



Devon Energy Production Company
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102
Phone: (405)-552-7970
Erin.Workman@devn.com

March 1, 2021

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Central Tank Battery Galapagos 14 CTB 2
Sec., T, R: S14, T23S, R31E
Lease: NMNM0533177A, NMNM0404441, NMNM0405444,
NMNM0405444A, NMNM0418220A
Pool: [96919] JAMES RANCH BONE SPRING, EAST
County: Eddy Co., New Mexico

To whom it may concern:

This is to advise you that Devon Energy Production Company, L.P., is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tank Battery for the below mentioned wells.

Well Name	API/UWI
GALAPAGOS 14-26 FED COM 211H	30-015-47287
GALAPAGOS 14-26 FED COM 212H	30-015-47295
GALAPAGOS 14-26 FED COM 213H	30-015-47290
GALAPAGOS 14-26 FED COM 214H	30-015-47289
GALAPAGOS 14-26 FED COM 215H	30-015-47291
GALAPAGOS 14-26 FED COM 216H	30-015-47288

A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

Please contact the undersigned at (405) 552-6560 should you have any questions or need anything further.

Sincerely,

A handwritten signature in blue ink that reads "Jenny Harms".

Jenny Harms
Regulatory Compliance Professional
Work Phone: (405)552-6560
Jennifer.harms@devn.com
Devon Energy Center-Tower
333 West Sheridan Avenue Oklahoma City OK 73102-5015

Enclosure

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



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

Applicant: Devon Energy Production Co., L.P. **OGRID Number:** 6137
Well Name: see attachments for multiple wells and API's **API:** _____
Pool: [96919] JAMES RANCH BONE SPRING, EAST **Pool Code:** _____

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☒ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) 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.

Jenny Harms

Print or Type Name

Jenny Harms

Signature

3-1-2021

Date

405-552-6560

Phone Number

jenny.harms@dv.com

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Devon Energy Production Co., L.P.
OPERATOR ADDRESS: 333 W Sheridan Avenue, Oklahoma City, OK 73102
APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
See attachments					

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.
(4) Measurement type: ☒ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☒ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Jenny Harms TITLE: Regulatory Specialist DATE: 3-1-2021

TYPE OR PRINT NAME Jenny Harms TELEPHONE NO.: 405-552-6560

E-MAIL ADDRESS: jenny.harms@dvn.com

APPLICATION FOR CENTRAL TANK BATTERY\OFF LEASE MEASUREMENT, SALES, & STORAGE

43 CFR 3173.14 (a)(1)(i-iv)

(1) The proposed commingling includes production from more than one:

(i) Federal lease, unit PA, or CA, where each lease, unit PA, or CA proposed for commingling has 100 percent Federal mineral interest, the same fixed royalty rate and, and the same revenue distribution;

Proposal for **Galapagos 14 CTB 2**

Devon Energy Production Company, LP is requesting approval for a Lease Commingle and Off Lease Measurement for the following wells:

Well Name	API/UWI	LOCATION	POOL	LEASES				
GALAPAGOS 14-26 FED COM 211H	30-015-47287	D-14-23S-31E	[96919] JAMES RANCH BONE SPRING,EAST	NMNM053317 7A 12.5%	NMNM04044 41 12.5%	NMNM04054 44 12.5%	NMNM041822 0A 12.5%	NMNM040544 4A 12.5%
GALAPAGOS 14-26 FED COM 212H	30-015-47295	D-14-23S-31E	[96919] JAMES RANCH BONE SPRING,EAST	NMNM053317 7A 12.5%	NMNM04044 41 12.5%	NMNM04054 44 12.5%	NMNM041822 0A 12.5%	NMNM040544 4A 12.5%
GALAPAGOS 14-26 FED COM 213H	30-015-47290	B-14-23S-31E	[96919] JAMES RANCH BONE SPRING,EAST	NMNM053317 7A 12.5%	NMNM04044 41 12.5%	NMNM04054 44 12.5%	NMNM041822 0A 12.5%	NMNM040544 4A 12.5%
GALAPAGOS 14-26 FED COM 214H	30-015-47289	B-14-23S-31E	[96919] JAMES RANCH BONE SPRING,EAST	NMNM053317 7A 12.5%	NMNM04044 41 12.5%	NMNM04054 44 12.5%	NMNM040544 4A 12.5%	
GALAPAGOS 14-26 FED COM 215H	30-015-47291	A-14-23S-31E	[96919] JAMES RANCH BONE SPRING,EAST	NMNM053317 7A 12.5%	NMNM04044 41 12.5%	NMNM04054 44 12.5%	NMNM040544 4A 12.5%	
GALAPAGOS 14-26 FED COM 216H	30-015-47288	A-14-23S-31E	[96919] JAMES RANCH BONE SPRING,EAST	NMNM053317 7A 12.5%	NMNM04044 41 12.5%	NMNM04054 44 12.5%	NMNM040544 4A 12.5%	

CA:

Attached is the proposed federal CA allocation method for each lease in the CA.

There will be 2 Comm Agreements for the Galapagos Bone Spring wells. The 211H, 212H & 213H wells will be in a CA that covers the W2 of Sec. 14/23/26. The 214H, 215H & 215H wells will be in a CA that covers the E2 of Sec. 14/23/26.

Oil & Gas metering:

The central tank battery, Galapagos 14 CTB 2, is located in NW/4 NE/4, & NE/4 NW/4 & SW/4 NE/4 OF S14, T23S, R31E in Eddy County, New Mexico.

Each well is routed to its own 3-phase separator where the full well stream is separated into gas, oil, and water streams. For each well, after separation, gas is measured with an independent, designated orifice meter for the purpose of allocation, then flows into a gas production line where it is combined with gas from the other wells and flows through a gas orifice sales meter(s) for the purpose of Federal Measurement Point/Sales/Royalty Payment. The oil from the 3-phase separator is measured with an independent, designated Coriolis Meter for the purpose of allocation. It then combines with the oil production from the other wells, flows into the heater treater(s), then into the Ultra-Low Pressure Separator(s) (ULPS), and into one of the oil tanks. The oil is then pumped out of the common tanks to an oil sales meter (LACT unit) for the purpose of Federal Measurement Point/Sales/Royalty Payment. The water from the 3-phase separator is measured with an independent, designated Mag meter for allocation, combines with the water from the other wells, then flows into the gun barrel, and into one of the produced water tanks. Flash gas that exits the heater treater(s) and ULPS(s) flows to the Vapor Recovery Unit (VRU). After exiting the VRU, the gas will be measured through a designated orifice meter for allocation.

The central tank battery will have 4 oil tanks and 3 water tanks that all wells will utilize. All wells will have 1 common gas delivery point(s) on location. They will also share 1 common oil delivery point(s) (LACT) on or directly adjacent to location.

Well Name	Gas Allocation Meter	Oil Allocation Meter	Gas FMP	Oil FMP	Water Allocation Meter	VRU Allocation Meter
GALAPAGOS 14-26 FED COM 211H	DVN /*	DVN /*	DCP/*	ENLINK/*	DVN /*	DVN /*
GALAPAGOS 14-26 FED COM 212H	DVN /*	DVN /*	DCP/*	ENLINK/*	DVN /*	DVN /*
GALAPAGOS 14-26 FED COM 213H	DVN /*	DVN /*	DCP/*	ENLINK/*	DVN /*	DVN /*
GALAPAGOS 14-26 FED COM 214H	DVN /*	DVN /*	DCP/*	ENLINK/*	DVN /*	DVN /*
GALAPAGOS 14-26 FED COM 215H	DVN /*	DVN /*	DCP/*	ENLINK/*	DVN /*	DVN /*
GALAPAGOS 14-26 FED COM 216H	DVN /*	DVN /*	DCP/*	ENLINK/*	DVN /*	DVN /*

Meter Owner / Serial Number:

* Meter serial numbers to be provided after construction of facility.

Process and Flow Descriptions:

The flow of produced fluids is described above and shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, location of wells, facility, and gas sales meter.

The proposed commingling is appropriate based on the BLM's guidance in IM NMPO 2013-02 & 43 CFR 3173.14. The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and emissions. The proposed commingling will reduce operating expenses, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

Devon Energy Production Company, LP understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail.

Allocation Methodology

PRORATED ALLOCATION

GAS ALLOCATION

Each well has a Wellhead Allocation (WH ALLOC) meter and a Gas Lift Injection (GL INJ) meter. The CTB has a commingled gas Meter (BATT ALLOC or 3rd Party Sales) that measures the volume of gas that leaves the CTB, this meter would be considered the FMP. Any Buy Back meter that measures off-lease gas coming on lease used for gas lift injection from the gathering line would be considered an FMP.

