



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

May 14, 2024

Dean McClure  
Petroleum Specialist  
New Mexico Energy, Minerals and Natural Resources Department  
1220 South St. Francis Drive Santa Fe, New Mexico 87505  
(505) 476-3471

**Re** SPUD MUFFIN 31 CTB 1  
**Sec.-T-R:** 31-23S-29E  
**Wells:** Spud Muffin 31-30 Fed Com 231H, 331H, 621H; Spud Muffin 31-30 Com 622H;  
Spud Muffin 31-30 232H and 332H  
**Agreements:** 1 Wolfcamp CA Approved; 1 Bone Spring CA Approved; 1 Bone Spring CA Pending  
**Lease:** NMNM082886, FEE  
  
**Pool:** [98220] PURPLE SAGE; WOLFCAMP (GAS)  
[11520] CEDAR CANYON; BONE SPRING  
  
**County:** Eddy Co., New Mexico

Dear Mr. McClure:

Please find attached the commingle application for the Central Tank Battery of the aforementioned wells. This application is necessary due to diverse pools and leases/communitization agreements.

The working interest, royalty interest and overriding royalty interest owners are not identical, therefore notifications have been sent.

A copy of the submitted Bureau of Land Management application is attached.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

Should you have any questions or need further assistance, please do not hesitate to contact me at (405) 228-8429.

Sincerely,

A handwritten signature in blue ink that reads "Shayda Omoumi". The signature is fluid and cursive.

Shayda Omoumi  
Regulatory Compliance Professional

**Enclosures**

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

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



**ADMINISTRATIVE APPLICATION CHECKLIST**

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

**Applicant:** Devon Energy Production Co., LP **OGRID Number:** 6137  
**Well Name:** Spud Muffin 31-30, 31-30 Com, and 31-30 Fed Com Wells – See Attached **API:** See Attached  
**Pool:** PURPLE SAGE; WOLFCAMP (GAS) & CEDAR CANYON; BONE SPRING **Pool Code:** 98220 & 11520

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

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location – Spacing Unit – Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling – Storage – Measurement  
 DHC     CTB     PLC     PC     OLS     OLM  
 [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
 WFX     PMX     SWD     IPI     EOR     PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A.  Offset operators or lease holders  
 B.  **Royalty, overriding royalty owners, revenue owners**  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  **Notification and/or concurrent approval by BLM**  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

<b>FOR OCD ONLY</b>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

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

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

Shayda Omoumi

Print or Type  
Name

*Shayda Omoumi*  
Signature

4/23/2024  
Date

405-552-3513  
Phone Number

shayda.omoumi@dvn.com  
e-mail Address

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

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

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

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

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

LEASE TYPE:  Fee  State  Federal

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

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
See Attached					

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

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

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

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

- (1) Complete Sections A and E.

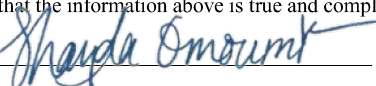
**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

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

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

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

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

SIGNATURE:  TITLE: Regulatory Compliance Professional DATE: 4/23/2024  
TYPE OR PRINT NAME Shayda Omoumi TELEPHONE NO.: 405-552-3513  
E-MAIL ADDRESS: shayda.omoumi@dvn.com

**APPLICATION FOR CENTRAL TANK BATTERY/OFF LEASE MEASUREMENT, SALES, & STORAGE**

Per 43 CFR 3173.14 (a)(1)(i-iv) - (i) Federal lease, unit PA, or CA, where each lease, unit PA, or CA proposed for commingling has 100 percent Federal mineral interest, the same fixed royalty rate and, and the same revenue distribution

**Proposal for Spud Muffin 31 CTB 1**

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

CA: Approved NMNM139936; Leases: FEE, NMNM082886 (12.5%)			
Well Name	API	Location	Pool
Spud Muffin 31-30 COM 622H	3001545266	N-31-23S-29E - 625 FSL & 2375 FWL	[98220] PURPLE SAGE; WOLFCAMP (GAS)
Spud Muffin 31-30 FED COM 621H	3001545460	Lot 4 31-23S-29E - 270 FSL & 1245 FWL	[98220] PURPLE SAGE; WOLFCAMP (GAS)

CA: Approved NMNM139937; Leases: FEE, NMNM082886 (12.5%)			
Well Name	API	Location	Pool
Spud Muffin 31-30 Fed Com 331H	3001545459	Lot 4 31-23S-29E - 270 FSL & 1275 FWL	[11520] CEDAR CANYON; BONE SPRING
Spud Muffin 31-30 Fed Com 231H	3001553172	N-31-23S-29E - 165 FSL & 1383 FWL	[11520] CEDAR CANYON; BONE SPRING

CA: Pending E2W2 & W2E2 Bone Spring CA; Leases: FEE			
Well Name	API	Location	Pool
Spud Muffin 31-30 332H	3001545302	N-31-23S-29E - 625 FSL & 2405 FWL	[11520] CEDAR CANYON; BONE SPRING
Spud Muffin 31-30 232H	3001553830	N-31-23S-29E - 165 FSL & 1413 FWL	[11520] CEDAR CANYON; BONE SPRING

**CA:**

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

Approved Wolfcamp CA: W/2 of Sections 30 & 31, T-23-S, R-29-E, Eddy County, New Mexico, Wolfcamp Formation

Approved Bone Spring CA: W/2W/2 of Sections 30 & 31, T-23-S, R-29-E, Eddy County, New Mexico, Bone Spring Formation

Pending Bone Spring CA: E/2W/2 & W/2E/2 of Sections 30 & 31, T-23-S, R-29-E, Eddy County, New Mexico, Bone Spring Formation

**Oil & Gas metering:**

The Spud Muffin 31 CTB 1 central tank battery is in SESW, S31, T23S, R29E in Eddy County, New Mexico. Each well flows to its own 3-Phase Separator where the full well stream is separated into independent gas, oil, and water streams.

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

3-Phase oil flows through an independent and designated Coriolis meter for Federal Measurement Point/Royalty Payment. The oil then flows into a manifold where it is combined with oil from other 3-Phases.

The combined stream flows into the Heater Treater(s) and then ULPS(s) for further conditioning and then into one of the oil tanks for storage. The stored oil is pumped into a LACT unit for Sales.

Flash gas from oil conditioning is recovered using compression (VRU). The recovered gas flows through a designated orifice meter for rate allocation.

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

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

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

Well Name	Individual Meters		
	Gas Allocation	Oil Allocation	Water Allocation
SPUD MUFFIN 31-30 COM 622H	DVN / *	DVN / *	DVN / *
SPUD MUFFIN 31-30 332H	DVN / *	DVN / *	DVN / *
SPUD MUFFIN 31-30 FED COM 621H	DVN / *	DVN / *	DVN / *
SPUD MUFFIN 31-30 FED COM 331H	DVN / *	DVN / *	DVN / *
SPUD MUFFIN 31-30 232H	DVN / *	DVN / *	DVN / *
SPUD MUFFIN 31-30 FED COM 231H	DVN / *	DVN / *	DVN / *
<b>Common Meters</b>			
<b>VRU Allocation</b>	DVN / *		
<b>Gas FMP</b>	DVN / *		
<b>Oil FMP</b>	EnLink		

Meter Owner / Serial Number:

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

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

**Process and Flow Descriptions:**

The flow of produced fluids is described above and shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, location of wells, facility, and gas sales meter.

The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and emissions. The proposed commingling will reduce operating expenses, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

Devon Energy Production Company, LP understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

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

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail.

Date: 4/3/2024

## **Additional information:**

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

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

## Allocation Methodology

### PRORATED ALLOCATION

#### GAS ALLOCATION

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

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

#### OIL ALLOCATION

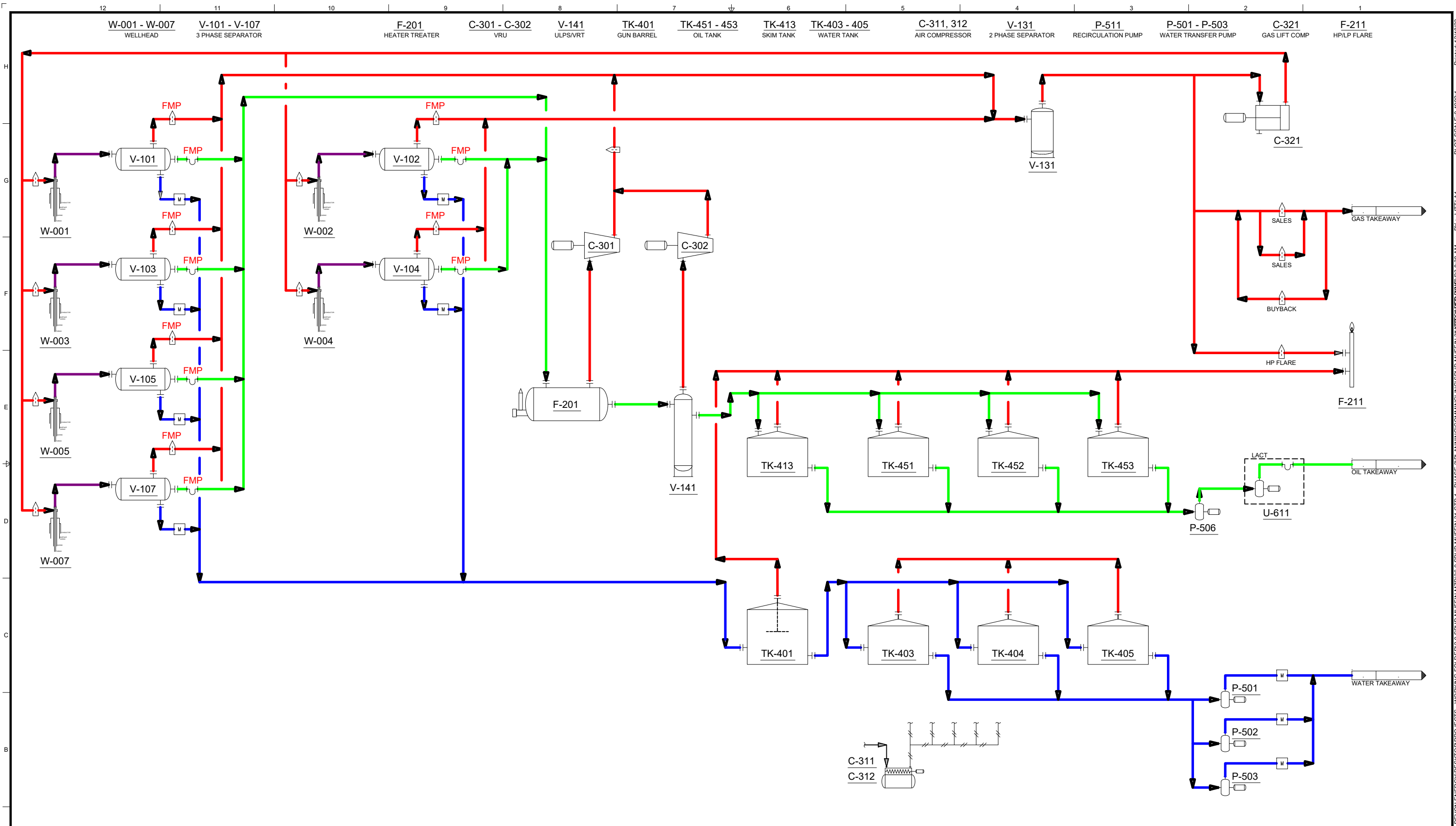
Each well has an oil meter measuring the volume of oil produced by the well. This volume is used as the allocation point to prorate Allocated Production and Total Sales Volume (FMP) back to each well.

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

### **WATER ALLOCATION**

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

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



**NOTES:**

ORIFICE METER		GAS		FULL WELL STREAM
CORIOLIS METER		OIL		INSTRUMENT AIR
MAGNETIC METER		WATER		FEDERAL MEASUREMENT POINT

REV	DESCRIPTION	DATE	DRAWN	APPROV
A	INITIAL RELEASE		KR	PM

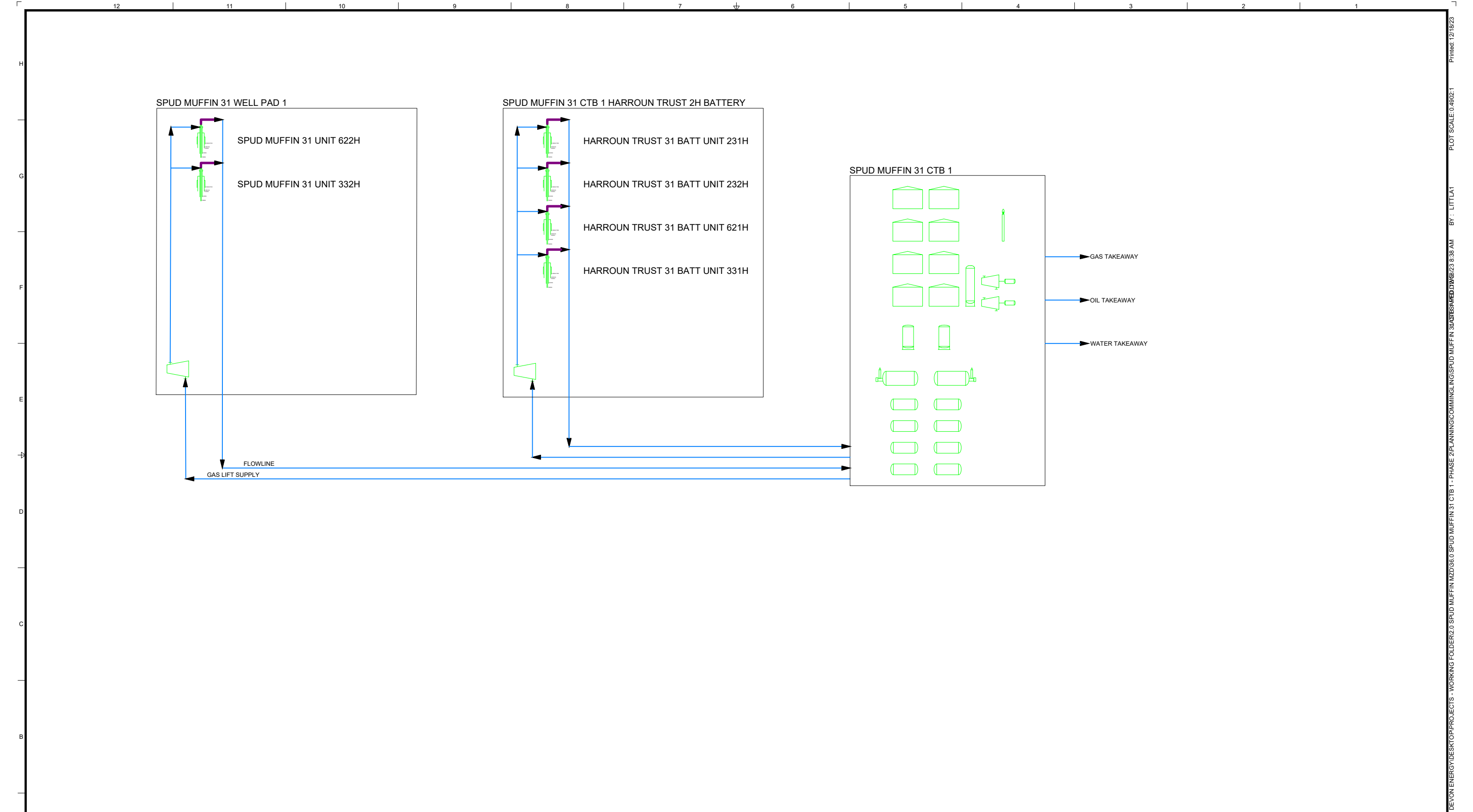
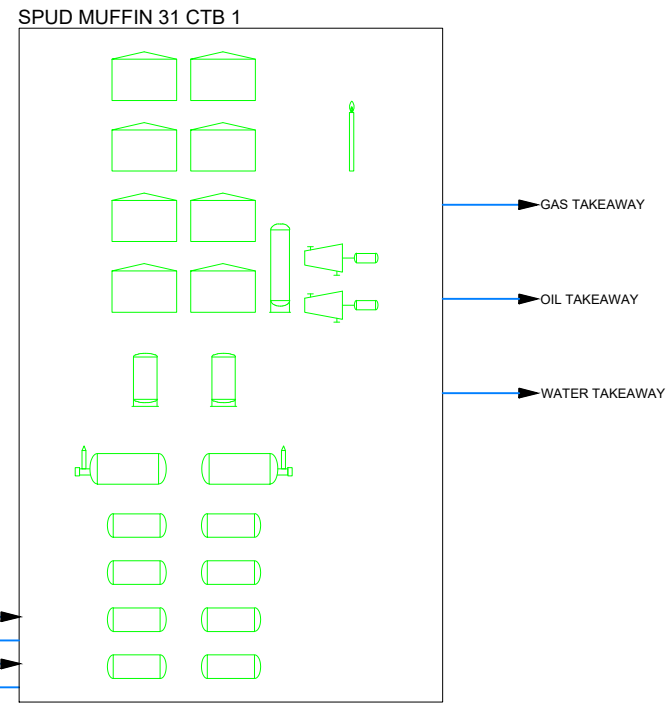
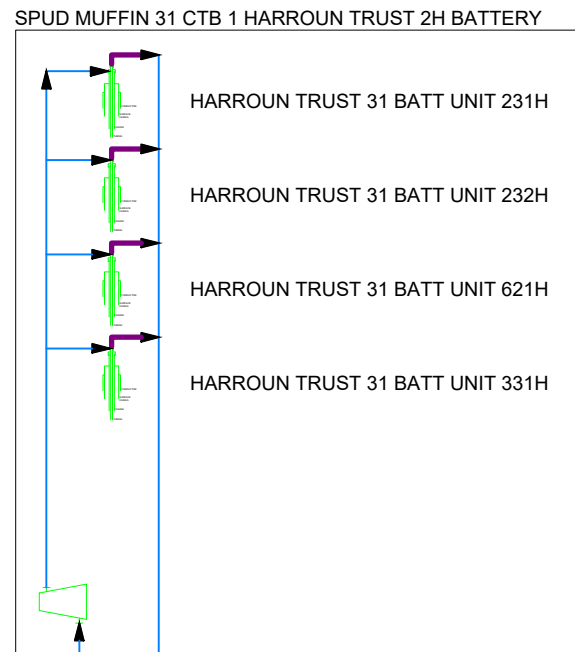
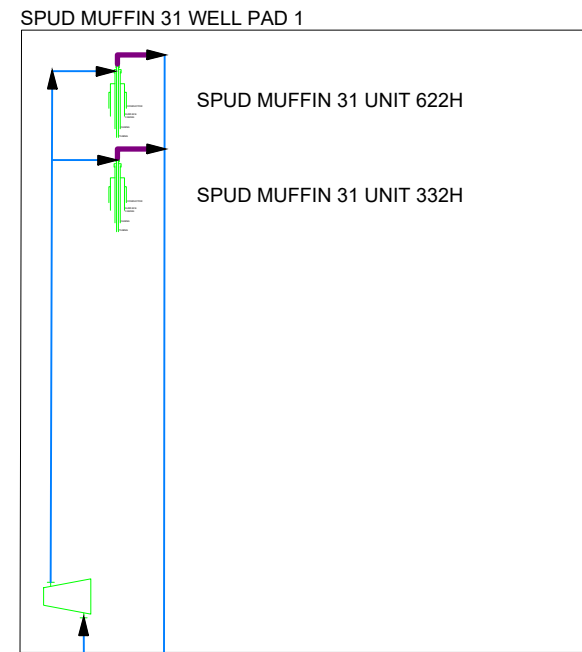
LAT. / LONG. COORDINATES	
GPS:	32.2558, -104.0262
CONFIDENTIAL	
This drawing is the property of Devon Energy. Any reproduction, copying or unauthorized use of this drawing, or any part thereof, without the express written consent of Devon Energy is prohibited.	
DRAWN BY:	KR
ENGINEERED BY:	AL
DATE:	12/05/23
DATE:	12/05/23
WBS PROJECT No.:	120
DRAWING No.:	ST-120-01.dwg

