

11-20-12 SUSPENSE ~~NSL~~ ENGINEER DB LOGGED IN 11-21 TYPE NSL APP NO. pDKB1232637861

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Dawn
Coral PWV28#24

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD
Check One Only for [B] or [C]
[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
[D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
[A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☐ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

KEN GRAY
Print or Type Name

Ken Gray
Signature

SR ADVISOR, LAND
Title

11/20/12
Date

KEN.GRAY@DVN.COM
e-mail Address



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

RECEIVED 0000
2011/11/20 P 6:17

FAX

To: DAVID BROOKS

From: Ken Gray
405-552-4633

Fax: 505-476-3462

Date: 11/20/12

Phone:

Pages: 12 (including cover page)

Re: CORAL PLU 28 #2H
NSL

CC:

☐ Urgent

☒ For Review

☐ Please Comment

☐ Please Reply

☐ Please Recycle

• Comments:



Ken Gray
Senior Advisor, Land

Devon Energy Corporation
333 West Sheridan
Oklahoma City, Oklahoma 73102-8260
Office: (405) 552-4633
Fax: (405) 552-8113

November 20, 2012

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: David Brooks

Re: Coral PWU 28 #2H
Section 28-T19S-R29E
Eddy County, NM

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator of the Parkway West Unit, has drilled the referenced horizontal 2nd Bone Spring well to a total vertical depth of approximately 8,020' with a total measured depth of approximately 12,660'. As reflected on the attached C-102, the well has been permitted at a surface location of 65' FNL & 1330' FWL with an original permitted bottom hole location of 330' FSL and 1650' FWL of Section 28, Township 19 South, Range 29 East. During the drilling of this well, the actual well path inadvertently ventured outside of the original project area but eventually back in the project area as reflected on the attached C-102. Devon's intention with respect to completion of the well is to establish top and bottom perfs as follows:

Top perf: approximately 9,310' MD, approximate footage location 1,667' FNL & 1,350' FWL

Bottom perf: approximately 12,620', approximate footage location 424' FSL & 1,495' FWL

Both the top and bottom perfs described above will be closer than 330' to the outer boundary of the project area established for the well and therefore will result in a non-standard location in accordance with NMOCD rules.

In accordance with NMOCD rules, Devon respectfully requests that the NMOCD administratively approve this application for an unorthodox location with respect to that portion of the horizontal wellbore as described above in accordance with Division Rule 104(F)-(3). The Coral PWU-28-#2H lies within the Parkway West Unit established in 1972 and the working interests in the unit are uniform throughout the unit, therefore the affected parties located in unit letters D, E, L, & M should not require notification of this application.

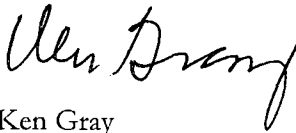
14248 = 179776
32625
1200361
458

Attached for your review you will find a land plat outlining the Parkway West Unit, a structure map on top of the 2nd Bone Spring formation, a State of New Mexico form C-102, and an Actual Well Profile Report prepared by Weatherford Drilling Services.

