ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



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] TYPE OF APPLICATION - Check Those Which Apply for [A] [1] Logation - Spacing Unit - Simultaneous Dedication NSL NSP 7 SD Check One Only for [B] or [C] Commingling - Storage - Measurement \square DHC \square CTB \square PLC \square PC \square OLS \square OLM [C]Injection - Disposal - Pressure Increase - Enhanced Oil Recovery ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR [D] Other: Specify_ NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply [2] Working, Royalty or Overriding Royalty Interest Owners [A] [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. CERTIFICATION: I hereby certify that the information submitted with this application for administrative [4] 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. POBOX 1056 Statement must be completed by an individual with managerial and/of supervisory capacity. SANTAFE NM 87504 Print or Type Name e-mail Address

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

February 15, 2005

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 (Northeast Red Lake Glorieta-Yeso Pool):

Well: Eagle 33P Federal Well No. 16
Location: 1090 feet FSL & 330 feet FEL

Well Unit: SE%SE% of Section 33, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

Both the South Red Lake Queen-Grayburg-San Andres Pool and the Northeast Red Lake Glorieta-Yeso Pool are developed on statewide spacing rules. 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 by Devon in the immediate area. 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. In fact, Devon soon plans on drilling the Eagle 33P Federal Well No. 15 (to test the San Andres formation and Glorieta/Yeso formations) at a location 330 feet FSL and 890 feet FEL of Section 33 (see Exhibit C).

Devon planned to place the proposed well at an orthodox location approximately 990 feet FSL and 330 feet FEL of Section 33, but due

to a road and pipelines at the preferred location, the well had to be moved north of an orthodox location (see Exhibit A).

Attached as Exhibit D is a land plat, highlighting the well unit, and attached as Exhibit E is a listing of leases and interest owners. The offset owners in the NE½SE½ of Section 33 and the W½SW½ of Section 34 were notified of this application, as shown by Exhibit F.

<u>In addition</u>, applicant requests simultaneous dedication approval as follows:

- (a) in the San Andres formation, with the Eagle 33P Federal Well Nos. 13, 14, and 15; and
- (b) in the Glorieta/Yeso formations, with the Eagle 33P Federal Well No. 15.

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.

. DISTRICT I 1625 N. French Dr., Hobbs, NM 58240 DISTRICT II 811 South First, Artesia, NM 88210

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

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

2040 South Pacheco, Santa Fe, NM 87505

DISTRICT IV

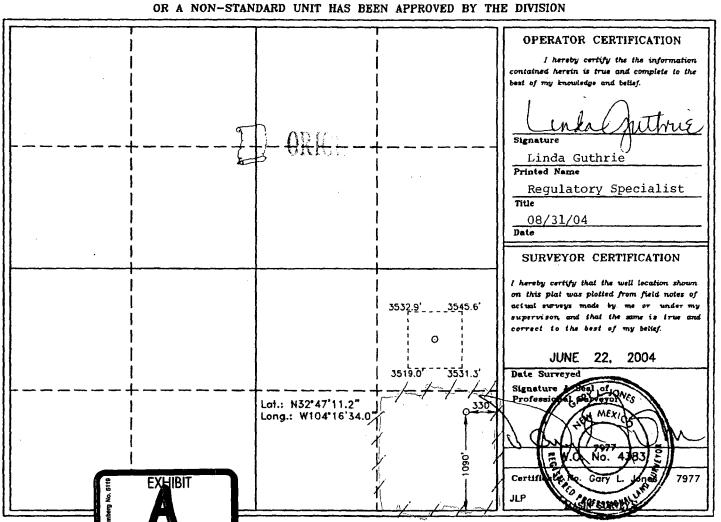
OIL CONSERVATION DIVISION 2040 South Pacheco

