

PTG-0

DATE IN 1-5-12	SUSPENSE	ENGINEER DB	LOGGED IN 1/6/12	TYPE NSL	APP NO. 1200630785
-------------------	----------	----------------	---------------------	-------------	-----------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Devon 6137
 Shaptes 2646000#1/H

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.

KEN GRAY
 Print or Type Name

Signature

Title

Date

e-mail Address

SENIOR ADVISOR, LAND 1/5/12
 KEN. GRAY@DEVON.COM

D-35-25-31E
 Eddy
 State

Pot Ash?

6551



Ken Gray
Senior Advisor, Land

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8280
Office: (405) 552-4833
Fax: (405) 552-8113

January 5, 2012

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

RE: Shaqtus 26 State Com #1H
SHL 900' FNL & 1140' FWL
Section 35-T21S-R31E ✓
BHL 330' FNL & 660' FWL
Section 26-T21S-R31E
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, intends to drill the referenced horizontal Lower Brushy Canyon Delaware well to a total vertical depth of approximately 8,000' with a total measured depth of approximately 13,600'. Devon is unable to drill this horizontal well at a standard surface location in Section 26 due to the proximity to potash resources and open potash mine operations. As reflected on the attached C-102, the well has been permitted at a surface location of 900' FNL and 1140' FWL of Section 35 with a permitted bottom hole location of 330' FWL and 660' FNL of Section 26, Township 21 South, Range 31 East. Devon will penetrate the top of the Delaware Mountain group with the vertical portion of the well bore and according to Division rules the above mentioned SHL would be classified as a non-standard location.

Inasmuch as this well will be producing from a non-standard surface location from that permitted by the state wide pool rules, Devon respectfully requests that the Commission administratively approve this application for a non-standard location in accordance with Division Rule 104(F) (3). Devon's records reflect that the affected persons to this application are the Division designated operator of properties located in the NW/4 NW/4 of Section 35, being Oxy U.S.A., Inc. ("Oxy") and the Division designated operator in the NE/4 NE/4 of Section 34, being Yates Petroleum Corporation ("Yates"). Both Oxy and Yates have been given notice of this application. Additionally, Devon requests Commission approval to designate a 160 acre project area consisting of four (4) standard oil spacing units comprised of the W/2 W/2 of said Section 26.

Attached for your review you will find a land plat reflecting Oxy and Yates as the affected parties, a land plat reflecting the proximity to potash resources and open mine operations, a Lower Brushy Canyon isopach map, a State of New Mexico form C-102, and a Pathfinder directional well profile report.

Feel free to contact the undersigned at (405) 552-4633 if there are any concerns or questions regarding this application.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Advisor, Land

*also NE/NW of Section 35
but that is also OXY.*

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1361 W. Grand Avenue, Artesia, NM 88210

District III

1004 Rio Brazos Rd., Aztec, NM 87410

District IV

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised October 15, 2009

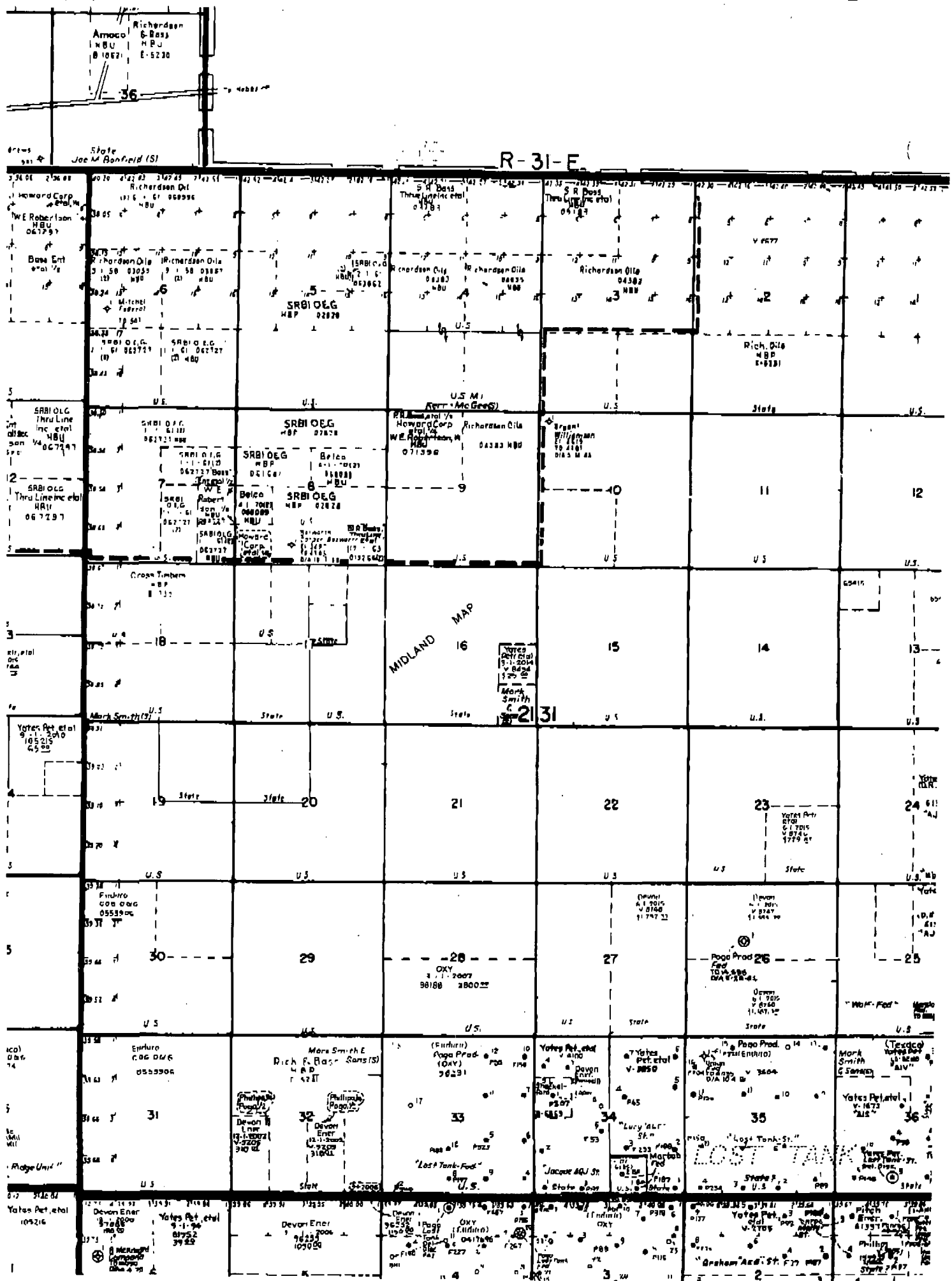
Submit one copy to appropriate
District Office

