	RECEIVED:	REVIEWER:	TYPE:	APP NO:	
<u> </u>			ABOVE THIS TABLE FOR OCD DI	ISION USE ONLY	
		- Geolog	<b>CO OIL CONSERVA</b> ical & Engineering rancis Drive, Santa	Bureau -	THE OF NEW WAYS
		ADMINIST	RATIVE APPLICATIO	ON CHECKLIST	
	THIS CH	ECKLIST IS MANDATORY FOR A REGULATIONS WHICH R	ALL ADMINISTRATIVE APPLICA EQUIRE PROCESSING AT THE		
Ap	plicant:			OGRI	D Number:
We	II Name:			API:	
Poo	ol:			Pool (	Code:
			INDICATED BELO	W	THE TYPE OF APPLICATION
1)		ATION: Check those Spacing Unit – Simu SL INSP@		ו 	SD
2)	[ I ] Comm [ II ] Injecti [ II ] Injecti 	e only for [1] or [11] ningling – Storage – M DHC CTB F on – Disposal – Press WFX PMX S <b>REQUIRED TO:</b> Check operators or lease ho y, overriding royalty of ation requires publish ation and/or concurr ation and/or concurr of the above, proof of ce required	PLC PC O ure Increase – Enha SWD IPI EC those which apply olders whers, revenue ow hed notice rent approval by SLO rent approval by BL	nced Oil Recove DR PPR ners D	FOR OCD ONLY Notice Complete Application Content Complete
3)	administrative a understand that	I hereby certify that approval is <b>accurate</b> t <b>no action</b> will be ta e submitted to the Di	and <b>complete</b> to the oken on this applica	ne best of my kno	

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

Print or Type Name

wheel

Date

Phone Number

Signature

e-mail Address



Kaitlyn A. Luck Phone (505) 954-7286 KALuck@hollandhart.com

November 20, 2020

### VIA ONLINE FILING

Adrienne Sandoval, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

## Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Galapagos 14-26 Fed Com #213H Well in the W/2 of Sections 14, 23, and 26, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

Dear Ms. Sandoval:

Devon Energy Production, LP ("Devon") (OGRID No. 6137) seeks administrative approval of an unorthodox well location for its **Galapagos 14-26 Fed Com #213H Well** (API No. 30-015-47290) to be completed within the James Ranch; Bone Spring, East Pool (96919) underlying the W/2 of Sections 14, 23, and 26, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, as follows:

- Surface hole location: 250' FNL, and 2,551' FEL (Unit B) of Section 14
- Bottom hole location: 20' FSL, and 2,480' FWL (Unit N) of Section 26
- First take point: 100' FNL, and 2,480' FWL (Unit B) of Section 14
- Last take point: 100' FSL, and 2,480' FWL (Unit N) of Section 26

Since this acreage is governed by the Division's statewide rules, the completed interval for the **Galapagos 14-26 Fed Com #213H Well** is unorthodox because the completed interval is closer than the standard offsets to the eastern boundary of the spacing unit in Sections 14, 23, and 26. The **Galapagos 14-26 Fed Com #213H Well** encroaches on the adjoining spacing unit located in the E/2 of Sections 14, 23, and 26. Approval of the unorthodox completed interval will allow Devon to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

**Exhibit A** is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Galapagos 14-26 Fed Com #213H Well** encroaches on the drilling and spacing unit to the east in Sections 14, 23, and 26.

Alaska	Montana
Colorado	Nevada
Idaho	New Mex

tana Utah da Washington, D.C. Mexico Wyoming **Exhibit B** is a land plat for Sections 14, 23, and 26 that shows the proposed **Galapagos 14-26 Fed Com #213H Well** in relation to the adjoining spacing unit to the east in Sections 14, 23, and 26.

The working interest ownership is identical between the subject spacing unit and the spacing unit to the east in the E/2 of Sections 14, 23, and 26, however, there is diverse ownership as between overriding royalty interest owners. **Exhibit** C includes a list of the affected parties, which are only overriding royalty interest owners, a copy of this application that was sent by certified mail to the affected parties advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application, and proof of mailing. Since federal lands are involved, the Bureau of Land Management was provided notice.

**Exhibit D** is a statement from a Devon's petroleum engineer confirming that Devon's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Finally, **Exhibit E** reflects that this well and spacing unit has been pooled under the terms of Order R-21506 (Case No. 21433).

Your attention to this matter is appreciated.

Sincerely. Kill

Kaitlyn A. Luck Attorney for Devon Energy Production Company, L.P.

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				<sup>2</sup> Pool Code	9	<sup>3</sup> Pool Name					
<sup>4</sup> Property C	Code				<sup>5</sup> Property	Name			<sup>6</sup> Well Number		
				GAI	LAPAGOS 14	-26 FED COM			213H		
<sup>7</sup> OGRID N	No.				<sup>8</sup> Operator	Name				<sup>9</sup> Elevation	
6137			DEV	ON ENER	RGY PRODUC	CTION COMPAN	NY, L.P.			3473.5	
<sup>10</sup> Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County	
В	14	23 S	31 E		250	NORTH	2551	EAS	ST	EDDY	
			пB	ottom H	ole Location	If Different Fr	om Surface			·	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line		County	
Ν	26	23 S	31 E		20	SOUTH	2480	WE	ST	EDDY	
<sup>12</sup> Dedicated Acre	<sup>2</sup> Dedicated Acres <sup>13</sup> Joint or Infill <sup>14</sup> Consolidation Code			n 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.

	N89'51'18"E 2639.71 FT   N89'53'08"E 2643.10 FT		<sup>17</sup> OPERATOR CERTIFICATION
NW CORNER SEC. 14 LAT = 32.3117463'N	L FTP 2551 N/4 CORNER SEC. 14 SURFACE	NE CORNER SEC. 14 LAT. = 32.3116999'N	I hereby certify that the information contained herein is true and complete to the
LONG. = 103.7571237'W NMSP EAST (FT)	C LOCATION ALC: 141 LOCATION	LONG. = 103.7400280'W NMSP EAST (FT)	best of my knowledge and belief, and that this organization either owns a working
N = 477624.13 E = 719349.92	MMSP EAST (FT) +	N = 477636.10 E = 724631.57	interest or unleased mineral interest in the land including the proposed bottom
W/4 CORNER SEC. 14	*         N = 477630.81         *           *         E  = 721989.05         *	E/4 CORNER SEC. 14	hole location or has a right to drill this well at this location pursuant to a contract
LAT. = 32.3044903'N LONG. = 103.7571229'W	2 CALAPAGOS 14-26 FED COM 213H ELEV. = 3473.5'	3 LÁT. = 32.3044481'N LONG. = 103.7400341'W	with an owner of such a mineral or working interest, or to a voluntary pooling
NMSP EAST (FT) N = 474984.45	LAT. = $32.3110374$ 'N (NADB3) L LONG. = $103.7482838$ 'W SEC. 14	NMSP EAST (FT) N = 474997.91	agreement or a compulsory pooling order heretofore entered by the division.
E = 719364.35	$R_{\rm NMSF} = 477381.05$ $R_{\rm E} = 722082.31$	E = 724644.28	
	≥ FIRST TAKE POINT		Signature Date
SECTION CORNER LAT. = 32.2972317'N LONG. = 103.7571232'W	ELAT. = 32.3114518'N ELONG. = 103,7490981'W	SECTION CORNER LAT. = 32.2971988'N LONG. = 103.7400387'W	
NMSP EAST (FT)	N89'49'03"E         N89'49'03"E           2639.75         FT         QUARTER         CORNER         2640.44         FT           LAT.         = 32:2972155'N         L         L         L         L	NMSP EAST (FT) N = 472360.64	Printed Name
N = 472343.83 E = 719378.44	LONG. = 103.7485820W	g E = 724657.46	
	N = 472352.23	5 9 9	
W/4 CORNER SEC. 23	99.80		E-mail Address
LAT. = 32.2899722'N LONG. = 103.7571228'W	§	E/4 CORNER SEC. 23 LAT. = 32.2899466'N LONG. = 103.7400405'W	
NMSP EAST (FT) N = 469702.87		NMSP EAST (FT) N = 469722.36	<sup>18</sup> SURVEYOR CERTIFICATION
E = 719392.74	2211	E = 724671.49	
	QUARTER CORNER		I hereby certify that the well location shown on this plat was
SECTION CORNER	5 LONG. = 103.7485777W NMSP EAST (FT)	SECTION CORNER	plotted from field notes of actual surveys made by me or under
LAT. = 32.2827133'N LONG. = 103.7571239'W	N = 467070.86 N89'48'38"E E = 722047.76 N89'44'52"E	LAT. = 32.2826901'N LONG. = 103.7400438'W	my supervision, and that the same is true and correct to the
NMSP EAST (FT) N = 467062.12	2641.74 FT 2637.93 FT	NMSP EAST (FT) N = 467082.47	best of my belief.
E = 719406.62	142.96	E = 724685.09	NOVEMBER 12, 2020
	<sup>™</sup> LAST TAKE POINT	й С	
W/4 CORNER SEC. 26	8 LAT. = 32.2684575'N LONG. = 103.7491012'W	5 E/4 CORNER SEC. 26	Date of Survey
ĹAT. = 32.2754499'N LONG. = 103.7571222'W	BOTTOM OF HOLESEC26	LAT. = 32.2754311'N LONG. = 103.7400448'W	
NMSP EAST (FT) N = 464419.78	LAT. = 32.2682377'N L LONG. = 103.7491012'W	NMSP EAST (FT) N = 464441.71	S NAVICE SIX N
E = 719421.33	8 NMSP EAST (FT) 7 N = 461809,43 8 E = 721914.60	\$ E = 724699.37	
SW CORNER SEC. 26 LAT. = 32.2681917'N LONG. = 103.7571229'W	8 . LTP¬	SE CORNER SEC. 26     LAT. = 32.2681719'N     LAT. = 32.2681719'N     LON_0 = 102.7100403'₩	Signature and Seal of Procession Surveyor:
NMSP EAST (FT)	BOTTOM_\B	LONG. = 103.7400493'W S NMSP EAST (FT)	Certificate Number: FLAMON F. JARAMILES, FLS 12797
N = 461779.31 E = 719435.27	OF HOLE 2480' SCALED 589'45'57'W 2639.26 FT 589'45'57'W 2639.26 FT	ℜ N = 461800.87 E = 724712.60	PROFESS OSTEVEY NO. 7897A
	303 TO 5/ W 2033.20 FI 1 305 TO 5/ W 2039.20 FI		



