

DATE IN 1-12-11	SUSPENSE	ENGINEER DKB	LOGGED IN 1.12.11	TYPE NSL	APP NO. 1101241001
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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  
 Schabod 7 Fed #1H  
 6327

### 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.

<u>Katie McDonnell</u> Print or Type Name	<u>Katie McDonnell</u> Signature	<u>Landman</u> Title	<u>1/12/2011</u> Date
<u>Katie.McDonnell@dvn.com</u> e-mail Address			



RECEIVED OGD

2011 JAN 12 A 9:44

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

FAX

To: David Brooks  
NMOCD

From: Katie McDonnell  
Office: 405-552-8040

Fax: 505-476-3462

Date: January 12, 2011

Phone: 505-476-3450

Pages: 11 (including cover page)

Re: NSL Application – Ichabod 7 Fed #1H

Urgent     For Review     Please Comment     Please Reply     Please Recycle

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• Comments:



Devon Energy Corporation  
20 North Broadway  
Oklahoma City, OK 73102-8260

405 235 3611 Phone  
www.devonenergy.com

January 12, 2011

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

RE: Ichabod 7 Fed #1H  
Section 7-T26S-R34E  
Lea County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, intends to drill the referenced horizontal Bone Spring (Leonard Shale) well to a total vertical depth of 9,858' with a total measured depth of 14,429'. As reflected on the attached C-102, the well has been permitted at a surface location of 195' FSL and 330' FEL with a permitted bottom hole location of 330' FNL and 330' FEL of Section 7-T26S-R34E. We will penetrate the top of the Bone Spring formation at an unorthodox location of 195' FSL and 330' FEL (surface hole location), although the highest perforations in the well will not be closer than 330' to the outer boundary of the project area.

The surface hole location will be non-standard in order to maximize the length of the horizontal portion of the wellbore within the target Bone Spring interval. By spotting the surface hole location 195' from the section line, this allows room to build the curve and land horizontally at a standard location within the target Bone Spring interval. Perforations in the horizontal wellbore in the target Bone Spring interval will be at least 330' from the section lines. If the surface hole location was placed at a standard location (330' from the section lines), this would reduce the productive horizontal interval. With the proposed well plan, the productive interval of the horizontal wellbore within the target Bone Spring interval is maximized.

Inasmuch as the referenced well will penetrate the top of the Bone Spring formation at an unorthodox location from that permitted by the Statewide Pool Rules, Devon respectfully requests that the Commission administratively approve this application for an unorthodox location in accordance with Division Rule 104(F)(3). This unorthodox location affects the leasehold owners in Unit letter A of section 18-T26S-R34E. Chesapeake Energy and Devon are the owners of Federal Oil & Gas lease 114992, which encompasses all of said section 18. In accordance with NMOCD Rules, the affected offset leasehold owner has been given notice of this application. Additionally, Devon requests Commission approval to designate a 160 acre project area consisting of four standard oil spacing units comprised of the E/2 E/2 (Unit letters A, H, I, & P) of Section 7-T26S-R34E.

Attached for your review you will find a land plat, copies of letters of notification to the affected parties, a structure map covering the Top Bone Spring formation, a State of New Mexico form C-102, and a Well Profile Planning Report prepared by CUDD Drilling & Measurement Services.

Feel free to contact the undersigned at (405)552-8040 if there are any concerns or questions regarding this application.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in black ink that reads "Katie A. McDonnell". The signature is written in a cursive, flowing style.

