

DATE IN <u>2-18-10</u>	SUSPENSE	ENGINEER <u>Bruck</u>	LOGGED IN <u>2-18</u>	TYPE <u>NSL</u>	PTG <u>in</u> APP NO. <u>1004945667</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Devon

Cooter 16 Stat-3H

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.

Sam McCurdy

Print or Type Name

Signature

Title

Date

Landman

2/17/10

Sam.McCurdy@DVA.com

e-mail Address



Sam McCurdy
Landman

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

February 8, 2010

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

RE: Cooter 16 State #3H
Section 16-T25S-R29E
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, intends to drill the referenced horizontal Bone Spring Formation well to a total vertical depth of approximately 7,550' with a total measured depth of approximately 11,969'. Devon attempted to stake and permit the horizontal well at a legal location, but due to topographical issues with the proximity of an excessive slope to the west, which required significant cut and fill operations, the proposed surface location was moved to a non-standard location. As reflected on the attached C-102, the well has been permitted at a surface location of 1190' FWL and 330' FNL with a permitted bottom hole location of 990' FWL and 330' FSL of Section 16, Township 25 South, Range 29 East. Devon will penetrate the top of the Bone Spring Formation with the vertical portion of the well bore and will continue drilling the Bone Spring Formation with the horizontal portion of the well bore. According to Division rules the above mentioned SHL and horizontal portion would be classified as a non-standard location.

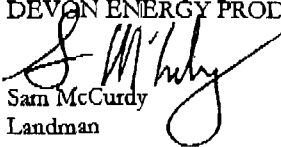
Due to the topographical issues concerning the proximity an excessive slope associated with drilling from a standard location, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location in accordance with Division Rule 104(I) (3). This unorthodox location affects the leasehold owner in Unit letters C, F, K and N. Devon is the owner of 100% record title of State Lease NM VO-4902 which covers Unit letters C, F, K and N, among other lands. Therefore, no additional notification of this application should be required as this unorthodox location will affect Devon leasehold only. Additionally, Devon requests Commission approval to designate a 160 acre project area consisting of four standard oil spacing units comprised of the W/2 NW/4 (Unit letters D & E) and the W/2 SW/4 (Unit letter L & M) of said Section 16.

Attached for your review you will find a land plat reflecting Devon as the only affected party, a structure map of the Bone Spring Formation, a State of New Mexico form C-102, and a Well Profile Plan prepared by Weatherford Drilling Services.

Feel free to contact the undersigned at (405)228-2406 if there are any concerns or questions regarding this application.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.


Sam McCurdy
Landman

DISTRICT I

1626 N. French Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102

Revised October 15, 2009

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name <i>SE Willow Lake BS</i>
Property Code	Property Name COOTER "16" STATE	Well Number 3H
GRID No.	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3007'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	25 S	29 E		330	NORTH	1190	WEST	EDDY