Intent
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	As Drilled
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API #		
Operator Name:	Property Name:	Well Number
DEVON ENERGY PRODUCTION COMPANY, L.P.	GALAPAGOS 14-26 FED COM	213H

### Kick Off Point (KOP)

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

### First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	14	23S	31E		100	NORTH	2480	WEST	EDDY
	Latitude 32.3114518				Longitude <b>103.749</b> 0	0981			NAD 83

### Last Take Point (LTP)

UL N	Section 26	Township 23S	Range 31E	Lot	Feet 100	From N/S SOUTH	Feet 2480	From E/W WEST	County EDDY
Latitude					Longitud			NAD	
32.2684575					103.7	103.7491012			83

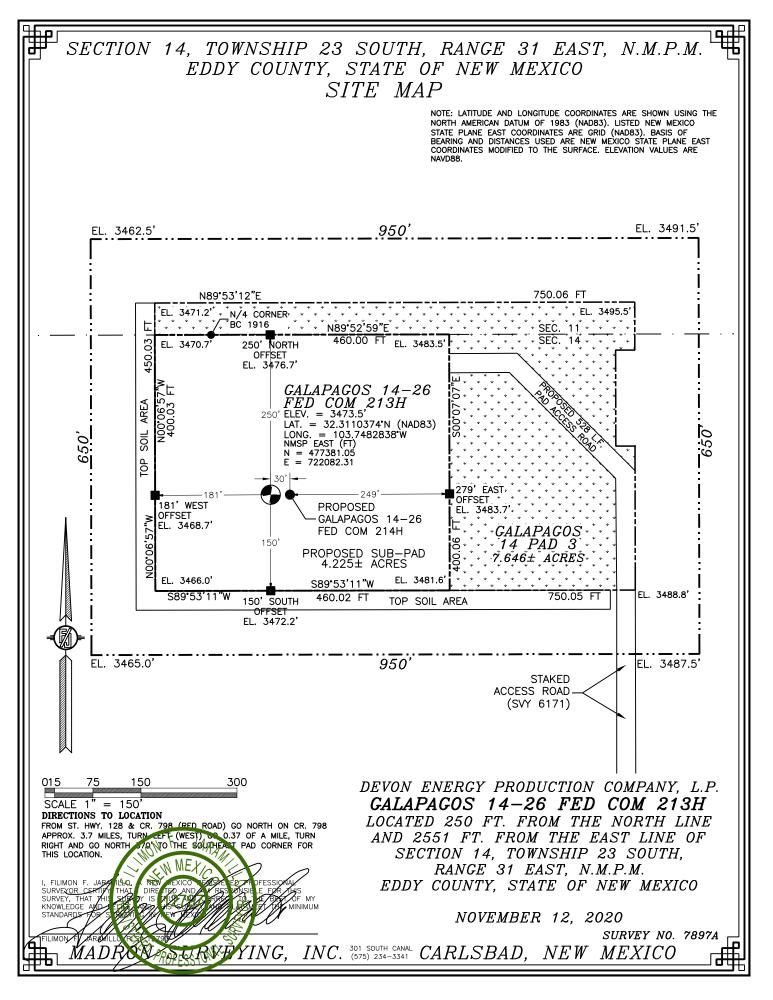
Is this well the defining well for the Horizontal Spacing Unit?

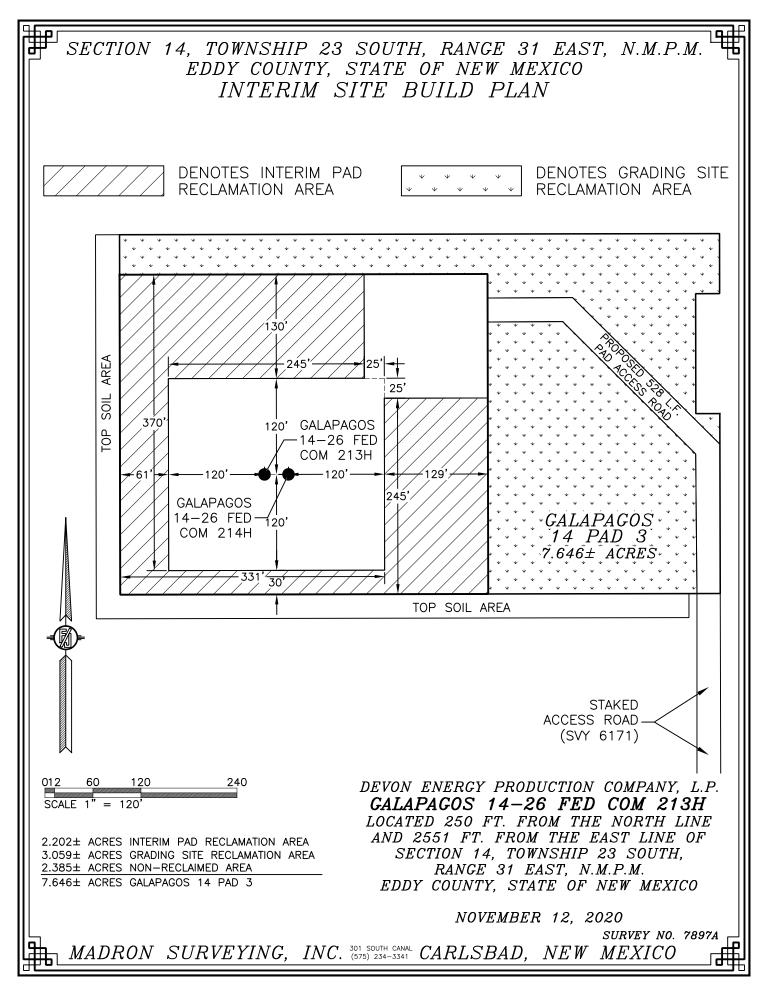
Is this well an infill well?

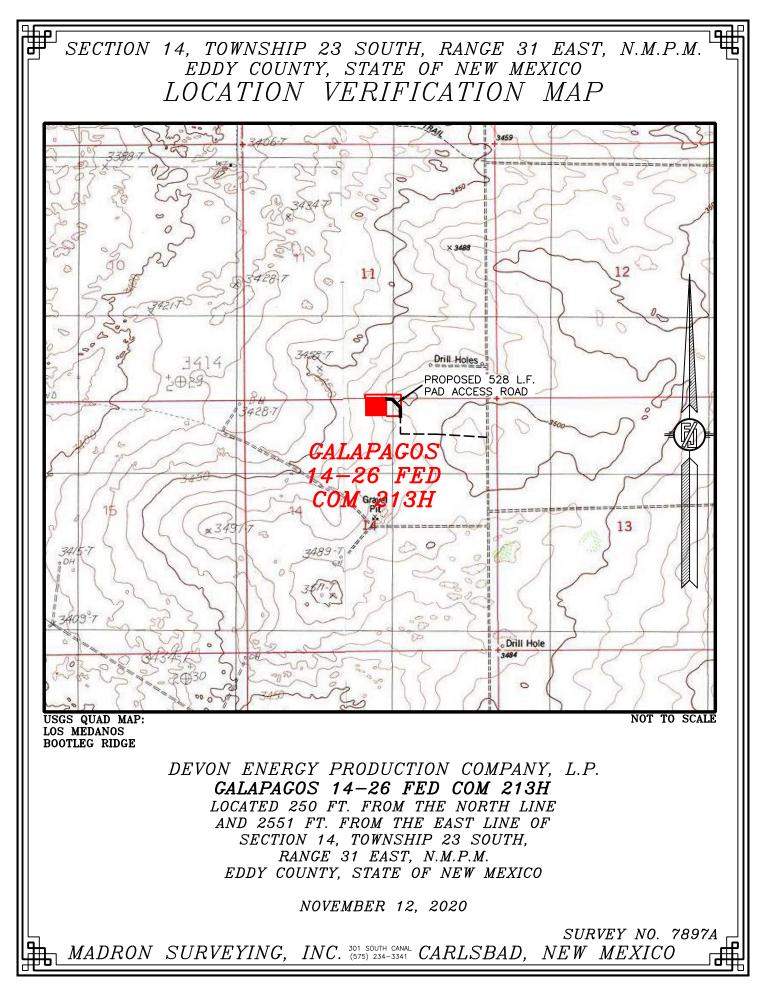
If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