Katie A. McDonnell  
Landman

<p>11.1 H. Co. (S)</p>	<p>10 3245 DIA 3-27-63</p> <p>State Dinwiddie Ctl. Co. (S)</p>	<p>10 00</p> <p>U.S.</p>	<p>SOHIO (OPER)</p> <p>State</p>	<p>U.S.</p>	<p>U.S.</p>
<p>Newkumet Expt 11.1.2013 VB 1506 1700 00</p> <p>Fosken vaco-SF 05210 1A 11 5 62</p> <p>2</p> <p>E Gonzales 01.1.2013 VB 1607 900 00</p> <p>U.S.</p>	<p>Chesapeake 11.1.2015 114390 114988 \$160 00 (Devon)</p> <p>SALADY DRAWING</p> <p>U.S.</p>	<p>TV Dwyer 8.11.2009 Euronex, et al, M E. Chism, J. M Chesapeake 11.1.2015 114390 114990 \$275 00 (Devon)</p> <p>WCS Disc 11.14.30 DB 4250 6 \$275 00 (Devon)</p> <p>U.S. M.I. Dinwiddie Ctl. Co. (S)</p>	<p>TV Dwyer 8.11.2009 E. Chism, J. M Ches. T. Davis, et al, M H.H. Davis M1 Devon, 1/2 6.1.2007 98831 230 00</p> <p>5</p> <p>Devon, 1/2 6.1.2007 98831 230 00</p> <p>U.S. M.I. Dinwiddie Ctl. Co. (S)</p>	<p>Hill &amp; Meeker Yates-Fed 105400 DIA 4 5-50</p> <p>4</p> <p>U.S.</p>	<p>Yates Fed 105400 DIA 4 5-50</p> <p>3</p> <p>U.S.</p>
<p>D.E. Gonzales 5.1.2019 122621 80 00</p> <p>U.S.</p>	<p>Chesapeake 11.1.2015 114988 \$160 00 12 (Devon)</p> <p>Hill &amp; Meeker Yates Fed 105400 DIA 4 5-50</p> <p>U.S. M.I. Dinwiddie Ctl. Co. (S)</p> <p>U.S.</p>	<p>Chesapeake 11.1.2015 114990 \$275 00 (Devon)</p> <p>7</p> <p>U.S.</p>	<p>Devon, 1/2 6.1.2007 98831 230 00</p> <p>8</p> <p>U.S.</p>	<p>M.W. Wilson Yates-Fed TD 5490 DIA 5-7-63</p> <p>9</p> <p>U.S.</p>	<p>OXY 8.1.2013 110640 70 00</p> <p>Concho Res Sama Fe Energy 6.1.2007 98831 230 00</p> <p>(Chesapeake)</p> <p>U.S.</p>
<p>D.E. Gonzales 5.1.2019 122621 50 00</p> <p>14</p> <p>U.S.</p>	<p>D.E. Gonzales 5.1.2019 122621 90 00</p> <p>13</p> <p>Continental Bradley TD 5375 DIA 1-29-61</p> <p>U.S.</p>	<p>Chesapeake 11.1.2015 114992 \$200 00 (Devon)</p> <p>Kirklin Gulf-Fed TD 5460 DIA 7 8 61</p> <p>18</p> <p>U.S. M.I. Terry Maxwell et al, (S)</p>	<p>Chesapeake 11.1.2015 114991 \$250 00 (Devon)</p> <p>Pogo Prod Fed TD 5596 DIA 3-15-61</p> <p>17</p> <p>U.S.</p>	<p>D.E. Gonzales 10.1.2014 V-8570 \$427 81</p> <p>State 16</p> <p>D.E. Gonzales 10.1.2014 V-8571 \$427 81</p> <p>26 34</p> <p>U.S.</p>	<p>Devon, et al 10.1.2014 9418 85 00</p> <p>15</p> <p>U.S.</p>
<p>D.E. Gonzales 5.1.2019 122622 90 00</p> <p>23</p> <p>U.S. M.I. Moore Fed</p> <p>U.S.</p>	<p>Concho H.P. 02965</p> <p>D.E. Gonzales 5.1.2019 122622 90 00</p> <p>24</p> <p>Flagstone Pet Phillips-Fed. TD 5365</p> <p>U.S.</p>	<p>Cont'l Bradley Del. Disc</p> <p>Chesapeake 11.1.2015 114992 200 00 (Devon)</p> <p>19</p> <p>Parker, E. Parley Phillips-Fed. TD 5399</p> <p>Continental Bradley TD 5422</p> <p>U.S.</p>	<p>Chesapeake 11.1.2015 114991 250 00 (Devon)</p> <p>M.W. Wilson Leon-Fed TD 6900 DIA 1-15-63</p> <p>Pogo Prod Meecher McC Disc. TD 10100 2.1.1961</p> <p>20</p> <p>U.S.</p>	<p>Chesapeake Devon Ener. 11.1.2014 112341 \$850 00</p> <p>21</p> <p>MIDLAND MAP</p> <p>U.S.</p>	<p>Chesapeake (Devon Ener.) 11.1.2014 112341 \$850 00</p> <p>22</p> <p>U.S.</p>
<p>D.E. Gonzales 11.1.2018 121490 475 00</p> <p>26</p> <p>U.S.</p>	<p>Hill &amp; Meeker Yates Fed 105400 DIA 4 5-50</p> <p>D.E. Gonzales 5.1.2019 122622 90 00</p> <p>25</p> <p>Teneco Del. Fed. TD 5401 DIA 10-16-71</p> <p>U.S.</p>	<p>Blanco Co. 11.1.2015 122626 120 00</p> <p>30</p> <p>U.S.</p>	<p>Chesapeake 11.1.2015 114991 \$250 00 (Devon)</p> <p>29</p> <p>U.S. M.I. Wilson-Fed TD 15562 On spp Disc</p>	<p>OXY 8.1.2013 110640 70 00</p> <p>Chesapeake (Devon Ener.) 11.1.2014 112341 \$850 00</p> <p>28</p> <p>U.S.</p>	<p>Devon 3.1.2013 10056 85 00</p> <p>27</p> <p>U.S.</p>
<p>Gonzales 2010 470 5 00</p> <p>35</p> <p>U.S. M.I. Moore Fed</p> <p>U.S.</p>	<p>D.E. Gonzales 11.1.2013 VC 2500 613 00</p> <p>36</p> <p>State</p> <p>U.S.</p>	<p>Latigo Pet 8.1.2015 110640 70 00</p> <p>31</p> <p>U.S.</p>	<p>Fasken Id &amp; Min. 9.1.2007 VB 1271 76 00</p> <p>32</p> <p>State Dinwiddie Ctl. Co. (S)</p> <p>U.S.</p>	<p>Latigo Pet 8.1.2013 110640 70 00</p> <p>33</p> <p>U.S.</p>	<p>Mallard Elliott TD 5580 DIA 11-29-62</p> <p>34</p> <p>U.S.</p>

