

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING SEPTEMBER 9, 2021**

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

Case No. 22142:

Shire 22-15 Fed Com 613H Well

Shire 22-15 Fed Com 618H Well

Shire 22-15 Fed Com 718H Well

Shire 22-15 Fed Com 733H Well

Devon Energy Production Company, L.P.

TABLE OF CONTENTS

TAB 1	Reference for Case No. 22142 Application Case No. 22142– Shire 22-15 Fed Com 613H, 618H, 718H, and 733H Wells NMOCD Checklist Case 22142
TAB 2	Exhibit A: Affidavit of Verl Brown, Landman Exhibit A-1: C-102 Forms Exhibit A-2: Ownership and Sectional Map Exhibit A-3: Well Proposal Letters and AFEs Exhibit A-4: Chronology of Contacts with Uncommitted Owners
TAB 3	Exhibit B: Affidavit of Kate Hughston-Kennedy, Geologist Exhibit B-1: Structure Map Exhibit B-2: Stratigraphic Cross Section Exhibit B-3: Gross Isochore Exhibit B-4: Gun Barrel View Exhibit B-5: Trajectory Cross-section
TAB 4	Exhibit C: Affidavit of Notice, Darin C. Savage Exhibit C-1: Notice Letters (WI & ORRI) Exhibit C-2: Mailing List Exhibit C-3: Affidavit of Publication

TAB 1

Reference for Case No. 22142

Application Case No. 22142– Shire 22-15 Fed Com 613H, 618H, 718H, and 733H Wells

NMOCD Checklist Case No. 22142

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

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

Case No. 22142

APPLICATION

Devon Energy Production Company, L.P. (“Devon”), OGRID No. 6137, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order (1) creating, to the extent necessary, a standard 640-acre, more or less, spacing and proration unit comprised of the E/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a gas pool, underlying said unit.

In support of its Application, Devon states the following:

1. Devon is a working interest owner in the proposed horizontal spacing and proration unit (“HSU”) and has a right to drill a well thereon.
2. Devon dedicates to the HSU four initial wells, the **Shire 22-15 Fed Com 613H Well, Shire 22-15 Fed Com 618H Well, Shire 22-15 Fed Com 718H Well, and Shire 22-15 Fed Com 733H Well.**

3. Devon dedicates the **Shire 22-15 Fed Com 613H Well** (API 30-015-47328) horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15.

4. Devon dedicates the **Shire 22-15 Fed Com 618H Well** (API 30-015-47282) horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15.

5. Devon dedicates the **Shire 22-15 Fed Com 718H Well** (API 30-015-47330) horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15.

6. Devon dedicates the **Shire 22-15 Fed Com 733H Well** (API 30-015-47361) horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15.

7. The wells have nonstandard locations, as the take points are 100' from the outer boundary of the unit. NSL applications for these wells have been submitted to and approved administratively by the Division.

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

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

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

WHEREFORE, Devon requests that this Application be set for hearing on September 9, 2021, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Approving to the extent necessary the creation of a standard 640-acre, more or less, spacing and proration unit comprised of the E/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico;

B. Pooling all uncommitted mineral interests in the Wolfcamp formation underlying the proposed HSU.

C. Approving the **Shire 22-15 Fed Com 613H Well, Shire 22-15 Fed Com 618H Well, Shire 22-15 Fed Com 718H Well, and Shire 22-15 Fed Com 733H Well** as the wells for the HSU.

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

E. Authorizing Devon to recover its costs of drilling, equipping, and completing the wells;

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

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

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

William E. Zimsky
Andrew D. Schill
214 McKenzie Street
Santa Fe, New Mexico 87501
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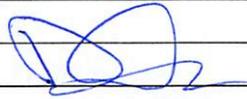
**Attorneys for Devon Energy Production
Company, L.P.**

Application of Devon Energy Production Company, L.P. for a Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating to the extent necessary a standard 640-acre, more or less, spacing and proration unit comprised of the E/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, a gas pool, underlying the unit. The proposed wells to be dedicated to the horizontal spacing unit are the **Shire 22-15 Fed Com 613H Well** horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15; **Shire 22-15 Fed Com 618H Well** horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15; **Shire 22-15 Fed Com 718H Well** horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15; and the **Shire 22-15 Fed Com 733H Well** horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15. The wells have nonstandard locations; the take points are 100' from the outer-boundary of the unit and NSL approval has been applied for administratively and obtained; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the well. The wells and lands are located approximately 4.5 miles southeast of Carlsbad, New Mexico.

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

Case: 22142	APPLICANT'S RESPONSE
Date	Sept. 7, 2021
Applicant	Devon Energy Production Company, L.P.
Designated Operator & OGRID (affiliation if applicable)	6137
Applicant's Counsel:	Darin C. Savage - Abadie & Schill, PC
Case Title:	Application of Devon Energy Production Company, L.P., for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	N/a
Well Family	Shire
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Exhibit B-2; 613H TVD approx. 11780', 618H TVD approx. 11715', 718H TVD approx. 11920', 733H TVD approx. 12130'
Pool Name and Pool Code:	Wolfcamp; Purple Sage [98220]
Well Location Setback Rules:	NMAC statewide rules apply
Spacing Unit Size:	640 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres, more or less
Building Blocks:	320 acre base unit, with quarter section building blocks
Orientation:	south - north
Description: TRS/County	E/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPPM, 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	No
Proximity Defining Well: if yes, description	N/a
Applicant's Ownership in Each Tract	See Landman Exhibit A-2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Shire 22-15 Fed Com 613H Well (API 30-015-47328), SHL: Unit O, 350' FSL, 1805' FEL, Section 22, T25S-R31E NMPPM; BHL: Unit B, 20' FNL, 2210' FEL, Section 15, T25S-R31E, NMPPM, standup, nonstandard location
Well #2	Shire 22-15 Fed Com 618H Well (API 30-015-47282). SHL: Unit P, 350' FSL, 845' FEL, Section 22, T25S-R31E, NMPPM; BHL: Unit A, 20' FNL, 990' FEL, Section 15, T25S-R31E, NMPPM, standup, nonstandard location

Well #3	Shire 22-15 Fed Com 718H Well (API 30-015-47330), SHL: Unit P, 350' FSL, 815' FEL, Section 22, T25S-R31E, NMPM; BHL: Unit A, 20' FNL, 430' FEL, Section 15, T25S-R31E, NMPM, standup, nonstandard location
Well #4	Shire 22-15 Fed Com 733H Well (API 30-015-47361), SHL: Unit O, 350' FSL, 1775' FEL, Section 22, T25S-R31E, NMPM; BHL: Unit B, 20' FNL, 1650' FEL, Section 15, T25S-31E, NMPM, nonstandup, nonstandard location
Horizontal Well First and Last Take Points	Shire 22-15 Fed Com 613H Well: FTP 100' FSL, 2210' FEL, Section 22; LTP 100' FNL, 2210' FEL, Section 15
Horizontal Well First and Last Take Points	Shire 22-15 Fed Com 618H Well: FTP 100' FSL, 990' FEL, Section 22; LTP 100' FNL, 990' FEL, Section 15
Horizontal Well First and Last Take Points	Shire 22-15 Fed Com 718H Well: FTP 100' FSL, 430' FEL, Section 22; LTP 100' FNL, 430' FEL, Section 15
Horizontal Well First and Last Take Points	Shire 22-15 Fed Com 733H Well: FTP 100' FSL, 1650' FEL, Section 22; LTP 100' FNL, 1650' FEL, Section 15
Completion Target (Formation, TVD and MD)	Shire 22-15 Fed Com 613H Well: TVD approx. 11780', TMD approx. 22130'; Wolfcamp formation See Exhibit B-2
Completion Target (Formation, TVD and MD)	Shire 22-15 Fed Com 618H Well: TVD approx. 11715', TMD approx. 22115'; Wolfcamp formation See Exhibit B-2
Completion Target (Formation, TVD and MD)	Shire 22-15 Fed Com 718H Well: TVD approx. 11920', TMD approx. 22320'; Wolfcamp formation See Exhibit B-2
Completion Target (Formation, TVD and MD)	Shire 22-15 Fed Com 733H Well: TVD approx. 12130', TMD approx. 22530'; Wolfcamp formation See Exhibit B-2
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A

Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C, C-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
Pooled Parties (including ownership type)	Exhibit A-2
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage above & below)	Exhibit A-2, N/a
Joinder	
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A-3
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Exhibit B, B-1
Target Formation	Exhibit B, B-2
HSU Cross Section	Exhibit B-2, B-4, B-5
Depth Severance Discussion	Exhibit B
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-1, A-2, B-1
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit A-2
Well Bore Location Map	Exhibit B-1, B-4
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-2, B-5
Cross Section (including Landing Zone)	Exhibit B-2, B-4, B-5
Additional Information	
Special Provisions/Stipulations	N/a
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Darin C. Savage 
Signed Name (Attorney or Party Representative):	
Date:	7-Sep-21

TAB 2

- Exhibit A: Affidavit of Verl Brown, Landman
- Exhibit A-1: C-102 Forms
- Exhibit A-2: Ownership and Sectional Map
- Exhibit A-3: Well Proposal Letters and AFEs
- Exhibit A-4: Chronology of Contacts with Uncommitted Owners

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

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

Case No. 22142

AFFIDAVIT OF VERL BROWN

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

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

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.

2. I am employed as a Landman with Devon Energy Production Company, L.P. (“Devon”) and I am familiar with the subject application and the lands involved.

3. I graduated from the University of Tulsa with a bachelor’s degree in Energy Management in 2011, and I graduated from Oklahoma City University School of Law with a Juris Doctor in 2017. I have previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness as a petroleum landman. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

4. This affidavit is submitted in connection with the filing by Devon of the above-referenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.

5. Devon seeks orders pooling all uncommitted mineral interests in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing and proration unit comprised of



the E/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

6. Under Case No. 22142: Devon dedicates to the unit four initial wells: the **Shire 22-15 Fed Com 613H Well, Shire 22-15 Fed Com 618H Well, Shire 22-15 Fed Com 718H Well, and Shire 22-15 Fed Com 733H Well.**

7. Devon seeks to dedicate the **Shire 22-15 Fed Com 613H Well** (API 30-015-47328), horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15; approximate TVD of 11,730'; approximate TMD of 22,130'; FTP in Section 22: 100' FSL, 2,210' FEL; LTP in Section 15: 100' FNL, 2,210' FEL;

8. Devon dedicates the **Shire 22-15 Fed Com 618H Well** (API 30-015-47282), horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15; approximate TVD of 11,715'; approximate TMD of 22,115'; FTP in Section 22: 100' FSL, 990' FEL; LTP in Section 15: 100' FNL, 990' FEL;

9. Devon dedicates the **Shire 22-15 Fed Com 718H Well** (API 30-015-47330), horizontally drilled from a surface location in SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15; approximate TVD of 11,920'; approximate TMD of 22,320'; FTP in Section 22: 100' FSL, 430' FEL; LTP in Section 15: 100' FNL, 430' FEL;

10. Devon dedicates the **Shire 22-15 Fed Com 733H Well** (API 30-015-47361), horizontally drilled from a surface location in SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15; approximate TVD of 12,130'; approximate TMD of 22,530'; FTP in Section 22: 100' FSL, 1,650' FEL; LTP in Section 15: 100' FNL, 1,650' FEL;

11. The proposed C-102 for each well is attached as **Exhibit A-1.**

12. A general location plat and a plat outlining the units being pooled is attached hereto as **Exhibit A-2**, which show the location of the proposed well within the unit. The wells have nonstandard locations, as the take points are 100' from the outer boundary of the unit. NSL applications for these wells have been submitted to and approved administratively by the Division.

