



Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010
Phone (405) 228-4800

May 21st, 2021

Dean McClure
Petroleum Specialist
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive Santa Fe, New Mexico 87505
(505) 476-3471

Re: Central Tank Battery: Bellatrix 28 Fed Battery

Wells: Bellatrix 28 Fed 1H - 30-015-40331, Bellatrix 28 Fed Com 3H - 30-015-40333,
Bellatrix 28 Fed Com 4H - 30-015-40334, Bellatrix 28 Fed Com 7H - 30-015-42370,
Bellatrix 28 Fed Com 8H - 30-015-42371

Location: Sec.-T-R: 29-19S-31E

Agreements: CA131931 & CA133044

Lease: NMLC063622 & NMNM101113

Pool: HACKBERRY;BONE SPRING (29345), HACKBERRY;BONE SPRING, EAST (96746)

County: Lea Co., New Mexico

Dear Mr. McClure:

Please find attached the commingle application for the Central Tank Battery of the aforementioned wells. This application is necessary due to diverse leases/communitization agreements.

The working interest, royalty interest and overriding royalty interest owners are not identical, therefore notifications have been sent.

A copy of the submitted Bureau of Land Management application is attached.

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.

Should you have any questions or need further assistance, please do not hesitate to contact me at (405) 228-8429.

Sincerely,

A handwritten signature in blue ink that reads "Rebecca Deal". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Rebecca Deal
Regulatory Compliance Professional

Enclosures

Revised March 23, 2017

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

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

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Devon Energy Production Co., LP **OGRID Number:** 6137
Well Name: Bellatrix 28 Fed Wells - See Attached **API:** See Attached
Pool: HACKBERRY;BONE SPRING,HACKBERRY;BONE SPRING, EAST **Pool Code:** 96746,96776

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 holdersB. ☒ **Royalty, overriding royalty owners, revenue owners**C. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ **Notification and/or concurrent approval by BLM**F. ☐ Surface ownerG. ☐ 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.

Rebecca DealPrint or Type
NameRebecca Deal

Signature

5/21/2021405-228-8429

Phone Number

Rebecca.deal@dmv.com

e-mail Address

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

Per 43 CFR 3173.14 (a)(1)(i-iv) - (i) Federal lease, unit PA, or CA, where each lease, unit PA, or CA proposed for commingling has 100 percent Federal mineral interest, the same fixed royalty rate and, and the same revenue distribution

Proposal for the Bellatrix 28 Fed Battery

Devon Energy Production Company, LP is requesting approval for a Lease Commingling for the following wells:

NMLC063622 (12.5%)

Well Name	API	Location	Pool	Field
Bellatrix 28 Fed 1H	30-015-40331	29-19S-31E	29345	HACKBERRY;BONE SPRING

NMLC063622 (12.5%), NMNM101113 (12.5%), CA131931

Well Name	API	Location	Pool	Field
Bellatrix 28 Fed Com 3H	30-015-40333	29-19S-31E	29345	HACKBERRY;BONE SPRING
Bellatrix 28 Fed Com 4H	30-015-40334	29-19S-31E	29345	HACKBERRY;BONE SPRING

NMLC063622 (12.5%), NMNM101113 (12.5%), CA133044

Well Name	API	Location	Pool	Field
Bellatrix 28 Fed Com 7H	30-015-42370	29-19S-31E	96746	HACKBERRY;BONE SPRING, EAST
Bellatrix 28 Fed Com 8H	30-015-42371	29-19S-31E	96746	HACKBERRY;BONE SPRING, EAST

CA:

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

CA NM133044 – Covers S/2 S/2 of 28-19S- 31E, Eddy County, NM, involving 80 acres of Federal land in lease NMLC0063622, and 80 acres of Federal land in lease NMNM 101113, containing 160.00 acres, more or less, and includes the Bone Spring formation underlying said lands and the crude oil and associated natural gas substances, hereinafter referred to as "communitized substances", producible from such formation.

CA NM131931 – Covers N/2 S/2 of 28-19S-31E, Eddy County. NM, involving 80 acres of Federal land in lease NM101113, and 80 acres of Federal land in lease LC063622, containing 160.00 acres, more or less, and includes the Bone Spring formation underlying said lands and the crude oil and associated natural gas substances, hereinafter referred to as "communitized substances", producible from such formation

Oil & Gas metering:

The Bellatrix 28 Fed Battery is in NENE of 19S-31E-29 in Eddy County, NM.

For the 1H, 7H, and 8H wells, 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 vessels. The combined 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 vessels. The combined stream flows into the production Heater Treater and then ULPS 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.

For the 3H and 4H wells, each well flows through a header and into a production and test train setup.

1. Test Train:
 - a. Gas is separated in a 2-phase separator and flows into an independent and designated orifice meter for rate allocation. The gas then flows into a manifold where it is combined with gas from other vessels.
 - b. Oil and water are separated in a test Heater Treater. Oil flows through an independent and designated Coriolis meter for rate allocation. Water flows through an independent and designated turbine meter for rate allocation. Oil then flows to a manifold where it is combined with oil from the production Heater Treater. Water then flows to a manifold where it is combined with water from other vessels.
2. Production Train:
 - a. Gas is separated in a 2-phase separator and flows into a manifold where it is combined with gas from other vessels.
 - b. Oil and water flow to the production Heater Treater and is combined with oil from other vessels.

Gas, oil, and water for the 3H and 4H are metered only when a single well flows through the test train.

The 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 location.

Well Name	Individual Meters		
	Gas Allocation	Oil Allocation	Water Allocation
Bellatrix 28 Fed 1H	DVN / 677-49-092	DVN / 677-30-016	DVN / 0394262
Bellatrix 28 Fed Com 3H	DVN / 677-49-203	DVN / 677-30-060	DVN / 457261
Bellatrix 28 Fed Com 4H	DVN / 677-49-203	DVN / 677-30-060	DVN / 457261
Bellatrix 28 Fed Com 7H	DVN / 677-49-153	DVN / 677-30-017	DVN / 21004484
Bellatrix 28 Fed Com 8H	DVN / 677-49-198	DVN / 677-30-018	DVN / 0397542

Common Meters	
VRU Allocation	DVN / 677-00-056
Gas FMP #1	DVN / 677-33-252
Oil FMP	DVN / P655654164

Meter Owner / Serial Number:

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

Process and Flow Descriptions:

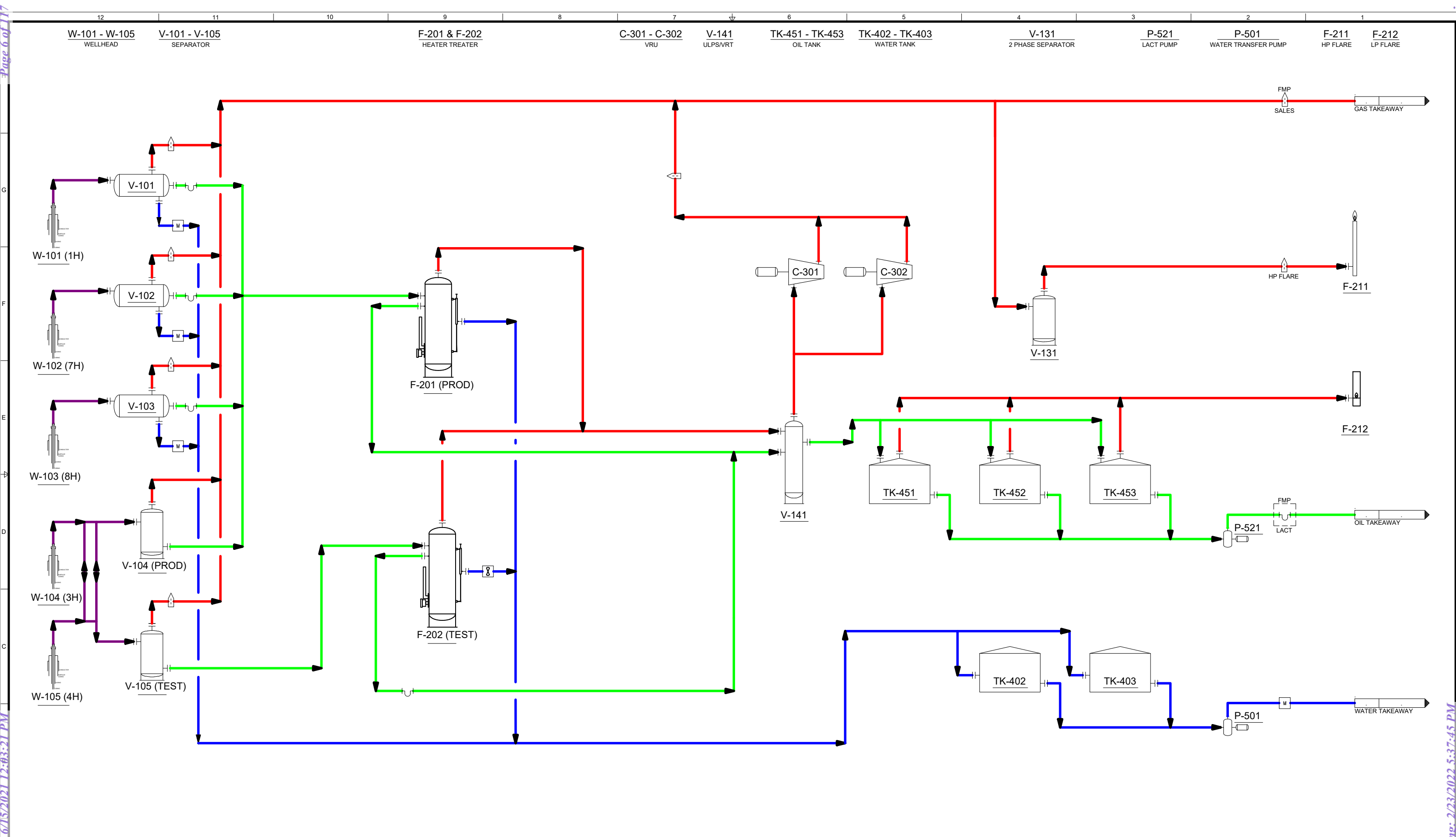
The flow of produced fluids is described above and shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, location of wells, facility, and gas sales meter.

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.

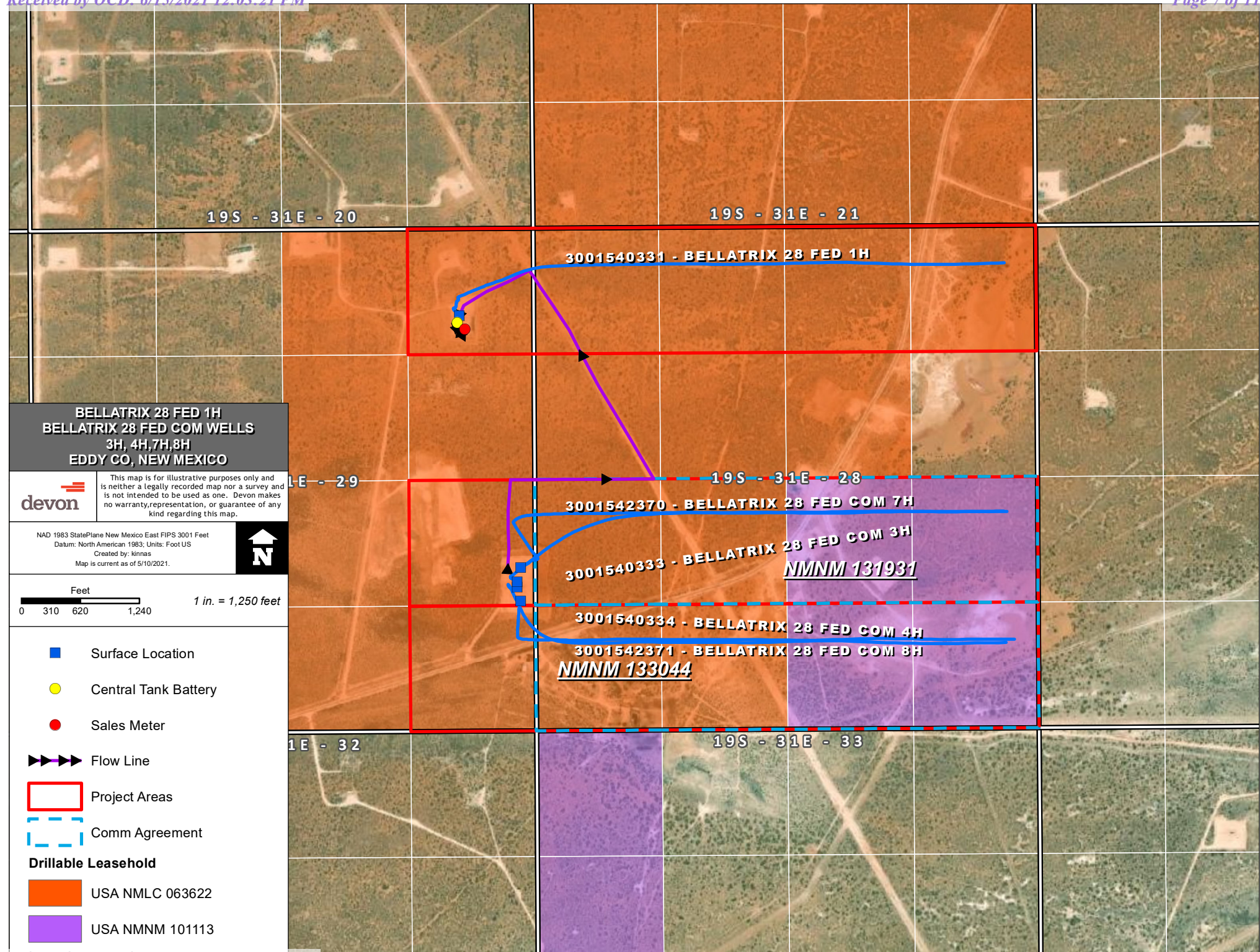
Working, royalty, and overriding interest owners have been notified of this proposal via certified mail.

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Economic Justification Report

Bellatrix 28 Fed Battery

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
Bellatrix 28 Fed 1H	Sweet	NMLC063622	12.50%					58.3152	37	94.459	1440
Bellatrix 28 Fed Com 3H	Sweet	NMLC063622	12.50%	NMNM101113	12.50%			52.9914	37	121.94	1440
Bellatrix 28 Fed Com 4H	Sweet	NMLC063622	12.50%	NMNM101113	12.50%			61.4672	37	129.9	1440
Bellatrix 28 Fed Com 7H	Sweet	NMLC063622	12.50%	NMNM101113	12.50%			47.6169	43	404.71	1225
Bellatrix 28 Fed Com 8H	Sweet	NMLC063622	12.50%	NMNM101113	12.50%			35.4713	43	188.24	1225

Signed: Rebecca Deal

Date: 5/24/2021

Printed Name: Rebecca Deal

Title: Regulatory Compliance Specialist

Economic Combined Production

BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
255.9	38.9	939.2	1304.3

Per Marketing, combining this production will not affect value to the royalty owner.

