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

Case 14476

April 27, 2010

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Devon Energy Production Company, L.P., are an original and one copy of an application for an infill drilling pilot project, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the May 27, 2010 Examiner hearing. Thank you.

Very truly yours,

James Bruce

Attorney for Devon Energy Production Company, L.P.

PERSONS BEING NOTIFIED

Williams Production Company, LLC

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR APPROVAL OF A PILOT INFILL DRILLING PROJECT IN THE PICTURED CLIFFS FORMATION IN A PORTION OF THE NORTHEAST BLANCO UNIT, RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO.

<u>APPLICATION</u>

Devon Energy Production Company, L.P., for its application, states:

- 1. Applicant is a working interest owner in, and the operator of, the Northeast Blanco Unit, which covers approximately 32,991 acres of land in Rio Arriba and San Juan Counties, New Mexico.
- 2. The Pictured Cliffs formation within the Unit is developed on statewide rules, which provide for 160 acre spacing, one well per well unit, and wells to be located no closer than 660 feet to a quarter section line nor closer than 10 feet to an interior quarter-quarter section line.
- 3. Applicant has received Division approval to drill an infill well in the Pictured Cliffs formation within the Unit. The results of that well indicates the feasibility of drilling additional Pictured Cliffs infill wells within the Unit.
- 4. Applicant proposes the formation of a project area comprised of the following lands, all located within the Unit:

Township 31 North, Range 6 West, N.M.P.M.

Section 6:

All

Section 7:

All

Sections 18-20:

All

Section 30:

All

Township 31 North, Range 7 West, N.M.P.M.

Section 1:

All

Section 10:

S1/2

Sections 11-15: All Section 22-27: All Sections 34-36: All

A plat outlining the project area is attached hereto as Exhibit A.

- 6. Applicant seeks approval to drill two wells per quarter section within the project area, and to produce both wells on a quarter section concurrently.
 - 7. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order granting the relief requested above.

Respectfully submitted,

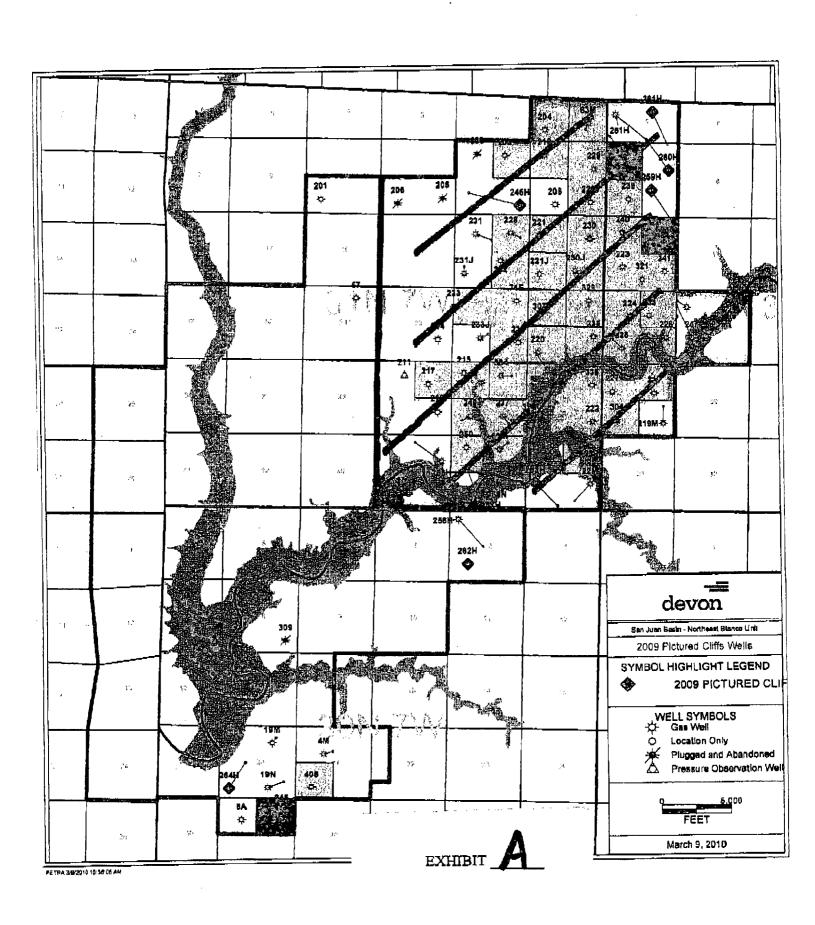
James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Devon Energy Production Company, L.P.



PROPOSED ADVERTISEMENT

Case No. 14476 :

Application of Devon Energy Production Company, L.P. for approval of a pilot infill drilling project in the Pictured Cliffs formation in a portion of the Northeast Blanco Unit, Rio Arriba and San Juan Counties, New Mexico. Applicant seeks approval to institute a pilot infill drilling project in the Pictured Cliffs formation, to allow two wells in a standard 160 acre gas spacing unit. The project area comprises all of Sections 6, 7, 18-20, and 30 in Township 31 North, Range 6 West, N.M.P.M., and all of Section 1, the N/2 of Section 10, and all of Sections 11-15, 22-27, and 34-36, Township 31 North, Range 7 West, N.M.P.M. The project area is centered approximately 12 miles northeast of Archuleta, New Mexico.