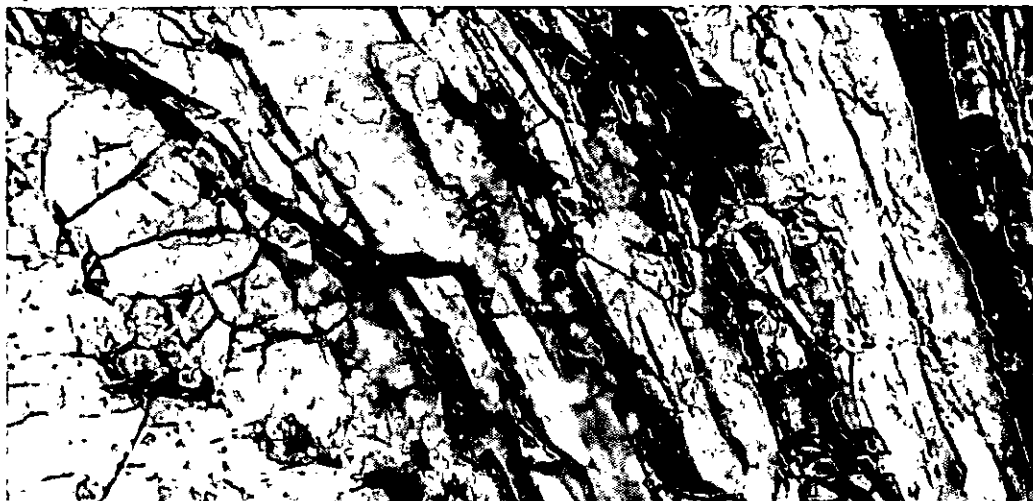




2nd Bone Spring Downspacing Pilot Proposal

Oil Conservation Division
Case No. _____
Exhibit No. 6

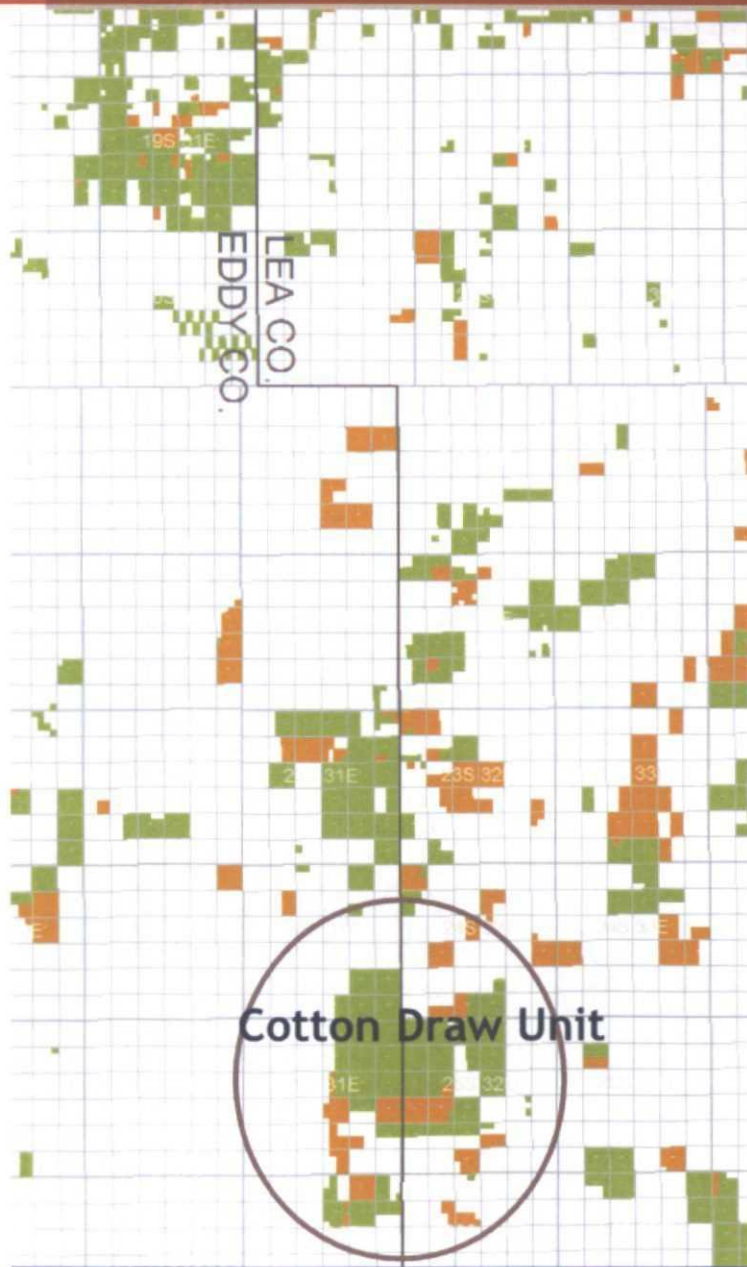

devon

Delaware Basin Downspacing Overview

Objective -

- Optimize well spacing that maximize recovery and economics for the 2nd Bone Spring Sand
- Implement pilot development to test concept

