

DATE IN 1-12-11	SUSPENSE	ENGINEER DKB	LOGGED IN 1.13.11	TYPE NSL	APP NO. 1101353119
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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



Manuel
Serrano Sisters 25 Fed #24
Devon

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

6330

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.

James Bruce

Print or Type Name

Signature

Attorney

Title

Date

jamesbruc@aol.com
e-mail Address

RECEIVED OOD
2011 JAN 12 P 2:29

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

January 12, 2011

Hand delivered

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

Dear Mr. Brooks:

Pursuant to Division Rule NMAC 19.15.15.13, Devon Energy Production Company, L.P. applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	Serene Sisters 25 Federal Well No. 2H
<u>Surface location:</u>	200 feet FNL & 1050 feet FEL Section
<u>Penetration point:</u>	Same as surface location
<u>Bottom hole location:</u>	400 feet FSL & 1650 feet FEL
<u>Well unit (project area):</u>	W½E½ of Section 25, Township 18 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Applicant proposes to drill the well to test the Bone Spring formation (Northwest Hackberry-Bone Spring Pool). The pool is spaced on 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line. A portion of the APD for the well, with a Form C-102 and directional drilling plan, is attached as **Exhibit A**.

The surface location is unorthodox because the operator is using the same wellpad for both the proposed well and its proposed Serene Sisters 25 Federal Well No. 1H. **Exhibit A**. The wellsite is near an existing road, will minimize surface disturbance, and reduce costs. The top of the Bone Spring will be penetrated at the surface location, but the perforated portion of the wellbore will be at least 330 feet FNL and 1650 feet FEL of Section 25.

The E½ of Section 25 is comprised of Federal Lease LC 065680, with common ownership, so interest owners in the E½E½ of Section 25 have not been notified of this application. The working interest owners in the S½SE¼ of Section 24 are as follows:

SM Energy Company
Building 7, Suite 200
3300 North A Street
Midland, Texas 79707

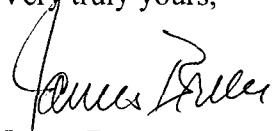
Mewbourne Oil Company
Suite 1020
500 West Texas
Midland, Texas 79701

Endurance Resources LLC
Suite 600
15455 Dallas Parkway
Addison, Texas 75234

Notice of this application was given to the interest owners by the letter marked **Exhibit B**.

Please contact me if you need any further information on this application.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

Attorney for Devon Energy Production Company, L.P.

Operator Copy

Form 3160-3
(February 2005)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTERFORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NMNM LC 0065680
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Devon Energy Production Co., LP		7. If Unit or CA Agreement, Name and No.
3a. Address 20 North Broadway OKC, OK 73102		8. Lease Name and Well No. Serene Sisters 25 Federal 211
3b. Phone No. (include area code) (405) 552-7802		9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements*) At surface NENE 200' FNL & 1050' FEL At proposed prod. zone SWSE 400' FSL & 1650' FEL		10. Field and Pool, or Exploratory Hackberry; Bone Spring, NV
14. Distance in miles and direction from nearest town or post office* Approximately 12 miles southeast of Loco Hills, NM.		11. Sec., T. R. M. or Blk. and Survey or Area Sec 25-T18S-R31E
15. Distance from proposed* location to nearest properly or lease line, ft. (Also to nearest drig. unit line, if any) 200'	16. No. of acres in lease 640'	17. Spacing Unit dedicated to this well 150
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. SL: 100' BHL 840'	19. Proposed Depth TVD 8265' MD 12716'	20. BLM/BIA Bond No. on file CO-1104
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3700.1' GL	22. Approximate date work will start* 09/15/2010	23. Estimated duration 45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature	Name (Printed Typed) Stephanie A. Ysasaga	Date 08/09/2010
Title Sr. Staff Engineering Technician		
Approved by (Signature)	Name (Printed Typed)	Date
Title Office CARLSBAD FIELD OFFICE		11/12/10

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Capitan Controlled Water Basin

