

DATE IN 1/20/04	SUSPENSE 2-9-2004	ENGINEER MS	LOGGED IN ME	TYPE NSL	APP NO. [REDACTED]
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ABOVE THIS LINE FOR DIVISION USE ONLY

MESO-402331768

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



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]

RECEIVED

JAN 20 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

[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.

James Bruce

Print or Type Name

Signature

Attorney for Applicant

Title

jamesbruc@aol.com

e-mail Address

Date

1/16/04

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

January 16, 2004

Hand Delivered

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Devon Energy Production Company, L.P. ("Devon") applies for administrative approval of unorthodox oil well locations for the following wells:

<u>Well:</u>	Eagle 35C Federal Well No. 16
<u>Location:</u>	990 feet FNL & 1525 feet FWL (<i>Unit C</i>)
<u>Well Unit:</u>	NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 35, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

<u>Well:</u>	Eagle 35E Federal Well No. 11 (<i>Unit E</i>)
<u>Location:</u>	1800 feet FNL & 1100 feet FWL
<u>Well Unit:</u>	SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 35, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

Devon requests approval of simultaneous dedication of this well unit with the existing Eagle 35E Federal Well No. 10.

The wells will be drilled to test the Glorieta/Yeso formations (Undesignated Northeast Red Lake Glorieta-Yeso Pool), which is developed on statewide rules. Form C-102's for the wells are attached as Exhibits A-1 and A-2.

The application is based on engineering and topographic reasons. Attached as Exhibit B is a well plat of Glorieta-Yeso wells drilled or being drilled by Devon in Sections 34 and 35. Devon has an ongoing program to develop the Glorieta-Yeso by drilling two wells in each quarter-quarter section, in a northeast-southwest pattern. Wells are being placed in the northeast and southwest corners of

each well unit to equalize the distance between the wells.

Attached as the fourth page of Exhibit A-1 is a survey plat of the well unit for Well No. 16. There is a pipeline to the east of the wellsite, requiring the well to be moved west of an orthodox location.

Attached as the fourth page of Exhibit A-2 is a survey plat of the well unit for Well No. 11. Also attached, as Exhibit C, is an aerial photo. There are pipelines, lease roads, electric lines, and an existing well, requiring the well to be moved east of an orthodox location.

Attached as Exhibit D is a land plat, highlighting the two well units. The following leases are involved:

<u>Acreage</u>	<u>Lease</u>
E $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 35	United States Lease LC 050158
NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 35	United States Lease LC 067849
SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 35	United States Lease NM 0557370

The interest owners in each lease are listed in Exhibit E. Royalty interests are the same in all leases, and there are no adversely affected working interest owners to notify. The overriding royalty owners have been notified of this application by the letter attached as Exhibit F.

Please call me if you need any further information on this matter.

Very truly yours,



James Bruce

Attorney for Devon Energy
Production Company, L.P.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. TYPE OF WORK: ☒ DRILL ☐ REENTER

b. TYPE OF WELL: ☒ OIL WELL ☐ GAS WELL ☐ Other ☐ SINGLE ZONE ☐ MULTIPLE ZONE

2. NAME OF OPERATOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

3a. ADDRESS AND TELEPHONE NO.

20 NORTH BROADWAY, SUITE 1500, OKC, OK 73102

3b. TELEPHONE (Include area code).

(405) 235-3611

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

At surface (E) 1800 FNL & 1100 FWL

At top proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.

NMNM0557370

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME, WELL NO.

Eagle 35 Federal #11

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT

Red Lake; Glorieta-Yeso

NE

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec 35, T-17-S, R-27-E

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

Approximately 5 miles southeast of Artesia, NM

12. COUNTY OR PARISH

Eddy

13. STATE

New Mexico

15. DISTANCE FROM PROPOSED
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

1100

16. NO. OF ACRES IN LEASE

640.00

17. Spacing Unit dedicated to this well

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

4000'

20. BLM/BIA Bond No. on file

CO-1104

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

3575' GL

22. APPROX. DATE WORK WILL START*

May 30, 2003

23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall 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 shall 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 authorized officer.

Devon Energy proposes to drill a San Andres, Glorieta-Yeso well to TD 4,000' ± for commercial quantities of oil and gas. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations. Devon Energy Production Company, LP will drill the well per the Master Drilling and Surface Use Program submitted for the Red Lake Field.

