BEFORE THE OIL CONSERVATION COMMISSION EXAMINER HEARING SEPTEMBER 05, 2019

CASE No. 20732

GREEN WAVE WELLS

LEA COUNTY, NEW MEXICO



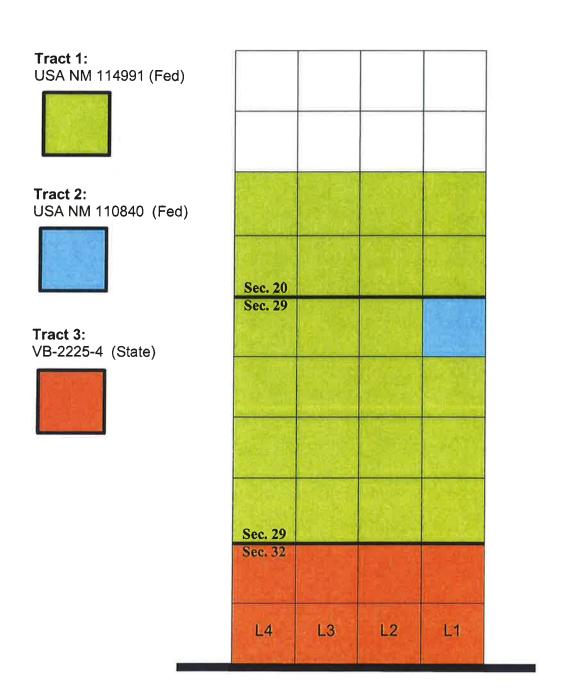
Green Wave 20-32 Fed State Com Area

Proposed Non-Standard Horizontal Spacing Unit

Section 20: S/2, Section 29: ALL, Section 32: ALL

T26S - R34E

1,264.64 Acres



State of Texas

Hammond, Joe

From:

Walls, Christopher < cwalls@blm.gov>

Sent:

Tuesday, May 14, 2019 10:50 AM

To:

Hammond, Joe; James Glover; Marjorie Dupre; Noell Sturdevant

Subject:

Re: [EXTERNAL] Normal CA's or Large CA's, New Mexico - Texas Line

Joe,

It is possible to Commingle these tracts but it would be more equipment. Each producing area would need its own separator and Coriolis meter in order to commingle because the royalty factor is different. If you do the large CA for the BS and WC we would only need a request to pool commingle the BS and WC CAs. I copied Santa Fe because I want to make sure they agree. We would always prefer to do the bigger CA in this situation.

Chris

On Tue, May 14, 2019 at 6:51 AM Hammond, Joe < Joe. Hammond@dvn.com > wrote:

Hello Chris, after we hung up yesterday, I had another question. You had indicated the BLM understands the issue with the different lot sizes located against the Texas line and will be more tolerant in allowing commingling with just a few tenths of an acre difference due to the lots.

Please see the plat below (S/2 Sec 20, Sec 29, Sec 32) that reflects the current stand-up proposed standard horizontal spacing units for both Bone Spring and Wolfcamp. Is it possible to obtain commingling approval for all wells drilled within the 4 spacing units and not have to form the large CA and not have to apply for non-standard spacing units. In other words, we would be preparing the 4 standard com agreements for Bone Spring and 4 standard com agreements for Wolfcamp and commingle all production from the 8 CA's?

Your assistance in helping me understand the correct procedures is appreciated. Thanks, Joe H.

Submitted by: **Devon Energy Production**Hearing Date: September 05, 2019
Case No 20732

Hammond, Joe

From:

Khalsa, Niranjan < nkhalsa@slo.state.nm.us>

Sent:

Wednesday, May 15, 2019 10:07 AM

To:

Hammond, Joe

Subject:

RE: [EXTERNAL] Normal CA's or Large CA's, New Mexico - Texas Line

Good morning Joe,

As you know, comms must be the same size as the spacing unit of the well(s) to be drilled within the communitized area. If you permit your wells as comm wells for the full 1264.64 acres, I believe the new horizontal well rule will allow that without going to hearing —I believe a non-standard horizontal spacing unit can be approved administratively, but you may want to discuss that with the BLM/OCD to make sure. Please see NMAC 19.15.16.15 (B) (8), which I believe is the part of the rule that may apply here.

Thanks, Niranjan

Niranjan Khalsa
Petroleum Specialist Supervisor/Geologist
Oil, Gas & Minerals Division
505-827-6628
New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87502
or
PO Box 1148
Santa Fe, NM 87504-1148
nkhalsa@slo.state.nm.us



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From: Hammond, Joe [mailto:Joe.Hammond@dvn.com]

Sent: Tuesday, May 14, 2019 1:43 PM

To: Khalsa, Niranjan <nkhalsa@slo.state.nm.us>

Subject: FW: [EXTERNAL] Normal CA's or Large CA's, New Mexico - Texas Line

Good afternoon Niranjan,

www.nmstatelands.org

I think I've seen past emails where you may have answered this question before, however, if I could request your time again it would be much appreciated.

Submitted by: **Devon Energy Production**Hearing Date: September 05, 2019
Case No 20732

Please see the plat at the bottom of the page. Devon has plans to drill multiple Bone Spring and Wolfcamp wells two miles in length.

The leases involved include Federal leases covering the S/2 Section 20 and all Section 29 and the State lease (VB-2225-0004) which covers irregular Section 32 that touches the Texas line.

In order drill multiple wells and commingle all wells the BLM is suggesting large CA's covering the entire area. I've included their email below also.

Would the State of New Mexico also concur to the large CA suggestion, it would be 1264.64 acres m/l?

If so, won't I have to apply to the NMOCD for a non-standard horizontal spacing unit to match the 1264.64 acre CA?

I want to make sure I know how to proceed and I'm a little confused over the issues, your opinion and assistance is truly appreciated. Thank you, Joe Hammond

Joe Hammond Land Advisor Devon Energy Corporation 333 West Sheridan Avenue Oklahoma City, OK 73102-5010 (405) 552-8102 Direct (405) 823-4791 Cell

devon

From: Walls, Christopher <cwalls@blm.gov> Sent: Tuesday, May 14, 2019 10:50 AM

To: Hammond, Joe <Joe.Hammond@dvn.com>; James Glover <jglover@blm.gov>; Marjorie Dupre <mdupre@blm.gov>;

Noell Sturdevant <nsturdev@blm.gov>

Subject: Re: [EXTERNAL] Normal CA's or Large CA's, New Mexico - Texas Line

Joe,

It is possible to Commingle these tracts but it would be more equipment. Each producing area would need its own separator and Coriolis meter in order to commingle because the royalty factor is different. If you do the large CA for the BS and WC we would only need a request to pool commingle the BS and WC CAs. I copied Santa Fe because I want to make sure they agree. We would always prefer to do the bigger CA in this situation.

Chris

On Tue, May 14, 2019 at 6:51 AM Hammond, Joe < Joe. Hammond@dvn.com > wrote:

Hello Chris, after we hung up yesterday, I had another question. You had indicated the BLM understands the issue with the different lot sizes located against the Texas line and will be more tolerant in allowing commingling with just a few tenths of an acre difference due to the lots.

Federal Communitization Agreement

Contract No.

THIS AGREEMENT entered into as of the <u>1st</u> day of <u>January</u>, <u>2019</u> by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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

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

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

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

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

Township 26 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Section 20: S/2 Section 29: All

Section 32: N/2 N/2 & Lots 1-4

Containing 1,264.64 acres, and this agreement shall include only the <u>Bone Spring</u> Formation underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

- 2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
- The Operator of the communitized area shall be Devon Energy Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102. All matters of operations

shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

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

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

- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is <u>January 1, 2019</u>, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11... The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination.</u> In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of

Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

	OPERATOR:
	Devon Energy Production Company, L.P.
DATE:	BY: Catherine Lebsack, Vice President
	WORKING INTEREST OWNER AND/OR LESSEE OF RECORD:
	Chevron U.S.A. Inc.
DATE:	BY:NAME: Nick Brock TITLE: Attorney-in-Fact
	WORKING INTEREST OWNER:
	The Allar Company
DATE:	BY:NAME: TITLE:
	WORKING INTEREST OWNER:
	Chief Capital (O&G) II LLC
DATE:	BY:NAME: TITLE:
	RECORD TITLE OWNER:
	Echo Production, Inc.
DATE:	BY: NAME: TITLE:

Acknowledgement in an Individual Capacity

STATE OF Oklahoma) §	
COUNTY OF Oklahoma) §	
On this day of, 20 Oklahoma, personally appeared Catherine Lebsack Energy Production Company, L.P., an Oklahoma I foregoing instrument and acknowledged to me suc	imited partnership, a partnership that executed the
(SEAL)	
	Notary Public
	My Commission Expires
	1×
STATE OF <u>Texas</u>) §	
COUNTY OF <u>Harris</u> §	
On thisday of, 20 Texas, personally appeared Nick Brock, known to Inc., a Pennsylvania corporation, a corporation that acknowledged to me such corporation executed the	t executed the foregoing instrument and
(SEAL)	16
	Notary Public
ŭ .	My Commission Expires
STATE OF <u>Texas</u>) §	
COUNTY OF Young) §	
On thisday of, 20 Texas, personally appearedt The Allar Company, at acknowledged to me sucht	hat executed the foregoing instrument and
(SEAL)	
	Notary Public
	My Commission Expires

STATE OF <u>Texas</u>) §	
COUNTY OF <u>Dallas</u>) §	
Texas, personally appeared	, 2019, before me, a Notary Public for the State of, known to me to be the of that executed the foregoing instrument executed the same.
(SEAL)	
	Notary Public
*	My Commission Expires
STATE OF <u>Texas</u>) §	
COUNTY OF <u>Dallas</u>) §	
Texas, personally appeared	, 2019, before me, a Notary Public for the State of, known to me to be the of that executed the foregoing instrument and executed the same.
(SEAL)	
	Notary Public
	My Commission Expires

EXHIBIT "A"

Plat of communitized area covering 1,264.64 acres in S/2 Section 20, All of Section 29, and N/2 N/2 & Lots 1-4 of Section 32, T-26-S, R-34-E, N.M.P.M., Lea County, New Mexico, Bone Spring Formation, as written in Section 1 above.

Green Wave 20-32 Fed State Com 17H

26S - 34E

Tract 1: USA NM 114991



Tract 2: USA NM 110840



Tract 3: VB-2225-4



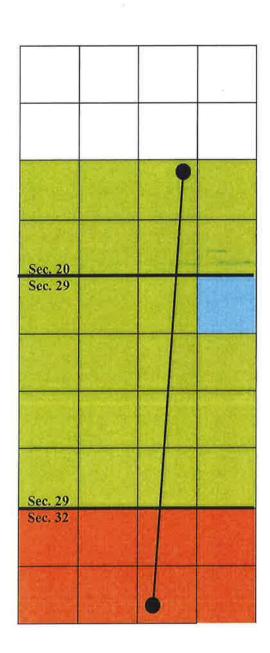


EXHIBIT "B"

Attached to Communitization Agreement Dated <u>January 1, 2019</u>, embracing: S/2 Section 20, All of Section 29, and N/2 N/2 & Lots 1-4 Section 32, T-26-S, R-34-E, N.M.P.M., Lea County, New Mexico

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

TRACT NO. 1

Lease Serial No.:

USA NMNM 114991

Lease Date:

effective December 1, 2005

Lease Term:

Ten (10) years

Lessor:

United States of America

Lessee of Record:

Devon Energy Production Company, L.P. &

Chevron U.S.A. Inc.

Description of Land Committed:

Insofar only as said lease covers: Township 26 South, Range 34 East

Section 20: S/2

Section 29: SE/4NE/4, W/2E/2, W/2, E/2SE/4

Number of Acres Committed:

920

Royalty Rate:

WI Owner Name and Interest:

1/8 on oil and gas

Devon Energy Production Company, L.P.

50.000000% 50.000000%

Chevron U.S.A. Inc.

ORRI Owners:

Of record

TRACT NO. 2

Lease Serial No.:

USA NMNM 110840

Lease Date:

effective September 1, 2003

Lease Term:

Ten (10) years

Lessor:

United States of America

Lessee of Record:

Echo Production, Inc.

Description of Land Committed:

Insofar only as said lease covers: Township 26 South, Range 34 East

Section 29: NE/4NE/4

Number of Acres Committed:

40

Royalty Rate:

1/8 on oil and gas

WI Owner Name and Interest:

Devon Energy Production Company, LP

Chevron U.S.A. Inc.

60.000000% 20.000000%

The Allar Company Chief Capital (O&G) II LLC

10.000000% 10.000000%

ORRI Owners:

Of record

TRACT NO. 3

Lease Serial No.:

VB 2225-0004

Lease Date:

effective December 1, 2012

Lease Term:

Five (5) years

Lessor:

State of New Mexico

Present Lessee:

Devon Energy Production Company, L.P.

Description of Land Committed:

Township 26 South, Range 34 East Section 32: N/2 N/2 & Lots 1-4

Se

Number of Acres Committed:

304.64

Royalty Rate:

3/16 on oil and gas

WI Owner Name and Interest:

Devon Energy Production Company, L.P. 100.000000%

ORRI Owners:

Of record

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	920.00	72.748%
2	40.00	3.163%
3	304.64	24.089%
Total	1,264.64	100.000%

STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised Feb. 2013

ONLINE Version

COMMUNITIZATION AGREEMENT

Contract No.
THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties"
hereto," WITNESSETH:
WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions 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 Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such 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 land 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 the agreement;
NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:
1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows: Township 26 South. Range 34 East. N.M.P.M., Lea County. New Mexico. Section 20: S.2 Section 29: All Section 32: N.2 N.2 & Lots 1-4
containing 1,264.64 acres, more or less, and this agreement shall include only the
Bone Spring Formation
underlying said lands and the crude oil and associated natural gas (hereinafter

State/Ped/Pes

referred to as "communitized substances") producible from such formation.