EXHIBIT A

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

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

¹ API Number 30-015 - 38313		² Pool Code 41450		³ Pool Name HACKBERRY; BONE SPRING, NW	
⁴ Property Code		⁵ Property Name SERENE SISTERS 25 FEDERAL			⁶ Well Number 2H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3700.1

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	18 S	31 E		200	NORTH	1050	EAST	EDDY

¹¹ 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
O	25	18 S	31 E		400	SOUTH	1650	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

NW CORNER SEC. 25 LAT. = 32°43'32.97"N LONG. = 103°49'54.03"W NMSP EAST (FT) N = 628142.55 E = 695610.97		NE CORNER SEC. 25 LAT. = 32°43'33.11"N LONG. = 103°48'51.80"W NMSP EAST (FT) N = 628181.67 E = 700927.99		1050' SURFACE LOCATION	
SERENE SISTERS "25" FED. #2H ELEV. = 3700.1' LAT. = 32°43'31.097"N (NAD83) LONG. = 103°49'04.091"W NMSP EAST (FT) N = 627973.32 E = 699879.20					
SW CORNER SEC. 25 LAT. = 32°42'40.68"N LONG. = 103°49'53.55"W NMSP EAST (FT) N = 622856.67 E = 695677.43		BOTTOM OF HOLE LAT. = 32°42'44.76"N LONG. = 103°49'11.05"W NMSP EAST (FT) N = 623286.03 E = 699307.37		SE CORNER SEC. 25 LAT. = 32°42'40.84"N LONG. = 103°48'51.74"W NMSP EAST (FT) N = 622898.69 E = 700959.68	
1650' BOTTOM OF HOLE					
¹⁷ 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 undivided 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: <i>[Signature]</i> Date: 08/04/2010 Printed Name: STEPHANIE A. YSASAGA					
¹⁸ 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. JULY 15, 2010 Date of Survey <i>[Signature]</i> Signature and Seal of Professional Surveyor Certificate Number: 11410NFB; JARAVAL, D., PLS 12797 SURVEY NO. 147					