1. Buyback is the volume of off-lease gas used for gas lift, compression fuel, and well injection.
2. Net Well Production is base amount of production not used for gas lift and is calculated by subtracting gas lift injection (GL INJ) volume from the wellhead allocation (WH ALLOC) meter reading.
3. Lease use gas is allocated by theoretical % for each well * total amount of lease use volume.
4. Theoretical % used for the allocation of production/sales is calculated by dividing the Net Well Production volume for each well into the sum of the Net Well Production.
5. Net CTB Gas is Battery Allocation (BATT ALLOC) or 3rd Party Sales meter measuring commingled CTB gas less any Buy Back. All off lease Buy Back will be metered as an FMP and netted out of the BATT ALLOC FMP metered volume to derive both the Total Net FMP and total Net CTB production.
6. Theoretical % for each well is multiplied by the Net CTB Gas.
7. HP Flare is volume of gas flared from the CTB, allocated to wells by Theoretical % for each well * HP FL volume.
8. VRU measures the gas that flashes from the ultra-low-pressure separator (ULPS) and is piped in upstream of the commingled CTB BATT ALLOC meter. The VRU volume will be allocated based on the same allocation methodology applied for WH ALLOC allocated gas.
9. Allocated Production is all gas produced by CTB and is calculated by adding Total Net FMP Volumes+ HP Flare + Lease Use.

OIL ALLOCATION:

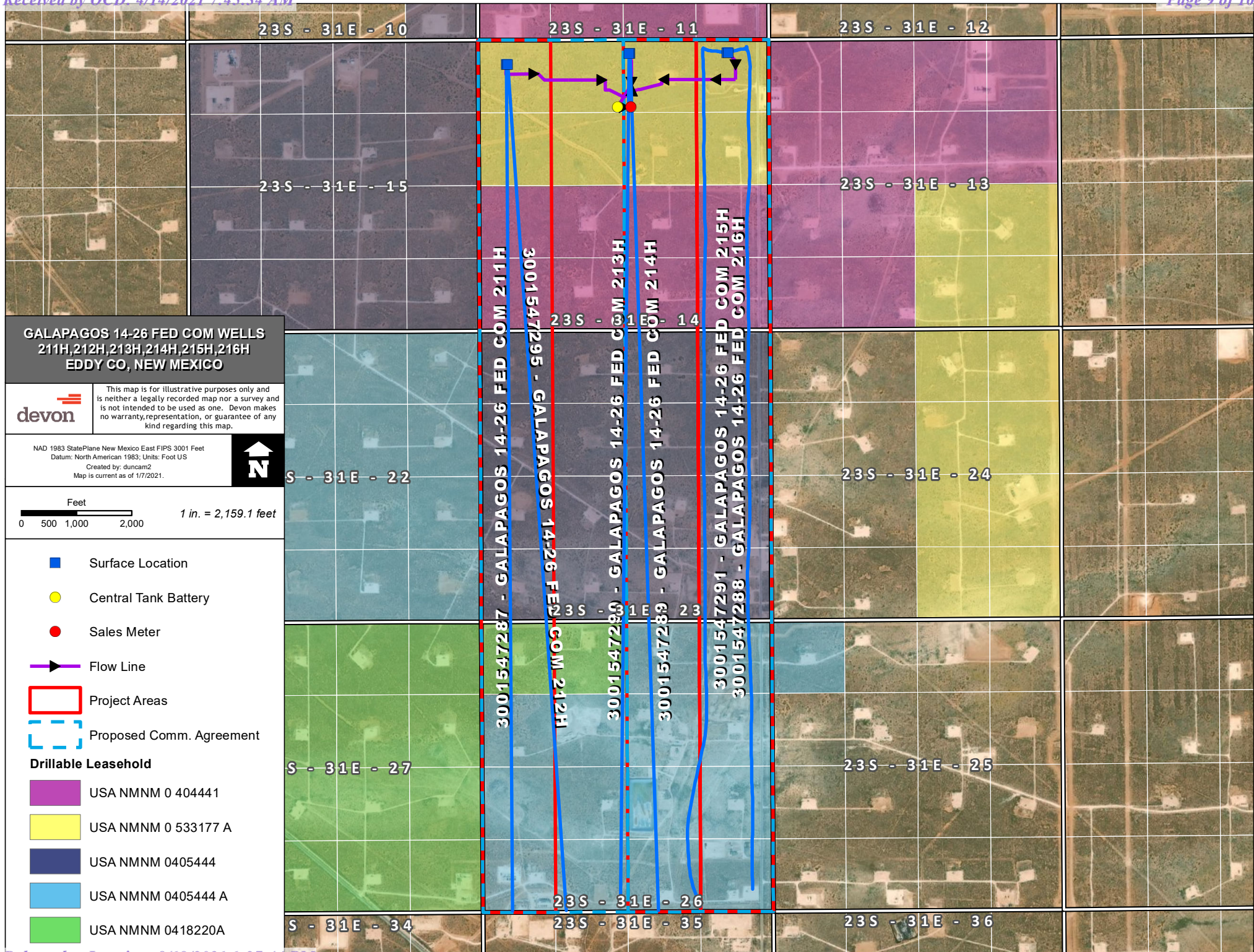
Each well has an oil meter measuring the volume of oil produced by the well. This volume is used as the allocation point to prorate Allocated Production and Total Sales Volume (FMP) back to each well.

1. Allocated production is volume of oil produced by the CTB and is calculated by Ending Tank Inventory + Pipeline LACT (FMP) – Beginning Tank Inventory.
2. Available oil for sale is calculated by Pipeline LACT (FMP) + Beginning Tank Inventory.
3. Theoretical % is calculated by dividing each oil meter volume into the sum of oil meters.
4. The Theoretical % available for sale is the well sales available divided by the total available sales.
5. Total Sales Volume is the volume of oil sold through the FMP meter
6. Beginning Inventory comes from previous accounting period's Ending Inventory for each well.
7. Ending Inventory for each well is calculated by multiplying the theoretical production % by total ending inventory.

WATER ALLOCATION

Each well has a water meter measuring the volume of water produced by the well. This volume is used as the allocation point to prorate Allocated Production and Total Transferred Volume back to each well.

1. CTB Allocated production is volume of water produced by the CTB and is calculated by Ending Tank Inventory + Water Transfer – Beginning Tank Inventory.
2. CTB Available Water to Transfer is calculated by Water Transfer + Tank Inventory.
3. Theoretical % is calculated by dividing each water meter volume into the sum of the water meters.
4. The Theoretical % available for transfer for each well is the well production available divided the total Available water.
5. Total Transfer Volume is the volume of water metered by the water transfer meter.
6. Beginning Inventory comes from previous accounting period's allocated Ending Inventory for each well.
7. Ending Inventory for each well is calculated by multiplying the theoretical production % by total ending inventory.



Received by OCD: 4/14/2021 7:45:34 AM

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USPS CERTIFIED MAIL		2nd attempt tracking		Type		AttentionTo		Organization	Address1	Address2	Address3	City	Region	Country	Phone	Email	Notes	Residential	DUNS	PostalCode
9414 8149 0152 7181 9148 58	In-Transit	9414 8149 0152 7181 9182 69	Available for Pickup	Cert		CHRISTENSEN RESOURCE PROPERTIES, L.P.	9405509898642050966791	Delivered			PO BOX 2790	MIDLAND	TX	US						79702
9414 8149 0152 7181 9148 56	Delivery Attempt	9414 8149 0152 7181 9182 76	Delivered	Cert		FIGURE 4 INVESTMENT TRUST					PO BOX 1113	PRINEHURST	TX	US						77362
9414 8149 0152 7181 9149 33	In-Transit	9414 8149 0152 7181 9182 83	Delivered	Cert		GLENN LATTIMORE FAMILY LIMITED PARTNERSHIP					PO BOX 731886	DALLAS	TX	US						75373
9414 8149 0152 7181 9149 64	In-Transit	9414 8149 0152 7181 9182 90	Delivered	Cert		INNERARITY FAMILY MINERALS, LLC					PO BOX 313	MIDLAND	TX	US						79702
9414 8149 0152 7181 9151 07	In-Transit	9414 8149 0152 7181 9183 06	Delivered	Cert		MARY LOU CASSIDY					PO BOX 96	MIDLAND	TX	US						79702
9414 8149 0152 7181 9151 69	Pre-Shipment	9414 8149 0152 7181 9183 13	Delivered	Cert		MICKY GIBSON					PO BOX 590	CAVE CREEK	AZ	US						85327
9414 8149 0152 7181 9153 05	Delivery Attempt	9414 8149 0152 7181 9183 20	Delivered	Cert		REGENT OIL AND GAS COMPANY, L.P.					PO BOX 25204	DALLAS	TX	US						75225
9414 8149 0152 7181 9153 12	In-Transit	9414 8149 0152 7181 9183 37	In Transit, Arriving Late	Cert		RICHARD C. GIBSON	9405509898642050965213	Delivered			PO BOX 3817	MIDLAND	TX	US						79702
9414 8149 0152 7181 9153 36	In-Transit	9414 8149 0152 7181 9183 44	Delivered	Cert		SANTA ELENA MINERALS IV, L.P.					PO BOX 2063	MIDLAND	TX	US						79702
9414 8149 0152 7181 9148 80	In-Transit	9405509898642659931514	Delivered	FedEx		DOUGLAS A. DENTON					15501 PRINCETON AVE	MIDLAND	TX	US						79701-5761
9414 8149 0152 7181 9149 02	In-Transit	9405509898642659989542	Delivered	FedEx		GEOMAR RESOURCES, INC.					2720 W 7TH SUITE 202	FORT WORTH	TX	US						76107
9414 8149 0152 7181 9149 26	In-Transit	9405509898642659994621	Delivered	FedEx		GEORGIA BASS					2855 WESTMINSTER PLAZA DR STE 4409	HOUSTON	TX	US						77082
9414 8149 0152 7181 9149 49	In-Transit	9405509898642042631362	Delivered	FedEx		Janice Handwick Olson, Executiv of the Estate of Leonard B. Olson					6031 W INTERSTATE-20 STE 251	ARLINGTON	TX	US						76017
9414 8149 0152 7181 9150 53	In-Transit	940550989864266000366	Delivered	FedEx		Mabee-Flynt Lease Trust					15611 WILDWOOD TRACE	MAGNOLIA	TX	US						77354
9414 8149 0152 7181 9151 14	In-Transit	9405509898642042635452	Delivered	FedEx		Mary Margaret Olson Trust					6031 W INTERSTATE-20 STE 251	ARLINGTON	TX	US						76017
9414 8149 0152 7181 9151 45	Delivery Attempt: Action Needed	9405509898642042636572	Delivered	FedEx		MERPEL, LLC					3100 MONTICELLO AVE STE 500	DALLAS	TX	US						75205
9414 8149 0152 7181 9152 37	In-Transit	9405509898642042639832	Delivered	FedEx		Otto E Schorder, III, Executor of the Estate of Doris Rita Schroeder					500 HAWK CT	COPPELL	TX	US						75019
9414 8149 0152 7181 9152 99	In-Transit	9405509898642660011447	Delivered	FedEx		PONY OIL OPERATING, LLC					4245 N CENTRAL EXPWAY STE 320	DALLAS	TX	US						75205
9414 8149 0152 7181 9153 43	In-Transit	9405509898642660013410	No Such Number- address has been corrected need to resend	FedEx		Schram Family Living Revocable Trust	9405509898642050968429	Delivered			2731 SHAWN DRIVE	DENSON	TX	US						75020
9414 8149 0152 7181 9154 11	In-Transit	9405509898642042645451	Delivered	FedEx		TEX Properties LTD					4705 MIRAMONT CIRCLE	BRYAN	TX	US						77802

