

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address DEVON ENERGY PRODUCTION COMPANY, LP 20 N. Broadway Oklahoma City, OK 73102		OGRID Number 6137
		API Number 30-015-33248
Property Code 33470	Property Name Apache 24 Fee	Well No. 006

Surface Location

UL or Lot E	Section 24	Township 22S	Range 30E	Lot Idn E	Feet From 1980	N/S Line N	Feet From 660	E/W Line W	County Eddy
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Proposed Pools

QUAHADA RIDGE;DELAWARE, SOUTHEAST	50443
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Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type Private	Ground Level Elevation 3366
Multiple N	Proposed Depth 7900	Formation Delaware	Contractor	Spud Date 02/01/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	625	600	0
Int1	11	8.625	32	3800	1000	0
Prod	7.875	5.5	15.5	7900	1300	0

Casing/Cement Program: Additional Comments

13 3/8 cmt lead w/350sx Class C & tail w/250 sx Class C, circ to surface 8 5/8 cmt lead w/800 sx Class C & tail w/200 sx Class C, circ to surface, 5 1/2 cmt lead w/430 sx Class C & tail w/300 sx Class C & Lead w/450sx Class C & tail w/175sx Class C thru DV tool @4000, circ to surface No Hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	
Annular	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Karen Cottom

Title: Operations Technician

Date: 12/17/2003

Phone: 405-228-7512

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 02/19/2004 Expiration Date: 02/19/2005

Conditions of Approval:

There are conditions. See Attached.

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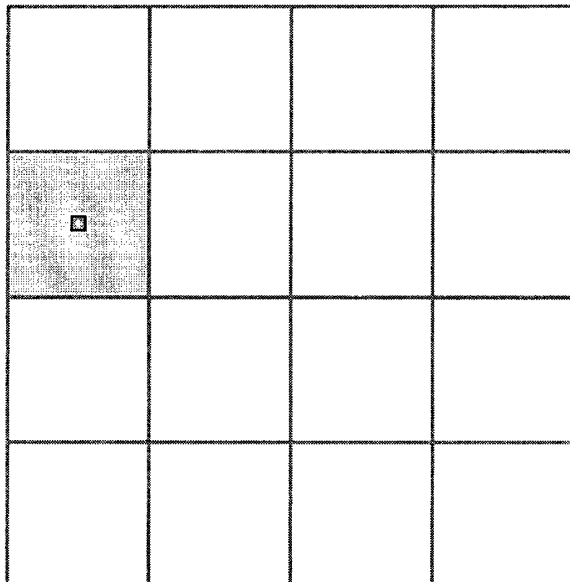
Form C-

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-33248	Pool Name QUAHADA RIDGE;DELAWARE, SOUTHEAST	Pool Code 50443
Property Code 33470	Property Name Apache 24 Fee	Well No. 006
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, LP	Elevation 3366

Surface And Bottom Hole Location

UL or Lot E	Section 24	Township 22S	Range 30E	Lot Idn E	Feet From 1980	N/S Line N	Feet From 660	E/W Line W	County Eddy
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

**OPERATOR CERTIFICATION**

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

Electronically Signed By: Karen Cottom

Title: Operations Technician

Date: 12/17/2003

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.

Surveyed By: Gary Jones

Date of Survey: 12/10/2003

Certificate Number: 7977

Permit Conditions Of Approval

Operator: DEVON ENERGY PRODUCTION COMPANY, LP , 6137

Well: Apache 24 Fee #006

OCD Reviewer	Condition
BARRANT	Notify OCD time of spud and time to witness the cementing of ALL casing strings.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

December 27, 2003

U.S. Department of Energy
P.O. Box 3090
Carlsbad, NM 88221-3090

Attn: Environmental Program Manager

RE: Devon Energy's Production Company, L.P., Apache '24' Fee #6, located in Unit E, Section 24,
Township 22 South Range 30 East, Eddy County, New Mexico, NMPM

Dear Sirs/Madams,

The above applications for permit to drill (APD) have been filed with this office. It has been determined that this well location lies within 1 mile of the WIPP withdraw area.

Per terms of the Joint Powers Agreement (JPA), the Energy, Minerals and Natural Resource Department, the DOE and other agencies, this permit is provided so that you may have the opportunity to develop and submit any comments thereon.

