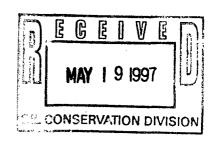


20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260 Telephone 405/235-3611 FAX 405/552-4550

May 16, 1997

Certified Mail P 619 404 411

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87504 - 2088



Attention: Mike Stogner

Re: Non - Standard Location Approval

Dear Sir:

It is requested that administrative approval be granted under Rule 104F. (1) for the unorthodox location for the infill producing well:

WELL

LOCATION

V. L. Foster #8

255' FNL & 330' FEL, Sec. 17-17S-31E

Attached is a plat of the V. L. Foster lease showing the lease boundaries that are adjacent to the subject well. Forms 3160 - 3 and C - 102 are attached for the well listed above. The V. L. Foster lease is located on federal property.

The above location does not conform to Rule 104. C. I. because it is located closer than 330' to lease line. It will be drilled to a depth sufficient to produce the Grayburg - San Andres formation (approximately 4000'). The well will be drilled at the unorthodox location in order to avoid an archaeological site. The encroachment will be on the Keel "B" lease which we currently operate and own 100% of the working interest.

6-24-97 how how the wednesday of the winder of hellable

The V. L. Foster #8 is offset by two side tracks & three diagonal tracts operated by Devon Energy Corporation. Marbob is the operator on one of the other side tracks. Ray Westall is the operator of the other side & diagonal tracts. Enclosed is a copy of the letters sent to Marbob & Ray Westall giving required notice.

Should you require any additional information regarding the unorthodox location, please notify me at 405-552-4527.

Sincerely,

Karen Byers

Engineering Technician

Karen Byers

enclosures (4)

cc:

Bureau of Land Management - Carlsbad, NM

DISTRICT II

P. O. Drawer DD

Artesia, NM 88211-0719

DISTRICT III 1000 Rio Brazos Rd.

Aztec, NM 87410

State of New Mexico Energy, Minerals, and Natural Resources Department

Form C-102 Revised 02-10-94

Instructions on back

Submit to the Appropriate District Office State Lease — 4 copies Fee Lease — 3 copies

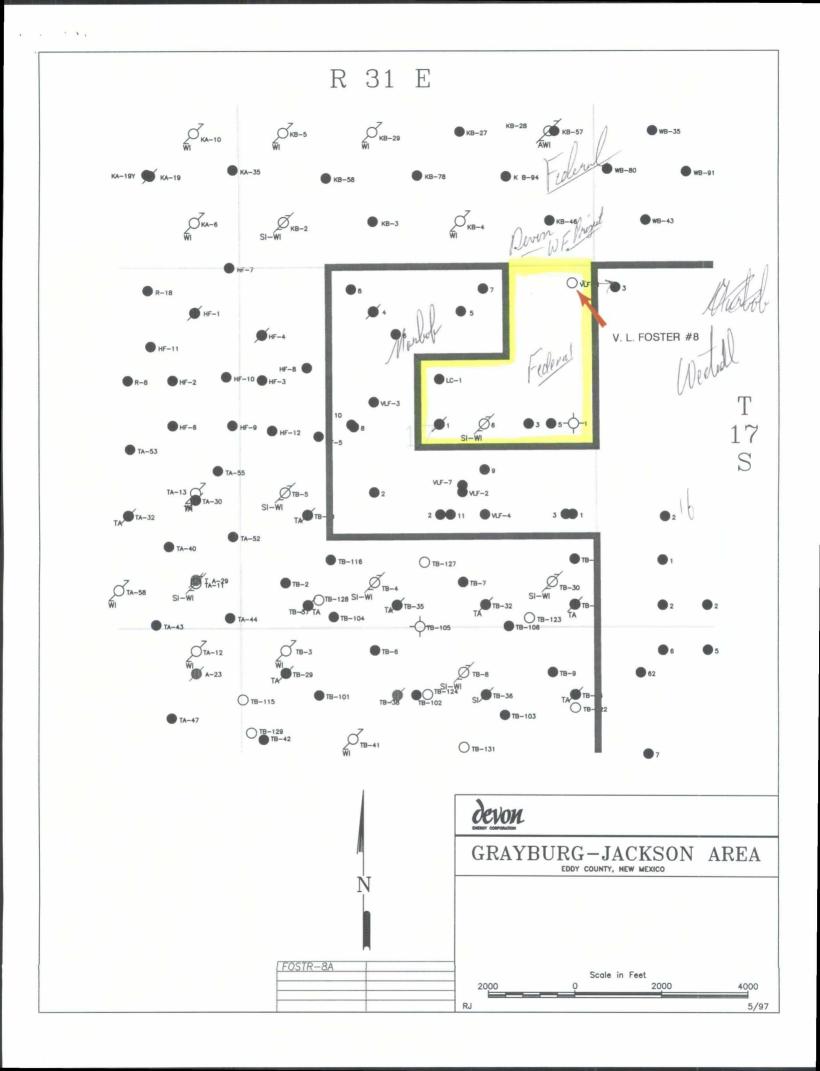
OIL CONSERVATION DIVISION P. 0. Box 2088 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

