



Devon Energy Production Company
333 W. Sheridan Avenue
Oklahoma City, Oklahoma 73102

April 22, 2021

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Central Tank Battery Shetland 2 CTB 2
Sec., T, R: NENE of 26S-31E-2
Lease: NMNM089057 & STATE LEASE LG6902
Pool: JENNINGS BONESPRING-97860 & PURPLE SAGE WOLFCAMP- 988220
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 – Off Lease Measurement for the subject mentioned well.

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@devon.com
Devon Energy Center-Tower
333 West Sheridan Avenue Oklahoma City OK 73102-5015

Enclosure

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 | | | | | |
| | | | | | |
| | | | | | |
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| | | | | | |

- (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: 4-22-2021

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

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

Revised March 23, 2017

| | | | |
|-----------|-----------|-------|---------|
| RECEIVED: | REVIEWER: | TYPE: | APP NO: |
|-----------|-----------|-------|---------|

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: 53800 SAND DUNES; BONE SPRING **Pool Code:** _____

988220 PURPLE SAGE WOLFCAMP

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

4-22-2021
 Date

405-552-6560
 Phone Number

jenny.harms@dv.com
 e-mail Address

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:

(iii) Federal unit PA or CA where each unit PA or CA proposed for commingling has the same proportion of Federal interest, and which interest is subject to the same fixed royalty rate and revenue distribution. (For example, the BLM could approve a commingling request under this paragraph where an operator proposes to commingle two Federal CAs of mixed ownership and both CAs are 50 percent Federal/50 percent private, so long as the Federal interests have the same royalty rates and royalty distributions.

Proposal for **Shetland 2 CTB 2**

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

| Well Name | API | LOCATION | LEASES | | FORMATION |
|-------------------------------------|------------|-----------|----------------------|-------------------------|---------------------------------|
| SHETLAND 2-11 STATE FED COM 333H | 3001547140 | 2-26S-31E | NMNM 089057-12.5% | STATE LEASE - LG6902 | JENNINGS BONESPRING-97860 |
| SHETLAND 2-11 STATE FED COM 613H | 3001547172 | 2-26S-31E | NMNM 089057-12.5% | STATE LEASE - LG6902 | PURPLE SAGE WOLFCAMP- 988220 |

CA:

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

The SHETLAND 2-11 STATE FED COM 613H CA will be for the Wolfcamp formation in the E/2 of Sections 2 & 11. The SHETLAND 2-11 STATE FED COM 333H CA will be for the Bone Spring formation in the E/2E/2 of Sections 2 & 11.

Oil & Gas metering:

The Shetland 2 CTB 2 central tank battery is in NENE of 26S-31E-2 in Eddy County, NM.

Each well flows to its own 3-Phase Separator where the full well stream is separated into independent gas, oil, and water streams.

3-Phase gas flows through an independent and designated orifice meter for rate allocation. The gas then flows into a manifold where it is combined with gas from other 3-Phases. The combined stream flows into the 2-Phase Separator(s) for further conditioning. The conditioned gas stream flows through an orifice meter(s) for Federal Measurement Point/Sales/Royalty Payment.

3-Phase oil flows through an independent and designated Coriolis meter for rate allocation. The oil then flows into a manifold where it is combined with oil from other 3-Phases. The combined stream flows into the Heater Treater(s) and then ULPS(s) for further conditioning and then into one of the oil tanks for storage. The stored oil is pumped into a LACT unit for Federal Measurement Point/Sales/Royalty Payment.

Flash gas from oil conditioning is recovered using compression (VRU). The recovered gas flows through a designated orifice meter for rate allocation.

3-Phase water flows through an independent and designated magnetic meter for rate allocation. The water then flows into a manifold where it is combined with water from other 3-Phases. The combined stream flows into one of the water tanks for storage.

The central tank battery has three oil tanks and two water tanks that all wells utilize. All wells have one common gas delivery point(s) on location and one common oil delivery point(s) (LACT) on or directly adjacent to location.

Secondary recovery will utilize recycled or buyback gas for gas lift. The gas is compressed and flows through an individual orifice meter to each wellhead.

| Well Name | Individual Meters | | |
|----------------------------------|-------------------|----------------|------------------|
| | Gas Allocation | Oil Allocation | Water Allocation |
| Shetland 2-11 State Fed Com 333H | DVN / * | DVN / * | DVN / * |
| Shetland 2-11 State Fed Com 613H | DVN / * | DVN / * | DVN / * |
| Common Meters | | | |
| VRU Allocation | DVN / * | | |
| Gas FMP #1 | DVN / * | | |
| Gas FMP #2 | DVN / * | | |
| Oil FMP | 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.

Devon - General

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.

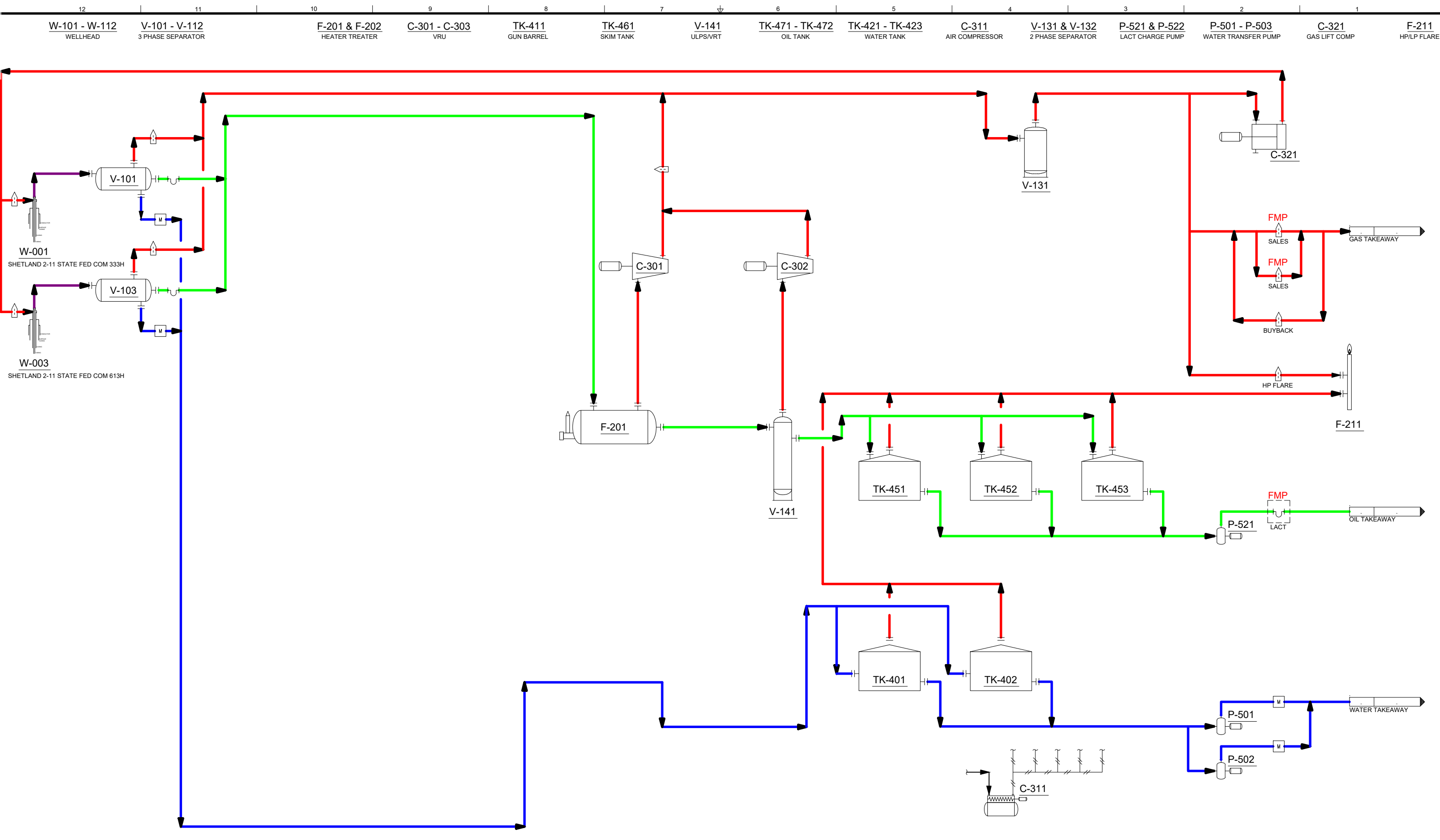
1. Allocated production is volume of oil produced by the CTB and is calculated by Ending Tank Inventory + Pipeline LACT (FMP) – Beginning Tank Inventory.
2. Available oil for sale is calculated by Pipeline LACT (FMP) + Beginning Tank Inventory.
3. Theoretical % is calculated by dividing each oil meter 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.

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- NOTES:**
- ORIFICE METER
 - CORIOIS METER
 - MAGNETIC METER
 - GAS
 - OIL
 - WATER
 - FULL WELL STREAM
 - INSTRUMENT AIR
 - FMP FEDERAL MEASUREMENT POINT

| | | | | | | | | | | | | | |
|-----|-------------|--|--|--|------|----------|---------------|--|-----------|--|---|--|--|
| | | | | DRAWING STATUS | | | DRAWN BY | | DATE | |  | Devon Energy Corporation | |
| | | | | ISSUED FOR | DATE | BY | ENGINEERED BY | | DATE | | | 333 West Sheridan Avenue, Oklahoma City, OK 73102-5015 | |
| | | | | PHA | | | | | | | | | |
| | | | | BID | | | APPROVED BY | | DATE | | | SHETLAND 2 CTB 2 | |
| | | | | CONSTRUCTION | | | | | | | | STANDARD PROCESS FLOW DIAGRAM | |
| | | | | AS-BUILT | | | PROJECT No.: | | | | | FILE NAME | |
| | | | | CONFIDENTIAL | | | | | | | | STD-120-01 | |
| | | | | This drawing is the property of Devon Energy. Any reproduction, copying or unauthorized use of this drawing, or any part thereof, without the express written consent of Devon Energy is prohibited. | | | DRAWING No.: | | ST-120-01 | | | R | |
| REV | DESCRIPTION | | | DATE | BY | APPROVED | | | | | | J | |
| | | | | DRAWING REVISION | | | | | | | | | |



NOTES:

1. EQUIPMENT AND LAYOUT CONFIGURATIONS ARE ONLY REPRESENTATIVE
2. MEASUREMENT POINTS SHOWN IN PROCESS FLOW DIAGRAM

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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Economic Justification Report