Tracking #	AttentionTo	Address1	City	Region	PostalCode	Country	Phone
9405509898642696552440	AFTAG INC FOR INFORMATIONAL PURPOSES % PETROMARK RESOURCES CO	7170 S BRADEN STE 200	TULSA	OK	74136	US	
9405509898642070476522	BARRON PROPERTIES LTD A TEXAS LIMITED PARTNERSHIP DOROTHY BARRON COX &	PO BOX 182	MIDLAND	TX	79702-0182	US	
9405509898642696552761	CATHIE BROTEN	6100 DUNBARTON OAKS BLVD	MIDLAND	TX	79705-1810	US	
9405509898642070476447	CHRISTINE A KELLY	10112 CLAIRBOURNE PL	RALEIGH	NC	27615	US	
9405509898642696552679	COG OPERATING LLC % CONCHO RESOURCES INC ATTN 2CC - REVENUE DEPT	600 W ILLINOIS	MIDLAND	TX	79701	US	
9405509898642070476478	COLUMBINE II LTD PARTNERSHIP	PO BOX 22854	DENVER	CO	80222	US	
9405509898642696552839	CONCHO OIL & GAS LLC % CONCHO RESOURCES INC ATTN 2CC - REVENUE DEPT	600 W ILLINOIS	MIDLAND	TX	79701	US	
9405509898642070476638	DENNIS EIMERS	PO BOX 50637	MIDLAND	TX	79710	US	
9405509898642070476768	E DON POAGE JR	1657 SEA DUNES PL	FERNANDINA	FL	32034	US	
9405509898642070476737	GREGORY ASHWORTH	33 GEORGE ST	WELLSVILLE	NY	14895	US	
9405509898642070476751	HEYCO DEVELOPMENT CORPORATION	PO BOX 1933	ROSWELL	NM	88202	US	
9405509898642070476911	HODGES FAMILY TRUST SHIRLEY L HODGES TTEE	435 32 RD UNIT 716	CLIFTON	CO	81520	US	
9405509898642696553133	HTI RESOURCES INC FKA HIGGINS TRUST INC	PO BOX 10690	SAVANNAH	GA	31412	US	
9405509898642070476966	JALAPENO CORPORATION	PO BOX 1608	ALBUQUERQUE	NM	87103	US	
9405509898642696553249	JENNIE W VUKSICH A MARRIED WOMAN AS TENANT IN COMMON	11401 SAN FRANCISCO RD NE	ALBUQUERQUE	NM	87122	US	
9405509898642070477031	JEREMIAH LLC	PO BOX 924	HOBBS	NM	88241	US	
9405509898642696553331	JERRY D BARNES	1657 LIV 510	CHILLICOTHE	MO	64601-6309	US	
9405509898642696553195	JIM BROTEN	PO BOX 1536	OKLAHOMA CITY	OK	73101-1536	US	
9405509898642070477086	JO ANN POWERS YATES	PO BOX 840	ARTESIA	NM	88211	US	
9405509898642070477093	JOHN P ASHWORTH	1577 YANKEE LN	HORNELL	NY	14843	US	
9405509898642696553614	KATHLEEN A TSIBULSKY	3106 ELM TREE LN	RALEIGH	NC	27614	US	
9405509898642696553638	KNACKWURST PROPERTIES LLC % CANIDCE P REED OR SUE WILSON	PO BOX 10484	MIDLAND	TX	79702-7484	US	
9405509898642070477222	MARK P GODSEY REVOCABLE TRUST UTA DTD 12-22-94 MARK PIERCE GODSEY TTEE	3701 S ORANGE CIR	BROKEN ARROW	OK	74011-1103	US	
9405509898642696553584	MARY ANNE BERLINER FDN TRUST FIRST AMERICAN BANK TTEE	PO BOX AA	ARTESIA	NM	88211	US	
9405509898642070477253	MCVAY DRILLING COMPANY CORP	PO BOX 2450	HOBBS	NM	88241	US	
9405509898642070477376	MICHELE BLUM	20 BLOOMINGDALE AVE	ARKON	NY	14001	US	
9405509898642696553829	MOUTRAY PROPERTIES LLC H GIL MOUTRAY MANAGER	5161 SEVEN RIVERS HWY	CARLSBAD	NM	88221	US	
9405509898642696553928	MOUTRAY PROPERTIES WORKING INTEREST	5161 SEVEN RIVERS HWY	CARLSBAD	NM	88220-9495	US	
9405509898642696553973	MRC DELAWARE RESOURCES LLC	5400 LBJ FREEWAY STE 1500	DALLAS	TX	45240	US	
9405509898642696554079	NESTEGG ENERGY CORP	PO BOX 210	ARTESIA	NM	88211-0210	US	
9405509898642070477536	ONRR ROYALTY MANAGEMENT PROGRAM	PO BOX 25627	DENVER	CO	80225-0627	US	
9405509898642696554031	PAUL D LERWICK	101 BROOKLINE DR	ASHEVILLE	NC	28803	US	
9405509898642070477666	PROVIDENCE OIL & GAS CORP	8908 S YALE AVE	TULSA	OK	74137	US	
9405509898642696554369	SABINE ROYALTY TRUST SIMMONS BANK ESCROW AGENT & TTEE	PO BOX 678600	DALLAS	TX	75267-8600	US	
9405509898642070477635	SARA W SIMS	101 S 4TH ST	ARTESIA	NM	88210	US	
9405509898642070477765	SHARBRO ENERGY LLC ELIZABETH A BAKER AIF	PO BOX 840	ARTESIA	NM	88210	US	
9405509898642696554482	TWIN EAGLE PETROLEUM CORP	P O BOX 97440	DALLAS	TX	75397	US	
9405509898642696554659	WILLIAM PATRICK ASHWORTH	9610 STAGE RD	ARKPORT	NY	14807	US	
9405509898642696554543	YATES ENERGY CORPORATION	400 N PENNSYLVANIA AVE STE 250	ROSWELL	NM	88201	US	
9405509898642070477796	YATES INDUSTRIES LLC	PO BOX 1091	ARTESIA	NM	88211	US	
9405509898642707781548	ZPZ DELAWARE I LLC % APACHE CORP GENERAL PARTNER	2000 Post Oak Blvd., Suite 100	HOUSTON	TX	77056	US	

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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INMOCD ARTESIA

Form C-102

Revised October 15, 2009

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40331		Pool Code 29345	Pool Name HACKBERRY; BONE SPRING
Property Code 39242	Property Name BELLATRIX "28" FEDERAL COM		Well Number 1H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.		Elevation 3488.1

" 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	29	19 S	31 E		920	NORTH	790	EAST	EDDY

" 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
A	28	19 S	31 E		364	NORTH	351	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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.

1 st Perf: 392 FWL & 331 FWL NW CORNER SEC. 29 LAT. = 32.6386302°N LONG. = 103.8999686°W NMSP EAST (FT) N = 596336.65 E = 674736.47 SECTION CORNER LAT. = 32.6386573°N LONG. = 103.8828175°W NMSP EAST (FT) N = 596388.47 E = 680015.94 NE CORNER SEC. 28 LAT. = 32.6386863°N LONG. = 103.8656699°W NMSP EAST (FT) N = 596401.84 E = 685294.35				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 released 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.			
SURFACE LOCATION 790 920 BOTTOM OF HOLE 351 364 BELLATRIX "28" FEDERAL COM #1H ELEV. = 3488.1 LAT. = 32.6361243°N (NAD83) LONG. = 103.8853748°W NMSP EAST (FT) N = 595843.61 E = 679232.62 BOTTOM OF HOLE LAT. = 32.6375853°N LONG. = 103.8667708°W NMSP EAST (FT) N = 595899.80 E = 684957.23				Signature <i>Judy A. Barnett</i> Date 11/28/12 Printed Name Judy A. Barnett Regulatory Specialist			
SEC. 29 SEC. 28				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. DECEMBER 27, 2012 Date of Survey Signature and Seal of Professional Surveyor Certificate Number FILMON F. JARVIS, PLS 12797 REGISTERED LAND SURVEYOR NO. 757			
SW CORNER SEC. 29 LAT. = 32.6241144°N LONG. = 103.8999168°W NMSP EAST (FT) N = 591055.73 E = 674773.95 SECTION CORNER LAT. = 32.6241448°N LONG. = 103.8827673°W NMSP EAST (FT) N = 591088.77 E = 680053.80 SE CORNER SEC. 28 LAT. = 32.6241693°N LONG. = 103.8656232°W NMSP EAST (FT) N = 591120.47 E = 685331.96							

Producing Area

Drill Area

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-40333		² Pool Code 29345		³ Pool Name Hackberry, Bone Spring	
⁴ Property Code 39244		⁵ Property Name BELLATRIX "28" FEDERAL COM			⁶ Well Number 3H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3482.3
¹⁰ Surface Location					
UL or lot no. I	Section 29	Township 19 S	Range 31 E	Lot Idn 1560	Feet from the North/South line SOUTH
		Feet from the East/West line EAST	County EDDY		
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. I	Section 28	Township 19 S	Range 31 E	Lot Idn 2280	Feet from the North/South line SOUTH
		Feet from the East/West line EAST	County EDDY		
¹² Dedicated Acres 160		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.

NW CORNER SEC. 29 LAT. = 32.6386302°N LONG. = 103.899688°W NMSP. EAST (FT) N = 596336.85 E = 674736.47		SECTION CORNER LAT. = 32.6386573°N LONG. = 103.8828175°W NMSP. EAST (FT) N = 596368.47 E = 680015.94		NE CORNER SEC. 28 LAT. = 32.6386863°N LONG. = 103.8656699°W NMSP. EAST (FT) N = 596401.84 E = 685294.35	
SEC. 29 BELLATRIX "28" FEDERAL COM #3H ELEV. = 3482.3 LAT. = 32.6284308°N (NAD83) LONG. = 103.8834317°W NMSP. EAST (FT) N = 592647.16 E = 679842.64		SURFACE LOCATION 200'		BOTTOM OF HOLE 340'	
SW CORNER SEC. 29 LAT. = 32.6241144°N LONG. = 103.8999168°W NMSP. EAST (FT) N = 591055.73 E = 674773.95		SECTION CORNER LAT. = 32.6241448°N LONG. = 103.8827873°W NMSP. EAST (FT) N = 591088.77 E = 680053.80		SE CORNER SEC. 28 LAT. = 32.6241593°N LONG. = 103.8656232°W NMSP. EAST (FT) N = 591120.47 E = 685331.96	

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, owns an interest in, 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.

9/12/2013

Signature _____ Date _____
Printed Name _____
Trina C. Couch, Regulatory Associate

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was placed 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 knowledge and belief.

DECEMBER 23, 2013

Date of Survey _____
Signature and Seal of Professional Surveyor _____
Certificate Number _____
Survey No. 759

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-40334	² Pool Code 96688	³ Pool Name Hackberry; Bone Spring, East
⁴ Property Code 39244	⁵ Property Name BELLATRIX "28" FEDERAL COM	
⁶ OGRID No. 6137	⁷ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	
		⁸ Well Number 4H
		⁹ Elevation 3482.3

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
I	29	19 S	31 E		1510	SOUTH	200	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	28	19 S	31 E		900	SOUTH	340	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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. 29 LAT. = 32.6386302°N LONG. = 103.8999686°W NMSP EAST (FT) N = 598336.65 E = 874736.47</p> <p>SECTION CORNER LAT. = 32.6386573°N LONG. = 103.8828175°W NMSP EAST (FT) N = 598368.47 E = 680015.94</p> <p>NE CORNER SEC. 28 LAT. = 32.6386863°N LONG. = 103.8656699°W NMSP EAST (FT) N = 596401.84 E = 685294.35</p>		<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.</p> <p style="text-align: right;"><i>Erin Workman</i> 06/04/15</p> <p>Signature: _____ Date: _____ Printed Name: _____ Erin Workman, Regulatory Analyst</p>	
<p>SW CORNER SEC. 29 LAT. = 32.6241144°N LONG. = 103.8999168°W NMSP EAST (FT) N = 591055.73 E = 674773.95</p> <p>SECTION CORNER LAT. = 32.6241448°N LONG. = 103.8827673°W NMSP EAST (FT) N = 591088.77 E = 680053.80</p> <p>SE CORNER SEC. 28 LAT. = 32.6241693°N LONG. = 103.8656232°W NMSP EAST (FT) N = 591120.47 E = 685331.96</p>		<p>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.</p> <p>DECEMBER 27, 2014</p> <p>Date of Survey: _____ Signature: _____ Certificate Number: SIMONTS 934 AMILLO, PLS 12797 SURVEY NO. 760</p>	

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-102

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
311 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

FEB 23 2015

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OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-42370	² Pool Code 96746	³ Pool Name Hackberry; Bone Spring, East
⁴ Property Code 39244	⁵ Property Name BELLATRIX 28 FED COM	⁶ Well Number 7H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3482.8

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
I	29	19 S	31 E		1710	SOUTH	160	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
I	28	19 S	31 E		2200	SOUTH	460	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or fulfill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

¹⁶ 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 undivided 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. Signature: <u>Lucretia Morris</u> Date: <u>1/14/2015</u> Printed Name: <u>Lucretia Morris, Regulatory Analyst</u> E-mail Address: <u>Lucretia.Morris@dvn.com</u>	
¹⁷ 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. Date of Survey: <u>SEPTEMBER 28, 2013</u> Signature and Seal of Professional Surveyor: <u>[Signature]</u> Certificate Number: <u>PLS 12797</u> SURVEY NO. 2293	

PP: 300' FEL & 2020' FSL, Sec 29, T19S, R31E

Project Area: [Area]

Producing Area: [Area]

NM OIL CONSERVATION

State of New Mexico

ARTESIA DISTRICT

Form C-102

Revised August 1, 2011

Energy, Minerals & Natural Resources Department 1 2015

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OIL CONSERVATION DIVISION

District Office

1220 South St. Francis Dr.

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Santa Fe, NM 87505

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
311 S. First St., Artesia, NM 88210
Phone: (575) 748-1252 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-42371		¹ Pool Code 96746		¹ Pool Name Hackberry; Bone Spring, East	
⁴ Property Code 39244		⁵ Property Name BELLATRIX 28 FED COM			⁶ Well Number 8H
⁷ GRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3483.4

¹⁰ Surface Location

U/L or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
I	29	19 S	31 E		1358	SOUTH	163	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	28	19 S	31 E		918	SOUTH	255	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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>¹⁶ 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>Megan Moravec</i> 5/29/2015 Signature Date</p> <p>Megan Moravec, Regulatory Analyst Printed Name</p> <p>Megan.Moravec@dvn.com E-mail Address</p>		<p>¹⁷ 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>SEPTEMBER 28, 2015 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number: EIL-MORAVEC-AR-AMILLO, PLS 12797 SURVEY NO. 2294</p>	
---	--	---	--

PP: 1068' FSL & 188' FEL, Sec 29-T19S-R31E

Project Area:

Producing Area:



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



IN REPLY REFER TO:

NM131931

3105.2 (P0220)

Reference:

Bellatrix 28 Fed Com 3H

T. 19 S., R. 31 E.,

Section 28, N2S2

Eddy County, NM

FEB -7 2014

Devon Energy Production Company

333 West Sheridan Avenue

Oklahoma City, OK 73102-5105

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM131931 involving 80 acres of Federal land in lease NM101113, and 80 acres of Federal land in lease LC063622, Eddy County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the N2S2 of sec. 28, T. 19 S., R. 31 E., NMPM, and is effective September 20, 2013. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

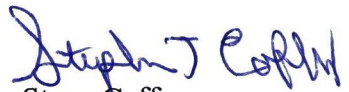
Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

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21
FEB 12 2014
REGULATORY DEPT.
MID-CONTINENT DIVISION

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,


Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the N2S2 of sec. 28, T. 19 S., R. 31 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:



Authorized Officer

Effective: September 20, 2013

Contract No.: Com. Agr. NM131931

Federal/Federal

Contract No. 131931

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof 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 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.
Section 28: N/2 S/2

containing 160.00 acres, more or less, and this agreement shall include the Bone Spring formation underlying said lands and the crude oil and associated natural gas substances, hereinafter 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.

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 55

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3. All matters of operation 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 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 therefrom 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, State or fee land included within the CA area are to be placed in an interest earning escrow or 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.

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 55

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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 **September 20, 2013**, 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 as to the Bone Spring formation for a period of 2 years and for as long as communitized substance is, 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 occurs 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.

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12:55

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Federal/Federal

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 of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.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.

OPERATOR:

Devon Energy Production Company, L. P.

