

DATE IN 10.4.11	SUSPENSE 10/29/11	ENGINEER DKB.	LOGGED IN 10.4.11	TYPE NSL	APP NO. 1127748361
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ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



RECEIVED DEVON  
Bertha far Feb. 21  
30-015-38989

## 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 \_\_\_\_\_

SHL: B-19-195-31E

### [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

8890  
TVD MAX  
20 BS MIDDLE SS

### [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  
Title

Date

jamesbruc@aol.com  
e-mail Address

9/30/11

**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

September 30, 2011

David K. Brooks  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Mr. Brooks:

Pursuant to Division Rule NMAC 19.15.15.13, Devon Energy Production Company, L.P. applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	Beetle Juice <sup>19</sup> Federal Well No. 2H ✓
<u>Surface location:</u>	250 feet FNL & 1670 feet FEL ✓
<u>Penetration point:</u>	Same as surface location ✓
<u>Bottom hole location:</u>	330 feet FSL & 1870 feet FWL ✓
<u>Well unit (project area):</u>	W½E½ of Section 19, Township 19 South, Range 31 East, (160 acres) N.M.P.M., Eddy County, New Mexico ✓

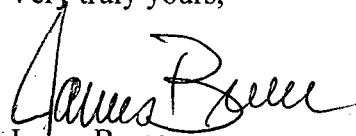
Applicant proposes to drill the well to test the Bone Spring formation (Northwest Hackberry-Bone Spring Pool). The pool is spaced on 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line. An APD with a Form C-102 is attached as Exhibit A. (97-20) ✓

The well was moved north of an orthodox location because the orthodox location is too close to a wildlife watering system and a fence line. The well will not be perforated until the wellbore is at least 330 feet from the north line of Section 19.

The well encroaches on the S½SW¼ of Section 18. The SE¼SE¼ of Section 18 is a new federal lease owned by applicant. Exhibit B. The SW¼SE¼ of Section 18 is a federal lease owned by several working interest owners, identified in the notice letter attached as Exhibit C.

Please contact me if you need any further information on this application.

Very truly yours,



James Bruce

Attorney for Devon Energy Production Company, L.P.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. USA NMNM 90534
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.
3a. Address 20 North Broadway OKC, OK 73102		8. Lease Name and Well No. Beetle Juice 19 Federal 2H
3b. Phone No. (include area code) (405)-552-7802		9. API Well No. 30-015-38989
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NWNE 250' FNL & 1670' FEL Lot B At proposed prod. zone SWSE 330' FSL & 1870' FEL Lot O		10. Field and Pool, or Exploratory Hackberry; Bone Spring, NW
14. Distance in miles and direction from nearest town or post office* Approximately 10 miles south of Loco Hills, NM.		11. Sec., T. R. M. or Blk and Survey or Area Sec 19-T19S-R31E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 250'	16. No. of acres in lease 632.68	17. Spacing Unit dedicated to this well 160
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. SL: 917' BHL: 605'	19. Proposed Depth TVD 8816' MD 13396' PH: 9175' PH	20. BLM/BIA Bond No. on file PH: 9175' CO-1104
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3397.4' GL	22. Approximate date work will start* 02/01/2011	23. Estimated duration 45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. I, must 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 System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed/Typed) Stephanie A. Ysasaga	Date 01/15/2010
Title Sr. Staff Engineering Technician		
Approved by (Signature) /s/ Don Peterson	Name (Printed/Typed)	Date APR - 8 2011
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

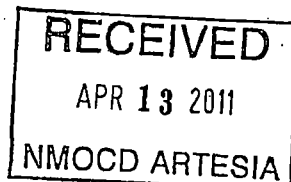
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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.

\*(Instructions on page 2)

CAPITAN CONTROLLED WATER BASIN



SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
SPECIAL STIPULATIONS  
NOTED

EXHIBIT

A

## District I

1625 N. French Dr., Hobbs, NM 88240

## District II

1301 W. Grand Avenue, Artesia, NM 88210

## District III

1000 Rio Brazos Rd., Aztec, NM 87410

## District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

## State of New Mexico

Energy, Minerals &amp; Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 15, 2009

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name BEETLE JUICE "19" FEDERAL	
<sup>7</sup> OGRID No. 6137	<sup>8</sup> Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	<sup>6</sup> Well Number 2H
		<sup>9</sup> Elevation 3397.4

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	19	19 S	31 E		250	NORTH	1670	EAST	EDDY

<sup>11</sup> 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
O	19	19 S	31 E		330	SOUTH	1870	EAST	EDDY

