BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING DECEMBER 12, 2019

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

Case No. 20962

Danger Noodle 29-20 Fed Com 1H Well Danger Noodle 29-20 Fed Com 2H Well Danger Noodle 29-20 Fed Com 3H Well

Case No. 20963

Danger Noodle 29-20 Fed Com 4H Well Danger Noodle 29-20 Fed Com 5H Well Danger Noodle 29-20 Fed Com 6H Well Danger Noodle 29-20 Fed Com 7H Well

Devon Energy Production Company, L.P.

HEARING EXHIBITS

Case No. 20962

Reference: Application - Case No. 20962

Exhibit 1: Affidavit of Andy D. Bennett, Landman, and Supporting Documents

Exhibit 2: Affidavit of John Green, Geologist, and Supporting Documents

Exhibit 3: Notice Affidavit

Case No. 20963

Reference: Application - Case No. 20963

Exhibit 4: Affidavit of Andy D. Bennett, Landman, and Supporting Documents

Exhibit 5: Affidavit of Thomas Peryam, Geologist, and Supporting Documents

Exhibit 6: 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. 20962

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 640-acre, more or less, spacing and proration unit comprised of the W/2 of Sections 20 and 29, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation (CRUZ; BONE SPRING [14865]: TRIPLE X; BONE SPRING [59900]) 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 **Danger Noodle 29-20 Fed Com 2H**Well, an oil well, proposed to be horizontally drilled from a surface location in SW/4 SW/4

 (Unit M) of Section 29 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 20. The

 Danger Noodle 29-20 Fed Com 2H Well is the Defining Well for the HSU.

3.

- 4. Devon also proposes the following infill oil wells to be drilled in the HSU: the Danger Noodle 29-20 Fed Com 1H Well and the Danger Noodle 29-20 Fed Com 3H Well.
- 5. The **Danger Noodle 29-20 Fed Com 1H Well** is proposed to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 29 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 20.
- 6. The **Danger Noodle 29-20 Fed Com 3H Well** is proposed to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 29 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 20.
- 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 Bone Spring 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. Since Devon will request that this case be consolidated with Case No. 20963, involving the Wolfcamp formation in the same lands, and because two pools will be involved with the consolidation, Devon requests approval of downhole commingling, pursuant to 19.15.16.11 NMAC in the event operations require such provision for the two pools or for the two pool codes of the Bone Spring formation.
- 12. 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, with the provision that one well be drilled and completed within one year after the Division Order.

WHEREFORE, Devon requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on December 12, 2019, and after notice and hearing as required by law, the Division enter an order:

- A. Approving the creation of a standard 640-acre, more or less, spacing and proration unit comprising the W/2 of Sections 20 and 29, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico;
- B. Pooling all uncommitted mineral interests in the Bone Spring formation (CRUZ; BONE SPRING [14865]: TRIPLE X; BONE SRPING [59900]) underlying the proposed HSU.
- C. Designating the Danger Noodle 29-20 Fed Com 2H Well as the defining well for the HSU.
- D. Allowing the drilling of the Danger Noodle 29-20 Fed Com 1H Well and the Danger Noodle 29-20 Fed Com 3H Well as infill wells.

E. Allowing downhole commingling pursuant to accommodate the Wolfcamp

formation in Devon's Case No. 20963, and any commingling requirements for the two pool

codes of the Bone Spring formation.

F. Designating Devon as operator of this HSU and the horizontal wells to be drilled

thereon;

G. Authorizing Devon to recover its costs of drilling, equipping and completing these

wells;

H. Approving actual operating charges and costs of supervision, to the maximum

extent allowable, while drilling and after completion, together with a provision adjusting the

rates pursuant to the COPAS accounting procedures; and

I. 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.

J. Authorizing an extension of the normal 120-day period to drill and complete the

initial well with the provision that one well be drilled and completed within one year of the

order.

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

4

Case No. 20962: 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 640-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Sections 20 and 29, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (CRUZ; BONE SPRING [14865]: TRIPLE X; BONE SPRING [59900]) underlying the unit. Said horizontal spacing unit is to be dedicated to the proposed Danger Noodle 29-20 Fed Com 2H Well, to be horizontally drilled from a surface location in SW/4 SW/4 (Unit M) of Section 29 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 20. This Well defines the HSU. Also proposed to be drilled are: (1) the Danger Noodle 29-20 Fed Com 1H Well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 29 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 20; and (2) the Danger Noodle 29-20 Fed Com 3H Well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 29 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 20. 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; downhole commingling; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 3 miles east of Artesia, New Mexico.

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. 20962

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 for approximately 10 years, and I have been working in New Mexico for 2 years. 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.



To

- 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 640-acre, more or less, spacing and proration unit comprised of the W/2 of Section 29, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico, and the W/2 of Section 20, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico, pooling all uncommitted mineral interests in the Bone Spring formation (CRUZ; BONE SPRING with Pooling Code 14865 for Section 20; and the TRIPLE X; BONE SPRING with Pooling Code: 59900 for Section 29) underlying said unit. The proposed spacing unit will be dedicated to the **Danger Noodle 29-20 Fed Com 2H Well**, an oil well, to be horizontally drilled from a surface location in SW/4 SW/4 (Unit M) of Section 29 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 20. The **Danger Noodle 29-20 Fed Com 2H Well** is the Defining Well for the unit.
- 7. Devon also proposes the following infill oil wells to be drilled in the unit: the **Danger**Noodle 29-20 Fed Com 1H Well; and the **Danger Noodle 29-20 Fed Com 3H 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 Bone Spring formation in this acreage.

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

Well Name	SHL	BHL	TVD
Danger Noodle 29-20	503' FSL and 1,242'	20' FNL and 330'	9,530'
Fed Com 1H	FWL of Section 29	FWL of Section 20	
Danger Noodle 29-20	503' FSL and 1,272'	20' FNL and 1,320'	9,530'
Fed Com 2H	FWL of Section 29	FWL	
Danger Noodle 29-20	503' FSL and 1,302'	20' FNL and 2,310'	9,530'
Fed Com 3H	FWL of Section 29	FWL of Section 20	

- 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. Because not all parties were locatable, notice of this hearing was published in the Hobbs News-Sun, a newspaper of general circulation in Lea County, New Mexico, to cover any unlocatable parties. There were 9 unlocatable parties purportedly owning overriding royalty interests, as follows: Anne E. Hearn; Audrey Elaine Bernard; Dee Etta Dean; Jackson Garrett Bernard; John Bernard; PFZ LLC; Sally Faegin; Estate of Frank Edwards, deceased; and the Estate of Maria Ester Marquez, deceased. McCombs Energy, LLC, who did not confirm delivery, owns a wellbore only interest in one of the existing wellbores but does not own interest within the proposed unit.
- 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, Devon has been in ongoing discussions with some of the interest owners to voluntarily enter into a Joint Operating Agreement. If a mutually agreeable Joint Operating Agreement is reached between Devon and another interest owner(s), Devon requests that the voluntary agreement become operative and supersede the Division's order for said parties, except to the extent the Division deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of waste, and the protection of correlative rights.
- 15. Proposed C-102's for the wells are attached as **Exhibit C**. The wells will develop the Bone Spring formation (CRUZ; BONE SPRING with Pooling Code 14865; and the TRIPLE X; BONE SPRING with Pooling Code: 59900), which is an oil and gas pool.
- 16. These three (3) wells will be drilled in the same unit as the four (4) other wells in Case No. 20963, consolidated with this Case. The four (4) other 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 these units, 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 overhead and administrative rates of \$8,000/month for drilling each well and \$800/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.

- 19. Devon requests the maximum cost, plus 200% risk charge be assessed against nonconsenting working interest owners.
 - 20. Devon requests that it be designated operator of the unit and wells.
- 21. 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 365 days to drill and complete the initial well.
- 22. The Exhibits to this Affidavit were prepared by me, or compiled from Devon's company business records under my direct supervision.
- 23. The granting of this Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.
 - 24. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT

Andy D. Bennett

Subscribed to and sworn before me this day of December, 2019.

