

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JUNE 03, 2021**

**CASE No. 21903**

*RED BULL 30-31 FED STATE COM #2H WELL  
RED BULL 30-31 FED STATE COM #3H WELL*

**LEA COUNTY, NEW MEXICO**



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

**APPLICATION OF DEVON ENERGY  
PRODUCTION COMPANY, L.P.  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 21903**

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# COMPULSORY POOLING APPLICATION CHECKLIST

**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

|  |   |
|--|---|
| <b>Case:</b>   | APPLICANT'S RESPONSE  |
| <b>Date</b>  | June 3, 2021  |
| Applicant  | Devon Energy Production Company, L.P.   |
| Designated Operator & OGRID (affiliation if applicable)  | 6137  |
| Applicant's Counsel:   | Holland & Hart LLP  |
| Case Title:  | APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. TO VACATE ORDER NOS. R-21517 & R-21518 AND TO POOL A STANDARD 640-ACRE HORIZONTAL SPACING UNIT, LEA COUNTY, NEW MEXICO   |
| Entries of Appearance/Intervenors:   | None  |
| Well Family  | Red Bull 30-31 Fed State Com 2H and 3H Wells  |
| <b>Formation/Pool</b>  |   |
| Formation Name(s) or Vertical Extent:  | Bone Spring formation   |
| Primary Product (Oil or Gas):  | Oil   |
| Pooling this vertical extent:  | Bone Spring formation   |
| Pool Name and Pool Code:   | Antelope Ridge; Bone Spring pool (Pool code 2200)   |
| Well Location Setback Rules:   | Statewide setbacks for oil wells  |
| Spacing Unit Size:   | 640 acres   |
| <b>Spacing Unit</b>  |   |
| Type (Horizontal/Vertical)   | Horizontal  |
| Size (Acres)   | 640 acres   |
| Building Blocks:   | 40 acres  |
| Orientation:   | North-South   |
| Description: TRS/County  | E/2 W/2 and the W/2 E/2 of Sections 30 and 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico   |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe   | Yes   |
| <b>Other Situations</b>  |   |
| Depth Severance: Y/N. If yes, description  | No  |
| Proximity Tracts: If yes, description<br><br><div style="text-align: center;"> <p><b>BEFORE THE OIL CONSERVATION DIVISION</b><br/>                 Santa Fe, New Mexico<br/>                 Exhibit No. A<br/>                 Submitted by: Devon Energy Production Co. L.P.<br/>                 Hearing Date: June 03, 2021<br/>                 Case No. 21903</p> </div> | Yes; the completed interval for the Red Bull 30-31 Fed State Com #2H well will be located closer than 330 feet from the quarter-quarter line separating the E/2 from the W/2 of Sections 30 and 31 to allow inclusion of the E/2 W/2 acreage in this standard horizontal spacing unit |
| Proximity Defining Well: if yes, description   | Yes; Red Bull 30-31 Fed State Com #2H well  |

|  |   |
|--|---|
| Applicant's Ownership in Each Tract  | <b>Exhibit C-3</b>  |
| <b>Well(s)</b>   |   |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | <b>Add wells as needed</b>  |
| Well #1  | <b>Red Bull 30-31 Fed State Com 2H Well</b><br><b>(API No. Pending)</b><br><b>SHL: 725 FNL, 1514 FWL (Unit C) Section 30, T23S, R35E, Lea County, NM.</b><br><b>BHL: 20 FSL, 2415 FEL (Unit O) Section 31, T23S, R35E, Lea County, NM.</b><br><b>Completion Target: Bone Spring</b><br><b>Well Orientation: North-South</b><br><b>Completion Status: Proximity Tract Well</b> |
| Well #2  | <b>Red Bull 30-31 Fed State Com 3H Well</b><br><b>(API No. Pending)</b><br><b>SHL: 883 FNL, 1741 FEL (Unit B) Section 30, T23S, R35E, Lea County, NM.</b><br><b>BHL: 20 FSL, 2053 FEL (Unit O) Section 31, T23S, R35E, Lea County, NM.</b><br><b>Completion Target: Bone Spring</b><br><b>Well Orientation: North-South</b><br><b>Completion Status: Standard Location</b>    |
| Horizontal Well First and Last Take Points   | <b>Exhibit C-2</b>  |
| Completion Target (Formation, TVD and MD)  | <b>Exhibit C-2, Exhibit D-3</b>   |
| <b>AFE Capex and Operating Costs</b>   | <b>Completion Target: Bone Spring</b>   |
| Drilling Supervision/Month \$  | <b>\$8,000</b>  |
| Production Supervision/Month \$  | <b>\$800</b>  |
| Justification for Supervision Costs  | <b>Exhibit C</b>  |
| Requested Risk Charge  | <b>200%</b>   |
| <b>Notice of Hearing</b>   |   |
| Proposed Notice of Hearing   | <b>Exhibit B</b>  |
| Proof of Mailed Notice of Hearing (20 days before hearing)   | <b>Exhibit E</b>  |
| Proof of Published Notice of Hearing (10 days before hearing)  | <b>Exhibit F</b>  |
| <b>Ownership Determination</b>   |   |
| Land Ownership Schematic of the Spacing Unit   | <b>Exhibit C-3</b>  |
| Tract List (including lease numbers and owners)  | <b>Exhibit C-3</b>  |

|  |  |
|--|--|
| Pooled Parties (including ownership type)  | Exhibit C-3  |
| Unlocatable Parties to be Pooled   | N/A  |
| Ownership Depth Severance (including percentage above & below)   | N/A  |
| <b>Joinder</b>   |  |
| Sample Copy of Proposal Letter   | Exhibit C-4  |
| List of Interest Owners (ie Exhibit A of JOA)  | Exhibit C-3  |
| Chronology of Contact with Non-Joined Working Interests  | Exhibit C-5  |
| Overhead Rates In Proposal Letter  | Exhibit C-4  |
| Cost Estimate to Drill and Complete  | Exhibit C-4  |
| Cost Estimate to Equip Well  | Exhibit C-4  |
| Cost Estimate for Production Facilities  | Exhibit C-4  |
| <b>Geology</b>   |  |
| Summary (including special considerations)   | Exhibit D  |
| Spacing Unit Schematic   | Exhibit D-1  |
| Gunbarrel/Lateral Trajectory Schematic   | N/A  |
| Well Orientation (with rationale)  | Exhibit D  |
| Target Formation   | Exhibit D-3  |
| HSU Cross Section  | Exhibit D-3  |
| Depth Severance Discussion   | N/A  |
| <b>Forms, Figures and Tables</b>   |  |
| C-102  | Exhibit C-2  |
| Tracts   | Exhibit C-3  |
| Summary of Interests, Unit Recapitulation (Tracts)   | Exhibit C-3  |
| General Location Map (including basin)   | Exhibit D-1  |
| Well Bore Location Map   | Exhibit D-1  |
| Structure Contour Map - Subsea Depth   | Exhibit D-1  |
| Cross Section Location Map (including wells)   | Exhibit D-2  |
| Cross Section (including Landing Zone)   | Exhibit D-3  |
| <b>Additional Information</b>  |  |
| Special Provisions/Stipulations  | N/A  |
| <b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b> |  |
| <b>Printed Name</b> (Attorney or Party Representative):  | Adam G. Rankin   |
| <b>Signed Name</b> (Attorney or Party Representative):   |  |
| <b>Date:</b>   | 3-Jun-21   |

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

**APPLICATION OF DEVON ENERGY  
PRODUCTION COMPANY, L.P. TO  
VACATE ORDER NOS. R-21517 & R-21518 AND TO  
POOL A STANDARD 640-ACRE HORIZONTAL  
SPACING UNIT, LEA COUNTY, NEW MEXICO.**

**CASE NO. 21903**

**APPLICATION**

Devon Energy Production Company, L.P. (“Applicant” or “Devon”) (OGRID 6137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, to vacate Order Nos. R-21517 and R-21518, and to pool all interests in the Bone Spring formation [Antelope Ridge; Bone Spring pool (Pool code 2200)] underling a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 and the W/2 E/2 of Sections 30 and 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico. In support of this application, Devon states:

1. Division Order No. R-21517 (“Order”), entered on November 2, 2020, in Case No. 21397, created and pooled a 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation underlying the E/2 W/2 of Sections 30 and 31 and dedicated the Unit to the initial **Red Bull 30-31 Fed State Com #2H well**.

2. Division Order No. R-21518 (“Order”), entered on November 2, 2020, in Case No. 21398, created and pooled a 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation underlying the W/2 E/2 of Sections 30 and 31, and dedicated the Unit to the initial **Red Bull 30-31 Fed State Com #3H well**.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: June 03, 2021  
Case No. 21903**

3. Devon is the designated operator of each unit and pursuant to Order R-21518 commenced drilling the **Red Bull 30-31 Fed State Com #3H well**. However, due to drilling issues the wellbore had to be cut short and will only be able to develop W/2 E/2 of Section 30.

