

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING OCTOBER 31, 2019**

**APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P.,  
FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No. 20793**

Sneaky Snake 24 Fed Com 11H Well  
Sneaky Snake 24 Fed Com 12H Well  
Sneaky Snake 24 Fed Com 13H Well  
Sneaky Snake 24 Fed Com 14 H Well

**Case No. 20794**

Sneaky Snake 24 Fed Com 1H Well  
Sneaky Snake 24 Fed Com 2H Well  
Sneaky Snake 24 Fed Com 3H Well  
Sneaky Snake 24 Fed Com 4H Well

**Devon Energy Production Company, L.P.**

**HEARING EXHIBITS**

Reference: Application – **Case No. 20793**  
Reference: Application – **Case No. 20794**

**Case No. 20793**

Exhibit I-1: Affidavit of Andy D. Bennett, Landman, and Supporting Documents  
Exhibit I-2: Affidavit of John Green, Geologist, and Supporting Documents  
Exhibit I-3: Notice Affidavit

**Case No. 20794**

Exhibit II-1: Affidavit of Andy D. Bennett, Landman, and Supporting Documents  
Exhibit II-2: Affidavit of Thomas Peryam, Geologist, and Supporting Documents  
Exhibit II-3: Notice Affidavit

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

**APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A HORIZONTAL SPACING UNIT  
AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO**

Case No. 20794

**APPLICATION**

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation (DIAMONDTAIL; WOLFCAMP [17645]) underlying said unit.

In support of its Application, Devon states the following:

1. Devon is a working interest owner in the proposed horizontal spacing and proration unit (“HSU”) and has a right to drill a well thereon.
2. Devon proposes to dedicate the HSU to its **Sneaky Snake 24 Fed Com 3H Well**, proposed to be horizontally drilled from a surface location in SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. The **Sneaky Snake 24 Fed Com 3H Well** is the Defining Well for the HSU.

3. Devon also proposes the following infill wells to be drilled in the HSU: the **Sneaky Snake 24 Fed Com 1H Well**; the **Sneaky Snake 24 Fed Com 2H Well**; and the **Sneaky Snake 24 Fed Com 4H Well**.

4. The **Sneaky Snake 24 Fed Com 1H Well** is proposed to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24.

5. The **Sneaky Snake 24 Fed Com 2H Well** is proposed to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24.

6. The **Sneaky Snake 24 Fed Com 4H Well** is proposed to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24.

7. The completed intervals and first and last take points for all wells proposed in the HSU meet the setback requirements set forth in the Division's statewide rules and regulations for horizontal oil wells. Pursuant to 19.15.16.15(B)(1)(b) NMAC, Devon will incorporate proximity tracts into its HSU, to the extent necessary, such that the completed interval for the wells will remain within the offset requirements of the Division's statewide rules.

8. Devon has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed HSU.

9. The pooling of all interests in the Wolfcamp formation within the proposed HSU, and creation of the spacing unit, will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

10. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Devon requests that all uncommitted interests in this HSU be pooled and that Devon be designated the operator of the proposed horizontal wells and HSU.

11. Because the proposed wells will be drilled and completed with other proposed wells, as part of a simultaneous drilling and completion project, Devon requests an extension of the normal 120-day period to drill and complete the initial well.

WHEREFORE, Devon requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on October 3, 2019, and after notice and hearing as required by law, the Division enter an order:

A. Approving the creation of a standard 320-acre spacing and proration unit comprising the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico;

B. Pooling all uncommitted mineral interests in the Wolfcamp formation (DIAMONDTAIL; WOLFCAMP [17645]) underlying the proposed HSU.

C. Designating the Sneaky Snake 24 Fed Com 3H Well as the defining well for the HSU.

D. Allowing the drilling of the Sneaky Snake 24 Fed Com 1H Well; the Sneaky Snake 24 Fed Com 2H Well; and the Sneaky Snake 24 Fed Com 4H Well as infill wells.

E. Designating Devon as operator of this HSU and the horizontal wells to be drilled thereon;

F. Authorizing Devon to recover its costs of drilling, equipping and completing these wells;



G. Approving actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures;

H. Setting a 200% charge for the risk assumed by Devon in drilling and completing the wells in the event a working interest owner elects not to participate in the wells; and

I. Authorizing an extension of the normal 120-day period to drill and complete the initial well.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

Lara Katz

214 McKenzie Street

Santa Fe, New Mexico 87501

Telephone: 970.385.4401

Facsimile: 970.385.4901

darin@abadieschill.com

lara@abadieschill.com

**Attorneys for Applicant**

***Case No. 20794: Application of Devon Energy Production Company L.P. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.***

Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (DIAMONDTAIL; WOLFCAMP [17645]) underlying the unit. Said horizontal spacing unit is to be dedicated to the proposed Sneaky Snake 24 Fed Com 3H Well, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. This Well defines the HSU. Also proposed to be drilled are: (1) the Sneaky Snake 24 Fed Com 1H Well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24; (2) the Sneaky Snake 24 Fed Com 2H Well to be horizontally drilled from a surface location in SW/4 SW/4 (Unit M) of Section 24, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24; and (3) the Sneaky Snake 24 Fed Com 4H Well to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. The completed intervals and first take and last take points for all wells proposed in the unit meet the Division's statewide setback requirements for horizontal oil wells; Devon will utilize proximity tracts to the extent necessary. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 5 miles southwest of Eunice, New Mexico.

***Case No. 20793: Application of Devon Energy Production Company L.P. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.***

Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (DIAMONDTAIL; BONE SPRING [17644]) underlying the unit. Said horizontal spacing unit is to be dedicated to the proposed Sneaky Snake 24 Fed Com 11H Well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. This Well defines the HSU. Also proposed to be drilled are: (1) the Sneaky Snake 24 Fed Com 12H Well to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24; (2) the Sneaky Snake 24 Fed Com 13H Well to be horizontally drilled from a surface location in SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24; and (3) the Sneaky Snake 24 Fed Com 14H Well to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. The completed intervals and first take and last take points for all wells proposed in the unit meet the Division's statewide setback requirements for horizontal oil wells; Devon will utilize proximity tracts. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells; and a 200% charge for the risk

involved in drilling and completing the wells. The wells and lands are located approximately 5 miles southwest of Eunice, New Mexico.

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING OCTOBER 31, 2019**

**APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P.,  
FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No. 20793**

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

APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A HORIZONTAL SPACING UNIT  
AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 20794

AFFIDAVIT OF ANDY D. BENNETT

STATE OF OKLAHOMA    )  
  ) ss.  
COUNTY OF OKLAHOMA )

I, being duly sworn on oath, state the following:

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
2. I am employed as a Senior Staff Landman with Devon Energy Production Company, L.P. ("Devon"), and I am familiar with the subject application and the lands involved.
3. I graduated from the University of Oklahoma with a Bachelor's degree in Business (Energy Management) in 2008. I have worked at Devon Energy Production Company, L.P. ("Devon") for 10 years, and I have been working in New Mexico for more than 1 year. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
4. This affidavit is submitted in connection with the filing by Devon of the above-referenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1), (6) NMAC.



53

5. The purpose of this application is to force pool uncommitted working interest owners and overriding royalty interest owners into the horizontal spacing unit described below, and in the wells proposed to be drilled in the unit by Devon.

6. Devon seeks an order creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and pooling all uncommitted mineral interests in the Wolfcamp formation (DIAMONDTAIL; WOLFCAMP, with Pooling Code: 17645) underlying said unit. The proposed spacing unit will be dedicated to the **Sneaky Snake 24 Fed Com 3H Well**, an oil well, to be horizontally drilled from a surface location in SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. The **Sneaky Snake 24 Fed Com 3H Well** is the Defining Well for the unit.

7. Devon also proposes the following infill oil wells to be drilled in the unit: the **Sneaky Snake 24 Fed Com 1H Well**; the **Sneaky Snake 24 Fed Com 2H Well**; and the **Sneaky Snake 24 Fed Com 4H Well**.

8. A plat outlining the unit being pooled is attached hereto as **Exhibit A**, which shows the location of the proposed wells within the unit. The location of all the wells are orthodox, and they meet the Division's offset requirements utilizing the incorporation of proximity tracts.

9. The parties being pooled, the nature of their interests, and their last known addresses are listed on **Exhibit B** attached hereto. **Exhibit B** includes information regarding working interest owners and overriding royalty interest owners.

10. There are no depth severances in the Wolfcamp formation in this acreage.

11. The locations and proposed depths of the wells to be drilled on the pooled units are as follows:

<b>Well Name</b>	<b>SHL</b>	<b>BHL</b>	<b>TVD</b>
Sneaky Snake 24 Fed Com 1H	230' FSL and 681' FWL	20' FNL and 380' FWL	12,380'
Sneaky Snake 24 Fed Com 2H	230' FSL and 711' FWL	20' FNL and 1005' FWL	12,570'
Sneaky Snake 24 Fed Com 3H	230' FSL and 1,523' FWL	20' FNL and 1,630' FWL	12,380'
Sneaky Snake 24 Fed Com 4H	230' FSL and 1,553' FWL	20' FNL and 2,255' FWL	12,570'

12. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted interest owners and ORRI owners shown on Exhibit B. In compiling these addresses, I conducted a diligent search of the public records in Lea County, New Mexico, where the wells are located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. To cover any unforeseen claims, notice of this hearing was published in the Hobbs News-Sun, a newspaper of general circulation in Lea County, New Mexico.

13. Devon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

14. The interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells. However, COG Operating LLC ("COG") and Devon have entered into and executed a Letter Agreement for an acreage trade with the intent to finalize the trade sometime after the hearing but before the drilling of the wells. If the planned trade does not occur, then COG agrees to be subject to the Division's spacing and pooling order. If the parties finalize the trade, based on the agreement, Devon requests that the voluntary agreement become operative and supersede the Division's order, except to the extent the

Division deems it necessary to maintain spacing criteria for the purpose of conservation and the prevention of waste.

