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

December 22, 2009

Bright Hawk/ Burkard Venture P.O. Box 79790 Houston, Texas 77279-9790

# Re: Term Assignment Request Section 5-T17S-R28E Eddy County, New Mexico

Oil Conservation Division Case No. Exhibit No.

12 14

Gentlemen:

Our records reflect that Bright Hawk/ Burkard Venture ("Bright Hawk") is the owner of the operating rights listed below under certain Federal Oil and Gas leases insofar as such leases cover the referenced lands:

## Federal Oil and Gas Lease LC-028446A

Section 5: Lots 1, 2, 3, S/2 NE/4, SE/4 NW/4, E/2 SW/4, and SE/4 Limited to depths below 3,000' beneath the surface, 9.02344%WI, 7.218752% NRI

<u>Federal Oil and Gas Lease NM-012897</u> Section 5: Lot 4, SW/4 NW/4, and W/2 SW/4 Limited to depths below 3,000' beneath the surface, 9.02344%WI, 7.89551% NRI

In that regard, Devon Energy Production Company, L.P. offers to purchase a term assignment of Bright Hawk's operating rights as described above under the following general terms:

# Cash consideration: \$300 per acre

# Term: Two (2) years

ORRI: Bright Hawk to retain an ORRI equal to the difference between existing lease burdens and 22%.

In the event the above interests are subsequently determined to be subject to any reversionary interests or are determined to be different than set forth above, then the terms offered above shall be adjusted.

Devon would be willing to discuss any other form of support agreement that may be better suited to the circumstances.

This offer is subject to the execution of a mutually acceptable form of Term Assignment and shall remain open until the close of business on Friday January 29, 2010 unless otherwise extended.

Bright Hawk/ Burkard Venture Page 2

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

Yours very truly,

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DEVON ENERGY PRODUCTION COMPANY, L.P.



December 22, 2009

Ayco Energy, L.L.C. 16360 Park Place Ten, Suite 115 Houston, Texas 77084 Attn: John Ashmun

# Re: Term Assignment Request Section 5-T17S-R28E Eddy County, New Mexico

## Gentlemen:

Our records reflect that Ayco Energy, L.L.C. ("Ayco") is the owner of the operating rights listed below under certain Federal Oil and Gas leases insofar as such leases cover the referenced lands:

## Federal Oil and Gas Lease LC-028446A

Section 5: Lots 1, 2, 3, S/2 NE/4, SE/4 NW/4, E/2 SW/4, and SE/4 Limited to depths below 3,000' beneath the surface, 7.38281%WI, 5.906248% NRI

## Federal Oil and Gas Lease NM-012897

Section 5: Lot 4, SW/4 NW/4, and W/2 SW/4 Limited to depths below 3,000' beneath the surface, 7.38281%WI, 6.45995875% NRI, subject to a sliding scale royalty

In that regard, Devon Energy Production Company, L.P. offers to purchase a term assignment of Ayco's operating rights as described above under the following general terms:

#### Cash consideration: \$300 per acre

Term: Two (2) years

ORRI: Ayco to retain an ORRI equal to the difference between existing lease burdens and 22%.

In the event the above interests are subsequently determined to be subject to any reversionary interests or are determined to be different than set forth above, then the terms offered above shall be adjusted.

Devon would be willing to discuss any other form of support agreement that may be better suited to the circumstances.

This offer is subject to the execution of a mutually acceptable form of Term Assignment and shall remain open until the close of business on Friday January 29, 2010 unless otherwise extended.

Ayco Energy, L.L.C. Page 2

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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.



