

3-27-12 DATE IN	SUSPENSE	ENGINEER DB	LOGGED IN 3.28.12	TYPE NSL	APP NO. 1208857674
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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 OGD
DEVON
2012 MAR 27 A 9:22
6137

Playa 2 State Well #2H

ADMINISTRATIVE APPLICATION CHECKLIST

30-025-

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]

Devon
Playa 2 St #2H

6602

[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 _____

2-195-34E

80 acre pool
R-2589

[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

James Bruce
Signature

Attorney

Title

3/26/12

Date

jamesbruc@aol.com
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

March 26, 2012

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>	Playa 2 State Well No. 2H
<u>Surface location:</u>	330 feet FSL & 760 feet FWL
<u>Penetration point:</u>	530 feet FSL and 760 feet FWL
<u>Beginning of productive interval:</u>	930 feet FSL and 760 feet FWL
<u>Bottom hole location:</u>	330 feet FNL & 760 feet FWL
<u>Well unit (project area):</u>	Lot 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$, and W $\frac{1}{2}$ SW $\frac{1}{4}$ (W $\frac{1}{2}$ W $\frac{1}{2}$) of Section 2, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico

Applicant proposes to drill the well to test the Bone Spring formation, in the third Bone Spring Sand (Scharb-Bone Spring Pool). Under Order No. R-2589, the pool is spaced on 80 acres, with wells to be located within 200 feet of the center of a quarter-quarter section line.

The surface location and bottom hole location were selected to maximize the length of the lateral and thus increase the productive interval.

The offset operators or working interest owners are as follows:

SW $\frac{1}{4}$ §35-18S-34E
COG Operating LLC

6137

NW¼ §11-19S-34E

Charles D. Ray

Exhibit A. Notice was given to the offsets by the letter marked as **Exhibit B.**

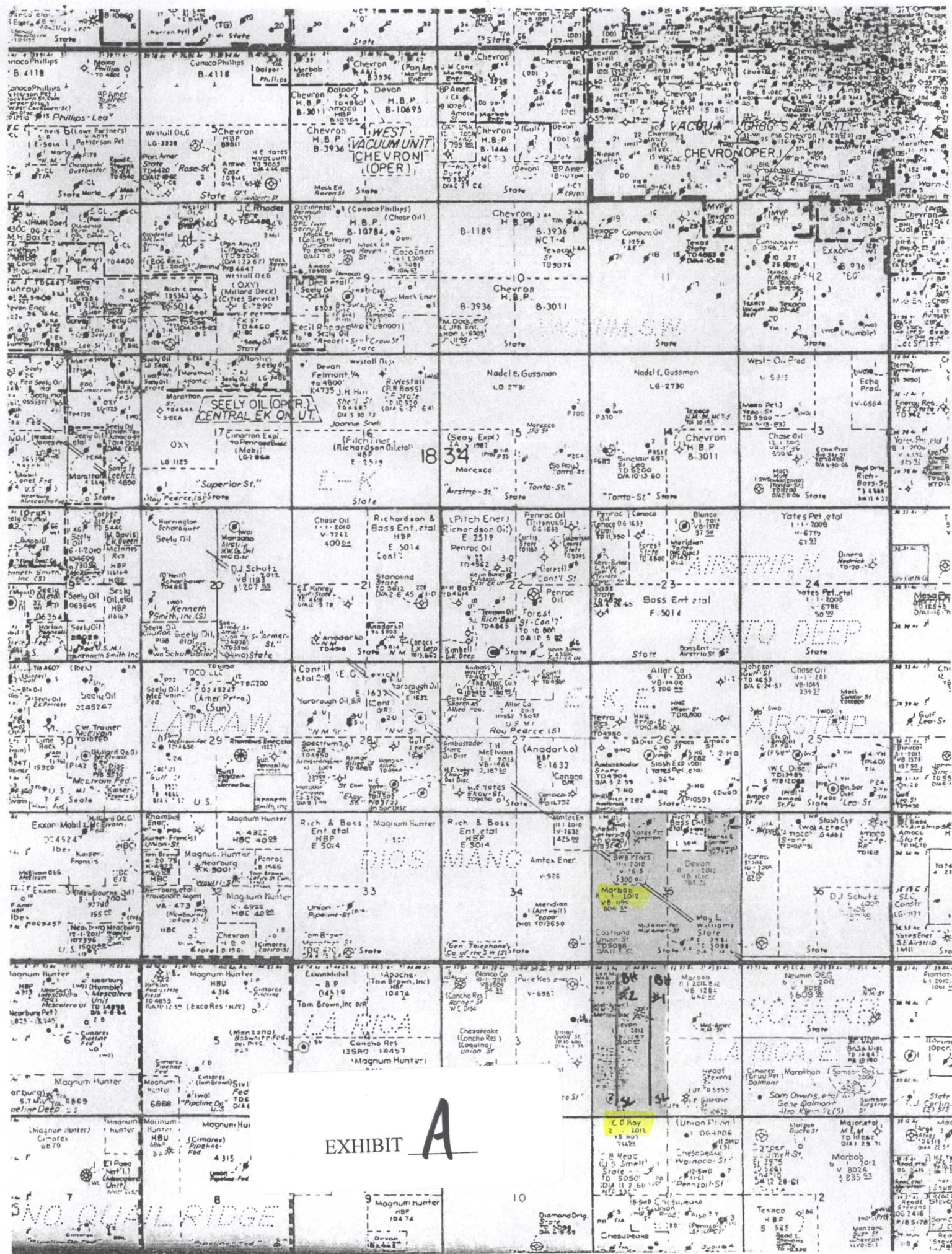
Please contact me if you need any further information on this application.

