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

APPLICATIONS OF DEVON ENERGY PRODUCTION COMPANY, L.P., FOR HORIZONTAL SPACING UNITS AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 22156:
Prairie Fire 25-26 Fed Com 333H Well

Case No. 22157:
Prairie Fire 25-26 Fed Com 623H Well

Case No. 22158:

Prairie Fire 25-26 Fed Com 624H Well

Devon Energy Production Company, L.P.

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Exhibit A-2: Ownership and Sectional Map
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## TAB 1

Reference for Case No. 22156
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# STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION 


#### Abstract

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


Case No. 22156

## 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, a standard 640-acre, more or less, spacing and proration unit comprised of the $\mathrm{S} / 2$ of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil 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 proposes and dedicates to the HSU the Prairie Fire 25-26 Fed Com 333H Well as an initial well.
3. Devon proposes the Prairie Fire 25-26 Fed Com 333H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30,

Township 20 South, Range 30 East, NMPM, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 26, Township 20 South, Range 29 East, NMPM.
4. The well is orthodox in its location, and its take points and lateral comply with Statewide Rules for setbacks. The lateral of this well is positioned along the midline of the $\mathrm{S} / 2$ of Sections 25 and 26 in order to qualify the well as a proximity well under the Statewide Rules, and Devon will utilize proximity tracts to create the HSU.
5. 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 well or in the commitment of their interests to the well for its development within the proposed HSU.
6. The pooling of all interests in the Bone Spring formation within the proposed HSU, and creation of the spacing unit, will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.
7. 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 well 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 the creation of a standard $640-\mathrm{acre}$, more or less, spacing and proration unit comprised of the $\mathrm{S} / 2$ of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico;
B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the proposed HSU.
C. Approving the Prairie Fire 25-26 Fed Com 333H Well as the well for the HSU.
D. Designating Devon as operator of this HSU and the horizontal well to be drilled thereon;
E. Authorizing Devon to recover its costs of drilling, equipping, and completing the well;
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 well 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
Telephone: 970.385.4401
Facsimile: 970.385.4901
darin@abadieschill.com
bill@abadieschill.com
andrew@abadieschill.com

## Attorneys for Devon Energy Production Company, L.P.

Application of Devon Energy Production Company, L.P. for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, spacing and proration unit comprised of the $\mathrm{S} / 2$ of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation, an oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Prairie Fire 25-26 Fed Com 333H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30, Township 20 South, Range 30 East, NMPM, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 26. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; proximity tracts will be utilized for the unit; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a $200 \%$ charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southeast of Artesia, New Mexico.

## COMPULSORY POOLING APPLICATION CHECKLIST

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

Case: 22156 APPLICANT'S RESPONSE


## TAB 2

Case No. 22156

Exhibit A: Affidavits of Andy D. Bennett, 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 <br> COMPANY LP FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO 

Case No. 22156


#### Abstract

AFFIDAVIT OF ANDY BENNETT STATE OF OKLAHOMA ) ) ss. COUNTY OF OKLAHOMA )


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

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
2. I am employed as a Senior Staff Landman with Devon Energy Production Company, L.P. ("Devon"), and I am familiar with the subject application and the lands involved. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
3. 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.
4. Devon seeks orders pooling all uncommitted mineral interests in the Bone Spring formation (Getty; Bone Spring; Pool Code: 27470) underlying a standard 640-acre, more or less, horizontal spacing units comprised of the S/2 of Sections 25 and 26 of T20S-R29E, NMPM, Eddy County, New Mexico:

- Under Case No. 22156: Devon seeks to pool the $\mathrm{S} / 2$ of Section 25 and the $\mathrm{S} / 2$ of Section 26, being 640 acre, more or less, for the Prairie Fire 25-26 Fed Com 333H well (API No. 30-015-pending), to be horizontally drilled from a surface location in Lot 4 or the SW/4SW/4 (Unit M) of Section 30-T20S-R30E to a bottom hole location in the SW/4SW/4 of Section 26-T20S-R29E (Unit M); approximate TVD of 9,471'; approximate TMD of 19,471'; FTP in Section 25: 100' FEL, 1320' FSL; LTP in Section 26: 100' FWL, 1320' FSL;

