

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Deven

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

Print or Type Name

Signature

Attorney for Applicant

Title

Date

jamesbruc@aol.com

e-mail Address

RECEIVED

MAY 13 2004

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

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

May 13, 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>	Eagle 34E Federal Well No. 53
<u>Location:</u>	1680 feet FNL & 1150 feet FWL
<u>Well Unit:</u>	SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 34, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

Devon also requests approval of simultaneous dedication of this well unit in the San Andres formation with the existing Eagle 34E Federal Well Nos. 9 and 10.

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 on drilling the well at an orthodox location. However, there is structural relief to the west, requiring the well to be moved east of an unorthodox location. See Exhibit A.

The locations are based on the Glorieta/Yeso, but since the well will penetrate the San Andres, Devon will also attempt a completion in that zone.

Attached as Exhibit C is a land plat, highlighting the well unit. The following leases are involved:

Acreage

W $\frac{1}{2}$ NW $\frac{1}{4}$ §34

E $\frac{1}{2}$ NW $\frac{1}{4}$ §34

Lease

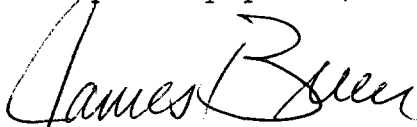
United States Lease LC 067849

United States Lease LC 064050-A

A listing of interests in the leases is attached as Exhibit D. Royalty and working interests are the same in both leases. The only affected overriding royalty owner in the offsetting lease is the Trigg Family Trust, who was notified of this application by the letter attached hereto as Exhibit E.

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

Very truly yours,



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: ☒ DRILL ☐ REENTER

b. TYPE OF WELL: ☒ OIL WELL ☐ GAS WELL ☐ Other _____ ☐ SINGLE ZONE ☐ MULTIPLE ZONE

2. NAME OF OPERATOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

3a. ADDRESS AND TELEPHONE NO.

20 NORTH BROADWAY, SUITE 1500, OKC, OK 73102

3b. TELEPHONE (Include area code).

(405) 228-7512

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1680 FNL & 1150' FWL, Unit E

At top proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.

NMLC067849

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Eagle 34E Federal #53

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT

Red Lake; Glorieta Yeso, NE

11. SEC. T, R, M, OR BLOCK AND SURVEY OR AREA

Sec 34 T17S R27E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

approx 5 miles Southeast of Artesia, NM

12. COUNTY OR PARISH

Eddy

13. STATE

NM

15. DISTANCE FROM PROPOSED
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line if any)

16. NO. OF ACRES IN LEASE

800.00

17. Spacing Unit dedicated to this well

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

4000

20. BLM/BIA Bond No. on file

CO1104

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3535

22. APPROX. DATE WORK WILL START*

12/31/03

23. Estimated duration

45 days

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

Drilling Program

Surface Use and Operating Plan

Exhibit #1 = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibit #3 = Road Map and Topo Map

Exhibit #4 = Production Facilities Plat

Exhibit #5 = Rotary Rig Layout

Exhibit #6 = Casing Design

H₂S Operating Plan

Archeological clearance report

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described above

Bond Coverage: Nationwide
BLM Bond #: CO-1104



25. Signature

Name (Printed/Typed)

KAREN COTTOM

Date

December 10, 2003

Title

OPERATIONS TECHNICIAN

Approved by (signature)

Name (Printed/Typed)

Date

Title

Office

Application approval 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.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001, makes 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

*(Instructions on reverse)

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.

Directions: From the junction of US Hwy 82 and Co. Rd. 204, go south 0.1 mile to Co. Rd. 225; thence south on 225 for approx 2.1 mile to Co. Rd. 227; thence westerly on 227 for approx 0.5 mile to lease road; thence north on lease road for approx 1.1 mile; thence west 0.25 mile to a point on the well pad.

