

Ken Gray Senior Advisor, Land Devon Energy Corporation 333 West Sheridan Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-4633 Fax: (405) 552-8113 Ken.gray@dvn.com

June 13, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

To Working Interest Owners See Address List Attached

Re:

Lonetree Draw 13 State Com #4H SHL – 150' FNL & 2390' FEL BHL – 330' FSL & 1980' FEL W/2 E/2 of Section 13-T21S-R27E Eddy County, New Mexico

#### Gentlemen:

Devon Energy Production Company, L.P., ("Devon") as operator, proposes to drill the Lonetree Draw 13 State Com #4H, a horizontal Middle Brushy Canyon well. Devon intends to drill a pilot hole to an approximate vertical depth of 5560', plug back to a kickoff point of approximately 4555' and drill horizontally in the target formation to an approximate total measured depth of 9,500'.

Enclosed you will find Devon's AFE, in duplicate, reflecting our estimated cost of the procedure to be \$4,878,000. In the event you elect to participate in the proposed operation a Joint Operating Agreement will be forwarded for your review and execution. An election to participate should be accompanied by an executed AFE along with your well requirement sheet including email address and returned to the undersigned. In the event you elect not to participate, Devon would entertain negotiations for a mutually agreeable oil and gas lease with regard to any unleased mineral interest or a mutually agreeable farmout agreement with regard to leasehold owners.

For engineering questions please contact James Allbee, at 405-228-8698, geological questions please contact Raleigh Blumstein at 405-552-3359, land questions please contact the undersigned at 405-552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Ken Gray

Senior Advisor, Land

KG:lonetreedrawstatecom#4h.pro.

Enclosures

Oil Conservation Division Case No.

Exhibit No.

#### Lonetree Draw 13 State Com #4H Address List

Drill and Complete June 13, 2012

Unleased Mineral Owners
Nuevo Seis Limited Partnership
P.O. Box 2588
Roswell, NM 88202
Certified Mail #7010-1060-000-0922-1289

George M. O'Brien P.O. Box 1743 Midland, TX 79702 Certified Mail #7010-1060-0000-0922-1296

Robert E. Scott 316 Knobb Hill Drive Hamden, CT 06518 Certified Mail #7010-1060-0000-0922-1302

Dr. Olaf Coleman
Summerland Key
Monroe County, FL 33042
Certified Mail #7010-1060-0000-0922-1319

Greenwade Oil Ltd.
P.O. Box 1675
Roswell, NM 88202
Certified Mail #7010-1060-0000-0922-1326

Leasehold Owners
Armstrong Energy Corporation
P.O. Box 1973
Roswell, NM 88202-1973
Certified Mail #7010-1060-0000-0922-1333

# CERTIFIED MAIL

devon

Devon Ener 333 West SI Oklahoma (

7010 1060 0000 0922 1302



RECEIVED

JUL 10 2012

MAILROOM



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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature ☐ Agent ☐ Addressee
	B. Received by ( Printed Name) C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from item 1?   If YES, enter delivery address below:   No
ROBERT E. SCOTT	
316 KNOBB HILL DRIVE	
HAMDEN, CT 06518	3. Service Type  Certified Mail  Express Mail
	☐ Registered 전 Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
	4. Restricted Delivery? (Extra Fee) ☐ Yes
2. Article Numb 7010 1010 0000 0	922 1302
PS Form 3811 February 2004 Domestic Bet	turn Receipt 102595-02-M-1540

# CERTIFIED MAIL.



Devon Energy Corp 333 West Sheridan Oklahoma City, OK

0.2 1M \$ 05.95° 000 4222434 JUN 13 2012

7010 1060 0000 0922 1319

RECEIVED WAILROOM

DEC 30.312

Dr. Olaf Coleman Summerland Key

Monroe County, FL 33042

042 330 5E 1 00 06/16/12 RETURN TO SENDER INSUFFICIENT ADDRESS UNABLE TO FORWARD 102501599 \*0757-16329-13-39

FF 222 200 200 1 5

Hudulmillhaddddhadddddddddddddddd.