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

NW CORNER SEC. 19 LAT. = 32°39'11.17"N LONG. = 103°55'01.01"W NMSP EAST (FT) N = 601564.85 E = 669485.12	SURFACE LOCATION 250'	NE CORNER SEC. 19 LAT. = 32°39'11.38"N LONG. = 103°54'00.09"W NMSP EAST (FT) N = 601607.32 E = 674694.79
BEETLE JUICE "19" FEDERAL #2H ELEV. = 3397.4' LAT. = 32.6524559°N (NAD83) LONG. = 103.9054469°W NMSP EAST (FT) N = 601343.44 E = 673026.54		
SW CORNER SEC. 19 LAT. = 32°38'18.94"N LONG. = 103°55'01.07"W NMSP EAST (FT) N = 596284.86 E = 669500.63	BOTTOM OF HOLE LAT. = 32.6395343°N LONG. = 103.9060484°W NMSP EAST (FT) N = 596640.53 E = 672860.27	SE CORNER SEC. 19 LAT. = 32°38'19.12"N LONG. = 103°53'59.90"W NMSP EAST (FT) N = 596324.81 E = 674732.70
	BOTTOM OF HOLE 1870'	

**<sup>17</sup> OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well in this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

**<sup>18</sup> 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.

NOVEMBER 10, 2010

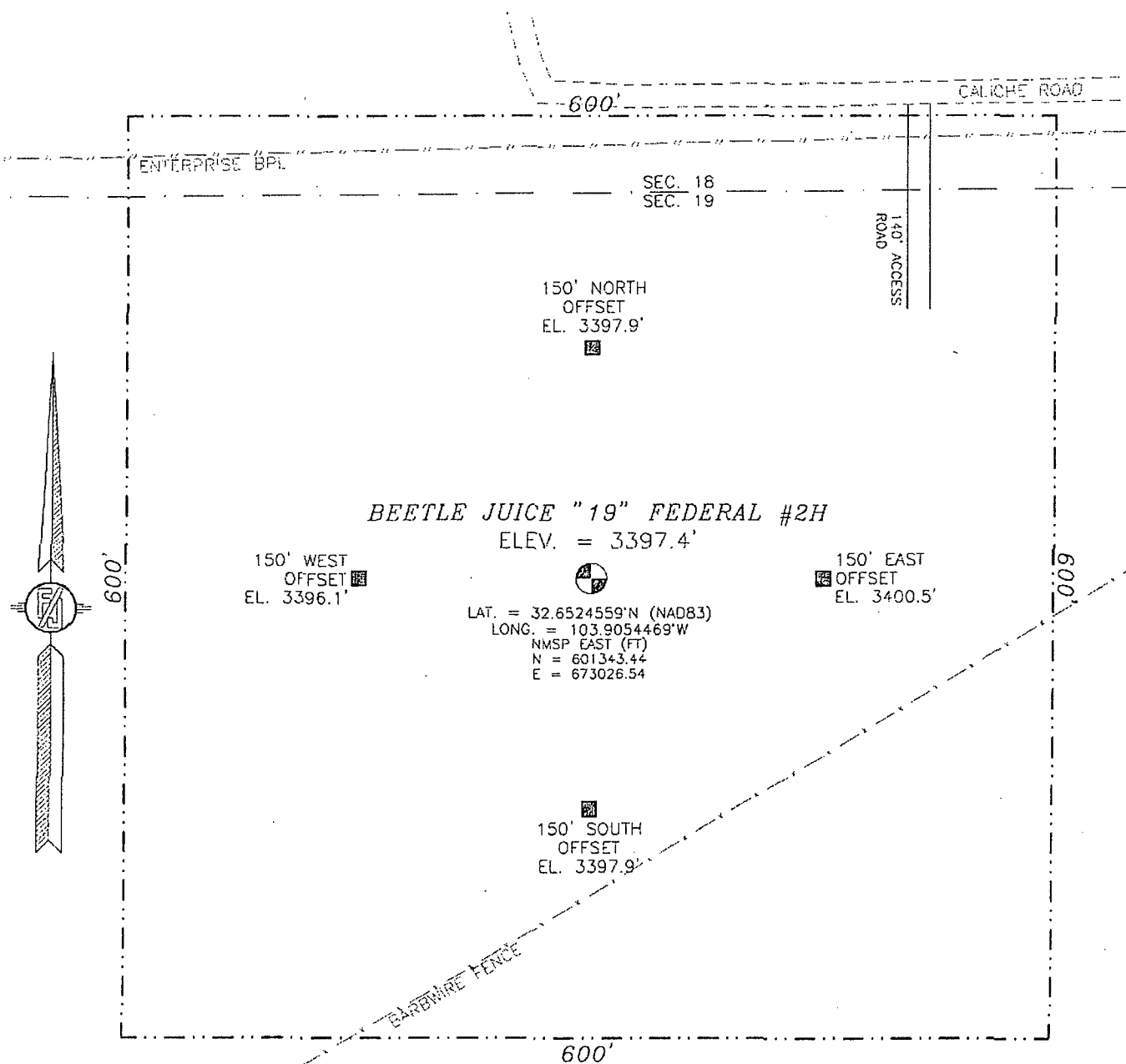
Date of Survey \_\_\_\_\_

Signature and Seal of Professional Surveyor \_\_\_\_\_

Certificate Number \_\_\_\_\_ JILL MONTEZ ARAMILLO, PLS 12797

SURVEY NO. 281

SECTION 19, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.  
EDDY COUNTY, STATE OF NEW MEXICO



