

Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City, OK 73102 Direct Line: 405 228 4397 Direct Fax: 405 552 7667 cari,allen@dyn.com

405 235 3611 Phone www.devonenergy.com

March 18, 2014

Via Certified Mail

(See Attached List)

RE:

Bilbrey 33 Fed Com 3H

Project Area: W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E

Bilbrey 33 Fed Com 4H

Project Area: E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E

WIU: NE/4 Section 33; E/2 Section 28, T21S-32E

Lea County, New Mexico

Ladies and Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby proposes to drill the Bilbrey 33 Fed Com 3H well as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1350' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 1980' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 3H with estimated cost of \$7,593,000.

Immediately after drilling the Bilbrey 33 Fed Com 3H, Devon plans to drill the Bilbrey 33 Fed Com 4H. Devon proposes to drill the Bilbrey 33 Fed Com 4H as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1300' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 660' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 4H with estimated cost of \$7,508,000.

If you would like to participate in these wells please execute and return the enclosed AFEs at your earliest convenience. Enclosed in connection with the drilling of these wells is an Operating Agreement covering the NE/4 Section 33, and the E/2 Section 28, T21S-R32E, Lea County, New Mexico. As you will note, the Operating Agreement is limited to the Bone Spring Formation only.

Please note that locations in Section 33 are needed to accommodate the potash mining in the The anticipated spud date for the first well is the first of June; therefore, your prompt attention to this proposal is appreciated.

Sincerely,

Senior Staff Landman

Oil Conservation Division
Case No. 15/29 + 15/30

Address List

OXY USA Inc. Attn: Becky Bledsoe P.O. Box 27570 Houston, TX 77227-7570

ConocoPhillips Company Attn: Tom Scarbrough P.O. Box 2197 Houston, TX 77252-1000

Mazel Oil & Gas Company 300 Medina Street Austin. Texas 78702

Sheridan Holdings Company II, LLC 9 Greenway Plaza, Suite 1300 Houston, Texas 77046-0922

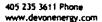
Vincero Resources, Inc. 2100 Ross Avenue Lock Box 52 Dallas, TX 75201

Paladin Energy Corporation 10290 Monroe Drive Dallas, Texas 75229

Fasken Acquisitions '02, Ltd. c/o Fasken Oil & Ranch LTD 303 West Wall Avenue, Suite 1900 Midland, TX 79701-5104

Overnight mail +0: 4/2/14 6101 Holiday Hill Road Midland, Tx 79707

Magnum-Hunter Production, Inc. c/o Cimarex Energy Company 202 S. Cheyenne Avenue, Suite 1000 Tulsa, OK 74103-3001





Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City, OK 7310 Direct Line: 405 228 4397 Direct Fax: 405 552 7667 carl,allen@dyn.com

April 28, 2014

Via Certified Mail

Matador Petroleum Corporation Attn: Joseph William Foran 8340 Meadow Road, Suite 150 Dallas, TX 75231-3751 elmailed on 4/30/14 91 7299 9992 7032 9637 8824

RE:

E: Bilbrey 33 Fed Com 3H

Project Area: W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E

Bilbrey 33 Fed Com 4H

Project Area: E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E

WIU: NE/4 Section 33; E/2 Section 28, T21S-32E

Lea County, New Mexico

Ladies and Gentlemen:

Enclosed are excerpts from Devon's title opinion dated January 20, 2014 in connection with the captioned wells. Matador Petroleum Corporation shows up in Devon's title opinion as potentially having a claim to a working interest in the captioned project areas. If Matador claims an interest in the above referenced project areas in Lea County, New Mexico, please provide evidence of this to the undersigned at your earliest convenience. In connection with this interest, Devon proposes the following:

Devon Energy Production Company, L.P. ("Devon") hereby proposes to drill the Bilbrey 33 Fed Com 3H well as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1350' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 1980' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 3H with estimated cost of \$7,593,000.

Immediately after drilling the Bilbrey 33 Fed Com 3H, Devon plans to drill the Bilbrey 33 Fed Com 4H. Devon proposes to drill the Bilbrey 33 Fed Com 4H as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1300' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 660' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 4H with estimated cost of \$7,508,000.

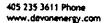
If you would like to participate in these wells please execute and return the enclosed AFEs at your earliest convenience. Should you decide to participate, I will forward an Operating Agreement covering to the Bone Spring Formation only.

Please note that locations in Section 33 are needed to accommodate the potash mining in the area. The anticipated spud date for the first well is the first of June; therefore, your prompt attention to this proposal is appreciated. A pooling application will be filed in the near future.

Sincerely.

Cari Allen, CPL

Senior Staff Landman





Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City, OK 73102 Direct Line: 405 228 4397 Direct Fax: 405 552 7667 cari.allen@dvn.com

April 28, 2014

Via Certified Mail

Raven Resources LLC 13220 N. MacArthur Blvd.

91 7199 9991 7032 9637 8807

Oklahoma City, OK 73142

RE:

Bilbrey 33 Fed Com 3H

Project Area: W/2 NE/4 Section 33, W/2 E/2 Section 28, T21S-R32E

Bilbrey 33 Fed Com 4H

Project Area: E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E

WIU: NE/4 Section 33; E/2 Section 28, T21S-32E

Lea County, New Mexico

Ladies and Gentlemen:

Enclosed are excerpts from Devon's title opinion dated January 20, 2014 in connection with the captioned wells. Raven Resources LLC shows up as a stranger in title in this title opinion. If Raven claims an interest in the above referenced project areas in Lea County, New Mexico, please provide evidence of this to the undersigned at your earliest convenience. In connection with this interest, Devon proposes the following:

Devon Energy Production Company, L.P. ("Devon") hereby proposes to drill the Bilbrey 33 Fed Com 3H well as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1350' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 1980' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 3H with estimated cost of \$7,593,000.