VIDERTOOFFARE OCCUPIES HISO

<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse</li> </ul>	A. Signature  A. Agent  A. Agent  A. Agent
so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by ( Printed Name) C. Date of Delivery
1. Article Addressed to:  DR. OLAF COLEMAN  SUMMERLAND KEY	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
MONPOE COUNTY, FL 33042	3. Service Type  2. Certified Mail
	4. Restricted Delivery? (Extra Fee) ☐ Yes

....

### T. VERNE DWYER

OFFICE (432) 684-7933 OIL & GAS INVESTMENTS 508 WEST WALL, SUITE 403 MIDLAND, TEXAS 79701

FAX (432) 684-4032

October 26, 2012

Mr. Joe Scott 2681 Dixwell Ave Hamden, CT 06518

RE: SE/4 Section 13, Township 21 South, Range 27 East, Eddy County, New Mexico

Dear Mr. Scott.

Robert E. Scott and Rozella Scott of Roswell, New Mexico owned a 2.088% interest under the captioned tract. We have recently learned that Mr. and Mrs. Scott are deceased and are trying to locate the heirs of their Estates. If you have any heirship information on Robert E. Scott and Rozella Scott, please contact me at the number listed above at your earliest convenience.

Our client has drilling plans for this property and this interest is one of the last that is not leased. If we are unable to lease this interest, we will have to go through the forced pooling process, which will delay our drilling plans.

Very truly yours,

Kailyn Lowe

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  A. Signature  Addressee  B. Received by (Printed Name)  C. Date of Delivery  D. Is delivery address different from item 1?   Yes		
1. Article Addressed to:  MF. JOU JCOTT  2081 DIX WEM TVO.	If YES, enter delivery address below: No		
Hamden, CT UUSIO	3. Service gype  Contified Mail		
	4. Restricted Delivery? (Extra Fee) ☐ Yes		
2. Article Number 7008 3230	0002 8320 3762		
PS Form 3811, February 2004 Domestic R	eturn Receipt 102595-02-M-1540		

From:

Kailyn Lowe <kailyn.lowe@yahoo.com>

Sent:

Monday, March 18, 2013 2:32 PM

To:

Gray, Ken

Subject:

Joe Scott

**Attachments:** 

Joe Scott Letter.pdf

Ken,

Attached please find the letter sent to Joe Scott. I tried numerous times between October 25, 2012 and December 7, 2012 to contact him at 203-288-2864, leaving messages. About a month ago, I received a call back from that number from Joyce Scott telling me that I had the wrong address and phone number-she did not know a Joe Scott.

I will forward you the e-mail I sent to Jim regarding the Scotts.

Let me know if you need anything further.

Kailyn Lowe

Jim Balf
Land Advisor
Permian Business Unit, Mid-Continent Division
Devon Energy Corporation
333 West Sheridan
Oklahoma City, OK 73102-5010
405 552 3384 Direct
405 552 1440 Fax

From: Kailyn Lowe [mailto:kailyn.lowe@yahoo.com]

Sent: Thursday, October 25, 2012 12:42 PM

To: Ball, Jim

Subject: Re: Catclaw Draw-SE/4 Section 13, T21S, R27E, Eddy County

Jim.

Glen said that he has sent letters and has tried to call, but none of the phone numbers he located were good numbers.

Here is what I found:

Robert E. Scott died in January 1986 in Roswell, NM. (could not locate probate/obituary)

His wife, Rozella died in March 1994 in Roswell, NM

The Fort Scott Tribune (Fort Scott, KS) listed a death notice for Rozella (Moody) Scott, wife of Robert E. Scott, naming Joe Scott as her only child, who was still living at her time of death. Her only surviving sister lived in Fort Scott and her only surviving brother lived in Tulsa, OK.

Searching for Joe Scott returned tons of results, as you can imagine. The most promising I found was a Joseph Scott/Joseph N. Scott, married to Joyce Scott listed as having lived in the following places: Albuquerque, NM, Rio Ranch, NM, Roswell, NM and Hamden, CT.

The best address I can come up with is for a Joyce Scott in Hamden, CT: 2681 Dixwell Ave., 06518

What would you like for me to do from here? Write them at that address? Offer to lease?