0 10 50 100 200

SCALE 1" = 100'

DIRECTIONS TO LOCATION

FROM CR. #222 (SHUGART RD.) AND CR. #248 (LUSK PLANT RD.)  
GO SW. ON 222 4.3 MILES TURN RIGHT ON CALICHE RD. GO NORTH  
2.0 MILES BEND LEFT AND GO NORTHWEST 0.1 MILE BEND LEFT AND  
GO WEST 0.25 MILES. LOCATION IS ON LEFT (SOUTH) 275'.

DEVON ENERGY PRODUCTION COMPANY, L.P.

**BEETLE JUICE "19" FEDERAL #2H**

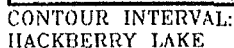
LOCATED 250 FT. FROM THE NORTH LINE  
AND 1670 FT. FROM THE EAST LINE OF  
SECTION 19, TOWNSHIP 19 SOUTH,  
RANGE 31 EAST, N.M.P.M.  
EDDY COUNTY, STATE OF NEW MEXICO

SURVEY NO. 281-R1

NOVEMBER 13, 2010

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO  
(575) 887-5830

### LOCATION VERIFICATION MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.  
**BEETLE JUICE "19" FEDERAL #2H**  
 LOCATED 250 FT. FROM THE NORTH LINE  
 AND 1670 FT. FROM THE EAST LINE OF  
 SECTION 19, TOWNSHIP 19 SOUTH,  
 RANGE 31 EAST, N.M.P.M.  
 EDDY COUNTY, STATE OF NEW MEXICO