DATE: 1-28-14

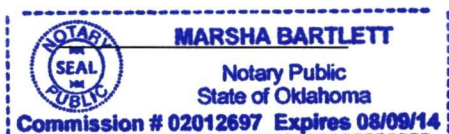
BY: 
 Bill A. Penhall, Vice President 

ACKNOWLEDGEMENT

STATE OF OKLAHOMA) §
COUNTY OF OKLAHOMA) §

The foregoing instrument was acknowledged before me this 28 day of January, 2014 by Bill A. Penhall as Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of the limited partnership.

My Commission Expires:



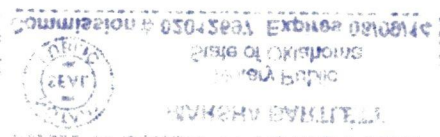

Notary Public

Bellatrix 28 Fed Com 3 H

4

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CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12:55



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WORKING INTEREST OWNER**COG Operating LLC**

BY: Mona D. Ables
 NAME & TITLE: Mona D. Ables,
 Vice President of Land

CH

DATE: 1.14.14

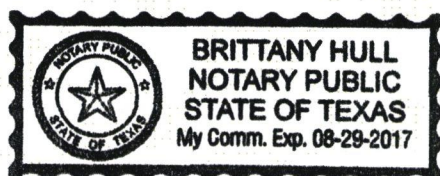
ACKNOWLEDGEMENT

STATE OF TEXAS)§
 COUNTY OF MIDLAND)§

The foregoing instrument was acknowledged before me on January 14, 2014, by Mona D. Ables, as Vice President of Land of COG Operating LLC, a Delaware limited liability company, on behalf of said limited liability company.

My commission expires 8.29.17

Brittany Hull
 Notary Public

**Concho Oil & Gas LLC**

BY: Mona D. Ables
 NAME & TITLE: Mona D. Ables,
 Vice President of Land

CH

DATE: 1.14.14

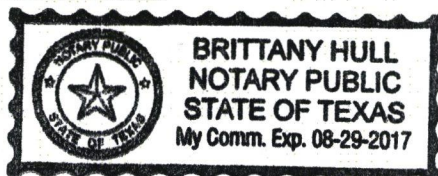
ACKNOWLEDGEMENT

STATE OF TEXAS)§
 COUNTY OF MIDLAND)§

The foregoing instrument was acknowledged before me on January 14, 2014, by Mona D. Ables, as Vice President of Land of Concho Oil & Gas LLC, a Texas limited liability company, on behalf of said limited liability company.

My commission expires 8.29.17

Bellatrix 28 Fed Com 3 H



Brittany Hull
 Notary

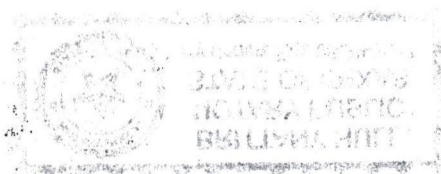
5



BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

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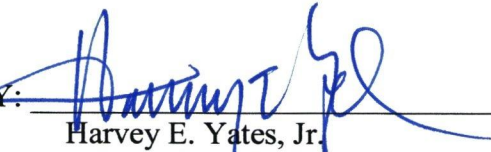
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Federal/Federal

WORKING INTEREST OWNER

Jalapeno Corporation

BY: 
Harvey E. Yates, Jr.

TITLE: President

DATE: 1/14/2014

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF BERNALILLO)§

The foregoing instrument was acknowledged before me on January 14, 2014, by Harvey E. Yates, Jr., President of Jalapeno Corporation, a Nevada company.

My commission expires



OFFICIAL SEAL
YAN ZHANG
NOTARY PUBLIC
STATE OF NEW MEXICO

My Commission Expires 1/19/2017


Notary Public

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2014 JAN 30 PM 12:55

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WORKING INTEREST OWNER

McVay Drilling Company

BY: 

NAME & TITLE: Mike McVay, President


DATE: 1/2/14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF LEA)§

The foregoing instrument was acknowledged before me on Jan 2,, 2014, by
Mike McVay, as President of McVay Drilling Company.

My commission expires 8-16-17

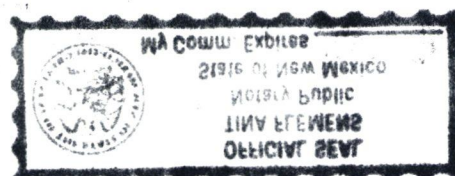

Notary Public



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CARLSBAD FIELD OFFICE

2014 JAN 20 PM 12:55

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Federal/Federal

WORKING INTEREST OWNER**Moutray Properties, LLC**

By: _____

NAME & TITLE: Gil Moutray, President

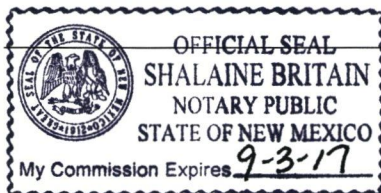
DATE: 1-9-14**ACKNOWLEDGEMENT**

STATE OF NEW MEXICO) §

COUNTY OF LEA) §

The foregoing instrument was acknowledged before me this 9 day of January, 2014, by Gil Moutray as President of Moutray Properties, LLC, a New Mexico limited liability company.

My Commission Expires:

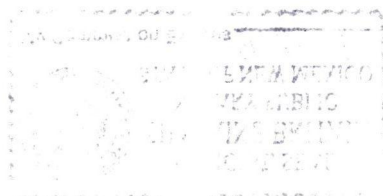
Shalaine Britain

Notary Public

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CARLSBAD FIELD OFFICE

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Federal/Federal

WORKING INTEREST OWNER

Harvey E. Yates Company

BY: 

TITLE: Arlene T. Rowland, Vice President

DATE: 1/14/14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF CHAVES)§

The foregoing instrument was acknowledged before me on January 14, 2014, by
Arlene T. Rowland as Vice-President of Harvey E. Yates Company, a New Mexico company.

My commission expires March 5, 2016


Notary Public

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12:55

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WORKING INTEREST OWNER

Yates Energy Corporation

BY:  _____

TITLE: Fred G. Yates, President

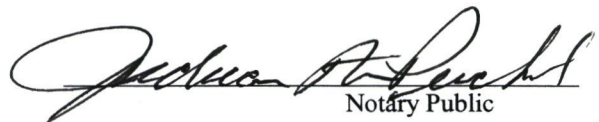
DATE: 1-8-14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF CHAVES)§

The foregoing instrument was acknowledged before me on January 8, 2014, by Fred G. Yates, as President of Yates Energy Corporation, a New Mexico company.

My commission expires 12-20-16


Notary Public

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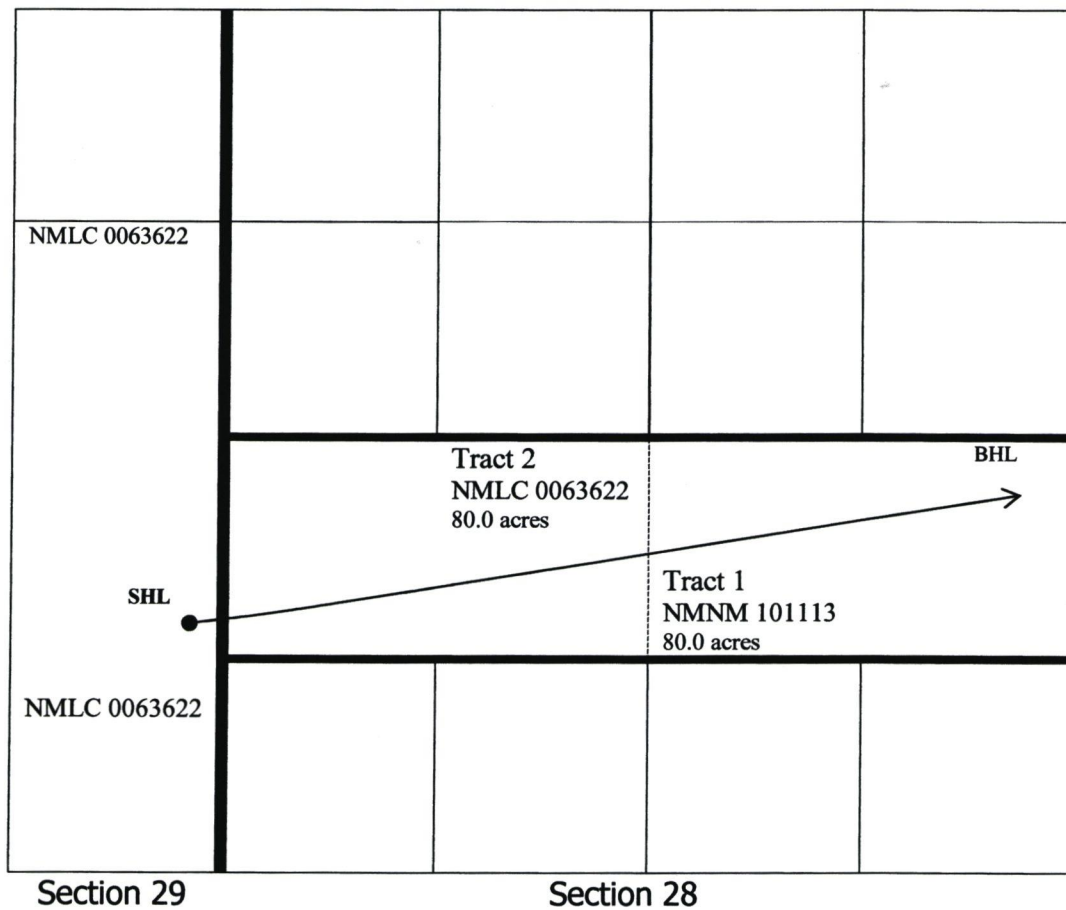
EXHIBIT "A"

Plat of communitized area covering NE/4SE/4, NW/4SE/4, NE/4SW/4 and NW/4SW/4, AKA as N/2 S/2 of Section 28-T19S-R31E, Eddy County, New Mexico

Bellatrix 28 Fed Com 3 H

SHL: 1560' FSL, 200' FEL of Section 29-T19S-R31E

BHL: 2280' FSL, 340' FEL of Section 28-T19S-R31E



Bellatrix 28 Fed Com 3 H

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EXHIBIT "B"

Attached to and made a part of Communitization Agreement dated September 20, 2013, embracing the N/2 S/2 of Section 28, Township 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

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

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

Lease Serial Number:	USA NMNM 101113		
Lease Date:	September 1, 1998		
Lease Term:	Ten (10) Years		
Lessor:	United States of America		
Original Lessee:	Santa Fe Energy Resources, Inc.		
Present Lessee:	Devon Energy Production Company, L.P.		
Description of Land Committed:	Insofar only as said lease covers: <u>Township 19 South, Range 31 East</u> Section 28: N/2SE/4		
Number of Acres:	80.0		
Royalty Rate:	12.5%		
Name and Percent WI Owners:	Devon Energy Production Company LP	50.000%	
	COG Operating LLC	47.500%	
	Concho Oil & Gas LLC	<u>2.500%</u>	
		100.000%	
ORRI Interest:	2.75000%		

Tract No. 2

Lease Serial No.:	USA NMLC 063622		
Lease Date:	April 1, 1948		
Lease Term:	Five (5) Years		
Lessor:	United States of America		
Original Lessee:	C. U. Bay		
Present Lessee:	Devon Energy Production Company, LP		
Description of Land Committed:	<u>Township 19 South, Range 31 East</u> Section 28: N/2SW/4		
Number of Acres:	80.00		
Royalty Rate:	12.5%		

Bellatrix 28 Fed Com 3 H

12

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Name and Percent WI Owners :	Devon Energy Production Company, LP	68.000000%
	Harvey E. Yates Company	11.417015%
	COG Operating LLC	6.650000%
	Concho Oil & Gas LLC	.350000%
	Jalapeno Corporation	4.798827%
	Moutray Properties, LLC	4.000000%
	Yates Energy Corporation	3.784158%
	McVay Drilling Company	1.000000%
		100.000000%

ORRI Interest: 8.5%

RECAPITULATION

	No. of Acres	Percentage of Interest
<u>Tract No.</u>	<u>Committed</u>	<u>In Communitized Area</u>
1	80.00	50.0000%
2	80.00	50.0000%
Total	160.00	100.0000%

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12:55

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Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102-8260

December 30, 2013

WORKING INTEREST AND LEASEHOLD OWNERS:

Re: Communitization Agreement
USA NMNM-101113, USA NMLC-063622
N/2 S/2 of Section 28-19S-31E
Eddy County, New Mexico
Bellatrix 28 Fed Com 3H (Bone Spring)

Gentlemen:

Pursuant to Devon Energy Production Company's successful completion of the Bellatrix 28 Fed Com 3 H (API 30-015-40333), enclosed is one copy of the Communitization Agreement and three signature/notarization pages. At your earliest convenience, please execute and notarize the signature pages and return same to Devon in the enclosed self-addressed, stamped envelope.

You may contact the undersigned if you have any questions. A copy of the fully signed and BLM-approved agreement will be delivered to you.

Sincerely,

Devon Energy Production Company, L.P.

Janelle Miller

Janelle Miller
Sr. Land Technician
405-228-8421 / janelle.miller@dvn.com

WORKING INTEREST OWNERS

Bellatrix 28 Federal Com 3 H
N/2 S/2 of Section 28-T19S-R31E
Eddy County, New Mexico

Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102

COG Operating LLC
Concho Oil & Gas LLC
600 West Illinois Avenue
Midland, TX 79701

Yates Energy Corporation
P.O. Box 2323
Roswell, NM 88202-2323

Harvey E. Yates Company
P. O. Box 1933
Roswell, NM 88202-2323

Moutray Properties, LLC
P.O. Box 1598
Carlsbad, NM 88221

Jalapeno Corporation
P. O. Box 1608
Albuquerque, NM 87103-1608

McVay Drilling Company
P.O. Box 924
Hobbs, NM 88241-0924



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



IN REPLY REFER TO:

NM133044

3105.2 (P0220)

Reference:

Bellatrix 28 Fed Com 4H

T. 19 S., R. 31 E.,

Section 28, S2S2

Eddy County, NM

JUL 31 2014

Devon Energy Production Company

333 West Sheridan Avenue

Oklahoma City, OK 73102-5105

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133044 involving 80 acres of Federal land in lease NMLC0063622, and 80 acres of Federal land in lease NMNM101113, Eddy County, New Mexico, which comprise a 160 acre well spacing unit, whose leases are held by actual production.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the S2S2 of sec. 28, T. 19 S., R. 31 E., NMPM, and is effective 10/01/2013. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steve Caffey".

Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



IN REPLY REFER TO:
3105.2 (P0220)

Reference:

Water Damage

Communitization Agreements

Bureau of Land Management

Carlsbad, New Mexico Field Office

DEVON

333 W SHERIDAN AVE

OKC, OK 73102-8260

Gentlemen:

We had significant damage from roof leaks on Friday night June 13, 2014. It affected the eastern side of the building where adjudication occurs for all the incoming Application Permits to Drill and Communitization Agreements (CA). We are currently back logged with approximately forty Communitization Agreements, which are now water damaged, some more severely than others.

As operator of the proposed CA we hereby request that you submit copies of what you previously submitted (see attached).

A few of the Application Permits to Drill were also water damaged; you will be contacted if necessary at a later date to provide replacement pages.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Sincerely,

Wesley W. Ingram
Supervisory Petroleum Engineer
Bureau of Land Management
Carlsbad Field Office

Enclosure:

Devon
Bellatrix
28-4
6-25-14
Janette
Miller
405-228-
8421

Contract No. 133044

Federal/Federal

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof 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 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.
Section 28: S/2 S/2

containing 160.00 acres, more or less, and this agreement shall include the Bone Spring formation underlying said lands and the crude oil and associated natural gas substances, hereinafter 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.