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
GALAPAGOS 14-	213H	3001547290	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	215H	3001547291	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	214H	3001547289	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	216H	3001547288	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	212H	3001547295	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	211H	3001547287	NMNM0533177A	NMNM0533177A	DEVON

Procedure Description: Proposal for Galapagos 14 CTB 2: Devon Energy Production Company, L.P. is requesting approval for a Lease Commingle and Off Lease Measurement for the subject wells. Please see attachments, to include lease serial pages.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- NMNM0533177A_20210311052424.pdf
- NMNM0405444_20210311052424.pdf
- NMNM0405444A_20210311052424.pdf
- NMNM0404441_20210311052424.pdf
- NMNM0418220A_20210311052424.pdf
- Galapagos_14_CTB_2_Commingles_attachments_2_26_2021_20210301052330.pdf

Conditions of Approval

Specialist Review

- Surface_Commingling_COA_20210311142444.pdf

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
GALAPAGOS 14-	213H	3001547290	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	215H	3001547291	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	214H	3001547289	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	216H	3001547288	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	212H	3001547295	NMNM0533177A	NMNM0533177A	DEVON
GALAPAGOS 14-	211H	3001547287	NMNM0533177A	NMNM0533177A	DEVON

Name: DEVON ENERGY PRODUCTION COMPANY LP

Title: Regulatory Compliance Professional

Street Address: 333 WEST SHERIDAN AVE

City: OKLAHOMA CITY **State:** OK

Phone: (405) 235-3611

Email address:

Field Representative

Representative Name:

Street Address:

City: **State:** **Zip:**

Phone:

Email address:

BLM Point of Contact

BLM POC Name: Jonathon W Shepard

BLM POC Phone: 5752345972

Disposition: Approved

Signature: Jonathon Shepard

BLM POC Title: Petroleum Engineer

BLM POC Email Address: jshepard@blm.gov

Disposition Date: 03/11/2021

Bureau of Land Management

Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval Off-Lease Storage and Lease/CA/PA Commingling of Measurement and Sales of Oil and Gas Production

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
 - a. All well tests for allocation shall be performed per NMOCD requirements.
2. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the public's interest (surface and/or subsurface).
3. Submittal of a new surface commingling sundry is required if:
 - a. There are any changes to the allocation methodology
 - b. Proposed Communitization Agreements (CA) are not approved or are approved with changes to the original proposal
4. If new surface disturbance on BLM managed land is proposed, the operator shall submit appropriate surface use plan of operations and right-of-way grant applications to the Carlsbad Field Office for approval prior to any construction.
5. Off-lease measurement, storage, and sales from sources in this package are approved.
6. Allocation meters will meet the standards the operator proposed in the sundry.
7. Within 30 days of implementing the allocation methodology in this application, the operator shall submit a new site facility diagram via Sundry Notice which meets the requirements of **43 CFR 3173.11**. Include the effective date for the allocation methodology with the sundry notice.
 - a. In lieu of FMP numbers on the site facility diagram, include all meter serial numbers or assign unique meter ID numbers that are reflected and identifiable in the field. This is to include allocation meters.
8. This approval does not allow for a variance from 43 CFR 3170.4. This approval does not authorize bypasses around any approved measurement point, nor does it approve the use of headers capable of acting as a bypass.
9. This approval does not authorize royalty-free fuel usage at the compressor station downstream of the CTB's FMPs; it must be an additional request separate from this application:
 - a. Submit an additional Sundry Notice containing the information required under **43 CFR 3178.9**. Note: A variance to 43 CFR 3178.7(b)(2) may be granted as long as the fuel gas is being metered and is allocable back to the participating wells.

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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 August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 96919	³ Pool Name James Ranch Bone Spring, East
⁴ Property Code	⁵ Property Name GALAPAGOS 14-26 FED COM	⁶ Well Number 211H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3432.5

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	14	23 S	31 E		450	NORTH	509	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	26	23 S	31 E		20	SOUTH	550	WEST	EDDY

¹² Dedicated Acres 960	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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<p>NW CORNER SEC. 14 LAT. = 32.3117463°N LONG. = 103.751237°W NMSP EAST (FT) N = 477624.13 E = 719349.92</p> <p>W/4 CORNER SEC. 14 LAT. = 32.3044903°N LONG. = 103.751229°W NMSP EAST (FT) N = 474984.45 E = 719364.35</p> <p>SECTION CORNER LAT. = 32.2972317°N LONG. = 103.751232°W NMSP EAST (FT) N = 473343.83 E = 719378.44</p> <p>W/4 CORNER SEC. 23 LAT. = 32.2899722°N LONG. = 103.751228°W NMSP EAST (FT) N = 469702.87 E = 719392.74</p> <p>SECTION CORNER LAT. = 32.2827133°N LONG. = 103.751239°W NMSP EAST (FT) N = 467062.12 E = 719406.62</p> <p>W/4 CORNER SEC. 26 LAT. = 32.2754499°N LONG. = 103.751222°W NMSP EAST (FT) N = 464419.78 E = 719421.33</p> <p>SW CORNER SEC. 26 LAT. = 32.2681917°N LONG. = 103.751229°W NMSP EAST (FT) N = 461779.31 E = 719435.27</p>		<p>N/4 CORNER SEC. 14 LAT. = 32.3117253°N LONG. = 103.7485813°W NMSP EAST (FT) N = 477630.81 E = 721989.05</p> <p>E/4 CORNER SEC. 14 LAT. = 32.316999°N LONG. = 103.7400280°W NMSP EAST (FT) N = 477636.10 E = 724631.57</p> <p>SECTION CORNER LAT. = 32.2971988°N LONG. = 103.7400387°W NMSP EAST (FT) N = 472360.64 E = 724657.46</p> <p>E/4 CORNER SEC. 23 LAT. = 32.2899466°N LONG. = 103.7400405°W NMSP EAST (FT) N = 469722.36 E = 724671.49</p> <p>SECTION CORNER LAT. = 32.2826901°N LONG. = 103.7400438°W NMSP EAST (FT) N = 467082.47 E = 724685.09</p> <p>E/4 CORNER SEC. 26 LAT. = 32.2754311°N LONG. = 103.7400448°W NMSP EAST (FT) N = 464441.37 E = 724699.37</p> <p>SE CORNER SEC. 26 LAT. = 32.2681719°N LONG. = 103.7400493°W NMSP EAST (FT) N = 461800.87 E = 724712.60</p>	
<p>17 OPERATOR CERTIFICATION</p> <p>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><i>Jenny Harms</i> 2-19-2020</p> <p>Signature _____ Date _____</p> <p>JENNY HARMS</p> <p>Printed Name _____</p> <p>JENNY.HARMS@DVN.COM</p> <p>E-mail Address _____</p>		<p>18 SURVEYOR CERTIFICATION</p> <p>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>JANUARY 13, 2020</p> <p>Date of Survey _____</p> <p><i>William F. Jaramillo</i></p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number: _____</p> <p>12797</p> <p>PROFESSIONAL SURVEYOR</p> <p>SURVEY NO. 7895</p>	