DI	STR	ICT	<u>IV</u>	
			2088	

Sonto Fe, NM 87507-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		² Pool Code		3 Poo	3 Pool Name									
			Grayburg Jackson							n (QN, SR, GB, SA)				
Property Code 5 Property 20082		5 Property N	V. L. FOSTER						• Well Number #8					
Operator		Operator N							Elevation					
6137		<u> </u>	DEVON ENERGY CORPORATION (Nevada						3778'					
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"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE														
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									JOB #18184	LAHU/30855W	/ VHB			





20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260

Telephone 405/235-3611 FAX 405/552-4550

May 16, 1997

Marbob Energy Corp. 11352 Lovington Hwy Artesia, NM 88210

Certified Letter #: P 619 404 409

Dear Sir:

The BLM has issued Devon Energy Corp. a permit to drill the V. L. Foster #8. The well offsets your wells in Unit B, Sec. 17 - T17S - R31E. Dwights Production Data show that you operate the following wells:

Foster Eddy #'s 5 & 7, Unit B, Sec. 17-17S-31E

The V. L. Foster #8 will be located 255' FNL & 330' FEL, Sec. 17-17S-31E as shown on the enclosed plat. The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a lease. Although this location is considered unorthodox it will not be within 330' of your lease boundry.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at (405) 552 - 4527.

Sincerely,

Karen Byers

Engineering Technician

Karen Byers

enclosure

cc

Oil Conservation Division - Santa Fe, New Mexico Bureau of Land Management - Carlsbad, New Mexico



20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260 Telephone 405/235-3611 FAX 405/552-4550

May 16, 1997

Ray Westall Operating, Inc. P. O. Box 4 Loco Hills, NM 88255-0004

Certified Letter #: P 619 404 410

Dear Sir:

The BLM has issued Devon Energy Corp. a permit to drill the V. L. Foster #8. The well offsets your wells in Unit D, Sec. 16 - T17S - R31E. Dwights Production Data show that you operate the following wells:

Kersey State #3, Unit D, Sec. 16-17S-31E

The V. L. Foster #8 will be located 255' FNL & 330' FEL, Sec. 17-17S-31E as shown on the enclosed plat. The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a lease. Although this location is considered unorthodox it will not be within 330' of your lease boundry.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at (405) 552 - 4527.

Sincerely,

Karen Byers

Engineering Technician

Karen Byers

enclosure

cc

Oil Conservation Division - Santa Fe, New Mexico Bureau of Land Management - Carlsbad, New Mexico

ONGARD CMD : OG6C101 C101-APPLICATION FOR PERMIT TO DRILL 06/24/97 13:40:38

OGOMES -EMEA

: 6137 API Well No: 30 15 29400 APD Status(A/C/P): A OGRID Idn

Opr Name, Addr: DEVON ENERGY CORP (NEVADA) Aprvl/Cncl Date : 02-26-1997

20 N BROADWAY SU 1500 OKLAHOMA CITY, OK 73102

Well No: 8 Prop Idn: 20082 V L FOSTER

U/L Sec Township Range Lot Idn North/South East/West

FTG 255 F N FTG 330 F E Surface Locn: A 17 17S 31E

: A API County : 15 OCD U/L

Work typ (N/E/D/P/A) : N Well typ (O/G/M/I/S/W/C) : O Cable/Rotary (C/R) : R

Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation: 3778

Multiple Comp (Y/N) : N State Lease No:

Prpsd Depth : 4200 Prpsd Frmtn : SAN ANDRES

E0009: Enter data to modify record

PF03 EXIT PF04 GoTo PF05 PF01 HELP PF02 PF06 CONFIRM

PF09 PRINT PF10 C102 PF11 HISTORY PF12 PF07 PF08