

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Dave Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



May 11, 2016

James Bruce, Esq.
Attorney for Devon Energy Production Company, L.P.
369 Montezuma, No. 213
Santa Fe, New Mexico 87501
jamesbruc@aol.com

Re: **Request for Extension of Time to Complete Well**
Hadar 10 Federal Com Well No. 4H (30-015-42572)
Division Order No. R-13989 (Case No. 15286)

Dear Mr. Bruce:

The Oil Conservation Division (OCD) received your letter regarding the referenced subject on May 9, 2016. It is our understanding that Devon Energy Production Company, L.P. is concerned that the current low oil prices will detrimentally affect the economics of completing this well and it would be advantageous to wait for costs to come down and product prices to rise and consequently requests an extension to this compulsory pooling order.

The OCD has reviewed your request and hereby extends the date to commence the completion of this well on or before June 1, 2017.

If you have any question, please contact William V. Jones at williamv.jones@state.nm.us or call (505)-476-3477.

Sincerely;

A handwritten signature in black ink that reads "David R. Catanach". The signature is written in a cursive style with a large, stylized "D" and "C".

DAVID R. CATANACH
Director

DRC/wvj

Cc: Oil Conservation Division – Artesia District Office
Case file 15286

JAMES BRUCE
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May 7, 2016

David Catanach, Director
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: 2nd Request for Extension of Well Completion
Hadar 10 Fed. Com. Well No.4H (API No. 30-015-42572)
Order No. R-13989/Case No. 15286
Devon Energy Production Company, L.P.


Dear Mr. Catanach:

By letter dated January 14, 2016, the OCD extended the date to commence completion operations on the Hadar 10 Fed. Com. Well No. 4H to on or before June 1, 2016.

Completion costs remain the most expensive item in drilling a well. Although costs have been coming down, it is still expensive. Additional time should allow further reductions in the costs of completion. In addition, the price of oil remains severely reduced, which detrimentally affects well economics. As a result, Devon requests additional time to begin completion operations until on or before June 1, 2017.

Your assistance in this matter is appreciated. Thank you.

Very truly yours,



James Bruce

Attorney for Devon Energy Production Company, L.P.