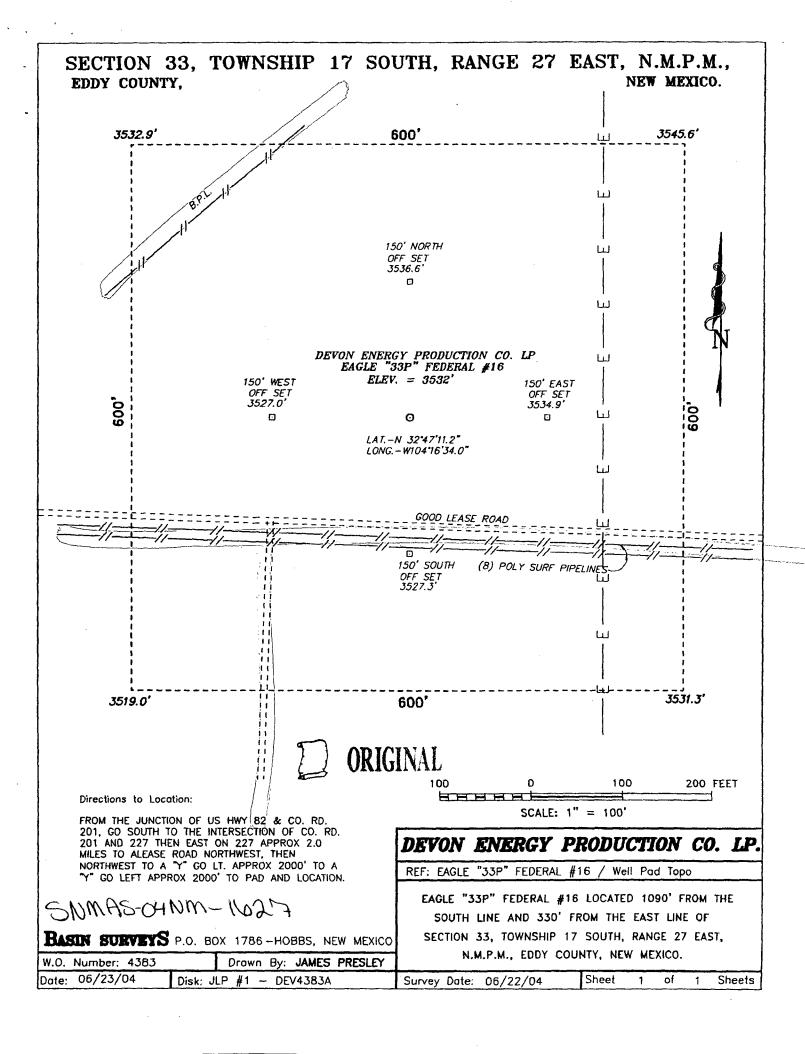
Santa Fe, New Mexico 87504-2088

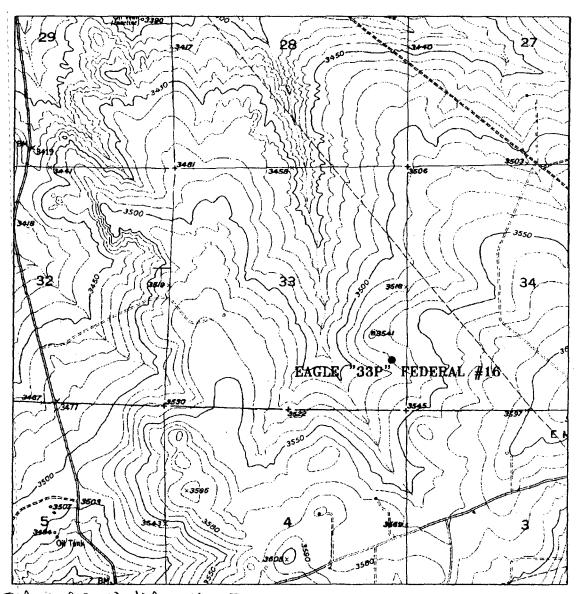
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number			Pool Code		Pool Name				
Property Code			Property Name EAGLE "33P" FEDERAL				Well Number		
OGRID No. 6137			Operator Name DEVON ENERGY PRODUCTION COMPANY LP			Elevation 3532'			
,					Surface Loca	ation		r	
JL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	17 S	27 E	1	1090	SOUTH	330	EAST	EDDY
			Bottom	Hole Loc	cation If Diffe	rent From Sur	face		
JL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint of	r Infill Co	nsolidation (Code Or	der No.	7+NM-16	,27	l	<u> </u>