13. The parties being pooled, the nature of their interests, and their last known addresses are listed on **Exhibit A-2** attached hereto. **Exhibit A-2** includes information regarding the remaining overriding royalty interest owners that should be pooled. The working interest owners have expressed their commitment to the unit and have been joined.

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

15. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted ORRI owners shown on **Exhibit A-2**. In compiling these addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the wells are located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. There were two returned mailings for two of the ORRI owners, which were unlocatable, Barry Eugene Bryan and Eden Mendoza Bryan. Five of the mailings to ORRI owners are still listed as in-transit, therefore the locations have not been confirmed, Brynnee Lee Bryan, Janice Mendoza Bryan, Foertsch Oil & Gas, L.P., Fortis Mineral II, LLC, and LRE Operating LLC. Devon published notice in the Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico, to account for any unlocatable parties and cover any contingencies regarding notice.

16. Devon has made a good faith effort to negotiate with the interest owners. **Exhibit A-4** provides a chronology and history of contacts with the owners.

17. The interest owners being pooled have been contacted regarding the proposed wells, and the working interest owners have voluntarily committed their interests in the wells. This pooling application has been submitted for approval in order to account for the overriding royalty interest owners.

18. **Exhibit A-3** is a sample proposal letter and the AFEs for each proposed well. The estimated cost of the wells set forth in the AFEs is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

19. Devon requests overhead and administrative rates of \$8,000/month for drilling each well and \$800/month for producing each well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Devon requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

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

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

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

23. The granting of this Application is in the best interests of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.

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

[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT

Verl Brown
Verl Brown

Subscribed to and sworn before me this 1st day of September, 2021.

State Oklahoma &
County Oklahoma &



Clint Dake
Notary Public

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

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name SHIRE 22-15 FED COM	
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	
		⁶ Well Number 613H
		⁹ Elevation 3346.9

¹⁰ Surface Location

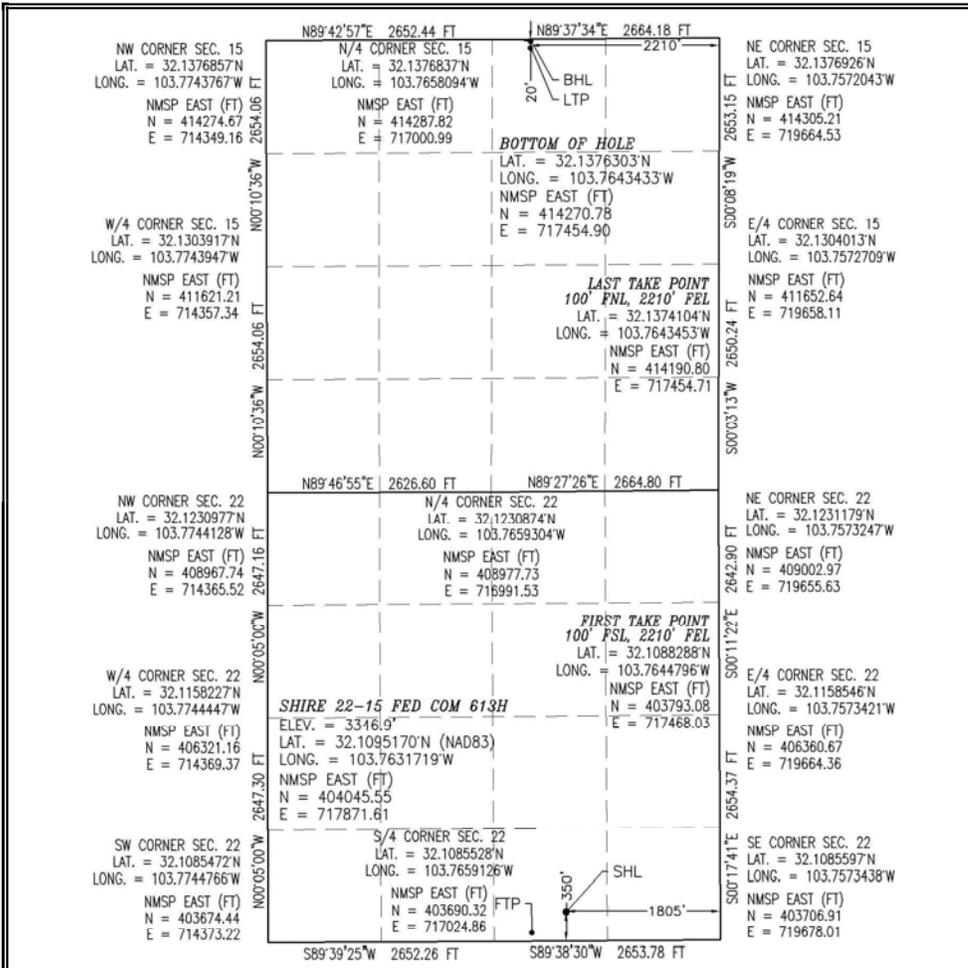
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	22	25 S	31 E		350	SOUTH	1805	EAST	EDDY

¹¹ 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	15	25 S	31 E		20	NORTH	2210	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

Signature _____ Date _____

Printed Name _____

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.

SEPTEMBER 30, 2020

Date of Survey _____

Signature and Seal of Professional Surveyor:

Certificate Number: JAMES J. JARMAN, License No. 12797



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

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Submit one copy to appropriate
District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name SHIRE 22-15 FED COM			⁶ Well Number 618H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3336.5

¹⁰ Surface Location									
UL or lot no. P	Section 22	Township 25 S	Range 31 E	Lot Idn	Feet from the 350	North/South line SOUTH	Feet from the 845	East/West line EAST	County EDDY

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. A	Section 15	Township 25 S	Range 31 E	Lot Idn	Feet from the 20	North/South line NORTH	Feet from the 990	East/West line EAST	County EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

	<p>17 OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>SEPTEMBER 30, 2020</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: F. JARAMELO, PLS 12797 SURVEY NO. 7575A</p>

District I
1625 N. French Dr., Hobbs, NM 88240
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Revised August 1, 2011
Submit one copy to appropriate
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name SHIRE 22-15 FED COM			⁶ Well Number 718H
⁷ OGRID No. 6137		⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.			⁹ Elevation 3336.0

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	22	25 S	31 E		350	SOUTH	815	EAST	EDDY

¹¹ 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
A	15	25 S	31 E		20	NORTH	430	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

The diagram shows a well location (FTP) and a surface location (FTP) within Section 15 and Section 22. It includes bearings and distances for various corners and points, such as the 'BOTTOM OF HOLE' and 'SURFACE LOCATION'. A note specifies that coordinates are based on the North American Datum of 1983 (NAD83).

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.

Signature _____ Date _____

Printed Name _____

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.

SEPTEMBER 30, 2020

Date of Survey _____

Signature and Seal of Professional Surveyor:

Certificate Number: F. JARAMELLO, P.S. 12797
PROFESSIONAL SURVEY NO. 7576A

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

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name SHIRE 22-15 FED COM	
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	
		⁶ Well Number 733H
		⁹ Elevation 3346.8

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	22	25 S	31 E		350	SOUTH	1775	EAST	EDDY

¹¹ 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	15	25 S	31 E		20	NORTH	1650	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

Signature _____ Date _____
Printed Name _____
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.

SEPTEMBER 30, 2020
Date of Survey _____

Signature and Seal of Professional Surveyor:
Certificate Number: FIRMONS, JARAMILLO, PLS 1279
SURVEY NO. 7574A

OWNERSHIP BREAKDOWN

Shire 22-15 Fed Com 613H, 618H, 718H, & 733H

E/2 of Section 15 & E/2 of Section 22, T-25-S, R-31-E, Eddy County, New Mexico,
Wolfcamp Formation

Tract 1:
NMNM 000503
(160 acres)



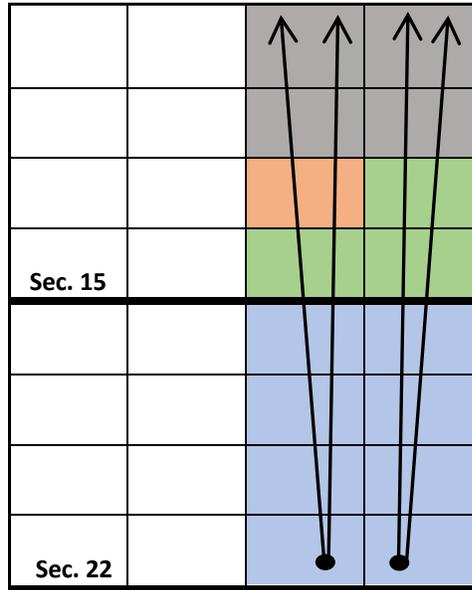
Tract 2:
NMNM 120903
(40 acres)



Tract 3:
NMLC 061862
(120 acres)



Tract 4:
NMNM 016131
(320 acres)



TRACT 1 OWNERSHIP (NE/4 of Section 15-T25S-R31E, being 160 acres):

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	80.00	.500000	Committed
XTO Energy, Inc. 22777 Springwoods Village Pkwy Spring, TX 77389	80.00	.500000	Committed
Total:	160.0	1.00	

TRACT 2 OWNERSHIP (NW/4SE/4 of Section 15-T23S-R29E, being 40 acres):

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	40.00	1.00000	Committed
Total:	40.000	1.00	



TRACT 3 OWNERSHIP (NE/4SE/4 and S/2SE/4 of Section 15-T23S-R29E, being 120 acres):

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	60.00	.500000	Committed
XTO Energy, Inc. 22777 Springwoods Village Pkwy Spring, TX 77389	60.00	.500000	Committed
Total:	120.000	1.00	

TRACT 4 OWNERSHIP (E/2 of Section 22-T23S-R29E, being 320 acres):

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	320.00	1.00	Committed
Total:	320.000	1.00	

Overriding Royalty Interest seeking to Compulsory Pool:**ORRI Owners (Tract 1)**

Brynnee Lee Bryan
900 W 14th St Apt 7
San Pedro, California 90731-3938

Barry Eugene Bryan
P.O. Box 207
Vida, Oregon 97488

Janice Mendoza Bryan
P.O. Box 972
Pohnpei 96941

Eden Mendoza Bryan
218 Alice Farr Dr
Greenville, South Carolina 29617-1506

Betty Jo Bryan Bradshaw
P.O. Box 761
Placitas, New Mexico 87043

McCaw Properties LLC
P.O. Box 127
Artesia, New Mexico 88211-0376

Ballard E Spencer Trust Inc
P.O. Box 6
Artesia, New Mexico 88211-0006

ORRI Owners (Tract 2)

None

ORRI Owners (Tract 3)