5. The proposed C-102 for each well is attached as Exhibit A-1.
6. 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 location of each well is orthodox, and it meets the Division's offset requirements.
7. 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 working interest owners and overriding royalty interest owners.
8. There are no depth severances in the Bone Spring formation in this acreage.
9. I provided the law firm of Abadie \& Schill P.C. a list of names and addresses for the uncommitted interest owners and ORRI owners shown on Exhibit A-2. In compiling these addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the well is located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. All working interest owners and overriding royalty interest owners were locatable and noticed. Devon published notice in the Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico.
10. Devon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells. Exhibit A-4 provides a chronology and history of contacts with the owners.
11. The interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells. However, Devon has been in ongoing discussions with some of the interest owners to voluntarily enter into a Joint Operating Agreement. If a mutually agreeable Joint Operating Agreement is reached between Devon and another interest owner or owners, Devon requests that the voluntary agreement become operative and supersede the Division's order for said parties, except to the extent the Division deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of waste, and the protection of correlative rights.
12. 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.
13. 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.
14. Devon requests the maximum cost, plus $200 \%$ risk charge be assessed against nonconsenting working interest owners.
15. Devon requests that it be designated operator of the units and wells.
16. The Exhibits to this Affidavit were prepared by me or compiled from Devon's company business records under my direct supervision.
17. 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.
18. The foregoing is correct and complete to the best of my knowledge and belief.
[Signature page follows]

## FURTHER AFFIANT SAYETH NAUGHT



Andy Bennett, CPL
Subscribed to and sworn before me this day of September, 2021.

State Oklarone §
County Okblame §


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
$\frac{1220 \text { S. St. Francis Dr., Santa Fe, NM } 87505}{}$ 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ${ }^{1}$ API Number |  |  | $\begin{aligned} & { }^{2} \text { Pool Code } \\ & {[27470]} \end{aligned}$ |  |  | GETTY;BONE SPRING |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| ${ }^{4}$ Property Code |  | ${ }^{5}$ Property NamePRAIRIE FIRE 25-26 FED COM |  |  |  |  |  |  | $\begin{gathered} { }^{6} \text { Well Number } \\ 333 \mathrm{H} \end{gathered}$ |
| $\begin{gathered} \text { TOGRID No. } \\ 6137 \end{gathered}$ |  | ${ }^{8}$ Operator Name <br> DEVON ENERGY PRODUCTION COMPANY, L.P. |  |  |  |  |  | $\begin{aligned} & \hline{ }^{9} \text { Elevation } \\ & 3257.17 \end{aligned}$ |  |
| ${ }^{10}$ Surface Location |  |  |  |  |  |  |  |  |  |
| UL or lot no. M | $\begin{array}{\|c} \hline \text { Section } \\ 30 \end{array}$ | $\begin{gathered} \hline \text { Township } \\ 20-S \end{gathered}$ | $\begin{aligned} & \text { Range } \\ & 30-E \end{aligned}$ | $\begin{gathered} \text { Lot Idn } \\ 4 \end{gathered}$ | Feet from the 462 | North/South line SOUTH | $\begin{aligned} & \text { Feet from the } \\ & 1007 \end{aligned}$ | East/West line WEST | $\begin{aligned} & \text { County } \\ & \text { EDDY } \end{aligned}$ |
| ${ }^{11}$ Bottom Hole Location If Different From Surface |  |  |  |  |  |  |  |  |  |
| $\begin{array}{\|c} \hline \text { UL or lot no. } \\ M \end{array}$ | $\begin{array}{\|c} \hline \text { Section } \\ 26 \\ \hline \end{array}$ | $\begin{gathered} \hline \text { Township } \\ 20-S \end{gathered}$ | $\begin{aligned} & \text { Range } \\ & 29-E \end{aligned}$ | $\begin{gathered} \hline \text { Lot Idn } \\ \text { N/A } \end{gathered}$ | $\begin{aligned} & \text { Feet from the } \\ & 1320 \end{aligned}$ | North/South line SOUTH | $\begin{aligned} & \text { Feet from the } \\ & 20 \end{aligned}$ | East/West line WEST | $\begin{aligned} & \hline \text { County } \\ & \text { EDDY } \end{aligned}$ |
| ${ }^{12}$ Dedicated Acres    <br> 640 ${ }^{13}$ Joint or Infill ${ }^{14}$ Consolidation Code  <br> 15    |  |  |  |  | ${ }^{5}$ 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.
16
N:564542.95

Intent $\square$ X As Drilled $\square$

| API\# |  |  |
| :--- | :--- | :--- | :--- |
| Operator Name: |  |  |
| DEVON ENERGY PRODUCTION COMPANY, L.P. | Property Name: <br> PRAIRIE FIRE 25-26 FED COM | Well Number <br> 333 H |