405 235 3611 Phone www.devonenergy.com

December 22, 2009

Hunt Oil Company 1900 North Akard St. Dallas, Texas 75201 Attn: Jake Herod

# Re: Term Assignment Request Section 5-T17S-R28E Eddy County, New Mexico

Gentlemen:

Our records reflect that Hunt Oil Company ("Hunt") is the owner of the operating rights listed below under certain Federal Oil and Gas leases insofar as such leases cover the referenced lands:

Federal Oil and Gas Lease LC-028446A

Section 5: Lot 3, SE/4 NW/4, and E/2 SW/4 Limited to depths below 3,000' beneath the surface, 25% WI, 20% NRI

Federal Oil and Gas Lease NM-012897

Section 5: Lot 4, SW/4 NW/4, and W/2 SW/4 Limited to depths below 3,000' beneath the surface, 25% WI, 21.875% NRI, subject to a sliding scale royalty

In that regard, Devon Energy Production Company, L.P. offers to purchase a term assignment of Hunt's operating rights as described above under the following general terms:

## Cash consideration: \$300 per acre

Term: Two (2) years

ORRI: Hunt to retain an ORRI equal to the difference between existing lease burdens and 22%.

In the event the above interests are subsequently determined to be subject to any reversionary interests or are determined to be different than set forth above, then the terms offered above shall be adjusted.

Devon would be willing to discuss any other form of support agreement that may be better suited to the circumstances.

This offer is subject to the execution of a mutually acceptable form of Term Assignment and shall remain open until the close of business on Friday January 29, 2010 unless otherwise extended.

Hunt Page 2

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.



405 235 3611 Phone www.devonenergy.com

December 22, 2009

EOG Resources Inc. 4000 North Big Spring, Ste 500 Midland, Texas 79705 Attn: Doug Hurlbut

# Re: Term Assignment Request Section 5-T17S-R28E Eddy County, New Mexico

Gentlemen:

Our records reflect that EOG Resources Inc ("EOG") is the owner of the operating rights listed below under certain Federal Oil and Gas leases insofar as such leases cover the referenced lands:

Federal Oil and Gas Lease LC-028446A

Section 5: Lots 1, 2, S/2 NE/4, and SE/4 Limited to depths below 3,000' beneath the surface, 15% WI, 12% NRI

Federal Oil and Gas Lease LC-028446A

Section 5: Lots 3, SE/4 NW/4, and E/2 SW/4 Limited to depths below 3,000' beneath the surface, 7.5% WI, 6% NRI

Federal Oil and Gas Lease NM-012897

Section 5: Lot 4, SW/4 NW/4, and W/2 SW/4 Limited to depths below 3,000' beneath the surface, 7.5% WI, 6.5625% NRI, subject to a sliding scale royalty

In that regard, Devon Energy Production Company, L.P. offers to purchase a term assignment of EOG's operating rights as described above under the following general terms:

Cash consideration: \$300 per acre Term: Two (2) years ORRI: EOG to retain an ORRI equal to the difference between existing lease burdens and 22%.

In the event the above interests are subsequently determined to be subject to any reversionary interests or are determined to be different than set forth above, then the terms offered above shall be adjusted.

Devon would be willing to discuss any other form of support agreement that may be better suited to the circumstances.

This offer is subject to the execution of a mutually acceptable form of Term Assignment and shall remain open until the close of business on Friday January 29, 2010 unless otherwise extended.

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.



December 22, 2009

Yates Petroleum Corporation Yates Drilling Company ABO Petroleum Corporation MYCO Industries, Inc. 105 S. 4<sup>th</sup> Street Artesia, New Mexico 88210 Attn: Chuck Moran

Re: Term Assignment Request Section 5-T17S-R28E Eddy County, New Mexico

Gentlemen:

Our records reflect that Yates Petroleum Corporation, et al ("Yates") is the owner of the operating rights listed below under certain Federal Oil and Gas leases insofar as such leases cover the referenced lands:

<u>Federal Oil and Gas Lease LC-028446A</u> Section 5: Lots 1, 2, S/2 NE/4, and SE/4 Limited to depths below 3,000' beneath the surface, 35% WI, 28% NRI

Federal Oil and Gas Lease LC-028446A

Section 5: Lot 3, SE/4 NW/4, and E/2 SW/4 Limited to depths below 3,000' beneath the surface, 17.5% WI, 14% NRI

## Federal Oil and Gas Lease NM-012897

Section 5: Lot 4, SW/4 NW/4, and W/2 SW/4 Limited to depths below 3,000' beneath the surface, 17.5% WI, 15.3125% NRI, subject to a sliding scale royalty

In that regard, Devon Energy Production Company, L.P. offers to purchase a term assignment of Yates' operating rights as described above under the following general terms:

Cash consideration: \$300 per acre

Term: Two (2) years

ORRI: Yates to retain an ORRI equal to the difference between existing lease burdens and 22%.