15. Proposed C-102's for the wells are attached as **Exhibit C**. The wells will develop the Wolfcamp formation (DIAMONDTAIL; WOLFCAMP, with Pooling Code: 17645), which is an oil and gas pool.

16. The four wells will be drilled in the same unit as the four wells in Case No. 20793, consolidated with this Case. The four wells have separate laterals to the Wolfcamp formation and Devon does not anticipate downhole commingling to occur. However, given that two pools are involved in this unit, Devon requests approval of downhole comingling, pursuant to 19.15.16.11 NMAC, in the event operations require such provision.

17. **Exhibit D** is a sample proposal letter and the AFE for the proposed wells. The estimated cost of the wells set forth in the AFE is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

18. Devon requests authorization to recover its costs of drilling, equipping and completing these wells.

19. Devon requests overhead and administrative rates of \$7,500/month for drilling each well and \$750/month for producing wells. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Devon requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

20. Devon requests the maximum cost, plus 200% risk charge be assessed against non-consenting working interest owners.

21. Devon requests that it be designated operator of the wells.

22. Because the proposed wells will be drilled and completed with other proposed wells,



as part of a simultaneous drilling and completion project, Devon requests an extension of the normal 120-day period to drill and complete the initial well. Furthermore, Devon may propose at a later date additional infill wells for this proposed unit, depending on Devon's longer-term plans and drilling schedule.

23. The Exhibits to this Affidavit were prepared by me or compiled from Devon's company business records.

24. The granting of this Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

25. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NAUGHT

  
\_\_\_\_\_  
Andy D. Bennett

Subscribed to and sworn before me this 28<sup>th</sup> day of October, 2019.



  
\_\_\_\_\_  
Notary Public

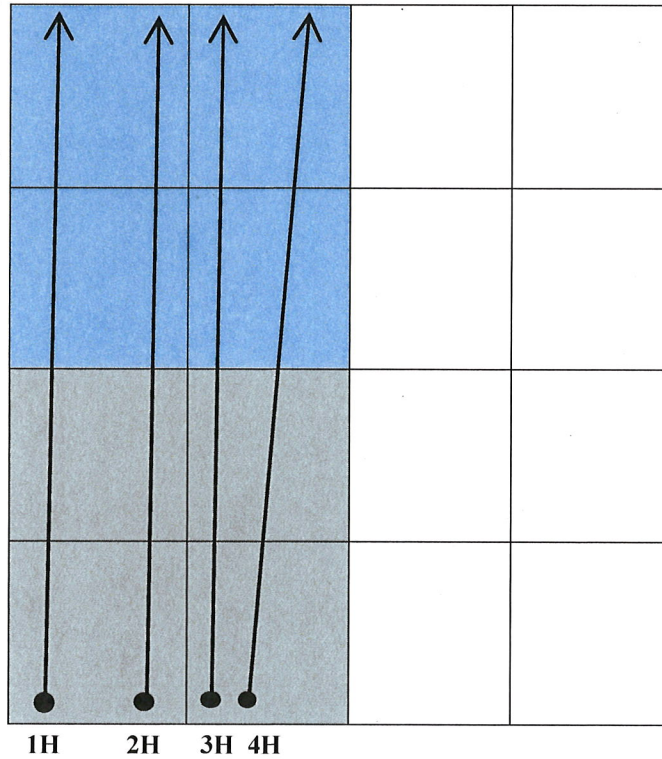
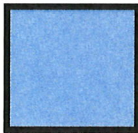
PLAT

W/2 of Section 24, T-23-S, R-32-E, Lea County, New Mexico, Wolfcamp Formation

**Tract 1:**  
NMNM-86154  
(160 acres)



**Tract 2:**  
NMNM-136216  
(160 acres)



**Sneaky Snake 24 Fed Com 1H**  
SHL: 230' FSL & 681' FWL  
BHL: 20' FNL & 380' FWL

**Sneaky Snake 24 Fed Com 2H**  
SHL: 230' FSL & 711' FWL  
BHL: 20' FNL & 1,005' FWL

**Sneaky Snake 24 Fed Com 3H**  
SHL: 230' FSL & 1,523' FWL  
BHL: 20' FNL & 1,630' FWL

**Sneaky Snake 24 Fed Com 4H**  
SHL: 230' FSL & 1,553' FWL  
BHL: 20' FNL & 2,255' FWL

**EXHIBIT A**



Exhibit "B"

OWNERSHIP BREAKDOWN – Wolfcamp formation

W/2 of Section 24, Township 23 South, Range 32 East of Lea County, NM

Sneaky Snake 24 Fed Com 1H, 2H, 3H, 4H, 11H, 12H, 13H, and 14H

TRACT 1 OWNERSHIP (SW/4 of Section 24-T23S-R32E, being 160 acres):

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	160.00	0.50	Committed
TRACT 1 TOTAL	160.00	0.50	

TRACT 2 OWNERSHIP (NW/4 of Section 24-T23S-R32E being 160 acres)

Owner	Net Acres	Unit WI	Status
COG Operating, LLC 600 W. Illinois Avenue Midland, TX 79701	160.00	0.50	Uncommitted
TRACT 2 TOTAL	160.00	0.50	

Overriding Royalty Owners (TRACT 1 only – SW/4)

C. Mark Wheeler  
P.O. Box 5248  
Round Rock, TX 78680

Crownrock Minerals, LP  
P.O. Box 51933  
Midland, TX 79710

EXHIBIT B



59

John Kyle Thoma, Trustee of the Cornerstone Family Trust  
P.O. Box 558  
Peyton, CO 80831

Paul R. Barwis, MSU, c/o Dutton Harris and Company  
P.O. Box 230  
Midland, TX 79702

Jareed Partners, Ltd.  
2407 Bellechase Court  
Midland, TX 79705;  
OR  
P.O. Box 51451  
Midland, TX 79710

Chisos Minerals, LLC  
1111 Bagby Street, Suite 2150  
Houston, TX 77002

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

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code	Pool Name
Property Code	Property Name <b>SNEAKY SNAKE 24 FED COM</b>	
OGRID No. 6137	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	
		Well Number 1H
		Elevation 3713.5'

**Surface Location**

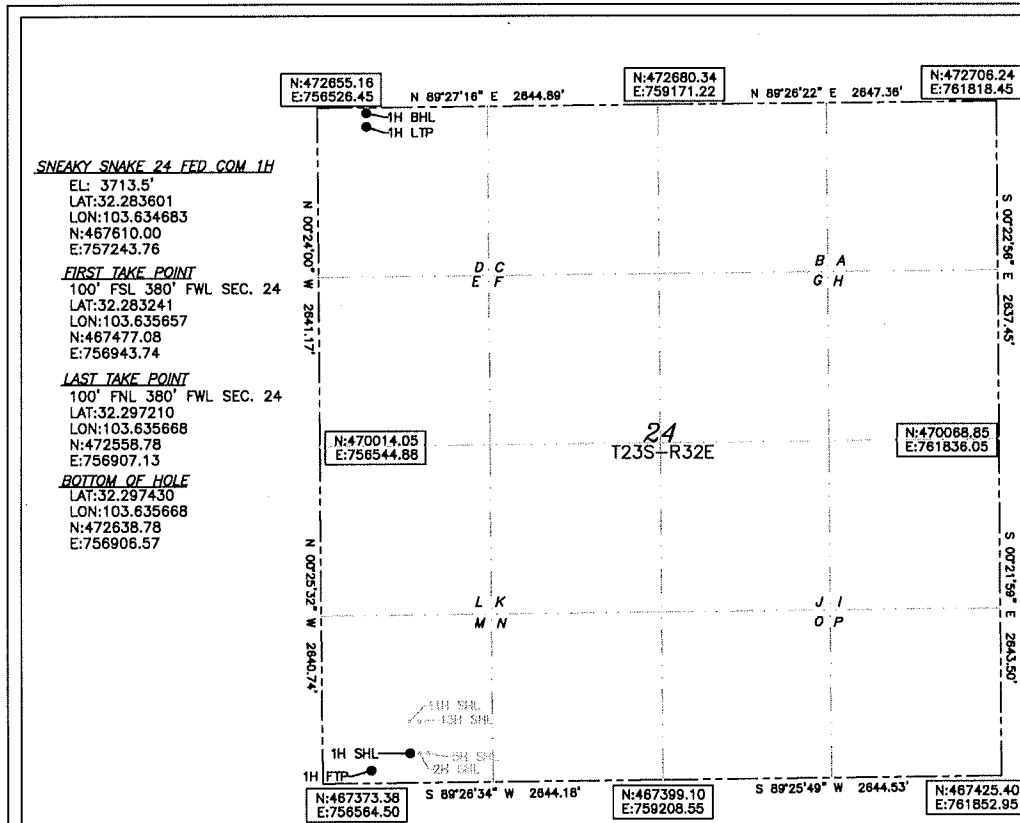
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	24	23-S	32-E		230	SOUTH	681	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23-S	32-E		20	NORTH	380	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



**OPERATOR CERTIFICATION**

*I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

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**SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

10/2019

Date of Survey

Signature & Seal of Professional Surveyor

10/24/19

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

**EXHIBIT**  
**II-1C**

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

61

Intent  As Drilled

API #

Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: SNEAKY SNAKE 24 FED COM	Well Number 1H
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Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
M	24	23-S	32-E		100	SOUTH	380	WEST	LEA
Latitude					Longitude				NAD
32.283241					103.635657				83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	24	23-S	32-E		100	NORTH	380	WEST	LEA
Latitude					Longitude				NAD
32.297210					103.635668				83

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

Is this well an infill well?