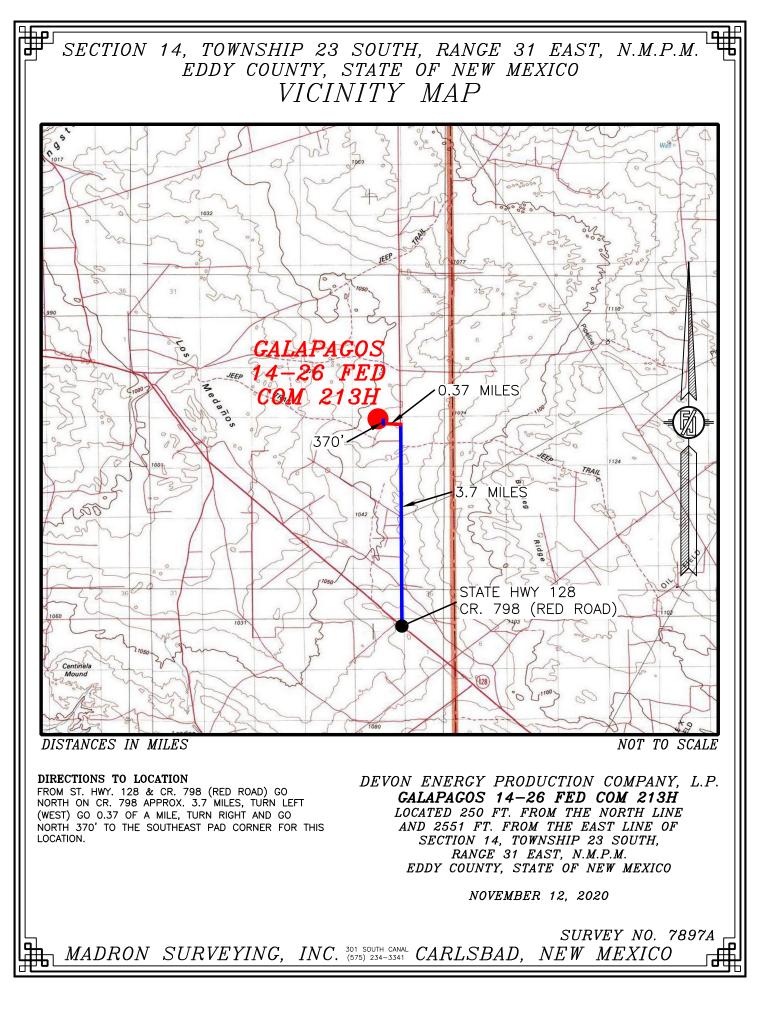
API #		
Operator Name:	Property Name:	Well Number