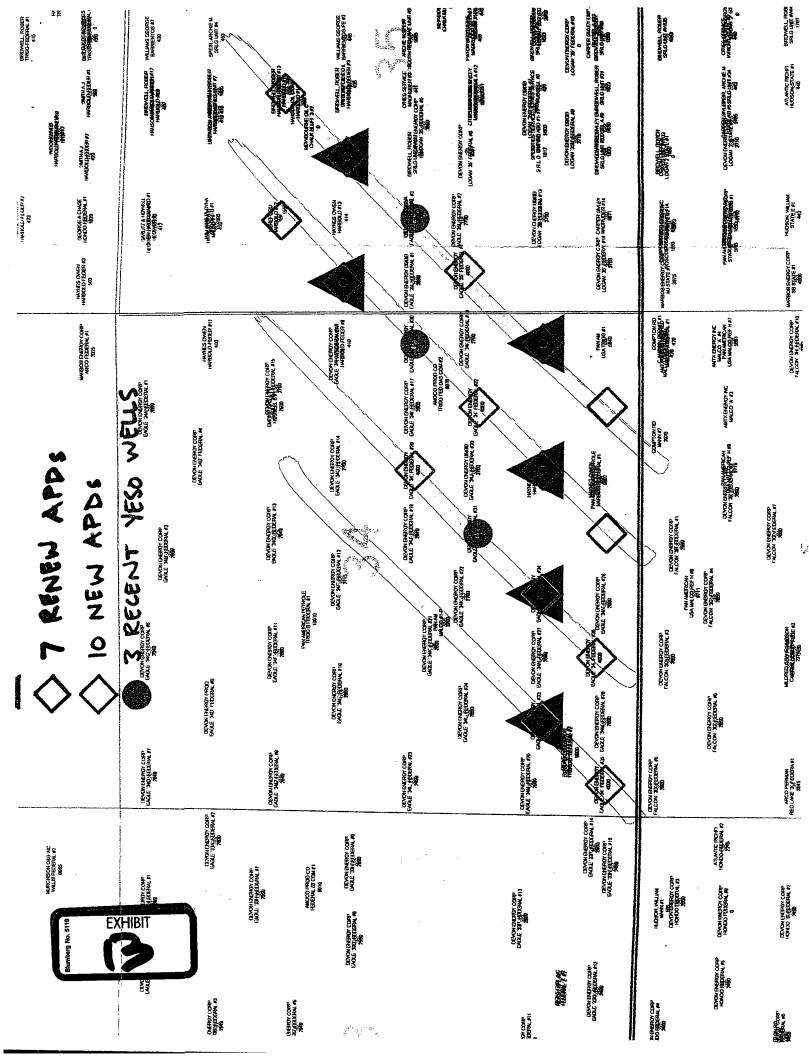
EAGLE "33P" FEDERAL #16
Located at 1090' FSL and 330' FEL
Section 33, Township 17 South, Range 27 East,
N.M.P.M., Eddy County, New Mexico.



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:	4383AA JEP #1
Survey Date:	06/22/04
Scale: 1" = 21	000'
Date: 06/23/	04

DEVON ENERGY PRODUCTION COMPANY LP.



OCD-ARTESIA

FORM APPROVED OMB No. 1004-0136

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

K-04-77

Expires November 30, 2000

EC	
	-

NMNM025528

APPLICATION FOR PERMIT T	6. If Indian, Allottee or Tribe Name		
la. Type of Work: DRILL REENTER		7. If Unit or CA Agreement, N	Name and No.
		8. Lease Name and Well No. EAGLE 33P FEDERAL 1	15
	LINDA GUTHRIE E-Mail: linda.guthria@dvn.com	, , ,	3829
20 NORTH BROADWAY SUITE 1500 OKLAHOMA CITY OK 73102	3b. Phone No. (include area code) Ph: 405.228.8209 Fx: 405.552.4621	10. Field and Pool, or Explore RED LAKE; GLORIET.	atory A-YESO
4. Location of Well (Report location clearly and in accorde	nce with any State requirements.*)	11. Sec., T., R., M., or Blk. a	ind Survey or A
At surface SESE 330FSL 890FEL	RECEIVED	Sec 33 T17S R27E M SME: BLM	Mer NMP
At proposed prod. zone	DEC 1 0 2004		
14. Distance in miles and direction from nearest town or post	OCU-ARTESIA	12. County or Parish EDDY	13. S
15. Distance from proposed location to nearest property or	16. No. of Acres in Lease	17. Spacing Unit dedicated to	o this well
lease line, ft. (Also to nearest drig. unit line, if any)	360.00	40.00	
18. Distance from proposed location to nearest well, drilling,	19. Proposed Depth	20. BLM/BIA Bond No. on i	file
completed, applied for, on this lease, ft.	4000 MD		
21. Elevations (Show whether DF, KB, RT, GL, etc. 3522 GL	22. Approximate date work will start 10/15/2004	23. Estimated duration	
	24. Attachments Leaven	Controlled Water Besi	79
The following, completed in accordance with the requirements of	of Onshore Oil and Gas Order No. 1, shall be attached to	this form:	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Sys SUPO shall be filed with the appropriate Forest Service Of 	Item 20 above). tem Lands, the 5. Operator certification	ons unless covered by an existing	
25. Signature (Electronic Submission)	Name (Printed/Typed) LINDA GUTHRIE		Date 08/31/20
Title REGULATORY SPECIALIST			·
Approved by (Signature)	Name (Printed/Typed)		Date
ISI KUSS SORENSEW	15/ KUSS SORENSE	\mathcal{N}	DEC 0 8