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⁴ Property Code	⁵ Property Name GALAPAGOS 14-26 FED COM	⁶ Well Number 212H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3433.4

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	14	23 S	31 E		450	NORTH	539	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	26	23 S	31 E		20	SOUTH	1430	WEST	EDDY

¹² Dedicated Acres 960	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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		<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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><i>Jenny Harms</i> 2-19-2020 Signature Date</p> <p>JENNY HARMS Printed Name</p> <p>JENNY.HARMS@DVN.COM E-mail Address</p>
<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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>JANUARY 13, 2020 Date of Survey</p> <p><i>Michael E. Jaramillo</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number: 12797 Survey No. 7896</p>		

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⁴ Property Code	⁵ Property Name GALAPAGOS 14-26 FED COM	⁶ Well Number 213H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3473.5

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	14	23 S	31 E		250	NORTH	2551	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	26	23 S	31 E		20	SOUTH	2310	WEST	EDDY

¹² Dedicated Acres 960	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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⁴ Property Code	⁵ Property Name GALAPAGOS 14-26 FED COM	⁶ Well Number 214H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3474.6

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	14	23 S	31 E		250	NORTH	2521	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	26	23 S	31 E		20	SOUTH	2090	EAST	EDDY

¹² Dedicated Acres 960	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3498.0

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	31 E		250	NORTH	761	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	26	23 S	31 E		20	SOUTH	1210	EAST	EDDY

¹² Dedicated Acres 960	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.		⁹ Elevation 3498.8

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	31 E		250	NORTH	731	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	26	23 S	31 E		20	SOUTH	330	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
960			

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17 OPERATOR CERTIFICATION
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.

Jenny Harms
Signature
2-19-2020
Date

JENNY HARMS
Printed Name
JENNY.HARMS@DVN.COM
E-mail Address

18 SURVEYOR CERTIFICATION
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.

JANUARY 13, 2020
Date of Survey

[Signature]
Signature and Seal of Professional Surveyor:
Certificate Number: F. JARAMILLO, PLS 12797
NEW MEXICO PROFESSIONAL SURVEYOR NO. 7900

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of November 2020, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 23 South, Range 31 East, N.M.P.M

E/2 of Section 14

E/2 of Section 23

E/2 of Section 26

Eddy County, New Mexico

Containing **960.00** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation(s).

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas

Galapagos 14-26 Fed Com 214H, 215H, and 216H

interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. The Operator of the communitized area shall be Devon Energy Company, L.P., 333 W Sheridan Avenue, Oklahoma City, OK 73102. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said

communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is November 1, 2020, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in

which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Devon Energy Production Company, L.P.
(Operator, Record Title and Working Interest Owner)

Date

By: _____
Catherine Lebsack, Vice President

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on this _____ day of _____, 20____, by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

(SEAL)

My Commission Expires

Notary Public

EXHIBIT "A"

Plat of communitized area covering **960.00** acres in E/2 of Section 14, E/2 of Section 23 and E/2 of Section 26, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Galapagos 14-25 Fed Com 215H
(API #30-015-47291)

SHL: 250' FNL & 761' FEL, Sec 14-23S-31E
 BHL: 20' FSL & 1200' FEL, Sec 26-23S-31E
 (DEFINING WELL _ 960 AC HSU)


Galapagos 14-25 Fed Com 214H
(API #30-015-47289)


SHL: 250' FNL & 2521' FEL, Sec. 14-23S-31E
 BHL 20' FSL & 2000' FEL, Sec. 26-23S-31E
 (INFILL WELL)

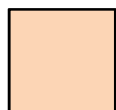
Galapagos 14-25 Fed Com 216H
(API #30-015-47288)

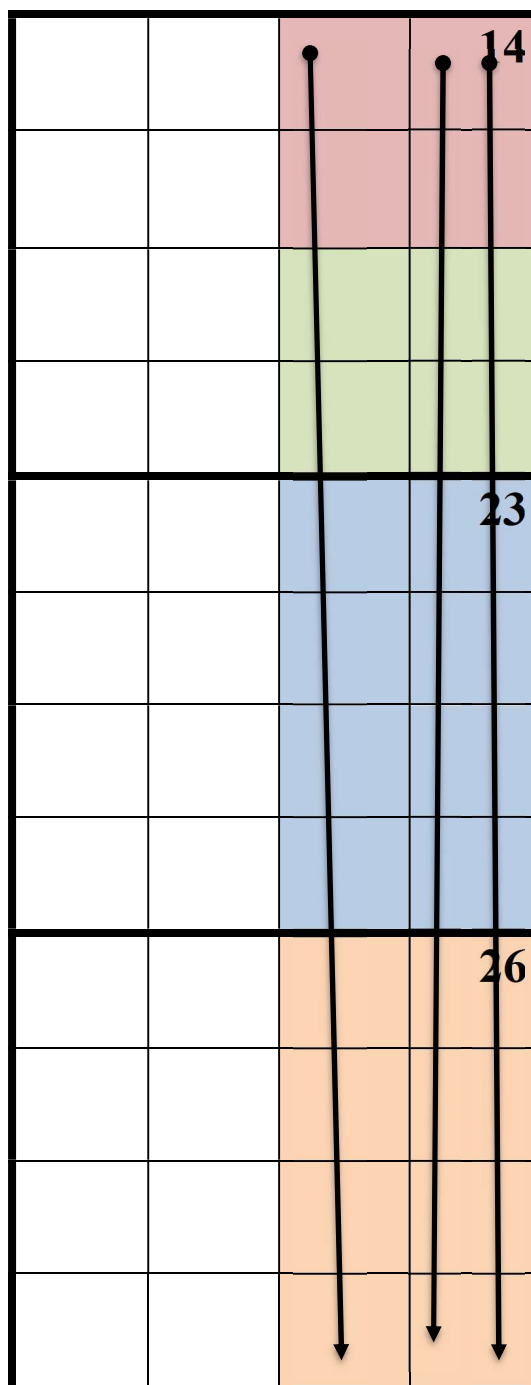
SHL: 250' FNL & 731' FEL, Sec 14-23S-31E
 BHL: 20' FSL & 400' FEL, Sec 26-23S-31E
 (INFILL WELL)

 **Tract 1**
160 AC
NMNM 0 533177 A

 **Tract 2**
160 AC
NMNM 0 404441

 **Tract 3**
320 AC
NMNM 0405444

 **Tract 4**
320 AC
NMNM 0 405444 A



Galapagos 14-26 Fed Com 214H, 215H, and 216H

EXHIBIT "B"

To Communitization Agreement Dated November 1, 2020, embracing the following described land in E/2 of Section 14, E/2 of Section 23 and E/2 of Section 26, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Operator of Communitized Area: **Devon Energy Production Company, L.P.**

DESCRIPTION OF LEASES COMMITTEDTract No. 1

Lease Serial Number:	USA NMNM 0 533177 A
Lease Date:	April 1, 1964
Lease Term:	10 Years
Lessor:	United States of America
Original Lessee:	Frances L. Solsberry
Present Lessee:	XTO Holdings LLC
Description of Land Committed:	<u>Township 23 South, Range 32 East, N.M.P.M.</u> Section 14: Insofar and only insofar as said lease covers NE/4
Number of Acres:	160.00 acres
Name and Percent of WI Owners:	Devon Energy Production Company, LP – 99.0595376% Joe N. Gifford – 0.1953125% Mabee Flynt Lease Trust – 0.2117499% TEK Properties, Ltd. – 0.20000% Nancy Stallworth Thomas Marital Trust – 0.0083095% P A Allman Trust – 0.0002186% George Martin Allman, III Trust – 0.0002186% Marilyn M. Allman Trust – 0.0002186% Jill Allman Mancuso Trust – 0.0002186% Donald C. Allman Trust – 0.0437343% George Allman, Jr. Trust – 0.0437343% Mary Elizabeth Schram Trust – 0.0437342% Margaret Sue Schroeder Trust – 0.0437342% Michelle Allman Grantor Trust – 0.0013106% Theresa Allman Smith Grantor Trust – 0.0013105% Estate of Doris Rita Schroeder – 0.0006959%

Galapagos 14-26 Fed Com 214H, 215H, and 216H

Schroeder Family Trust – 0.0006958%
 Catherine Madeline Grace – 0.0013917%
 Estate of Leonard B. Olson – 0.0006958%
 Residuary Trust u/w/o Mary Margaret Olson – 0.0006958%

Non-Consenting WI Owners Under Pooling Order R-21507:

Mary Patricia Dougherty Trust – 0.133300%
 Nancy S. Thomas – 0.0083094%
 Estate of Alfred F. Schram, Sr. – 0.0004368%
 Schram Family Living Revocable Trust – 0.0004368%

Name of ORRI Owners:

River Oaks Trust Company and Georgia Todd Temple, Co-
 Trustees of the Lorraine L. Johnson Living Trust
 dated 9/23/1977
 Richard Donald Jones, Jr.
 Baloney Feathers, Ltd.
 Patricia Boyle Young
 Douglas A. Denton
 JADT Minerals, Ltd.
 Richard C. Gibson
 Morris E. Schertz
 Shogoil and Gas Co. II, LLC
 Cargoil and Gos Co., LLC
 Pegasus Resources, LLC
 McMullen Minerals, LLC
 Momentum Minerals Operating, LP
 TD Minerals, LLC
 Innerarity Family Minerals, LLC
 Joe N. Gifford
 Lisa Gail Karabatsos
 Georgia Bass
 Figure 4 Investment Trust
 Pony Oil Operating, LLC
 MerPel, LLC
 Devon Energy Production Company, LP

Tract No. 2

Lease Serial Number: USA NMNM 0 404441

Lease Date: July 1, 1963

Lease Term: 10 Years

Galapagos 14-26 Fed Com 214H, 215H, and 216H

Lessor: United States of America

Original Lessee: Herbert E Doolittle

Present Lessee: Devon Energy Production Company, L.P.