Case No 20732

- 2. Attached hereto, and made a part of this agreement for all purposes, is 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. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
- Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, 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 and the State of New Mexico, 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 therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- January Month 1st Day, 2019 Year, 10. The date of this agreement is and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced or can be produced from the communitized area in paying quantities; provided, that the two-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; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, 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 the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest 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 lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

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

	OPERATOR: Devon Energy Production Company, L.P.
DATE:	D37.
	WORKING INTEREST OWNER AND/OR LESSEE OF RECORD:
	Chevron U.S.A. Inc.
DATE:	BY: NAME: Nick Brock TITLE: Attorney-in-Fact

	WORKING INTEREST OWNER:
	The Allar Company
DATE:	NAME:
	TITLE:
	WORKING INTEREST OWNER:
	Chief Capital (O&G) II LLC
DATE:	BY: NAME: TITLE:
	RECORD TITLE OWNER:
	Echo Production, Inc.
DATE:	BY:
	NAME: TITLE:

(0):

Acknowledgement in an Individual Capacity

STATE OF Oklahoma) §	
COUNTY OF Oklahoma) §	
On this day of	mited partnership, a partnership that executed the
(SEAL)	
	Notary Public
	My Commission Expires
STATE OF <u>Texas</u>) §	
COUNTY OF Harris) §	
On this	me to be the Attorney-in-Fact of Chevron U.S.A.
acknowledged to me such corporation executed the	executed the foregoing instrument and exame.
acknowledged to me such corporation executed the (SEAL)	e same.
acknowledged to me such corporation executed the	same. Notary Public
acknowledged to me such corporation executed the	same.
acknowledged to me such corporation executed the	Notary Public
acknowledged to me such corporation executed the (SEAL)	Notary Public
acknowledged to me such corporation executed the (SEAL) STATE OF Texas	Notary Public My Commission Expires 19, before me, a Notary Public for the State of
acknowledged to me such corporation executed the (SEAL) STATE OF Texas COUNTY OF Young On this	Notary Public My Commission Expires 19, before me, a Notary Public for the State of
acknowledged to me such corporation executed the (SEAL) STATE OF Texas \$ COUNTY OF Young \$ On this day of , 20 Texas, personally appeared The Allar Company, a that acknowledged to me such the company \$ Texas \$ Texas \$ Tex	Notary Public My Commission Expires 19, before me, a Notary Public for the State of

itate Fed Fee

Tana reston

STATE OF <u>Texas</u>) §	
COUNTY OF <u>Dallas</u>) §	
Texas, personally appeared	, 2019, before me, a Notary Public for the State of, known to me to be the of that executed the foregoing instrument executed the same.
(SEAL)	
	Notary Public
	My Commission Expires
STATE OF <u>Texas</u>) §	
COUNTY OF <u>Dallas</u>) §	
Texas, personally appeared	, 2019, before me, a Notary Public for the State of, known to me to be the of that executed the foregoing instrument and executed the same.
(SEAL)	
	Notary Public
	My Commission Expires

EXHIBIT "A"

Plat of communitized area covering 1,264.64 acres in S/2 Section 20, All of Section 29, and N/2 N/2 & Lots 1-4 of Section 32, T-26-S, R-34-E, N.M.P.M., Lea County, New Mexico, Bone Spring Formation, as written in Section 1 above.

Green Wave 20-32 Fed State Com 17H

26S - 34E

Tract 1: USA NM 114991



Tract 2: USA NM 110840



Tract 3: VB-2225-4



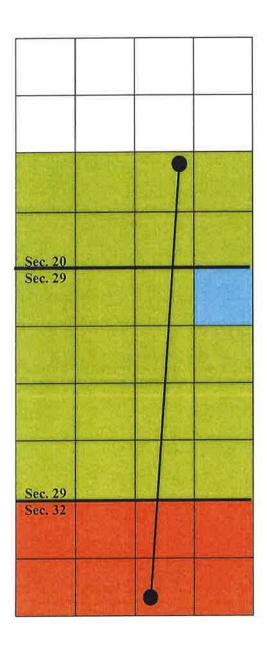


EXHIBIT B

To Communitization Agreement Dated January 1, 2019, embracing: S/2 Section 20, All of Section 29, and N/2 N/2 & Lots 1-4 Section 32, T-26-S, R-34-E, N.M.P.M., Lea County, New Mexico

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

DESCRIPTION OF LEASES COMMITTED

TRACT NO. 1

Lease Serial No.:

USA NMNM 114991

Lease Date:

effective December 1, 2005

Lease Term:

Ten (10) years

Lessor:

United States of America

Original Lessee: Present Lessee:

Chalfant Properties Inc.

Devon Energy Production Company, L.P. &

Chevron U.S.A. Inc.

Description of Land Committed:

Insofar only as said lease covers:

Township 26 South, Range 34 East, N.M.P.M.

Section 20: S/2

Section 29: SE/4NE/4, W/2E/2, W/2, E/2SE/4

Number of Acres Committed:

920

Royalty Rate:

1/8 on oil and gas

Name and Percent ORRI Owners:

Of record

Name and Percent WI Owners:

Devon Energy Production Company, L.P.

50.000000%

Chevron U.S.A. Inc.

50.000000%

TRACT NO. 2

Lease Serial No.:

USA NMNM 110840

Lease Date:

effective September 1, 2003

Lease Term:

Ten (10) years

Lessor:

United States of America Echo Production, Inc.

Original Lessee:

Echo Production, Inc.

Present Lessee:

Description of Land Committed:

Insofar only as said lease covers:

Township 26 South, Range 34 East, N.M.P.M.

Section 29: NE/4NE/4

Number of Acres Committed:

40

Royalty Rate:

1/8 on oil and gas

Name and Percent ORRI Owners:

Of record

Name and Percent WI Owners:

Devon Energy Production Company, LP

60.000000%

Chevron U.S.A. Inc.

20.000000%

The Allar Company

10.000000%

Chief Capital (O&G) II LLC

10.000000%

TRACT NO. 3

Lease Serial No.:

VB 2225-0004

Lease Date:

effective December 1, 2012

Lease Term:

Five (5) years

Lessor:

State of New Mexico

Original Lessee:

Ronald Miles

Present Lessee:
Description of Land Committed:

Devon Energy Production Company, L.P. Township 26 South, Range 34 East, N.M.P.M.

Section 32: N/2 N/2 & Lots 1-4

Number of Acres Committed:

304.64

Royalty Rate:

3/16 on oil and gas

Name and Percent ORRI Owners:

Of record

Name and Percent WI Owner:

Devon Energy Production Company, L.P. 100.000000%

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	920.00	72.748%
2	40.00	3.163%
3	<u> 304.64</u>	<u>24.089%</u>
Total	1,264.64	100.000%

English Edit Fee

11111 WEELS

Federal Communitization Agreement

THIS AGREEMENT entered into as of the <u>1st</u> day of <u>January</u>, <u>2019</u> by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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

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

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

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

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

Township 26 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Section 20: S/2 Section 29: All

Section 32: N/2 N/2 & Lots 1-4

Containing 1,264.64 acres, and this agreement shall include only the <u>Bone Spring Formation</u> underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

- 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.
- The Operator of the communitized area shall be Devon Energy Production Company, L.P.,
 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102. All matters of operations

shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

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

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

- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is <u>January 1, 2019</u>, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination.</u> In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of

Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

	OPERATOR:
	Devon Energy Production Company, L.P
DATE:	BY:Catherine Lebsack, Vice President
	WORKING INTEREST OWNER AND/OR LESSEE OF RECORD:
	Chevron U.S.A. Inc.
DATE:	BY: NAME: Nick Brock TITLE: Attorney-in-Fact
	WORKING INTEREST OWNER:
	The Allar Company
DATE:	BY: NAME: TITLE:
	WORKING INTEREST OWNER:
	Chief Capital (O&G) II LLC
DATE:	BY:NAME: TITLE:
	RECORD TITLE OWNER:
	Echo Production, Inc.
DATE:	BY:NAME: TITLE:

CA - Green Wave 20-32 Fed State Com 5H

Acknowledgement in an Individual Capacity

STATE OF Oklahoma) §	
COUNTY OF Oklahoma) §	
Oklahoma, personally appeared Cather Energy Production Company, L.P., an	, 2019, before me, a Notary Public for the State of rine Lebsack, known to me to be the Vice President of Devon Oklahoma limited partnership, a partnership that executed the ed to me such partnership executed the same.
(SEAL)	
	Notary Public
	My Commission Expires
STATE OF <u>Texas</u>) §	
COUNTY OF <u>Harris</u>) §	
Texas, personally appeared Nick Brock	, 2019, before me, a Notary Public for the State of k, known to me to be the Attorney-in-Fact of Chevron U.S.A. poration that executed the foregoing instrument and executed the same.
(SEAL)	
	Notary Public
	My Commission Expires
STATE OF <u>Texas</u>) §	
COUNTY OF Young) §	
Texas, personally appeared	, 2019, before me, a Notary Public for the State of of that executed the foregoing instrument and executed the same.
(SEAL)	
	Notary Public
	My Commission Expires

Federal Communitization Agreement

Contract	No.			

THIS AGREEMENT entered into as of the <u>1st</u> day of <u>January</u>, <u>2019</u> by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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

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

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

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

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

Township 26 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Section 20: S/2 Section 29: All

Section 32: N/2 N/2 & Lots 1-4

Containing 1,264.64 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

- 2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
- 3. The Operator of the communitized area shall be Devon Energy Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102. All matters of operations

shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

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

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

- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is <u>January 1, 2019</u>, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination.</u> In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of

Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

	OPERATOR:
	Devon Energy Production Company, L.P.
DATE:	BY:Catherine Lebsack, Vice President
	WORKING INTEREST OWNER AND/OR LESSEE OF RECORD:
	Chevron U.S.A. Inc.
DATE:	BY:NAME: Nick Brock TITLE: Attorney-in-Fact
	WORKING INTEREST OWNER:
	The Allar Company
DATE:	BY:NAME: TITLE:
	WORKING INTEREST OWNER:
	Chief Capital (O&G) II LLC
DATE:	BY:NAME: TITLE:
	RECORD TITLE OWNER:
	Echo Production, Inc.
DATE:	BY:NAME: TITLE:

Acknowledgement in an Individual Capacity

STATE OF Oklahoma) §	
COUNTY OF Oklahoma) §	
On thisday of, 20 Oklahoma, personally appeared Catherine Lebsack Energy Production Company, L.P., an Oklahoma li foregoing instrument and acknowledged to me such	known to me to be the <u>Vice President</u> of <u>Devon</u> mited partnership, a partnership that executed the
(SEAL)	
	Notary Public
	My Commission Expires
STATE OF <u>Texas</u>) §	
COUNTY OF Harris) §	
On thisday of, 20 Texas, personally appeared Nick Brock, known to a Inc., a Pennsylvania corporation, a corporation that acknowledged to me such corporation executed the	ne to be the Attorney-in-Fact of Chevron U.S.A. executed the foregoing instrument and
domin wind Bod to me buttle out promise	same.
(SEAL)	same.
	Notary Public
	Notary Public
(SEAL)	Notary Public
(SEAL) STATE OF <u>Texas</u>) §	Notary Public My Commission Expires 19, before me, a Notary Public for the State of, known to me to be the or nat executed the foregoing instrument and
STATE OF <u>Texas</u>) § COUNTY OF <u>Young</u>) § On thisday of, 20 <u>Texas</u> , personally appeared The Allar Company, a	Notary Public My Commission Expires 19, before me, a Notary Public for the State of, known to me to be the or nat executed the foregoing instrument and
STATE OF Texas) \$ COUNTY OF Young) \$ On this day of, 20 Texas, personally appeared The Allar Company, a tacknowledged to me such	Notary Public My Commission Expires 19, before me, a Notary Public for the State of, known to me to be the or nat executed the foregoing instrument and

STATE OF <u>Texas</u>) §	
COUNTY OF <u>Dallas</u>) §	
Texas, personally appeared	, 2019, before me, a Notary Public for the State of, known to me to be the of that executed the foregoing instrument executed the same.
(SEAL)	
	Notary Public
	My Commission Expires
STATE OF <u>Texas</u>) §	
COUNTY OF <u>Dallas</u>) §	
<u>Texas</u> , personally appeared	, 2019, before me, a Notary Public for the State of, known to me to be the of that executed the foregoing instrument and executed the same.
(SEAL)	
	Notary Public
	My Commission Expires

EXHIBIT "A"

Plat of communitized area covering 1,264.64 acres in S/2 Section 20, All of Section 29, and N/2 N/2 & Lots 1-4 of Section 32, T-26-S, R-34-E, N.M.P.M., Lea County, New Mexico, Wolfcamp Formation, as written in Section 1 above.

Green Wave 20-32 Fed State Com 5H

26S - 34E

Tract 1: USA NM 114991



Tract 2: USA NM 110840



Tract 3: VB-2225-4



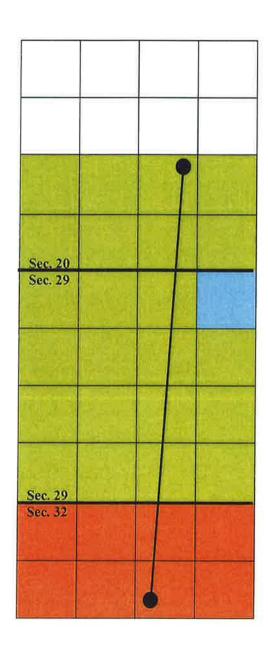


EXHIBIT "B"

Attached to Communitization Agreement Dated January 1, 2019, embracing: S/2 Section 20, All of Section 29, and N/2 N/2 & Lots 1-4 Section 32, T-26-S, R-34-E, N.M.P.M., Lea County, New Mexico

Operator of Communitized Area:

Devon Energy Production Company, L.P.