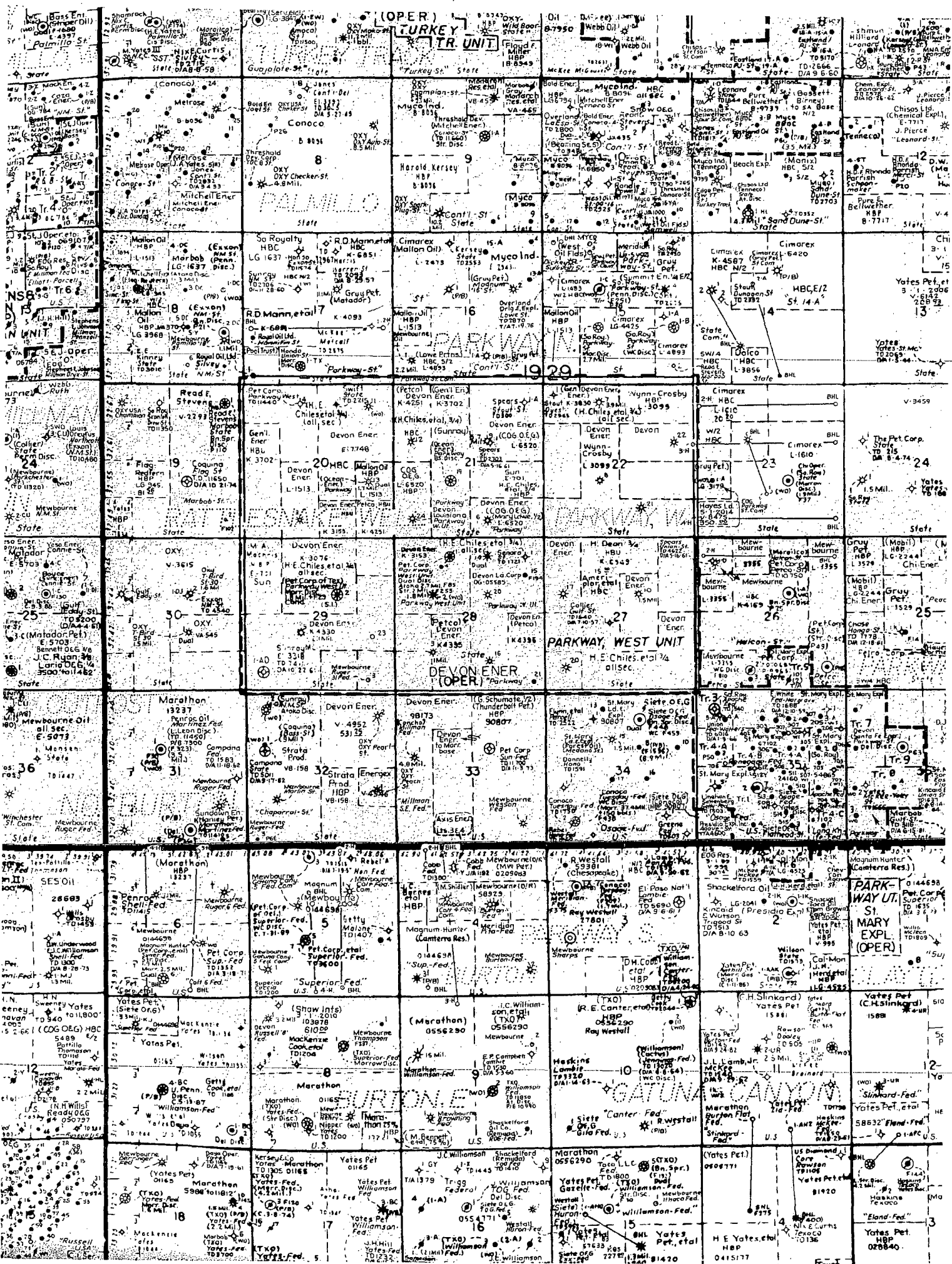
Feel free to contact the undersigned at (405) 552-4633 if there are any concerns or questions regarding this application.

Yours very truly,

~~DEVON ENERGY PRODUCTION COMPANY, L.P.~~

A handwritten signature in black ink, appearing to read "Ken Gray", written over a horizontal line.

Ken Gray
Senior Advisor, Land



District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-019-40217		Pool Code	Pool Name Phury BS