Directions: From the junction of Co. Rd. 204 and Co. Rd. 258, go south on Co. Rd. 204 from approx 0.25 mile to co. Rd. 225; thence southwesterly on Co. Rd. 225 for approx 1.25 mile to a lease road; thence northwesterly on lease road for approx 0.4 mile; thence north for approx 0.1 mile to a point on the proposed well pad.

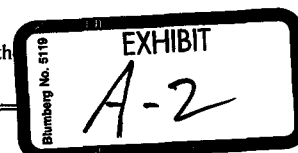
25. Signature	Name (Printed/Typed) Karen Cottom	Date
Title Engineering Technician		
Approved by (signature)	Name (Printed/Typed)	Date
Title	Office	

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.

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

*(Instructions on reverse)



Additional Operator Remarks:

Devon Energy proposes to drill a San Andres, Glorieta-Yeso well to TD 4,000' for commercial quantities of oil and gas. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations. Devon Energy Production Company, LP will drill the well per the Master Drilling and Surface Use Program submitted for the Red Lake Field.

Directions: From the junction of Co. Rd. 204 and Co. Rd. 258, go south on Co. Rd. 204 from approx 0.25 mile to Co. Rd. 225; thence southwesterly on Co. Rd. 225 for approx 1.25 mile to a lease road; thence northwesterly on lease road for approx 0.4 mile; thence north for approx 0.1 mile to a point on the proposed well pad.

DISTRICT I
1825 N. French Dr., Mobe, NM 88240

DISTRICT II
511 South First, Artesia, NM 88210

DISTRICT III
1006 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 51120 96936	Pool Name RED LAKE GLORIETA YESO NE
Property Code	Property Name EAGLE 35E FEDERAL	Well Number 11
OCRD No. 6137	Operator Name DEVON ENERGY PRODUCTION CO., L.P.	Elevation 3575'