TRACT NO. 1

Lease Serial No.:

Lease Date:

Lease Term:

Lessor:

Lessee of Record:

Description of Land Committed:

Number of Acres Committed:

Royalty Rate:

WI Owner Name and Interest:

ORRI Owners:

USA NMNM 114991

effective December 1, 2005

Ten (10) years

United States of America

Devon Energy Production Company, L.P. &

Chevron U.S.A. Inc.

Insofar only as said lease covers:

Township 26 South, Range 34 East

Section 20: S/2

Section 29: SE/4NE/4, W/2E/2, W/2, E/2SE/4

920

1/8 on oil and gas

Devon Energy Production Company, L.P.

Chevron U.S.A. Inc.

50.000000% 50.000000%

Of record

TRACT NO. 2

Lease Serial No.: Lease Date:

Lease Term:

Lessor:

Lessee of Record:

Description of Land Committed:

Number of Acres Committed:

Royalty Rate:

ORRI Owners:

WI Owner Name and Interest:

USA NMNM 110840

effective September 1, 2003

Ten (10) years

United States of America Echo Production, Inc.

Insofar only as said lease covers: Township 26 South, Range 34 East

Section 29: NE/4NE/4

40 1/8 on oil and gas

Devon Energy Production Company, LP

Chevron U.S.A. Inc. The Allar Company

Chief Capital (O&G) II LLC

Of record

60.000000%

20.000000% 10.000000%

10.000000%

TRACT NO. 3

Lease Serial No.:

VB 2225-0004

Lease Date:

effective December 1, 2012

Lease Term:

Five (5) years

Lessor:

State of New Mexico

Present Lessee:

Devon Energy Production Company, L.P.

Description of Land Committed:

Township 26 South, Range 34 East

Section 32: N/2 N/2 & Lots 1-4

Number of Acres Committed:

304.64

Royalty Rate:

3/16 on oil and gas

WI Owner Name and Interest:

Devon Energy Production Company, L.P. 100.000000%

ORRI Owners:

Of record

RECAPITULATION

No. of Acres Committed	Percentage of Interest in Communitized Area
920.00	72.748%
40.00	3.163%
<u>304.64</u>	24.089%
1,264.64	100.000%
	920.00 40.00 304.64

STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised Feb. 2013

ONLINE Version COMMUNITIZATION AGREEMENT

Contract No.
THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"
WITNESSETH:
WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions 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 Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such 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 land 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 the agreement;
NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:
1.The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows: Township 26 South. Range 34 East. N.M.P.M Lea County. New Mexico. Section 20: S.2 Section 29: All Section 32: N.2 N.2 & Lots 1-4
containing1,264.64 acres, more or less, and this agreement shall include only the
Wolfcamp Formation
underlying said lands and the crude oil and associated natural gas (hereinafter

Case No 20732

referred to as "communitized substances") producible from such formation.

- 2. Attached hereto, and made a part of this agreement for all purposes, is 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. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, 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 and the State of New Mexico, 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 therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

- The commencement, completion, continued operation or production of a well or wells 8. 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.
- Production of communitized substances and disposal thereof shall be in conformity 9 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 is such failure results from, compliance with any such laws, orders, rules or regulations.
- Month 1st Day, 2019 Year, January The date of this agreement is 10. and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced or can be produced from the communitized area in paying quantities; provided, that the two-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; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, 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 the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- The covenants herein shall be construed to be covenants running with the land with 11. respect to the communitized interests of the parties hereto and their successors in interest 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 lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

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

	OPERATOR:
	Devon Energy Production Company, L.P.
DATÉ:	BY: Catherine Lebsack, Vice President
	WORKING INTEREST OWNER AND/OR LESSEE OF RECORD:
	Chevron U.S.A. Inc.
DATE:	BY: NAME: Nick Brock TITLE: Attorney-in-Fact

	WORKING INTEREST OWNER:
	The Allar Company
DATE:	BY: NAME: TITLE:
	WORKING INTEREST OWNER: Chief Capital (O&G) II LLC
DATE:	BY: NAME: TITLE:
	RECORD TITLE OWNER:
	Echo Production, Inc.
DATE:	BY: NAME: TITLE:

Acknowledgement in an Individual Capacity

STATE OF Oklahoma) §	
COUNTY OF Oklahoma) §	
On thisday of, 20 Oklahoma, personally appeared Catherine Lebsack Energy Production Company, L.P., an Oklahoma li foregoing instrument and acknowledged to me such	, known to me to be the <u>Vice President</u> of <u>Devon</u> mited partnership, a partnership that executed the
(SEAL)	
	Notary Public
	My Commission Expires
STATE OF <u>Texas</u>) §	
COUNTY OF Harris \$	
On thisday of, 20 Texas, personally appeared Nick Brock, known to Inc., a Pennsylvania corporation, a corporation that	me to be the Attorney-in-Fact of Chevron U.S.A.
acknowledged to me such corporation executed the	e same.
acknowledged to me such corporation executed the (SEAL)	e same.
acknowledged to me such corporation executed the	Notary Public
acknowledged to me such corporation executed the	e same.
acknowledged to me such corporation executed the	Notary Public
acknowledged to me such corporation executed the (SEAL)	Notary Public
acknowledged to me such corporation executed the (SEAL) STATE OF Texas	Notary Public My Commission Expires O19, before me, a Notary Public for the State of
STATE OF Texas \$ COUNTY OF Young \$ On this day of, 20 Texas, personally appeared The Allar Company, a	Notary Public My Commission Expires O19, before me, a Notary Public for the State of
STATE OF Texas (SEAL) STATE OF Young \$ COUNTY OF Young \$ On this day of, 20 Texas, personally appeared The Allar Company, a tacknowledged to me such	Notary Public My Commission Expires O19, before me, a Notary Public for the State of

Всары (Бей Бее

ONLINE research February 2013

STATE OF <u>Texas</u>) §	
COUNTY OF <u>Dallas</u>) §	
<u>Texas</u> , personally appeared	, 2019, before me, a Notary Public for the State of of that executed the foregoing instrument executed the same.
(SEAL)	
	Notary Public
	My Commission Expires
	÷
STATE OF <u>Texas</u>) §	
COUNTY OF <u>Dallas</u>) §	
lexas, personally appeared	, 2019, before me, a Notary Public for the State of of of that executed the foregoing instrument and executed the same.
(SEAL)	
	Notary Public
	My Commission Expires

EXHIBIT "A"

Plat of communitized area covering 1,264.64 acres in S/2 Section 20, All of Section 29, and N/2 N/2 & Lots 1-4 of Section 32, T-26-S, R-34-E, N.M.P.M., Lea County, New Mexico, Wolfcamp Formation, as written in Section 1 above.

Green Wave 20-32 Fed State Com 5H

26S - 34E

Tract 1: USA NM 114991



Tract 2: USA NM 110840



Tract 3: VB-2225-4



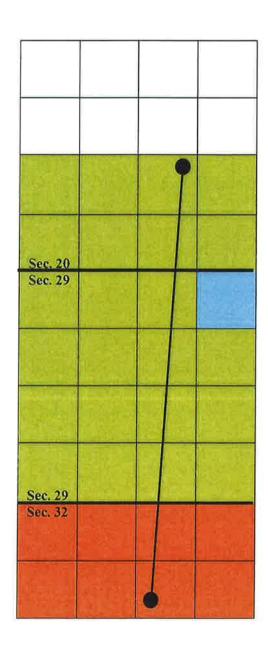


EXHIBIT B

To Communitization Agreement Dated January 1, 2019, embracing: S/2 Section 20, All of Section 29, and N/2 N/2 & Lots 1-4 Section 32, T-26-S, R-34-E, N.M.P.M., Lea County, New Mexico

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

DESCRIPTION OF LEASES COMMITTED

TRACT NO. 1

Lease Serial No.:

USA NMNM 114991

Lease Date:

effective December 1, 2005

Lease Term:

Ten (10) years

Lessor:

United States of America Chalfant Properties Inc.

Original Lessee: Present Lessee:

Devon Energy Production Company, L.P. &

Chevron U.S.A. Inc.

Description of Land Committed:

Insofar only as said lease covers:

Township 26 South, Range 34 East, N.M.P.M.

Section 20: S/2

Section 29: SE/4NE/4, W/2E/2, W/2, E/2SE/4

Number of Acres Committed:

Royalty Rate:

1/8 on oil and gas

Name and Percent ORRI Owners:

Of record

Name and Percent WI Owners:

Devon Energy Production Company, L.P.

50.000000%

Chevron U.S.A. Inc.

50.000000%

TRACT NO. 2

Lease Serial No.:

USA NMNM 110840

Lease Date:

effective September 1, 2003

Lease Term:

Ten (10) years

Lessor:

United States of America

Original Lessee:

Echo Production, Inc.

Present Lessee:

Echo Production, Inc.

Description of Land Committed:

Insofar only as said lease covers:

Township 26 South, Range 34 East, N.M.P.M.

Section 29: NE/4NE/4

Number of Acres Committed:

40

Royalty Rate:

1/8 on oil and gas

Name and Percent ORRI Owners:

Of record

Name and Percent WI Owners:

Devon Energy Production Company, LP

60.000000%

Chevron U.S.A. Inc.

20.000000%

The Allar Company

10.000000%

Chief Capital (O&G) II LLC

10.000000%

TRACT NO. 3

Lease Serial No.:

VB 2225-0004

Lease Date:

effective December 1, 2012

Lease Term:

Five (5) years

Lessor:

State of New Mexico

Original Lessee:

Ronald Miles

Present Lessee:

Devon Energy Production Company, L.P.

Description of Land Committed:

Township 26 South, Range 34 East, N.M.P.M.

Section 32: N/2 N/2 & Lots 1-4

Number of Acres Committed:

304.64

Royalty Rate:

3/16 on oil and gas

Name and Percent ORRI Owners:

Of record

Name and Percent WI Owner:

Devon Energy Production Company, L.P. 100.000000%

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	920.00	72.748%
2	40.00	3.163%
3	304.64	<u>24.089%</u>
Total	1,264.64	100.000%

Green Wave 20-32 Fed State Com Area

Section 20: S/2, Section 29: ALL, Section 32: ALL T26S – R34E

1,264.64 Acres

Wolfcamp Development Bobcat Draw Upr Wolfcamp (98094)

Tract 1: USA NM 114991 (Fed)

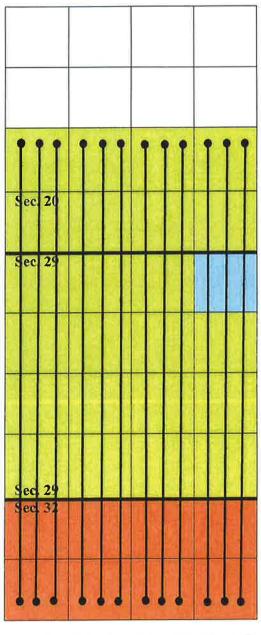


Tract 2: USA NM 110840 (Fed)



Tract 3: VB-2225-4 (State)





2H 7H 4H 8H 5H 9H 6H 10H 11H 12H 13H 14H

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

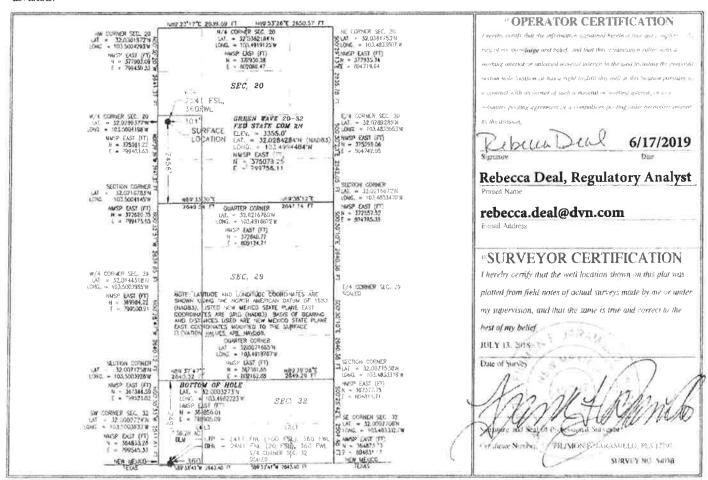
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-44594	¹ Pool Code 98094	BOBCAT DRAW UPR WOLFCAN	
Property Code 317795	Proper GREEN WAVE 20-3	^ Well Number	
OGRID No. 6137	Operate OPEVON ENERGY PRODU	OF NAME JCTION COMPANY, L.P.	Elevation

					* Surface	Location			
UL or lot aqu	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
L	20	26 S	34 E		2456	SOUTH	301	WEST	LEA
			" Bo	ttom Hol	e Location It	Different From	m Surface		FE -
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	32	26 S	34 E		2491	NORTH	360	WEST	LEA



HOBBS OCD

1625 N. French Or., Hottes, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 811 S. First St., Artesta, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 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

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State of New Mexico Energy, Minerals & Natural Resources Department