Property Code	Property Name CORAL PWU "28"		Well Number 2H
GRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.		Elevation 3322.5

Surface Location

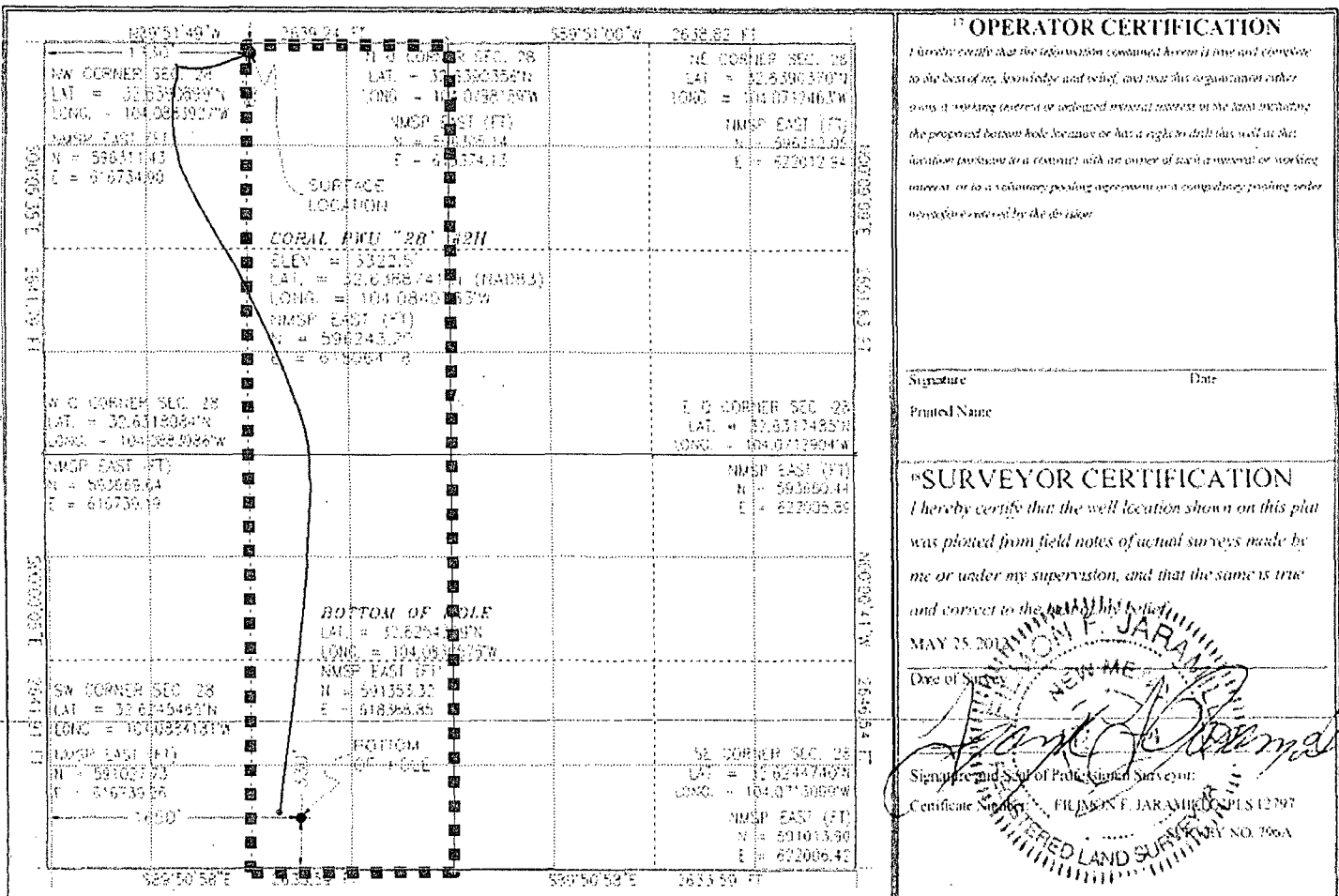
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	28	19 S	29 E		65	NORTH	1330	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	28	19 S	29 E		330	SOUTH	1650	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.