FIELD MANAGER

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 condi-

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

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 Uni States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #35480 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION CO LP, sent to the Carlsbad
APPROVAL SUBJECTOM itted to AFMSS for processing by LINDA ASKWIG on 08/31/2004 (04LA078145)

GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

Witness Surface Casing

ATTACHED

operations thereon.

If earthen pits are used is association with the drilling of this

EVISED ** BLM REVISED ** BLM REVISED

wall an OCD nit narmit must ha

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 wellbore will be plugged and abandoned per Federal regulations.

No additional new access road is anticipated.

Directions: From the junction of US Hwy 82 & Co. Rd. 201, go south on 201 to Co. Rd. 227, then east on 227 approximately 2 miles to a lease road north, then north approx 500' to a "Y", go right approximately 2500 feet to a lease road west, then west 2500 feet to a road to the Eagle #14. The road to location is just before the #14 location.

Please see attached MDSUP.

DISTRICT I 1885 M. French Dr., Hobbs, NM 88240 DISTRICT II 811 Bouth First, Artesia, NM 88210

State of New Mexico

Form C-102 Revised March 17, 1989

Energy, Minerals and Natural Resources Department
Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Axtec, FOM 87410

OIL CONSERVATION DIVISION 2040 South Penhoos

Fee Links - 3

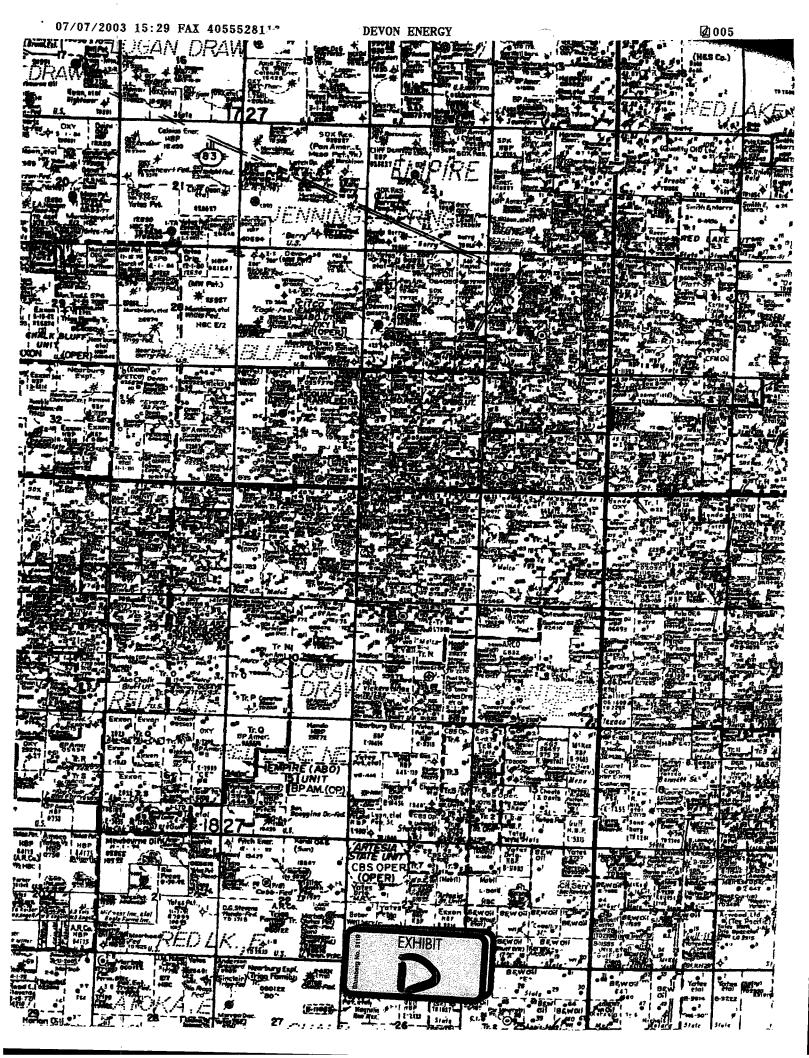
DISTRICT IV 2040 South Pacheco, Santa Fo. NM 87505