Please feel free to call me if you have any questions regarding this matter or if I can provide any further additional information.

Yours truly,

Bryan G. Arrant

PES

NMOCD, District II

encl.

cc:

- New Mexico Energy Minerals and Natural Resources Department, Anne de Lain W. Clark- Coordinator of the N.M. Radioactive Waste Consultation Task Force
- New Mexico State Land Office & Minerals Division, Joe Mraz-Geologist
- U.S. Department of Energy, Doug Lynn- Land Use Coordinator
- Devon Energy Production Company, L.P., Karen Cottom-Engineering Technician



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

January 21st, 2004

Devon Energy Production Company, L.P.
20 North Broadway
Oklahoma City, OK 73102
Attn: James Blount or To Whom It May Concern

RE: Devon Energy's Production Company, L.P., Apache '24' Fee #6, located 1980'FNL & 660' FWL in Unit E of Section 24, Township 22 South-Range 30 East, Eddy County, New Mexico

Dear Mr. Blount,

Per your request on Friday, January 16, 2004 to either approve or deny the above captioned application to drill (APD), the New Mexico Oil Conservation Division (NMOCD) office in Artesia, replies as to the following:

1. As indicated from the New Mexico State Land Office and the Bureau of Land Management, said application is in the Life of Mine Reserves (LMR). It is the NMOCD's understanding that from the responses from the aforementioned, that there is potash leases in this area.
2. Per R-111-P (on page 11) for any well drilled in the Potash Area, "...the well operator shall send one copy by registered mail to each potash operator holding potash leases within a radius of one mile of the proposed well....."
3. The NMOCD will therefore hold for approval/or denial said application until such time a waiver or denial by potash leaseholder is submitted to this office.
4. Please note that said submittal of application will expire on 12/17/2004 for approval or denial per in part reasons stated above and per terms of the Joint Powers Agreement.

Respectfully yours

Bryan G. Arrant

PES

cc:

- New Mexico State Land Office & Minerals Division, Joe Mraz-Geologist
- Bureau of Land Management, Craig Cranston-Mining Engineer Solid Minerals
- Tim Gum, District Supervisor, Artesia

encl



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

January 23, 2004

IMC Potash Carlsbad Inc.
1361 Potash Mines Road
Carlsbad, NM 88221-0071

Re: Apache 24 Fee #6
1980' FNL & 660' FWL, Unit E Sec 24 T22S R30E, Eddy, NM

To Whom it may concern:

Per the R-111-P rule, I am sending you the Application for Permit to drill Devon Energy Production Company, LP., submitted to the Oil Conservation Division in Artesia, NM.

Should you require any additional information or assistance, please do not hesitate to contact me at (405) 228-7512.

Sincerely,

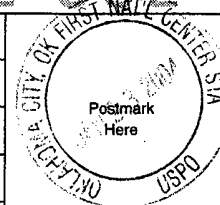
Karen Cottom
Engineering Technician
Devon Energy Production Company, L.P.

kc
Enclosure

RECEIVED
FFR 0 2 2004
OCD-ARTESIA

7002 2030 0001 3840 6912

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To IMC POTASH CARLSBAD, INC. Street, Apt. No. or PO Box No. 1361 POTASH MINES ROAD City, State, ZIP+4 CARLSBAD, NM 88221-0071 KAREN COTTOM	
PS Form 3800, June 2002 See Reverse for Instructions	



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

IMC POTASH CARLSBAD INC.
 1361 POTASH MINES ROAD
 CARLSBAD, NM 88221-0071

2. Article Number

(Transfer from service label)

7002 2030 0001 3840 6912

PS Form 3811, August 2001

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x Robert Cottom

☒ Agent
☐ Addressee

B. Received by (Printed Name)

Robert MORTON

C. Date of Delivery

SEP 26 2004

D. Is delivery address different from item 1? ☐ Yes
 if YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Domestic Return Receipt

2ACPRI-03-Z-0985



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

January 30, 2004

Oil Conservation Division
Attn: Bryan Arrant
1301 W Grand Ave
Artesia, NM 88210-1729

Re: Apache 24 Fee #6
1980' FNL & 660' FWL, Unit E Sec 24 T22S R30E, Eddy, NM

Dear Bryan:

On January 23, 2004 Devon Energy Production Company, LP., per the R-111-P rule, sent notice to the IMC Potash Company regarding the drilling of the referenced well. As of February 19, 2004, Devon has not received any response to the certified letter from IMC Potash. Devon Energy Production Company, LP., respectfully request that the Oil Conservation Division approve the referenced APD.