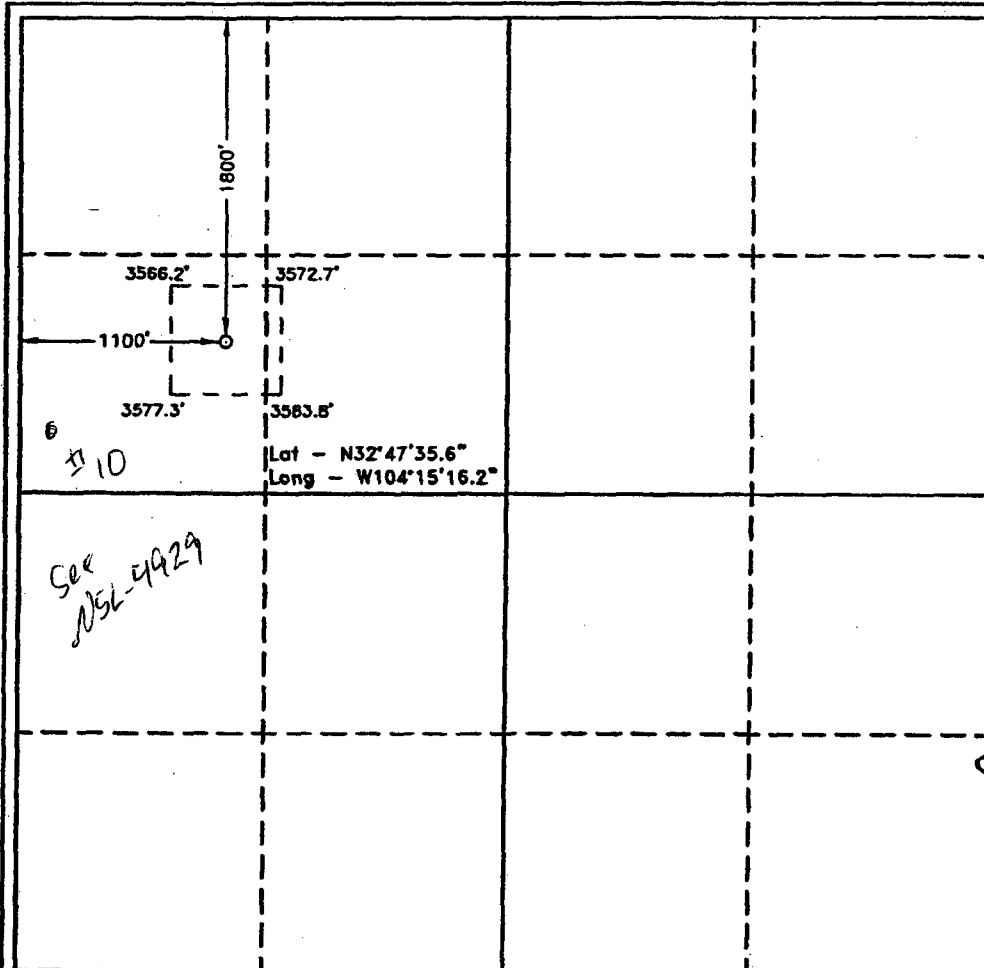
Surface Location

UL or lot No. E	Section 35	Township 17 S	Range 27 E	Lot Idn	Feet from the 1800	North/South line NORTH	Feet from the 1100	East/West line WEST	County EDDY
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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
Dedicated Acres 40	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