SHETLAND 2 CTB 2

| Well Name & Number | Type | Fed Lease 1 | Royalty Rate | Fed Lease 2 (if applicable) | Royalty Rate | Fed Lease 3 (if applicable) | Royalty Rate | BOPD | Oil Gravity @ 60° | MCFPD | Dry BTU |
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| SHETLAND 2-11 STATE FED COM 333H | Sweet | NMNM089057 | 12.50% | | | | | 175 | 48.7 | 1560 | 1471 |
| SHETLAND 2-11 STATE FED COM 613H | Sweet | NMNM089057 | 12.50% | | | | | 65 | 48.7 | 286 | 1471 |
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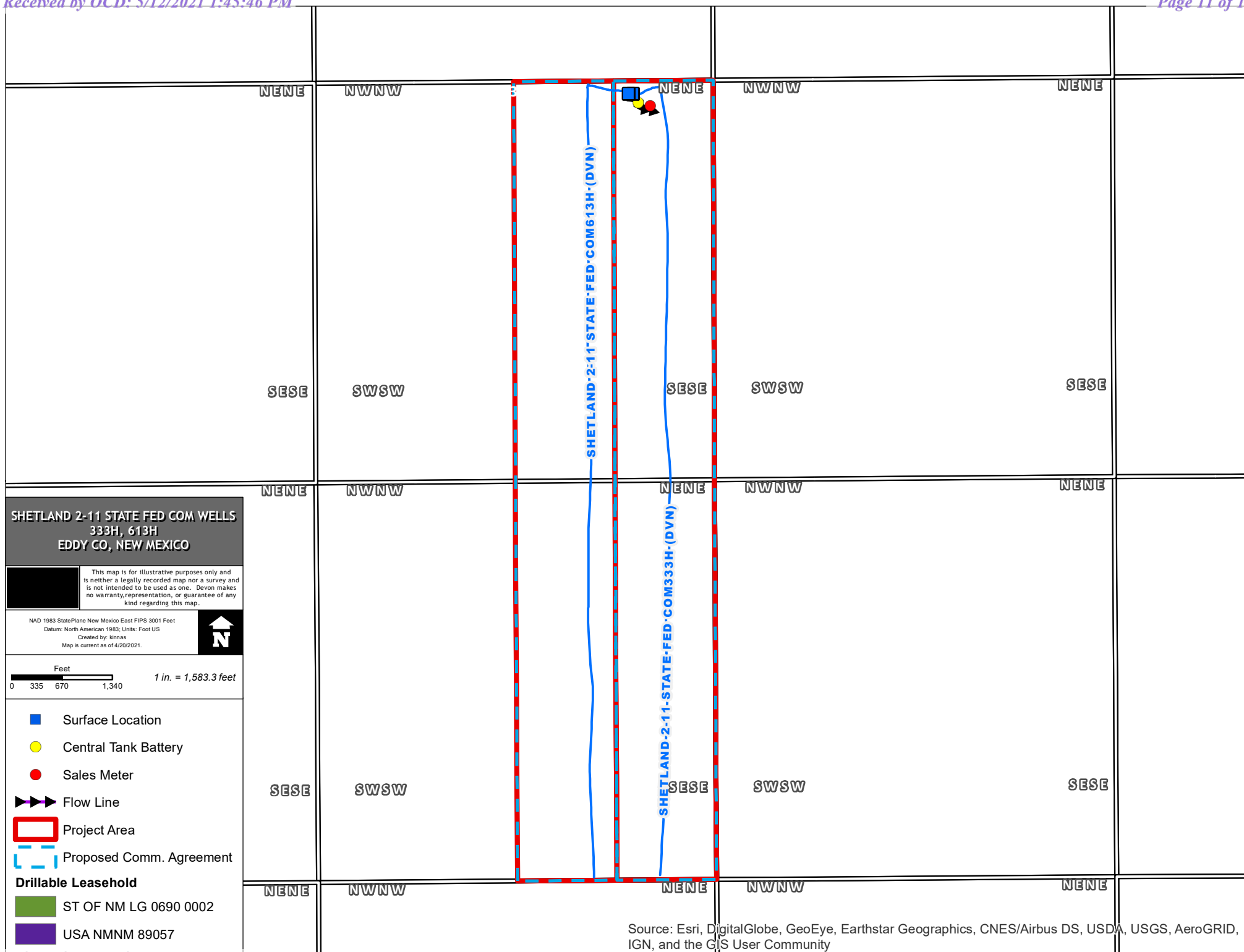
Economic Combined Production

| BOPD | Oil Gravity @ 60° | MCFPD | Dry BTU |
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| 240.0 | 48.7 | 1846.0 | 1471.0 |

Printed Name: Jenny Harms

Title: Regulatory Compliance Specialist

There are no material quality differences in oil/gas production from the wells in this application, therefore there will be no impact on the royalty value from an oil/gas marketing perspective. Gravity/BTU values were obtained from off-set wells within the same formations.



| Tracking # | | AttentionTo | Address3 | City | Region | Country | PostalCode |
|------------------------|-----------|---|-----------------------------|------------|--------|---------|------------|
| 9405509898642680222014 | Delivered | XTO HOLDINGS LLC | PO BOX 840780 | DALLAS | TX | US | 72584 |
| 9405509898642680216976 | Delivered | HEADINGTON ROYALTY INC | 1700 N REDBUD BLVD STE 400 | MCKINNEY | TX | US | 75069 |
| 9405509898642680214569 | Delivered | DIAMOND S ENERGY COMPANY | 6608 BRYANT IRVIN RD | FORT WORTH | TX | US | 76132 |
| 9405509898642058890852 | Delivered | HAYES LAND & PRODUCTION LP | PO BOX 51407 | MIDLAND | TX | US | 79710 |
| 9405509898642058887494 | Delivered | TLM3 LTD | 808 W WALL ST | MIDLAND | TX | US | 79701 |
| 9405509898642058971513 | Delivered | H & S DRILLING COMPANY | PO BOX 701620 | TULSA | TX | US | 74170 |
| 9405509898642061533203 | Delivered | LEAN DOG LIMITED PARTNERSHIP NO 1 | PO BOX 25203 | DALLAS | TX | US | 75225 |
| 9405509898642058972015 | Delivered | ACCELERATE RESOURCES OPERATING LLC | 5949 SHERRY LN STE 1060 | DALLAS | TX | US | 75225 |
| 9405509898642680327436 | Delivered | RL CAPPS FAMILY-2008 LP | PO BOX 6025 | MIDLAND | TX | US | 79704 |
| 9405509898642058974194 | Delivered | BURGHEN ENTERPRISES INC | 44-A EAST BROAD OAKS DR | HOUSTON | TX | US | 77056 |
| 9405509898642680330276 | Delivered | MCJC INVESTMENTS LP | 9805 KATY FWY STE 500 | HOUSTON | TX | US | 77024 |
| 9405509898642680387003 | Delivered | KPATP LLC | 11757 KATY FWY STE 1300 | HOUSTON | TX | US | 77079 |
| 9405509898642680388215 | Delivered | CHEETAH GAS CO LTD | PO BOX 4979 | HOUSTON | TX | US | 77210 |
| 9405509898642680389434 | Delivered | POSSE ENERGY LTD | 9805 KATY FREEWAY STE 500 | HOUSTON | TX | US | 77024 |
| 9405509898642059013113 | Delivered | ZORRITO INVESTMENTS LTD | 9805 KATY FWY STE 500 | HOUSTON | TX | US | 77024 |
| 9405509898642680391543 | Delivered | RODEN PARTICIPANTS LTD | 2603 AUGUSTA DR STE 430 | HOUSTON | TX | US | 77057 |
| 9405509898642059014103 | Delivered | RODEN ASSOCIATES LTD ATTN RICHARD E MONROE JR | 2603 AUGUSTA DR STE 430 | HOUSTON | TX | US | 77057 |
| 9405509898642680394308 | Delivered | LONGHORN PARTNERS | P O BOX 1973 | MIDLAND | TX | US | 79702 |
| 9405509898642680395732 | Delivered | EOG RESOURCES INC | PO BOX 840321 | DALLAS | TX | US | 75284 |
| 9405509898642685744207 | Delivered | PIONEER NATURAL RESOURCES USA INC | 5205 N OCONNOR BLVD STE 200 | IRVING | TX | US | 75039 |
| 9405509898642680398979 | Delivered | FUEL PRODUCTS INC | PO BOX 3098 | MIDLAND | TX | US | 79702 |
| 9405509898642059019016 | Delivered | GAHR ENERGY CO | PO BOX 1889 | MIDLAND | TX | US | 79702 |

| Well Name | Well Number | US Well Number | Lease Number | Case Number | Operator |
|---------------|-------------|----------------|--------------|-------------|----------|
| SHETLAND 2-11 | 613H | 300154717200X1 | NMNM89057 | NMNM89057 | DEVON |
| SHETLAND 2-11 | 333H | 300154714000X1 | NMNM89057 | NMNM89057 | DEVON |

Notice of Intent

Type of Submission: Notice of Intent

Date Sundry Submitted: 04/21/2021

Date proposed operation will begin: 04/20/2021

Type of Action

Commingling (Surface) and Off-Lease Measurement

Time Sundry Submitted: 08:32

Procedure Description: Devon Energy Production Company, LP is requesting approval for a Lease/ Pool Commingle & Off Lease Measurement. Proposal for Shetland 2 CTB 2, please see attachments.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

DBBU_Commingling_Narative__SHETLAND_2_CTB_2_4_20_2021_20210421083225.pdf

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: JENNY HARMS

Signed on: APR 21, 2021 08:32 AM

Name: DEVON ENERGY PRODUCTION COMPANY LP

Title: Regulatory Compliance Professional

Street Address: 333 West Sheridan Avenue

City: Oklahoma City **State:** OK

Phone: (405) 552-6560

Email address: jennifer.harms@dvn.com

Field Representative

Representative Name:

Street Address:

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

Phone:

Email address:

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 | ³ Pool Name |
| | 97860 | Jennings Bone Spring West |
| ⁴ Property Code | ⁵ Property Name | ⁶ Well Number |
| | SHETLAND 2-11 STATE FED COM | 333H |
| ⁷ OGRID No. | ⁸ Operator Name | ⁹ Elevation |
| 6137 | DEVON ENERGY PRODUCTION COMPANY, L.P. | 3292.8 |

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 | 2 | 26 S | 31 E | | 170 | NORTH | 1070 | 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 | 11 | 26 S | 31 E | | 20 | SOUTH | 630 | EAST | EDDY |

| | | | |
|-------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
| 320 | | | |

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| | | | | | | | |
|---|--|--|--|---|--|--|--|
| <p>NW CORNER SEC. 2 LAT. = 32.0794688°N LONG. = 103.7574356°W</p> <p>NMSP EAST (FT) N = 393123.30 E = 719706.10</p> <p>W/4 CORNER SEC. 2 LAT. = 32.0721403°N LONG. = 103.7574402°W</p> <p>NMSP EAST (FT) N = 390458.06 E = 719718.90</p> <p>SW CORNER SEC. 2 LAT. = 32.0648111°N LONG. = 103.7574377°W</p> <p>NMSP EAST (FT) N = 387791.85 E = 719733.91</p> <p>W/4 CORNER SEC. 11 LAT. = 32.0574807°N LONG. = 103.7574542°W</p> <p>NMSP EAST (FT) N = 385125.16 E = 719743.03</p> <p>SW CORNER SEC. 11 LAT. = 32.0501483°N LONG. = 103.7574177°W</p> <p>NMSP EAST (FT) N = 382457.83 E = 719768.56</p> | | <p>N89°33'35"E 2661.22 FT</p> <p>N/4 CORNER SEC. 2 LAT. = 32.0794837°N LONG. = 103.7488454°W</p> <p>NMSP EAST (FT) N = 393143.74 E = 722366.68</p> <p>S89°25'41"W 2656.92 FT</p> <p>S89°31'51"W 2653.56 FT</p> | | <p>N89°32'50"E 2662.17 FT</p> <p>NE CORNER SEC. 2 LAT. = 32.0795016°N LONG. = 103.7402522°W</p> <p>NMSP EAST (FT) N = 393164.77 E = 725028.21</p> <p>E/4 CORNER SEC. 2 LAT. = 32.0721721°N LONG. = 103.7402701°W</p> <p>NMSP EAST (FT) N = 390498.43 E = 725037.32</p> <p>SE CORNER SEC. 2 LAT. = 32.0648778°N LONG. = 103.7402879°W</p> <p>NMSP EAST (FT) N = 387844.87 E = 725046.38</p> <p>E/4 CORNER SEC. 11 LAT. = 32.0575180°N LONG. = 103.7402904°W</p> <p>NMSP EAST (FT) N = 385167.52 E = 725060.31</p> <p>SE CORNER SEC. 11 LAT. = 32.0501887°N LONG. = 103.7402922°W</p> <p>NMSP EAST (FT) N = 382501.27 E = 725074.40</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> 11-8-2019 Signature Date</p> <p>JENNY HAMRS Printed Name</p> <p>JENNY.HAMRS@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>OCTOBER 30, 2019 Date of Survey</p> <p><i>William F. Jaramillo</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number: 12797 SURVEY NO. 7477A</p> | |
|---|--|--|--|---|--|--|--|