Kailyn

From: Glen Thomason <<u>glenwoodtt@gmail.com</u>>
To: Kailyn Lowe <<u>kailyn.lowe@yahoo.com</u>>
Sent: Wednesday, October 24, 2012 1:04 PM

Subject: Re: Catclaw Draw-SE/4 Section 13, T21S, R27E, Eddy County

The Robert Scott interest was acquired from Dick Morrison of Carlsbad. Morrison appears to be a mineral trader.

GT

On Wed, Oct 24, 2012 at 12:57 PM, Glen Thomason <<u>glenwoodtt@gmail.com</u>> wrote: Came home for lunch. Dr. Olaf Coleman, received his interest from Robert E. Scott & wife Rozella via MD @ 251/602, 2-11-1982. Robert E. Scott acquired his interest via MD @ 196/400 2-8-1967. The address for in Hamden, CT is for Joe Scott, presumed to be an heir of Robert E. Scott, however, have not seen a probate for Robert. Hope this helps.

Glen T.

From:

Talia Mills <talia.m.mills@gmail.com>

Sent:

Wednesday, November 21, 2012 3:42 PM

To:

Ball, Jim

Subject:

Robert E. Scott and Rozella Scott

Jim, we do not have an address for Robert E. Scott and Rozella Scott. Kailyn and I have looked and all we have for sure is Chaves County. I will keep looking and get back to you if I find anything! Thanks, Talia

Talia Mills
T. Verne Dwyer
Oil & Gas Investments
508 West Wall, Suite 403
Midland, Tx 79701
(432)-684-7933

From: Sent: Kailyn Lowe <kailyn lowe@yahoo.com> Thursday, November 29, 2012 10:47 AM

To: Subject: Ball, Jim addresses

Mr. Joe Scott 2681 Dixwell Ave Hamden, CT 06518 (203) 288-2864

Ms. Deanna Coleman Martin 573 SE 129ST Road Clinton, MO 64735-9300

From:

Ball, Jim

Sent: To: Monday, November 26, 2012 1:43 PM Kailyn Lowe (kailyn.lowe@yahoo.com)

Subject:

FW: Bill, A question you can help me with maybe...

Just FYI....

Jim Ball Land Advisor Permian Business Unit, Mid-Continent Division

Devon Energy Corporation 333 West Sheridan Oklahoma City, OK 73102-5010 405 552 3384 Direct 405 552 1440 Fax

From: Ball, Jim

Sent: Monday, November 26, 2012 1:41 PM

To: 'bowen@dfn.com'

Subject: Bill, A question you can help me with maybe...

Bill,

Because you know the neighborhood.....and believe you lived on 7<sup>th</sup> Street.

I am trying to find the heirs of Robert E. Scott and Rozella Scott. She died in 1994 (He died in 1986)and her death certificate shows her address was 706 N. Wyoming, Roswell, NM in 1994. I also know they lived in Roswell at least as far back as 1967. I do not remember her. I suspect that the house was east of the Stangbye's house and one block north...ish. Like near 7<sup>th</sup> and Wyoming. They had one son named Joe Scott/Joseph Scott/Joseph N. Scott, married to Joyce Scott listed as having lived in the following places: Albuquerque, NM, Rio Ranch, NM, Roswell, NM and most recently Hamden, CT.

Do you know the family or anyone that might know them well that I or you know? Also would any of the immediate neighbors still live in an adjacent or nearby house that you or I know so I could contact them? My broker has sent them many letters and there is no reply. Thanks Bill.

Jim Ball Land Advisor Permian Business Unit, Mid-Continent Division

Devon Energy Corporation 333 West Sheridan Oklahoma City, OK 73102-5010 405 552 3384 Direct 405 552 1440 Fax

From:

Ball, Jim

Sent:

Monday, November 26, 2012 12:22 PM

To:

'r\_woerndle@sbcglobal.net'

Subject:

Re: Rozella Scott

Super. I grew up 6 blocks from there so maybe I can come up with someone that knew them.

**From**: Rudolph Woerndle [mailto:r\_woerndle@sbcglobal.net]

Sent: Monday, November 26, 2012 12:19 PM

To: Ball, Jim

Subject: Rozella Scott

Jim, the Death Certificate for Rozella Scott shows her address was 706 N. Wyoming, Roswell, NM. Good luck !