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

API #

Operator Name:	Property Name:	Well Number

62

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 393-6181 Fax: (575) 393-0720

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
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Phone: (505) 478-3480 Fax: (505) 478-3482

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

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

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code	Pool Name
Property Code	Property Name <b>SNEAKY SNAKE 24 FED COM</b>	
OGRID No. 6137	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	
	Well Number 2H	Elevation 3713.9'

**Surface Location**

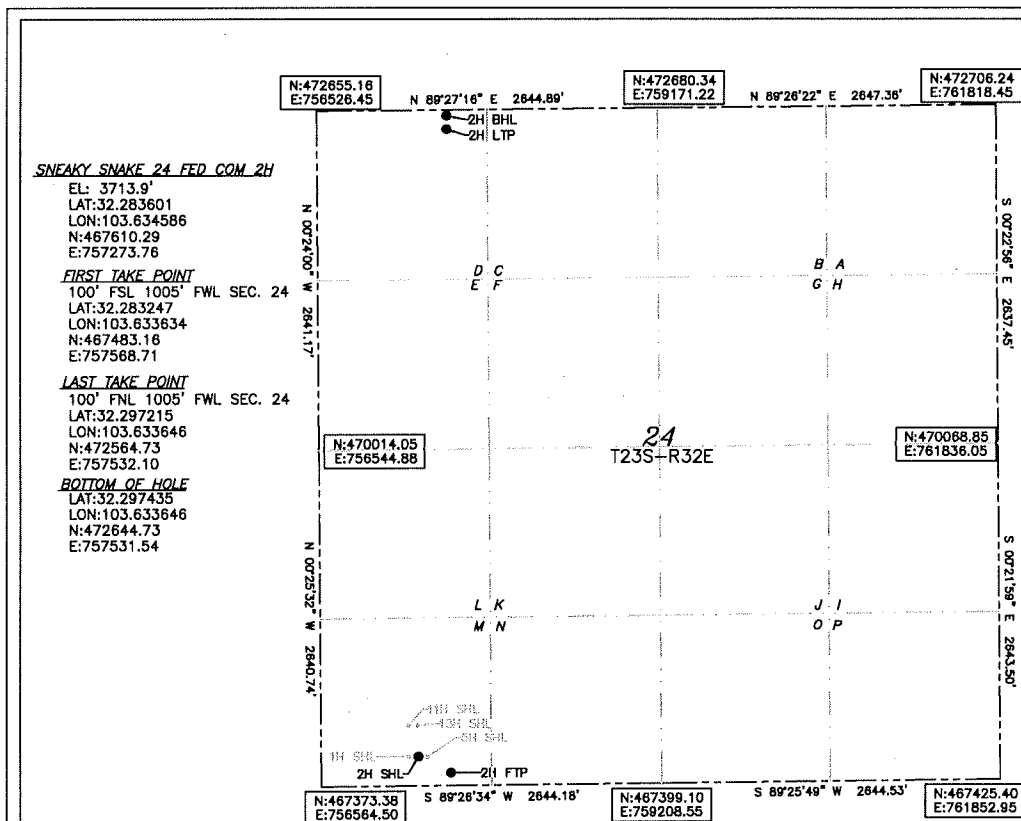
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	24	23-S	32-E		230	SOUTH	711	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23-S	32-E		20	NORTH	1005	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



**OPERATOR CERTIFICATION**

*I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

---

**SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

10/2019  
Date of Survey

Signature & Seal of Professional Surveyor

**B. L. LAMAN**  
NEW MEXICO  
22404  
PROFESSIONAL SURVEYOR

10/24/19

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

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

Intent  As Drilled

API #

Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: SNEAKY SNAKE 24 FED COM	Well Number 2H
--	---	-------------------

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
M	24	23-S	32-E		100	SOUTH	1005	WEST	LEA
Latitude					Longitude				NAD
32.283247					103.633634				83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	24	23-S	32-E		100	NORTH	1005	WEST	LEA
Latitude					Longitude				NAD
32.297215					103.633646				83

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

Is this well an infill well?

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

API #

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

KZ 06/29/2018

64



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

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (575) 746-1263 Fax: (575) 746-9720

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3480 Fax: (505) 476-3462

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

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

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code	Pool Name
Property Code	Property Name <b>SNEAKY SNAKE 24 FED COM</b>	
OGRD No. 6137	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	
	Well Number 3H	Elevation 3717.3'

**Surface Location**

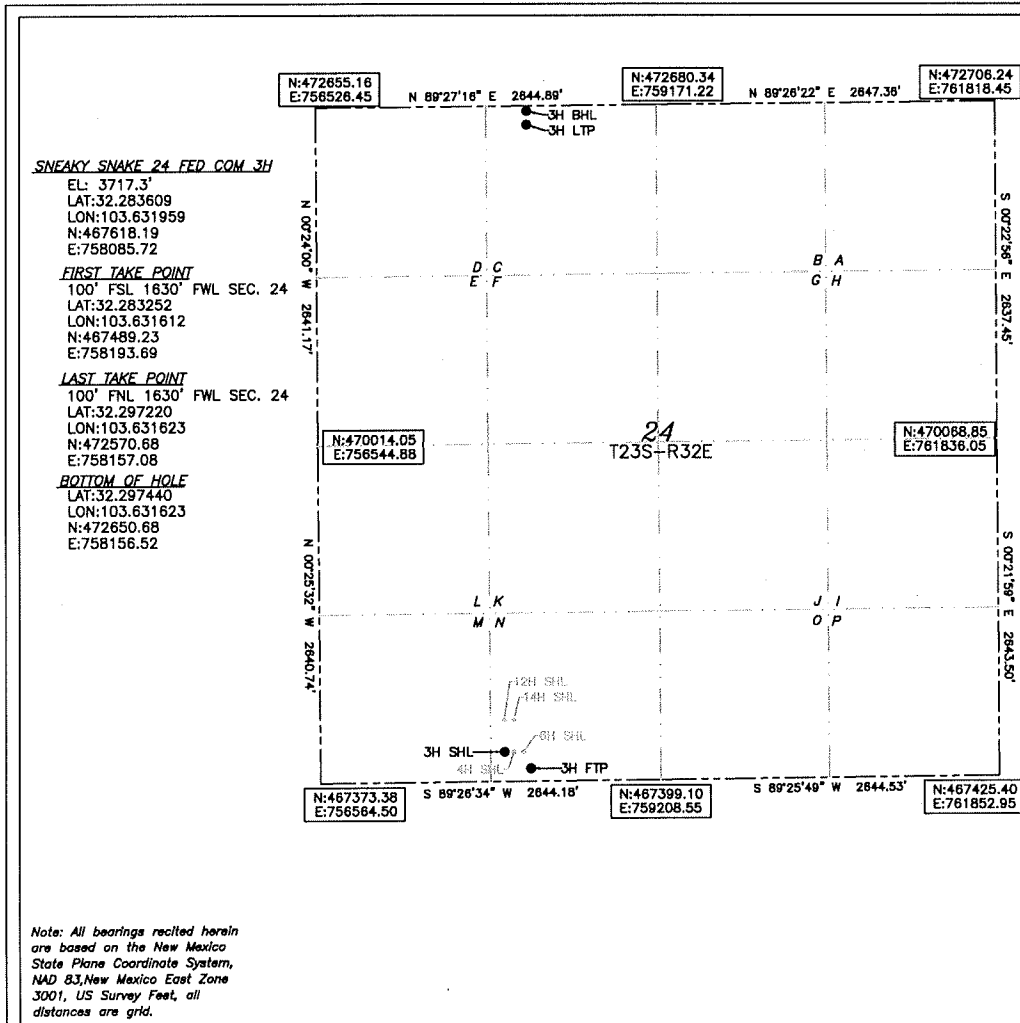
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	23-S	32-E		230	SOUTH	1523	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	23-S	32-E		20	NORTH	1630	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



**OPERATOR CERTIFICATION**

*I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

**SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

10/2019  
Date of Survey

Signature & Seal of Professional Surveyor

**B. L. LAMAN**  
NEW MEXICO  
22404  
PROFESSIONAL SURVEYOR

10/24/19

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

65

Intent  As Drilled

API #		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: SNEAKY SNAKE 24 FED COM	Well Number 3H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	24	23-S	32-E		100	SOUTH	1630	WEST	LEA
Latitude 32.283252					Longitude 103.631612				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	24	23-S	32-E		100	NORTH	1630	WEST	LEA
Latitude 32.297220					Longitude 103.631623				NAD 83

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

Is this well an infill well?