Ballard E Spencer Trust Inc
 P.O. Box 6
 Artesia, New Mexico 88211-0006

Michael Lee Prude
 1401 W Washington Ave
 Artesia, NM 88210

Morris E. Schertz
 P.O. Box 2588
 Roswell, NM 88202

Foertsch Oil & Gas, L.P.
 2300 Boyd Ave
 Midland, TX 79705

Dragoon Creek Minerals, LLC
 2821 W 7th Street, Suite 515
 Fort Worth, TX 76107

Pegasus Resources NM, LLC
 2821 W 7th Street, Suite 515
 Fort Worth, TX 76107

ORRI Owners (Tract 4)

Fortis Minerals II LLC
 1111 Bagby Street, Suite 2150
 Houston, Texas 77002

LRE Operating, LLC
 1111 Bagby Street
 Houston, Texas 77002

Unit Recapitulation-Wolfcamp- 640 AC HSU

Shire 22-15 Fed Com 613H, 618H, 718H, & 733H

E/2 of Section 15 & E/2 of Section 22, T-25-S, R-31-E, Eddy County, New Mexico

Owner	Interest
Devon Energy Production Company, L.P.	78.1250%
XTO Energy, Inc.	21.8750%
TOTAL	100.0000000%

Uncommitted Working Interest Owners seeking to Compulsory Pool

Devon Energy Corporation
333 W. Sheridan Avenue
Oklahoma City, OK 73102

405 235 3611 Phone
www.devonenergy.com



December 3, 2020

XTO Holdings, LLC
22777 Springwoods Village Pkwy
Spring, TX 77389
Attn: Vincent Cuccerre

RE: Shire 22-15 Fed Com Well Proposals
E/2 Section 15-25S-31E and E/2 Section 22-25S-31E
Eddy County, New Mexico

Dear Mr. Cuccerre,

Devon Energy Production Company, L.P. ("Devon"), hereby proposes to drill the following horizontal wells with productive laterals in the E/2 of Sections 15 & 22-25S-31E, Eddy County, New Mexico.

Shire 22-15 Fed Com 613H - to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 11,780'. The surface location for this well is proposed to be approximately 1805' FEL & 350' FSL, Section 22-25S-31E, and a bottom hole location at approximately 2210' FEL & 20' FNL, Section 15-25S-31E. The dedicated horizontal spacing unit will be the E/2 of Section 15 and the E/2 of Section 22-25S-31E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$9,805,239.54, as shown on the attached Authority for Expenditure ("AFE").

Shire 22-15 Fed Com 733H - to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 12,130'. The surface location for this well is proposed to be approximately 1775' FEL & 350' FSL, Section 22-25S-31E, and a bottom hole location at approximately 1650' FEL & 20' FNL, Section 15-25S-31E. The dedicated horizontal spacing unit will be the E/2 of Section 15 and the E/2 of Section 22-25S-31E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$7,593,135.14, as shown on the attached Authority for Expenditure ("AFE").

Shire 22-15 Fed Com 618H - to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 11,715'. The surface location for this well is proposed to be approximately 845' FEL & 350' FSL, Section 22-25S-31E, and a bottom hole location at approximately 990' FEL & 20' FNL, Section 15-25S-31E. The dedicated horizontal spacing unit will be the E/2 of Section 15 and the E/2 of Section 22-25S-31E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$7,827,415.16, as shown on the attached Authority for Expenditure ("AFE").

Shire 22-15 Fed Com 718H - to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate total vertical depth of 11,920'. The surface location for this well is proposed to be approximately 815' FEL & 350' FSL, Section 22-25S-31E, and a bottom hole location at approximately 430' FEL & 20' FNL, Section 15-25S-31E. The dedicated

EXHIBIT
A-3

XTO Energy, Inc.
December 3, 2020

page 2

horizontal spacing unit will be the E/2 of Section 15 and the E/2 of Section 22-25S-31E, Eddy County, New Mexico. The total estimated cost to drill and complete said well is \$7,692,391.18, as shown on the attached Authority for Expenditure ("AFE").

Please make your election in the space provided below and return one copy of this letter to the undersigned. If your election is to participate in the proposed drilling of the well, please sign and return one copy of the enclosed AFE with your election letter. Per the terms of the Joint Operating Agreement dated October 1, 1994, your election must be made within thirty (30) days of receipt of this letter. If you wish to receive daily drilling reports and log information, please provide your Well Requirement Sheet including e-mail address.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Verl Brown
Landman

Enclosures

_____ I/We elect to participate in the drilling and completion of the **Shire 22-15 Fed Com 613H.**

_____ I/We elect not to participate in the drilling and completion of the **Shire 22-15 Fed Com 613H.**

_____ I/We elect to participate in the drilling and completion of the **Shire 22-15 Fed Com 733H.**

_____ I/We elect not to participate in the drilling and completion of the **Shire 22-15 Fed Com 733H.**

_____ I/We elect to participate in the drilling and completion of the **Shire 22-15 Fed Com 618H.**

_____ I/We elect not to participate in the drilling and completion of the **Shire 22-15 Fed Com 618H.**

XTO Energy, Inc.
December 3, 2020

page 3

_____ I/We elect to participate in the drilling and completion of the **Shire 22-15 Fed Com 718H.**

_____ I/We elect not to participate in the drilling and completion of the **Shire 22-15 Fed Com 718H.**

Agreed to and Accepted this _____ day of _____, 2020

XTO Energy, Inc.

By: _____

Title: _____



Authorization for Expenditure

AFE # XX-134797.01

Well Name: SHIRE 22-15 FED COM 613H

AFE Date: 12/3/2020

Cost Center Number: 1094113901

State: NM

Legal Description: SEC 22 & 15-25S-31E

County/Parish: EDDY

Revision:

Explanation and Justification:

DRILL AND COMPLETE FOR SHIRE 22-15 FED COM 613H WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	193,405.90	0.00	193,405.90
6060100	DYED LIQUID FUELS	151,950.00	239,096.16	0.00	391,046.16
6080100	DISPOSAL - SOLIDS	254,326.78	2,126.44	0.00	256,453.22
6080110	DISP-SALTWATER & OTH	0.00	223,318.99	0.00	223,318.99
6090100	FLUIDS - WATER	36,900.00	58,311.55	0.00	95,211.55
6090120	RECVC TREAT&PROC-H2O	0.00	389,718.55	0.00	389,718.55
6100100	PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
6100110	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110130	ROAD&SITE PREP SVC	45,000.00	12,758.66	0.00	57,758.66
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	18,193.75	0.00	18,193.75
6130170	COMM SVCS - WAN	9,218.30	0.00	0.00	9,218.30
6130360	RTOC - ENGINEERING	0.00	7,141.45	0.00	7,141.45
6130370	RTOC - GEOSTEERING	35,190.00	0.00	0.00	35,190.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	10,000.00	190,954.55	0.00	200,954.55
6160100	MATERIALS & SUPPLIES	1,013.00	0.00	0.00	1,013.00
6170100	PULLING&SWABBING SVC	0.00	31,000.00	0.00	31,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	108,009.55	0.00	108,009.55
6190100	TRCKG&HL-SOLID&FLUID	37,987.50	2,000.00	0.00	39,987.50
6190110	TRUCKING&HAUL OF EQP	49,200.00	15,948.32	0.00	65,148.32
6200110	INSPECTION SERVICES	5,250.00	0.00	0.00	5,250.00
6200130	CONSLT & PROJECT SVC	271,433.35	105,340.98	0.00	376,774.33
6230120	SAFETY SERVICES	65,845.00	0.00	0.00	65,845.00
6300270	SOLIDS CONTROL SRVCS	142,623.65	0.00	0.00	142,623.65
6310120	STIMULATION SERVICES	0.00	737,730.88	0.00	737,730.88
6310190	PROPPANT PURCHASE	0.00	528,214.26	0.00	528,214.26
6310200	CASING & TUBULAR SVC	106,000.00	0.00	0.00	106,000.00
6310250	CEMENTING SERVICES	219,000.00	0.00	0.00	219,000.00
6310280	DAYWORK COSTS	941,988.70	0.00	0.00	941,988.70
6310300	DIRECTIONAL SERVICES	447,007.50	0.00	0.00	447,007.50
6310310	DRILL BITS	139,500.00	0.00	0.00	139,500.00
6310330	DRILL&COMP FLUID&SVC	409,259.55	17,183.97	0.00	426,443.52
6310370	MOB & DEMOBILIZATION	225,000.00	0.00	0.00	225,000.00
6310380	OPEN HOLE EVALUATION	1,094,328.00	0.00	0.00	1,094,328.00
6310480	TSTNG-WELL, PL & OTH	0.00	86,336.61	0.00	86,336.61
6310600	MISC PUMPING SERVICE	0.00	39,796.96	0.00	39,796.96
6320100	EQPMNT SVC-SRF RNTL	156,215.20	117,022.51	0.00	273,237.71
6320110	EQUIP SVC - DOWNHOLE	41,060.00	28,292.15	0.00	69,352.15
6320160	WELDING SERVICES	2,850.00	0.00	0.00	2,850.00
6320190	WATER TRANSFER	0.00	113,283.28	0.00	113,283.28
6350100	CONSTRUCTION SVC	0.00	185,805.16	0.00	185,805.16
6520100	LEGAL FEES	10,000.00	0.00	0.00	10,000.00
6550110	MISCELLANEOUS SVC	53,122.50	3,000.00	0.00	56,122.50

Costs on this form are estimates only. Working Interest Owners should not consider these estimates

Released to Imaging 9/8/2021 8:14:00 AM the monies which will be required to perform the proposed operation.