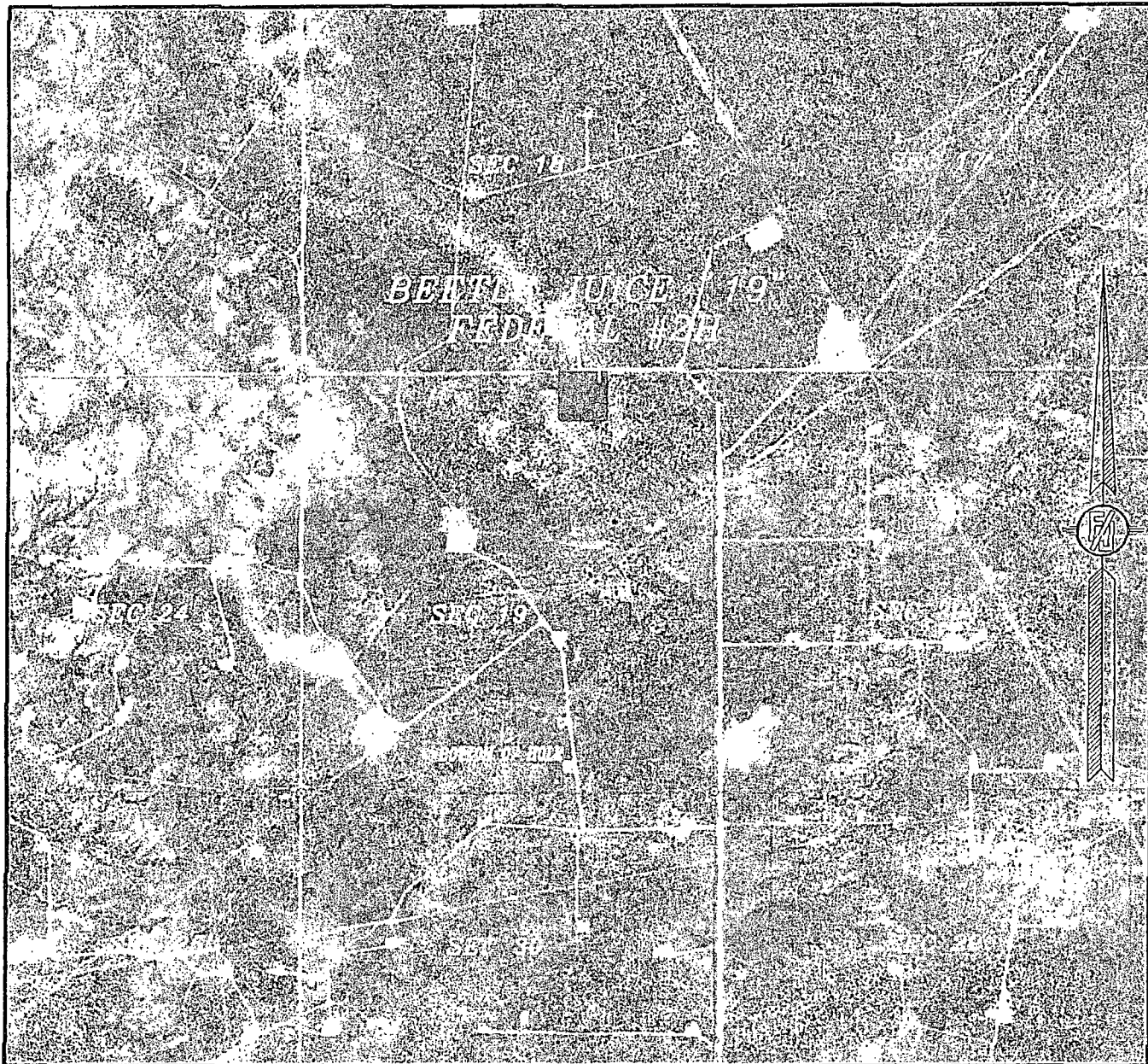
SURVEY NO. 281-R1

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO  
(505) 587-5830

301 SOUTH CANAL  
(575) 687-5210

SECTION 19, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.  
EDDY COUNTY, STATE OF NEW MEXICO

## AERIAL PHOTO



NOT TO SCALE  
AERIAL PHOTO:  
GOOGLE EARTH  
USDA - AUG, 2009

DEVON ENERGY PRODUCTION COMPANY, L.P.

**BEETLE JUICE "19" FEDERAL #2H**

LOCATED 250 FT. FROM THE NORTH LINE  
AND 1670 FT. FROM THE EAST LINE OF  
SECTION 19, TOWNSHIP 19 SOUTH,  
RANGE 31 EAST, N.M.P.M.  
EDDY COUNTY, STATE OF NEW MEXICO

NOVEMBER 13, 2010

SURVEY NO. 281-R1

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 837-5830 CARLSBAD, NEW MEXICO



**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 10:54 AM

Page 1 of 1

Run Date: 10/02/2011

01 12-22-1987;101STAT1330;30USC181 ET SE

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

40.000

NMNM-- - 126966

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 126966

Name & Address			Int Rel	% Interest
DEVON ENERGY PROD CO LP	20 N BROADWAY #1500	OKLAHOMA CITY OK 73102	LESSEE	100.0000000

Serial Number: NMNM-- - 126966

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0190S 0310E 018	ALIQ		SESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 126966

Act Date	Code	Action	Action Remark	Pending Office
07/19/2011	387	CASE ESTABLISHED	201107005;	
07/20/2011	191	SALE HELD		
07/20/2011	267	BID RECEIVED	\$228000.00;	
08/18/2011	237	LEASE ISSUED		
08/18/2011	974	AUTOMATED RECORD VERIF	MV	
09/01/2011	496	FUND CODE	05;145003	
09/01/2011	530	RLTY RATE - 12 1/2%		
09/01/2011	868	EFFECTIVE DATE		
08/31/2021	763	EXPIRES		

Serial Number: NMNM-- - 126966

Line Nr	Remarks
02	STIPULATIONS ATTACHED TO LEASE:
03	NM-11-LN SPECIAL CULTURAL RESOURCE
04	SENM-LN-4 HACKBERRY LAKE
05	SENM-S-1 POTASH STIPULATION
06	SENM-S-22 PRAIRIE CHICKENS

EXHIBIT

*B*

**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](mailto:jamesbruc@aol.com)

September 30, 2011

Certified Mail – Return Receipt Requested

To: Persons on Exhibit 1

Ladies and gentlemen:

Devon Energy Production Company, L.P. has filed an application with the New Mexico Oil Conservation Division requesting approval of an unorthodox oil well location in the Bone Spring formation in the W½E½ of Section 19, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico. A copy of the application is enclosed. You own an interest in the affected offsetting acreage. If you object to the application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). 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.

EXHIBIT C

Exhibit 1

Khody Land & Minerals Company  
Suite 950  
3817 NW Expressway  
Oklahoma City, OK 73112

Durango Production Corporation  
P.O. Box 4848  
Wichita Falls, TX 76308

W/K Land Company  
911 Kimbark Street  
Longmont, CO 80501

Cannon Exploration Company  
3608 So. County Road 1184  
Midland, Texas 79706

Constance B. Cartwright, Trustee  
U/W/O George F. Bauerdorf  
River House  
Apartment 5-B  
435 East 52nd Street  
New York, NY 10022

Cimarex Energy Co.  
Suite 600  
600 North Marienfeld  
Midland, TX 79701