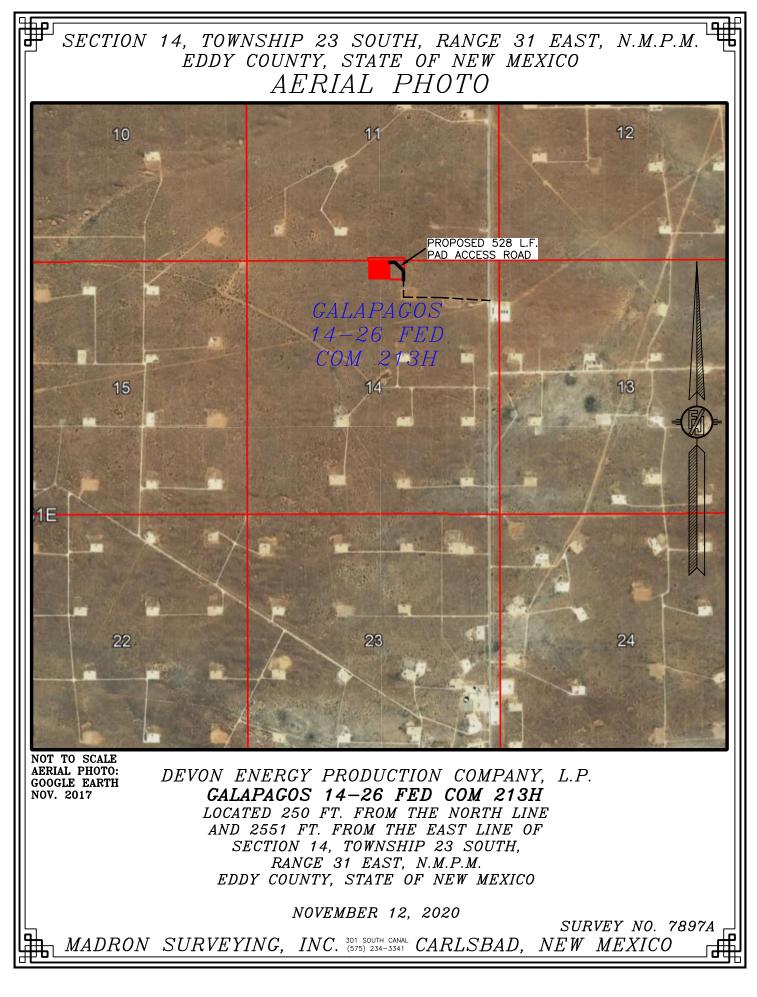
KZ 06/29/2018

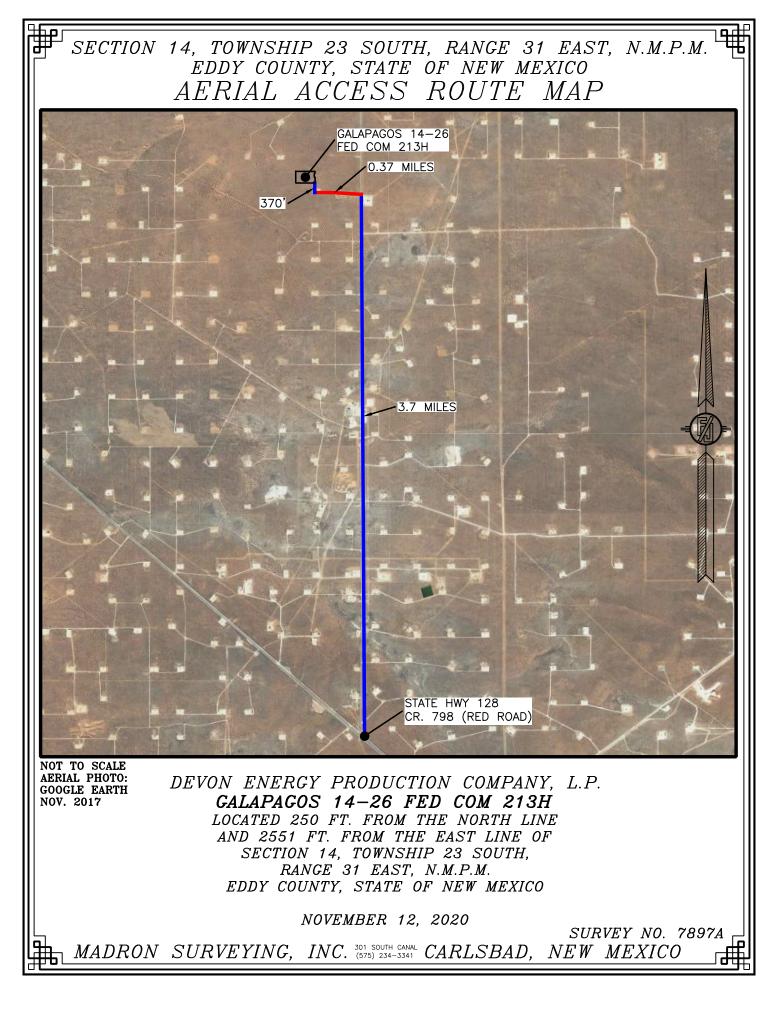


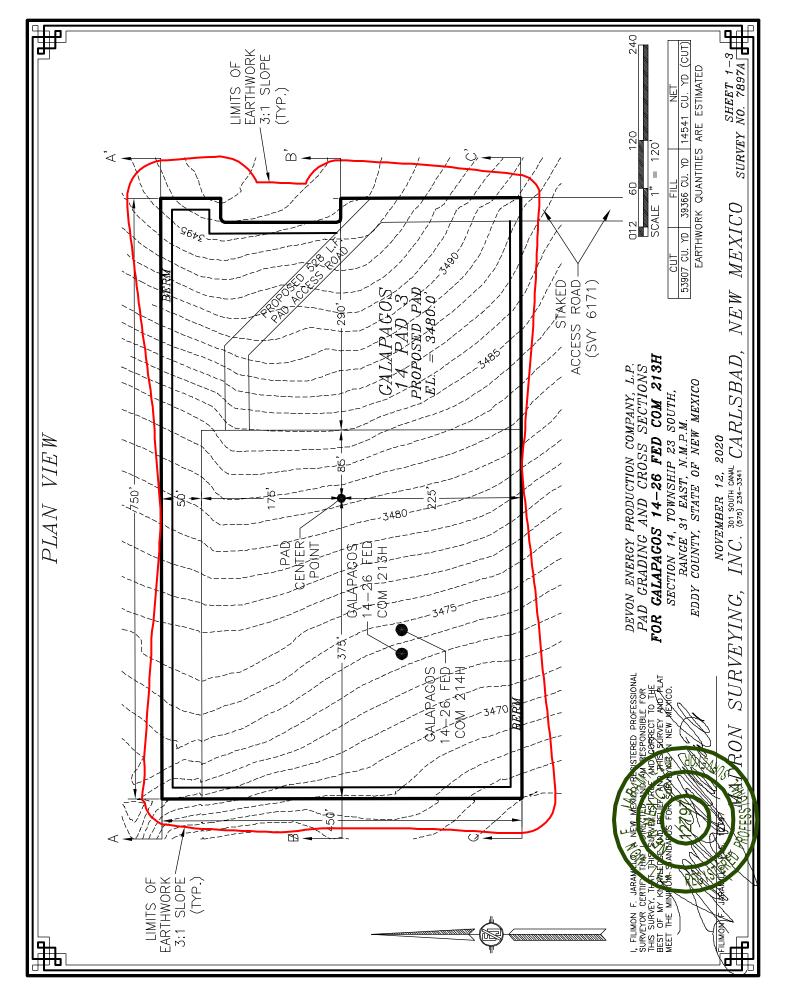


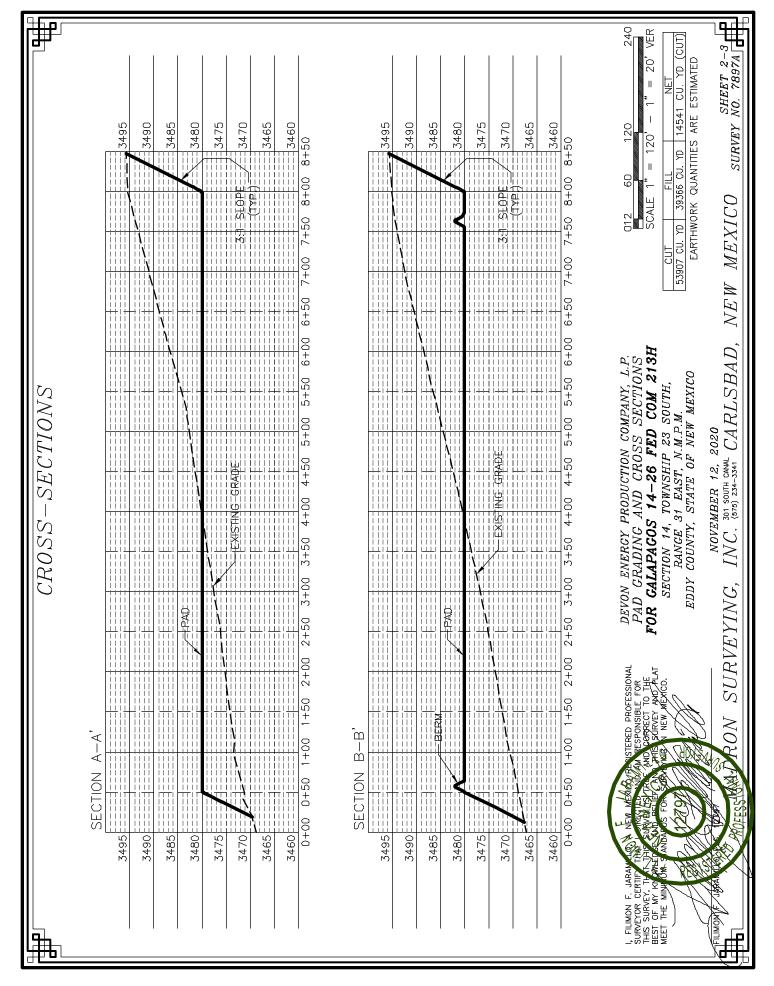


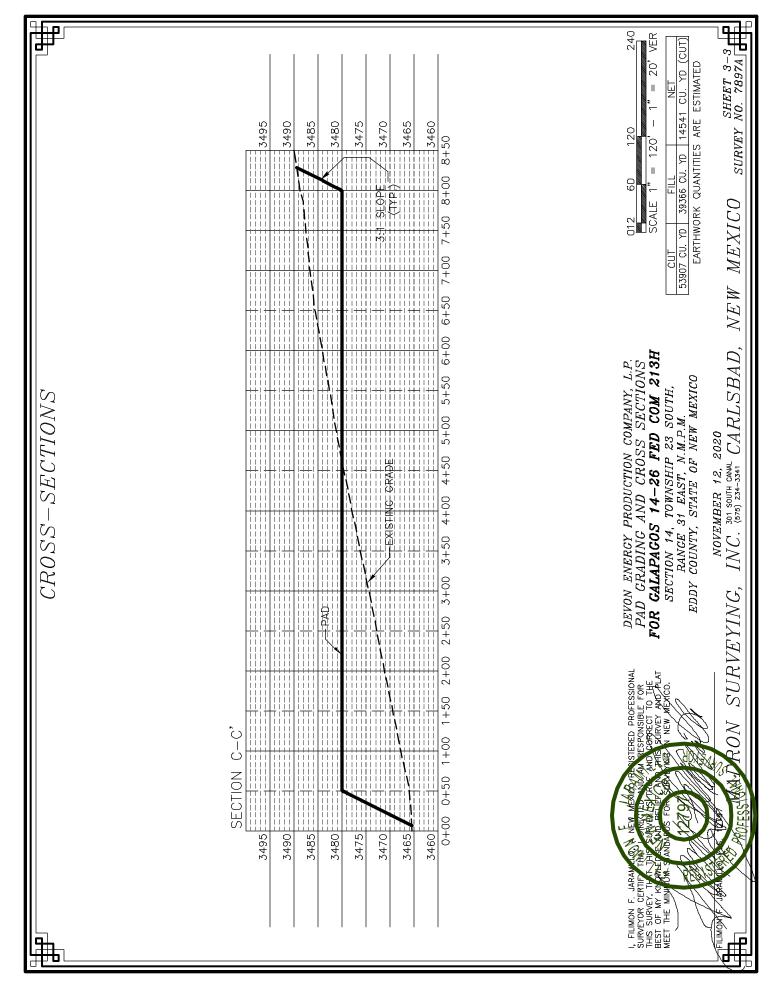












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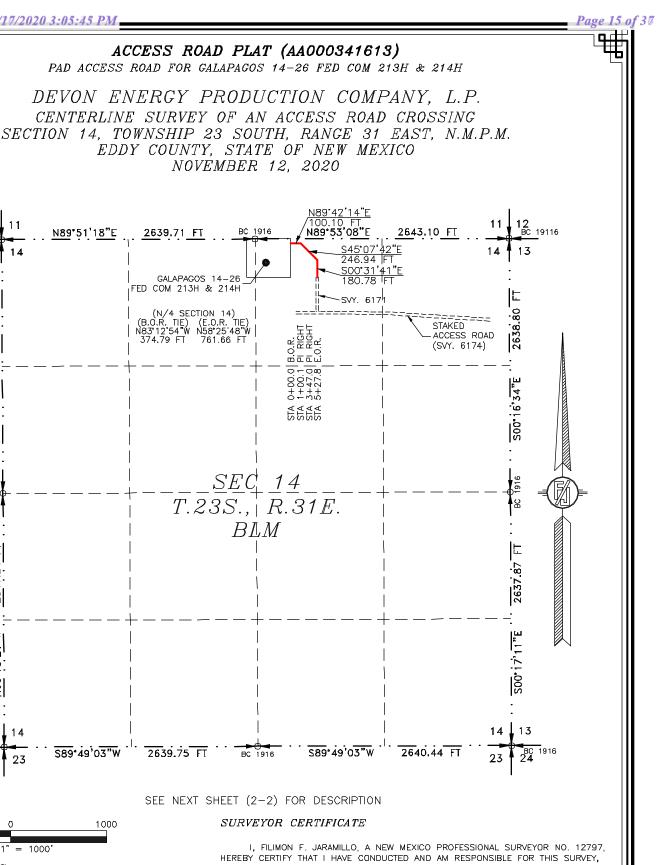
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N00 18 21 W

