

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

December 19, 1995

Certified Mail No. Z 731 676 988

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87504-2088

RE: Non-Standard Location Approval East Shugart Unit #65 200' FNL & 2260' FWL Section C-3-T19S-R31E Eddy County, New Mexico

Gentlemen:

Devon Energy Corporation (Nevada) requests "Non-Standard Location" approval for the referenced well. This unorthodox location was necessary due to the nearby road and many pipelines in the area.

The East Shugart Unit is a federal unit (#14-08-001-11572) and the proposed well is to be part of this active waterflood project. Enclosed is a map of the East Shugart Unit showing the Unit's boundaries and a copy of form C-102 for the proposed well.

Operators having wells in the offsetting 40 acre tracts will be notified by certified mail. Copies of our letters of notification to the following operators are enclosed.

| Oxy U.S.A. Inc. | Midland, TX |
|------------------|-------------|
| Texaco, Inc. | Hobbs, NM |
| General NM, Inc. | Artesia, NM |

East Shugart Unit #65 NSL Approval 12/19/95 Page Two State of New Mexico Energy, Minerals and Natural Resources Dept Oil Conservation Division

If you have any questions, please contact the undersigned at (405) 235-3611, X4509.

Sincerely yours,

DEVON ENERGY CORPORATION (NEVADA)

E.L. Betters Jr.

Mr. E.L. Buttross, Jr. District Engineer

ELB\cg Enclosures

cc: Oil Conservation Division - Artesia, NM Bureau of Land Management - Carlsbad, NM



DISTRICT 1 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artenia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Instruction on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

D AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number Pool Code Pool Name 56349 Shugart (Y-SR-Q-G) | | | | | | | | | | | | |
|---|--|---|---------------|----------|----------|----------------------------------|------------------|---|--|----------|--|--|
| Property 003493 | | Property Name EAST SHUGART UNIT | | | | | | 1 | Well Number 65 | | | |
| ogrid n 6) 37 | D. | Operator Name DEVON ENERGY CORPORATION | | | | | | Deva | Elevation 3606' | | | |
| Surface Location | | | | | | | | | | | | |
| UL or lot No. | | | | | | | | | | | | |
| С | 3 | 19 S | 31 E | 1 E 20 | | D | NORTH | 2260 | WEST | EDDY | | |
| Bottom Hole Location If Different From Surface | | | | | | | | | | | | |
| UL or lot No. | Section | Township | Range | Lot Idn | Feet fro | m the | North/South line | Feet from the | East/West line | County | | |
| | | | | <u> </u> | <u> </u> | | | | | | | |
| Dedicated Acres | Joint of | r Infill Col | nsolidation | Code Or | der No. | | | | | | | |
| NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED | | | | | | | | | | | | |
| r | OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION | | | | | | | | | | | |
| | | 3505.6 | \rightarrow | 09.2' | | | | OPERATO | R CERTIFICAT | ION | | |
| | ע יי יי | 3605. | 1/ 007 360 | 6.1' | | | | I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief | | | | |
| | | | | | | - + | | E.L. Buttross, Jr. Printed Name District Engineer Title 08-22-95 Date | | | | |
| | | | | <u> </u> | · | | | SURVEYO | R CERTIFICATI | ION | | |
| | | | | | | | | on this plat was actual surveys supervisons and | that the well locatio is plotted from fuld made by me or u that the same is best of my behaf | notes of | | |
| | + | | | | | - + | · | No Date-Surveyed Signa ture W S Professional S 7977 | cal of 15 | ~~~ | | |
| | | | | | | | | Certificate No. | Gary L. Jones | 7977 | | |

EXHIBIT 2



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

Telephone 405/235-3611

December 19, 1995

Certified Mail No. Z 731 676 991

General NM Inc. Post Office Box 385 Artesia, NM 88211

Attn: Jack Plemons

RE: Non-Standard Location Approval East Shugart Unit #65 200' FNL & 2260' FWL Section C-3-T19S-R31E Eddy County, New Mexico

Gentlemen:

We have applied for a permit to drill the above referenced well. This unorthodox location was due to the nearby road and to many pipelines in the area. The proposed wellsite is within our East Shugart Unit in Eddy County and offsets the following properties which our records show you operate.

McFadden Federal 1, 2, 3, 4, 5Y, 6, 7, 8

General NM Inc.

East Shugart Unit #65 Non-Standard Location Approval December 19, 1995 Page Two

The NMOCD Non-Standard Location Approval process requires that we notify offset operators and submit Proof of Notice.

Please accept this certified letter as notification. If you have any questions, please contact Ernie Buttross, Jr., at (405) 235-3611, X4509.

Sincerely yours,

DEVON ENERGY CORPORATION (NEVADA)

Candace R. Iraham

Ms. Candace R. Graham Engineering Tech.

/cg

cc: Oil Conservation Division - Santa Fe, NM Oil Conservation Division - Artesia, NM Bureau of Land Management - Carlsbad, NM



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

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December 19, 1995

Certified Mail No. Z 731 676 990

Texaco, Inc. Post Office Box 730 Hobbs, NM 88240

Attention: Russell Pool

RE: Non-Standard Location Approval East Shugart Unit #65 200' FNL & 2260' FWL Section C-3-T19S-R31E Eddy County, New Mexico

Gentlemen:

We have applied for permits to drill the above referenced wells. This unorthodox location was due to the nearby road and to many pipelines in the area. The proposed wellsites are within our East Shugart Unit in Eddy County and offset the following properties which our records show you operate.

> Federal #1 Federal B-1 Federal B-2

Texaco, Inc.

East Shugart Unit #65 Non-Standard Location Approval December 19, 1995 Page Two

The NMOCD Non-Standard Location Approval process requires that we notify offset operators and submit Proof of Notice.

Please accept this certified letter as notification. If you have any questions, please contact Ernie Buttross, Jr., at (405) 235-3611, X4509.

Sincerely yours,

DEVON ENERGY CORPORATION (NEVADA)

Candace R. Fraham

Ms. Candace R. Graham Engineering Tech.

/cg

cc: Oil Conservation Division - Santa Fe, NM
Oil Conservation Division - Artesia, NM
Bureau of Land Management - Carlsbad, NM



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Telephone 405/235-3611

December 19, 1995

Certified Mail No. Z 731 676 989

Oxy U.S.A. Inc. Post Office Box 50250 Midland, TX 79710

Attention: Ed Behm

RE: Non-Standard Location Approval East Shugart Unit #65 200' FNL & 2260' FWL Section C-3-T19S-R31E Eddy County, New Mexico

Gentlemen:

We have applied for a permit to drill the above referenced well. This unorthodox location was due to the nearby road and to many pipelines in the area. The proposed wellsite is within our East Shugart Unit in Eddy County and offsets the following property which our records show you operate.

Federal "R" #1

Oxy U.S.A. Inc.

East Shugart Unit #65 Non-Standard Location Approval December 19, 1995 Page Two

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Sincerely yours,

DEVON ENERGY CORPORATION (NEVADA)

Candace R. Fraham

Ms. Candace R. Graham Engineering Tech.

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