Bellatrix 28 Fed Com 4 H

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This Original Doc.
is water damaged -
if it will not scan
properly - a photo copy
is attached.

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CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

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3. All matters of operation 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 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 therefrom 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, State or fee land included within the CA area are to be placed in an interest earning escrow or 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.

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CARLSBAD FIELD OFFICE

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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 **October 1, 2013**, 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 as to the Bone Spring formation for a period of 2 years and for as long as communitized substance is, 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 occurs 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.

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

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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 of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.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.

OPERATOR:

Devon Energy Production Company, L. P.

DATE: 1-28-14

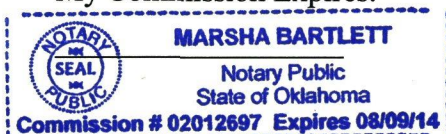
BY: 
 Bill A. Penhall, Vice President 

ACKNOWLEDGEMENT

STATE OF OKLAHOMA) §
COUNTY OF OKLAHOMA) §

The foregoing instrument was acknowledged before me this 28 day of January, 2014 by Bill A. Penhall as Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of the limited partnership.

My Commission Expires:



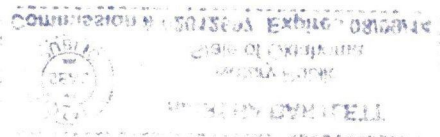

Notary Public

Bellatrix 28 Fed Com 4 H

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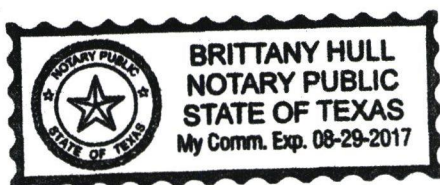
Federal/Federal

WORKING INTEREST OWNER**COG Operating LLC**BY: Mona D. AblesNAME & TITLE: Mona D. Ables,
Vice President of LandCH
ABDATE: 1.14.14**ACKNOWLEDGEMENT**STATE OF TEXAS)§
COUNTY OF MIDLAND)§

The foregoing instrument was acknowledged before me on January 14, 2014, by Mona D. Ables, as Vice President of Land of COG Operating LLC, a Delaware limited liability company, on behalf of said limited liability company.

My commission expires 8.29.17

Brittany Hull
Notary Public

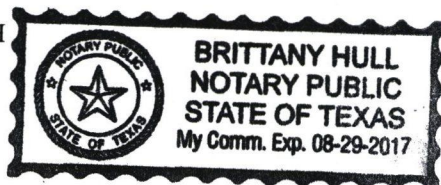
**Concho Oil & Gas LLC**BY: Mona D. AblesNAME & TITLE: Mona D. Ables,
Vice President of LandCH
ABDATE: 1.14.14**ACKNOWLEDGEMENT**STATE OF TEXAS)§
COUNTY OF MIDLAND)§

The foregoing instrument was acknowledged before me on January 14, 2014, by Mona D. Ables, as Vice President of Land of Concho Oil & Gas LLC, a Texas limited liability company, on behalf of said limited liability company.

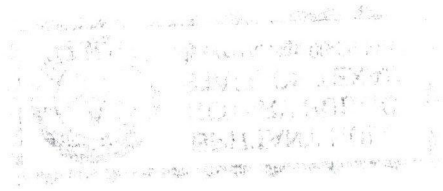
My commission expires 8.29.17

Brittany Hull
Notary

Bellatrix 28 Fed Com 4 H



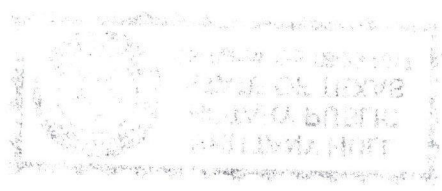
5



BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

RECEIVED



Federal/Federal

WORKING INTEREST OWNER

Jalapeno Corporation

BY: 

Harvey E. Yates, Jr.

TITLE: President

DATE: 1/14/14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF BERNALILLO)§

The foregoing instrument was acknowledged before me on January 14, 2014, by Harvey E. Yates, Jr., President of Jalapeno Corporation, a Nevada company.

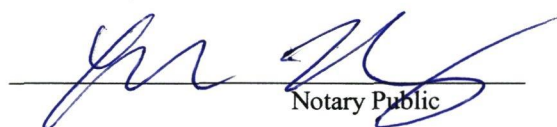
My commission expires



OFFICIAL SEAL
YAN ZHANG
NOTARY PUBLIC
STATE OF NEW MEXICO

My Commission Expires

1/19/2017


Notary Public

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

RECEIVED

Federal/Federal

WORKING INTEREST OWNER

McVay Drilling Company

BY: _____

NAME & TITLE: Mike McVay, President

DATE: _____

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF LEA)§

The foregoing instrument was acknowledged before me on Jan 2, 2014, by
Mike McVay, as President of McVay Drilling Company.

My commission expires _____

8-16-17

Tina Flemens
Notary Public



BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

RECEIVED



Federal/Federal

WORKING INTEREST OWNER

Moutray Properties, LLC

By: _____

NAME & TITLE: Gil Moutray, President

DATE: 1-9-14

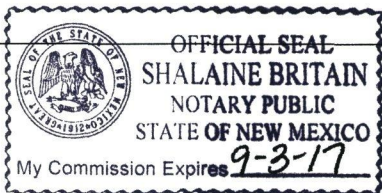
ACKNOWLEDGEMENT

STATE OF NEW MEXICO) §

COUNTY OF LEA) §

The foregoing instrument was acknowledged before me this 9 day of January, 2014, by Gil Moutray as President of Moutray Properties, LLC, a New Mexico limited liability company.

My Commission Expires:



Shalaine Britain

Notary Public

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

RECEIVED

08
OF NEW MEXICO
PUBLIC
LANDS
CIVIL SERV

Federal/Federal

WORKING INTEREST OWNER

Harvey E. Yates Company

BY: Arlene T. Rowland

TITLE: Arlene T. Rowland, Vice President

DATE: 1/14/14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF CHAVES)§

The foregoing instrument was acknowledged before me on January 14, 2014, by
Arlene T. Rowland as Vice-President of Harvey E. Yates Company, a New Mexico company.

My commission expires March 5, 2016

Melissa Randle
Notary Public

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

RECEIVED

Federal/Federal

WORKING INTEREST OWNER

Yates Energy Corporation

BY:  _____

TITLE: Fred G. Yates, President

DATE: 1-8-14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF CHAVES)§

The foregoing instrument was acknowledged before me on January 8, 2014, by Fred G. Yates, as President of Yates Energy Corporation, a New Mexico company.

My commission expires 12-20-16


Notary Public

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

RECEIVED

Federal/Federal

EXHIBIT "B"

Attached to and made a part of Communitization Agreement dated September 20, 2013, embracing the S/2 S/2 of Section 28, Township 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

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

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

Lease Serial Number:	USA NMNM 101113	
Lease Date:	September 1, 1998	
Lease Term:	Ten (10) Years	
Lessor:	United States of America	
Original Lessee:	Santa Fe Energy Resources, Inc.	
Present Lessee:	Devon Energy Production Company, L.P.	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 19 South, Range 31 East</u> Section 28: S/2SE/4	
Number of Acres:	80.0	
Royalty Rate:	12.5%	
Name and Percent WI Owners:	Devon Energy Production Company LP	50.000%
	COG Operating LLC	47.500%
	Concho Oil & Gas LLC	<u>2.500%</u>
		100.000%
ORRI Interest:	2.75000%	

Tract No. 2

Lease Serial No.:	USA NMLC 063622	
Lease Date:	April 1, 1948	
Lease Term:	Five (5) Years	
Lessor:	United States of America	
Original Lessee:	C. U. Bay	
Present Lessee:	Devon Energy Production Company, LP	
Description of Land Committed:	<u>Township 19 South, Range 31 East</u> Section 28: S/2SW/4	

Number of Acres:	80.00
Royalty Rate:	12.5%

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12

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

RECEIVED

Federal/Federal

Name and Percent WI Owners :	Devon Energy Production Company, LP	68.000000%
	Harvey E. Yates Company	11.417015%
	COG Operating LLC	6.650000%
	Concho Oil & Gas LLC	.350000%
	Jalapeno Corporation	4.798827%
	Moutray Properties, LLC	4.000000%
	Yates Energy Corporation	3.784158%
	McVay Drilling Company	<u>1.000000%</u>
		100.000000%

ORRI Interest: 8.5%

RECAPITULATION

	No. of Acres	Percentage of Interest
<u>Tract No.</u>	<u>Committed</u>	<u>In Communitized Area</u>
1	80.00	50.0000%
2	80.00	50.0000%
Total	160.00	100.0000%

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

RECEIVED

Federal/Federal

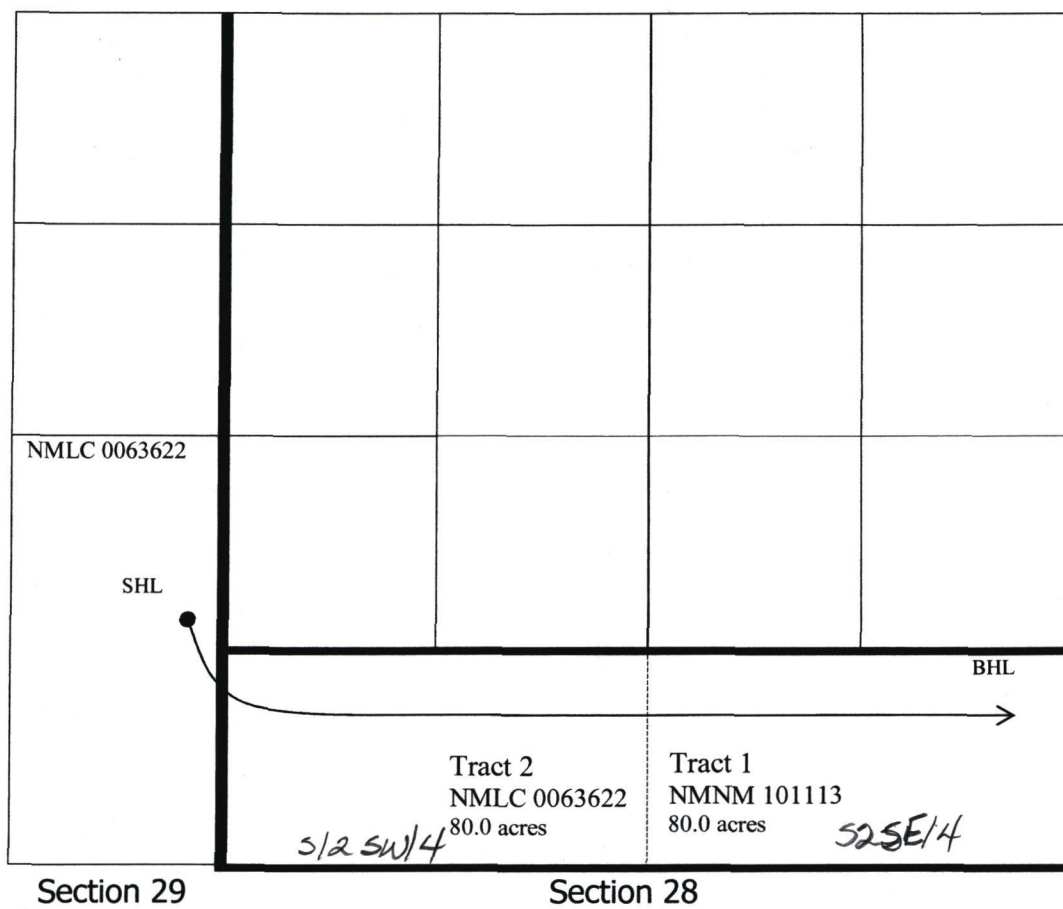
EXHIBIT "A"

Plat of communitized area covering SE/4SE/4, SW/4SE/4, SE/4SW/4 and SW/4SW/4, AKA as S/2 S/2 of Section 28-T19S-R31E, Eddy County, New Mexico

Bellatrix 28 Fed Com 4 H

SHL: 1510' FSL, 200' FEL of Section 29-T19S-R31E

BHL: 900' FSL, 340' FEL of Section 28-T19S-R31E



Bellatrix 28 Fed Com 4 H

11

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

2014 JAN 30 PM 12: 59

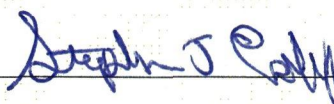
RECEIVED

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the S2S2 of sec. 28, T. 19 S., R. 31 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:



Authorized Officer

Effective: 10/01/2013

Contract No.: Com. Agr. NM133044

This photo copy of CA
133044 is for scanning
Purposes as Original Agreement
has water damage & may
not run thru a scan machine.

Contract No. 133 044

Federal/Federal

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof 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 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.
Section 28: S/2 S/2

containing 160.00 acres, more or less, and this agreement shall include the Bone Spring formation underlying said lands and the crude oil and associated natural gas substances, hereinafter 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.

Federal/Federal

3. All matters of operation 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 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 therefrom 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, State or fee land included within the CA area are to be placed in an interest earning escrow or 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.

Federal/Federal

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 **October 1, 2013**, 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 as to the Bone Spring formation for a period of 2 years and for as long as communitized substance is, 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 occurs 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.

Federal/Federal

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 of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.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.

OPERATOR:

Devon Energy Production Company, L. P.

DATE: 1-28-14

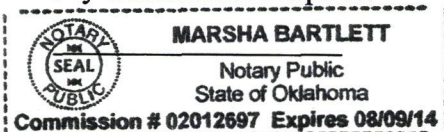
BY: 
 Bill A. Penhall, Vice President 

ACKNOWLEDGEMENT

STATE OF OKLAHOMA) §
COUNTY OF OKLAHOMA) §

The foregoing instrument was acknowledged before me this 28 day of January, 2014 by Bill A. Penhall as Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of the limited partnership.

My Commission Expires:




Notary Public

Bellatrix 28 Fed Com 4 H

4

WORKING INTEREST OWNER

Federal/Federal

COG Operating LLC

BY: Mona D. AblesNAME & TITLE: Mona D. Ables,
Vice President of LandCH
176DATE: 1.14.14

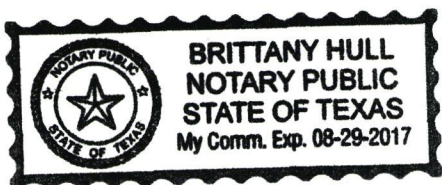
ACKNOWLEDGEMENT

STATE OF TEXAS)§
COUNTY OF MIDLAND)§

The foregoing instrument was acknowledged before me on January 14, 2014, by Mona D. Ables, as Vice President of Land of COG Operating LLC, a Delaware limited liability company, on behalf of said limited liability company.

My commission expires 8.29.17

Brittany Hull
Notary Public



Concho Oil & Gas LLC

BY: Mona D. AblesNAME & TITLE: Mona D. Ables,
Vice President of LandCH
176DATE: 1.14.14

ACKNOWLEDGEMENT

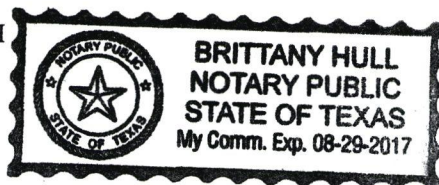
STATE OF TEXAS)§
COUNTY OF MIDLAND)§

The foregoing instrument was acknowledged before me on January 14, 2014, by Mona D. Ables, as Vice President of Land of Concho Oil & Gas LLC, a Texas limited liability company, on behalf of said limited liability company.