Santa Fe, New Mexico 87504-2088

MENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number				ool Code		GE DEDICATION	Peol Name		
Property Code			Property Name EAGLE "33P" FEDERAL				Well Number		
OCRID No. 6137			Operator Name DEVON ENERGY PRODUCTION COMPANY L			LP	Elevation		
					Surface Loc			<u> </u>	
UL or lot No.	Section	Township	Range	lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
Р	33	17 S					890	EAST	EDDY
,			Bottom	Hole Lo	cation If Diffe	erent From Sur	face		
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 o	r infill C	onsolidation (Code Or	der No.			<u> </u>	
40	1								
NO ALLO	WABLE V					UNTIL ALL INTE		SEN CONSOLID	ATED
		UK A	NON-SIAN	DARD U	VII HAS BEEN	APPROVED BY	THE DIVISION		
	 						Signature Linda Printed Nam Regula Title OB/31/ Date	tory Specia 04 OR CERTIFICA	list
					2°47'03.7" N104°16'40.6" 3510.7	-/-/-/	on this plat e actuel surveys supervison, a correct to t	he best of my beli	ld notes of under my s true and of.



Ownership of Leases Involved in Unorthodox Location							
	Township 17 South, Range 27 E	ast					
Eagle 33P Federal #16							
case No Nill(Nill(E)Z65Z6)	- Walking Interest awarers	Overriding Royalty Interest Owners					
SE/4SE/4 Sec. 33							
Surface to the base of San Andres	Devon Energy - 50%	Devon Energy- 5%					
Surface to the base of San Andres	Occidental Permian - 50%	Devon Energy 570					
	Goodernai i ciiman com						
Base of San Andres to top of Abo	Devon Energy -50%	Devon Energy- 5%					
	Chesapeake 50%						
Lease No. NWNN-033865	Working Interest Owners	Overriding Royalty Interest Owners					
NE/4 SE/4 of Sec. 33							
Surface to the base of San Andres	Devon Energy	James R. Evarts, Jr.					
	Bea Evarts Caywood McMillion	Norman Montgomery					
	Irene E. Hardie	Walter Montgomery					
	Eugene P. Burkholder	Betty Jane Evarts Gilbert					
	Patricia I Jaynes	Irene E. Hardie					
	Yates Petroleum Corporation	Robert T. Evarts					
		Eugene P. Burkeholder					
		Patricia I Jaynes Bea Evarts Caywood McMillion					
		Sandra Leigh Terry					
		Barbara Frankenfeld					
		Clyde Guy & Sons, Inc.					
		Yates Brothers, a partnership					
	·	Tates brothers, a partiership					
Base of San Andres to top of Abo	Devon Energy -50%	Anita Britain					
	Chesapeake 50%	Eugene P. Burkeholder					
		Irene Evarts					
		James R. Evarts, Jr.					
		Robert Evarts					
		Exxon Mobil Corporation					
		Barbara Kruse Frankenfield					
		Betty Evarts Gilbert					
		Mary Jo Guy and Russell Edward Guy					
		Irene Hardie					
		S.J. Iverson, Jr.					
		Wendell W. Iverson					
		Wendell W. Iverson, Trustee of P.I.P.					
		1990 Trust, S.J.I. Jr. 1990 Trust,					
		W.W.I. 1990 Trust					
		Patricia I. Jaynes					
		Bea Caywood McMillion					
		Norman Montgomery					
		Walter Montgomery					
T T	EXHIBIT .	Patsy Iverson Page Phoebe Shelton					
Bhumberg No. 619							
- I Page		Sandra Leigh Terry Susan Lynn Terry					
n _M		Yates Brothers, a partnership					

Lease LC 067849 (W%SW% §34)

Overriding Royalty Owners

Working Interest Owner

Jane Ann Hudson Davis 6770 Wolf Creek Court Rio Rancho, New Mexico 87124 Devon Energy Production Co.

