



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

December 1st, 2023

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:     Serpentine 35 Facility 1**  
**Sec.-T-R:     35-22S-33E**  
**County:     Lea Co., New Mexico**  
**Wells:     SERPENTINE 35-26 FED COM 1H - 2H, SERPENTINE 35-26 FED COM 10H - 12H**

**Lease:     NMNM113969, NMNM61360, NMNM12864**  
**Agreements:     Bone Spring CA Pending, Wolfcamp CA Pending**  
**Pool:     [5170] BELL LAKE;WOLFCAMP, NORTH**  
**[7320] BRINNINSTOOL;BONE SPRING**

Dear Mr. McClure:

Please find attached the commingle application for the Central Tank Battery of the aforementioned wells. This application is necessary due to multiple pools and multiple Communitization Agreements and Leases.

The working interest, royalty interest and overriding royalty interest owners are identical.

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 "Rebecca" and the last name "Deal" clearly distinguishable.

Rebecca Deal  
Regulatory Compliance Professional

**Enclosures**

Office  
 District I – (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II – (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III – (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV – (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM  
 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-51466 (Multiple)
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Devon Energy Production Co. LP		6. State Oil & Gas Lease No.
3. Address of Operator 333 W. Sheridan Ave OKC, OK 73102		7. Lease Name or Unit Agreement Name SERPENTINE 35-26 FED COM
4. Well Location Unit Letter <u>L</u> : <u>20</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>West</u> line Section <u>35</u> Township <u>22S</u> Range <u>33E</u> NMPM <u>Lea</u> County		8. Well Number <u>1H</u> (Multiple)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3575.2'		9. OGRID Number <u>6137</u>
		10. Pool name or Wildcat [7320] BRINNINSTOOL;BONE SPRING

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Surface Commingle <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy respectfully requests approval for Lease/Pool Commingling at the Serpentine 35 Facility 1. This is application is necessary due to multiple pools and Communitization Agreements. The working interest, royalty interest and overriding royalty interest owners are identical.

Please find the included commingle application for the Central Tank Battery of the SERPENTINE 35-26 FED COM 1H - 2H, SERPENTINE 35-26 FED COM 10H - 12H

Spud Date:

Rig Release Date:

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

SIGNATURE Rebecca Deal TITLE Regulatory Analyst DATE 12/01/2023

Type or print name Rebecca Deal E-mail address: rebecca.deal@dvn.com PHONE: 405-228-8429

**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

Revised March 23, 2017

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

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



**ADMINISTRATIVE APPLICATION CHECKLIST**

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

**Applicant:** Devon Energy Production Co., L.P. **OGRID Number:** 6137  
**Well Name:** SERPENTINE 35-26 FED COM Wells - Multiple - See Attached **API:** Multiple - See Attached  
**Pool:** BELL LAKE;WOLFCAMP, NORTH, BRINNINSTOOL;BONE SPRING **Pool Code:** 5170, 7320

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

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location – Spacing Unit – Simultaneous Dedication  
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling – Storage – Measurement  
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM  
 [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A. ☐ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☐ Application requires published notice  
 D. ☐ Notification and/or concurrent approval by SLO  
 E. ☒ Notification and/or concurrent approval by BLM  
 F. ☐ Surface owner  
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☐ No notice required

**FOR OCD ONLY**

- ☐ Notice Complete  
☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Rebecca Deal

Print or Type Name

Rebecca Deal

Signature

12/1/2023

Date

405-228-8429

Phone Number

rebecca.deal@dvn.com

e-mail Address

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

State of New Mexico  
Energy, Minerals and Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Form C-107-B  
Revised August 1, 2011

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

### APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

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

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

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

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

#### (A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
[5170] BELL LAKE;WOLFCAMP, NORTH	See Attached				
[7320] BRINNINSTOOL;BONE SPRING					

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

#### (B) LEASE COMMINGLING

Please attach sheets with the following information

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

#### (C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

#### (D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

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

#### (E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

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

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

SIGNATURE: Rebecca Deal TITLE: Regulatory Analyst DATE: 12/1/2023  
TYPE OR PRINT NAME Rebecca Deal TELEPHONE NO.: 405-228-8429  
E-MAIL ADDRESS: Rebecca.deal@dmn.com



**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 Serpentine 35 Facility 1**

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

Pending Wolfcamp CA - NMNM113969, NMNM61360, NMNM12864			
Well Name	API	Location	Pool
SERPENTINE 35-26 FED COM 2H	30-025-51405	L-35-22S-33E 1346 FSL & 651 FWL	[5170] BELL LAKE;WOLFCAMP, NORTH
SERPENTINE 35-26 FED COM 10H	30-025-51407	N-35-22S-33E 254 FSL & 1418 FWL	[5170] BELL LAKE;WOLFCAMP, NORTH

Pending Bone Spring CA - NMNM113969, NMNM61360, NMNM12864			
Well Name	API	Location	Pool
SERPENTINE 35-26 FED COM 11H	30-025-51488	N-35-22S-33E 254 FSL & 1448 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 9H	30-025-51406	N-35-22S-33E 254 FSL & 1388 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 12H	30-025-51569	N-35-22S-33E 254 FSL & 1478 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 1H	30-025-51466	L-35-22S-33E 20 FNL & 330 FWL	[7320] BRINNINSTOOL;BONE SPRING

\*Two identical size Communication Agreements with identical ownership submitted, pending approval

**CA:**

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

Pending Wolfcamp CA – 600acs - made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Wolfcamp Formation

Pending Bone Spring CA - 600 acs - made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Bone Spring Formation

**Oil & Gas metering:**

The Serpentine 35 Facility 1 central tank battery is in SW/4, S35, T22S, R33E in Lea County, New Mexico.

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

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

3-Phase oil flows through an independent and designated Coriolis meter for rate allocation. The oil then flows into a manifold where it is combined with oil from other 3-Phases. The combined stream flows into the Heater Treater(s) 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 and from the water and oil tanks is recovered using compression (VRU). The recovered gas flows through a designated orifice meter for rate allocation.

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

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

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

Well Name	Individual Meters		
	Gas Allocation	Oil Allocation	Water Allocation
SERPENTINE 35-26 FED COM 1H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 2H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 9H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 10H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 11H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 12H	DVN / *	DVN / *	DVN / *
<b>Common Meters</b>			
<b>VRU Allocation</b>	DVN / *		
<b>Gas FMP</b>	DVN / *		
<b>Oil FMP</b>	ENTERPRISE / *		

Meter Owner / Serial Number:

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

The total of all oil sales meters will be allocated to each well based on the oil allocation meter located downstream of each well's 3-phase separator. Devon will continue to operate and maintain the Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regards to proving the Coriolis Meter to meet applicable BLM standards. The total of all gas sales meters will be allocated to each well based on the gas allocation meter located downstream of each well's 3-phase separator and the VRU allocation meter. The VRU allocation meter volumes will be allocated to each well based on the oil allocation meter of each well. The BLM and OCD will be notified of any future changes to the facilities.

#### 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 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.

The proposed commingling is appropriate based on the BLM's guidance in IM NMPO 2013-02 & 43 CFR 3173.14. NMOCD Notice Variance Requested: Devon Energy Production Company, LP request approval to add new leases and pools and/or new wells producing from the authorized leases and pools. Devon Energy Production Company, LP request approval to only notice the interest owners of new leases and pools to be added via amendment (reference rule 19.15.12.10(C)(4)(g) NMAC)

Working, royalty, and overriding interest owners are identical.

## Allocation Methodology

### PRORATED ALLOCATION

#### GAS ALLOCATION

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

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

#### OIL ALLOCATION

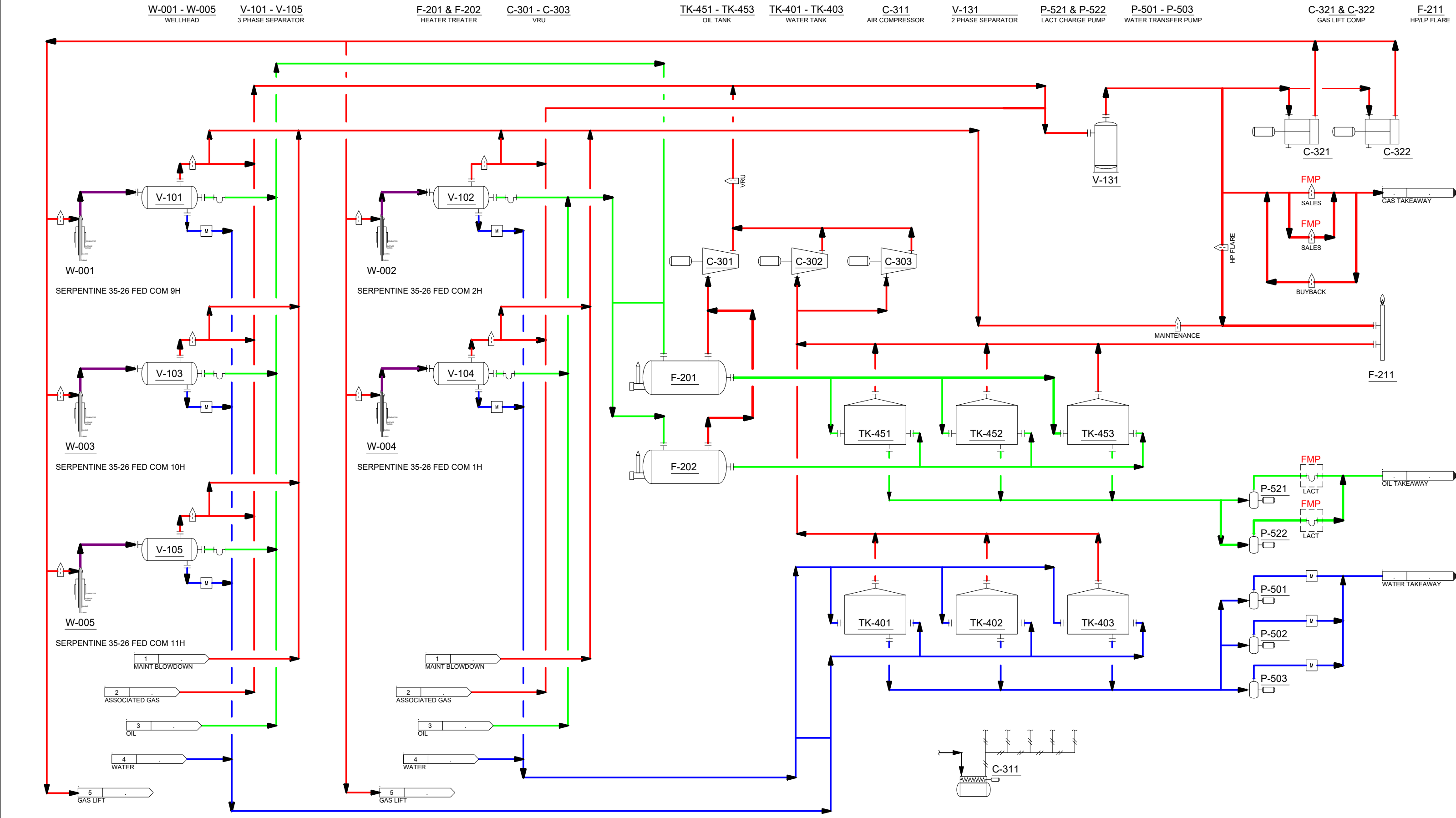
Each well has an oil meter measuring the volume of oil produced by the well. This volume is used as the allocation point to prorate Allocated Production and Total Sales Volume (FMP) back to each well.

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

### **WATER ALLOCATION**

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

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



NOTES:

ORIFICE METER

CORIOLIS METER

MAGNETIC METER

GAS

OIL

WATER

FULL WELL STREAM

INSTRUMENT AIR

FMP FEDERAL MEASUREMENT POINT

REV	DESCRIPTION	DATE	BY	APPROVED

DRAWING STATUS		
ISSUED FOR	DATE	BY
PHA		
BID		
CONSTRUCTION		
AS-BUILT		

CONFIDENTIAL

This drawing is the property of Devon Energy. Any reproduction, copying or unauthorized use of this drawing, or any part thereof, without the express written consent of Devon Energy is prohibited.

DRAWN BY	DATE
ENGINEERED BY	DATE
APPROVED BY	DATE

PROJECT No.: 120

DRAWING No.: 120-01

Devon Energy Corporation

333 West Sheridan Avenue, Oklahoma City, OK 73102-5015

DBBU - SPINE DESIGN

PROCESS FLOW DIAGRAM

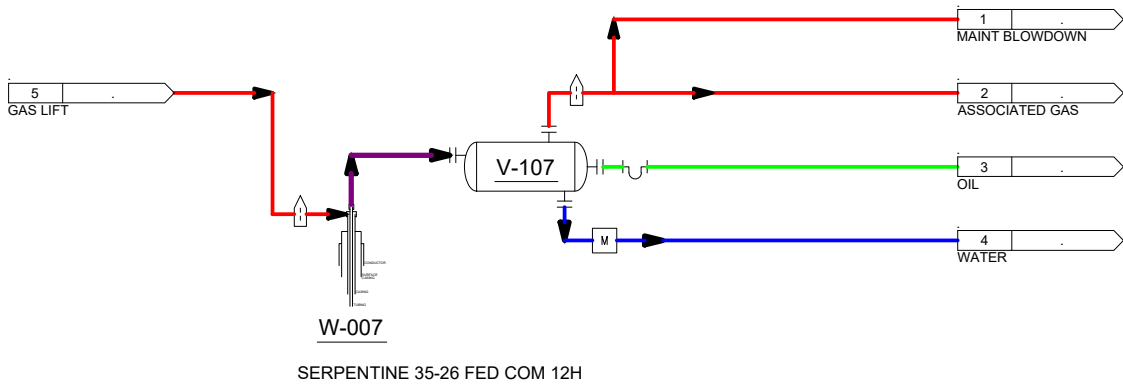
FILE NAME

PFD-120-01

REV

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Printed: 3/24/22  
PLOT SCALE: 0.512:1  
W:\USACORPORATE\DATA\ENGINEERING\TECHNOLOGY\DRAWING\002 ARTESIA NM (DBBU)\DBBU - PRODUCTION FACILITIES - SPINE DESIGN\PD120-01.DWG 3/24/22 BY: JBE/NAJ



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

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Devon Energy Corporation  
333 West Sheridan Avenue, Oklahoma City, OK 73102-5015

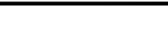
DBBU - SPINE DESIGN  
PROCESS FLOW DIAGRAM

FILE NAME  
PFD-120-02

REV  
3





	<b>Devon Energy Corporation</b> 333 West Sheridan Avenue, Oklahoma City, OK 73102-5015	
	<b>DBBU - SPINE DESIGN</b> <b>STANDARD PROCESS MAP</b>	
FILE NAME PFD-120-03		REV 3



SERPENTINE 35-26 FED COM WELLS  
1H,2H,9H,10H,11H,12H  
LEA COUNTY, NEW MEXICO



This map is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one. Devon makes no warranty, representation, or guarantee of any kind regarding this map.