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Form C-102

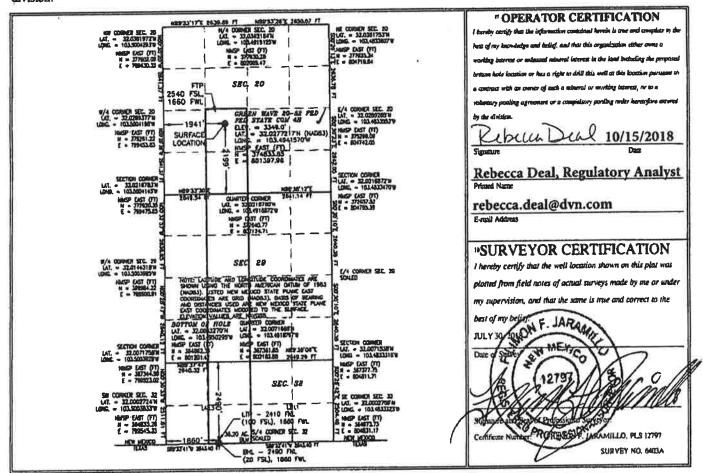
Revised August 1, 2011 OIL CONSERVATION DIVISION RECEIVED omit one copy to appropriate

1220 South St. Francis Dr.

Santa Fe. NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Name Pool Code BOBCAT DRAW UPR WOLFCAMP 98094 Well Number Property Name 4H **GREEN WAVE 20-32 FED STATE COM** 30884 Elevation Operator Name OGRID No. 3349.0 DEVON ENERGY PRODUCTION COMPANY, L.P. 6137 Surface Location East/West Line County Feet from the Let lds Feet from the North/South line Towaship Range UL or lot no. Section LEA WEST SOUTH 1941 2199 26 S 34 E 20 K "Bottom Hole Location If Different From Surface Feet from the East/West line County North/South time Township Range Lot Idn UL or let po. Section WEST LEA NORTH 1660 2490 3 F 26 S 34 E Order No. Joint or Infill " Dedicated Acres



District.i 1625 N. French Dr., Hobbs, NM 58240 Phones: (575) 393-6161 Pax: (575) 393-0720 811 S. First St., Artesia, NM 98210 Phone: (575) 748-1283 Fas: (575) 745-9730 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone; (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Prencis Dr., Santa Fe, NM \$7505 Phone: (501) 476-3460 Fax: (503) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Described OIL CONSERVATION DI 1220 South St. Francis Dr. WAY 3 0 2019

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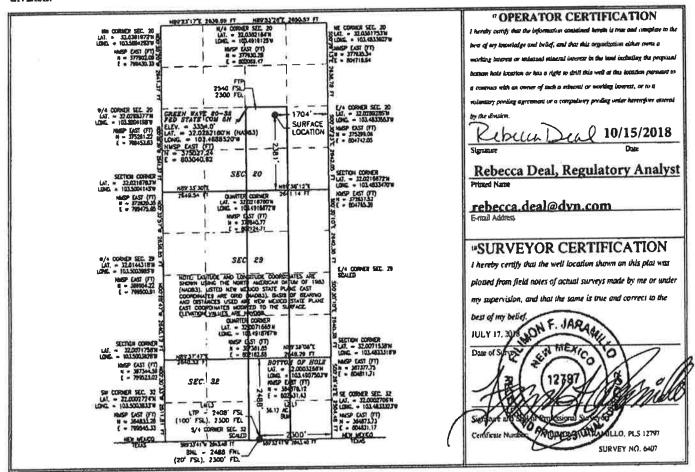
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

70-026-46047	Pool Code 98094	BOBCAT DRAW UPR	WOLFCAMP
*Property Code 30884 3/7 795	7/352	erty Name -32 FED STATE COM	* Well Number 5H
OGRID No.	(3)3-4-6-1	rator Name DUCTION COMPANY, L.P.	Elevation 3354.0

Surface Location

UL or lot no.	Section 20	Township 26 S	Range 34 E	Lot Idn	Feet from the 2381	Narth/South line SOUTH	Feet from the 1704	EAST	LEA
			Во	tom Hol	e Location I	Different From	m Surface		
UL or lot no.	Section 32	Township 26 S	Range 34 E	G Ida	Feet from the 2488	North/South line NORTH	Feet from the 2300	East/West line EAST	LEA
Dedicated Acres	1	r Infili "C	onsolidation	Code "Or	der No.	· KS	la .		F



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 BII S. First St., Arresta, NM 88210 Phone: (575) 746-1253 Fax: (575) 748-9720 District III 1000 Rio Brazos Road. Aztec, NM 87410 Phone: (505) 334-6178 Fm: (505) 334-6170 Distokt DY 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (503) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department

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District Office

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

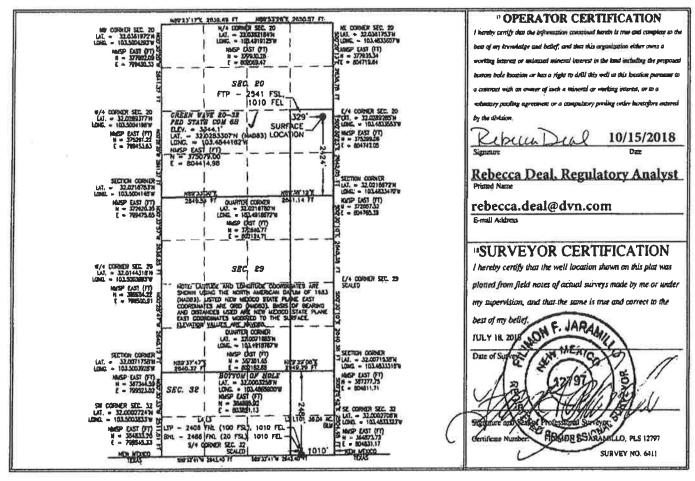
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Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Code Pool Name 98094 BOBCAT DRAW UPR WOLFCAMP Well Number **Property Code Property Name** 30884 717 **GREEN WAVE 20-32 FED STATE COM** 6H OGRID No. Operator Name Elevation DEVON ENERGY PRODUCTION COMPANY, L.P. 3344.1 6137

Surface Location Feet from the UL ar let ao. Township Lot ldp Peet from the North/South line East/West line County Section Range SOUTH 20 26 S 34 E 2424 329 EAST LEA "Bottom Hole Location If Different From Surface North/South Une East/West Has UL or lot co. Township Lot Ide Feet from the Feet from the County NORTH 1010 EAST LEA 32 26 S 34 E 2486 **Dedicated Acres** Joint or infill Consolidation Code Order No. 316.04



Phone: (505) 476-3460 Fix: (505) 476-3462

State of New Mexico

Form C-102

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District Office MENDED REPORT

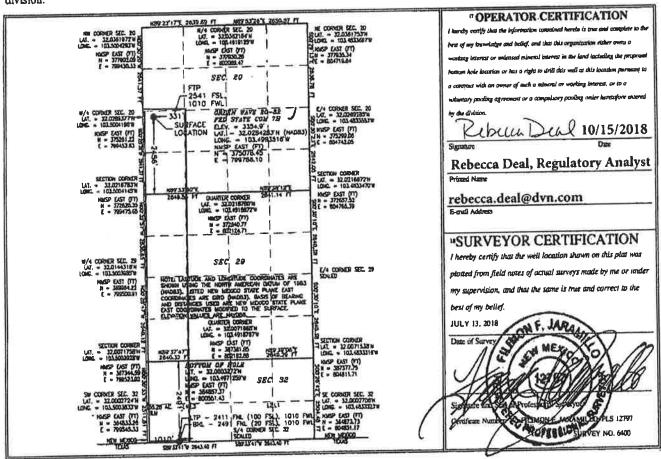
1220 South St. Francis Dr. Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	Pool Code 98094	BOBCAT DRAW; UPR WOLFCAMP	L
Property Code 30884 377 795	GREEN WAVE 20-32	ADDRESS OF THE PARTY OF THE PAR	
OGRID No. 6137	DEVON ENERGY PRODU	Name Elevation	

L Section L 20		P Range 34 E	Lot ldn	Feet from the 2456	Location North/South line SOUTH	Feet from the 331	East/West time WEST	County
UL or lot no. Secti	100000000000000000000000000000000000000	p Range	tom Hol	e Location If	Different From North/South line NORTH	Feet from the 1010	East/West fine WEST	County



District 1625 N. French Dr., Hobbs, NM 88240 Phone: (175) 193-6161 'Fax: (575) 393-0720 District II 811 S. First SL., Americ, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

1000 Rio Bruros Road, Artec, NM 87410 Phone; (505) 334-6178 Fax; (505) 334-6170 District IY

1220 S. St. Francis Dr., Sama Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-102

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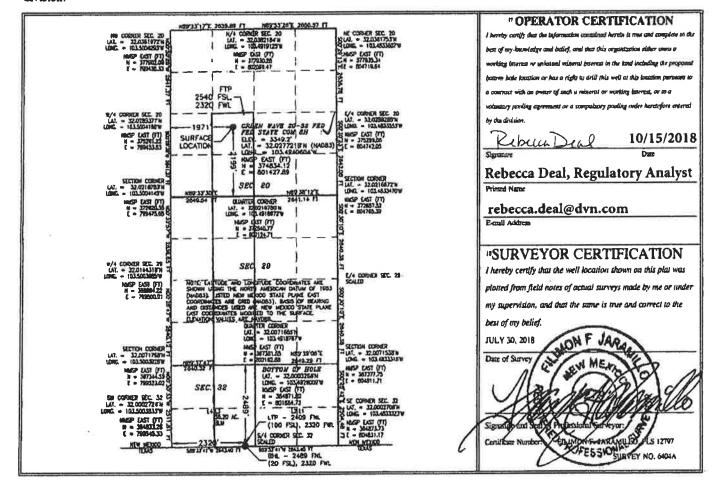
WELL LOCATION AND ACREAGE DEDICATION PLAT

1220 South St. Francis Dr.

Santa Fe, NM 87505

10-015 46050	¹ Pool Code 98094	BOBCAT DRAW; UPR W	OLFCAMP '
Property Code 3/7795		roperty Name 20-32 FED STATE COM	* Well Number 8H
OGRID No. 6137		persitor Name ODUCTION COMPANY, L.P.	' Elevation 3349.2

Surface Location North/South line East/West Une County Feet from the Lot Idn Feet from the UL or lot no. Section Township Range SOUTH WEST LEA K 20 26 S 34 E 2199 1971 " Bottom Hole Location If Different From Surface Feet from the North/South line East/West line County Iff. or let on. Section Township Rener Lot Idn 2489 NORTH 2320 WEST LEA 32 26 S 34 E Joint or Infill Consolidation Code Order No. 12 Dedleated Acres 316.2



District.I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (175) 393-0720 District.II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III zos Road, Azrec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 ne: (505) 476-3460 Fax: (505) 476-3462

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Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISIONAY 8 0 2019

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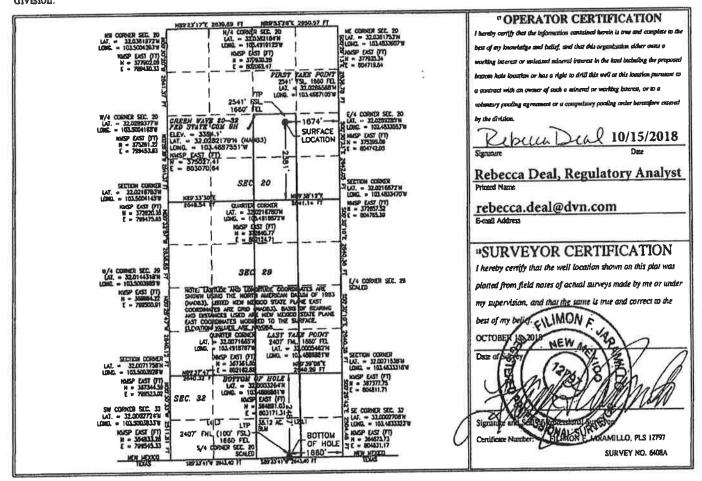
Santa Fe. NM 87505

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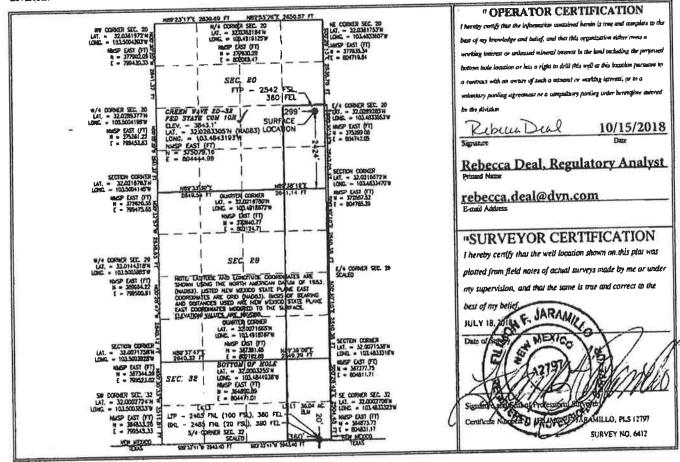
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025	API Numbe	5041		1 Pool Cod 98094	×	BOBCAT DRAW; UPR WOLFCAMP			
' Property (Property Name GREEN WAVE 20-32 FED STATE COM							* Well Number 9H
'OGRID 1 6137			Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.						* Elevation 3354.1
					∾ Surface	Location			
UL or lot no.	Section 20	Township 26 S	路母nge 34 E	Lot Idn	Feet from the 2381	North/South line SOUTH	Feet from the 1674	East/West line EAST	County
		L	" Bo	tom Hol	e Location I	Different Fro	m Surface	A-14-11-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	
UL or lot no.	Section 32	Township 26 S	Range 34 E	Lot Idn	Feet from the 2487	North/South line NORTH	Feet from the 1660	Enst/West line EAST	County
Dedicated Acres	Joint o	r Infill C	onsolidation	Code U O	rder No.				