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

**DBBU - SPINE DESIGN - REV 2**  
**STANDARD PROCESS FLOW DIAGRAM**  
**SPUD MUFFIN 31 CTB 1 - PHASE 2**

FILE NAME: STD-120-01  
DWG REV: A

P11001121  
 PLOT SCALE: 0.4902:1  
 BY: LITTLA  
 DEVON ENERGY DESKTOP PROJECTS - WORKING FOLDER\2.0 SPUD MUFFIN 31 CTB 1 - PHASE 2\PLANNING\COMMINGLING\SPUD MUFFIN 31 CTB 1 - PHASE 2\STANDARD PROCESS FLOW DIAGRAM\STD-120-01.dwg



**NOTES:**

- ORIFICE METER      █ GAS      █ FULL WELL STREAM
- CORIOLIS METER    █ OIL      — INSTRUMENT AIR
- MAGNETIC METER   █ WATER   FMP FEDERAL MEASUREMENT POINT

REV	DESCRIPTION	DATE	DRAWN	APPROV
A	INITIAL RELEASE		KR	PM
DRAWING REVISION				

**LAT. / LONG. COORDINATES**  
 GPS: 32.2558, -104.0262

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

DRAWN BY: KR	DATE: 12/05/23
ENGINEERED BY: AL	DATE: 12/05/23
WBS PROJECT No.: 120	
DRAWING No.: ST-120-02.dwg	



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

**DBBU - SPINE DESIGN - REV 2**  
**STANDARD PROCESS MAP**  
**SPUD MUFFIN 31 CTB 1 - PHASE 2**

FILE NAME: STD-120-02      DWG REV: A

L:\USERS\LIT\LITATION\DRIVE - DEVON ENERGY\DESKTOP\PROJECTS - WORKING FOLDER\2.0 SPUD MUFFIN MZD36.0 SPUD MUFFIN 31 CTB 1 - PHASE 2\PLANNING\COMINGLING\SPUD MUFFIN 31 CTB 1 - PHASE 2.dwg 12/05/23 8:38 AM BY: LITLAI PLOT SCALE: 0.4902:1

SPUD MUFFIN 31-30 FED COM WELLS  
231H,331H,621H  
SUPD MUFFIN 31-30 COM WELLS  
622H  
SPUD MUFFIN 31-30 WELLS  
232H,332H  
EDDY COUNTY, NEW MEXICO



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

Projection: Transverse Mercator  
Map Units: Foot US

Created by: kinnas

Map is current as of: 4/22/2024



0 500 1,000 Feet

Scale: 1:21,000

- Central Tank Battery
- Sales Meter
- Flow Line
- Deviated Surface
- Directional Survey (ACT-DVN/OBO)
- CA - Approved NMNM139936
- CA - Pending
- CA - Approved NMNM 139937
- Project Areas
- Devon Leasehold
- USA NMNM-82886

NMNM 139937

23S - 29E - 30

NMNM 139936

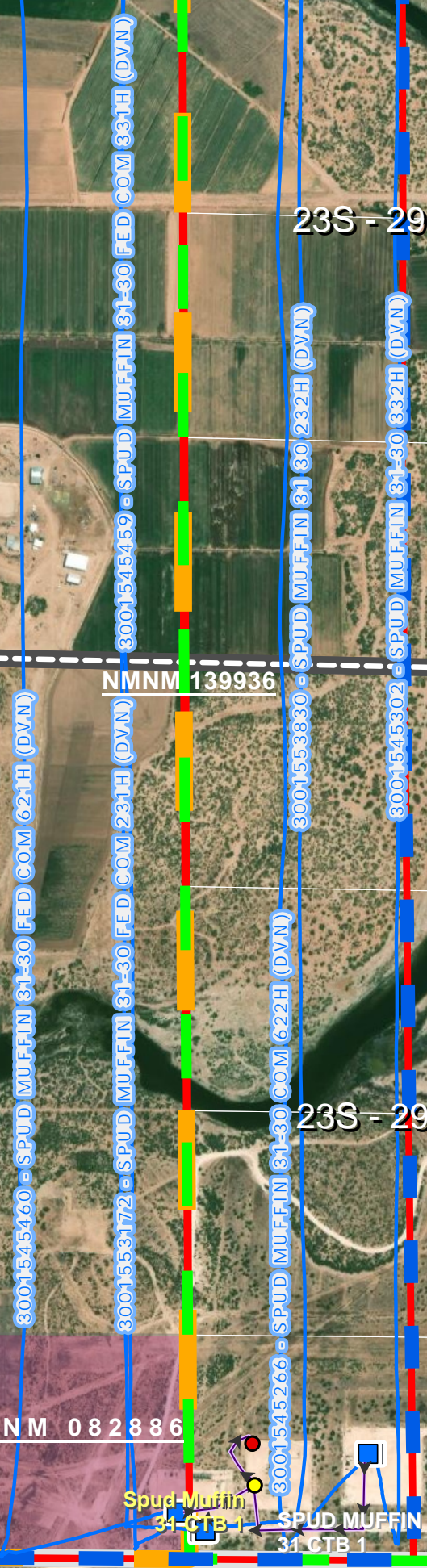
23S - 28E - 36

23S - 29E - 31

NMNM 082886

Spud-Muffin  
31-CTB-1

SPUD MUFFIN  
31 CTB 1



# Economic Justification Report

## Spud Muffin 31 CTB 1

Well Name & Number	Type	Fed Lease 1	Royalty Rate	BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
Spud Muffin 31-30 Com 622H*	Sweet	NMNM082886 -	12.5%	82	45.9	430	1,464
Spud Muffin 31-30 Fed Com 621H*	Sweet	NMNM082886 -	12.5%	112	45.9	410	1,464
Spud Muffin 31-30 Fed Com 331H*	Sweet	NMNM082886 -	12.5%	85	45.9	248	1,464
Spud Muffin 31-30 Fed Com 231H*	Sweet	NMNM082886 -	12.5%	484	43.3	816	1,391
Spud Muffin 31-30 332H*	Sweet	FEE		69	45.9	320	1,464
Spud Muffin 31-30 232H*	Sweet	FEE		960	43.3	1,576	1,391
*Estimated production from offset wells							

Signed: 

Printed Name: Shayda Omoumi

**Economic Combined Production**

Title:	BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
	1792.0	43.8	3800.0	1418.0

There are no material quality differences in oil production from the wells in this application, therefore there will be no impact on the royalty value from an oil marketing perspective.



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT

New Mexico State Office  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508  
[www.blm.gov/new-mexico](http://www.blm.gov/new-mexico)

In Reply Refer To:

NMNM139937  
3105.2 (NM920)

**MAR 19 2020**

Reference:

Communitization Agreement  
Spud Muffin 31-30 Fed Com #331H  
Section 30: Lots 1, 2, 3, 4 (a/d/a W2W2)  
Section 31: Lots 1, 2, 3, 4 (a/d/a/W2W2)  
T. 23 S., R. 29 E., N.M.P.M.  
Eddy County, NM

Devon Energy Production Company, L.P.  
333 West Sheridan Avenue  
Oklahoma City, OK 73102

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM139937 involving 39.59 acres of Federal land in lease NMNM 82886 and 272.79 acres of fee land, Eddy County, New Mexico, which comprise a 312.38 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the Lots 1, 2, 3, 4 (a/d/a W2W2) of Sec. 30 and Lots 1, 2, 3, 4 (a/d/a W2W2) of Sec. 31, T. 23 S., R. 29 E., NMPM, Eddy County, NM, and is effective February 1, 2019. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

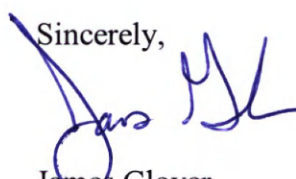
2

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,



James Glover  
Supervisory Geologist  
Reservoir Management Group  
Division of Minerals

1 Enclosure:  
1 - Communitization Agreement

cc:  
ONRR, Denver  
NM Taxation & Revenue Dept. (Revenue Processing Div.)  
NMOCD  
NM (9200)  
NM (P0220-CFO, File Room)  
NMSO (NM925, File)  
NM STATE LAND COMM.

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

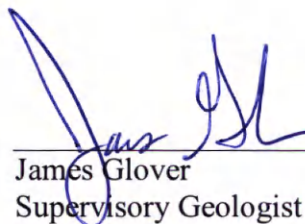
- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
  
- B. Approve the attached Communitization Agreement covering the Lots 1, 2, 3, 4 (a/d/a W2W2) of sec. 30, and Lots 1, 2, 3, 4 (a/d/a W2W2) of sec. 31, T. 23 S., R. 29 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:

**MAR 19 2020**



James Glover  
Supervisory Geologist  
Reservoir Management Group  
Division of Minerals

Effective: February 1, 2019

Contract No.: Com. Agr. NMNM139937

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico



RECEIVED  
APR 05 2019

Federal Communitization Agreement

Contract No. NMNM 139937

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

WITNESSETH:

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

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

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

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

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

TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M.

**SECTION 30:** Lot 1 (fka NW/4 NW/4) (38.64 ac) and Lot 2 (fka SW/4 NW/4) (38.73 ac) and Lot 3 (fka NW/4 SW/4) (38.82 ac) and Lot 4 (fka SW/4 SW/4) (38.91 ac) a/d/a W/2 W/2 (155.10 acres)

**SECTION 31:** Lot 1 (fka NW/4 NW/4) (39.05 ac) and Lot 2 (fka SW/4 NW/4) (39.23 ac) and Lot 3 (fka NW/4 SW/4) (39.41 ac) and Lot 4 (fka SW/4 SW/4) (39.59 ac) a/d/a W/2 W/2 (157.28 acres)

**Eddy County, New Mexico.**

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

Containing **312.38** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the crude oil, natural gas, and associated hydrocarbons, hereafter referred to as "communitized substances," producible from such formation.

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

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

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

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

- separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
  8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
  9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
  10. The date of this agreement is February 1, 2019, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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



**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT**  
**WORKING INTEREST**

**COMMUNITIZATION AGREEMENT: SPUD MUFFIN 31 30 FEDERAL COM 331H**

I, the undersigned, hereby certify, on behalf of Devon Energy Production Company, L.P., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1, 3 and 10.

NAME: Catherine Lebsack

Printed: Catherine Lebsack *CL*

Title: Vice President

Phone number: (405) 235-3611

Email: Catherine.Lebsack@dvn.com

**ACKNOWLEDGMENT**

STATE OF Oklahoma )  
 ) ss.  
COUNTY OF Oklahoma )

This instrument was acknowledged before me on this 19<sup>th</sup> day of March, 2019, by **Catherine Lebsack**, as **Vice President of Devon Energy Production Company, L.P.** and acknowledged to me that she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.

(SEAL)



7-24-2021  
My Commission Expires

Courtney Thomas  
Notary Public

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**OPERATOR AND WORKING INTEREST OWNER  
AND/OR LESSEES OF RECORD**

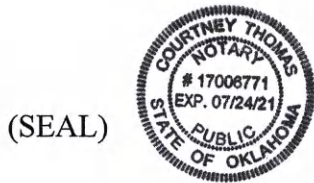
I, the undersigned, hereby certify, on behalf of **Devon Energy Production Company, L.P.**, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit "B" attached to this Agreement are, to the best of my knowledge,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

march 19, 2019 By: Catherine Lebsack  
Date Catherine Lebsack, Vice President *SL* *fl*

**ACKNOWLEDGMENT**

STATE OF Oklahoma )  
 ) ss.  
COUNTY OF Oklahoma )

This instrument was acknowledged before me on this 19<sup>th</sup> day of march, 2019, by **Catherine Lebsack**, as **Vice President of Devon Energy Production Company, L.P.**, and acknowledged to me that she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.



7-24-2021  
My Commission Expires

Courtney Thomas  
Notary Public

Communitization Agreement  
Spud Muffin 31-30 Fed Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

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

OXY USA INC

3/25/2019  
Date

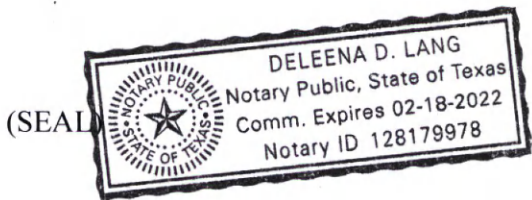
By: \_\_\_\_\_  
Name: Bradley S. Dusek  
Title: Attorney-in-fact

*ms  
JMS*

**ACKNOWLEDGMENT**

STATE OF Texas )  
 ) ss.  
COUNTY OF Harris )

This instrument was acknowledged before me on this the 25<sup>th</sup> day of March, 2019, by Bradley S. Dusek, as Attorney-in Fact of OXY USA INC., a Delaware Corporation on behalf of said corporation, and acknowledged to me that he/she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.



