

Ray Powell, M.S., D.V.M. COMMISSIONER

State of New Mexico Commissioner of Public Lands

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

December 23, 2014

Devon Energy Corporation 333 West Sheridan Avenue Oklahoma City, OK 73102-8260 R: 4371 C: 4791

Attn: Mr. Samuel Walker

Re:

Burton Flat Deep Unit

Commerciality Determination Bone Spring Formation

BFDU Well Nos. 53H, 54H, 57H and 58H

Eddy County, New Mexico

Dear Mr. Walker:

We are in receipt of your letter of May 14, 2014 together with the commerciality determination data for the above captioned wells.

The Bureau of Land Management, by their letter of August 13, 2014, has concurred with your determination that the above captioned wells are capable of producing unitized substances in paying quantities from the Bone Spring formation.

Please be advised that the Commissioner of Public Lands concurs with the Bureau of Land Management's determination that the Burton Flat Deep Unit Well Nos. 53H, 54H, 57H and 58H are commercial wells. Please submit a participating area for the Bone Spring formation.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.

COMMISSIONER OF PUBLIC LANDS

BY: /

Terry Warnell

Oil, Gas and Minerals Division

(505) 827-5744

RP/TW/pm

CC:

Reader File,

NMOCD Attention: Mr. Daniel Sanchez TRD-Attention: Ms. Joan Ishimoto RMD-Attn: Mr. Kurt McFall

BLM- Carlsbad. Attn: Mr. Ed Fernandez