In the event the above interests are subsequently determined to be subject to any reversionary interests or are determined to be different than set forth above, then the terms offered above shall be adjusted.

Yates Page 2

Devon would be willing to discuss any other form of support agreement that may be better suited to the circumstances.

This offer is subject to the execution of a mutually acceptable form of Term Assignment and shall remain open until the close of business on Friday January 29, 2010 unless otherwise extended.

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.



405 552 8040 Phone Katie.McDonnell@dvn.com

February 2, 2010

VIA FACSIMILE

# CERTIFIED MAIL RETURN RECEIPT REQUESTED

To Working Interest Owners See Address List Attached

Re: Mark Twain 5 Fed Com 4H SHL: 330' FNL, 50' FWL BHL: 330' FNL, 330' FEL Section 5-T17S-R28E Eddy County, New Mexico DEC #31875-040; AFE #147270

Gentlemen:

Devon Energy Production Company, L.P., as operator, proposes to drill the Mark Twain 5 FC #4H, an 11,278' (MD) horizontal Wolfcamp well.

Enclosed you will find Devon's AFE, in duplicate, reflecting our estimated dry hole cost of \$2,037,000 and completed well cost of \$3,667,000. An election to participate should be accompanied by an executed AFE and your well requirement sheet including email address. In the event that you elect to participate in the above proposal, a Joint Operating Agreement will be provided for your review.

In the event you decline to participate in the drilling and completion of this well as proposed, Devon would be willing to discuss a farmout or term assignment covering your working interest in support of this proposal.

Feel free to contact the undersigned at 405-552-8040 if there are any questions.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L. P.

Addressee Name Page 2 February 2, 2010

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# Mark Twain 5 FC #4H Working Interest Owners

Yates, et al 105 S. 4 <sup>th</sup> Street Artesia, New Mexico 88210 Certified Mail #	26.25%
Hunt Oil Company 1900 North Akard St. Dallas, Texas 75201 Certified Mail #	12.5 %
EOG Resources, Inc. 4000 North Big Spring, Ste 500 Midland, Texas 79705 Certified Mail #	11.25 %
Bright Hawk/ Burkard Venture P.O. Box 79790 Houston, Texas 77279-9790 Certified Mail #	9.02344%
Ayco Energy L.L.C. 16360 Park Place Ten, Suite 115 Houston, Texas 77084 Certified Mail #	7.38281%
Theila L. Smith 1335 Lee St Delray Beach, FL 33444 Certified Mail #	2.5%
Thelma Bernice Houston 21581 Columbus Ave Cupertino, CA 95014 Certified Mail #	2.5%
Thelma Bernice Houston 1681 Corsica Dr. Yuba City, CA 95993-1123 Certified Mail #	2.5%

Addressee Name Page 3 February 2, 2010	
Glenn E. Houston 1965 Cole Ct. Yuba City, CA 95993 Certified Mail #	.3125%
Glenn E. Houston 1431 Lockhart Way Roseville, CA 95747 Certified Mail #	.3125%
Todd R. Houston PO Box 372 Torrance, CA 90508-0372 Certified Mail #	.3125%
Kenneth C. Smith 525 11 <sup>th</sup> Ave #1308 San Diego, CA 92101 Certified Mail #	.3125%
Reid W. Smith 1304 Doney Way Bozeman, MT 59718-7368 Certified Mail #	.3125%
Devon Energy	27.34375%