15 <sup>BC 1916</sub> 22</sup>

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# Scale: 1" = 1000' I. *CENERAL NOTES* HEREBY 1.) THE INTENT OF THIS ROUTE SURVEY IS TO BELIEF, ACQUIRE AN EASEMENT. III 2.) BASIS OF BEARING AND DISTANCE IS NMSP III EAST (NADR3) MODIFIED TO SURFACE NEW ME

EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 1-2MADRON SURVEYING. INC. 301 S

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

D

WEMBER 2020 MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

NEW MEXICO

SURVEY NO. 7897A

CERTIFICATE IS EXECUTED AT CARLSBAD,

### ACCESS ROAD PLAT (AA000341613)

PAD ACCESS ROAD FOR GALAPAGOS 14-26 FED COM 213H & 214H

DEVON ENERGY PRODUCTION COMPANY, L.P. CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 14, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO NOVEMBER 12, 2020

### DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 14, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NW/4 NE/4 OF SAID SECTION 14, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., WHENCE THE NORTH QUARTER CORNER OF SAID SECTION 14, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS N83\*12'54"W, A DISTANCE OF 374.79 FEET; THENCE N89\*42'14"E A DISTANCE OF 100.10 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE S45\*07'42"E A DISTANCE OF 246.94 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE S00\*31'41"E A DISTANCE OF 180.78 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTH QUARTER CORNER OF SAID SECTION 14, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M. BEARS N58\*25'48"W, A DISTANCE OF 761.66 FEET;

SAID STRIP OF LAND BEING 527.82 FEET OR 31.99 RODS IN LENGTH, CONTAINING 0.364 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 NE/4 527.82 L.F. 31.99 RODS 0.364 ACRES

#### SURVEYOR CERTIFICATE

NEW M

*CENERAL NOTES* 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-2MADRON SURVEYING. INC. 301 S

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO. IN MITCHESS WHEPPOP AND CERTIFICATE IS EXECUTED AT CARLSBAD.

D

OVEMBER 2020 MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

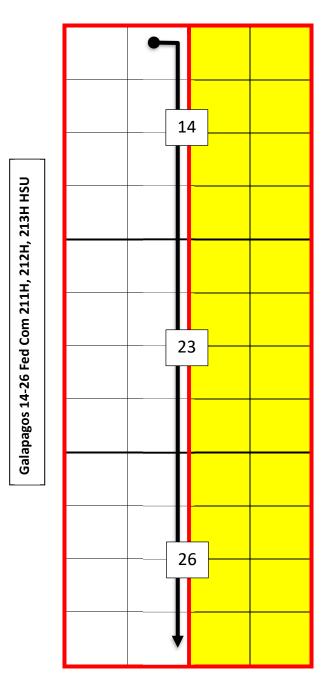
NEW MEXICO

SURVEY NO. 7897A

Page 16 of 37

Galapagos 14-26 Fed Com 213H NSL

### Township 23 South, Range 31 East Eddy County, New Mexico



**Notice Area** 

15758346\_v1

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Name	Street	City	State	Zip
A.G. Andrikopoulos, Inc	PO Box 788	Cheyenne	WY	82003-0788
Baloney Feathers, Ltd.	PO Box 1586	Lubbock	тх	79408
Cargoil And Gas Co., LLC	PO Box 29450	Santa Fe	NM	87592-9450
Christensen Holdings, L.P.	2303 W Louisiana Ave	Midland	тх	79701
Christensen Resource Properties, L.P.	PO Box 3790	Midland	тх	79702
Dorothy Jean Keenom	PO Box 470605	Fort Worth	тх	76147
Douglas A. Denton	3323 N. Midland Drive, Ste. 113-167	Midland	тх	79707
Figure 4 Investment Trust	PO Box 1113	Pinehurst	тх	77362
Geomar Resources, Inc.	2720 W 7th Suite 202	Fort Worth	тх	76107
Georgia Bass	2855 Westminister Plaza Dr Ste 4409	Houston	тх	77082
Glenn Lattimore Family Limited Partnership	PO Box 731986	Dallas	ТΧ	75373
H.S. Minerals And Realty, Ltd.	PO Box 27284	Austin	ТΧ	78755
Hill Investments, Ltd.	PO Box 1568	Cedar Park	тх	78630
Innerarity Family Minerals, LLC	PO Box 313	Midland	тх	79702
Jadt Minerals, Ltd	PO Box 190229	Dallas	ТΧ	75219-0229
James R. Hill Family Limited Partnership	1090 Timber Ridge Trail	Aubrey	тх	76227
Joe N. Gifford	PO Box 51187	Midland	ТΧ	79710-1187
Kimbell Royalty Holdings, LLC	PO Box 671099	Dallas	ТΧ	75367
Lisa Gail Karabatsos	PO Box 327	Columbus	ТΧ	78934
Lorraine L. Johnson LIVing Trust	PO Box 3480	Omaha	NE	68103-0480
Margaret Adele Summerford	1776 E Calle Del Cielo	Tucson	AZ	85718
Mary Lou Cassidy	PO Box 96	Midland	ТΧ	79702
Mcmullen Minerals, LLC	PO Box 470857	Fort Worth	ТΧ	76147
Merpel, LLC	3100 Monticello Ave Ste 500	Dallas	ТΧ	75205
Mickey Gibson	PO Box 590	Cave Creek	AZ	85327
Momentum Minerals Operating, LP	750 Town & Country Blvd Ste 420	Houston	ТΧ	77024
Morris E. Schertz	PO Box 2588	Roswell	NM	88202-2588
Nancy Puff Jones Trust	PO Box 470605	Fort Worth	ТΧ	76147
Patricia Boyle Young	PO Box 1639	Solana Beach	CA	92075-7639
Patricia Boyle Young Management Trust	PO Box 1037	Okmulgee	ОК	74447
Pegasus Resources, LLC	PO Box 470698	Fort Worth	ТΧ	76147
Perry Resources, LLC	PO Box 459	Lorena	ТΧ	76655
Pony Oil Operating, LLC	4245 N Central Expswy Ste 320	Dallas	ТΧ	75205
Regent Oil And Gas Company, L.P.	PO Box 25204	Dallas	ТΧ	75225
Richard C. Gibson	PO Box 3817	Midland	ТΧ	79702
Richard Donald Jones, Jr.	200 N Gaines Rd	Cedar Creek	ТΧ	78612
Santa Elena Minerals IV, L.P.	PO Box 2063	Midland	ТΧ	79702
Shogoil And Gas Co. II, LLC	PO Box 29450	Santa Fe	NM	87592-9450
Source Rock Minerals, LP	PO Box 670713	Dallas	тх	75367
Sydhan, LP	PO Box 92349	Austin	ТΧ	78709
TD Minerals, LLC	8111 Westchester Dr Ste 900	Dallas	ТΧ	75225
West Bend Energy Partners, LLC	1320 S University Drive Suite 701	Fort Worth	ТΧ	76107

### **EXHIBIT C**



Kaitlyn A. Luck Phone (505) 954-7286 KALuck@hollandhart.com

November 20, 2020

### <u>VIA CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

**TO: ALL AFFECTED PARTIES** 

Re: Application of Devon Energy Production, LP, for administrative approval of an unorthodox well location for its Galapagos 14-26 Fed Com #213H Well in the W/2 of Sections 14, 23, and 26, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Katie Dean Devon Energy (405) 552-6659 Katie.Dean@dvn.com

Sincerely.

Kaitlyn A. Luck ATTORNEY FOR DEVON ENERGY PRODUCTION COMPANY, L.P.