NAD 1983 2011 StatePlane New Mexico East FIPS 3001 Ft US

Datum: NAD 1983 2011

Created by: Kinnas

Map is current as of: 11/30/2023



0 250 500 1,000  
Feet

1:11,000

- Deviated Surface

Central Tank Battery

Sales Meter

Flow Line

Directional Survey (ACT-DVN/OBO)

Project Areas
- Pending CA - Bone Spring

Pending CA - Wolfcamp

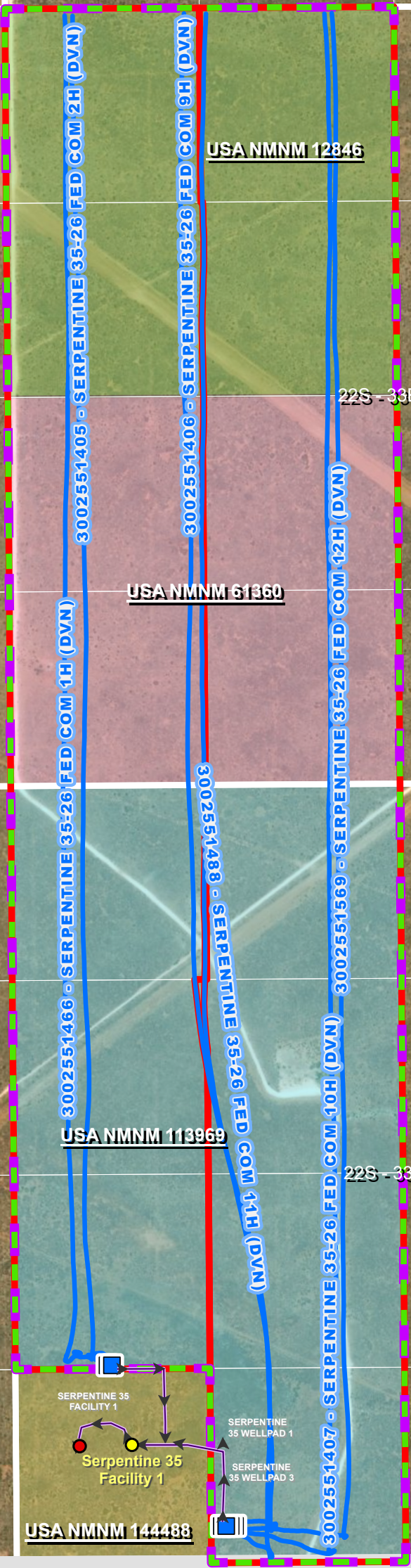
DEVON LEASEHOLD

USA NMNM 113969

USA NMNM 12846

USA NMNM 144488

USA NMNM 61360





## Economic Justification Report

### SERPENTINE 35 FACILITY 1

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
SERPENTINE 35-26 FED COM 2H	Sweet	NMNM113969-12.5%		NMNM61360 - 12.5%		NMNM12846 - 16.67%		1,512	44.8	3,167	1,273
SERPENTINE 35-26 FED COM 10H	Sweet	NMNM103603-12.5%		NMNM61360 - 12.5%		NMNM12846 - 16.67%		1,551	44.8	3,252	1,273
SERPENTINE 35-26 FED COM 11H	Sweet	NMNM103603-12.5%		NMNM61360 - 12.5%		NMNM12846 - 16.67%		1,196	41.5	1,516	1,399
SERPENTINE 35-26 FED COM 9H	Sweet	NMNM103603-12.5%		NMNM61360 - 12.5%		NMNM12846 - 16.67%		1,659	44.8	3,478	1,273
SERPENTINE 35-26 FED COM 12H	Sweet	NMNM103603-12.5%		NMNM61360 - 12.5%		NMNM12846 - 16.67%		1,176	41.5	1,490	1,399
SERPENTINE 35-26 FED COM 1H	Sweet	NMNM103603-12.5%		NMNM61360 - 12.5%		NMNM12846 - 16.67%		1,075	41.5	1,360	1,399
*These calculations are based off of offset well production and are only a proposal*											

Signed:



Date: 11/29/2023

Printed Name: Rebecca Deal

Title: Regulatory Compliance Specialist

**Economic Combined Production**

BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
8169.0	43.4	14263.0	1311.6

The combining of production between the wells above will not have any valuation impact due to any quality differences in the oil quality between the Bonespring and Wolfcamp formations.

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1st day of May 2023, 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 22 South, Range 33 East, N.M.P.M.  
Section 26: W/2  
Section 35: NW/4, N/2 SW/4, SE/4 SW/4  
Lea County, New Mexico

Containing **600** acres, and this agreement shall include only the **Wolfcamp** formation underlying said lands and the oil, natural gas and associated liquid hydrocarbons hereafter referred to as "communitized substances," producible from such formation(s).

Serpentine 35-26 Fed Com 2H and 10H

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

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day,

Serpentine 35-26 Fed Com 2H and 10H



such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is May 1, 2023, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their

Serpentine 35-26 Fed Com 2H and 10H

successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

Serpentine 35-26 Fed Com 2H and 10H



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

Devon Energy Production Company, L.P.  
(Operator, Record Title and Operating Rights Owner)

8-22-2023

Date

By: 

David M. Korell  
Land Manager

DB

ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF OKLAHOMA            )  
  ) SS  
COUNTY OF OKLAHOMA        )

This instrument was acknowledged before me on August 22, 2023, by David M. Korell, as Land Manager of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.



Signature of Notarial Officer

(Seal)



My Commission Expires: 11.25.2025

Serpentine 35-26 Fed Com 2H and 10H

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

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

8-22-2023

Date

By: 

Name: David M. Korell

Title: Land Manager



**ACKNOWLEDGEMENT**

STATE OF OKLAHOMA                    )  
  ) ss.  
COUNTY OF OKLAHOMA            )

On this 22 day of August, 2023, before me, a Notary Public for the State of OKLAHOMA, personally appeared David M. Korell, known to me to be the Land Manager of Devon Energy Production Company, L.P., the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

11.25.2025

My Commission Expires



  
Notary Public

## EXHIBIT "A"

Attached to and made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Wolfcamp Formation

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

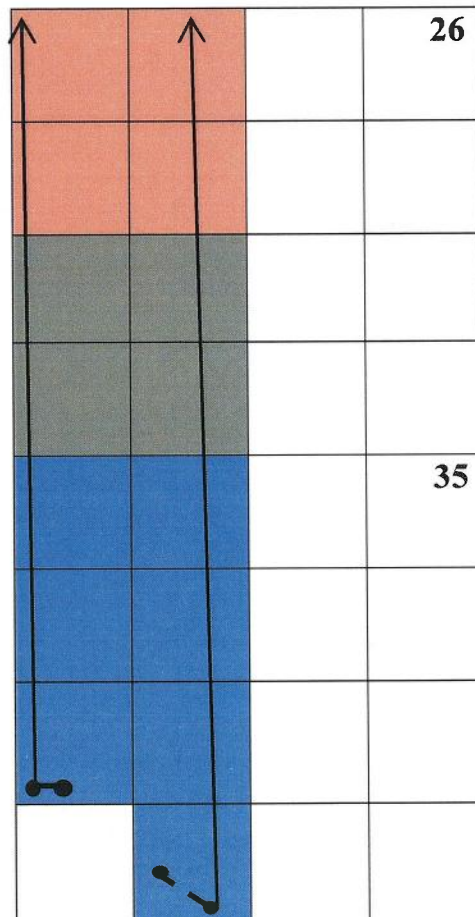
**Tract 1:**  
USA NMNM-012846  
(160 Acres)



**Tract 2:**  
USA NMNM-61360  
(160 Acres)



**Tract 3:**  
USA NMNM-113969  
(280 Acres)



**Serpentine 35-26 Fed Com 2H**

SHL: Sec. 35-22S-33E 1,346' FSL & 651' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 330' FWL

**Serpentine 35-26 Fed Com 10H**

SHL: Sec. 35-22S-33E 254' FSL & 1,418' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 2,178' FWL

Serpentine 35-26 Fed Com 2H and 10H

**EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Wolfcamp Formation

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

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

Lease Serial Number:	NMNM 012846
Lease Date:	January 1, 1971
Lease Term:	10 Years
Lessor:	United States of America
Original Lessee:	John J. Turner
Description of Land Committed:	<u>Township 22 South, Range 33 East</u> Insofar and only insofar as said lease covers: Section 26: NW/4
Number of Acres:	160.00
Current Lessee of Record:	Monty D. McClane
Royalty Rate:	16.666667%
Name of Working Interest Owners:	Marathon Oil Permian LLC 100%
ORRI Owners:	States Royalty Limited Partnership Monty D. McClane

**Tract No. 2**

Lease Serial Number:	NMNM 61360
Lease Date:	July 1, 1985
Lease Term:	10 Years
Lessor:	United States of America

Serpentine 35-26 Fed Com 2H and 10H

Original Lessee: G. H. Zimmerman

Description of Land Committed: Township 22 South, Range 33 East  
Insofar and only insofar as said lease covers:  
Section 26: SW/4

Number of Acres: 160.00

Current Lessee of Record: Fred L. Engle

Royalty Rate: 12.50%

Name of Working Interest Owners: Devon Energy Production Company, L.P. 100%

ORRI Owners: AmeriPermian Holdings, LLC  
David B. Engle  
McMullen Minerals, LLC  
Pegasus Resources, LLC  
Viper Energy Partners, LLC

**Tract No. 3**

Lease Serial Number: NMNM 113969

Lease Date: June 1, 2005

Lease Term: 10 Years

Lessor: United States of America

Original Lessee: Doug J. Schutz

Description of Land Committed: Township 22 South, Range 33 East  
Insofar and only insofar as said lease covers:  
Section 35: NW/4, N/2 SW/4, SE/4 SW/4

Number of Acres: 280.00

Current Lessee of Record: Devon Energy Production Company, L.P.

Royalty Rate: 12.50%

Name of Working Interest Owners: Devon Energy Production Company, L.P. 100%

ORRI Owners: None

Serpentine 35-26 Fed Com 2H and 10H

## Recapitulation

Tract No.	No. of Acres Committed	Percentage of Interest In Communitized Area
1	160.00	26.666667%
2	160.00	26.666667%
3	280.00	46.666667%
Total	600.00	100.000%

Serpentine 35-26 Fed Com 2H and 10H



## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1st day of May 2023, 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 22 South, Range 33 East, N.M.P.M.

Section 26: W/2

Section 35: NW/4, N/2 SW/4, SE/4 SW/4

Lea County, New Mexico

Containing **600** acres, and this agreement shall include only the **Bone Spring** formation underlying said lands and the oil, natural gas and associated liquid hydrocarbons hereafter referred to as "communitized substances," producible from such formation(s).

Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H



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

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day,

Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H

such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is May 1, 2023, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their

Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H

successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H



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

Devon Energy Production Company, L.P.  
(Operator, Record Title and Operating Rights Owner)

8-22-2023

Date

By: 

David M. Korell  
Land Manager



# ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF OKLAHOMA                    )  
  ) SS  
COUNTY OF OKLAHOMA                )

This instrument was acknowledged before me on August 22, 2023, by David M. Korell, as Land Manager of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.



Signature of Notarial Officer

(Seal)



My Commission Expires: 11-25-2025


Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H

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

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

8-22-2023

Date

By:   
Name: David M. Korell  
Title: Land Manager

*DAB*

**ACKNOWLEDGEMENT**

STATE OF OKLAHOMA                    )  
  ) ss.  
COUNTY OF OKLAHOMA                )

On this 22 day of August, 2023, before me, a Notary Public for the State of OKLAHOMA, personally appeared David M. Korell, known to me to be the Land Manager of Devon Energy Production Company, L.P., the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

11.25.2025  
My Commission Expires

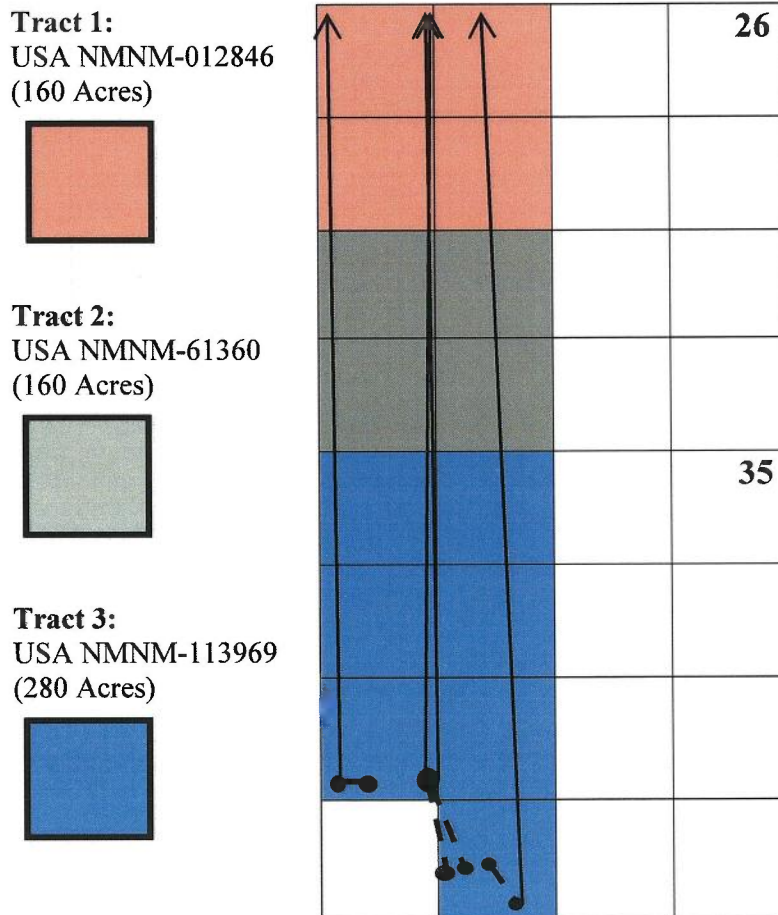


  
Notary Public

## EXHIBIT "A"

Attached to and made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Bone Spring Formation

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

**Serpentine 35-26 Fed Com 1H**

SHL: Sec. 35-22S-33E 1,346' FSL & 621' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 330' FWL

**Serpentine 35-26 Fed Com 11H**

SHL: Sec. 35-22S-33E 254' FSL & 1,448' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 1,254' FWL

**Serpentine 35-26 Fed Com 9H**

SHL: Sec. 35-22S-33E 254' FSL & 1,388' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 1,254' FWL

**Serpentine 35-26 Fed Com 12H**

SHL: Sec. 35-22S-33E 254' FSL & 1,478' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 2,178' FWL

Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H

**EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Bone Spring Formation

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

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

Lease Serial Number:	NMNM 012846
Lease Date:	January 1, 1971
Lease Term:	10 Years
Lessor:	United States of America
Original Lessee:	John J. Turner
Description of Land Committed:	<u>Township 22 South, Range 33 East</u> Insofar and only insofar as said lease covers: Section 26: NW/4
Number of Acres:	160.00
Current Lessee of Record:	Monty D. McClane
Royalty Rate:	16.666667%
Name of Working Interest Owners:	Marathon Oil Permian LLC 100%
ORRI Owners:	States Royalty Limited Partnership Monty D. McClane

**Tract No. 2**

Lease Serial Number:	NMNM 61360
Lease Date:	July 1, 1985
Lease Term:	10 Years
Lessor:	United States of America

Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H



Original Lessee: G. H. Zimmerman

Description of Land Committed: Township 22 South, Range 33 East  
Insofar and only insofar as said lease covers:  
Section 26: SW/4

Number of Acres: 160.00

Current Lessee of Record: Fred L. Engle

Royalty Rate: 12.50%

Name of Working Interest Owners: Devon Energy Production Company, L.P. 100%

ORRI Owners: AmeriPermian Holdings, LLC  
David B. Engle  
McMullen Minerals, LLC  
Pegasus Resources, LLC  
Viper Energy Partners, LLC

**Tract No. 3**

Lease Serial Number: NMNM 113969

Lease Date: June 1, 2005

Lease Term: 10 Years

Lessor: United States of America

Original Lessee: Doug J. Schutz

Description of Land Committed: Township 22 South, Range 33 East  
Insofar and only insofar as said lease covers:  
Section 35: NW/4, N/2 SW/4, SE/4 SW/4

Number of Acres: 280.00

Current Lessee of Record: Devon Energy Production Company, L.P.