100%



Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-8040 Fax: (405) 552-8113

March 11, 2010

Bright Hawk/ Burkard Venture 1900 Post Oak Blvd, Suite 1860 Houston, TX 77056 Attn: James W. Carroll

Re: Purchase Offer <u>Township 17 South, Range 28 East</u> Section 5: ALL, below 3,000' beneath the surface Eddy County; New Mexico

#### Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby offers to purchase all of your right, title and interest under the referenced lands for a total cash consideration of \$86,625.00 ("the purchase price"), including, but not limited to all producing, non-producing and shut-in oil and gas wells, saltwater disposal wells; all surface and downhole equipment, pipelines and all rights to explore for and produce oil, gas or other minerals under the governing oil and gas lease with an effective date of March 1, 2010. The purchase price is based upon your ownership equal to 9.02344% WI covering all formations referenced above. In the event your ownership is determined to be more or less than set forth above, the purchase price shall be adjusted accordingly.

This offer is expressly subject to approval of title and further due diligence investigation by Devon, as well as the execution by both parties of a mutually acceptable Assignment and Bill of Sale and Devon's final management approval.

This offer shall remain open until 5 p.m. CST on Friday April 16, 2010 unless otherwise extended.

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.



Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-8040 Fax: (405) 552-8113

March 11, 2010

Ayco Energy, L.L.C. 16360 Park Place Ten, Suite 115 Houston, TX 77084 Attn: John Ashmun

Re: Purchase Offer <u>Township 17 South, Range 28 East</u> Section 5: ALL, below 3,000' beneath the surface Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby offers to purchase all of your right, title and interest under the referenced lands for a total cash consideration of \$70,875.00 ("the purchase price"), including, but not limited to all producing, non-producing and shut-in oil and gas wells, saltwater disposal wells; all surface and downhole equipment, pipelines and all rights to explore for and produce oil, gas or other minerals under the governing oil and gas lease with an effective date of March 1, 2010. The purchase price is based upon your ownership equal to 7.38281% WI covering all formations referenced above. In the event your ownership is determined to be more or less than set forth above, the purchase price shall be adjusted accordingly.

This offer is expressly subject to approval of title and further due diligence investigation by Devon, as well as the execution by both parties of a mutually acceptable Assignment and Bill of Sale and Devon's final management approval.

This offer shall remain open until 5 p.m. CST on Friday April 16, 2010 unless otherwise extended.

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.



Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-8040 Fax: (405) 552-8113

March 11, 2010

Theila L. Smith 1354 N. Castle Rd. Sonoma, CA 95476

Re: Purchase Offer <u>Township 17 South, Range 28 East</u> Section 5: ALL, below 3,000' beneath the surface Eddy County, New Mexico

#### Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby offers to purchase all of your right, title and interest under the referenced lands for a total cash consideration of \$24,000.00 ("the purchase price"), including, but not limited to all producing, non-producing and shut-in oil and gas wells, saltwater disposal wells; all surface and downhole equipment, pipelines and all rights to explore for and produce oil, gas or other minerals under the governing oil and gas lease with an effective date of March 1, 2010. The purchase price is based upon your ownership equal to 2.5% WI covering all formations referenced above. In the event your ownership is determined to be more or less than set forth above, the purchase price shall be adjusted accordingly.

This offer is expressly subject to approval of title and further due diligence investigation by Devon, as well as the execution by both parties of a mutually acceptable Assignment and Bill of Sale and Devon's final management approval.

This offer shall remain open until 5 p.m. CST on Friday April 16, 2010 unless otherwise extended.

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.



Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-8040 Fax: (405) 552-8113

March 11, 2010

Thelma Bernice Houston 1681 Corsica Dr. Yuba City, CA 95993-1123

Re: Purchase Offer <u>Township 17 South, Range 28 East</u> Section 5: ALL, below 3,000' beneath the surface Eddy County, New Mexico

#### Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby offers to purchase all of your right, title and interest under the referenced lands for a total cash consideration of \$24,000.00 ("the purchase price"), including, but not limited to all producing, non-producing and shut-in oil and gas wells, saltwater disposal wells; all surface and downhole equipment, pipelines and all rights to explore for and produce oil, gas or other minerals under the governing oil and gas lease with an effective date of March 1, 2010. The purchase price is based upon your ownership equal to 2.5% WI covering all formations referenced above. In the event your ownership is determined to be more or less than set forth above, the purchase price shall be adjusted accordingly.

This offer is expressly subject to approval of title and further due diligence investigation by Devon, as well as the execution by both parties of a mutually acceptable Assignment and Bill of Sale and Devon's final management approval.

This offer shall remain open until 5 p.m. CST on Friday April 16, 2010 unless otherwise extended.

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.



Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-8040 Fax: (405) 552-8113

March 11, 2010

Glenn E. Houston 1965 Cole Court Yuba City, CA 95993

Re: Purchase Offer <u>Township 17 South, Range 28 East</u> Section 5: ALL, below 3,000' beneath the surface Eddy County, New Mexico

#### Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby offers to purchase all of your right, title and interest under the referenced lands for a total cash consideration of \$3,000.00 ("the purchase price"), including, but not limited to all producing, non-producing and shut-in oil and gas wells, saltwater disposal wells; all surface and downhole equipment, pipelines and all rights to explore for and produce oil, gas or other minerals under the governing oil and gas lease with an effective date of March 1, 2010. The purchase price is based upon your ownership equal to 0.3125% WI covering all formations referenced above. In the event your ownership is determined to be more or less than set forth above, the purchase price shall be adjusted accordingly.

This offer is expressly subject to approval of title and further due diligence investigation by Devon, as well as the execution by both parties of a mutually acceptable Assignment and Bill of Sale and Devon's final management approval.

This offer shall remain open until 5 p.m. CST on Friday April 16, 2010 unless otherwise extended.

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.** 



Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-8040 Fax: (405) 552-8113

March 11, 2010

Todd R. Houston 17-189 M.5 Thayawancity Home Village Nernplabwan Rd. Lnog Prve, Banglamung Pattaya, Chonburi 20150 Thailand

Re: Purchase Offer <u>Township 17 South, Range 28 East</u> Section 5: ALL Eddy County, New Mexico

#### Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby offers to purchase all of your right, title and interest under the referenced lands for a total cash consideration of \$3,000.00 ("the purchase price"), including, but not limited to all producing, non-producing and shut-in oil and gas wells, saltwater disposal wells; all surface and downhole equipment, pipelines and all rights to explore for and produce oil, gas or other minerals under the governing oil and gas lease with an effective date of February 1, 2010. The purchase price is based upon your ownership equal to .3125% WI covering all formations. In the event your ownership is determined to be more or less than set forth above, the purchase price shall be adjusted accordingly.

This offer is expressly subject to approval of title and further due diligence investigation by Devon, as well as the execution by both parties of a mutually acceptable Purchase and Sale Agreement and Devon's final management approval.

This offer shall remain open until 5 p.m. CST on Friday, April 16, 3010 unless otherwise extended.

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.



Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-8040 Fax: (405) 552-8113

March 11, 2010

Kenneth C. Smith 525 11<sup>th</sup> Avenue #1308 San Diego, CA 92101

Re: Purchase Offer <u>Township 17 South, Range 28 East</u> Section 5: ALL, below 3,000' beneath the surface Eddy County, New Mexico

## Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby offers to purchase all of your right, title and interest under the referenced lands for a total cash consideration of \$3,000.00 ("the purchase price"), including, but not limited to all producing, non-producing and shut-in oil and gas wells, saltwater disposal wells; all surface and downhole equipment, pipelines and all rights to explore for and produce oil, gas or other minerals under the governing oil and gas lease with an effective date of March 1, 2010. The purchase price is based upon your ownership equal to 0.3125% WI covering all formations referenced above. In the event your ownership is determined to be more or less than set forth above, the purchase price shall be adjusted accordingly.