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

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

66

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Revised August 1, 2011  
Submit one copy to appropriate  
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AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code	Pool Name
Property Code	Property Name <b>SNEAKY SNAKE 24 FED COM</b>	
OCRD No. 6137	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	
	Well Number 4H	Elevation 3717.5'

**Surface Location**

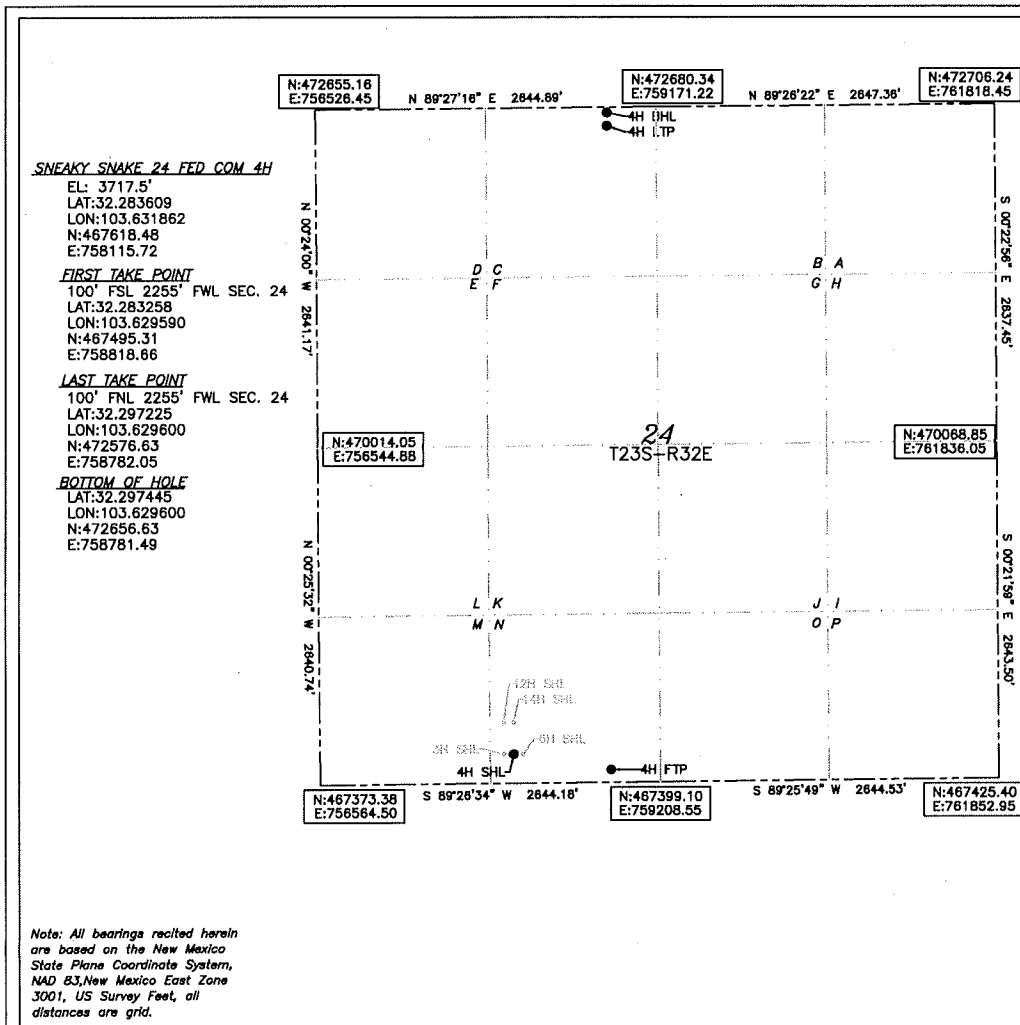
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	23-S	32-E		230	SOUTH	1553	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	23-S	32-E		20	NORTH	2255	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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**OPERATOR CERTIFICATION**

*I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

---

**SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

10/2019  
Date of Survey

Signature & Seal of Professional Surveyor

**B. L. LAMAN**  
NEW MEXICO  
22404  
PROFESSIONAL SURVEYOR

10/24/19

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

67

Intent  As Drilled

API #

Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: SNEAKY SNAKE 24 FED COM	Well Number 4H
--	---	-------------------

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	24	23-S	32-E		100	SOUTH	2255	WEST	LEA
Latitude					Longitude				NAD
32.283258					103.629590				83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	24	23-S	32-E		100	NORTH	2255	WEST	LEA
Latitude					Longitude				NAD
32.297225					103.629600				83

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

Is this well an infill well?

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API #

Operator Name:	Property Name:	Well Number
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KZ 06/29/2018

68

## EXHIBIT "D"

July 3, 2019

COG Operating, LLC  
600 W. Illinois Avenue  
Midland, TX 79701

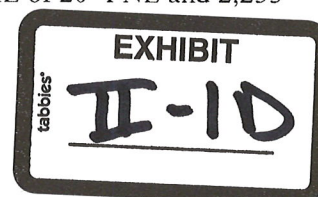
RE: Well Proposals- Sneaky Snake 24 Fed Com 1H  
Sneaky Snake 24 Fed Com 2H  
Sneaky Snake 24 Fed Com 3H  
Sneaky Snake 24 Fed Com 4H  
Sneaky Snake 24 Fed Com 11H  
Sneaky Snake 24 Fed Com 12H  
Sneaky Snake 24 Fed Com 13H  
Sneaky Snake 24 Fed Com 14H

Lea County, New Mexico

Ladies and Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following eight (8) wells:

- Sneaky Snake 24 Fed Com 1H as a horizontal well to an approximate TVD of 12,380' and approximate TMD of 17,380' into the Wolfcamp formation at an approximate SHL of 185' FSL and 475' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 380' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$8,366,089.62.
- Sneaky Snake 24 Fed Com 2H as a horizontal well to an approximate TVD of 12,570' and approximate TMD of 17,570' into the Wolfcamp formation at an approximate SHL of 185' FSL and 505' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 1,005' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$8,366,089.62.
- Sneaky Snake 24 Fed Com 3H as a horizontal well to an approximate TVD of 12,380' and approximate TMD of 17,380' into the Wolfcamp formation at an approximate SHL of 185' FSL and 1,475' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 1,630' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$8,366,089.62.
- Sneaky Snake 24 Fed Com 4H as a horizontal well to an approximate TVD of 12,570' and approximate TMD of 17,570' into the Wolfcamp formation at an approximate SHL of 185' FSL and 1,505' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 2,255'



69

FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$8,366,089.62.

- Sneaky Snake 24 Fed Com 11H as a horizontal well to an approximate TVD of 9,600' and approximate TMD of 14,600' into the Bonespring formation at an approximate SHL of 245' FSL and 475' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 1,386' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$5,451,944.83.
- Sneaky Snake 24 Fed Com 12H as a horizontal well to an approximate TVD of 9,600' and approximate TMD of 14,600' into the Bonespring formation at an approximate SHL of 245' FSL and 1,475' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 2,310' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$5,451,944.83.
- Sneaky Snake 24 Fed Com 13H as a horizontal well to an approximate TVD of 10,750' and approximate TMD of 15,750' into the Bonespring formation at an approximate SHL of 245' FSL and 505' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 330' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$5,658,559.92.
- Sneaky Snake 24 Fed Com 14H as a horizontal well to an approximate TVD of 10,750' and approximate TMD of 15,750' into the Bonespring formation at an approximate SHL of 245' FSL and 1,505' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 2,310' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$5,658,559.92.

Devon reserves the right to modify the locations and drilling plans described above in order to address surface and subsurface concerns. Devon will advise of any such modifications.

Devon is proposing to drill the Wells under the terms of a 2015 AAPL form of Operating Agreement ("JOA"). The JOA will be supplied to those parties interested in participating. The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- Contract area of the W/2 of Section 24 - T23S-R32E, being approximately 320.00 acres
- 100/400% Non-Consenting Penalty

Please indicate your election to participate in the drilling and completion of the Wells in the spaces provided below, within 30 days of receipt, by signing and returning one (1) copy of this letter and AFE, along with your well data requirements sheet. A Communication Agreement for said Wells will be supplied for your review and execution at a later date.

If your election is to participate, a cash call invoice will be sent following receipt of a timely election.

If an agreement cannot be reached within 30 days of receipt of this letter by all parties, Devon will apply to the New Mexico Oil Conversation Division for compulsory pooling of your interest into a spacing unit for the Wells, if uncommitted at such time.

Please do not hesitate to contact me at (405) 552-8002 or via email at [Andy.Bennett@dvn.com](mailto:Andy.Bennett@dvn.com) if you have any questions concerning this proposal.

Very truly yours,

Devon Energy Production Company, L.P.



Andy Bennett  
Senior Staff Landman

**COG Operating, LLC:**

- To Participate** in the proposal of the Sneaky Snake 24 Fed Com 1H Well
- Not To Participate** in the proposal of the Sneaky Snake Fed Com 1H Well
  
- To Participate** in the proposal of the Sneaky Snake 24 Fed Com 2H Well
- Not To Participate** in the proposal of the Sneaky Snake Fed Com 2H Well
  
- To Participate** in the proposal of the Sneaky Snake 24 Fed Com 3H Well
- Not To Participate** in the proposal of the Sneaky Snake Fed Com 3H Well
  
- To Participate** in the proposal of the Sneaky Snake 24 Fed Com 4H Well
- Not To Participate** in the proposal of the Sneaky Snake Fed Com 4H Well

- \_\_\_\_\_ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 11H Well
- \_\_\_\_\_ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 11H Well
  
- \_\_\_\_\_ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 12H Well
- \_\_\_\_\_ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 12H Well
  
- \_\_\_\_\_ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 13H Well
- \_\_\_\_\_ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 13H Well
  
- \_\_\_\_\_ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 14H Well
- \_\_\_\_\_ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 14H Well

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

COG Operating, LLC

By: \_\_\_\_\_

Title: \_\_\_\_\_





## Authorization for Expenditure

AFE # XX-134469.01

Well Name: SNEAKY SNAKE 24 FED COM 1H

Cost Center Number: 1094101701

Legal Description: SEC 24-23S-32E

Revision: [ ]