Immediately after drilling the Bilbrey 33 Fed Com 3H, Devon plans to drill the Bilbrey 33 Fed Com 4H. Devon proposes to drill the Bilbrey 33 Fed Com 4H as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1300' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 660' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 4H with estimated cost of \$7,508,000.

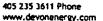
If you would like to participate in these wells please execute and return the enclosed AFEs at your earliest convenience. Should you decide to participate, I will forward an Operating Agreement covering to the Bone Spring Formation only.

Please note that locations in Section 33 are needed to accommodate the potash mining in the area. The anticipated spud date for the first well is the first of June; therefore, your prompt attention to this proposal is appreciated. A pooling application will be filed in the near future.

Sincerely,

Cari Allen, CPL

Senior Staff Landman





Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City, OK 73102 Direct Line: 405 228 4397 Direct Fax: 405 552 7667 cari.allen@dyn.com

April 28, 2014

Via Certified Mail

Lynx Production Company, Inc. 600 N. Marienfeld, Suite 918 Midland, TX 79701

91 7199 9991 7032 9637 8784

RE:

Bilbrey 33 Fed Com 3H

Project Area: W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E

Bilbrey 33 Fed Com 4H

Project Area: E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E

WIU: NE/4 Section 33; E/2 Section 28, T21S-32E

Lea County, New Mexico

Ladies and Gentlemen:

Enclosed are excerpts from Devon's title opinion dated January 20, 2014 in connection with the captioned wells. Lynx Production Company, Inc. shows up as a stranger in title in this title opinion. If Lynx claims an interest in the above referenced project areas in Lea County, New Mexico, please provide evidence of this to the undersigned at your earliest convenience. In connection with this interest, Devon proposes the following:

Devon Energy Production Company, L.P. ("Devon") hereby proposes to drill the Bilbrey 33 Fed Com 3H well as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1350' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 1980' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 3H with estimated cost of \$7,593,000.

Immediately after drilling the Bilbrey 33 Fed Com 3H, Devon plans to drill the Bilbrey 33 Fed Com 4H. Devon proposes to drill the Bilbrey 33 Fed Com 4H as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1300' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 660' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 4H with estimated cost of \$7,508,000.

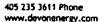
If you would like to participate in these wells please execute and return the enclosed AFEs at your earliest convenience. Should you decide to participate, I will forward an Operating Agreement covering to the Bone Spring Formation only.

Please note that locations in Section 33 are needed to accommodate the potash mining in the area. The anticipated spud date for the first well is the first of June; therefore, your prompt attention to this proposal is appreciated. A pooling application will be filed in the near future.

Sincerely,

Cari Allen, CPL

Senior Staff Landman





Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City, OK 73102 Direct Line: 405 228 4397 Direct Fax: 405 552 7667 cari.allen@dvn.com

April 28, 2014

Via Certified Mail

The Redmon Oil Company, Inc.

3315 Silverstone Dr. Plano, TX 75023

91 7199 9991 7032 9637 8791

RE:

Bilbrey 33 Fed Com 3H

Project Area: W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E

Bilbrey 33 Fed Com 4H

Project Area: E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E

WIU: NE/4 Section 33; E/2 Section 28, T21S-32E

Lea County, New Mexico

Ladies and Gentlemen:

Enclosed are excerpts from Devon's title opinion dated January 20, 2014 in connection with the captioned wells. The Redmon Oil Company, Inc. shows up as a stranger in title in this title opinion. If Redmon claims an interest in the above referenced project areas in Lea County, New Mexico, please provide evidence of this to the undersigned at your earliest convenience. In connection with this interest, Devon proposes the following:

Devon Energy Production Company, L.P. ("Devon") hereby proposes to drill the Bilbrey 33 Fed Com 3H well as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1350' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 1980' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 3H with estimated cost of \$7,593,000.

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Cari Allen, CPL

Senior Staff Landman



Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City, OK 73102 Direct Line: 405 228 4397 Direct Fax: 405 552 7667 Carl, allen@dvn.com 405 235 3611 Phone www.devononergy.com

April 22, 2014

Via Electronic Mail

COG Operating LLC Concho Oil & Gas LLC One Concho Center 600 West Illinois Avenue Midland, TX 797901

RE:

Bilbrey 33 Fed Com 3H

Project Area: W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E

Bilbrey 33 Fed Com 4H

Project Area: E/2 NE/4 Section 33; E/2 E/2 Section 28, T21S-R32E

WIU: NE/4 Section 33; E/2 Section 28, T21S-32E

Lea County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby proposes to drill the Bilbrey 33 Fed Com 3H well as a horizontal 2nd Bone Spring Sand test at a surface location of 2600' FSL & 1350' FEL Section 33-21S-32E, Lea County, New Mexico to an approximate depth of 10,596' TVD (heel) and plans to drill in a northerly direction to an approximate total measured depth of 15,101' (10,591' TVD) with an approximate bottom hole location of 330' FNL & 1980' FEL Section 28-21S-32E. This well is anticipated to be a standard location within a project area consisting of the W/2 NE/4 Section 33; W/2 E/2 Section 28, T21S-R32E. Enclosed is Devon's AFE for the proposed Bilbrey 33 Fed Com 3H with estimated cost of \$7,593,000.

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Sincerely,

Cari Allen, CPL Senior Staff Landman