Kick Off Point (KOP)

| $\begin{array}{\|c} \hline \mathrm{UL} \\ \mathrm{M} \end{array}$ | $\begin{gathered} \text { Section } \\ 30 \end{gathered}$ | Township <br> 20S | $\begin{gathered} \hline \text { Range } \\ 30 \mathrm{E} \end{gathered}$ | Lot | Feet $1297$ | $\begin{gathered} \hline \text { From N/S } \\ \text { SOUTH } \end{gathered}$ | Feet 465 | From E/W <br> WEST | County EDDY |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Latitude |  |  |  |  | Longitude |  |  |  | NAD |
| 32.54060308 |  |  |  |  | -104.01855678 |  |  |  | 83 |

First Take Point (FTP)

| UL <br> I | $\begin{array}{\|l} \hline \text { Section } \\ 25 \end{array}$ | $\begin{array}{\|l\|} \hline \text { Township } \\ 20-S \end{array}$ | $\begin{aligned} & \text { Range } \\ & 29-E \end{aligned}$ | $\begin{array}{\|l\|} \hline \text { Lot } \\ \text { N/A } \\ \hline \end{array}$ | $\begin{aligned} & \text { Feet } \\ & 1320 \end{aligned}$ | $\begin{aligned} & \hline \text { From N/S } \\ & \text { SOUTH } \end{aligned}$ | $\begin{aligned} & \text { Feet } \\ & 100 \end{aligned}$ | $\begin{aligned} & \text { From E/W } \\ & \text { EAST } \end{aligned}$ | $\begin{aligned} & \text { County } \\ & \text { EDDY } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{array}{\|l\|} \hline \text { Latitude } \\ 32.540763^{\circ} \end{array}$ |  |  |  |  | $\begin{array}{\|l\|} \hline \text { Longitude } \\ -104.020310^{\circ} \end{array}$ |  |  |  | $\begin{array}{\|l\|} \hline \text { NAD } \\ 83 \end{array}$ |

Last Take Point (LTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| M | 26 | $20-S$ | 29-E | N/A | 1320 | SOUTH | 100 | WEST | EDDY |
| Latitude |  |  |  |  |  |  |  |  |  |
| $32.540782^{\circ}$ |  |  |  |  |  |  |  |  |  |

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

Is this well an infill well?
NO

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



LEGAL DESCRIPTION:
A Surface Site Easement located in Lot 4 of Section 30, Township 20 South, Range 30 East, of the New Mexico Principal Meridian, Eddy County, State of New Mexico being described as follows:

Commencing at the South Quarter corner of said Section 30 (Found Brass Cap); thence, North $83^{\circ} 08^{\prime} 31^{\prime \prime}$ West a distance of 1446.59 feet to the POINT OF BEGINNING;
thence, North $66^{\circ} 51^{\prime} 377^{\prime \prime}$ West a distance of 950.23 feet, from which the Southwest corner of said Section 30 (Found Brass Cap) bears South $31^{\circ} 13^{\prime} 27^{\prime \prime}$ West a distance of
636.18 feet
thence, North $23^{\circ} 08^{\prime} 23^{\prime \prime}$ East a distance of 500.12 feet;
thence, South $66^{\circ} 51^{\prime} 37^{\prime \prime}$ East a distance of 950.23 feet;
thence, South $23^{\circ} 08^{\prime} 23^{\prime \prime}$ West a distance of 500.12 feet, to the (P.O.B) Point Of Beginning.
Said Surface Site Easement containing 10.910 Acres more or less.

DIRECTIONS:
BEGINNING AT THE INTERSECTION OF NEW MEXICO STATE HIGHWAY 62 (HOBBS HWY) AND BURTON FLATS ROAD (COUNTY ROAD 238). TURN LEFT ONTO BURTON FLATS ROAD (COUNTY ROAD 238) AND TRAVEL NORTH FOR 2.2 MILES. THE ROAD SPLITS, STAY LEFT ON BURTON FLATS ROAD TRAVEL WEST FOR 1.9 MILES TO AN INTERSECTION OF EXISTING UNNAMED ROAD. TURN LEFT ON UNNAMED ROAD AND TRAVEL SOUTH FOR 0.7 MILES TO THE ACCESS FOR TIGER PAW 22 WELL PAD 2 ON THE LEFT.

## NOTES:

1. BASIS OF BEARINGS, COORDINATES AND DISTANCES ARE STATE PLANE GRID, NAD 83, NEW MEXICO EAST (3001) WITH A CONVERGENCE ANGLE OF $0^{\circ} 09^{\prime} 37.47$ " AND A COMBINED SCALE FACTOR OF 0.999762289 BASED ON CP FITZ BOOSTER AT N:556917.44 E: 633268.61 . UNITS REPRESENTED ON THIS PLAT ARE IN US SURVEY FEET.
2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCES IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000237768
3. ELEVATIONS SHOWN ARE EXISTING GROUND UNLESS OTHERWISE NOTED.