Very truly yours,

A handwritten signature in black ink, appearing to read "James Bruce". The signature is fluid and cursive, with a large initial "J" and "B".

James Bruce

Attorney for Devon Energy Production Company, L.P.



JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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SANTA FE, NEW MEXICO 87501

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jamesbruc@aol.com

March 26, 2012

Certified Mail – Return Receipt Requested

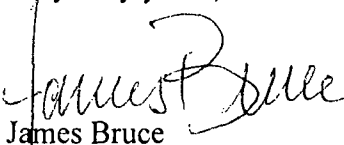
COG Operating, LLC
Suite 100
550 West Texas Avenue
Midland, Texas 79701

Charles D. Ray
P.O. Box 51608
Midland, Texas 79710

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 W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 2, Township 19 South, Range 34 East, NMPM, Lea 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

B

GEOLOGIC PROGNOSIS

WELL NAME: Playa 2 State 2H 2-19S-34E API#: 30-025-
 SURFACE LOCATION 760 FWL & 330 FSL 2-19S-34E
 BOTTOM HOLE LOCATION BHL 760 FWL & 330 FNL (0 degree azimuth from surface location) 2.5 degree updip
 PLANNED TD: PRIMARY OBJECTIVE: 3rd BONE SPRING SAND
 KB: 4000 GL: 3975 MUD: CUT BRINE (confirm on location) BIT: CASING:
 RIG: RIG CONTACT:
 PRODUCING FM.: 3rd Bone Spring POOL NAME: Corbin
 ESTIMATED BHP/BHT: 4600 psi 130degF

GEOLOGISTS: ZACH POLAND AND STEVE BURNS

office: 405-228-8849/ 405-228-4346 cell (after hours/weekends): 405-323-1411/ 405-301-4852 home:
 email: Zach.Poland@dvn.com/ stephen.burns@dvn.com mailing address: Devon Energy, 20 N Broadway, Oklahoma City, OK 73102-8260

REFERENCE WELLS

WELL	LOCATION
MidAmerican Petroleum Inc. 1 New Mexico A State	660 fsl and 2080 fel 35-18S-34E

KNOWN OR POTENTIAL HAZARDS/REMARKS.

No known hazards.

No Pilot Hole

GEOLOGIC MARKERS

KB:	FORMATION / CASING	PROGNOSIS		MUDLOG			E-LOG			NOTES
		MD	subsea	MD	subsea	hi/lo	MD	subsea	hi/lo	
4000	QUATERNARY	20	3980							
	RUSTLER DOL	1960	2040							
	SALADO SALT	2270	1730							
	YATES SS	3550	450							
	QUEEN SS.	4820	-820							
	GRAYBURG	5400	-1400							
	CHERRY CANYON	6951	-2951							
	BRYSHY CANYON	7670	-3670							
	1ST BONE SPRING LM.	8075	-4075							
	1ST BONE SPRING SS	9415	-5415							
	2ND BONE SPRING LM	9620	-5620							
	2ND BONE SPRING SS	9955	-5955							
	3rd Bone Spring Lime	10445	-6445							
	3rd Bone Spring Sand	10595	-6595							
	3rd Bone Spring Sand Target	10740	-6740							Primary Pay Target Oil

Total Depth

MUDLOGGING PROGRAM

2 MAN SERVICE CASING TO TD. MORNING REPORT AT 9AM OKLAHOMA CITY TIME TO ZACH POLAND.

Weatherford Surface Logging Systems

PROBABLE CORES AND/OR DST'S

FORMATION	APPROXIMATE DEPTH
No whole cores, rotary sidewall cores, or DSTs planned.	