Royalty Rate: 12.50%

Name of Working Interest Owners: Devon Energy Production Company, L.P. 100%

ORRI Owners: None

Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H

**Recapitulation**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest In Communitized Area</b>
1	160.00	26.666667%
2	160.00	26.666667%
3	280.00	46.666667%
Total	600.00	100.000%

Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
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DISTRICT II  
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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) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-025-51466</b>	Pool Code <b>7320</b>	Pool Name <b>BRINNINSTOOL; BONE SPRING</b>
Property Code <b>333939</b>	Property Name <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>1H</b>
OGRID No. <b>6137</b>	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	Elevation <b>3575.2'</b>

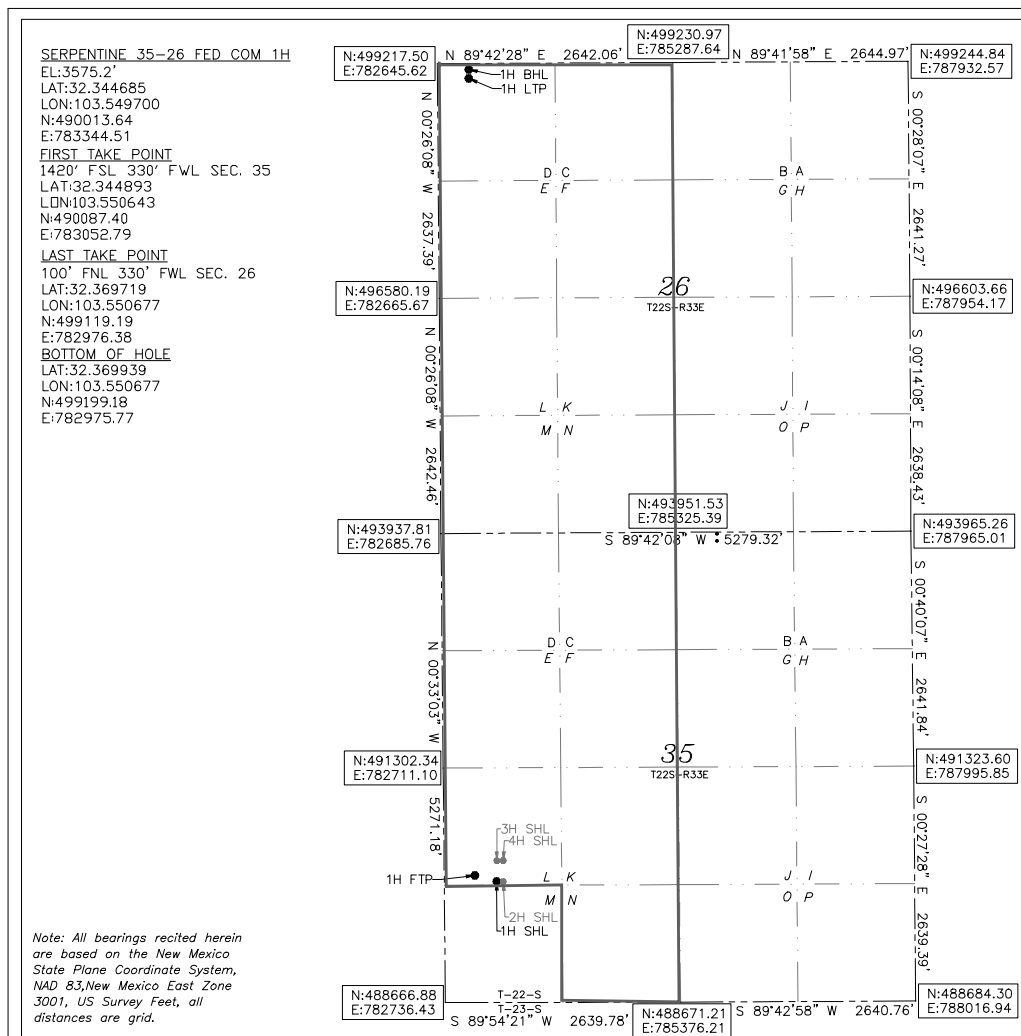
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	35	22-S	33-E		1346	SOUTH	621	WEST	LEA

**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
D	26	22-S	33-E		20	NORTH	330	WEST	LEA
Dedicated Acres <b>600</b>	Joint or Infill	Consolidation Code	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



**OPERATOR CERTIFICATION**

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Chelsey Green* 09/30/22  
Signature Date

Chelsey Green

Printed Name

chelsey.green@dvn.com

E-mail Address

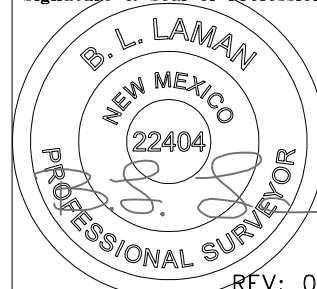
**SURVEYOR CERTIFICATION**

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.

10/8/2021

Date of Survey

Signature & Seal of Professional Surveyor



REV: 08/11/22

Certificate No. 22404

B. L. LAMAN

DRAWN BY: CM

Intent ☒ As Drilled ☐API #  
**30-025-51466**

Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP.</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>1H</b>
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## Kick Off Point (KOP)

UL L	Section 35	Township 22S	Range 33E	Lot	Feet 1372	From N/S SOUTH	Feet 331	From E/W WEST	County LEA
Latitude 32.3447					Longitude 103.5507				NAD 83

## First Take Point (FTP)

UL L	Section 35	Township 22-S	Range 33-E	Lot	Feet 1420	From N/S SOUTH	Feet 330	From E/W WEST	County LEA
Latitude <b>32.344893</b>					Longitude <b>103.550643</b>				NAD 83

## Last Take Point (LTP)

UL D	Section 26	Township 22-S	Range 33-E	Lot	Feet 100	From N/S NORTH	Feet 330	From E/W WEST	County LEA
Latitude <b>32.369719</b>					Longitude <b>103.550677</b>				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐ NIs this well an infill well? ☐ Y

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

API #

Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>9H</b>
--	---	--------------------------

KZ 06/29/2018

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
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Santa Fe, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-025-51405</b>	Pool Code <b>5170</b>	Pool Name <b>BELL LAKE; WOLFCAMP, NORTH</b>
Property Code <b>333939</b>	Property Name <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>2H</b>
OGRID No. <b>6137</b>	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	Elevation <b>3575.5'</b>

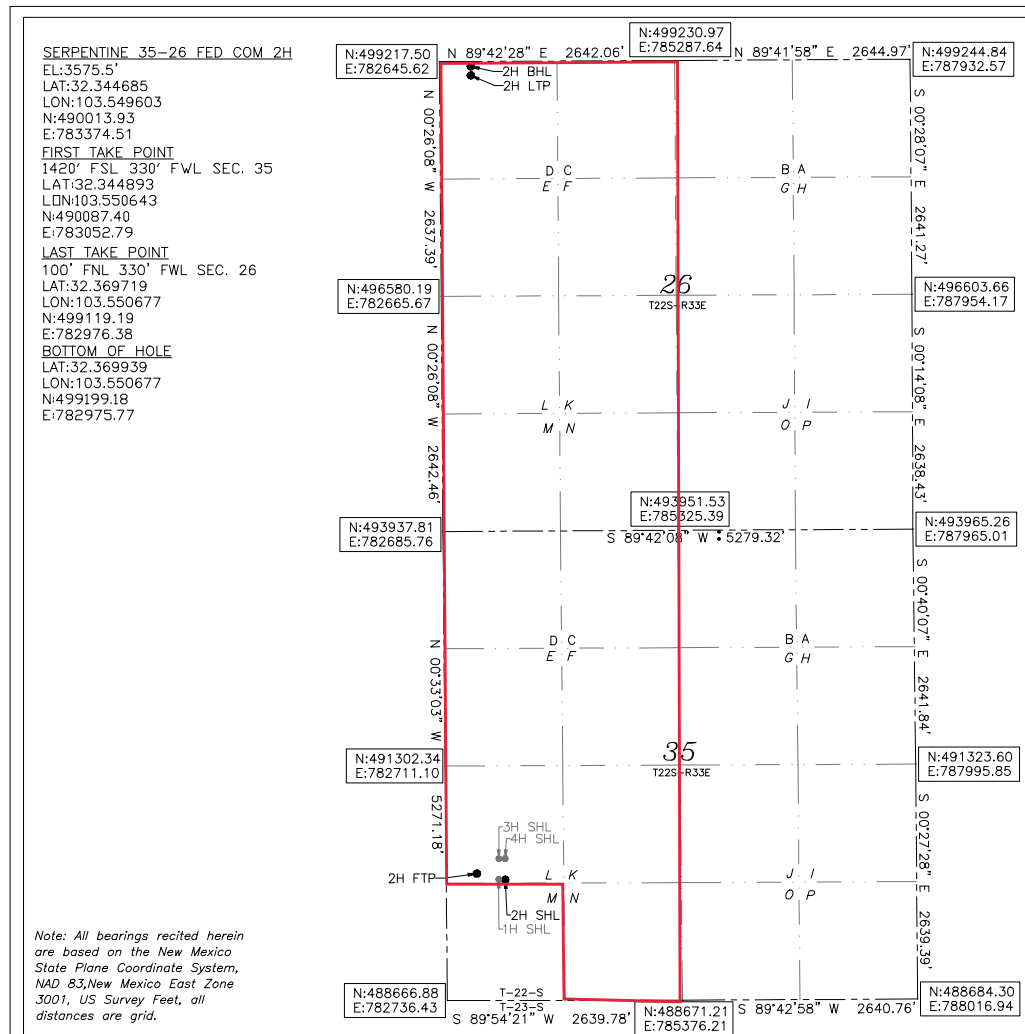
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	35	22-S	33-E		1346	SOUTH	651	WEST	LEA

**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
D	26	22-S	33-E		20	NORTH	330	WEST	LEA
Dedicated Acres <b>600</b>	Joint or Infill	Consolidation Code	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



**OPERATOR CERTIFICATION**

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Chelsey Green* 9/30/22  
Signature Date

Chelsey Green  
Printed Name

chelsey.green@dvn.com  
E-mail Address

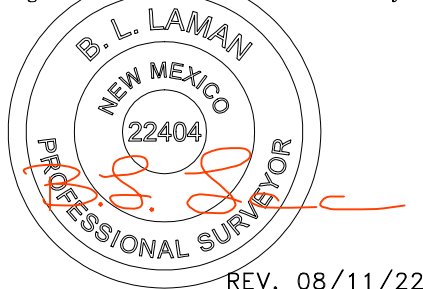
**SURVEYOR CERTIFICATION**

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.

10/8/2021

Date of Survey

Signature & Seal of Professional Surveyor



REV. 08/11/22

Certificate No. 22404 B.L. LAMAN  
DRAWN BY: CM

Intent ☒ As Drilled ☐API #  
**30-025-51405**

Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP.</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>2H</b>
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## Kick Off Point (KOP)

UL <b>L</b>	Section <b>35</b>	Township <b>22S</b>	Range <b>33E</b>	Lot	Feet <b>1386</b>	From N/S <b>SOUTH</b>	Feet <b>330</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.3447</b>					Longitude <b>103.5507</b>			NAD <b>83</b>	

## First Take Point (FTP)

UL <b>L</b>	Section <b>35</b>	Township <b>22-S</b>	Range <b>33-E</b>	Lot	Feet <b>1420</b>	From N/S <b>SOUTH</b>	Feet <b>330</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.344893</b>					Longitude <b>103.550643</b>			NAD <b>83</b>	

## Last Take Point (LTP)

UL <b>D</b>	Section <b>26</b>	Township <b>22-S</b>	Range <b>33-E</b>	Lot	Feet <b>100</b>	From N/S <b>NORTH</b>	Feet <b>330</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.369719</b>					Longitude <b>103.550677</b>			NAD <b>83</b>	

Is this well the defining well for the Horizontal Spacing Unit? ☒Is this well an infill well? ☒

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

API #

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

KZ 06/29/2018

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☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-025-51406</b>	Pool Code <b>7320</b>	Pool Name <b>BRINNINSTOOL; BONE SPRING</b>
Property Code <b>333939</b>	Property Name <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>9H</b>
OGRID No. <b>6137</b>	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	Elevation <b>3553.3'</b>

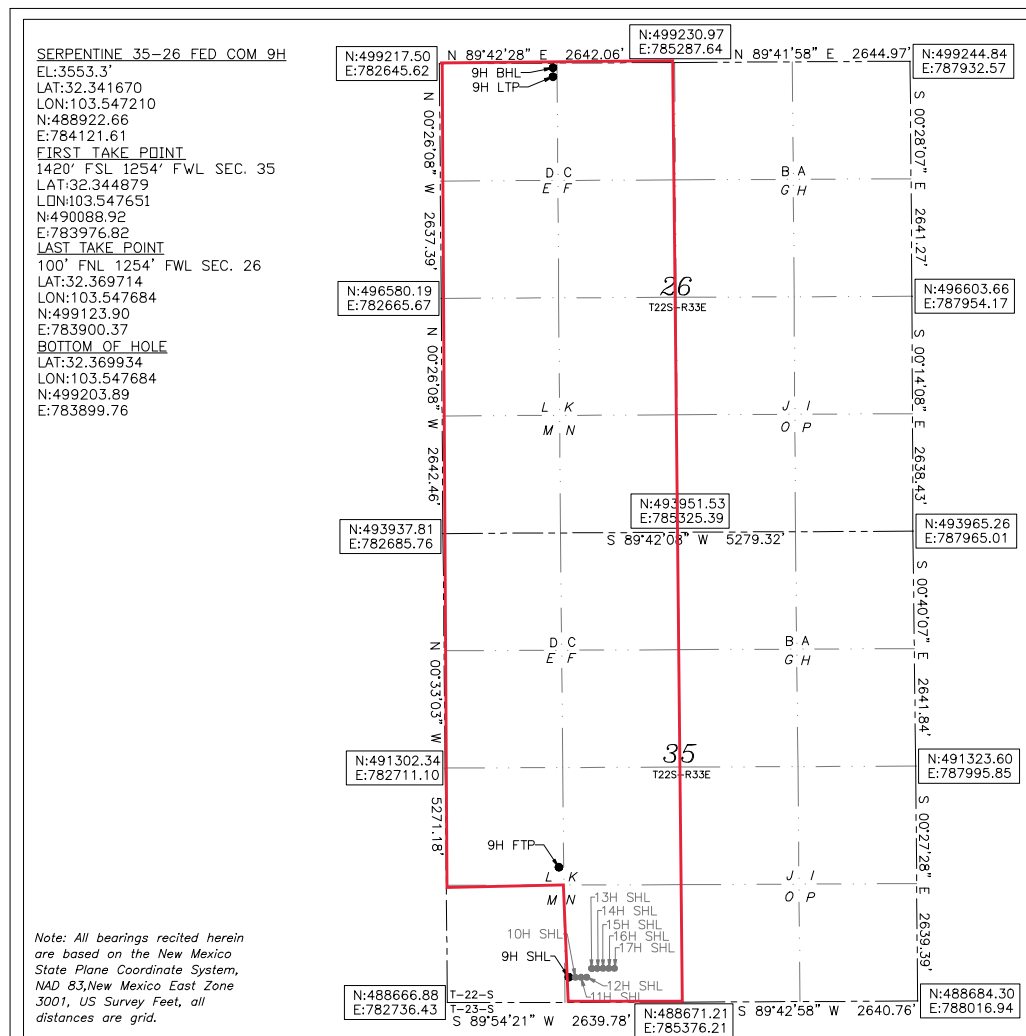
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	22-S	33-E		254	SOUTH	1388	WEST	LEA

**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
D	26	22-S	33-E		20	NORTH	1254	WEST	LEA
Dedicated Acres <b>600</b>	Joint or Infill	Consolidation Code	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



**OPERATOR CERTIFICATION**

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Chelsey Green* 9/30/22  
Signature Date

Chelsey Green  
Printed Name

chelsey.green@dvn.com  
E-mail Address

**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.

10/8/2021

Date of Survey

Signature & Seal of Professional Surveyor



REV: 08/11/2022

Certificate No. 22404 B.L. LAMAN

DRAWN BY: CM



Intent ☒ As Drilled ☐API #  
**30-025-51406**

Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP.</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>9H</b>
---	---	--------------------------

## Kick Off Point (KOP)

UL L	Section 35	Township 22S	Range 33E	Lot	Feet 1355	From N/S SOUTH	Feet 1337	From E/W WEST	County LEA
Latitude 32.3446					Longitude 103.5475				NAD 83

## First Take Point (FTP)

UL L	Section 35	Township 22-S	Range 33-E	Lot	Feet 1420	From N/S SOUTH	Feet 1254	From E/W WEST	County LEA
Latitude <b>32.344879</b>					Longitude <b>103.547651</b>				NAD 83

## Last Take Point (LTP)

UL D	Section 26	Township 22-S	Range 33-E	Lot	Feet 100	From N/S NORTH	Feet 1254	From E/W WEST	County LEA
Latitude <b>32.369714</b>					Longitude <b>103.547684</b>				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐ YIs this well an infill well? ☐ N

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

API #		
	Property Name:	Well Number

KZ 06/29/2018



**DISTRICT I**  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**DISTRICT II**  
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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) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-025-51407</b>	Pool Code <b>5170</b>	Pool Name <b>BELL LAKE;WOLFCAMP, NORTH</b>
Property Code <b>333939</b>	Property Name <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>10H</b>
OGRID No. <b>6137</b>	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	Elevation <b>3553.6'</b>