\_\_\_\_\_  
My Commission Expires

Deleena D. Lang  
Notary Public

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

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

**Chevron USA, Inc.**

3-25-19  
Date

By: Nick Brock

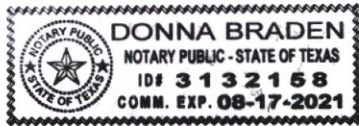
Title: Attorney-in-Fact

**ACKNOWLEDGMENT**

STATE OF Texas )  
COUNTY OF Midland ) ss.

This instrument was acknowledged before me on this 25th day of March, 2019, by Nick Brock, as Attorney-in-Fact of **Chevron USA, Inc.**, and acknowledged to me that he/she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.

(SEAL)



8-17-2021  
My Commission Expires

Donna Braden  
Notary Public

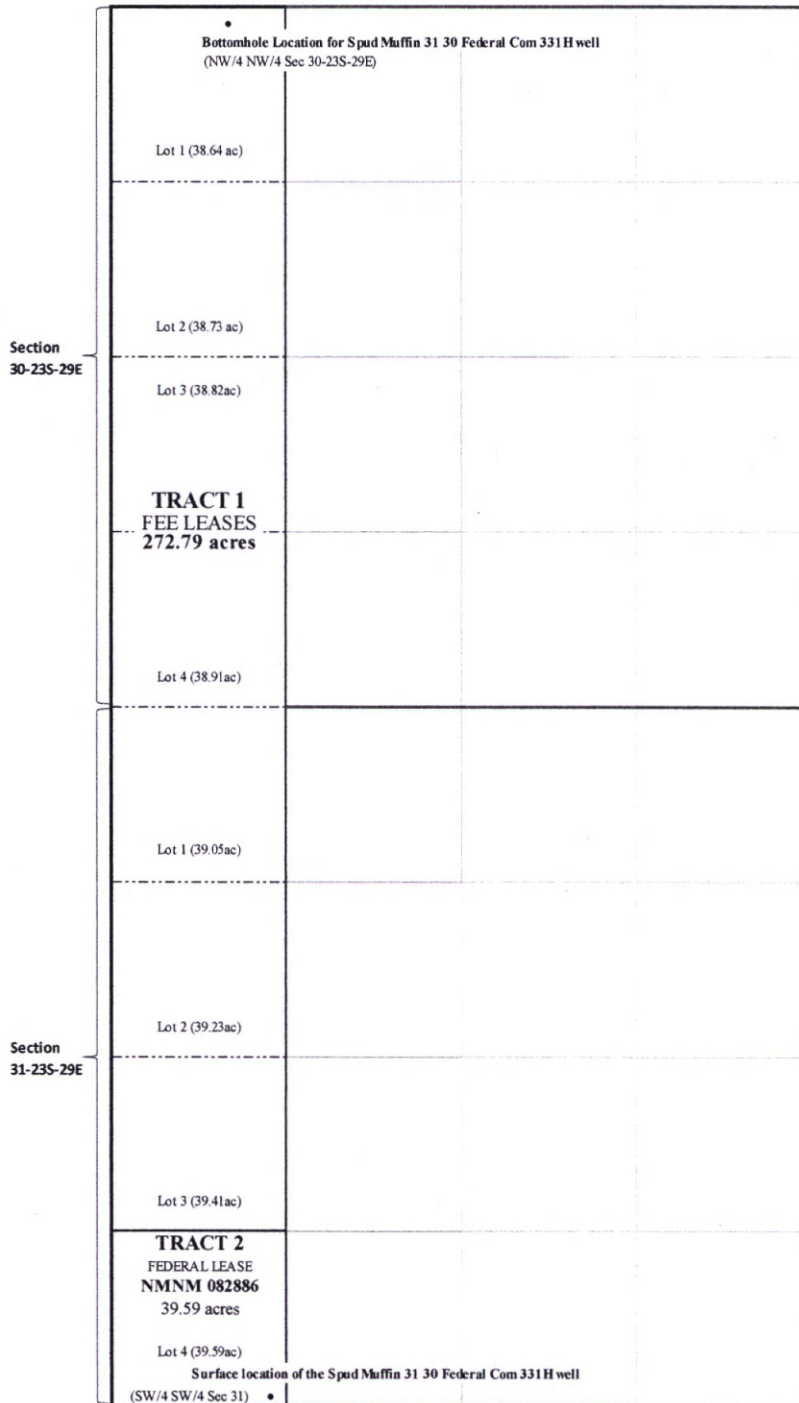


Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

### EXHIBIT "A"

Plat of communitized area covering 312.38 acres in Lot 1, Lot 2, Lot 3, Lot 4 a/d/a W/2 W/2 Section 30 and Lot 1, Lot 2, Lot 3, Lot 4 a/d/a W/2 W/2 Section 31-23S-29E, N.M.P.M., Eddy County, New Mexico.

#### SPUD MUFFIN 31-30 FEDERAL COM 331H WELL



Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**EXHIBIT "B"**

To Communitization Agreement dated February 1, 2019, embracing the following described land in Lot 1, Lot 2, Lot 3, Lot 4 a/d/a W/2 W/2 Section 30 and Lot 1, Lot 2, Lot 3, Lot 4 a/d/a W/2 W/2 Section 31-23S-29E, N.M.P.M., Eddy County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1A**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
Insofar and only insofar as this lease covers:  
**Section 30: Lot 1 (fka NW/4 NW/4) (38.64 ac)**

Lessee of Record and Working Interest Owner: Devon Energy Production Company, LP 100.0000%

**Fee Lease No. 1:**

Lessor: Ray Howard and Juanita E. Howard, his wife  
Date: March 17, 1978  
Term: 3 years (HBP)  
Lease Recorded: Book 156, Page 397  
Number of Gross Acres: 38.64 acres  
Number of Net Acres: 19.3200 acres  
Interest Covered: 50.00%  
Pooling Clause: Yes  
Royalty Rate: 18.75%  
ORRI Owner Name and Interest: Kaiser-Francis Charitable Income Trust P 6.2500%

**Fee Lease No. 2:**

Lessor: Henrietta Elmore, Individually and a Personal Representative of the Estate of Gerald Elmore  
Date: March 17, 1978  
Term: 3 years (HBP)  
Lease Recorded: Book 156, Page 399  
Number of Gross Acres: 38.64 acres  
Number of Net Acres: 19.3200 acres  
Interest Covered: 50.00%  
Pooling Clause: Yes  
Royalty Rate: 18.75%  
ORRI Owner Name and Interest: Kaiser-Francis Charitable Income Trust P 6.2500%

Communitization Agreement  
 Spud Muffin 31-30 Federal Com 331H  
 W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**Tract No. 1B**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
 Insofar and only insofar as this lease covers:  
**Section 30: Lot 2 (fka SW/4 NW/4) (38.73 ac)**

Lessees of Record and Working Interest Owners:

Devon Energy Production Company, LP	51.7361%
MRC Permian Company	44.0972%
Debra Kay Primera	1.0417%
Ricky Don Raindl	1.0417%
Lois Hastings	2.0833%

**Fee Lease No. 1:**

Lessor: Ray Howard and Juanita E. Howard, his wife  
 Date: March 17, 1978  
 Term: 3 years (HBP)  
 Lease Recorded: Book 156, Page 397  
 Number of Gross Acres: 38.73 acres  
 Number of Net Acres: 6.4550 acres  
 Interest Covered: 16.6667%  
 Pooling Clause: Yes  
 Royalty Rate: 18.75%  
 ORRI Owner Name and Interest: Kaiser-Francis Charitable Income Trust P 2.0800%

**Fee Lease No. 2:**

Lessor: Henrietta Elmore, Individually and a Personal Representative of the Estate of Gerald Elmore  
 Date: March 17, 1978  
 Term: 3 years (HBP)  
 Lease Recorded: Book 156, Page 399  
 Number of Gross Acres: 38.73 acres  
 Number of Net Acres: 6.4550 acres  
 Interest Covered: 16.6667%  
 Pooling Clause: Yes  
 Royalty Rate: 18.75%  
 ORRI Owner Name and Interest: Kaiser-Francis Charitable Income Trust P 2.0800%

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**Fee Lease No. 3:**

Lessor:	Ronald Boren, Melissa Brown & Jan Duncker, being all the heirs of Shirley Ann Boren, deceased; John A Petmecky, Joyce Marie Pillitter, Frank Petmecky & Alice Isett, which consist of all the heirs of Emma Ann Arthur, deceased
Date:	February 15, 1990
Term:	3 years (HBP)
Lease Recorded:	Book 69, Page 1122
Number of Gross Acres:	38.73 acres
Number of Net Acres:	2.4206 acres
Interest Covered:	6.2500%
Pooling Clause:	Yes
Royalty Rate:	16.67%
ORRI Owner Name and Interest:	Raymond F. Fort, a widower 1.5600%

**Fee Lease No. 4:**

Lessor:	Richard William Arthur, one of the remainderman heirs under the L/W/T of Bessie J. Hanson, deceased
Date:	June 22, 1990
Term:	5 years (HBP)
Lease Recorded:	Book 73, Page 743
Number of Gross Acres:	38.73 acres
Number of Net Acres:	4.0344 acres
Interest Covered:	10.4167%
Pooling Clause:	Yes
Royalty Rate:	12.50%
ORRI Owner Name and Interest:	Raymond F. Fort, a widower 1.5600%

**Fee Lease No. 5:**

Lessor:	David Alan Arthur, one of the remaindermen heirs under the L/W/T of Bessie J. Hanson, deceased
Date:	July 13, 1990
Term:	5 years (HBP)
Lease Recorded:	Book 73, Page 745
Number of Gross Acres:	38.73 acres
Number of Net Acres:	4.0344 acres
Interest Covered:	10.4167%
Pooling Clause:	Yes
Royalty Rate:	12.50%
ORRI Owner Name and Interest:	Raymond F. Fort, a widower 1.5600%

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**Fee Lease No. 6:**

Lessor: Randolph M. Richardson and wife, Patricia B. Richardson  
Date: July 29, 1991  
Term: 2 years (HBP)  
Lease Recorded: Book 101, Page 758  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 0.4034 acres  
Interest Covered: 1.0417%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 7:**

Lessor: J. Hiram Moore, Ltd. A Texas Partnership  
Date: July 29, 1991  
Term: 2 years (HBP)  
Lease Recorded: Book 102, Page 401  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 0.2017 acres  
Interest Covered: 0.5208%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 8:**

Lessor: Jerry L. Hooper and wife, Margaret A. Hooper  
Date: August 2, 1991  
Term: 2 years (HBP)  
Lease Recorded: Book 102, Page 403  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 0.2017 acres  
Interest Covered: 0.5208%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 9:**

Lessor: AllDale Minerals II, LP  
Date: May 1, 2018  
Term: 3 years with 2 year option  
Lease Recorded: Book 1112, Page 1016

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

Number of Gross Acres: 38.73 acres  
Number of Net Acres: 3.2275 acres  
Interest Covered: 8.3333%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 10:**

Lessor: Tundra AD3, LP  
Date: May 1, 2018  
Term: 3 years with 2 year option  
Lease Recorded: Book 1112, Page 1017  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 2.6896 acres  
Interest Covered: 6.9444%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 11:**

Lessor: Robert Mitchell Raindl, a married man dealing in his sole and separate property  
Date: May 1, 2018  
Term: 3 years  
Lease Recorded: Book 1112, Page 639  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 0.4034 acres  
Interest Covered: 1.0417%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 12:**

Lessor: Tommy L. Fort  
Date: October 27, 2011  
Term: 3 years extended 9 years  
Lease Recorded: Book 878, Page 251  
Extended and Amended: Book 1000, Page 178  
Extended and Amended: Book 1066, Page 391  
Extended and Amended: Book 1116, Page 1169  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 2.6896 acres

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

Interest Covered: 6.9444%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 13:**

Lessor: R.F. Fort  
Date: October 28, 2011  
Term: 3 years extended 9 years  
Lease Recorded: Book 878, Page 255  
Extended and Amended: Book 1000, Page 175  
Extended and Amended: Book 1066, Page 394  
Extended and Amended: Book 1116, Page 1168  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 1.2103 acres  
Interest Covered: 3.1250%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 14:**

Lessor: Randall R. Fort  
Date: October 27, 2011  
Term: 3 years extended 9 years  
Lease Recorded: Book 878, Page 253  
Extended and Amended: Book 1000, Page 172  
Extended and Amended: Book 1066, Page 397  
Extended and Amended: Book 1116, Page 1171  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 2.6896 acres  
Interest Covered: 6.9444%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

Communitization Agreement  
 Spud Muffin 31-30 Federal Com 331H  
 W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**Tract No. 1C**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
 Insofar and only insofar as this lease covers:  
**Section 30: Lot 3** (fka NW/4 SW/4) (38.82 ac) and  
**Lot 4** (fka SW/4 SW/4) (38.91 ac) (total 77.73 ac)

Lessee of Record and Working Interest Owner: Devon Energy Production Company, LP 100.0000%

**Fee Lease No. 15:**

Lessor: Joan "Jody" G. Hooper and Gailen H. Hooper, Trustees of the Hooper Living Trust, dated 7/19/1996  
 Date: August 7, 2008  
 Term: 2 years (HBP)  
 Lease Recorded: Book 752, Page 119  
 Number of Gross Acres: 77.73 acres  
 Number of Net Acres: 2.4640 acres  
 Interest Covered: 3.17%  
 Pooling Clause: Yes  
 Royalty Rate: 25.00%  
 ORRI Owner Name and Interest: Exile Royalty Company, LLC 0.2550%  
 Michael A. Kulenguski 0.0425%  
 Beverly Gay Nichols 0.0425%

**Fee Lease No. 16:**

Lessor: Denise A. Humphrey, joined pro forma by her husband Douglas E. Humphrey  
 Date: August 7, 2008  
 Term: 2 years (HBP)  
 Lease Recorded: Book 752, Page 122  
 Number of Gross Acres: 77.73 acres  
 Number of Net Acres: 1.2320 acres  
 Interest Covered: 1.59%  
 Pooling Clause: Yes  
 Royalty Rate: 25.00%  
 ORRI Owner Name and Interest: Exile Royalty Company, LLC 0.2550%  
 Michael A. Kulenguski 0.0425%  
 Beverly Gay Nichols 0.0425%

Communitization Agreement  
 Spud Muffin 31-30 Federal Com 331H  
 W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**Fee Lease No. 17:**

Lessor: Johnnie Giovengo, Jr. and Sharon J. Giovengo  
 Date: August 7, 2008  
 Term: 2 years (HBP)  
 Lease Recorded: Book 752, Page 627  
 Number of Gross Acres: 77.73 acres  
 Number of Net Acres: 38.8650 acres  
 Interest Covered: 50.00%  
 Pooling Clause: Yes  
 Royalty Rate: 25.00%  
 ORRI Owner Name and Interest: Exile Royalty Company, LLC 0.2550%  
 Michael A. Kulenguski 0.0425%  
 Beverly Gay Nichols 0.0425%

**Fee Lease No. 18:**

Lessor: Pearl F. Giovengo  
 Date: August 7, 2008  
 Term: 2 years (HBP)  
 Lease Recorded: Book 752, Page 630  
 Number of Gross Acres: 77.73 acres  
 Number of Net Acres: 33.9370 acres  
 Interest Covered: 43.66%  
 Pooling Clause: Yes  
 Royalty Rate: 25.00%  
 ORRI Owner Name and Interest: Exile Royalty Company, LLC 0.2550%  
 Michael A. Kulenguski 0.0425%  
 Beverly Gay Nichols 0.0425%

**Fee Lease No. 19:**

Lessor: Lucretia A. Wilferth, joined pro forma by her  
 husband Carrell Wilferth  
 Date: August 7, 2008  
 Term: 2 years (HBP)  
 Lease Recorded: Book 754, Page 357  
 Number of Gross Acres: 77.73 acres  
 Number of Net Acres: 1.2320 acres  
 Interest Covered: 1.58%  
 Pooling Clause: Yes  
 Royalty Rate: 25.00%  
 ORRI Owner Name and Interest: Exile Royalty Company, LLC 0.2550%  
 Michael A. Kulenguski 0.0425%  
 Beverly Gay Nichols 0.0425%

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**Tract No. 1D**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
Insofar and only insofar as this lease covers:  
**Section 31: Lot 1** (fka NW/4 NW/4) (39.05 ac)  
and **Lot 2** (fka SW/4 NW/4) (39.23 ac) a/k/a  
W/2 NW/4 (total gross 78.28 ac)