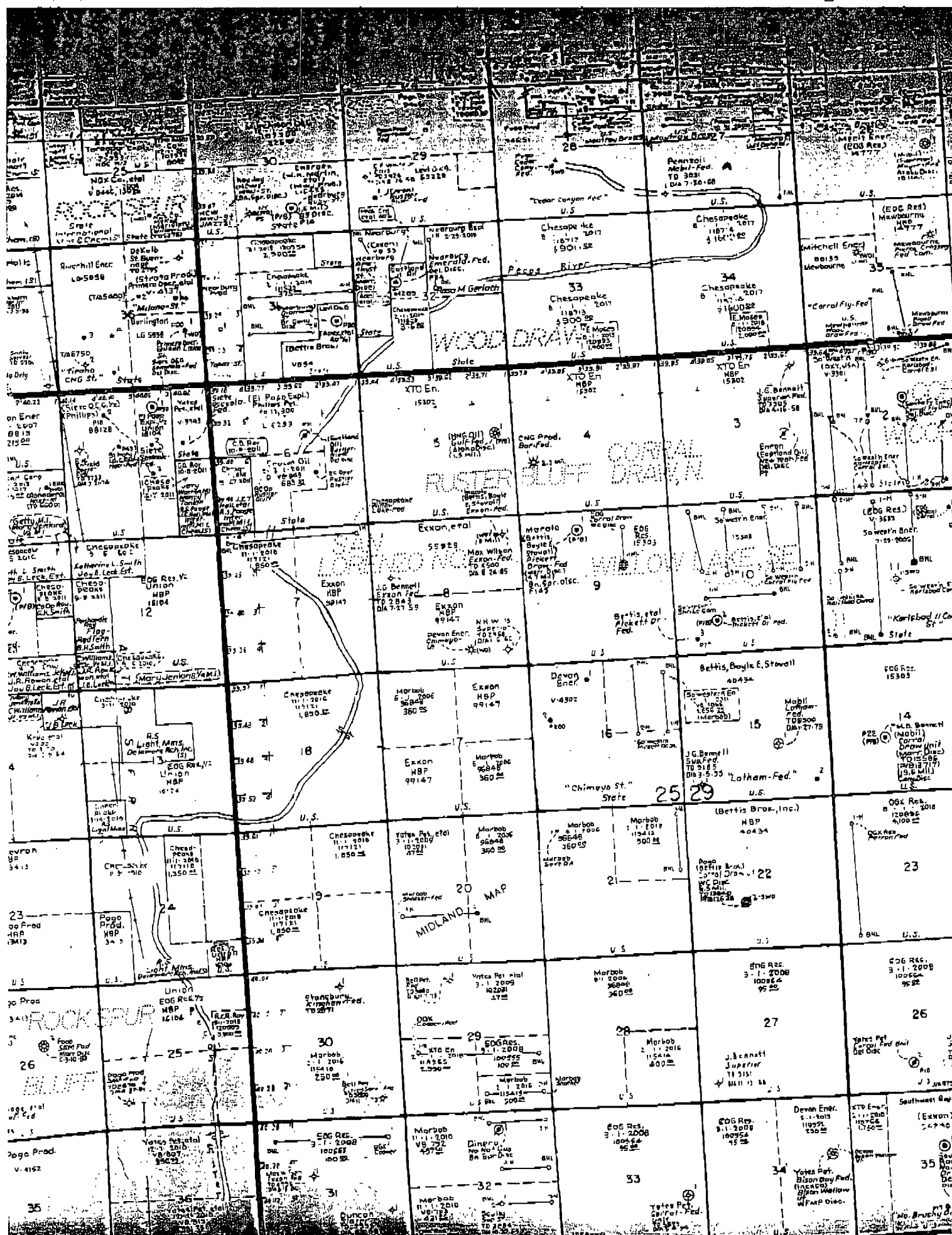
Bottom Hole Location If Different From Surface