My commission expires 8.29.17

Brittany Hull
Notary

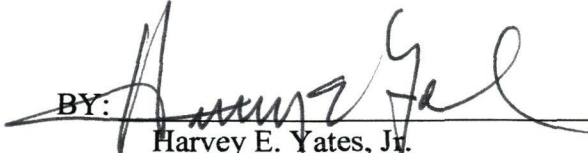
Bellatrix 28 Fed Com 4 H



Federal/Federal

WORKING INTEREST OWNER

Jalapeno Corporation

BY: 
Harvey E. Yates, Jr.

TITLE: President

DATE: 1/14/14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF BERNALILLO)§

The foregoing instrument was acknowledged before me on January 14, 2014, by Harvey E. Yates, Jr., President of Jalapeno Corporation, a Nevada company.

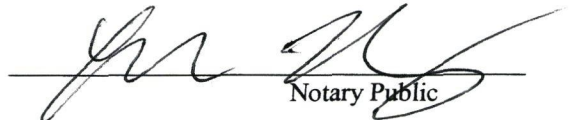
My commission expires



OFFICIAL SEAL
YAN ZHANG
NOTARY PUBLIC
STATE OF NEW MEXICO

My Commission Expires

1/19/2017


Notary Public

Federal/Federal

WORKING INTEREST OWNER

McVay Drilling Company

BY: _____

NAME & TITLE: Mike McVay, President

DATE: 1/2/14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF LEA)§

The foregoing instrument was acknowledged before me on Jan 2, 2014, by Mike McVay, as President of McVay Drilling Company.

My commission expires 8-16-17

Tina Flemens
Notary Public



Federal/Federal

WORKING INTEREST OWNER

Moutray Properties, LLC

By: 

NAME & TITLE: Gil Moutray, President

DATE: 1-9-14

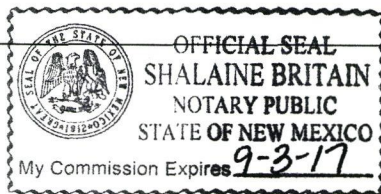
ACKNOWLEDGEMENT

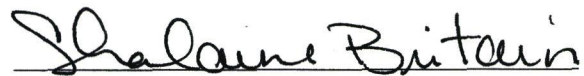
STATE OF NEW MEXICO) §

COUNTY OF LEA) §

The foregoing instrument was acknowledged before me this 9 day of January, 2014, by Gil Moutray as President of Moutray Properties, LLC, a New Mexico limited liability company.

My Commission Expires:





Notary Public

Federal/Federal

WORKING INTEREST OWNER

Harvey E. Yates Company

BY: A. Rowland

TITLE: Arlene T. Rowland, Vice President

DATE: 1/14/14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF CHAVES)§

The foregoing instrument was acknowledged before me on January 14, 2014, by
Arlene T. Rowland as Vice-President of Harvey E. Yates Company, a New Mexico company.

My commission expires March 5, 2016

Melvin Randle
Notary Public

Federal/Federal

WORKING INTEREST OWNER

Yates Energy Corporation

BY: _____

TITLE: Fred G. Yates, President

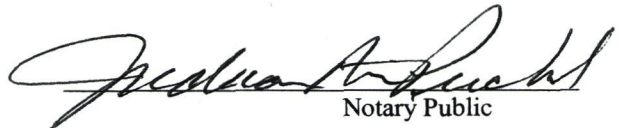
DATE: 1-8-14

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)§
COUNTY OF CHAVES)§

The foregoing instrument was acknowledged before me on January 8, 2014, by Fred G. Yates, as President of Yates Energy Corporation, a New Mexico company.

My commission expires 12.20.16


Notary Public

Federal/Federal

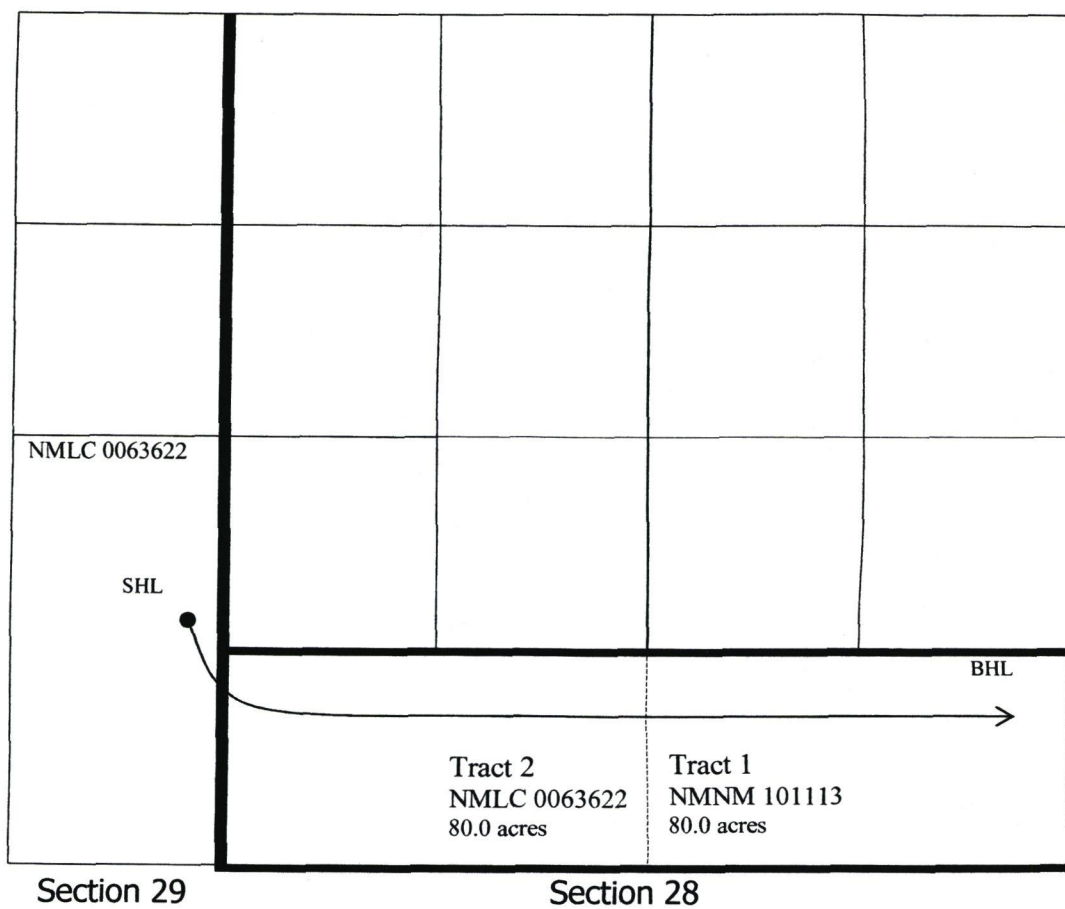
EXHIBIT "A"

Plat of communitized area covering SE/4SE/4, SW/4SE/4, SE/4SW/4 and SW/4SW/4, AKA as S/2 S/2 of Section 28-T19S-R31E, Eddy County, New Mexico

Bellatrix 28 Fed Com 4 H

SHL: 1510' FSL, 200' FEL of Section 29-T19S-R31E

BHL: 900' FSL, 340' FEL of Section 28-T19S-R31E



Bellatrix 28 Fed Com 4 H

11

Federal/Federal

EXHIBIT "B"

Attached to and made a part of Communitization Agreement dated September 20, 2013, embracing the S/2 S/2 of Section 28, Township 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

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

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

Lease Serial Number:	USA NMNM 101113		
Lease Date:	September 1, 1998		
Lease Term:	Ten (10) Years		
Lessor:	United States of America		
Original Lessee:	Santa Fe Energy Resources, Inc.		
Present Lessee:	Devon Energy Production Company, L.P.		
Description of Land Committed:	Insofar only as said lease covers: <u>Township 19 South, Range 31 East</u> Section 28: S/2SE/4		
Number of Acres:	80.0		
Royalty Rate:	12.5%		
Name and Percent WI Owners:	Devon Energy Production Company LP	50.000%	
	COG Operating LLC	47.500%	
	Concho Oil & Gas LLC	2.500%	
		<u>100.000%</u>	
ORRI Interest:	2.75000%		

Tract No. 2

Lease Serial No.:	USA NMLC 063622		
Lease Date:	April 1, 1948		
Lease Term:	Five (5) Years		
Lessor:	United States of America		
Original Lessee:	C. U. Bay		
Present Lessee:	Devon Energy Production Company, LP		
Description of Land Committed:	<u>Township 19 South, Range 31 East</u> Section 28: S/2SW/4		
Number of Acres:	80.00		
Royalty Rate:	12.5%		

Bellatrix 28 Fed Com 4 H

12

Federal/Federal

Name and Percent WI Owners :	Devon Energy Production Company, LP	68.000000%
	Harvey E. Yates Company	11.417015%
	COG Operating LLC	6.650000%
	Concho Oil & Gas LLC	.350000%
	Jalapeno Corporation	4.798827%
	Moutray Properties, LLC	4.000000%
	Yates Energy Corporation	3.784158%
	McVay Drilling Company	1.000000%
		100.000000%

ORRI Interest: 8.5%

RECAPITULATION

	No. of Acres	Percentage of Interest
<u>Tract No.</u>	<u>Committed</u>	<u>In Communitized Area</u>
1	80.00	50.0000%
2	80.00	50.0000%
Total	160.00	100.0000%

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

05/21/2021

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
BELLATRIX 28	3H	3001540333	NMNM101113	NMNM131931	DEVON
BELLATRIX 28	7H	3001542370	NMNM101113	NMNM131931	DEVON
BELLATRIX 28	1H	3001540331	NMLC063622	NMLC063622	DEVON
BELLATRIX 28	8H	3001542371	NMNM101113	NMNM133044	DEVON
BELLATRIX 28	4H	3001540334	NMNM101113	NMNM133044	DEVON

Notice of Intent

Type of Submission: Notice of Intent

Type of Action Commingling (Surface) and Off-Lease Measurement

Date Sundry Submitted: 05/19/2021

Time Sundry Submitted: 04:01

Date proposed operation will begin: 05/18/2021

Procedure Description: APPLICATION FOR CENTRAL TANK BATTERY/OFF LEASE MEASUREMENT, SALES, & STORAGE Per 43 CFR 3173.14 (a)(1)(i-iv) - (i) Federal lease, unit PA, or CA, where each lease, unit PA, or CA proposed for commingling has 100 percent Federal mineral interest, the same fixed royalty rate and, and the same revenue distribution Proposal for the Bellatrix 28 Fed Battery - Devon Energy Production Company, LP is requesting approval for a Pool/Lease Commingle. Please see attached commingle application and supporting documentation.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Bellatrix_28_Fed_Battery_Submitted_Comingling_Narrative_20210519160111.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: REBECCA DEAL**Signed on:** MAY 19, 2021 04:01 PM**Name:** DEVON ENERGY PRODUCTION COMPANY LP**Title:** Regulatory Compliance Professional**Street Address:** 333 West Sheridan Avenue**City:** Oklahoma City **State:** OK**Phone:** (405) 228-8429**Email address:** Rebecca.Deal@dvn.com**Field Representative****Representative Name:****Street Address:****City:****State:****Zip:****Phone:****Email address:**

Well Name: BELLATRIX 28 FED COM	Well Location: T19S / R31E / SEC 29 / NESE / 32.628845 / -103.883304	County or Parish/State: EDDY / NM
Well Number: 7H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM101113	Unit or CA Name: BELLATRIX 28 FED COM 3H	Unit or CA Number: NMNM131931
US Well Number: 3001542370	Well Status: Producing Oil Well	Operator: DEVON ENERGY PRODUCTION COMPANY LP

Notice of Intent

Sundry ID: 2656282

Type of Submission: Notice of Intent

Type of Action: Other

Date Sundry Submitted:

Time Sundry Submitted:

Date proposed operation will begin: 02/09/2022

Procedure Description: Devon Energy Production Co., L.P. respectfully request amendment of the assigned pool code from Hackberry; Bone Spring, East (96746) to Hackberry; Bone Spring (29345). Please see attached revised C-102.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Bellatrix_28_Fed_Com_7H_Plat_PC_Rev_20220209092556.pdf

Well Name: BELLATRIX 28 FED COM	Well Location: T19S / R31E / SEC 29 / NESE / 32.628845 / -103.883304	County or Parish/State: EDDY / NM
Well Number: 7H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM101113	Unit or CA Name: BELLATRIX 28 FED COM 3H	Unit or CA Number: NMNM131931
US Well Number: 3001542370	Well Status: Producing Oil Well	Operator: DEVON ENERGY PRODUCTION COMPANY LP

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: REBECCA DEAL

Signed on: FEB 09, 2022 09:26 AM

Name: DEVON ENERGY PRODUCTION COMPANY LP

Title: Regulatory Compliance Professional

Street Address: 333 West Sheridan Avenue

City: Oklahoma City State: OK

Phone: (405) 228-8429

Email address: Rebecca.Deal@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 30-015-42370	² Pool Code 29345	³ Pool Name Hackberry; Bone Spring
⁴ Property Code 39244	⁵ Property Name BELLATRIX 28 FED COM	
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁶ Well Number 7H
		⁹ Elevation 3482.8

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
I	29	19 S	31 E		1710	SOUTH	160	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
I	28	19 S	31 E		2200	SOUTH	460	EAST	EDDY

¹² Dedicated Acres 160	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.

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.

Signature: Rebecca Deal Date: 2/8/2022

Printed Name: Rebecca Deal, Regulatory Specialist

E-mail Address: Rebecca.deal@div.state.nm.us

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.

SEPTEMBER 28, 2013

Date of Survey: SEP 28 2013

Signature and Seal of Professional Surveyor: [Signature]

Certificate Number: FILMON F. JARAMILLO, PLS 12797

SURVEY NO. 2293

The survey plat shows sections 28 and 29. A well location is marked with a blue circle and labeled 'NMNM-101113 460' and 'NMMLC-063622'. The well is located in Section 28, 460 feet from the north line and 2200 feet from the east line. The plat includes corner coordinates, bearings, and distances for sections 28 and 29. A note indicates the use of the American Datum of 1983 (NAD83) and the New Mexico State Plane East coordinate system.