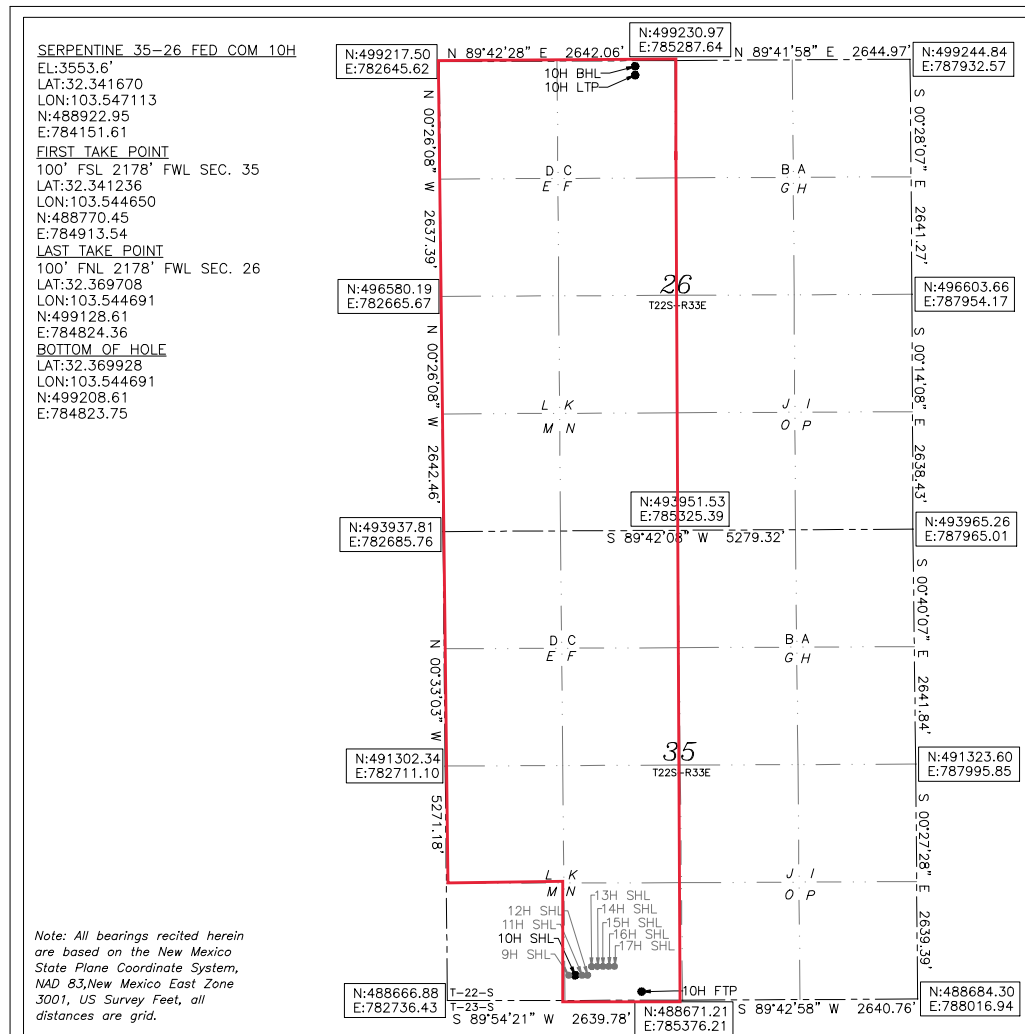
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	22-S	33-E		254	SOUTH	1418	WEST	LEA

**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
C	26	22-S	33-E		20	NORTH	2178	WEST	LEA
Dedicated Acres <b>600</b>	Joint or Infill	Consolidation Code	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



**OPERATOR CERTIFICATION**

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Rebecca Deal* 12/15/2021  
Signature Date

Rebecca Deal, Regulatory Analyst  
Printed Name

Rebecca.deal@dvn.com  
E-mail Address

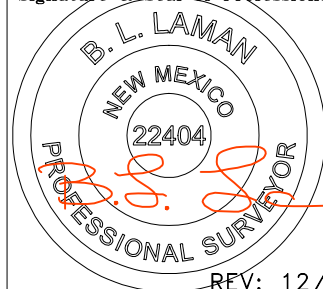
**SURVEYOR CERTIFICATION**

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.

10/8/2021

Date of Survey

Signature & Seal of Professional Surveyor



REV: 12/09/2021

Certificate No. 22404 B.L. LAMAN

DRAWN BY: CM

Intent ☒ As Drilled ☐

API # <b>30-025-51407</b>		
Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP.</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>10H</b>

## Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	35	22S	33E		45	FSL	2180	FWL	LEA
Latitude <b>32.3410</b>					Longitude <b>-103.5447</b>				NAD <b>83</b>

## First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	35	22-S	33-E		100	SOUTH	2178	WEST	LEA
Latitude <b>32.341236</b>					Longitude <b>103.544650</b>				NAD <b>83</b>

## Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	26	22-S	33-E		100	NORTH	2178	WEST	LEA
Latitude <b>32.369708</b>					Longitude <b>103.544691</b>				NAD <b>83</b>

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

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

API #		
Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>2H</b>

KZ 06/29/2018

DISTRICT I  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
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Santa Fe, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-025-51488</b>	Pool Code <b>7320</b>	Pool Name <b>BRINNINSTOOL; BONE SPRING</b>
Property Code <b>333939</b>	Property Name <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>11H</b>
OGRID No. <b>6137</b>	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	Elevation <b>3554.0'</b>

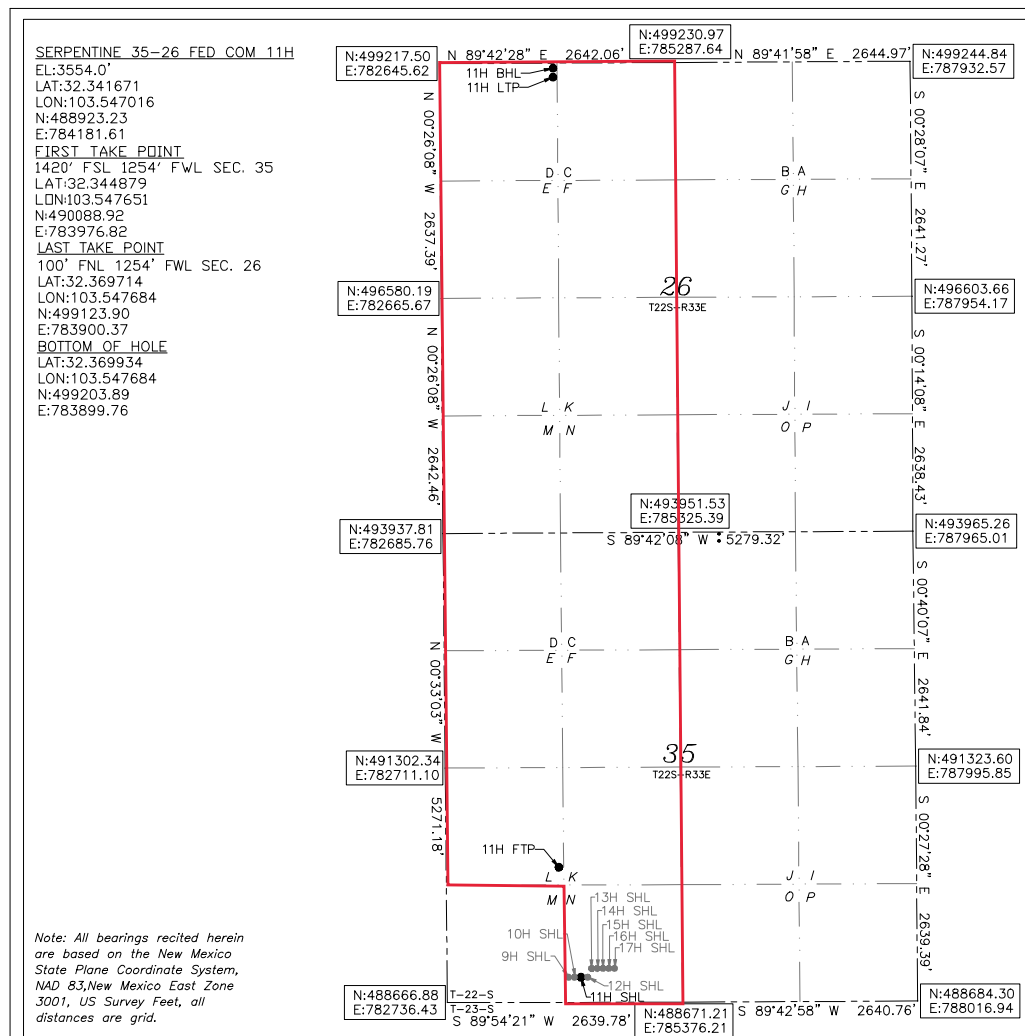
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	22-S	33-E		254	SOUTH	1448	WEST	LEA

**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
D	26	22-S	33-E		20	NORTH	1254	WEST	LEA
Dedicated Acres <b>600</b>	Joint or Infill	Consolidation Code	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



**OPERATOR CERTIFICATION**

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Chelsey Green* 9/30/22  
Signature Date

Chelsey Green  
Printed Name

chelsey.green@dvn.com  
E-mail Address

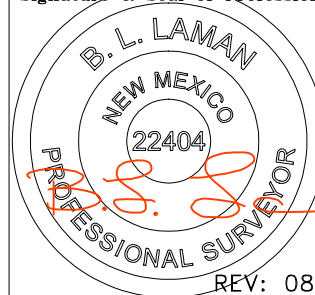
**SURVEYOR CERTIFICATION**

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.

10/8/2021

Date of Survey

Signature & Seal of Professional Surveyor



REV: 08/11/2022

Certificate No. 22404 B.L. LAMAN  
DRAWN BY: CM

Intent ☒ As Drilled ☐

API # <b>30-025-51488</b>		
Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP.</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>11H</b>

## Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
L	35	22S	33E		1398	SOUTH	1337	WEST	LEA
Latitude 32.3447					Longitude 103.5475				NAD 83

## First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
L	35	22-S	33-E		1420	SOUTH	1254	WEST	LEA
Latitude <b>32.344879</b>					Longitude <b>103.547651</b>				NAD <b>83</b>

## Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	26	22-S	33-E		100	NORTH	1254	WEST	LEA
Latitude <b>32.369714</b>					Longitude <b>103.547684</b>				NAD <b>83</b>

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

☐ N

Is this well an infill well?

☐ Y

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

API #		
Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>9H</b>

KZ 06/29/2018

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State of New Mexico  
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Santa Fe, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-025-51569</b>	Pool Code <b>7320</b>	Pool Name <b>BRINNINSTOOL;BONE SPRING</b>
Property Code <b>333939</b>	Property Name <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>12H</b>
OGRID No. <b>6137</b>	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	Elevation <b>3553.8'</b>

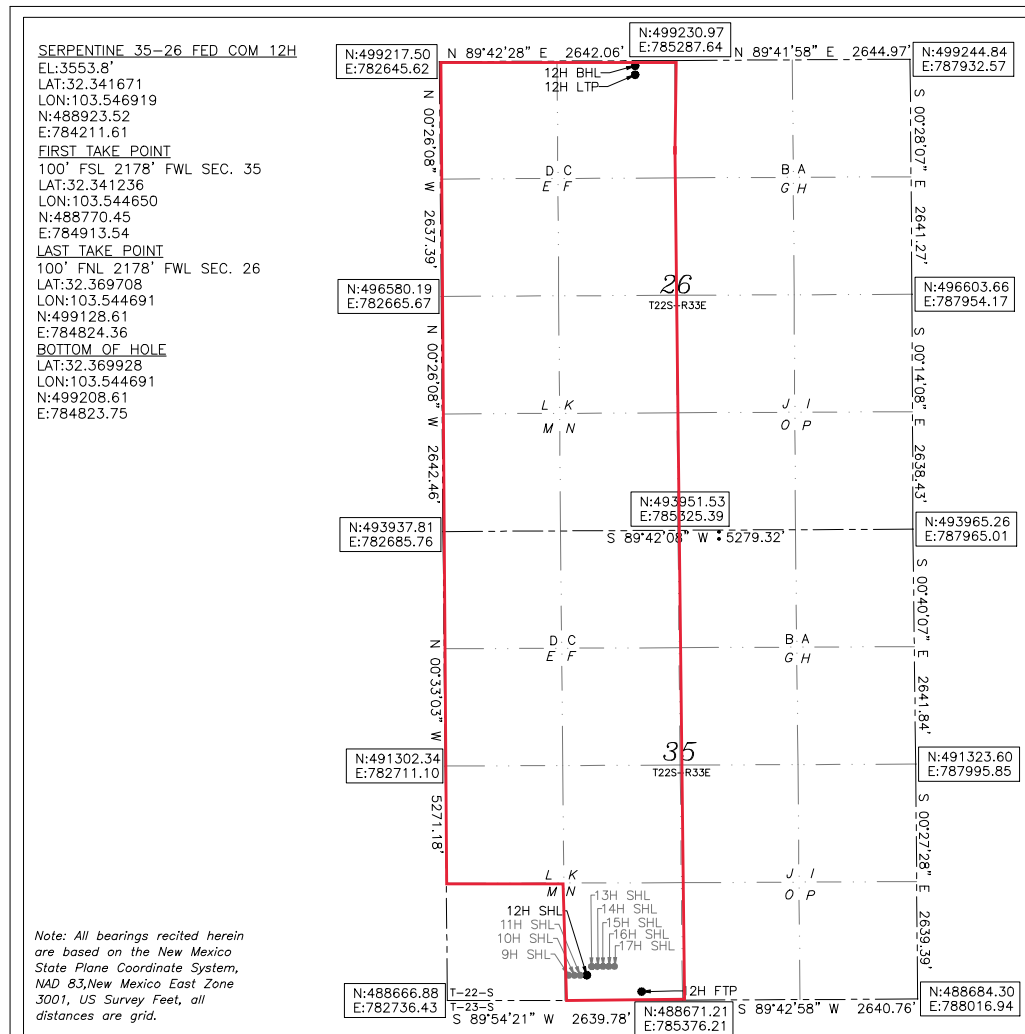
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	22-S	33-E		254	SOUTH	1478	WEST	LEA

**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
C	26	22-S	33-E		20	NORTH	2178	WEST	LEA
Dedicated Acres <b>600</b>	Joint or Infill	Consolidation Code	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



**OPERATOR CERTIFICATION**

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Rebecca Deal* 12/15/2021  
Signature Date

Rebecca Deal, Regulatory Analyst  
Printed Name

Rebecca.deal@dvn.com  
E-mail Address

**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.

10/8/2021

Date of Survey

Signature & Seal of Professional Surveyor

*B. L. LAMAN*  
NEW MEXICO  
22404  
PROFESSIONAL SURVEYOR  
REV: 12/09/2021  
Certificate No. 22404 B.L. LAMAN  
DRAWN BY: CM

Intent ☒ As Drilled ☐API #  
**30-025-51569**

Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP.</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>12H</b>
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## Kick Off Point (KOP)

UL <b>N</b>	Section <b>35</b>	Township <b>22S</b>	Range <b>33E</b>	Lot	Feet <b>62</b>	From N/S <b>FSL</b>	Feet <b>2180</b>	From E/W <b>FWL</b>	County <b>LEA</b>
Latitude <b>32.3410</b>					Longitude <b>-103.5447</b>			NAD <b>83</b>	

## First Take Point (FTP)

UL <b>N</b>	Section <b>35</b>	Township <b>22-S</b>	Range <b>33-E</b>	Lot	Feet <b>100</b>	From N/S <b>SOUTH</b>	Feet <b>2178</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.341236</b>					Longitude <b>103.544650</b>			NAD <b>83</b>	

## Last Take Point (LTP)

UL <b>C</b>	Section <b>26</b>	Township <b>22-S</b>	Range <b>33-E</b>	Lot	Feet <b>100</b>	From N/S <b>NORTH</b>	Feet <b>2178</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.369708</b>					Longitude <b>103.544691</b>			NAD <b>83</b>	

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

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

API #

Operator Name: <b>DEVON ENERGY PRODUCTION COMPANY, LP.</b>	Property Name: <b>SERPENTINE 35-26 FED COM</b>	Well Number <b>9H</b>
---	---	--------------------------

KZ 06/29/2018





Devon Energy  
333 West Sheridan Avenue  
Oklahoma City, OK 73102-5015

405 228 8788 Phone  
www.devonenergy.com

November 30th, 2023

New Mexico Oil Conversation Division  
1120 South Saint Francis Drive  
Santa Fe, NM 87504

RE: **Serpentine 35 Facility 1**  
Section 35-22S-33E  
Lea County, New Mexico

Mr. McClure:

Devon Energy Production Company, L.P. ("Devon") desires to surface commingle the wells listed below. Upon review of the title information and Devon's records, please be advised that ownership in each well is identical.

Pending Wolfcamp CA - NMNM113969, NMNM61360, NMNM12864			
Well Name	API	Location	Pool
SERPENTINE 35-26 FED COM 2H	30-025-51405	L-35-22S-33E 1346 FSL & 651 FWL	[5170] BELL LAKE;WOLFCAMP, NORTH
SERPENTINE 35-26 FED COM 10H	30-025-51407	N-35-22S-33E 254 FSL & 1418 FWL	[5170] BELL LAKE;WOLFCAMP, NORTH

Pending Bone Spring CA - NMNM113969, NMNM61360, NMNM12864			
Well Name	API	Location	Pool
SERPENTINE 35-26 FED COM 11H	30-025-51488	N-35-22S-33E 254 FSL & 1448 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 9H	30-025-51406	N-35-22S-33E 254 FSL & 1388 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 12H	30-025-51569	N-35-22S-33E 254 FSL & 1478 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 1H	30-025-51466	L-35-22S-33E 20 FNL & 330 FWL	[7320] BRINNINSTOOL;BONE SPRING

If you have any questions, please feel free to contact me directly at 405-228-8788.