PENETRATION POINT: 480' FSL & 1650' FEL

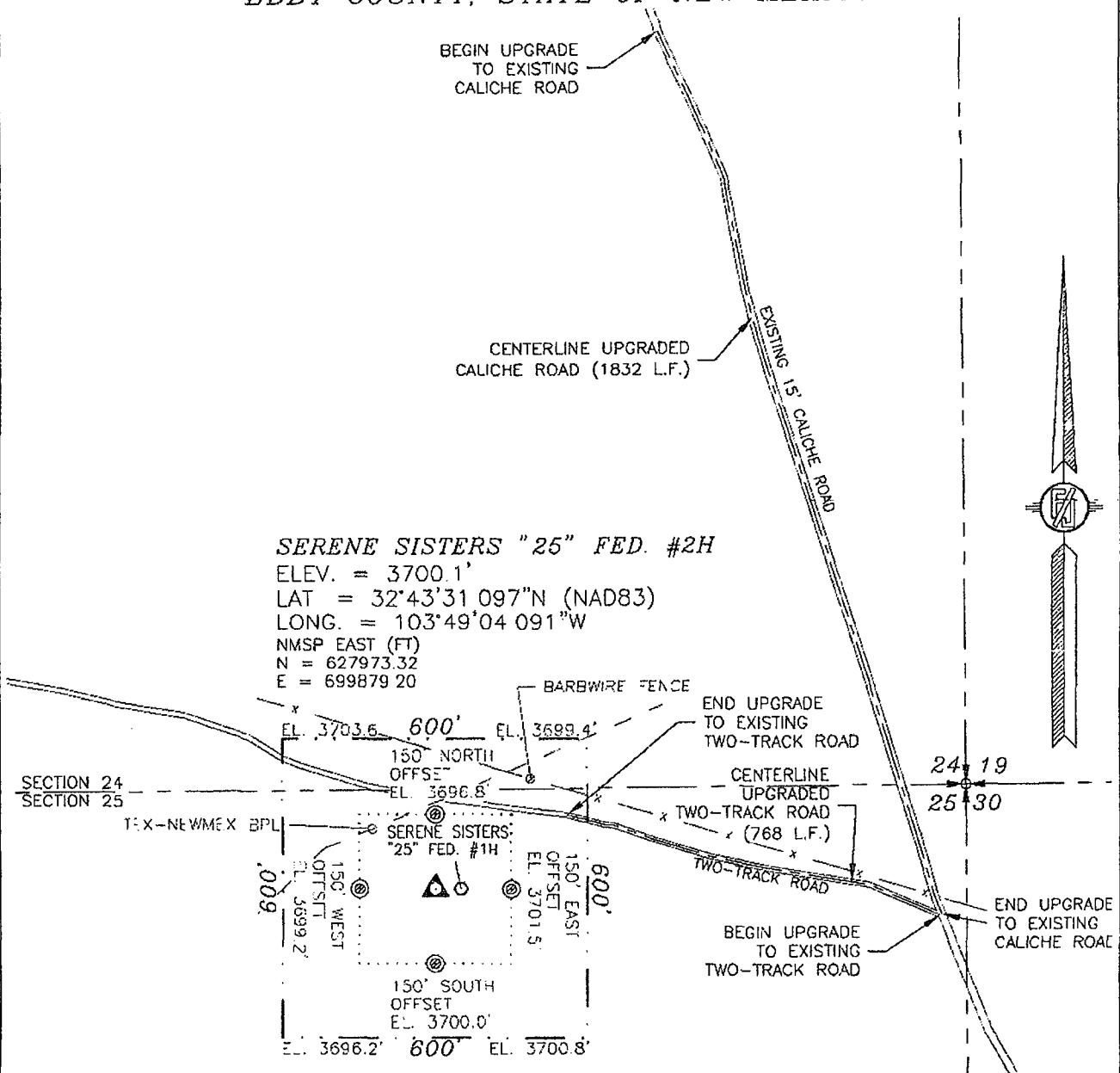


PRODUCING AREA



PROJECT AREA

SECTION 25, TOWNSHIP 18 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO



030 150 300 600

SCALE 1" = 300'

DIRECTIONS TO LOCATION

FROM STATE HWY. 82 AND CR# 222 GO SOUTH ON CR#222 4.0 MILES AND TURN LEFT ON CALICHE CR# 249 AND GO SOUTHEAST 2.8 MILES AND CONTINUE SOUTHEAST ON CALICHE LEASE ROAD 1.3 MILES TURN LEFT AND GO NORTHEAST 0.7 MILES, BEND LEFT AND GO NORTH 0.5 MILES, TURN RIGHT AND GO NORTHEAST 390', TURN RIGHT ON LEASE ROAD AND GO SOUTHEAST 0.4 MILES TO A RECLAIMED CALICHE ROAD AND SOUTH-SOUTHEAST 0.4 MILES TO A BARB WIRE FENCE AND TWO TRACK RANCH ROAD AND GO RIGHT ON RANCH ROAD NORTHWEST 745' TO THE EAST EDGE OF THE PROPOSED PAD FOR THIS LOCATION.

DEVON ENERGY PRODUCTION COMPANY, L.P.
SERENE SISTERS "25" FED. #2H
LOCATED 200 FT FROM THE NORTH LINE
AND 1050 FT FROM THE EAST LINE OF
SECTION 25, TOWNSHIP 18 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