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 96836	Pool Name RED LAKE GLORIETA YESO, NE
Property Code	Property Name EAGLE "34E" FEDERAL	Well Number 53
GRID No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3535'

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	34	17 S	27 E		1680	NORTH	1150	WEST	EDDY

Bottom Hole Location If Different From Surface

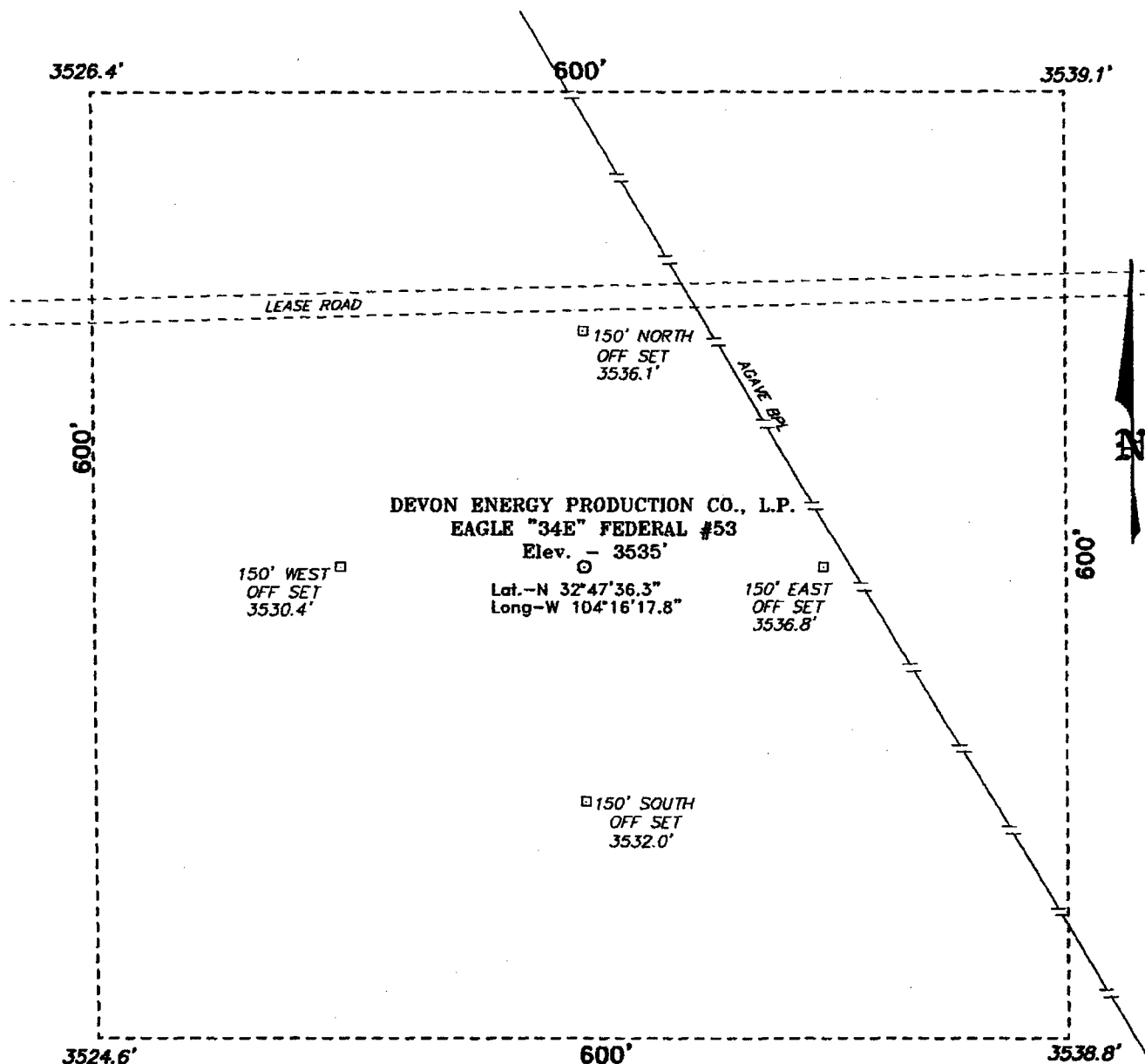
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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>Karen Cottom</i> Signature</p> <p>Karen Cottom Printed Name</p> <p>Operations Technician Title</p> <p>December 9, 2003 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>NOVEMBER 26, 2003 Date Surveyed</p> <p><i>Brian L. Jones</i> Signature Professional Surveyor</p> <p><i>Brian L. Jones</i> Professional Surveyor</p> <p>7977 No. 3813</p> <p>Certified by Gary L. Jones 7977 Professional Land Surveyor</p>	
	<p>Standard 640-acre Section</p>	
	<p></p>	