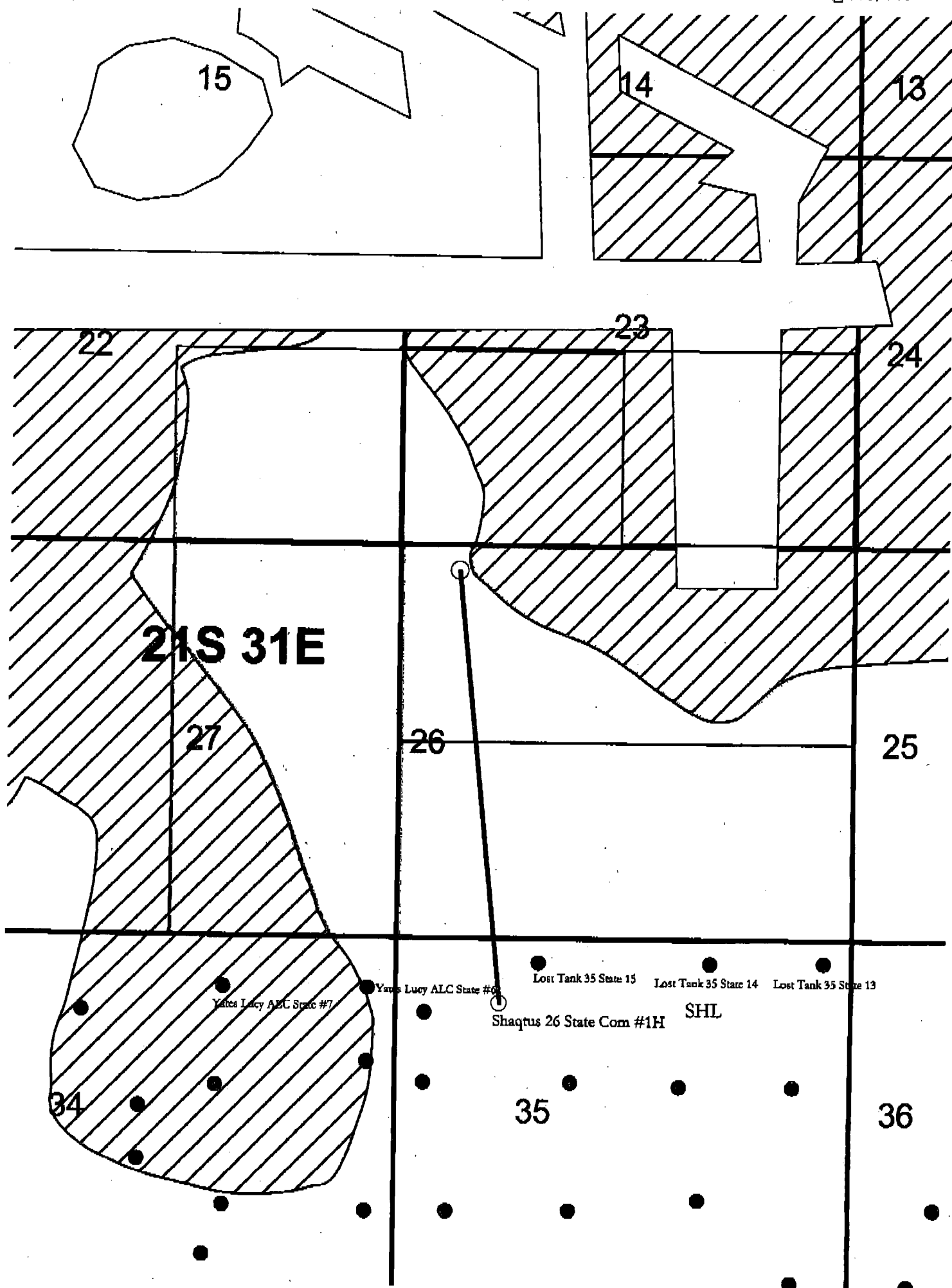
☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