# LOVING County

Lease and Fee Information

# Southwest IF



Devon Energy Corporation  
20 North Broadway  
Oklahoma City, OK 73102-8260

405 235 3611 Phone  
www.devonenergy.com

January 12, 2011

Attn: Craig Barnard  
Chesapeake Energy Corporation  
P.O. Box 18496  
Oklahoma City, OK 73154-0496

Re: Ichabod 7 Fed #1H  
Section 7-T265-R34E  
Lea County, NM

Gentlemen:

Attached you will find Devon Energy Production Company, L.P.'s administrative application for approval of an unorthodox well location covering the referenced well. Our records indicate that Chesapeake Energy, as an owner of Federal Oil & Gas Lease 114992, comprised of Section 18-T265-R34E, is an affected owner of an offset spacing unit and is entitled to notice of this application in accordance with Division Rule 104(f). In accordance with NMOC D Rules, objections to this application must be filed with the New Mexico Oil Conservation Division within 20 days from the date the OCD receives the application. If you have no objection to this application, please so indicate by signing and returning one copy of this letter to the undersigned via facsimile to 405-552-8113.

If there are any questions or if additional information is required, feel free to call me at (405) 552-8040.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Katie A. McDonnell  
Landman

Chesapeake Energy Corporation has no objection to this administrative application for unorthodox location.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Devon Energy**