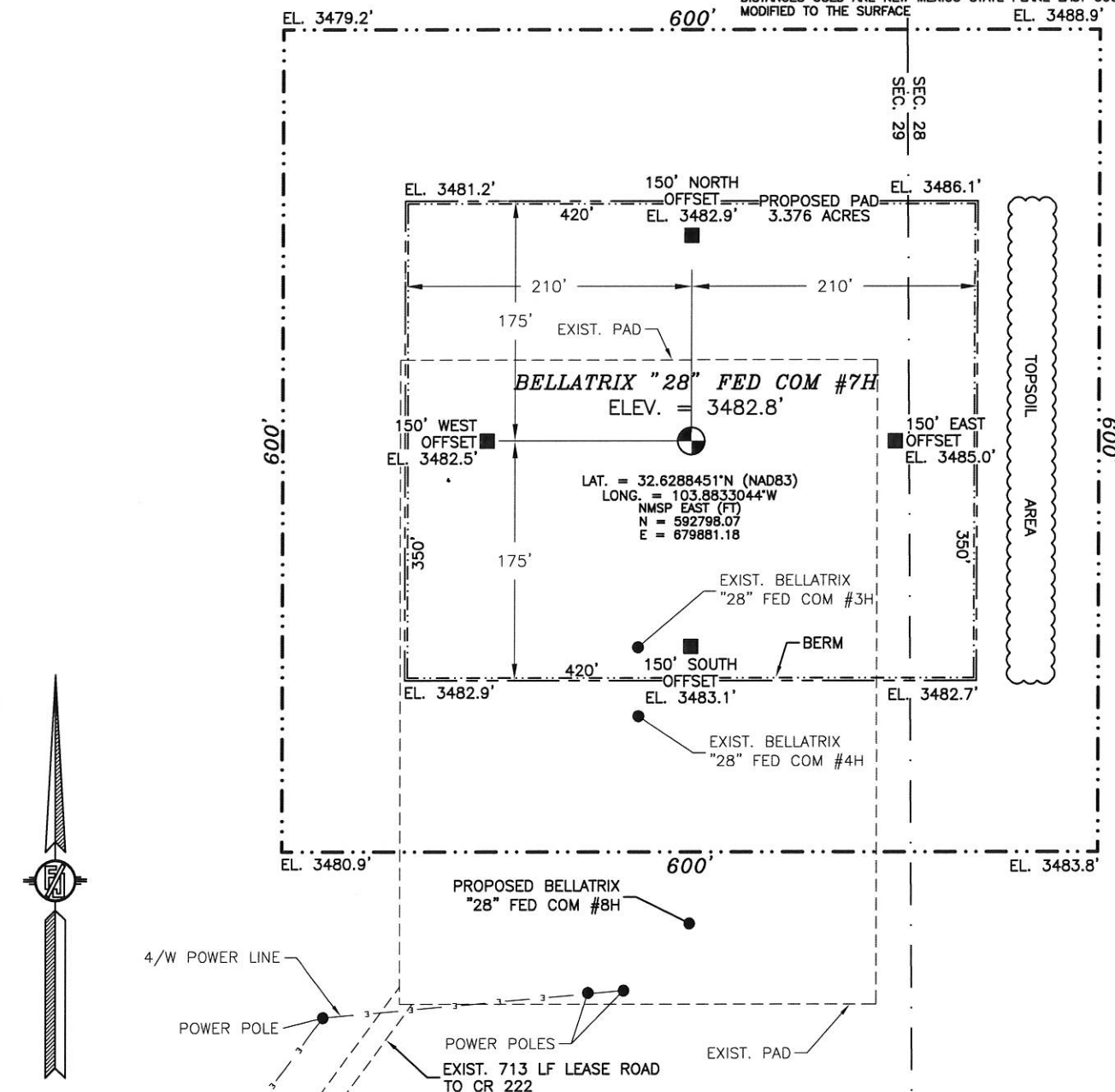
PP: 300' FEL & 2020' FSL, Sec 29, T19S, R31E

Project Area: [REDACTED]Producing Area: XXXXXXXXXX

SECTION 29, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

SITE MAP

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



0 12 60 120 240

SCALE 1" = 120'

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF CR 248 (LUSK ROAD) AND CR 222 (SHUGART ROAD) GO SOUTHEAST TO SOUTHWEST TO WEST APPROX. 3.5 MILES ON CR 222 A RANCH HOUSE ON LEFT, SOUTH OF CR 222 IS A LEASE ROAD ON RIGHT (NORTH) OF CR 222, TURN NORTH GO APPROX. 0.1 MILES TO EXISTING PAD, WELLS FELL ON EXISTING PAD.

DEVON ENERGY PRODUCTION COMPANY, L.P.
BELLATRIX "28" FED COM #7H
LOCATED 1710 FT. FROM THE SOUTH LINE
AND 160 FT. FROM THE EAST LINE OF
SECTION 29, TOWNSHIP 19 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 28, 2013

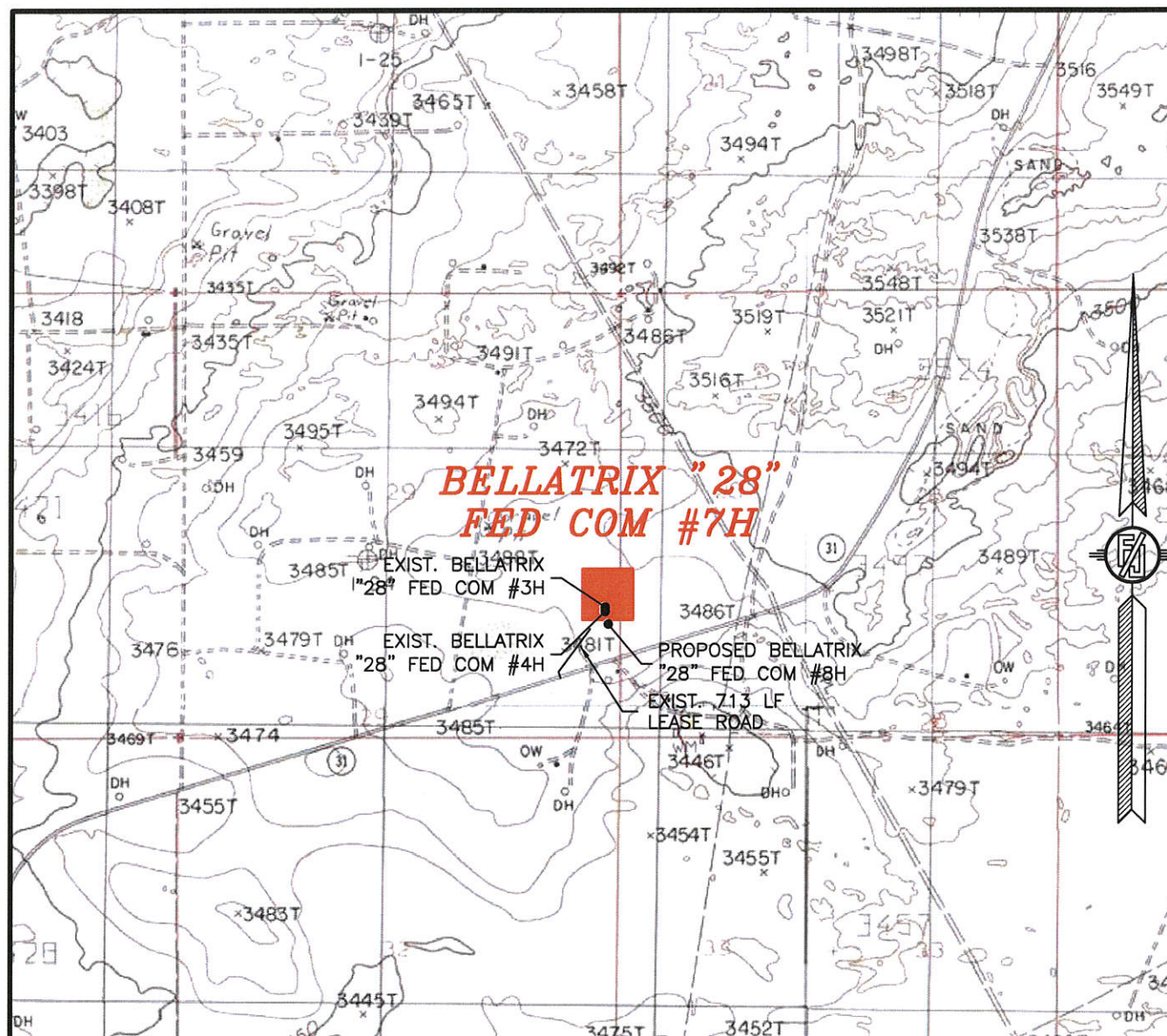
SURVEY NO. 2293

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

CARLSBAD, NEW MEXICO

SECTION 29, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



USGS QUAD MAP:
HACKBERRY LAKE

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.

BELLATRIX "28" FED COM #7H

LOCATED 1710 FT. FROM THE SOUTH LINE

AND 160 FT. FROM THE EAST LINE OF

SECTION 29, TOWNSHIP 19 SOUTH,

RANGE 31 EAST, N.M.P.M.

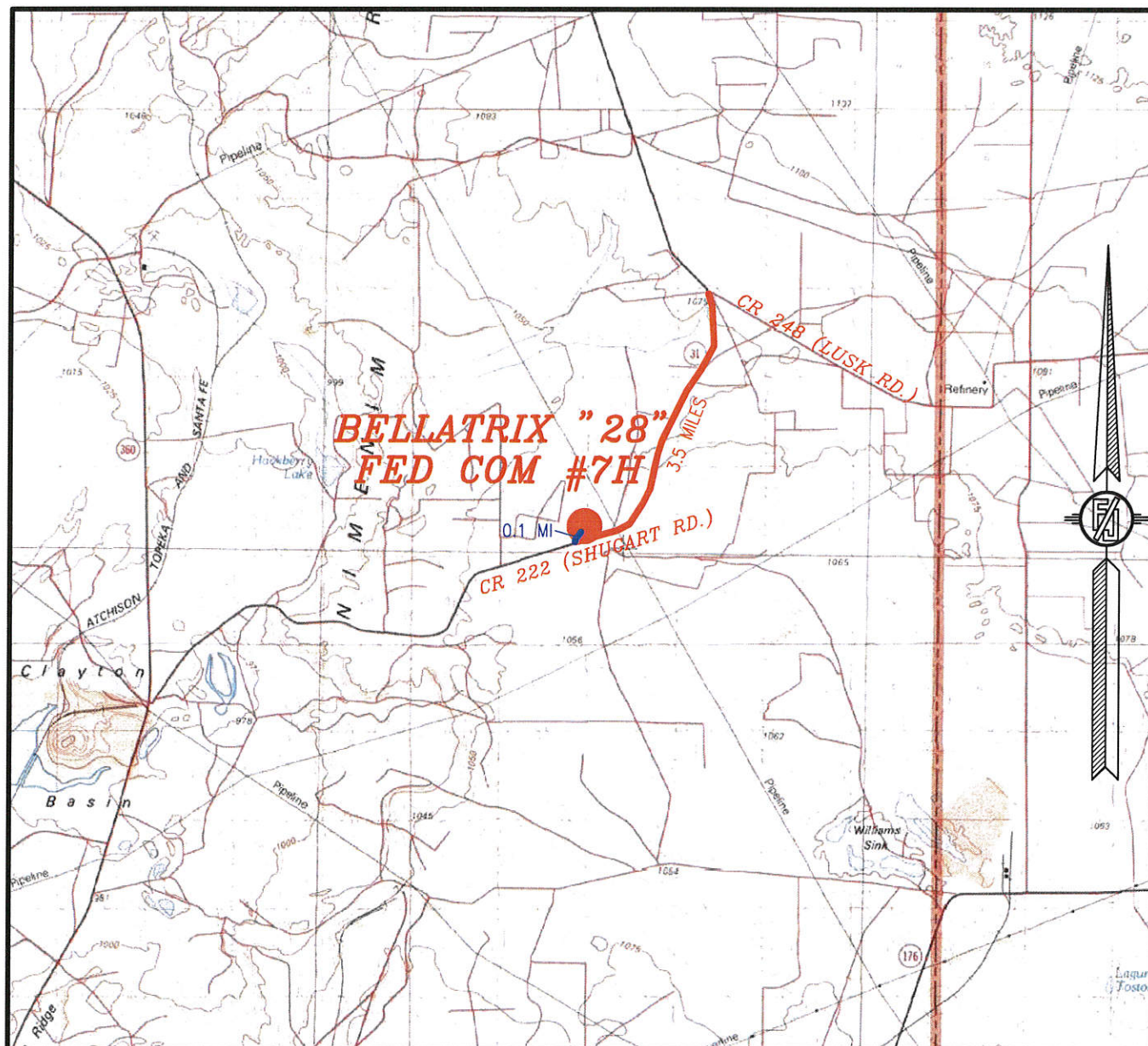
EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 28, 2013

SURVEY NO. 2293

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 29, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
VICINITY MAP



NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.

BELLATRIX "28" FED COM #7H

LOCATED 1710 FT. FROM THE SOUTH LINE
AND 160 FT. FROM THE EAST LINE OF
SECTION 29, TOWNSHIP 19 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 28, 2013

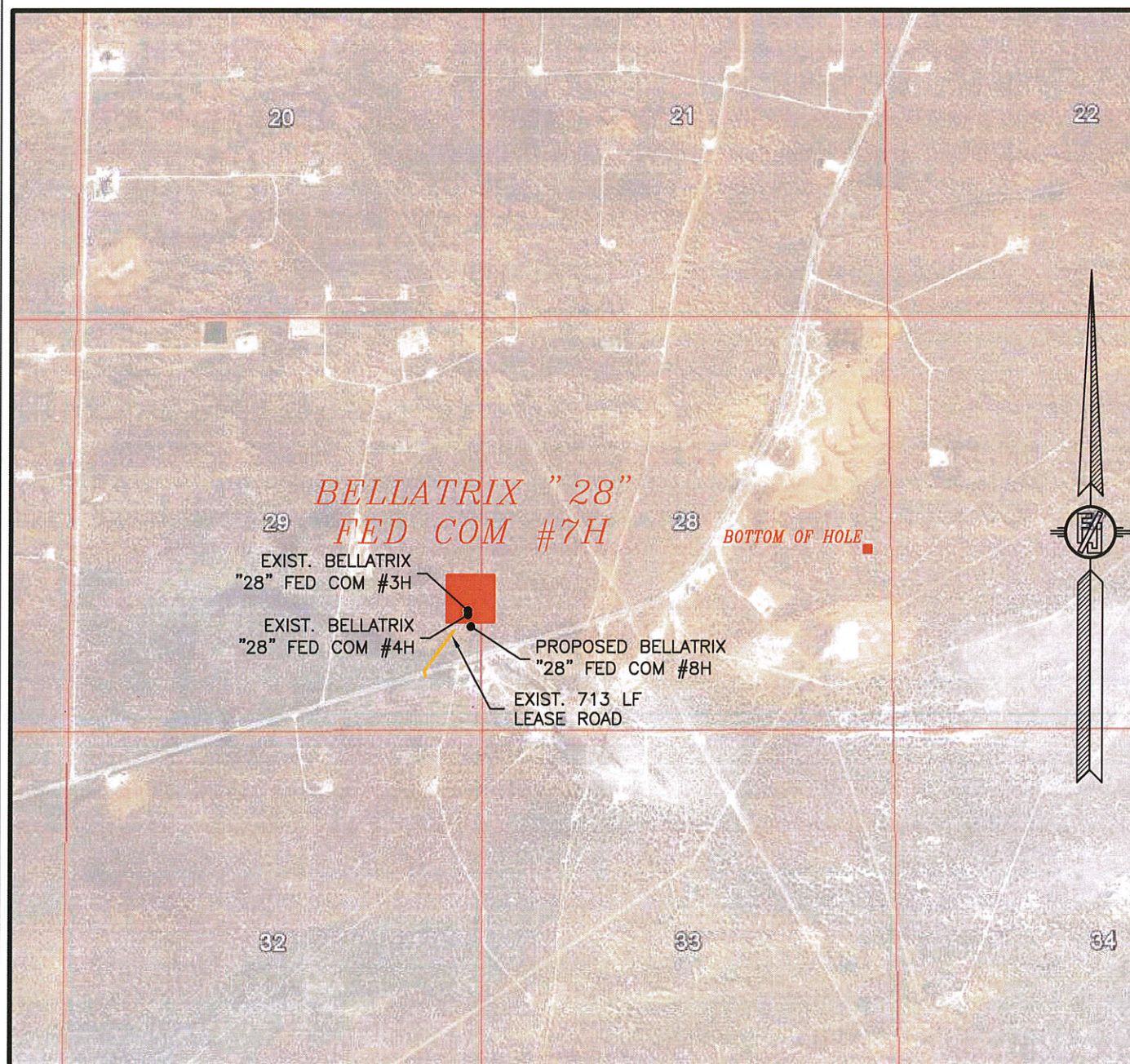
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF CR 248 (LUSK ROAD) AND CR 222 (SHUGART ROAD) GO SOUTHEAST TO SOUTHWEST TO WEST APPROX. 3.5 MILES ON CR 222 A RANCH HOUSE ON LEFT, SOUTH OF CR 222 IS A LEASE ROAD ON RIGHT (NORTH) OF CR 222, TURN NORTH GO APPROX. 0.1 MILES TO EXISTING PAD, WELLS FELL ON EXISTING PAD.