07004034 EXP. 05/07/23

Notary Public

PLAT

W/2 of Sections 20 & 29, T-23-S, R-33-E, Lea County, New Mexico, Bone Spring Formation

Tract 1: USA NMNM-107395 (320.00 acres)

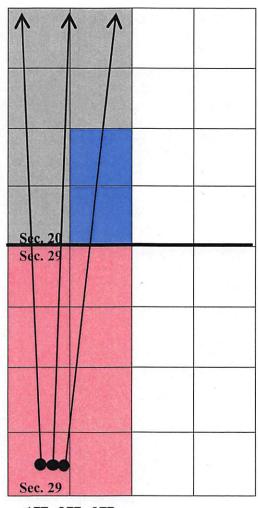


Tract 2: USA NMNM-2386-A (240.00 acres)



Tract 3: USA NMNM-94187 (80.00 acres)





1H, 2H, 3H

Danger Noodle 29-20 Fed Com 1H SHL: 503' FSL & 1,242' FWL

BHL: 20' FNL & 330' FWL

Danger Noodle 29-20 Fed Com 2H SHL: 503' FSL & 1,272' FWL

BHL: 20' FNL & 1,2/2' FWL

Danger Noodle 29-20 Fed Com 3H SHL: 503' FSL & 1,302' FWL BHL: 20' FNL & 2,310' FWL

EXHIBIT A

Exhibit "B"

OWNERSHIP BREAKDOWN – Bone Spring formation

W/2 of Sections 29 and 20, Township 23 South, Range 33 East of Lea County, NM

Danger Noodle 29-20 Fed Com 1H, 2H, 3H

TRACT 1 OWNERSHIP (W2 of Section 29-T23S-R33E, being 320 acres):

Owner	Net Acres	Unit WI	Status	
Devon Energy Production Company, L.P.	229.33344	0.358334	Committed	
333 W. Sheridan Avenue				
Oklahoma City, OK 73102				* * * * * * * * * * * * * * * * * * *
Sharbro Energy, LLC	6.7368416	0.010526	Uncommitted	
327 W. Main Street				
Artesia, NM 88210				
EOG Resources Assets, LLC	74.105261	0.115789	Uncommitted	
5506 Champions Drive				
Midland, TX 79706				
Magnum Hunter Production Co.	9.824563	0.015351	Uncommitted	
(dba Cimarex Energy Co)				
600 N. Marienfeld Street, Suite 600				
Midland, TX 79701				

TRACT 1 TOTAL	320.00	0.50
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TRACT 2 OWNERSHIP (NW4 and W2SW4 of Section 20-T23S-R33E, being 240 acres):

Owner	Net Acres	Unit WI	Status	
Devon Energy Production Company, L.P.	134.485212	0.210133	Committed	
333 W. Sheridan Avenue				
Oklahoma City, OK 73102				
Trainer Partners, Ltd.	25.335204	0.039586	Uncommitted	
2802 N. Garfield Street				
Midland, TX 79705			* * * * * * * * * * * * * * * * * * *	
ConocoPhillips Company	80.179584	0.125281	Uncommitted	
16930 Park Row Drive	8			
Houston, TX 77084				
TRACT 2 TOTAL	240.00	0.375		
	Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102 Trainer Partners, Ltd. 2802 N. Garfield Street Midland, TX 79705 ConocoPhillips Company 16930 Park Row Drive Houston, TX 77084	Devon Energy Production Company, L.P. 134.485212 333 W. Sheridan Avenue Oklahoma City, OK 73102 Trainer Partners, Ltd. 25.335204 2802 N. Garfield Street Midland, TX 79705 ConocoPhillips Company 80.179584 16930 Park Row Drive Houston, TX 77084	Devon Energy Production Company, L.P. 134.485212 0.210133 333 W. Sheridan Avenue Oklahoma City, OK 73102 Trainer Partners, Ltd. 25.335204 0.039586 2802 N. Garfield Street Midland, TX 79705 ConocoPhillips Company 80.179584 0.125281 16930 Park Row Drive Houston, TX 77084	Devon Energy Production Company, L.P. 134.485212 0.210133 Committed 333 W. Sheridan Avenue Oklahoma City, OK 73102 Trainer Partners, Ltd. 25.335204 0.039586 Uncommitted 2802 N. Garfield Street Midland, TX 79705 ConocoPhillips Company 80.179584 0.125281 Uncommitted 16930 Park Row Drive Houston, TX 77084

TRACT 3 OWNERSHIP (E2SW4 of Section 20-T23S-R33E, being 80 acres):

Owner	Net Acres	Unit WI	Status	
Devon Energy Production Company, L.P.	44.828404	0.070044	Committed	
333 W. Sheridan Avenue				
Oklahoma City, OK 73102				
Trainer Partners, Ltd.	8.445068	0.013195	Uncommitted	
2802 N. Garfield Street				
Midland, TX 79705				

ConocoPhillips Company 26.726528 0.04176

16930 Park Row Drive

Houston, TX 77084

TRACT 3 TOTAL	80.00	0.125
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Overriding Royalty Owners			
Cactus Energy Inc.	P.O. Box 2412	Midland	TX
CM Royalties LP	306 West Wall Street	Midland	TX
Highland Texas Energy Company	7557 Rambler Road, Suite 918	Dallas	TX
McMullen Minerals, LLC	P.O. Box 470857	Fort Worth	TX
Pegasus Resources, LLC	P.O. Box 470698	Fort Worth	TX
Pony Oil Operating LLC	4245 N. Central Expy, Suite 320, Box 109	Dallas	TX
Rock Ridge Royalty Company, LLC	109 E. 3rd Street	Fort Worth	TX
Steven M Burr, and wife Christy B. Burr	3207 Hanover Ave.	Dallas	TX
TD Minerals LLC	8111 Westchester Drive, Suite 900	Dallas	TX
Truitt Matthews, and wife Michelle R. Matthews	9337 Loma Vista Drive	Dallas	TX
ANDERSON TRUST AMY REHERMANN TRUSTEE	8702 STATE HWY 70	MARYSVILLE	California
ANN E HEARN	1903 HELEN DR	BROWNFIELD	Texas
Audrey Elaine (Deatherage) Bernard	10270 Oak Street	Westminster	СО

Uncommitted

Bill Stinebuck, SSP	22989 North 4032 Drive	Bartlesville	Oklahoma
CAROLINA R GREENE	400 E ARRIBA	HOBBS	New Mexic
CBF COMPANY (Wells Fargo NA Real Estate)	PO BOX 41779	AUSTIN	Texas
CBF COMPANY (Wells Fargo NA Real Estate)	PO Box 810490	Dallas	Texas
DANIEL E GONZALES	713 Horseshoe Court	Desoto	Texas
DANIEL E GONZALES	PO BOX 247	SANTA FE	New Mexic
Dee Etta Dean, MSU	6322 Wildhaven Drive	Rowlett	Texas
Donna P. Landreth, MSU	110 W. Louisiana Ave., Ste. 404	Midland	Texas
E L LATHAM COMPANY	1320 S UNIVERSITY DR STE 820	FORT WORTH	Texas
Erma Jo (Holman) Spell	16934 Turkey Point St.	San Antonio	Texas
HENRY C WUNSCH & WIFE MARY ANN WUNSCH	1202 S WYOMING AVE	ROSWELL	New Mexic
Jackson Garrett Bernard	9193 W. 103rd Ave.	Westminster	CO
James L. Dorland, Jr., SSP	2708 50h Street	Lubbock	Texas
James Lee Dorland Jr.	1507 Avion Street	Big Spring	Texas
Jason W. Hicks, SSP	710 Twin View Street	Heath	Texas
Jennifer Herrera, SSP	Commonwealth Court Apt. 9	Brighton	MA
Jennifer S. Hicks, SSP	7637 Parkwood Plaza Drive	Fort Worth	Texas
John Bernard (a/k/a John Pierre Bernard)	14003 S. State Highway 67	Sedalia	СО