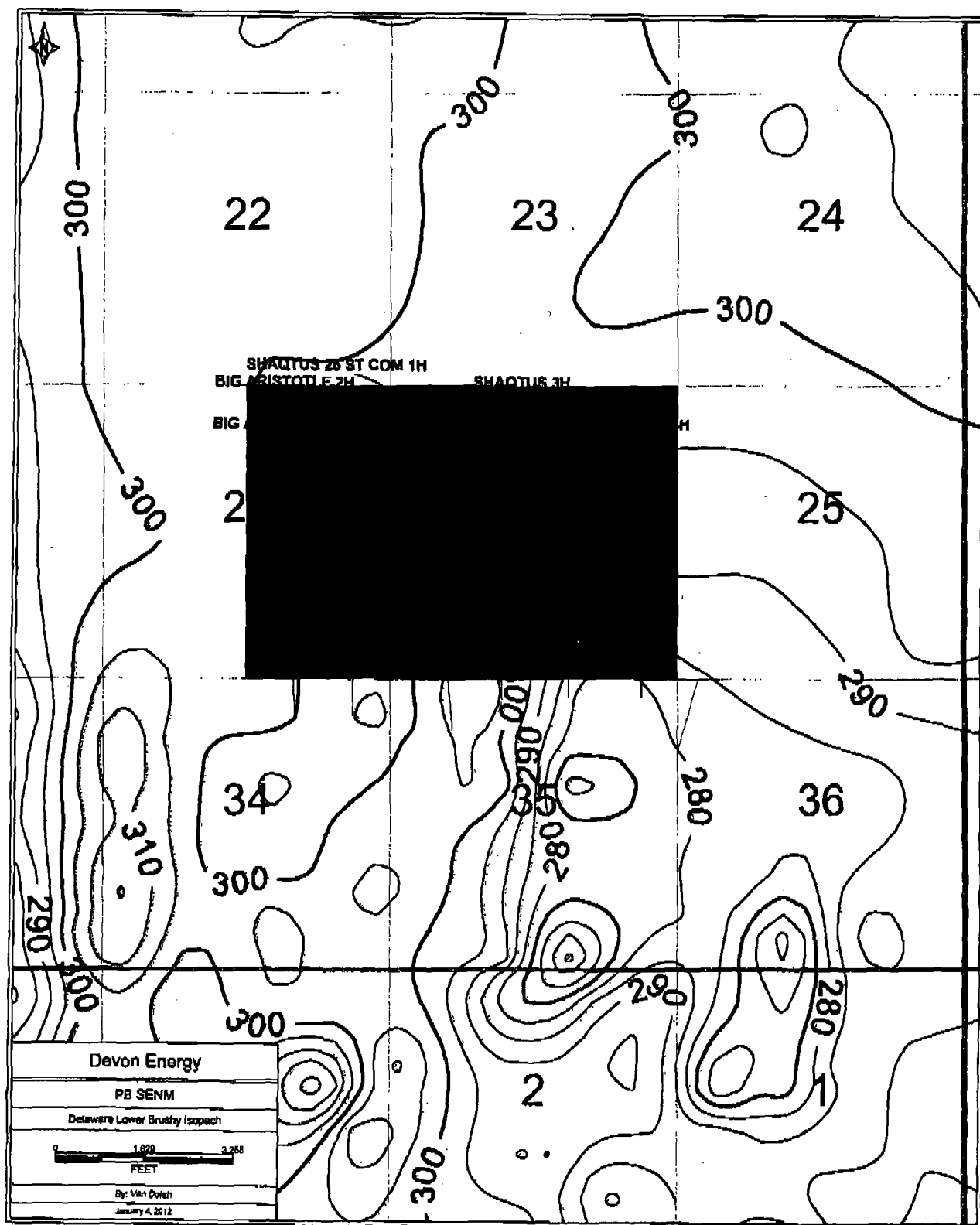
API Number 30-015-39819		Pool Code 40299		Pool Name	
Property Code		Property Name SHAQTUS 26 STATE COM			Well Number 1H
OGRUD No. 6137		Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			Elevation 3507.5
Surface Location					
1/4 or lot no. D	Section 35	Township 21 S	Range 31 E	Lot Idn	Feet from the 900
				North/South line NORTH	Feet from the 1140
				East/West line WEST	County EDDY
Bottom Hole Location If Different From Surface					
1/4 or lot no. D	Section 26	Township 21 S	Range 31 E	Lot Idn	Feet from the 330
				North/South line NORTH	Feet from the 660
				East/West line WEST	County EDDY
Dedicated Acres		Joint or Infill	Consolidation Code		Order No.

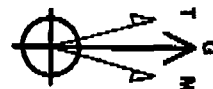
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

NW CORNER SEC. 26 LAT. = 32.4568370°N LONG. = 103.7571414°W NMSP EAST (FT) N = 530407.84 E = 719080.14		NE CORNER SEC. 26 LAT. = 32.4568222°N LONG. = 103.7400165°W NMSP EAST (FT) N = 530431.40 E = 724342.30		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 information was obtained from reliable sources and is true and correct to the best of my knowledge and belief. Signature: _____ Date: _____
SECTION CORNER LAT. = 32.4423168°N LONG. = 103.7571513°W NMSP EAST (FT) N = 525125.24 E = 719085.58		SECTION CORNER LAT. = 32.4423097°N LONG. = 103.7400358°W NMSP EAST (FT) N = 525151.69 E = 724355.63		
SW CORNER SEC. 35 LAT. = 32.4278020°N LONG. = 103.7571637°W NMSP EAST (FT) N = 519844.84 E = 719110.23		SE CORNER SEC. 35 LAT. = 32.4277958°N LONG. = 103.7400528°W NMSP EAST (FT) N = 519871.45 E = 724389.81		SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes and surveys made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief. Date of Survey: DECEMBER 17, 2011 Signature: _____ Date: _____ Certificate Number: 7110001 P (ARABIA) Q, 145 12207 SURVEY NO. 743
SHAQTUS 26 STATE COM 1H ELEV. = 3507.5 LAT. = 32.4398418°N (NAD83) LONG. = 103.7554594°W NMSP EAST (FT) N = 524231.02 E = 720225.40		SHAQTUS 26 STATE COM 1H ELEV. = 3507.5 LAT. = 32.4398418°N (NAD83) LONG. = 103.7554594°W NMSP EAST (FT) N = 524231.02 E = 720225.40		









Azimuth to Grid North
 True North: 8.3°
 Magnetic North: 7.3°
 Magnetic Field
 Strength: 48768.7 nT
 Dip Angle: 80.3°
 Date: 1/4/2012
 Model: IGRF200810