Intent ☒ As Drilled ☐

API #

| | | |
|--|------------------------------------|-------------|
| Operator Name: | Property Name: | Well Number |
| DEVON ENERGY PRODUCTION CO., L.P. | SHETLAND 2-11 STATE FED COM | 333H |

Kick Off Point (KOP)

| | | | | | | | | | |
|--------------------------------|---------------------|------------------------|---------------------|-----|-----------------------------------|----------|------------------------|------------------|-----------------------|
| UL A | Section 2 | Township 26S | Range 31E | Lot | Feet 50 FNL | From N/S | Feet 630 FEL | From E/W | County EDDY |
| Latitude 32.07935000 | | | | | Longitude -103.74228600 | | | NAD 83 | |

First Take Point (FTP)

| | | | | | | | | | |
|-------------------------------|---------------------|------------------------|---------------------|-----|---------------------------------|--------------------------|--------------------|-------------------------|-----------------------|
| UL A | Section 2 | Township 26S | Range 31E | Lot | Feet 100 | From N/S NORTH | Feet 630 | From E/W EAST | County EDDY |
| Latitude 32.0792226 | | | | | Longitude 103.7422865 | | | NAD 83 | |

Last Take Point (LTP)

| | | | | | | | | | |
|-------------------------------|----------------------|------------------------|---------------------|-----|---------------------------------|--------------------------|--------------------|-------------------------|-----------------------|
| UL P | Section 11 | Township 26S | Range 31E | Lot | Feet 100 | From N/S SOUTH | Feet 630 | From E/W EAST | County EDDY |
| Latitude 32.0504589 | | | | | Longitude 103.7423251 | | | NAD 83 | |

Is this well the defining well for the Horizontal Spacing Unit?

☒ YES

Is this well an infill well?

☐ NO

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

| | | |
|----------------|----------------|-------------|
| Operator Name: | Property Name: | Well Number |
| | | |

KZ 06/29/2018

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 30-015-47172 | ² Pool Code 98220 | ³ Pool Name Purple Sage Wolfcamp |
| ⁴ Property Code 328255 | ⁵ Property Name SHETLAND 2-11 STATE FED COM | |
| ⁷ OGRID No. 6137 | ⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | ⁶ Well Number 613H |
| | | ⁹ Elevation 3292.9 |

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 | 2 | 26 S | 31 E | | 170 | NORTH | 1130 | 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 | 11 | 26 S | 31 E | | 330 | SOUTH | 1750 | EAST | EDDY |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 640 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| | | | | | |
|--|--|---|--|--|--|
| <p>NW CORNER SEC. 2 LAT. = 32.0794668°N LONG. = 103.7574356°W NMSP EAST (FT) N = 393123.30 E = 719706.10</p> <p>W/4 CORNER SEC. 2 LAT. = 32.0721403°N LONG. = 103.7574402°W NMSP EAST (FT) N = 390458.06 E = 719718.90</p> <p>SW CORNER SEC. 2 LAT. = 32.0648111°N LONG. = 103.7574377°W NMSP EAST (FT) N = 387791.85 E = 719733.91</p> <p>W/4 CORNER SEC. 11 LAT. = 32.0574807°N LONG. = 103.7574542°W NMSP EAST (FT) N = 385125.16 E = 719743.03</p> <p>SW CORNER SEC. 11 LAT. = 32.0501483°N LONG. = 103.7574177°W NMSP EAST (FT) N = 382457.83 E = 719768.56</p> | | <p>N/4 CORNER SEC. 2 LAT. = 32.079483°N LONG. = 103.748844°W NMSP EAST (FT) N = 393143.74 E = 722366.68</p> <p>SHEETLAND 2-11 STATE FED COM 613H ELEV. = 3292.9' LAT. = 32.0790270°N (NAD83) LONG. = 103.7439010°W NMSP EAST (FT) N = 392985.94 E = 723898.70</p> <p>FIRST TAKE POINT 330° FNL, 1750° FEL LAT. = 32.0785829°N LONG. = 103.7459032°W NMSP EAST (FT) N = 392821.01 E = 723779.75</p> <p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM (OF 1983) (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE VERTICAL DATUM NAVD83.</p> <p>BOTTOM OF HOLE LAT. = 32.0510826°N LONG. = 103.7459392°W NMSP EAST (FT) N = 382816.88 E = 723723.06</p> | | <p>NE CORNER SEC. 2 LAT. = 32.0795016°N LONG. = 103.7402522°W NMSP EAST (FT) N = 393164.77 E = 725028.21</p> <p>E/4 CORNER SEC. 2 LAT. = 32.0721721°N LONG. = 103.7402701°W NMSP EAST (FT) N = 390498.43 E = 725037.32</p> <p>SE CORNER SEC. 2 LAT. = 32.0648778°N LONG. = 103.7402879°W NMSP EAST (FT) N = 387844.87 E = 725046.38</p> <p>E/4 CORNER SEC. 11 LAT. = 32.0575180°N LONG. = 103.7402904°W NMSP EAST (FT) N = 385167.52 E = 725060.31</p> <p>SE CORNER SEC. 11 LAT. = 32.0501887°N LONG. = 103.7402922°W NMSP EAST (FT) N = 382501.27 E = 725074.40</p> | |
|--|--|---|--|--|--|

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 5-12-2021
Signature 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.

AUGUST 8, 2019
Date of Survey

Filimon F. Jaramillo
Signature and Seal of Professional Surveyor:
Certificate Number: **FILIMON F. JARAMILLO, PLS 12797**
SURVEY NO. 7475

Intent ☒ As Drilled ☐

| | | |
|--|--|----------------------------|
| API # | | |
| Operator Name: DEVON ENERGY PRODUCTION CO., L.P. | Property Name: SHETLAND 2-11 STATE FED COM | Well Number 613H |

Kick Off Point (KOP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-------------------------|---------|----------|-------|-----|----------------------------|----------|----------|----------|-----------|
| A | 2 | 26S | 31E | | 50 FNL | | 1750 FEL | | EDDY |
| Latitude 32.07936600 | | | | | Longitude -103.74590200 | | | | NAD 83 |

First Take Point (FTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-------------------------------|---------|----------|-------|-----|---------------------------------|----------|------|----------|------------------|
| B | 2 | 26S | 31E | | 330 | NORTH | 1750 | EAST | EDDY |
| Latitude 32.0785829 | | | | | Longitude 103.7459032 | | | | NAD 83 |

Last Take Point (LTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-------------------------------|---------|----------|-------|-----|---------------------------------|----------|------|----------|------------------|
| O | 11 | 26S | 31E | | 330 | SOUTH | 1750 | EAST | EDDY |
| Latitude 32.0510826 | | | | | Longitude 103.7459392 | | | | NAD 83 |

Is this well the defining well for the Horizontal Spacing Unit?

☐ YES

Is this well an infill well?

☐ NO

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

| | | |
|----------------|----------------|-------------|
| API # | | |
| Operator Name: | Property Name: | Well Number |

KZ 06/29/2018

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
DEVON ENERGY PRODUCTION COMPANY, L.P.**

**CASE NO. 22260
ORDER NO. R-21955**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on November 4, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Devon Energy Production Company, L.P. (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. On April 9, 2020, OCD issued order R-21249 which pooled all uncommtted interest in the Wolfcamp formation underlying a 640-acre, more or less, comprised of the E/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico.
3. On April 9, 2020, OCD issued order R-21250 which pooled all uncommtted interest in the Wolfcamp formation underlying a 640-acre, more or less, comprised of the W/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico.
4. Subsequent to the Orders, the as-drilled location for one of the Operators wells under Order R-21250 was drilled into and completed within the E/2 spacing unit governed by Order R-21249.
5. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
6. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
7. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
8. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

9. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
10. Operator is the owner of an oil and gas working interest within the Unit.
11. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
12. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
13. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
14. The Unit contains separately owned uncommitted interests in oil and gas minerals.
15. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
16. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
17. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

18. Orders R-21249 and R-21250 are superseded by Order R-21955, and are no longer in effect.
19. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
20. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
21. Operator is designated as operator of the Unit and the Well(s).
22. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
23. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.

CASE NO. 22260
ORDER NO. R-21955

Page 2 of 8

24. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
25. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
26. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
27. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
28. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
29. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
30. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."

31. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
32. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
33. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
34. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
35. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
36. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
37. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
38. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.

39. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



ADRIENNE SANDOVAL
DIRECTOR
AES/jag

Date: 12/15/2021

CASE NO. 22260
ORDER NO. R-21955

Page 5 of 8

Exhibit A

Received by OCD: 11/2/2021 11:29:03 PM

Page 7 of 114

| COMPULSORY POOLING APPLICATION CHECKLIST | |
|--|--|
| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS | |
| Case: 22260 | APPLICANT'S RESPONSE |
| Date | November 4, 2021 |
| Applicant | Devon Energy Production Company, L.P. |
| Designated Operator & OGRID (affiliation if applicable) | Devon Energy Production Company, L.P. (OGRID 6137) |
| Applicant's Counsel: | Holland & Hart LP |
| Case Title: | APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR A COMPULSORY POOLING ORDER REPLACING AND REVOKING ORDER NOS. R-21249 AND R-21250, EDDY COUNTY, NEW MEXICO. |
| Entries of Appearance/Intervenors: | N/A |
| Well Family | Shetland 11-2 Fed State Com |
| Formation/Pool | Wolfcamp formation [Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220)] |
| Formation Name(s) or Vertical Extent: | Wolfcamp formation |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Entire Pool |
| Pool Name and Pool Code: | Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220) |
| Well Location Setback Rules: | Purple Sage; Wolfcamp (Gas) Pool Special Pool Rules |
| Spacing Unit Size: | 1,280 acres |
| Spacing Unit | 1,280 acres |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 1,280 acres |
| Building Blocks: | 320 acres |
| Orientation: | South-North/North-South |
| Description: TRS/County | All of Sections 2 and 11, all in Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico. |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe | Yes |
| Other Situations | |
| Depth Severance: Y/N. If yes, description | No |
| Proximity Tracts: If yes, description | Yes; The completed interval of the Shetland 11-2 Fed State Com 732H will remain within 330 feet of the quarter-quarter line separating the W/2 from the E/2 of Sections 2 and 11 to allow inclusion of these proximity tracts into a standard horizontal spacing unit. |
| Proximity Defining Well: if yes, description | Shetland 11-2 Fed State Com 732H |
| Applicant's Ownership in Each Tract | Yes; See Exhibit C-3 |
| Well(s) | |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed |

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B
 Submitted by: Devon Energy Production Co. LP
 Hearing Date: November 04, 2021
 Case No. 22260