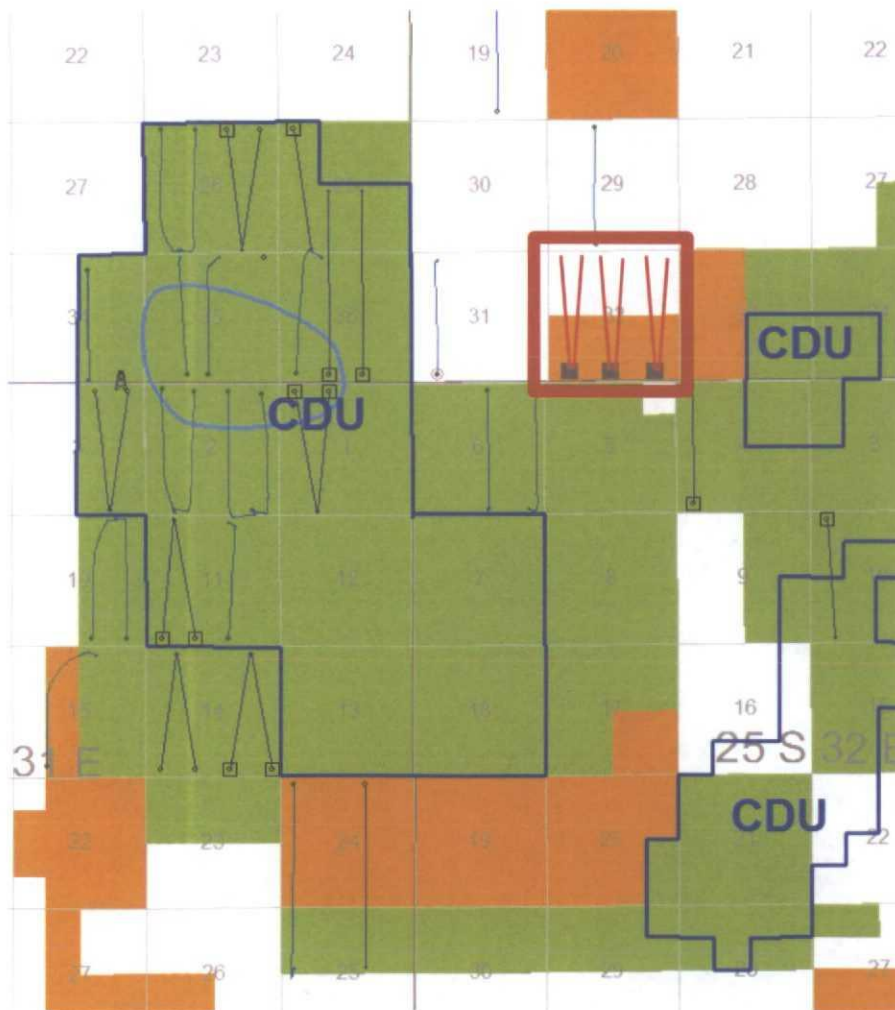
Delaware basin Wells Analyzed



Cotton Draw Unit Area, RTA analysis

- CDU 125H
- CDU 164H
- Snapping 10 FED 3H
