

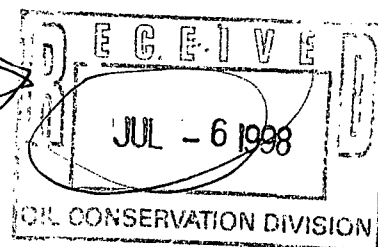
devon

ENERGY CORPORATION

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

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

June 30, 1998



New Mexico Energy, Mineral & Natural Resources Dept.
Oil Conservation Division
Attention: Mike Stogner
2040 South Pacheco
Santa Fe, New Mexico 87504 - 2088

CERTIFIED MAIL: Z 076 700 872

Re: Non - Standard Location Approval

Dear Sir:

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

WELL	LOCATION
Turner A #61	1050' FNL & 25' FEL, Sec. 19-17S-31E

Forms 3160 - 3 and C - 102 are attached for the well listed above.

The above location does not conform to Rule 104. C. I. because it is located closer than 330' to the governmental quarter - quarter section boundary. 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 prevent waste by developing an efficient production injection pattern within the Turner "A" Waterflood Project, which was approved under Order R - 3185-A and to avoid an archaeological site. When fully developed this well will combine with the existing wells (some of which will eventually be converted to injection) to establish a 40 acre 5 spot waterflood pattern.

Since we are the operator and own 100% of the working interest of the offsetting 40 acre tracts, no notice is necessary. There are no overriding royalty interest owners in the Turner B lease. The Bureau of Land Management has matching royalty interest in the Turner A & Turner B leases. Copies of notification to the Bureau of Land Management with certified mail number is attached. Copies of the return receipt will be forwarded to you when it is received.

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

Sincerely,

Karen Byers

Karen Byers
Engineering Technician

Enclosures (4)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other
2. Name of Operator DEVON ENERGY CORPORATION (NEVADA)
3. Address and Telephone No. 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 (405) 235-3611
4. Location of Well (Footage. Sec., T., R., M., or Survey Description) 1050' FNL & 25' FEL, Sec. 19-17S-31E

5. Lease Designation and Serial No. LC-0229395-A
6. If Indian, Allottee or Tribe Name
7. If Unit or CA, Agreement Designation
8. Well Name and No. Turner A #61
9. API Well No.
10. Field and Pool, or Exploratory Area Grayburg Jackson
11. County or Parish, State Eddy County, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other _____	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Devon Energy Corporation plans to change the name and location of this well as follows:

From: Turner B #115

to: Turner A #61

And

From: 1050' FNL & 25' FWL, Sec. 20-17S-31E

To: 1050' FNL & 25' FEL, Sec. 19-17S-31E

Enclosed is a plat showing the new location.

14. I hereby certify that the foregoing is true and correct

Signed Karen Byers

Karen Byers

Title Engineering Technician

Date 5/13/98

(This space for Federal or State office use)

Approved by Earl Smith

Title Acting Field Office Mgr.
Lands & Minerals

Date 6/24/98

Conditions of approval, if any:

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

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

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

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name Grayburg Jackson	
4 Property Code 20077		5 Property Name Turner A-			6 Well Number 61
7 OGRID No. 6137		8 Operator Name DEVON ENERGY Corporation (Nevada)			9 Elevation 3662'

¹⁰ SURFACE LOCATION

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	19	17 SOUTH	31 EAST, N.M.P.M.		1050'	NORTH	25'	EAST	EDDY

"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

OPERATOR CERTIFICATION

*I hereby certify that the information
contained herein is true and complete
to the best of my knowledge and belief.*

Signature

Printed Name: David Jackson

Randy Jackson

Title
District Engineer

Date _____

5/13/98

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.

Date of

Signature and Seal of
Professional Surveyor

1212

Certificate No.

ROGER M. ROBBINS P.S. #12128

JOB #58323/ 98 SW / JSJ

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN
(See other instructions on
reverse side)OPERATOR'S COPY
Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

b. TYPE OF WELL:

OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

DEVON ENERGY CORPORATION (Nevada)

3. ADDRESS AND TELEPHONE NO.

20 N. BROADWAY, SUITE 1500, OKC, OK 73102 (405) 552-4560

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1050' FNL & 25' FWL

UNORTHODOX LOCATION
At top proposed prod. zone (SAME)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

5 miles east & 1 mile north of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED
LOCATION TO NEARESTPROPERTY OR LEASE LINE, FT. 25'
(Also to nearest dril. unit line if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 600'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3663'

16. NO. OF ACRES IN LEASE

609.43

19. PROPOSED DEPTH

4200'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS*

Rotary

22. APPROX. DATE WORK WILL START*

October 1, 1997

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8" H-40	48.0#	40'	Cemented to surface w/Redimix
12 1/4"	8 5/8" J-55	24.0#	400' 425'	125 sk PSL C + 200 sk Class "C"
7 7/8"	5 1/2" J-55	15.5#	4200'	550 sk PSL C + 425 sk C1 H w/10% Gypsum