4. For these reasons, Devon seeks to vacate the two pooled 320-acre spacing units created by Order Nos. R-21517 and R-21518, and replace them with a 640-acre pooled spacing unit comprised of the W/2 E/2 and the E/2 of W/2 of Sections 30 and 31. This new 640-acre spacing unit will be initially dedicated to the following wells:

- a. The proposed **Red Bull 30-31 Fed State Com #2H well**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 30, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 31; and
- b. The existing **Red Bull 30-31 Fed State Com #3H well**, which has been drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 30, to a bottom hole location in the SE/4 NE/4 (Unit G) of Section 31.

5. The completed interval for the **Red Bull 30-31 Fed State Com #2H well** will be located closer than 330 feet from the quarter-quarter line separating the E/2 from the W/2 of Sections 30 and 31 to allow inclusion of the E/2 W/2 acreage in this standard horizontal spacing unit.

6. Applicant has discussed this revised drilling plan with the other working interest owner and anticipates no objection to this relief.

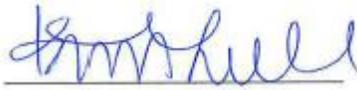
7. Approval of this application is in the best interest of conservation, the prevention of waste, and the protection of correlative rights.

8. In order to protect correlative rights and to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all remaining uncommitted mineral interests in this standard spacing unit should be pooled, and Applicant should be designated the operator of the initial horizontal wells and standard spacing unit.

WHEREFORE, Devon requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and, after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

HOLLAND & HART LLP

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

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Kaitlyn A. Luck  
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**ATTORNEYS FOR DEVON ENERGY PRODUCTION  
COMPANY, L.P.**

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

**APPLICATION OF DEVON ENERGY  
PRODUCTION COMPANY, L.P. TO  
VACATE ORDER NOS. R-21517 & R-21518 AND TO  
POOL A STANDARD 640-ACRE HORIZONTAL  
SPACING UNIT, LEA COUNTY, NEW MEXICO.**

**CASE NO. 21903**

**AFFIDAVIT OF RYAN CLOER**

Ryan Cloer, of lawful age and being first duly sworn, declares as follows:

1. My name is Ryan Cloer, and I am a Landman with Devon Energy Production Company, L.P. (“Devon”).
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters, and my credentials have been accepted and made a matter of public record.
3. I am familiar with the application filed by Devon in this case and the status of the lands in the subject area. None of the mineral owners to be pooled in **Case No. 21903** have expressed opposition to this proceeding, so I do not expect opposition at the hearing.
4. **Devon Exhibit C-1** is a general location map outlining the units being pooled in this case. The acreage is comprised of state and federal lands.
5. In this case Devon seeks to vacate Order Nos. R-21517 and R-21518, and to pool all interests in the Bone Spring formation [Antelope Ridge; Bone Spring pool (Pool code 2200)] underling a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 and the W/2 E/2 of Sections 30 and 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: June 03, 2021  
Case No. 21903**

6. Division Order No. R-21517, entered on November 2, 2020, in Case No. 21397, created and pooled a 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation underlying the E/2 W/2 of Sections 30 and 31 and dedicated the Unit to the initial **Red Bull 30-31 Fed State Com #2H well**.

7. Division Order No. R-21518, entered on November 2, 2020, in Case No. 21398, created and pooled a 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation underlying the W/2 E/2 of Sections 30 and 31, and dedicated the Unit to the initial **Red Bull 30-31 Fed State Com #3H well**.

8. Devon is the designated operator of each unit and pursuant to Order R-21518 commenced drilling the **Red Bull 30-31 Fed State Com #3H well**. However, due to drilling issues the wellbore had to be cut short and will only be able to develop W/2 E/2 of Section 30.

9. Devon therefore seeks to vacate the two pooled 320-acre spacing units created by Order Nos. R-21517 and R-21518, and replace them with a 640-acre pooled spacing unit comprised of the W/2 E/2 and the E/2 W/2 of Sections 30 and 31. This new 640-acre spacing unit will be initially dedicated to the following wells:

- a. The proposed **Red Bull 30-31 Fed State Com #2H well**, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 30, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 31; and
- b. The existing **Red Bull 30-31 Fed State Com #3H well**, which has been drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 30, to a bottom hole location in the SE/4 NE/4 (Unit G) of Section 31.

10. The completed interval for the **Red Bull 30-31 Fed State Com #2H well** will be located closer than 330 feet from the quarter-quarter line separating the E/2 from the W/2 of Sections 30 and 31 to allow inclusion of the E/2 W/2 acreage in this standard horizontal spacing unit.

11. **Devon Exhibit C-2** contains the Form C-102s for these wells, including the as-drilled plat for the **Red Bull 30-31 Fed State Com #3H well**, that are located in the [2200] ANTELOPE RIDGE; BONE SPRING

12. The completed interval for the initial wells will comply with the statewide setbacks for oil wells.

13. **Devon Exhibit C-3** identifies the tracts of land comprising the proposed spacing units in this case. Exhibit C-3 also identifies the interest ownership by tract and on a spacing unit basis. Devon is seeking to pool the working interest owners and overriding royalty interest owners highlighted on the exhibit.

14. No ownership depth severances exist within these proposed spacing units, and there are no unleased mineral interests in the subject acreage.

15. Devon sent well proposal letters, together with corresponding AFEs, to the working interest owners in this case. The costs reflected in the AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area. A copy of the well proposal letters, along with the AFE, is attached hereto as **Devon Exhibit C-4**.

16. In addition, Devon has discussed this revised drilling plan with the other working interest owner and anticipates no objection to the requested relief.

17. Devon seeks approved overhead and administrative rates for the proposed wells at \$8,000 per month while drilling and \$800 per month while producing. These rates are consistent with what other operators are charging in this area for similar wells.

18. Devon has been able to locate contact information for all parties it seeks to pool and has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

19. In my opinion, Devon has made good faith efforts to reach agreement with the parties it is seeking to pool in this case. If Devon reaches an agreement with any of the pooled parties before

the Division enters any order, I will let the Division know that Devon is no longer seeking to pool that party.

20. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on **Exhibits C-4**. In compiling these addresses, Devon conducted a diligent search of all public records in the county where the wells are located and of phone directories, including computer searches. All interest owners were locatable.

21. **Devon Exhibit C-5** contains a chronology of the contacts with the uncommitted mineral owners Devon was able to locate. Devon has made a good faith effort to obtain voluntary joinder of these owners in the proposed wells.

22. **Devon Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT

Ryan Cloer  
Ryan Cloer

STATE OF OKLAHOMA        )  
  )  
COUNTY OF Oklahoma    )

SUBSCRIBED and SWORN to before me this 1<sup>st</sup> day of June 2021 by Ryan Cloer.



Clint Dake  
NOTARY PUBLIC

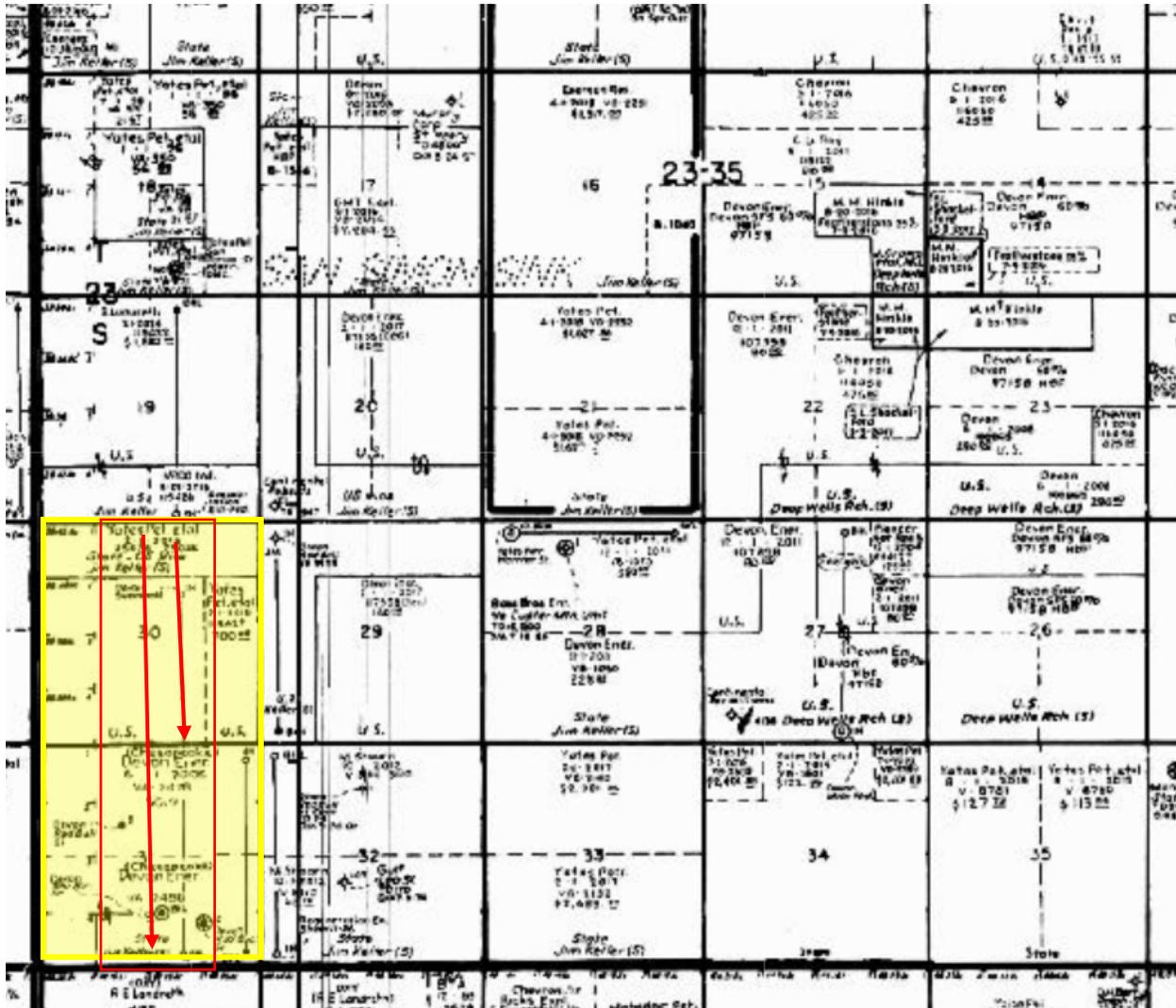
My Commission Expires:

5/7/23

# General Location Map

Red Bull 30-31 Fed St Com 2H & 3H

W2E2 & E2W2 of Sec. 30 & W2E2 & E2W2 of Sec. 31-23S-35E, Lea County, NM



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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                              |                                       |             |
|------------------------------|---------------------------------------|-------------|
| API Number                   | Pool Code                             | Pool Name   |
| Property Code                | Property Name                         | Well Number |
| OGRID No.                    | Operator Name                         | Elevation   |
| 6137                         | DEVON ENERGY PRODUCTION COMPANY, L.P. | 3420.3'     |
| RED BULL 30-31 FED STATE COM |                                       |             |

Surface Location

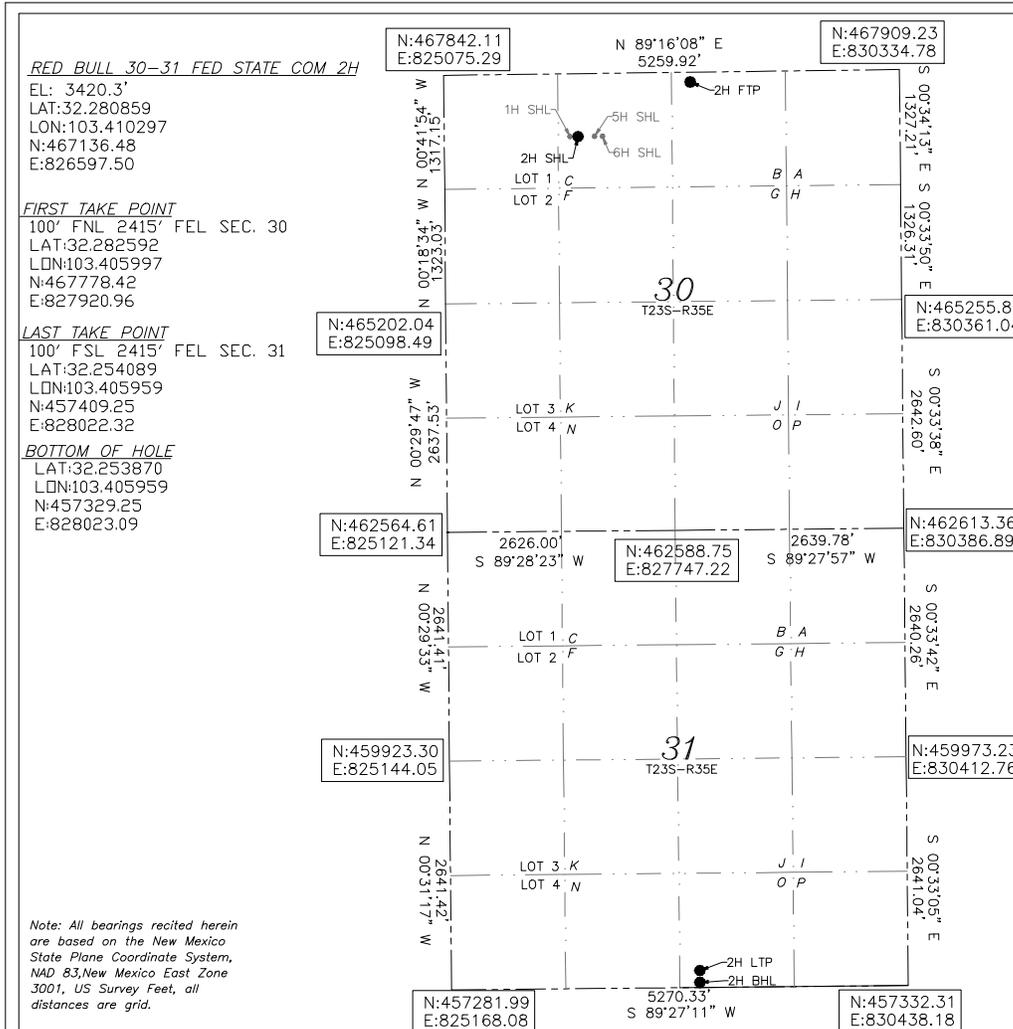
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C             | 30      | 23-S     | 35-E  |         | 725           | NORTH            | 1514          | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| O             | 31      | 23-S     | 35-E  |         | 20            | SOUTH            | 2415          | EAST           | 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.

06/03/2020  
Date of Survey

Signature & Seal of Professional Surveyor

REV: 03/25/21

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

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   | Well Number   |
| OGRID No.     | Operator Name   | Elevation     |
| 6137          | RED BULL 30-31 FED STATE COM<br>DEVON ENERGY PRODUCTION COMPANY, L.P. | 3H<br>3409.7' |

Surface Location

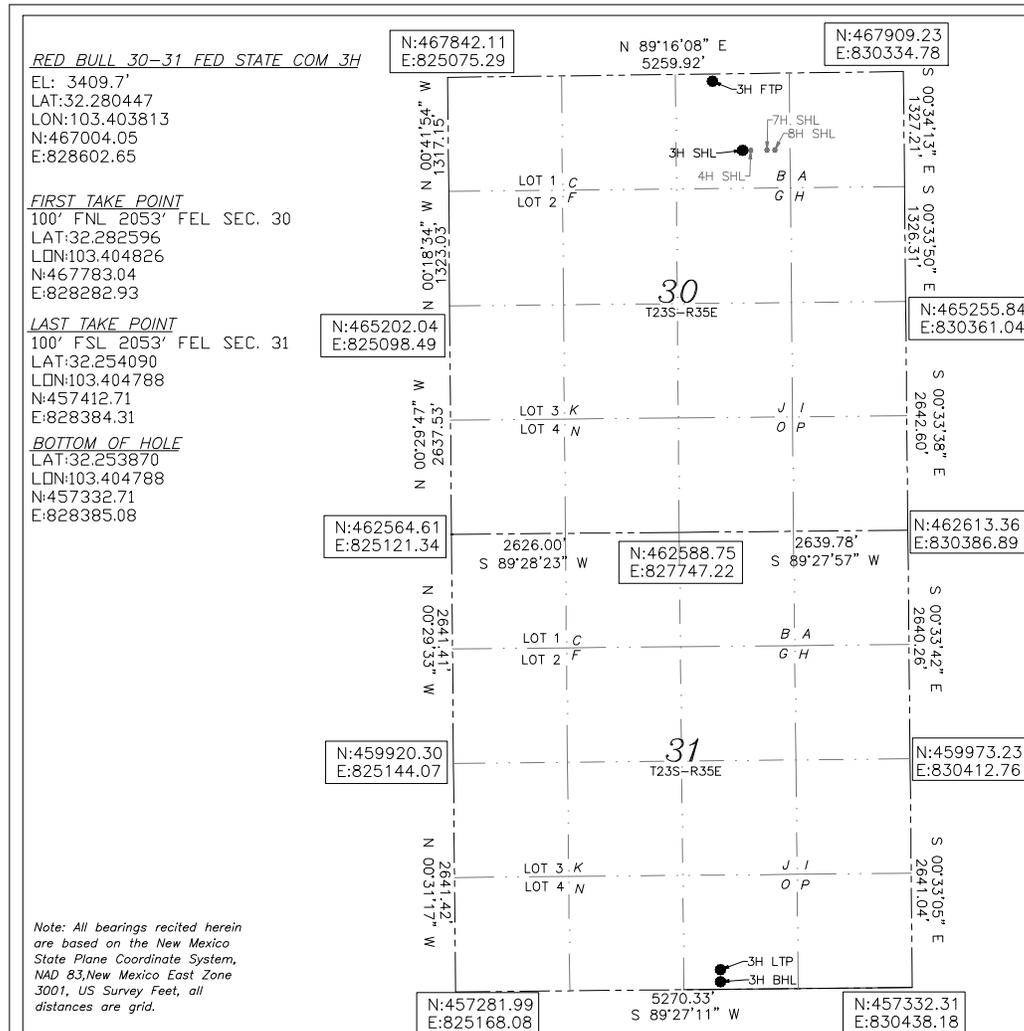
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B             | 30      | 23-S     | 35-E  |         | 883           | NORTH            | 1741          | EAST           | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0             | 31      | 23-S     | 35-E  |         | 20            | SOUTH            | 2053          | EAST           | 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.