- Trionyx 6 FED 8H

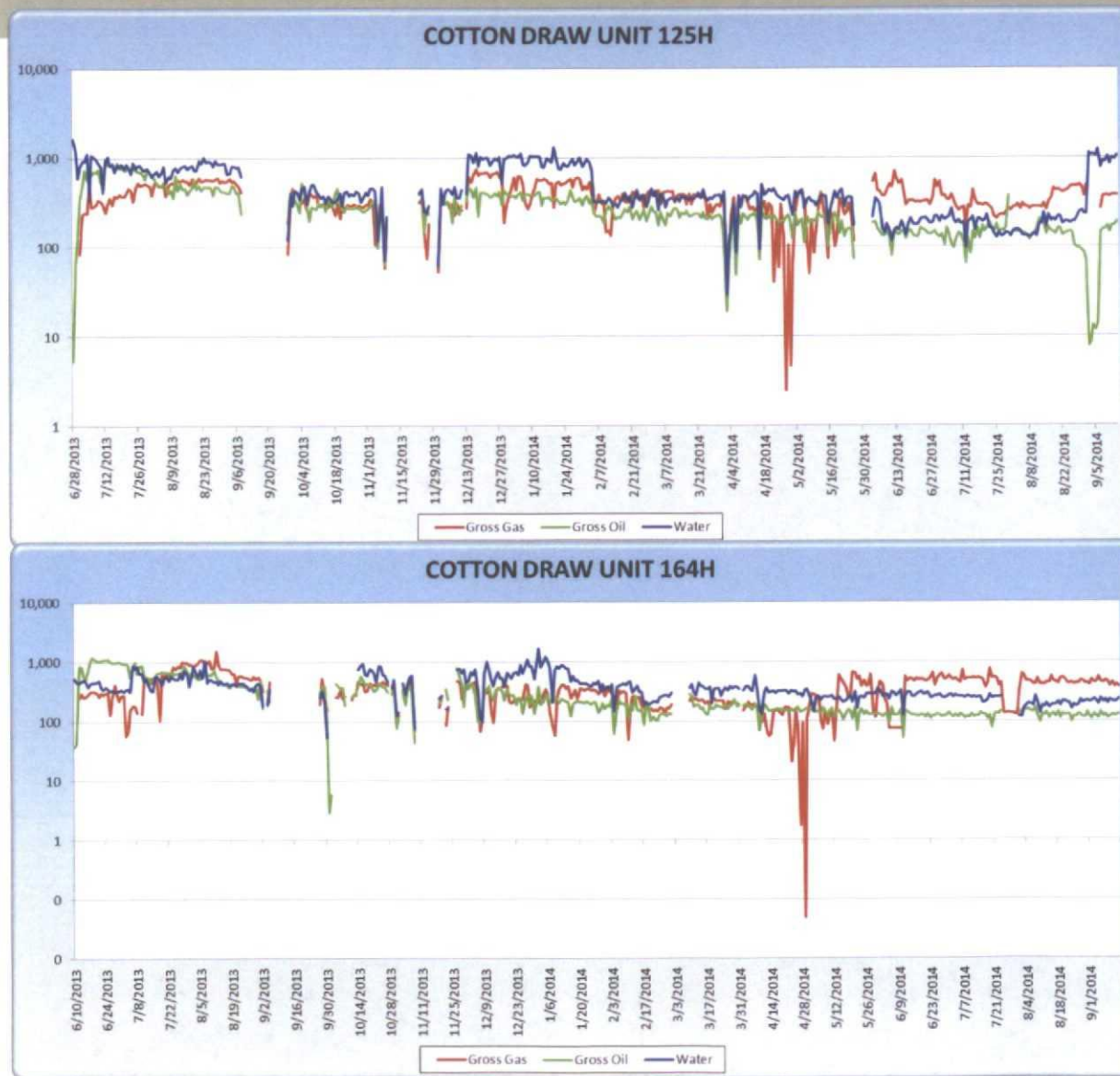
Cotton Draw Area Pilot Plan



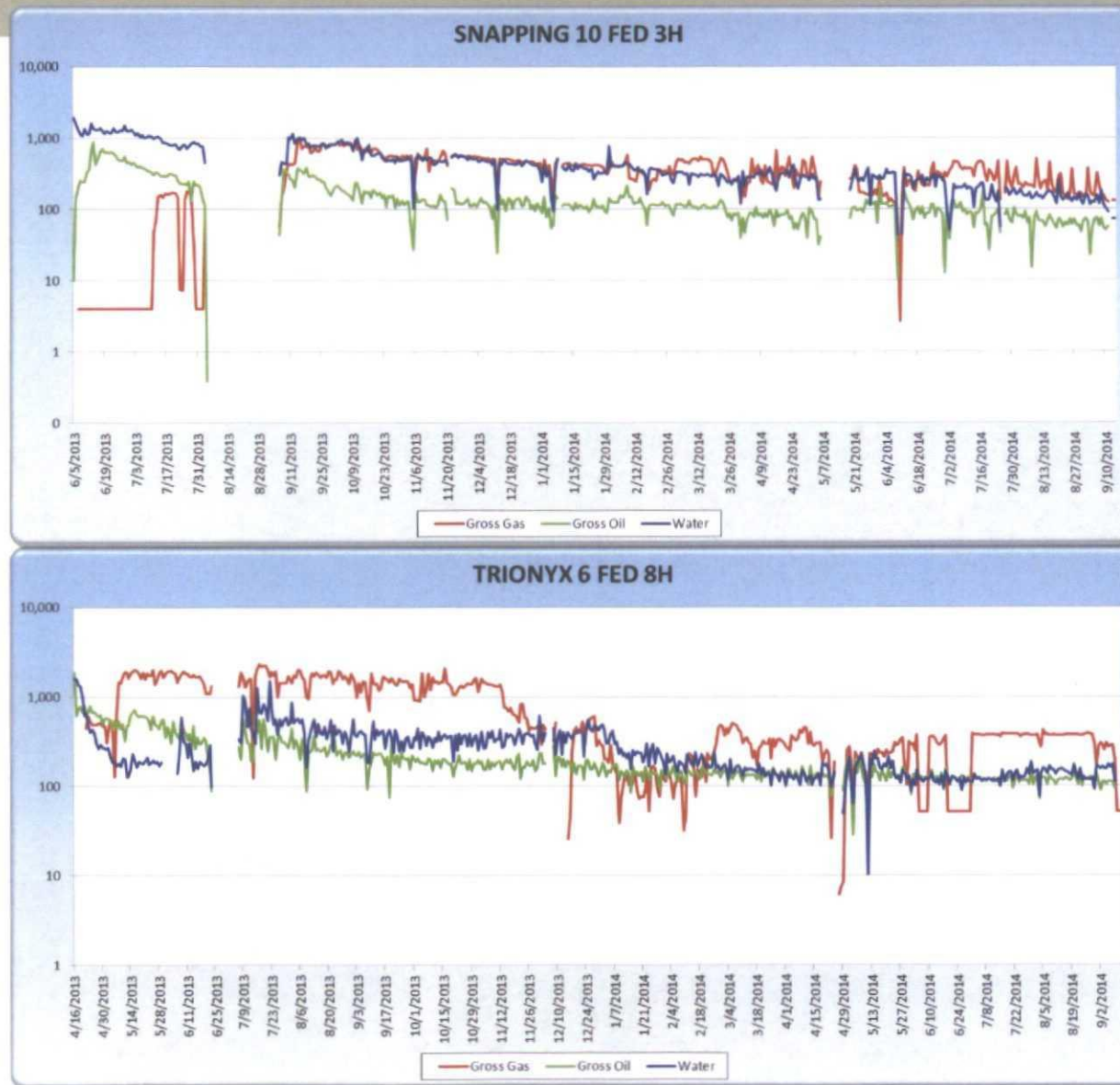
Location Selection

- Undeveloped in 2BSSS