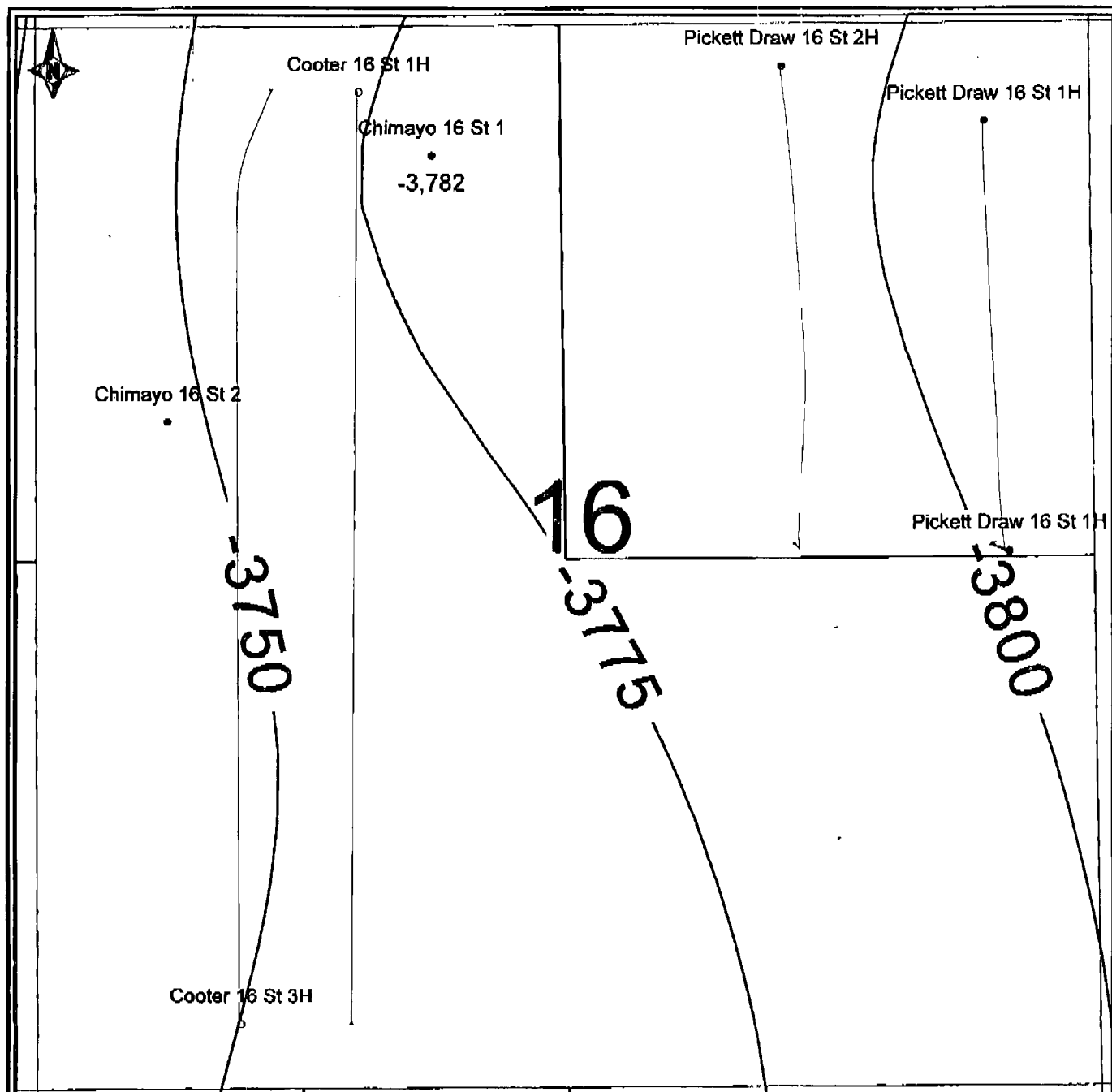
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	25 S	29 E		330	SOUTH	990	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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

N: 413853.3700 E: 845110.8770 LAT: N03°08'14.38" LONG: W103°59'53.06" SURFACE LOCATION Lat - N 32°08'11.09" Long - W 103°59'39.20" NMSPCE- N 413827.883 E 848302.075 (NAD-83)	N: 413875.8720 E: 850420.2100 LAT: N03°08'14.40" LONG: W103°58'51.10"	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date _____ Printed Name _____
N: 411222.1060 E: 860457.8420 LAT: N03°07'49.14" LONG: W103°58'51.10" PROPOSED BOTTOM HOLE LOCATION Lat - N 32°07'25.07" Long - W 103°58'41.38" NMSPCE- N 408877.550 E 846120.397 (NAD-83) N: 408854.8820 E: 847798.3880 LAT: N03°07'51.80" LONG: W103°58'51.10" N: 408860.8730 E: 850424.7070 LAT: N03°07'51.80" LONG: W103°58'51.10"	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. Date: <u>JANUARY 20, 2010</u> Signature: <u>[Signature]</u> Professional Surveyor 7977 Certificate No. <u>Gary L Jones</u> 7977 BASIN SURVEYS	