**SECTION 34, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



Directions to Location:

FROM THE JUNCTION OF US HWY 82 AND CO. RD. 204, GO SOUTH 0.1 MILE TO CO. RD. 225; THENCE SOUTH ON 225 FOR APPROX. 2.1 MILE TO CO. RD. 227; THENCE WESTERLY ON 227 FOR APPROX. 0.5 MILE TO LEASE ROAD; THENCE NORTH ON LEASE ROAD FOR APPROX. 1.1 MILE; THENCE WEST 0.25 MILE TO A POINT ON THE WELL PAD.



DEVON ENERGY PROD. CO., L.P.

REF: EAGLE "34E" FED. No. 53 / Well Pad Topo

THE EAGLE "35E" FED. No. 53 LOCATED 1680' FROM
THE NORTH LINE AND 1150' FROM THE WEST LINE OF
SECTION 34, TOWNSHIP 17 SOUTH, RANGE 27 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 3813

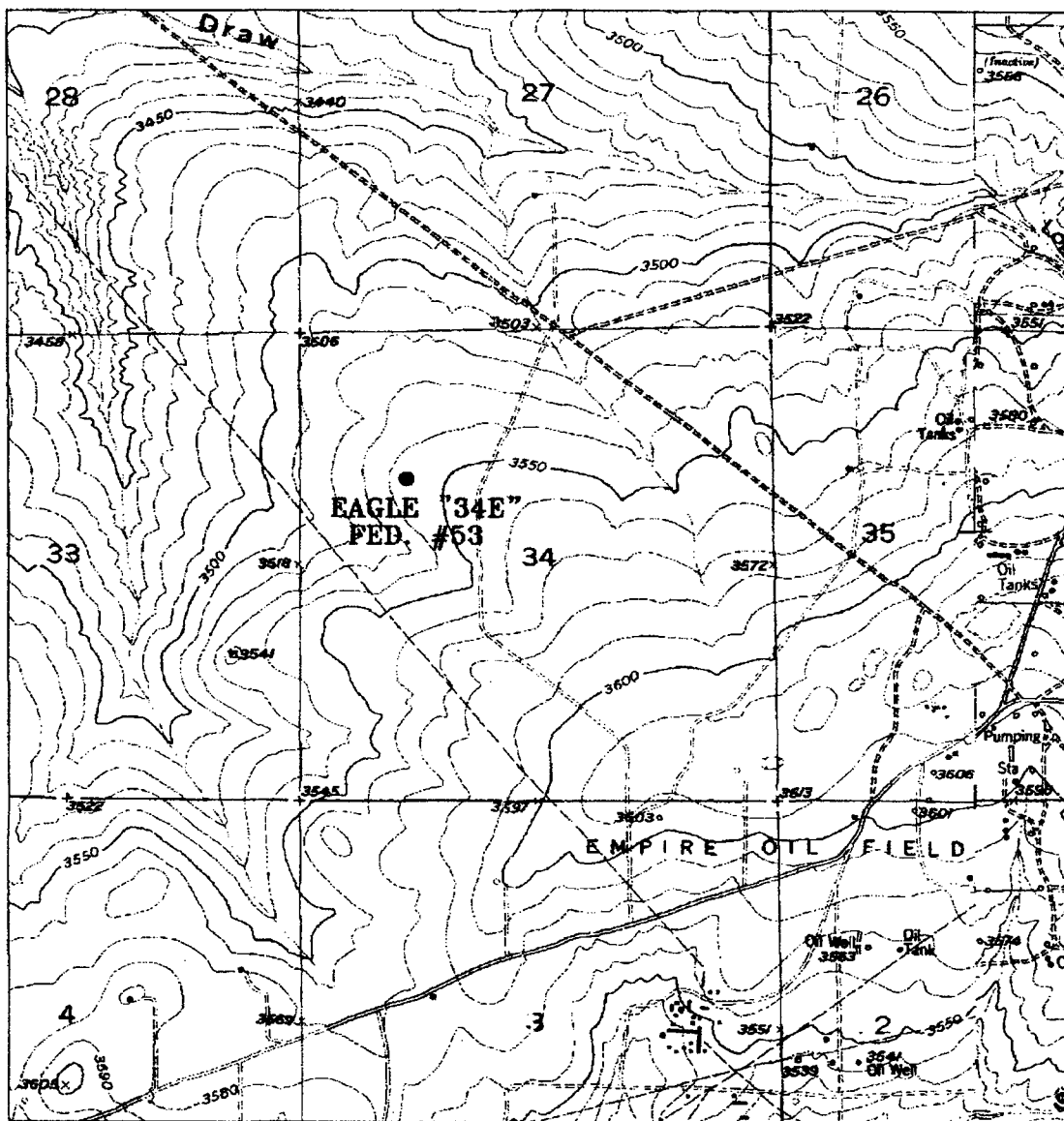
Drawn By: K. GOAD

Date: 11-26-2003

Disk: KJG CD#4 - 3813A.DWG

Survey Date: 11-25-2003

Sheet 1 of 1 Sheets



EAGLE "34E" FEDERAL #53

1680' FNL AND 1150' FWL

Section 34, Township 17 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: 3813AA - KJG CD#4

Survey Date: 11-25-2003

Scale: 1" = 2000'