Ichabod 7 Federal 1H

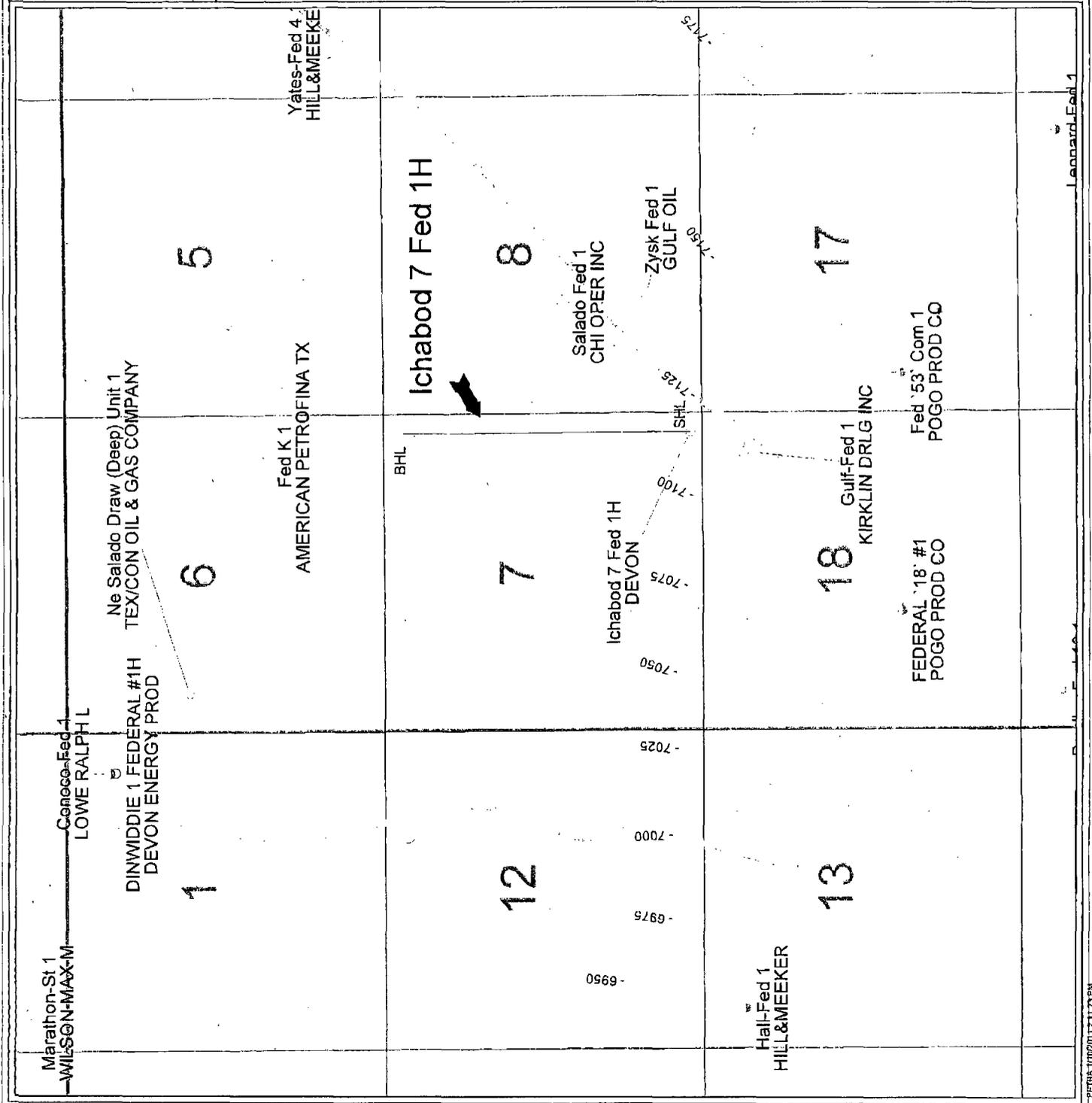
None - Standard Location

Structure - Top of Bone Spring

0 2,176

FEET

January 10, 2011



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**

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name		
				WC BS		
<sup>4</sup> Property Code		<sup>5</sup> Property Name			<sup>6</sup> Well Number	
		ICHABOD "7" FED.			1H	
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name			<sup>9</sup> Elevation	
6137		DEVON ENERGY PRODUCTION COMPANY, L.P.			3363.1	

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
P	7	26 S	34 E		195	SOUTH	330	EAST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	7	26 S	34 E		330	NORTH	330	EAST	LEA