NON-STANDARD LOCATION APPLICATION

COOTER 16 STATE WELLS

STRUCTURE: TOP BONE SPRING





Weatherford®

Drilling Services

Proposal



devon

COOTER 16 STATE #3H

EDDY COUNTY, NM

WELL FILE: **PLAN 2**

FEBRUARY 2, 2010

Weatherford International, Ltd.
P.O. Box 61028
Midland, TX 79711 USA
+1.432.561.8892 Main
+1.432.561.8895 Fax
www.weatherford.com

SECTION DETAILS									
Seq	MD	Int	Ad	TVD	+N-S	+E-W	DLeg	TTrue	Yacc Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	6938.33	0.00	0.00	6938.33	0.00	0.00	0.00	0.00	0.00
3	7038.33	60.00	20.50	7038.33	-264.47	-109.63	10.00	202.50	268.56
4	7326.55	90.00	180.00	7326.55	-608.39	-173.90	10.00	-39.64	614.38
5	11959.00	90.00	180.00	11959.00	-4650.43	-173.68	0.00	0.00	-4650.43

devon
COOTER 16 STATE #3H
EDDY CO., NEW MEXICO

Rig H&P 372

KB ELEV: 3007
GL ELEV: 3007

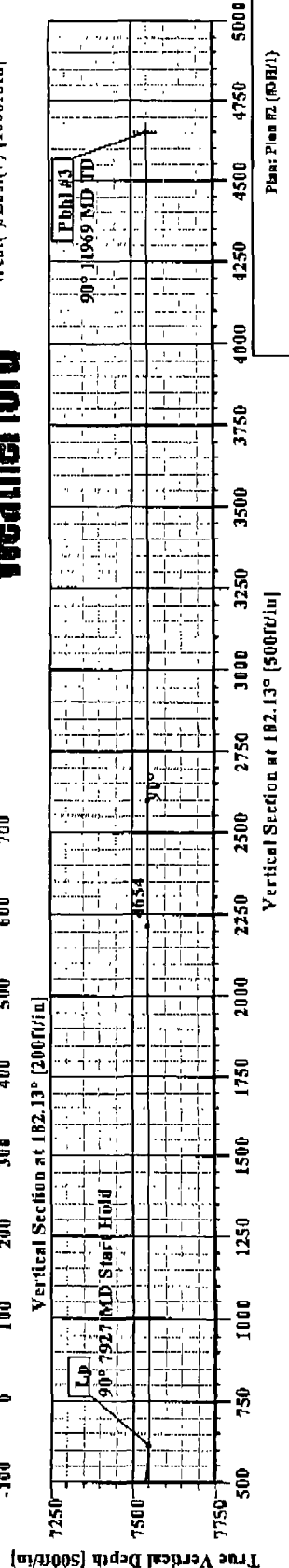
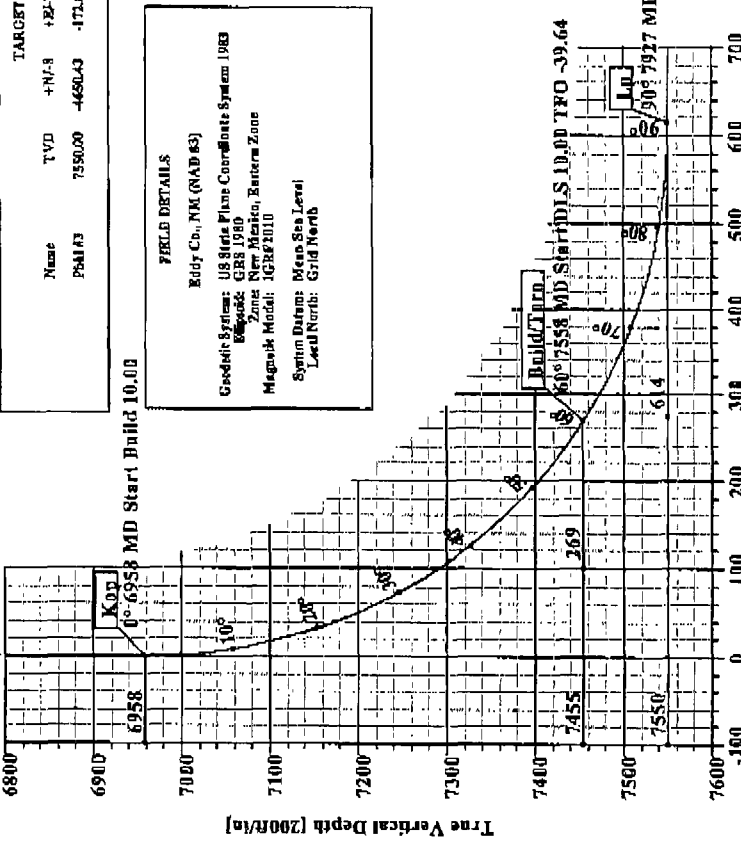
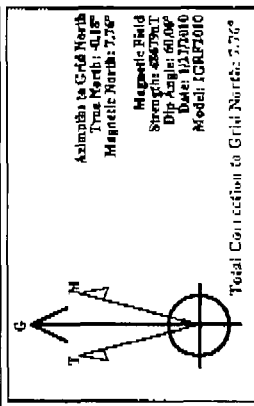
WELL DETAILS				
Name	INT-S	+E-W	North	East
33H	0.00	0.00	41352.07	64630.20