ParentID	MailDate	Name	DeliveryAddress	City	ST	Zip	Mail Service	USPS#	Label Ref.
31309	11/20/2020	A.G. Andrikopoulos, Inc	PO Box 788	Cheyenne	WY	82003- 0788	Certified with Return Receipt (Signature)	94148118987 65821259440	69697 - Galapagos 213H NSL Notice List - 1
31309	11/20/2020	Baloney Feathers, Ltd.	PO Box 1586	Lubbock	тх	79408- 1586	Certified with Return Receipt (Signature)	94148118987 65821259488	69697 - Galapagos 213H NSL Notice List - 2
31309	11/20/2020	Cargoil And Gas Co., LLC	PO Box 29450	Santa Fe	NM	87592- 9450	Certified with Return Receipt (Signature)	94148118987 65821259471	69697 - Galapagos 213H NSL Notice List - 3
31309	11/20/2020	Christensen Holdings, L.P.	2303 W Louisiana Ave	Midland	тх	79701- 5800	Certified with Return Receipt (Signature)	94148118987 65821259518	69697 - Galapagos 213H NSL Notice List - 4
31309		Christensen Resource Properties, L.P.	PO Box 3790	Midland	тх	79702- 3790	Certified with Return Receipt (Signature)	94148118987 65821259556	69697 - Galapagos 213H NSL Notice List - 5
31309	11/20/2020	Dorothy Jean Keenom	PO Box 470605	Fort Worth	тх	76147- 0605	Certified with Return Receipt (Signature)	94148118987 65821259525	69697 - Galapagos 213H NSL Notice List - 6
31309	11/20/2020	Douglas A. Denton	3323 N Midland Dr Ste 113-167	Midland	тх	79707- 4608	Certified with Return Receipt (Signature)	94148118987 65821259501	69697 - Galapagos 213H NSL Notice List - 7
31309	11/20/2020	Figure 4 Investment Trust	PO Box 1113	Pinehurst	тх	77362- 1113	Certified with Return Receipt (Signature)	94148118987 65821259594	69697 - Galapagos 213H NSL Notice List - 8
31309	11/20/2020	Geomar Resources, Inc.	2720 W 7th St Ste 202	Fort Worth	тх	76107- 2680	Certified with Return Receipt (Signature)	94148118987 65821259549	69697 - Galapagos 213H NSL Notice List - 9
31309	11/20/2020	Georgia Bass	2855 Westminster Plaza Dr Unit 4409	Houston	тх	77082- 3167	Certified with Return Receipt (Signature)	94148118987 65821259587	69697 - Galapagos 213H NSL Notice List - 10

ParentID	MailDate	Name	DeliveryAddress	City	ST	Zip	Mail Service	USPS#	Label Ref.
31309	11/20/2020	Glenn Lattimore Family Limited Partnership	PO Box 731986	Dallas	ТХ	75373- 1986	Certified with Return Receipt (Signature)	94148118987 65821259532	69697 - Galapagos 213H NSL Notice List - 11
31309	11/20/2020	H.S. Minerals And Realty, Ltd.	PO Box 27284	Austin	ТХ	78755- 2284	Certified with Return Receipt (Signature)	94148118987 65821259570	69697 - Galapagos 213H NSL Notice List - 12
31309	11/20/2020	Hill Investments, Ltd.	PO Box 1568	Cedar Park	ТХ	78630- 1568	Certified with Return Receipt (Signature)	94148118987 65821253219	69697 - Galapagos 213H NSL Notice List - 13
31309	11/20/2020	Innerarity Family Minerals, LLC	PO Box 313	Midland	ТХ	79702- 0313	Certified with Return Receipt (Signature)	94148118987 65821253257	69697 - Galapagos 213H NSL Notice List - 14
31309	11/20/2020	Jadt Minerals, Ltd	PO Box 190229	Dallas	ТХ	75219- 0229	Certified with Return Receipt (Signature)	94148118987 65821253264	69697 - Galapagos 213H NSL Notice List - 15
31309	11/20/2020	James R. Hill Family Limited Partnership	1090 Timber Ridge Trl	Aubrey	ТХ	76227- 4966	Certified with Return Receipt (Signature)	94148118987 65821253226	69697 - Galapagos 213H NSL Notice List - 16
31309	11/20/2020	Joe N. Gifford	PO Box 51187	Midland	ТХ	79710- 1187	Certified with Return Receipt (Signature)	94148118987 65821253202	69697 - Galapagos 213H NSL Notice List - 17
31309	11/20/2020	Kimbell Royalty Holdings, LLC	PO Box 671099	Dallas	ТХ	75367- 1099	Certified with Return Receipt (Signature)	94148118987 65821253295	69697 - Galapagos 213H NSL Notice List - 18
31309	11/20/2020	Lisa Gail Karabatsos	PO Box 327	Columbus	ТХ	78934- 0327	Certified with Return Receipt (Signature)	94148118987 65821253240	69697 - Galapagos 213H NSL Notice List - 19
31309	11/20/2020	Lorraine L. Johnson LIVing Trust	PO Box 3480	Omaha	NE	68103- 0480	Certified with Return Receipt (Signature)	94148118987 65821253288	69697 - Galapagos 213H NSL Notice List - 20

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ParentID	MailDate	Name	DeliveryAddress	City	ST	Zip	Mail Service	USPS#	Label Ref.
31309	11/20/2020	Margaret Adele Summerford	1776 E Calle Del Cielo	Tucson	AZ	85718- 5855	Certified with Return Receipt (Signature)	94148118987 65821253233	69697 - Galapagos 213H NSL Notice List - 21
31309	11/20/2020	Mary Lou Cassidy	PO Box 96	Midland	ТХ	79702- 0096	Certified with Return Receipt (Signature)	94148118987 65821253813	69697 - Galapagos 213H NSL Notice List - 22
31309	11/20/2020	Mcmullen Minerals, LLC	PO Box 470857	Fort Worth	ТХ	76147- 0857	Certified with Return Receipt (Signature)	94148118987 65821253851	69697 - Galapagos 213H NSL Notice List - 23
31309	11/20/2020	Merpel, LLC	3100 Monticello Ave Ste 500	Dallas	ТХ	75205- 3432	Certified with Return Receipt (Signature)	94148118987 65821253868	69697 - Galapagos 213H NSL Notice List - 24
31309	11/20/2020	Mickey Gibson	PO Box 590	Cave Creek	AZ	85327- 0590	Certified with Return Receipt (Signature)	94148118987 65821253806	69697 - Galapagos 213H NSL Notice List - 25
31309	11/20/2020		750 Town And Country Blvd Ste 420	Houston	ТХ	77024- 3914	Certified with Return Receipt (Signature)	94148118987 65821253899	69697 - Galapagos 213H NSL Notice List - 26
31309	11/20/2020	Morris E. Schertz	PO Box 2588	Roswell	NM	88202- 2588	Certified with Return Receipt (Signature)	94148118987 65821253844	69697 - Galapagos 213H NSL Notice List - 27
31309	11/20/2020	Nancy Puff Jones Trust	PO Box 470605	Fort Worth	ТХ	76147- 0605	Certified with Return Receipt (Signature)	94148118987 65821253882	69697 - Galapagos 213H NSL Notice List - 28
31309	11/20/2020	Patricia Boyle Young	PO Box 1639	Solana Beach	CA	92075- 7639	Certified with Return Receipt (Signature)	94148118987 65821253837	69697 - Galapagos 213H NSL Notice List - 29
31309	11/20/2020	Patricia Boyle Young Management Trust	PO Box 1037	Okmulgee	ОК	74447- 1037	Certified with Return Receipt (Signature)	94148118987 65821253875	69697 - Galapagos 213H NSL Notice List - 30

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ParentID	MailDate	Name	DeliveryAddress	City	ST	Zip	Mail Service	USPS#	Label Ref.
31309	11/20/2020	Pegasus Resources,	PO Box 470698	Fort Worth	ТХ	76147-	Certified with Return	94148118987	69697 - Galapagos 213H
		LLC				0698	Receipt (Signature)	65821253714	NSL Notice List - 31
31309	11/20/2020	Perry Resources,	PO Box 459	Lorena	ТХ	76655-	Certified with Return	94148118987	69697 - Galapagos 213H
		LLC				0459	Receipt (Signature)	65821253752	NSL Notice List - 32
31309	11/20/2020	Pony Oil Operating,	4245 N Central Expy	Dallas	ТХ	75205-	Certified with Return	94148118987	69697 - Galapagos 213H
		LLC	Ste 320			4529	Receipt (Signature)	65821253769	NSL Notice List - 33
31309	11/20/2020	Regent Oil And Gas	PO Box 25204	Dallas	ТХ	75225-	Certified with Return	94148118987	69697 - Galapagos 213H
		Company, L.P.				1204	Receipt (Signature)	65821253721	NSL Notice List - 34
31309	11/20/2020	Richard C. Gibson	PO Box 3817	Midland	ТХ	79702-	Certified with Return	94148118987	69697 - Galapagos 213H
						3817	Receipt (Signature)	65821253707	NSL Notice List - 35
31309	11/20/2020	Richard Donald	200 N Gaines Rd	Cedar Creek	ТХ	78612-	Certified with Return	94148118987	69697 - Galapagos 213H
		Jones, Jr.				3167	Receipt (Signature)	65821253790	NSL Notice List - 36
31309	11/20/2020	Santa Elena	PO Box 2063	Midland	ТХ	79702-	Certified with Return	94148118987	69697 - Galapagos 213H
		Minerals IV, L.P.				2063	Receipt (Signature)	65821253783	NSL Notice List - 37
31309	11/20/2020	Shogoil And Gas Co.	PO Box 29450	Santa Fe	NM	87592-	Certified with Return	94148118987	69697 - Galapagos 213H
		II, LLC				9450	Receipt (Signature)	65821253738	NSL Notice List - 38
31309	11/20/2020	Source Rock	PO Box 670713	Dallas	ТХ	75367-	Certified with Return	94148118987	69697 - Galapagos 213H
		Minerals, LP				0713	Receipt (Signature)	65821253776	NSL Notice List - 39
31309	11/20/2020	Sydhan, LP	PO Box 92349	Austin	ТХ	78709-	Certified with Return	94148118987	69697 - Galapagos 213H
						2349	Receipt (Signature)	65821253912	NSL Notice List - 40