JOHNSON COMPANY GARY SCHUBERT - MANAGING PARTNER	PO BOX 1132	HOBBS	New Mexic ·
Kelsey Leah Bernard Ramirez	450 Six Pines Road	San Marcos	Texas
KENNETH R DEAN	550 W TEXAS AVE STE 1000	MIDLAND	Texas
Keven Juan Bernard	5274 S. Cathay Way	Centennial	CO
Kimberly Kay (Dorland) Combs (Kim Combs, SSP)	185 Walnut Street	Nocona	Texas
Kyle Fay Shepard	2008 N. Fowler St.	Hobbs	NM
MCMULLEN MINERALS LLC	PO BOX 470857	FORT WORTH	Texas
NORMA J CHANLEY SEP PROP	407 E ARRIBA DR	HOBBS	New Mexic
NORMA J CHANLEY SEP PROP	PO Box 728	HOBBS	New Mexic
PATRICIA C STEWART	101 CAROLYN RD	NOCONA	Texas
PEGASUS RESOURCES LLC	PO BOX 470698	FORT WORTH	Texas
PFZ LLC	3220 S PEORIA, Suite 203	TULSA	Oklahoma
Rita M. Gonzales, MSU	713 Horseshoe Court	Desoto	Texas
ROBERT & JEANNINE BYRON REV TRUST UTA DTD 6-18-03 ROBERT P BYRON TTEE & JEANNINE HOOPER BYRON TTEE	PO BOX 1562	ROSWELL	New Mexic
ROBERT E LANDRETH	110 W LOUISIANA AVE STE 404	MIDLAND	Texas
ROMAN FOUR CORPORATION	16730 PRESTON TRAIL DR	DALLAS	Texas
ROMAN FOUR CORPORATION	17340 Club Hill Drive	Dallas	Texas
ROY G BARTON JR	1919 N TURNER ST	HOBBS	NM

ROY G BARTON JR	16635 Wild Horse Creek Road	Chesterfield	Missouri
Sally Ann Hindman	13401 N. Rancho Vistoso Blvd., Unit 120	Oro Valley	AZ
Sally Faegin, SSP	308 W. 11th	Post	Texas
Stephen B. Howard, SSP	4109 Cap Hollow Drive	Austin	Texas
Stephen Howard (a/k/a Stephen Bradley Howard)	8845 Mountain Ridge Circle	Austin	Texas
The Estate of Elliot Johnson	PO Box 1132	Hobbs	NM
The Estate of Frank Edwards	1612 E. 17th	Big Spring	Texas
The Estate of Maria Ester Marquez	144 Mt. Vernon Ave.	Big Spring	Texas
Virginia Black, SSP	913 Saint George Count	Keller	Texas
WILLIAMSON ENTERPRISES A NOMINEE PARTNERSHIP PAULETTE WILLIAMSON NOMINEE PARTNER	PO BOX 32570	SANTE FE	New Mexic
WILLIAMSON ENTERPRISES A NOMINEE PARTNERSHIP PAULETTE WILLIAMSON NOMINEE PARTNER	1712 Painted Sky	Santa Fe	New Mexic
ZONETTA MOORE TRUST KIMBERLY KAY COMBS TTEE	185 WALNUT ST	NOCONA	Texas

DISTRICT I
1025 N. FRENCH DR., HOBBS, NM 88240
Phone: (676) 393-6161 Fax: (676) 393-0720
DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (676) 749-1283 Fax: (676) 748-9720

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR.

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

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

	WELL LOCATION AND	ACREAGE DEDICATION PLAT	
API Number	Pool Code 14865	Pool Name CRUZ;BONE S	PRING
Property Code		Derty Name E 29-20 FED COM	Well Number
ogrid №. 6137		Tator Name DUCTION COMPANY, L.P.	Elevation 3683.1

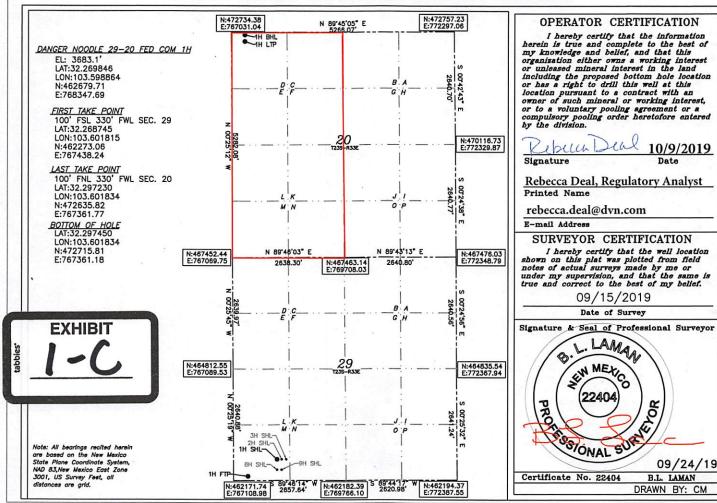
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	29	23-S	33-E	V	503	SOUTH	1242	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	20	23-S	33-E		20	NORTH	330	WEST	LEA
Dedicated Acres	Joint o	r Infill Co	nsolidation	Code Or	ler No.				
320									

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



Intent x As Drilled	
API#	·
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP. Property I DANGER	Name: R NOODLE 29-20 FED COM 1H
Kick Off Point (KOP)	
UL Section Township Range Lot Feet From 29 23S 33E 300 FSL	N/S Feet
Latitude Longitude 32.269305 -103.601	NAD 83
First Take Point (FTP)	
UL Section Township Range Lot Feet From SOL	
Latitude Longitude 103.60181	5 NAD 83
Last Take Point (LTP)	
UL Section Township Range Lot Feet From N/S NORTH	Feet From E/W County 330 WEST LEA
Latitude 32.297230 Longitude 103.60183	NAD
Is this well the defining well for the Horizontal Spacing Unit	N N
Is this well an infill well?	
If infill is yes please provide API if available, Operator Name Spacing Unit. API #	and well number for Defining well for Horizontal
Operator Name: DEVON ENERGY PRODUCTION CO., DANGER L.P.	↓

KZ 06/29/2018



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

State of New Mexico 1625 N. FRENCH DR., HOBBS, NM 88240 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

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

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 59900 TRIP	Pool Name LE X;BONE SPRING
Property Code	Property Name DANGER NOODLE 29-20 FED COM	Well Number 1 H
0GRID No. 6137	DEVON ENERGY PRODUCTION COMPANY,	L.P. Elevation 3683.1'

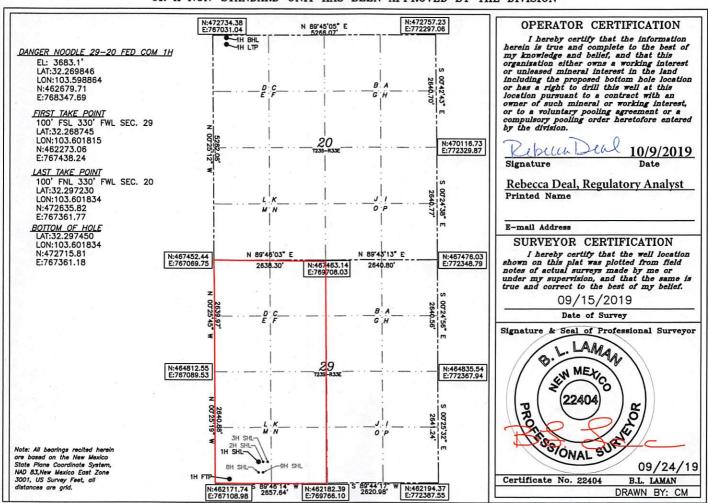
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	29	23-S	33-E		503	SOUTH	1242	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	20	23-5	33-E		20	NORTH	330	WEST	LEA
Dedicated Acres	Joint o	r Infill	Consolidation	Code Or	der No.				
320									