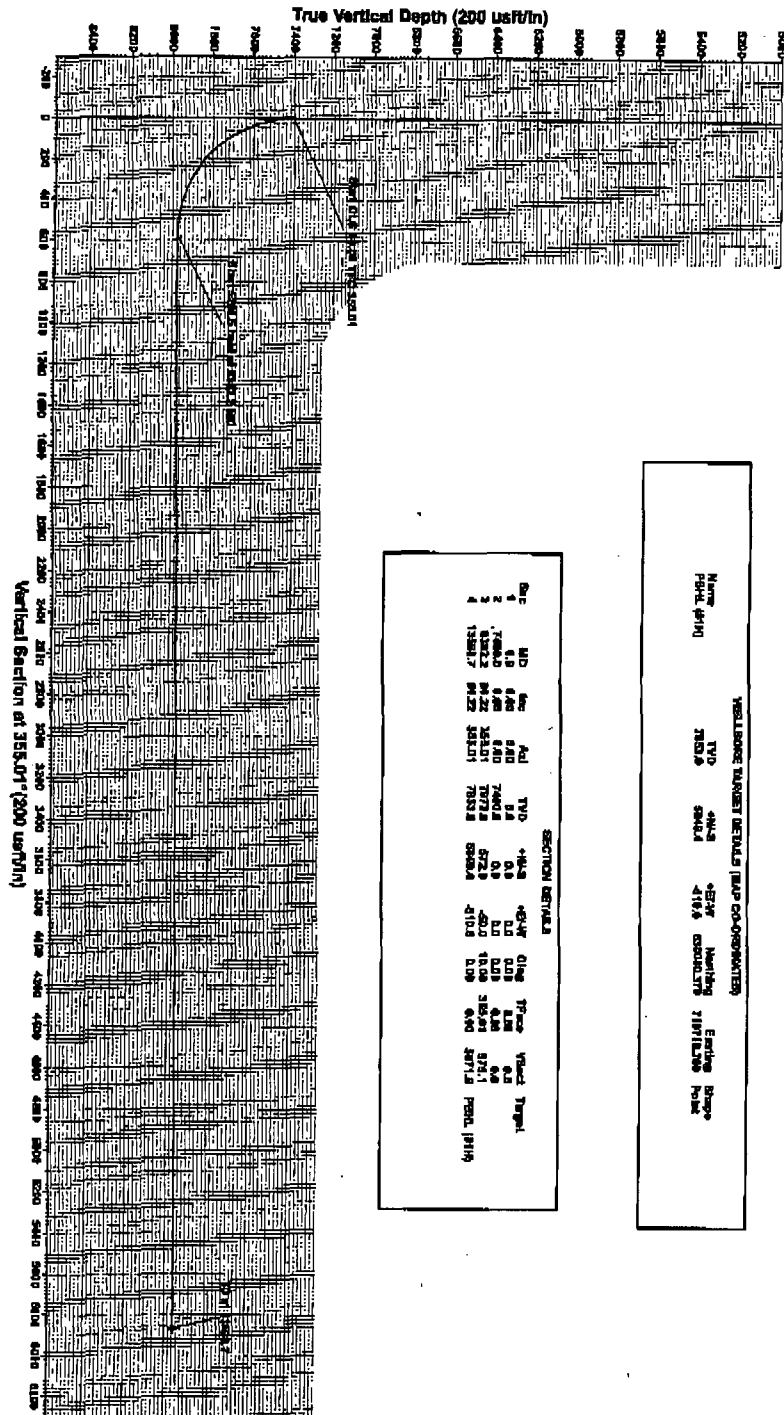
Project: Eddy County
 Site: Shegus 26 Safe Com
 Well: #1H
 Wellbore: OH
 Plan: Plan #1 (#1H/OH)

PROJECT DETAILS: Eddy County
 Geographic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: New Mexico Eastern Zone
 System Datum: Mean Sea Level
 Local North: Grid

WELL DETAILS: #1H
 Ground Elevation: 3207.5
 RIG Elevation: 80 + 25.00 3232.5 (JAP-250)
 Rig Name: HAP 332
 Naming: 15621.25
 Naming: 72221.00
 Landing: 37.29 25.410 H
 Latitude: 19° 44' 13.44" N
 Longitude: 104° 00' 00.00" W

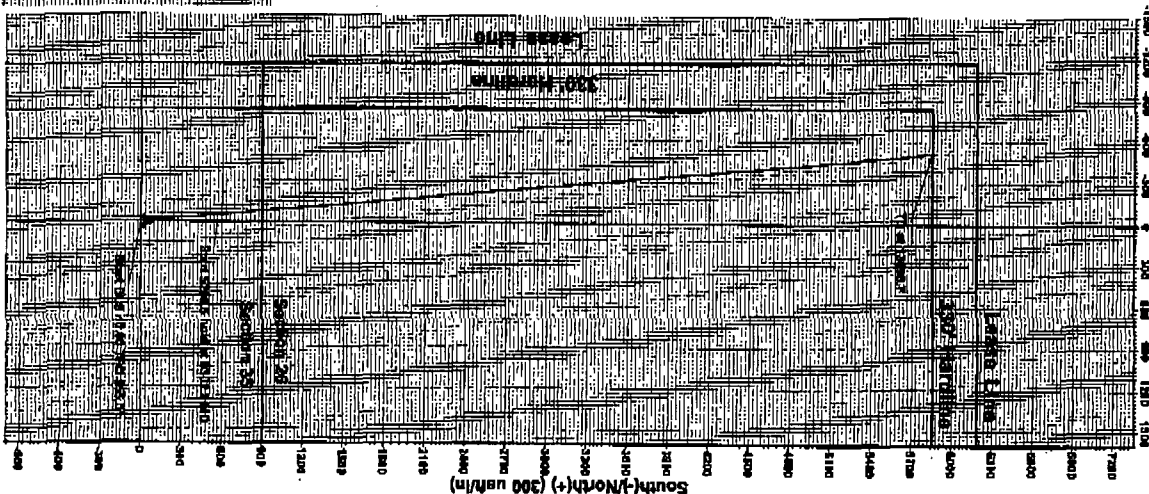
WELLBORE ELEMENT DETAILS (MAP CO-ORDINATES)
 Name: TYP
 Pch: #1H
 TYP: 250.0
 SHEL: 500.0
 419.5
 Naming: 71971.00
 Ending: 71971.00
 Shape: Point

DATE	MD	LOG	AD	TVD	+WLS	+ELEV	QING	TRAC	WELL	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2	1.0000	0.00	0.00	700.0	0.0	0.0	0.0	0.0	0.0	0.0
3	1.0000	0.00	0.00	700.0	0.0	0.0	0.0	0.0	0.0	0.0
4	1.0000	0.00	0.00	700.0	0.0	0.0	0.0	0.0	0.0	0.0



Vertical Section at 355.07' (200 units)

PATHFINDER®
 A Schlumberger Company
 Well: #1H/OH (300 units)



Date: 1/4/2012
 Created By: Eddy County
 Date: 1/4/2012



A Schlumberger Company

Devon Energy Production Company, L.P.