ParentID	MailDate	Name	DeliveryAddress	City	ST	Zip	Mail Service	USPS#	Label Ref.
31309	11/20/2020	TD Minerals, LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225- 6146	Certified with Return Receipt (Signature)	94148118987 65821253950	69697 - Galapagos 213H NSL Notice List - 41
31309	11/20/2020	West Bend Energy Partners, LLC	1320 S University Dr Ste 701	Fort Worth	ТХ	76107- 8061	Certified with Return Receipt (Signature)	94148118987 65821253967	69697 - Galapagos 213H NSL Notice List - 42
31309	11/20/2020	A.G. Andrikopoulos, Inc	PO Box 788	Cheyenne	WY	82003- 0788	Certified with Return Receipt (Signature)	94148118987 65821261610	69697 - Galapagos 213H NSL Notice List - 1
31309	11/20/2020	Baloney Feathers, Ltd.	PO Box 1586	Lubbock	ТХ	79408- 1586	Certified with Return Receipt (Signature)	94148118987 65821261658	69697 - Galapagos 213H NSL Notice List - 2
31309	11/20/2020	Cargoil And Gas Co., LLC	PO Box 29450	Santa Fe	NM	87592- 9450	Certified with Return Receipt (Signature)	94148118987 65821261665	69697 - Galapagos 213H NSL Notice List - 3
31309	11/20/2020	Christensen Holdings, L.P.	2303 W Louisiana Ave	Midland	TX	79701- 5800	Certified with Return Receipt (Signature)	94148118987 65821261627	69697 - Galapagos 213H NSL Notice List - 4
31309	11/20/2020	Christensen Resource Properties, L.P.	PO Box 3790	Midland	TX	79702- 3790	Certified with Return Receipt (Signature)	94148118987 65821261603	69697 - Galapagos 213H NSL Notice List - 5
31309	11/20/2020	Dorothy Jean Keenom	PO Box 470605	Fort Worth	ТХ	76147- 0605	Certified with Return Receipt (Signature)	94148118987 65821261696	69697 - Galapagos 213H NSL Notice List - 6
31309	11/20/2020	Douglas A. Denton	3323 N Midland Dr Ste 113-167	Midland	ТХ	79707- 4608	Certified with Return Receipt (Signature)	94148118987 65821261641	69697 - Galapagos 213H NSL Notice List - 7
31309	11/20/2020	Figure 4 Investment Trust	PO Box 1113	Pinehurst	TX	77362- 1113	Certified with Return Receipt (Signature)	94148118987 65821261634	69697 - Galapagos 213H NSL Notice List - 8

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ParentID	MailDate	Name	DeliveryAddress	City	ST	Zip	Mail Service	USPS#	Label Ref.
31309		Geomar Resources, Inc.	2720 W 7th St Ste 202	Fort Worth	ТХ	76107- 2680	Certified with Return Receipt (Signature)	94148118987 65821261672	69697 - Galapagos 213H NSL Notice List - 9
31309	11/20/2020	Georgia Bass	2855 Westminster Plaza Dr Unit 4409	Houston	TX	77082- 3167	Certified with Return Receipt (Signature)	94148118987 65821261115	69697 - Galapagos 213H NSL Notice List - 10
31309		Glenn Lattimore Family Limited Partnership	PO Box 731986	Dallas	TX	75373- 1986	Certified with Return Receipt (Signature)	94148118987 65821261153	69697 - Galapagos 213H NSL Notice List - 11
31309		H.S. Minerals And Realty, Ltd.	PO Box 27284	Austin	ТХ	78755- 2284	Certified with Return Receipt (Signature)	94148118987 65821261160	69697 - Galapagos 213H NSL Notice List - 12
31309		Hill Investments, Ltd.	PO Box 1568	Cedar Park	TX	78630- 1568	Certified with Return Receipt (Signature)	94148118987 65821261122	69697 - Galapagos 213H NSL Notice List - 13
31309		Innerarity Family Minerals, LLC	PO Box 313	Midland	TX	79702- 0313	Certified with Return Receipt (Signature)	94148118987 65821261108	69697 - Galapagos 213H NSL Notice List - 14
31309	11/20/2020	Jadt Minerals, Ltd	PO Box 190229	Dallas	TX	75219- 0229	Certified with Return Receipt (Signature)	94148118987 65821261146	69697 - Galapagos 213H NSL Notice List - 15
31309		James R. Hill Family Limited Partnership	1090 Timber Ridge Trl	Aubrey	TX	76227- 4966	Certified with Return Receipt (Signature)	94148118987 65821261184	69697 - Galapagos 213H NSL Notice List - 16
31309	11/20/2020	Joe N. Gifford	PO Box 51187	Midland	TX	79710- 1187	Certified with Return Receipt (Signature)	94148118987 65821261177	69697 - Galapagos 213H NSL Notice List - 17
31309	11/20/2020	Kimbell Royalty Holdings, LLC	PO Box 671099	Dallas	TX	75367- 1099	Certified with Return Receipt (Signature)	94148118987 65821261320	69697 - Galapagos 213H NSL Notice List - 18

ParentID	MailDate	Name	DeliveryAddress	City	ST	Zip	Mail Service	USPS#	Label Ref.
31309	11/20/2020	Lisa Gail Karabatsos	PO Box 327	Columbus	ТХ	78934-	Certified with Return	94148118987	69697 - Galapagos 213H
						0327	Receipt (Signature)	65821261399	NSL Notice List - 19
31309		Lorraine L. Johnson	PO Box 3480	Omaha	NE	68103-	Certified with Return		69697 - Galapagos 213H
		LIVing Trust				0480	Receipt (Signature)	65821261344	NSL Notice List - 20
31309		Margaret Adele	1776 E Calle Del Cielo	Tucson	AZ	85718-	Certified with Return		69697 - Galapagos 213H
		Summerford				5855	Receipt (Signature)	65821261382	NSL Notice List - 21
31309	11/20/2020	Mary Lou Cassidy	PO Box 96	Midland	ТХ	79702-	Certified with Return	94148118987	69697 - Galapagos 213H
						0096	Receipt (Signature)	65821261337	NSL Notice List - 22
31309	11/20/2020	Mcmullen Minerals,	PO Box 470857	Fort Worth	ТХ	76147-	Certified with Return	94148118987	69697 - Galapagos 213H
		LLC				0857	Receipt (Signature)	65821261375	NSL Notice List - 23
31309	11/20/2020	Merpel, LLC	3100 Monticello Ave	Dallas	ТХ	75205-	Certified with Return	94148118987	69697 - Galapagos 213H
			Ste 500			3432	Receipt (Signature)	65821261016	NSL Notice List - 24
31309	11/20/2020	Mickey Gibson	PO Box 590	Cave Creek	AZ	85327-	Certified with Return	94148118987	69697 - Galapagos 213H
						0590	Receipt (Signature)	65821261054	NSL Notice List - 25
31309	11/20/2020	Momentum	750 Town And	Houston	ТХ	77024-	Certified with Return	94148118987	69697 - Galapagos 213H
		Minerals Operating, LP	Country Blvd Ste 420			3914	Receipt (Signature)	65821261061	NSL Notice List - 26
31309	11/20/2020	Morris E. Schertz	PO Box 2588	Roswell	NM	88202-	Certified with Return	94148118987	69697 - Galapagos 213H
						2588	Receipt (Signature)	65821261023	NSL Notice List - 27
31309	11/20/2020	Nancy Puff Jones	PO Box 470605	Fort Worth	ТХ	76147-	Certified with Return	94148118987	69697 - Galapagos 213H
		Trust				0605	Receipt (Signature)	65821261009	NSL Notice List - 28