TARGET DETAILS				
Name	TVD	+N-S	+E-W	North
33H	7350.00	-4650.43	-173.68	40847.55

0° 6958 MD Start Build 10.00

WELL DETAILS	
Name	33H
INT-S	0.00
+E-W	0.00
North	41352.07
East	64630.20

SITE DETAILS	
Center 16 State #3H	
Site Centre North	41352.07
East	64630.20
Ground Level	3007.00
Wellhead Uncertainty	0.18
Convergence	0.18



Created By: Russell W. Joyner

Plant: Plan #2 (RWH)

Date: 12/2/2010



Weatherford International Ltd.

WFT Plan Report - Geographic


Weatherford

Company: Devon Energy	Date: 2/2/2010	Time: 09:19:01	Page: 1
Field: Eddy Co., NM (NAD 83)	Co-ordinate(NE) Reference:	Well: #3H, Grid North	
Site: Cooter 16 State #3H	Vertical (TVD) Reference:	SITE 3032.0	
Well: #3H	Section (VS) Reference:	Well (0.00N,0.00E,182.13Az)	
Wellpath: 1	Survey Calculation Method:	Minimum Curvature	Db: Sybase

Survey:
Start Date:
Company:
Tool:
Engineer:
Tied-to:
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: Cooter 16 State #3H

Site Position:	Northing: 413527.98 ft	Latitude: 32 8 11.079 N
From: Map	Easting: 646302.07 ft	Longitude: 103 59 39.217 W
Position Uncertainty: 0.00 ft		North Reference: Grid
Ground Level: 3007.00 ft		Grid Convergence: 0.18 deg

Well: #3H

Slot Name:

Well Position:	Northing: 413527.98 ft	Latitude: 32 8 11.079 N
+N-S 0.00 ft	Easting: 646302.07 ft	Longitude: 103 59 39.217 W
+E-W 0.00 ft		
Position Uncertainty: 0.00 ft		

Wellpath: 1

Drilled From: Surface

Current Datum: SITE	Height 3032.00 ft	Tie-on Depth: 0.00 ft
Magnetic Data: 1/27/2010		Above System Datum: Mean Sea Level
Field Strength: 48679 nT		Declination: 7.94 deg
Vertical Section: Depth From (TVD)	+N-S	Mag Dip Angle: 60.06 deg
ft	ft	ft
0.00	0.00	0.00
		182.13

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N-S ft	+E-W ft	DLS deg/100ft	Bulld deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6958.33	0.00	0.00	6958.33	0.00	0.00	0.00	0.00	0.00	0.00	
7558.33	60.00	202.50	7454.53	-264.67	-109.63	10.00	10.00	0.00	202.50	
7926.95	90.00	180.00	7550.00	-608.39	-172.90	10.00	8.14	-8.10	-39.64	
11969.00	90.00	180.00	7550.00	-4650.43	-172.68	0.00	0.00	0.00	0.00	Pbhl #3