SURVEYOR STATEMENT:
I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE SURVEY INFORMATION FOUND ON THIS EASEMENT PLAT WAS DERIVED FROM FIELD NOTES OR ELECTRONIC DATA OF AN ON-THE-GROUND SURVEY MADE BY ME OR UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO. IF ANY ALTERATIONS ARE MADE (HAND DRAWN, HANDWRITTEN OR DIGITAL ADDITIONS), THIS SURVEYOR IS NO LONGER RESPONSIBLE FOR THE VALIDITY OF THIS PLAT.


ALBERT R. DEHOYOS NEW MEXICO PS No. 23261


| NWHS <br> ENGINEERING > SURVEYING > PLANNING $15159^{\text {TH }}$ STREET, STE A, ROCK SPRINGS, WY 8290 307.362.6065\|866.938.3088|www.whsmithpc.com | DEVON ENERGY PRODUCTION CO., L.P. PRAIRIE FIRE 30 FAC 1 SURFACE SITE EASEMENT <br> ON THE PROPERTY OF |  |
| :---: | :---: | :---: |
| DRAWN BY: JMA CHECKED BY: ARD | BUREAU OF LAND MANAGEMENT | $\cdots 7$ |
| DATE: 02/16/2021 $\quad$ JOB NO: 18080 | SECTION 30, TOWNSHIP 20 SOUTH |  |
| REVISIONS: (04/01/2021 JEB) ADD TOPSOIL (4/23/21 JEB) MOVE SHL (04/26/21 JMA) PAD EXPANSION | RANGE 30 EAST, N.M.P.M. <br> EDDY COUNTY, STATE OF NEW MEXICO |  |
|  |  | AA000443609 |









## LEGAL DESCRIPTION <br> FOR <br> DEVON ENERGY PRODUCTION COMPANY, L.P. BUREAU OF LAND MANAGEMENT

PROPOSED 30' ACCESS ROAD EASEMENT:
A strip of land located in the Southwest Quarter (SW1/4) of the Southeast Quarter (NE1/4), the South Half (S1/2) of the Southwest Quarter (SW1/4), of Section 30, Township 20 South, Range 30 East, of the New Mexico Principal Meridian, Eddy county, State of New Mexico, being thirty feet ( $30^{\prime}$ ) in width, lying fifteen feet ( $15^{\prime}$ ) on each side of the following described centerline:

Commencing at the South Quarter Corner of said Section 30 (P.O.C.) (Found USGLO Brass Cap); thence, North $89^{\circ} 58^{\prime} 02^{\prime \prime}$ East a distance of 461.28 feet to the (P.O.B.) Point Of Beginning, said point being on the South line of the Southeast Quarter of said Section 30, sidelines are shortened or elongated to begin on said Section line;
thence, North $66^{\circ} 33^{\prime} 00^{\prime \prime}$ West a distance of 337.35 feet; thence, North $84^{\circ} 04^{\prime} 36^{\prime \prime}$ West a distance of 396.91 feet; thence, North $52^{\circ} 10^{\prime} 09^{\prime \prime}$ West a distance of 98.48 feet; thence, North $35^{\circ} 52^{\prime} 41^{\prime \prime}$ West a distance of 255.47 feet; thence, North $59^{\circ} 26^{\prime} 50^{\prime \prime}$ West a distance of 97.05 feet; thence, North $79^{\circ} 24^{\prime} 30^{\prime \prime}$ West a distance of 161.37 feet; thence, North $66^{\circ} 17^{\prime} 19$ " West a distance of 631.12 feet; thence, South $67^{\circ} 10^{\prime} 30^{\prime \prime}$ West a distance of 89.77 feet; thence, South $23^{\circ} 08^{\prime} 23^{\prime \prime}$ West a distance of 47.11 feet; thence, South $68^{\circ} 12^{\prime} 13^{\prime \prime}$ West a distance of 226.33 feet; thence, North $66^{\circ} 56^{\prime} 43^{\prime \prime}$ West a distance of 240.06 feet to the (P.O.E.) Point of Ending, from which the Southwest Corner of said Section 30 (Found USGLO Brass Cap) bears South $49^{\circ} 12^{\prime} 23^{\prime \prime}$ West a distance of 1079.57 feet.

Said centerline being 2581.02 feet or 156.43 rods in length and containing 1.778 Acres more or less.


## NOTES:

1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 556917.441, EAST:633268.606, ELEVATION: 3349.522, DETERMINED BY AN OPUS SOLUTION ON JUNE 25TH, 2020.
2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000237768
3. ELEVATIONS ARE OF NAVD 88 COMPUTED USEING GEIOD 12B.