District J 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Pax: (575) 393-0720 District JI 811 S. Frent St., Artesia, NM 86210 Phone: (575) 748-1283 Pax: (573) 748-4720 District JII 1000 Rio Brazos Boad, Azice, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District JY 1220 S. St. Frencis Dv., Sema Fe, NM 87505 Phame: (505) 476-3460 Fex. (505) 476-3463	1220 South St. Santa Fe, N	ral Resources Department TION DIVISION B Francis Dr. 1993	Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office AMENDED REPORT
API Number	Pool Code 7 98094	Pool Name BOBCAT DRAW; UI	
Property Code -30884 31779/	GREEN WAVE 20-32		* Well Number 10H
OGRID No. 6137	DEVON ENERGY PRODU	r Name	*Elevation 3343.1

UL ar lot no.	Section 20	Township 26 S	Range 34 E	Lot Ido	* Surface Feet from the 2424	North/South line SOUTH	Feet from the 299	East/West line EAST	County
			" Bo	tom Hol	e Location I	Different Fro	m Surface		g. 4-
UL or lot no.	Section 32	Township 26 S	Range 34 E	Los Ida	Feet from the	North/South line SOUTH	:Fret from the	East/West line EAST	LEA
Dedicated Acres	Joint o	r Infill "C	onsolidation	Code "O	der No.		381		



1220 S. St. Francis Dr., Same Fc. NM 87505 Phone: (505) 476-3460 Faz: (505) 476-3462

Section

Township

Range

UL or lot no.

State of New Mexico

Form C-102

District Office

Revised August 1, 2011 Energy, Minerals & Natural Resources POBBS OCD Revised August 1, 2011
OIL CONSERVATION DIVISION

Revised August 1, 2011
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1220 South St. Francis Dr.

MAY 3 0 2019

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County

Santa Fe, NM 87505

RECEIVED

Feet from the

East/West line

WELL LOCATION AND ACREAGE DEDICATION PLAT

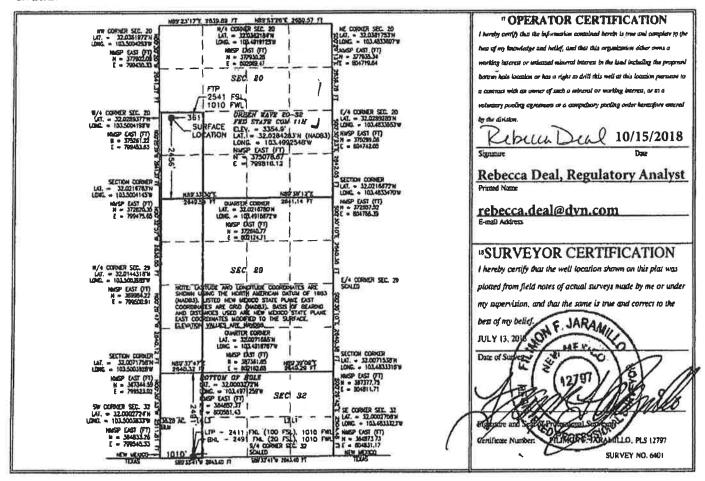
API Number	³ Pool Code	Pool Name	
3004-46093	98094	BOBCAT DRAW; UP	R WOLFCAMP
Property Code	¹ Propes	* Well Number	
30884 3/7 795	GREEN WAVE 20-3	11.11	
OGRID No.	¹ Operat	or Name	' Elevation
6137	DEVON ENERGY PRODU	3354.9	
	" Surfac	e Location	

34 E WEST LEA 2456 SOUTH 361 26 S L 20 "Bottom Hole Location If Different From Surface Lot Idn East/West line County Feet from the North/South Bue Feet from the UL or lot no. Section Township Range WEST 32 26 S 34 E 2491 NORTH 101 LEA 17 Dedicated Acres Joint or Infili Consolidation Code Order No. 316.28

North/South Line

Feet from the

Lot Jdn



District.
1625 N French Dr., Hobbs, NM 8R240 Phone: (575) 393-6161 Fas: (575) 393-0720 District.II BIIS First St., Artesta, NM 88210 Planne; (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brizzos Road, Azrec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 State of New Mexico

Revised August 1, 2011 Submit one copy to appropriate

District Office

Form C-102

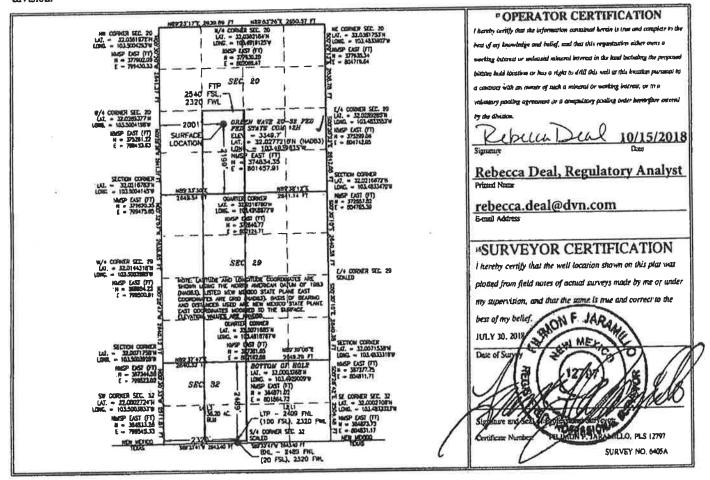
☐ AMENDED REPORT

OIL CONSERVATION DIVISION BBS MAY 3 0 2019 1220 South St. Francis Dr. Santa Fe, NM 87505

1000 Rth Britzes Robal, Action, 741 5 741 6 Phone: (505) 334-6178 Fan: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fo. NM 87505 Phone. (505) 476-3460 Fox: (505) 476-3462	Santa Fe ELL LOCATION AND A Pool Code 98094	, NM 87505 MAI ACREAGE DEDICARI	CEIVED ON PLAT	AMENDED REPORT
API Number	Pool Code 98094	BOBCAT DR	Pool Name AW; UPR WOL	FCAMP
Property Code 30884 3/7/96	' Pro	perty Name 1-32 FED STATE COM		*Well Number
OGRID No. 6137		rator Name DUCTION COMPANY, L.	.P.	* Elevation 3349.7

C C - Y -- tion

UL or lot no.	Section 20	Towaship 26 S	Range 34 E	Lot ldn	Feet from the 2199	North/South line SOUTH	Feet from the 2001	East/West line WEST	LEA
			" Bo	tom Hol	e Location I	Different Fro	m Surface		
UL or lot av.	Section 32	Towaship 26 S	Range 34 E	Los Ida	Feet from the 2489	North/South line NORTH	Feet from the	East/West line WEST	LEA
Dedicated Acres	Joint o	r laftii "C	onsolidation	Code U-Or	der No.		4		



District 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fac (575) 393-0720 District II 811 S. Fire St., Artesia, NM 89210 Phone (575) 748-1283 Pax: (575) 745-9720 District III EZOS Road, Aztec, NM 87410 Phone: (505) 334-6178 Fex: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM:87505 Phone: (505) 476-3460 Fax: (505) 476-3462

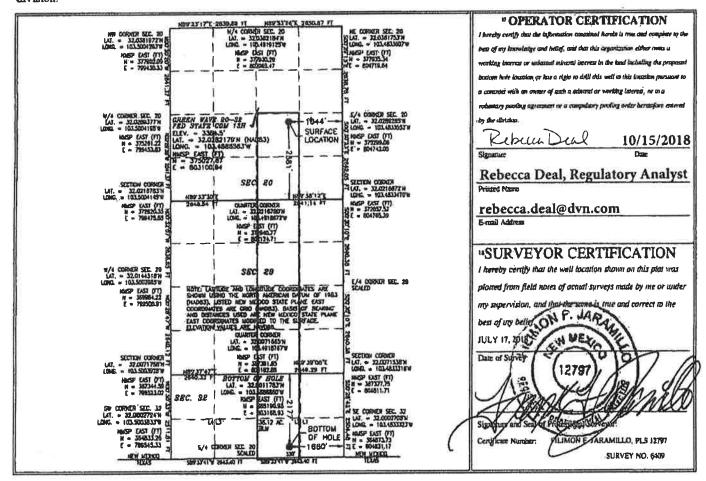
State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

MENDED REPORT

70-025 46055	1 Paul Code 98094	Pool Name BOBCAT DRAW; UP	R WOLFCAMP
Property Code 30884-317785	Propes	ty Name 12 FED STATE COM	' Well Number 13H
⁷ OGRID №. 6137	•	OF Name UCTION COMPANY, L.P.	Elevation 3354.5

					™ Surface	Location		N. A	
UL or lot no.	Section 20	Township 26 S	Range 34 E	Lot Ida	Feet from the 2381	North/South line.	Feet from the 1644-	East/West line EAST	County LEA
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			" Bo	ttom Hol	e Location I	Different Fro	m Surface		
UL or lot no.	Section 32	Township 26 S	Range 34 E	Lot Idn G	Feet from the 2177	North/South line NORTH	Feet from the 1660	East/West line EAST	County LEA
Dedicated Acres	"Jules o	г IДЛШ "C	onsolidation	Code O	rder No.	•		ю	3



District.1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District.11
811 S. First St., Arteria, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District.11
1000 Rio Brazzos Road, Aztor, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District VP

1220 S. St. Francis Dr., Santa Fe, N34 87505 Phone: (503) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

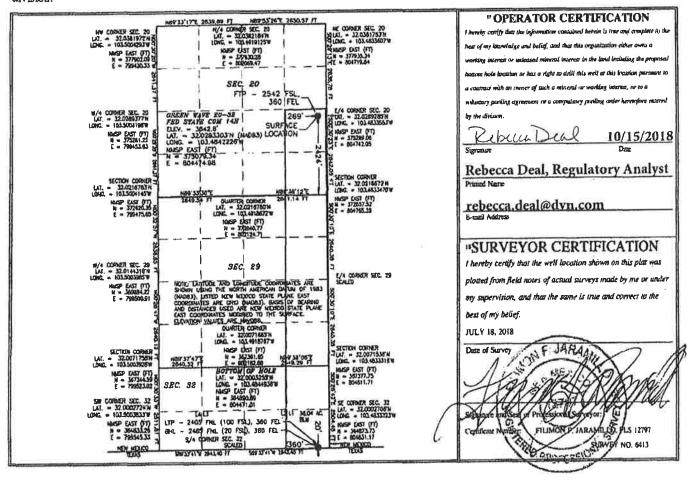
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District Office

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Puol Code 98094 BOBCAT DRAW; UPR		WOLFCAMP
Property Code 30884 3/7795	· •	1 Property Name REEN WAVE 20-32 FED STATE COM	
OGRID No. 6137		ator Name OUCTION COMPANY, L.P.	* Elevation 3342.8

UL or lot no.	Section 20	Township 26 S	Range 34 E	Lot Idn	Feet from the 2424	North/South line SOUTH	Feet from the 269	East/West line EAST	County
			" Bot	tom Hol	e Location I	Different Fro	m Surface		
UL or lot no.	Section 32	Township 26 S	Range 34 E	Let Idn	Feet from the 20	North/South line	Feet from the 360	East/West line EAST	County
Dedicated Acres	o John o	r Infili	ansolidation	Code '' Or	der No.				



Green Wave 20-32 Fed State Com Area

Section 20: S/2, Section 29: ALL, Section 32: ALL T26S – R34E

1,264.64 Acres

Bone Spring Development

Bradley Bone Spring (7280)

WG-025 G-06 S263407P; Upper Bone Spring (97892) (1H well only)

Tract 1: USA NM 114991 (Fed)

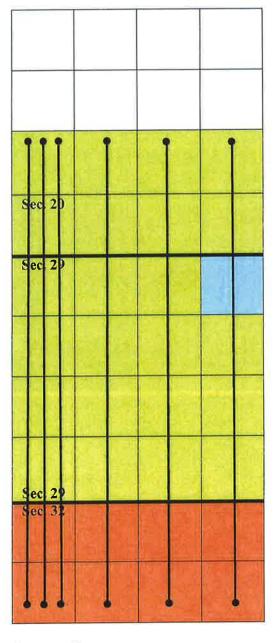


Tract 2: USA NM 110840 (Fed)



Tract 3: VB-2225-4 (State)





1H)15H(3H) 16H

17H

18H



Case No 20732

HOBBS OCD

Observed 1
1072 N. Provinch De. Hutter, robe 88,240
Photon (575) BV)-6161 (hig., 1575) 593-0720
Generat III
1118 Piope St., Artimes, NM 88226
Photon (575) 168-12873 Pex (575) 148-0720
Generat III
1050 Rice Brisson Blood, April, NM 87410
Photon (505) 128-6178 Fex. (505) 854-0720
Generat III
2270 S. St., Personal De., Santa Per, NM 87500

Photos: (SCO) 476-3460 Fun. (JOS) 476-1462

State of New Mexico

FEB 16 2018 .