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| | |
|--|--|
| Well #1 | Shetland 11-2 Fed State Com 611H (API No. 30-015-47139) SHL: 15 FSL, 505 FWL, Sec. 11, T26S, R31E FTP: 498 FSL, 978 FWL, Sec. 11, T26S, R31E LTP: 156 FNL, 984 FWL, Sec. 2, T26S, R31E BHL: 35 FNL, 990 FWL, Sec. 2, T26S, R31E Wolfcamp formation Standard HSU |
| Well #2 | Shetland 11-2 Fed State Com 711H (API No. 30-015-47156) SHL: 15 FSL, 475 FWL, Sec. 11, T26S, R31E FTP: 508 FSL, 349 FWL, Sec. 11, T26S, R31E LTP: 179 FNL, 398 FWL, Sec. 2, T26S, R31E BHL: 55 FNL, 404 FWL, Sec. 2, T26S, R31E Wolfcamp formation Standard HSU |
| Well #3 | Shetland 11-2 Fed State Com 712H (API No. 30-015-47157) SHL: 350 FSL, 2080 FWL, Sec. 11, T26S, R31E FTP: 683 FSL, 1651 FWL, Sec. 11, T26S, R31E LTP: 155 FNL, 1619 FWL, Sec. 2, T26S, R31E BHL: 30 FNL, 1613 FWL, Sec. 2, T26S, R31E Wolfcamp formation Standard HSU |
| Well #4 | Shetland 11-2 Fed State Com 732H (API No. 30-015-47159) SHL: 350 FSL, 2140 FWL, Sec. 11, T26S, R31E FTP: 666 FSL, 2538 FWL, Sec. 11, T26S, R31E LTP: 160 FNL, 2330 FEL, Sec. 2, T26S, R31E BHL: 35 FNL, 2333 FEL, Sec. 2, T26S, R31E Wolfcamp formation Standard HSU |
| Well #5 | Shetland 11-2 Fed State Com 613H (API No. 30-015-47172) SHL: 170 FNL, 1130 FEL, Sec. 2, T26S, R31E FTP: 548 FNL, 1676 FEL, Sec. 2, T26S, R31E LTP: 167 FSL, 1637 FEL, Sec. 11, T26S, R31E BHL: 42 FSL, 1635 FEL, Sec. 11, T26S, R31E Wolfcamp formation Standard HSU |
| Horizontal Well First and Last Take Points | See Exhibit C-2 |
| Completion Target (Formation, TVD and MD) | Wolfcamp formation; See Exhibit C-4 |
| | |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$8,000 |
| Production Supervision/Month \$ | \$800 |
| Justification for Supervision Costs | See Exhibit C |
| Requested Risk Charge | 200% |
| Notice of Hearing | |
| Proposed Notice of Hearing | See Exhibit D |
| Proof of Mailed Notice of Hearing (20 days before hearing) | See Exhibit D |


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| | |
|--|--|
| Proof of Published Notice of Hearing (10 days before hearing) | See Exhibit D |
| Ownership Determination | |
| Land Ownership Schematic of the Spacing Unit | See Exhibit C-3 |
| Tract List (including lease numbers and owners) | See Exhibit C-3 |
| Pooled Parties (including ownership type) | See Exhibit C-3 |
| Unlocatable Parties to be Pooled | N/A |
| Ownership Depth Severance (including percentage above & below) | N/A |
| Joinder | |
| Sample Copy of Proposal Letter | See Exhibit C-4 |
| List of Interest Owners (ie Exhibit A of JOA) | See Exhibit C-3 |
| Chronology of Contact with Non-Joined Working Interests | See Exhibit C-5 |
| Overhead Rates In Proposal Letter | \$8000/\$800 |
| Cost Estimate to Drill and Complete | See Exhibit C-4 |
| Cost Estimate to Equip Well | See Exhibit C-4 |
| Cost Estimate for Production Facilities | See Exhibit C-4 |
| Geology | |
| Summary (including special considerations) | See Order Nos. 21249/21250 |
| Spacing Unit Schematic | See Order Nos. 21249/21250 |
| Gunbarrel/Lateral Trajectory Schematic | See Order Nos. 21249/21250 |
| Well Orientation (with rationale) | See Order Nos. 21249/21250 |
| Target Formation | Wolfcamp formation |
| HSU Cross Section | Per Order Nos. 21249/21250 |
| Depth Severance Discussion | N/A |
| Forms, Figures and Tables | |
| C-102 | See Exhibit C-2 |
| Tracts | See Exhibit C-2 |
| Summary of Interests, Unit Recapitulation (Tracts) | See Exhibit C-3 |
| General Location Map (including basin) | See Order Nos. 21249/21250 |
| Well Bore Location Map | See Order Nos. 21249/21250 |
| Structure Contour Map - Subsea Depth | See Order Nos. 21249/21250 |
| Cross Section Location Map (including wells) | See Order Nos. 21249/21250 |
| Cross Section (including Landing Zone) | See Order Nos. 21249/21250 |
| Additional Information | |
| Special Provisions/Stipulations | N/A |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | Adam Rankin |
| Signed Name (Attorney or Party Representative): |  |
| Date: | 4-Nov-21 |

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Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of August, 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 26 South, Range 31 East, N.M.P.M

Section 2: E/2

Section 11: E/2

Eddy County, New Mexico

Containing 640 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

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

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 Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust 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 August 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 Operating Rights Owner)

Date: 7/11/2021

By: Catherine Lebsack
Catherine Lebsack, Vice President 

ACKNOWLEDGEMENT

STATE OF OKLAHOMA §
 §
 COUNTY OF OKLAHOMA §

The foregoing instrument was acknowledged before me on this 11th day of February, 2021 by Catherine Lebsack, Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

My Commission Expires:



[Signature]

Notary Public

Chevron U.S.A. Inc.
(Record Title Only)

 Date

By: _____

Title: _____

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
 COUNTY OF _____)

On this _____ day of _____, 20____, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of _____, on behalf of the same.

(SEAL)

 My Commission Expires

 Notary Public

3/17/2021
Date

CRP XII, LLC

By: [Signature]

Title: David J. Craig
Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

On this 17th day of March, 2021, before me, a Notary Public for the State of Oklahoma,
personally appeared David J. Craig, known to me to be
the Attorney-in-Fact of CRP XII, LLC, on behalf of the same.

(SEAL)

08/31/24
My Commission Expires



Mercadies Walker
Notary Public

Accelerate Resources Operating, LLC

March 24, 2021
Date

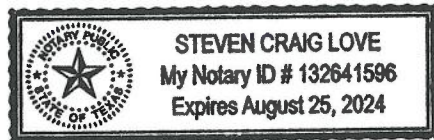
By: John D. Crocker, Jr.Title: Vice President of Land and Business Development

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

On this 24th day of March 2021, before me, a Notary Public for the State of Texas, personally appeared John D. Crocker, Jr., known to me to be the Vice President of Land and Business Development of **Accelerate Resources Operating, LLC**, a Delaware limited liability company, on behalf of said company.

(SEAL)



8-25-24
My Commission Expires

Steven Craig Love
Notary Public

U.S. Energy Development Corporation

3/29/21

Date

By: B.L. Still (LB)Title: CFO

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Tarrant) ss.

On this 29th day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Brandon Standiford, known to me to be
the CFO of U.S. Energy Development Corporation, on behalf of the same.

(SEAL)

09-04-24
My Commission ExpiresJudith N. Pate
Notary Public

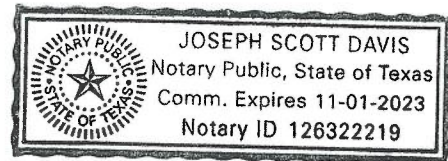
TLM3, LTD

3/17/2021
DateBy: Stirling WarrenTitle: Manager

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Midland) ss.On this 17th day of March, 2021, before me, a Notary Public for the State of Texas, personally appeared Stirling Warren, known to me to be the Manager of TLM3, LTD, on behalf of the same.

(SEAL)

11/1/2023
My Commission ExpiresJoseph Scott Davis
Notary Public

3/18/21
Date

Roden Participants, Ltd.

By: Benjamin K. Kinney

Title: Benjamin K. Kinney,
V.P., Tiltex Co., L.L.C.
Managing Partner

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Harris) ss.

On this 19 day of March, 2021, before me, a Notary Public for the State of Texas, personally appeared Benjamin Kinney, known to me to be the Vice President of Tiltex Co, on behalf of the same.

(SEAL)



3/18/21
My Commission Expires

Cindy Russell
Notary Public

3-19-21

Date

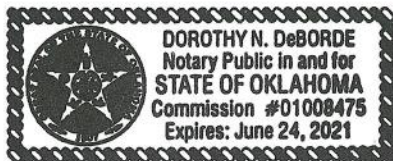
The H and S Drilling CompanyBy: Bill R. Snow

Title:

Bill R. Snow, President
THE H AND S DRILLING COMPANY**ACKNOWLEDGEMENT**STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

On this 22 day of March, 2021, before me, a Notary Public for the State of OKLAHOMA, personally appeared Bill R. Snow, known to me to be the President of The H and S Drilling Co, on behalf of the same.

(SEAL)

6/24/2021
My Commission Expires
Comm. # 01008475Dorothy N. DeBorde
Notary Public
Dorothy N. DeBorde

Lean Dog Limited Partnership No. 1

3/24/21
Date

By: *Seth Woodberry*

Title: _____ Seth Woodberry, President of
Woodberry Royalty, Inc.,
the General Partner for
Lean Dog Limited Partnership No. 1

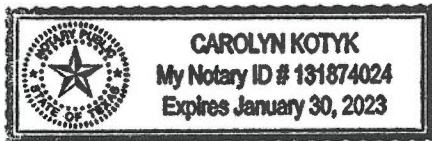
ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Dallas) ss.

On this 24 day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Seth Woodberry, known to me to be
the _____ of _____, on behalf of the same.

(SEAL) Seth Woodberry, President of
Woodberry Royalty, Inc.,
the General Partner for
Lean Dog Limited Partnership No. 1

1-30-23
My Commission Expires



Carolyn Kotyk
Notary Public

RLCapps Family-2008, LP

3-30-2021

Date

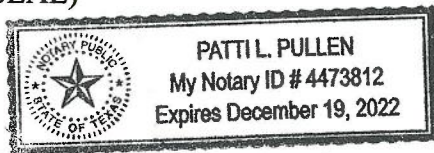
By: Randall CappsTitle: Manager

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

On this 30th day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Randall Capps, known to me to be
the Manager of RLCapps Family-2008 LP, on behalf of the same.

(SEAL)



My Commission Expires

Patti L. Pullen
Notary Public

3/18/21
Date

Roden Associates, Ltd.

By: [Signature]

Title: Benjamin K. Kinney,
V.P., Tiltex Co., L.L.C.
Managing Partner

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Harris) ss.

On this 19 day of March, 2021, before me, a Notary Public for the State of Texas, personally appeared Benjamin Kinney, known to me to be the Vice President of Tiltex Co, on behalf of the same.