Authorization for Expenditure

AFE # XX-134797.01

Well Name: SHIRE 22-15 FED COM 613H

AFE Date: 12/3/2020

Cost Center Number: 1094113901

State: NM

Legal Description: SEC 22 & 15-25S-31E

County/Parish: EDDY

Revision:

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6630110	CAPITAL OVERHEAD	15,195.00	28,572.33	0.00	43,767.33
6740340	TAXES OTHER	440.66	5,000.00	0.00	5,440.66
	Total Intangibles	5,037,904.69	3,487,562.96	0.00	8,525,467.65

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	39,057.24	0.00	39,057.24
6120120	MEASUREMENT EQUIP	0.00	21,300.00	0.00	21,300.00
6150110	LOG PERFORATG&WL EQP	0.00	10,000.00	0.00	10,000.00
6230130	SAFETY EQUIPMENT	11,143.00	0.00	0.00	11,143.00
6300150	SEPARATOR EQUIPMENT	0.00	244,857.35	0.00	244,857.35
6310150	CASG-COND&DRIVE PIPE	18,000.00	0.00	0.00	18,000.00
6310420	TUBING & COMPONENTS	0.00	92,062.04	0.00	92,062.04
6310460	WELLHEAD EQUIPMENT	64,325.00	77,528.85	0.00	141,853.85
6310490	WELL TESTING EQUIP	0.00	48,310.00	0.00	48,310.00
6310530	SURFACE CASING	39,087.84	0.00	0.00	39,087.84
6310540	INTERMEDIATE CASING	344,215.87	0.00	0.00	344,215.87
6310580	CASING COMPONENTS	44,131.00	0.00	0.00	44,131.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	225,753.70	0.00	225,753.70
	Total Tangibles	520,902.71	758,869.18	0.00	1,279,771.89

TOTAL ESTIMATED COST	5,558,807.40	4,246,432.14	0.00	9,805,239.54
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WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

Costs on this form are estimates only. Working Interest Owners should not consider these estimates



Authorization for Expenditure

AFE # XX-134799.01	AFE Date: 12/3/2020
Well Name: SHIRE 22-15 FED COM 618H	State: NM
Cost Center Number: 1094114101	County/Parish: EDDY
Legal Description: SEC 22 & 15-25S-31E	
Revision: <input type="checkbox"/>	

Explanation and Justification:

DRILL AND COMPLETE FOR SHIRE 22-15 FED COM 618H WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	193,405.90	0.00	193,405.90
6060100	DYED LIQUID FUELS	51,030.00	239,096.16	0.00	290,126.16
6060120	ELEC & UTILITIES	104,895.00	0.00	0.00	104,895.00
6080100	DISPOSAL - SOLIDS	142,381.88	2,126.44	0.00	144,508.32
6080110	DISP-SALTWATER & OTH	0.00	223,318.99	0.00	223,318.99
6090100	FLUIDS - WATER	13,200.00	58,311.55	0.00	71,511.55
6090120	RECYC TREAT&PROC-H2O	0.00	389,718.55	0.00	389,718.55
6100100	PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
6100110	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110130	ROAD&SITE PREP SVC	45,000.00	12,758.66	0.00	57,758.66
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	18,193.75	0.00	18,193.75
6130170	COMM SVCS - WAN	5,159.70	0.00	0.00	5,159.70
6130360	RTOC - ENGINEERING	0.00	7,141.45	0.00	7,141.45
6130370	RTOC - GEOSTEERING	11,881.80	0.00	0.00	11,881.80
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	190,954.55	0.00	190,954.55
6160100	MATERIALS & SUPPLIES	567.00	0.00	0.00	567.00
6170100	PULLING&SWABBING SVC	0.00	31,000.00	0.00	31,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	108,009.55	0.00	108,009.55
6190100	TRCKG&HL-SOLID&FLUID	21,262.50	2,000.00	0.00	23,262.50
6190110	TRUCKING&HAUL OF EQP	35,100.00	15,948.32	0.00	51,048.32
6200110	INSPECTION SERVICES	5,250.00	0.00	0.00	5,250.00
6200130	CONSLT & PROJECT SVC	164,430.00	105,340.98	0.00	269,770.98
6230120	SAFETY SERVICES	36,855.00	0.00	0.00	36,855.00
6300270	SOLIDS CONTROL SRVCS	65,745.00	0.00	0.00	65,745.00
6310120	STIMULATION SERVICES	0.00	737,730.88	0.00	737,730.88
6310190	PROPPANT PURCHASE	0.00	528,214.26	0.00	528,214.26
6310200	CASING & TUBULAR SVC	95,700.00	0.00	0.00	95,700.00
6310250	CEMENTING SERVICES	210,000.00	0.00	0.00	210,000.00
6310280	DAYWORK COSTS	517,437.50	0.00	0.00	517,437.50
6310300	DIRECTIONAL SERVICES	258,425.00	0.00	0.00	258,425.00
6310310	DRILL BITS	97,600.00	0.00	0.00	97,600.00
6310330	DRILL&COMP FLUID&SVC	295,692.45	17,183.97	0.00	312,876.42
6310370	MOB & DEMOBILIZATION	357,000.00	0.00	0.00	357,000.00
6310380	OPEN HOLE EVALUATION	15,785.00	0.00	0.00	15,785.00
6310480	TSTNG-WELL, PL & OTH	0.00	86,336.61	0.00	86,336.61
6310600	MISC PUMPING SERVICE	0.00	39,796.96	0.00	39,796.96
6320100	EQPMNT SVC-SRF RNTL	95,597.95	117,022.51	0.00	212,620.46
6320110	EQUIP SVC - DOWNHOLE	23,910.00	28,292.15	0.00	52,202.15
6320160	WELDING SERVICES	1,000.00	0.00	0.00	1,000.00
6320190	WATER TRANSFER	0.00	113,283.28	0.00	113,283.28
6350100	CONSTRUCTION SVC	0.00	185,805.16	0.00	185,805.16
6520100	LEGAL FEES	10,000.00	0.00	0.00	10,000.00

Costs on this form are estimates only. Working Interest Owners should not consider these estimates



Authorization for Expenditure

AFE # XX-134799.01

Well Name: SHIRE 22-15 FED COM 618H

AFE Date: 12/3/2020

Cost Center Number: 1094114101

State: NM

Legal Description: SEC 22 & 15-25S-31E

County/Parish: EDDY

Revision:

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	62,210.00	3,000.00	0.00	65,210.00
6630110	CAPITAL OVERHEAD	8,505.00	28,572.33	0.00	37,077.33
6740340	TAXES OTHER	147.99	5,000.00	0.00	5,147.99
	Total Intangibles	2,812,768.77	3,487,562.96	0.00	6,300,331.73

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	39,057.24	0.00	39,057.24
6120120	MEASUREMENT EQUIP	0.00	21,300.00	0.00	21,300.00
6150110	LOG PERFORATG&WL EQP	0.00	10,000.00	0.00	10,000.00
6230130	SAFETY EQUIPMENT	6,237.00	0.00	0.00	6,237.00
6300150	SEPARATOR EQUIPMENT	0.00	244,857.35	0.00	244,857.35
6310150	CASG-COND&DRIVE PIPE	18,000.00	0.00	0.00	18,000.00
6310420	TUBING & COMPONENTS	0.00	92,062.04	0.00	92,062.04
6310460	WELLHEAD EQUIPMENT	90,000.00	77,528.85	0.00	167,528.85
6310490	WELL TESTING EQUIP	0.00	48,310.00	0.00	48,310.00
6310530	SURFACE CASING	33,950.25	0.00	0.00	33,950.25
6310540	INTERMEDIATE CASING	294,525.00	0.00	0.00	294,525.00
6310550	PRODUCTION CASING	292,992.00	0.00	0.00	292,992.00
6310580	CASING COMPONENTS	32,510.00	0.00	0.00	32,510.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	225,753.70	0.00	225,753.70
	Total Tangibles	768,214.25	758,869.18	0.00	1,527,083.43

TOTAL ESTIMATED COST	3,580,983.02	4,246,432.14	0.00	7,827,415.16
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WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

Costs on this form are estimates only. Working Interest Owners should not consider these estimates



Authorization for Expenditure

AFE # XX-134830.01	AFE Date: 12/3/2020
Well Name: SHIRE 22-15 FED COM 718H	State: NM
Cost Center Number: 1094114201	County/Parish: EDDY
Legal Description: SEC 22 & 15-25S-31E	
Revision: <input type="checkbox"/>	

Explanation and Justification:

DRILL AND COMPLETE FOR SHIRE 22-15 FED COM 718H WELL.

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	193,405.90	0.00	193,405.90
6060100	DYED LIQUID FUELS	53,550.00	239,096.16	0.00	292,646.16
6060120	ELEC & UTILITIES	110,075.00	0.00	0.00	110,075.00
6080100	DISPOSAL - SOLIDS	143,505.99	2,126.44	0.00	145,632.43
6080110	DISP-SALTWATER & OTH	0.00	223,318.99	0.00	223,318.99
6090100	FLUIDS - WATER	13,200.00	58,311.55	0.00	71,511.55
6090120	RECYC TREAT&PROC-H2O	0.00	389,718.55	0.00	389,718.55
6100100	PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
6100110	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110130	ROAD&SITE PREP SVC	45,000.00	12,758.66	0.00	57,758.66
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	18,193.75	0.00	18,193.75
6130170	COMM SVCS - WAN	5,414.50	0.00	0.00	5,414.50
6130360	RTOC - ENGINEERING	0.00	7,141.45	0.00	7,141.45
6130370	RTOC - GEOSTEERING	15,111.00	0.00	0.00	15,111.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	190,954.55	0.00	190,954.55
6160100	MATERIALS & SUPPLIES	595.00	0.00	0.00	595.00
6170100	PULLING&SWABBING SVC	0.00	31,000.00	0.00	31,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	108,009.55	0.00	108,009.55
6190100	TRCKG&HL-SOLID&FLUID	22,312.50	2,000.00	0.00	24,312.50
6190110	TRUCKING&HAUL OF EQP	35,100.00	15,948.32	0.00	51,048.32
6200110	INSPECTION SERVICES	5,250.00	0.00	0.00	5,250.00
6200130	CONSLT & PROJECT SVC	172,550.00	105,340.98	0.00	277,890.98
6230120	SAFETY SERVICES	38,675.00	0.00	0.00	38,675.00
6300270	SOLIDS CONTROL SRVCS	77,625.00	0.00	0.00	77,625.00
6310120	STIMULATION SERVICES	0.00	737,730.88	0.00	737,730.88
6310190	PROPPANT PURCHASE	0.00	528,214.26	0.00	528,214.26
6310200	CASING & TUBULAR SVC	95,700.00	0.00	0.00	95,700.00
6310250	CEMENTING SERVICES	210,000.00	0.00	0.00	210,000.00
6310280	DAYWORK COSTS	610,937.50	0.00	0.00	610,937.50
6310300	DIRECTIONAL SERVICES	293,625.00	0.00	0.00	293,625.00
6310310	DRILL BITS	97,600.00	0.00	0.00	97,600.00
6310330	DRILL&COMP FLUID&SVC	305,811.25	17,183.97	0.00	322,995.22
6310370	MOB & DEMOBILIZATION	21,250.00	0.00	0.00	21,250.00
6310380	OPEN HOLE EVALUATION	20,075.00	0.00	0.00	20,075.00
6310480	TSTNG-WELL, PL & OTH	0.00	86,336.61	0.00	86,336.61
6310600	MISC PUMPING SERVICE	0.00	39,796.96	0.00	39,796.96
6320100	EQPMNT SVC-SRF RNTL	104,056.75	117,022.51	0.00	221,079.26
6320110	EQUIP SVC - DOWNHOLE	23,910.00	28,292.15	0.00	52,202.15
6320160	WELDING SERVICES	1,000.00	0.00	0.00	1,000.00
6320190	WATER TRANSFER	0.00	113,283.28	0.00	113,283.28
6350100	CONSTRUCTION SVC	0.00	185,805.16	0.00	185,805.16
6520100	LEGAL FEES	10,000.00	0.00	0.00	10,000.00

Costs on this form are estimates only. Working Interest Owners should not consider these estimates



Authorization for Expenditure

AFE # XX-134830.01

Well Name: SHIRE 22-15 FED COM 718H

AFE Date: 12/3/2020

Cost Center Number: 1094114201

State: NM

Legal Description: SEC 22 & 15-25S-31E

County/Parish: EDDY

Revision:

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	64,850.00	3,000.00	0.00	67,850.00
6630110	CAPITAL OVERHEAD	8,925.00	28,572.33	0.00	37,497.33
6740340	TAXES OTHER	155.30	5,000.00	0.00	5,155.30
	Total Intangibles	2,666,859.79	3,487,562.96	0.00	6,154,422.75

