

Contact History
Filaree 24 N Fed Com #3
W/2 Section 24-T22S-R25E
Eddy County, New Mexico

May 24, 2004-well proposal, drilling and completion AFE sent to all parties

July 8, 2004-letter advising of elections to date, transmit JOA to all parties, request further elections

July 27, 2004-telephone conversation with Pat Tower with EOG Resources re: status of election

August 9, 2003-telephone conversation with Mike Mullins with EOG Resources re: status of election, advise of pooling application

August 23, 2004-letter advising of status of elections, notice of pooling application, request further elections

September 2, 2004-telephone conversation with Dan McCright with EOG Resources, verbal election: EOG's participation, will be forwarding executed AFE and JOA

September 13, 2004-telephone message left Dan McCright with EOG Resources, re: status of executed AFE and JOA

September 13, 2004-telephone conversation with Christie Taylor with Brown Bros. Harriman Trust, re: election to participate & execution of JOA.

OIL CONSERVATION DIVISION

CASE NUMBER

EXHIBIT NUMBER

3



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Fax 405-552-8113

May 24, 2004

Working Interest Owners
Address List Attached

Re: Filaree 24N Fed Com #3
1200' FSL & 1930' FWL
Section 24-T22S-R25E
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon") proposes to drill the referenced well as an 11,350' Morrow test with the W/2 Section of Section 24 being dedicated as the drilling and spacing unit for such well. Enclosed you will find two (2) copies of an Authority for Expenditure ("AFE") estimating the dry hole costs to be \$819,450 with completed well costs estimated to be \$1,461,185.

In the event that you elect to participate in the drilling of the Filaree 24N Fed Com #3, please execute one (1) copy of the AFE and return to the undersigned at your earliest convenience along with your well requirement sheet and email address. A Joint Operating Agreement, which has already been executed by Devon and Cimarex Energy Co., collectively representing 43.75% of the working interest attributable to the proposed spacing unit, will be forwarded to those parties electing to participate. In the event that you elect not to participate, Devon is agreeable to negotiate a mutually acceptable farmout agreement in support of the drilling of the proposed test well.

If there are any questions or if additional information is required, feel free to call me at (405) 552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Ken Gray
Senior Land Advisor

kg:\filaree24N#3pro

Filaree 24N Fed Com #3
Working Interest Owners

EOG Resources
4000 N. Big Spring, Suite 500
Midland, TX 79705

Cimarex Energy Co.
15 East 5th Street, Suite 1000
Tulsa, OK 74103-4346

Dominion Oklahoma Texas Expl. & Prod.
14000 Quail Springs Parkway, #600
Oklahoma City, OK 73134-2600

✓ Unit Petroleum Company
P. O. Box 702500
Tulsa, OK 74182

✓ Read & Stevens, Inc.
P. O. Box 1518
Roswell, NM 88202

✓ Hayes Land Corporation
P. O. Box 51510
Midland, TX 79710

✓ Hayes Land & Production Company
P. O. Box 51407
Midland, TX 79710

James A. Allega
4309 Warwick Drive
Bryan, TX 77802-5661

✓ Ernie Bello
3325 Ala Akulikuli Street
Honolulu, HI 96818-2215

Brown Brothers Harriman Trust Company
Trustee of Agnes Cluthe Oliver Trust and
William B. Oliver Trust
2001 Ross Avenue, Suite 1150
Dallas, TX 75201-2919

✓ Robert B. Bunn
2493 Makiki Heights Drive
Honolulu, HI 96822

David Goodnow
230 Ridgefield Road
Wilton, CT 06897

Richard L. Griffith
4 Cloud March
Santa Fe, NM 87506-2103

Jack C. Hale *RETURNED - BAD ADDRESS*
780 10th Street N. E.
East Wenatchee, WA 98802-4512

Sanford J. Hodge, III
3600 St. Johns Drive
Dallas, TX 75205

Joseph Randall Hodge
P. O. Box 5238
Austin, TX 78763

Charles C. Johnston
c/o Ultracenz Corporation
7830 Bryon Drive, #10
Riviera Beach, FL 33404

Ruby F. Kawasaki
734 Kalanipuer Street
Honolulu, HI 96825

E. F. Kurashige Trust
I. M. Kurashige, Trustee
1010 South King Street, #701
Honolulu, HI 96822

Dennis I. Maehara Trust
439-A Wyllie Street
Honolulu, HI 96817

✓ John McIsaac
3452 Lyrac Street
Oakton, VA 22124

Charles Cline Moore
138 Harvard Avenue
Mill Valley, CA 94941

Lester G. Naito
98-1370 Kaonohi Street
Aiea, HI 96701

Alphonso Ragland
7055 Helsem Way
Dallas, TX 75230

Adolph P. Schuman *RETURNED-BAD ADDRESS*
1170 Sacramento Street
San Francisco, CA 94108-1943

Space Building Corp.
250 Cape Highway, Route 44
East Taunton, MA 02718

J. Frederick Van Vranken, Jr.
P. O. Box 264
Jericho, NY 11753

H. S. Ross
124 Monarch Bay
Dana Point, CA 92629



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Fax 405-552-8113

July 8, 2004

Working Interest Owners
Address List Attached

Re: Filaree 24N Fed Com #3
1200' FSL & 1930' FWL
Section 24-T22S-R25E
Eddy County, New Mexico
DEC #16859-010

Gentlemen:

By letter dated May 24, 2004, Devon Energy Production Company, L.P. ("Devon") proposed the drilling of the referenced well as an 11,350' Morrow test. In response to Devon's proposal, the following parties, collectively totaling in excess of 85.75% of the working interest including Devon, have elected to participate and have executed and returned an Authority for Expenditure ("AFE"):

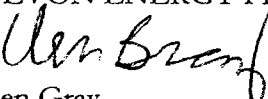
Unit Petroleum Company
Read & Stevens, Inc.
Hayes Land Corporation
Hayes Land & Production Company
Ernie Bello
Robert B. Bunn
Cimarex Energy Company

Enclosed, for the review of all parties, is a Joint Operating Agreement covering the spacing unit for the proposed well which has been executed by Devon and Cimarex Energy Company. For those parties who have already elected to participate, Devon requests that you review, execute and return one of the extra signature pages to the Joint Operating Agreement to the undersigned at your earliest convenience. For those parties who have not made their election, Devon again invites you to join in the drilling of the referenced well or in the alternative, negotiate a mutually acceptable farmout agreement in support of the drilling of the proposed test well. An election to participate should be accompanied by a fully executed AFE, an executed signature page to the Joint Operating Agreement and well requirement sheet including email address.

Feel free to contact me at (405) 552-4633 if there are any questions or if additional information is required.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Ken Gray
Senior Land Advisor

Filaree 24N Fed Com #3
Working Interest Owners

EOG Resources
4000 N. Big Spring, Suite 500
Midland, TX 79705

Robert B. Bunn
2493 Makiki Heights Drive
Honolulu, HI 96822

Cimarex Energy Co.
15 East 5th Street, Suite 1000
Tulsa, OK 74103-4346

David Goodnow
230 Ridgefield Road
Wilton, CT 06897

Dominion Oklahoma Texas Expl. & Prod.
14000 Quail Springs Parkway, #600
Oklahoma City, OK 73134-2600

Richard L. Griffith
4 Cloud March
Santa Fe, NM 87506-2103

Unit Petroleum Company
P. O. Box 702500
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Midland, TX 79710

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James A. Allega
4309 Warwick Drive
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Ruby F. Kawasaki
734 Kalanipuer Street
Honolulu, HI 96825

Ernie Bello
3325 Ala Akulikuli Street
Honolulu, HI 96818-2215

E. F. Kurashige Trust
I. M. Kurashige, Trustee
1010 South King Street, #701
Honolulu, HI 96822

Brown Brothers Harriman Trust Company
Trustee of Agnes Cluthe Oliver Trust and
William B. Oliver Trust
2001 Ross Avenue, Suite 1150
Dallas, TX 75201-2919

Dennis I. Maehara Trust
439-A Wyllie Street
Honolulu, HI 96817

John McIsaac
3452 Lyrac Street
Oakton, VA 22124

Charles Cline Moore
138 Harvard Avenue
Mill Valley, CA 94941

Lester G. Naito
98-1370 Kaonohi Street
Aiea, HI 96701

Alphonso Ragland
7055 Helsem Way
Dallas, TX 75230

Adolph P. Schuman
1750 Taylor Street, Apt. 205
San Francisco, CA 94133-3644

Space Building Corp.
250 Cape Highway, Route 44
East Taunton, MA 02718

J. Frederick Van Vranken, Jr.
P. O. Box 264
Jericho, NY 11753

H. S. Ross
124 Monarch Bay
Dana Point, CA 92629



Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Fax 405-552-8113

August 23, 2004

Working Interest Owners
Address List Attached

Re: Filaree 24N Fed Com #3
1200' FSL & 1930' FWL
Section 24-T22S-R25E
Eddy County, New Mexico

Gentlemen:

By letter dated August 10, 2004, Devon Energy Production Company, L.P. ("Devon") advised those uncommitted interest owners listed below as to the status of elections with regard to the drilling of the referenced well as an 11,350' Morrow test as proposed by letter dated May 24. To date, the following parties have not responded to Devon's prior correspondence with regard to such proposal:

EOG Resources
James A. Allega
Brown Brothers Harriman Trust Company
Trustee of the Agnes Cluthe Oliver Trust and the William B. Oliver Trust
David Goodnow
Richard L. Griffith
Jack C. Hale
Sanford J. Hodge III
Joseph Randall Hodge
Charles C. Johnston
Ruby F. Kawasaki
E.F. Kurashige Trust
Dennis L. Maehara Trust
Charles Cline Moore
Alphonso Ragland
Adolph P. Schuman
Space Building Corp.
J. Frederick Van Vranken, Jr.
H.S. Ross

With respect to the above mentioned interest owners, please be advised that Devon has filed a Compulsory Pooling Application before the New Mexico Oil Conversation Division to be heard on

Working Interest Owners

August 23, 2004

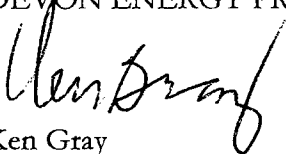
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September 2, 2004. Such application will seek to pool all interest owners who have not reached a voluntary agreement with respect to Devon's well proposal. In the event you wish to participate in the drilling of the referenced well as proposed, please execute (1) one copy of the Authority for Expenditure and (1) one copy of the Joint Operating Agreement covering the proposed well, both of which have been furnished to you previously, and return to the undersigned at your earliest convenience.

Feel free to contact me at (405) 552-4633 if there are any questions or if additional information is required.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink, appearing to read "Ken Gray", is written over the typed name.

Ken Gray
Senior Land Advisor

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