AFE Date: 7/3/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL AND COMPLETE THE SNEAKY SNAKE 24 FED COM 1H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	149,933.43	0.00	149,933.43
6060100	DYED LIQUID FUELS	90,000.00	258,332.39	0.00	348,332.39
6060150	LEASE USE FUEL	45,000.00	0.00	0.00	45,000.00
6080100	DISPOSAL - SOLIDS	80,000.00	1,050.00	0.00	81,050.00
6080110	DISP-SALTWATER & OTH	0.00	157,480.00	0.00	157,480.00
6090100	FLUIDS - WATER	50,000.00	160,855.63	0.00	210,855.63
6090120	RECYC TREAT&PROC-H2O	0.00	138,184.70	0.00	138,184.70
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PREP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	4,199.27	0.00	0.00	4,199.27
6130360	RTOC - ENGINEERING	0.00	4,725.00	0.00	4,725.00
6130370	RTOC - GEOSTEERING	13,610.25	0.00	0.00	13,610.25
6150100	CH LOG PERFRTRG&WL SV	0.00	205,878.75	0.00	205,878.75
6160100	MATERIALS & SUPPLIES	479.92	0.00	0.00	479.92
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	423,223.44	0.00	423,223.44
6190100	TRCKG&HL-SOLID&FLUID	60,000.00	0.00	0.00	60,000.00
6190110	TRUCKING&HAUL OF EQP	60,000.00	18,750.00	0.00	78,750.00
6200130	CONSLT & PROJECT SVC	120,000.00	95,961.35	0.00	215,961.35
6230120	SAFETY SERVICES	39,593.13	0.00	0.00	39,593.13
6300270	SOLIDS CONTROL SRVCS	76,786.67	0.00	0.00	76,786.67
6310120	STIMULATION SERVICES	0.00	871,334.42	0.00	871,334.42
6310190	PROPPANT PURCHASE	0.00	428,064.87	0.00	428,064.87
6310200	CASING & TUBULAR SVC	70,000.00	0.00	0.00	70,000.00
6310250	CEMENTING SERVICES	195,000.00	0.00	0.00	195,000.00
6310280	DAYWORK COSTS	479,916.67	0.00	0.00	479,916.67
6310300	DIRECTIONAL SERVICES	236,741.67	0.00	0.00	236,741.67
6310310	DRILL BITS	135,200.00	0.00	0.00	135,200.00
6310330	DRILL&COMP FLUID&SVC	300,000.00	6,600.00	0.00	306,600.00
6310370	MOB & DEMOBILIZATION	22,000.00	0.00	0.00	22,000.00
6310380	OPEN HOLE EVALUATION	13,301.81	0.00	0.00	13,301.81
6310480	TSTNG-WELL, PL & OTH	0.00	176,585.87	0.00	176,585.87
6310600	MISC PUMPING SERVICE	0.00	70,133.83	0.00	70,133.83
6320100	EQPMNT SVC-SRF RNTL	120,000.00	423,754.94	0.00	543,754.94
6320110	EQUIP SVC - DOWNHOLE	90,000.00	0.00	0.00	90,000.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	128,850.01	0.00	128,850.01
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6550100	MISCS COSTS & SERVS	0.00	11,325.00	0.00	11,325.00
6550110	MISCELLANEOUS SVC	100,000.00	0.00	0.00	100,000.00
6630110	CAPITAL OVERHEAD	7,198.75	29,906.74	0.00	37,105.49

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

73



### Authorization for Expenditure

AFE # XX-134469.01

Well Name: SNEAKY SNAKE 24 FED COM 1H

AFE Date: 7/3/2019

Cost Center Number: 1094101701

State: NM

Legal Description: SEC 24-23S-32E

County/Parish: LEA

Revision:

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6740340	TAXES OTHER	257.48	8,106.00	0.00	8,363.48
	Total Intangibles	2,566,035.62	4,123,950.41	0.00	6,689,986.03

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6130120	COMM DEVICES - SCADA	0.00	24,194.94	0.00	24,194.94
6230130	SAFETY EQUIPMENT	2,399.58	0.00	0.00	2,399.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310150	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	66,000.00	0.00	66,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	72,460.00	0.00	105,560.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	297,864.80	0.00	0.00	297,864.80
6310550	PRODUCTION CASING	332,600.00	0.00	0.00	332,600.00
6310580	CASING COMPONENTS	90,000.00	0.00	0.00	90,000.00
6330100	PIPE, FIT, FLANG, CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	838,964.38	837,139.21	0.00	1,676,103.59

TOTAL ESTIMATED COST	3,405,000.00	4,961,089.62	0.00	8,366,089.62
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#### WORKING INTEREST OWNER APPROVAL

Company Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Email: \_\_\_\_\_

Note: Please include/attach well requirement data with ballot.

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

74





### Authorization for Expenditure

AFE # XX-134470.01		AFE Date:	7/3/2019
Well Name: SNEAKY SNAKE 24 FED COM 2H		State:	NM
Cost Center Number: 1094101801		County/Parish:	LEA
Legal Description: SEC 24-23S-32E			
Revision: [ ]			

Explanation and Justification:

DRILL AND COMPLETE THE SNEAKY SNAKE 24 FED COM 2H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	149,933.43	0.00	149,933.43
6060100	DYED LIQUID FUELS	90,000.00	258,332.39	0.00	348,332.39
6060150	LEASE USE FUEL	45,000.00	0.00	0.00	45,000.00
6080100	DISPOSAL - SOLIDS	80,000.00	1,050.00	0.00	81,050.00
6080110	DISP-SALTWATER & OTH	0.00	157,480.00	0.00	157,480.00
6090100	FLUIDS - WATER	50,000.00	160,855.63	0.00	210,855.63
6090120	RECYC TREAT&PROC-H2O	0.00	138,184.70	0.00	138,184.70
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PRFP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	4,199.27	0.00	0.00	4,199.27
6130360	RTOC - ENGINEERING	0.00	4,725.00	0.00	4,725.00
6130370	RTOC - GEOSTEERING	13,610.25	0.00	0.00	13,610.25
6150100	CH LOG PERFRTG&WL SV	0.00	205,878.75	0.00	205,878.75
6160100	MATERIALS & SUPPLIES	479.92	0.00	0.00	479.92
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	423,223.44	0.00	423,223.44
6190100	TRCKG&HL-SOLID&FLUID	60,000.00	0.00	0.00	60,000.00
6190110	TRUCKING&HAUL OF EQP	60,000.00	18,750.00	0.00	78,750.00
6200130	CONSLT & PROJECT SVC	120,000.00	95,961.35	0.00	215,961.35
6230120	SAFETY SERVICES	39,593.13	0.00	0.00	39,593.13
6300270	SOLIDS CONTROL SRVCS	76,786.67	0.00	0.00	76,786.67
6310120	STIMULATION SERVICES	0.00	871,334.42	0.00	871,334.42
6310190	PROPPANT PURCHASE	0.00	428,064.87	0.00	428,064.87
6310200	CASING & TUBULAR SVC	70,000.00	0.00	0.00	70,000.00
6310250	CEMENTING SERVICES	195,000.00	0.00	0.00	195,000.00
6310280	DAYWORK COSTS	479,916.67	0.00	0.00	479,916.67
6310300	DIRECTIONAL SERVICES	236,741.67	0.00	0.00	236,741.67
6310310	DRILL BITS	135,200.00	0.00	0.00	135,200.00
6310330	DRILL&COMP FLUID&SVC	300,000.00	6,600.00	0.00	306,600.00
6310370	MOB & DEMOBILIZATION	22,000.00	0.00	0.00	22,000.00
6310380	OPEN HOLE EVALUATION	13,301.81	0.00	0.00	13,301.81
6310480	TESTING-WELL, PL & OTH	0.00	176,585.87	0.00	176,585.87
6310600	MISC PUMPING SERVICE	0.00	70,133.83	0.00	70,133.83
6320100	EQPMNT SVC-SRF RNTL	120,000.00	423,754.94	0.00	543,754.94
6320110	EQUIP SVC - DOWNHOLE	90,000.00	0.00	0.00	90,000.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	128,850.01	0.00	128,850.01
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6550100	MISCS COSTS & SERVS	0.00	11,325.00	0.00	11,325.00
6550110	MISCELLANEOUS SVC	100,000.00	0.00	0.00	100,000.00
6630110	CAPITAL OVERHEAD	7,198.75	29,906.74	0.00	37,105.49

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

75



### Authorization for Expenditure

AFE # XX-134470.01

Well Name: SNEAKY SNAKE 24 FED COM 2H

AFE Date: 7/3/2019

Cost Center Number: 1094101801

State: NM

Legal Description: SEC 24-23S-32E

County/Parish: LEA

Revision:

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6740340	TAXES OTHER	257.48	8,106.00	0.00	8,363.48
	Total Intangibles	2,566,035.62	4,123,950.41	0.00	6,689,986.03

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6130120	COMM DEVICES - SCADA	0.00	24,194.94	0.00	24,194.94
6230130	SAFETY EQUIPMENT	2,399.58	0.00	0.00	2,399.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310150	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	66,000.00	0.00	66,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	72,460.00	0.00	105,560.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	297,864.80	0.00	0.00	297,864.80
6310550	PRODUCTION CASING	332,600.00	0.00	0.00	332,600.00
6310580	CASING COMPONENTS	90,000.00	0.00	0.00	90,000.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	838,964.38	837,139.21	0.00	1,676,103.59

TOTAL ESTIMATED COST	3,405,000.00	4,961,089.62	0.00	8,366,089.62
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#### WORKING INTEREST OWNER APPROVAL

Company Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Email: \_\_\_\_\_

Note: Please include/attach well requirement data with ballot.