(SEAL)

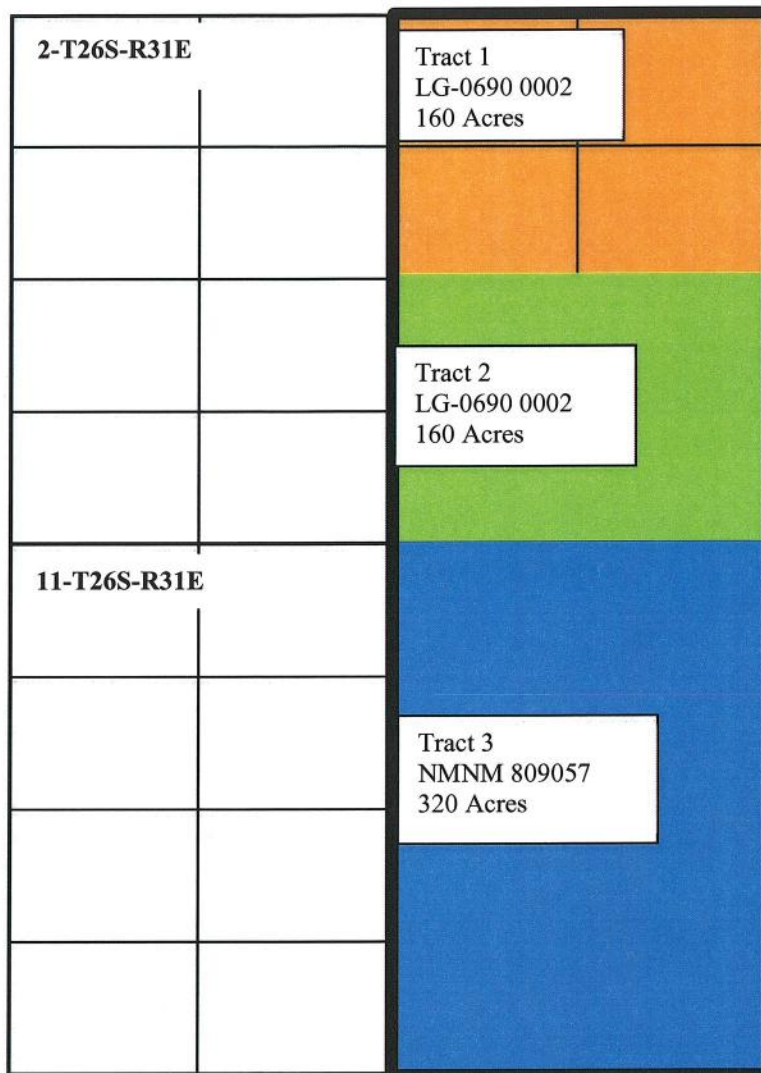


5/30/25
My Commission Expires

[Signature]
Notary Public

EXHIBIT "A"

Plat of communitized area covering 640 acres in the E/2 of Section 2, Township 26 South, Range 31 East and E/2 of Section 11, Township 26 South, Range 31 East, Eddy County, New Mexico.

**Defining Well (640 AC HSU):**

Shetland 2-11 State Fed Com 613H

SHL: 170' FNL x 1130' FEL of Section 2-26S-31E

BHL: 20' FNL x 1650' FEL of Section 11-26S-31E

Infill Wells (640 AC HSU):

Shetland 11-2 State Fed Com 732H

SHL: 350' FSL x 2140' FWL of Section 11-26S-31E

BHL: 330' FNL x 2310' FEL of Section 2-26S-31E

EXHIBIT "B"

To Communitization Agreement Dated August 1, 2020, embracing the following described land in the E/2 of Section 2, Township 26 South, Range 31 East and E/2 of Section 11, Township 26 South, Range 31 East, Eddy County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

| | | |
|---|--|------------|
| Lease Serial Number: | State of New Mexico Lease No. LG-6900 0002 | |
| Lease Date: | October 1, 1972 | |
| Lease Term: | Ten (10) Years | |
| Lessor: | State of New Mexico | |
| Original Lessee: | Yates Petroleum Corporation | |
| Description of Land Committed: | Township 26 South, Range 31 East, Section 2: Insofar and only insofar as the lease covers the E/2N/2 | |
| Number of Gross Acres: | 160 acres | |
| Royalty: | 1/8 th | |
| Working Interest Owners: | Devon Energy Production Company, L.P. | 42.045450% |
| Owners Under Pooling Order No. R-21249: | | |
| | CRP XII,, LLC | 11.829735% |
| | Fuel Products Inc. | 11.829735% |
| | U.S. Energy Development Corporation | 11.945142% |
| | Pioneer Natural Resources USA, Inc. | 9.090900% |
| | Diamond Energy Company | 4.545450% |
| | Burgher Enterprises Inc. | 0.923294% |
| | Zorrito Investments Ltd | 1.384940% |
| | Cheetah Gas Co Ltd | 1.661929% |
| | Posse Energy Ltd | 1.384940% |
| | KPATP LLC | 0.923294% |
| | MCJC Investments LP | 1.107953% |
| | Highland (Texas) Energy Company | 1.327238% |

Overriding Interest Owners: Devon Energy Production Company, L.P.
 Lime Rock Resources A, L.P.
 Magnolia, LLC
 T.R. Cone, a single man
 Big Sinks Joint Venture

Tract No. 2

Lease Serial Number: State of New Mexico Lease No. LG-6900 0002

Lease Date: October 1, 1972

Lease Term: Ten (10) Years

Lessor: State of New Mexico

Original Lessee: Yates Petroleum Corporation

Description of Land Committed: Township 26 South, Range 31 East,
 Section 2: Insofar and only insofar as the lease covers the
 E/2S/2

Number of Gross Acres: 160

Royalty: 1/8th

Name of Working Interest Owners: Devon Energy Production Company, L.P. 79.188000%
 TLM3, LTD 1.608073%
 Accelerate Resources Operating, LLC 0.781250%
 The H and S Drilling Company 0.036261%
 Lean Dog Limited Partnership No.1 0.020031%
 RLCapps Family-2008, LP 0.260417%

Owners Under Pooling Order No. R-21249:

| | |
|-------------------------------------|-----------|
| EOG Resources, Inc. | 6.803385% |
| Roden Participants, Ltd. | 1.236979% |
| U.S. Energy Development Corporation | 0.762642% |
| Highland (Texas) Energy Company | 0.084738% |
| Headington Royalty, Inc. | 0.377078% |
| Roden Associates, Ltd. | 0.247396% |
| Burgher Enterprises Inc. | 1.074219% |
| MCJC Investments LP | 1.289062% |

| | |
|-------------------------|-----------|
| Zorrito Investments Ltd | 1.611328% |
| Cheetah Gas Co Ltd | 1.933594% |
| Posse Energy Ltd | 1.611328% |
| KPATP LLC | 1.074219% |
| Posse Energy Ltd | 1.611328% |
| KPATP LLC | 1.074219% |

Overriding Interest Owners: Devon Energy Production Company, L.P.
 Lime Rock Resources A, L.P.
 T.R. Cone, a single man
 Craig Folson, marital status unknown
 William F. Roden Bypass Trust

Tract No. 3

Lease Serial Number: NMNM 089057

Lease Date: June 1, 1992

Lease Term: Five (5) Years

Lessor: United States of America

Original Lessee: Phillips Petroleum Company

Description of Land Committed: Township 26 South, Range 31 East,
 Section 11: Insofar and only insofar as the lease covers the
 E/2 of Section 11

Number of Gross Acres: 320

Royalty: 1/8th

Record Title Owner – Lessee: Devon Energy Production Company, L.P. 100.000000%

Name of Working Interest Owners: Devon Energy Production Company, L.P. 50.000000%
 XTO Energy, Inc. 50.000000%

Overriding Interest Owners: ConocoPhillips Company

RECAPITULATION

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1 | 160.00 | 25.0000% |
| 2 | 160.00 | 25.0000% |
| 3 | 320.00 | 50.0000% |
| Total | 640.00 | 100.0000% |

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of August, 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 26 South, Range 31 East, N.M.P.M

Section 2: E/2E/2
Section 11: E/2E/2
Eddy County, New Mexico

Containing 320 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.

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

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 Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust 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 August 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 Operating Rights Owner)

Date: 2/11/2021

By: Catherine Lebsack
Catherine Lebsack, Vice President 

ACKNOWLEDGEMENT

STATE OF OKLAHOMA §

§

COUNTY OF OKLAHOMA §

The foregoing instrument was acknowledged before me on this 11th day of February, 2021 by Catherine Lebsack, Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

My Commission Expires:



Notary Public

Chevron U.S.A. Inc.
(Record Title Only)

 Date

By: _____

Title: _____

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
 COUNTY OF _____)

On this ____ day of _____, 20__, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of _____, on behalf of the same.

(SEAL)

 My Commission Expires

 Notary Public

3/17/2021
Date

CRP XII, LLC

By: [Signature]

Title: David J. Craig
Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

On this 17th day of March, 2021, before me, a Notary Public for the State of Oklahoma,
personally appeared David J. Craig, known to me to be
the Attorney-in-Fact of CRP XII, LLC, on behalf of the same.

(SEAL)

08/31/24
My Commission Expires



Mercadies Walker
Notary Public

U.S. Energy Development Corporation

3-29-21

Date

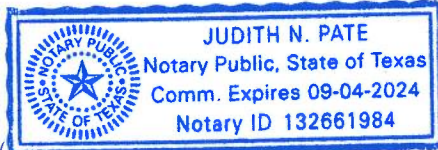
By: BL Stetly (LSD)Title: CFO

ACKNOWLEDGEMENT

STATE OF Texas)
) ss.
COUNTY OF Tarrant)

On this 29th day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Brandon Standiford, known to me to be
the CFO of U.S. Energy Development Corporation, on behalf of the same.

(SEAL)

09-04-24
My Commission ExpiresJudith N. Pate
Notary Public

3/17/2021
Date

TLM3, LTD

By: [Signature]

Title: _____

ACKNOWLEDGEMENT

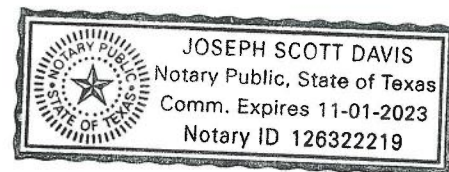
STATE OF Texas)
COUNTY OF Midland) ss.

On this 17th day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Stirling Warren, known to me to be
the Manager of TLM3, LTD, on behalf of the same.

(SEAL)

11/1/2023
My Commission Expires

[Signature]
Notary Public



3/16/21
Date

Roden Participants, Ltd.

By: *Benjamin K. Kinney*

Title: Benjamin K. Kinney,
V.P., Tiltex Co., L.L.C.
Managing Partner

ACKNOWLEDGEMENT

STATE OF Texas)
) ss.
COUNTY OF Harris)

On this 19 day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Benjamin Kinney, known to me to be
the Vice President of Tiltex Co, on behalf of the same.

(SEAL)



5/30/25
My Commission Expires

Cindy Russell
Notary Public

Accelerate Resources Operating, LLC

March 24, 2021
Date

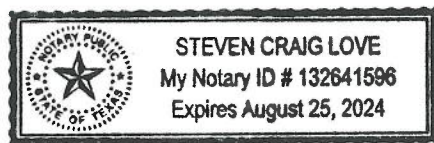
By: John D. Crocker, Jr.Title: Vice President of Land and Business Development

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

On this 24th day of March 2021, before me, a Notary Public for the State of Texas, personally appeared John D. Crocker, Jr., known to me to be the Vice President of Land and Business Development of **Accelerate Resources Operating, LLC**, a Delaware limited liability company, on behalf of said company.

(SEAL)



8-25-24
My Commission Expires

Steven Craig Love
Notary Public

3-19-21
Date

The H and S Drilling Company

By: Bill R. Snow

Title: Bill R. Snow, President
THE H AND S DRILLING COMPANY

ACKNOWLEDGEMENT

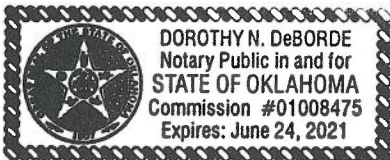
STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

On this 22 day of March, 2021, before me, a Notary Public for the State of OKLAHOMA, personally appeared BILL R. SNOW, known to me to be the President of The H and S Drilling Co, on behalf of the same.

(SEAL)

6/24/2021
My Commission Expires
Comm # 01008475

Dorothy N. DeBorde
Notary Public
Dorothy N. DeBorde



3/24/21
Date

Lean Dog Limited Partnership No. 1By: Seth Woodberry

Title: _____ Seth Woodberry, President of
Woodberry Royalty, Inc.,
the General Partner for
Lean Dog Limited Partnership No. 1

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Dallas) ss.