Weatherford®

Devon Energy
Coral PWU 28 #2H
Eddy County, New Mexico

Section 1

Weatherford (Wft) Final Definitive

Plot & Survey

devon

Coral PWU 28 2H
Eddy Co., New Mexico

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	7952.00	57.96	174.54	7822.40	-372.45	-496.77	0.00	0.00	338.80	
2	8234.58	89.50	153.00	7901.43	-626.71	-418.41	13.28	322.93	597.68	
3	9434.58	89.50	153.00	7911.90	-1695.88	126.36	0.00	0.00	1700.52	
4	10302.21	89.50	179.03	7919.58	-2530.54	334.23	3.00	90.11	2547.10	
5	12662.07	89.50	179.03	7940.00	-4889.97	374.17	0.00	0.00	4904.01	PBHL

WELL DETAILS

Name+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot	
#2	0.00	0.00	596243.29	618064.68	32°38'19.935N	104°05'02.678W	N/A

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
PBHL	7940.00	-4889.97	374.17	591353.32	618438.85	32°37'31.538N	104°04'58.437W	Rectangle (2400x50)

FIELD DETAILS

Eddy Co., NM (NAD 83)

Geodetic System: US State Plane Coordinate System 1983

Ellipsoid: GRS 1980

Zone: New Mexico, Eastern Zone

Magnetic Model: IGRF2010

System Datum: Mean Sea Level

Local North: Grid North

SITE DETAILS

Coral PWU 28 2H

Site Centre Northing: 596243.29

Easting: 618064.68

Ground Level: 3323.00

Positional Uncertainty: 0.00

Convergence: 0.13

LEGEND

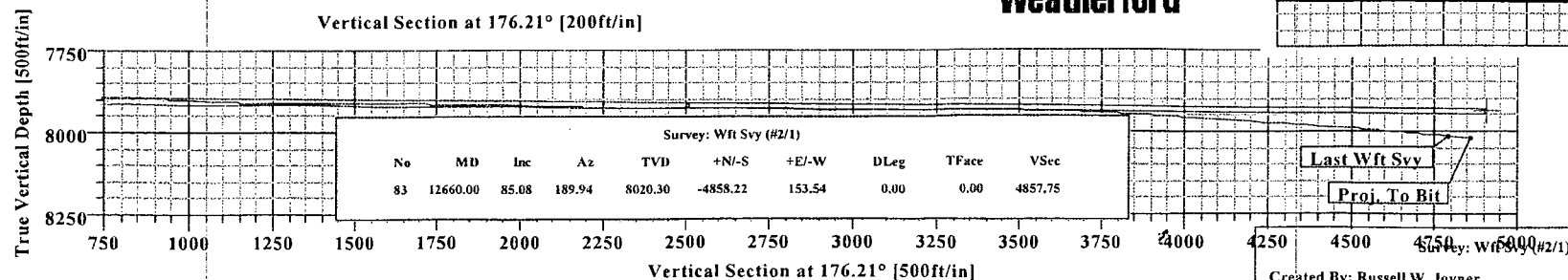
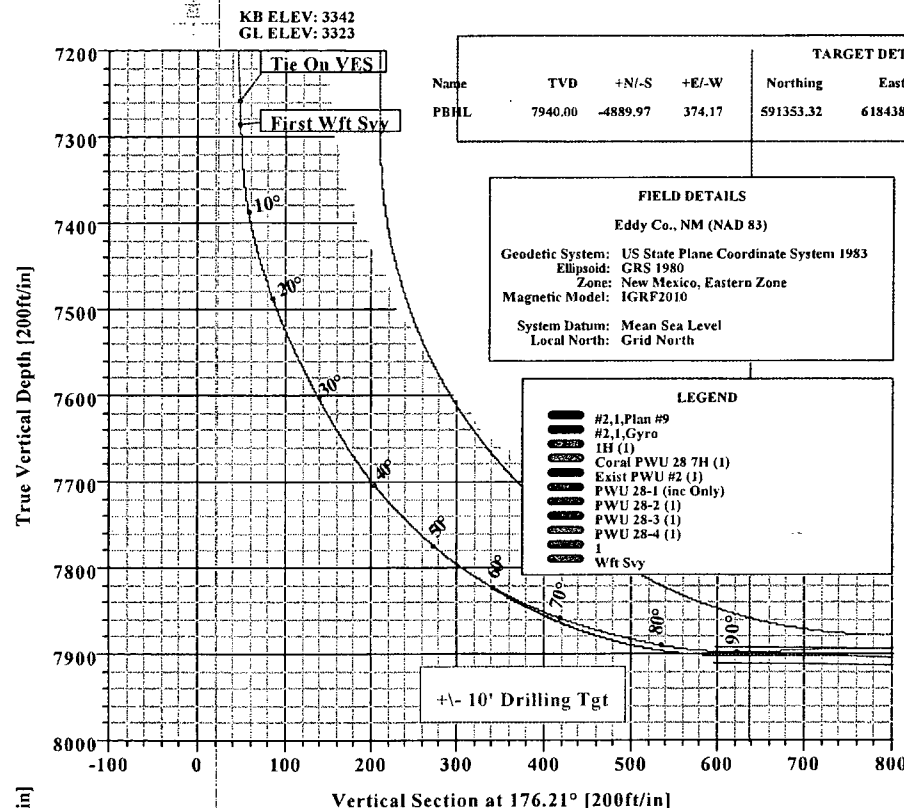
- #2, 1, Plan #9
- #2, 1, Gyro
- 1H (1)
- Coral PWU 28 7H (1)
- Exist PWU #2 (1)
- PWU 28-1 (inc Only)
- PWU 28-2 (1)
- PWU 28-3 (1)
- PWU 28-4 (1)
- 1
- Wft Svy



Azimuths to Grid North
True North: -0.13°
Magnetic North: 7.57°

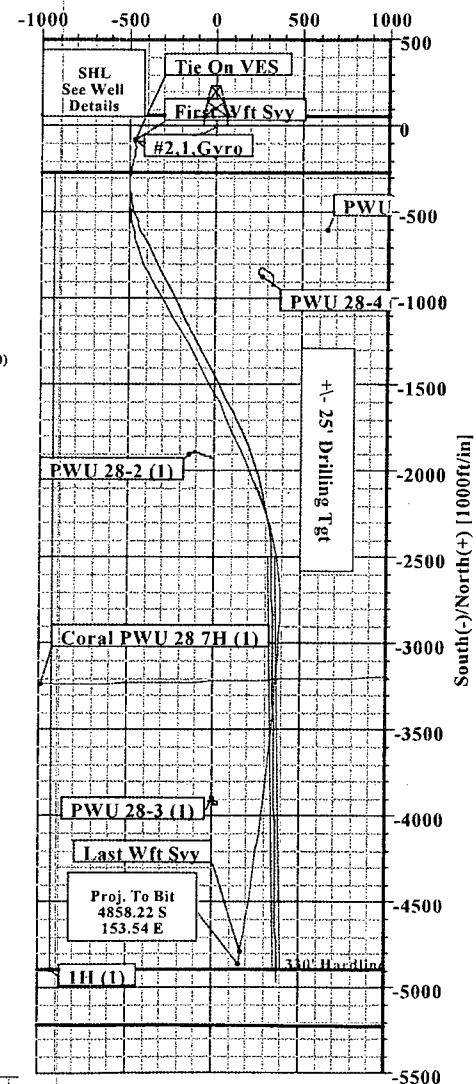
Magnetic Field
Strength: 48710nT
Dip Angle: 60.45°
Date: 9/15/2012
Model: IGRF2010

Total Correction to Grid North: 7.57°



No	MD	Inc	Az	TVD	+N/-S	+E/-W	DLeg	TFace	VSec
83	12660.00	85.08	189.94	8020.30	-4858.22	153.54	0.00	0.00	4857.75

West(-)/East(+) [1000ft/in]



Created By: Russell W. Joyner

Date: 10/12/2012



Weatherford

WFT Survey Report X & Y's



Company: Devon Energy
Field: Eddy Co., NM (NAD 83)
Site: Coral PWU 28 2H
Well: #2
Wellpath: 1