02/03/2021  
Date of Survey

Signature & Seal of Professional Surveyor

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

02/20/21

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

# Devon Energy

Project: Lea County, NM (NAD83)  
 Site: Red Bull 30-31 Fed State Com  
 Well: Red Bull 30-31 Fed State Com 3H  
 Wellbore: ST01  
 Design: ST01



Azimuths to Grid North  
 True North: -0.50°  
 Magnetic North: 5.97°

Magnetic Field  
 Strength: 47805.1nT  
 Dip Angle: 59.95°  
 Date: 12/31/2020  
 Model: HDGM2020



3409.7' GE + 30' KB @ 3439.70usft

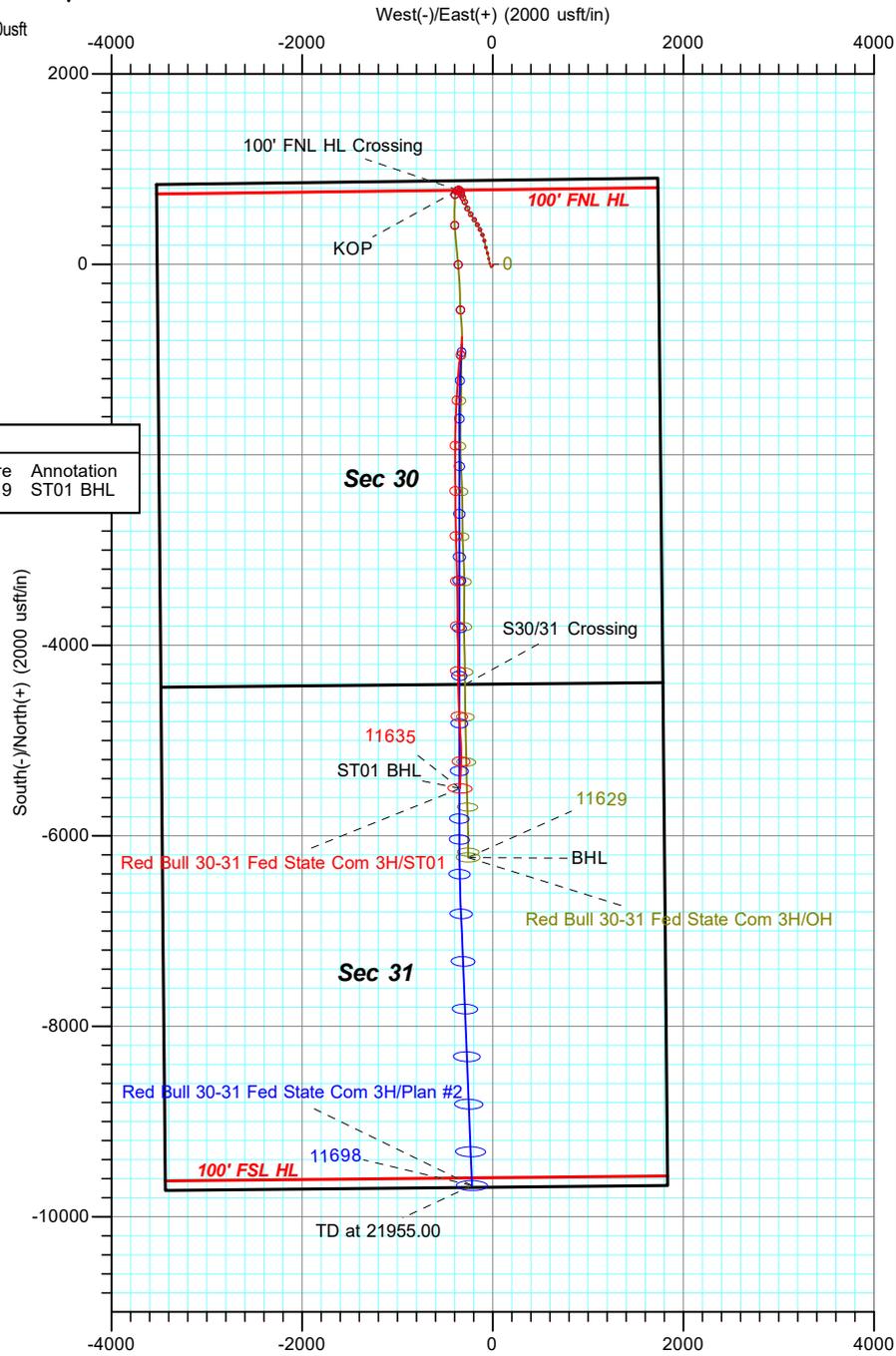
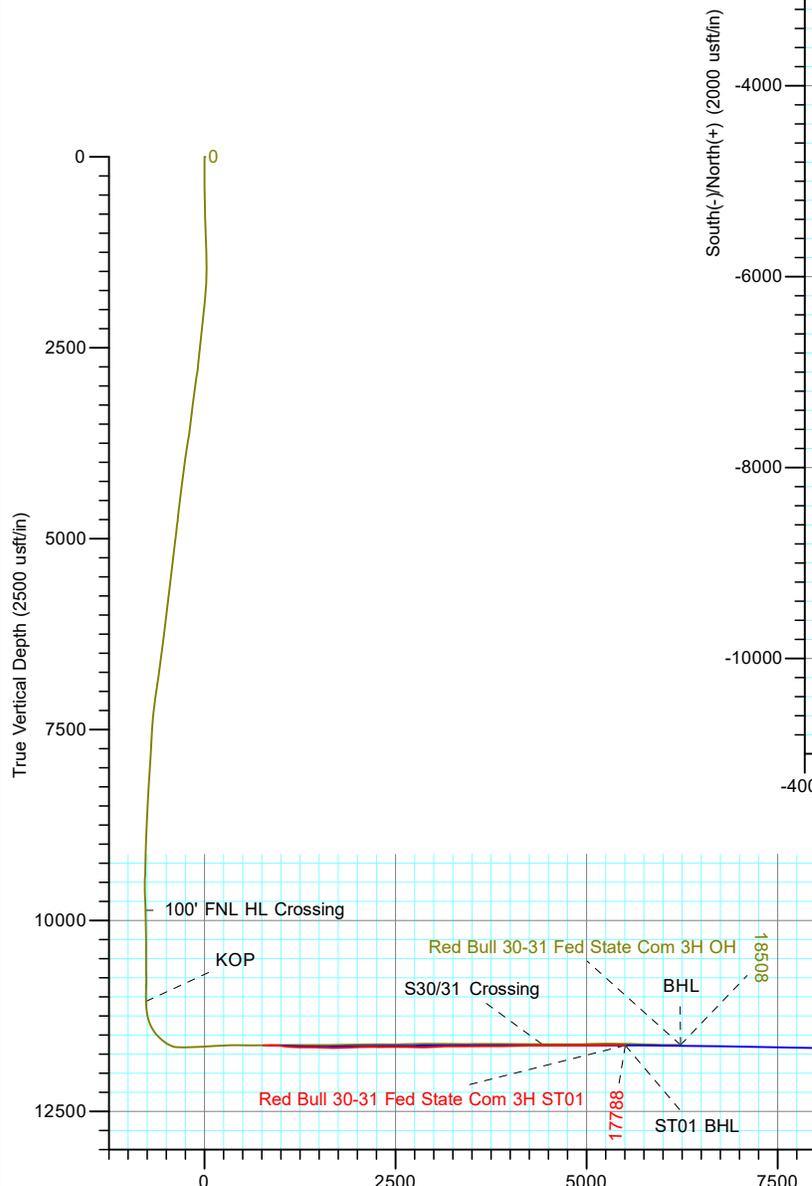
PROJECT DETAILS: Lea County, NM (NAD83)

Geodetic System: US State Plane 1983  
 Datum: North American Datum 1983  
 Ellipsoid: GRS 1980  
 Zone: New Mexico Eastern Zone

**ACTUAL LINE CALLS**  
 SHL: 883' FNL, 1741' FEL S30  
 KOP: 106' FNL, 2110' FEL S30  
 OH BHL: 1810' FNL, 2060' FEL S31  
 ST01 BHL: 1085' FNL, 2137' FEL S31

ANNOTATIONS

| MD       | Inc   | Azi    | TVD      | +N/-S    | +E/-W   | VSect   | Departure | Annotation |
|----------|-------|--------|----------|----------|---------|---------|-----------|------------|
| 17788.00 | 88.20 | 182.20 | 11635.21 | -5502.23 | -342.75 | 5508.55 | 7264.19   | ST01 BHL   |