- State Section
- Good geology
- Potential interested 50/50 partner

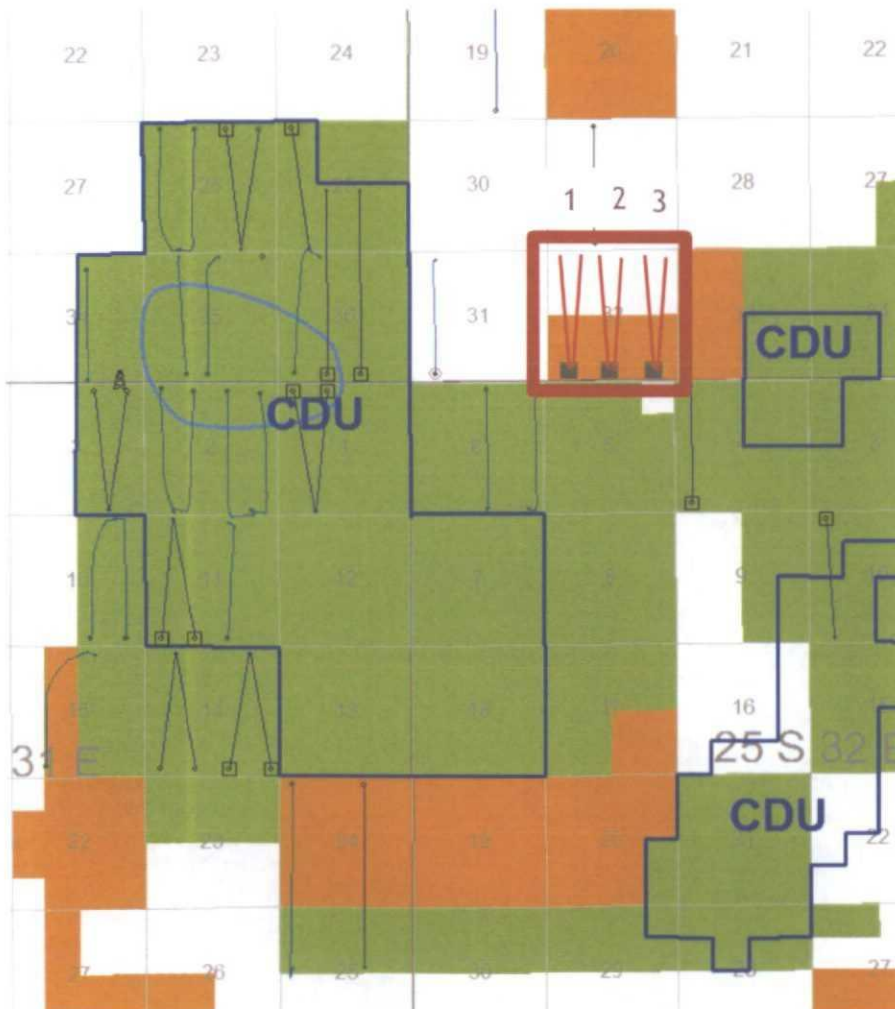
Cotton Draw Area Pilot Plan Neighbor oil wells