Date: 10/12/2012 Time: 06:23:22 Page: 1
Co-ordinate(NE) Reference: Well: #2, Grid North
Vertical (TVD) Reference: SITE 3342.0
Section (VS) Reference: Well (0.00N,0.00E,176.21Azi)
Survey Calculation Method: Minimum Curvature Db: Sybase

Survey: Wft Svy Start Date: 9/30/2012

Company: Weatherford Engineer: Russell W. Joyner
Tool: MWD;MWD - Standard Tied-to: User Defined

Field: Eddy Co., NM (NAD 83)

Map System: US State Plane Coordinate System 1983
Geo. Datum: GRS 1980
Sys Datum: Mean Sea Level

Map Zone: New Mexico, Eastern Zone
Coordinate System: Well Centre
Geomagnetic Model: IGRF2010

Site: Coral PWU 28 2H

Site Position: Northing: 596243.29 ft Latitude: 32 38 19.935 N
From: Map Easting: 618064.68 ft Longitude: 104 5 2.678 W
Position Uncertainty: 0.00 ft North Reference: Grid
Ground Level: 3323.00 ft Grid Convergence: 0.13 deg

Well: #2 Slot Name:

Well Position: +N/-S 0.00 ft Northing: 596243.29 ft Latitude: 32 38 19.935 N
+E/-W 0.00 ft Easting: 618064.68 ft Longitude: 104 5 2.678 W
Position Uncertainty: 0.00 ft

Wellpath: 1

Current Datum: SITE Height 3342.00 ft
Magnetic Data: 9/15/2012
Field Strength: 48710 nT
Vertical Section: Depth From (TVD) ft +N/-S ft
Drilled From: Surface
Tie-on Depth: 0.00 ft
Above System Datum: Mean Sea Level
Declination: 7.70 deg
Mag Dip Angle: 60.45 deg
+E/-W ft Direction deg

0.00	0.00	0.00	176.21
------	------	------	--------

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	DLS deg/100ft	VS ft	MapN ft	MapE ft	Comment
7287.00	1.99	155.74	7258.93	-78.95	-468.53	0.00	47.81	596164.34	617596.15	Tie On VES First Wft Svy
7313.00	2.06	135.28	7284.91	-79.69	-468.02	2.78	48.58	596163.60	617596.66	
7345.00	3.15	146.50	7316.88	-80.84	-467.13	3.74	49.78	596162.45	617597.55	
7377.00	5.76	161.75	7348.78	-83.09	-466.14	8.89	52.10	596160.20	617598.54	
7408.00	9.14	170.65	7379.52	-87.00	-465.25	11.49	56.06	596156.29	617599.43	
7440.00	12.83	175.07	7410.93	-93.05	-464.53	11.82	62.14	596150.24	617600.15	
7472.00	16.30	178.13	7441.89	-101.08	-464.08	11.10	70.19	596142.21	617600.60	
7503.00	18.47	176.65	7471.48	-110.33	-463.65	7.14	79.45	596132.96	617601.03	
7535.00	21.36	179.78	7501.56	-121.22	-463.33	9.62	90.33	596122.07	617601.35	
7567.00	24.37	182.38	7531.04	-133.65	-463.58	9.92	102.72	596109.64	617601.10	
7599.00	26.03	183.18	7560.00	-147.26	-464.25	5.30	116.25	596096.03	617600.43	
7631.00	28.63	190.32	7588.43	-161.82	-466.01	13.06	130.66	596081.47	617598.67	
7662.00	31.05	194.66	7615.32	-176.86	-469.37	10.46	145.45	596066.43	617595.31	
7694.00	33.38	197.59	7642.39	-193.24	-474.12	8.76	161.48	596050.05	617590.56	
7726.00	35.89	197.58	7668.72	-210.58	-479.61	7.84	178.42	596032.71	617585.07	
7758.00	38.76	193.80	7694.17	-229.25	-484.83	11.47	196.71	596014.04	617579.85	
7790.00	41.87	191.41	7718.57	-249.46	-489.34	10.85	216.57	595993.83	617575.34	
7822.00	45.40	188.56	7741.73	-271.20	-493.15	12.63	238.01	595972.09	617571.53	
7854.00	48.29	186.68	7763.61	-294.33	-496.23	10.00	260.89	595948.96	617568.45	
7885.00	51.35	182.84	7783.61	-317.93	-498.18	13.67	284.30	595925.36	617566.50	
7917.00	55.38	180.66	7802.71	-343.59	-498.95	13.73	309.85	595899.70	617565.73	
7949.00	59.21	179.18	7819.99	-370.51	-498.91	12.59	336.72	595872.78	617565.77	
7981.00	62.95	178.54	7835.47	-398.51	-498.35	11.82	364.69	595844.78	617566.33	
8013.00	67.00	177.40	7849.00	-427.48	-497.31	13.06	393.67	595815.81	617567.37	