Should you require any additional information or assistance, please do not hesitate to contact me at (405) 228-7512.

Sincerely,

A handwritten signature in cursive script that reads "Karen Cottom".

Karen Cottom
Engineering Technician
Devon Energy Production Company, L.P.

kc
Enclosure



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

January 30, 2004

Oil Conservation Division
Attn: Bryan Arrant
1301 W Grand Ave
Artesia, NM 88210-1729

Re: Apache 24 Fee #6
1980' FNL & 660' FWL, Unit E Sec 24 T22S R30E, Eddy, NM

Dear Bryan:

Devon Energy Production Company, LP., per the R-111-P rule, has sent notice to the IMC Potash Company regarding the drilling of the referenced well. Please see attached certified mail receipt as proof of delivery to IMC Potash (aka Western AG Minerals) signed on 1/26/04.

Should you require any additional information or assistance, please do not hesitate to contact me at (405) 228-7512.

Sincerely,

Karen Cottom
Engineering Technician
Devon Energy Production Company, L.P.

kc
Enclosure

RECEIVED
FEB 02 2004
OCD-ARTESIA



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

Bureau of Land Management
620 East Greene St.
Carlsbad, NM 88220-6292
Attn: Craig Cranston or To Whom It May Concern

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Devon Energy Production Company, L.P.
LEASE NAME: Apache '24' Fee # 6
LOCATION: SEC. 24 TOWNSHIP 22 SOUTH, RANGE 30 EAST,
1980' FNL & 660' FWL, Surface Location
EDDY COUNTY, NM, NMPM

RECEIVED

JAN 14 2004

OCD-ARTESIA

PROPOSED DEPTH: 7900'.

Dear Craig or To Whom It May Concern,

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuit to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether or not this application is within an established Life-of-Mine Reserve area filed with and approved by your office. If not, please advise whether it is within the buffer zone established by this order.

Thank you for your assistance.

Sincerely,

Bryan G. Arrant
PES, District II Artesia NMOCD

In LMR	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
In Buffer Zone	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Comments: THE LOCATION IS IN JMC CARLSBAD POTASH CO'S LMR

Signature: Craig Cranston **Date:** 1-12-04



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

New Mexico State Land Office
Santa Fe, New Mexico
Attn: Joe Mraz or To Whom It May Concern

RECEIVED

JAN 07 2004

OCD-ARTESIA

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Devon Energy Production Company, L.P.
LEASE NAME: Apache '24' Fee # 6
LOCATION: SEC. 24 TOWNSHIP 22 SOUTH, RANGE 30 EAST,
1980' FNL & 660' FWL, Surface Location
EDDY COUNTY, NM, NMPM

PROPOSED DEPTH: 7900'.

Dear Joe or To Whom It May Concern,

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuit to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether or not this application is within an established Life-of-Mine Reserve area filed with and approved by your office. If not, please advise whether it is within the buffer zone established by this order.

Thank you for your assistance.

Sincerely,

Bryan G. Arrant
PES, District II Artesia NMOCD

In LMR	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
In Buffer Zone	Yes <input type="checkbox"/>	No <input type="checkbox"/>

JBm
01-05-04

Comments:

Signature: *Bryan G. Arrant* **Date:** 1/5/04

UPDATE: 02/25/2003

TWP: 22 S RNG: 30 E SECTION: 13,14,23,24,25,26,35,36 COUNTY:Eddy

1.) NM 46370, Lease Issued: 01/13/1982

100% Western AG Minerals, Box 511, Carlsbad, NM 88220

AKA JMC Potash Carlsbad, Inc.