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
6900.00	0.00	0.00	6900.00	0.00	0.00	0.00	0.00	413527.98	646302.07	
6958.33	0.00	0.00	6958.33	0.00	0.00	0.00	0.00	413527.98	646302.07	
7000.00	4.17	202.50	6999.06	-1.40	-0.58	1.42	10.00	413526.58	646301.50	Kop
7100.00	14.17	202.50	7098.56	-16.10	-6.67	16.33	10.00	413511.88	646295.41	
7200.00	24.17	202.50	7192.90	-46.39	-19.22	47.07	10.00	413481.59	646282.86	
7300.00	34.17	202.50	7280.11	-91.36	-37.84	92.70	10.00	413436.62	646264.23	
7400.00	44.17	202.50	7357.54	-149.64	-81.98	151.83	10.00	413378.35	646240.09	
7500.00	54.17	202.50	7422.84	-219.45	-90.90	222.67	10.00	413308.53	646211.18	
7558.33	60.00	202.50	7454.53	-264.67	-109.63	268.56	10.00	413263.31	646192.44	Bulld/Turn
7600.00	63.24	199.52	7474.34	-298.89	-122.78	303.24	10.00	413229.10	646179.32	
7700.00	71.24	193.01	7513.02	-387.32	-148.40	382.56	10.00	413140.66	646153.67	
7800.00	78.45	187.09	7538.33	-482.47	-165.17	488.26	10.00	413045.51	646136.91	
7900.00	87.75	181.49	7549.47	-581.44	-172.55	587.44	10.00	412946.54	646129.52	
7926.95	90.00	180.00	7550.00	-608.39	-172.90	614.38	10.00	412919.60	646129.17	Lp
8000.00	90.00	180.00	7550.00	-681.43	-172.90	687.38	0.00	412846.55	646129.18	



Weatherford International Ltd.

WFT Plan Report - Geographic


Weatherford

Company: Devon Energy
 Field: Eddy Co., NM (NAD 83)
 Site: Cooter 16 State #3H
 Well: #3H
 Wellpath: 1