Lessees of Record and Working Interest Owners: Devon Energy Production Company, LP 100.0000%

**Fee Lease No. 20:**

Lessor: Carlsbad National Bank, as Trustee of the Mabel V. Geer Revocable Trust Agreement dated 10/19/1984  
Date: April 28, 2008  
Term: 3 years (HBP)  
Lease Recorded: Book 739, Page 351  
Number of Gross Acres: 78.28 acres  
Number of Net Acres: 78.28 acres  
Interest Covered: 100.00%  
Pooling Clause: Yes  
Royalty Rate: 20.00%  
ORRI Owner Name and Interest: None

Communitization Agreement  
 Spud Muffin 31-30 Federal Com 331H  
 W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**Tract No. 1E**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
 Insofar and only insofar as this lease covers:  
**Section 31: Lot 3** (fka NW/4 SW/4) (39.41 ac)

Lessees of Record and Working Interest Owners:	Devon Energy Production Company, LP	28.8558%
	Chevron U.S.A., Inc.	71.1442%

**Fee Lease No. 21:**

Lessor:	D.S. Harroun, Eleanor F. Harroun, Catherine Harroun, C. Fincher Neal, and Jerome D. Matkins	
Date:	February 2, 1972	
Term:	5 years (HBP)	
Lease Recorded:	Book 84, Page 756	
Number of Gross Acres:	39.41 acres	
Number of Net Acres:	39.41 acres	
Interest Covered:	100.00%	
Pooling Clause:	Yes	
Royalty Rate:	18.75%	
ORRI Owner Name and Interest:	Occidental Permian, LP	0.2016%
	Mid-Continent Energy, Inc.	0.4212%
	Lerwick I, Ltd., a Family Limited Partnership	0.1959%
	Roden Participants, Ltd.	0.1728%
	Roden Exploration Company	0.1728%
	Roden Associates, Ltd.	0.0345%

Communitization Agreement  
 Spud Muffin 31-30 Federal Com 331H  
 W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**Tract No. 2**

Lease Serial Number:	<b>NMNM 082886</b>	
Description of Land Committed:	<u>Township 23 South, Range 29 East, N.M.P.M.</u> <b>Section 31: Lot 4 (fka SW/4 SW/4) (39.59 ac)</b>	
Lessees of Record:	Devon Energy Production Company, LP	67.0000%
	OXY USA INC.	33.0000%
Working Interest Owners:	Devon Energy Production Company, LP	100.0000%
Lessor:	United States of America	
Effective Date:	November 1, 1989	
Term:	5 years (HBP)	
Lease Recorded:	Book 56, Page 1097	
Number of Gross Acres:	39.59 acres	
Number of Net Acres:	39.59 acres	
Interest Covered:	100%	
Pooling:	No	
Royalty:	12.50%	
ORRI Owner Name and Interest:	Curt A. Anderson and Edan Anderson, JTWS	0.2250%
	Kimbell Art Foundation	0.1813%
	Bill Burton	0.0028%
	Ben J. Fortston III Children's Trust	0.0013%
	Robert C. Grable	0.0013%
	MWB 1998 Trust	0.0004%
	CCB 1998 Trust	0.0004%
	DCB 1998 Trust	0.0004%
	Sundance Minerals I	0.0051%
	MAP00-NET	0.0396%
	The Roach Foundation	0.0224%
	LaNell Joy Honeyman	0.1650%
	Leslie Robert Honeyman Trust	0.1650%

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2-W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**RECAPITULATION**

<b>Tract</b>	<b>Type of Lease</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
1	FEE LEASES	272.79	87.3263%
2	FEDERAL NMNM 082886	39.59	12.6737%
Total		312.38	100.0000%

Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

**SUMMARY OF OWNERS**

**Unleased Fee Mineral Owners:**

*Lois Hastings	(0.8069 net acres in Tract 1B)
*Debra Kay Primera	(0.4034 net acres in Tract 1B)
*Ricky Don Raindl	(0.4035 net acres in Tract 1B)

**Working Interest and/or Record Title Interest:**

Devon Energy Production Company, L.P.  
OXY USA INC.  
Chevron USA, Inc.  
\*MRC Permian Company

\* Parties were pooled and subject to the terms and penalties provided under State of New Mexico Department of Energy, Minerals and Natural Resources Oil Conservation Division Case No. 16346.

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT**  
**WORKING INTEREST**

**COMMUNITIZATION AGREEMENT: SPUD MUFFIN 31 30 FEDERAL COM 331H**

I, the undersigned, hereby certify, on behalf of Devon Energy Production Company, L.P., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1, 3 and 10.

NAME: Catherine Lebsack

Printed: Catherine Lebsack

SA [Signature]

Title: Vice President

Phone number: (405) 235-3611

Email: Catherine.Lebsack@dvn.com

**ACKNOWLEDGMENT**

STATE OF Oklahoma )  
 ) ss.  
COUNTY OF Oklahoma )

This instrument was acknowledged before me on this 19<sup>th</sup> day of March, 2019, by **Catherine Lebsack**, as **Vice President of Devon Energy Production Company, L.P.** and acknowledged to me that she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.

(SEAL)



7-24-2021  
My Commission Expires

Courtney Thomas  
Notary Public





Communitization Agreement  
Spud Muffin 31-30 Federal Com 331H  
W/2 W/2 Section 30 and W/2 W/2 Section 31-23S-29E, Eddy County, New Mexico

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

**Chevron USA, Inc.**

3-25-19  
Date

By: Nick Brook

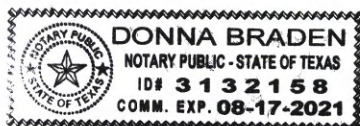
Title: Attorney-in-Fact

**ACKNOWLEDGMENT**

STATE OF Texas )  
COUNTY OF Midland ) ss.

This instrument was acknowledged before me on this 25th day of March, 2019, by Nick Brook, as Attorney-in-Fact of **Chevron USA, Inc.**, and acknowledged to me that he/she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.

(SEAL)



8-17-2021  
My Commission Expires

Donna Braden  
Notary Public









# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
New Mexico State Office  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508  
www.blm.gov/new-mexico

In Reply Refer To:

NMNM139936  
3105.2 (NM920)  
**REVISED**

JUN 18 2020

Reference:

Communitization Agreement  
Spud Muffin 31-30 Fed Com #621H  
Spud Muffin 31-30 Fed Com #732H  
Spud Muffin 31-30 Com #622H  
Spud Muffin 31-30 Com #734H  
Spud Muffin 31-30 **Fed** Com #731H  
Section 30: Lots 1, 2, 3, 4, E2W2 (a/d/a W2)  
Section 31: Lots 1, 2, 3, 4, E2W2 (a/d/a W2)  
T. 23 S., R. 29 E., N.M.P.M.  
Eddy County, NM

Devon Energy Production Company, L.P.  
333 West Sheridan Avenue  
Oklahoma City, OK 73102

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM139936 involving 39.59 acres of Federal land in lease NMNM 82886 and 592.79 acres of fee land, Eddy County, New Mexico, which comprise a 632.38 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolf Camp formation beneath the Lots 1, 2, 3, 4, E2W2 (a/d/a W2) of Sec. 30 and Lots 1, 2, 3, 4, E2W2 (a/d/a W2) of Sec. 31, T. 23 S., R. 29 E., NMPM, Eddy County, NM, and is effective February 1, 2019. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

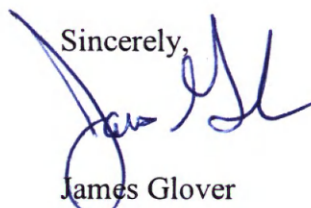
2

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,



James Glover  
Branch Chief  
Reservoir Management Group  
Division of Minerals

1 Enclosure:  
1 - Communitization Agreement

cc:  
ONRR, Denver  
NM Taxation & Revenue Dept. (Revenue Processing Div.)  
NMOCD  
NM (9200)  
NM (P0220-CFO, File Room)  
NMSO (NM925, File)  
NM STATE LAND COMM.

Determination - Approval - Certification

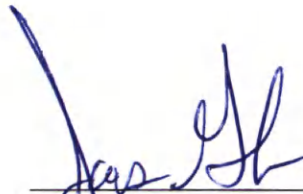
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the Lots 1, 2, 3, 4, E2W2 (a/d/a W2) of sec. 30, and Lots 1, 2, 3, 4, E2W2 (a/d/a W2) of sec. 31, T. 23 S., R. 29 E., NMPM, as to all producible hydrocarbons from the Wolf Camp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: **MAR 19 2020**



James Glover  
Branch Chief  
Reservoir Management Group  
Division of Minerals

Effective: February 1, 2019

Contract No.: Com. Agr. NMNM139936



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
New Mexico State Office  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508  
www.blm.gov/new-mexico



In Reply Refer To:

NMNM139936  
3105.2 (NM920)  
**REVISED**

**MAY 21 2020**

Reference:

Communitization Agreement  
Spud Muffin 31-30 Fed Com #621H  
Spud Muffin 31-30 Fed Com #732H  
Spud Muffin 31-30 Com #622H  
Spud Muffin 31-30 Com #734H  
Spud Muffin 31-30 Com #731H  
Section 30: Lots 1, 2, 3, 4, E2W2 (a/d/a W2)  
Section 31: Lots 1, 2, 3, 4, E2W2 (a/d/a W2)  
T. 23 S., R. 29 E., N.M.P.M.  
Eddy County, NM

Devon Energy Production Company, L.P.  
333 West Sheridan Avenue  
Oklahoma City, OK 73102

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM139936 involving 39.59 acres of Federal land in lease NMNM 82886 and 592.79 acres of fee land, Eddy County, New Mexico, which comprise a 632.38 acre well spacing unit.

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Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

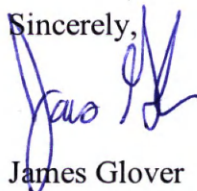
2

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,



James Glover  
Branch Chief  
Reservoir Management Group  
Division of Minerals

1 Enclosure:  
1 - Communitization Agreement

cc:  
ONRR, Denver  
NM Taxation & Revenue Dept. (Revenue Processing Div.)  
NMOCD  
NM (9200)  
NM (P0220-CFO, File Room)  
NMSO (NM925, File)  
NM STATE LAND COMM.

Determination - Approval - Certification

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Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: **MAR 19 2020**

James Glover  
Branch Chief  
Reservoir Management Group  
Division of Minerals

Effective: February 1, 2019

Contract No.: Com. Agr. NMNM139936



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
New Mexico State Office  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508  
www.blm.gov/new-mexico

IN REPLY REFER TO:

NMNM139936  
3105.2 (NM920)

MAR 19 2020

Reference:

Communitization Agreement  
Spud Muffin 31-30 Fed Com #621H  
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T. 23 S., R. 29 E., N.M.P.M.  
Eddy County, NM

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VJ

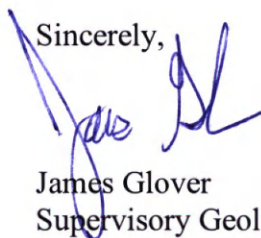
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Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,



James Glover  
Supervisory Geologist  
Reservoir Management Group  
Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

NMSO (NM925, File)

NM STATE LAND COMM.

Determination - Approval - Certification

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- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
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Approved:

**MAR 19 2020**

---

James Glover  
 Supervisory Geologist  
 Reservoir Management Group  
 Division of Minerals

Effective: February 1, 2019

Contract No.: Com. Agr. NMNM139936

BLM-NMCO

BLM-NMSO

Communitization Agreement  
Spud Muffin 31-30 Federal Com 621H, and Spud Muffin 31-30 Federal Com 732H and  
Spud Muffin 31-30 Com 622H and Spud Muffin 31-30 Com 734H  
W/2 Section 30 and W/2 Section 31-23S-29E, Eddy County, New Mexico

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APR 05 2019

Federal Communitization Agreement

Contract No. Nmnm 139936

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

WITNESSETH:

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

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

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

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

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

TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M.

**SECTION 30:** Lot 1 (fka NW/4 NW/4) (38.64 ac) and Lot 2 (fka SW/4 NW/4) (38.73 ac) and Lot 3 (fka NW/4 SW/4) (38.82 ac) and Lot 4 (fka SW/4 SW/4) (38.91 ac) and E/2 W/2 a/d/a W/2 (315.10 acres)

**SECTION 31:** Lot 1 (fka NW/4 NW/4) (39.05 ac) and Lot 2 (fka SW/4 NW/4) (39.23 ac) and Lot 3 (fka NW/4 SW/4) (39.41 ac) and Lot 4 (fka SW/4 SW/4) (39.59 ac) and E/2 W/2 a/d/a W/2 (317.28 acres)

**Eddy County, New Mexico.**

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Containing **632.38** acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the crude oil, natural gas, and associated hydrocarbons, hereafter referred to as "communitized substances," producible from such formation.

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

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal

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lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is February 1, 2019, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter

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conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

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**OPERATOR AND WORKING INTEREST OWNER  
AND/OR LESSEES OF RECORD**

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


March 19, 2019 By: Catherine Lebsack  
Date Catherine Lebsack, Vice President

SD [Signature]

**ACKNOWLEDGMENT**

STATE OF Oklahoma )  
 ) ss.  
COUNTY OF Oklahoma )

This instrument was acknowledged before me on this 19<sup>th</sup> day of March, 2019, by **Catherine Lebsack**, as **Vice President of Devon Energy Production Company, L.P.**, and acknowledged to me that she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.

(SEAL) 

7-24-2021  
My Commission Expires

Courtney Thomas  
Notary Public

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT  
WORKING INTEREST**

**COMMUNITIZATION AGREEMENT: SPUD MUFFIN 31-30 FEDERAL COM 621H  
SPUD MUFFIN 31-30 FEDERAL COM 732H  
SPUD MUFFIN 31-30 COM 622H  
SPUD MUFFIN 31-30 COM 734H**

I, the undersigned, hereby certify, on behalf of Devon Energy Production Company, L.P., the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1, 3 and 10.

NAME: Catherine Lebsack

Printed: Catherine Lebsack

Title: Vice President

Phone number: (405) 235-3611

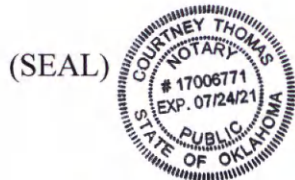
Email: Catherine.Lebsack@dvn.com

SO #

**ACKNOWLEDGMENT**

STATE OF Oklahoma )  
 ) ss.  
COUNTY OF Oklahoma )

This instrument was acknowledged before me on this 19<sup>th</sup> day of March, 2019, by **Catherine Lebsack**, as **Vice President of Devon Energy Production Company, L.P.** and acknowledged to me that she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.



7-24-2021  
My Commission Expires

Courtney Thomas  
Notary Public



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

**Chevron USA, Inc.**

3-2-19  
Date

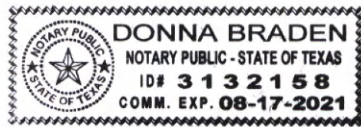
By: Nick Brook  
Title: Attorney-in-Fact

**ACKNOWLEDGMENT**

STATE OF Texas )  
COUNTY OF Midland ) ss.

This instrument was acknowledged before me on this 25th day of March, 2019, by Nick Brook, as Attorney-in-Fact of **Chevron USA, Inc.**, and acknowledged to me that he/she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.

(SEAL)



8-17-2021  
My Commission Expires

Donna Braden  
Notary Public

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

**WPX Energy Permian, LLC**

27 MARCH 2019  
Date

By: [Signature] AY  
[Signature]

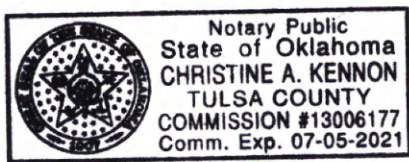
Name: GREGORY J. GEIST

Title: VICE PRESIDENT, LAND

**ACKNOWLEDGMENT**

STATE OF OKLAHOMA )  
 ) ss.  
COUNTY OF TULSA )

This instrument was acknowledged before me on this 27 day of MARCH,  
20 19, by GREGORY J. GEIST, as VICE PRESIDENT, LAND  
of **WPX Energy Permian, LLC**, and acknowledged to me that he/she executed the same  
as a free and voluntary act and deed for the uses and purposes therein set forth.