2.) NM 89906, Lease Pending Approval

100% Western AG Minerals, box 511, Carlsbad, NM 88220

3.) LC 048730-A, Lease Issued: 01/07/1954

100% Western AG Minerals, Box 511, Carlsbad, NM 88220

4.) LC 062188, Lease Issued: 12/16/1959

100% Western AG Minerals, Box 511, Carlsbad, NM 88220

FEDERAL ABSTRACT COMPANY

P. O. BOX 2288

SANTA FE, NEW MEXICO 87501

RED - STATE LAND

BLUE - FEE LAND

✓ - Open

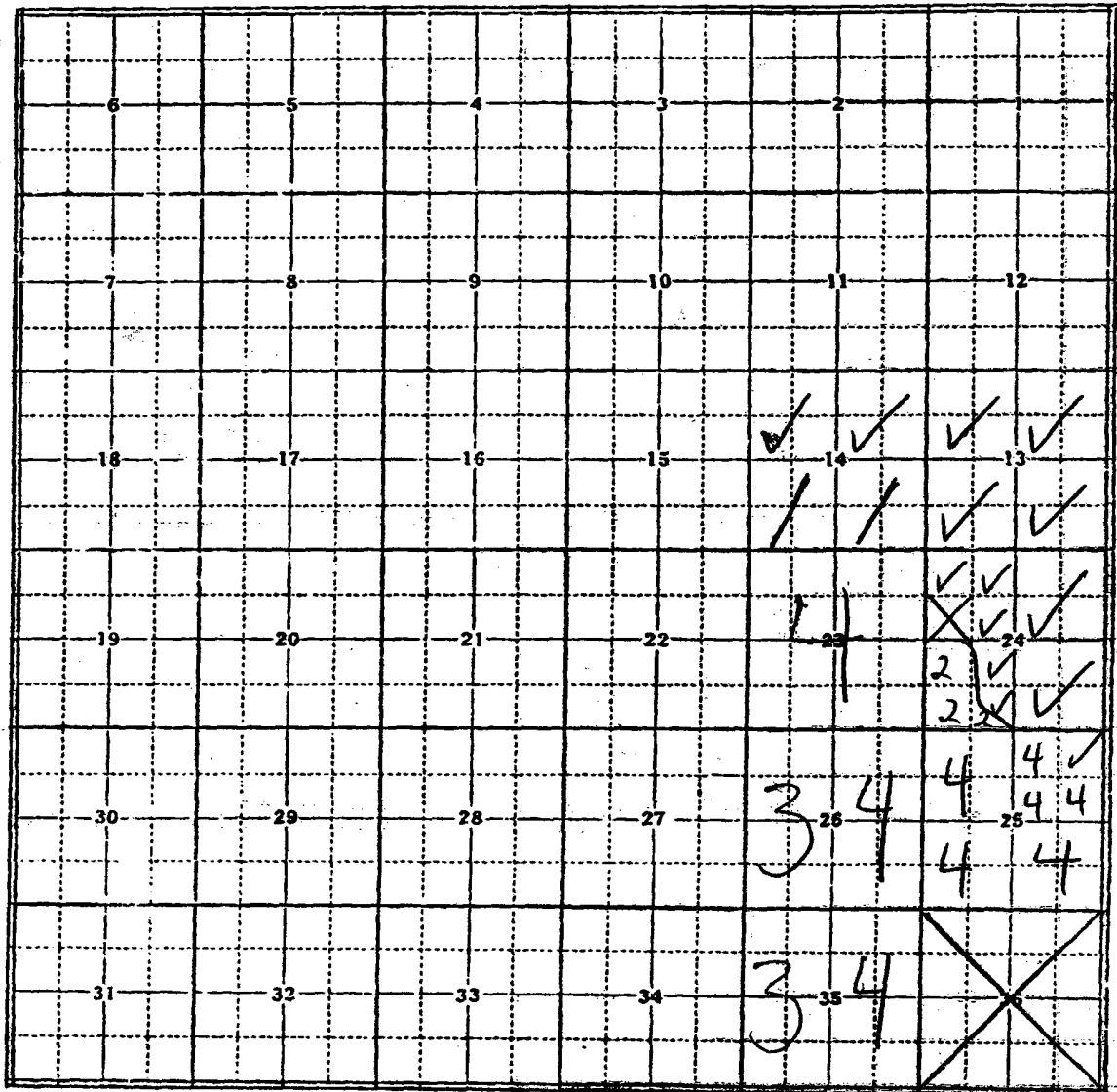
TWP. 22 S. RGE 30 E. N.M.P.M.

Eddy

COUNTY

DATE 02/25/2003

POTASH



SEE ATTACHED