Date: 2/2/2010 Time: 09:19:01 Page: 2
 Co-ordinate(NE) Reference: Well: #3H, Grid North
 Vertical (TVD) Reference: SITE 3032.0
 Section (VS) Reference: Well (0.00N,0.00E,182.13Az)
 Survey Calculation Method: Minimum Curvature Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
8100.00	90.00	180.00	7550.00	-781.43	-172.89	787.31	0.00	412746.55	646129.18	
8200.00	90.00	180.00	7550.00	-881.43	-172.89	887.24	0.00	412646.55	646129.19	
8300.00	90.00	180.00	7550.00	-981.43	-172.88	987.17	0.00	412546.55	646129.19	
8400.00	90.00	180.00	7550.00	-1081.43	-172.87	1087.10	0.00	412446.55	646129.20	
8500.00	90.00	180.00	7550.00	-1181.43	-172.87	1187.03	0.00	412346.55	646129.21	
8600.00	90.00	180.00	7550.00	-1281.43	-172.86	1286.96	0.00	412246.55	646129.21	
8700.00	90.00	180.00	7550.00	-1381.43	-172.86	1386.90	0.00	412146.55	646129.22	
8800.00	90.00	180.00	7550.00	-1481.43	-172.85	1486.83	0.00	412046.55	646129.22	
8900.00	90.00	180.00	7550.00	-1581.43	-172.85	1586.76	0.00	411946.55	646129.23	
9000.00	90.00	180.00	7550.00	-1681.43	-172.84	1686.69	0.00	411846.55	646129.23	
9100.00	90.00	180.00	7550.00	-1781.43	-172.84	1786.62	0.00	411746.55	646129.24	
9200.00	90.00	180.00	7550.00	-1881.43	-172.83	1886.55	0.00	411646.55	646129.24	
9300.00	90.00	180.00	7550.00	-1981.43	-172.83	1986.48	0.00	411546.55	646129.25	
9400.00	90.00	180.00	7550.00	-2081.43	-172.82	2086.41	0.00	411446.55	646129.26	
9500.00	90.00	180.00	7550.00	-2181.43	-172.81	2186.34	0.00	411346.55	646129.26	
9600.00	90.00	180.00	7550.00	-2281.43	-172.81	2286.27	0.00	411246.55	646129.27	
9700.00	90.00	180.00	7550.00	-2381.43	-172.80	2386.20	0.00	411146.55	646129.27	
9800.00	90.00	180.00	7550.00	-2481.43	-172.80	2486.14	0.00	411046.55	646129.28	
9900.00	90.00	180.00	7550.00	-2581.43	-172.79	2586.07	0.00	410946.55	646129.28	
10000.00	90.00	180.00	7550.00	-2681.43	-172.79	2686.00	0.00	410846.55	646129.29	
10100.00	90.00	180.00	7550.00	-2781.43	-172.78	2785.93	0.00	410746.55	646129.29	
10200.00	90.00	180.00	7550.00	-2881.43	-172.78	2885.86	0.00	410646.55	646129.30	
10300.00	90.00	180.00	7550.00	-2981.43	-172.77	2985.79	0.00	410546.55	646129.31	
10400.00	90.00	180.00	7550.00	-3081.43	-172.76	3085.72	0.00	410446.55	646129.31	
10500.00	90.00	180.00	7550.00	-3181.43	-172.76	3185.65	0.00	410346.55	646129.32	
10600.00	90.00	180.00	7550.00	-3281.43	-172.75	3285.58	0.00	410246.55	646129.32	
10700.00	90.00	180.00	7550.00	-3381.43	-172.75	3385.51	0.00	410146.55	646129.33	
10800.00	90.00	180.00	7550.00	-3481.43	-172.74	3485.44	0.00	410046.55	646129.33	
10900.00	90.00	180.00	7550.00	-3581.43	-172.74	3585.38	0.00	409946.55	646129.34	
11000.00	90.00	180.00	7550.00	-3681.43	-172.73	3685.31	0.00	409846.55	646129.34	
11100.00	90.00	180.00	7550.00	-3781.43	-172.73	3785.24	0.00	409746.55	646129.35	
11200.00	90.00	180.00	7550.00	-3881.43	-172.72	3885.17	0.00	409646.55	646129.35	
11300.00	90.00	180.00	7550.00	-3981.43	-172.71	3985.10	0.00	409546.55	646129.36	
11400.00	90.00	180.00	7550.00	-4081.43	-172.71	4085.03	0.00	409446.55	646129.37	
11500.00	90.00	180.00	7550.00	-4181.43	-172.70	4184.96	0.00	409346.55	646129.37	
11600.00	90.00	180.00	7550.00	-4281.43	-172.70	4284.89	0.00	409246.55	646129.38	
11700.00	90.00	180.00	7550.00	-4381.43	-172.69	4384.82	0.00	409146.55	646129.38	
11800.00	90.00	180.00	7550.00	-4481.43	-172.69	4484.75	0.00	409046.55	646129.39	
11900.00	90.00	180.00	7550.00	-4581.43	-172.68	4584.68	0.00	408946.55	646129.39	
11969.00	90.00	180.00	7550.00	-4650.43	-172.68	4653.64	0.00	408877.55	646129.40	Pbhl #3

Targets

Name	Description Dip. Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	← Latitude → Deg Min Sec	← Longitude → Deg Min Sec
Pbhl #3		7550.00	-4650.43	-172.68	408877.55	646129.40	32 7 25.063 N	103 59 41.395 W

**Weatherford International Ltd.**
WFT Plan Report - Geographic**Weatherford**

Company: Devon Energy
Field: Eddy Co., NM (NAD 83)
Site: Cooler 16 State #3H
Well: #3H
Wellpath: 1

Date: 2/2/2010 Time: 09:19:01 Page: 3
Co-ordinate(NE) Reference: Well: #3H, Grid North
Vertical (TVD) Reference: SITE 3032.0
Section (VS) Reference: Well (0.00N,0.00E,182.13Azi)
Survey Calculation Method: Minimum Curvature Db: Sybase

