

From: Hudson, Brett [mailto:Brett.Hudson@divn.com]
Sent: Tuesday, January 09, 2007 7:48 AM
To: Brooks, David K., EMNRD
Cc: Gray, Ken (OKC)
Subject: NSL for the ARCO 20 Fed Com #2

Mr. Brooks:

In response to your attached faxed received by Devon on 1/4/2007 concerning Devon's application for Administrative approval of a NSL location for the Arco 20 Federal Com #2 located at 1320' FSL & 2323' FWL Section 20-T21S-R26E, Eddy County, New Mexico Devon and our attorney Jim Bruce in Santa Fe could not find a copy of the original approved NSL for the above well in our files. However since the Morrow is at a legal bottom hole location there may not have ever been an approved NSL for this well originally. The calculated horizontal of the Delaware is 51 N 38.5 W at 1 1/4°. The Perfs in the Delaware are going to be at the following intervals:

3158' -65'
 3175' -80'
 3780' -88'
 3866' -78'
 3882' -86'
 4458' -72'

If any additional information is required please contact the undersigned at your earliest convenience.

Thanks,

Brett A. Hudson
 Devon Energy Production Company, L.P.
 Petroleum Landman
 Western Division
 Office: 405.228.8589
 Cell: 405.204.3144
 20 North Broadway
 Oklahoma City, Oklahoma 73102

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Oil Conservation Division
 Case No.
 Exhibit No.

we intended
 hereby notified
 any portion of
 use notify the
 our system.

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DAILEY INTERNATIONAL INC.

DEVON ENERGY
ARCO FEDERAL COM. #2
EDDY COUNTY, NEW MEXICO

Calculated by Minimum Curvature Method
Vert Sect Plane: N 46.11 W

- RECORD OF SURVEY -

MEASURED DEPTH (FT)	INCL ANGLE (DEG)	D R I F T DIRECTION (DEG)	COURSE LENGTH (FT)	TRUE VERTICAL DEPTH	T O T A L RECTANGULAR COORDINATES (FT)		VERTICAL SECTION (FT)	C L O S U R E DISTANCE DIRECTION (FT) (DEG)		DOGLEG SEVERITY (DG/100')
5650.00	0.63	S 80.77 W	0.00	5649.50	48.27 N	38.44 W	61.17	61.71 N	38.53 W	0.00
5806.00	0.70	S 27.70 W	156.00	5805.49	47.29 N	39.73 W	61.42	61.76 N	40.04 W	0.38
5869.00	1.30	N 81.20 W	63.00	5868.48	47.06 N	40.61 W	61.89	62.16 N	40.80 W	2.00
5932.00	2.50	N 56.50 W	63.00	5931.45	47.93 N	42.47 W	63.83	64.03 N	41.54 W	2.26
6028.00	4.90	N 50.60 W	96.00	6027.24	51.68 N	47.38 W	69.98	70.12 N	42.51 W	2.53
6122.00	6.40	N 61.10 W	94.00	6120.78	56.76 N	55.07 W	79.04	79.09 N	44.13 W	1.93
6214.00	8.00	N 61.90 W	92.00	6212.06	62.26 N	65.21 W	90.16	90.16 N	46.33 W	1.74
6308.00	9.80	N 51.80 W	94.00	6304.93	70.29 N	77.27 W	104.41	104.45 N	47.71 W	2.53
6401.00	10.50	N 45.50 W	93.00	6396.47	81.12 N	89.53 W	120.76	120.82 N	47.82 W	1.41
6491.00	10.50	N 42.30 W	90.00	6484.97	92.94 N	100.90 W	137.15	137.18 N	47.35 W	0.65
6585.00	12.30	N 42.00 W	94.00	6577.11	106.71 N	113.36 W	155.68	155.69 N	46.73 W	1.92
6680.00	13.10	N 47.70 W	95.00	6669.79	121.48 N	128.10 W	176.54	176.54 N	46.52 W	1.56
6773.00	14.50	N 40.80 W	93.00	6760.11	137.39 N	143.50 W	198.67	198.67 N	46.25 W	2.32
6867.00	15.70	N 38.60 W	94.00	6850.86	156.24 N	159.13 W	222.99	223.01 N	45.53 W	1.41
7010.00	16.50	N 38.00 W	143.00	6988.25	187.36 N	183.70 W	262.28	262.39 N	44.44 W	0.57
7199.00	12.00	N 40.00 W	189.00	7171.39	223.58 N	212.87 W	308.41	308.71 N	43.59 W	2.39
7386.00	9.00	N 44.00 W	187.00	7355.24	249.00 N	235.53 W	342.37	342.75 N	43.41 W	1.65
7571.00	7.00	N 42.00 W	185.00	7538.43	267.79 N	253.13 W	368.07	368.49 N	43.39 W	1.09
7757.00	4.75	N 46.00 W	186.00	7723.44	281.56 N	266.25 W	387.08	387.51 N	43.40 W	1.23
7947.00	3.75	N 47.00 W	190.00	7912.92	291.26 N	276.46 W	401.16	401.58 N	43.51 W	0.53
8131.00	3.00	N 41.00 W	184.00	8096.60	299.00 N	284.02 W	411.97	412.39 N	43.53 W	0.45
8315.00	2.75	N 40.00 W	184.00	8280.37	306.02 N	290.01 W	421.16	421.61 N	43.46 W	0.14
8504.00	2.50	N 38.00 W	189.00	8469.17	312.74 N	295.47 W	429.75	430.24 N	43.37 W	0.14
8688.00	2.00	N 11.00 W	184.00	8653.03	319.05 N	298.55 W	436.35	436.95 N	43.10 W	0.63
8877.00	2.25	N 1.00 W	189.00	8841.90	326.00 N	299.24 W	441.66	442.52 N	42.55 W	0.24
9065.00	1.75	N 10.00 E	188.00	9029.79	332.52 N	298.81 W	445.87	447.05 N	41.94 W	0.33
9255.00	1.00	N 10.00 E	190.00	9219.73	337.00 N	298.02 W	448.41	449.87 N	41.49 W	0.39
9443.00	1.25	N 17.00 W	188.00	9407.69	340.58 N	298.33 W	451.12	452.77 N	41.22 W	0.31
9630.00	1.75	N 14.00 W	187.00	9594.63	345.30 N	299.62 W	455.32	457.17 N	40.95 W	0.27
9817.00	1.00	N 21.00 W	187.00	9781.57	349.60 N	300.89 W	459.21	461.25 N	40.72 W	0.41
10006.00	1.00	N 21.00 W	189.00	9970.55	352.68 N	302.08 W	462.20	464.36 N	40.58 W	0.00
10192.00	0.75	N 46.00 W	186.00	10156.52	355.04 N	303.53 W	464.89	467.10 N	40.53 W	0.24