Sincerely,

David Broussard  
Senior Landman



Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
SERPENTINE 35-	11H	3002551488	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	2H	3002551405	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	9H	3002551406	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	10H	3002551407	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	1H	3002551466	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	12H	3002551569	NMNM113969	NMNM113969	DEVON

### Notice of Intent

**Sundry ID:** 2763863

**Type of Submission:** Notice of Intent

**Type of Action:** Commingling (Surface)

**Date Sundry Submitted:** 11/30/2023

**Time Sundry Submitted:** 12:18

**Date proposed operation will begin:** 01/05/2024

**Procedure Description:** 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, Devon Energy Production Company, LP is requesting approval for a Pool/Lease Commingle at the Serpentine 35 Facility 1. Please see attached application with supporting documentation.

### Surface Disturbance

**Is any additional surface disturbance proposed?:** No

### NOI Attachments

**Procedure Description**

Serpentine\_35\_Facility\_1\_Submitted\_Comingling\_Application\_20231130121512.pdf

**Operator**

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

**Operator Electronic Signature:** REBECCA DEAL**Signed on:** NOV 30, 2023 12:17 PM**Name:** DEVON ENERGY PRODUCTION COMPANY LP**Title:** Regulatory Analyst**Street Address:** 333 W SHERIDAN AVE**City:** OKLAHOMA CITY**State:** OK**Phone:** (303) 299-1406**Email address:** REBECCA.DEAL@DVN.COM**Field****Representative Name:****Street Address:****City:****State:****Zip:****Phone:****Email address:**

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
SERPENTINE 35-	11H	3002551488	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	2H	3002551405	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	9H	3002551406	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	10H	3002551407	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	1H	3002551466	NMNM113969	NMNM113969	DEVON
SERPENTINE 35-	12H	3002551569	NMNM113969	NMNM113969	DEVON

### Notice of Intent

**Sundry ID:** 2775652

**Type of Submission:** Notice of Intent

**Type of Action:** Commingling (Surface)

**Date Sundry Submitted:** 02/19/2024

**Time Sundry Submitted:** 10:25

**Date proposed operation will begin:** 11/30/2023

**Procedure Description:** 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, Devon Energy Production Company, LP is requesting approval for a Pool/Lease Commingle at the Serpentine 35 Facility 1. Please see attached application with supporting documentation.

### Surface Disturbance

**Is any additional surface disturbance proposed?:** No

### NOI Attachments

**Procedure Description**

Serpentine\_35\_Facility\_1\_Submitted\_Comingling\_Application\_Rev\_2\_20240219102428.pdf

**Conditions of Approval****Specialist Review**

Surface\_Commingling\_COA\_20240316171310.pdf

**Operator**

*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*

**Operator Electronic Signature:** REBECCA DEAL**Signed on:** FEB 19, 2024 10:24 AM**Name:** DEVON ENERGY PRODUCTION COMPANY LP**Title:** Regulatory Analyst**Street Address:** 333 W SHERIDAN AVE**City:** OKLAHOMA CITY **State:** OK**Phone:** (303) 299-1406**Email address:** REBECCA.DEAL@DVN.COM**Field****Representative Name:****Street Address:****City:****State:****Zip:****Phone:****Email address:****BLM Point of Contact****BLM POC Name:** JONATHON W SHEPARD**BLM POC Title:** Petroleum Engineer**BLM POC Phone:** 5752345972**BLM POC Email Address:** jshepard@blm.gov**Disposition:** Approved**Disposition Date:** 03/16/2024**Signature:** Jonathon Shepard



Form 3160-5  
(June 2019)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2021

**SUNDRY NOTICES AND REPORTS ON WELLS**  
***Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***

5. Lease Serial No. **MULTIPLE**

6. If Indian, Allottee or Tribe Name  
**MULTIPLE**

<b>SUBMIT IN TRIPLICATE - Other instructions on page 2</b>		7. If Unit of CA/Agreement, Name and/or No. <b>MULTIPLE</b>
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. <b>MULTIPLE</b>
2. Name of Operator <b>DEVON ENERGY PRODUCTION COMPANY LP</b>		9. API Well No. <b>MULTIPLE</b>
3a. Address <b>333 WEST SHERIDAN AVE, OKLAHOMA CITY,</b>	3b. Phone No. (include area code) <b>(405) 235-3611</b>	10. Field and Pool or Exploratory Area <b>MULTIPLE</b>
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) <b>MULTIPLE</b>		11. Country or Parish, State <b>MULTIPLE</b>

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

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, Devon Energy Production Company, LP is requesting approval for a Pool/Lease Commingle at the Serpentine 35 Facility 1. Please see attached application with supporting documentation.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) <b>REBECCA DEAL / Ph: (303) 299-1406</b>	Title <b>Regulatory Analyst</b>
Signature (Electronic Submission)	Date <b>02/19/2024</b>

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by <b>JONATHON W SHEPARD / Ph: (575) 234-5972 / Approved</b>	Title <b>Petroleum Engineer</b>	Date <b>03/16/2024</b>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office <b>CARLSBAD</b>	

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.

(Instructions on page 2)

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13*: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

## Additional Information

### Batch Well Data

SERPENTINE 35-26 FED COM 11H, US Well Number: 3002551488, Case Number: NMNM113969, Lease Number: NMNM113969,  
Operator:DEVON ENERGY PRODUCTION COMPANY LP

SERPENTINE 35-26 FED COM 12H, US Well Number: 3002551569, Case Number: NMNM113969, Lease Number: NMNM113969,  
Operator:DEVON ENERGY PRODUCTION COMPANY LP

SERPENTINE 35-26 FED COM 10H, US Well Number: 3002551407, Case Number: NMNM113969, Lease Number: NMNM113969,  
Operator:DEVON ENERGY PRODUCTION COMPANY LP

SERPENTINE 35-26 FED COM 9H, US Well Number: 3002551406, Case Number: NMNM113969, Lease Number: NMNM113969,  
Operator:DEVON ENERGY PRODUCTION COMPANY LP

SERPENTINE 35-26 FED COM 1H, US Well Number: 3002551466, Case Number: NMNM113969, Lease Number: NMNM113969,  
Operator:DEVON ENERGY PRODUCTION COMPANY LP

SERPENTINE 35-26 FED COM 2H, US Well Number: 3002551405, Case Number: NMNM113969, Lease Number: NMNM113969,  
Operator:DEVON ENERGY PRODUCTION COMPANY LP

CONFIDENTIAL

**APPLICATION FOR CENTRAL TANK BATTERY\OFF LEASE MEASUREMENT, SALES, & STORAGE****Proposal for Serpentine 35 Facility 1**

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, Devon Energy Production Company, LP respectfully requests approval for a Pool/Lease Commingle at the Serpentine 35 Facility 1, wells listed below. Per 43 CFR 3170.6(a) "Any party subject to a requirement of a regulation in this part may request a variance from that requirement", Devon Energy Production Company L.P. respectfully requests approval of variance to CFR 3173.14 (a)(1)(i) language to permit commingling as wells producing to this battery will receive production from two formations, traversing three federal leases, NMNM113969 (SHL- 12.5%), NMNM61360 (12.5%), NMNM12864 (BHL- last ½ mi of each wellbore, 16 2/3%), comprising two identical sized, overlapping CAs - one per formation, identical acreage per lease in each and identical ownership in the CAs. 43 CFR 3173.14(a)(1)(i) is satisfied as CAs have negotiated royalty rates and due to identical CA footprints, there are no concerns with misallocation of royalties to leases. Devon is confident in the ability to correctly allocate to the CAs, paying royalties accurately despite differing royalty rates in individual leases.

Pending Wolfcamp CA - NMNM113969, NMNM61360, NMNM12864			
Well Name	API	Location	Pool
SERPENTINE 35-26 FED COM 2H	30-025-51405	L-35-22S-33E 1346 FSL & 651 FWL	[5170] BELL LAKE;WOLFCAMP, NORTH
SERPENTINE 35-26 FED COM 10H	30-025-51407	N-35-22S-33E 254 FSL & 1418 FWL	[5170] BELL LAKE;WOLFCAMP, NORTH

Pending Bone Spring CA - NMNM113969, NMNM61360, NMNM12864			
Well Name	API	Location	Pool
SERPENTINE 35-26 FED COM 11H	30-025-51488	N-35-22S-33E 254 FSL & 1448 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 9H	30-025-51406	N-35-22S-33E 254 FSL & 1388 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 12H	30-025-51569	N-35-22S-33E 254 FSL & 1478 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 1H	30-025-51466	L-35-22S-33E 20 FNL & 330 FWL	[7320] BRINNINSTOOL;BONE SPRING

\*Two identical size Communication Agreements with identical ownership submitted, pending approval

**CA:**

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

Pending Wolfcamp CA – 600acs - made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Wolfcamp Formation

Pending Bone Spring CA - 600 acs - made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Bone Spring Formation

**Oil & Gas metering:**

The Serpentine 35 Facility 1 central tank battery is located on pad in NWSW 35-22S-33E in Lea County, New Mexico.



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

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

3-Phase oil flows through an independent and designated Coriolis meter for rate allocation. The oil then flows into a manifold where it is combined with oil from other 3-Phases. The combined stream flows into the Heater Treater(s) 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 and from the water and oil tanks is recovered using compression (VRU). The recovered gas flows through a designated orifice meter for rate allocation.

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

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

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

Well Name	Individual Meters		
	Gas Allocation	Oil Allocation	Water Allocation
SERPENTINE 35-26 FED COM 1H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 2H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 9H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 10H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 11H	DVN / *	DVN / *	DVN / *
SERPENTINE 35-26 FED COM 12H	DVN / *	DVN / *	DVN / *
<b>Common Meters</b>			
<b>VRU Allocation</b>	DVN / *		
<b>Gas FMP</b>	DVN / *		
<b>Oil FMP</b>	ENTERPRISE / *		

Meter Owner / Serial Number:

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

The total of all oil sales meters will be allocated to each well based on the oil allocation meter located downstream of each well's 3-phase separator. Devon will continue to operate and maintain the Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regards to proving the Coriolis Meter to meet applicable BLM standards. The total of all gas sales meters will be allocated to each well based on the gas allocation meter located downstream of each well's 3-phase separator and the VRU allocation meter. The VRU allocation meter volumes will be allocated to each well based on the oil allocation meter of each well. The BLM and OCD will be notified of any future changes to the facilities.

**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 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.

The proposed commingling is appropriate based on the BLM's guidance in IM NMPO 2013-02 & 43 CFR 3173.14. NMOCD Notice Variance Requested: Devon Energy Production Company, LP request approval to add new leases and pools and/or new wells producing from the authorized leases and pools. Devon Energy Production Company, LP request approval to only notice the interest owners of new leases and pools to be added via amendment (reference rule 19.15.12.10(C)(4)(g) NMAC)

Working, royalty, and overriding interest owners are identical.

### **Additional information:**

1. The CAA will not negatively affect the royalty revenue of the federal government.
2. A list of all Federal or Indian lease, unit PA, or CA numbers in the proposed Commingling and Allocation Approval (CAA). There will not be a CA created due to having one federal lease.
3. A proposed allocation agreement (including allocation of produced water) that includes:  
Information provided on Allocation Methodology Attachment.(100% going to one federal lease)
  - a. An allocation methodology
  - b. An example of how the methodology is applied (multiple examples may be included to ensure clarity) Provided on Applied Allocation Spreadsheet Examples Attachment.
  - c. A statement that any allocation meters (non-FMPs) will meet either FMP regulations or API measurement standards:
    - i. Devon orifice meters installed and maintained for the allocation of gas measurement will meet the requirements set forth in API MPMS Chapter 20.1-2013 and API MPMS Chapter 20.2-2016 as applicable.  
When applicable and as recommended in API MPMS 20.1 and 20.2, Devon orifice meters used for allocation measurement upstream of the FMP will meet API MPMS Chapter 14.3.2–2016 specification and installation standard requirements. All orifice plates used for allocation measurement will also meet the API MPMS Chapter 14.3.2–2016 standard for construction and condition. Any electronic flow meter (EFM) installed for allocation measurement will meet the requirements for measurement volume calculations provided in API MPMS Chapter 21.1-2013 Flow Measurement using Electronic Metering Systems – Electronic Gas Measurement. Gas quality determination for Devon allocation measurement will meet the requirements of API Chapter 14.1 and GPA 2166-2017.  
Devon Coriolis meters installed and maintained for the allocation of oil measurement will meet the requirements set forth in API MPMS Chapter 20.1-2013 and API MPMS Chapter 20.2-2016 as applicable.  
When applicable and as recommended in API MPMS 20.1 and 20.2, Devon will reference API MPMS Chapter 5.6-2013 for guidance when operating Coriolis meters installed for oil allocation measurement applications, temperature measurement will be in accordance with API MPMS Chapter 7, Devon will reference API MPMS Chapter 11.1-2012 for temperature and pressure volume correction factors when appropriate, Calculations of oil quantities will be determined per API MPMS Chapter 12.2.1-2014 as applicable.
  - d. A copy of the agreement signed by each operator of each of the leases, unit PAs, or CAs from which production would be included in the CAA (if more than one operator is involved)
4. A topographic map of appropriate scale (multiple maps may be included to ensure clarity) that includes: Please see Lease Map

- a. The boundaries of all the leases, unit PAs, or CAs that are proposed for the CAA
  - b. The location of all existing or planned facilities
  - c. The location of all wells (including API numbers) that are in the proposed CAA
  - d. Any piping that will be included in the CAA
  - e. The location of all existing or proposed FMPs
5. A statement that all leases, unit PAs, or CAs in the proposed CAA are capable of production in paying quantities and documentation to prove the statement.
  - i. Completion Report will provide well test.
6. Gas analysis -not required operator is applying for a CAA under 3173.14(a)(1))
7. A statement on whether the location of the FMP is on lease or off lease.
  - a. On lease FMP: Justification for off lease measurement (OLM)
8. A statement on whether any new surface disturbance is included as part of the proposed CAA (proposed FMP, associated facilities, etc.). If new surface disturbance is part of the proposal, a surface disturbance sundry must be submitted with a surface use plan of operations.
  - a. There is not any additional surface disturbance for this location.
9. Any additional documentation that would be required under 3174.15 (f—i) relating to surface use or right of way grant applications
  - a. There are not any additional right of way grant applications for this location.

## Allocation Methodology

### PRORATED ALLOCATION

#### GAS ALLOCATION

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

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

#### OIL ALLOCATION



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

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

### **WATER ALLOCATION**

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

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

Applied Allocation Spreadsheet Examples

ALLOCATION METHODOLOGY USED TO DETERMINE TOTAL NET CTB GAS VOLUME FOR CTB FOR ROYALTY PURPOSES									
Manually entered metered volumes from meter statement									
Allocated volumes for reporting OGOR									
Well Name	Gas WH ALLOC	GL INJ	Net Well Prod (WH-GLI)	Gas Theo % of Prod	Net CTB Gas (Total Net FMP)	Flare	Lease Use	Allocated Prod	
	1,795	1,220	575	0.052601847	576	8.36	4.16	588.72	
	1,826	1,162	664	0.060687969	665	9.65	4.79	679.22	
	1,976	1,458	518	0.047355831	519	7.53	3.74	530.01	
	1,641	1,250	391	0.035725745	391	5.68	2.82	399.84	
	2,524	2,100	424	0.038766953	425	6.16	3.06	433.88	
	1,746	1,254	491	0.044918842	492	7.14	3.55	502.73	
	1,783	1,221	563	0.051431800	563	8.18	4.06	575.62	
	1,574	1,211	363	0.033190033	364	5.28	2.62	371.46	
	1,259	986	273	0.024964053	273	3.97	1.97	279.40	
	988	788	200	0.018245423	200	2.90	1.44	204.20	
	1,824	1,542	282	0.025786742	282	4.10	2.04	288.61	
	1,343	929	414	0.037852854	415	6.02	2.99	423.65	
	1,895	1,359	536	0.049005780	537	7.79	3.87	548.47	
	2,326	1,493	833	0.076174641	834	12.11	6.02	852.55	
	1,870	1,208	662	0.060531658	663	9.62	4.78	677.47	
	2,599	1,703	895	0.081845713	897	13.01	6.47	916.02	
	2,497	1,989	508	0.046437161	509	7.38	3.67	519.72	
	1,968	1,476	491	0.044898732	492	7.14	3.55	502.51	
	2,335	1,515	820	0.074915012	821	11.91	5.92	838.45	
	1,976	1,500	476	0.043512957	477	6.92	3.44	487.00	
	1,461	901	560	0.051150257	560	8.13	4.04	572.47	
	39,206	28,266	10,940	1.000000000	10,954	159	79	11,192	
BATT ALLOC/3rd Party									
BUYBACK	40,053								
	29,099								
NET CTB GAS (TOTAL NET FMP)	10,954								
FLARE	159								
LEASE USE	79								
VRU (included in BALL ALLOC/3rd Party)	350								
GL COMPR (included in BUYBACK)	500								
ALLOCATED PROD	11,192								