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<p>N. Q. CORNER SEC. 7 LAT. = 32°03'54.80"N LONG. = 103°30'32.34"W NMSP EAST (FT) N = 388371.92 E = 796726.43</p>	<p>BOTTOM OF HOLE LAT. = 32°03'51.56"N LONG. = 103°30'05.48"W NMSP EAST (FT) N = 388062.01 E = 799040.78</p>	<p>BOTTOM OF HOLE 330'</p>	<p>NE CORNER SEC. 7 LAT. = 32°03'54.89"N LONG. = 103°30'01.65"W NMSP EAST (FT) N = 388394.89 E = 799367.86</p>	<p><b>17 OPERATOR CERTIFICATION</b> 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</p>
				<p>Signature _____ Date _____ Printed Name _____</p>
<p>ICHABOD "7" FED. #1H ELEV. = 3363.1' LAT. = 32°03'04.452"N (NAD83) LONG. = 103°30'05.434"W NMSP EAST (FT) N = 383300.45 E = 799081.34</p>	<p>SE CORNER SEC. 7 LAT. = 32°03'02.52"N LONG. = 103°30'01.80"W NMSP EAST (FT) N = 383108.02 E = 798412.97</p>	<p>SURFACE LOCATION 330'</p>	<p><b>18 SURVEYOR CERTIFICATION</b> 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</p> <p>SEPTEMBER 30, 2010 Date of Survey</p> <p>Signature of Professional Surveyor Certificate Number: EILEMON F. JARAMILLO, PLS 12797 SURVEY NO. 244</p>	
				<p>S. Q. CORNER SEC. 7 LAT. = 32°03'02.52"N LONG. = 103°30'32.30"W NMSP EAST (FT) N = 383087.26 E = 796770.26</p>

Project: Lea Co., New Mexico (Nat B3)  
 Well: Icabod 7 Fed #11  
 Wellbore: Icabod 7 Fed #11  
 Design: Design #2



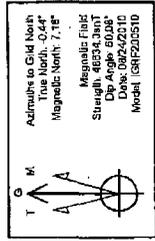
SECTION DETAILS										
Bec	MD	Inc	Adj	TVD	+N/S	+E/W	Dip Ang	T Face	V Sbc	Trig
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	10247.09	60.75	359.51	5512.41	4.94	10.00	349.51	580.48		
4	14028.84	60.75	359.51	5517.87	-0.56	0.00	4761.74	4761.74		

ANNOTATIONS	
TVD	MD
9339.50	Annotation
10247.20	KOP - Build (07100)
	ECC - Hold (90.75) @ A:359.51*

PROJECT DETAILS: Lea Co., New Mexico (Nat B3)	
Geologic System:	US State Plane 1983
Datum:	North American Datum 1983
Ellipsoid:	GRS 80
System Datum:	Mean Sea Level

WELLBORE TARGET DETAILS (MAP COORDINATES AND LAT/LONG)						
Name	TVD	+N/S	+E/W	Northing	Eastng	Latitude
PBHL - TD (07141)	8857.67	4781.57	-40.56	38902.01	79604.78	32° 3' 50.375" N
						103° 30' 5.161" W
						Slant Point

WELL DETAILS: Icabod 7 Fed #11						
Ground Level						
WELL @ 3182.0m (Original VM Elev)						
+N/S	+E/W	Northing	Eastng	Latitude	Longitude	Slat
0.00	0.00	383300.45	766081.34	32° 3' 3.755" N	103° 30' 5.116" W	