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ParentID	MailDate	Name	DeliveryAddress	City	ST	Zip	Mail Service	USPS#	Label Ref.
31309	11/20/2020	Patricia Boyle Young	PO Box 1639	Solana Beach	CA	92075- 7639	Certified with Return Receipt (Signature)	94148118987 65821261092	69697 - Galapagos 213H NSL Notice List - 29
31309	11/20/2020	Patricia Boyle Young	PO Box 1037	Okmulgee	ОК	74447- 1037	Certified with Return Receipt (Signature)	94148118987 65821261047	69697 - Galapagos 213H NSL Notice List - 30
31309	11/20/2020	Management Trust Pegasus Resources, LLC	PO Box 470698	Fort Worth	TX	76147- 0698	Certified with Return Receipt (Signature)	94148118987 65821261085	69697 - Galapagos 213H NSL Notice List - 31
31309	11/20/2020	Perry Resources, LLC	PO Box 459	Lorena	TX	76655- 0459	Certified with Return Receipt (Signature)	94148118987 65821261078	69697 - Galapagos 213H NSL Notice List - 32
31309	11/20/2020	Pony Oil Operating, LLC	4245 N Central Expy Ste 320	Dallas	TX	75205- 4529	Certified with Return Receipt (Signature)	94148118987 65821261412	69697 - Galapagos 213H NSL Notice List - 33
31309	11/20/2020	Regent Oil And Gas Company, L.P.	PO Box 25204	Dallas	TX	75225- 1204	Certified with Return Receipt (Signature)	94148118987 65821261467	69697 - Galapagos 213H NSL Notice List - 34
31309	11/20/2020	Richard C. Gibson	PO Box 3817	Midland	TX	79702- 3817	Certified with Return Receipt (Signature)	94148118987 65821261405	69697 - Galapagos 213H NSL Notice List - 35
31309	11/20/2020	Richard Donald Jones, Jr.	200 N Gaines Rd	Cedar Creek	TX	78612- 3167	Certified with Return Receipt (Signature)	94148118987 65821261498	69697 - Galapagos 213H NSL Notice List - 36
31309	11/20/2020	Santa Elena Minerals IV, L.P.	PO Box 2063	Midland	TX	79702- 2063	Certified with Return Receipt (Signature)	94148118987 65821261443	69697 - Galapagos 213H NSL Notice List - 37
31309	11/20/2020	Shogoil And Gas Co. II, LLC	PO Box 29450	Santa Fe	NM	87592- 9450	Certified with Return Receipt (Signature)	94148118987 65821261436	69697 - Galapagos 213H NSL Notice List - 38

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ParentID	MailDate	Name	DeliveryAddress	City	ST	Zip	Mail Service	USPS#	Label Ref.
31309	11/20/2020	Source Rock Minerals, LP	PO Box 670713	Dallas	ТХ	75367- 0713	Certified with Return Receipt (Signature)		69697 - Galapagos 213H NSL Notice List - 39
31309	11/20/2020	Sydhan, LP	PO Box 92349	Austin	тх	78709- 2349	Certified with Return Receipt (Signature)	94148118987 65821261559	69697 - Galapagos 213H NSL Notice List - 40
31309	11/20/2020	TD Minerals, LLC	8111 Westchester Dr Ste 900	Dallas	тх	75225- 6146	Certified with Return Receipt (Signature)		69697 - Galapagos 213H NSL Notice List - 41
31309		West Bend Energy Partners, LLC	1320 S University Dr Ste 701	Fort Worth	тх	76107- 8061	Certified with Return Receipt (Signature)	94148118987 65821261528	69697 - Galapagos 213H NSL Notice List - 42



Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City, OK 73102-5015

November 18, 2020

Ms. Adrienne Sandoval, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

RE: Application for Nonstandard Locations Engineering Statement Devon Energy Production Company, L.P. Galapagos 14-26 Fed Com 213H Eddy County, New Mexico

Dear Ms. Sandoval:

Devon Energy Production Company, L.P. respectfully requests administrative approval of a non-standard location for the Galapagos 14-26 Fed Com 213H well (API No. 30-015-17290) by decreasing the spacing from 330 feet to 160 feet from the horizontal plane outer boundary on the East side. The well is located in the James Ranch Bone Spring, East Pool (Pool Code 96919). It is Devon's responsibility as a prudent operator to minimize reserves left in the ground. Evening the spacing between wells will minimize potential intra-well interference thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Sincerely,

Fauren )

Lauren Sykes Reservoir Engineer



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

### IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY DEVON ENERGY PRODUCTION COMPANY, L.P.

CASE NO. 21433 ORDER NO. R-21506

### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on October 8, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

### **FINDINGS OF FACT**

- 1. Devon Energy Operating Company, L.P. ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

### **CONCLUSIONS OF LAW**

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.

**EXHIBIT E** 

8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.

- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

### **ORDER**

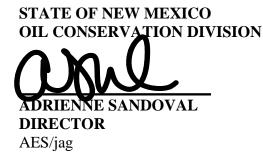
- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs that exceed the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

CASE NO. 21433 ORDER NO. R-21506

- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.



Date: 10/14/2020

CASE NO. 21433 ORDER NO. R-21506

### Exhibit A

COMPULSORY POOLING APPLIC	ATION CHECKLIST
ALL INFORMATION IN THE APPLICATION MUST	BE SUPPORTED BY SIGNED AFFIDAVITS
Case: 21433	APPLICANT'S RESPONSE
Date: October 8, 2020	
Applicant	Devon Energy Production Company, L.P.
Designated Operator & OGRID (affiliation if applicable)	6137
Applicant's Counsel:	Holland & Hart LLP
Case Title:	Amended Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Galapagos 14-26 Fed Com wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code:	James Ranch; Bone Spring, East [Pool code 96919]
Well Location Setback Rules:	Statewide setbacks for oil wells
Spacing Unit Size:	960 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	960 acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	North-South
Description: TRS/County	W/2 of Sections 14, 23, and 26, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes, Galapagos 14-26 Fed Com 212H well will be within 330' of the quarter-quarter line separating the W/2 W/2 and the E/2 W/2 of Sections 14, 23, and 26 to allow inclusion of this acreage into a standard horizontal well spacing unit
Proximity Defining Well: if yes, description	Galapagos 14-26 Fed Com 212H well
Applicant's Ownership in Each Tract	EXHIBIT C-3 BEFORE THE OIL CONSERVATION DIVIS
Well(s)	Exhibit No. A Submitted by: Devon Energy Production ( Hearing Date: October 8, 2020 Case Nos. 21433-21434

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status	Add wells as needed
standard or non-standard)	
Well #1	Galapagos 14-26 Fed Com 211H Well (API No. 30-015-47287): SHL: 450' FNL and 509' FWL (Unit D) of Section 14, Township 23 South, Range 31 East, BHL: 20' FSL and 550' FWL (Unit M) of Section 26, Township 23 South, Range 31 East, Completion Target: Bone Spring Well Orientation: North to South Completion Location expected to be: Standard
Well #2	Galapagos 14-26 Fed Com 212H Well (API No. 30-015-47295): SHL: 450' FNL and 539' FWL (Unit D) of Section 14, Township 23 South, Range 31 East, BHL: 20' FSL and 1430' FWL (Unit N) of Section 26, Township 23 South, Range 31 East, Completion Target: Bone Spring Well Orientation: North to South Completion Location expected to be: nonstandard/proximity tract well
Well #3	Galapagos 14-26 Fed Com 213H Well (API No. 30-015-47290): SHL: 250' FNL and 2551' FEL (Unit B) of Section 14, Township 23 South, Range 31 East, BHL: 20' FSL and 2310' FWL (Unit N) of Section 26, Township 23 South, Range 31 East, Completion Target: Bone Spring Well Orientation: North to South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	EXHIBIT C-2
Completion Target (Formation, TVD and MD)	See above and EXHIBIT D-3
AFE Capex and Operating Costs	
	40.000
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	EXHIBIT B
Proof of Mailed Notice of Hearing (20 days before hearing)	EXHIBIT E
Proof of Published Notice of Hearing (10 days before hearing)	EXHIBIT F

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Ownership Determination	
Land Ownership Schematic of the Spacing Unit	EXHIBIT C-3
Tract List (including lease numbers and owners)	EXHIBIT C-3
Pooled Parties (including ownership type)	EXHIBIT C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	EXHIBIT C-6
List of Interest Owners (ie Exhibit A of JOA)	EXHIBIT C-3
Chronology of Contact with Non-Joined Working Interests	EXHIBIT C-7
Overhead Rates In Proposal Letter	EXHIBIT C-6
Cost Estimate to Drill and Complete	EXHIBIT C-6
Cost Estimate to Equip Well	EXHIBIT C-6
Cost Estimate for Production Facilities	EXHIBIT C-6
Geology	
Summary (including special considerations)	EXHIBIT D
Spacing Unit Schematic	EXHIBIT D-1
Gunbarrel/Lateral Trajectory Schematic	EXHIBIT D-1
Well Orientation (with rationale)	EXHIBIT D-1
Target Formation	EXHIBIT D-3
HSU Cross Section	EXHIBIT D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	EXHIBIT C-2
Tracts	EXHIBIT C-3
Summary of Interests, Unit Recapitulation (Tracts)	EXHIBIT C-3
General Location Map (including basin)	EXHIBIT C-1
Well Bore Location Map	EXHIBIT C-1
Structure Contour Map - Subsea Depth	EXHIBIT D-1
Cross Section Location Map (including wells)	EXHIBIT D-2
Cross Section (including Landing Zone)	EXHIBIT D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information prov	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	- Anthen
Date:	7-Oct-20

District I 1625 N. French Dr., Hobbs, NM 88240

District II

District IV

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1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

District III 1000 Rio Brazos Rd., Aztec, NM 87410

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CONDITI	ONS

Action 11277

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

### CONDITIONS OF APPROVAL

Operator:			OGRID:	Action Number:	Action Type:
DEVON ENERGY PRODUCTION COMPAN	333 West Sheridan Ave.	Oklahoma City, OK73102	6137	11277	NSL
OCD Reviewer		Condition			
llowe		None			