ALLOCATION METHODOLOGY USED TO DETERMINE TOTAL NET CTB OIL VOLUME FOR CTB FOR ROYALTY PURPOSES									
Manually entered metered volumes from meter statement									
Allocated volumes for reporting OGOR									
Well Name	Oil WH ALLOC	Oil Theo % of Prod	Alloc Well Production	Available Sales	Oil Theo % Avail for Sale	Allocated Oil Sales (FMP)	Beginning Inventory	Ending Inventory	
	11.00	0.004232055	11.05	21.28	0.004232055	12.70	8.58	6.94	
	110.40	0.042474444	110.94	213.56	0.042474444	127	86.14	69.66	
	153.98	0.059241077	154.74	297.86	0.059241077	178	120.14	97.16	
	160.71	0.061830325	161.50	310.88	0.061830325	185	125.39	101.40	
	211.15	0.081236222	212.19	408.46	0.081236222	244	164.75	133.23	
	196.11	0.075449848	197.08	379.36	0.075449848	226	153.01	123.74	
	182.65	0.070271352	183.55	353.32	0.070271352	211	142.51	115.25	
	105.50	0.040589256	106.02	204.08	0.040589256	122	82.32	66.57	
	73.80	0.028393243	74.16	142.76	0.028393243	85	57.58	46.56	
	134.80	0.051861912	135.46	260.76	0.051861912	156	105.18	85.05	
	151.12	0.058140743	151.86	292.33	0.058140743	174	117.91	95.35	
	183.12	0.070452176	184.02	354.23	0.070452176	211	142.88	115.54	
	94.56	0.036380285	95.03	182.92	0.036380285	109	73.78	59.66	
	98.21	0.037784558	98.69	189.98	0.037784558	113	76.63	61.97	
	151.91	0.058444681	152.66	293.86	0.058444681	175	118.53	95.85	
	170.25	0.065500671	171.09	329.34	0.065500671	197	132.84	107.42	
	169.67	0.065277527	170.50	328.22	0.065277527	196	132.38	107.06	
	92.60	0.035626210	93.06	179.13	0.035626210	107	72.25	58.43	
	10.00	0.003847323	10.05	19.34	0.003847323	12	7.80	6.31	
	85.08	0.032733023	85.50	164.58	0.032733023	98	66.38	53.68	
	52.59	0.020233071	52.85	101.73	0.020233071	61	41.03	33.18	
	2,599	1.000000000	2,612	5,028	1.000000000	3,000	2,028	1,640	
CTB ALLOCATED PRODUCTION	2,612								
CTB AVAILABLE FOR SALE	5,028								
PIPELINE LACT	3,000								
BEGINNING TANK INVENTORY	2,028								
ENDING TANK INVENTORY	1,640								

Devon - General

ALLOCATION METHODOLOGY USED TO DETERMINE TOTAL NET CTB WATER VOLUME FOR CTB FOR ROYALTY PURPOSES									
Manually entered metered volumes from meter statement									
Allocated volumes for reporting OGOR									
Well Name	WATER WH ALLOC	Oil Theo % of Prod	Alloc Well Production	Total Water Available	Water Theo % Avail To Transfer	Allocated Water Transferred	Beginning Inventory	Ending Inventory	
	22.00	0.011778815	23.44	34.68	0.011778815	23.56	11.24	11.12	
	100.40	0.053754230	106.97	158.25	0.053754230	108	51.28	50.74	
	123.51	0.066127340	131.59	194.68	0.066127340	132	63.09	62.42	
	125.71	0.067305221	133.94	198.15	0.067305221	135	64.21	63.54	
	188.15	0.100735641	200.46	296.57	0.100735641	201	96.10	95.09	
	176.20	0.094337602	187.73	277.73	0.094337602	189	90.00	89.05	
	152.60	0.081702146	162.59	240.53	0.081702146	163	77.94	77.13	
	95.50	0.051130766	101.75	150.53	0.051130766	102	48.78	48.27	
	53.50	0.028643937	57.00	84.33	0.028643937	57	27.33	27.04	
	120.20	0.064355163	128.07	189.46	0.064355163	129	61.39	60.75	
	142.00	0.076026899	151.29	223.82	0.076026899	152	72.53	71.77	
	123.12	0.065918533	131.18	194.06	0.065918533	132	62.89	62.23	
	34.56	0.018503448	36.82	54.47	0.018503448	37	17.65	17.47	
	48.21	0.025811667	51.37	75.99	0.025811667	52	24.62	24.37	
	51.91	0.027792650	55.31	81.82	0.027792650	56	26.51	26.24	
	70.25	0.037611899	74.85	110.73	0.037611899	75	35.88	35.51	
	69.67	0.037301366	74.23	109.82	0.037301366	75	35.59	35.21	
	72.60	0.038870090	77.35	114.43	0.038870090	78	37.08	36.69	
	10.00	0.005354007	10.65	15.76	0.005354007	11	5.11	5.05	
	55.08	0.029489870	58.68	86.82	0.029489870	59	28.13	27.84	
	32.59	0.017448709	34.72	51.37	0.017448709	35	16.65	16.47	
	1,868	1.000000000	1,990	2,944	1.000000000	2,000	954	944	
CTB ALLOCATED PRODUCTION	1,990								
CTB AVAILABLE TO TRANSFER	2,944								
WATER TRANSFER METER	2,000								
BEGINNING TANK INVENTORY	954								
ENDING TANK INVENTORY	944								

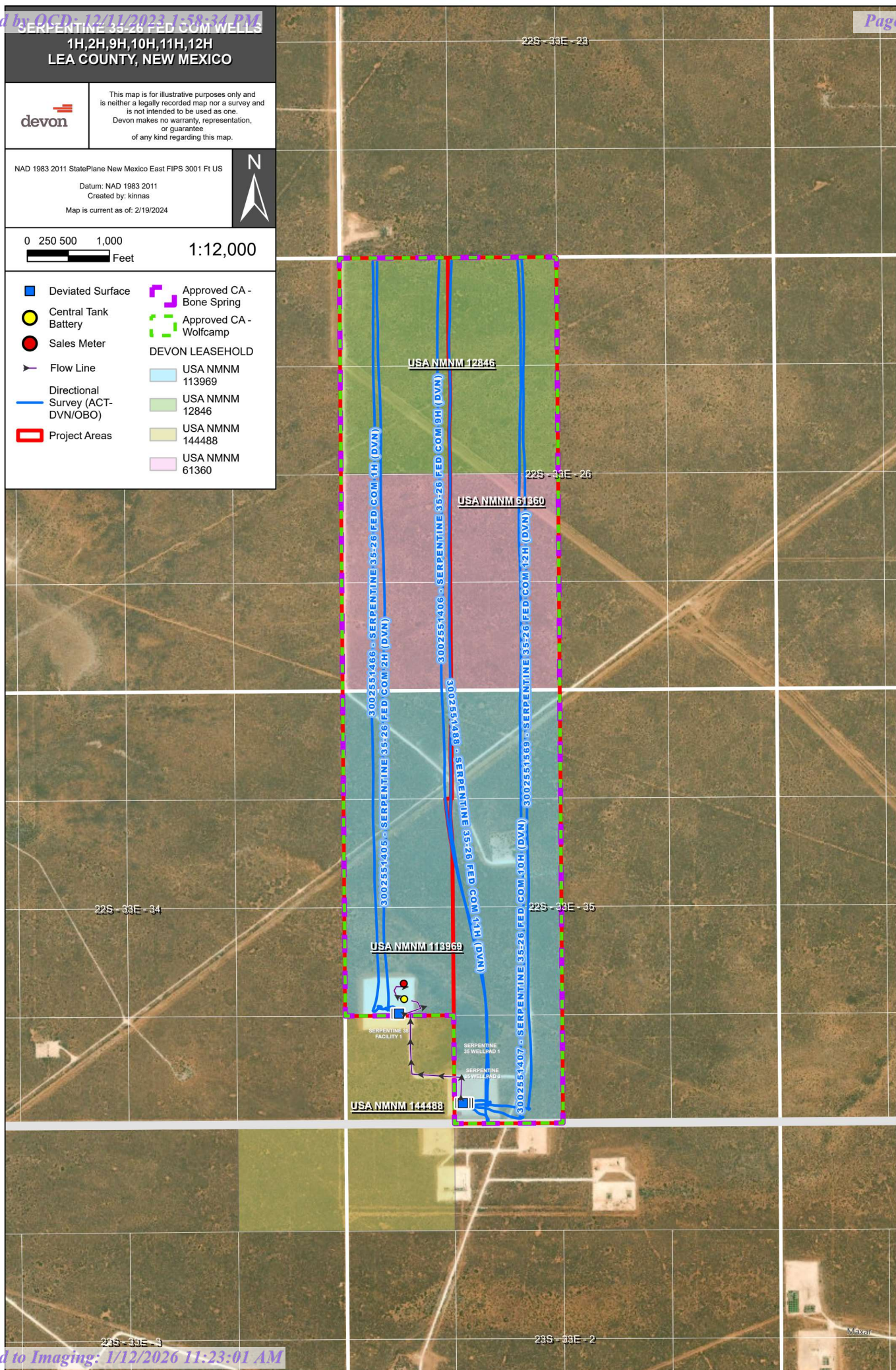


**Legend of all acronyms and abbreviations used in “Additional information” attachment.**

- CAA - Commingling and Allocation Approval
- PA – Participating Area
- CA - Communitization agreement
- FMP- Facility measurement point
- API- American Petroleum Institute
- API MPMS Chapter 20.1-2013 - API MPMS 20.1, 1st Edition, 1993 - Manual of Petroleum Measurement Standards Chapter 20-Allocation Measurement Section 1-Allocation Measurement
- API MPMS Chapter 20.2-2016 - API MPMS 20.2, 1st Edition, November 2016 - Manual of Petroleum Measurement Standards Chapter 20.2 Production Allocation Measurement Using Single-phase Devices
- API MPMS Chapter 21, Section 1, Flow Measurement Using Electronic Metering Systems— Electronic Gas Measurement; Second Edition, February 2013
- API MPMS Chapter 14.3.2–2016- API MPMS 14.3.2, 5th Edition, March 2016 - Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids - Concentric, Square-edged Orifice Meters Part 2: Specification and Installation Requirements
- EFM- electronic flow meter
- API Chapter 14.1 and GPA 2166-2017 - Obtaining Natural Gas Samples for Analysis by Gas Chromatography; The purpose of GPA 2166-17 is to recommend procedures for obtaining samples from flowing natural gas streams that represent the composition of the vapor phase portion of the system being analyzed.
- API MPMS Chapter 5.6-2013 - API MPMS Chapter 5—Metering, Section 6, Measurement of Liquid Hydrocarbons by Coriolis Meters; First Edition, October 2002; Reaffirmed November 2013
- API MPMS Chapter 7, Temperature Determination; First Edition, June 2001, Reaffirmed February 2012
- API MPMS Chapter 11.1-2012- API MPMS Chapter 11—Physical Properties Data, Section 1, Temperature and Pressure Volume Correction Factors for Generalized Crude Oils, Refined Products and Lubricating Oils; May 2004, Addendum 1 September 2007; Reaffirmed August
- API MPMS Chapter 12.2.1-2014 –Calculation of Petroleum Quantities, Section 2, Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 1, Introduction; Second Edition, May 1995; Reaffirmed March 2014
- OLM- off lease measurement
- WH ALLOC - Wellhead Allocation
- GL INJ - Gas Lift Injection
- CTB – Centralized Tank Battery
- BATT ALLOC - Battery Allocation
- HP Flare/ HP FL - High Pressure Flare
- VRU- Vapor Recovery Unit
- ULPS- ultra-low-pressure separator
- CTB BATT ALLOC – Centralized Tank Battery, Battery Allocation
- OGOR - Oil and Gas Operations Report



- GAS WH ALLOC – Gas Wellhead Allocation
- GL INJ – Gas Lift injection
- NEW WELL PROD(WH-GLI)- New Well Production (Wellhead – Gas Lift Injection)
- GAS THEO % OF PROD – Gas Theoretical Percentage of Production
- NET CTB GAS (TOTAL NET FMP) – Net Centralized Tank Battery Gas (Total Net Facility measurement point)
- GL COMPR(INCLUDED IN BUYBACK)- Gas Lift Compressor
- ALLOCATED PROD – Allocated Production
- OIL WH ALLOC – Oil Wellhead Allocation
- OIL THEO % OF PROD - Oil Theoretical Percentage of Production
- ALLOC WELL PRODUCTION – Allocated Well Production
- OIL THEO % AVAIL FOR SALE - Oil Theoretical Percentage Available For Sale
- WATER WH ALLOC- Water Wellhead Allocation
- WATER THEO %AVAIL TO TRANSFER- Water Theoretical Percentage of Available to Transfer





## Proposed Federal CA's with lease numbers and allocation percentages per lease

	TOTAL ACRES	NMNM12846 - 16 2/3%	NMNM61360 - 12.5%	NMNM113969 - 12.5%
<b>CA 1</b>				
Pending Wolfcamp CA – 600acs - embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Wolfcamp Formation	100	26.667%	26.667%	46.667%
<b>BONESPRING</b>	600	160	160	280
SERPENTINE 35-26 FED COM 2H				
SERPENTINE 35-26 FED COM 10H				
	TOTAL ACRES	NMNM12846 - 16 2/3%	NMNM61360 - 12.5%	NMNM113969 - 12.5%
<b>CA 2</b>				
Pending Bone Spring CA - 600 acs - embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Bone Spring Formation	100	26.667%	26.667%	46.667%
<b>WOLFCAMP</b>	600	160	160	280
SERPENTINE 35-26 FED COM 11H				
SERPENTINE 35-26 FED COM 9H				
SERPENTINE 35-26 FED COM 12H				
SERPENTINE 35-26 FED COM 1H				

## EXHIBIT "A"

Attached to and made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Bone Spring Formation

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

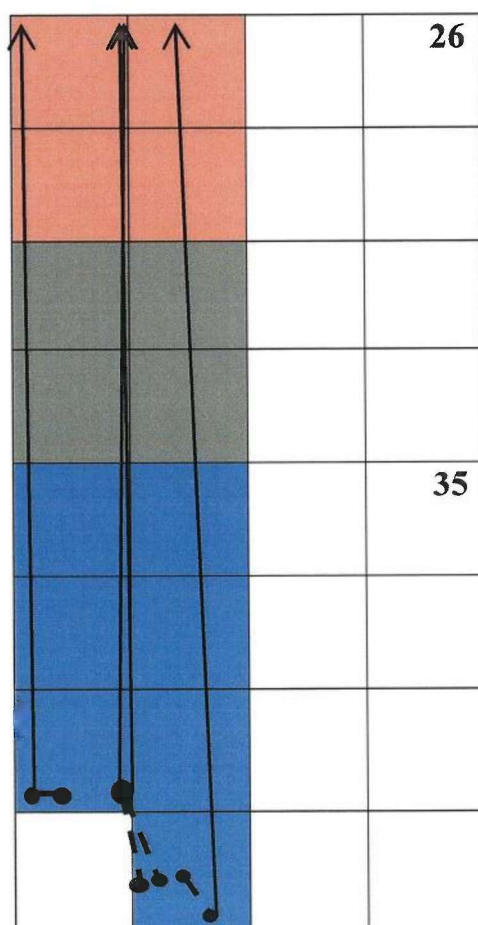
**Tract 1:**  
USA NMNM-012846  
(160 Acres)



**Tract 2:**  
USA NMNM-61360  
(160 Acres)



**Tract 3:**  
USA NMNM-113969  
(280 Acres)



**Serpentine 35-26 Fed Com 1H**

SHL: Sec. 35-22S-33E 1,346' FSL & 621' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 330' FWL

**Serpentine 35-26 Fed Com 11H**

SHL: Sec. 35-22S-33E 254' FSL & 1,448' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 1,254' FWL

**Serpentine 35-26 Fed Com 9H**

SHL: Sec. 35-22S-33E 254' FSL & 1,388' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 1,254' FWL

**Serpentine 35-26 Fed Com 12H**

SHL: Sec. 35-22S-33E 254' FSL & 1,478' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 2,178' FWL

Serpentine 35-26 Fed Com 1H, 9H, 11H, and 12H

## EXHIBIT "A"

Attached to and made a part of that Communitization Agreement dated May 1, 2023, embracing the W/2 of Section 26 & the NW/4, N/2 SW/4, and SE/4 SW/4 of Section 35, T-22-S, R-33-E, Lea County, New Mexico, Wolfcamp Formation