Description of Land Committed: Township 23 South, Range 32 East, N.M.P.M.
Section 14: Insofar and only insofar as said lease covers SE/4

Number of Acres: 160.00 acres

Name and Percent of WI Owners: Devon Energy Production Company, LP – 99.0595376%
Joe N. Gifford – 0.1953125%
Mabee Flynt Lease Trust – 0.2117499%
TEK Properties, Ltd. – 0.20000%
Nancy Stallworth Thomas Marital Trust – 0.0083095%
P A Allman Trust – 0.0002186%
George Martin Allman, III Trust – 0.0002186%
Marilyn M. Allman Trust – 0.0002186%
Jill Allman Mancuso Trust – 0.0002186%
Donald C. Allman Trust – 0.0437343%
George Allman, Jr. Trust – 0.0437343%
Mary Elizabeth Schram Trust – 0.0437342%
Margaret Sue Schroeder Trust – 0.0437342%
Michelle Allman Grantor Trust – 0.0013106%
Theresa Allman Smith Grantor Trust – 0.0013105%
Estate of Doris Rita Schroeder – 0.0006959%
Schroeder Family Trust – 0.0006958%
Catherine Madeline Grace – 0.0013917%
Estate of Leonard B. Olson – 0.0006958%
Residuary Trust u/w/o Mary Margaret Olson – 0.0006958%

Non-Consenting WI Owners Under Pooling Order R-21507:
Mary Patricia Dougherty Trust – 0.133300%
Nancy S. Thomas – 0.0083094%
Estate of Alfred F. Schram, Sr. – 0.0004368%
Schram Family Living Revocable Trust – 0.0004368%

Name of ORRI Owners: A.G. Andrikopoulos, Inc.
Morris E. Schertz
Cargoil and Gas Co, LLC
Shogoil and Gas Co. II, LLC
Sydhan, LP
Santa Elena Minerals IV, LP
Margaret Adele Summerford
Innerarity Family Minerals, LLC

Galapagos 14-26 Fed Com 214H, 215H, and 216H

Pegasus Resources, LLC
 McMullen Minerals, LLC
 Momentum Minerals Operating, LP
 TD Minerals, LLC
 Joe N. Gifford
 Lisa Gail Karabatsos
 Georgia Bass
 Figure 4 Investment Trust
 Pony Oil Operating, LLC
 MerPel, LLC
 Devon Energy Production Company, LP

Tract No. 3

Lease Serial Number: USA NMNM 0 405444
 Lease Date: July 1, 1963
 Lease Term: 10 Years
 Lessor: United States of America
 Original Lessee: Lorraine L Todd
 Present Lessee: Devon Energy Production Company, LP
 Description of Land Committed: Township 23 South, Range 32 East, N.M.P.M.
 Section 23: Insofar and only insofar as said lease covers E/2
 Number of Acres: 320.00 acres
 Name and Percent of WI Owners: Devon Energy Production Company, LP – 92.5626545%
 Nortex Corporation – 5.0634830%
 Joe N. Gifford – 0.1953125%
 Mabee Flynt Lease Trust – 0.2117500%
 TEK Properties, Ltd. – 0.20000%
 Nancy Stallworth Thomas Marital Trust – 0.0054849%
 P A Allman Trust – 0.0001443%
 George Martin Allman, III Trust – 0.0001443%
 Marilyn M. Allman Trust – 0.0001443%
 Jill Allman Mancuso Trust – 0.0001443%
 Donald C. Allman Trust – 0.0288679%
 George Allman, Jr. Trust – 0.0288679%
 Mary Elizabeth Schram Trust – 0.0288678%
 Margaret Sue Schroeder Trust – 0.0288678%
 Michelle Allman Grantor Trust – 0.0008651%
 Theresa Allman Smith Grantor Trust – 0.0008650%

Galapagos 14-26 Fed Com 214H, 215H, and 216H

Estate of Doris Rita Schroeder – 0.0006959%
 Schroeder Family Trust – 0.0006958%
 Catherine Madeline Grace – 0.0013917%
 Estate of Leonard B. Olson – 0.0006958%
 Residuary Trust u/w/o Mary Margaret Olson – 0.0006958%

Non-Consenting WI Owners Under Pooling Order R-21507:

Mary Patricia Dougherty Trust – 0.133300%
 Nancy S. Thomas – 0.0054848%
 Estate of Alfred F. Schram, Sr. – 0.0002883%
 Schram Family Living Revocable Trust – 0.0002883%
 Silverton Petroleum, Inc. – 1.50000%

Name of ORRI Owners:

River Oaks Trust Company and Georgia Todd Temple, Co-
 Trustees of the Lorraine L. Johnson Living Trust
 dated 9/23/1977
 Richard Donald Jones, Jr.
 Baloney Feathers, Ltd.
 Duncan Management LLC, Agent for Kimbell Royalty
 Holdings, LLC
 Source Rock Minerals, LP
 Patricia Boyle Young Management Trust
 Patricia Boyle Young
 Douglas A. Denton
 JADT Minerals, Ltd.
 Pegasus Resources, LLC
 McMullen Minerals, LLC
 Momentum Minerals Operating, LP
 TD Minerals, LLC
 Innerarity Family Minerals, LLC
 Joe N. Gifford and Emily K. Gifford
 Lisa Gail Karabatsos
 Georgia Bass
 Figure 4 Investment Trust
 Pony Oil Operating, LLC
 MerPel, LLC
 Devon Energy Production Company, LP

Tract No. 4

Lease Serial Number: USA NMNM 0 405444A

Lease Date: July 1, 1963

Galapagos 14-26 Fed Com 214H, 215H, and 216H

Lease Term: 10 Years

Lessor: United States of America

Original Lessee: Lorraine L. Todd

Present Lessee: Devon Energy Production Company, LP

Description of Land Committed: Township 23 South, Range 32 East, N.M.P.M.
Section 26: Insofar and only insofar as said lease covers E/2

Number of Acres: 320.00 acres

Name and Percent of WI Owners: Devon Energy Production Company, LP – 92.4960545%
Nortex Corporation – 5.0634830%
Fortuna III Permian, LLC – 1.500%
Joe N. Gifford – 0.1953125%
Mabee Flynt Lease Trust – 0.2117500%
TEK Properties, Ltd. – 0.20000%
Nancy Stallworth Thomas Marital Trust – 0.0083095%
P A Allman Trust – 0.0002186%
George Marti Allman, III Trust – 0.0002186%
Marilyn M. Allman Trust – 0.0002186%
Jill Allman Mancuso Trust – 0.0002186%
Donald C. Allman Trust – 0.0437343%
George Allman, Jr. Trust – 0.0437343%
Mary Elizabeth Schram Trust – 0.0437342%
Margaret Sue Schroeder Trust – 0.0437342%
Michelle Allman Grantor Trust – 0.0013106%
Theresa Allman Smith Grantor Trust – 0.0013105%
Estate of Doris Rita Schroeder – 0.0006959%
Schroeder Family Trust – 0.0006958%
Catherine Madeline Grace – 0.0013917%
Estate of Leonard B. Olson – 0.0006958%
Residuary Trust u/w/o Mary Margaret Olson – 0.0006958%

Non-Consenting WI Owners Under Pooling Order R-21507:
Mary Patricia Dougherty Trust – 0.133300%
Nancy S. Thomas – 0.0083094%
Estate of Alfred F. Schram, Sr. – 0.0004368%
Schram Family Living Revocable Trust – 0.0004368%

Name of ORRI Owners: River Oaks Trust Company and Georgia Todd Temple, Co-Trustees of the Lorraine L. Johnson Living Trust dated 9/23/1977

Galapagos 14-26 Fed Com 214H, 215H, and 216H

Douglas A. Denton
 JADT Minerals, Ltd.
 Patricia Boyle Young
 Richard Donald Jones, Jr.
 Duncan Management, LLC, Agent for Kimbell Royalty
 Holdings. LLC
 Source Rock Minerals, LP
 Baloney Feathers, Ltd
 Patricia Boyle Young Management Trust
 Momentum Minerals Operating, LP
 TD Minerals, LLC
 Pegasus Resources, LLC
 McMullen Minerals, LLC
 Innerarity Family Minerals, LLC
 Lisa Gail Karabatsos
 Georgia Bass
 Figure 4 Investment Trust
 Pony Oil Operating, LLC
 MerPel, LLC
 Joe N. Gifford and Emily K. Gifford
 Devon Energy Production Company, LP

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	160.00	16.666667%
2	160.00	16.666667%
3	320.00	33.333333%
4	<u>320.00</u>	<u>33.333333%</u>
Total	960.00	100.0000%

Date

By: _____

Name: _____

Title: _____

STATE OF _____)
) SS
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2021, by _____, as _____ of _____.