Weatherford

WFT Survey Report X & Y's

**Weatherford**

Company: Devon Energy
Field: Eddy Co., NM (NAD 83)
Site: Coral PWU 28 2H
Well: #2
Wellpath: 1

Date: 10/12/2012 Time: 06:23:22 Page: 2
Co-ordinate(NE) Reference: Well: #2, Grid North
Vertical (TVD) Reference: SITE 3342.0
Section (VS) Reference: Well (0.00N,0.00E,176.21Azi)
Survey Calculation Method: Minimum Curvature Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	DLS deg/100ft	VS ft	MapN ft	MapE ft	Comment
8045.00	70.66	176.68	7860.56	-457.27	-495.77	11.63	423.50	595786.02	617568.91	
8077.00	73.54	174.29	7870.39	-487.62	-493.37	11.47	453.94	595755.67	617571.31	
8108.00	75.14	171.90	7878.76	-517.25	-489.78	9.04	483.75	595726.04	617574.90	
8140.00	77.80	170.64	7886.25	-548.00	-485.06	9.15	514.74	595695.29	617579.62	
8172.00	81.00	169.61	7892.13	-578.98	-479.66	10.49	546.01	595664.31	617585.02	
8204.00	84.89	168.37	7896.06	-610.15	-473.60	12.75	577.51	595633.14	617591.08	
8236.00	88.81	168.36	7897.82	-641.44	-467.15	12.25	609.16	595601.85	617597.53	
8268.00	91.40	167.17	7897.76	-672.71	-460.37	8.91	640.81	595570.58	617604.31	
8299.00	91.54	163.65	7896.97	-702.69	-452.57	11.36	671.24	595540.60	617612.11	
8331.00	92.45	160.07	7895.85	-733.08	-442.61	11.54	702.22	595510.21	617622.07	
8363.00	92.52	156.54	7894.46	-762.78	-430.80	11.02	732.64	595480.51	617633.88	
8395.00	91.19	153.83	7893.43	-791.81	-417.37	9.43	762.49	595451.48	617647.31	
8427.00	88.88	152.55	7893.41	-820.36	-402.94	8.25	791.94	595422.93	617661.74	
8459.00	88.60	153.01	7894.11	-848.81	-388.31	1.68	821.29	595394.48	617676.37	
8554.00	87.97	150.79	7896.95	-932.57	-343.59	2.43	907.82	595310.72	617721.09	
8650.00	87.20	149.36	7901.00	-1015.70	-295.74	1.69	993.93	595227.59	617768.94	
8745.00	87.13	149.86	7905.70	-1097.54	-247.74	0.53	1078.77	595145.75	617816.94	
8841.00	88.39	149.44	7909.45	-1180.32	-199.27	1.38	1164.57	595062.97	617865.41	
8937.00	89.02	149.36	7911.62	-1262.93	-150.41	0.66	1250.23	594980.36	617914.27	
9032.00	89.16	150.97	7913.13	-1345.33	-103.16	1.70	1335.57	594897.96	617961.52	
9128.00	89.93	153.19	7913.89	-1430.14	-58.21	2.45	1423.17	594813.15	618006.47	
9223.00	90.00	153.63	7913.95	-1515.10	-15.69	0.47	1510.75	594728.19	618048.99	
9319.00	90.35	154.31	7913.66	-1601.36	26.44	0.80	1599.60	594641.93	618091.12	
9414.00	89.65	154.57	7913.66	-1687.06	67.43	0.79	1687.83	594556.23	618132.11	
9510.00	88.88	154.71	7914.89	-1773.80	108.54	0.82	1777.10	594469.49	618173.22	
9605.00	88.75	156.07	7916.85	-1860.15	148.09	1.44	1865.87	594383.14	618212.77	
9701.00	88.67	156.78	7919.01	-1948.12	186.48	0.74	1956.18	594295.17	618251.16	
9796.00	88.67	157.75	7921.22	-2035.71	223.18	1.02	2046.01	594207.58	618287.86	
9892.00	88.81	159.25	7923.33	-2125.01	258.35	1.57	2137.44	594118.28	618323.03	
9988.00	88.60	161.50	7925.50	-2215.40	290.59	2.35	2229.76	594027.89	618355.27	
10084.00	90.35	162.02	7926.38	-2306.57	320.63	1.90	2322.72	593936.72	618385.31	
10179.00	90.49	164.39	7925.68	-2397.51	348.08	2.50	2415.27	593845.78	618412.76	
10275.00	89.93	171.04	7925.33	-2491.26	368.49	6.95	2510.16	593752.03	618433.17	
10371.00	89.79	175.69	7925.57	-2586.59	379.58	4.85	2606.02	593656.70	618444.26	
10467.00	88.88	179.19	7926.68	-2682.47	383.87	3.77	2701.97	593560.82	618448.55	
10563.00	88.88	180.29	7928.56	-2778.45	384.31	1.15	2797.77	593464.84	618448.99	
10659.00	88.88	182.45	7930.43	-2874.40	382.01	2.25	2893.36	593368.89	618446.69	
10755.00	89.58	183.32	7931.72	-2970.26	377.18	1.16	2988.70	593273.03	618441.86	
10850.00	90.35	183.79	7931.78	-3065.08	371.29	0.95	3082.92	593178.21	618435.97	
10947.00	90.14	183.84	7931.37	-3161.86	364.84	0.22	3179.06	593081.43	618429.52	
11043.00	89.65	184.45	7931.54	-3257.61	357.90	0.82	3274.14	592985.68	618422.58	
11138.00	89.23	185.03	7932.47	-3352.28	350.05	0.75	3368.09	592891.01	618414.73	
11234.00	88.88	185.35	7934.05	-3447.87	341.36	0.49	3462.90	592795.42	618406.04	
11330.00	88.67	185.77	7936.11	-3543.40	332.07	0.49	3557.60	592699.89	618396.75	
11425.00	88.04	185.79	7938.83	-3637.88	322.50	0.66	3651.24	592605.41	618387.18	
11520.00	87.62	186.56	7942.43	-3732.26	312.29	0.92	3744.74	592511.03	618376.97	
11615.00	87.06	186.94	7946.84	-3826.50	301.14	0.71	3838.03	592416.79	618365.82	
11710.00	86.57	187.00	7952.12	-3920.65	289.63	0.52	3931.22	592322.64	618354.31	
11804.00	86.43	187.28	7957.86	-4013.75	277.96	0.33	4023.34	592229.54	618342.64	
11899.00	86.36	187.33	7963.83	-4107.79	265.91	0.09	4116.38	592135.50	618330.59	
11995.00	86.29	187.49	7969.98	-4202.79	253.55	0.18	4210.36	592040.50	618318.23	
12089.00	86.08	187.79	7976.24	-4295.75	241.08	0.39	4302.29	591947.54	618305.76	