Rudolph A. Woerndle, P. C. 1004 N. Big Spring, Ste. 220 Midland, Texas 79701 432.570.1500 432.570.1560 (fax) r woerndle@sbcglobal.net

>>> Verne
>>>
>>>
>>> From: Gray, Ken [mailto:Ken.Gray@dvn.com]
>>> Sent: Wednesday, May 23, 2012 3:18 PM
>>> To: T. Verne Dwyer
>>> ( <u>tverne@sbcglobal.net<mailto:tverne@sbcglobal.net< u="">&gt;)</mailto:tverne@sbcglobal.net<></u>
>>> Subject: SE/4 Section 13-21S-27E
>>>
>>> Verne, you have been attempting to acquire leases under SE/4
>>> 13-21-27 with some degree of success. Can you give me an update of
>>> where we are on the remaining unleased interests. I might want to
>>> propose a well to
>> them.
>>>
>>>
>>> `
>>> Confidentiality Warning: This message and any attachments are
>>> intended only for the use of the intended recipient(s), are
>>> confidential, and may be privileged. If you are not the intended
>>> recipient, you are hereby notified that any review, retransmission,
>>> conversion to hard copy, copying, circulation or other use of all or
>>> any portion of this message and any attachments is strictly
>>> prohibited. If you are not the intended recipient, please notify the
>>> sender immediately by return e-mail, and delete this message and any attachments from your system.
>>>
>>> <catclaw draw="" lease="" update.doc=""></catclaw>
>>>
>>>
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<b>&gt;</b>
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>

From: Sent: To: Cc: Subject:	Glen Thomason <glenwoodtt@gmail.com> Wednesday, June 13, 2012 9:39 PM Gray, Ken T. Verne Dwyer Re: SE/4 Section 13-21S-27E</glenwoodtt@gmail.com>
Ken,	
	ss for Dr. Olaf Coleman. I did not get a response from Robert Scott of Hamden, CT. Carl d Greenwade Oil Ltd. are all pros and will make their decisions after they see your AFE.
I we can do anything to help, let	us know.
Glen T	
On Jun 13, 2012, at 2:28 PM, Gra	ıy, Ken wrote:
any of them that you were unable every effort to find the best/last > >Original Message > From: Glen Thomason [mailto:: > Sent: Wednesday, June 13, 201 > To: Gray, Ken > Cc: T. Verne Dwyer > Subject: Re: SE/4 Section 13-21 > Ken > They were the last know/best a updates are available.	12 1:28 PM
> Silen T.	
> > On Jun 13, 2012, at 7:50 AM, G > > Judy/Glen, are the addresses	Gray, Ken wrote: on your 1/20/12 ownership report covering SE/4 13-21-27 the last known/best address?
>>Original Message >> From: T. Verne Dwyer [mailto >> Sent: Friday, June 08, 2012 8: >> To: Gray, Ken >> Cc: 'Glen Thomason'; 'Glen Th >> Subject: RE: SE/4 Section 13-2 >>	21 AM nomason'
>> Ken,	

```
>> Please send us the terms that are to be offered to these owners.
>>
>> Thanks.
>>
>> Judy
>>
>> -----Original Message-----
>> From: Gray, Ken [mailto:Ken.Gray@dvn.com]
>> Sent: Wednesday, May 30, 2012 5:36 PM
>> To: T. Verne Dwyer
>> Subject: Re: SE/4 Section 13-21S-27E
>>
>> Judy, yes please send an offer to lease via certified mail and use all available resources to make sure we have made a
good faith effort to find and/ or lease these owners.
>>
>> Sent from my iPhone
>>
>> On May 30, 2012, at 1:02 PM, "T. Verne Dwyer" <tverne@sbcglobal.net> wrote:
>>
>>> Ken,
>>>
>>> Per the broker, the last known addresses for those parties are the
>>> ones shown on the take-off. Should we send certified letters to
>>> those
>> addresses?
>>>
>>> Thanks,
>>>
>>> Judy
>>>
>>>
>>> -----Original Message-----
>>> From: Gray, Ken [mailto:Ken.Gray@dvn.com]
>>> Sent: Tuesday, May 29, 2012 7:06 PM
>>> To: T. Verne Dwyer
>>> Subject: Re: SE/4 Section 13-21S-27E
>>>
>>> Thanks I will propose a well to all of the unleased owners, please
>>> send me last known address for the "lost" or unresponsive, also make
>>> sure we have a good paper trail of our efforts to lease
>>> Sent from my iPhone
>>>
>>> On May 29, 2012, at 3:03 PM, "T. Verne Dwyer"
>>> <tverne@sbcglobal.net<mailto:tverne@sbcglobal.net>> wrote:
>>>
>>> Ken,
>>> Please see the leasing status report attached, and let me know if
>>> you have any questions.
```