Eddy County

Shadys 26 Sate Com

#1H

OH

Plan: Plan #1

Pathfinder X & Y Report

04 January, 2012



A Schlumberger Company

PATHFINDER

A Schlumberger Company

Pathfinder
Pathfinder X & Y Report**PATHFINDER**
A Schlumberger Company

Devon Energy Production Company, L.P.
Eddy County
Shedden 28 Side Cam
#1H
OH
Plan #1

Well #1H
CR = 25 @ 3532.5' (HAP 223)
NS = 25 @ 3532.5' (HAP 223)
OH
Minimum Curvature
EDM 5000.1 Single User Db

0.0	0.00	0.00	0.0	-3.532.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
100.0	0.00	0.00	100.0	-3.432.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
200.0	0.00	0.00	200.0	-3.332.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
300.0	0.00	0.00	300.0	-3.232.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
400.0	0.00	0.00	400.0	-3.132.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
500.0	0.00	0.00	500.0	-3.032.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
600.0	0.00	0.00	600.0	-2.932.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
700.0	0.00	0.00	700.0	-2.832.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
800.0	0.00	0.00	800.0	-2.732.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
900.0	0.00	0.00	900.0	-2.632.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,000.0	0.00	0.00	1,000.0	-2.532.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,100.0	0.00	0.00	1,100.0	-2.432.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,200.0	0.00	0.00	1,200.0	-2.332.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,300.0	0.00	0.00	1,300.0	-2.232.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,400.0	0.00	0.00	1,400.0	-2.132.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,500.0	0.00	0.00	1,500.0	-2.032.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,600.0	0.00	0.00	1,600.0	-1.932.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,700.0	0.00	0.00	1,700.0	-1.832.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,800.0	0.00	0.00	1,800.0	-1.732.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
1,900.0	0.00	0.00	1,900.0	-1.632.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
2,000.0	0.00	0.00	2,000.0	-1.532.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
2,100.0	0.00	0.00	2,100.0	-1.432.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
2,200.0	0.00	0.00	2,200.0	-1.332.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
2,300.0	0.00	0.00	2,300.0	-1.232.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
2,400.0	0.00	0.00	2,400.0	-1.132.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
2,500.0	0.00	0.00	2,500.0	-1.032.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40
2,600.0	0.00	0.00	2,600.0	-832.5	0.0	0.0	0.0	0.0	0.0	0.0	524.231.02	720.228.40

PATHFINDER

A Schlumberger Company

Pathfinder
Pathfinder X & Y Report**PATHFINDER**

A Schlumberger Company

Devon Energy Production Company, L.P.
Eddy County
Sheep 28 State Conn
#1H
OH
Plan #1

Well #1H
KB = 25 @ 3632 Surf (H&P 223)
KB = 25 @ 3632 Surf (H&P 223)
Grid
Minimum Curvature
EDM 5000.1 Single User Db

2,700.0	0.00	0.00	2,700.0	-632.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
2,800.0	0.00	0.00	2,800.0	-732.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
2,900.0	0.00	0.00	2,900.0	-632.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,000.0	0.00	0.00	3,000.0	-632.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,100.0	0.00	0.00	3,100.0	-432.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,200.0	0.00	0.00	3,200.0	-332.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,300.0	0.00	0.00	3,300.0	-232.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,400.0	0.00	0.00	3,400.0	-132.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,500.0	0.00	0.00	3,500.0	-32.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,600.0	0.00	0.00	3,600.0	67.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,700.0	0.00	0.00	3,700.0	167.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,800.0	0.00	0.00	3,800.0	267.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
3,900.0	0.00	0.00	3,900.0	367.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,000.0	0.00	0.00	4,000.0	467.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,100.0	0.00	0.00	4,100.0	567.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,200.0	0.00	0.00	4,200.0	667.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,300.0	0.00	0.00	4,300.0	767.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,400.0	0.00	0.00	4,400.0	867.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,500.0	0.00	0.00	4,500.0	967.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,600.0	0.00	0.00	4,600.0	1,067.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,700.0	0.00	0.00	4,700.0	1,167.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,800.0	0.00	0.00	4,800.0	1,267.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
4,900.0	0.00	0.00	4,900.0	1,367.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
5,000.0	0.00	0.00	5,000.0	1,467.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
5,100.0	0.00	0.00	5,100.0	1,567.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
5,200.0	0.00	0.00	5,200.0	1,667.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40
5,300.0	0.00	0.00	5,300.0	1,767.5	0.0	0.0	0.0	0.00	524,231.02	720,228.40

PATHFINDER

A Schlumberger Company

Pathfinder

Pathfinder X & Y Report

PATHFINDER

A Schlumberger Company

Devon Energy Production Company, L.P.
 Eddy County
 Shagun 26 State Cam
 #1H
 OH
 Plan #1

Well #1H
 KB = 25 @ 3632 Sust (HWP 223)
 KB = 25 @ 3632 Sust (HWP 223)
 Gnd
 Minimum Curvebit
 EDM 5000, 1 Single User Db

5,400.0	0.00	0.00	5,400.0	1,867.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
5,500.0	0.00	0.00	5,500.0	1,967.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
5,600.0	0.00	0.00	5,600.0	2,067.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
5,700.0	0.00	0.00	5,700.0	2,167.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
5,800.0	0.00	0.00	5,800.0	2,267.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
5,900.0	0.00	0.00	5,900.0	2,367.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,000.0	0.00	0.00	6,000.0	2,467.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,100.0	0.00	0.00	6,100.0	2,567.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,200.0	0.00	0.00	6,200.0	2,667.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,300.0	0.00	0.00	6,300.0	2,767.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,400.0	0.00	0.00	6,400.0	2,867.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,500.0	0.00	0.00	6,500.0	2,967.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,600.0	0.00	0.00	6,600.0	3,067.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,700.0	0.00	0.00	6,700.0	3,167.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,800.0	0.00	0.00	6,800.0	3,267.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
6,900.0	0.00	0.00	6,900.0	3,367.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
7,000.0	0.00	0.00	7,000.0	3,467.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
7,100.0	0.00	0.00	7,100.0	3,567.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
7,200.0	0.00	0.00	7,200.0	3,667.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
7,300.0	0.00	0.00	7,300.0	3,767.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
7,400.0	0.00	0.00	7,400.0	3,867.5	0.0	0.0	0.0	0.0	0.00	524,231.02	720,229.40
7,500.0	0.00	0.00	7,500.0	3,967.5	2.2	-0.2	2.2	0.0	0.00	524,239.19	720,229.40
7,600.0	0.00	0.00	7,600.0	4,067.5	6.7	-0.6	8.7	0.0	0.00	524,239.89	720,229.84
7,700.0	0.00	0.00	7,700.0	4,167.5	18.4	-1.7	19.5	0.0	0.00	524,240.47	720,229.70
7,800.0	0.00	0.00	7,800.0	4,267.5	34.4	-3.0	34.6	0.0	0.00	524,245.44	720,229.39
7,900.0	0.00	0.00	7,900.0	4,367.5	53.5	-4.7	53.7	0.0	0.00	524,254.50	720,229.73
7,000.0	0.00	0.00	7,000.0	4,467.5	76.5	-6.7	76.8	0.0	0.00	524,267.49	720,229.72