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

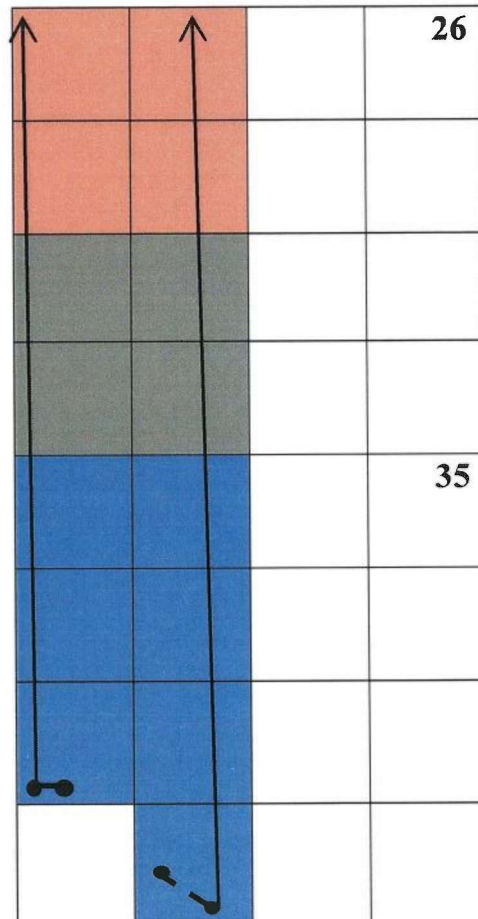
**Tract 1:**  
USA NMNM-012846  
(160 Acres)



**Tract 2:**  
USA NMNM-61360  
(160 Acres)



**Tract 3:**  
USA NMNM-113969  
(280 Acres)



**Serpentine 35-26 Fed Com 2H**

SHL: Sec. 35-22S-33E 1,346' FSL & 651' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 330' FWL

**Serpentine 35-26 Fed Com 10H**

SHL: Sec. 35-22S-33E 254' FSL & 1,418' FWL  
BHL: Sec. 26-22S-33E 20' FNL & 2,178' FWL

Serpentine 35-26 Fed Com 2H and 10H



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**01 02-25-1920;041STAT0437;30USC181ETSEQ**  
**Case Type 311211: O&G LSE SIMO PUBLIC LAND**  
**Commodity 459: OIL & GAS**  
**Case Disposition: AUTHORIZED**

**Total Acres:**  
**800.000**

**Serial Number**  
**NMNM 012846**

Case File Juris:

						<b>Serial Number: NMNM-- - 012846</b>	
<b>Name &amp; Address</b>						<b>Int Rel</b>	<b>% Interest</b>
CRUMP ENERGY PARTNERS II LLC	4000 N BIG SPRING ST STE 310	MIDLAND	TX	797054628	OPERATING RIGHTS		0.000000000
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XX	XXXXX-XXXX	LESSEE		100.000000000
MARATHON OIL PERMIAN LLC	990 TOWN AND COUNTRY BLVD	HOUSTON	TX	77024	OPERATING RIGHTS		0.000000000

								<b>Serial Number: NMNM-- - 012846</b>	
<b>Mer</b>	<b>Twp</b>	<b>Rng</b>	<b>Sec</b>	<b>S</b>	<b>Type</b>	<b>Nr</b>	<b>Suff</b>	<b>Subdivision</b>	<b>District/ Field Office</b>
23	0220S	0330E	013	ALIQ				SE;	CARLSBAD FIELD OFFICE
23	0220S	0330E	015	ALIQ				SE;	CARLSBAD FIELD OFFICE
23	0220S	0330E	023	ALIQ				NE;	CARLSBAD FIELD OFFICE
23	0220S	0330E	025	ALIQ				SE;	CARLSBAD FIELD OFFICE
23	0220S	0330E	026	ALIQ				NW;	CARLSBAD FIELD OFFICE
								<b>County</b>	<b>Mgmt Agency</b>
								LEA	BUREAU OF LAND MGMT
								LEA	BUREAU OF LAND MGMT
								LEA	BUREAU OF LAND MGMT
								LEA	BUREAU OF LAND MGMT
								LEA	BUREAU OF LAND MGMT

**Relinquished/Withdrawn Lands****Serial Number: NMNM-- - 012846**

				<b>Serial Number: NMNM-- - 012846</b>	
<b>Act Date</b>	<b>Act Code</b>	<b>Action Txt</b>	<b>Action Remarks</b>	<b>Pending Off</b>	
11/22/1970	387	CASE ESTABLISHED	SPAR62;		
11/23/1970	888	DRAWING HELD			
12/09/1970	237	LEASE ISSUED			
01/01/1971	496	FUND CODE	05;145003		
01/01/1971	530	RLTY RATE - 12 1/2%			
01/01/1971	868	EFFECTIVE DATE			
01/01/1981	315	RENTAL RATE DET/ADJ	\$5.00;		
01/01/1981	531	RLTY RATE - 16 2/3%	/A/		
08/10/1981	650	HELD BY PROD - ACTUAL			
08/25/1981	232	LEASE COMMITTED TO UNIT	EL ALTO GRANDE;		
10/07/1981	235	EXTENDED	THRU 12/31/82;		
10/23/1981	120	APPEAL FILED			
11/25/1981	148	LITIGATION FILED	SPECIAL BILL		
04/23/1982	361	DEC AFFIRMED			

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**DEPARTMENT OF THE INTERIOR  
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Serial Number: NMNM-- - 012846

Act Date	Act Code	Action Txt	Action Remarks	Pending Off
05/24/1982	149	CASE RECEIVED FROM	IBLA;	
05/11/1983	284	REINSTATEMENT FILED	CLASS II	
05/31/1983	336	UNIT AGRMT TERMINATED	EL ALTO GRANDE;	
07/23/1984	282	REINSTATEMENT APPROVED	CLASS II EFF 1/1/81;	
08/03/1984	600	RECORDS NOTED		
08/17/1984	610	PUBLISHED	49FR6184;	
07/15/1986	817	MERGER RECOGNIZED	CHEVRON USA/GULF OIL	
07/15/1986	940	NAME CHANGE RECOGNIZED	GULF OIL/CHEVRON USA	
09/18/1987	974	AUTOMATED RECORD VERIF	MLM/CB	
10/13/1988	963	CASE MICROFILMED/SCANNED	CNUM 102,781	
08/10/1990	140	ASGN FILED	CHEVRON USA/ASHER OIL	
09/01/1990	898	ASGN EFFECTIVE		
09/19/1990	139	ASGN APPROVED	CHEVRON USA/ASHER OIL	
09/19/1990	974	AUTOMATED RECORD VERIF	MRR/MT	
05/18/1992	899	TRF OF ORR FILED		
01/24/1995	974	AUTOMATED RECORD VERIF	GAG	
01/18/1996	140	ASGN FILED	ASHER/MARBOB ENERGY	
04/18/1996	139	ASGN APPROVED	EFF 02/01/96;	
04/18/1996	974	AUTOMATED RECORD VERIF	LR	
02/18/2000	932	TRF OPER RGTS FILED	MARBOB/GAS WELL SVCS	
05/08/2000	933	TRF OPER RGTS APPROVED	EFF 03/01/2000	
05/08/2000	974	AUTOMATED RECORD VERIF	ANN	
05/26/2000	140	ASGN FILED	MARBOB/MCLANE	
08/02/2000	139	ASGN APPROVED	EFF 06/01/00;	
08/02/2000	974	AUTOMATED RECORD VERIF	JLV	
11/20/2002	932	TRF OPER RGTS FILED	GAS WELL SER/KELTON	
11/29/2002	932	TRF OPER RGTS FILED	KELTON OPER/GAS WELL	
04/02/2003	933	TRF OPER RGTS APPROVED	EFF 12/01/03;	
04/02/2003	974	AUTOMATED RECORD VERIF	ANN	
04/03/2003	933	TRF OPER RGTS APPROVED	EFF 12/01/03;	
01/22/2008	932	TRF OPER RGTS FILED	ICA ENERG/JKM ENERG;1	
02/11/2008	933	TRF OPER RGTS APPROVED	EFF 02/01/08;	
02/11/2008	974	AUTOMATED RECORD VERIF	ANN	
10/10/2014	932	TRF OPER RGTS FILED	JKM ENERG/CROWN OIL;1	
11/28/2014	933	TRF OPER RGTS APPROVED	EFF 11/01/14;	
11/28/2014	974	AUTOMATED RECORD VERIF	LBO	
03/07/2017	932	TRF OPER RGTS FILED	MCLANE MO/CROWN OIL;1	
03/22/2017	940	NAME CHANGE RECOGNIZED	CRO OIL IV/ CRO OIL V	
04/25/2017	933	TRF OPER RGTS APPROVED	EFF 04/01/17;	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

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Serial Number: NMNM-- - 012846

Act Date	Act Code	Action Txt	Action Remarks	Pending Off
04/25/2017	974	AUTOMATED RECORD VERIF	JA	
07/06/2017	140	ASGN FILED	CRUMP ENE/MARATHON;1	
07/06/2017	140	ASGN FILED	CROWN OIL/MARATHON;1	
07/06/2017	932	TRF OPER RGTS FILED	CROWN OIL/MARATHON;1	
07/06/2017	932	TRF OPER RGTS FILED	CRUMP ENE/MARATHON;1	
09/15/2017	933	TRF OPER RGTS APPROVED	EFF 08/01/17;2	
09/15/2017	933	TRF OPER RGTS APPROVED	EFF 08/01/17;1	
09/18/2017	974	AUTOMATED RECORD VERIF	JA	
10/19/2017	269	ASGN DENIED	CROWN/NO RT INT;	
10/19/2017	269	ASGN DENIED	CRUMP/NO RT INT;	
10/19/2017	974	AUTOMATED RECORD VERIF	JA	
08/08/2019	932	TRF OPER RGTS FILED	MARATHON/CHEVRON U;1	
10/07/2019	933	TRF OPER RGTS APPROVED	EFF 09/01/19;	
10/07/2019	974	AUTOMATED RECORD VERIF	PM	
02/04/2022	932	TRF OPER RGTS FILED	NADEL & G/NADEL & G;1	FLUIDS TEAM

Line Number	Remark Text	Serial Number: NMNM-- - 012846
0002	/A/AC 530 RLTY RATE 12.5% EFF 1/1/1971 THRU	
0003	12/31/1980.	
0004	BONDED OPERATORS/LESSEES/TRANSFEREES:	
0005	08/02/2000 - GAS WELL SERVICES INC - NM2604 SW/NM	
0006	02/21/2008 - ICA ENERGY INC - NM2850 - S/W;	
0007	04/25/2017 - CROWN OIL PART NMB001240 S/W	
0008	09/15/2017 - MARATHON OIL PERMIAN WYB002107 N/W	
0009	10/07/19 - CHEVRON USA NW CA0329	

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**01 02-25-1920;041STAT0437;30USC181ETSEQ**  
**Case Type 311211: O&G LSE SIMO PUBLIC LAND**  
**Commodity 459: OIL & GAS**  
**Case Disposition: AUTHORIZED**

**Total Acres:**  
**960.000**

**Serial Number**  
**NMNM 061360**

Case File Juris:

						<b>Serial Number: NMNM-- - 061360</b>	
<b>Name &amp; Address</b>						<b>Int Rel</b>	<b>% Interest</b>
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XX	XXXXX-XXXX	LESSEE		100.000000000
SWN PRODUCTION COMPANY LLC	PO BOX 12359	SPRING	TX	773912359	OPERATING RIGHTS		0.000000000
HESS CORP	500 DALLAS ST LEVEL 2	HOUSTON	TX	77002	OPERATING RIGHTS		0.000000000
TUMBLER OPERATING PARTNERS LLC	1701 RIVER RUN STE 306	FORT WORTH	TX	761076547	OPERATING RIGHTS		0.000000000
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XX	XXXXX-XXXX	OPERATING RIGHTS		0.000000000
DEVON ENERGY PRODUCTION CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY	OK	731025010	OPERATING RIGHTS		0.000000000

									Serial Number: NMNM-- - 061360		
Mer	Twp	Rng	Sec	S	Type	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0220S	0330E	025	ALIQ				W2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0220S	0330E	026	ALIQ				NENE,S2NE,SW,SWSE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0220S	0340E	020	ALIQ				NW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0220S	0340E	029	ALIQ				SE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

**Relinquished/Withdrawn Lands****Serial Number: NMNM-- - 061360**

				<b>Serial Number: NMNM-- - 061360</b>	
<b>Act Date</b>	<b>Act Code</b>	<b>Action Txt</b>	<b>Action Remarks</b>	<b>Pending Off</b>	
02/11/1985	387	CASE ESTABLISHED	SPAR232;		
02/12/1985	888	DRAWING HELD			
06/03/1985	237	LEASE ISSUED			
06/12/1985	600	RECORDS NOTED			
07/01/1985	496	FUND CODE	05;145003		
07/01/1985	530	RLTY RATE - 12 1/2%			
07/01/1985	868	EFFECTIVE DATE			
09/23/1985	963	CASE MICROFILMED/SCANNED	CNUM 553,767 AC		
06/30/1986	111	RENTAL RECEIVED	\$0;86-87		
08/11/1986	140	ASGN FILED	ZIMMERMAN/ENGLE		
11/13/1986	139	ASGN APPROVED	EFF 09/01/86;		
06/25/1987	111	RENTAL RECEIVED	\$0;87-88		

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Act Date	Act Code	Action Txt	Action Remarks	Pending Off
04/05/1988	974	AUTOMATED RECORD VERIF	VG/LR	
06/22/1988	111	RENTAL RECEIVED	\$960.00;1YR/88-89	
05/22/1989	111	RENTAL RECEIVED	\$960.00;1YR/89-90	
09/07/1989	932	TRF OPER RGTS FILED	ENGLE/LANDRETH	
11/08/1989	933	TRF OPER RGTS APPROVED	EFF 10/01/89;	
11/08/1989	974	AUTOMATED RECORD VERIF	BTM/MT	
06/01/1990	111	RENTAL RECEIVED	\$960.00;21/6103	
12/20/1990	575	APD FILED	ORYX ENERGY CE	
01/10/1991	576	APD APPROVED	WOODY FED COM NO 1	
06/13/1991	111	RENTAL RECEIVED	\$960.00;21/6214	
06/18/1993	111	RENTAL RECEIVED	\$960.00;21/0000000012	
06/16/1994	111	RENTAL RECEIVED	\$960.00;21/0000000014	
08/17/1994	932	TRF OPER RGTS FILED	ENGLE/SANTA FE ENE OP	
11/15/1994	933	TRF OPER RGTS APPROVED	EFF 09/01/94;	
11/15/1994	974	AUTOMATED RECORD VERIF	JLV	
03/07/1995	932	TRF OPER RGTS FILED	LANDRETH/AMERADA HESS	
06/08/1995	933	TRF OPER RGTS APPROVED	EFF 04/01/95;	
06/08/1995	974	AUTOMATED RECORD VERIF	JLV	
06/27/1995	576	APD APPROVED	1-ENGLE 20 FED	
06/28/1995	084	RENTAL RECEIVED BY ONRR	\$960.00;21/0628000833	
06/30/1995	235	EXTENDED	THRU 06/30/1997;	
07/21/1995	410	BOND UNACCEPTABLE	EFF 06/19/95;NM2413	
07/21/1995	909	BOND ACCEPTED	EFF 07/17/95;NM2409	
07/21/1995	974	AUTOMATED RECORD VERIF	RAYO/BTM	
07/28/1995	932	TRF OPER RGTS FILED	ENGLE/LANDRETH	
08/08/1995	899	TRF OF ORR FILED		
09/12/1995	974	AUTOMATED RECORD VERIF	ANN	
09/28/1995	933	TRF OPER RGTS APPROVED	EFF 08/01/95;	
09/28/1995	974	AUTOMATED RECORD VERIF	LR	
11/13/1995	575	APD FILED		
11/20/1995	932	TRF OPER RGTS FILED	AMERADA HESS/LANDRETH	
01/08/1996	932	TRF OPER RGTS FILED	SF ENE/SOUTHWESTERN	
01/31/1996	576	APD APPROVED	#1 SUNRISE "29" FED	
02/16/1996	933	TRF OPER RGTS APPROVED	EFF 12/01/95;	
02/16/1996	974	AUTOMATED RECORD VERIF	ANN	
03/20/1996	233	LEASE IN UNIT/UNCOMMIT'D	NMNM94480X;GAUCHO	
03/26/1996	933	TRF OPER RGTS APPROVED	EFF 02/01/96;	
03/26/1996	974	AUTOMATED RECORD VERIF	JLV	
06/19/1996	084	RENTAL RECEIVED BY ONRR	\$1920.00;21/000000001	