Cotton Draw Area Pilot Plan Neighbor oil wells



Cotton Draw Area Pilot Plan



Plan Timeline (Rig starting in 12/01/2014)

- Month 1-2 - Two rigs come drill pad 1 and 2
- Month 3-4 - Complete and frac pad 2 and 1 consecutively
 - Frac pad 2 first
 - Restricted choke flowback on pad 2 during pad 1 frac
- Month 3-5 - Drill pad 3 after pad 2 finished frac'ing
- Month 6 - Complete pad 3
 - Provides adequate time to replenish frac water
 - Test "frac and flow"??
 - Downhole pressure monitoring on pad 2??

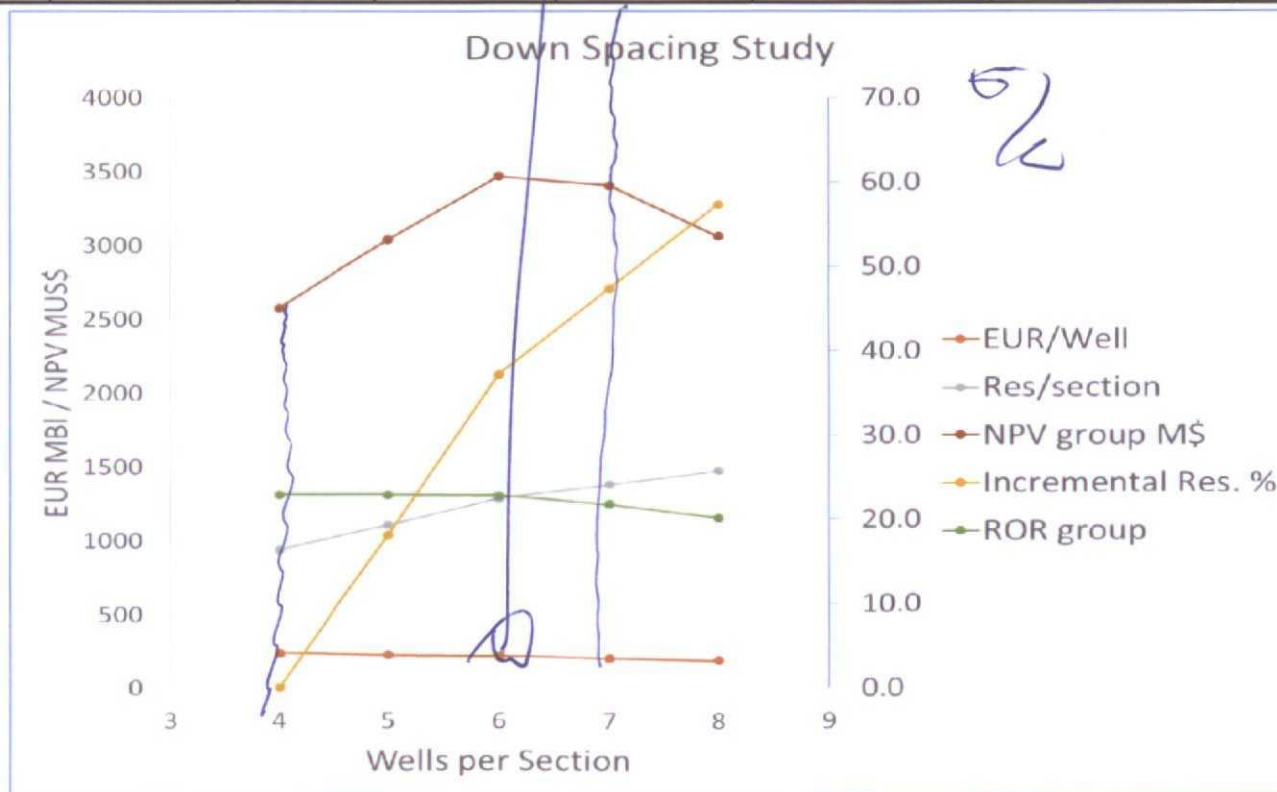
Advantages

- Half section of ideal completion planning
- Limited "frac bashing" effects test
 - Limit downside exposure to one well

CDU Results plot

Wells	ROR %	NPV M\$	ROR group %	NPV group M\$	EUR/Well MBI	Res/section MBI	Incremental Reserves %	% Reserves loss per well
4	22.1	647	22.9	2575	234	936	0.0	0
5	21.8	610	22.9	3037	221	1105	18.1	3
6	21.4	563	22.8	3468	214	1284	37.2	5