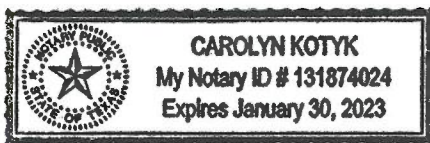
On this 24 day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Seth Woodberry, known to me to be
the Seth Woodberry, President of _____, on behalf of the same.

(SEAL)

Woodberry Royalty, Inc.,
the General Partner for
Lean Dog Limited Partnership No. 1

1/30/23
My Commission Expires

Carolyn Kotyk
Notary Public



3/30/2021
Date

RLCapps Family-2008, LP

By: Randall Capps

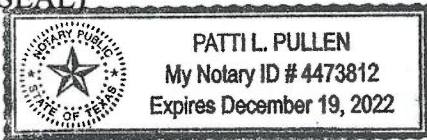
Title: Manager

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

On this 30th day of March, 2021, before me, a Notary Public for the State of Texas, personally appeared Randall Capps, known to me to be the Manager of RLCapps Family-2008 LP, on behalf of the same.

(SEAL)



My Commission Expires

Patti L. Pullen
Notary Public

3/18/21
Date

Roden Associates, Ltd.

By: *Benjamin K. Kinney*
Title: Benjamin K. Kinney.
V.P., Tiltex Co., L.L.C.
Managing Partner

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Harris) ss.

On this 19 day of March, 2021, before me, a Notary Public for the State of Texas, personally appeared Benjamin Kinney, known to me to be the Vice President of Tiltex Co, on behalf of the same.

(SEAL)



3/30/25
My Commission Expires

Cindy Russell
Notary Public

EXHIBIT "A"

Plat of communitized area covering 320 acres in the E/2E/2 of Section 2, Township 26 South, Range 31 East and E/2 E/2 of Section 11, Township 26 South, Range 31 East, Eddy County, New Mexico.

| | | | |
|--------------|--|--|-------------------------------------|
| 2-T26S-R31E | | | Tract 1 LG-0690 0002 80 Acres |
| | | | |
| | | | |
| | | | |
| | | | Tract 2 LG-0690 0002 80 Acres |
| | | | |
| 11-T26S-R31E | | | |
| | | | |
| | | | Tract 3 NMNM 809057 160 Acres |
| | | | |
| | | | |
| | | | |

Defining Well (640 AC HSU):

Shetland 2-11 State Fed Com 333H

SHL: 170' FNL x 1070' FEL of Section 2-26S-31E

BHL: 20' FNL x 630' FEL of Section 11-26S-31E

EXHIBIT "B"

To Communitization Agreement Dated August 1, 2020, embracing the following described land in the E/2E/2 of Section 2, Township 26 South, Range 31 East and E/2E/2 of Section 11, Township 26 South, Range 31 East, Eddy County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTEDTract No. 1

| | | |
|---|--|------------|
| Lease Serial Number: | State of New Mexico Lease No. LG-6900 0002 | |
| Lease Date: | October 1, 1972 | |
| Lease Term: | Ten (10) Years | |
| Lessor: | State of New Mexico | |
| Original Lessee: | Yates Petroleum Corporation | |
| Description of Land Committed: | Township 26 South, Range 31 East, Section 2: Insofar and only insofar as the lease covers the E/2SNE/4 | |
| Number of Gross Acres: | 80 acres | |
| Royalty: | 1/8 th | |
| Working Interest Owners: | Devon Energy Production Company, L.P. | 42.045450% |
| Owners Under Pooling Order No. R-21310: | | |
| | CRP XII,, LLC | 11.829735% |
| | Fuel Products Inc. | 11.829735% |
| | U.S. Energy Development Corporation | 11.945142% |
| | Pioneer Natural Resources USA, Inc. | 9.090900% |
| | Diamond Energy Company | 4.545450% |
| | Burgher Enterprises Inc. | 0.923294% |
| | Zorrito Investments Ltd | 1.384940% |
| | Cheetah Gas Co Ltd | 1.661929% |
| | Posse Energy Ltd | 1.384940% |
| | KPATP LLC | 0.923294% |
| | MCJC Investments LP | 1.107953% |
| | Highland (Texas) Energy Company | 1.327238% |

Overriding Interest Owners: Devon Energy Production Company, L.P.
 Lime Rock Resources A, L.P.
 Magnolia, LLC
 T.R. Cone, a single man
 Big Sinks Joint Venture

Tract No. 2

Lease Serial Number: State of New Mexico Lease No. LG-6900 0002

Lease Date: October 1, 1972

Lease Term: Ten (10) Years

Lessor: State of New Mexico

Original Lessee: Yates Petroleum Corporation

Description of Land Committed: Township 26 South, Range 31 East,
 Section 2: Insofar and only insofar as the lease covers the
 E/2SE/4

Number of Gross Acres: 80

Royalty: 1/8th

Name of Working Interest Owners: Devon Energy Production Company, L.P. 79.188000%
 TLM3, LTD 1.608073%
 Accelerate Resources Operating, LLC 0.781250%
 The H and S Drilling Company 0.036261%
 Lean Dog Limited Partnership No.1 0.020031%
 RLCapps Family-2008, LP 0.260417%

Owners Under Pooling Order No. R-21310:

EOG Resources, Inc. 6.803385%
 Roden Participants, Ltd. 1.236979%
 U.S. Energy Development Corporation 0.762642%
 Highland (Texas) Energy Company 0.084738%
 Headington Royalty, Inc. 0.377078%
 Roden Associates, Ltd. 0.247396%
 Burgher Enterprises Inc. 1.074219%

| | |
|-------------------------|-----------|
| MCJC Investments LP | 1.289062% |
| Zorrito Investments Ltd | 1.611328% |
| Cheetah Gas Co Ltd | 1.933594% |
| Posse Energy Ltd | 1.611328% |
| KPATP LLC | 1.074219% |
| Posse Energy Ltd | 1.611328% |
| KPATP LLC | 1.074219% |

Overriding Interest Owners: Devon Energy Production Company, L.P.
 Lime Rock Resources A, L.P.
 T.R. Cone, a single man
 Craig Folson, marital status unknown
 William F. Roden Bypass Trust

Tract No. 3

Lease Serial Number: NMNM 089057

Lease Date: June 1, 1992

Lease Term: Five (5) Years

Lessor: United States of America

Original Lessee: Phillips Petroleum Company

Description of Land Committed: Township 26 South, Range 31 East,
 Section 11: Insofar and only insofar as the lease covers the
 E/2E/2 of Section 11

Number of Gross Acres: 160

Royalty: 1/8th

Record Title Owner – Lessee: Devon Energy Production Company, L.P. 100.0000000%

Name of Working Interest Owners: Devon Energy Production Company, L.P. 50.0000000%
 XTO Energy, Inc. 50.0000000%

Overriding Interest Owners: ConocoPhillips Company

RECAPITULATION

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1 | 80.00 | 25.0000% |
| 2 | 80.00 | 25.0000% |
| 3 | 160.00 | 50.0000% |
| Total | 320.00 | 100.0000% |

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of August, 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 26 South, Range 31 East, N.M.P.M

Section 2: W/2

Section 11: W/2

Eddy County, New Mexico

Containing 640 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

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

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 Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust 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 August 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 Operating Rights Owner)

Date: 2/11/2021

By: Catherine Lebsack
Catherine Lebsack, Vice President 

ACKNOWLEDGEMENT

STATE OF OKLAHOMA §

§

COUNTY OF OKLAHOMA §

The foregoing instrument was acknowledged before me on this 11th day of February, 2021 by Catherine Lebsack, Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

My Commission Expires:



Kami Carroll
Notary Public

Chevron U.S.A. Inc.
(Record Title Only)

Date

By: _____

Title: _____

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 20__, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of _____, on behalf of the same.

(SEAL)

My Commission Expires

Notary Public

3/17/2021
Date

CRP XII, LLC

By: [Signature]

Title: David J. Craig
Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

On this 17th day of March, 2021, before me, a Notary Public for the State of Oklahoma,
personally appeared David J. Craig, known to me to be
the Attorney-in-Fact of CRP XII, LLC, on behalf of the same.

(SEAL)

08/31/24
My Commission Expires



Mercadies Walker
Notary Public

U.S. Energy Development Corporation

3-29-21

Date

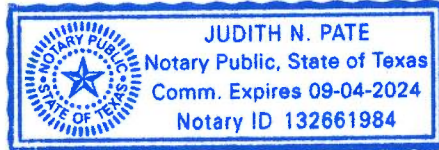
By: BL Stitt (b)Title: CFO

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Tarrant) ss.

On this 29th day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Brandon Standiford, known to me to be
the CFO of U.S. Energy Development Corporation on behalf of the same.

(SEAL)

09-04-24
My Commission ExpiresJudith N. Pate
Notary Public

Date

3/17/2021

TLM3, LTD

By:

Stirling Warren

Title:

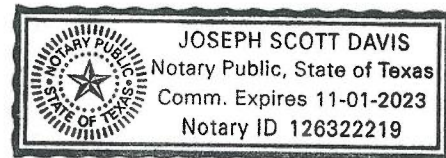
Manager

ACKNOWLEDGEMENT

STATE OF Texas)COUNTY OF Midland) ss.

On this 17th day of March, 2021, before me, a Notary Public for the State of Texas, personally appeared Stirling Warren, known to me to be the Manager of TLM3, Ltd., on behalf of the same.

(SEAL)

11/1/2023
My Commission ExpiresJoseph Scott Davis
Notary Public

3/18/21
Date

Roden Participants, Ltd.

By: *Benjamin K. Kinney*

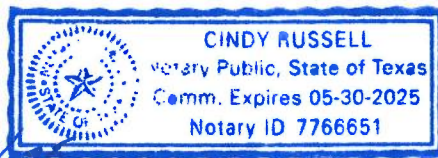
Title: Benjamin K. Kinney,
V.P., Tiltex Co., L.L.C.
Managing Partner

ACKNOWLEDGEMENT

STATE OF Texas)
) ss.
COUNTY OF Harris)

On this 19 day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Benjamin Kinney, known to me to be
the Vice President of Tiltex Co., on behalf of the same.

(SEAL)



5/30/25
My Commission Expires

Cindy Russell
Notary Public

Accelerate Resources Operating, LLC

March 24, 2021

Date

By: J.D. Crocker, Jr.Title: Vice President of Land and Business Development

ACKNOWLEDGEMENT

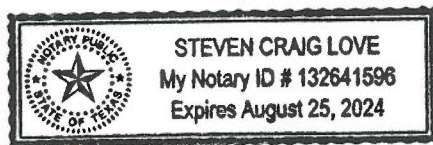
STATE OF TEXAS §

§

COUNTY OF DALLAS §

On this 24th day of March 2021, before me, a Notary Public for the State of Texas, personally appeared John D. Crocker, Jr., known to me to be the Vice President of Land and Business Development of **Accelerate Resources Operating, LLC**, a Delaware limited liability company, on behalf of said company.

(SEAL)

8-25-24

My Commission Expires

Steven C. Love
Notary Public

3-19-21

Date

The H and S Drilling Company

By: Bill R. Snow

Title: _____

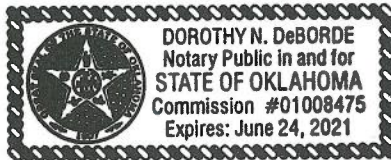
Bill R. Snow, President
THE H AND S DRILLING COMPANY**ACKNOWLEDGEMENT**STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

On this 22 day of March, 2021, before me, a Notary Public for the State of OKLAHOMA, personally appeared BILL R. SNOW, known to me to be the President of The H and S Drilling Co., on behalf of the same.