JULY 15, 2010

SURVEY NO 147

MADRON SURVEYING, INC. 30' SOUTH CANAL (375) 857-5830 CARLSBAD, NEW MEXICO

DRILLING PROGRAM

Devon Energy Production Company, LP

Serene Sisters 25 Federal 2H

Surface Location 200' FNL & 1050' FEL, Unit A, Sec 25 T18S R31E, Eddy, NM

Bottom hole Location 400' FSL & 1650' FEL, Unit O, Sec 25 T18S R31E, Eddy, NM

1. Geologic Name of Surface Formation

a. Permian

2. Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

a. Rustler	935'	Barren
b. Salado	1125'	Barren
c. Salado Base	2315'	Barren
d. Tansil Dolomite	2315'	Barren
e. Yates	2525'	Barren
f. Seven Rivers	2875'	Oil
g. Queen	3610'	Oil
h. Penrose	3820'	Barren
i. San Andres	4230'	Barren
j. Delaware	4775'	Oil/Gas
k. Bone Springs	6605'	Oil/Gas
l. Avalon Shale	6940'	Oil/Gas
m. 1 st Bone Spring Ss	8010'	Oil/Gas
n. 1 st BS Upper Ss pay	8020'	Oil/Gas
o. 1 st BS Middle Ss pay	8110'	Oil/Gas
p. 1 st BS Middle "B" Ss pay	8185'	Oil/Gas
q. 1 st BS Lower Ss pay	8265'	Oil/Gas
r. 2 nd Bone Spring Lime	8325'	Oil/Gas
s. PTD (pilot-hole)	8475'	
t. Total Depth	TVD 8265' MD 12716'	

*Per Operator
11-8-10 DW*

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 13 3/8" casing at 975' and circulating cement back to surface. The fresh water sands will be protected by setting 9 5/8" casing at 3500' and circulating cement to surface. The Delaware intervals will be isolated by setting 5 1/2" casing to total depth and circulating cement above the base of the 9 5/8" casing. All casing is new and API approved

3. Casing Program:

<u>Hole Size</u>	<u>Hole Interval</u>	<u>OD Csg</u>	<u>Casing Interval</u>	<u>Weight</u>	<u>Collar</u>	<u>Grade</u>
17 1/2"	0'-975'	13 3/8"	0'-975'	48#	STC	H-40
12 1/4"	975'-3000'	9 5/8"	0'-3000'	36#	LTC	J-55
12 1/4"	3000'-3500'	9 5/8"	3000'-3500'	40#	LTC	J 55



Weatherford[®]

Drilling Services

Proposal



devon

SERENE SISTERS 25 FED 2H

EDDY COUNTY, NM

WELL FILE. **PLAN 2**

AUGUST 11, 2010

Weatherford International, Ltd.

P O. Box 61028

Midland, TX 79711 USA

+1.432.561.8892 Main

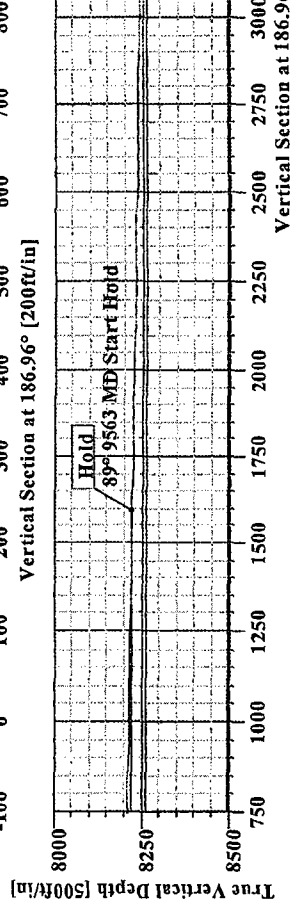
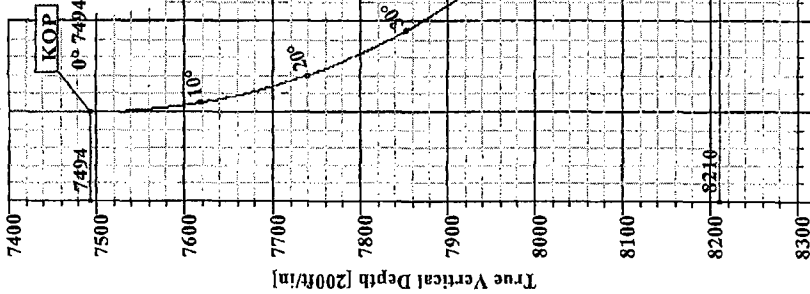
+1.432.561.8895 Fax

www.weatherford.com



SERENE SISTERS 25 FED 2H
EDDY CO., NEW MEXICO

KB ELEV: 3725.1
GL ELEV: 3700.1



SECTION DETAILS									
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec Target
1	0.00	0.00	208.62	0.00	0.00	0.00	0.00	0.00	0.00
2	7493.87	0.00	208.62	7493.87	0.00	0.00	0.00	208.62	0.00
3	8609.37	89.24	208.62	8210.00	-620.35	-338.51	8.00	-151.38	656.78
4	9563.28	89.24	180.00	8212.96	-1535.00	-571.82	3.00	-90.20	1592.95
5	12715.85	89.24	180.00	8265.00	-4687.29	-571.83	0.00	0.00	4722.04