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Act Date	Act Code	Action Txt	Action Remarks	Pending Off
01/29/1997	974	AUTOMATED RECORD VERIF	GAG;	
03/01/1997	246	LEASE COMMITTED TO CA	NMNM94525;	
03/01/1997	660	MEMO OF 1ST PROD-ALLOC	/1/NMNM94525;	
06/18/1997	651	HELD BY PROD - ALLOCATED	NMNM94525;	
06/19/1997	932	TRF OPER RGTS FILED	AMERADA HESS/SF ENE	
07/01/1997	246	LEASE COMMITTED TO CA	NMNM94543;	
07/17/1997	933	TRF OPER RGTS APPROVED	EFF 07/01/97;	
07/17/1997	974	AUTOMATED RECORD VERIF	JLV	
08/29/1997	932	TRF OPER RGTS FILED	SANTA FE ENE/SW ENE	
09/16/1997	933	TRF OPER RGTS APPROVED	EFF 09/01/97;	
09/16/1997	974	AUTOMATED RECORD VERIF	JLV	
10/02/1997	899	TRF OF ORR FILED		
10/09/1997	899	TRF OF ORR FILED		
10/31/1997	899	TRF OF ORR FILED		
11/25/1997	660	MEMO OF 1ST PROD-ALLOC	/2/NMNM94543;	
03/04/1998	899	TRF OF ORR FILED		
03/16/1998	643	PRODUCTION DETERMINATION	/2/	
04/27/1998	932	TRF OPER RGTS FILED	LANDRETH/SANTA FE ENE	
05/04/1998	899	TRF OF ORR FILED	(1)	
05/04/1998	899	TRF OF ORR FILED	(2)	
05/12/1998	933	TRF OPER RGTS APPROVED	EFF 05/01/98;	
05/12/1998	974	AUTOMATED RECORD VERIF	ANN	
08/17/1998	899	TRF OF ORR FILED		
11/13/1998	899	TRF OF ORR FILED		
07/01/1999	940	NAME CHANGE RECOGNIZED	SF ENE RES/SF SNYDER	
07/01/1999	974	AUTOMATED RECORD VERIF	JLV	
10/11/2000	940	NAME CHANGE RECOGNIZED	SANTA FE/DEVON SFS	
12/12/2002	817	MERGER RECOGNIZED	DEVONSFS/DEVONENEPD	
08/08/2003	899	TRF OF ORR FILED	ENGLE, REBECCA L;1	
05/03/2006	932	TRF OPER RGTS FILED	AMERADA HESS/APACHE;1	
07/14/2006	933	TRF OPER RGTS APPROVED	EFF 06/01/06;	
07/14/2006	974	AUTOMATED RECORD VERIF	ANN	
09/19/2008	932	TRF OPER RGTS FILED	SOUTHWEST/LIME ROCK;1	
11/06/2008	933	TRF OPER RGTS APPROVED	EFF 10/01/08;	
11/06/2008	974	AUTOMATED RECORD VERIF	MV	
10/27/2010	932	TRF OPER RGTS FILED	LIME ROCK/DEVON ENE;1	
01/25/2011	933	TRF OPER RGTS APPROVED	EFF 11/01/10;	
01/25/2011	974	AUTOMATED RECORD VERIF	RAYO/RAYO	
04/08/2013	932	TRF OPER RGTS FILED	DEVON ENE/LANDRETH;1	

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Act Date	Act Code	Action Txt	Action Remarks	Pending Off
05/31/2013	933	TRF OPER RGTS APPROVED	EFF 05/01/13;	
05/31/2013	974	AUTOMATED RECORD VERIF	EMR	
04/04/2014	974	AUTOMATED RECORD VERIF	ANN	
12/22/2014	932	TRF OPER RGTS FILED	LANDRETH/DEVON ENE;1	
01/05/2015	940	NAME CHANGE RECOGNIZED	SOUTHWESTERN/SWN;	
01/23/2015	933	TRF OPER RGTS APPROVED	EFF 01/01/15;	
01/23/2015	974	AUTOMATED RECORD VERIF	LBO	
12/01/2015	522	CA TERMINATED	NMNM94525;	
12/01/2015	522	CA TERMINATED	NMNM94543;	
01/19/2016	932	TRF OPER RGTS FILED	APACHE/DEVON ENERGY;1	
02/19/2016	933	TRF OPER RGTS APPROVED	EFF 02/01/16;	
02/19/2016	974	AUTOMATED RECORD VERIF	LBO	
05/25/2017	899	TRF OF ORR FILED	1	
02/13/2018	932	TRF OPER RGTS FILED	ENGLE FRE/ALAMO PEA;1	
02/13/2018	932	TRF OPER RGTS FILED	ALAMO PEA/AMERIPERM;1	
02/27/2018	899	TRF OF ORR FILED	1	
02/27/2018	899	TRF OF ORR FILED	2	
03/23/2018	933	TRF OPER RGTS APPROVED	EFF 03/01/18;1	
03/23/2018	933	TRF OPER RGTS APPROVED	EFF 03/01/18;2	
03/23/2018	974	AUTOMATED RECORD VERIF	RCC	
05/14/2019	140	ASGN FILED	AMERIPERM/TUMBLER O;1	
05/14/2019	932	TRF OPER RGTS FILED	AMERIPERM/TUMBLER O;1	
08/19/2019	269	ASGN DENIED	NO RT	
08/19/2019	933	TRF OPER RGTS APPROVED	EFF 06/01/19;	
08/19/2019	974	AUTOMATED RECORD VERIF	AMV	
02/08/2021	899	TRF OF ORR FILED	1	
03/29/2021	899	TRF OF ORR FILED	1	
04/15/2021	932	TRF OPER RGTS FILED	GRIZZLY O/CONTANGO;1	
01/04/2022	957	TRF OPER RGTS DENIED	GRIZZLY NO OR	
01/04/2022	974	AUTOMATED RECORD VERIF	LL	

Line Number	Remark Text	Serial Number: NMNM-- - 061360
0002	-----	
0003	01/04/2022 - OPERATING RIGHTS ADJUDICATED;	
0004	SEE WORKSHEET.	
0005	-----	

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**Total Acres:**  
**600,000**

**Serial Number**  
NMNM 113969

**Case File Juris:**

**Serial Number: NMNM-- 113969**

### Name & Address

Int Rel

**% Interest**

DEVON ENERGY CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK	731025010	LESSEE	100.000000000
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**Serial Number: NMNM-- 113969**

Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0220S	0330E	035	ALIQ			N2,N2SW,SESW,SE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

## Relinquished/Withdrawn Lands

**Serial Number: NMNM-- 113969**

**Serial Number: NMNM-- 113969**

Act Date	Act Code	Action Txt	Action Remarks	Pending Off
04/19/2005	299	PROTEST FILED		
04/19/2005	387	CASE ESTABLISHED	200504063;	
04/20/2005	191	SALE HELD		
04/20/2005	267	BID RECEIVED	\$450000.00;	
05/20/2005	237	LEASE ISSUED		
05/20/2005	298	PROTEST DISMISSED		
05/20/2005	974	AUTOMATED RECORD VERIF	GSB	
06/01/2005	496	FUND CODE	05;145003	
06/01/2005	530	RLTY RATE - 12 1/2%		
06/01/2005	868	EFFECTIVE DATE		
07/08/2005	963	CASE MICROFILMED/SCANNED		
09/14/2005	140	ASGN FILED	SCHUTZ DO/CHISHOLM;1	
10/21/2005	139	ASGN APPROVED	EFF 10/01/05;	
10/21/2005	974	AUTOMATED RECORD VERIF	JLV	
12/02/2005	817	MERGER RECOGNIZED	KEYSTONE INC/GROUP	
12/02/2005	940	NAME CHANGE RECOGNIZED	KEYSTONE GROUP/LP	
12/06/2005	940	NAME CHANGE RECOGNIZED	SID R BASS INC/SRBI	
12/08/2005	940	NAME CHANGE RECOGNIZED	THRU LINE INC/LP	
12/14/2005	940	NAME CHANGE RECOGNIZED	LEE M BASS INC/LMBI	
05/30/2006	140	ASGN FILED	CHISHOLM/CTV O&G N;1	
05/30/2006	140	ASGN FILED	LMBI/LMBI O&G NM;1	

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Act Date	Act Code	Action Txt	Action Remarks	Pending Off
05/30/2006	140	ASGN FILED	KEYSTONE/KEYSTONE;1	
05/30/2006	140	ASGN FILED	THRU LINE/THRU LINE;1	
05/30/2006	140	ASGN FILED	SRBI/SRBI O&G NM;1	
06/28/2006	139	ASGN APPROVED	EFF 06/01/06;5	
06/28/2006	139	ASGN APPROVED	EFF 06/01/06;4	
06/28/2006	139	ASGN APPROVED	EFF 06/01/06;3	
06/28/2006	139	ASGN APPROVED	EFF 06/01/06;2	
06/28/2006	139	ASGN APPROVED	EFF 06/01/06;1	
06/28/2006	974	AUTOMATED RECORD VERIF	ANN	
11/08/2011	140	ASGN FILED	LMBI O&G/SSB 1993C;1	
11/08/2011	140	ASGN FILED	KEYSTONE/MLB O&G N;1	
02/03/2012	140	ASGN FILED	CTV OG NM/DEVON ENE;1	
02/06/2012	139	ASGN APPROVED	EFF 12/01/11;1	
02/06/2012	139	ASGN APPROVED	EFF 12/01/11;2	
02/06/2012	974	AUTOMATED RECORD VERIF	JS	
05/04/2012	139	ASGN APPROVED	EFF 03/01/12;	
05/04/2012	974	AUTOMATED RECORD VERIF	LR/IF	
02/22/2015	974	AUTOMATED RECORD VERIF	JA	
04/01/2015	677	SUS OPS OR PROD/PMT REQD	APD APPROVAL DELAY;	
04/23/2015	673	SUS OPS/PROD APLN FILED		
05/11/2015	974	AUTOMATED RECORD VERIF	JA	
12/01/2015	235	EXTENDED	THRU 01/30/18;	
12/01/2015	678	SUSP LIFTED		
11/23/2017	650	HELD BY PROD - ACTUAL	/1/	
11/23/2017	658	MEMO OF 1ST PROD-ACTUAL	/1/#2-35 1H;	
08/14/2018	643	PRODUCTION DETERMINATION	/1/	

Line Number	Remark Text	Serial Number: NMNM-- 113969
0002	STIPULATIONS ATTACHED TO LEASE:	
0003	NM-11-LN SPECIAL CULTURAL RESOURCE LEASE NOTICE	
0004	SENM-S-22 PRAIRIE CHICKENS	
0005	SENM-S-23 SAND DUNE LIZARD	
0006	SENM-S-36 NSO LPC SDL ZONE 3	
0007	SEC. 35: E2	
0008	PER ONRR RENTAL PAID THRU 6/1/11	
0009	RENTAL PAID TO ONRR FROM 6/01/2011 THRU 5/31/2012	

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Devon Energy  
333 West Sheridan Avenue  
Oklahoma City, OK 73102-5015

405 228 8788 Phone  
www.devonenergy.com

November 30th, 2023

New Mexico Oil Conversation Division  
1120 South Saint Francis Drive  
Santa Fe, NM 87504

RE: **Serpentine 35 Facility 1**  
Section 35-22S-33E  
Lea County, New Mexico

Mr. McClure:

Devon Energy Production Company, L.P. ("Devon") desires to surface commingle the wells listed below. Upon review of the title information and Devon's records, please be advised that ownership in each well is identical.

Pending Wolfcamp CA - NMNM113969, NMNM61360, NMNM12864			
Well Name	API	Location	Pool
SERPENTINE 35-26 FED COM 2H	30-025-51405	L-35-22S-33E 1346 FSL & 651 FWL	[5170] BELL LAKE;WOLFCAMP, NORTH
SERPENTINE 35-26 FED COM 10H	30-025-51407	N-35-22S-33E 254 FSL & 1418 FWL	[5170] BELL LAKE;WOLFCAMP, NORTH

Pending Bone Spring CA - NMNM113969, NMNM61360, NMNM12864			
Well Name	API	Location	Pool
SERPENTINE 35-26 FED COM 11H	30-025-51488	N-35-22S-33E 254 FSL & 1448 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 9H	30-025-51406	N-35-22S-33E 254 FSL & 1388 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 12H	30-025-51569	N-35-22S-33E 254 FSL & 1478 FWL	[7320] BRINNINSTOOL;BONE SPRING
SERPENTINE 35-26 FED COM 1H	30-025-51466	L-35-22S-33E 20 FNL & 330 FWL	[7320] BRINNINSTOOL;BONE SPRING

If you have any questions, please feel free to contact me directly at 405-228-8788.

Sincerely,

David Broussard  
Senior Landman

## Bureau of Land Management

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

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

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

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

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

**ORDER NO. PLC-1071**

**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 and leases described in Exhibit A (“Application”).
2. Applicant included a complete list of the wells currently dedicated to each pool and lease.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. 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.
5. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools and leases in accordance with 19.15.12.10(C)(4)(g) NMAC.
6. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described in Exhibit A.
7. 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.
8. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

**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. Applicant did not give adequate notice that it sought authorization to prospectively include additional pools, leases, or wells as required by 19.15.12.10(C)(4)(g) NMAC.
15. 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 and leases as described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from the wells included in Exhibit A provided that they produce from a pool and lease described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease, as applicable, from the pools and leases as described in Exhibit A at a central tank battery or gas title transfer meter 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 as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease, as applicable, from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described 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.



3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
4. If Applicant recovers oil or gas production from produced water prior to Applicant injecting it or transferring custody of it, then that production shall be allocated to each well in the proportion that it contributed to the total produced water.
5. If Applicant recovers gas production using a vapor recovery unit (VRU), then that gas production shall be allocated to each well in the proportion that it contributed to the total oil production.
6. 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.
7. 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.
8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
9. Applicant shall install and utilize vessels that are appropriately designed to ensure sufficient separation of the fluids and to accurately measure oil and gas production.
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. Applicant's request for authorization to add pools, leases, and wells prospectively pursuant to 19.15.12.10(C)(4)(g) NMAC is denied.
12. If a well is not included in Exhibit A but produces from a pool and lease as described 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, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.

13. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
14. 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).
15. 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**



---

**ALBERT C. S. CHANG  
DIRECTOR**

**DATE:** 1/9/2026

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **PLC-1071**

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

Central Tank Battery: **Serpentine 35 Facility 1**

Central Tank Battery Location: **UL M, Section 35, Township 22 South, Range 33 East**

Gas Title Transfer Meter Location: **UL M, Section 35, Township 22 South, Range 33 East**

### Pools

Pool Name	Pool Code
<b>BELL LAKE;WOLFCAMP, NORTH</b>	<b>5170</b>
<b>BRINNINSTOOL;BONE SPRING</b>	<b>7320</b>

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
<b>CA Bone Spring NMNM 106319405</b>	<b>W2</b>	<b>26-22S-33E</b>
	<b>NW4, NWSW, E2SW</b>	<b>35-22S-33E</b>
<b>CA Wolfcamp NMNM 106319406</b>	<b>W2</b>	<b>26-22S-33E</b>
	<b>NW4, NWSW, E2SW</b>	<b>35-22S-33E</b>

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
<b>30-025-51405</b>	<b>SERPENTINE 35 26 FEDERAL COM</b>	<b>W2</b>	<b>26-22S-33E</b>	<b>5170</b>
	<b>#002H</b>	<b>NW4, NWSW, E2SW</b>	<b>35-22S-33E</b>	
<b>30-025-51407</b>	<b>SERPENTINE 35 26 FEDERAL COM</b>	<b>W2</b>	<b>26-22S-33E</b>	<b>5170</b>
	<b>#010H</b>	<b>NW4, NWSW, E2SW</b>	<b>35-22S-33E</b>	
<b>30-025-51488</b>	<b>SERPENTINE 35 26 FEDERAL COM</b>	<b>W2</b>	<b>26-22S-33E</b>	<b>7320</b>
	<b>#011H</b>	<b>NW4, NWSW, E2SW</b>	<b>35-22S-33E</b>	
<b>30-025-51406</b>	<b>SERPENTINE 35 26 FEDERAL COM</b>	<b>W2</b>	<b>26-22S-33E</b>	<b>7320</b>
	<b>#009H</b>	<b>NW4, NWSW, E2SW</b>	<b>35-22S-33E</b>	
<b>30-025-51569</b>	<b>SERPENTINE 35 26 FEDERAL COM</b>	<b>W2</b>	<b>26-22S-33E</b>	<b>7320</b>
	<b>#012H</b>	<b>NW4, NWSW, E2SW</b>	<b>35-22S-33E</b>	
<b>30-025-51466</b>	<b>SERPENTINE 35 26 FEDERAL COM</b>	<b>W2</b>	<b>26-22S-33E</b>	<b>7320</b>
	<b>#001H</b>	<b>NW4, NWSW, E2SW</b>	<b>35-22S-33E</b>	

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<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 290293

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 290293
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	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 email us at <a href="mailto:OCD.Engineer@emnrd.nm.gov">OCD.Engineer@emnrd.nm.gov</a> .	1/12/2026