## LEGAL DESCRIPTION <br> FOR <br> DEVON ENERGY PRODUCTION COMPANY, L.P. BUREAU OF LAND MANAGEMENT

PROPOSED 30' ACCESS ROAD EASEMENT:
A strip of land located in the North Half ( $\mathrm{N} 1 / 2$ ) of the Northeast Quarter (NE1/4), of Section 31, Township 20 South, Range 30 East, of the New Mexico Principal Meridian, Eddy county, State of New Mexico, being thirty feet ( $30^{\prime}$ ) in width, lying fifteen feet ( $15^{\prime}$ ) on each side of the following described centerline:

Commencing at the Northeast Corner of said Section 31 (P.O.C.) (Found USGLO Brass Cap); thence, South $44^{\circ} 25^{\prime} 06^{\prime \prime}$ West a distance of 1030.50 feet to the (P.O.B.) Point Of Beginning;
thence, North $41^{\circ} 31^{\prime} 24^{\prime \prime}$ West a distance of 190.82 feet;
thence, North $64^{\circ} 51^{\prime} 12^{\prime \prime}$ West a distance of 560.22 feet;
thence, North $66^{\circ} 33^{\prime} 00$ " West a distance of 889.22 feet to the (P.O.E.) Point of Ending, said point being on the North line of the Northeast Quarter of said Section 31, sidelines are shortened or elongated to end on said Section line, from said point the North Quarter Corner of said Section 31 (Found USGLO Brass Cap) bears South $89^{\circ} 58^{\prime} 02^{\prime \prime}$ West a distance of 461.28 feet.

Said centerline being 1640.26 feet or 99.41 rods in length and containing 1.130 Acres more or less.


NOTES:

1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 556917.441, EAST:633268.606, ELEVATION: 3349.522, DETERMINED BY AN OPUS SOLUTION ON JUNE 25TH, 2020.
2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000237768
3. ELEVATIONS ARE OF NAVD 88 COMPUTED USEING GEIOD 12B.




Exhibit "A-2"
S/2 of Sections 25 \& 26, T-20-S, R-29-E, Eddy County, New Mexico, Bone Spring Formation

| Sec. 26 |  |  |  | Sec. 25 |  |  |  | Sec. 30 |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |

Tract 1:
USA NMNM-103602
(240 acres)


Tract 2:
USA NMNM-129731
(80 acres)


Tract 3:
USA NMNM-132066 (320 acres)


Prairie Fire $25-26$ Fed Com 333H
SHL: Sec. 30-20S-30E $462^{\prime}$ FSL \& $1,007^{\prime}$ FWL BHL: Sec. 26-20S-29E 1,320 FSL \& $20^{\circ}$ FWL

# Exhibit "A-2" <br> OWNERSHIP BREAKDOWN - Bone Spring formation <br> S/2 of Sections 25 and 26, Township 20 South, Range 29 East of Eddy County, NM <br> Prairie Fire 25-26 Fed Com 333H 

TRACT 1 OWNERSHIP (E2SE4 and SW4 of Section 26-T20S-R29E, being 240 acres)
Lease: USA NMNM-103602

| Owner | Net Acres | Unit WI | Status |
| :--- | :--- | :--- | :--- |
| Devon Energy Production Company, L.P. <br> 333 W. Sheridan Avenue | 57.60 | 0.09 | Committed |
| Oklahoma City, OK 73102 |  |  |  |
|  |  |  |  |
| EOG Resources Inc. | 105.60 | 0.165 | Uncommitted |
| 5509 Champions Drive |  |  |  |
| Midland, TX 79706 | 76.80 | 0.12 | Uncommitted |
| OXY Y-1 Company |  |  |  |
| 5 Greenway Plaza, Suite 110 |  |  |  |
| Houston, TX 77046 | 240.00 | 0.375 |  |
| TRACT 1 TOTAL |  |  |  |

TRACT 2 OWNERSHIP (W2SE4 of Section 26-T20S-R29E, being 80 acres)
Lease: USA NMNM-129731

| Owner | Net Acres | Unit WI | Status |
| :--- | :--- | :--- | :--- |
| Devon Energy Production Company, L.P. | 80.00 | 0.125 | Committed |
| 333 W. Sheridan Avenue |  |  |  |
| Oklahoma City, OK 73102 |  |  |  |
|  |  |  |  |
| TRACT 2 TOTAL | 80.00 | 0.125 |  |

TRACT 3 OWNERSHIP (S/2 of Section 25-T20S-R29E, being 320 acres)
Lease: USA NMNM-132066

| Owner | Net Acres | Unit WI | Status |
| :--- | :--- | :--- | :--- |
| Devon Energy Production Company, L.P. | 320 | 0.50 | Committed |
| 333 W. Sheridan Avenue |  |  |  |
| Oklahoma City, OK 73102 |  |  |  |
|  |  |  |  |
| TRACT 3 TOTAL | 320.00 | 0.50 |  |