>>>

From:

Kailyn Lowe <kailyn.lowe@yahoo.com>

Sent:

Monday, July 02, 2012 9:02 AM

To:

Gray, Ken

Cc:

T. Verne Dwyer

Subject:

Re: Dr. Olaf Coleman

On Ancestry.com, it shows that this particular Dr. Olaf Coleman died in 1990 in Jackson County, MO.

From: Kailyn Lowe <kailyn.lowe@yahoo.com>

To: Ken Gray < Ken. Gray@dvn.com>

Cc: T. Verne Dwyer <tverne@sbcglobal.net>

Sent: Monday, July 2, 2012 8:52 AM Subject: Re: Dr. Olaf Coleman

Ken.

Based on the research I have done, it looks like Dr. Olaf Coleman may be deceased. I found the following Obituary online, but am unsure if this is the same Olaf Coleman as we are looking for:

## COLEMAN, Dolores Augustine JUDD

b: Aug 2 1913, Junction City, Madison Co, MO

d: May 22 2002, Clinton, Henry Co, MO

bur: Cremation

arr: Vansant-Mills Funeral Home

Daily Democrat, Clinton MO, May 24 2002 - Dolores Augustine Coleman, 88, Clinton, died Wednesday, May 22, 2002, at Clinton Healthcare and Rehabilitation Center, Clinton. Memorial services will be Sunday, May 26, at St. Paul's Episcopal Church, Clinton. Cremation. She was born August 2, 1913, in Junction City, the daughter of Charles T. and Orien C. Miller Judd. She was a homemaker. She was married to Olaf Coleman, who preceded her in death. She is survived by her daughter, Deanna C. Martin, and husband, Robert Blanc of Clinton, and four grandchildren.

I also found a book, "The Daisy Chain" that references a Dr. Olaf Coleman as being a new surgeon in the midst of the Great Depression. The book also references his wife as being named "Dolores", so I am confident that the two Dr. Coleman's are the same person, but unsure that it is the Dr. Coleman we are looking for.

Please let me know if you would like me to do any more research on this matter.

Kailyn

From: Gray, Ken [mailto:Ken.Gray@dvn.com] Sent: Thursday, June 21, 2012 5:02 PM

To: 'Glen Thomason' (glen298@suddenlink.net)

Cc: T. Verne Dwyer (tverne@sbcglobal.net)

Subject: Dr. Olaf Coleman

Glen, certified mail to Dr. Olaf Coleman at the address listed on the takeoff in SE/4 13-21-27 was returned as insufficient address. Can you research a little more for a better address? I'll try some of our resources here as well. thanks

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of all or any portion of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return e-mail, and delete this message and any attachments from your system.

From:

Ball, Jim

Sent:

Wednesday, November 07, 2012 5:29 PM

To: Cc: Kailyn Lowe Gray, Ken

Subject:

RE: Olaf Coleman/Deanna Martin

Offer her \$1,000.00 per net acre, 3 yr and 3/16<sup>th</sup>. Fed ex OGL and offer tomorrow or Friday at the latest. Thanks. Ask her for better contact info again. Phone #etc..... Ask for back up on what she says and/or estate work copies, wills etc. and/ or their whereabouts. Attorneys that handled the estate etc. Thanks.

Jim Ball Land Advisor Permian Business Unit, Mid-Continent Division

Devon Energy Corporation 333 West Sheridan Oklahoma City, OK 73102-5010 405 552 3384 Direct 405 552 1440 Fax

From: Kailyn Lowe [mailto:kailyn.lowe@yahoo.com]
Sent: Wednesday, November 07, 2012 3:14 PM

To: Ball, Jim

Subject: Olaf Coleman/Deanna Martin

Jim,

I got a note back from Deanna Martin that reads:

My father, Olaf Coleman, is deceased. His heir, my mother, Delores Coleman, is also deceased. As her only heir, I will be pleased to discuss the lease with you.