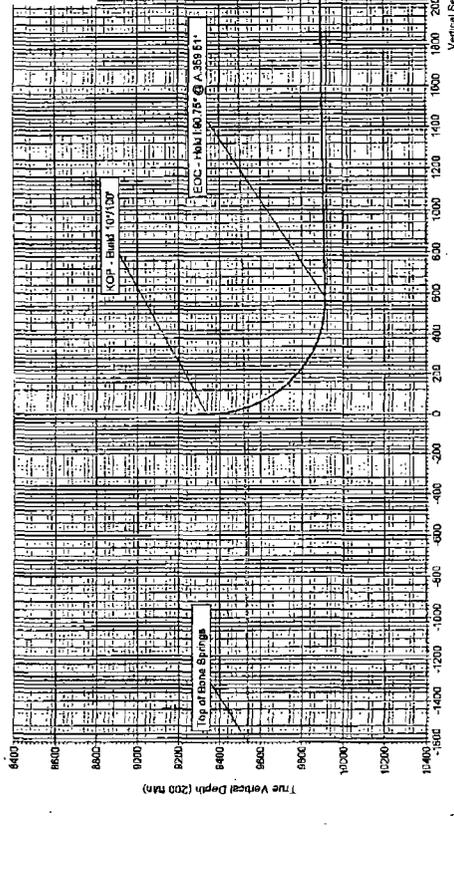
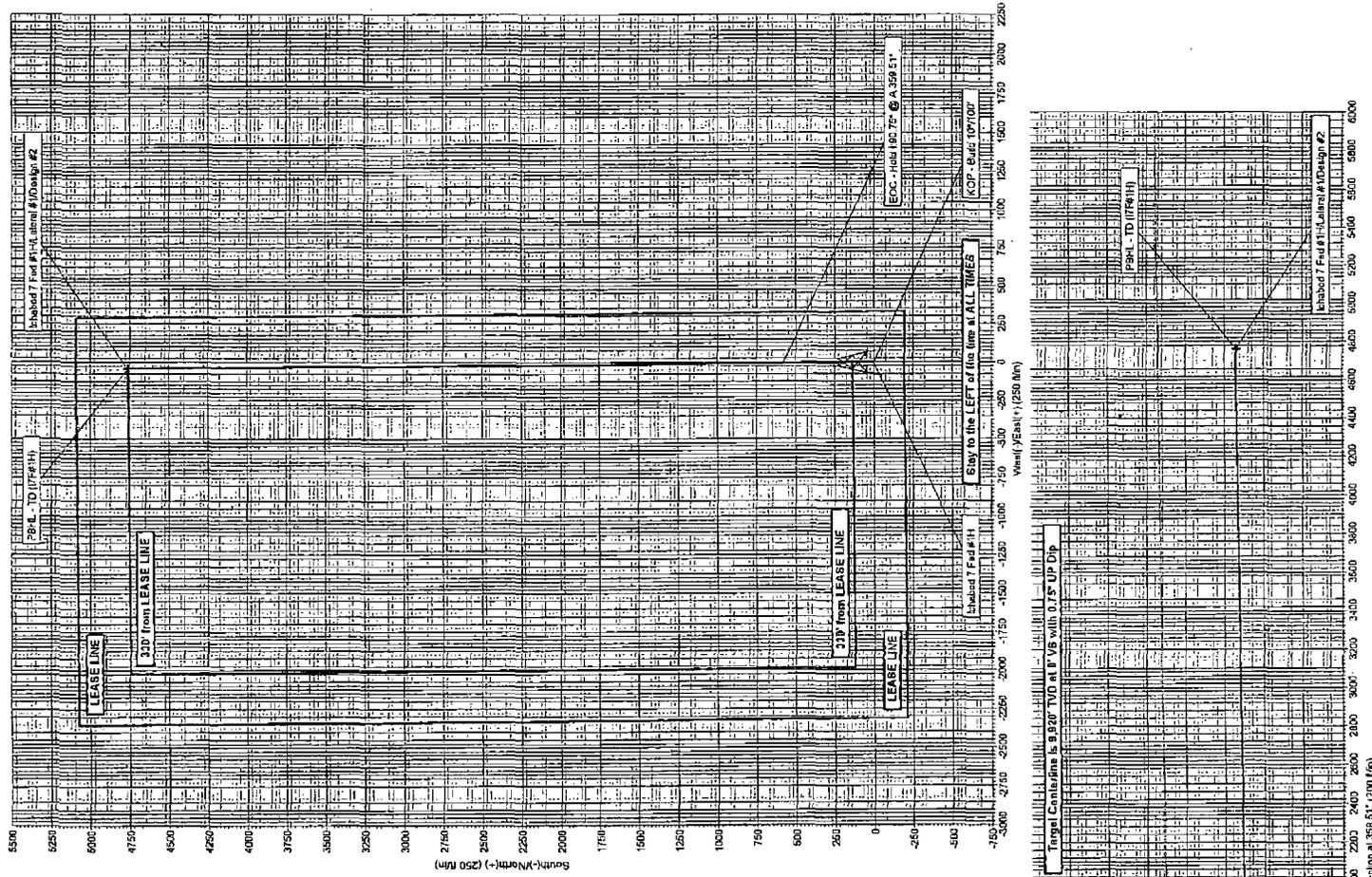
Plan: Design #2 (Icabod 7 Fed #11-Lateral #1)