## Overriding Royalty Owners

NONE

# UNIT RECAPITULATION: S/2 of Sections $\mathbf{2 5}$ and 26 of T20S-R27E; 640 acres 

Devon Energy Production Company, L.P. 71.50\% WI
EOG Resources, Inc. ..... 16.50\% WI
OXY Y-1 Company ..... 12.00\% WI
UNIT TOTAL: ..... 100\% WI

| Devon Energy Production Company LP | 4055528002 Phone |
| :--- | :--- |
| 333 West Sheridan Avenue | www.devonenergy.com |
| Oklahoma City, OK 73102 |  |

May 11, 2021

EOG Resources Inc.
Attn: Laci Stretcher
5509 Champions Drive
Midland, TX 79706

RE: Well Proposals- Prairie Fire 25-26 Fed Com 333H
Prairie Fire 25-26 Fed Com 623H
Prairie Fire 25-26 Fed Com 624H
Eddy County, New Mexico

Ms. Stretcher:
Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following three (3) wells:

- Prairie Fire $25-26$ Fed Com 333 H as a horizontal well to an approximate landing TVD of 9,655', bottom hole TVD' of $9,471^{\prime}$, and approximate TMD of $19,471^{\prime}$ into the Bone Spring formation at an approximate SHL of $462^{\prime}$ FSL and $1,007^{\prime}$ FWL of Section $30-$ T20S-R30E and an approximate BHL of 1,320' FSL and 20' FWL of Section 26-T20S-R29E, Eddy County, New Mexico (collectively with all three proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of $\$ 1,973,940$ and total completed well costs of $\$ 5,331,199$.
- Prairie Fire $25-26$ Fed Com 623 H as a horizontal well to an approximate landing TVD of 9,810', bottom hole TVD' of $9,640^{\prime}$, and approximate TMD of $19,640^{\prime}$ into the Wolfcamp formation at an approximate SHL of $490^{\prime}$ FSL and $1,019^{\prime}$ FWL of Section 30-T20S-R30E and an approximate BHL of 1,980' FSL and 20' FWL of Section 26-T20S-R29E, Eddy County, New Mexico (collectively with all three proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of $\$ 2,526,321$ and total completed well costs of $\$ 6,095,412$.
- Prairie Fire $25-26$ Fed Com 624 H as a horizontal well to an approximate landing TVD of 9,857, bottom hole TVD' of 9,659', and approximate TMD of 19,659' into the Wolfcamp formation at an approximate SHL of 435' FSL and 995' FWL of Section 30-T20S-R30E and an approximate BHL of $660^{\prime}$ FSL and 20' FWL of Section 26-T20S-R29E, Eddy County, New Mexico (collectively with all three proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of $\$ 2,831,911$ and total completed well costs of $\$ 6,401,002$.

Devon reserves the right to modify the locations and drilling plans described above in order to address surface and subsurface concerns. Devon will advise of any such modifications.

May 11, 2021
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Devon is proposing to drill the Wells under the terms of the modified 2015 AAPL form of Operating Agreement ("JOA"). The JOA will be supplied to those parties interested in participating. The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- Contract Area: S/2 of Section 25 and 26, T20S-R29E, Eddy County, NM
- $100 / 300 \%$ Non-Consenting Penalty
- Overhead rates of \$8,000 DWR/\$800 PWR

Please indicate your election to participate in the drilling and completion of the Wells in the spaces provided below, within 30 days of receipt, by signing and returning one (1) copy of this letter and AFE, along with your well data requirements sheet. A Communization Agreement for said Wells will be supplied for your review and execution at a later date.

If your election is to participate, a cash call invoice will be sent following receipt of a timely election.
If an agreement cannot be reached within 30 days of receipt of this letter by all parties, Devon will apply to the New Mexico Oil Conversation Division for compulsory pooling of your interest into a spacing unit for the Wells, if uncommitted at such time.

Please do not hesitate to contact me at (405) 552-8002 or via email at Andy.Bennett@dvn.com if you have any questions concerning this proposal.