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	39,057.24	0.00	39,057.24
6120120	MEASUREMENT EQUIP	0.00	21,300.00	0.00	21,300.00
6150110	LOG PERFORATG&WL EQP	0.00	10,000.00	0.00	10,000.00
6230130	SAFETY EQUIPMENT	6,545.00	0.00	0.00	6,545.00
6300150	SEPARATOR EQUIPMENT	0.00	244,857.35	0.00	244,857.35
6310150	CASG-COND&DRIVE PIPE	18,000.00	0.00	0.00	18,000.00
6310420	TUBING & COMPONENTS	0.00	92,062.04	0.00	92,062.04
6310460	WELLHEAD EQUIPMENT	90,000.00	77,528.85	0.00	167,528.85
6310490	WELL TESTING EQUIP	0.00	48,310.00	0.00	48,310.00
6310530	SURFACE CASING	33,950.25	0.00	0.00	33,950.25
6310540	INTERMEDIATE CASING	301,070.00	0.00	0.00	301,070.00
6310550	PRODUCTION CASING	297,024.00	0.00	0.00	297,024.00
6310580	CASING COMPONENTS	32,510.00	0.00	0.00	32,510.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	225,753.70	0.00	225,753.70
	Total Tangibles	779,099.25	758,869.18	0.00	1,537,968.43

TOTAL ESTIMATED COST	3,445,959.04	4,246,432.14	0.00	7,692,391.18
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WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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

Costs on this form are estimates only. Working Interest Owners should not consider these estimates



Authorization for Expenditure

AFE # XX-134798.01	AFE Date: 12/3/2020
Well Name: SHIRE 22-15 FED COM 733H	State: NM
Cost Center Number: 1094114001	County/Parish: EDDY
Legal Description: SEC 22 & 15-25S-31E	
Revision: <input type="checkbox"/>	

Explanation and Justification:

DRILL AND COMPLETE SHIRE 22-25 FED COM 733H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	193,405.90	0.00	193,405.90
6060100	DYED LIQUID FUELS	90,000.00	239,096.16	0.00	329,096.16
6080100	DISPOSAL - SOLIDS	133,299.00	2,126.44	0.00	135,425.44
6080110	DISP-SALTWATER & OTH	0.00	223,318.99	0.00	223,318.99
6090100	FLUIDS - WATER	13,200.00	58,311.55	0.00	71,511.55
6090120	RECVC TREAT&PROC-H2O	0.00	389,718.55	0.00	389,718.55
6100100	PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
6100110	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110130	ROAD&SITE PREP SVC	45,000.00	12,758.66	0.00	57,758.66
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	18,193.75	0.00	18,193.75
6130170	COMM SVCS - WAN	5,460.00	0.00	0.00	5,460.00
6130360	RTOC - ENGINEERING	0.00	7,141.45	0.00	7,141.45
6130370	RTOC - GEOSTEERING	22,356.00	0.00	0.00	22,356.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	190,954.55	0.00	190,954.55
6160100	MATERIALS & SUPPLIES	600.00	0.00	0.00	600.00
6170100	PULLING&SWABBING SVC	0.00	31,000.00	0.00	31,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	108,009.55	0.00	108,009.55
6190100	TRCKG&HL-SOLID&FLUID	22,500.00	2,000.00	0.00	24,500.00
6190110	TRUCKING&HAUL OF EQP	35,100.00	15,948.32	0.00	51,048.32
6200110	INSPECTION SERVICES	5,250.00	0.00	0.00	5,250.00
6200130	CONSLT & PROJECT SVC	160,770.00	105,340.98	0.00	266,110.98
6230120	SAFETY SERVICES	39,000.00	0.00	0.00	39,000.00
6300270	SOLIDS CONTROL SRVCS	71,420.00	0.00	0.00	71,420.00
6310120	STIMULATION SERVICES	0.00	737,730.88	0.00	737,730.88
6310190	PROPPANT PURCHASE	0.00	528,214.26	0.00	528,214.26
6310200	CASING & TUBULAR SVC	95,700.00	0.00	0.00	95,700.00
6310250	CEMENTING SERVICES	208,000.00	0.00	0.00	208,000.00
6310280	DAYWORK COSTS	548,641.00	0.00	0.00	548,641.00
6310300	DIRECTIONAL SERVICES	314,125.00	0.00	0.00	314,125.00
6310310	DRILL BITS	109,600.00	0.00	0.00	109,600.00
6310330	DRILL&COMP FLUID&SVC	345,827.00	17,183.97	0.00	363,010.97
6310370	MOB & DEMOBILIZATION	10,625.00	0.00	0.00	10,625.00
6310380	OPEN HOLE EVALUATION	28,350.00	0.00	0.00	28,350.00
6310480	TSTNG-WELL, PL & OTH	0.00	86,336.61	0.00	86,336.61
6310600	MISC PUMPING SERVICE	0.00	39,796.96	0.00	39,796.96
6320100	EQPMNT SVC-SRF RNTL	91,156.00	117,022.51	0.00	208,178.51
6320110	EQUIP SVC - DOWNHOLE	23,910.00	28,292.15	0.00	52,202.15
6320160	WELDING SERVICES	1,000.00	0.00	0.00	1,000.00
6320190	WATER TRANSFER	0.00	113,283.28	0.00	113,283.28
6350100	CONSTRUCTION SVC	0.00	185,805.16	0.00	185,805.16
6520100	LEGAL FEES	10,000.00	0.00	0.00	10,000.00
6550110	MISCELLANEOUS SVC	66,050.00	3,000.00	0.00	69,050.00

Costs on this form are estimates only. Working Interest Owners should not consider these estimates



Authorization for Expenditure

AFE # XX-134798.01

Well Name: SHIRE 22-15 FED COM 733H

AFE Date: 12/3/2020

Cost Center Number: 1094114001

State: NM

Legal Description: SEC 22 & 15-25S-31E

County/Parish: EDDY

Revision:

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6630110	CAPITAL OVERHEAD	9,000.00	28,572.33	0.00	37,572.33
6740340	TAXES OTHER	261.00	5,000.00	0.00	5,261.00
	Total Intangibles	2,567,200.00	3,487,562.96	0.00	6,054,762.96

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	39,057.24	0.00	39,057.24
6120120	MEASUREMENT EQUIP	0.00	21,300.00	0.00	21,300.00
6150110	LOG PERFORATG&WL EQP	0.00	10,000.00	0.00	10,000.00
6230130	SAFETY EQUIPMENT	6,600.00	0.00	0.00	6,600.00
6300150	SEPARATOR EQUIPMENT	0.00	244,857.35	0.00	244,857.35
6310150	CASG-COND&DRIVE PIPE	18,000.00	0.00	0.00	18,000.00
6310420	TUBING & COMPONENTS	0.00	92,062.04	0.00	92,062.04
6310460	WELLHEAD EQUIPMENT	90,000.00	77,528.85	0.00	167,528.85
6310490	WELL TESTING EQUIP	0.00	48,310.00	0.00	48,310.00
6310530	SURFACE CASING	31,515.00	0.00	0.00	31,515.00
6310540	INTERMEDIATE CASING	302,667.00	0.00	0.00	302,667.00
6310550	PRODUCTION CASING	298,211.00	0.00	0.00	298,211.00
6310580	CASING COMPONENTS	32,510.00	0.00	0.00	32,510.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	225,753.70	0.00	225,753.70
	Total Tangibles	779,503.00	758,869.18	0.00	1,538,372.18

TOTAL ESTIMATED COST	3,346,703.00	4,246,432.14	0.00	7,593,135.14
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WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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

Costs on this form are estimates only. Working Interest Owners should not consider these estimates

Chronology of Contacts between Devon Energy Production Company, L.P., and the Uncommitted Interest Owners:

1. Joint Operating from Devon Energy Production Company to the Working Interest Owner dated and mailed September 29, 2020.
 - XTO Energy, Inc.
2. Well Proposal Letter from Devon Energy Production Company to all the Interest Owners (ORRI, WI) dated and mailed December 3, 2020 (Exhibit A-5)
3. Initial phone call(s) between Devon Energy Production Company and the Interest Owners (ORRI, WI), from September 29, 2020 through June 1, 2020
4. Follow up email(s) sent from Devon Energy Production Company to the Interest Owners (ORRI, WI), from September 29, 2020 through June 1, 2020:
 - XTO Energy Inc. – 9/29/2020, 10/13/2020, 10/19/2020, 10/20/2020, 11/30/2020, 12/2/2020, 12/8/2020, 12/10/2020, 12/14/2020, 12/15/2020, 12/17/2020, 12/29/2020, 1/4/2021, 1/5/2021, 3/22/2021, 3/27/2021, 4/7/2021, and 6/1/2021.
5. Follow up phone call(s) between Devon Energy Production Company and the Interest Owners (ORRI, WI), from September 29, 2020 through June 1, 2021.
6. Exchange of agreement mailed between Devon Energy Production Company and the Interest Owners (ORRI, WI) from 1/28/2020 through 2/28/2020:
 - XTO Energy Inc. - 9/29/2020, 1/4/2021, 1/5/2021, 3/22/2021, 3/27/2021, and 4/7/2021

EXHIBIT
A-4

TAB 3

Exhibit B: Affidavit of Kate Hughston-Kennedy, Geologist
Exhibit B-1: Structure Map
Exhibit B-2: Stratigraphic Cross Section
Exhibit B-3: Gross Isochore
Exhibit B-4: Gun Barrel View
Exhibit B-5: Trajectory Cross-section

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

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

Case No. 22142

AFFIDAVIT OF Kate Hughston-Kennedy

I, Kate Hughston-Kennedy, being duly sworn on oath, state the following:

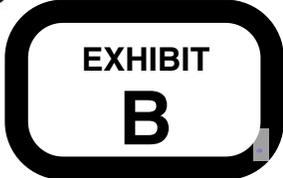
1. I am over the age of 18, and I have personal knowledge of the matters stated herein.
2. I am employed as a petroleum geologist for Devon Energy Production Company, L.P. (“Devon”), and I am familiar with the subject application and the geology involved.
3. This affidavit is submitted in connection with the filing by Devon of the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
4. I have not previously testified before the Oil Conservation Division (“Division”). I have provided a one-page resume, attached to this affidavit, for the Division’s review of my credentials.

My educational and working background is as follows:

- a. I hold a Bachelor’s degree in Geology obtained from Texas A&M University in 2004.
- b. I have been employed as a petroleum geologist with Devon since May, 2013.

Based on my experience, educational background and work history, I respectfully request that the Division accept my testimony as that of an expert witness in geology.

5. **Exhibit B-1** is a structure map, with a contour interval of 25’, showing the depth (subsea) to the top of the Wolfcamp formation, a marker that defines the top of target interval for the referenced wells. The sections of interest are outlined by a red rectangle. I do not see any faults,



pinch-outs or other major structural impediments to developing the Wolfcamp formation with horizontal wells.