Created By: Mike Steffey Date: 16.01, September 30 2010

Checked: \_\_\_\_\_ Date: \_\_\_\_\_

Reviewed: \_\_\_\_\_ Date: \_\_\_\_\_

Approved: \_\_\_\_\_ Date: \_\_\_\_\_





## **Devon Energy**

**Lea Co., New Mexico (Nad 83)**

**Ichabod 7 Fed #1H**

**Ichabod 7 Fed #1H**

**Lateral #1**

**Plan: Design #2**

# **Standard Survey Report**

**30 September, 2010**





**CUDD Drilling & Measurement Services**

Survey Report



<b>Company:</b> Devon Energy	<b>Local Co-ordinate Reference:</b> Site Ichabod 7 Fed #1H
<b>Project:</b> Lea Co., New Mexico (Nad 83)	<b>TVD Reference:</b> WELL @ 3380.00ft (Original Well Elev)
<b>Site:</b> Ichabod 7 Fed #1H	<b>MD Reference:</b> WELL @ 3380.00ft (Original Well Elev)
<b>Well:</b> Ichabod 7 Fed #1H	<b>North Reference:</b> Grid
<b>Wellbore:</b> Lateral #1	<b>Survey Calculation Method:</b> Minimum Curvature
<b>Design:</b> Design #2	<b>Database:</b> EDM 2003.21 Single User Db

<b>Project</b> Lea Co., New Mexico (Nad 83)	<b>System Datum:</b> Mean Sea Level
<b>Map System:</b> US State Plane 1983	
<b>Geo Datum:</b> North American Datum 1983	
<b>Map Zone:</b> New Mexico Eastern Zone	

<b>Site</b> Ichabod 7 Fed #1H, Sec 7, T-26S, R-34E	
<b>Site Position:</b> Northing: 383,300.45 ft Latitude: 32° 3' 3.755 N	
<b>From:</b> Map Easting: 799,081.34 ft Longitude: 103° 30' 5.116 W	
<b>Position Uncertainty:</b> 0.00 ft Slot Radius: " Grid Convergence: 0.44 °	

<b>Well</b> Ichabod 7 Fed #1H	
<b>Well Position</b> +N/-S 0.00 ft Northing: 383,300.45 ft Latitude: 32° 3' 3.755 N	
+E/-W 0.00 ft Easting: 799,081.34 ft Longitude: 103° 30' 5.116 W	
<b>Position Uncertainty</b> 0.00 ft Wellhead Elevation: 3,380.00 ft Ground Level: 3,355.00 ft	

<b>Wellbore</b> Lateral #1	
<b>Magnetics</b> Model Name Sample Date Declination (") Dip Angle (") Field Strength (nT)	
IGRF200510 08/24/10 7.63 60.08 48,634	

<b>Design</b> Design #2	
<b>Audit Notes:</b>	
<b>Version:</b> Phase: PLAN Tie On Depth: 0.00	
<b>Vertical Section:</b> Depth From (TVD) (ft) +N/-S (ft) +E/-W (ft) Direction (")	
0.00 0.00 0.00 359.51	

<b>Survey Tool Program</b> Date 09/30/10	
<b>From (ft):</b> To (ft) Survey (Wellbore) Tool Name Description	
0.00 9,200.00 Design #2 (Lateral #1) NS-GYRO-MS North sensing gyrocompassing m/s	
9,200.00 14,428.64 Design #2 (Lateral #1) CUDD MWD MWD - Standard CUDD MWD	

Measured Depth (ft)	Inclination (")	Azimuth (")	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate ("/100ft)	Build Rate ("/100ft)	Turn Rate ("/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,241.00	0.00	0.00	5,241.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Belt Canyon</b>									
6,292.00	0.00	0.00	6,292.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Cherry Canyon</b>									
8,307.00	0.00	0.00	8,307.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Brushy Canyon</b>									
9,339.50	0.00	0.00	9,339.50	0.00	0.00	0.00	0.00	0.00	0.00
<b>KCP - Build 10"/100'</b>									
9,522.73	18.32	359.51	9,519.62	29.05	-0.25	29.05	10.00	10.00	0.00
<b>Top of Bone Springs</b>									