WELL DETAILS				
Name	+N/-S	+E/-W	Northing	Eastings
Serene Sisters 25 Fed 2H	0.00	0.00	627973.32	699879.20

TARGET DETAILS				
Name	TVD	+N/-S	+E/-W	Northing
Build 8.00	8265.00	-4687.29	-571.83	623286.03

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

LEGEND

Serene Sisters 25 Fed 1H (1)

Plan #2

Total Correction to Grid North: 7.57°

Compass Rose: True North (T), Magnetic North (M), Grid North (G)

SITE DETAILS

Serene Sisters 25 Fed 2H

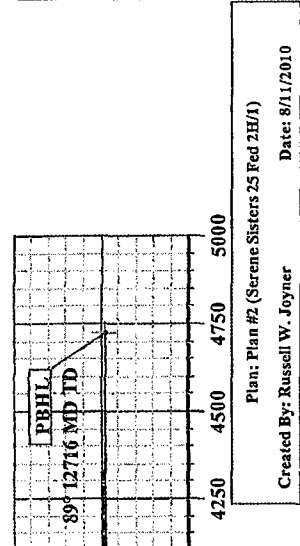
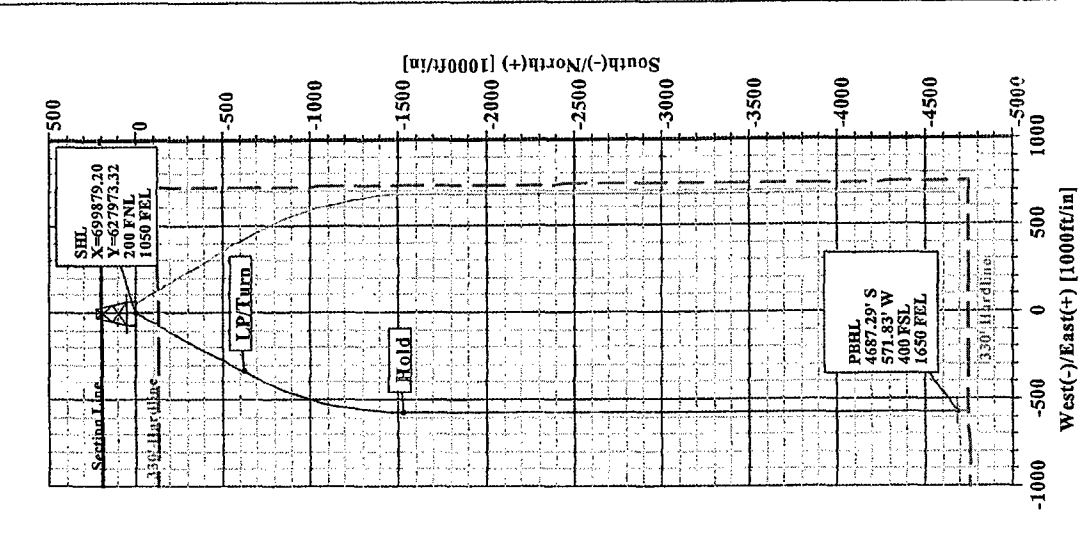
Site Centre Northing: 627973.32

Eastings: 699879.20

Ground Level: 3700.10

Positional Uncertainty: 0.00

Convergence: 0.28





Weatherford International Ltd.