6. **Exhibit B-2** is a stratigraphic cross-section flattened on the top of the Wolfcamp running from A to A'. Each well in the cross-section contains a gamma ray, resistivity, and porosity logs. The targeted intervals for the referenced wells are shown by a blue box for the Wolfcamp XY and red box for the Wolfcamp A 100. A locator map is also shown identifying the four wells used to create the stratigraphic cross-section. I chose these wells because they have good quality logs and are representative of the geology in the area. The cross-section demonstrates continuity and consistent thickness of the target zones within the Wolfcamp.

7. Additional exhibits for the benefit of the Division's review include **Exhibit B-3** which is a gross isopach of the Wolfcamp XY and Wolfcamp A 100. **Exhibit B-4** is a gun barrel representation of the unit showing the development spacing pattern of the referenced wells. **Exhibit B-5** is a cross section showing approximate well trajectories of the referenced wells.

8. I conclude from the attached exhibits that:

- a. The horizontal spacing and proration unit is justified from a geologic standpoint.
- b. Each quarter-quarter section in the unit will contribute more or less equally to production.

9. The preferred well orientation in this area is north-south.

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

11. The granting of this Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.

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

FURTHER AFFIANT SAYETH NAUGHT

Kate Hughston-Kennedy
Kate Hughston-Kennedy

Subscribed to and sworn before me this 1st day of September 2021.

State Oklahoma §
County Oklahoma §



Clint Dake
Notary Public

Kate Hughston-Kennedy

7309 Painted Sky Drive
Edmond, OK 73034

Mobile: 405-662-9594
kateliz03@yahoo.com

Summary: Throughout my career, I have focused on operations, field development, geosteering, reservoir characterization, prospect generation, appraisal planning, data gathering, data organization and data integration. I have effectively collaborated and worked with interdisciplinary teams to bring high value projects and opportunities to the table. I am an independent, detail oriented, fast learner and have consistently produced high quality geologic work.

Work Experience:

Devon Energy; Oklahoma City, Oklahoma <i>Sr. Staff Geologist – Delaware Basin, Permian Basin</i>	May 2013 – Present
SandRidge Energy; Oklahoma City, Oklahoma <i>Senior Geologist – Anadarko Shelf, Mississippian Lime</i> <i>Associate Geologist – Central Basin Platform, Permian Basin</i>	May 2008 – May 2013
XTO Energy; Ft. Worth, Texas <i>Geologist- Fort Worth Basin, Barnett Shale</i>	January 2005 – April 2008
Matador Resources Company; Dallas, Texas <i>Internship</i>	May 2004 – August 2004
Brazos Gas Company; Dallas, Texas <i>Internship</i>	May 2003 – August 2003

Education:

Texas A&M University; College Station, TX <i>Bachelor of Science in Geology</i>	January 2000–December 2004
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Publications:

Rittenhouse, S., Y. Li, K. Hughston-Kennedy, J. Fritz, J. Pritchard, L. Cassel, V. Baum, S. Liem, T. Mooney, 2017, Delaware Basin Leonard Reservoir Characterization, New Mexico and Texas: URTeC: 2668602, Austin, TX.

Software:

- Experienced in IHS Kingdom, GeoPlus Petra, Petrel, LMKR GeoGraphix, Las Tools Pro, and StarSteer seismic and geologic interpretation software
- Skilled in Microsoft software including Word, Excel, and PowerPoint
- Proficient in petroleum and drilling information data bases including IHS Enerdeq and DrillingInfo

Memberships:

Association for Women Geoscientists	November 2012 - Present
Oklahoma City Geological Society	May 2008 - Present
American Association of Petroleum Geologist	May 2004 – Present
Fort Worth Geological Society	January 2005 – April 2008
Dallas Geological Society	May 2004 – April 2008
Texas A&M Geology and Geophysics Society	August 2002 – Dec. 2004
Texas A&M Geosciences Association (GSA)	August 2004 – Dec. 2004

Awards:

Schroeder Endowed Scholarship – College of Geosciences	January 2003
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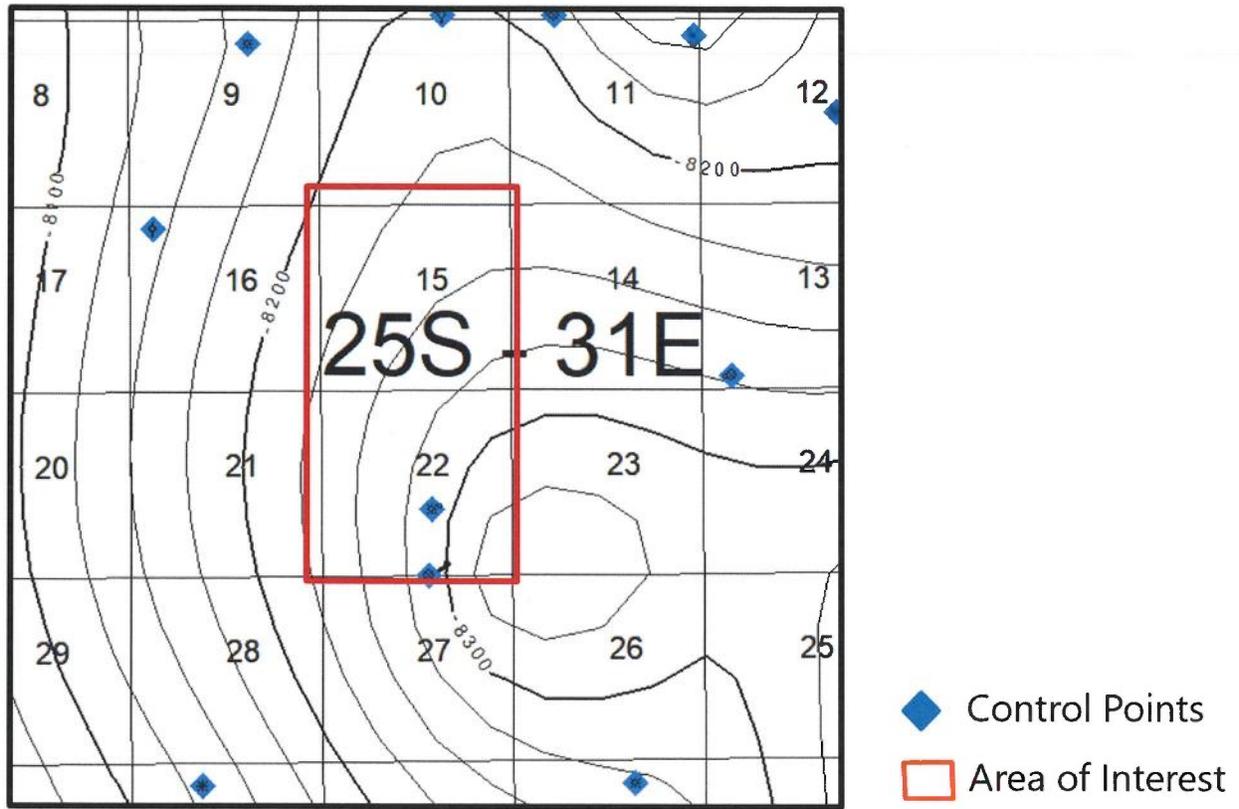
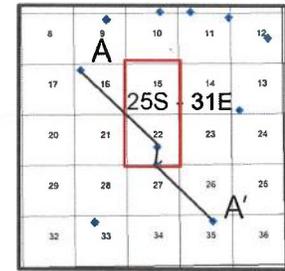
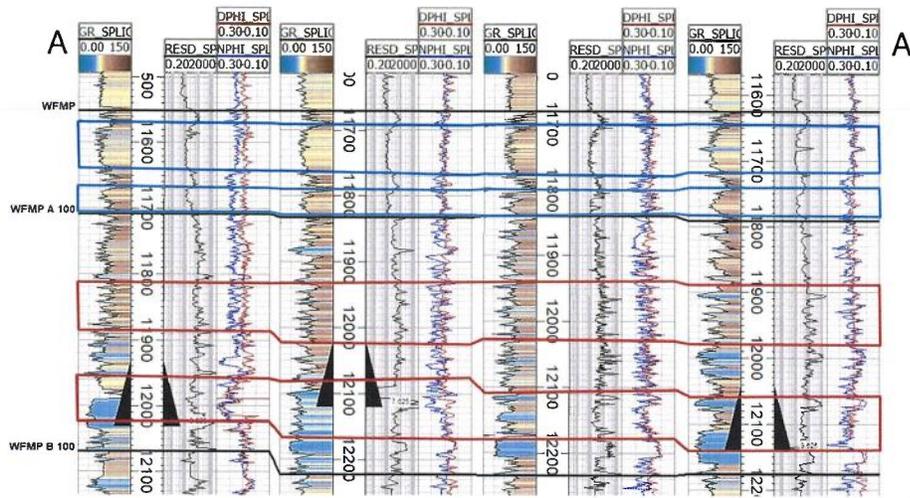


Exhibit B-1 is a structure map showing the depth (subsea) to the top of the Wolfcamp formation, a marker that defines the top of the target interval for the proposed wells.



◆ Control Points
 □ Area of Interest

Exhibit B-2 is a stratigraphic cross-section running from A-A' hung on top of Wolfcamp. Target intervals are indicated by the blue and red boxes in the cross section. A locator map indicating the wells used in the cross section is shown to the right of the cross section.



Wolfcamp XY Isopach Map (C.I. = 25')

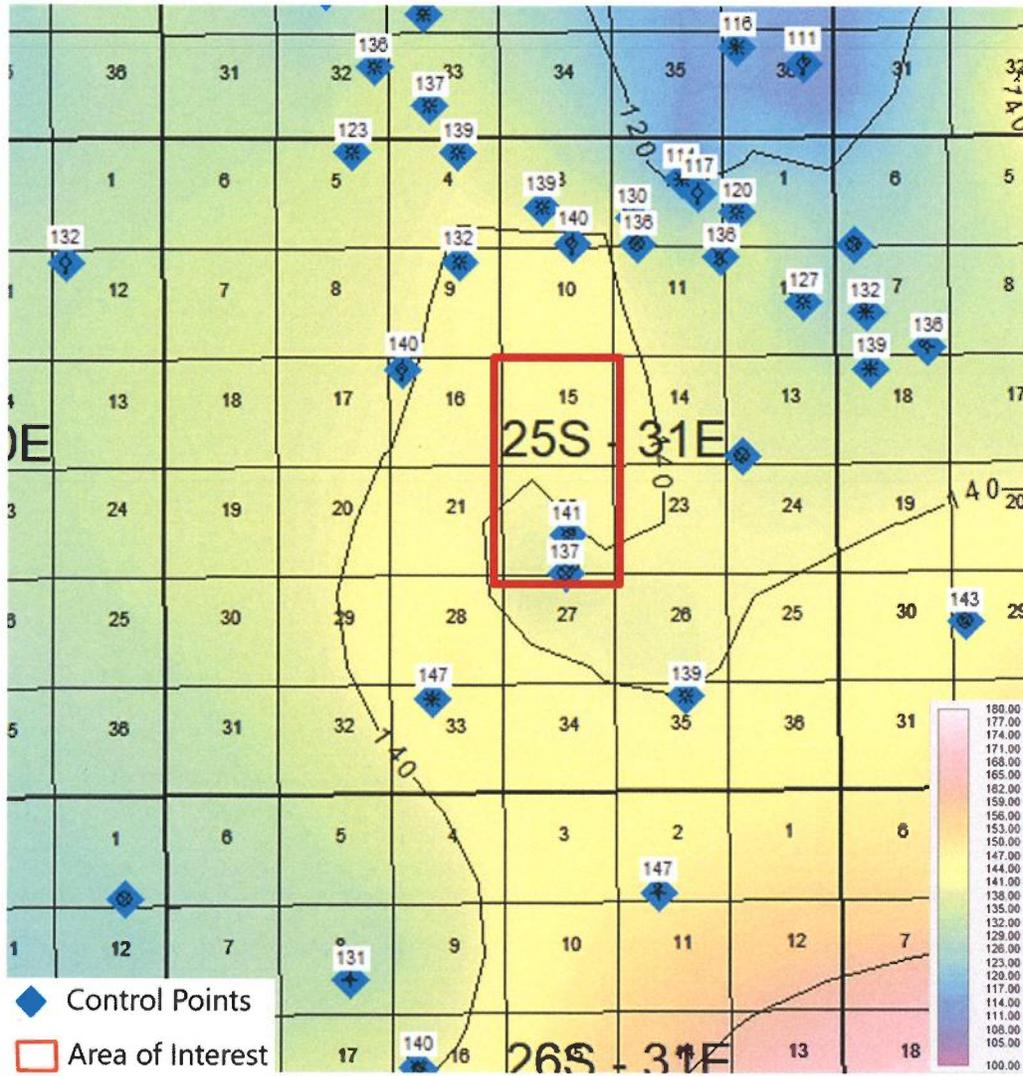


Exhibit B-3 is a gross isopach of the Wolfcamp XY formation.