Very truly yours,

## Devon Energy Production Company, L.P.



Andy Bennett, CPL
Senior Staff Landman

May 11, 2021
Page 3

## EOG Resources Inc:

$\qquad$ To Participate in the proposal of the Prairie Fire 25-26 Fed Com 333H
$\qquad$ Not To Participate in the proposal of the Prairie Fire 25-26 Fed Com 333H
$\qquad$ To Participate in the proposal of the Prairie Fire 25-26 Fed Com 623H
$\qquad$ Not To Participate in the proposal of the Prairie Fire 25-26 Fed Com 623H
$\qquad$ To Participate in the proposal of the Prairie Fire 25-26 Fed Com 624H
$\qquad$ Not To Participate in the proposal of the Prairie Fire 25-26 Fed Com 624H

Agreed to and Accepted this $\qquad$ day of $\qquad$ , 2021.

## EOG Resources Inc.

By: $\qquad$
Title: $\qquad$

## devon

Authorization for Expenditure
AFE \# XX-141322.01
Well Name: PRAIRIE FIRE 25-26 FED COM 333H
Cost Center Number: 1094583001
Legal Description: SEC 30-20S-30E

| AFE Date: | 4/26/2021 |
| :--- | :--- |
| State: | NM |

Revision: $\square$
County/Parish: EDDY

Explanation and Justification:
DRILL AND COMPLETE

| Code | Intangible Description | Drilling Costs | $\begin{gathered} \text { Completion } \\ \text { Costs } \\ \hline \end{gathered}$ | Dry Hole Costs | $\begin{aligned} & \text { Total } \\ & \text { Costs } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6040110 | CHEMICALS - OTHER | 0.00 | 73,877.57 | 0.00 | 73,877.57 |
| 6060100 | DYED LIQUID FUELS | 10,512.89 | 64,688.65 | 0.00 | 75,201.54 |
| 6080100 | DISPOSAL - SOLIDS | 68,528.76 | 1,052.34 | 0.00 | 69,581.10 |
| 6080110 | DISP-SALTWATER \& OTH | 0.00 | 9,471.07 | 0.00 | 9,471.07 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 50,400.00 | 0.00 | 50,400.00 |
| 6090100 | FLUIDS - WATER | 15,836.16 | 148,135.17 | 0.00 | 163,971.33 |
| 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 |
| 6110120 | ROAD\&SITE PREP M\&S | 0.00 | 37,275.00 | 0.00 | 37,275.00 |
| 6110130 | ROAD\&SITE PREP SVC | 30,000.00 | 57,003.10 | 0.00 | 87,003.10 |
| 6110170 | DAMAGE \& REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | \& C SERVICES | 0.00 | 189,037.50 | 0.00 | 189,037.50 |
| 6130170 | COMM SVCS - WAN | 2,201.97 | 0.00 | 0.00 | 2,201.97 |
| 6130360 | RTOC - ENGINEERING | 0.00 | 3,900.76 | 0.00 | 3,900.76 |
| 6130370 | RTOC - GEOSTEERING | 7,167.88 | 0.00 | 0.00 | 7,167.88 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG\&WL SV | 14,913.97 | 168,483.18 | 0.00 | 183,397.15 |
| 6160100 | MATERIALS \& SUPPLIES | 695.76 | 0.00 | 0.00 | 695.76 |
| 6170100 | PULLING\&SWABBING SVC | 0.00 | 78,311.06 | 0.00 | 78,311.06 |
| 6170110 | SNUBBG\&COIL TUBG SVC | 0.00 | 13,154.27 | 0.00 | 13,154.27 |
| 6190100 | TRCKG\&HL-SOLID\&FLUID | 34,159.25 | 0.00 | 0.00 | 34,159.25 |
| 6190110 | TRUCKING\&HAUL OF EQP | 28,161.89 | 64,745.12 | 0.00 | 92,907.01 |
| 6200130 | CONSLT \& PROJECT SVC | 98,340.61 | 84,343.46 | 0.00 | 182,684.07 |
| 6230120 | SAFETY SERVICES | 25,819.66 | 0.00 | 0.00 | 25,819.66 |
| 6300270 | SOLIDS CONTROL SRVCS | 57,632.82 | 0.00 | 0.00 | 57,632.82 |
| 6310120 | STIMULATION SERVICES | 0.00 | 397,372.51 | 0.00 | 397,372.51 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 304,122.52 | 0.00 | 304,122.52 |
| 6310200 | CASING \& TUBULAR SVC | 74,762.90 | 0.00 | 0.00 | 74,762.90 |
| 6310250 | CEMENTING SERVICES | 104,010.72 | 0.00 | 0.00 | 104,010.72 |
| 6310280 | DAYWORK COSTS | 431,571.39 | 0.00 | 0.00 | 431,571.39 |
| 6310300 | DIRECTIONAL SERVICES | 157,257.56 | 0.00 | 0.00 | 157,257.56 |
| 6310310 | DRILL BITS | 66,334.43 | 0.00 | 0.00 | 66,334.43 |
| 6310330 | DRILL\&COMP FLUID\&SVC | 82,643.61 | 35,706.45 | 0.00 | 118,350.06 |
| 6310380 | OPEN HOLE EVALUATION | 21,202.59 | 0.00 | 0.00 | 21,202.59 |
| 6310480 | TSTNG-WELL, PL \& OTH | 0.00 | 103,380.72 | 0.00 | 103,380.72 |
| 6310510 | VACUUM TRUCK SVC | 0.00 | 2,500.00 | 0.00 | 2,500.00 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 18,374.22 | 0.00 | 18,374.22 |
| 6320100 | EQPMNT SVC-SRF RNTL | 87,099.57 | 171,018.82 | 0.00 | 258,118.39 |
| 6320110 | EQUIP SVC - DOWNHOLE | 46,390.52 | 61,433.32 | 0.00 | 107,823.84 |
| 6320160 | WELDING SERVICES | 3,579.16 | 0.00 | 0.00 | 3,579.16 |
| 6320190 | WATER TRANSFER | 0.00 | 65,889.94 | 0.00 | 65,889.94 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 188,306.20 | 0.00 | 188,306.20 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS \& SERVS | 0.00 | 7,198.15 | 0.00 | 7,198.15 |