Signature of Notarial Officer _____

My Commission Expires: _____

Released to Imaging: 8/18/2021 1:27:44 PM

_____ Date

By: _____

STATE OF _____)
) SS
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2021, by _____.

Signature of Notarial Officer

My Commission Expires: _____

Released to Imaging: 8/18/2021 1:27:44 PM

Title:

Title:

Released to Imaging: 8/18/2021 1:27:44 PM

Title:

Title:

Title:

Title:

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Title: _____

Title: _____

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Title: _____

Title:

Title:

Title:

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of November 2020, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 23 South, Range 31 East, N.M.P.M

W/2 of Section 14

W/2 of Section 23

W/2 of Section 26

Eddy County, New Mexico

Containing **960.00** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation(s).

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas

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interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. The Operator of the communitized area shall be Devon Energy Company, L.P., 333 W Sheridan Avenue, Oklahoma City, OK 73102. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said

communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is November 1, 2020, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in

which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Devon Energy Production Company, L.P.
(Operator, Record Title and Working Interest Owner)

Date

By: _____
Catherine Lebsack, Vice President

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on this _____ day of _____,
20____, by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an
Oklahoma limited partnership, on behalf of said limited partnership.

(SEAL)

My Commission Expires

Notary Public

EXHIBIT "A"

Plat of communitized area covering **960.00** acres in W/2 of Section 14, W/2 of Section 23 and W/2 of Section 26, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Galapagos 14-25 Fed Com 212H**(API #30-015-47295)**

SHL: 450' FNL & 530' FWL, Sec 14-23S-31E

BHL: 20' FSL & 1600' FWL, Sec 26-23S-31E

(DEFINING WELL _ 960 AC HSU)

Galapagos 14-25 Fed Com 211H**(API #30-015-47287)**

SHL: 450' FNL & 509' FWL, Sec. 14-23S-31E

BHL 20' FSL & 800' FWL, Sec. 26-23S-31E

(INFILL WELL)


Galapagos 14-25 Fed Com 213H**(API #30-015-47290)**


SHL: 250' FNL & 2521' FEL, Sec 14-23S-31E


BHL: 20' FSL & 2480' FWL, Sec 26-23S-31E


(INFILL WELL)

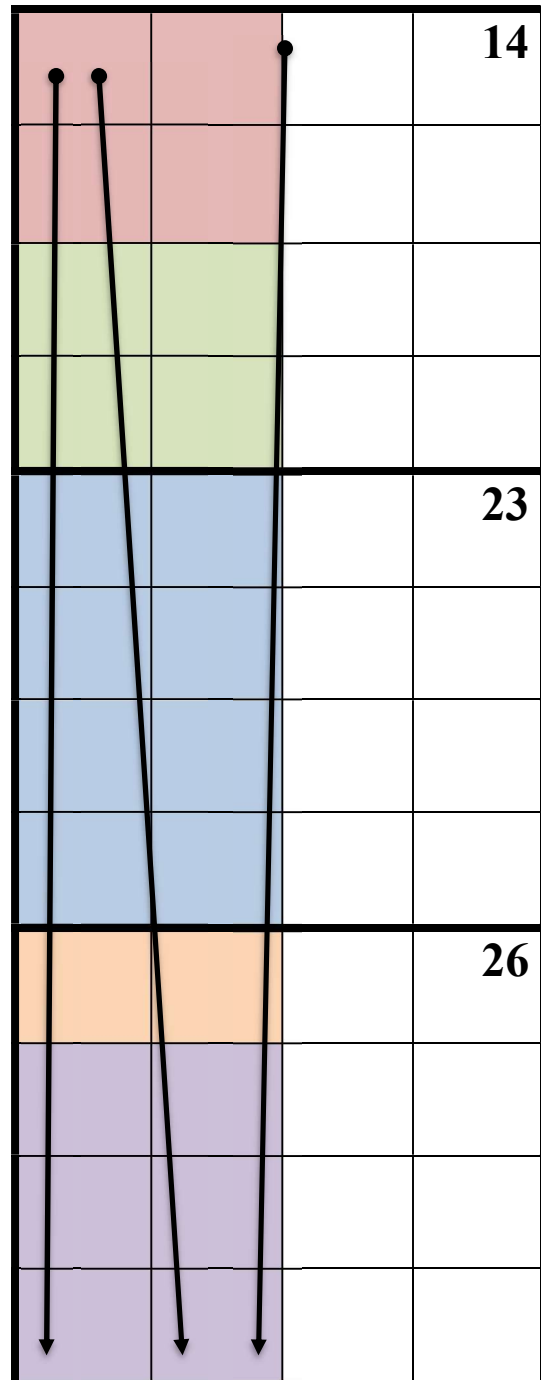
 **Tract 1**
160 AC
NMNM 0 533177 A

 **Tract 2**
160 AC
NMNM 0 404441

 **Tract 3**
320 AC
NMNM 0405444

 **Tract 4**
80 AC
NMNM 0 418220 A

 **Tract 5**
240 AC
NMNM 0 405444 A



Galapagos 14-26 Fed Com 211H, 212H, and 213H

EXHIBIT "B"

To Communitization Agreement Dated November 1, 2020, embracing the following described land in W/2 of Section 14, W/2 of Section 23 and W/2 of Section 26, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Operator of Communitized Area: **Devon Energy Production Company, L.P.**

DESCRIPTION OF LEASES COMMITTEDTract No. 1

Lease Serial Number:	USA NMNM 0 533177 A
Lease Date:	April 1, 1964
Lease Term:	10 Years
Lessor:	United States of America
Original Lessee:	Frances L. Solsberry
Present Lessee:	XTO Holdings LLC
Description of Land Committed:	<u>Township 23 South, Range 32 East, N.M.P.M.</u> Section 14: Insofar and only insofar as said lease covers NW/4
Number of Acres:	160.00 acres
Name and Percent of WI Owners:	Devon Energy Production Company, LP – 99.0595376% Joe N. Gifford – 0.1953125% Mabee Flynt Lease Trust – 0.2117499% TEK Properties, Ltd. – 0.20000% Nancy Stallworth Thomas Marital Trust – 0.0083095% P A Allman Trust – 0.0002186% George Martin Allman, III Trust – 0.0002186% Marilyn M. Allman Trust – 0.0002186% Jill Allman Mancuso Trust – 0.0002186% Donald C. Allman Trust – 0.0437343% George Allman, Jr. Trust – 0.0437343% Mary Elizabeth Schram Trust – 0.0437342% Margaret Sue Schroeder Trust – 0.0437342% Michelle Allman Grantor Trust – 0.0013106% Theresa Allman Smith Grantor Trust – 0.0013105% Estate of Doris Rita Schroeder – 0.0006959%

Galapagos 14-26 Fed Com 211H, 212H, and 213H

Schroeder Family Trust – 0.0006958%
Catherine Madeline Grace – 0.0013917%
Estate of Leonard B. Olson – 0.0006958%
Residuary Trust u/w/o Mary Margaret Olson – 0.0006958%

Non-Consent WI Owners Under Pooling Order R-21506:

Mary Patricia Dougherty Trust – 0.133300%
Nancy S. Thomas – 0.0083094%
Estate of Alfred F. Schram, Sr. – 0.0004368%
Schram Family Living Revocable Trust – 0.0004368%

Name of ORRI Owners:

River Oaks Trust Company and Georgia Todd Temple, Co-
Trustees of the Lorraine L. Johnson Living Trust
dated 9/23/1977
Richard Donald Jones, Jr.
Baloney Feathers, Ltd.
Patricia Boyle Young
Douglas A. Denton
JADT Minerals, Ltd.
Richard C. Gibson
Morris E. Schertz
Shogoil and Gas Co. II, LLC
Cargoil and Gos Co., LLC
Pegasus Resources, LLC
McMullen Minerals, LLC
Momentum Minerals Operating, LP
TD Minerals, LLC
Innerarity Family Minerals, LLC
Joe N. Gifford
Lisa Gail Karabatsos
Georgia Bass
Figure 4 Investment Trust
Pony Oil Operating, LLC
MerPel, LLC
Devon Energy Production Company, LP

Tract No. 2

Lease Serial Number: USA NMNM 0 404441

Lease Date: July 1, 1963

Lease Term: 10 Years

Galapagos 14-26 Fed Com 211H, 212H, and 213H

Lessor: United States of America

Original Lessee: Herbert E Doolittle

Present Lessee: Devon Energy Production Company, L.P.