Weatherford

WFT Survey Report X & Y's

**Weatherford**

Company: Devon Energy
Field: Eddy Co., NM (NAD 83)
Site: Coral PWU 28 2H
Well: #2
Wellpath: 1

Date: 10/12/2012 Time: 06:23:22 Page: 3
Co-ordinate(NE) Reference: Well: #2, Grid North
Vertical (TVD) Reference: SITE 3342.0
Section (VS) Reference: Well (0.00N,0.00E,176.21Azi)
Survey Calculation Method: Minimum Curvature Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	DLS deg/100ft	VS ft	MapN ft	MapE ft	Comment
12184.00	85.87	187.90	7982.91	-4389.63	228.15	0.25	4395.11	591853.66	618292.83	
12279.00	85.80	188.38	7989.81	-4483.42	214.73	0.51	4487.81	591759.87	618279.41	
12374.00	85.66	188.91	7996.88	-4577.08	200.49	0.58	4580.33	591666.21	618265.17	
12468.00	85.45	189.24	8004.16	-4669.63	185.71	0.42	4671.69	591573.66	618250.39	
12563.00	85.10	189.67	8011.99	-4763.02	170.16	0.58	4763.85	591480.27	618234.84	
12591.00	85.08	189.94	8014.39	-4790.51	165.41	0.96	4790.96	591452.78	618230.09	Last Wft Svy
12660.00	85.08	189.94	8020.30	-4858.22	153.54	0.00	4857.75	591385.07	618218.22	Proj. To Bit

Annotation

MD ft	TVD ft	
7287.00	7258.93	Tie On VES
7313.00	7284.91	First Wft Svy
12591.00	8014.39	Last Wft Svy
12660.00	8020.30	Proj. To Bit

Brooks, David K., EMNRD

From: Gray, Ken <Ken.Gray@dvn.com>
Sent: Tuesday, November 20, 2012 12:26 PM
To: Brooks, David K., EMNRD
Subject: Coral PWU 28 #2H NSL
Attachments: PDF File.pdf

David, I've tried faxing this application on 3 different occasions without success so I have taken the liberty of emailing to you. Please acknowledge receipt via return email. Thanks.

From: Gray, Ken (grayk) [<mailto:Ken.Gray@dvn.com>]
Sent: Tuesday, November 20, 2012 1:19 PM
To: Gray, Ken
Subject: Scanned document from Gray, Ken (grayk)

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Wednesday, November 21, 2012 10:47 AM
To: 'Gray, Ken'
Subject: RE: Coral PWU 28 #2H NSL

Dear Ken

This application has been received and logged in.

I do have a question, however. The indicated bottom perf location appears to be 458 feet from the NW corner of the project area. Since it is less than 467 feet from the corner, we need to address the issue of ownership of the unit to the northwest (presumably Unit M of Section 21), as well as the units to the west.