PATHFINDER

A Schlumberger Company

Pathfinder
Pathfinder X & Y Report**PATHFINDER**
A Schlumberger Company

Company: Devon Energy Production Company, L.P.
 Location: Eddy County
 Well: Shanghe 26 Sate Com
 #1H
 OH
 Plan #1

Well #1H
 KS = 25 @ 3632.5mft (H&P 223)
 KB = 25 @ 3632.5mft (H&P 223)
 Grid
 Minimum Curvature
 EDM 5000.1 Single User Db

7,750.0	35.00	355.01	7,728.6	4,186.1	103.2	-8.0	103.6	10.00	524,334.25	720,220.39
7,800.0	40.00	355.01	7,788.3	4,235.8	133.5	-11.7	134.0	10.00	524,364.56	720,217.74
7,850.0	45.00	355.01	7,805.1	4,272.8	167.2	-14.6	167.6	10.00	524,388.20	720,214.81
7,900.0	50.00	355.01	7,836.9	4,308.4	203.8	-17.6	204.7	10.00	524,434.91	720,211.60
7,950.0	55.00	355.01	7,889.3	4,338.8	243.4	-21.2	244.3	10.00	524,474.42	720,208.15
8,000.0	60.00	355.01	7,888.2	4,383.7	286.4	-24.8	286.5	10.00	524,516.41	720,204.49
8,050.0	65.00	355.01	7,918.3	4,386.8	328.6	-28.8	330.8	10.00	524,580.58	720,200.63
8,100.0	70.00	355.01	7,938.4	4,405.9	375.6	-32.8	377.0	10.00	524,606.59	720,198.61
8,150.0	75.00	355.01	7,953.4	4,420.9	423.1	-36.8	424.7	10.00	524,654.08	720,192.47
8,200.0	80.00	355.01	7,964.3	4,431.8	471.7	-41.2	473.5	10.00	524,702.89	720,188.22
8,250.0	85.00	355.01	7,970.8	4,438.3	521.0	-45.5	523.0	10.00	524,752.06	720,183.91
8,302.2	90.22	355.01	7,973.0	4,440.5	572.8	-50.0	575.1	10.00	524,803.96	720,179.38
8,400.0	90.22	355.01	7,972.6	4,440.1	670.4	-58.6	673.0	0.00	524,901.43	720,170.87
8,500.0	90.22	355.01	7,972.2	4,439.7	770.0	-67.2	773.0	0.00	525,001.05	720,162.18
8,600.0	90.22	355.01	7,971.8	4,439.3	888.8	-75.8	873.0	0.00	525,100.67	720,153.48
8,700.0	90.22	355.01	7,971.5	4,438.0	988.3	-84.6	973.0	0.00	525,200.29	720,144.78
8,800.0	90.22	355.01	7,971.1	4,438.6	1,088.8	-93.3	1,073.0	0.00	525,298.91	720,136.08
8,900.0	90.22	355.01	7,970.7	4,438.2	1,188.6	-102.0	1,173.0	0.00	525,388.53	720,127.38
9,000.0	90.22	355.01	7,970.3	4,437.8	1,288.1	-110.7	1,273.0	0.00	525,499.15	720,118.68
9,100.0	90.22	355.01	7,969.9	4,437.4	1,387.8	-119.4	1,373.0	0.00	525,588.77	720,110.00
9,200.0	90.22	355.01	7,969.6	4,437.1	1,487.4	-128.1	1,473.0	0.00	525,696.38	720,101.30
9,300.0	90.22	355.01	7,969.2	4,436.7	1,587.0	-136.8	1,573.0	0.00	525,798.01	720,092.60
9,400.0	90.22	355.01	7,968.8	4,436.3	1,686.6	-145.5	1,672.9	0.00	525,887.63	720,083.91
9,500.0	90.22	355.01	7,968.4	4,435.9	1,786.2	-154.2	1,772.8	0.00	525,987.25	720,075.21
9,600.0	90.22	355.01	7,968.1	4,435.6	1,885.9	-162.9	1,872.8	0.00	526,086.87	720,066.51
9,700.0	90.22	355.01	7,967.7	4,435.2	1,985.5	-171.6	1,972.8	0.00	526,186.49	720,057.82
9,800.0	90.22	355.01	7,967.3	4,434.8	2,085.1	-180.3	2,072.8	0.00	526,286.11	720,049.12

PATHFINDER

A Schlumberger Company

Pathfinder
Pathfinder X & Y Report**PATHFINDER**
A Schlumberger Company

Devon Energy Production Company, L.P.
Eddy County
Shingles 28 State Com
#11
OH
Plan #1

Well #111
KB = 25 @ 3532 Surf (H&P 223)
KB = 25 @ 3532 Surf (H&P 223)
Gnd
Medium Curvature
EDM 5000.1 Single User Db