(SEAL)

6/24/2021
My Commission Expires
Comm # 01008475

Dorothy N. DeBorde
Notary Public
Dorothy N. DeBorde



Lean Dog Limited Partnership No. 1

Date

3/24/21By: Seth Woodberry

Title: _____

Seth Woodberry, President of
Woodberry Royalty, Inc.,
the General Partner for
Lean Dog Limited Partnership No. 1

ACKNOWLEDGEMENT

STATE OF Texas)
) ss.
COUNTY OF Dallas)

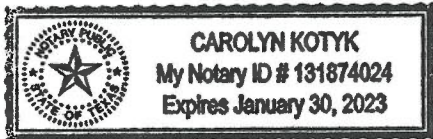
On this 24 day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Seth Woodberry, known to me to be
the Seth Woodberry, President of _____, on behalf of the same.

(SEAL)

Woodberry Royalty, Inc.,
the General Partner for
Lean Dog Limited Partnership No. 1

1/30/23
My Commission Expires

Carolyn Kotyk
Notary Public



RLCapps Family-2008, LP

3/30/2021

Date

By: [Signature]

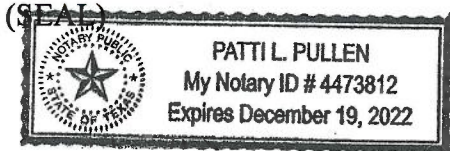
Randall Capps

Title: Manager

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

On this 30th day of March, 2021, before me, a Notary Public for the State of Texas,
personally appeared Randall Capps, known to me to be
the Manager of RLCapps Family-2008 LP, on behalf of the same.



My Commission Expires

[Signature]
Notary Public

3/14/21
Date

Roden Associates, Ltd.

By: Benjamin K. Kinney

Title: Benjamin K. Kinney
V.P., Tiltex Co., L.L.C.
Managing Partner

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Harris) ss.

On this 19 day of March, 2021, before me, a Notary Public for the State of Texas, personally appeared Benjamin Kinney, known to me to be the Vice President of Tiltex Co, on behalf of the same.

(SEAL)



5/30/25
My Commission Expires

Cindy Russell
Notary Public

EXHIBIT "A"

Plat of communitized area covering 640 acres in the W/2 of Section 2, Township 26 South, Range 31 East and W/2 of Section 11, Township 26 South, Range 31 East, Eddy County, New Mexico.

**Defining Well (640 AC HSU):**

Shetland 11-2 State Fed Com 611H
 SHL: 15' FSL x 505' FWL of Section 11-26S-31E
 BHL: 330' FNL x 990' FEL of Section 2-26S-31E

Infill Well (640 AC HSU):

Shetland 11-2 Fed State Com 712H
 SHL: 350' FNL x 2080' FWL of Section 11-26S-31E
 BHL: 330' FNL x 1650' FWL of Section 2-26S-31E

Infill Well (640 AC HSU):

Shetland 11-2 Fed State Com 711H
 SHL: 15' FSL x 475' FWL of Section 11-26S-31E
 BHL: 330' FNL x 330' FWL of Section 2-26S-31E

EXHIBIT "B"

To Communitization Agreement Dated August 1, 2020, embracing the following described land in the W/2 of Section 2, Township 26 South, Range 31 East and W/2 of Section 11, Township 26 South, Range 31 East, Eddy County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTEDTract No. 1

| | | |
|---|--|------------|
| Lease Serial Number: | State of New Mexico Lease No. LG-6900 0002 | |
| Lease Date: | October 1, 1972 | |
| Lease Term: | Ten (10) Years | |
| Lessor: | State of New Mexico | |
| Original Lessee: | Yates Petroleum Corporation | |
| Description of Land Committed: | Township 26 South, Range 31 East, Section 2: Insofar and only insofar as the lease covers the W/2N/2 | |
| Number of Gross Acres: | 160 acres | |
| Royalty: | 1/8 th | |
| Working Interest Owners: | Devon Energy Production Company, L.P. | 42.045450% |
| Owners Under Pooling Order No. R-21250: | | |
| | CRP XII,, LLC | 11.829735% |
| | Fuel Products Inc. | 11.829735% |
| | U.S. Energy Development Corporation | 11.945142% |
| | Pioneer Natural Resources USA, Inc. | 9.090900% |
| | Diamond Energy Company | 4.545450% |
| | Burgher Enterprises Inc. | 0.923294% |
| | Zorrito Investments Ltd | 1.384940% |
| | Cheetah Gas Co Ltd | 1.661929% |
| | Posse Energy Ltd | 1.384940% |
| | KPATP LLC | 0.923294% |
| | MCJC Investments LP | 1.107953% |
| | Highland (Texas) Energy Company | 1.327238% |

Overriding Interest Owners: Devon Energy Production Company, L.P.
 Lime Rock Resources A, L.P.
 Magnolia, LLC
 T.R. Cone, a single man
 Big Sinks Joint Venture

Tract No. 2

Lease Serial Number: State of New Mexico Lease No. LG-6900 0002

Lease Date: October 1, 1972

Lease Term: Ten (10) Years

Lessor: State of New Mexico

Original Lessee: Yates Petroleum Corporation

Description of Land Committed: Township 26 South, Range 31 East,
 Section 2: Insofar and only insofar as the lease covers the
 W/2S/2

Number of Gross Acres: 160

Royalty: 1/8th

| | | |
|----------------------------------|---------------------------------------|------------|
| Name of Working Interest Owners: | Devon Energy Production Company, L.P. | 79.188000% |
| | TL3, LTD | 1.608073% |
| | Accelerate Resources Operating, LLC | 0.781250% |
| | The H and S Drilling Company | 0.036261% |
| | Lean Dog Limited Partnership No.1 | 0.020031% |
| | RLCapps Family-2008, LP | 0.260417% |

| | | |
|---|-------------------------------------|-----------|
| Owners Under Pooling Order No. R-21250: | EOG Resources, Inc. | 6.803385% |
| | Roden Participants, Ltd. | 1.236979% |
| | U.S. Energy Development Corporation | 0.762642% |
| | Highland (Texas) Energy Company | 0.084738% |
| | Headington Royalty, Inc. | 0.377078% |
| | Roden Associates, Ltd. | 0.247396% |
| | Burgher Enterprises Inc. | 1.074219% |
| | MCJC Investments LP | 1.289062% |
| | Zorrito Investments Ltd | 1.611328% |

| | |
|--------------------|-----------|
| Cheetah Gas Co Ltd | 1.933594% |
| Posse Energy Ltd | 1.611328% |
| KPATP LLC | 1.074219% |

Overriding Interest Owners: Devon Energy Production Company, L.P.
Lime Rock Resources A, L.P.
T.R. Cone, a single man
Craig Folson, marital status unknown
William F. Roden Bypass Trust

Tract No. 3

Lease Serial Number: NMNM 089057

Lease Date: June 1, 1992

Lease Term: Five (5) Years

Lessor: United States of America

Original Lessee: Phillips Petroleum Company

Description of Land Committed: Township 26 South, Range 31 East,
Section 11: Insofar and only insofar as the lease covers the
W/2

Number of Gross Acres: 320

Royalty: 1/8th

Record Title Owner – Lessee: Devon Energy Production Company, L.P. 100.000000%

Name of Working Interest Owners: Devon Energy Production Company, L.P. 50.000000%
XTO Energy, Inc. 50.000000%

Overriding Interest Owners: ConocoPhillips Company

RECAPITULATION

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1 | 160.00 | 25.0000% |
| 2 | 160.00 | 25.0000% |
| 3 | 320.00 | 50.0000% |
| Total | 640.00 | 100.0000% |

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of August, 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 26 South, Range 31 East, N.M.P.M

Section 2: All

Section 11: All

Eddy County, New Mexico

Containing 1280 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

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

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 Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust 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 August 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 Operating Rights Owner)

Date: 9-9-2021

By:


Lindsey N. Miles, Land Manager 

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

I, the undersigned, hereby certify, on behalf of **Devon Energy Production Company, L.P.**, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

9-9-2021
Date

By: [Signature]
Name: Lindsey N. Miles
Title: Land Manager

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

On this 9th day of September, 2021, before me, a Notary Public for the State of OKLAHOMA, personally appeared Lindsey N. Miles, known to me to be the Land Manager of Devon Energy Production Company, L.P., the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

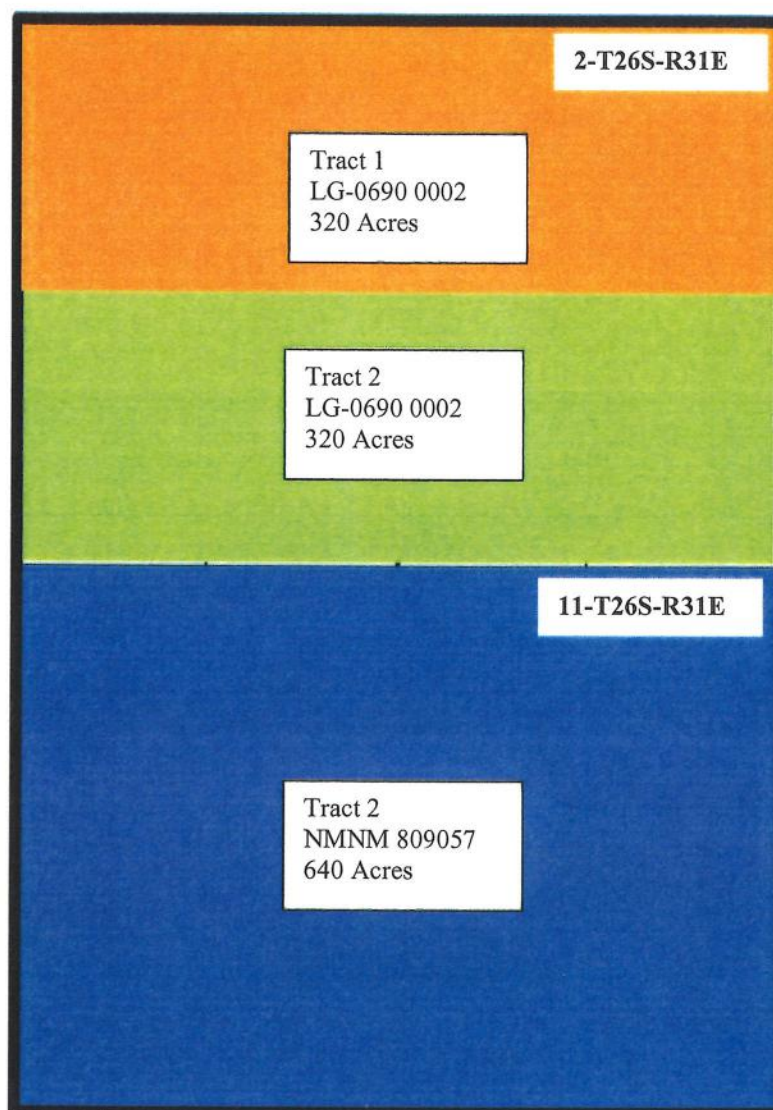
5/7/23
My Commission Expires



Clint Dake
Notary Public

EXHIBIT "A"

Plat of communitized area covering 1280 acres in Section 2, Township 26 South, Range 31 East and Section 11, Township 26 South, Range 31 East, Eddy County, New Mexico.