## TOTAL DIRECTIONAL SERVICES LLC

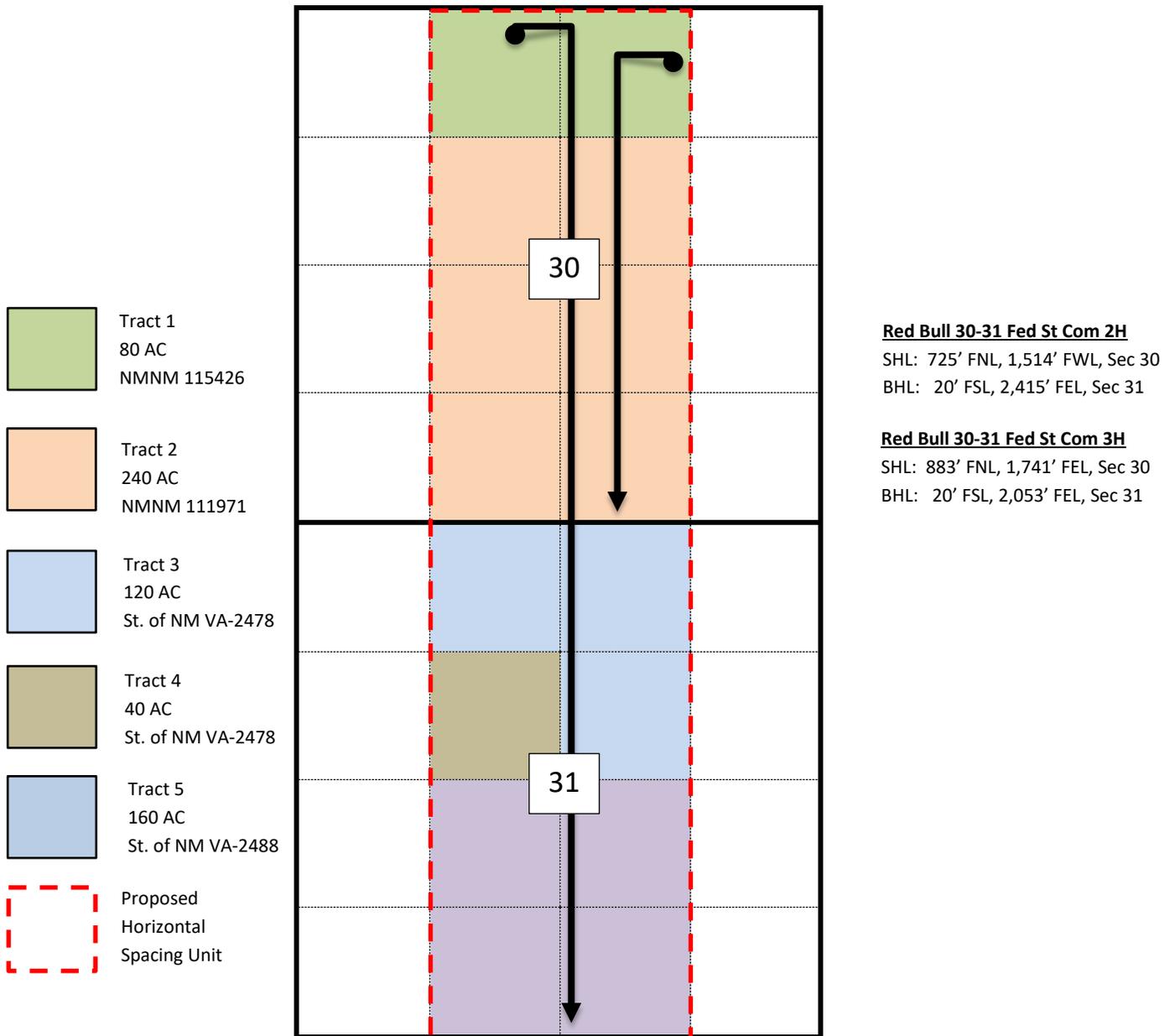
Design: ST01 (Red Bull 30-31 Fed State Com 3H/ST01)  
 Red Bull 30-31 Fed State Com  
 Created By: Dustin Ault Date: 13:05, March 25 2021  
 Date: \_\_\_\_\_  
 Approved: \_\_\_\_\_ Date: \_\_\_\_\_

# Plat

Red Bull 30-31 Fed St Com 2H & 3H

W2E2 & E2W2 of Sec. 30 & W2E2 & E2W2 of Sec. 31-23S-35E, Lea County, NM

2H 3H



BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C3  
Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: June 03, 2021  
Case No. 21903

## Working Interest Owners by Tract

**Tract 1:           NWNE & NENW of Sec. 30-23S-35E**  
**United States of America Lease NMNM 115426**

| Owner                               | Working Interest  |
|-------------------------------------|-------------------|
| Devon Energy Production Company, LP | 1.00000000        |
| <b>Total:</b>                       | <b>1.00000000</b> |

**Tract 2:           SENW, SWNE, E2SW & W2SE of Sec. 30-23S-35E**  
**United States of America Lease NMNM 111971**

| Owner                               | Working Interest  |
|-------------------------------------|-------------------|
| Devon Energy Production Company, LP | 0.65000000        |
| Chevron USA Inc                     | 0.35000000        |
| <b>Total:</b>                       | <b>1.00000000</b> |

**Tract 3:           W2NE & NENW of Sec. 31-23S-35E**  
**State of New Mexico Lease VA-2478**

| Owner                               | Working Interest  |
|-------------------------------------|-------------------|
| Devon Energy Production Company, LP | 0.65000000        |
| Chevron USA Inc                     | 0.35000000        |
| <b>Total:</b>                       | <b>1.00000000</b> |

**Tract 4: SENW of Sec. 31-23S-35E  
State of New Mexico Lease VA-2478**

| Owner                               | Working Interest |
|-------------------------------------|------------------|
| Devon Energy Production Company, LP | 0.65000000       |
| Chevron USA Inc                     | 0.32500000       |
| VPD New Mexico LLC                  | 0.02500000       |
| Total:                              | 1.00000000       |

**Tract 5: E2SW & W2SE of Sec. 31-23S-35E  
State of New Mexico Lease VA-2488**

| Owner                               | Working Interest |
|-------------------------------------|------------------|
| Devon Energy Production Company, LP | 0.65000000       |
| Chevron USA Inc                     | 0.32500000       |
| VPD New Mexico LLC                  | 0.02500000       |
| Total:                              | 1.00000000       |

**Working Interest by Horizontal Spacing Unit**

Red Bull 30-31 Fed St Com 2H & 3H  
E2W2 & W2E2 of Sec. 30 & E2W2 & W2E2 of Sec. 31-23S-35E, Lea County, NM

| Owner                                 | Interest          |
|---------------------------------------|-------------------|
| Devon Energy Production Company, L.P. | 0.69375000        |
| <b>Chevron USA Inc</b>                | <b>0.29843750</b> |
| VPD New Mexico LLC                    | 0.00781250        |
| Total:                                | 1.00000000        |

**Uncommitted Working Interest Owners seeking to Compulsory Pool**

## Overriding Royalty Interests seeking to Compulsory Pool

| Owner  |
|--|
| EOG Resources, Inc.  |
| Oxy Y-1 Company, a NM corporation                              |
| Stryker Energy, LLC (reversionary owner: TLW Investments, LLC) |



Devon Energy Production Company LP      405 235 3611 Phone  
333 West Sheridan Avenue                      www.devonenergy.com  
Oklahoma City, OK 73102

March 31, 2021

CHEVRON USA INC  
ATTN: SCOTT SABRSULA  
1400 SMITH STREET  
HOUSTON, TX 77002

RE: Red Bull 30-31 Fed State Com 2H  
Lea County, New Mexico

Dear Working Interest Owner:

Devon Energy Production Company, L.P. (“Devon”), previously proposed to drill the Red Bull 30-31 Fed State Com 2H well with a surface location of 725’ FNL & 1514’ FWL, Section 30-23S-35E and approximate bottom hole location of 20’ FSL & 2053’ FWL, Section 31-23S-35E, Lea County, New Mexico.

Please be advised that the bottom hole location has changed and Devon hereby proposed to drill the Red Bull 30-31 Fed State Com 2H well to an approximate TVD of 11,610’ and approximate TMD of 21,986’ into the Bone Spring formation, with SHL of 725’ FNL & 1514’ FWL, Section 30-23S-35E, and an approximate BHL of 20’ FSL & 2415’ FEL, Section 31-23S-35E, Lea County, New Mexico. Enclosed for your review is Devon’s AFE, indicating drilling costs of \$2,542,265.95 and total completed well costs of \$6,603,801.90.

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.

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 Conservation 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) 228-2448 or via email at [Ryan.Cloer@dv.com](mailto:Ryan.Cloer@dv.com) if you have any questions concerning this proposal.

Very truly yours,

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

Ryan Cloer  
Sr. Staff Landman

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C4  
Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: June 03, 2021  
Case No. 21903

**CHEVRON USA INC:**

**To Participate** in the proposal of the Red Bull 30-31 Fed State Com 2H

**Not To Participate** in the proposal of the Red Bull 30-31 Fed State Com 2H

Agreed to and Accepted this 13 day of April, 2021.