WFT Plan Report - X & Y's

**Weatherford**

Company: Devon Energy		Date: 8/11/2010	Time: 12:42:53	Page: 1						
Field: Eddy Co., NM (NAD 83)		Co-ordinate(NE) Reference: Well: Serene Sisters 25 Fed 2H								
Site: Serene Sisters 25 Fed 2H		Vertical (TVD) Reference: SITE 3725.1								
Well: Serene Sisters 25 Fed 2H		Section (VS) Reference: Well (0.00N,0.00E,186.96Az)								
Wellpath: 1		Survey Calculation Method: Minimum Curvature Db: Sybase								
Plan: Plan #2		Date Composed: 8/11/2010								
Principal: Yes		Version: 1								
		Tied-to: From Surface								
Field: Eddy Co., NM (NAD 83)										
Map System: US State Plane Coordinate System 1983		Map Zone: New Mexico, Eastern Zone								
Geo Datum: GRS 1980		Coordinate System: Well Centre								
Sys Datum: Mean Sea Level		Geomagnetic Model: IGRF2010								
Site: Serene Sisters 25 Fed 2H										
Site Position:		Northing: 627973.32 ft	Latitude: 32 43 30.983 N							
From: Map		Easting: 699879.20 ft	Longitude: 103 49 4.069 W							
Position Uncertainty: 0.00 ft			North Reference: Grid							
Ground Level: 3700.10 ft			Grid Convergence: 0.28 deg							
Well: Serene Sisters 25 Fed 2H Slot Name:										
Well Position: +N/-S 0.00 ft		Northing: 627973.32 ft	Latitude: 32 43 30.983 N							
+E/-W 0.00 ft		Easting: 699879.20 ft	Longitude: 103 49 4.069 W							
Position Uncertainty: 0.00 ft										
Wellpath: 1										
Current Datum: SITE		Height 3725.10 ft	Drilled From: Surface							
Magnetic Data: 7/29/2010			Tie-on Depth: 0.00 ft							
Field Strength: 49006 nT			Above System Datum: Mean Sea Level							
Vertical Section: Depth From (TVD)		+N/-S	Declination: 7.85 deg							
ft		ft	Mag Dip Angle: 60.63 deg							
			+E/-W	Direction						
			ft	deg						
0.00		0.00	0.00	186.96						
Plan Section Information										
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	208.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7493.87	0.00	208.62	7493.87	0.00	0.00	0.00	0.00	0.00	203.62	
8609.37	89.24	208.62	8210.00	-620.35	-338.51	8.00	8.00	0.00	-151.38	
9563.28	89.24	180.00	8222.96	-1535.00	-571.82	3.00	0.00	-3.00	-90.20	
12715.85	89.24	180.00	8265.00	-4687.29	-571.83	0.00	0.00	0.00	0.00	PBHL
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
7400.00	0.00	208.62	7400.00	0.00	0.00	0.00	0.00	627973.32	699879.20	
7493.87	0.00	208.62	7493.87	0.00	0.00	0.00	0.00	627973.32	699879.20	KOP
7500.00	0.49	208.62	7500.00	-0.02	-0.01	0.02	8.00	627973.30	699879.19	
7600.00	8.49	208.62	7599.61	-6.89	-3.76	7.29	8.00	627966.43	699875.44	
7700.00	16.49	208.62	7697.17	-25.86	-14.11	27.38	8.00	627947.46	699865.09	
7800.00	24.49	208.62	7790.76	-56.56	-30.86	59.88	8.00	627916.76	699848.34	
7900.00	32.49	208.62	7878.58	-98.40	-53.69	104.18	8.00	627874.92	699825.51	
8000.00	40.49	208.62	7958.91	-150.56	-82.16	159.40	8.00	627822.76	699797.04	
8100.00	48.49	208.62	8030.19	-212.03	-115.70	224.48	8.00	627761.29	699763.50	
8200.00	56.49	208.62	8091.03	-281.60	-153.66	298.14	8.00	627691.72	699725.54	
8300.00	64.49	208.62	8140.25	-357.94	-195.32	378.95	8.00	627615.38	699683.88	
8400.00	72.49	208.62	8176.88	-439.54	-239.84	465.35	8.00	627533.78	699639.36	
8500.00	80.49	208.62	8200.23	-524.82	-286.38	555.64	8.00	627448.50	699592.82	
8600.00	88.49	208.62	8209.82	-612.13	-334.02	648.07	8.00	627361.19	699545.18	
8609.37	89.24	208.62	8210.00	-620.35	-338.51	656.78	8.00	627352.97	699540.69	Landing Pt/Turn
8700.00	89.23	205.90	8211.21	700.90	-380.01	741.76	3.00	627272.42	699499.19	