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

76





### Authorization for Expenditure

AFE # XX-134471.01  
 Well Name: SNEAKY SNAKE 24 FED COM 3H      AFE Date: 7/3/2019  
 Cost Center Number: 1094101901      State: NM  
 Legal Description: SEC 24-23S-32E      County/Parish: LEA  
 Revision:

**Explanation and Justification:**

DRILL AND COMPLETE THE SNEAKY SNAKE 24 FED COM 3H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	149,933.43	0.00	149,933.43
6060100	DYED LIQUID FUELS	90,000.00	258,332.39	0.00	348,332.39
6060150	LEASE USE FUEL	45,000.00	0.00	0.00	45,000.00
6080100	DISPOSAL - SOLIDS	80,000.00	1,050.00	0.00	81,050.00
6080110	DISP-SALTWATER & OTH	0.00	157,480.00	0.00	157,480.00
6090100	FLUIDS - WATER	50,000.00	160,855.63	0.00	210,855.63
6090120	RECYC TREAT&PROC-H2O	0.00	138,184.70	0.00	138,184.70
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PREP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	4,199.27	0.00	0.00	4,199.27
6130360	RTOC - ENGINEERING	0.00	4,725.00	0.00	4,725.00
6130370	RTOC - GEOSTEERING	13,610.25	0.00	0.00	13,610.25
6150100	CH LOG PERFRTG&WL SV	0.00	205,878.75	0.00	205,878.75
6160100	MATERIALS & SUPPLIES	479.92	0.00	0.00	479.92
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	423,223.44	0.00	423,223.44
6190100	TRCKG&HL-SOLID&FLUID	60,000.00	0.00	0.00	60,000.00
6190110	TRUCKING&HAUL OF EQP	60,000.00	18,750.00	0.00	78,750.00
6200130	CONSLT & PROJECT SVC	120,000.00	95,961.35	0.00	215,961.35
6230120	SAFETY SERVICES	39,593.13	0.00	0.00	39,593.13
6300270	SOLIDS CONTROL SRVCS	76,786.67	0.00	0.00	76,786.67
6310120	STIMULATION SERVICES	0.00	871,334.42	0.00	871,334.42
6310190	PROPPANT PURCHASE	0.00	428,064.87	0.00	428,064.87
6310200	CASING & TUBULAR SVC	70,000.00	0.00	0.00	70,000.00
6310250	CEMENTING SERVICES	195,000.00	0.00	0.00	195,000.00
6310280	DAYWORK COSTS	479,916.67	0.00	0.00	479,916.67
6310300	DIRECTIONAL SERVICES	236,741.67	0.00	0.00	236,741.67
6310310	DRILL BITS	135,200.00	0.00	0.00	135,200.00
6310330	DRILL&COMP FLUID&SVC	300,000.00	6,600.00	0.00	306,600.00
6310370	MOB & DEMOBILIZATION	22,000.00	0.00	0.00	22,000.00
6310380	OPEN HOLE EVALUATION	13,301.81	0.00	0.00	13,301.81
6310480	TSTNG-WELL, PL & OTH	0.00	176,585.87	0.00	176,585.87
6310600	MISC PUMPING SERVICE	0.00	70,133.83	0.00	70,133.83
6320100	EQPMNT SVC-SRF RN TL	120,000.00	423,754.94	0.00	543,754.94
6320110	EQUIP SVC - DOWNHOLE	90,000.00	0.00	0.00	90,000.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	128,850.01	0.00	128,850.01
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6550100	MISCS COSTS & SERVCS	0.00	11,325.00	0.00	11,325.00
6550110	MISCELLANEOUS SVC	100,000.00	0.00	0.00	100,000.00
6630110	CAPITAL OVERHEAD	7,198.75	29,906.74	0.00	37,105.49

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.



### Authorization for Expenditure

AFE # XX-134471.01  
 Well Name: SNEAKY SNAKE 24 FED COM 3H  
 Cost Center Number: 1094101901  
 Legal Description: SEC 24-23S-32E  
 Revision:

AFE Date: 7/3/2019  
 State: NM  
 County/Parish: LEA

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6740340	TAXES OTHER	257.48	8,106.00	0.00	8,363.48
	Total Intangibles	2,566,035.62	4,123,950.41	0.00	6,689,986.03

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6130120	COMM DEVICES - SCADA	0.00	24,194.94	0.00	24,194.94
6230130	SAFETY EQUIPMENT	2,399.58	0.00	0.00	2,399.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310150	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	66,000.00	0.00	66,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	72,460.00	0.00	105,560.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	297,864.80	0.00	0.00	297,864.80
6310550	PRODUCTION CASING	332,600.00	0.00	0.00	332,600.00
6310580	CASING COMPONENTS	90,000.00	0.00	0.00	90,000.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	838,964.38	837,139.21	0.00	1,676,103.59

TOTAL ESTIMATED COST	3,405,000.00	4,961,089.62	0.00	8,366,089.62
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**WORKING INTEREST OWNER APPROVAL**

Company Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Email: \_\_\_\_\_

Note: Please include/attach well requirement data with ballot.

Costs on this form are estimates only. Working interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

78





### Authorization for Expenditure

AFE # XX-134472.01  
 Well Name: SNEAKY SNAKE 24 FED COM 4H  
 Cost Center Number: 1094102001  
 Legal Description: SEC 24-23S-32E  
 Revision:

AFE Date: 7/3/2019  
 State: NM  
 County/Parish: LEA

Explanation and Justification:

DRILL AND COMPLETE THE SNEAKY SNAKE 24 FED COM 4H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	149,933.43	0.00	149,933.43
6060100	DYED LIQUID FUELS	90,000.00	258,332.39	0.00	348,332.39
6060150	LEASE USE FUEL	45,000.00	0.00	0.00	45,000.00
6080100	DISPOSAL - SOLIDS	80,000.00	1,050.00	0.00	81,050.00
6080110	DISP-SALTWATER & OIH	0.00	157,480.00	0.00	157,480.00
6090100	FLUIDS - WATER	50,000.00	160,855.63	0.00	210,855.63
6090120	RECYC TREAT&PROC-H2O	0.00	138,184.70	0.00	138,184.70
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PREP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	4,199.27	0.00	0.00	4,199.27
6130360	RTOC - ENGINEERING	0.00	4,725.00	0.00	4,725.00
6130370	RTOC - GEOSTEERING	13,610.25	0.00	0.00	13,610.25
6150100	CH LOG PERFRTG&WL SV	0.00	205,878.75	0.00	205,878.75
6160100	MATERIALS & SUPPLIES	479.92	0.00	0.00	479.92
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	423,223.44	0.00	423,223.44
6190100	TRCKG&HL-SOLID&FLUID	60,000.00	0.00	0.00	60,000.00
6190110	TRUCKING&HAUL OF EQP	60,000.00	18,750.00	0.00	78,750.00
6200130	CONSLT & PROJECT SVC	120,000.00	95,961.35	0.00	215,961.35
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6310200	CASING & TUBULAR SVC	70,000.00	0.00	0.00	70,000.00
6310250	CEMENTING SERVICES	195,000.00	0.00	0.00	195,000.00
6310280	DAYWORK COSTS	479,916.67	0.00	0.00	479,916.67
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6310310	DRILL BITS	135,200.00	0.00	0.00	135,200.00
6310330	DRILL&COMP FLUID&SVC	300,000.00	6,600.00	0.00	306,600.00
6310370	MOB & DEMOBILIZATION	22,000.00	0.00	0.00	22,000.00
6310380	OPEN HOLE EVALUATION	13,301.81	0.00	0.00	13,301.81
6310480	TESTNG-WELL, PL & OTH	0.00	176,585.87	0.00	176,585.87
6310600	MISC PUMPING SERVICE	0.00	70,133.83	0.00	70,133.83
6320100	EQPMNT SVC-SRF RNTL	120,000.00	423,754.94	0.00	543,754.94
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6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	128,850.01	0.00	128,850.01
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6550100	MISCS COSTS & SERVS	0.00	11,325.00	0.00	11,325.00
6550110	MISCELLANEOUS SVC	100,000.00	0.00	0.00	100,000.00
6630110	CAPITAL OVERHEAD	7,198.75	29,906.74	0.00	37,105.49

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### Authorization for Expenditure

AFE # XX-134472.01

Well Name: SNEAKY SNAKE 24 FED COM 4H

AFE Date: 7/3/2019

Cost Center Number: 1094102001

State: NM

Legal Description: SEC 24-23S-32E

County/Parish: LEA

Revision: 1

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6740340	TAXES OTHER	257.48	8,106.00	0.00	8,363.48
	Total Intangibles	2,566,035.62	4,123,950.41	0.00	6,689,986.03

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
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6230130	SAFETY EQUIPMENT	2,399.58	0.00	0.00	2,399.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310150	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	66,000.00	0.00	66,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	72,460.00	0.00	105,560.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	297,864.80	0.00	0.00	297,864.80
6310550	PRODUCTION CASING	332,600.00	0.00	0.00	332,600.00
6310580	CASING COMPONENTS	90,000.00	0.00	0.00	90,000.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	838,964.38	837,139.21	0.00	1,676,103.59

TOTAL ESTIMATED COST	3,405,000.00	4,961,089.62	0.00	8,366,089.62
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#### WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

Note: Please include/attach well requirement data with ballot.

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

80



**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING OCTOBER 31, 2019**

**APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P.,  
FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No. 20793**

Sneaky Snake 24 Fed Com 11H Well  
Sneaky Snake 24 Fed Com 12H Well  
Sneaky Snake 24 Fed Com 13H Well  
Sneaky Snake 24 Fed Com 14 H Well

**Case No. 20794**

Sneaky Snake 24 Fed Com 1H Well  
Sneaky Snake 24 Fed Com 2H Well  
Sneaky Snake 24 Fed Com 3H Well  
Sneaky Snake 24 Fed Com 4H Well

**Devon Energy Production Company, L.P.**

**HEARING EXHIBITS**

Reference: Application – **Case No. 20793**  
Reference: Application – **Case No. 20794**

**Case No. 20793**

Exhibit I-1: Affidavit of Andy D. Bennett, Landman, and Supporting Documents  
Exhibit I-2: Affidavit of John Green, Geologist, and Supporting Documents  
Exhibit I-3: Notice Affidavit

**Case No. 20794**

Exhibit II-1: Affidavit of Andy D. Bennett, Landman, and Supporting Documents  
Exhibit II-2: Affidavit of Thomas Peryam, Geologist, and Supporting Documents  
Exhibit II-3: Notice Affidavit

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

APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A HORIZONTAL SPACING UNIT  
AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

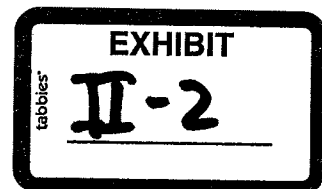
Case No. 20794

AFFIDAVIT OF THOMAS PERYAM

STATE OF OKLAHOMA    )  
  ) ss.  
COUNTY OF OKLAHOMA )

I, being duly sworn on oath, state the following:

1. I am over the age of 18, and I have personal knowledge of the matters stated herein.
2. I am employed as a petroleum geologist for Devon Energy Production Company, L.P. (“Devon”), and I am familiar with the subject application and the geology involved.
3. This affidavit is submitted in connection with the filing by Devon of the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1), (6) NMAC.
4. I seek to be qualified by the Oil Conservation Division (“Division”) as an expert petroleum geologist. I have not previously made my credentials a matter of record and been qualified as an expert by the Division.
  - a. I hold a Bachelor’s degree in Geology obtained from the University of Oregon, a Master’s degree in Geology from New Mexico State University, and a Doctorate in Geology from the University of Oregon. I completed my education in 2012.
  - b. I have been employed as a petroleum geologist with Devon since August, 2012.