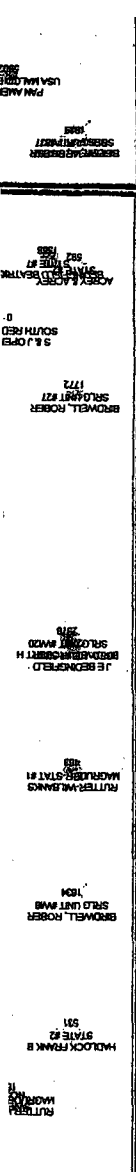
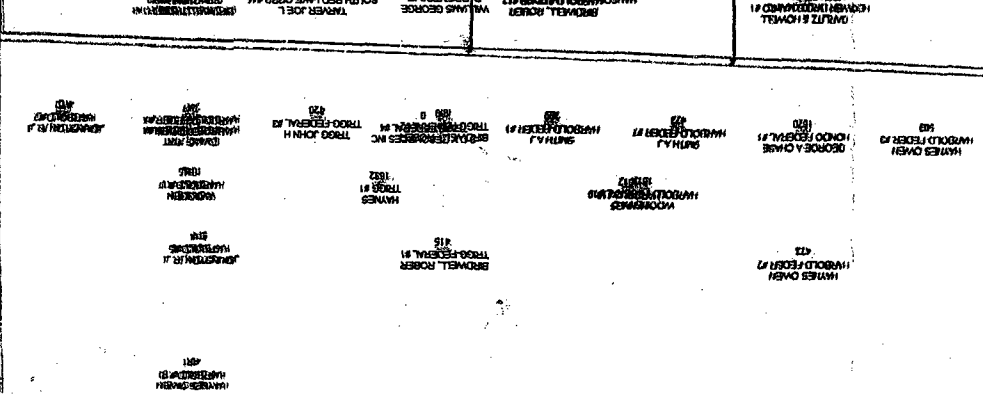
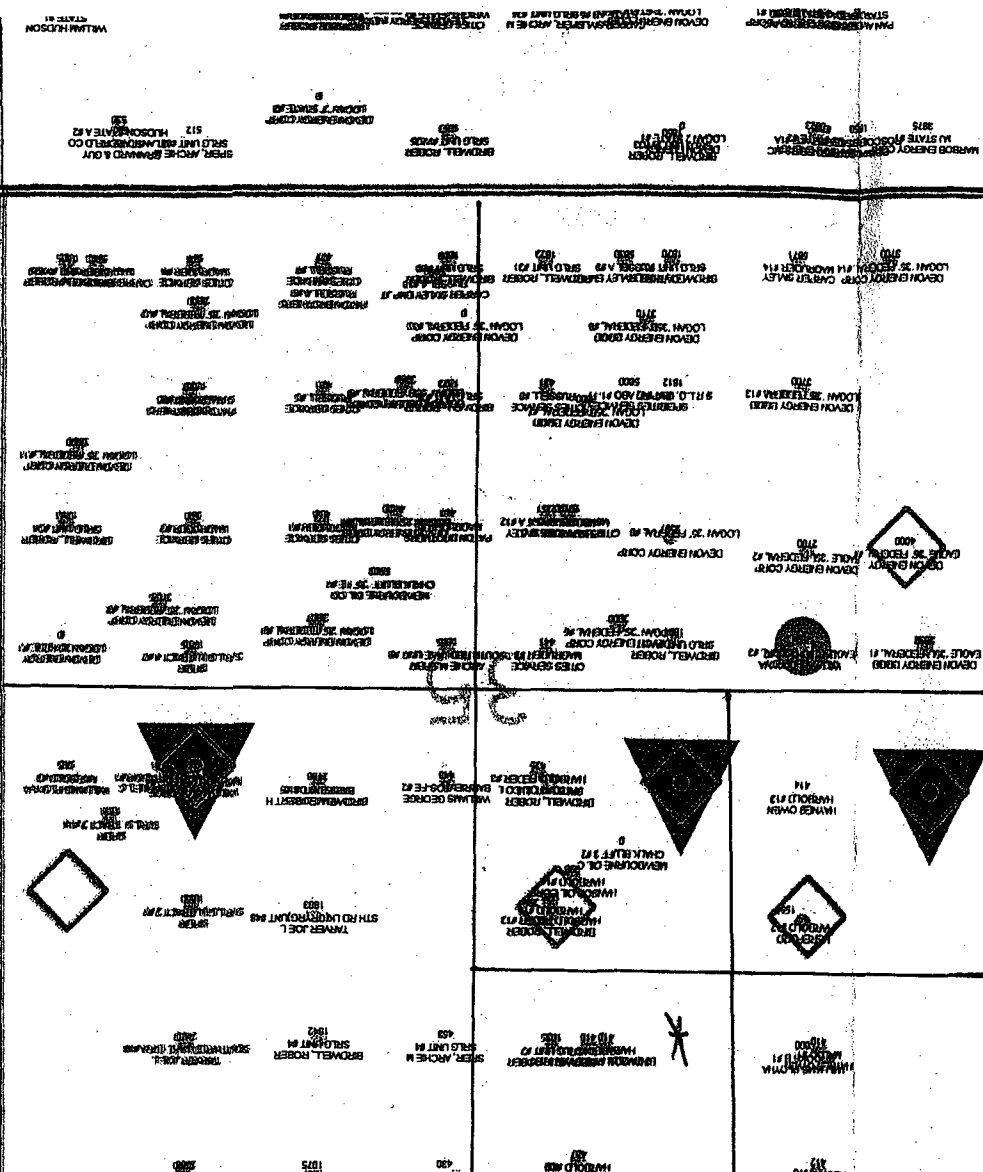
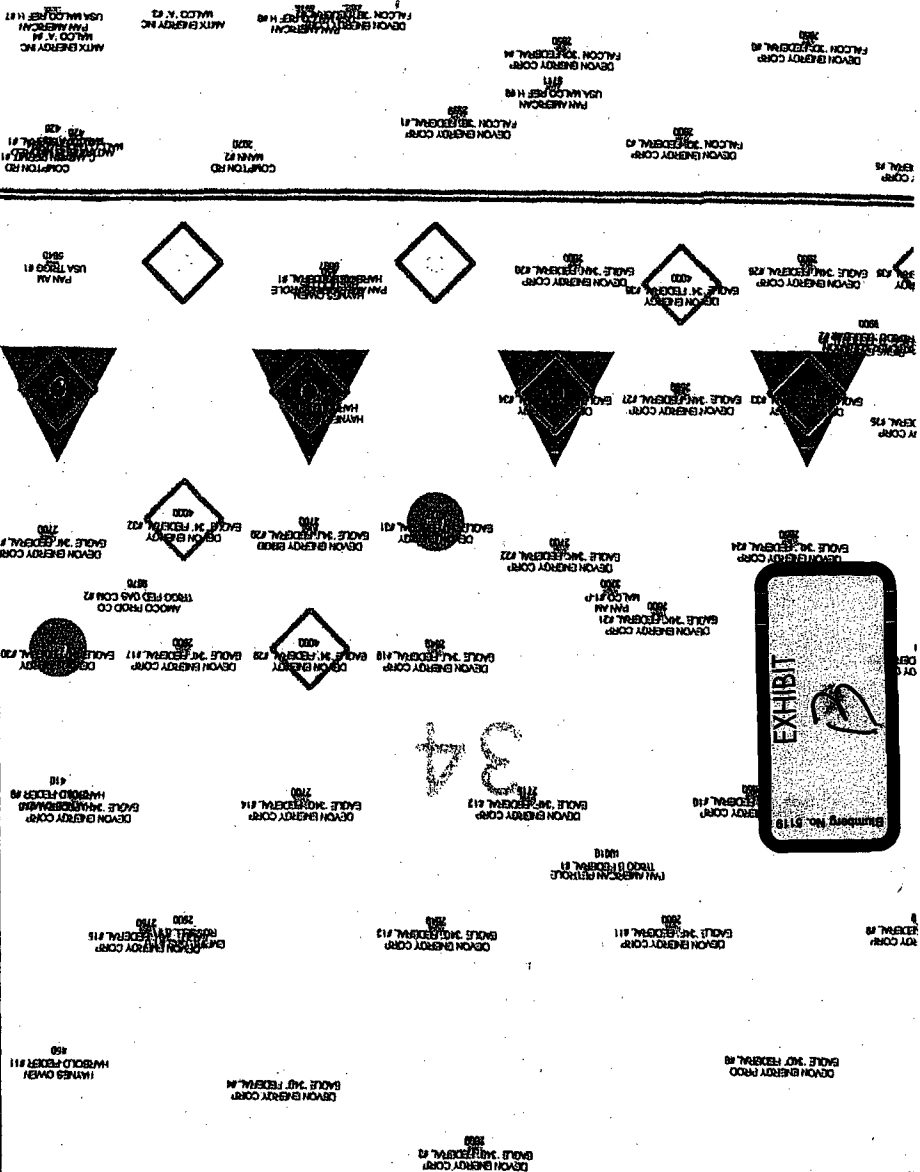
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Gerald T. Pepper</i> Signature</p> <p>Gerald T. (Tom) Pepper Printed Name</p> <p>Operations Engineering Ad Title</p> <p>May 6, 2003 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>APRIL 21, 2003</p> <p>Date Surveyed</p> <p><i>GARY L. JONES</i> Signature of Professional Surveyor</p> <p>W.D. No. 3226</p> <p>Certificate No. Gary L. Jones 7977</p> <p>PROFESSIONAL LAND SURVEYOR</p>
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▲ NEXT 7 YESD WELLS