Please advise regarding ownership status of the unit to the northwest.

Sincerely

David K. Brooks

TC 11/21/12 clarified that encroachment is at SW corner toward Def. 33.

From: Gray, Ken [mailto:Ken.Gray@dvn.com]
Sent: Tuesday, November 20, 2012 12:26 PM
To: Brooks, David K., EMNRD
Subject: Coral PWU 28 #2H NSL

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Brooks, David K., EMNRD

From: Gray, Ken <Ken.Gray@dvn.com>
Sent: Monday, November 26, 2012 4:13 PM
To: Brooks, David K., EMNRD
Subject: RE: Coral PWU 28 #2H NSL
Attachments: PDF File.pdf

David, per our follow up telephone conversation last week, this notice went out in today's mail. Thanks for your help.

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Wednesday, November 21, 2012 11:47 AM
To: Gray, Ken
Subject: RE: Coral PWU 28 #2H NSL

Dear Ken

This application has been received and logged in.

I do have a question, however. The indicated bottom perf location appears to be 458 feet from the NW corner of the project area. Since it is less than 467 feet from the corner, we need to address the issue of ownership of the unit to the northwest (presumably Unit M of Section 21), as well as the units to the west.

Please advise regarding ownership status of the unit to the northwest.

Sincerely

David K. Brooks

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To: Brooks, David K., EMNRD
Subject: Coral PWU 28 #2H NSL

David, I've tried faxing this application on 3 different occasions without success so I have taken the liberty of emailing to you. Please acknowledge receipt via return email. Thanks.

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Sent: Tuesday, November 20, 2012 1:19 PM
To: Gray, Ken
Subject: Scanned document from Gray, Ken (grayk)

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retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.



Ken Gray
Senior Advisor, Land

Devon Energy Corporation
20 North Broadway
Oklahoma City, Oklahoma 73102-8260
Office: (405) 552-4633
Fax: (405) 552-8113
Ken.gray@devn.com

November 26, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

To Working Interest Owners
See Address List Attached

Re: Coral PWU 28 #2H
Section 28-T19S-R29E
Eddy County, NM

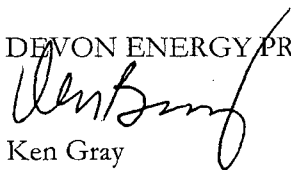
Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s administrative application for approval of an unorthodox well location covering the referenced well. The NMOCD has advised that the working interest owners in the N/2 NW/4 of Section 33-T19S-R29E are entitled to notice of this application as an affected owner of an offset spacing unit in accordance with Division Rule 104(f). Objections to this application should be submitted to the NMOCD within twenty (20) days from receipt of this letter. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned.

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 Advisor, Land

The undersigned has no objection to this administrative application for unorthodox location.

By: _____

Title: _____

Date: _____

Address List

SM Energy Company
330 North A Street, Bldg. 7, Ste. 200
Midland, Texas 79705
Certified Mail #7011-2000-0002-5060-0509

Hanson Operating Company, Inc.
P.O. Box 1515
Roswell, NM 88202-1515
Certified Mail #7011-2000-0002-5060-0516

G.E. & E.P. Harrington, Trustees
Of the Harrington Trust
P.O. Box 3716
Roswell, NM 88202-3716
Certified Mail #7011-2000-0002-5060-0523

DeVargas Street, LLC
4613 Los Pablanos Circle NW
Albuquerque, NM 87107
Certified Mail #7011-2000-0002-5060-0530

Permian Hunter Corporation
215 South State Street, Suite 100
Salt Lake City, Utah 84111-2337
Certified Mail #7011-2000-0002-5060-0547

Michael J. Norton III
60 Beach Avenue
South Dartmouth, MA 02748-1543
Certified Mail #7011-2000-0002-5060-0554

Byron Bachschmid
1800 Hereford Blvd.
Midland, TX 79707-9784
Certified Mail #7011-2000-0002-5060-0561

L. Neil Burcham &
Marylin J. Burcham
665 La Melodia Dr.
Las Cruces, NM 88011-7097
Certified Mail #7011-2000-0002-5060-0578

Robert L. Dale
15419 Peach Hill Road
Saratoga, CA 95070
Certified Mail #7011-2000-0002-5060-0585

Jose E. Rodriguez
P.O. Box 691168
Houston, TX 77269-1168
Certified Mail #7011-2000-0002-5060-0592

Thunderbolt Petroleum, LLC
P.O. Box 10523
Midland, TX 79702
Certified Mail #7011-2000-0002-5060-0608

Timothy Z. Jennings
P.O. 1797
Roswell, NM 88203
Certified Mail #7011-2000-0002-5060-0615

Drusilla C. Cieszinski, Trustee of the
Cieszinski Trust u/t/a dated 5/15/07
P.O. Box 3047
Roswell, NM 88202
Certified Mail #7011-2000-0002-5060-0622