**CUDD Drilling & Measurement Services**  
Survey Report



**Company:** Devon Energy  
**Project:** Lea Co., New Mexico (Nad 83)  
**Site:** Ichabod 7 Fed #1H  
**Well:** Ichabod 7 Fed #1H  
**Wellbore:** Lateral #1  
**Design:** Design #2

**Local Co-ordinate Reference:** Site Ichabod 7 Fed #1H  
**TVD Reference:** WELL @ 3380.00ft (Original Well Elev)  
**MD Reference:** WELL @ 3380.00ft (Original Well Elev)  
**North Reference:** Grid  
**Survey Calculation Method:** Minimum Curvature  
**Database:** EDM 2003.21 Single User Db

**Planned Survey**

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
10,247.00	90.75	359.51	9,912.41	580.44	-4.94	580.46	10.00	10.00	0.00	
EOC - Hold 1:90.75° @ A:359.51*										
14,428.64	90.75	359.51	9,857.67	4,761.57	-40.56	4,761.74	0.00	0.00	0.00	
PBHL - TD (I7F#1H)										

**Design Targets**

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
PBHL - TD (I7F#1H)	0.00	359.55	9,857.67	4,761.57	-40.56	388,062.01	799,040.78	32° 3' 50.875 N	103° 30' 5.161 W
- hit/miss target									
- Shape									
- plan hits target center									
- Point									

**Formations**

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
5,241.00	5,241.00	Bell Canyon		-0.75	359.55
6,292.00	6,292.00	Cherry Canyon		-0.75	359.55
8,307.00	8,307.00	Brushy Canyon		-0.75	359.55
9,522.73	9,520.00	Top of Bone Springs		-0.75	359.55

**Plan Annotations**

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
9,339.50	9,339.50	0.00	0.00	KOP - Build 10°/100'
10,247.00	9,912.41	580.44	-4.94	EOC - Hold 1:90.75° @ A:359.51*

Checked By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

**Brooks, David K., EMNRD**

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**From:** Brooks, David K., EMNRD  
**Sent:** Wednesday, January 26, 2011 11:47 AM  
**To:** 'McDonnell, Katie'  
**Subject:** Ichabod 7 Federal #1h; NSL Application

Dear Ms. McDonnell

I have in hand the referenced application.

The proposed surface location and penetration point, in addition to encroaching toward Unit A of Section 18, appears to encroach diagonally toward Unit D of Section 17, pursuant to our policy that there is a diagonal encroachment whenever the proposed location is closer to a common corner than the closest standard location would be to that corner.

We show no well in Section 17, and the map copy you have filed shows it as Chesapeake acreage, in which case no further notice would be required. If this is the case, please confirm, and we can proceed. If there are working interest owners in D of 17 other than Devon and Chesapeake, additional notice would be required.

Sincerely

David K. Brooks  
Legal Examiner

**Brooks, David K., EMNRD**

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**From:** McDonnell, Katie [Katie.McDonnell@dvn.com]  
**Sent:** Thursday, January 27, 2011 6:21 AM  
**To:** Brooks, David K., EMNRD  
**Subject:** RE: Ichabod 7 Federal #1h; NSL Application

Mr. Brooks - Devon and Chesapeake are the only 2 working interest owners of that entire section 17. Thank you for catching my oversight.

I appreciate your help.

Thanks,  
Katie McDonnell

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**From:** Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]  
**Sent:** Wednesday, January 26, 2011 12:47 PM  
**To:** McDonnell, Katie  
**Subject:** Ichabod 7 Federal #1h; NSL Application

Dear Ms. McDonnell

I have in hand the referenced application.

The proposed surface location and penetration point, in addition to encroaching toward Unit A of Section 18, appears to encroach diagonally toward Unit D of Section 17, pursuant to our policy that there is a diagonal encroachment whenever the proposed location is closer to a common corner than the closest standard location would be to that corner.

We show no well in Section 17, and the map copy you have filed shows it as Chesapeake acreage, in which case no further notice would be required. If this is the case, please confirm, and we can proceed. If there are working interest owners in D of 17 other than Devon and Chesapeake, additional notice would be required.

Sincerely

David K. Brooks  
Legal Examiner

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