9,800.0	90.22	355.01	7,988.8	4,434.4	2,164.7	-189.0	2,172.9	0.00	528,395.73	720,040.42
10,000.0	90.22	355.01	7,988.6	4,434.1	2,284.3	-187.7	2,272.9	0.00	528,485.35	720,091.73
10,100.0	90.22	355.01	7,986.2	4,433.7	2,284.0	-206.4	2,372.9	0.00	526,594.97	720,023.03
10,200.0	90.22	355.01	7,985.8	4,433.3	2,463.8	-215.1	2,472.9	0.00	526,684.59	720,014.33
10,300.0	90.22	355.01	7,985.4	4,432.9	2,563.2	-223.8	2,572.9	0.00	526,794.22	720,005.64
10,400.0	90.22	355.01	7,985.1	4,432.5	2,662.8	-232.5	2,672.9	0.00	526,883.84	719,996.94
10,500.0	90.22	355.01	7,984.7	4,432.2	2,762.4	-241.2	2,772.9	0.00	526,993.46	719,988.24
10,600.0	90.22	355.01	7,984.3	4,431.8	2,862.1	-249.8	2,872.9	0.00	527,083.08	719,979.55
10,700.0	90.22	355.01	7,983.9	4,431.4	2,961.7	-258.6	2,972.9	0.00	527,182.70	719,970.85
10,800.0	90.22	355.01	7,983.5	4,431.0	3,061.3	-267.2	3,072.9	0.00	527,282.32	719,962.15
10,900.0	90.22	355.01	7,983.2	4,430.7	3,160.9	-275.8	3,172.9	0.00	527,391.94	719,953.46
11,000.0	90.22	355.01	7,982.8	4,430.3	3,260.5	-284.6	3,272.9	0.00	527,491.56	719,944.76
11,100.0	90.22	355.01	7,982.4	4,429.9	3,360.2	-293.3	3,372.9	0.00	527,591.18	719,936.06
11,200.0	90.22	355.01	7,982.0	4,429.5	3,459.8	-302.0	3,472.9	0.00	527,690.80	719,927.37
11,300.0	90.22	355.01	7,981.7	4,429.2	3,559.4	-310.7	3,572.9	0.00	527,790.42	719,918.67
11,400.0	90.22	355.01	7,981.3	4,428.8	3,659.0	-319.4	3,672.9	0.00	527,890.04	719,909.97
11,500.0	90.22	355.01	7,980.9	4,428.4	3,758.6	-328.1	3,772.9	0.00	527,989.66	719,901.28
11,600.0	90.22	355.01	7,980.5	4,428.0	3,858.3	-336.8	3,872.9	0.00	528,089.28	719,892.58
11,700.0	90.22	355.01	7,980.2	4,427.7	3,957.9	-345.5	3,972.9	0.00	528,188.90	719,883.88
11,800.0	90.22	355.01	7,979.8	4,427.3	4,057.5	-354.2	4,072.9	0.00	528,288.52	719,875.18
11,900.0	90.22	355.01	7,979.4	4,426.9	4,157.1	-362.9	4,172.9	0.00	528,388.14	719,866.49
12,000.0	90.22	355.01	7,979.0	4,426.5	4,256.7	-371.6	4,272.9	0.00	528,487.76	719,857.79
12,100.0	90.22	355.01	7,978.6	4,426.1	4,356.4	-380.3	4,372.9	0.00	528,587.38	719,849.10
12,200.0	90.22	355.01	7,978.3	4,425.8	4,456.0	-389.0	4,472.9	0.00	528,687.00	719,840.40
12,300.0	90.22	355.01	7,977.9	4,425.4	4,555.8	-397.7	4,572.9	0.00	528,786.62	719,831.70
12,400.0	90.22	355.01	7,977.5	4,425.0	4,655.2	-406.4	4,672.9	0.00	528,886.24	719,823.01
12,500.0	90.22	355.01	7,977.1	4,424.6	4,754.8	-415.1	4,772.9	0.00	528,985.86	719,814.31

A Schlumberger Company

Pathfinder

Pathfinder X & Y Report

PATH-FINDER
A Schlumberger Company

Devon Energy Production Company, L.P.
Eddy County

H^+
 OH^-
 H_2O

Web #14
KB = 25 @ 3532.5usn (H&P 223)
KB = 25 @ 3532.5usn (H&P 223)
Gold
Neumann Curvature
EDM 5000.1 Single User Db

12,600.0	90.22	365.01	7,958.8	4,424.3	4,854.5	-423.8	4,872.9	0.00	529,095.48	719,605.61
12,700.0	90.22	365.01	7,956.4	4,423.9	4,854.1	-432.5	4,972.9	0.00	529,185.10	719,786.92
12,800.0	90.22	365.01	7,956.0	4,423.5	5,083.7	-441.2	5,072.9	0.00	529,284.73	719,788.22
12,900.0	90.22	365.01	7,955.6	4,423.1	5,153.3	-449.9	5,172.9	0.00	529,384.35	719,779.52
13,000.0	90.22	365.01	7,955.3	4,422.6	5,262.9	-458.6	5,272.9	0.00	529,483.97	719,770.83
13,100.0	90.22	365.01	7,954.9	4,422.4	5,362.6	-467.3	5,372.9	0.00	529,583.59	719,762.13
13,200.0	90.22	365.01	7,954.5	4,422.0	5,452.2	-476.0	5,472.9	0.00	529,683.21	719,753.43
13,300.0	90.22	365.01	7,954.1	4,421.6	5,551.8	-484.7	5,572.9	0.00	529,782.83	719,744.74
13,400.0	90.22	365.01	7,953.7	4,421.2	5,651.4	-493.4	5,672.9	0.00	529,882.45	719,736.04
13,500.0	90.22	365.01	7,953.4	4,420.9	5,751.0	-502.1	5,772.9	0.00	529,982.07	719,727.34
13,600.0	90.22	365.01	7,953.0	4,420.5	5,849.4	-510.6	5,871.6	0.00	530,080.37	719,718.76

Checked By:

Approved By:

Date:



Ken Gray
Senior Advisor, Land

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8280
Office: (405) 552-4833
Fax: (405) 552-8113

CERTIFIED MAIL # 7010 1060 0000 0197 4547
RETURN RECEIPT REQUESTED

January 5, 2012

Yates Petroleum Corporation
105 S. Fourth Street
Artesia, NM 88210

Re: Shaqtus 26 State Com #1H
SHL 900' FNL & 1140' FWL
Section 35-T21S-R31E
BHL 330' FNL & 660' FWL
Section 26-T21S-R31E
Eddy County, New Mexico

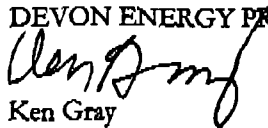
Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s ("Devon") administrative application for approval of an unorthodox well location covering the referenced Delaware Lower Brushy Canyon horizontal test well. Devon's records indicate that your company may be an affected person in an offset spacing unit and are entitled to notice of this application in accordance with Division Rule 104 (f). Objections to this application should be submitted in writing to the NMOCD within twenty (20) days from NMOCD receipt of this application. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned.