Wolfcamp A100 Isopach Map (C.I. = 25')

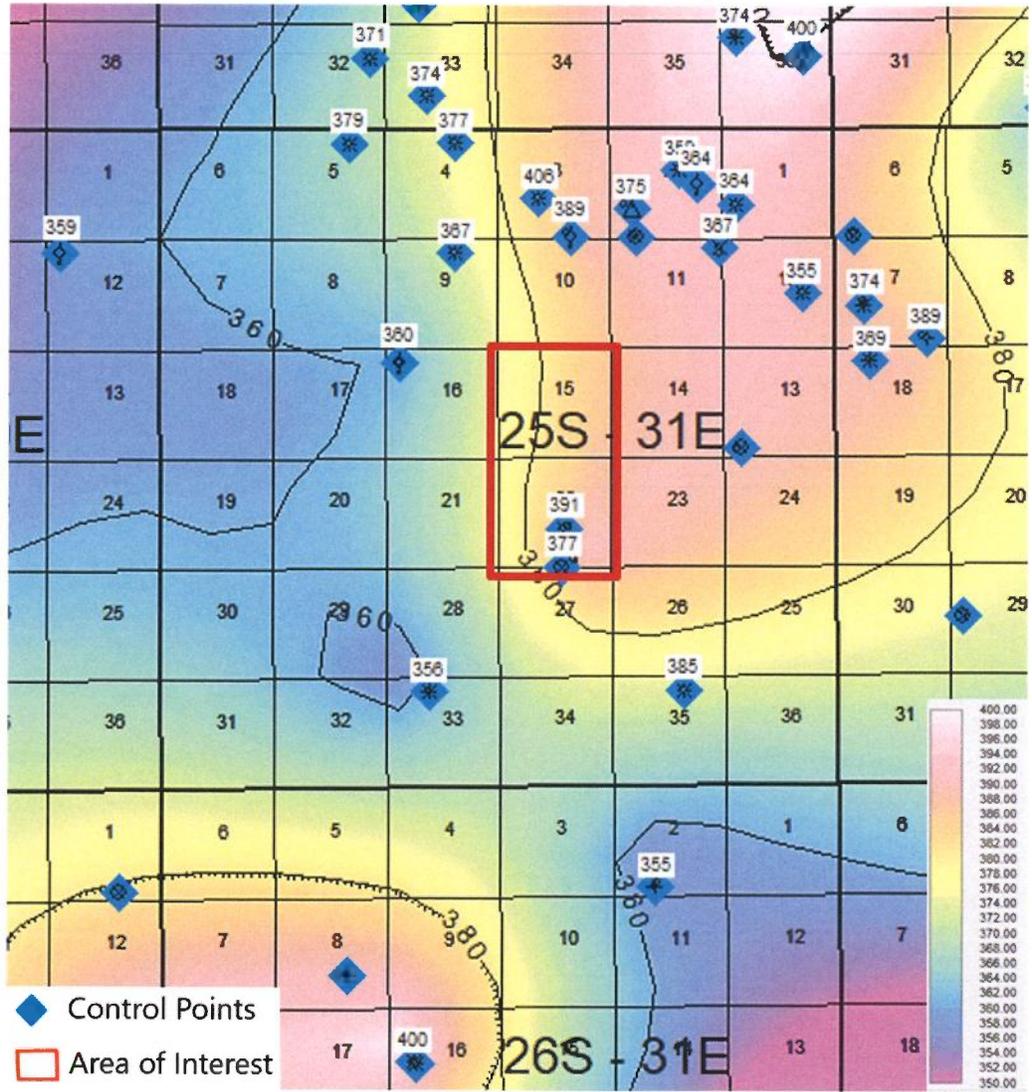


Exhibit B-3 is a gross isopach of the Wolfcamp A 100 formation.

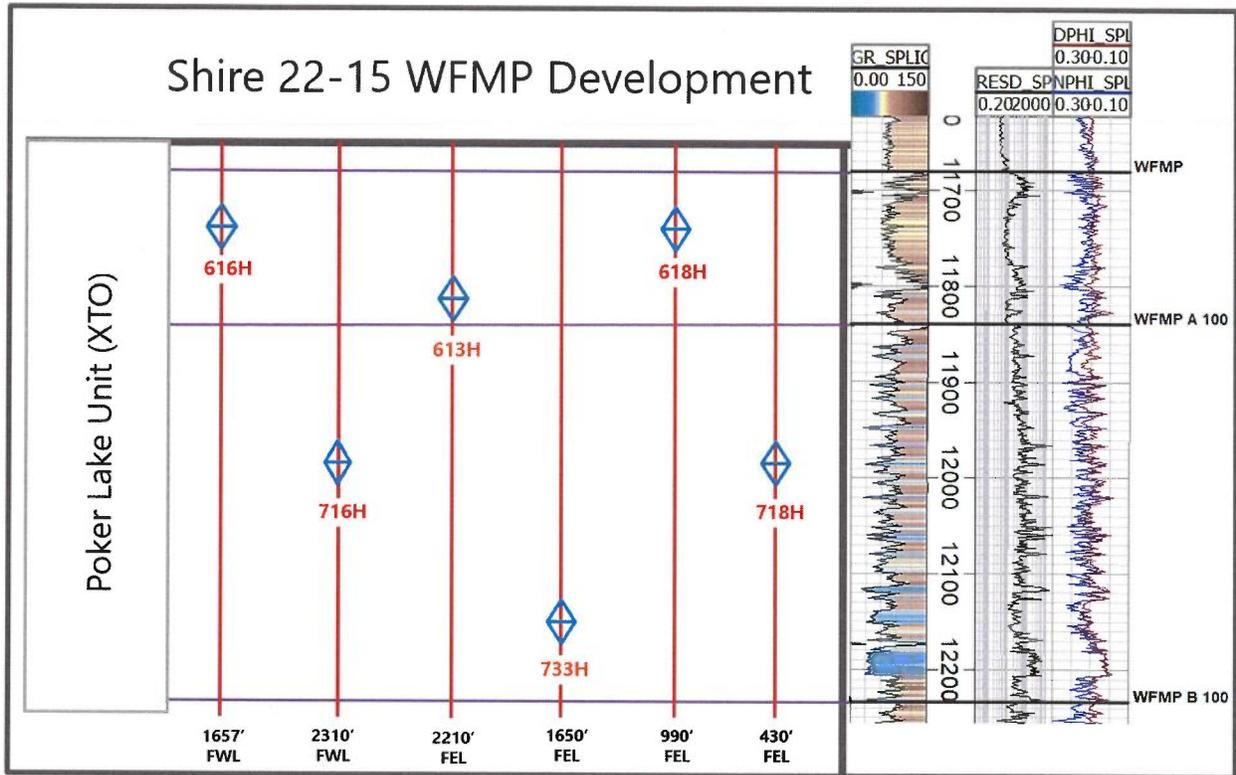


Exhibit B-4 is a gun barrel representation of the Shire development showing the spacing pattern of the referenced wells.



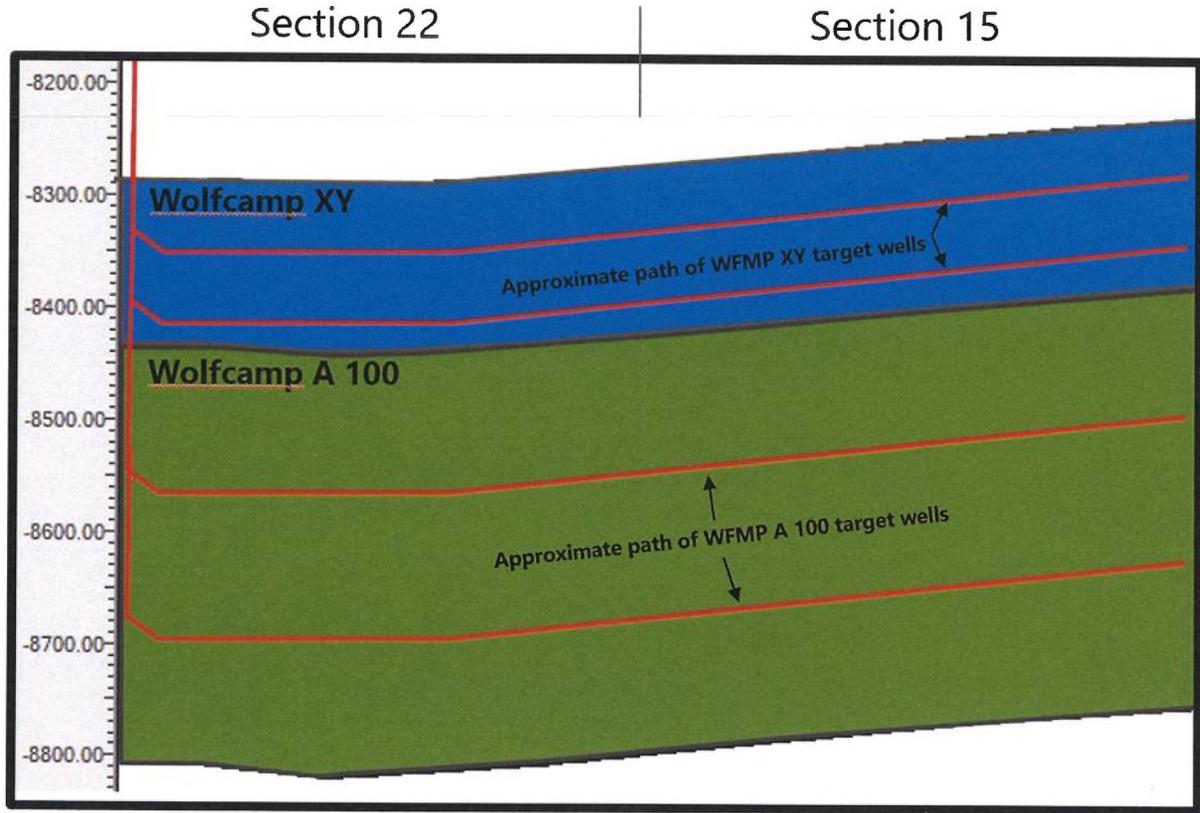


Exhibit B-5 is a cross section showing approximate trajectories of the referenced wells.