Company: Devon Energy	Date: 8/11/2010	Time: 12:42:53	Page: 2
Field: Eddy Co., NM (NAD 83)	Co-ordinate(NE) Reference:	Well: Serene Sisters 25 Fed 2H	
Site: Serene Sisters 25 Fed 2H	Vertical (TVD) Reference:	SITE 3725.1	
Well: Serene Sisters 25 Fed 2H	Section (VS) Reference:	Well (0.00N,0.00E,186.96Azi)	
Wellpath: 1	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
8800.00	89.22	202.90	8212.56	-791.95	-421.31	837.14	3.00	627181.37	699457.89	
8900.00	89.22	199.90	8213.92	-885.03	-457.80	933.96	3.00	627088.29	699421.40	
9000.00	89.21	196.90	8215.29	-979.90	-489.35	1031.95	3.00	626993.42	699389.85	
9100.00	89.21	193.90	8216.66	-1076.29	-515.90	1130.85	3.00	626897.03	699363.30	
9200.00	89.21	190.90	8218.03	-1173.94	-537.37	1230.37	3.00	626799.38	699341.83	
9300.00	89.22	187.90	8219.40	-1272.58	-553.70	1330.26	3.00	626700.74	699325.50	
9400.00	89.22	184.90	8220.76	-1371.93	-564.84	1430.24	3.00	626601.39	699314.36	
9500.00	89.23	181.90	8222.11	-1471.74	-570.77	1530.02	3.00	626501.58	699308.43	
9563.28	89.24	180.00	8222.96	-1535.00	-571.82	1592.95	3.00	626438.32	699307.38	Hold
9600.00	89.24	180.00	8223.45	-1571.72	-571.82	1629.39	0.00	626401.60	699307.38	
9700.00	89.24	180.00	8224.78	-1671.71	-571.82	1728.65	0.00	626301.61	699307.38	
9800.00	89.24	180.00	8226.12	-1771.70	-571.82	1827.91	0.00	626201.62	699307.38	
9900.00	89.24	180.00	8227.45	-1871.69	-571.82	1927.16	0.00	626101.63	699307.38	
10000.00	89.24	180.00	8228.78	-1971.68	-571.82	2026.42	0.00	626001.64	699307.38	
10100.00	89.24	180.00	8230.12	-2071.67	-571.82	2125.67	0.00	625901.65	699307.38	
10200.00	89.24	180.00	8231.45	-2171.66	-571.82	2224.93	0.00	625801.66	699307.38	
10300.00	89.24	180.00	8232.79	-2271.65	-571.82	2324.18	0.00	625701.67	699307.38	
10400.00	89.24	180.00	8234.12	-2371.64	-571.82	2423.44	0.00	625601.68	699307.38	
10500.00	89.24	180.00	8235.45	-2471.64	-571.82	2522.69	0.00	625501.68	699307.38	
10600.00	89.24	180.00	8236.79	-2571.63	-571.82	2621.95	0.00	625401.69	699307.38	
10700.00	89.24	180.00	8238.12	-2671.62	-571.82	2721.20	0.00	625301.70	699307.38	
10800.00	89.24	180.00	8239.45	-2771.61	-571.82	2820.46	0.00	625201.71	699307.38	
10900.00	89.24	180.00	8240.79	-2871.60	-571.82	2919.71	0.00	625101.72	699307.38	
11000.00	89.24	180.00	8242.12	-2971.59	-571.82	3018.97	0.00	625001.73	699307.38	
11100.00	89.24	180.00	8243.45	-3071.58	-571.82	3118.22	0.00	624901.74	699307.38	
11200.00	89.24	180.00	8244.79	-3171.57	-571.82	3217.48	0.00	624801.75	699307.38	
11300.00	89.24	180.00	8246.12	-3271.56	-571.83	3316.73	0.00	624701.76	699307.37	
11400.00	89.24	180.00	8247.45	-3371.56	-571.83	3415.99	0.00	624601.76	699307.37	
11500.00	89.24	180.00	8248.79	-3471.55	-571.83	3515.24	0.00	624501.77	699307.37	
11600.00	89.24	180.00	8250.12	-3571.54	-571.83	3614.50	0.00	624401.78	699307.37	
11700.00	89.24	180.00	8251.45	-3671.53	-571.83	3713.76	0.00	624301.79	699307.37	
11800.00	89.24	180.00	8252.79	-3771.52	-571.83	3813.01	0.00	624201.80	699307.37	
11900.00	89.24	180.00	8254.12	-3871.51	-571.83	3912.27	0.00	624101.81	699307.37	
12000.00	89.24	180.00	8255.45	-3971.50	-571.83	4011.52	0.00	624001.82	699307.37	
12100.00	89.24	180.00	8256.79	-4071.49	-571.83	4110.78	0.00	623901.83	699307.37	
12200.00	89.24	180.00	8258.12	-4171.48	-571.83	4210.03	0.00	623801.84	699307.37	
12300.00	89.24	180.00	8259.45	-4271.48	-571.83	4309.29	0.00	623701.84	699307.37	
12400.00	89.24	180.00	8260.79	-4371.47	-571.83	4408.54	0.00	623601.85	699307.37	
12500.00	89.24	180.00	8262.12	-4471.46	-571.83	4507.80	0.00	623501.86	699307.37	
12600.00	89.24	180.00	8263.46	-4571.45	-571.83	4607.05	0.00	623401.87	699307.37	
12700.00	89.24	180.00	8264.79	-4671.44	-571.83	4706.31	0.00	623301.88	699307.37	
12715.85	89.24	180.00	8265.00	-4687.29	-571.83	4722.04	0.00	623286.03	699307.37	PBHL