Casing Points

MD	TVD	Diameter	Hole Size	Name

Annotation

MD ft	TVD ft	
6958.33	6958.33	Kop
7558.33	7454.53	Build/Turn
7926.95	7550.00	Lp
11969.00	7550.00	Pbhl #3

Formations

MD	TVD	Formations	Lithology	Dip Angle	Dip Direction


Weatherford
Weatherford Drilling Services

GeoDec v5.03

Report Date: February 02, 2010
 Job Number: _____
 Customer: Devon Energy
 Well Name: Cooter 16 State #3H
 API Number: _____
 Rig Name: _____
 Location: Eddy Co, NM
 Block: _____
 Engineer: R Joyner

US State Plane 1983	Geodetic Latitude / Longitude
System: New Mexico Eastern Zone	System: Latitude / Longitude
Projection: Transverse Mercator/Gauss Kruger	Projection: Geodetic Latitude and Longitude
Datum: North American Datum 1983	Datum: North American Datum 1983
Ellipsoid: GRS 1980	Ellipsoid: GRS 1980
North/South 413527.980 USFT	Latitude 32.1364130 DEG
East/West 646302.070 USFT	Longitude -103.9942227 DEG
Grid Convergence: .18°	
Total Correction: +7.76°	

Geodetic Location WGS84	Elevation =	0.0 Meters
Latitude = 32.13641° N	32° 8 min 11.087 sec	
Longitude = 103.99422° W	103° 59 min 39.202 sec	

Magnetic Declination =	7.94°	[True North Offset]	
Local Gravity =	.9988 g	Checksum =	6643
Local Field Strength =	48675 nT	Magnetic Vector X =	24057 nT
Magnetic Dip =	60.06°	Magnetic Vector Y =	3356 nT
Magnetic Model =	IGRF-2010g11	Magnetic Vector Z =	42181 nT
Spud Date =	Jan 27, 2010	Magnetic Vector H =	24290 nT

Signed: _____

Date: _____

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, February 18, 2010 3:27 PM
To: 'sam.mccurdy@DVN.com'
Subject: Cooter 16 State ##1H and #3H; NSL applications

Dear Mr. McCurdy

You applications state that Devon is "owner of 100% record title" to the lease covering the units that offset the proposed location in each case.

Is Devon also owner of 100% of the operating rights?

Sincerely
David K. Brooks
Legal Examiner

Brooks, David K., EMNRD

To: McCurdy, Sam
Subject: RE: Cooter 16 State ##1H and #3H; NSL applications

Dear Mr. McCurdy

As long as the minority operating rights owners own the same interest in the subject units and in the offset units, there is no necessity to notify them.

Sincerely
David K. Brooks
Legal Examiner

From: McCurdy, Sam [mailto:Sam.McCurdy@dvn.com]
Sent: Friday, February 19, 2010 6:53 AM
To: Brooks, David K., EMNRD
Subject: RE: Cooter 16 State ##1H and #3H; NSL applications

Mr. Brooks,

In addition to Devon Energy ("Devon") owning 100% of the record title, Devon owns 98% of the operating rights. The remaining 2% ownership of the affected lands is held by the same party who has operating rights (2%) in the proposed wells. If necessary we will send notice to the affected party, but because the party involved was unorthodox to himself we didn't feel it was necessary.

Sincerely,

Sam McCurdy
Landman
Permian Basin New Mexico

Devon Energy Corporation
20 North Broadway
Oklahoma City, OK 73102
(405) 228-2406 Office
(405) 627-6015 Cell
Sam.McCurdy@dvn.com

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Thursday, February 18, 2010 4:27 PM
To: McCurdy, Sam
Subject: Cooter 16 State ##1H and #3H; NSL applications

Dear Mr. McCurdy

You applications state that Devon is "owner of 100% record title" to the lease covering the units that offset the proposed location in each case.

Is Devon also owner of 100% of the operating rights?

Sincerely
David K. Brooks
Legal Examiner

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