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



Inten	t ×	As Dril	led											
API#														
1 '	rator Nai					1	perty N							Well Number
l .	/ON EN MPANY	\	DANGER NOODLE 29-20 FED COM 11-								1H			
Kick C	Off Point	(KOP)												
UL	Section 29	Township 23S	Range 33E	Lot	Feet 300		From N	•	Feet 33			n E/W WL	County	EA
Latitu	ide	0205			Longitu	ıde .							NAD	
L	32.26				1		-103.60	1819					8 :	<u></u>
First 1	Take Poin	it (FTP)												
UL M	Section 29	Township 23-S	Range 33-E	Lot	Feet 100		From N		Feet 330		From	ST	County LEA	
Latitu		AE.	I		Longitu		404						NAD	<u>. </u>
3 Z.	<u> 2687</u>	40			103	.00	181	<u> </u>					83	
Last T	ake Poin	t (LTP)												
υι D	Section 20	Township 23-S	Range 33-E	Lot	Feet 100		m N/S DRTH	Feet)	From		Count		
Latitu	ıde		00 L		Longitu	ıde				V V L	<u> </u>	NAD		
32.	2972	30			103	.60	183	4				83		
le thic	wall tha	defining v	vall for the	n Horis	rontal Si	nacin	a l Init2	[N		1				
15 (1115	well the	ueming v	ven ioi un	e nonz	Ontai S	Jacin	g Omt:	יַ	<u> </u>	J				
Is this	well an i	infill well?		Υ]									
	l is yes pl ng Unit.	ease provi	ide API if a	availab	ile, Opei	rator	Name :	and w	ell n	umber	for [Definin	g well fo	r Horizontal
API#]											
	rator Nar		1				perty N						· · · · · · · · · · · · · · · · · · ·	Well Number
DE\ L.P.		IERGY P	RODUC	AOIT	I CO.,	DAI	NGER	NO	ODL	.E 29	-20 F	FED (COM	2H

KZ 06/29/2018



State of New Mexico DISTRICT I
State of New Mexico

1025 N. FRENCH DR., HOBBS, NM 88240
Phone: (676) 393-6161 Fax: (576) 393-6720

Energy, Minerals & Natural Resources Department OILCONSERVATION DIVISION

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

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

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

□ AMENDED REPORT

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

	WELL LOCATION AND	ACREAGE DEDICATION PLAT				
API Number	Pool Code 14865	Pool Name CRUZ;BONE SPRING				
Property Code		erty Name E 29-20 FED COM	Well Number 2H			
ogrid No. 6137		Tator Name DUCTION COMPANY, L.P.	Elevation 3683.6'			

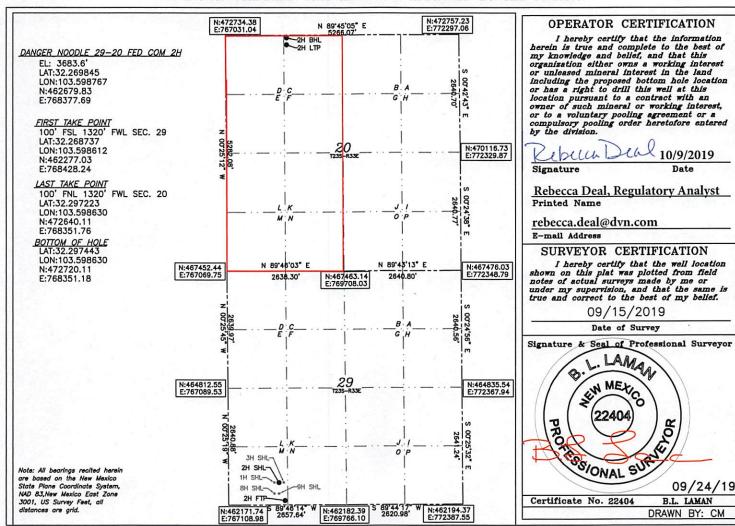
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	29	23-S	33-E		503	SOUTH	1272	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section 20	Township 23-S		Lot Idn	Feet from the	North/South line	Feet from the 1320	East/West line WEST	County
Dedicated Acres	Joint o	r Infill	Consolidation	Code Or	der 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



Intent	t x	As Dril	led									
DEV	rator Nar /ON EN MPANY	IERGY F	PRODUC	OIT	N	l '	perty Name NGER NC		E 29-20	FED	СОМ	Well Number 2H
Kick C	Off Point ((KOP)			-					_		
UL	Section 29	Township 23S	Range 33E	Lot	Feet 200		From N/S FSL	Feet	I	m E/W	County	
Latitu		233	33E		Longitu	ıde	FSL	1320	FW	<u>/L</u>	LEA NAD	
	269012	2			-103		618				83	
UL M	Section 29	t (FTP) Township 23-S	Range 33-E	Lot	Feet 100		From N/S SOUTH	Feet 1320	Fro WI	m E/W EST	County LEA	
Latitu	de				Longitu						NAD	
<u>32.</u>	2687	37			<u> 103</u>	<u>.59</u>	8612				83	
Last T	ake Poin	t (LTP)										
UL C	Section 20	Township 23-S	Range 33-E	Lot	Feet 100		m N/S Feet PRTH 132		From E/W VEST	Count		
Latitu	L		00 2		Longitu	ıde	8630	-0 0	<u> </u>	NAD 83		
s this	well the	defining v	vell for the	e Horiz	zontal S _l	pacing	g Unit?	(•		
s this	well an i	nfill well?]							
Spacir	l is yes pl ng Unit.	ease prov	ide API if a	availab	ole, Opei	rator	Name and v	ell nur	nber for	Defini	ng well fo	or Horizontal
API#												
Opei	rator Nar	me:	1			Prop	perty Name:					Well Number

KZ 06/29/2018



DISTRICT I

OIL

State of New Mexico 1625 N. FRENCH DR., HOBBS, NM 88240 Energy, Minerals & Natural Resources Department

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

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 FR. NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

	WELL LOCATION AND	ACREAGE DEDICATION PLAT	
API Number	Pool Code 59900	Pool Name TRIPLE X;BOI	
Property Code		erty Name E 29-20 FED COM	Well Number 2H
ogrid No. 6137		ator Name DUCTION COMPANY, L.P.	Elevation 3683.6

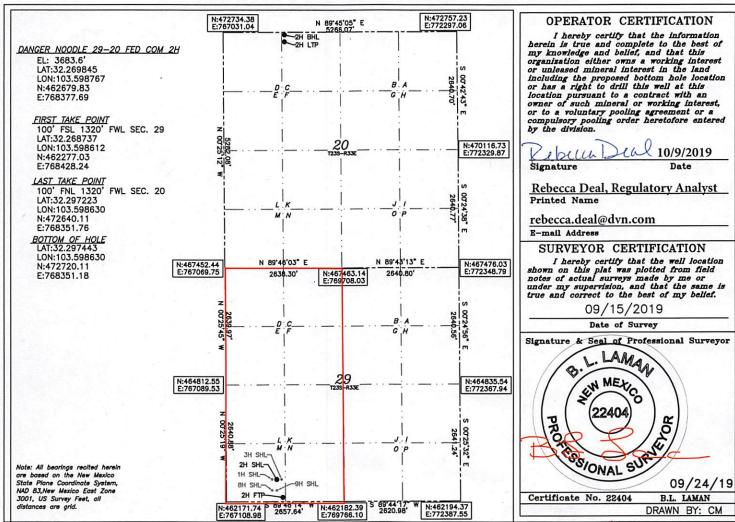
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	29	23-S	33-E		503	SOUTH	1272	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
С	20	23-S	33-E		20	NORTH	1320	WEST	LEA
Dedicated Acres	Joint o	or Infill (Consolidation	Code Or	der No.	- 542) - 1			