(SEAL)

07-05-2021  
My Commission Expires

[Signature]  
Notary Public

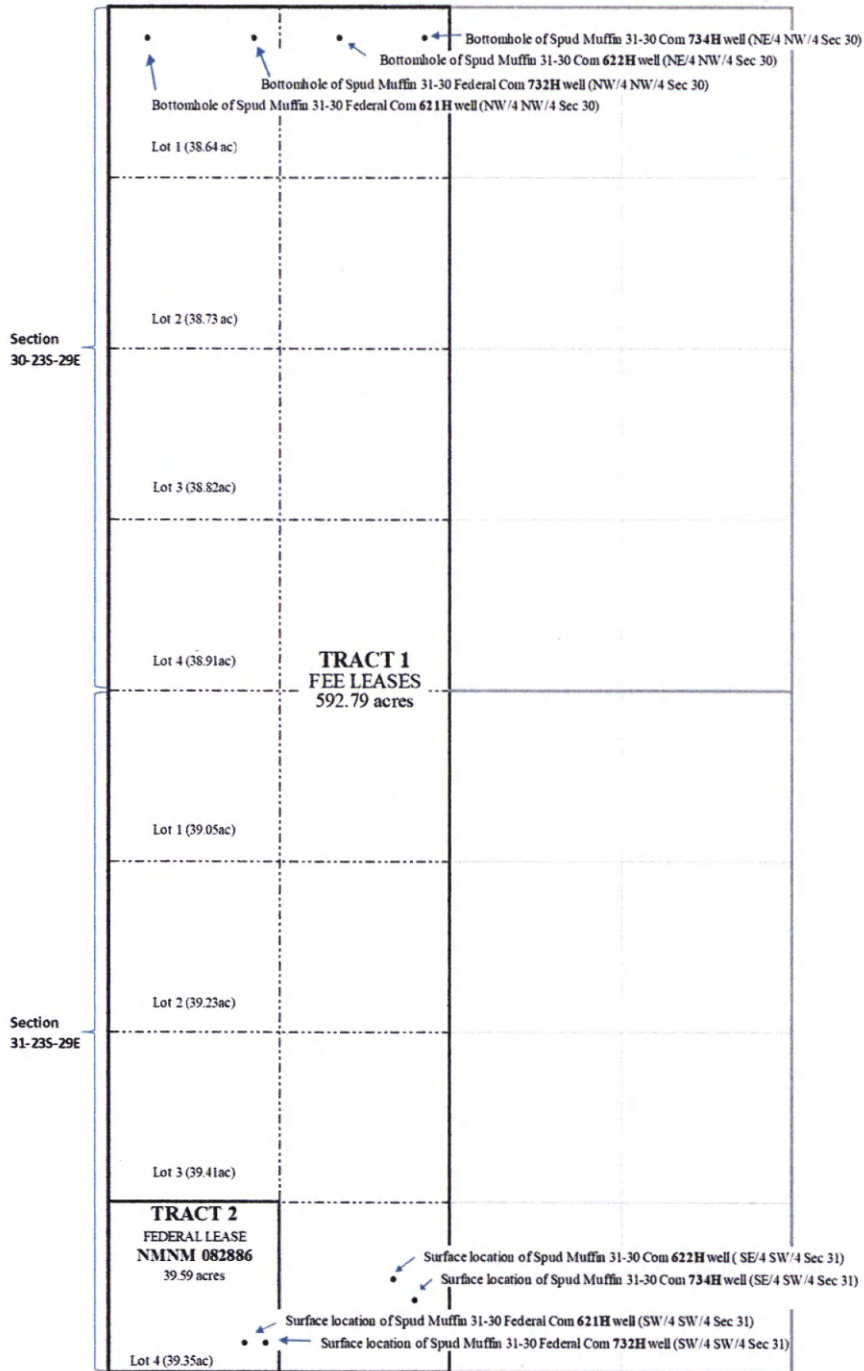
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**EXHIBIT "A"**

Plat of communitized area covering 632.38 acres in W/2 Section 30 and  
W/2 Section 31-23S-29E, N.M.P.M., Eddy County, New Mexico.

**SPUD MUFFIN 31-30 FEDERAL COM 621H and 732H and SPUD MUFFIN 31-30 COM 622H  
and 734H WELLS**



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**EXHIBIT "B"**

To Communitization Agreement dated February 1, 2019, embracing the following described land: Lot 1, Lot 2, Lot 3, Lot 4 and E/2 W/2 a/d/a W/2 Section 30 and Lot 1, Lot 2, Lot 3, Lot 4 and E/2 W/2 a/d/a W/2 Section 31-23S-29E, N.M.P.M., Eddy County, NM.

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

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1A**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
 Insofar and only insofar as this lease covers:  
**Section 30: Lot 1** (fka NW/4 NW/4) (38.64 ac)  
 and **SE/4 NW/4** (40.00 ac) (78.64 total acres)

Lessee(s) of Record and Working Interest Owner(s): Devon Energy Production Company, LP 100.0000%

**Fee Lease No. 1:**

Lessor: Ray Howard and Juanita E. Howard, his wife  
 Date: March 17, 1978  
 Term: 3 years (HBP)  
 Lease Recorded: Book 156, Page 397  
 Number of Gross Acres: 78.64 acres  
 Number of Net Acres: 39.3200 acres  
 Interest Covered: 50.00%  
 Pooling Clause: Yes  
 Royalty Rate: 18.75%  
 ORRI Owner Name and Interest: Kaiser-Francis Charitable Income Trust P 6.2500%

**Fee Lease No. 2:**

Lessor: Henrietta Elmore, Individually and a Personal Representative of the Estate of Gerald Elmore  
 Date: March 17, 1978  
 Term: 3 years (HBP)  
 Lease Recorded: Book 156, Page 399  
 Number of Gross Acres: 78.64 acres  
 Number of Net Acres: 39.3200 acres  
 Interest Covered: 50.00%  
 Pooling Clause: Yes  
 Royalty Rate: 18.75%  
 ORRI Owner Name and Interest: Kaiser-Francis Charitable Income Trust P 6.2500%

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**Tract No. 1B**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
 Insofar and only insofar as this lease covers:  
**Section 30: Lot 2** (fka SW/4 NW/4) (38.73 ac)

Lessee(s) of Record and  
 Working Interest Owner(s):

Devon Energy Production Company, LP	51.7361%
MRC Permian Company	44.0972%
Debra Kay Primera	1.0417%
Ricky Don Raindl	1.0417%
Lois Hastings	2.0833%

**Fee Lease No. 1:**

Lessor: Ray Howard and Juanita E. Howard, his wife  
 Date: March 17, 1978  
 Term: 3 years (HBP)  
 Lease Recorded: Book 156, Page 397  
 Number of Gross Acres: 38.73 acres  
 Number of Net Acres: 6.4550 acres  
 Interest Covered: 16.6667%  
 Pooling Clause: Yes  
 Royalty Rate: 18.75%  
 ORRI Owner Name and Interest: Kaiser-Francis Charitable Income Trust P 2.0800%

**Fee Lease No. 2:**

Lessor: Henrietta Elmore, Individually and a Personal Representative of the Estate of Gerald Elmore  
 Date: March 17, 1978  
 Term: 3 years (HBP)  
 Lease Recorded: Book 156, Page 399  
 Number of Gross Acres: 38.73 acres  
 Number of Net Acres: 6.4550 acres  
 Interest Covered: 16.6667%  
 Pooling Clause: Yes  
 Royalty Rate: 18.75%  
 ORRI Owner Name and Interest: Kaiser-Francis Charitable Income Trust P 2.0800%

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**Fee Lease No. 3:**

Lessor: Ronald Boren, Melissa Brown & Jan Duncker,  
being all the heirs of Shirley Ann Boren, deceased;  
John A Petmecky, Joyce Marie Pillitter, Frank  
Petmecky & Alice Isett, which consist of all the  
heirs of Emma Ann Arthur, deceased  
Date: February 15, 1990  
Term: 3 years (HBP)  
Lease Recorded: Book 69, Page 1122  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 2.4206 acres  
Interest Covered: 6.2500%  
Pooling Clause: Yes  
Royalty Rate: 16.67%  
ORRI Owner Name and Interest: Raymond F. Fort, a widower 1.5600%

**Fee Lease No. 4:**

Lessor: Richard William Arthur, one of the remainderman  
heirs under the L/W/T of Bessie J. Hanson,  
deceased  
Date: June 22, 1990  
Term: 5 years (HBP)  
Lease Recorded: Book 73, Page 743  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 4.0344 acres  
Interest Covered: 10.4167%  
Pooling Clause: Yes  
Royalty Rate: 12.50%  
ORRI Owner Name and Interest: Raymond F. Fort, a widower 1.5600%

**Fee Lease No. 5:**

Lessor: David Alan Arthur, one of the remaindermen heirs  
under the L/W/T of Bessie J. Hanson, deceased  
Date: July 13, 1990  
Term: 5 years (HBP)  
Lease Recorded: Book 73, Page 745  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 4.0344 acres  
Interest Covered: 10.4167%  
Pooling Clause: Yes  
Royalty Rate: 12.50%  
ORRI Owner Name and Interest: Raymond F. Fort, a widower 1.5600%

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**Fee Lease No. 6:**

Lessor: Randolph M. Richardson and wife, Patricia B. Richardson  
Date: July 29, 1991  
Term: 2 years (HBP)  
Lease Recorded: Book 101, Page 758  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 0.4034 acres  
Interest Covered: 1.0417%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 7:**

Lessor: J. Hiram Moore, Ltd. A Texas Partnership  
Date: July 29, 1991  
Term: 2 years (HBP)  
Lease Recorded: Book 102, Page 401  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 0.2017 acres  
Interest Covered: 0.5208%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 8:**

Lessor: Jerry L. Hooper and wife, Margaret A. Hooper  
Date: August 2, 1991  
Term: 2 years (HBP)  
Lease Recorded: Book 102, Page 403  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 0.2017 acres  
Interest Covered: 0.5208%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

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**Fee Lease No. 9:**

Lessor: AllDale Minerals II, LP  
Date: May 1, 2018  
Term: 3 years with 2 year option  
Lease Recorded: Book 1112, Page 1016  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 3.2275 acres  
Interest Covered: 8.3333%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 10:**

Lessor: Tundra AD3, LP  
Date: May 1, 2018  
Term: 3 years with 2 year option  
Lease Recorded: Book 1112, Page 1017  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 2.6896 acres  
Interest Covered: 6.9444%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 11:**

Lessor: Robert Mitchell Raindl, a married man dealing in  
his sole and separate property  
Date: May 1, 2018  
Term: 3 years  
Lease Recorded: Book 1112, Page 639  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 0.4034 acres  
Interest Covered: 1.0417%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

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**Fee Lease No. 12:**

Lessor: Tommy L. Fort  
Date: October 27, 2011  
Term: 3 years extended 9 years  
Lease Recorded: Book 878, Page 251  
Extended and Amended: Book 1000, Page 178  
Extended and Amended: Book 1066, Page 391  
Extended and Amended: Book 1116, Page 1169  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 2.6896 acres  
Interest Covered: 6.9444%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 13:**

Lessor: R.F. Fort  
Date: October 28, 2011  
Term: 3 years extended 9 years  
Lease Recorded: Book 878, Page 255  
Extended and Amended: Book 1000, Page 175  
Extended and Amended: Book 1066, Page 394  
Extended and Amended: Book 1116, Page 1168  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 1.2103 acres  
Interest Covered: 3.1250%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

**Fee Lease No. 14:**

Lessor: Randall R. Fort  
Date: October 27, 2011  
Term: 3 years extended 9 years  
Lease Recorded: Book 878, Page 253  
Extended and Amended: Book 1000, Page 172  
Extended and Amended: Book 1066, Page 397  
Extended and Amended: Book 1116, Page 1171  
Number of Gross Acres: 38.73 acres  
Number of Net Acres: 2.6896 acres  
Interest Covered: 6.9444%  
Pooling Clause: Yes  
Royalty Rate: 25.00%  
ORRI Owner Name and Interest: None

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**Tract No. 1C**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
 Insofar and only insofar as this lease covers:  
**Section 30: Lot 3** (fka NW/4 SW/4) (38.82 ac) and  
**Lot 4** (fka SW/4 SW/4) (38.91 ac) and **E/2 SW/4**  
 (80.00 ac) a/d/a **SW/4** (157.73 total acres)

Lessee(s) of Record and Working Interest Owner(s): Devon Energy Production Company, LP 100.0000%

**Fee Lease No. 15:**

Lessor: Joan "Jody" G. Hooper and Gailen H. Hooper, Trustees of the Hooper Living Trust, dated 7/19/1996  
 Date: August 7, 2008  
 Term: 2 years (HBP)  
 Lease Recorded: Book 752, Page 119  
 Number of Gross Acres: 157.73 acres  
 Number of Net Acres: 4.9999 acres  
 Interest Covered: 3.17%  
 Pooling Clause: Yes  
 Royalty Rate: 25.00%  
 ORRI Owner Name and Interest: Exile Royalty Company, LLC 0.2550%  
 Michael A. Kulenguski 0.0425%  
 Beverly Gay Nichols 0.0425%

**Fee Lease No. 16:**

Lessor: Denise A. Humphrey, joined pro forma by her husband Douglas E. Humphrey  
 Date: August 7, 2008  
 Term: 2 years (HBP)  
 Lease Recorded: Book 752, Page 122  
 Number of Gross Acres: 157.73 acres  
 Number of Net Acres: 2.5000 acres  
 Interest Covered: 1.59%  
 Pooling Clause: Yes  
 Royalty Rate: 25.00%  
 ORRI Owner Name and Interest: Exile Royalty Company, LLC 0.2550%  
 Michael A. Kulenguski 0.0425%  
 Beverly Gay Nichols 0.0425%

## Communitization Agreement

Spud Muffin 31-30 Federal Com 621H, and Spud Muffin 31-30 Federal Com 732H and

Spud Muffin 31-30 Com 622H and Spud Muffin 31-30 Com 734H

W/2 Section 30 and W/2 Section 31-23S-29E, Eddy County, New Mexico

**Fee Lease No. 17:**

Lessor:	Johnnie Giovengo, Jr. and Sharon J. Giovengo	
Date:	August 7, 2008	
Term:	2 years (HBP)	
Lease Recorded:	Book 752, Page 627	
Number of Gross Acres:	157.73 acres	
Number of Net Acres:	78.8650 acres	
Interest Covered:	50.00%	
Pooling Clause:	Yes	
Royalty Rate:	25.00%	
ORRI Owner Name and Interest:	Exile Royalty Company, LLC	0.2550%
	Michael A. Kulenguski	0.0425%
	Beverly Gay Nichols	0.0425%

**Fee Lease No. 18:**

Lessor:	Pearl F. Giovengo	
Date:	August 7, 2008	
Term:	2 years (HBP)	
Lease Recorded:	Book 752, Page 630	
Number of Gross Acres:	157.73 acres	
Number of Net Acres:	68.8651 acres	
Interest Covered:	43.66%	
Pooling Clause:	Yes	
Royalty Rate:	25.00%	
ORRI Owner Name and Interest:	Exile Royalty Company, LLC	0.2550%
	Michael A. Kulenguski	0.0425%
	Beverly Gay Nichols	0.0425%

**Fee Lease No. 19:**

Lessor:	Lucretia A. Wilferth, joined pro forma by her husband Carrell Wilferth	
Date:	August 7, 2008	
Term:	2 years (HBP)	
Lease Recorded:	Book 754, Page 357	
Number of Gross Acres:	157.73 acres	
Number of Net Acres:	2.5000 acres	
Interest Covered:	1.58%	
Pooling Clause:	Yes	
Royalty Rate:	25.00%	
ORRI Owner Name and Interest:	Exile Royalty Company, LLC	0.2550%
	Michael A. Kulenguski	0.0425%
	Beverly Gay Nichols	0.0425%

Communitization Agreement

Spud Muffin 31-30 Federal Com 621H, and Spud Muffin 31-30 Federal Com 732H and

Spud Muffin 31-30 Com 622H and Spud Muffin 31-30 Com 734H

W/2 Section 30 and W/2 Section 31-23S-29E, Eddy County, New Mexico

**Tract No. 1D**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
Insofar and only insofar as this lease covers:  
**Section 31: Lot 1** (fka NW/4 NW/4) (39.05 ac)  
and **Lot 2** (fka SW/4 NW/4) (39.23 ac) and **E/2**  
**NW/4** (80.00 ac) a/d/a **NW/4** (158.28 total acres)