Targets

Name	Description	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<--- Latitude ---> Deg Min Sec			<--- Longitude ---> Deg Min Sec				
PBHL			8265.00	-4687.29	-571.83	623286.03	699307.37	32	42	44.636	N	103	49	11.028	W



Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company: Devon Energy
Field: Eddy Co., NM (NAD 83)
Site: Serene Sisters 25 Fed 2H
Well: Serene Sisters 25 Fed 2H
Wellpath: 1

Date: 8/11/2010 Time: 12:42:53 Page: 3
Co-ordinate(NE) Reference: Well: Serene Sisters 25 Fed 2H
Vertical (TVD) Reference: SITE 3725.1
Section (VS) Reference: Well (0.00N,0.00E,186.96Azi)
Survey Calculation Method: Minimum Curvature Db: Sybase

Casing Points

MD	TVD	Diameter	Hole Size	Name

Annotation

MD ft	TVD ft	
7493.87	7493.87	KOP
8609.37	8210.00	Landing Pt/Turn
9563.28	8222.96	Hold
12715.85	8265.00	PBHL

Formations

MD	TVD	Formations	Lithology	Dip Angle	Dip Direction

JAMES BRUCE
ATTORNEY AT LAW

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SANTA FE, NEW MEXICO 87501

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jamesbruce@aol.com

January 12, 2011

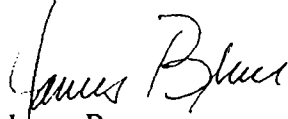
Certified Mail – Return Receipt Requested

To: Persons on Exhibit 1

Ladies and gentlemen:

Devon Energy Production Company, L.P. has filed two application with the New Mexico Oil Conservation Division seeking unorthodox oil well locations in the Bone Spring formation in the E½E½ and W½E½ of Section 25, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico. Copies of the applications are enclosed. You own an interest in the offsetting S½SE¼ of Section 24. If you object to the application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,


James Bruce

Attorney for Devon Energy Production Company, L.P.

EXHIBIT **B**

Exhibit 1

SM Energy Company
Building 7, Suite 200
3300 North A Street
Midland, Texas 79707

Mewbourne Oil Company
Suite 1020
500 West Texas
Midland, Texas 79701

Endurance Resources LLC
Suite 600
15455 Dallas Parkway
Addison, Texas 75234