Jonel Susan Grasso 11 Ocean Ridge Laguna Niguel, California 92677

Joan A. Hudson 81 North Street Naples, Florida 34108

Summitt Overseas Exploration, inc. P.O. Box 260590 Lakewood, Colorado 80226

Howard B. Wright Trust c/o Wells Fargo Bank, NA, Trustee P.O. Box 5383 Denver, Colorado 80217 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

February 15, 2005

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit 1

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 SE%SE% of Section 33, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. You are an offset interest owner. If you object to the well's location, you must notify the Division in writing no later than Monday, March 7, 2005 (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,

Attorney for Devon Energy

Production Company, L.P.





WORKING/OVERRIDING ROYALTY INTEREST OWNERS Eagle 33P Federal #16 T17S-R27E Eddy County, New Mexico

Working Interest Owners

Devon Energy Production Company, L. P. 20 N. Broadway
Oklahoma City, OK 73102-8260

Occidental Permian Ltd. P. O. Box 50250 Midland, TX 79710

Chesapeake Energy Corporation P. O. Box 18496 Oklahoma City, OK 73154-0496

Bea Caywood McMillion 809 E. Walnut Street Dawson Springs, KY 42408-1121

Irene Evarts Hardie 78 Bonita Place Ukiah, CA 95482-9416

Eugene P. Burkeholder 1416 80th Street E Tacoma, WA 88404-3313

Patricia Jaynes 1410 Country Club Road Arlington, TX 76013

Yates Petroleum Corporation 105 South 4th Street Artesia, NM 88210

Overriding Royalty Interest Owners

James R. Evarts, Jr. 2108 Bullock Avenue Artesia, NM 88210

Norman E. Montgomery 207 Hobbs San Angelo, TX 76903

Walter A. Montgomery 207 Hobbs Street San Angelo, TX 76903-7907

Betty Evarts Gilbert 403 Douglas Hereford, TX 79045

Irene Evarts Hardie 78 Bonita Place Ukiah, CA 95482-9416

Robert T. Evarts 310 W. Greene, Apt. 5 Carlsbad, NM 88220-6328

Eugene P. Burkeholder 1416 80th Street E Tacoma, WA 88404-3313

Patricia Jaynes 1410 Country Club Road Arlington, TX 76013

Bea Caywood McMillion 809 E. Walnut Street Dawson Springs, KY 42408-1121

Sandra Leigh Terry P. O. Box 12617 ElPaso, TX 79912

Barbara Kruse Frankenfield 7333 Wooded Acres Trail Mansfield, TX 76063 WORKING/OVERRIDING ROYALTY INTEREST OWNERS EAGLE 33P FEDERAL 16 T17S-R27E PAGE 2

Overriding Royalty Interest Owners Cont.

Clyde Guy 101 W. Main Street Artesia, NM 88210

Yates Brothers, a partnership 105 South 4th Street Artesia, NM 88210

Anita Britain

Robert Evarts
301 Glendale
Carlsbad, NM 88220

Exxon Mobil Corporation P. O. Box 4778 Houston, TX 77210-4778

Clyde Lamar Guy & Mary Jo Guy Revocable Trust A Mary Jo Guy & Russell Edward Guy, Co-Trustees 101 W. Main Street Artesia, NM 88210

S. J. Iverson, Jr. 2518 Sinclair Midland, TX 79701

Wendell Welch Iverson P. O. Box 1343 Midland, TX 79702

Wendell W. Iverson, Trustee of P.I.P. 1990 Trust, S. J. I. Jr. 1990 Trust, W. W. I. 1990 Trust P. O. Box 1343 Midland, TX 79702

Patsy Iverson Page 1155 Muirlands Vista Way LaJolla, CA 72037

Phoebe Shelton 3412 Airway Blvd. Amarillo, TX 79118-7741 Susan Lynn Terry 7200 Montgomery NE #367 Albuquerque, NM 87109

Jane Ann Hudson Davis 6770 Wolf Creek Court Rio Rancho, New Mexico 87124

Jonel Susan Grasso 11 Ocean Ridge Laguna Niguel, California 92677

Joan A. Hudson 81 North Street Naples, Florida 34108

Howard B. Wright Trust c/o Wells Fargo Bank, NA, Trustee P.O. Box 5383 Denver, Colorado 80217

Summitt Overseas Exploration, inc. P.O. Box 260590 Lakewood, Colorado 80226