It is simply signed Deanna Coleman Martin, with no phone number enclosed. I'll have to send her another letter with our offer, but thought I would send the lease with it to expedite. I could send via fedex if you'd like.

Let me know what you would like for me to offer. I feel like since the correspondence is slow, we probably need to start out with your best offer.

I'll get started as soon as I hear from you.

Thanks, Kailyn

From:

Kailyn Lowe <kailyn.lowe@yahoo.com>

Sent:

Thursday, October 25, 2012 1:30 PM

To:

Gray, Ken; Ball, Jim

Subject:

Re: Catclaw Draw-SE/4 Section 13, T21S, R27E, Eddy County

Thank you. I'll let you know as soon as we hear from them.

From: "Gray, Ken" < Ken.Gray@dvn.com >

To: "Ball, Jim" < Jim.Ball@dvn.com>; Kailyn Lowe < kailyn.lowe@yahoo.com>

Sent: Thursday, October 25, 2012 1:23 PM

Subject: RE: Catclaw Draw-SE/4 Section 13, T21S, R27E, Eddy County

Kailyn, I think I would verify that we have the right people first, if so, let them know that a proposal will be mailed to them, or to expedite things via email. But we have paid \$1,000 per acre for a 3 year lease, ¼ royalty for others under the same tract.

From: Ball, Jim

Sent: Thursday, October 25, 2012 12:50 PM

To: Kailyn Lowe; Gray, Ken

Subject: RE: Catclaw Draw-SE/4 Section 13, T21S, R27E, Eddy County

I would think that the tops would be the same as the others your office leased in the tract..... that is, I assume your office leased some of those....Ken, Did you give T Vern's office tops on this tract? If so please jump in with tops for this conversation... I would expect that she might have found the right folks so they need term guides.

#### Jim Ball

Land Advisor

Permian Business Unit, Mid-Continent Division

**Devon Energy Corporation** 

333 West Sheridan

Oklahoma City, OK 73102-5010

405 552 3384 Direct

405 552 1440 Fax

From: Kailyn Lowe [mailto:kailyn.lowe@yahoo.com]

Sent: Thursday, October 25, 2012 12:46 PM

To: Ball, Jim

Subject: Re: Catclaw Draw-SE/4 Section 13, T21S, R27E, Eddy County

What terms do you want me to offer? Of do you want me to just make sure he is the one we are looking for first?

From: "Ball, Jim" < Jim.Ball@dvn.com>
To: Kailyn Lowe < kailyn lowe@yahoo.com

To: Kailyn Lowe < kailyn.lowe@yahoo.com > Sent: Thursday, October 25, 2012 12:44 PM

Subject: RE: Catclaw Draw-SE/4 Section 13, T21S, R27E, Eddy County

Yes ...that sounds like a good lead. Good work. Thanks.



Jim Ball Land Advisor Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 (405) 552-3384 (405) 552-8113 FAX

December 4, 2012

#### **VIA CERTIFIED MAIL**

To All Working Interest Owners | (See Attached List)

Re:

Lone Tree Draw 13 State Com 4H

Horizontal Middle Brushy Canyon (Delaware) with 3rd Bone Spring Lime Pilot test

Project Area: W/2E/2 of Section 13, T21S-R27E, NMPM

**Eddy County, New Mexico** 

#### Ladies and Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby proposes the drilling of the Lone Tree Draw 13 State Com 4H to an approximate measured depth of 9805' in order to test the Middle Brushy Canyon formation and any other potentially productive zones. The proposal also includes a pilot hole test in the Third Bone Spring Lime formation to an estimated depth of 7950'. The surface location is located at approximately 150' FNL & 2390' FEL of Section 13, T21S-R27E with a bottom hole location of approximately 330' FSL & 1980' FEL of Section 13, T21S-R27E. The well unit will encompass the W/2E/2 of Section 13, T21S-R27E.

