SECTION 3, TOWNSHIP 18 SOUTH, RANGE 27 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Sheet 1 of 1 Sheets



FALCON "3D" FEDERAL #26

Located at 890' FNL and 280' FWL

Section 3, Township 18 South, Range 27 East,
N.M.P.M., Eddy County, New Mexico.



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
basinsurveys.com

W.O. Number: 3965AA - KJG #1

Survey Date: 01-28-2004

Scale: 1" = 2000'

Date: 02-04-2004

**DEVON ENERGY
PRODUCTION
COMPANY LP.**

34

35

3

2



ARCO PERMIAN
LAKE 3 FEDERAL #1
32
ARCO PERMIAN
RED LAKE 3 FEDERAL
14 45

FALCON 30 FEDERAL 8

MARBOB ENERGY CORP
SB STATE #1
19 20

MARBOB ENERGY CORP
TDF STATE #1
21 51

DEVON ENERGY CORP
LOGAN 2 STATE #2
5 15

MU STATE #1 MI STATE #2
35 73 20 40

MARBOB ENERGY CORP

LOGAN 2 STATE 3

MARBOB
AAOF
21

EAGLE 34 FEDERAL 37

OD FEDERAL #1

EAGLE 34 FEDERAL 36

LE 34 FEDERAL 35

DEVON ENERGY CORP
EAGLE 34 FEDERAL #2

OD FEDERAL #2

EAGLE 34 FEDERAL #34

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EAGLE 34 FEDERAL 35

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DEVON ENERGY CORP
EAGLE 34 FEDERAL #1

DEVON ENERGY CORP
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DEVON ENERGY CORP
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EAGLE 34 FEDERAL #38

DEVON ENERGY CORP
EAGLE 34 FEDERAL #39

DEVON ENERGY CORP
EAGLE 34 FEDERAL #40

EXHIBIT A

Ann D. Allison
P.O. Box 64035
Lubbock, Texas 79464

Edith C. Wheeler
P.O. Box 64035
Lubbock, Texas 79464

Penroc Oil Corporation
P.O. Box 2769
Hobbs, NM 88241

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Rochester, NY 14619-1249

John E. Thorne
5304 Chamois Drive
Columbia, MO 65203

Davis A. Coppedge
466 Goodwin Drive
Richardson, TX 75081

James T. Coppedge
P.O. Box 43
Spencer, IN 47460

Occidental Permian Limited Partnership
P.O. Box 50250
Midland, Texas 79710

Conrad G. & Ada J. Keyes Living Trust
P.O. Box 156
Ruidoso, NM 88355

Michael H. Moore
Box 1669
Santa Rose Bch, FL 32459

LaRue M. White
Llanfair-Belwood
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Cincinnati, OH 45224



Jane A. Ronca-Washburn
11805 La Charles Avenue NE
Albuquerque, NM 87111

Janice Gettys
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Decatur, TX 76234

Laura Patricia Lodewick
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Dallas, Texas 75223-1155

Mary J. McWhorter
769 Canyon Road
Logan, UT 84321-4316

William Richard Ballard
11651 Calle Javelina
Tucson, AZ 85748

Richard K. Davidson
P.O. Box 387
La Jara, CO 81140-0387

Family Trust of John Olaf Larsgaard
And Sharon LaRue Larsgaard
7627 146th Avenue E
Sumner, WA 98390

Vicki L. Owens
P.O. Box 696
Eunice, NM 88231

Nancy Brunden
C/o 1st National Bank Trust Dept
P.O. Box AA
Artesia, NM 88211-7526

Martha M. Byrd
9825 Admiral Nimitz NE
Albuquerque, NM 87111

Richard Oscar Greene
5404 Noah Way
San Diego, CA 92117

Henry F. Thorne
P.O. Box 36
Long Pine, NE 69217-0036

Robert Grant & Alberta N. Keyes,
JTWROS, Life Estate
1119 S. Missouri Avenue
Roswell, NM 88203

John Widney Lodewick
3305 Wentwood
Dalas, TX 75225-4847

Yates Bros, A Partnership
105 South 4th Street
Artesia, NM 88210

Betty L. Price Morgan
5210 Churubusco Drive
San Antonio, TX 78239-3107

Balwick Limited Partnership
P.O. Box 2493
Midland, TX 79702

Zanaida Ruth Griffin
2808 Abingdon Parkway
Birmingham, AL 35243

Scott C. Henson
1118 Salmon Drive
Roseville, CA 95661

Steven M. Henson
2170 N. Texas St. #127
Fairfield, CA 94533

Patricia M. Marshall
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Roswell, NM 88201

Charles Henry Greene
840 Camino Del Rex
Las Cruces, NM 88001

Franklin Stuart Greene
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Silver City, NM 88062

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Tulsa, OK 74104

Robert K. Meyer
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Elk Mountain, WY 82324

Thunderbird Oil
7801 N.W. Lynn's Lane
Weatherby Lake, MO 64152

Noble Royalties Inc.
13601 Preston Road, Suite 1008 W
Dallas, TX 75240

Ralph Alexander Stricker
3702 E. Campbell Avenue
Phoenix, AZ 85018

McWhorter Living Trust
6140 E. Voltaire
Scottsdale, AZ 85254

BP America Production Co.
P.O. Box 3092
Houston, TX 77253

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(505) 982-2151 (Fax)

jamesbruc@aol.com

May 27, 2004

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

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 NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 3, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. You own an interest in the offsetting NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4. If you object to the well's location, you must notify the Division in writing no later than Wednesday, June 16, 2004 (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.