This offer is expressly subject to approval of title and further due diligence investigation by Devon, as well as the execution by both parties of a mutually acceptable Assignment and Bill of Sale and Devon's final management approval.

This offer shall remain open until 5 p.m. CST on Friday April 16, 2010 unless otherwise extended.

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.



Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-8040 Fax: (405) 552-8113

March 11, 2010

Reid W. Smith 1304 Doney Way Bozeman, MT 59718-7368

Re: Purchase Offer <u>Township 17 South, Range 28 East</u> Section 5: ALL, below 3,000' beneath the surface Eddy County, New Mexico

## Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby offers to purchase all of your right, title and interest under the referenced lands for a total cash consideration of \$3,000.00 ("the purchase price"), including, but not limited to all producing, non-producing and shut-in oil and gas wells, saltwater disposal wells; all surface and downhole equipment, pipelines and all rights to explore for and produce oil, gas or other minerals under the governing oil and gas lease with an effective date of March 1, 2010. The purchase price is based upon your ownership equal to 0.3125% WI covering all formations referenced above. In the event your ownership is determined to be more or less than set forth above, the purchase price shall be adjusted accordingly.

This offer is expressly subject to approval of title and further due diligence investigation by Devon, as well as the execution by both parties of a mutually acceptable Assignment and Bill of Sale and Devon's final management approval.

This offer shall remain open until 5 p.m. CST on Friday April 16, 2010 unless otherwise extended.

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.



Devon Energy Corporation 20 North Broadway Oklahoma City, Oklahoma 73102-8260 Office: (405) 552-8040 Fax: (405) 552-8113

March 11, 2010

Hunt Oil Company 1900 N Akard St. Dallas, TX 75201 Attn: Jake Herod

Re: Purchase Offer <u>Township 17 South, Range 28 East</u> Section 5: ALL, below 3,000' beneath the surface Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon") hereby offers to purchase all of your right, title and interest under the referenced lands for a total cash consideration of \$120,000.00 ("the purchase price"), including, but not limited to all producing, non-producing and shut-in oil and gas wells, saltwater disposal wells; all surface and downhole equipment, pipelines and all rights to explore for and produce oil, gas or other minerals under the governing oil and gas lease with an effective date of March 1, 2010. The purchase price is based upon your ownership equal to 12.5% WI covering all formations referenced above. In the event your ownership is determined to be more or less than set forth above, the purchase price shall be adjusted accordingly.

This offer is expressly subject to approval of title and further due diligence investigation by Devon, as well as the execution by both parties of a mutually acceptable Assignment and Bill of Sale and Devon's final management approval.

This offer shall remain open until 5 p.m. CST on Friday April 16, 2010 unless otherwise extended.

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.McDonnell@dvn.com 405 552-8040 Phone 405 552 8113 Fax

March 25, 2010

# CERTIFIED MAIL RETURN RECEIPT REQUESTED

To Working Interest Owners

Re: Mark Twain 5 Fed Com 4H SHL: 330' FNL, 50' FWL BHL: 330' FNL, 330' FEL Section 5-T17S-R28E Eddy County, New Mexico

Gentlemen:

By letter dated February 2, 2010, Devon Energy Production Company, L.P. ("Devon") proposed to drill the referenced well as an approximate 11,278' (MD) horizontal Wolfcamp well and dedicating the N/2 N/2 of said section 5 as the drilling and spacing unit. An Authority for Expenditure ("AFE"), in duplicate, was submitted reflecting an estimated dry hole cost of \$2,037,000 and estimated completed well cost of \$3,667,000.

To date, Devon has not received a response to such proposal. Again, Devon respectfully requests your prompt evaluation and election. An election to participate should be accompanied by an executed AFE, an executed signature page to the previously submitted Joint Operating Agreement and your well requirement sheet including email address.

Please contact the project engineer, Greg McGowen, at 405-228-8965 or the undersigned at 405-552-8040 if there are any questions or if additional information is required.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P.