81

5. **Exhibit A** is a Wolfcamp structure map. The unit being pooled is outlined by green rectangle. Strata dip approximately 25' eastward across section 24. The apparent structural dip along the proposed Sneaky Snake wellbores is around 0.25°. No major structural hazards exist at this location.

6. **Exhibit A** identifies wells in the vicinity of the proposed well, with a cross-section line running from A to A'.

7. **Exhibit A** shows that the structure dips down to the east.

8. **Exhibit B** is a Wolfcamp stratigraphic cross-section hung on the top of the Wolfcamp Formation. The well logs on the cross-section give a representative sample of the Wolfcamp formation in the area and demonstrate reasonable well control. The target zone for the 1H and 3H is the the WFMP X subunit, while the 2H and 4H are targeting the WFMP 100 subunit (known by other operators as the upper WFMP A). The target zones are continuous across the well unit.

9. **Exhibit C** is a gross isochore of the Wolfcamp target formation. The map shows thickness for the total Wolfcamp intervals shown in **Exhibit B**. The Wolfcamp target interval is uniform across the proposed well unit.

10. I conclude from the attached exhibits that:

- a. The horizontal spacing and proration unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter-quarter section in the unit will contribute more or less equally to production.

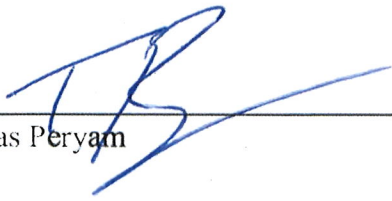
11. The preferred well orientation in this area is south-north. This is because the inferred orientation of the maximum horizontal stress is roughly E-W.

12. The Exhibits to this Affidavit were prepared by me, or compiled from Devon's company business records under my supervision.

13. The granting of this Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

14. The foregoing is correct and complete to the best of my knowledge and belief.

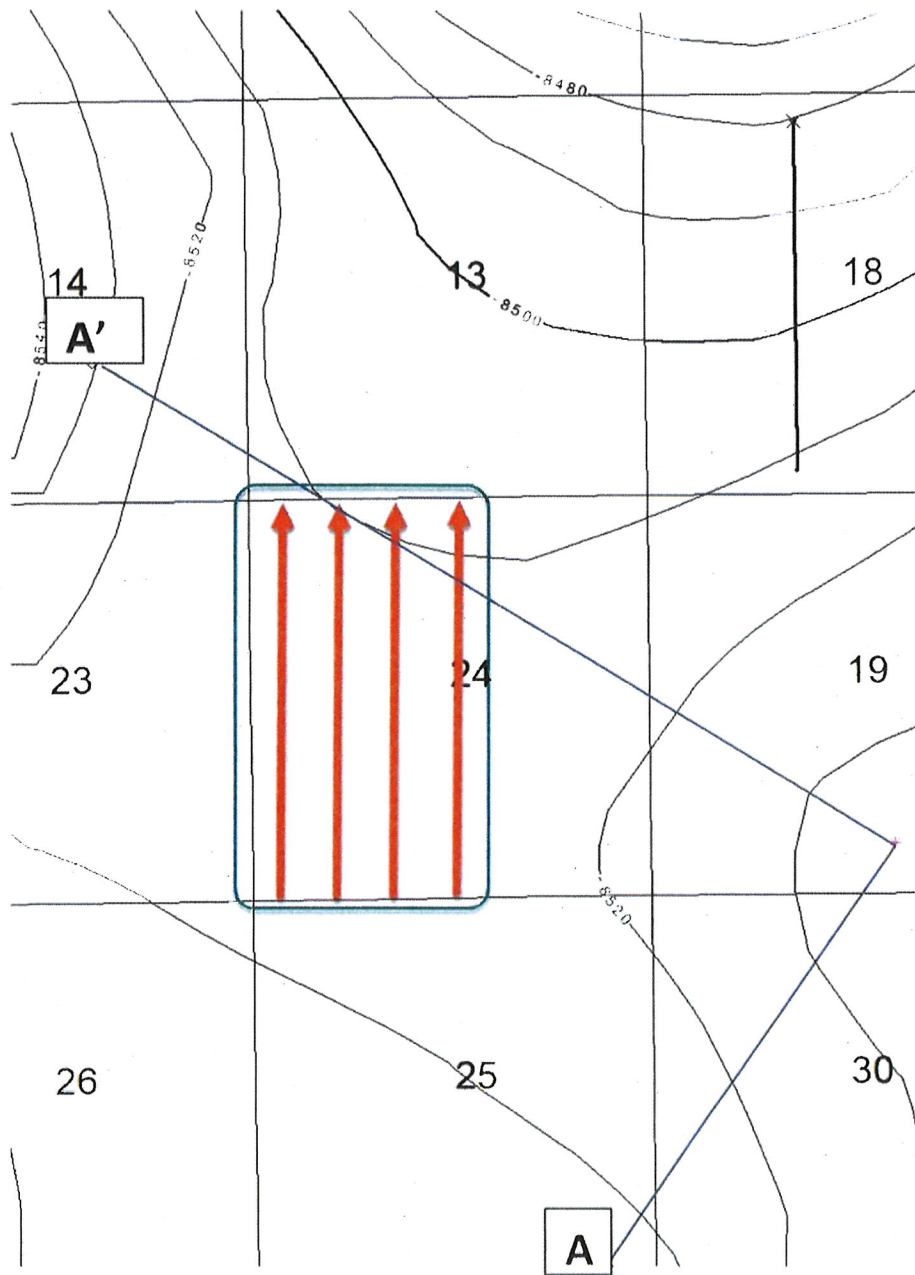
FURTHER AFFIANT SAYETH NAUGHT

  
\_\_\_\_\_  
Thomas Peryam

Subscribed to and sworn before me this 28<sup>th</sup> day of October, 2019.

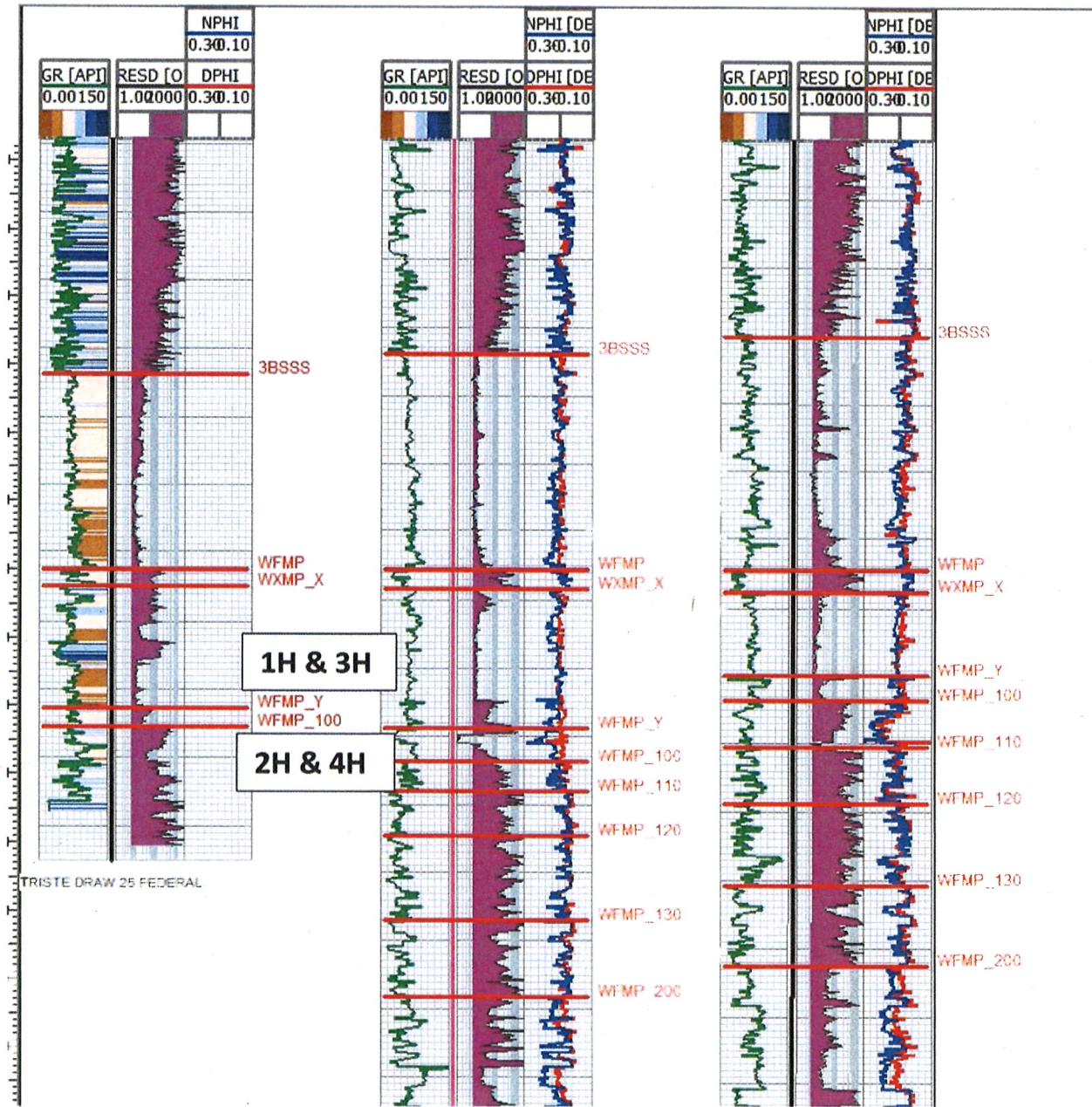


  
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Notary Public

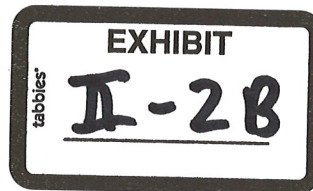


**Exhibit A:** Map showing structural depth of top of WFMP unit (SSTVD) and approximate location of four Wolfcamp wells. Nearby well symbols show location of local Wolfcamp penetrations.