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



Inten	t x	As Dril	led											
API#]											
DE\	rator Nai /ON EN MPANY	IERGY F	PRODUC	OITO	N		perty Nai			E 29	9-20	FED	СОМ	Well Number 2H
Kick C	Off Point	(KOP)												
UL	Section 29	Township 23S	Range 33E	Lot	Feet 200		From N/S		Feet 132)	From	n E/W I	County	
Latitude Longitude NAD 32.269012 -103.598618 83									<u> </u>					
UL	Take Poin	Township	Range	Lot	Feet		From N/S		Feet			n E/W	County	
M Latitu	29	23-S	33-E		100		SOUT	ΉĮ	132	20	WE	ST	LEA	
	2 687	37			Longitu 103		8612						NAD 83	
Last T	ake Poin Section	t (LTP) Township 23-S	Range 33-E	Lot	Feet 100		n N/S F	eet 32	0		s E/W ST	Count LEA		
Latitu	ıde				Longitu	ıde		<u> </u>		***		NAD		
<u>32.</u>	<u> 2972</u>	23			103	.59	8630	-				83		
s this	well the	defining v	vell for th	e Horiz	zontal Sp	pacing	Unit?	Y]				
s this	well an i	infill well?]									
Spacii	l is yes pl ng Unit.	lease provi	ide API if a	availab	ile, Opei	rator f	Name an	d w	ell nu	ımbe	er for	Definir	ng well fo	r Horizontal
API#														
Ope	rator Nar	ne:	1			Prop	erty Nar	ne:						Well Number

KZ 06/29/2018



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

State of New Mexico Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION DIAT

API Number	Pool Code 14865								
Property Code		erty Name E 29-20 FED COM	Well Number 3H						
ogrid No. 6137	ator Name DUCTION COMPANY, L.P.	Elevation 3682.7'							

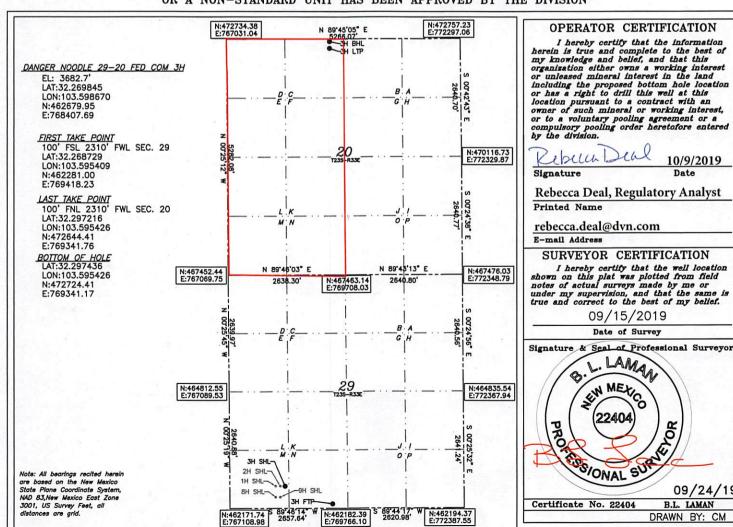
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	29	23-S	33-E		503	SOUTH	1302	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
С	20	23-S	33-E		20	NORTH	2310	WEST	LEA
Dedicated Acres	Joint o	r Infill Co	nsolidation	Code Ore	ler 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

10/9/2019 Date

Rebecca Deal, Regulatory Analyst

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.

Signature & Seal of Professional Surveyor

09/24/19

DRAWN BY: CM

Inten	t x	As Dril	led											
API#	ŧ													
DE	rator Na VON EN MPANY	IERGY P	PRODUC	OITO	J	1	perty Nan NGER N		ODL	-E 29	-20	FED (СОМ	Well Number 3H
Kick (Off Point	(KOP)												·
UL	Section 29	Township 23S	Range 33E	Lot	Feet 300		From N/S FSL		Feet 23		ı	n E/W VL	County	· -
Latit	ude	Longitude NAD												
	32.26	9268				-103	.595413	_				_	8	3
First	Take Poir	nt (FTP)		·										
UL N	Section 29	Township 23-S	Range 33-E	Lot	Feet 100		From N/S SOUT	H	Feet 231		Fron	ST	County	
Latit					Longitu		5409	- 1		· •			NAD 83	·
Last 1	Take Poin	t (LTP)				,								
UL C	Section 20	Township 23-S	Range 33-E	Lot	Feet 100		m N/S F6	et 31		From WE		Count		
Latite			00 L		Longitu	ıde	5426	<u> </u>	<u> </u>	[***	<u></u>	NAD 83	•	
s this	s well the	defining v	vell for th	e Horiz	ontal S _l	pacin	g Unit?	N]				
s this	s well an	infill well?		Υ]							•		
	ll is yes p ng Unit.	lease provi	ide API if a	availab	ile, Ope	rator	Name and	l w	ell n	umbei	r for I	Definir	ng well fo	or Horizontal
API#]											
-	rator Nai on Ene	^{me:} rgy Prodi	uction C	o. L.F).	l	perty Nam		e 29	9-20 F	ed (Com		Well Number 2H

DISTRICT I

UL or lot No.

M

320

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

Township

23-S

Range

33-E

State of New Mexico Energy, Minerals & Natural Resources Department ollCONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

Section

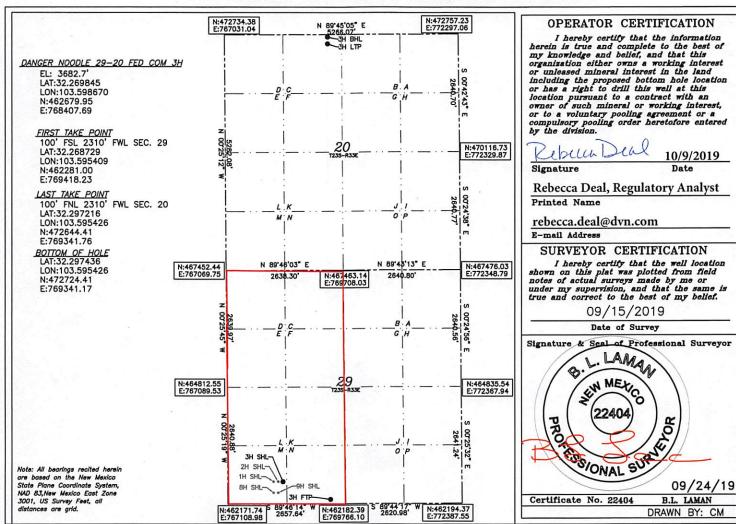
29

	WELL LOCATION AND	ACREAGE DEDICATION PLAT				
API Number	Pool Code	Pool Name				
	59900	TRIPLE X;BONE S	SPRING			
Property Code	Property Name DANGER NOODLE 29-20 FED COM					
ogrid No. 6137		rator Name DUCTION COMPANY, L.P.	Elevation 3682.7'			

Surface Location North/South line Lot Idn Feet from the Feet from the East/West line County 503 SOUTH 1302 WEST LEA

				${\bf Bottom}$	Hole	Loc	eation If Diffe	erent From Sur	face		
UL or lot No.	Section 20	Townshi	•	Range 33-E	Lot Id	n	Feet from the 20	North/South line NORTH	Feet from the 2310	East/West line WEST	County
Dedicated Acre	s Joint o	r Infill	Con	solidation	Code	Ore	der No.	TR T			