We plan to circulate cement to surface on all casing strings. Devon Energy Corporation (Nevada) proposes to drill to 4200' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal Regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Exhibits #1/1-A = Blowout Prevention Equipment
Exhibit #2 = Location and Elevation Plat
Exhibit #3/3-A = Road Map and Topo Map
Exhibit #4 = Wells Within 1 Mile Radius
Exhibit #5 = Production Facilities Plat
Exhibit #6 = Rotary Rig Layout
Exhibit #7 = Casing Design
H2S Operating Plan

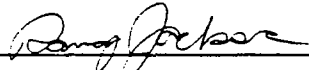
The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
Lease No. LC029395-A
Legal Description: Section 20-T17N-R31E
Bond Coverage: Nationwide
BLM Bond No.: CO1104

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If...
proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED



RANDY JACKSON

TITLE DISTRICT ENGINEER

DATE

7/7/97

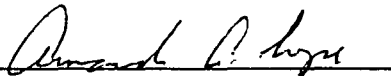
*(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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:

APPROVED BY



TITLE

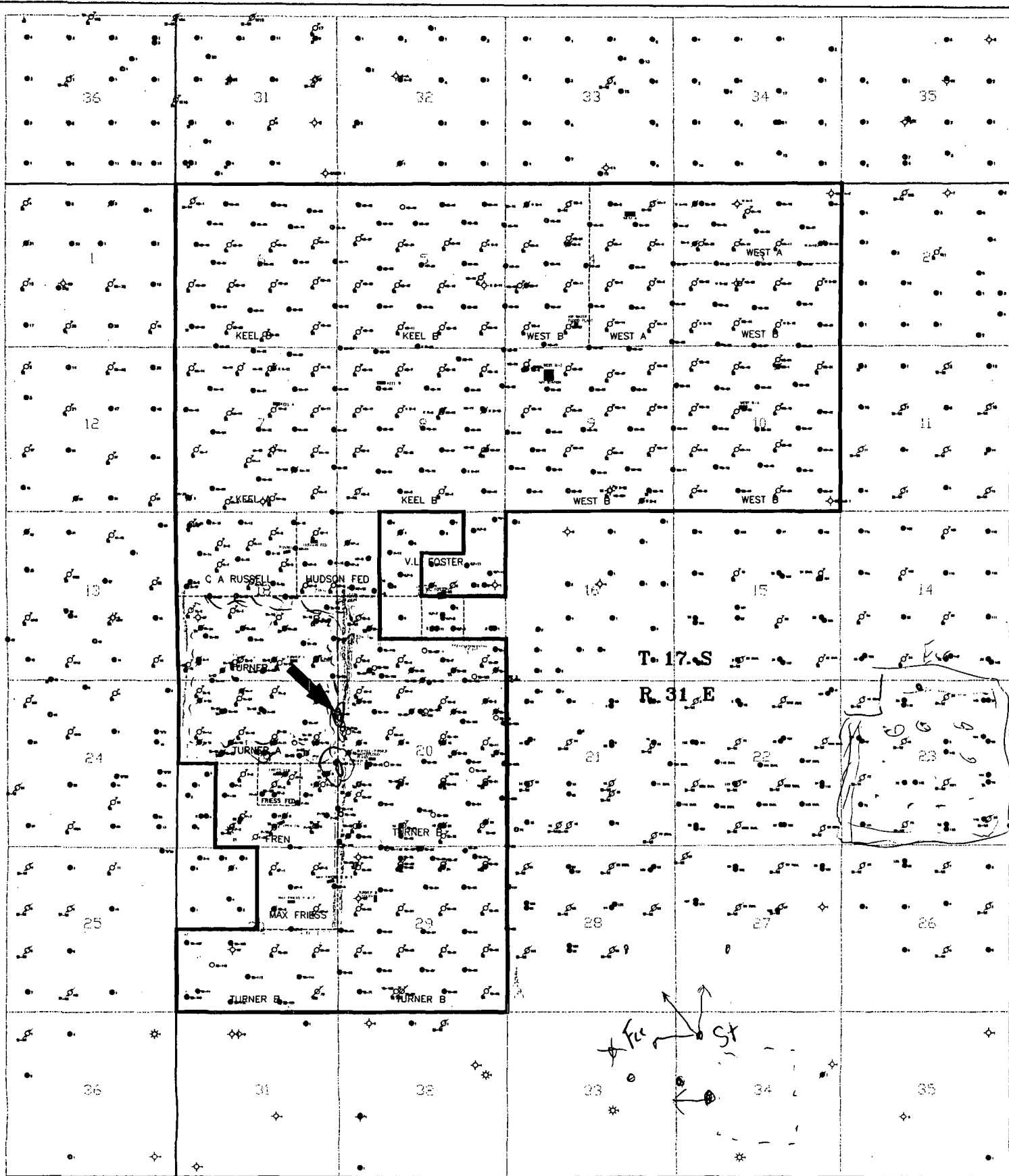
Acting ADM - Mineral

DATE

4/7/98

See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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