**CHEVRON USA INC**

By: Christina L Nguyen

Title: Christina Goloway Nguyen  
NOJV Petroleum Engineer



Authorization for Expenditure

AFE # XX-137559.01  
 Well Name: RED BULL 30-31 FED STATE COM 2H  
 Cost Center Number: 1094494801  
 Legal Description: SEC 30-23S-35E  
 Revision:

AFE Data: 2/4/2021  
 State: NM  
 County/Parish: LEA

Explanation and Justification:

DRILL AND COMPLETE THE RED BULL 30-31 FED STATE COM 2H

| Code    | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER      | 0.00           | 121,343.00       | 0.00           | 121,343.00  |
| 6060100 | DYED LIQUID FUELS      | 54,475.00      | 194,246.00       | 0.00           | 248,721.00  |
| 6080130 | GASEOUS FUELS          | 14,000.00      | 0.00             | 0.00           | 14,000.00   |
| 6080100 | DISPOSAL - SOLIDS      | 110,332.83     | 1,052.00         | 0.00           | 111,384.83  |
| 6080110 | DISP-SALTWATER & OTH   | 0.00           | 9,466.00         | 0.00           | 9,466.00    |
| 6080115 | DISP VIA PIPELINE SW   | 0.00           | 60,000.00        | 0.00           | 60,000.00   |
| 6090100 | FLUIDS - WATER         | 7,800.00       | 115,172.00       | 0.00           | 122,972.00  |
| 6090120 | RECYC TREAT&PROC-H2O   | 0.00           | 197,389.00       | 0.00           | 197,389.00  |
| 6100100 | PERMIT SURVEY&TITLE    | 30,000.00      | 0.00             | 0.00           | 30,000.00   |
| 6100110 | RIGHT OF WAY           | 15,000.00      | 0.00             | 0.00           | 15,000.00   |
| 6110120 | ROAD&SITE PREP M&S     | 0.00           | 30,618.75        | 0.00           | 30,618.75   |
| 6110130 | ROAD&SITE PREP SVC     | 45,000.00      | 48,565.75        | 0.00           | 93,565.75   |
| 6110170 | DAMAGE & REMEDIATION   | 5,000.00       | 0.00             | 0.00           | 5,000.00    |
| 6120100 | I & C SERVICES         | 0.00           | 162,146.25       | 0.00           | 162,146.25  |
| 6130170 | COMM SVCS - WAN        | 3,965.78       | 0.00             | 0.00           | 3,965.78    |
| 6130360 | RTOC - ENGINEERING     | 0.00           | 5,602.00         | 0.00           | 5,602.00    |
| 6130370 | RTOC - GEOSTEERING     | 10,971.00      | 0.00             | 0.00           | 10,971.00   |
| 6140160 | ENV-SERVICES           | 1,000.00       | 0.00             | 0.00           | 1,000.00    |
| 6150100 | CH LOG PERFRTG&AWL SV  | 0.00           | 182,583.00       | 0.00           | 182,583.00  |
| 6160100 | MATERIALS & SUPPLIES   | 435.80         | 0.00             | 0.00           | 435.80      |
| 6170100 | PULLING&SWABBING SVC   | 0.00           | 16,500.00        | 0.00           | 16,500.00   |
| 6170110 | SNUBBG&COIL TUBG SVC   | 0.00           | 104,415.00       | 0.00           | 104,415.00  |
| 6190100 | TRCKG&HL-SOLID&FLUID   | 17,432.00      | 0.00             | 0.00           | 17,432.00   |
| 6190110 | TRUCKING&HAUL OF EQP   | 52,800.00      | 54,087.00        | 0.00           | 106,887.00  |
| 8200130 | CONSLT & PROJECT SVC   | 122,022.61     | 86,517.00        | 0.00           | 208,539.61  |
| 8230120 | SAFETY SERVICES        | 28,327.00      | 0.00             | 0.00           | 28,327.00   |
| 6300270 | SOLIDS CONTROL SRVCS   | 72,753.69      | 0.00             | 0.00           | 72,753.69   |
| 6310120 | STIMULATION SERVICES   | 0.00           | 536,823.00       | 0.00           | 536,823.00  |
| 6310190 | PROPPANT PURCHASE      | 0.00           | 395,312.00       | 0.00           | 395,312.00  |
| 6310200 | CASING & TUBULAR SVC   | 78,700.00      | 0.00             | 0.00           | 78,700.00   |
| 6310250 | CEMENTING SERVICES     | 184,000.00     | 0.00             | 0.00           | 184,000.00  |
| 6310280 | DAYWORK COSTS          | 445,888.77     | 0.00             | 0.00           | 445,888.77  |
| 6310300 | DIRECTIONAL SERVICES   | 182,635.00     | 0.00             | 0.00           | 182,635.00  |
| 6310310 | DRILL BITS             | 69,000.00      | 0.00             | 0.00           | 69,000.00   |
| 6310330 | DRILL&COMP FLUID&SVC   | 186,120.60     | 21,043.00        | 0.00           | 187,163.60  |
| 6310380 | OPEN HOLE EVALUATION   | 12,695.80      | 0.00             | 0.00           | 12,695.80   |
| 6310480 | TSTNG-WELL, PL & OTH   | 0.00           | 95,764.00        | 0.00           | 95,764.00   |
| 6310510 | VACUUM TRUCK SVC       | 0.00           | 2,500.00         | 0.00           | 2,500.00    |
| 6310600 | MISC PUMPING SERVICE   | 0.00           | 29,666.00        | 0.00           | 29,666.00   |
| 6320100 | EQPMNT SVC-SRF RNTL    | 78,783.69      | 126,480.00       | 0.00           | 205,263.69  |
| 6320110 | EQUIP SVC - DOWNHOLE   | 82,764.33      | 27,590.00        | 0.00           | 110,354.33  |
| 6320160 | WELDING SERVICES       | 850.00         | 0.00             | 0.00           | 850.00      |
| 6320190 | WATER TRANSFER         | 0.00           | 77,992.00        | 0.00           | 77,992.00   |
| 6350100 | CONSTRUCTION SVC       | 0.00           | 210,527.88       | 0.00           | 210,527.88  |

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-137559.01  
 Well Name: RED BULL 30-31 FED STATE COM 2H  
 Cost Center Number: 1094494901  
 Legal Description: SEC 30-23S-35E  
 Revision:

AFE Date: 2/4/2021  
 State: NM  
 County/Parish: LEA

| Code    | Intangible Description   | Drilling Costs      | Completion Costs    | Dry Hole Costs | Total Costs         |
|---------|--------------------------|---------------------|---------------------|----------------|---------------------|
| 6520100 | LEGAL FEES               | 5,000.00            | 0.00                | 0.00           | 5,000.00            |
| 6550100 | MISCS COSTS & SERVS      | 0.00                | 7,812.00            | 0.00           | 7,812.00            |
| 6550110 | MISCELLANEOUS SVC        | 28,700.00           | 0.00                | 0.00           | 28,700.00           |
| 6550120 | OTHER ROUSTABOUT SER     | 0.00                | 23,000.00           | 0.00           | 23,000.00           |
| 6630110 | CAPITAL OVERHEAD         | 6,537.00            | 45,387.99           | 0.00           | 51,924.99           |
| 6740340 | TAXES OTHER              | 157.98              | 10,353.00           | 0.00           | 10,510.98           |
|         | <b>Total Intangibles</b> | <b>1,823,148.78</b> | <b>2,999,753.62</b> | <b>0.00</b>    | <b>4,822,902.40</b> |

| Code    | Tangible Description    | Drilling Costs    | Completion Costs    | Dry Hole Costs | Total Costs         |
|---------|-------------------------|-------------------|---------------------|----------------|---------------------|
| 6120110 | I&C EQUIPMENT           | 0.00              | 86,270.63           | 0.00           | 86,270.63           |
| 6120120 | MEASUREMENT EQUIP       | 0.00              | 29,287.50           | 0.00           | 29,287.50           |
| 6230130 | SAFETY EQUIPMENT        | 2,299.70          | 0.00                | 0.00           | 2,299.70            |
| 6300150 | SEPARATOR EQUIPMENT     | 0.00              | 443,160.35          | 0.00           | 443,160.35          |
| 6300220 | STORAGE VESSEL&TANKS    | 0.00              | 78,463.88           | 0.00           | 78,463.88           |
| 6300230 | PUMPS - SURFACE         | 0.00              | 15,178.25           | 0.00           | 15,178.25           |
| 6310130 | ARTIFICIAL LIFT EQP     | 0.00              | 25,000.00           | 0.00           | 25,000.00           |
| 6310160 | CASG-COND&DRIVE PIPE    | 20,000.00         | 0.00                | 0.00           | 20,000.00           |
| 6310420 | TUBING & COMPONENTS     | 0.00              | 64,498.00           | 0.00           | 64,498.00           |
| 6310460 | WELLHEAD EQUIPMENT      | 49,401.00         | 96,554.00           | 0.00           | 145,955.00          |
| 6310530 | SURFACE CASING          | 43,709.85         | 0.00                | 0.00           | 43,709.85           |
| 6310540 | INTERMEDIATE CASING     | 129,212.16        | 0.00                | 0.00           | 129,212.16          |
| 6310550 | PRODUCTION CASING       | 338,609.46        | 0.00                | 0.00           | 338,609.46          |
| 6310580 | CASING COMPONENTS       | 35,885.00         | 0.00                | 0.00           | 35,885.00           |
| 6330100 | PIPE, FIT, FLANG, CPLNG | 0.00              | 223,371.72          | 0.00           | 223,371.72          |
|         | <b>Total Tangibles</b>  | <b>619,117.17</b> | <b>1,061,782.33</b> | <b>0.00</b>    | <b>1,680,899.50</b> |

|                             |                     |                     |             |                     |
|-----------------------------|---------------------|---------------------|-------------|---------------------|
| <b>TOTAL ESTIMATED COST</b> | <b>2,542,265.95</b> | <b>4,061,535.95</b> | <b>0.00</b> | <b>6,603,801.90</b> |
|-----------------------------|---------------------|---------------------|-------------|---------------------|

WORKING INTEREST OWNER APPROVAL

Company Name:  
 Chevron

Signature:  Print Name: Christina Goloway Nguyen

Title: NOJV Petroleum Engineer

Date: 04/13/2021

Email: CGolowayNguyen@chevron.com

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.