TAB 4

Exhibit C: Affidavit of Notice, Darin C. Savage
Exhibit C-1: Notice Letters (WI & ORRI)
Exhibit C-2: Mailing List
Exhibit C-3: Affidavit of Publication



For the Pursuit of Energy

ABADIE | SCHILL PC

Colorado	New Mexico
Louisiana	Texas
Kansas	Utah
Nebraska	Wyoming
Montana	California
Oklahoma	North Dakota

August 19, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Devon Energy Production Company, L.P., for horizontal spacing and compulsory pooling, Eddy County, New Mexico
Shire 25-15 Fed Com 613H Well
Shire 25-15 Fed Com 618H Well
Shire 25-15 Fed Com 718H Well
Shire 25-15 Fed Com 733H Well

Case No. 22142:

Dear Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. (“Devon”) has filed the enclosed application, Case No. 22142, with the New Mexico Oil Conservation Division for creating standard horizontal spacing units and the compulsory pooling of the Wolfcamp formation.

In Case No. 22142 Devon plans to pool the E/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico, a standard unit encompassing 640 acres, more or less, dedicated to the above-described Shire wells.

A hearing has been requested before a Division Examiner on September 9, 2021, and the status of the hearing can be monitored through the Division’s website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division’s Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely. For information about remote access, you can visit the

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901



Division's website at: <https://www.emnrd.nm.gov/ocd/hearing-info/> or call (505) 476-3441.

You are being notified as an interest owner and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B NMAC to file a Pre-hearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.



For the Pursuit of Energy

ABADIE | SCHILL PC

Colorado	New Mexico
Louisiana	Texas
Kansas	Utah
Nebraska	Wyoming
Montana	California
Oklahoma	North Dakota

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Division's website at: <https://www.emnrd.nm.gov/ocd/hearing-info/> or call (505) 476-3441.

You are being notified as an overriding royalty interest owner and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B NMAC to file a Pre-hearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Darin C. Savage". The signature is stylized with a large loop and a horizontal line extending to the right.

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

Owner	Address	CITY	State	ZIP	USPS #	Date Mailed	Status	Date Delivered	Green Card Returned?
Devon Energy Corporation	CLIENT/OWNER								
Ballard E. Spencer Trust Inc.	P.O. Box 6	Artesia	NM	88211	70201290000124852975	8/19/21	Delivered	9/3/21	USPS Confirmed Delivery
Brynnee Lee Bryan	900 W 14 th St Apt 7	San Pedro	CA	90731	70201290000124852982	8/19/21	In Transit		
Barry Eugene Bryan	P.O. Box 207	Vida	OR	97488	70201290000124852999	8/19/21	Being Returned		
Janice Mendoza Bryan	P.O. Box 972	Pohnpei	FM	96941	70201290000124853002	8/19/21	In Transit		
Eden Mendoza Bryan	218 Alice Farr Dr	Greenville	SC	29617	70201290000124853019	8/19/21	Being Returned		
Betty Jo Bryan Bradshaw	P.O. Box 761	Placitas	NM	87043	70201290000124853026	8/19/21	Delivered	8/23/21	YES
McCaw Properties LLC	P.O. Box 127	Artesia	NM	88211	70201290000124853033	8/19/21	Delivered	8/24/21	YES
Michael Lee Prude	1401 W Washington Ave	Artesia	NM	88210	70201290000124853040	8/19/21	Delivered	8/23/21	YES
Morris E. Schertz	P.O. Box 2588	Roswell	NM	88202	70201290000124853057	8/19/21	Delivered	8/25/21	YES
Foertsch Oil & Gas, L.P.	2300 Boyd Ave	Midland	TX	79705	70201290000124853064	8/19/21	Delivered		
Dragoon Creek Minerals, LLC	2821 W 7 th Street, Suite 515	Fort Worth	TX	76107	70201290000124853070	8/19/21	Delivered	9/1/21	YES
Pegasus Resources NM, LLC	2821 W 7 th Street, Suite 515	Fort Worth	TX	76107	70201290000124853088	8/19/21	Delivered	N/A	YES
Fortis Minerals II LLC	1111 Bagby Street, Suite 2150	Houston	TX	77002	70201290000124853095	8/19/21	In Transit		
LRE Operating LLC	1111 Bagby Street, Suite 2150	Houston	TX	77002	70201290000124853101	8/19/21	In Transit		
United States of America c/o Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508	70201290000124852951	8/19/21	Delivered	8/23/21	YES
United States of America c/o Bureau of Land Management	620 E. Greene St.	Carlsbad	NM	88220	70201290000124852968	8/19/21	Delivered	8/23/21	YES
New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501	70201290000124852944	8/19/21	Delivered	N/A	YES



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Pegasus Resources NM, LLC
 2821 W 7th Street, Suite 515
 Fort Worth TX 76107



9590 9402 6407 0303 4686 36

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3088

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *jt*

- Agent
- Addressee

B. Received by (Printed Name)

Thomas

C. Date of Delivery

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

Morris E. Schertz
 P.O. Box 2588
 Roswell NM 88202



9590 9402 6407 0303 4686 98

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3057

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Morris E. Schertz* Agent
 Addressee

B. Received by (Printed Name)

Morris E. Schertz C. Date of Delivery *8/25/21*

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No



3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management
 620 E. Greene St.
 Carlsbad, NM 88220

S



9590 9402 6407 0303 4687 35

2. Article Number (Transfer from service label)

7020 1290 0001 2485 2968

COMPLETE THIS SECTION ON DELIVERY

A. Signature

Lorraine Ortiz Agent
 Addressee

B. Received by (Printed Name)

Lorraine Ortiz

C. Date of Delivery

8/23/21

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery
- Mail Restricted Delivery (00)

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

McCaw Properties LLC
 P.O. Box 127
 Artesia NM 88211 S



9590 9402 6407 0303 4687 80

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3033

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Emily McCaw* Agent
 Addressee

B. Received by (Printed Name)

Emily McCaw

C. Date of Delivery

8-24-21

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Mail
 Restricted Delivery
 (0)

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Michael Lee Prude
 1401 W Washington Ave
 Artesia NM 88210 **S**



9590 9402 6407 0303 4686 81

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3040

COMPLETE THIS SECTION ON DELIVERY

A. Signature

XWC

- Agent
- Addressee

B. Received by (Printed Name)

Prude

C. Date of Delivery

8/23

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management
 301 Dinosaur Trail
 Santa Fe, NM 87508 **S**



9590 9402 6407 0303 4681 86

2. Article Number (Transfer from service label)

7020 1290 0001 2485 2951

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X *R Duran* Agent Addressee

B. Received by (Printed Name) *Regina Duran* C. Date of Delivery *8-23-21*

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

BUREAU OF LAND MANAGEMENT
 CARLSBAD FIELD OFFICE
 620 EAST GREEN STREET
 CARLSBAD, NM 88220-6292

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Collect on Delivery Restricted Delivery	

red Mail
 red Mail Restricted Delivery
 - \$500)

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Betty Jo Bryan Bradshaw
 P.O. Box 761
 Placitas NM 87043



9590 9402 6407 0303 4687 97

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3026

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Jeffery S. York*

- Agent
- Addressee

B. Received by (Printed Name)

Jeffery S. York

C. Date of Delivery

8/23/21

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below:

No

3. Service Type

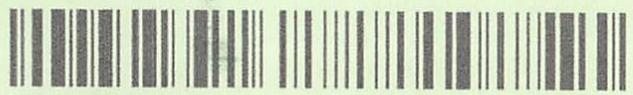
- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Registered Mail
- Registered Mail Restricted Delivery (\$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

NM State Land Office
 310 Old Santa Fe Trail
 Santa Fe, NM 87501



9590 9402 6407 0303 4687 11

2. Article Number (Transfer from service label)

7020 1290 0001 2485 2944

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
- Adult Signature
 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Collect on Delivery Restricted Delivery
 - Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Dragoon Creek Minerals, LLC
 2821 W 7th Street, Suite 515
 Fort Worth TX 76107

S



9590 9402 6407 0303 4689 88

2. Article Number (Transfer from service label)

7020 1290 0001 2485 3071

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

Ed Hutchinson

C. Date of Delivery

9/1/21

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Registered Mail
- Registered Mail Restricted Delivery (500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004881728

This is not an invoice

ABADIE SCHILL P.C.
555 RIVERGATE LANE SUITE B4-18

DURANGO, CO 81301

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

08/26/2021

Linda Tuttle

Legal Clerk

Subscribed and sworn before me this August 26, 2021:

Kathleen Allen
State of WI, County of Brown
NOTARY PUBLIC

1-7-28

My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0004881728

PO #: 22142 DS

of Affidavits 1

This is not an invoice

EXHIBIT
C-3

CASE No. 22142: Notice to all affected parties and persons having any right, title, interest or claim to this case, including overriding royalty interest owners, as well as the known and unknown heirs, devisees, assigns and successors of BALLARD E. SPENCER TRUST INC., BRYNNEE LEE BRYAN, BARRY EUGENE BRYAN, JANICE MENDOZA BRYAN, EDEN MENDOZA BRYAN, BETTY JO BRYAN BRADSHAW, MCCAWE PROPERTIES LLC, MICHAEL LEE PRUDE, MORRIS E. SCHERT, FOERTSCH OIL & GAS, L.P., DRAGON CREEK MINERALS, LLC, PEGASUS RESOURCES NM, LLC, FORTIS MINERALS II LLC, LRE OPERATING LLC, of Devon Energy Production Company, L.P.'s application for approval of a spacing unit and compulsory pooling, Eddy County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on September 9, 2021, at 1220 S. St. Francis, Santa Fe, New Mexico, 87505. However, under the current COVID-19 Public Health Emergency policies, the hearing will be conducted remotely. For information about remote access, you can visit the Division's website at: <https://www.emnrd.nm.gov/ocd/hearing-info/> or call (505) 476-3441. Devon Energy Production Company, L.P., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division: (1) creating a standard 640-acre, more or less, spacing and proration unit comprised of the E/2 of Sections 15 and 22, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a gas pool, underlying said unit. Said horizontal spacing unit is to be dedicated to the following gas wells: the Shire 22-15 Fed Com 613H Well to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 22, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15; the Shire 22-15 Fed Com 618H Well horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15; the Shire 22-15 Fed Com 718H Well horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 15; and the Shire 22-15 Fed Com 733H Well horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 15. The wells have

nonstandard locations, as the take points are 100' from the outer boundary of the unit; approval for the nonstandard location has been obtained administratively. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 4.5 miles southeast of Carlsbad, New Mexico.
#48, Current Argue, August 26, 2021