Energy, Minerals & Natural Resource Department OIL CONSERVATION DIVISION EVED

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District Office

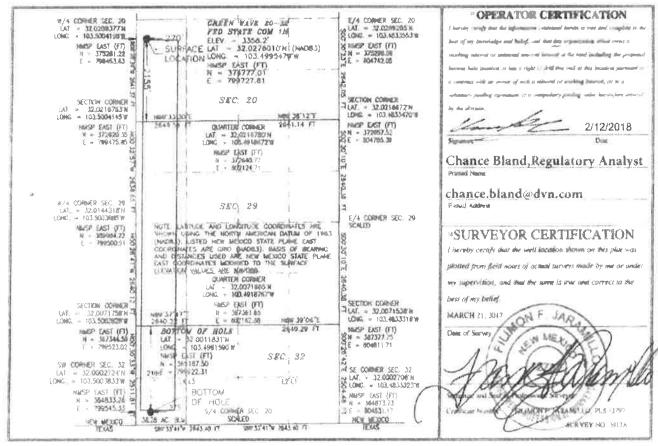
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	³ Paol Code	Pool Name		
30-025-43186	97892	WG-025 G-06 S263407P; Upper Bone Spring		
⁴ Property Code		Property Name	* Well Number	
30884	GREEN WAVE	20-32 FED STATE COM	1.14	1
OGRID No.	1(Spatiator Name	Elevation	
6137	DEVON ENERGY PR	ODUCTION COMPANY, L.P.	3358.2	/

Surface Location UL or let no. Lot Ma Fact from the North/Renth II Fact from the East/West In-Canada Rentine Township Bange 2155 SOUTH 270 WEST LEA L 20 26 S 34 E Bottom Hole Location If Different From Surface Feet from the Morsh/South line Fact from the Kaat/West Live UL or let ac. Sections Township. Range 375 2186 NORTH WEST LEA 32 26 S 34 E Dedicated Acres 316.28

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.



Work zone
Producing zone

PP-2335 FSL 324 FNL 20-26S-34E

District. 1
1625 N., French Dr., Hobts, NM 88240
Phone: (375) 393-6161 Fax: (575) 393-0720
District. II
311 5 First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District. III
1003 Rio Bratos Road, Aztoc, NM 87410
Phone: (305) 334-6178 Pax: (505) 334-6170
District. IV
1220 S. St. Francis Dr., Sante Fe, NM 87505

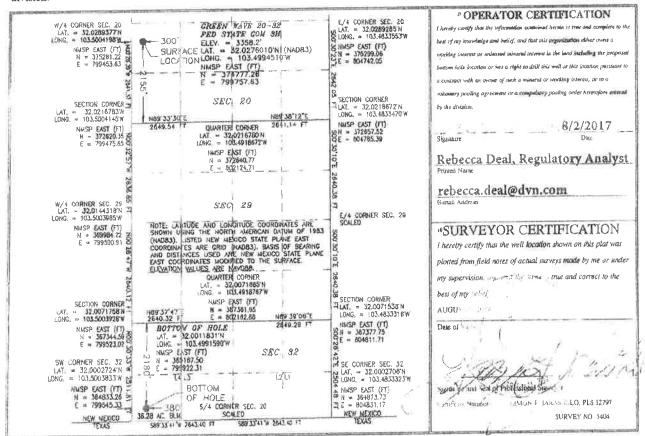
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

'API Number 30-025-43184	WELL LOCATION AND AC	WC-025 G 06 S363407P; 1	Dr. Rone Spring
Property Code	GREEN WAVE 20-32		"Well Number 3H
OGRID No.	DEVON ENERGY PRODU	Elevatioa 3358.2	

UL or lot no.	Section 20	Township 26 S	Range 34 E	Lot Idn	Feet from the 2155	North/South line SOUTH	Feet from the 300	WEST	LEA
			и Во	tom Hol	e Location I	Different From	m Surface		
UL or lot no.	Section 32	Township 26 S	Range 34 E	Lot Idn	Feet from the 2180	North/South time NORTH	Feet from the 380	Rast/West line WEST	LEA
Dedicated Acres	Joint o	r Indili ' C	onsolidation	Code 11 Or	der No.				



District J 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. Ferst St., Artesia, NM 88210 Phone; (575) 746-1283 Fax: (575) 748-9720 District III 1000 Rio Bruzos Road, Azree, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

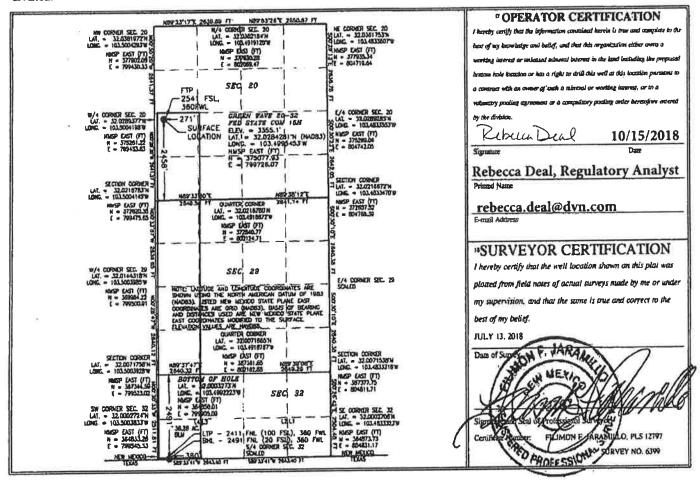
State of New Mexico

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

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TOGRID No. 6137		Operator DEVON ENERGY PRODU		* Elevation 3355.1	
Property Code 30884 7/	7795	Propert GREEN WAVE 20-32	" Well Number 15H		
30-026-4	· .	7280	BRADLEY;BONE SPRING		
District.III 1000 Rio Brazos Road, Aztec, NM 87 Phone: (505) 334-6178 Fax: (505) 33- District.IY 1220 S. St. Francis Dr., Sonta Fe, NM Phone: (505) 476-3460 Fax: (505) 476-	4-6170 187505 6-3962	1220 South St Santa Fe, M L LOCATION AND AC	REAGE DEDICATION &	EN T	
811 S. Fern St., Artesia, NM 88210 Phone; (575) 746-1283 Fax: (575) 74	8:9720	OIL CONSERVA	TION DIVISION	District Offic	

					Surface	Location			
UL or lot no.	Section 20	Township 26 S	Range 34 E	Lot Ida	Feet from the 2456	North/South line SOUTH	Feet from the 271	East/West line WEST	County LEA
			н Во	tom Hol	e Location It	Different Fro	m Surface		
UL or lot no.	Section 32	Township 26 S	Range 34 E	Lot Idu	Feet from the 2491	North/South line NORTH	Feet from the 360	Enst/West line WEST	County
Dedicated Acres	¹³ Joint o	r Infill "C	onsolidation	Code U Or	der No.		16	*	



1625 N. French Dr., Hobbs, NM 88240 Plensé: (575) 393-6161 Fax. (575) 393-0720 District [] 811 S. Form St., Artesia, NM 88210 Phope: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brozos Road, Aztec, NM 97410 Phone: (505) 334-6178 Pax: (505) 334-6170 District LY 1220 S. St. Francia Dr., Santa Fe. NM 87505 Phone: (505) 476-3460 Fac-(503) 476-3462

State of New Mexico

Energy, Minerals & Natural Resources COD

OIL CONSERVATION DIVISION MAY 3 0 2019

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District Office

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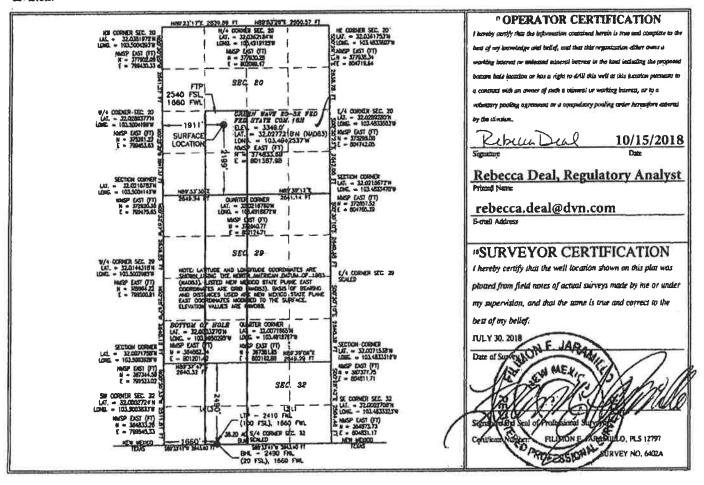
WELL LOCATION AND ACREAGE DEDICATION PLAT

1220 South St. Francis Dr.

Santa Fe, NM 87505

30-025-4-6096	³ Pool Code 7280	BRADLEY;BONE SPRING	_
Property Code 30884 317795	' Property GREEN WAVE 20-32		
TOGRED No. 6137	Operator DEVON ENERGY PRODUC		

Surface Location East/West fine North/South line Feet from the County Feet from the UL or lot no. Section Township WEST LEA 1911 2199 SOUTH 20 26 S 34 E K "Bottom Hole Location If Different From Surface North/South line Feet from the East/West line County Township Feet from the UL or lot no. Section Lot Ida Range 2490 NORTH 1660 WEST LEA 32 26 S 34 E Consolidation Code Order No. Joint or Infill U Dedicated Acres 316.2



HOBBS OCD

District.1 1625 N. Preach Dr., Holds, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. Fire St., Artesia, NM 88210 Phone: (575) 748-1283 Fex: (575) 748-9720

1000 Rio Bruzos Road. Aziec. NM 87410 Phone: (505) 334-6178 Fax: (503) 334-6170 District IV

1220 S. St. Francis Dr., Samo Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

316.12

State of New Mexico

Form C-102

Energy, Minerals & Natural Resources Department 3 0 2019 Revised August 1, 2011 OIL CONSERVATION DIVISION

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

RECEIVED District Office

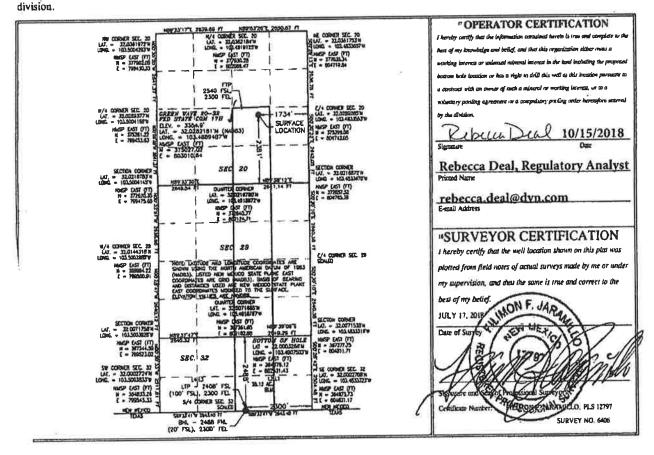
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025 4/6	257	Pool Code 7280	DD ADLEV.DC		
Property Code 30884 3/77	95	GREEN WAVE 20-32		* Well Number	
OGRID No. 6137		DEVON ENERGY PRODUC		* Elevation 3354.9	

Surface Location										
UL or let so.	Section 20	Township 26 S	Range 34 E	Loi ldn	Feet from the 2381	North/South line SOUTH	Feet from the 1734	EAST EAST	County	

" Bottom Hole Location If Different From Surface East/West line Feet from the North/South line Lot Idn UL or let no. Range EAST LEA 2300 2488 NORTH 34 E 26 S 32 Joint or Infill Dedicated Acres



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II B11 S. Ford St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Azzec, NM 87410 Phone: (505)-334-6178 Fax: (105) 334-6170 1220 S. St. Francis Or., Santa Pe. NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

30-025

Property Code

OGRID No.

State of New Mexico

Form C-102

Energy, Minerals & Natural Resources Department CD Submit one copy to appropriate
OIL CONSERVATION DIVISION

Revised August 1, 2011

Revised August 1, 2011 District Office

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

MAY 3 0 2019

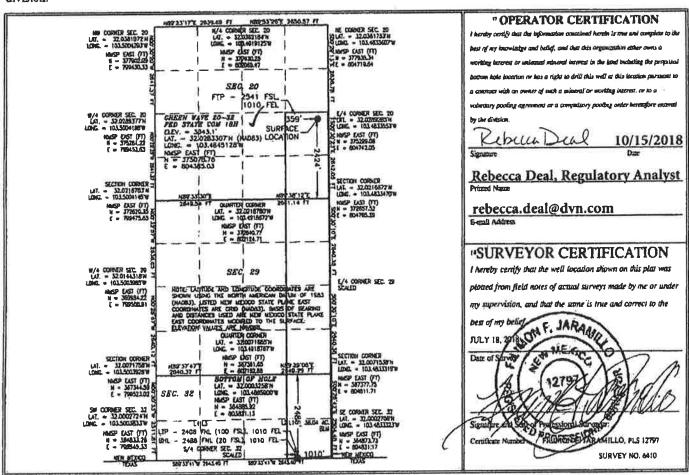
☐ AMENDED REPORT

3343.1

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WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Name API Number **BRADLEY; BONE SPRING** 7280 460 Well Number Property Name 18H **GREEN WAVE 20-32 FED STATE COM** 30884 7/7756 Elevation ¹ Operator Name

DEVON ENERGY PRODUCTION COMPANY, L.P. 6137 Surface Location East/West line. Feet from the County Lat Idn Feet from the North/South Ime Section Township Range UL or lot no. LEA SOUTH 359 EAST 34 E 2424 20 26 S " Bottom Hole Location If Different From Surface County Lot tan North/South line Feet from the East/West line Feet from the Section Township Range UL or lat no. LEA NORTH 1010 **EAST** 2486 32 26 S 34 E 17 Dedicated Acres Joint or Infill Consolidation Code Order No. 316.04



Existing Pool List for Proposed Non-Standard Horizontal Spacing Unit T26S-R34E

Section 20: S/2, Section 29: All, Section 32: All Lea County, New Mexico

August 28, 2019

BONE SPRING:

Pool Code:	97892 WG-025 G-06S263	4079; Upper Bone Spring	
Green Wave	20-32 Fed State Com 1H	(30-025-43186)	Existing Well