Lessee(s) of Record and Working Interest Owner(s): Devon Energy Production 100.0000%  
Company, LP

**Fee Lease No. 20:**

Lessor: Carlsbad National Bank, as Trustee of the Mabel V. Geer Revocable Trust Agreement dated 10/19/1984  
Date: April 28, 2008  
Term: 3 years (HBP)  
Lease Recorded: Book 739, Page 351  
Number of Gross Acres: 158.28 acres  
Number of Net Acres: 158.28 acres  
Interest Covered: 100.00%  
Pooling Clause: Yes  
Royalty Rate: 20.00%  
ORRI Owner Name and Interest: None

Communitization Agreement  
 Spud Muffin 31-30 Federal Com 621H, and Spud Muffin 31-30 Federal Com 732H and  
 Spud Muffin 31-30 Com 622H and Spud Muffin 31-30 Com 734H  
 W/2 Section 30 and W/2 Section 31-23S-29E, Eddy County, New Mexico

**Tract No. 1E**

Description of Land Committed: Township 23 South, Range 29 East, N.M.P.M.,  
 Insofar and only insofar as this lease covers:  
**Section 31: Lot 3** (fka NW/4 SW/4) (39.41 ac) and  
**E/2 SW/4** (80.00 ac) (119.41 total acres)

Lessee(s) of Record and Working Interest Owner(s):	Devon Energy Production Company, LP	28.8558%
	Chevron U.S.A., Inc.	71.1442%

**Fee Lease No. 21:**

Lessor:	D.S. Harroun, Eleanor F. Harroun, Catherine Harroun, C. Fincher Neal, and Jerome D. Matkins	
Date:	February 2, 1972	
Term:	5 years (HBP)	
Lease Recorded:	Book 84, Page 756	
Number of Gross Acres:	119.41 acres	
Number of Net Acres:	119.41 acres	
Interest Covered:	100.00%	
Pooling Clause:	Yes	
Royalty Rate:	18.75%	
ORRI Owner Name and Interest:	Occidental Permian, LP	0.2016%
	Mid-Continent Energy, Inc.	0.4212%
	Lerwick I, Ltd., a Family Limited Partnership	0.1959%
	Roden Participants, Ltd.	0.1728%
	Roden Exploration Company	0.1728%
	Roden Associates, Ltd.	0.0345%

Communitization Agreement  
 Spud Muffin 31-30 Federal Com 621H, and Spud Muffin 31-30 Federal Com 732H and  
 Spud Muffin 31-30 Com 622H and Spud Muffin 31-30 Com 734H  
 W/2 Section 30 and W/2 Section 31-23S-29E, Eddy County, New Mexico

**Tract No. 2**

Lease Serial Number:	<b>NMNM 082886</b>	
Description of Land Committed:	<u>Township 23 South, Range 29 East, N.M.P.M.</u> <b>Section 31: Lot 4 (fka SW/4 SW/4) (39.59 ac)</b>	
Lessee(s) of Record:	Devon Energy Production Company, LP	67.0000%
	OXY USA INC.	33.0000%
Working Interest Owner(s):	Devon Energy Production Company, LP	100.0000%
Lessor:	United States of America	
Effective Date:	November 1, 1989	
Term:	5 years (HBP)	
Lease Recorded:	Book 56, Page 1097	
Number of Gross Acres:	39.59 acres	
Number of Net Acres:	39.59 acres	
Interest Covered:	100%	
Pooling:	No	
Royalty:	12.50%	
ORRI Owner Name and Interest:	Curt A. Anderson and Edan Anderson, JTWRS	0.2250%
	Kimbell Art Foundation	0.1813%
	Bill Burton	0.0028%
	Ben J. Fortston III Children's Trust	0.0013%
	Robert C. Grable	0.0013%
	MWB 1998 Trust	0.0004%
	CCB 1998 Trust	0.0004%
	DCB 1998 Trust	0.0004%
	Sundance Minerals I	0.0051%
	MAP00-NET	0.0396%
	The Roach Foundation	0.0224%
	LaNell Joy Honeyman	0.1650%
	Leslie Robert Honeyman Trust	0.1650%

Communitization Agreement

Spud Muffin 31-30 Federal Com 621H, and Spud Muffin 31-30 Federal Com 732H and

Spud Muffin 31-30 Com 622H and Spud Muffin 31-30 Com 734H

W/2 Section 30 and W/2 Section 31-23S-29E, Eddy County, New Mexico

**RECAPITULATION**

<b>Tract</b>	<b>Type of Lease</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
1	FEE LEASES	592.79	93.7395%
2	FEDERAL NMNM 082886	39.59	6.2605%
Total		632.38	100.0000%

Communitization Agreement

Spud Muffin 31-30 Federal Com 621H, and Spud Muffin 31-30 Federal Com 732H and

Spud Muffin 31-30 Com 622H and Spud Muffin 31-30 Com 734H

W/2 Section 30 and W/2 Section 31-23S-29E, Eddy County, New Mexico

**SUMMARY OF OWNERS**

**Unleased Fee Mineral Owners:**

*Lois Hastings	(0.8069 net acres in Tract 1B)
*Debra Kay Primera	(0.4034 net acres in Tract 1B)
*Ricky Don Raindl	(0.4035 net acres in Tract 1B)

**Working Interest and/or Record Title Interest:**

Devon Energy Production Company, L.P.

OXY USA INC.

Chevron USA, Inc.

\*MRC Permian Company

\* Parties were pooled and subject to the terms and penalties provided under State of New Mexico Department of Energy, Minerals and Natural Resources Oil Conservation Division Case No. 16163.





Communitization Agreement  
Spud Muffin 31-30 Federal Com 621H, and Spud Muffin 31-30 Federal Com 732H and  
Spud Muffin 31-30 Com 622H and Spud Muffin 31-30 Com 734H  
W/2 Section 30 and W/2 Section 31-23S-29E, Eddy County, New Mexico

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

**Chevron USA, Inc.**

3-25-19  
Date

By: Nick Brock

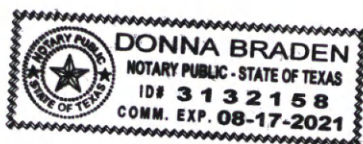
Title: Attorney-in-Fact

**ACKNOWLEDGMENT**

STATE OF Texas )  
COUNTY OF Midland ) ss.

This instrument was acknowledged before me on this 25th day of March, 2019, by Nick Brock, as Attorney-in-Fact of **Chevron USA, Inc.**, and acknowledged to me that he/she executed the same as a free and voluntary act and deed for the uses and purposes therein set forth.

(SEAL)



8-17-2021  
My Commission Expires

Donna Braden  
Notary Public

Communitization Agreement  
Spud Muffin 31-30 Federal Com 621H, and Spud Muffin 31-30 Federal Com 732H and  
Spud Muffin 31-30 Com 622H and Spud Muffin 31-30 Com 734H  
W/2 Section 30 and W/2 Section 31-23S-29E, Eddy County, New Mexico

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

**Chevron USA, Inc.**

3-8-19  
Date

By: Nick Brock

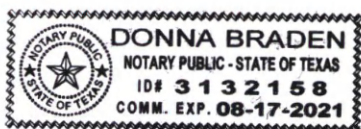
Title: Attorney-in-Fact

**ACKNOWLEDGMENT**

STATE OF Texas )  
COUNTY OF Midland ) ss.

This instrument was acknowledged before me on this 25th day of March,  
2019, by Nick Brock, as Attorney-in-Fact  
of **Chevron USA, Inc.**, and acknowledged to me that he/she executed the same as a free  
and voluntary act and deed for the uses and purposes therein set forth.

(SEAL)



8-17-2021  
My Commission Expires

Donna Braden  
Notary Public





**DESIGNATION OF UNIT**

STATE OF NEW MEXICO           §  
  §       KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF EDDY                 §

The lands and depths described below were dedicated as a 640-acre horizontal spacing unit on November 25, 2019, in conformity with the rules and regulations of the New Mexico Oil Conservation Division ("NMOCD") as shown in NMOCD Form C-102 for the Spud Muffin 31-30 Federal Com 332H well (API No. 30-015-45302) filed with, and approved by, the NMOCD:

East Half West Half (E/2W/2) and West Half East Half (W/2E/2) of Sections 30 and 31, Township 23 South, Range 29, East, N.M.P.M., Eddy County, New Mexico, containing 640-acres, more or less (the "Unit")

Limited to and only including those depths within the Bone Spring formation.

Additionally, all uncommitted oil and gas interests within the Unit were pooled by NMOCD Order No. R-20327.

Additionally, the undersigned is an owner of the oil, gas, and mineral leases described in Exhibit "A", (the "*Leases*") which authorize the undersigned to pool and combine the Leases and lands covered thereby with other lands and leases to form the Unit. By virtue of the authority conferred by the terms of the Leases, including all amendments and corrections thereto, and in conjunction with the application of the rules and regulations of the NMOCD, the undersigned has, and does hereby, dedicate and designate East Half West Half (E/2W/2) and West Half East Half (W/2E/2) of Sections 30 and 31, Township 23 South, Range 29, East, N.M.P.M., Eddy County, New Mexico as a 640-acre horizontal drilling and spacing unit; however, (i) limited to and only including those depths within the Bone Spring formation.

Additionally, the oil, gas, and mineral leases described in Exhibit "A" cover lands lying within the Unit and are shown such that Exhibits "A" reflects all oil, gas, and mineral leases included in the Unit.

This Designation of Unit is filed of record in the county where the Leases are located for the purpose of giving notice of the Unit having been established and that all committed and uncommitted oil and gas interests are included in the Unit, and to identify and describe the lands included in the Unit.

This Designation of Unit is executed on the date set forth in the acknowledgment below, but the Unit shall be effective for all purposes as of November 25, 2019, and shall remain in force so long as oil, gas, and/or other hydrocarbons are produced from the oil and/or gas wells

Reception: 2114410   Book: 1155 Page: 0132   Pages: 5  
Recorded: 12/02/2021 01:58 PM   Fee: \$25.00  
Eddy County, New Mexico ~ Darlene Rosprim, County Clerk  
eRecorded Document



RN



**Exhibit A**

Attached to and made a part of that certain Designation of Unit for East Half West Half (E/2W/2) and West Half East Half (W/2E/2) of Sections 30 and 31, Township 23 South, Range 29, East, N.M.P.M., Eddy County, New Mexico, dated effective November 25, 2019.

The Designation of Unit includes all lands covered by the Oil and Gas Leases described below insofar and only as such lands are located within East Half West Half (E/2W/2) and West Half East Half (W/2E/2) of Sections 30 and 31, Township 23 South, Range 29, East, N.M.P.M., Eddy County, New Mexico, including, without limitation, those "Lands" identified below:

**Oil and Gas Leases****Lease 1:**

**Lessor:** D.S. Harroun, Eleanor F. Harroun, Catherine Harroun, C. Fincher  
Neal, and Jerome D. Matkins  
**Lessee:** Skelly Oil Company  
**Dated:** February 2, 1972  
**Recorded:** Book 84, Page 756  
**Lands:** As described in the Lease, as same may have been amended

**Lease 2:**

**Lessor:** Carlsbad National Bank, as Trustee of the Mabell v. Geer  
Revocable Trust Agreement dated October 19, 1984  
**Lessee:** T. Verne Dwyer  
**Dated:** November 28, 1988  
**Recorded:** Book 36, Page 208  
**Lands:** As described in the Lease, as same may have been amended

**Lease 3:**

**Lessor:** Joan "Jody" G. Hooper and Gailen H. Hooper, Trustees of the  
Hooper Living Trust, dated July 19, 1996  
**Lessee:** Devon Energy Production Company, LP  
**Dated:** August 7, 2008  
**Recorded:** Book 752, Page 119  
**Lands:** As described in the Lease, as same may have been amended

**Lease 4:**

Lessor: Denise A. Humphrey, joined pro forma by her husband  
 Douglas E. Humphrey  
Lessee: Devon Energy Production Company, LP  
Dated: August 7, 2008  
Recorded: Book 752, Page 122  
Lands: As described in the Lease, as same may have been amended

**Lease 5:**

Lessor: Johnnie Giovengo, Jr. and Sharon J. Giovengo  
Lessee: Devon Energy Production Company, LP  
Dated: August 7, 2008  
Recorded: Book 752, Page 627  
Lands: As described in the Lease, as same may have been amended

**Lease 6:**

Lessor: Pearl F. Giovengo  
Lessee: Devon Energy Production Company, LP  
Dated: August 7, 2008  
Recorded: Book 752, Page 630  
Lands: As described in the Lease, as same may have been amended

**Lease 7:**

Lessor: Lucretia A. Wilferth, joined pro forma by her husband Carrell  
 Wilferth  
Lessee: Devon Energy Production Company, LP  
Dated: August 7, 2008  
Recorded: Book 754, Page 357  
Lands: As described in the Lease, as same may have been amended

**Lease 8:**

Lessor: Ray Howard and Juanita E. Howard, his wife  
Lessee: Amoco Production Company  
Dated: March 17, 1978  
Recorded: Book 156, Page 397  
Lands: As described in the Lease, as same may have been amended

**Lease 9:**

**Lessor:** Henrietta Elmore, Individually and as Personal Representative  
of the Estate of Gerald Elmore, deceased.  
**Lessee:** Amoco Production Company  
**Dated:** March 17, 1978  
**Recorded:** Book 156, Page 399  
**Lands:** As described in the Lease, as same may have been amended



Intent  As Drilled

API # 30-015-53830		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.	Property Name: SPUD MUFFIN 31 30	Well Number 232H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	31	23S	29E		240	SOUTH	1952	WEST	EDDY
Latitude 32.2549269					Longitude 104.0260340				NAD 83

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	31	23S	29E		840	SOUTH	1997	WEST	EDDY
Latitude 32.2565765					Longitude 104.0258795				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	30	23S	29E		149	NORTH	1978	WEST	EDDY
Latitude 32.2830188					Longitude 104.0258489				NAD 83

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

Is this well an infill well?  Y

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

API # 30-015-45302		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.	Property Name: SPUD MUFFIN 31 30	Well Number 332H

KZ 06/29/2018



Intent  As Drilled

API #									
Operator Name:					Property Name:				Well Number

Kick Off Point (KOP)

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

First Take Point (FTP)

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

Last Take Point (LTP)

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

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

Is this well an infill well?