Survey Ref: Well Head Closure Ref: Well Head
Sun Jun 13 1999 12:57:20

Vert Sect Ref: Well Head
File: DEVONENE.DAT

DAILEY INTERNATIONAL INC.

DEVON ENERGY
ARCO FEDERAL COM. #2
EDDY COUNTY, NEW MEXICO

Calculated by Minimum Curvature Method
Vert Sect Plane: N 46.11 W

- RECORD OF SURVEY -

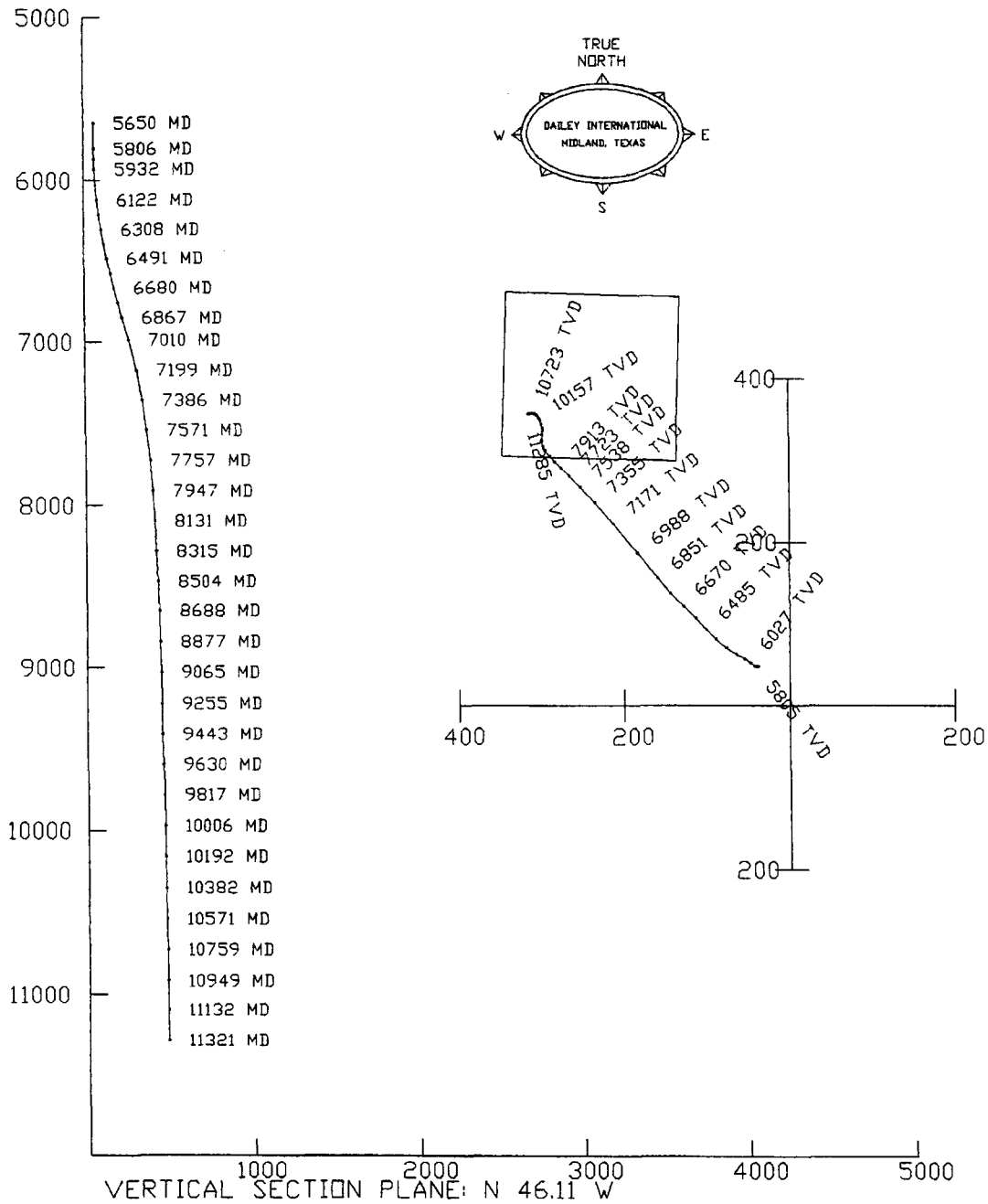
MEASURED DEPTH (FT)	INCL ANGLE (DEG)	D R I F T DIRECTION (DEG)	COURSE LENGTH (FT)	TRUE VERTICAL DEPTH	T O T A L RECTANGULAR COORDINATES (FT)	VERTICAL SECTION (FT)	C L O S U R E DISTANCE (FT)	DIRECTION (DEG)	DOGLEG SEVERITY (DG/100')
10382.00	0.75	N 55.00 W	190.00	10346.51	356.61 N 305.45 W	467.36	469.54	N 40.58 W	0.06
10571.00	0.25	N 50.00 W	189.00	10535.50	357.59 N 306.78 W	468.99	471.15	N 40.63 W	0.27
10759.00	0.75	N 75.00 W	188.00	10723.49	358.17 N 308.28 W	470.48	472.57	N 40.72 W	0.28
10949.00	0.75	N 85.00 W	190.00	10913.48	358.60 N 310.72 W	472.54	474.49	N 40.91 W	0.07
11132.00	0.75	S 80.00 W	183.00	11096.46	358.50 N 313.09 W	474.17	475.97	N 41.13 W	0.11
11321.00	0.75	S 70.00 W	189.00	11285.45	357.86 N 315.47 W	475.45	477.06	N 41.40 W	0.07

1677.36 2007.53