BONE SPRING:

Pool Code: 7280 Bradley; Bone, Sprin	ng	
Green Wave 20-32 Fed State Com 3H	(30-025-43184)	Existing Well
Green Wave 20-32 Fed State Com 15H	(30-025-46141)	Proposed Well
Green Wave 20-32 Fed State Com 16H	(30-025-46056)	Proposed Well
Green Wave 20-32 Fed State Com 17H	(30-025-46057)	Proposed Well
Green Wave 20-32 Fed State Com 18H	(30-025-46058)	Proposed Well

WOLFCAMP:

Pool Code: 98094 Bobcat Draw; Uppe	r Wolfcamp	
Green Wave 20-32 Fed State Com 2H	(30-025-44594)	Proposed Well
Green Wave 20-32 Fed State Com 4H	(30-025-46046)	Proposed Well
Green Wave 20-32 Fed State Com 5H	(30-025-46047)	Proposed Well
Green Wave 20-32 Fed State Com 6H	(30-025-46048)	Proposed Well
Green Wave 20-32 Fed State Com 7H	(30-025-46049)	Proposed Well
Green Wave 20-32 Fed State Com 8H	(30-025-46050)	Proposed Well
Green Wave 20-32 Fed State Com 9H	(30-025-46051)	Proposed Well
Green Wave 20-32 Fed State Com 10H	(30-025-46052)	Proposed Well
Green Wave 20-32 Fed State Com 11H	(30-025-46053)	Proposed Well
Green Wave 20-32 Fed State Com 12H	(30-025-46054)	Proposed Well
Green Wave 20-32 Fed State Com 13H	(30-025-46055)	Proposed Well
Green Wave 20-32 Fed State Com 14H	(30-025-45746)	Proposed Well

WOLFCAMP:

Pool Code: 72860 Bradley; Wolfcamp (Gas)

No Wells associated with this Pool

Green Wave 20-32 Fed State Com Area

Section 20: S/2, Section 29: ALL, Section 32: ALL T26S - R34E 1,264.64 Acres

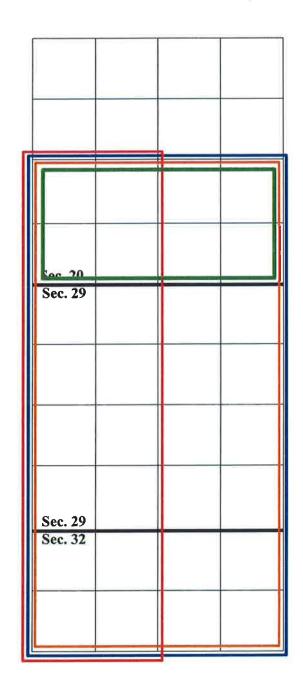
Existing Pools

Upper Bone Spring WC-025 G06 S263407P UPR Bone Spring (97892)

Lower Bone Spring Bradley; Bone Spring (7280)

Upper Wolfcamp Bobcat Draw; Upper Wolfcamp (98094)

Lower Wolfcamp Bradley; Wolfcamp (Gas) (72860)



Offset Notice Plat

Green Wave 20-32 Fed State Com Area

Devon 18 Chevron	Devon 17 Chevron	EOG Resources 16 EOG Resources
Devon 19 Chevron	Devon Chevron 20 Devon	Devon 21 Chevron
EOG Resources 30 EOG Resources	Chevron ²⁹ Allar	Devon 28 Chevron
EOG Resources	Chief Capital	OXY, Chevron, Allar, Chief Capital 33

Submitted by: **Devon Energy Productio**Hearing Date: September 05, 2019
Case No 20732

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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR APPROVAL OF 1264.64-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING AND WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO PROPOSED COMMUNITIZATION AGREEMENTS, LEA COUNTY, NEW MEXICO.

CASE NO. 20732

AFFIDAVIT

STATE OF NEW MEXICO) ss. COUNTY OF SANTA FE)

Michael H. Feldewert, attorney in fact and authorized representative of Devon Energy Production Company, L.P., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

Michael H. Feldewert

SUBSCRIBED AND SWORN to before me this 4th day of September, 2019 by Michael

H. Feldewert.

Notary Public

My Commission Expires:

Jonvary 28, 2023



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 12



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources –
Oil and Gas Law – New
Mexico Board of Legal
Specification
mfeldewert@hollandhart.com

August 16, 2019

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Devon Energy Production Company, L.P. for approval of 1264.64-Acre Non-Standard Spacing Units in the Bone Spring and Wolfcamp Formations Comprised of Acreage Subject to Proposed Communization Agreements, Lea County, New Mexico.

Ladies & Gentlemen:

This letter is to advise you that Devon Energy Production Company, L.P., has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on September 5, 2019, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Joe Hammond at (405) 552-8102, or at Joe.Hammond@dvn.com

I what

Michael H. Feldewert

ATTORNEY FOR DEVON ENERGY PRODUCTION

Postal Delivery Report Devon - Green Wave Wells Case No. 20732

			כ	Case No. 20/32	132	
TrackingNo	ToName	Delivery Address	City	State	Zip	USPS_Status
94148108987 65041517040	Chevron U.S.A., Inc.	1400 Smith St	Houston	IX	77002- 7327	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
94148108987 65041517149	Shepard Royalty, LLC	8241 Westchester Dr Ste 740	Dallas	XI	75225	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
94148108987 65041517156	Highland (Texas) Energy Company	7557 Rambler Rd Ste Dallas 918	Dallas	XX	75231- 2306	75231- Your item was delivered to the front desk, 2306 reception area, or mail room at 1:45 pm on August 21, 2019 in DALLAS, TX 75231.
94148108987 65041517170	OGX Royalty Fund II, LP	400 W Illinois Ave Ste 1300	Midland	XX	79701- 4310	79701- Your item was delivered to an individual at the address at 11:55 am on August 20, 2019 in MIDLAND, TX 79701.
94148108987 65041517187	EOG Resources, Inc.	PO Box 2267	Midland	IX	79702- 2267	79702- Your item was delivered at 7:32 am on August 19, 2267 2019 in MIDLAND, TX 79702.
94148108987 65041517194	Oxy USA Inc.	PO Box 27570	Houston	TX	77227- 7570	77227- Your item was delivered at 6:23 am on August 20, 2570 2019 in HOUSTON, TX 77027.
94148108987 65041517217	New Mexico State Land 310 Old Santa Fe Trl Office		Santa Fe	NM	87501- 2708	87501 - Your item was delivered at 6:33 am on August 20,2708 2019 in SANTA FE, NM 87501.
94148108987	Bureau of Land Management	620 E Greene St	Carlsbad	N	88220-	88220- We attempted to deliver your package at 5:54 pm 6292 on August 19, 2019 in CARLSBAD, NM 88220 but could not access the delivery location. We will redeliver on the next business day.
94148108987 65041517057	The Allar Company	PO Box 1567	Graham	XI	76450- 7567	76450- Your item was delivered at 10:39 am on August 7567 19, 2019 in GRAHAM, TX 76450.
94148108987 65041517064	Chief Capital (O&G) II LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225- 6146	75225- Your item was delivered to the front desk, 6146 reception area, or mail room at 1:35 pm on August 22, 2019 in DALLAS, TX 75225.

Postal Delivery Report Devon - Green Wave Wells Case No. 20732

80831- Your item was delivered at 11:19 am on August 0558 24, 2019 in PEYTON, CO 80831.	79710- Your item was delivered at 12:27 pm on August 1933 22, 2019 in MIDLAND, TX 79705.	76450- Your item was delivered at 10:39 am on August 7567 19, 2019 in GRAHAM, TX 76450.	10019- Your item was delivered to an individual at the address at 1:59 pm on August 19, 2019 in NEW YORK, NY 10019.	76011- Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.	78735- Your item was delivered to an individual at the address at 10:30 am on August 19, 2019 in AUSTIN, TX 78736.
80831- 0558	79710- 1933	76450- 7567	10019- 2701	76011- 5598	78735-
CO 8(XI	XI	NY	XT	XX
Peyton	Midland	Graham	New York NY	Arlington	Austin
PO Box 558	PO Box 51933	PO Box 1567	9 W 57th St	1521 N Cooper St Ste Arlington 700	5707 Southwest Pkwy Ste 1-275
94148108987 John Lawrence Thoma 65041517071 Trustee	Crown Rock Minerals, L.P.	94148108987 Allar Development, 65041517095 LLC	94148108987 Apollo Investment 65041517118 Corporation	94148108987 Strategic Energy 65041517125 Income Fund IV, LP	94148108987 Constitution Resources 5707 Southwest 65041517132 II, LP Pkwy Ste 1-275
94148108987	94148108987 65041517088	94148108987 Allar 65041517095 LLC	94148108987 Apollo Inves 65041517118 Corporation	94148108987 65041517125	94148108987 Const 65041517132 II, LP

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

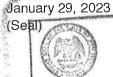
> Beginning with the issue dated August 20, 2019 and ending with the issue dated August 20, 2019.

Publisher

Sworn and subscribed to before me this 20th day of August 2019.

Business Manager

My commission expires



OFFICIAL SEAL **GUSSIE BLACK** Notary Public State of New Mexico

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL

LEGAL

LEGAL NOTICE AUGUST 20, 2019

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on September 5, 2019, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by August 26, 2019, Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: Chevron U.S.A, Inc.; The Allar Company; Chief Capital (O&G) II LLC; John Lawrence Thoma, Trustee Crown Rock Minerals, L.P.; Allar Development, LLC; Apollo Investment Corporation; Strategic Energy Income Fund IV, LP; Constitution Resources II, LP; Shepard Royalty, LLC; Highland (Texas) Energy Company; OGX Royalty Fund II, LP; EOG Resources, Inc.; Oxy USA Inc.; New Mexico State Land Office; Bureau of Land Management.

Case No. 20732: Application Of Devon Energy Production Company, L.P., For Approval Of 1264.64-Acre Non-Standard Spacing Units in The Bone Spring And Wolfcamp Formations Comprised Of Acreage Subject To Proposed Communitization Agreements, Lea County, New Mexico. Applicant in the above-styled cause seeks an order approving 1264.64 acre non-standard spacing units in the Bone Spring and Wolfcamp formations comprised of acreage subject to corresponding Communitization Agreements covering the S/2 of Section 20, all of Section 29 and all of Irregular Section 32, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. The acreage underlying the proposed non-standard spacing units is subject to the following Division designated pools:

- WG-025 G-0652634079; Upper Bone Spring (Pool Code 97892)

WG-025 G-0652634079; Upper Bone Spring (Pool Code 97892)
Bradley; Bone Spring (Pool Code 7280)
Bobcat Draw; Upper Wolfcamp (Pool Code 98094)
Bradley; Wolfcamp (Gas) (Pool Code 72860)
The subject area is located approximately 20 miles Southwest of Jal. New Mexico.

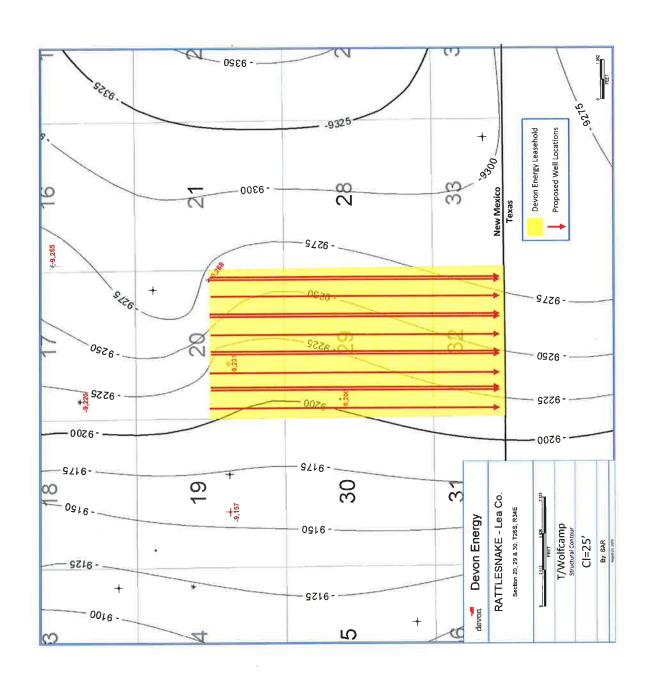
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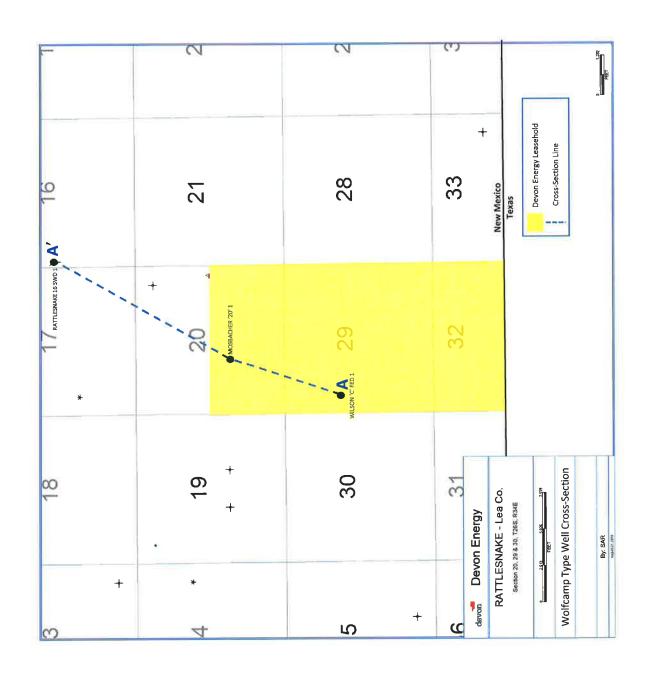
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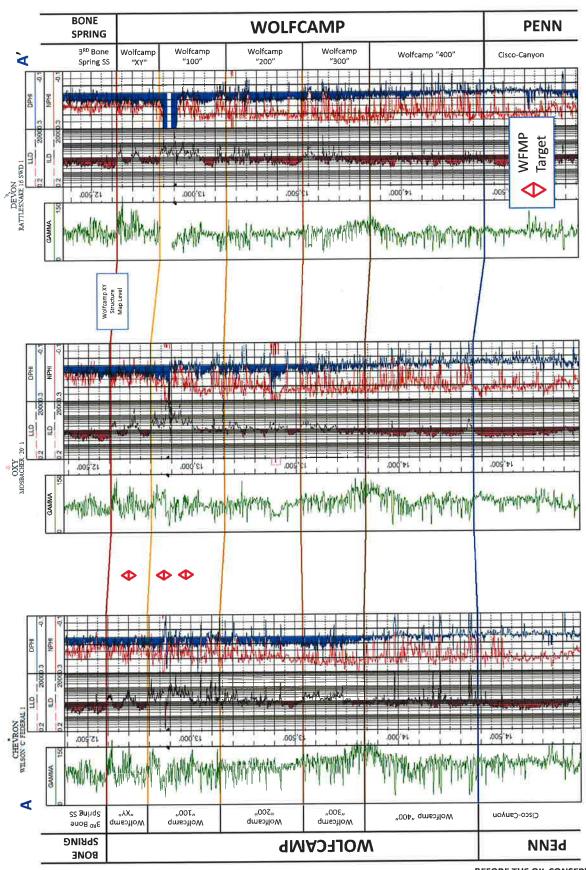
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HOLLAND & HART LLC PO BOX 2208 SANTA FE,, NM 87504-2208