Enclosed for your review are two (2) copies of Devon's Authority for Expenditure ("AFE") reflecting a cost estimate of \$4,878,000.00 for a completed well. Should you desire to participate in the drilling of the Lone Tree Draw 13 State Com 4H well, please return your well information sheet and one fully executed AFE, as well as one fully executed copy of this letter to the undersigned at your earliest possible convenience. Also, it is imperative that you provide your e-mail address, phone and fax numbers below in order to receive well information in a timely manner. Devon's AAPL Model form Joint Operating Agreement will be mailed to you within the next few days.

Devon would be interested in purchasing additional interest in the project area, as well as in the immediate area. In the event you elect not to participate in this proposal please contact the undersigned at your earliest convenience.

Lone Tree Draw 13 State Com 4H December 4, 2012 Page 2

Your prompt response would be appreciated. Should you have any technical questions please contact Jim Cromer at (405) 228-4464 or non-technical questions please contact the undersigned at (405) 552-3384.

Very truly yours,

Devon Energy Production Company, L.P.

Jim Ball Land Advisor

I/We hereby elect	to particip	ate in the drilling of	the Lone Tree Dra	aw 13 State Com 4H well.
I/We hereby elecwell.	t <u>NOT</u> to pa	rticipate in the drill	ing of the Lone T	ree Draw 13 State Com 4H
Company:			•	<del></del>
Ву:	···	Phone:	Fax:	·
Date:	1	E-mail:		

## Lone Tree Draw 13 St Com 4H Address List

Well Proposal December 4, 2012

Mr. Joe Scott 2681 Dixwell Avenue Hamden, CT 06518 Certified Mail 91-7199-9991-7030-7543-2324

Ms. Deanna Coleman Martin 573 SE 129 St Road Clinton, MO 64735-9300 Certified Mail 91-7199-9991-7030-7543-2331

Nuevo Seis Limited Partnership P. O. Box 2588 Roswell, NM 88202-2588 Certified Mail 91-7199-9991-7030-7543-2348

Morris E. Schertz and Holly K. Schertz P. O. Box 2588 Roswell, NM 88202-2588 Certified Mail 91-7199-9991-7030-7543-2355



Ken Gray Senior Advisor, Land Devon Energy Corporation 333 West Sheridan Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-4633

Office: (405) 552-4633 Fax: (405) 552-8113 Ken.gray@dvn.com

February 25, 2013

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

To Working Interest Owners See Address List Attached

Re:

Lonetree Draw 13 State Com #5H SHL – 150' FNL & 990' FEL BHL – 330' FSL & 800' FEL E/2 E/2 of Section 13-T21S-R27E Eddy County, New Mexico

#### Gentlemen:

Devon Energy Production Company, L.P., ("Devon") as operator, proposes to drill the Lonetree Draw 13 State Com #5H, a horizontal Middle Brushy Canyon well. Devon intends to drill a pilot hole to an approximate vertical depth of 5560', plug back to a kickoff point of approximately 4555' and drill horizontally in the target formation to an approximate total measured depth of 9,500'.

Enclosed you will find Devon's AFE, in duplicate, reflecting our estimated cost of the procedure to be \$4,878,000. In the event you elect to participate in the proposed operation a Joint Operating Agreement will be forwarded for your review and execution. An election to participate should be accompanied by an executed AFE along with your well requirement sheet including email address and returned to the undersigned. In the event you elect not to participate, Devon would entertain negotiations for a mutually agreeable oil and gas lease with regard to any unleased mineral interest or a mutually agreeable farmout agreement with regard to leasehold owners.

For engineering questions please contact Jim Cromer, at 405-228-4464, geological questions please contact Raleigh Blumstein at 405-552-3359, land questions please contact the undersigned at 405-552-4633.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Ken Grav

Senior Advisor, Land

KG:lonetreedrawstatecom#5h.pro.

Enclosures

#### Lonetree Draw 13 State Com #5H Address List

Drill and Complete February 25, 2012

Unleased Mineral Owners
Robert E. Scott
316 Knobb Hill Drive
Hamden, CT 06518
Certified Mail # 7010-1060-0000-0923-4036

Joe Scott 2681 Dixwell Avenue Hamden, CT 06518 Certified Mail # 7010-1060-0000-0923-4043