7	20.6	489	21.8	3402	197	1379	47.3	10
8	19	384	20.2	3059	184	1472	57.3	15

RTA group



RTA group

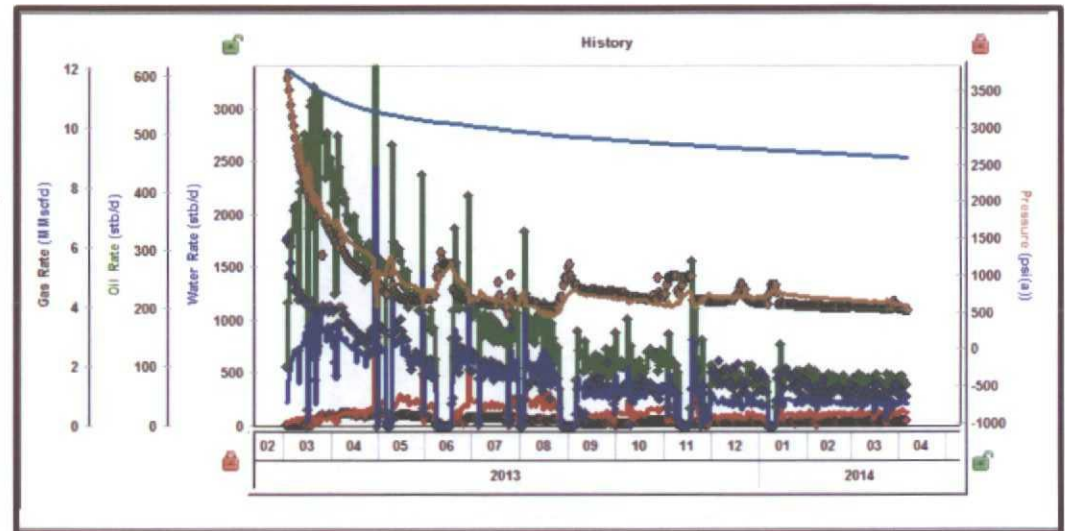
Fekete Harmony

Numerical Model Work Flow

Disciplines	Inputs	Sources
Geology	TVD Net Pay Porosity Fluid Saturation Matrix Perm	Logs, Core
Reservoir	Res. Pressure Res. Temperature API FVF Viscosity Bubble Point Compressibility GOR	DFIT PVT
Drilling & Operation	Deviation Survey Csg/Tbg Sizes Perfs Production Rates FBH Pressures	Wellview OFM

Fekete
Harmony

History Match



Use to make business decision regarding to:

- Reserves Forecast & Estimation
- Recovery Factor
- Field Development Scenario (Spacing, Facilities development, drilling Pattern scenarios)

Technical Conclusions

- Observed A_{srv} is less than 35 Acres
- High remaining residual oil Saturation on current spacing
- Need for an acceleration/Downspacing Program
- Optimal well density is 6 wells/section based on NPV10
- 30-40% increase in total reserves