If there are any questions or if additional information is required, feel to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Advisor, Land

Yates Petroleum Corporation has no objection to this administrative application for unorthodox location.

By: _____

Title: _____

Date: _____



Ken Gray
Senior Advisor, Land

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Office: (405) 552-4833
Fax: (405) 552-8113

CERTIFIED MAIL # 7010 1060 0000 0197 4530
RETURN RECEIPT REQUESTED

January 5, 2012

Oxy U.S.A., Inc.
P.O. Box 4294
Houston, Texas 77210

Re: Shaqtus 26 State Corn #1H
SHL 900' FNL & 1140' FWL
Section 35-T21S-R31E
BHL 330' FNL & 660' FWL
Section 26-T21S-R31E
Eddy County, New Mexico

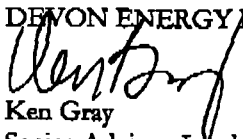
Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s ("Devon") administrative application for approval of an unorthodox well location covering the referenced Delaware Lower Brushy Canyon horizontal test well. Devon's records indicate that your company may be an affected person in an offset spacing unit and are entitled to notice of this application in accordance with Division Rule 104 (f). Objections to this application should be submitted in writing to the NMOCDC within twenty (20) days from NMOCDC receipt of this application. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned.

If there are any questions or if additional information is required, feel to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Advisor, Land

Oxy U.S.A., Inc. has no objection to this administrative application for unorthodox location.

By: _____

Title: _____

Date: _____

devon

DEVON ENERGY CORPORATION
20 North Broadway
Oklahoma City, Oklahoma 73102-6260

2012 JAN -5 A 10:31

FAX

To: DAVID BROOKS

From: KEN GRAY

Fax: 505-476-3462

Date: 1/5/12

Phone:

Pages: 18 (including cover page)

Re: SHASTUS 26 STATE COM #114 CC:

☐ Urgent

☒ For Review

☐ Please Comment

☐ Please Reply

☐ Please Recycle

• Comments:

Brooks, David K., EMNRD

From: Gray, Ken [Ken.Gray@dvn.com]
Sent: Thursday, January 12, 2012 2:07 PM
To: Brooks, David K., EMNRD
Subject: FW: Shaqtus 26 State Com #1H, Eddy County
Attachments: Scanned from a Xerox multifunction device001.pdf

David, attached is Oxy's waiver for our NSL application for the Shaqtus 26 State Com #1 for your files.

From: Donna Havins@oxy.com [mailto:Donna_Havins@oxy.com]
Sent: Thursday, January 12, 2012 3:01 PM
To: Gray, Ken
Subject: Shaqtus 26 State Com #1H, Eddy County

Ken
Attached is the signed waiver for Devon's NSL application for the subject well.

Regards,
Donna

Donna G. Havins
Team Lead Land
OXY USA Inc.
Occidental Permian Ltd
5 Greenway Plaza, Suite 110
Houston, TX 77046
P.O. Box 27757 (77227-7757)
Dir: (713) 215-7232
Cell: (713) 202-7559
Fax: (713) 985-1818
email: donna_havins@oxy.com

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.


devon

Ken Gray
Senior Advisor, Land

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Office: (405) 552-4633
Fax: (405) 552-8113

CERTIFIED MAIL # 7010 1060 0000 0197 4530
RETURN RECEIPT REQUESTED

January 5, 2012

Oxy U.S.A., Inc.
P.O. Box 4294
Houston, Texas 77210

Re: Shaqtus 26 State Com #1H
SHL 900' FNL & 1140' FWL
Section 35-T21S-R31E
BHL 330' FNL & 660' FWL
Section 26-T21S-R31E
Eddy County, New Mexico

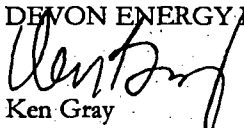
Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s ("Devon") administrative application for approval of an unorthodox well location covering the referenced Delaware Lower Brushy Canyon horizontal test well. Devon's records indicate that your company may be an affected person in an offset spacing unit and are entitled to notice of this application in accordance with Division Rule 104 (f). Objections to this application should be submitted in writing to the NMOCD within twenty (20) days from NMOCD receipt of this application. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned.

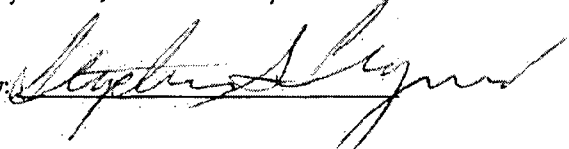
If there are any questions or if additional information is required, feel to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Advisor, Land

Oxy U.S.A., Inc. has no objection to this administrative application for unorthodox location.

By: 

Title: Land Manager

Date: 1-12-12

3

Brooks, David K., EMNRD

From: Gray, Ken [Ken.Gray@dvn.com]
Sent: Wednesday, February 01, 2012 11:15 AM
To: Brooks, David K., EMNRD
Cc: McCurdy, Sam
Subject: RE: Shaqtus 26 State Com #1H - NSL Application

David, please accept this email as Devon's affirmation to you that no part of the "completed interval" as defined in Section 19.15.16.7.B of the Commission's Adopted Rules (effective 2-15-12) lies outside the proposed project area being the W/2 W/2 of Section 26-21S-31E, Eddy County, NM and further affirming that the "completed interval" is entirely within Section 26. Please advise if additional information is required.

Ken Gray
Devon Energy Production Company, L.P.

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Wednesday, February 01, 2012 11:24 AM
To: Gray, Ken
Subject: Shaqtus 26 State Com #1H - NSL Application

Dear Mr. Gray

Since the penetration point of the Delaware in the well is outside the proposed project area, we will need an affirmation from you that no part of the "completed interval" as defined in Section 19.15.16.7.B of the Commission's Adopted Rules (effective 2-15-12) lies outside the proposed project area (being, as we understand, the W/2 W/2 of Section 26. Although the adopted rules are not yet in effect, the present rule, as we interpret it, requires dedication to the well of all units traversed by the wellbore, and the affirmation in the terms of the proposed rule that the "completed interval" is entirely within Section 26, will give us a basis for allowing an exception to that requirement.

Sincerely

David K. Brooks

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.