EXHIBIT  
tabbies  
**II-2A**



**Exhibit B:** Stratigraphic cross-section A to A', flattened on the top of the Wolfcamp Formation. Target intervals shown with well numbers.



85



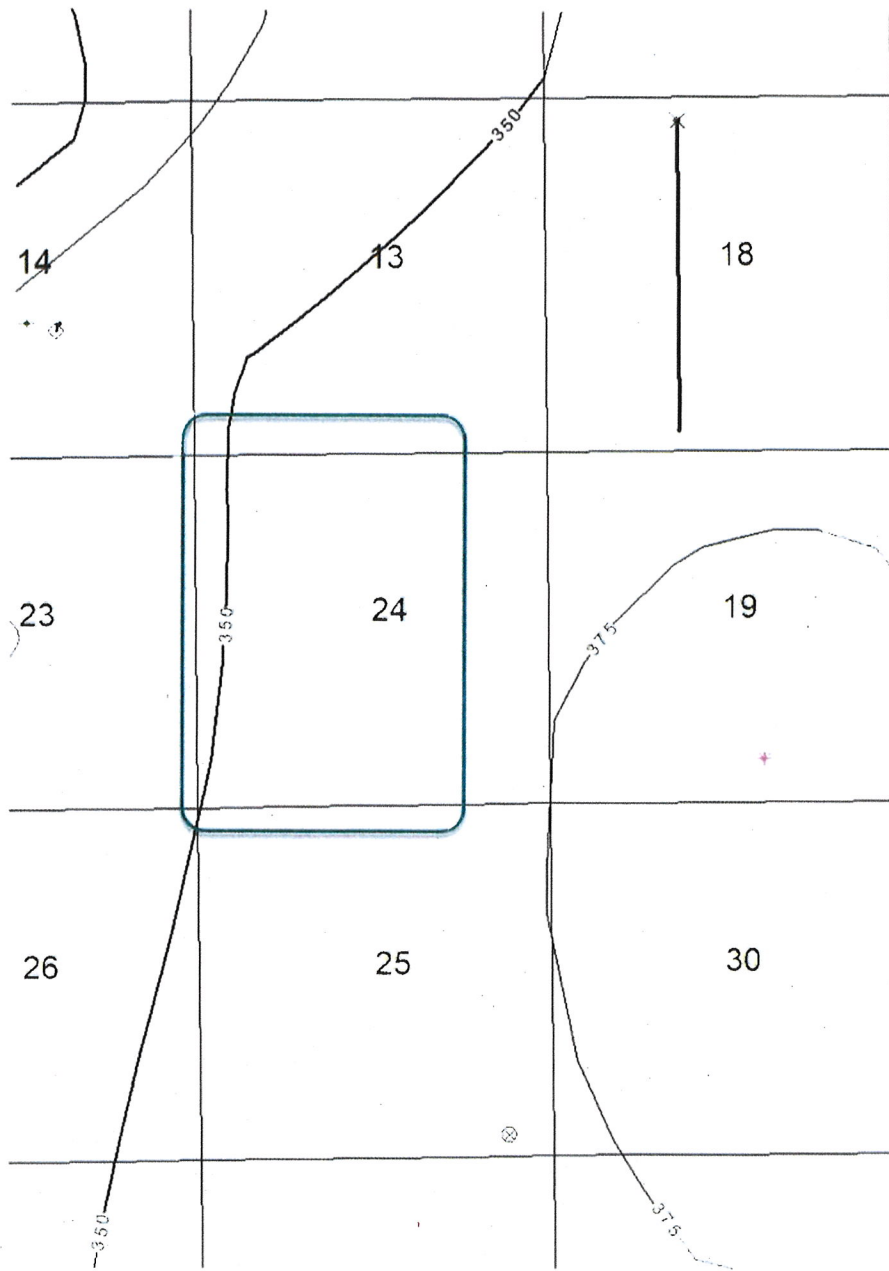


Exhibit C: Map showing isochore thickness of the target interval over the proposed pooling area.

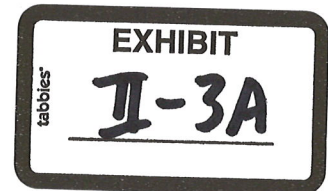
EXHIBIT  
 tabbles' II-2C





Transaction Report Details - CertifiedPro.net  
 Date Created= 9/01/2019 - 10/25/2019  
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USPS Article Number	Date Created	Reference	Name 1	City	State	Zip	Mailing Status	Service	Delivery Date
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September 10, 2019

VIA CERTIFIED MAIL

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Devon Energy production Company, L.P., for horizontal spacing and compulsory pooling, Lea County, New Mexico  
Sneaky Snake 24 Fed Com 1H Well  
Sneaky Snake 24 Fed Com 2H Well  
Sneaky Snake 24 Fed Com 3H Well  
Sneaky Snake 24 Fed Com 4H Well

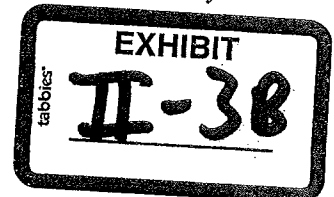
Case No. 20794

Dear Interest Owners:

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 for creating a standard horizontal spacing unit and the compulsory pooling of the Wolfcamp formation underlying the W/2 of Section 24-23S-32E, NMPM, Lea County, New Mexico, encompassing 320 acres, more or less.

A hearing has been requested before a Division Examiner on October 3, 2019, and the status of the hearing can be monitored through the Division's website. 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 NMAC 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.



89

If you have any questions about this matter, please contact Andy Bennett at (405) 552-8002 or at [Andy.Bennett@dvn.com](mailto:Andy.Bennett@dvn.com).

Sincerely,

A handwritten signature in black ink, consisting of several loops and a long horizontal tail, positioned above a horizontal line.

Darin C. Savage

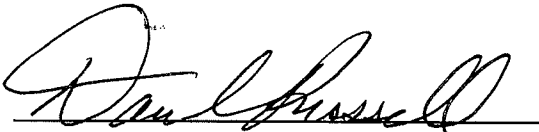
Attorney for Devon Energy  
Production Company, L.P.

# 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).

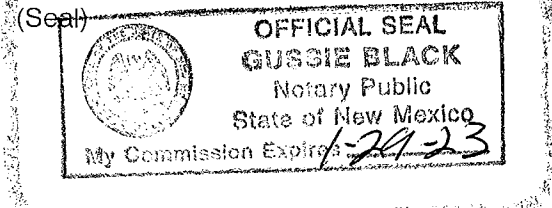
Beginning with the issue dated  
September 14, 2019  
and ending with the issue dated  
September 14, 2019.

  
\_\_\_\_\_  
Publisher

Sworn and subscribed to before me this  
14th day of September 2019.

  
\_\_\_\_\_  
Business Manager

My commission expires  
January 29, 2023



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 NOTICE SEPTEMBER 14, 2019

**CASE No. 20794: Notice to all affected parties and persons having any right, title interest or claim to this case, including overriding royalty interest owners, as well as the known and unknown heirs, devisees and successors of COG OPERATING LLC, CONCHO RESOURCES INC., C. MARK WHEELER, CROWNROCK MINERALS, LP, JOHN KYLE THOMA, TRUSTEE OF THE CORNERSTONE FAMILY TRUST, PAUL R. BARWIS, JAREED PARTNERS, LTD, CHISOS MINERALS, LLC, ONRR ROYALTY MANAGEMENT PROGRAM of Devon Energy Production Company, L.P.'s applications for approval of a spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on October 3, 2019, at 1220 S. St. Francis, Santa Fe, New Mexico, 87505. Devon Energy Production Company, L.P., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (DIAMONDTAIL; WOLFPCAMP [17645]) underlying the unit. Said horizontal spacing unit is to be dedicated to the proposed **Sneaky Snake 24 Fed Com 3H Well**, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. This Well defines the HSU. Also proposed to be drilled are: (1) the **Sneaky Snake 24 Fed Com 1H Well** to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24; (2) the **Sneaky Snake 24 Fed Com 2H Well** to be horizontally drilled from a surface location in SW/4 SW/4 (Unit M) of Section 24, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24; and (3) the **Sneaky Snake 24 Fed Com 4H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. The completed intervals and first take and last take points for all wells proposed in the unit meet the Division's statewide setback requirements for horizontal oil wells; Devon will utilize proximity tracts to the extent necessary. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 5 miles southwest of Eunice, New Mexico. #34699**

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KAIYA TOOP  
ABADIE SCHILL  
214 McKENZIE  
SANTA FA  
NM, NM 87501



91