**Defining Well (1280 AC HSU):**

Shetland 11-2 State Fed Com 732H

SHL: 350' FSL x 2140' FWL of Section 11-26S-31E

BHL: 33' FNL x 2333' FEL of Section 2-26S-31E

EXHIBIT "B"

To Communitization Agreement dated August 1, 2020, embracing the following described land in Section 2, Township 26 South, Range 31 East and Section 11, Township 26 South, Range 31 East, Eddy County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTEDTract No. 1

| | | |
|--------------------------------|---|------------|
| Lease Serial Number: | State of New Mexico Lease No. LG-6900 0002 | |
| Lease Date: | October 1, 1972 | |
| Lease Term: | Ten (10) Years | |
| Lessor: | State of New Mexico | |
| Original Lessee: | Yates Petroleum Corporation | |
| Description of Land Committed: | Township 26 South, Range 31 East, Section 2: Insofar and only insofar as the lease covers the N/2 | |
| Number of Gross Acres: | 320 acres | |
| Royalty: | 1/8 th | |
| Working Interest Owners: | Devon Energy Production Company, L.P. | 42.045450% |
| Owners Under Pooling Order: | | |
| | CRP XII,, LLC | 11.829735% |
| | Fuel Products Inc. | 11.829735% |
| | U.S. Energy Development Corporation | 11.945142% |
| | Pioneer Natural Resources USA, Inc. | 9.090900% |
| | Diamond S Energy Company | 4.545450% |
| | Burgher Enterprises Inc. | 0.923294% |
| | Zorrito Investments Ltd | 1.384940% |
| | Cheetah Gas Co Ltd | 1.661929% |
| | BEXP I LP | 1.384940% |
| | KPATP LLC | 0.923294% |
| | MCJC Investments LP | 1.107953% |
| | Highland (Texas) Energy Company | 1.327238% |

Overriding Interest Owners: Devon Energy Production Company, L.P.
 Lime Rock Resources A, L.P.
 Magnolia, LLC
 T.R. Cone, a single man
 Big Sinks Joint Venture

Tract No. 2

Lease Serial Number: State of New Mexico Lease No. LG-6900 0002

Lease Date: October 1, 1972

Lease Term: Ten (10) Years

Lessor: State of New Mexico

Original Lessee: Yates Petroleum Corporation

Description of Land Committed: Township 26 South, Range 31 East,
 Section 2: Insofar and only insofar as the lease covers the
 S/2

Number of Gross Acres: 320 Acres

Royalty: 1/8th

Name of Working Interest Owners: Devon Energy Production Company, L.P. 79.188000%
 TLM3, LTD 1.608073%
 Accelerate Resources Operating, LLC 0.781250%
 The H & S Drilling Company 0.036261%
 Lean Dog Limited Partnership No.1 0.020031%
 RLCapps Family-2008, LP 0.260417%

Owners Under Pooling Order:

| | |
|-------------------------------------|-----------|
| EOG Resources, Inc. | 6.803385% |
| Roden Participants, Ltd. | 1.236979% |
| U.S. Energy Development Corporation | 0.762642% |
| Highland (Texas) Energy Company | 0.084738% |
| Headington Royalty, Inc. | 0.377078% |
| Roden Associates, Ltd. | 0.247396% |
| Burgher Enterprises Inc. | 1.074219% |
| MCJC Investments LP | 1.289062% |
| Zorrito Investments Ltd | 1.611328% |

| | |
|--------------------|-----------|
| Cheetah Gas Co Ltd | 1.933594% |
| BEXP I LP | 1.611328% |
| KPATP LLC | 1.074219% |

Overriding Interest Owners: Devon Energy Production Company, L.P.
Lime Rock Resources A, L.P.
T.R. Cone, a single man
Craig Folson, marital status unknown
William F. Roden Bypass Trust

Tract No. 3

Lease Serial Number: NMNM 089057

Lease Date: June 1, 1992

Lease Term: Five (5) Years

Lessor: United States of America

Original Lessee: Phillips Petroleum Company

Description of Land Committed: Township 26 South, Range 31 East,
Section 11: All

Number of Gross Acres: 640

Royalty: 1/8th

Record Title Owner – Lessee: Devon Energy Production Company, L.P. 100.000000%

Name of Working Interest Owners: Devon Energy Production Company, L.P. 50.000000%
XTO Energy, Inc. 50.000000%

Overriding Interest Owners: ConocoPhillips Company

RECAPITULATION

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1 | 320.00 | 25.0000% |
| 2 | 320.00 | 25.0000% |
| 3 | 640.00 | 50.0000% |
| Total | 1280.00 | 100.0000% |

From: [Engineer, OCD, EMNRD](#)
To: [Harms, Jenny](#)
Cc: [McClure, Dean, EMNRD](#); [Hawkins, James, EMNRD](#); [Powell, Brandon, EMNRD](#); lisa@rwbyram.com; [Glover, James](#); [Paradis, Kyle O](#); [Walls, Christopher](#); [Dawson, Scott](#)
Subject: Approved Administrative Order PLC-769
Date: Wednesday, February 23, 2022 5:16:56 PM
Attachments: [PLC769 Order.pdf](#)

NMOCD has issued Administrative Order PLC-769 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 |
|--------------|--|-----------|------------|-----------|
| 30-015-47140 | Shetland 2 11 State Federal Com #333H | E/2 E/2 | 2-26S-31E | 97860 |
| | | E/2 E/2 | 11-26S-31E | |
| 30-015-47172 | Shetland 2 11 State Federal Com #613H | E/2 | 2-26S-31E | 98220 |
| | | E/2 | 11-26S-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

From: [Harms, Jenny](#)
To: [McClure, Dean, EMNRD](#)
Subject: RE: [EXTERNAL] surface commingling application PLC-769
Date: Tuesday, February 15, 2022 2:52:53 PM
Attachments: [image001.png](#)
[Shetland CA_BLM.pdf](#)

Dean,

I have attached the copy of the submitted revised CA of 1280 acres.

Tracking for SLO application with revised documentation of the CA(mailing revisions out today):

| <input type="checkbox"/> | <u>Ship date</u> | <u>Company</u> | <u>Contact name</u> | <u>Destination</u> | <u>Tracking number</u> |
|--------------------------|------------------|---------------------------|------------------------------|--|------------------------|
| <input type="checkbox"/> | 02/15/2022 | ATTN: Commingling Manager | Commissioner of Public Lands | ATTN: Commingling Manager PO BOX 1148 SANTA FE NM 875041148 US | 776052991640 |

Thank you,

Jenny Harms

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

From: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Sent: Tuesday, February 15, 2022 3:22 PM
To: Harms, Jenny <Jenny.Harms@dm.com>
Subject: RE: [EXTERNAL] surface commingling application PLC-769

Hello Jenny,

As there is not an application on file with the BLM yet for the proposed 1280, please provide me with a copy of the CA packet once it has been prepared.

Additionally, please confirm that the NMSLO has been notified of this surface commingling application.

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

From: Harms, Jenny <Jenny.Harms@dm.com>
Sent: Tuesday, February 15, 2022 2:13 PM
To: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Subject: [EXTERNAL] surface commingling application PLC-769

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good afternoon Dean,

I have reached out to our land team to help answer your questions below. Please let me know if you have any further questions.

1. Does expansion of the CA add any interest owners who were not notified of the original application?
 - a. All of the owners of the Wolfcamp are the same in the 640s as they were in the new 1280 CAs.
2. Presuming that expansion of the CA is based upon a CP order issued by the Division which approves of a NSP, what is the order number?
 - a. 1280 Pooling Order Number R-21955
3. Currently this tract of land contains pending CAs NMNM 143249 and NMNM 143247. Is the intent to cancel one of these and amend the other one, or will a new CA case be created?
 - a. A new 1280 acre CA has been submitted that will replace and cancel the existing CAs for the Wolfcamp.
4. Additionally, is there any intent to also expand the BS CA?
 - a. The BS CA will remain the same without any changes.

Thank you,

Jenny Harms

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

From: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Sent: Thursday, February 10, 2022 3:16 PM
To: Harms, Jenny <Jenny.Harms@dyn.com>
Subject: RE: [EXTERNAL] surface commingling application PLC-769

Additionally, is there any intent to also expand the BS CA?

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

From: McClure, Dean, EMNRD
Sent: Thursday, February 10, 2022 2:14 PM
To: Harms, Jenny <Jenny.Harms@dyn.com>
Subject: RE: [EXTERNAL] surface commingling application PLC-769

Hello Jenny,

Does expansion of the CA add any interest owners who were not notified of the original application?

Presuming that expansion of the CA is based upon a CP order issued by the Division which approves of a NSP, what is the order number?

Currently this tract of land contains pending CAs NMNM 143249 and NMNM 143247. Is the intent to cancel one of these and amend the other one, or will a new CA case be created?

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

From: Harms, Jenny <Jenny.Harms@dvn.com>
Sent: Thursday, February 10, 2022 8:59 AM
To: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Subject: RE: [EXTERNAL] surface commingling application PLC-769

Hi Dean,

I was just informed on this particular battery that the wolfcamp CA has been expanded to include the entire 1280 of both sections instead of having two CA's with 640 spacing each. How would you like me to revise this in the commingle application? I just submitted a sundry to the BLM revising the plat to have it changed but will need to edit verbiage in the commingle application as well. How would you like me to proceed?

Thank you,

Jenny Harms

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

From: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Sent: Monday, February 7, 2022 3:53 PM
To: Harms, Jenny <Jenny.Harms@dvn.com>
Subject: [EXTERNAL] surface commingling application PLC-769

Ms. Harms,

I am reviewing surface commingling application PLC-769 which involves the commingling project that includes the Shetland 2 Central Tank Battery 2 and is operated by Devon Energy Production Company, LP (6137).

Please confirm that the NMSLO has been notified of this application.

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

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**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. PLC-769

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 certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
7. 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.
8. 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

9. 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.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
13. 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) NMAC and 19.15.12.10.C.(4)(h) NMAC.
14. 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 well pad, 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: 2/23/2022

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **PLC-769**

Operator: **Devon Energy Production Company, LP (6137)**

Central Tank Battery: **Shetland 2 Central Tank Battery 2**

Central Tank Battery Location: **Unit A, Section 2, Township 26 South, Range 31 East**

Gas Title Transfer Meter Location: **Unit A, Section 2, Township 26 South, Range 31 East**

Pools

| Pool Name | Pool Code |
|------------------------------------|--------------|
| JENNINGS; BONE SPRING, WEST | 97860 |
| PURPLE SAGE; WOLFCAMP (GAS) | 98220 |

Leases as defined in 19.15.12.7(C) NMAC

| Lease | UL or Q/Q | S-T-R |
|--------------------|------------|-------------------|
| LG 06900002 | All | 2-26S-31E |
| NMNM 089057 | All | 11-26S-31E |

Wells

| Well API | Well Name | UL or Q/Q | S-T-R | Pool |
|---------------------|--|----------------|-------------------|--------------|
| 30-015-47140 | Shetland 2 11 State Federal Com #333H | E/2 E/2 | 2-26S-31E | 97860 |
| | | E/2 E/2 | 11-26S-31E | |
| 30-015-47172 | Shetland 2 11 State Federal Com #613H | E/2 | 2-26S-31E | 98220 |
| | | E/2 | 11-26S-31E | |

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **PLC-769**
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 NMNM 143248 | E/2 E/2 | 2-26S-31E | 320 | A |
| | E/2 E/2 | 11-26S-31E | | |
| CA Wolfcamp BLM | All | 2-26S-31E | 1280 | B |
| | All | 11-26S-31E | | |

Leases Comprising Pooled Areas

| Lease | UL or Q/Q | S-T-R | Acres | Pooled Area ID |
|-------------|-----------|------------|-------|----------------|
| LG 06900002 | E/2 E/2 | 2-26S-31E | 160 | A |
| NMNM 089057 | E/2 E/2 | 11-26S-31E | 160 | A |
| LG 06900002 | All | 2-26S-31E | 640 | B |
| NMNM 089057 | All | 11-26S-31E | 640 | 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 27967

CONDITIONS

| | |
|---|---|
| Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102 | OGRID: 6137 |
| | Action Number: 27967 |
| | 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. | 2/23/2022 |