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341

SURVEY NO. 2293
CARLSBAD, NEW MEXICO

SECTION 29, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
 AERIAL PHOTO:
 GOOGLE EARTH
 MARCH 2012

DEVON ENERGY PRODUCTION COMPANY, L.P.
BELLATRIX "28" FED COM #7H
 LOCATED 1710 FT. FROM THE SOUTH LINE
 AND 160 FT. FROM THE EAST LINE OF
 SECTION 29, TOWNSHIP 19 SOUTH,
 RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 28, 2013

SURVEY NO. 2293

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

Well Name: BELLATRIX 28 FED COM	Well Location: T19S / R31E / SEC 29 / NESE / 32.627877 / -103.883311	County or Parish/State: EDDY / NM
Well Number: 8H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM101113	Unit or CA Name: BELLATRIX 28 FED COM 4H	Unit or CA Number: NMNM133044
US Well Number: 3001542371	Well Status: Producing Oil Well	Operator: DEVON ENERGY PRODUCTION COMPANY LP

Notice of Intent

Sundry ID: 2656302

Type of Submission: Notice of Intent

Type of Action: Other

Date Sundry Submitted:

Time Sundry Submitted:

Date proposed operation will begin: 02/09/2022

Procedure Description: Per OCD request, Devon Energy Production Co., L.P. respectfully requests amendment of assigned pool code from Hackberry; Bone Spring, East (96746) to Hackberry; Bone Spring (29345). Please see attached revised C-102.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Bellatrix_28_Fed_Com_8H_Plat_PC_Rev_20220209093405.pdf

Well Name: BELLATRIX 28 FED COM	Well Location: T19S / R31E / SEC 29 / NESE / 32.627877 / -103.883311	County or Parish/State: EDDY / NM
Well Number: 8H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM101113	Unit or CA Name: BELLATRIX 28 FED COM 4H	Unit or CA Number: NMNM133044
US Well Number: 3001542371	Well Status: Producing Oil Well	Operator: DEVON ENERGY PRODUCTION COMPANY LP

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: REBECCA DEAL

Signed on: FEB 09, 2022 09:34 AM

Name: DEVON ENERGY PRODUCTION COMPANY LP

Title: Regulatory Compliance Professional

Street Address: 333 West Sheridan Avenue

City: Oklahoma City State: OK

Phone: (405) 228-8429

Email address: Rebecca.Deal@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 30-015-42371	² Pool Code 29345	³ Pool Name Hackberry; Bone Spring
⁴ Property Code 39244	⁵ Property Name BELLATRIX 28 FED COM	⁶ Well Number 8H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3483.4

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	29	19 S	31 E		1358	SOUTH	163	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	28	19 S	31 E		918	SOUTH	255	EAST	EDDY

¹² Dedicated Acres 160	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>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>Signature: <u>Rebecca Deal</u> Date: <u>2/8/2022</u></p> <p>Printed Name: <u>Rebecca Deal, Regulatory Specialist</u></p> <p>E-mail Address: <u>rebecca.deal@dmv.com</u></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>SEPTEMBER 28, 2013</p> <p>Date of Survey: <u>SEPTEMBER 28, 2013</u></p> <p>Signature and Seal of Professional Surveyor: <u>[Signature]</u></p> <p>Certificate Number: <u>EILIMON F. JARAMILLO, PLS 12797</u></p> <p>SURVEY NO. 2294</p>		

PP: 1068' FSL & 188' FEL, Sec 29-T19S-R31E

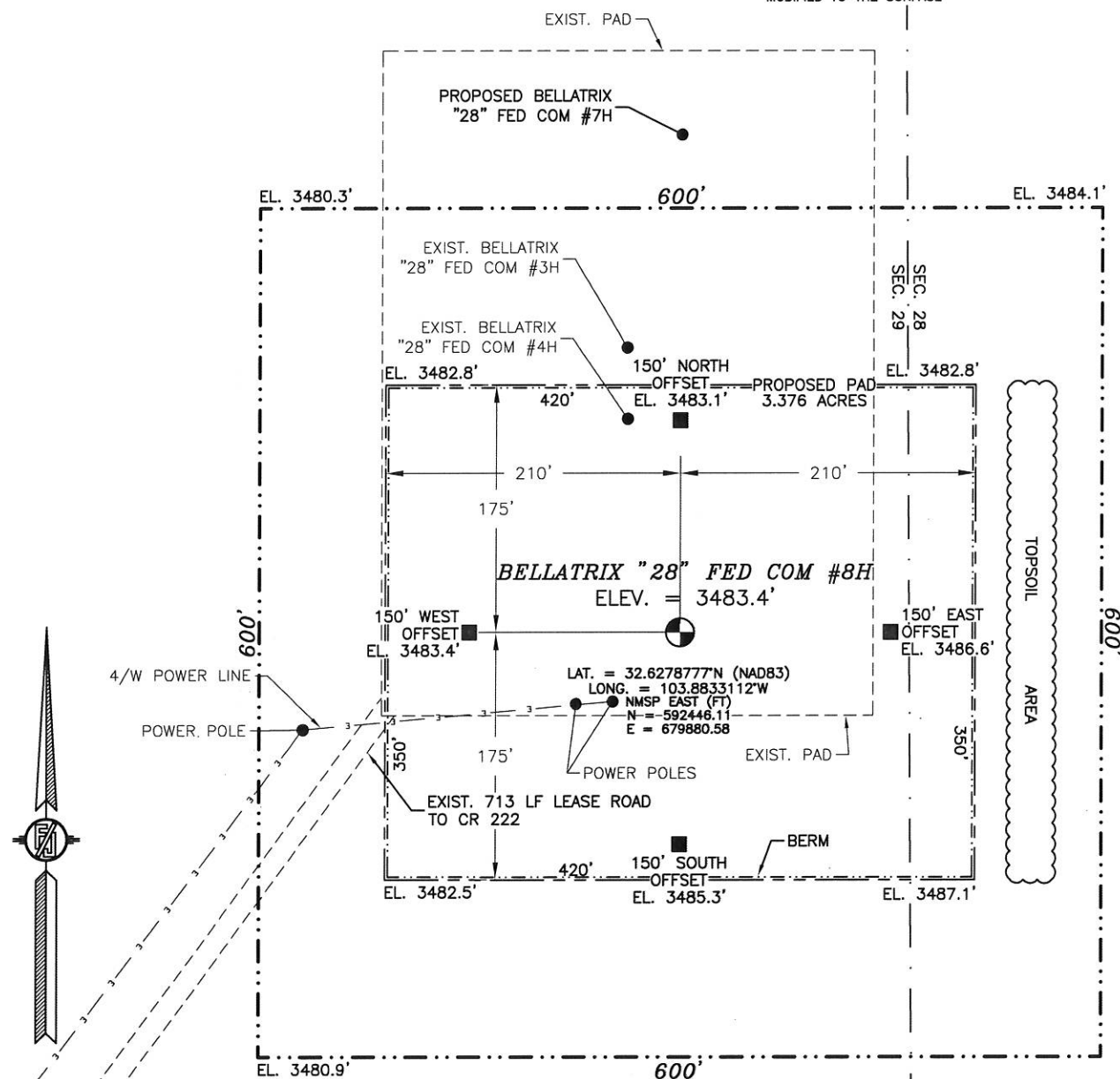
Project Area:

Producing Area:

SECTION 29, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

SITE MAP

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



DEVON ENERGY PRODUCTION COMPANY, L.P.
BELLATRIX "28" FED COM #8H
LOCATED 1358 FT. FROM THE SOUTH LINE
AND 163 FT. FROM THE EAST LINE OF
SECTION 29, TOWNSHIP 19 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 28, 2013

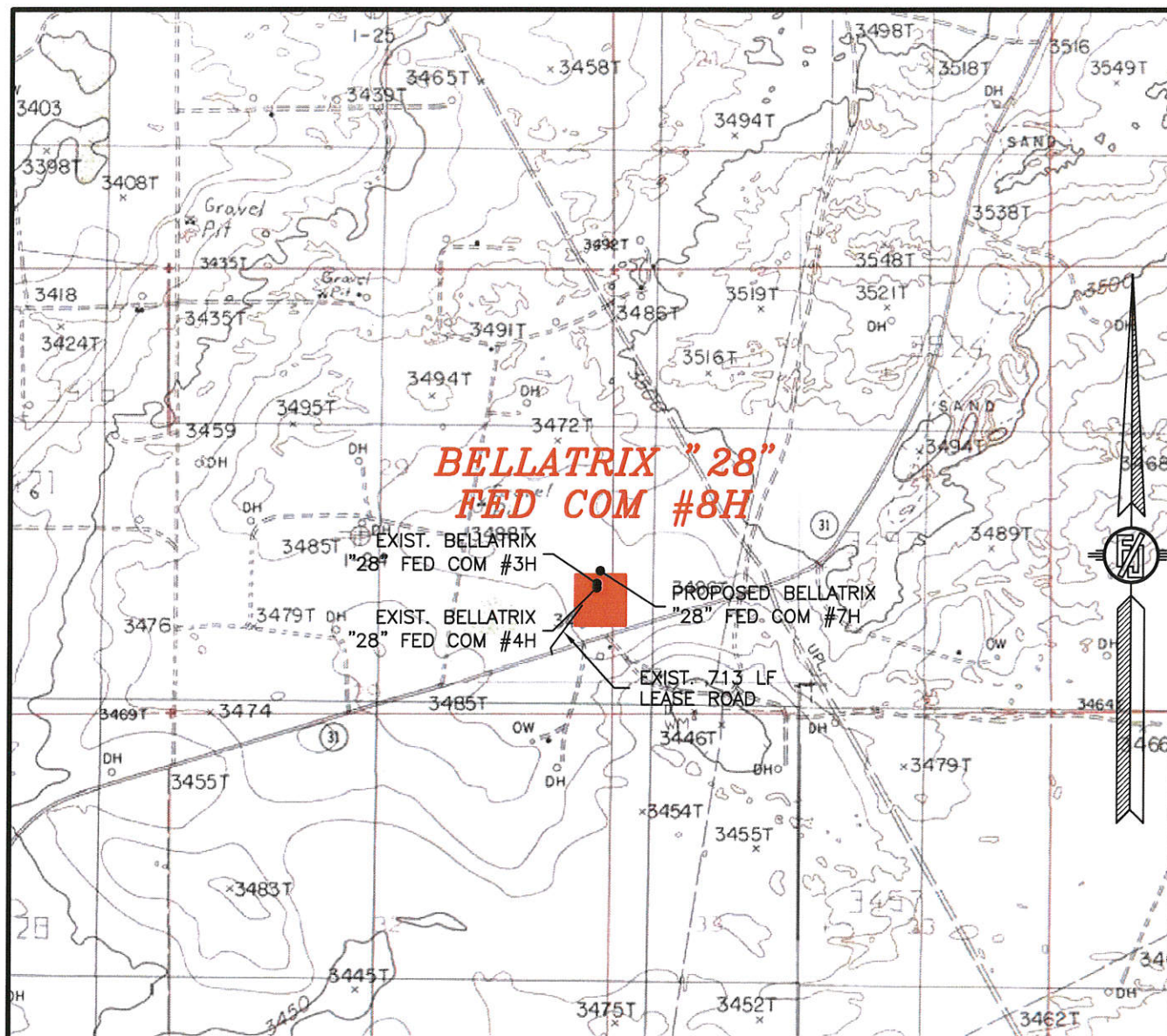
SURVEY NO. 2294

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

CARLSBAD, NEW MEXICO

SECTION 29, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



USGS QUAD MAP:
HACKBERRY LAKE

NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.

BELLATRIX "28" FED COM #8H

LOCATED 1358 FT. FROM THE SOUTH LINE

AND 163 FT. FROM THE EAST LINE OF

SECTION 29, TOWNSHIP 19 SOUTH,

RANGE 31 EAST, N.M.P.M.

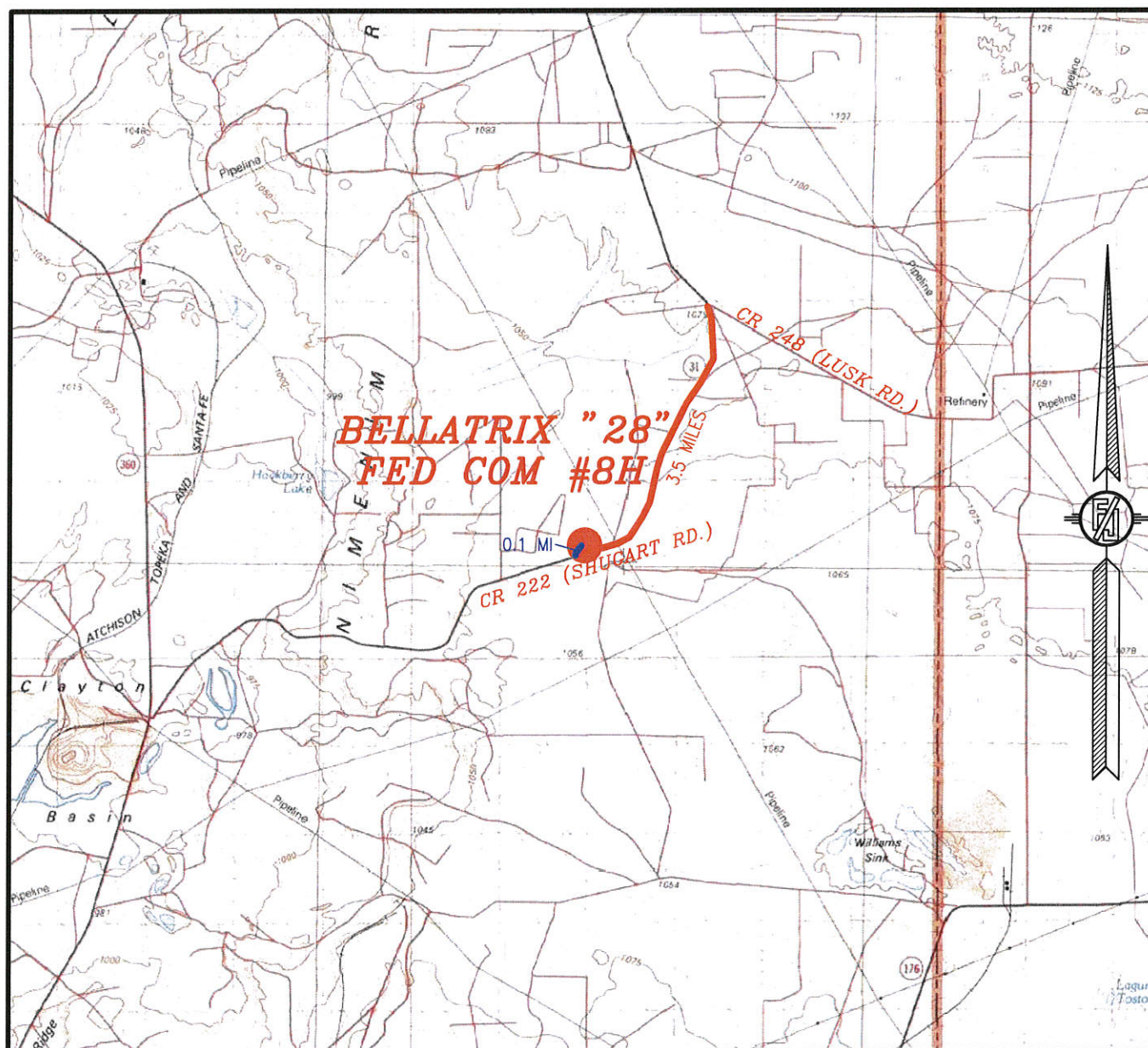
EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 28, 2013

SURVEY NO. 2294

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 29, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
VICINITY MAP



NOT TO SCALE

DEVON ENERGY PRODUCTION COMPANY, L.P.