Description of Land Committed: Township 23 South, Range 32 East, N.M.P.M.
Section 14: Insofar and only insofar as said lease covers SW/4

Number of Acres: 160.00 acres

Name and Percent of WI Owners: Devon Energy Production Company, LP – 99.0595376%
Joe N. Gifford – 0.1953125%
Mabee Flynt Lease Trust – 0.2117499%
TEK Properties, Ltd. – 0.20000%
Nancy Stallworth Thomas Marital Trust – 0.0083095%
P A Allman Trust – 0.0002186%
George Marti Allman, III Trust – 0.0002186%
Marilyn M. Allman Trust – 0.0002186%
Jill Allman Mancuso Trust – 0.0002186%
Donald C. Allman Trust – 0.0437343%
George Allman, Jr. Trust – 0.0437343%
Mary Elizabeth Schram Trust – 0.0437342%
Margaret Sue Schroeder Trust – 0.0437342%
Michelle Allman Grantor Trust – 0.0013106%
Theresa Allman Smith Grantor Trust – 0.0013105%
Estate of Doris Rita Schroeder – 0.0006959%
Schroeder Family Trust – 0.0006958%
Catherine Madeline Grace – 0.0013917%
Estate of Leonard B. Olson – 0.0006958%
Residuary Trust u/w/o Mary Margaret Olson – 0.0006958%

Non-Consent WI Owners Under Pooling Order R-21506:
Mary Patricia Dougherty Trust – 0.133300%
Nancy S. Thomas – 0.0083094%
Estate of Alfred F. Schram, Sr. – 0.0004368%
Schram Family Living Revocable Trust – 0.0004368%

Name of ORRI Owners: A.G. Andrikopoulos, Inc.
Morris E. Schertz
Cargoil and Gas Co, LLC
Shogoil and Gas Co. II, LLC
Sydhan, LP
Santa Elena Minerals IV, LP
Margaret Adele Summerford
Innerarity Family Minerals, LLC

Galapagos 14-26 Fed Com 211H, 212H, and 213H

Pegasus Resources, LLC
 McMullen Minerals, LLC
 Momentum Minerals Operating, LP
 TD Minerals, LLC
 Joe N. Gifford
 Lisa Gail Karabatsos
 Georgia Bass
 Figure 4 Investment Trust
 Pony Oil Operating, LLC
 MerPel, LLC
 Devon Energy Production Company, LP

Tract No. 3

Lease Serial Number: USA NMNM 405444
 Lease Date: July 1, 1963
 Lease Term: 10 Years
 Lessor: United States of America
 Original Lessee: Lorraine L Todd
 Present Lessee: Devon Energy Production Company, LP
 Description of Land Committed: Township 23 South, Range 32 East, N.M.P.M.
 Section 23: Insofar and only insofar as said lease covers W/2
 Number of Acres: 320.00 acres
 Name and Percent of WI Owners: Devon Energy Production Company, LP – 92.5626545%
 Nortex Corporation – 5.0634830%
 Joe N. Gifford – 0.1953125%
 Mabee Flynt Lease Trust – 0.2117500%
 TEK Properties, Ltd. – 0.20000%
 Nancy Stallworth Thomas Marital Trust – 0.0054849%
 P A Allman Trust – 0.0001443%
 George Martin Allman, III Trust – 0.0001443%
 Marilyn M. Allman Trust – 0.0001443%
 Jill Allman Mancuso Trust – 0.0001443%
 Donald C. Allman Trust – 0.0288679%
 George Allman, Jr. Trust – 0.0288679%
 Mary Elizabeth Schram Trust – 0.0288678%
 Margaret Sue Schroeder Trust – 0.0288678%
 Michelle Allman Grantor Trust – 0.0008651%
 Theresa Allman Smith Grantor Trust – 0.0008650%

Galapagos 14-26 Fed Com 211H, 212H, and 213H

Estate of Doris Rita Schroeder – 0.0006959%
 Schroeder Family Trust – 0.0006958%
 Catherine Madeline Grace – 0.0013917%
 Estate of Leonard B. Olson – 0.0006958%
 Residuary Trust u/w/o Mary Margaret Olson – 0.0006958%

Non-Consent WI Owners Under Pooling Order R-21506:

Mary Patricia Dougherty Trust – 0.133300%
 Nancy S. Thomas – 0.0054848%
 Estate of Alfred F. Schram, Sr. – 0.0002883%
 Schram Family Living Revocable Trust – 0.0002883%
 Silverton Petroleum, Inc. – 1.50000%

Name of ORRI Owners:

River Oaks Trust Company and Georgia Todd Temple, Co-
 Trustees of the Lorraine L. Johnson Living Trust
 dated 9/23/1977
 Richard Donald Jones, Jr.
 Baloney Feathers, Ltd.
 Duncan Management LLC, Agent for Kimbell Royalty
 Holdings, LLC
 Source Rock Minerals, LP
 Patricia Boyle Young Management Trust
 Patricia Boyle Young
 Douglas A. Denton
 JADT Minerals, Ltd.
 Pegasus Resources, LLC
 McMullen Minerals, LLC
 Momentum Minerals Operating, LP
 TD Minerals, LLC
 Innerarity Family Minerals, LLC
 Joe N. Gifford and Emily K. Gifford
 Lisa Gail Karabatsos
 Georgia Bass
 Figure 4 Investment Trust
 Pony Oil Operating, LLC
 MerPel, LLC
 Devon Energy Production Company, LP

Tract No. 4

Lease Serial Number: USA NMNM 0 418220 A

Lease Date: August 1, 1963

Galapagos 14-26 Fed Com 211H, 212H, and 213H

Lease Term: 10 Years

Lessor: United States of America

Original Lessee: M R Thornton

Present Lessee: Devon Energy Production Company, LP

Description of Land Committed: Township 23 South, Range 32 East, N.M.P.M.
Section 26: Insofar and only insofar as said lease covers N/2 NW/4

Number of Acres: 80.00 acres

Name and Percent of WI Owners: Devon Energy Production Company, LP – 92.4960545%
Nortex Corporation – 5.0634830%
Fortuna III Permian, LLC – 1.500%
Joe N. Gifford – 0.1953125%
Mabee Flynt Lease Trust – 0.2117500%
TEK Properties, Ltd. – 0.20000%
Nancy Stallworth Thomas Marital Trust – 0.0083095%
P A Allman Trust – 0.0002186%
George Marti Allman, III Trust – 0.0002186%
Marilyn M. Allman Trust – 0.0002186%
Jill Allman Mancuso Trust – 0.0002186%
Donald C. Allman Trust – 0.0437343%
George Allman, Jr. Trust – 0.0437343%
Mary Elizabeth Schram Trust – 0.0437342%
Margaret Sue Schroeder Trust – 0.0437342%
Michelle Allman Grantor Trust – 0.0013106%
Theresa Allman Smith Grantor Trust – 0.0013105%
Estate of Doris Rita Schroeder – 0.0006959%
Schroeder Family Trust – 0.0006958%
Catherine Madeline Grace – 0.0013917%
Estate of Leonard B. Olson – 0.0006958%
Residuary Trust u/w/o Mary Margaret Olson – 0.0006958%

Non-Consent WI Owners Under Pooling Order R-21506:
Mary Patricia Dougherty Trust – 0.133300%
Nancy S. Thomas – 0.0083094%
Estate of Alfred F. Schram, Sr. – 0.0004368%
Schram Family Living Revocable Trust – 0.0004368%

Name of ORRI Owners: Douglas A. Denton
JADT Minerals, Ltd.
Richard Donald Jones, Jr.