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

API #									
Operator Name:					Property Name:				Well Number

KZ 06/29/2018

**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 Road, 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, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-53172</b>	<sup>2</sup> Pool Code <b>11520</b>	<sup>3</sup> Pool Name <b>CEDAR CANYON; BONE SPRING</b>
<sup>4</sup> Property Code <b>322920</b>	<sup>5</sup> Property Name <b>SPUD MUFFIN 31-30 FED COM</b>	
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<sup>6</sup> Well Number <b>231H</b>
		<sup>9</sup> Elevation <b>2959.3</b>

<sup>10</sup> Surface Location

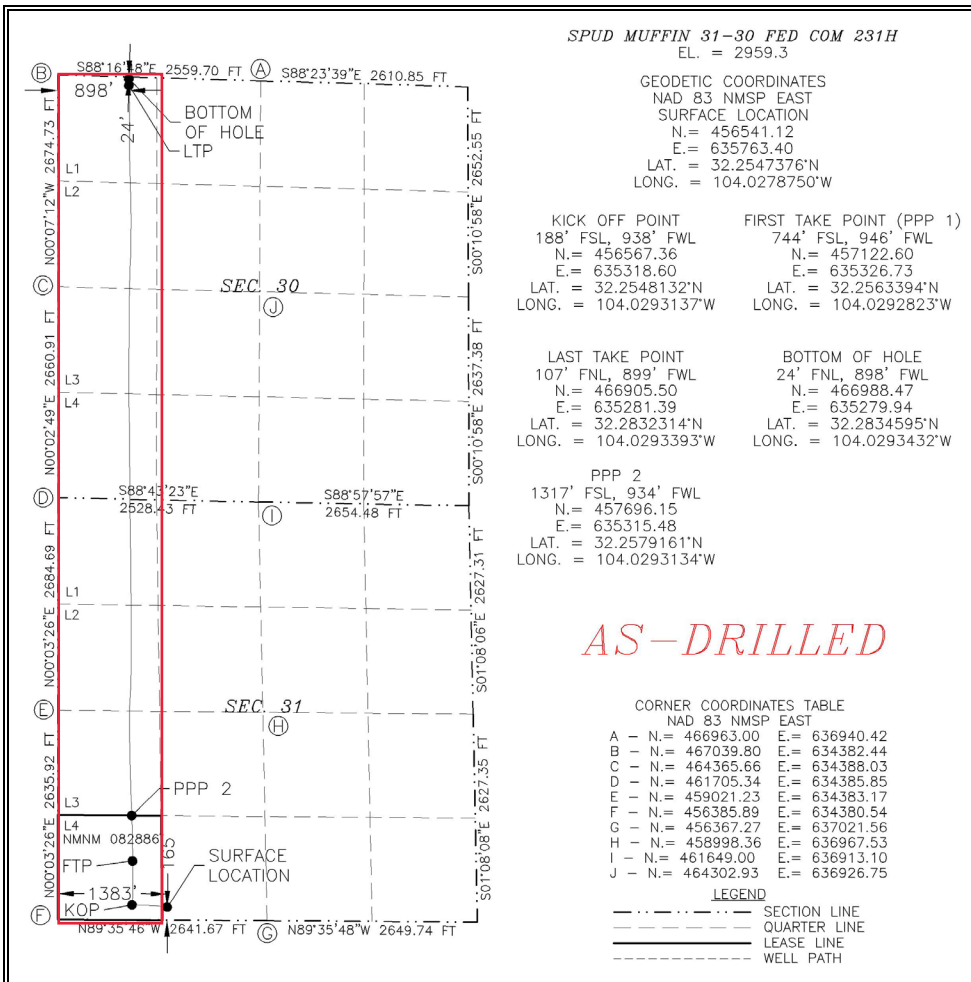
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>N</b>	<b>31</b>	<b>23 S</b>	<b>29 E</b>		<b>165</b>	<b>SOUTH</b>	<b>1383</b>	<b>WEST</b>	<b>EDDY</b>

<sup>11</sup> 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
<b>1</b>	<b>30</b>	<b>23 S</b>	<b>29 E</b>		<b>24</b>	<b>NORTH</b>	<b>898</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres <b>312.38</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



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

*Shayda Omoumi*      3/29/2024  
Signature      Date

**Shayda Omoumi**  
Printed Name

**shayda.omoumi@dvn.com**  
E-mail Address

**18 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.

MARCH 22, 2024  
Date of Survey

*Shayda Omoumi*  
Signature and Seal of Professional Surveyor

Certificate Number: **12797**  
Professional Surveyor No. 8474B

Intent  As Drilled  XX

API # 30-015-53172		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.	Property Name: SPUD MUFFIN 31-30 FED COM	Well Number 231H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
	31	23S	29E	4	188	SOUTH	938	WEST	EDDY
Latitude 32.2548132					Longitude 104.0293137				NAD 83

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
	31	23S	29E	4	744	SOUTH	946	WEST	EDDY
Latitude 32.2563394					Longitude 104.0292823				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
	30	23S	29E	1	107	NORTH	899	WEST	EDDY
Latitude 32.2832314					Longitude 104.0293393				NAD 83

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

Is this well an infill well?  Y

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

API # 30-015-45459		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.	Property Name: SPUD MUFFIN 31 30 FED COM	Well Number 331H

KZ 06/29/2018

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 Road, 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, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT AS DRILLED

<sup>1</sup> API Number <b>30-015-45459</b>	<sup>2</sup> Pool Code <b>11520</b>	<sup>3</sup> Pool Name <b>CEDAR CANYON; BONE SPRING</b>
<sup>4</sup> Property Code <b>322920</b>	<sup>5</sup> Property Name <b>SPUD MUFFIN 31-30 FED COM</b>	
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<sup>6</sup> Well Number <b>331H</b>
		<sup>9</sup> Elevation <b>2959.7</b>

<sup>10</sup> Surface Location

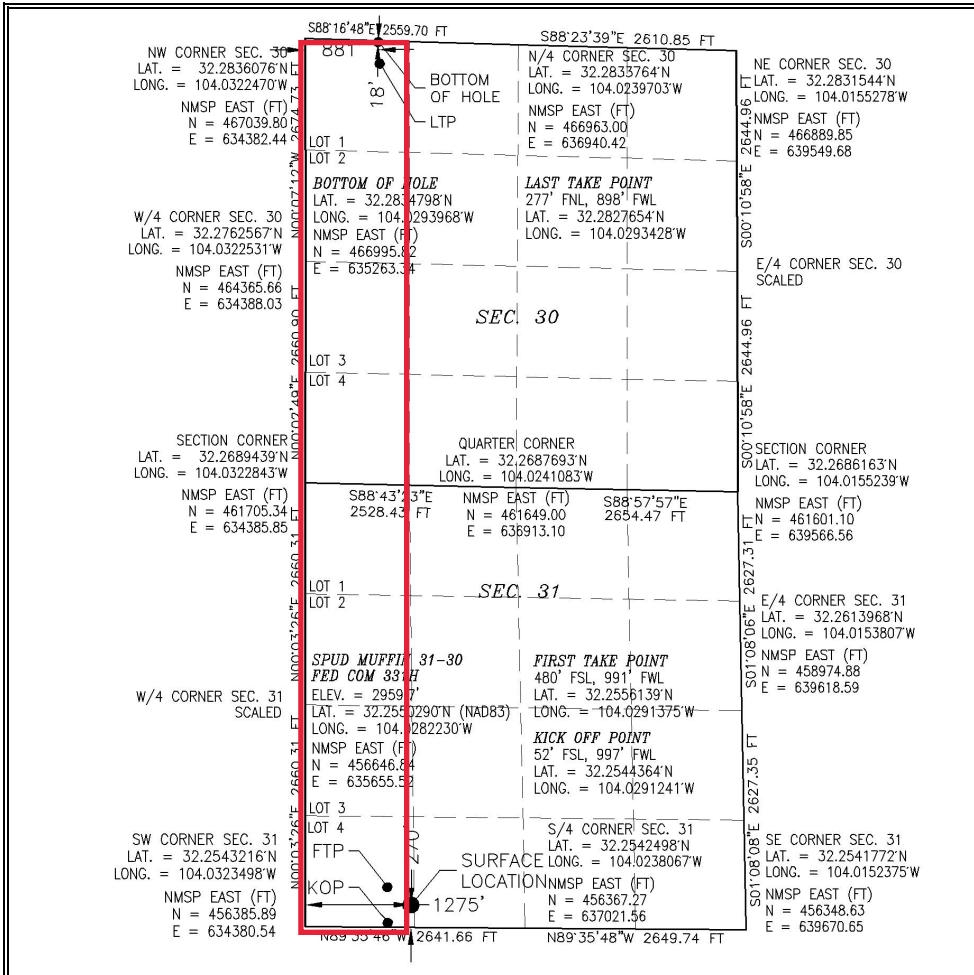
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>4</b>	<b>31</b>	<b>23 S</b>	<b>29 E</b>		<b>270</b>	<b>SOUTH</b>	<b>1275</b>	<b>WEST</b>	<b>EDDY</b>

<sup>11</sup> 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
<b>1</b>	<b>30</b>	<b>23 S</b>	<b>29 E</b>		<b>18</b>	<b>NORTH</b>	<b>881</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres <b>312.39</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all completions have been consolidated or a non-standard unit has been approved by the division.



**<sup>17</sup> OPERATOR CERTIFICATION**

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

Signature: Erin Workman Date: 11/11/19

Printed Name: **Erin Workman**

E-mail Address: **Erin.workman@dvn.com**

---

**<sup>18</sup> 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.

Date of Survey: SEPTEMBER 12, 2018

Signature and Seal of Professional Surveyor: [Signature]

Certificate Number: PLS 10077

Professional Surveyor Seal: **ERIN MONTE JARAMILA**, License No. 6274C

Intent  As Drilled

API #									
Operator Name:					Property Name:				Well Number

Kick Off Point (KOP)

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

First Take Point (FTP)

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

Last Take Point (LTP)

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

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

Is this well an infill well?  NO

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

API #									
Operator Name:					Property Name:				Well Number

KZ 06/29/2018



Intent  As Drilled

API #									
Operator Name:					Property Name:				Well Number

Kick Off Point (KOP)

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

First Take Point (FTP)

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

Last Take Point (LTP)

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

Is this well the defining well for the Horizontal Spacing Unit?  **NO**

Is this well an infill well?  **YES**

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

API # <b>30-015-45266</b>									
Operator Name:					Property Name:				Well Number
<b>DEVON ENERGY PRODUCTION COMPANY, LP</b>					<b>SPUD MUFFIN 31-30 COM</b>				<b>622H</b>

KZ 06/29/2018

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 Road, 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, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-45266		<sup>2</sup> Pool Code 98220		<sup>3</sup> Pool Name PURPLE SAGE; WOLFCAMP	
<sup>4</sup> Property Code		<sup>5</sup> Property Name SPUD MUFFIN 31-30 COM			<sup>6</sup> Well Number 622H
<sup>7</sup> OGRID No. 6137		<sup>8</sup> Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			<sup>9</sup> Elevation 2959.3

<sup>10</sup> Surface Location

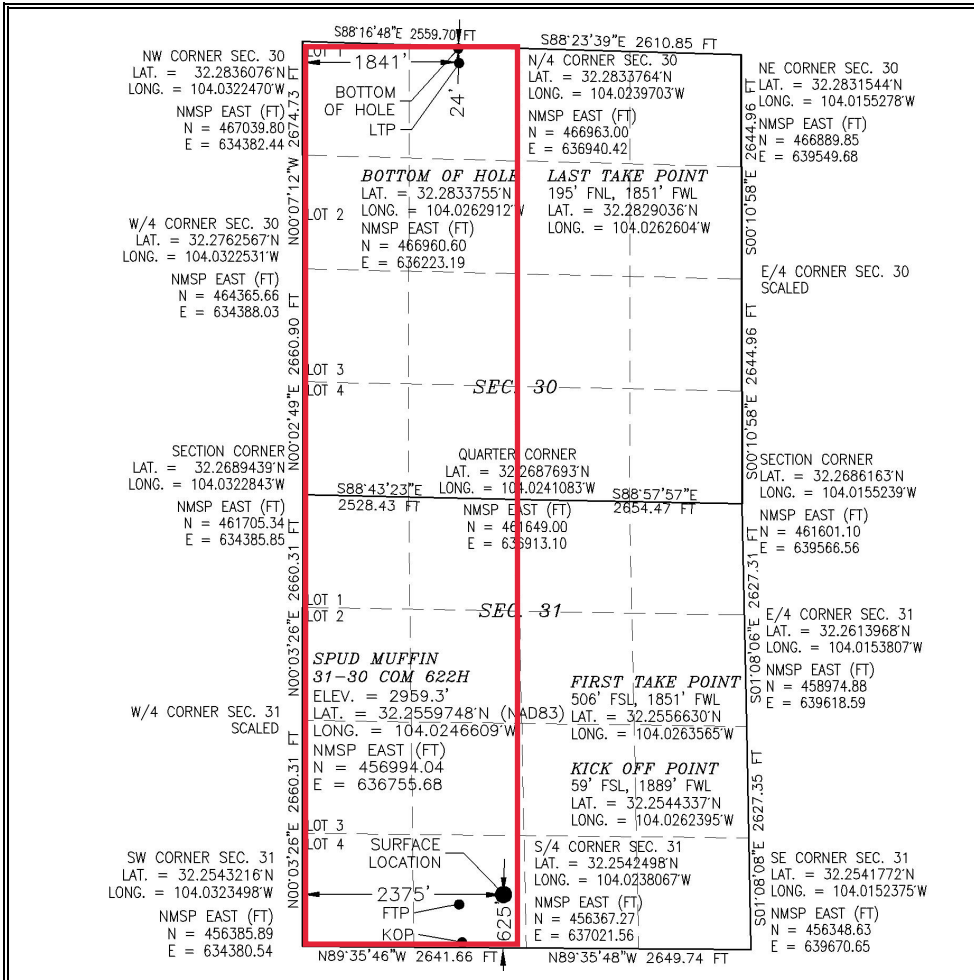
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	23 S	29 E		625	SOUTH	2375	WEST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	30	23 S	29 E		24	NORTH	1841	WEST	EDDY

<sup>12</sup> Dedicated Acres 632.38	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



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

*Erin Workman* 11/22/2019  
Signature Date

Erin Workman  
Printed Name

Erin.workman@dvn.com  
E-mail Address

**18 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.

AUGUST 30, 2019  
Date of Survey

*[Signature]*  
Signature and Seal of Professional Surveyor

Certificate Number: PLS 12797  
SURVEY NO. 5960C

Intent  As Drilled

API #									
Operator Name:					Property Name:				Well Number

Kick Off Point (KOP)

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

First Take Point (FTP)

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

Last Take Point (LTP)

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

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

Is this well an infill well?  NO

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

API #									
Operator Name:					Property Name:				Well Number

KZ 06/29/2018



Devon Energy Production Company, L.P.  
333 W. Sheridan Avenue  
Oklahoma City, Oklahoma 73102  
Phone: (405) 228-4800

April 23, 2024

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**Re** SPUD MUFFIN 31 CTB 1  
**Sec.-T-R:** 31-23S-29E  
**Wells:** Spud Muffin 31-30 Fed Com 231H, 331H, 621H; Spud Muffin 31-30 Com 622H;  
Spud Muffin 31-30 232H and 332H  
**Agreements:** 1 Wolfcamp CA Approved; 1 Bone Spring CA Approved; 1 Bone Spring CA Pending  
**Lease:** NMNM082886, FEE  
  
**Pool:** [[98220] PURPLE SAGE; WOLFCAMP (GAS)  
[[11520] CEDAR CANYON; BONE SPRING  
  
**County:** Eddy Co., New Mexico

Interest Owners:

This letter is to advise that Devon Energy Production Company, L.P. is filing an application with the New Mexico Oil Conservation Division (NMOCD) seeking approval for a Central Tank Battery for the above-mentioned wells. A copy of the submitted application is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

Please contact Devon Energy Production Company, L.P. at (405) 228-4800 with any questions or needs.

Sincerely,

Devon Energy Production Company, L.P.