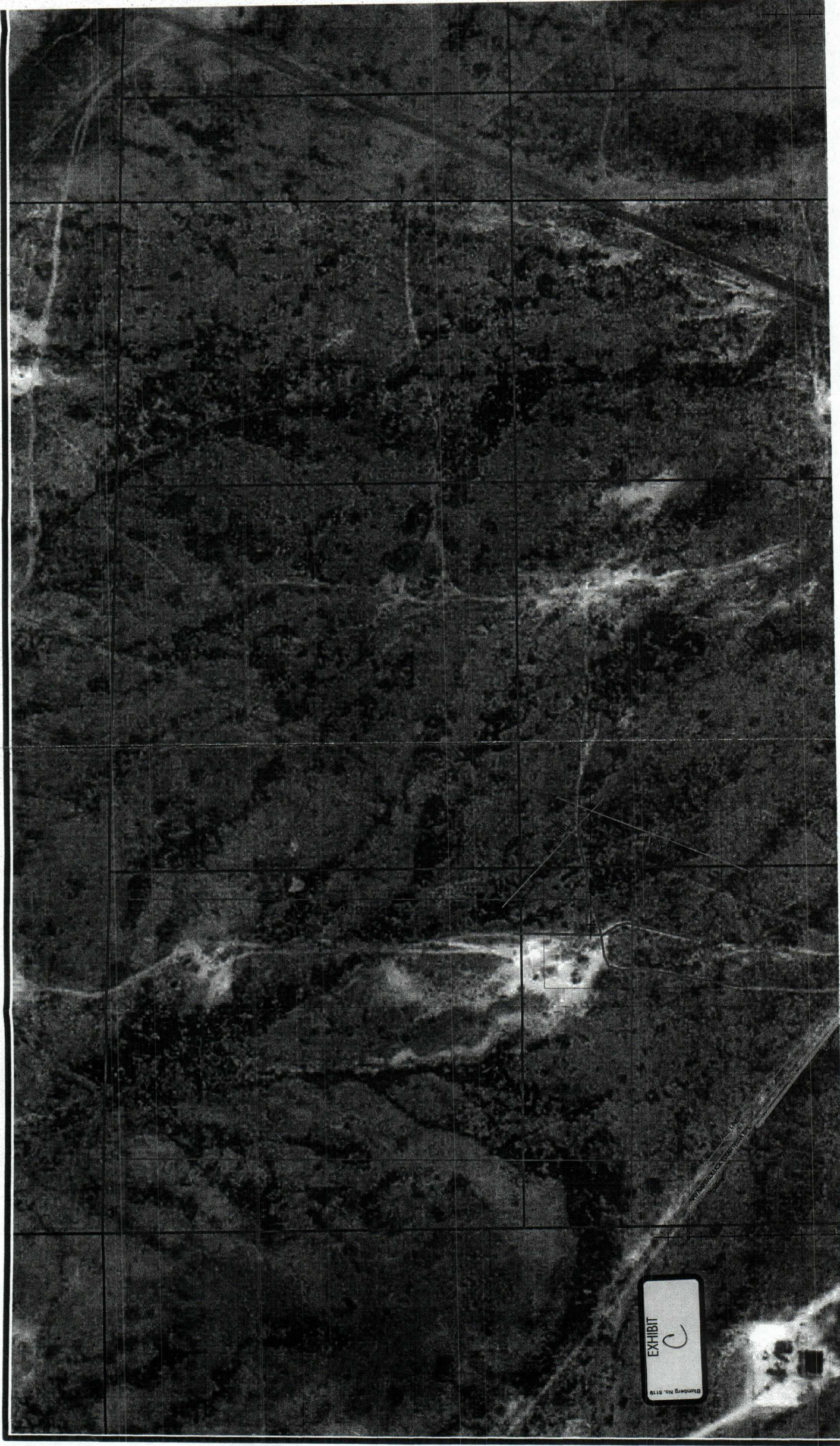
◇ 7 RENEW APDS

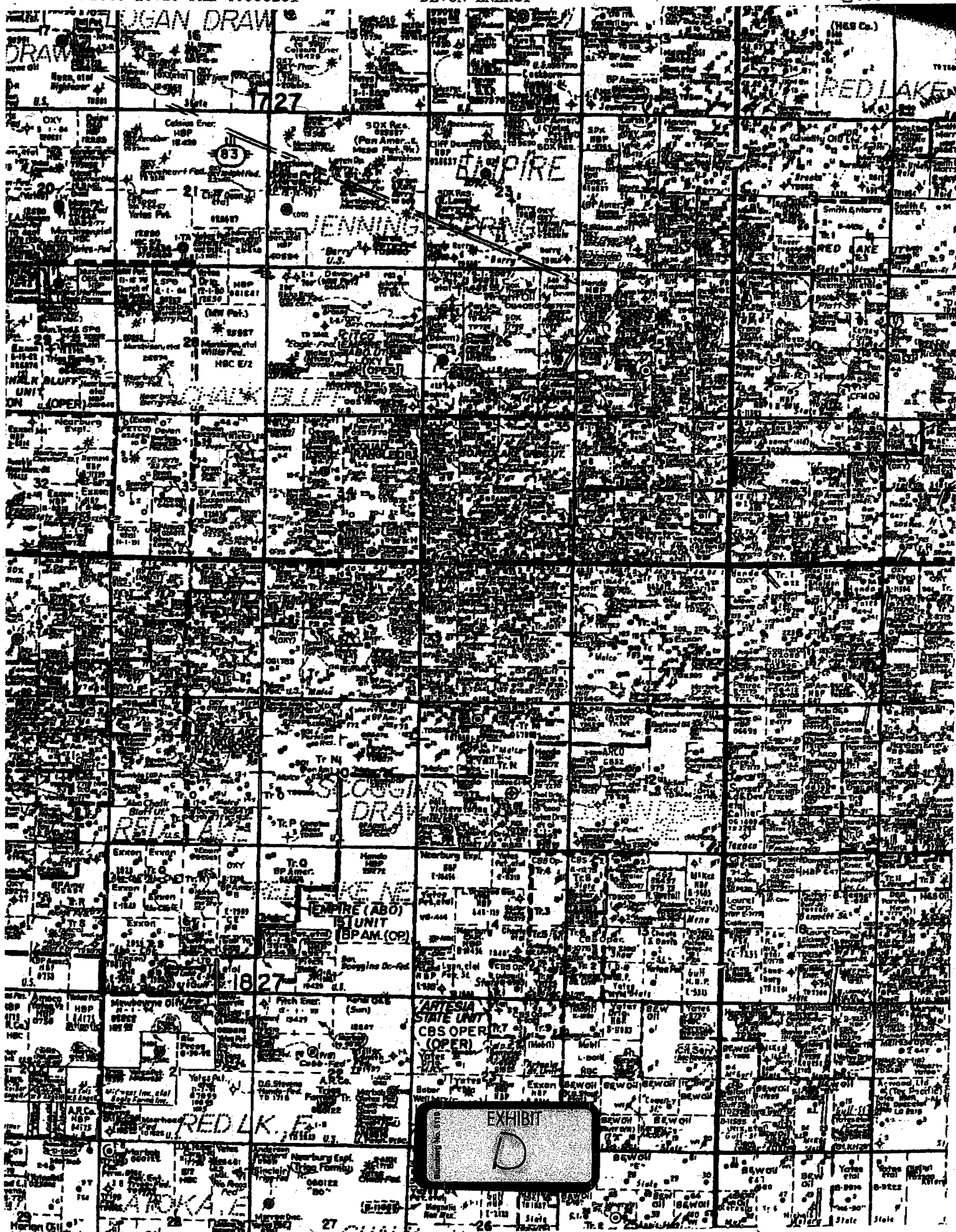
◇ 10 NEW APDS

● 3 RECENT YESD WELLS



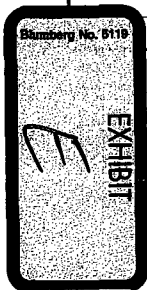
Township 17 South, Range 27 East, Section





**Ownership of Leases Involved in Unorthodox Location
Eagle 35E Federal #11 & Eagle 35C Federal #16**

Lease No. NMLC 050158 - SE/4 NW/4	Working Interest Owners	Overriding Royalty Interest Owners
2,000' to 2,390'	McQuadrangle, L.C.	Trigg Family Trust
2,390' to 2,500'	Devon Energy - 100%	John J. Schaller Summit Overseas Exploration, Inc. First Interstate Bank of Arizona, Trustee u/w/o Howard B. Wright Joan Hudson Moore Jonel Susan Grasso Jane Ann Hudson Davis Pauline V. Trigg, Trustee of the Trigg Family Trust u/a/d 1/26/90
Below 2,500', less & except the Abo Formation	Devon Energy - 50% Occidental Permian - 50%	John J. Schaller Summit Overseas Exploration, Inc. First Interstate Bank of Arizona, Trustee u/w/o Howard B. Wright
1		
Lease No. NMNM 055370 - SW/4 NW/4	Working Interest Owners	Overriding Royalty Interest Owners
Below 2,000', less & except the Abo Formation	Devon Energy - 50% Occidental Permian - 50%	John J. Schaller Summit Overseas Exploration, Inc. First Interstate Bank of Arizona, Trustee u/w/o Howard B. Wright Joan Hudson Moore Jonel Susan Grasso Jane Ann Hudson
1		
Lease No. NMLC 067849 - NW/4 NW/4	Working Interest Owners	Overriding Royalty Interest Owners
Below 2,000', less & except the Abo Formation	Devon Energy - 50% Occidental Permian - 50%	Joan Hudson Moore Jonel Susan Grasso Jane Ann Hudson