Galapagos 14-26 Fed Com 211H, 212H, and 213H

Baloney Feathers, Ltd
Patricia Boyle Young Management Trust
Geomar Resources, Inc.
Dorothy Jean Keenom
H. S. Minerals and Realty, Ltd.
Hill Investments, Ltd.
Regent Oil & Gas Company, LP
Nancy Puff Jones Trust
James R. Hill Family Limited Partnership
Glenn Lattimore Family Limited Partnership
Christensen Holdings, LP
Christensen Resource Properties, LP
Perry Resources, LLC
Mickey Gibson
West Ben Energy Partners, LLC
Mary Lou Cassidy
Momentum Minerals Operating, LP
TD Minerals, LLC
Pegasus Resources, LLC
McMullen Minerals, LLC
Innerarity Family Minerals, LLC
Lisa Gail Karabatsos
Georgia Bass
Figure 4 Investment Trust
Pony Oil Operating, LLC
MerPel, LLC
Joe N. Gifford and Emily K. Gifford
Devon Energy Production Company, LP

Tract No. 5

Lease Serial Number: USA NMNM 0 405444A

Lease Date: July 1, 1963

Lease Term: 10 Years

Lessor: United States of America

Original Lessee: Lorraine L. Todd

Present Lessee: Devon Energy Production Company, LP

Description of Land Committed: Township 23 South, Range 32 East, N.M.P.M.
Section 26: Insofar and only insofar as said lease covers S/2
NW/4 and SW/4

Galapagos 14-26 Fed Com 211H, 212H, and 213H

Number of Acres: 240.00 acres

Name and Percent of WI Owners: Devon Energy Production Company, LP – 92.4960545%
 Nortex Corporation – 5.0634830%
 Fortuna III Permian, LLC – 1.500%
 Joe N. Gifford – 0.1953125%
 Mabee Flynt Lease Trust – 0.2117500%
 TEK Properties, Ltd. – 0.20000%
 Nancy Stallworth Thomas Marital Trust – 0.0083095%
 P A Allman Trust – 0.0002186%
 George Marti Allman, III Trust – 0.0002186%
 Marilyn M. Allman Trust – 0.0002186%
 Jill Allman Mancuso Trust – 0.0002186%
 Donald C. Allman Trust – 0.0437343%
 George Allman, Jr. Trust – 0.0437343%
 Mary Elizabeth Schram Trust – 0.0437342%
 Margaret Sue Schroeder Trust – 0.0437342%
 Michelle Allman Grantor Trust – 0.0013106%
 Theresa Allman Smith Grantor Trust – 0.0013105%
 Estate of Doris Rita Schroeder – 0.0006959%
 Schroeder Family Trust – 0.0006958%
 Catherine Madeline Grace – 0.0013917%
 Estate of Leonard B. Olson – 0.0006958%
 Residuary Trust u/w/o Mary Margaret Olson – 0.0006958%

Non-Consent WI Owners Under Pooling Order R-21506:

Mary Patricia Dougherty Trust – 0.133300%
 Nancy S. Thomas – 0.0083094%
 Estate of Alfred F. Schram, Sr. – 0.0004368%
 Schram Family Living Revocable Trust – 0.0004368%

Name of ORRI Owners: River Oaks Trust Company and Georgia Todd Temple, Co-
 Trustees of the Lorraine L. Johnson Living Trust
 dated 9/23/1977
 Douglas A. Denton
 JADT Minerals, Ltd.
 Patricia Boyle Young
 Richard Donald Jones, Jr.
 Duncan Management, LLC, Agent for Kimbell Royalty
 Holdings. LLC
 Source Rock Minerals, LP
 Baloney Feathers, Ltd
 Patricia Boyle Young Management Trust
 Momentum Minerals Operating, LP

Galapagos 14-26 Fed Com 211H, 212H, and 213H

TD Minerals, LLC
Pegasus Resources, LLC
McMullen Minerals, LLC
Innerarity Family Minerals, LLC
Lisa Gail Karabatsos
Georgia Bass
Figure 4 Investment Trust
Pony Oil Operating, LLC
MerPel, LLC
Joe N. Gifford and Emily K. Gifford
Devon Energy Production Company, LP

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	160.00	16.666667%
2	160.00	16.666667%
3	320.00	33.333333%
4	80.00	8.333333%
5	<u>240.00</u>	<u>25.000000%</u>
Total	960.00	100.0000%

Date

By: _____

Name: _____

Title: _____

STATE OF _____)
) SS
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2021, by _____, as _____ of _____.

Signature of Notarial Officer _____

My Commission Expires: _____

Released to Imaging: 8/18/2021 1:27:44 PM

_____ Date By: _____

Title: _____

Title:

Title: _____

Title:

Title: _____

Title: _____

My Commission Expires: _____

Released to Imaging: 8/18/2021 1:27:44 PM

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Title: _____

By: _____

My Commission Expires: _____

Released to Imaging: 8/18/2021 1:27:44 PM

Title: _____

Released to Imaging: 8/18/2021 1:27:44 PM

Title: _____

Title:

Title:

Title: _____

Galapagos 14-26 Fed Com 211H, 212H, and 213H

From: [Engineer, OCD, EMNRD](#)
To: [Harms, Jenny](#)
Cc: [McClure, Dean, EMNRD](#); [Simmons, Kurt, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Hawkins, James, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](#); [Glover, James](#); [Paradis, Kyle O](#); [Walls, Christopher](#)
Subject: Approved Administrative Order CTB-996
Date: Wednesday, August 18, 2021 1:05:19 PM
Attachments: [CTB996 Order.pdf](#)

NMOCD has issued Administrative Order CTB-996 which authorizes Devon Energy Production Company, LP (6137) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
30-015-47287	Galapagos 14 26 Federal Com #211H	W/2	14-23S-31E	96919
		W/2	23-23S-31E	
		W/2	26-23S-31E	
30-015-47295	Galapagos 14 26 Federal Com #212H	W/2	14-23S-31E	96919
		W/2	23-23S-31E	
		W/2	26-23S-31E	
30-015-47290	Galapagos 14 26 Federal Com #213H	W/2	14-23S-31E	96919
		W/2	23-23S-31E	
		W/2	26-23S-31E	
30-015-47289	Galapagos 14 26 Federal Com #214H	E/2	14-23S-31E	96919
		E/2	23-23S-31E	
		E/2	26-23S-31E	
30-015-47291	Galapagos 14 26 Federal Com #215H	E/2	14-23S-31E	96919
		E/2	23-23S-31E	
		E/2	26-23S-31E	
30-015-47288	Galapagos 14 26 Federal Com #216H	E/2	14-23S-31E	96919
		E/2	23-23S-31E	
		E/2	26-23S-31E	

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
 Petroleum Engineer, Oil Conservation Division
 New Mexico Energy, Minerals and Natural Resources Department
 (505) 469-8211

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY DEVON ENERGY PRODUCTION
COMPANY, LP**

ORDER NO. CTB-996

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Devon Energy Production Company, LP (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7(B) NMAC.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
7. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

CONCLUSIONS OF LAW

8. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12 NMAC, and 19.15.23 NMAC.

9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2), (C)(4)(c), and (C)(4)(e) NMAC, as applicable.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) and (6) NMAC, as applicable.
11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.
12. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) and (C)(4)(h) NMAC.
13. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery described in Exhibit A.

2. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingle application to OCD to conform this Order with the approved Agreement(s). If OCD denies the new surface commingle application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area

described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

3. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
5. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
6. Applicant shall measure and market the commingled gas at a central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
7. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
8. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
9. If a well is not included in Exhibit A but produces from a pool or lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well and proposed method to determine the allocation of oil and gas production to it.
10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.

11. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
12. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

DATE: 8/12/2021

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **CTB-996**
Operator: **Devon Energy Production Company, LP (6137)**
Central Tank Battery: **Galapagos 14 Central Tank Battery 2**
Central Tank Battery Location: **B C G, Section 14, Township 23 South, Range 31 East**
Gas Title Transfer Meter Location: **B C G, Section 14, Township 23 South, Range 31 East**

Pools

Pool Name	Pool Code
JAMES RANCH BONE SPRING,EAST	96919

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
NMNM 533177A	N/2	14-23S-31E
NMNM 404441	S/2	14-23S-31E
NMNM 405444	All	23-23S-31E
NMNM 418220A	N/2 NW/4	26-23S-31E
NMNM 405444A	All minus C D	26-23S-31E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-47287	Galapagos 14 26 Federal Com #211H	W/2	14-23S-31E	96919
		W/2	23-23S-31E	
		W/2	26-23S-31E	
30-015-47295	Galapagos 14 26 Federal Com #212H	W/2	14-23S-31E	96919
		W/2	23-23S-31E	
		W/2	26-23S-31E	
30-015-47290	Galapagos 14 26 Federal Com #213H	W/2	14-23S-31E	96919
		W/2	23-23S-31E	
		W/2	26-23S-31E	
30-015-47289	Galapagos 14 26 Federal Com #214H	E/2	14-23S-31E	96919
		E/2	23-23S-31E	
		E/2	26-23S-31E	
30-015-47291	Galapagos 14 26 Federal Com #215H	E/2	14-23S-31E	96919
		E/2	23-23S-31E	
		E/2	26-23S-31E	
30-015-47288	Galapagos 14 26 Federal Com #216H	E/2	14-23S-31E	96919
		E/2	23-23S-31E	
		E/2	26-23S-31E	

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **CTB-996**
Operator: **Devon Energy Production Company, LP (6137)**

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring BLM	W/2	14-23S-31E	960	A
	W/2	23-23S-31E		
	W/2	26-23S-31E		
CA Bone Spring BLM	E/2	14-23S-31E	960	B
	E/2	23-23S-31E		
	E/2	26-23S-31E		

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 533177A	NW/4	14-23S-31E	160	A
NMNM 404441	SW/4	14-23S-31E	160	A
NMNM 405444	W/2	23-23S-31E	320	A
NMNM 418220A	N/2 NW/4	26-23S-31E	80	A
NMNM 405444A	E F K L M N	26-23S-31E	240	A
NMNM 533177A	NE/4	14-23S-31E	160	B
NMNM 404441	SE/4	14-23S-31E	160	B
NMNM 405444	E/2	23-23S-31E	320	B
NMNM 405444A	E/2	26-23S-31E	320	B

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 23976

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 23976
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	8/18/2021