Shayda Omoumi  
Regulatory Compliance Professional  
Enclosure

Tracking	Name1	Name2	Int Type	Street	City	State	Postal Code
9414814901527181321410	1836 ROYALTY PARTNERS LLC		RI	116 S FM 1187	ALEDO	TX	76008
9414814901527181321427	ALLDALE MINERALS II LP		RI	1717 S BOULDER AVE STE 400	TULSA	OK	74119
9414814901527181321434	ANDREW & JANET VOGT TRUST	JANET ELIZABETH VOGT &	RI	13404 PIEDRA GRANDE PL NE	ALBUQUERQUE	NM	87111
9414814901527181321441	BEN J FORTSON III CHILDREN TR	LISA FORTSON TRUSTEE	OR	PO BOX 29	FORT WORTH	TX	76101
9414814901527181321458	BENCO ENERGY INC		OR	PO BOX 29	FORT WORTH	TX	76101
9414814901527181321465	BEVERLY GAY NICHOLS		OR	2207 SHEPHERDS RIDGE RD	CHARLOTTESVILLE	VA	22901
9414814901527181321472	BJ AND RACHEL HONEYMAN LIVIN	BRENT JEREMY HONEYMAN AND	OR	26 MEADOW BROOK PLACE	THE WOODLANDS	TX	77382
9414814901527181321489	BRENT JEREMY HONEYMAN CHIL	BRENT JEREMY HONEYMAN TRUS	OR	26 MEADOW BROOK PLACE	THE WOODLANDS	TX	77382
9414814901527181321496	CCB 1998 TRUST	WILLIAM K BURTON TTEE	OR	5 WESTOVER RD	FORT WORTH	TX	76107-3104
9414814901527181321502	CHASE OIL CORPORATION	STACI D SANDERS AIF	RI	PO BOX 1767	ARTESIA	NM	88211-1767
9414814901527181321519	CHEVRON U S A INC		WI	PO BOX 740436	DALLAS	TX	75373-0436
9414814901527181321526	DAVID ALAN ARTHUR		RI	561 S DOWNING ST APT A	SEASIDE	OR	97138-5640
9414814901527181321533	DCB 1998 TRUST	WILLIAM K BURTON TTEE	OR	5 WESTOVER RD	FORT WORTH	TX	76107-3104
9414814901527181321540	DEBRA KAY PRIMERA		RI	PO BOX 143277	IRVING	TX	75014
9414814901527181321557	DORCHESTER MINERALS LP		OR	3838 OAK LAWN AVE STE 300	DALLAS	TX	75219
9414814901527181321564	DOROTHY S HARROUN IRREV TR	DOUGLAS HARROUN TRUSTEE	RI	PO BOX 2300	ALBUQUERQUE	NM	87103
9414814901527181321571	EDNA & CURTIS ANDERSON REV T	CURTIS ANDERSON TRUSTEE	OR	6820 MUIRFIELD DRIVE	RAPID CITY	SD	57702
9414814901527181321588	ELLIPSIS OIL AND GAS INC		WI	3500 MAPLE AVE STE 1080	DALLAS	TX	75219
9414814901527181321595	EXILE ROYALTY COMPANY LLC		OR	515 HOUSTON ST STE 631	FORT WORTH	TX	76102
9414814901527181321601	GAIL M SEXTON		RI	67599 ANTIOCH DR	MANDEVILLE	LA	70471
9414814901527181321618	GBK CORPORATION		OR	DEPT 637	TULSA	OK	74182
9414814901527181321625	GERALDETTA MARRS		RI	1909 SENTRY CIR	CARLSBAD	NM	88220
9414814901527181321632	HALEY KARTCHNER		RI	2224 COLLINS AVE	CARLSBAD	NM	88220
9414814901527181321649	HARROUN ENERGY LLC		RI	PO BOX 2300	ALBUQUERQUE	NM	87103
9414814901527181321656	HONEYMAN INVESTMENT HOLDIN	HONEYMAN MANAGEMENT LLC	OR	6433 ROCKBLUFF CIRCLE	PLANO	TX	75024
9414814901527181321663	IOG RESOURCES LLC		WI	8333 DOUGLAS	DALLAS	TX	75225
9414814901527181321670	J F NEAL REVOCABLE TRUST	JEFFERY C NEAL & K FRANCES B	RI	1311 DOEPP DR	CARLSBAD	NM	88220
9414814901527181321687	J HIRAM MOORE LTD	PROVIDENCE ENERGY LTD AIF	RI	16400 DALLAS PRKWAY STE 400	DALLAS	TX	75248
9414814901527181321694	JOAN G HOOPER		RI	2641 CODY CIRCLE	LAS CRUCES	NM	88011
9414814901527181321700	JOHNNIE GIOVENGO		RI	PO BOX 513	LOVING	NM	88256
9414814901527181321717	JOHNNIE GIOVENGO JR &	WIFE SHARON J GIOVENGO	RI	PO BOX 513	LOVING	NM	88256-0513
9414814901527181321724	JUBILEE ART HOLDINGS LLC		RI	PO BOX 192	NEW YORK	NY	10024
9414814901527181321731	KIMBELL ART FOUNDATION	BRETT G TAYLOR AIF	OR	301 COMMERCE ST STE 2300	FORT WORTH	TX	76102
9414814901527181321748	LERWICK I LTD		OR	101 BROOKLINE DR	ASHEVILLE	NC	28803-3498
9414814901527181321755	LJA CHARITABLE INVESTMENTS	LLC	RI	1717 W LOOP SOUTH STE 1800	HOUSTON	TX	77027
9414814901527181321762	MAPPO NET LLC	BRAD WILLIAMS AIF	OR	PO BOX 269100	OKLAHOMA CITY	OK	73126-9100
9414814901527181321779	MARGI FORT BRUNS		OR	7800 E 148TH DR	THORNTON	CO	80602-4002
9414814901527181321786	MARIE ELLAYNA RYAN		RI	503 W ORCHARD LN	CARLSBAD	NM	88220
9414814901527181321793	MARION 2011 FAMILY TRUST	CARE OF BURNETT OIL COMPANY	OR	801 CHERRY ST UNIT 9 STE 1500	FT WORTH	TX	76102-6881
9414814901527181321809	MHM RESOURCES LP		RI	PO BOX 202656	DALLAS	TX	75320-2656
9414814901527181321816	MICHAEL A KULENGUSKI		OR	279 JONES MTN RD	MADISON	VA	22727
9414814901527181321823	MID CONTINENT ENERGY INC		OR	510 E MEMORIAL RD STE A2	OKLAHOMA CITY	OK	73114
9414814901527181321830	MINERAS RESOURCES LLC		RI	11886 GREENVILLE AVE STE 106	DALLAS	TX	75243
9414814901527181321847	MRC PERMIAN COMPANY		WI	R347 N 26TH RURAL ST	ARTESIA	NM	88210-9791
9414814901527181321854	MSH FAMILY REAL ESTATE PTR II	LLC	RI	4143 MAPLE AVE STE 500	DALLAS	TX	75219
9414814901527181321861	MWB 1998 TRUST	WILLIAM K BURTON TTEE	OR	5 WESTOVER RD	FORT WORTH	TX	76107-3104
9414814901527181321878	NORTEX CORPORATION	CARE OF THE NORTHERN TRUST	WI	PO BOX 27710	HOUSTON	TX	77227-7710
9414814901527181321885	NORTHERN OIL & GAS INC		WI	4350 BAKER RD STE 400	MINNETONKA	MN	55343
9414814901527181321892	OCCIDENTAL PERMIAN LTD	SUCCESSOR TO AMOCO	OR	PO BOX 841803	DALLAS	TX	75284-1803
9414814901527181321908	ONRR	ROYALTY MANAGEMENT PROGRA	RI	PO BOX 25627	DENVER	CO	80225-0627
9414814901527181321915	PEGASUS RESOURCES LLC		RI	PO BOX 470698	FORT WORTH	TX	76147
9414814901527181321922	PHEASANT ENERGY LLC		RI	PO BOX 471458	FORT WORTH	TX	76147
9414814901527181321939	RANCHITO AD3 LP		RI	2100 ROSS AVE STE 1870	DALLAS	TX	75201
9414814901527181321946	RFORT MINERAL PROPERTIES LLC	RANDALL R FORT MGR	RI	9716 ADMIRAL EMERSON AVE NE	ALBUQUERQUE	NM	87111
9414814901527181321953	RICHARDSON MINERAL & ROYALTY	LLC	RI	PO BOX 2423	ROSWELL	NM	88202
9414814901527181321960	RICKY D RAINDL	SEPARATE ESTATE	RI	PO BOX 142454	IRVING	TX	75014-2454
9414814901527181321977	RKC INC		OR	7500 E ARAPAHOE RD STE 380	CENTENNIAL	CO	80112-6116
9414814901527181321984	ROBERT C GRABLE		OR	201 MAIN ST STE 2500	FORT WORTH	TX	76102-3129
9414814901527181321991	ROBERT G HOOPER		RI	PO BOX 733	ROSWELL	NM	88202
9414814901527181322004	ROBERT MITCHELL RAINDL		RI	PO BOX 853	TAHOKA	TX	79373
9414814901527181322011	RUSSELL L BARKER		RI	410 S 4TH ST	INDEPENDENCE	KS	67301
9414814901527181322028	SMP SIDECAR TITAN MINERAL HOI	LP	RI	4143 MAPLE AVE STE 500	DALLAS	TX	75219
9414814901527181322035	SMP TITAN FLEX LP		RI	4143 MAPLE AVE STE 500	DALLAS	TX	75219
9414814901527181322042	SMP TITAN MINERAL HOLDINGS	LP	RI	4143 MAPLE AVE STE 500	DALLAS	TX	75219
9414814901527181322059	SOFTSEARCH INVESTMENT LP		RI	PO BOX 89	ABILENE	TX	79604
9414814901527181322066	SOFTVEST MANAGEMENT LP		RI	PO BOX 89	ABILENE	TX	79604
9414814901527181322073	SUNDANCE MINERALS 1		OR	306 W 7TH ST STE 302	FORT WORTH	TX	76102
9414814901527181322080	THE JOSEPH E HANTTULA & JUDIT	HANTTULA REVOCABLE FAMILY TR	RI	3996 MARBLE HILL RD	FRISCO	TX	75034
9414814901527181322097	THE ROACH FOUNDATION	ACCOUNT NO 8300205110	OR	777 TAYLOR ST	FORT WORTH	TX	76102-4919
9414814901527181322103	TOMMY L FORT		RI	4914 ROYAL OAK CT	SAN ANGELO	TX	76904-8162
9414814901527181322110	TRINITY POLLOCK		RI	230 MONTGOMERY DR	GRAND JUNCTION	CO	81503
9414814901527181322127	TUNDRA AD3 LP		RI	2100 ROSS AVE STE 1870	DALLAS	TX	75201
9414814901527181322134	WILLIAM K BURTON		OR	5 WESTOVER RD	FORT WORTH	TX	76107-3104

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
SPUD MUFFIN 31-	331H	3001545459	NMNM82886	NMNM82886	DEVON
SPUD MUFFIN 31-	231H	3001553172	NMNM82886	NMNM82886	DEVON
SPUD MUFFIN 31-	622H	3001545266	FEE	NMNM139936	DEVON
SPUD MUFFIN 31-	621H	3001545460	NMNM82886	NMNM82886	DEVON

**Notice of Intent**

**Sundry ID:** 2786292

**Type of Submission:** Notice of Intent

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

**Date Sundry Submitted:** 04/23/2024

**Time Sundry Submitted:** 06:37

**Date proposed operation will begin:** 04/23/2024

**Procedure Description:** APPLICATION FOR CENTRAL TANK BATTERY/OFF LEASE MEASUREMENT, SALES, & STORAGE Per 43 CFR 3173.14 (a)(1)(i-iv) - (i) Federal lease, unit PA, or CA, where each lease, unit PA, or CA proposed for commingling has 100 percent Federal mineral interest, the same fixed royalty rate and, and the same revenue distribution. Devon Energy Production Company, LP is requesting approval for commingling at the Spud Muffin 31 CTB 1. Please see attached.

**Surface Disturbance**

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

**NOI Attachments**

**Procedure Description**

Spud\_Muffin\_31\_CTB\_1\_BLM\_Submitted\_20240423063537.pdf

**Operator**

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

**Operator Electronic Signature:** SHAYDA OMOUMI

**Signed on:** APR 23, 2024 06:36 AM

**Name:** DEVON ENERGY PRODUCTION COMPANY LP

**Title:** Regulatory Compliance Associate 3

**Street Address:** 333 W SHERIDAN AVE

**City:** OKLAHOMA CITY                      **State:** OK

**Phone:** (405) 235-3611

**Email address:** SHAYDA.OMOUMI@DVN.COM

**Field**

**Representative Name:**

**Street Address:**

**City:**    **State:**    **Zip:**

**Phone:**

**Email address:**



Texas/New Mexico

PO Box 631667 Cincinnati, OH 45263-1667

GANNETT

**AFFIDAVIT OF PUBLICATION**

Courtney Dickens  
Devon Energy Corp  
6488 Seven Rivers HWY  
Artesia NM 88210-9134

STATE OF WISCONSIN, COUNTY OF BROWN

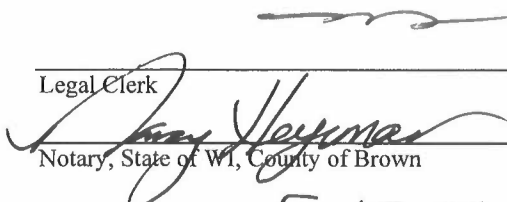
The Carlsbad Current Argus, a newspaper published in the city of Carlsbad, Eddy County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

04/26/2024

and that the fees charged are legal.  
Sworn to and subscribed before on 04/26/2024

Location  
Eddy County, New Mexico  
Notice Text  
Notice of Application for Surface Commingling. Devon Energy Production Company, L.P. located at 333 West Sheridan Ave. Oklahoma City, OK 73102 is applying to the NMOCD for a surface commingle of the oil/gas production at the Spud Muffin 31 CTB 1 battery. The facilities are located in Eddy County in SESW, S31, T23S, R29E. Wells going to the batteries are located in Section 31 of 23S-29E. Production is from the [11520] CEDAR CANYON; BONE SPRING and [98220] PURPLE SAGE; WOLFCAMP (GAS).

Pursuant to Statewide Rule 19.15.12.10, interested parties must file objections or requests for hearing in writing with the division's Santa Fe office within 20 days after publication, or the NMOCD may approve the application. For questions pertaining to the application, please contact Devon Energy Production Company, L.P. (405) 235-3611. #10105266, Current Argus, April 26, 2024

  
\_\_\_\_\_  
Legal Clerk  
\_\_\_\_\_  
Notary, State of WI, County of Brown  
5.15.27

My commission expires

Publication Cost: \$68.00  
Order No: 10105266 # of Copies: 0  
Customer No: 1358901  
PO #: Spud Muffin 31 CTB 1

**THIS IS NOT AN INVOICE!**

Please do not use this form for payment remittance.

NANCY HEYRMAN  
Notary Public  
State of Wisconsin

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

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

**ORDER NO. PLC-1100**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. Devon Energy Production Company, LP (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools and leases described in Exhibit A (“Application”).
2. Applicant included a complete list of the wells currently dedicated to each pool and lease.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
5. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools and leases in accordance with 19.15.12.10(C)(4)(g) NMAC.
6. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described in Exhibit A.
7. Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
8. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

**CONCLUSIONS OF LAW**

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.

10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2) NMAC, 19.15.12.10(C)(4)(c) NMAC, and 19.15.12.10(C)(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC and 19.15.23.9(A)(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) NMAC or 19.15.12.10(C)(1) NMAC, as applicable.
13. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) NMAC and 19.15.12.10(C)(4)(h) NMAC.
14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10(C)(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
15. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to surface commingle oil and gas production from the pools and leases as described in Exhibit A.

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

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

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A.

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

2. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not

- included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
  4. If Applicant recovers oil or gas production from produced water prior to Applicant injecting it or transferring custody of it, then that production shall be allocated to each well in the proportion that it contributed to the total produced water.
  5. If Applicant recovers gas production using a vapor recovery unit (VRU), then that gas production shall be allocated to each well in the proportion that it contributed to the total oil production.
  6. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
  7. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
  8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
  9. Applicant shall install and utilize vessels that are appropriately designed to ensure sufficient separation of the fluids and to accurately measure oil and gas production.
  10. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
  11. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10(C)(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
  12. If a well is not included in Exhibit A but produces from a pool and lease as described in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering

Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.

13. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
14. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
15. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



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**ALBERT C. S. CHANG  
DIRECTOR**

**DATE:** 03/20/2026

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

**Order: PLC-1100**  
**Operator: Devon Energy Production Company, LP (6137)**  
**Central Tank Battery: Spud Muffin 31 CTB 1**  
**Central Tank Battery Location: UL N, Section 31, Township 23 South, Range 29 East**  
**Gas Title Transfer Meter Location: UL N, Section 31, Township 23 South, Range 29 East**

### Pools

Pool Name	Pool Code
CEDAR CANYON;BONE SPRING	11520
PURPLE SAGE;WOLFCAMP (GAS)	98220

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

Lease	UL or Q/Q	S-T-R
CA Wolfcamp NMNM 105668406 (139936)	W2	30-23S-29E
	W2	31-23S-29E
CA Bone Spring NMNM 105668407 (139937)	W2W2	30-23S-29E
	W2W2	31-23S-29E
Compulsory Pooling Order Bone Spring R-20327	E2W2, W2E2	30-23S-29E
	E2W2, W2E2	31-23S-29E

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-45266	SPUD MUFFIN 31 30 COM #622H	W2	30-23S-29E	98220
		W2	31-23S-29E	
30-015-45460	SPUD MUFFIN 31 30 FEDERAL COM #621H	W2	30-23S-29E	98220
		W2	31-23S-29E	
30-015-45459	SPUD MUFFIN 31 30 FEDERAL COM #331H	W2W2	30-23S-29E	11520
		W2W2	31-23S-29E	
30-015-53172	SPUD MUFFIN 31 30 FEDERAL COM #231H	W2W2	30-23S-29E	11520
		W2W2	31-23S-29E	
30-015-45302	SPUD MUFFIN 31 30 #332H	E2W2, W2E2	30-23S-29E	11520
		E2W2, W2E2	31-23S-29E	
30-015-53830	SPUD MUFFIN 31 30 #232H	E2W2, W2E2	30-23S-29E	11520
		E2W2, W2E2	31-23S-29E	

Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 344211

**CONDITIONS**

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 344211
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

**CONDITIONS**

Created By	Condition	Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at <a href="mailto:OCD.Engineer@emnrd.nm.gov">OCD.Engineer@emnrd.nm.gov</a> .	3/25/2026