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

January 16, 2003

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

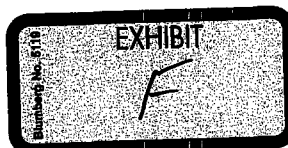
Ladies and gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by Devon Energy Production Company, L.P., requesting administrative approval of unorthodox oil well locations in the Glorieta/Yeso formations in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ and SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 35, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico. You own an interest offsetting the wells' locations. If you object to the well's location, you must notify the Division in writing no later than Thursday, February 5, 2004 (1220 South St. Francis Drive, Santa Fe, New Mexico 87505; attention: Michael E. Stogner). 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.



ADDRESS LIST FOR UNORTHODOX LOCATIONS
IN TOWNSHIP 17 SOUTH 27 EAST
SECTIONS 34 & 35

Summit Overseas Exploration, Inc.
P.O. Box 260590
Lakewood, CO 80226-0590

John J. Schaller
1721 Antler Lane
Finksburg, MD 21048

Howard B. Wright Trust
c/o Wells Fargo Bank, NA, Trustee
P.O. Box 5383
Denver, CO 80217-5383

Jane Ann Hudson Davis
6770 Wolf Creek Ct.
Rio Rancho, NM 87124

Joan A. Hudson
c/o Sun Trust Banks, Inc.
801 Laurel Oak Drive
Naples, FL 34108

Jonel Susan Grasso
11 Ocean Ridge
Laguna Niguel, CA 92677

Trigg Family Trust
c/o Wells Fargo Bank West, NA
P.O. Box 5383
Denver, CO 80217-5383