Date: 11-26-2003

**DEVON ENERGY
PROD. CO., L.P.**

34

EAGLE 34 FEDERAL 29

EAGLE 34 FEDERAL #30 EAGLE 35 FEDERAL #3

EAGLE 35L FEDERAL #1

57 176 33 145 48 118 LOGAN 35 FEDERAL #5

LOGAN 35 FEDERAL #3 81 170 LOGAN 35 FEDERAL #2

DEVON ENERGY CORP

EAGLE 34 FEDERAL #31 47 84 39 139

EAGLE 34 FEDERAL 32

EAGLE 35 FEDERAL 4 LOGAN 35 FEDERAL #6

201 655 LOGAN 35 FEDERAL #4 105 216

LOGAN 35 FEDERAL #11

DEVON ENERGY PROD MARBOB ENERGY CORP

EAGLE 34 FEDERAL 33 EAGLE 34 FEDERAL #34 49 124 49 124

DEVON ENERGY PROD EAGLE 34 FEDERAL #36

LOGAN 35B FEDERAL #7 47 171 38 112 LOGAN 35B FEDERAL #9

LOGAN 35B FEDERAL #8 40 136

LOGAN 35 FEDERAL #12

EAGLE 34 FEDERAL 35 MARBOB ENERGY CORP

O D FEDERAL #1 49 124 8

LOGAN 35 FEDERAL #14

DEVON ENERGY PROD 51 103

MARBOB ENERGY CORP

MJ STATE #1 MJ STATE #2 35 73 20 40

LOGAN 2 STATE 3

MARBOB ENERGY CORP AAO FT 28

ARCO PERMIAN

LAKE 3 FEDERAL #1 32 71

ARCO PERMIAN

RED LAKE 3 FEDERAL #2 14 45

MARBOB ENERGY CORP

SB STATE #1 19 20

MARBOB ENERGY CORP

TDF STATE #1 21 51

DEVON ENERGY CORP

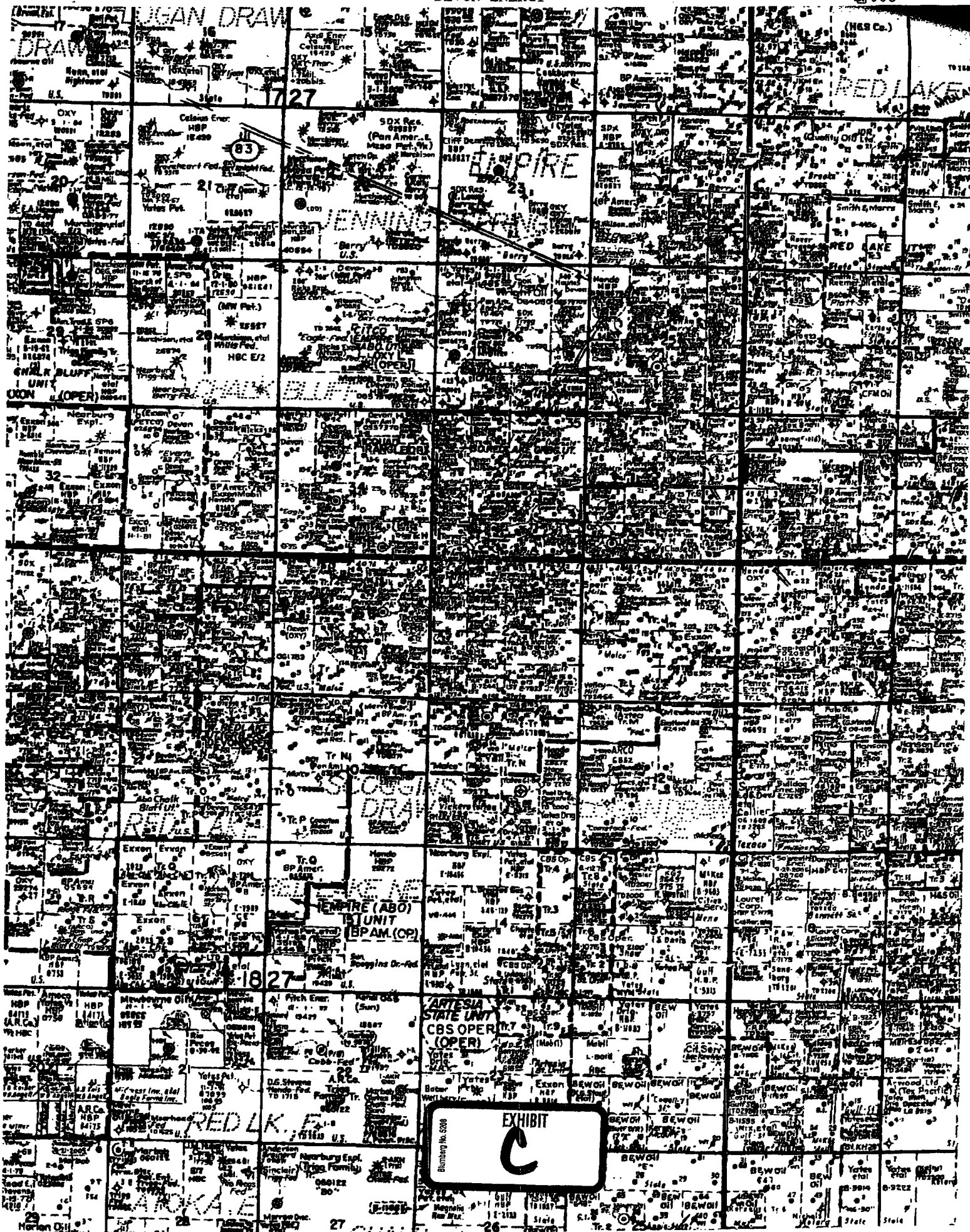
LOGAN 2 STATE #2 5 15

LOGAN 2 STATE 4



3

2



Ownership of Leases Involved in Unorthodox Location			
Township 17 South, Range 24 East			
Eagle 34E Federal #53 and Eagle 34F Federal #57			
Lease No. NMLC-067849 - SW/4 NW/4 of Sec. 34	Working Interest Owners	Overriding Royalty Interest Owners	
Surface down to 2,500'		Jane Ann Hudson Davis Joan Hudson Moore Jonel Susan Grasso Jane Ann Hudson Davis	
Below the Base of the San Andres, less & except the Empire Abo Formation	Devon Energy - 100% Devon Energy - 100%	Jane Ann Hudson Davis Joan Hudson Moore Jonel Susan Grasso Jane Ann Hudson Davis	
Lease No. NMLC-064050-A - SE/4 NW/4 of Sec. 34	Working Interest Owners	Overriding Royalty Interest Owners	
Surface down to 2,500'	Devon Energy - 100%	Trigg Family Trust	
Below the Base of the San Andres, less & except the Empire Abo Formation	Devon Energy - 100%	Trigg Family Trust	



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

May 13, 2003

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Trigg Family Trust
c/o Wells Fargo Bank, N.A.
P.O. Box 5383
Denver, Colorado 80217

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 San Andres and Glorieta/Yeso formations in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 34, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. You own an interest offsetting the well's location. If you object to the well's location, you must notify the Division in writing no later than Wednesday, June 2, 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.