**Communication Timeline with Non-Joined Working Interest Owner**

**Red Bull 30-31 Fed St. Com 2H & 3H**

Week of 3/31/21, Devon sent initial well proposal letter, AFEs and terms to the proposed Operating Agreement

Week of 4/6/21, follow up correspondence with uncommitted working interest owner

Week of 4/13/21, follow up correspondence with uncommitted working interest owner

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

APPLICATION OF DEVON ENERGY  
PRODUCTION COMPANY, L.P. TO  
VACATE ORDER NOS. R-21517 & R-21518 AND TO  
POOL A STANDARD 640-ACRE HORIZONTAL  
SPACING UNIT, LEA COUNTY, NEW MEXICO.

CASE NO. 21903

AFFIDAVIT OF THOMAS PERYAM

Thomas Peryam, of lawful age and being first duly sworn, declares as follows:

1. My name is Thomas Peryam, and I work for Devon Energy Production Company, L.P. (“Devon”) as a petroleum geologist.

2. I have testified previously by affidavit before the Oil Conservation Division (“Division”) as an expert petroleum geologist, my credentials have been made a matter of record, and I have been qualified as an expert by the Division. 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. I have been employed as a petroleum geologist with Devon since August 2012.

3. I am familiar with the application filed by Devon in this case, and I have conducted a geologic study of the Bone Spring formation underlying the E/2 W/2 and the W/2 E/2 of Sections 30 and 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico.

4. **Devon Exhibit D-1** is a structure map showing the depth (subsea) to the top of the Wolfcamp horizon, a marker that defines the base of target interval in the Third Bone Spring Sandstone for the proposed wells within E/2 W/2 and the W/2 E/2 of Sections 30 and 31 that constitutes the spacing unit in this case. The contour interval is 10 feet. On this map, I have

identified the path of the wellbores for each well with red lines. **Exhibit D-1** shows that the formation is gently dipping to the southeast in this area. I do not observe any other faulting, pinch outs, or geologic impediments to developing the targeted interval with horizontal wells.

5. **Devon Exhibit D-2** identifies the two wells penetrating the targeted interval that I used to construct a structural cross-section from A to A'. I utilized these well logs because they penetrate the targeted interval and are of good quality. In my opinion, these well logs are representative of the geology in the area.

6. **Devon Exhibit D-3** is a structural cross section using the representative wells depicted on Exhibit D-2. It contains gamma ray, resistivity, and porosity logs. The landing zone for each of the wells is labeled on the exhibit. The cross-section demonstrates that the targeted interval extends across the proposed spacing unit.

7. In my opinion, the north-south standup orientation of the wells is the preferred orientation for horizontal well development in the targeted interval in this area. This standup orientation will efficiently and effectively develop the subject acreage.

8. Based on my geologic study, the targeted interval underlying the subject area is suitable for development by horizontal wells and the tracts comprising the proposed spacing units will contribute more-or-less equally to the production from the wellbores.

9. In my opinion, the granting of Devon's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

10. **Devon Exhibits D-1 to D-3** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
THOMAS PERYAM

STATE OF OKLAHOMA )

COUNTY OF Oklahoma )

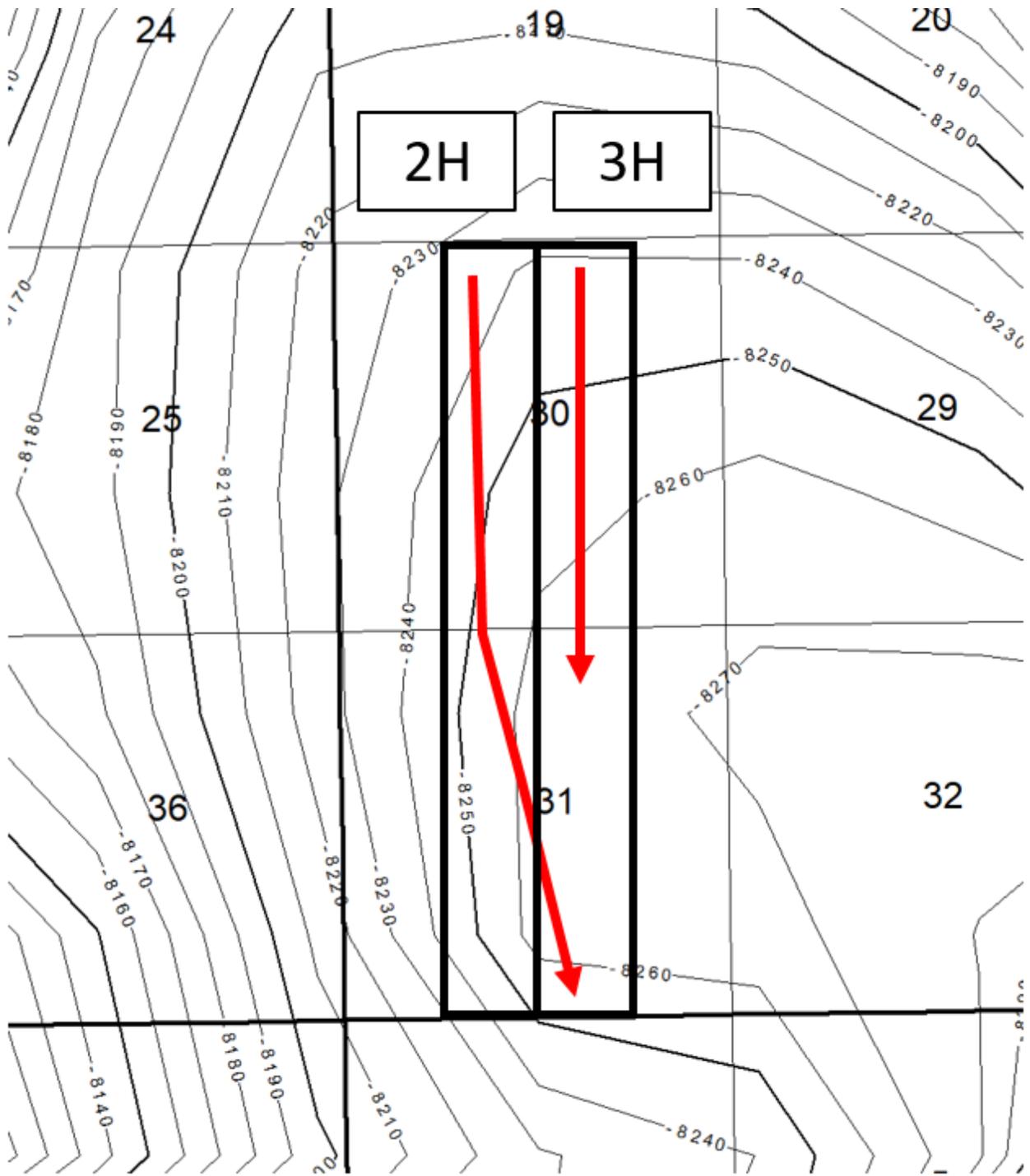
SUBSCRIBED and SWORN to before me this 1st day of June  
2021 by Thomas Peryam.