BELLATRIX "28" FED COM #8H

LOCATED 1358 FT. FROM THE SOUTH LINE
AND 163 FT. FROM THE EAST LINE OF
SECTION 29, TOWNSHIP 19 SOUTH,
RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 28, 2013

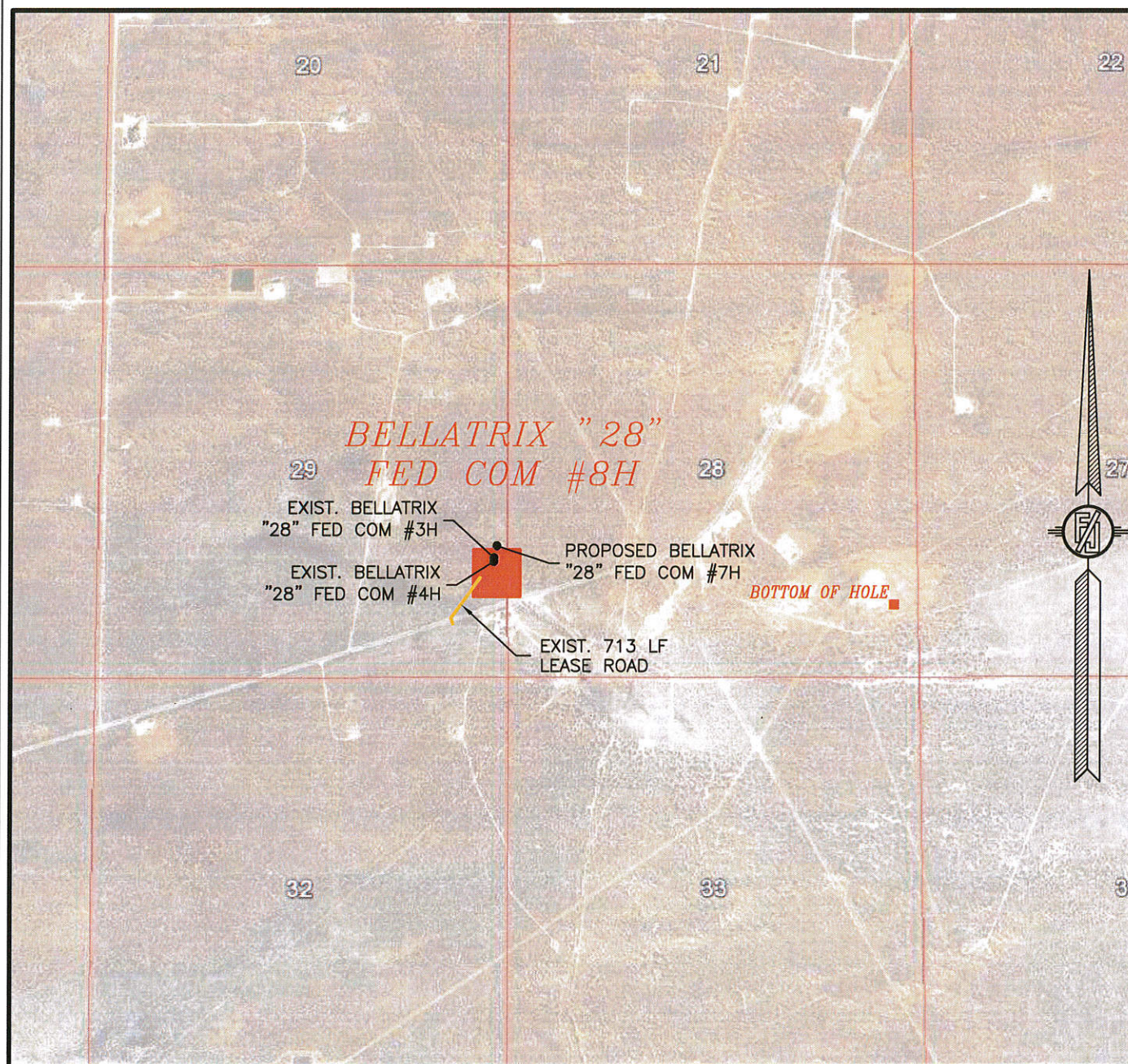
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF CR 248 (LUSK ROAD) AND CR 222 (SHUGART ROAD) GO SOUTHEAST TO SOUTHWEST TO WEST APPROX. 3.5 MILES ON CR 222 A RANCH HOUSE ON LEFT, SOUTH OF CR 222 IS A LEASE ROAD ON RIGHT (NORTH) OF CR 222, TURN NORTH GO APPROX. 0.1 MILES TO EXISTING PAD, WELLS FELL ON EXISTING PAD.

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341

SURVEY NO. 2294
CARLSBAD, NEW MEXICO

SECTION 29, TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
 AERIAL PHOTO:
 GOOGLE EARTH
 MARCH 2012

DEVON ENERGY PRODUCTION COMPANY, L.P.
BELLATRIX "28" FED COM #8H
 LOCATED 1358 FT. FROM THE SOUTH LINE
 AND 163 FT. FROM THE EAST LINE OF
 SECTION 29, TOWNSHIP 19 SOUTH,
 RANGE 31 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 28, 2013

SURVEY NO. 2294

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

From: [Engineer, OCD, EMNRD](#)
To: [Deal, Rebecca](#)
Cc: [McClure, Dean, EMNRD](#); [Hawkins, James, EMNRD](#); [Powell, Brandon, EMNRD](#); lisa@rwbyram.com; [Glover, James](#); [Paradis, Kyle O](#); [Walls, Christopher](#)
Subject: Approved Administrative Order CTB-1028
Date: Wednesday, February 23, 2022 5:33:02 PM
Attachments: [CTB1028 Order.pdf](#)

NMOCD has issued Administrative Order CTB-1028 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
30-015-40331	Bellatrix 28 Federal #1H	N/2 N/2	28-19S-31E	29345
30-015-40333	Bellatrix 28 Federal Com #3H	N/2 S/2	28-19S-31E	29345
30-015-40334	Bellatrix 28 Federal Com #4H	S/2 S/2	28-19S-31E	29345
30-015-42370	Bellatrix 28 Federal Com #7H	N/2 S/2	28-19S-31E	29345
30-015-42371	Bellatrix 28 Federal Com #8H	S/2 S/2	28-19S-31E	29345

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: [Deal, Rebecca](#)
To: [McClure, Dean, EMNRD](#)
Subject: RE: [EXTERNAL] surface commingling application PLC-776
Date: Tuesday, February 8, 2022 7:11:49 AM
Attachments: [Bellatrix 28 Fed Battery State Commingle Rev.pdf](#)

Hi Dean,

Thanks for the questions. The 2H was removed from this battery. It now has it's own. As for the cover letter, yes, the pools listed are incorrect. Attached is a revised letter with the correct pools.

Fingers crossed the pools remain the same but happy to revise plats and the application if needed. These wells have been producing for some time and though I verified the pools using the OCD Imaging website, I didn't think to ask of the pools had changed.

Thank you,

Rebecca Deal
Regulatory Specialist

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5015
405 228 8429 Direct



From: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Sent: Monday, February 7, 2022 4:55 PM
To: Deal, Rebecca <Rebecca.Deal@dvn.com>
Subject: [EXTERNAL] surface commingling application PLC-776

Ms. Deal,

I am reviewing surface commingling application PLC-776 which involves the commingling project that includes the Bellatrix 28 Federal Battery and is operated by Devon Energy Production Company, LP (6137).

The wells included in this application seems to mostly include the same sets of wells in both CTB-699 and PLC-421. However both of these orders also includes the Bellatrix 28 Federal Com #2H (30-015-40332). Is this well no longer going to be commingled with the wells included in this application?

On the cover letter, included is the Wolfcamp formation, but I did not see any wells included which are completed into a Wolfcamp pool. Was there another well which was meant to also be included or was the Wolfcamp mistakenly referenced?

Additionally, it looks like Section 28, Township 19 South, Range 31 East is another one of these sections which has overlapping Bone Spring pools. I'm touching base with Kate and will get back with you once I know which pool the wells in this section should include.

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

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

From: [Deal, Rebecca](#)
To: [McClure, Dean, EMNRD](#)
Subject: RE: [EXTERNAL] Bellatrix Bone Spring pools
Date: Wednesday, February 9, 2022 9:53:00 AM
Attachments: [Bellatrix 28 Fed Com 7H_Submitted PC Rev NOI.pdf](#)
[Bellatrix 28 Fed Com 8H_Submitted PC Rev NOI.pdf](#)

Hello Dean,

Both sundries with revised C-102s have been submitted to the BLM. Please see attached and proceed with the commingle application. Devon will prioritize the sundries with the BLM and submit to the OCD once approval is received.

Thank you,

Rebecca Deal

Regulatory Specialist

Devon Energy Corporation

333 West Sheridan Avenue
Oklahoma City, OK 73102-5015
405 228 8429 Direct



From: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Sent: Tuesday, February 8, 2022 4:05 PM
To: Deal, Rebecca <Rebecca.Deal@devon.com>
Subject: RE: [EXTERNAL] Bellatrix Bone Spring pools

Hello Rebecca,

I'll include this email as part of the file and will not need an amended application unless you wish to amend it. If you do wish to, then you may email the amended application directly to me.

Regarding moving forward with the surface commingling application; see the following two routes which are at Devon's discretion to decide how they wish to proceed:

- The surface commingling application may be processed prior to the Division's approval of the pool change.
 - To do so, submit to me, via email, copies of the sundries submitted to the BLM requesting the pool change for each well.
 - Please note, it will be Devon's responsibility to ensure that the pool changes are ultimately approved by the Division such that the project will be in agreement with the issued order or else submit an application to amend the issued order to be in agreement with the project.
- The surface commingling application is placed in hold until after the Division has approved the pool change.
 - Send me an email letting me know when the approved BLM sundries have been submitted to the Division with the action ID numbers.

Regardless of how we proceed with the surface commingling application, you will need to follow Kate's direction below regarding the pool assignment and production.

Additionally, please note that this surface commingling application will now be designated as CTB-1028 rather than PLC-776.

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

From: Deal, Rebecca <Rebecca.Deal@dyn.com>
Sent: Tuesday, February 8, 2022 9:38 AM
To: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Subject: [EXTERNAL] Bellatrix Bone Spring pools
Importance: High

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

Hi Dean,

Katherine revised some of the pool codes for the Bellatrix wells. How would you like to proceed with the commingle? I am happy to file the C-102 and the necessary fed sundries to change the pools. I need to revise the commingle as well – can I email that to you or will it be another submittal with a fee?

Rebecca Deal
Regulatory Specialist

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5015
405 228 8429 Direct



From: Pickford, Katherine, EMNRD <Katherine.Pickford@state.nm.us>
Sent: Tuesday, February 8, 2022 9:36 AM
To: Stults, Lauren <Lauren.Stults@dyn.com>
Subject: [EXTERNAL] Bone Spring pools

Hi Lauren,
The Devon wells listed below are reporting to two different pools in the same spacing units. We need to get them all in the same pool.
We need C-103s reassigning the 7H and 8H to the Hackberry; Bone Spring [29345], new C-102s, and past production will have to be changed to the correct pool.

Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
30-015-40331	Bellatrix 28 Federal #1H	N/2 N/2	28-19S-31E	29345
30-015-40333	Bellatrix 28 Federal Com #3H	N/2 S/2	28-19S-31E	29345
30-015-40334	Bellatrix 28 Federal Com #4H	S/2 S/2	28-19S-31E	29345
30-015-42370	Bellatrix 28 Federal Com #7H	N/2 S/2	28-19S-31E	96746
30-015-42371	Bellatrix 28 Federal Com #8H	S/2 S/2	28-19S-31E	96746

Kate

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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. CTB-1028

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. Applicant stated that it intends to keep the oil and gas production from one or more group(s) of wells identified in Exhibit B segregated from the oil and gas production from all other wells prior to measuring that production with an allocation meter.
4. 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.
5. 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.
6. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
7. 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.
8. 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.

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. This Order supersedes Orders CTB-699 and PLC-421.
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 allocation of oil and gas production to each group of wells identified in Exhibit B shall be determined by separating and metering the production from each group as described by Train in Exhibit B prior to commingling that production with production from any other well.

5. The allocation of oil and gas production shall be based on the production life of each well as measured for three periods: (a) the initial production period shall be measured from the first production until the earlier of either the peak production rate or thirty (30) days after the first production; (b) the plateau period shall be measured from the end of the initial production period to the peak decline rate; and (c) the decline period shall be measured from the end of the plateau period until the well is plugged and abandoned.

During the initial production period, the oil and gas production for each well identified in Exhibit B as Train A2 shall be allocated using a production curve calculated from a minimum of ten (10) well tests per month, except that any day in which a well test cannot achieve an accurate result due to a temporary change in oil and gas production shall not be included in the computation of time determining the well test schedule. The production curve shall be calculated by interpolating daily production for each day using the known daily production obtained by well tests and shall use a method of interpolation that is at minimum as accurate as maintaining a constant rate of change for each day's production between the known daily production values.

During the plateau period, the oil and gas production for each well identified in Exhibit B as Train A2 shall be allocated using a minimum of three (3) well tests per month.

During the decline period, the oil and gas production for each well identified in Exhibit B as Train A2 shall be allocated as follows: (a) a minimum of three (3) well tests per month when the decline rate is greater than twenty-two percent (22%) per month; (b) a minimum of two (2) well tests per month when the decline rate is between twenty-two percent (22%) and ten percent (10%) per month; and (c) a minimum of one (1) well test per month when the decline rate is less than ten percent (10%) per month.

Upon OCD's request, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that contains the decline rate curve and other relevant information demonstrating the production life of a well.

Applicant shall conduct a well test by separating and metering the oil and gas production from that well for either (a) a minimum of twenty-four (24) consecutive hours; or (b) a combination of nonconsecutive periods that meet the following conditions: (i) each period shall be a minimum of six (6) hours; and (ii) the total duration of the nonconsecutive periods shall be a minimum of eighteen (18) hours.

The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than fifteen (15) days until the well commences production.

6. The oil and gas production for each well identified in Exhibit B as Train A1 shall be separated and metered prior to commingling.
7. 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.

8. 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.
9. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
10. 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.
11. 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.
12. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
13. 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).
14. 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: **CTB-1028**

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

Central Tank Battery: **Bellatrix 28 Federal Battery**

Central Tank Battery Location: **Unit A, Section 29, Township 19 South, Range 31 East**

Gas Title Transfer Meter Location: **Unit A, Section 29, Township 19 South, Range 31 East**

Pools

Pool Name	Pool Code
HACKBERRY; BONE SPRING	29345

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
NMLC 0063622	A B C D E F G K L M N	28-19S-31E
CA Bone Spring NMNM 131931	N/2 S/2	28-19S-31E
CA Bone Spring NMNM 133044	S/2 S/2	28-19S-31E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-40331	Bellatrix 28 Federal #1H	N/2 N/2	28-19S-31E	29345
30-015-40333	Bellatrix 28 Federal Com #3H	N/2 S/2	28-19S-31E	29345
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30-015-42371	Bellatrix 28 Federal Com #8H	S/2 S/2	28-19S-31E	29345

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **CTB-1028**
Operator: **Devon Energy Production Company, LP (6137)**

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Train
30-015-40331	Bellatrix 28 Federal #1H	N/2 N/2	28-19S-31E	A1
30-015-42370	Bellatrix 28 Federal Com #7H	N/2 S/2	28-19S-31E	A1
30-015-42371	Bellatrix 28 Federal Com #8H	S/2 S/2	28-19S-31E	A1
30-015-40333	Bellatrix 28 Federal Com #3H	N/2 S/2	28-19S-31E	A2
30-015-40334	Bellatrix 28 Federal Com #4H	S/2 S/2	28-19S-31E	A2

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 32058

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 32058
	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