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



Inten		As Dril	led										
Ope	rator Na	NERGY F	PRODUC	CTIOI	N	1	erty Nam IGER N		LE 29	-20	FED	СОМ	Well Number 3H
Kick (Off Point	(KOP)											
UL	Section 29	Township 23S	Range 33E	Lot	Feet 300		From N/S FSL	Fee	t 310		n E/W NL	County	
Latit] 33E	L	Longitu	ude						NAD NAD	
	32.26	9268				-103.5	95413					8	3
First ⁻	Take Poir	nt (FTP)											
UL N	Section 29	Township 23-S	Range 33-E	Lot	Feet 100		From N/S SOUTH	Fee 1 23			E/W ST	County	
Latite	.2687	20			Longitu		5409	•				NAD 83	
UL C	Section 20	t (LTP) Township 23-S	Range 33-E	Lot	Feet 100 Longitu	NO	n N/S Fee RTH 23		From WE		Count LEA		
<u>32</u>	.2972	16					5426				83		
		defining v	vell for th	e Hori:	zontal Sp	pacing	Unit?	N					
5 (111)	y well all	mm wen:		<u>'</u>	_								
	ll is yes p ng Unit.	lease prov	ide API if a	availak	ole, Ope	rator I	Name and	well i	numbe	r for I	Definiı	ng well fo	or Horizontal
API#	;												
-	rator Nar on Ene	me: rgy Prod	uction C	o. L.F	P.	· ·	erty Namo		9-20 F	ed (Com		Well Number 2H

KZ 06/29/2018



Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City, OK 73102 405 552 8002 Phone www.devonenergy.com

EXHIBIT "D"

June 24, 2019

EOG Resources Assets, LLC 5509 Champions Drive Midland, TX 79706

RE: Well Proposals- Danger Noodle 29-20 Fed Com 1H

Danger Noodle 29-20 Fed Com 2H Danger Noodle 29-20 Fed Com 3H Danger Noodle 29-20 Fed Com 4H Danger Noodle 29-20 Fed Com 5H Danger Noodle 29-20 Fed Com 6H Danger Noodle 29-20 Fed Com 7H

Lea County, New Mexico

Ladies and Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following seven (7) wells:

- Danger Noodle 29-20 Fed Com 1H as a horizontal well to an approximate TVD of 9,530' and approximate TMD of 19,530' into the Bone Spring formation at an approximate SHL of 575' FSL and 1,290' FWL of Section 29-T23S-R33E and an approximate BHL of 20' FNL and 330' FWL of Section 20-23S-33E, Lea County, New Mexico (collectively with all seven proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$2,304,740.77 and total completed well costs of \$7,886,445.48 (includes CTB and flowline costs).
- Danger Noodle 29-20 Fed Com 2H as a horizontal well to an approximate TVD of 9,530' and approximate TMD of 19,530' into the Bone Spring formation at an approximate SHL of 575' FSL and 1,320' FWL of Section 29-T23S-R33E and an approximate BHL of 20' FNL and 1,320' FWL of Section 20-23S-33E, Lea County, New Mexico (collectively with all seven proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$2,377,199.17 and total completed well costs of \$7,958,903.88 (includes CTB and flowline costs).
- Danger Noodle 29-20 Fed Com 3H as a horizontal well to an approximate TVD of 9,530' and approximate TMD of 19,530' into the Bone Spring formation at an approximate SHL of 575' FSL and 1,350' FWL of Section 29-T23S-R33E and an approximate BHL of 20' FNL and 2,310' FWL of Section 20-23S-33E, Lea County, New Mexico (collectively with all seven proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of

\$2,831.266.87 and total completed well costs of \$8,412,971.58 (includes CTB and flowline costs).

- Danger Noodle 29-20 Fed Com 4H as a horizontal well to an approximate TVD of 12,550' and approximate TMD of 22,550' into the Wolfcamp formation at an approximate SHL of 325' FSL and 325' FWL of Section 29-T23S-R33E and an approximate BHL of 20' FNL and 380' FWL of Section 20-23S-33E, Lea County, New Mexico (collectively with all seven proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).
- Danger Noodle 29-20 Fed Com 5H as a horizontal well to an approximate TVD of 12,350' and approximate TMD of 22,350' into the Wolfcamp formation at an approximate SHL of 325' FSL and 1,290' FWL of Section 29-T23S-R33E and an approximate BHL of 20' FNL and 1,005' FWL of Section 20-23S-33E, Lea County, New Mexico (collectively with all seven proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).
- Danger Noodle 29-20 Fed Com 6H as a horizontal well to an approximate TVD of 12,550' and approximate TMD of 22,550' into the Wolfcamp formation at an approximate SHL of 325' FSL and 1,320' FWL of Section 29-T23S-R33E and an approximate BHL of 20' FNL and 1,630' FWL of Section 20-23S-33E, Lea County, New Mexico (collectively with all seven proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).
- Danger Noodle 29-20 Fed Com 7H as a horizontal well to an approximate TVD of 12,350' and approximate TMD of 22,350' into the Wolfcamp formation at an approximate SHL of 325' FSL and 2,315' FWL of Section 29-T23S-R33E and an approximate BHL of 20' FNL and 2,260' FWL of Section 20-23S-33E, Lea County, New Mexico (collectively with all seven proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).

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 the modified and superseding 2015 AAPL form of Operating Agreements ("JOA's"). The JOA's will be supplied to those parties interested in participating. The JOA's will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- Contract area of the W/2 of Sections 29 and 20 T23S-R33E, being approximately 640.00 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 Communization 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 if you have any questions concerning this proposal.

Very truly yours,

Devon Energy Production Company, L.P.

Andy Bennett

Senior Staff Landman

EOG Resources Assets, LLC:

To Pa	rticipate in the proposal of the Danger Noodle 29-20 Fed Com 1H Well
Not To	Participate in the proposal of the Danger Noodle 29-20 Fed Com 1H Well
To Pa	rticipate in the proposal of the Danger Noodle 29-20 Fed Com 2H Well
Not To	o Participate in the proposal of the Danger Noodle 29-20 Fed Com 2H Well
To Pa	rticipate in the proposal of the Danger Noodle 29-20 Fed Com 3H Well
Not To	Participate in the proposal of the Danger Noodle 29-20 Fed Com 3H Well

To Participate in the proposal of the Danger Noodle 29-20 Fed Com 4H Well
Not To Participate in the proposal of the Danger Noodle 29-20 Fed Com 4H Well
To Participate in the proposal of the Danger Noodle 29-20 Fed Com 5H Well
Not To Participate in the proposal of the Danger Noodle 29-20 Fed Com 5H Well
To Participate in the proposal of the Danger Noodle 29-20 Fed Com 6H Well
Not To Participate in the proposal of the Danger Noodle 29-20 Fed Com 6H Well
To Participate in the proposal of the Danger Noodle 29-20 Fed Com 7H Well
Not To Participate in the proposal of the Danger Noodle 29-20 Fed Com 7H Well
Agreed to and Accepted this day of, 2019.
EOG Resources Assets, LLC
Ву:
Title



AFE # XX-134210
Well Name: Danger Noodle 29-20 Fed Com 1H
Cost Center Number: 1094085401
Legal Description: SEC 29-23S-33E

Revision:

AFE Date:

10/29/2019

State: County/Parish:

NM LEA

Explanation and Justification:

DRILL AND COMPLETE THE DANGER NOODLE 29-20 FED COM 1H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6060100	DYED LIQUID FUELS	73,340.88	0.00	0.00	73,340.88
6080100	DISPOSAL - SOLIDS	0.00	1,050.00	0.00	1,050.00
6080110	DISP-SALTWATER & OTH	0.00	94,500.00	0.00	94,500.00
6090100	FLUIDS - WATER	58,950.00	290,446.80	0.00	349,396.80
6090120	RECYC TREAT&PROC-H20	0.00	261,811.20	0.00	261,811.20
6100100	PERMIT SURVEY&TITLE	30,000.00	8,000.00	0.00	38,000.00
6100110	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110120	ROAD&SITE PREP M&S	0.00	23,024.40	0.00	23,024.40
6110130	ROAD&SITE PREP SVC	64,803.33	12,600.00	0.00	77,403.33
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6130130	COMM SERVICE - SCADA	0.00	80,000.00	0.00	80,000.00
6130170	COMM SVCS - WAN	3,276.67	0.00	0.00	3,276.67
6130360	RTOC - ENGINEERING	0.00	10,500.00	0.00	10,500.00
6130370	RTOC - GEOSTEERING	12,294.97	0.00	0.00	12,294.97
	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	318,937.50	0.00	318,937.50
	MATERIALS & SUPPLIES	404.53	0.00	0.00	404.53
	PULLING&SWABBING SVC	0.00	84,341.25	0.00	84,341.25
	SNUBBG&COIL TUBG SVC	0.00	26,250.00	0.00	26,250.00
	TRCKG&HL-SOLID&FLUID	16,181.11	0.00	0.00	16,181.11
Contract of the Contract	TRUCKING&HAUL OF EQP	40,800.00	15,751,05	0.00	56,551.05
	CONSLT & PROJECT SVC	115,677.22	108,780.00	0.00	224,457.22
	SAFETY SERVICES	26,294.30	0.00	0.00	26,294.30
	SOLIDS CONTROL SRVCS	12,135.83	0.00	0.00	12,135.83
	STIMULATION SERVICES	0.00	2,560,393.16	0.00	2,560,393.10
	CASING & TUBULAR SVC	53,293.00	0.00	0.00	53,293.00
	CEMENTING SERVICES	169,500.00	0.00	0.00	169,500.00
-	DAYWORK COSTS	510,817.42	0.00	0.00	510,817.42
	DIRECTIONAL SERVICES	156,263.31	0.00	0.00	156,263.31
All control of the control of	DRILL BITS	92,672.50	0.00	0.00	92,672.50
V-2 - 20 - 20 - 20 - 20 - 20 - 20 - 20 -	DRILL&COMP FLUID&SVC	72,790.74	6,825.00	0.00	79,615.74
-	OPEN HOLE EVALUATION	10,615.15	0.00	0.00	10,615.15
	TSTNG-WELL, PL & OTH	0.00	141,461.34	0.00	141,461.34
	MISC PUMPING SERVICE	0.00	74,627.30	0.00	74,627.30
	EQPMNT SVC-SRF RNTL	83,555.92	408,832.19	0.00	492,388.11
	EQUIP SVC - DOWNHOLE	37,756.95	75,915.00	0.00	113,671.9
	WELDING SERVICES	850.00	0.00	0.00	850.00
	CONSTRUCTION SVC	0.00	182,066,67	0.00	182,066.67
	LEGAL FEES	10,000.00	0.00	0.00	10,000.00
	MISCELLANEOUS SVC	24,109.00	0.00	0.00	24,109.00
	CAPITAL OVERHEAD	6,067.92	25,367.20	0.00	31,435.12
	TAXES OTHER	212.69	0.00	0.00	212.69
2.40040	Total Intangibles	1,713,663.44	4,811,480.06	0.00	6,525,143.5



AFE # XX-134210
Well Name: Danger Noodle 29-20 Fed Com 1H
Cost Center Number: 1094085401
Legal Description: SEC 29-23S-33E

AFE Date: State:

10/29/2019

County/Parish:

NM LEA

Revision:

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6060180	ELEC & PWRLINE EQUIP	0.00	9,000.00	0.00	9,000.00
6130120	COMM DEVICES - SCADA	0.00	27,797.00	0.00	27,797.00
6230130	SAFETY EQUIPMENT	5,634.86	0.00	0.00	5,634.86
6300150	SEPARATOR EQUIPMENT	0.00	380,105.20	0.00	380,105.20
6310130	ARTIFICIAL LIFT EQP	0.00	42,000.00	0.00	42,000.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	87,806.25	0.00	87,806.25
6310460	WELLHEAD EQUIPMENT	39,855.00	63,210.00	0.00	103,065.00
6310530	SURFACE CASING	46,838.25	0.00	0.00	46,838.25
6310540	INTERMEDIATE CASING	143,066.50	0.00	0.00	143,066.50
6310550	PRODUCTION CASING	292,284.72	0.00	0.00	292,284.72
6310580	CASING COMPONENTS	43,398.00	0.00	0.00	43,398.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	160,306.20	0.00	160,306.20
	Total Tangibles	591,077.33	770,224.65	0.00	1,361,301.98

2,304,740.77 5,581,704.71	0.00	7,886,445.48
ROVAL		
Print Name:		
		ROVAL

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



AFE # XX-134211 Well Name: Danger Noodle 29-20 Fed Com 2H Cost Center Number: 1094085501 Legal Description: SEC 29-23S-33E

Revision:

AFE Date:

10/29/2019

State: County/Parish:

NM LEA

Explanation and Justification:

DRILL AND COMPLETE THE DANGER NOODLE 29-20 FED COM 2H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6060100 DYED LIC		76,776.22	0.00	0.00	76,776.22
5080100 DISPOSA		0.00	1,050.00	0.00	1,050.00
6080110 DISP-SAI		0.00	94,500.00	0.00	94,500.00
6090100 FLUIDS -		58,950.00	290,446.80	0.00	349,396.80
6090120 RECYC T	REAT&PROC-H20	0.00	261,811.20	0.00	261,811.20
6100100 PERMIT		30,000.00	8,000.00	0.00	38,000.00
6100110 RIGHT O		25,000.00	0.00	0.00	25,000.00
6110120 ROAD&S	ITE PREP M&S	0.00	23,024.40	0.00	23,024.40
6110130 ROAD&S		64,803.33	12,600.00	0.00	77,403.33
6110170 DAMAGE	& REMEDIATION	5,000.00	0.00	0.00	5,000.00
6130130 COMM S		0.00	80,000.00	0.00	80,000.00
6130170 COMM S		3,430.16	0.00	0.00	3,430.16
6130360 RTOC - E		0.00	10,500.00	0.00	10,500.00
6130370 RTOC - C		13,282.77	0.00	0.00	13,282.77
6140160 ENV-SEF		1,000.00	0.00	0.00	1,000.00
	PERFRTG&WL SV	0.00	318,937.50	0.00	318,937.5
6160100 MATERIA		423.48	0.00	0.00	423.48
	&SWABBING SVC	0.00	84,341.25	0.00	84,341.2
	&COIL TUBG SVC	0.00	26,250.00	0.00	26,250.00
	HL-SOLID&FLUID	16,939.05	0.00	0.00	16,939.0
	IG&HAUL OF EQP	40,800.00	15,751.05	0.00	56,551.05
	& PROJECT SVC	120,603.79	108,780.00	0.00	229,383.7
6230120 SAFETY		27,525.95	0.00	0.00	27,525.95
	CONTROL SRVCS	12,704.28	0.00	0.00	12,704.28
6310120 STIMULA		0.00	2,560,393.16	0.00	2,560,393.1
6310200 CASING		53,293.00	0.00	0.00	53,293.00
6310250 CEMENT		169,500.00	0.00	0.00	169,500.0
6310280 DAYWO		534,744.49	0.00	0.00	534,744.4
6310300 DIRECTI	ONAL SERVICES	163,807.58	0.00	0.00	163,807.5
6310310 DRILL B	ITS	92,672.50	0.00	0.00	92,672.5
6310330 DRILL&C	COMP FLUID&SVC	72,886.07	6,825.00	0.00	79,711.0
6310380 OPEN H	OLE EVALUATION	11,636.64	0.00	0.00	11,636.64
6310480 TSTNG-1	WELL, PL & OTH	0.00	141,461.34	0.00	141,461.3
6310600 MISC PU		0.00	74,627.30	0.00	74,627.3
6320100 EQPMN		87,503.26	408,832.19	0.00	496,335.4
	VC - DOWNHOLE	40,618.69	75,915.00	0.00	116,533.6
6320160 WELDIN		850.00	0.00	0.00	850.00
6350100 CONSTR		0.00	182,066.67	0.00	182,066.6
6520100 LEGAL I		10,000.00	0.00	0.00	10,000.0
6550110 MISCEL	LANEOUS SVC	27,109.00	0.00	0.00	27,109.0
6630110 CAPITAL	OVERHEAD	6,352.14	25,367.20	0.00	31,719.3
6740340 TAXES	OTHER	222.65	0.00	0.00	222.65
T	otal Intangibles	1,768,435.05	4,811,480.06	0.00	6,579,915.1