DEVON ENERGY
ARCO FEDERAL COM. #2
EDDY COUNTY, NEW MEXICO

VERTICAL SECTION
SCALE: 1000 FEET/DIVISION
REFERENCE: WELL HEAD

HORIZONTAL PLAN
SCALE: 200 FEET/DIVISION
REFERENCE: WELL HEAD

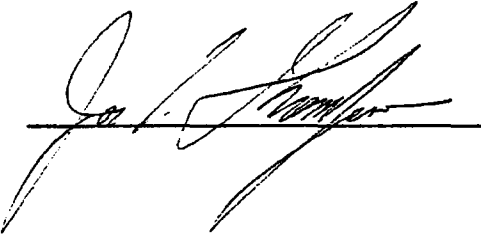


SURVEY CERTIFICATION

State of Texas

County of MIDLAND

I, Joe Thompson certify that; I am employed by Dailey International Inc.;
that I did on the day(s) of 5/22/99 through 6/12/99 conduct or supervise the
taking of a Directional survey from a depth of 5650 feet to a depth of
11,321 feet; the data is true, correct, complete, and within the limitations of
the tool as set forth by Dailey International Inc.; that I am authorized and qualified
to make this report; that this survey was conducted at the request of _____
Devon Energy Corporation for the Arco Fed Com Well API
No. 2 in Eddy New Mexico County, Texas; and that I
have reviewed this report and find that it conforms to the principles and
procedures as set forth by Dailey International Inc.



A handwritten signature in black ink, appearing to read 'Joe Thompson', is written over a horizontal line.