devon
GRAYBURG-JACKSON AREA
GRAY COUNTY, NEW MEXICO

Scale in Feet
0 1000 2000 3000 4000
DEVELOPMENT 5/78

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 12036
ORDER NO. R-11083

**APPLICATION OF DEVON ENERGY CORPORATION (NEVADA) FOR AN
UNORTHODOX OIL WELL LOCATION, EDDY COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on September 3, 1998, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 16th day of November, 1998, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) Devon Energy Operating Corporation (Nevada) ["Devon"] is the operator of the Turner "A" (Lease) Grayburg-Jackson Waterflood Project and the Turner "B" (Lease) Grayburg-Jackson Waterflood Project, both established by Division Order No. R-3185, as amended by Orders No. R-3185-A, R-3528, and R-3528-A. The waterflood projects comprise the following described areas in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico:

(a) Turner "A" (Lease) Grayburg-Jackson Waterflood
Project Area

Section 18: S/2
Section 19: N/2

(b) Turner "B" (Lease) Grayburg-Jackson Waterflood Project Area

Section 17: NW/4 SW/4 and S/2 S/2

Section 20: All
Section 29: All
Section 30: SE/4

(3) The Grayburg-Jackson Pool within both projects is subject to the statewide rules for oil wells set forth in **Rules 104.C(1) and F(1)** which provide for 40-acre oil spacing and proration units, or drilling units, and requires that wells be located no closer than 330 feet to the outer boundary of the lease or unitized area (pressure maintenance/waterflood project area), nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.

(4) Devon now seeks approval for a non-standard oil well location for the purpose of completing an efficient production/injection pattern between these two separate waterflood project areas. The proposed Turner "B" Well No. 115 is to be drilled 1050 feet from the North line and 25 feet from the West line (Unit D) of Section 20, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico. The existing 40-acre oil spacing and proration unit comprising the NW/4 NW/4 (Unit D) that is currently dedicated to Devon's Turner "B" Well No. 101 (**API No. 30-015-26695**), located 990 feet from the North line and 1150 feet from the West line of Section 20, is to be simultaneously dedicated to the Turner "B" Well No. 115.

(5) Devon has drilled and completed three other wells on this line over the last 2 ½ years:

- (a) the Turner "A" Well No. 44 (**API No. 30-015-28771**), located 150 feet from the South line and 160 feet from the East line (Unit P) of Section 18, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico, approved by Division Administrative Order NSL-3616, dated January 18, 1996;
- (b) the Turner "A" Well No. 51 (**API No. 30-015-28758**), located 2632 feet from the North line and 75 feet from the East line (Unit H) of Section 19, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico, also approved by Division Administrative Order NSL-3616; and
- (c) the Turner "A" Well No. 52 (**API No. 30-015-28795**), located 1335 feet from the South line and 110 feet from the East line (Unit I) of Section 18, approved by Division Administrative Order NSL-3632, dated February 28, 1996.

(6) The allocation of production and the distribution of well costs for the existing Turner "A" Wells No. 44, 51, and 52 and the proposed Turner "B" Well No. 115 should be divided between both leases in a fair and equitable manner.

(7) This case was advertised, "In the absence of objection, this case will be taken under advisement."

(8) No other affected party, owner or operator appeared at the hearing in opposition to this application.

IT IS THEREFORE ORDERED THAT:

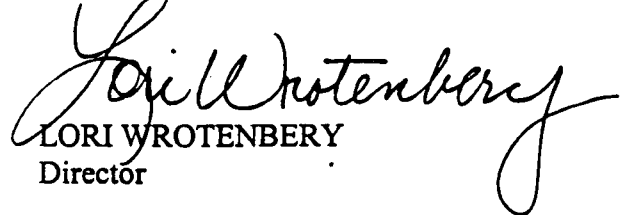
(1) The application of Devon Energy Corporation (Nevada) ["Devon"] to drill its Turner "B" Well No. 115 at an unorthodox oil well location 1050 feet from the North line and 25 feet from the West line (Unit D) of Section 20, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Turner "A" (Lease) Grayburg-Jackson Waterflood Project Area, Eddy County, New Mexico, is hereby approved.

(2) The existing 40-acre oil spacing and proration unit comprising the NW/4 NW/4 (Unit D) that is currently dedicated to Devon's Turner "B" Well No. 101 (API No. 30-015-26695), located 990 feet from the North line and 1150 feet from the West line of Section 20, is to be simultaneously dedicated to the Turner "B" Well No. 115.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director

SEAL