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 13 Submitted by: Devon Energy Production Hearing Date: September 05, 2019 Case No 20732







BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 16

Submitted by: **Devon Energy Production** Hearing Date: September 05, 2019

Case No 20732

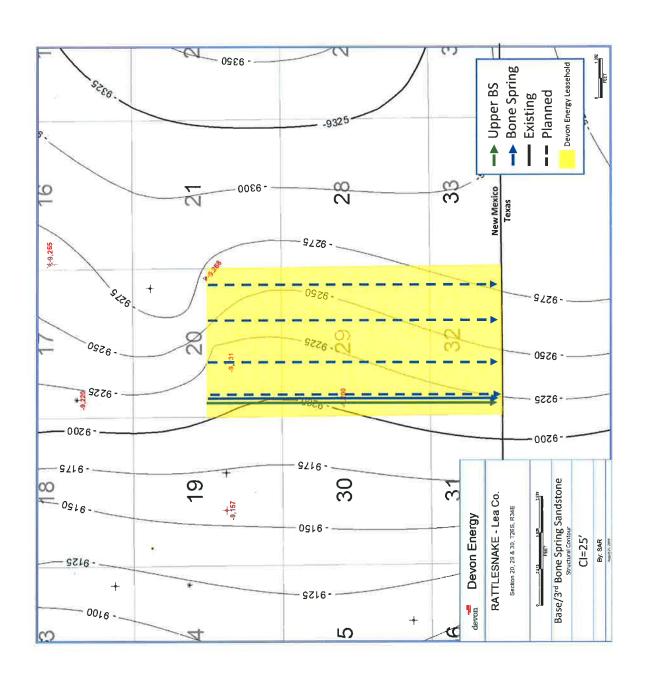
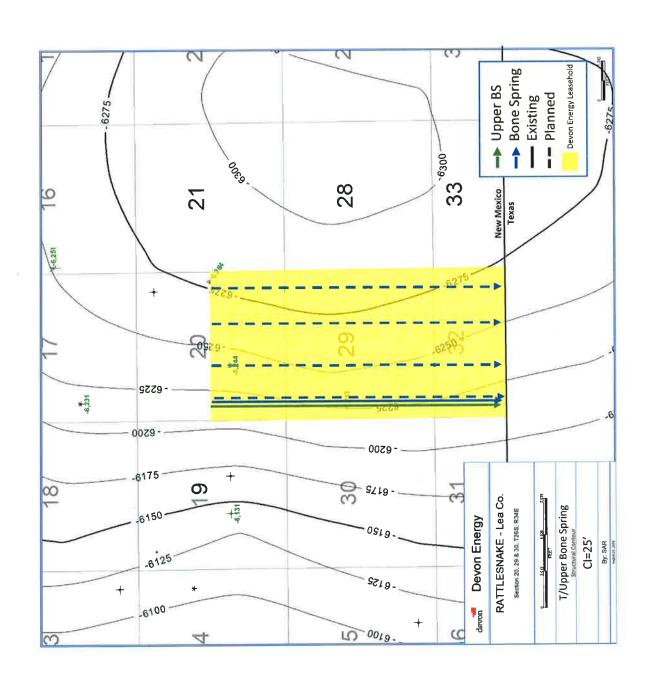
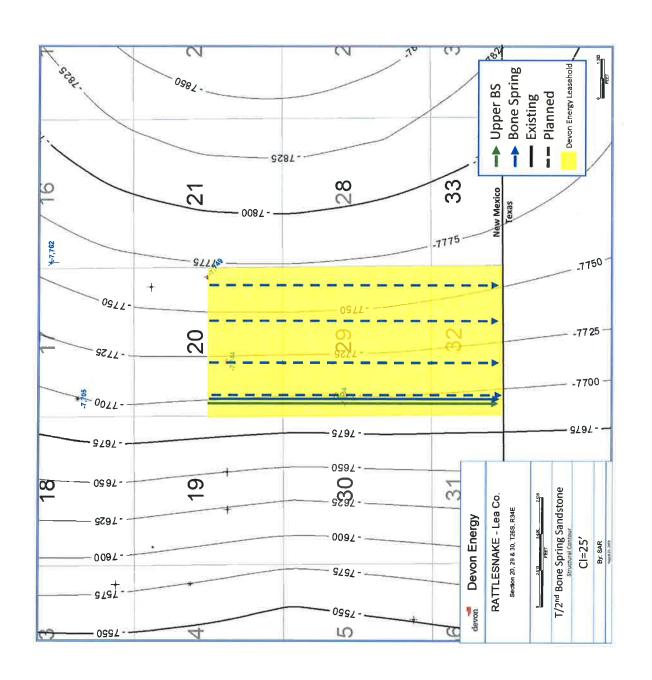


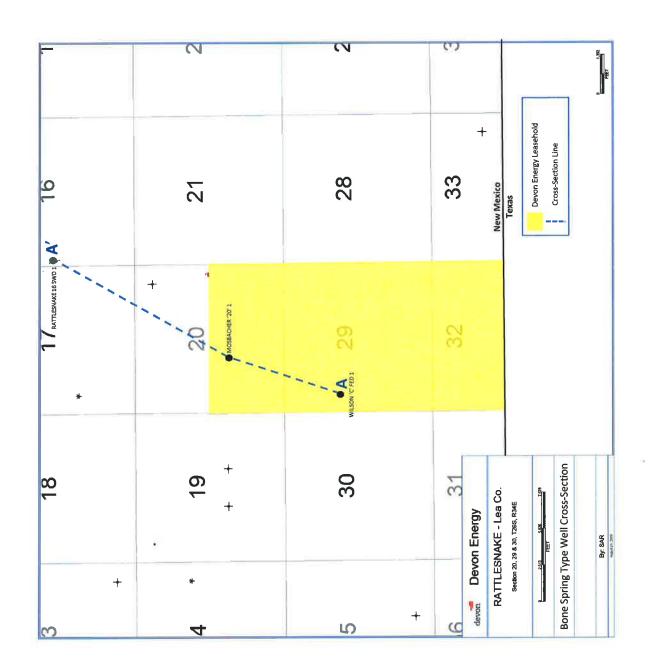
Exhibit No. 17
Submitted by: Devon Energy Production
Hearing Date: September 05, 2019
Case No 20732

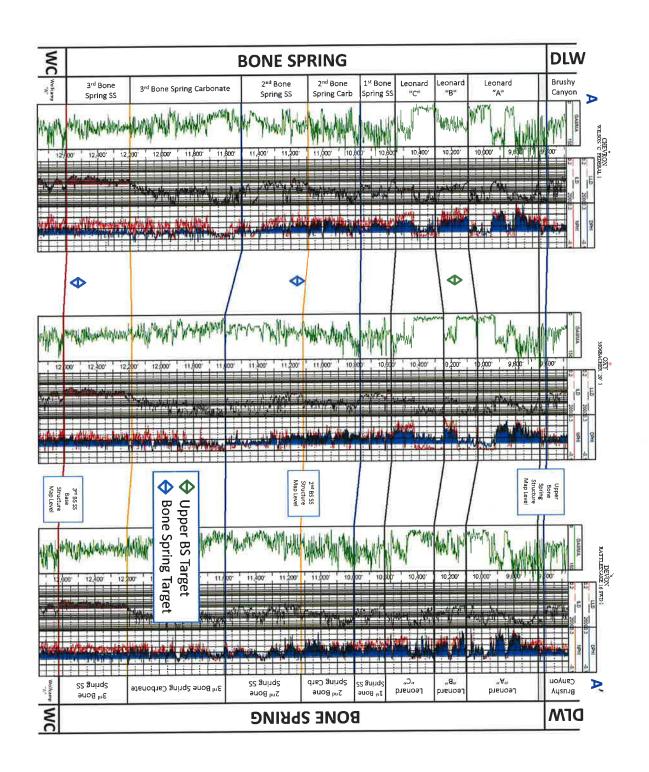


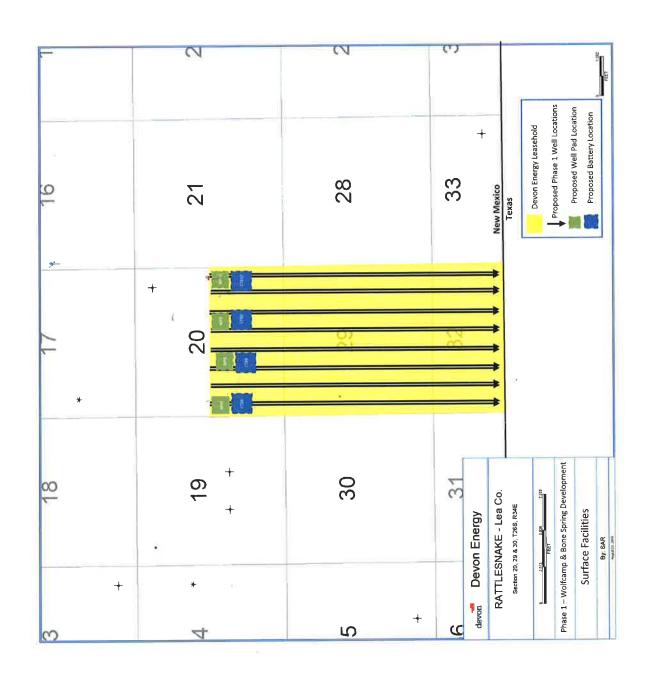
Case No 20732

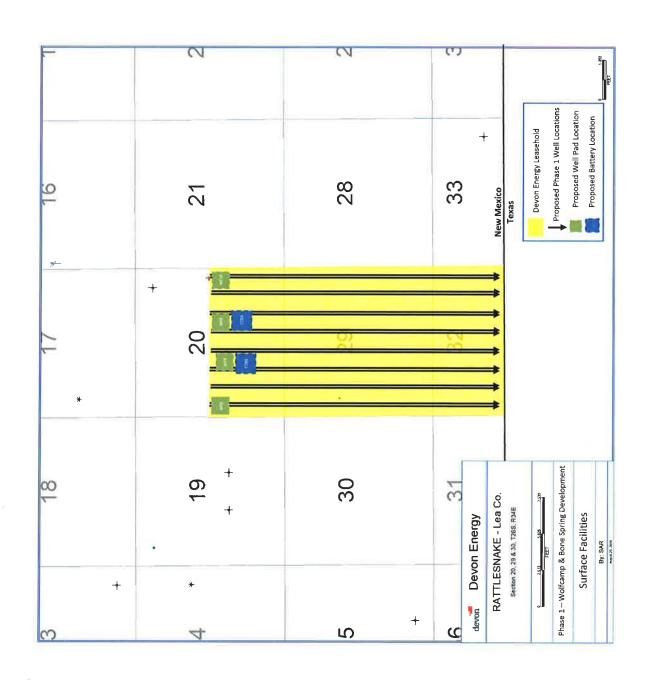


Submitted by: Devon Energy Production Hearing Date: September 05, 2019 Case No 20732









Submitted by: **Devon Energy Production**Hearing Date: September 05, 2019
Case No 20732

000	Design Basis/CTB	CTB Cost	/CTB CTB Cost Flowline Cost Gas IIft Cost	Gas IIft Cost	Ç V V V V V III	Total	CTB Disturbance Area
Scellallo	(BOPD)	(\$M)	(\$M)	(\$M)	ini/weii	(\$M)	(Acres)
4 CTBs (4 x 4 wells)	10,000	\$16,000	\$1,400	\$800	\$1,137.50 \$18,200	\$18,200	24
2 CTBs (2 x 8 wells)	20,000	\$10,400	\$2,300	\$800	\$850	\$13,500	12
Savings						\$4,700	12

Submitted by: Devon Energy Production Hearing Date: September 05, 2019 Case No 20732