  
\_\_\_\_\_  
NOTARY PUBLIC

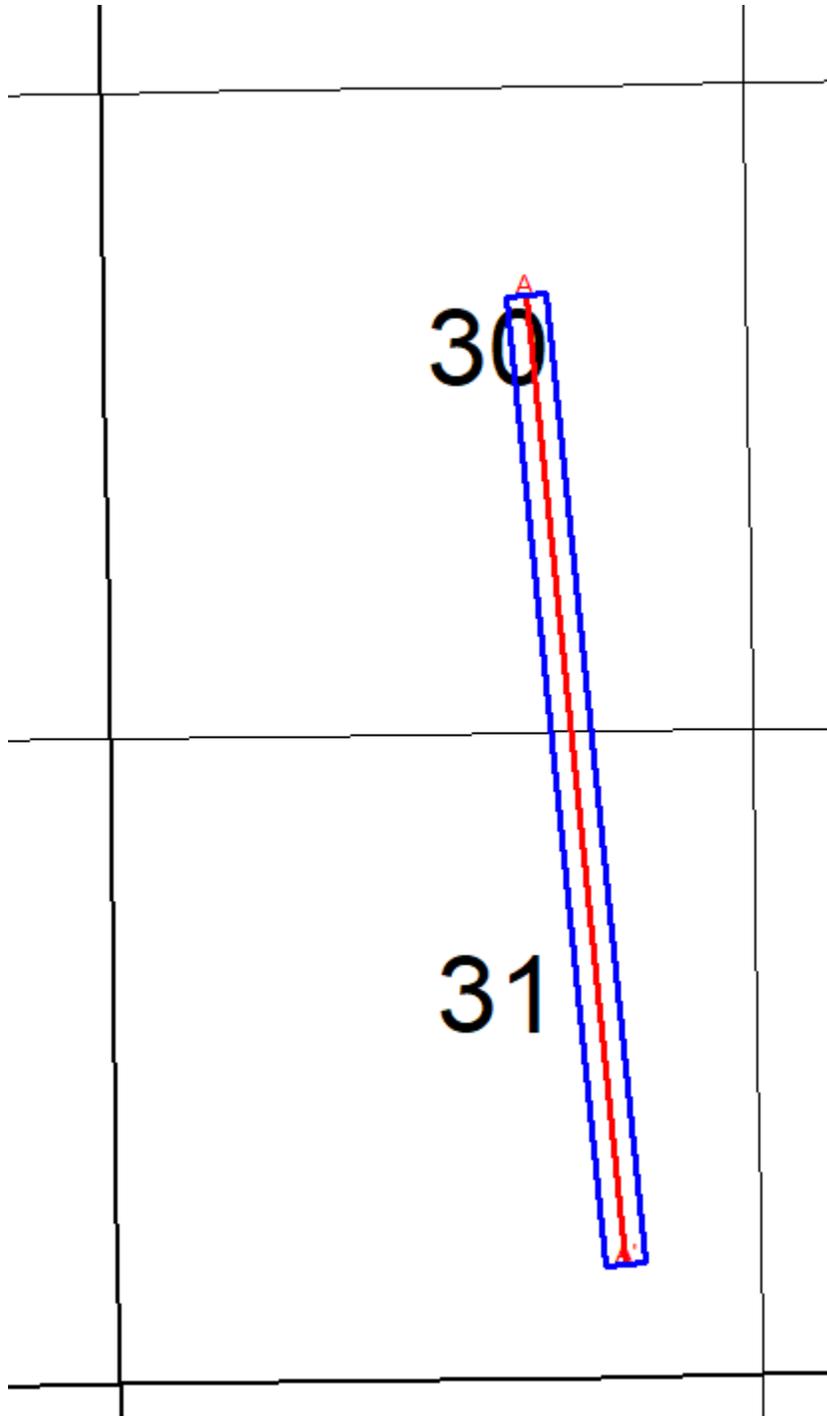
My Commission Expires:

5/7/23



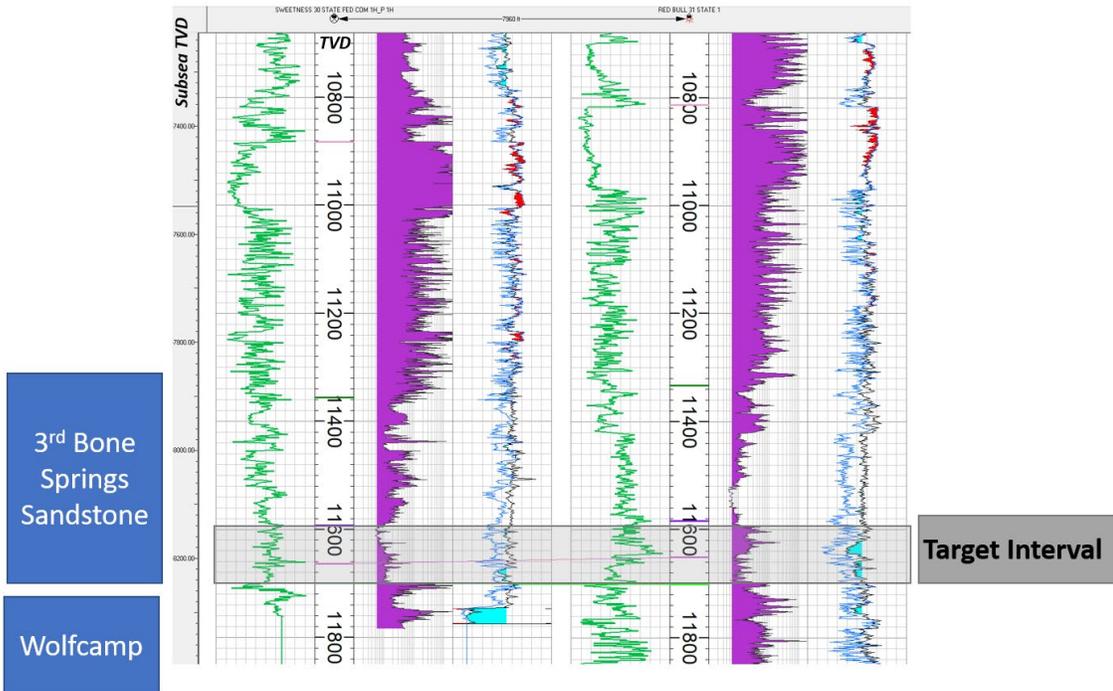
**Devon Exhibit D-1**

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D1  
Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: June 03, 2021  
Case No. 21903



**Devon Exhibit D-2**

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D2  
Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: June 03, 2021  
Case No. 21903**



**Devon Exhibit D-3**

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D3  
 Submitted by: Devon Energy Production Co. L.P.  
 Hearing Date: June 03, 2021  
 Case No. 21903



May 14, 2021

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Devon Energy Production Company, L.P. to Vacate Order Nos. R-21517 & 21517, and to Pool a Standard 640-acre Horizontal Spacing Unit, Lea County, New Mexico.**  
**Red Bull 30-31 Fed State Com #2H & #3H wells**

Ladies & Gentlemen:

This letter is to advise you that Devon Energy Production Company, L.P., has filed the enclosed application with the New Mexico Oil Conservation Division.

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on June 3, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.**

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person with the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Ryan Cloer at (405) 228-2448, or at [Ryan.Cloer@dmv.com](mailto:Ryan.Cloer@dmv.com)

Sincerely,

  
Kaitlyn A. Luck

**ATTORNEY FOR DEVON ENERGY PRODUCTION  
COMPANY, L.P.**

Devon - Red Bull 2H Order R21517  
Case No. 21903 Postal Delivery Report

| TrackingNo             | ToName                               | DeliveryAddress        | City             | State | Zip        | USPS_Status   |
|------------------------|--------------------------------------|------------------------|------------------|-------|------------|---|
| 9414811898765893378520 | EOG Resources, Inc.                  | 5509 Champions Dr      | Midland          | TX    | 79706-2843 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.   |
| 9414811898765893378506 | Oxy Y-1 Company, a<br>NM corporation | 5 Greenway Plz Ste 110 | Houston          | TX    | 77046-0521 | Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on May 17, 2021 at 11:50 am.   |
| 9414811898765893378599 | Stryker Energy, LLC                  | 6690 Beta Dr Ste 214   | Mayfield Village | OH    | 44143-2359 | Your item was forwarded to a different address at 10:30 am on May 20, 2021 in CLEVELAND, OH. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect. |

# 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  
May 19, 2021  
and ending with the issue dated  
May 19, 2021.



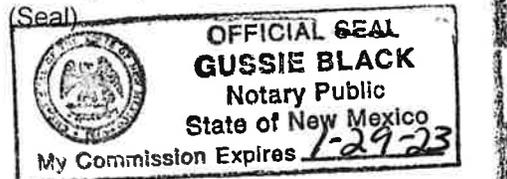
Publisher

Sworn and subscribed to before me this  
19th day of May 2021.



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  
May 19, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, June 3, 2021, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us). Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than **May 23, 2021**.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=ec1d641c6ace40cc7558b1e0da816030e>  
Event number: 187 817 6036  
Event password: 9i7hAhEhqh5

Join by video: [1878176036@nmemnrd.webex.com](mailto:1878176036@nmemnrd.webex.com)  
Numeric Password: 235514  
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free  
Access code: 187 817 6036

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

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

**To: All overriding royalty interest owners and pooled parties, including: EOG Resources, Inc.; Oxy Y-1 Company, a NM corporation; and Stryker Energy, LLC.**

**Case No. 21903: Application of Devon Energy Production Company, L.P. to Vacate Order Nos. R-21517 & 21517, and to Pool a Standard 640-acre Horizontal Spacing Unit, Lea County, New Mexico.** Applicant in the above-styled cause seeks to vacate Order Nos. R-21517 and R-21518, and to pool the interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 and the W/2 E/2 of Sections 30 and 31, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico. The Unit will be initially dedicated to the following wells:

- The proposed **Red Bull 30-31 Fed State Com #2H well** to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 30, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 31; and

- The existing **Red Bull 30-31 Fed State Com #3H well**, which has been drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 30, to a bottom hole location in the SE/4 NE/4 (Unit G) of Section 31.

The completed interval for the Red Bull 30-31 Fed State Com #2H well will remain within 330 feet from the quarter-quarter line separating the E/2 from the W/2 of Sections 30 and 31 to allow inclusion of the E/2 W/2 acreage in a standard 640-acre horizontal well spacing unit. 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 unit; and a 200% charge for the risk involved in drilling and completing the wells. Said area is located approximately 12 miles northwest of Jal, New Mexico.

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

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

Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: June 03, 2021  
Case No. 21903