AFE # XX-134211 Well Name: Danger Noodle 29-20 Fed Com 2H Cost Center Number: 1094085501 Legal Description: SEC 29-23S-33E

AFE Date:

10/29/2019

State: County/Parish:

NM LEA

Revision:

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6060180	ELEC & PWRLINE EQUIP	0.00	9,000.00	0.00	9,000.00
6130120	COMM DEVICES - SCADA	0.00	27,797.00	0.00	27,797.00
6230130	SAFETY EQUIPMENT	5,981.70	0.00	0.00	5,981.70
6300150	SEPARATOR EQUIPMENT	0.00	380,105.20	0.00	380,105.20
6310130	ARTIFICIAL LIFT EQP	0.00	42,000.00	0.00	42,000.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	87,806.25	0.00	87,806.25
6310460	WELLHEAD EQUIPMENT	59,855.00	63,210.00	0.00	123,065.00
6310530	SURFACE CASING	46,260.00	0.00	0.00	46,260.00
6310540	INTERMEDIATE CASING	143,066.50	0.00	0.00	143,066.50
6310550	PRODUCTION CASING	290,202.92	0.00	0.00	290,202.92
6310580	CASING COMPONENTS	43,398.00	0.00	0.00	43,398.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	160,306.20	0.00	160,306.20
	Total Tangibles	608,764.12	770,224.65	0.00	1,378,988.77

TOTAL ESTIMATED COST	2,377,199.17	5,581,704.71	0.00	7,958,903.88	
WORKING INTEREST OWNER APPI	ROVAL				
Company Name:					
Signature:	F	Print Name:			
Title:					
Date:					
Email:					

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



AFE # XX-134212 Well Name: Danger Noodle 29-20 Fed Com 3H Cost Center Number: 1094085601 Legal Description: SEC 29-23S-33E

Revision:

AFE Date:

10/29/2019

State: County/Parish: NM LEA

Explanation and Justification:

DRILL AND COMPLETE THE DANGER NOODLE 29-20 FED COM 3H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6060100	DYED LIQUID FUELS	76,374.68	0.00	0.00	76,374.68
6080100	DISPOSAL - SOLIDS	0.00	1,050.00	0.00	1,050.00
6080110	DISP-SALTWATER & OTH	0.00	94,500.00	0.00	94,500.00
6090100	FLUIDS - WATER	58,950.00	290,446.80	0.00	349,396.8
6090120	RECYC TREAT&PROC-H20	0.00	261,811.20	0.00	261,811.2
6100100	PERMIT SURVEY&TITLE	30,000.00	8,000.00	0.00	38,000.00
6100110	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110120	ROAD&SITE PREP M&S	0.00	23,024,40	0.00	23,024.40
	ROAD&SITE PREP SVC	64,803.33	12,600.00	0.00	77,403.33
	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
	COMM SERVICE - SCADA	0.00	80,000.00	0.00	80,000.00
MARKET CONTRACTOR	COMM SVCS - WAN	4,288.64	0.00	0.00	4,288.64
	RTOC - ENGINEERING	0.00	10,500.00	0.00	10,500.00
	RTOC - GEOSTEERING	13,218,12	0.00	0.00	13,218.12
	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
and the second	CH LOG PERFRTG&WL SV	0.00	318,937.50	0.00	318,937.5
incoverson-Avires	MATERIALS & SUPPLIES	529.46	0.00	0.00	529.46
	PULLING&SWABBING SVC	0.00	84,341.25	0.00	B4,341.2
	SNUBBG&COIL TUBG SVC	0.00	26,250.00	0.00	26,250.0
	TRCKG&HL-SOLID&FLUID	21,178.45	0.00	0.00	21,178.4
			15,751.05	0.00	56,551.0
	TRUCKING&HAUL OF EQP	40,800.00	108,780.00	0.00	256,939.9
	CONSLT & PROJECT SVC SAFETY SERVICES	148,159.95 34,414.99	0.00	0.00	34,414.9
	SOLIDS CONTROL SRVCS		0.00	0.00	15,883.8
		15,883.84			The second supplemental management of the second supplemental suppleme
	STIMULATION SERVICES	0.00	2,560,393.16	0.00	2,560,393.1
	CASING & TUBULAR SVC	53,293.00		0.00	53,293.0
	DAYWORK COSTS	169,500.00	0.00	0.00	169,500.0
		543,532.46	0.00	0.00	543,532.4 172,535.7
	DIRECTIONAL SERVICES	172,535.78	0.00	0.00	129,000.0
	DRILL BITS	72,909.81	6,825.00	0.00	79,734.8
	DRILL&COMP FLUID&SVC		0.00	0.00	345,295.5
	MOB & DEMOBILIZATION	345,295.53	0.00	0.00	11,568.2
	OPEN HOLE EVALUATION	11,568.20		0.00	
0.0000000000000000000000000000000000000	TSTNG-WELL, PL & OTH	0.00	141,461.34		141,461.3
-	MISC PUMPING SERVICE	0.00	74,627.30	0.00	74,627.3
	EQPMNT SVC-SRF RNTL	107,338.78	408,832.19	0.00	516,170.9
	EQUIP SVC - DOWNHOLE	39,856.96	75,915.00	0.00	115,771.9
The state of the s	WELDING SERVICES	15,050.00	0.00	0.00	15,050.0
	CONSTRUCTION SVC	0.00	182,066.67	0.00	182,066.6
	LEGAL FEES	10,000.00	0.00	0.00	10,000.0
	MISCELLANEOUS SVC	24,109.00	0.00	0.00	24,109.0
-	CAPITAL OVERHEAD	7,941.92	25,367.20	0.00	33,309.1
6740340	TAXES OTHER Total Intangibles	2,241,754,39	4,811,480.06	0.00	7,053,234.4



AFE # XX-134212 Well Name: Danger Noodle 29-20 Fed Com 3H Cost Center Number: 1094085601 Legal Description: SEC 29-23S-33E

AFE Date:

10/29/2019

State: County/Parish:

NM LEA

Revision:

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6060180	ELEC & PWRLINE EQUIP	0.00	9,000.00	0.00	9,000.00
6130120	COMM DEVICES - SCADA	0.00	27,797.00	0.00	27,797.00
6230130	SAFETY EQUIPMENT	6,046.04	0.00	0.00	6,046.04
6300150	SEPARATOR EQUIPMENT	0.00	380,105.20	0.00	380,105.20
6310130	ARTIFICIAL LIFT EQP	0.00	42,000.00	0.00	42,000.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	87,806.25	0.00	87,806.25
6310460	WELLHEAD EQUIPMENT	39,855.00	63,210.00	0.00	103,065.00
6310530	SURFACE CASING	46,260.00	0.00	0.00	46,260.00
6310540	INTERMEDIATE CASING	143,066.50	0.00	0.00	143,066.50
6310550	PRODUCTION CASING	290,886.94	0.00	0.00	290,886.94
6310580	CASING COMPONENTS	43,398.00	0.00	0.00	43,398.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	160,306.20	0.00	160,306,20
	Total Tangibles	589,512.48	770,224.65	0.00	1,359,737.13
	TAL ESTIMATED COST	2,831,266.87	5,581,704.71	0.00	8,412,971.5
	G INTEREST OWNER APPR	OVAL			
Compan	y Name:				
Signatur	e:		Print Name:		
Title:		P-1			
Date:					
Email:					

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