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

## Authorization for Expenditure

AFE \# XX-141322.01
Well Name: PRAIRIE FIRE 25-26 FED COM 333H

| AFE Date: | $4 / 26 / 2021$ |
| :--- | :--- |
| State: | NM |
| County/Parish: | EDDY |

Legal Description: SEC $\mathbf{3 0 - 2 0 S}-30 E$
County/Parish: EDDY
Revision: $\square$

| Code | Intangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6550110 | MISCELLANEOUS SVC | $16,765.19$ | 0.00 | 0.00 | $16,765.19$ |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | $23,000.00$ | 0.00 | $23,000.00$ |
| 6630110 | CAPITAL OVERHEAD | $5,472.44$ | $46,953.75$ | 0.00 | $52,426.19$ |
| 6740340 | TAXES OTHER | 0.00 | $8,493.00$ | 0.00 | $8,493.00$ |
|  | Total Intangibles | $1,562,061.70$ | $2,477,627.85$ | 0.00 | $4,039,689.55$ |


| Code | Tangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :--- | :---: | :---: | ---: | ---: |
| 6120110 | \&C EQUIPMENT | 0.00 | $79,120.91$ | 0.00 | $79,120.91$ |
| 6120120 | MEASUREMENT EQUIP | 0.00 | $31,950.00$ | 0.00 | $31,950.00$ |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | $370,913.23$ | 0.00 | $370,913.23$ |
| 6300220 | STORAGE VESSEL\&TANKS | 0.00 | $62,835.00$ | 0.00 | $62,835.00$ |
| 6300230 | PUMPS - SURFACE | 0.00 | $9,585.00$ | 0.00 | $9,585.00$ |
| 6310130 | ARTIFICIAL LIFT EQP | 0.00 | $25,000.00$ | 0.00 | $25,000.00$ |
| 6310150 | CASG-COND\&DRIVE PIPE | $20,000.00$ | 0.00 | 0.00 | $20,000.00$ |
| 6310420 | TUBING \& COMPONENTS | 0.00 | $53,499.13$ | 0.00 | $53,499.13$ |
| 6310460 | WELLHEAD EQUIPMENT | $46,923.43$ | $87,093.66$ | 0.00 | $134,017.09$ |
| 6310540 | NTERMEDIATE CASING | $109,296.80$ | 0.00 | 0.00 | $109,296.80$ |
| 6310550 | PRODUCTION CASING | $207,572.26$ | 0.00 | 0.00 | $207,572.26$ |
| 6310580 | CASING COMPONENTS | $28,085.67$ | 0.00 | 0.00 | $28,085.67$ |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | $159,634.63$ | 0.00 | $159,634.63$ |
|  | Total Tangibles | $411,878.16$ | $879,631.56$ | 0.00 | $1,291,509.72$ |


|  |  |  |  |  |  |
| :---: | ---: | ---: | ---: | ---: | :---: |
| TOTAL ESTIMATED COST | $1,973,939.86$ | $3,357,259.41$ | 0.00 | $5,331,199.27$ |  |

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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

Authorization for Expenditure

AFE \# XX-141321.01
Well Name: PRAIRIE FIRE 25-26 FED COM 623H
Cost Center Number: 1094582901
Legal Description: SEC 30-20S-30E
AFE Date:
4/26/2021
County/Parish: EDDY
Revision: $\square$

Explanation and Justification:
DRILL AND COMPLETE

| Code | Intangible <br> Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6040110 | CHEMICALS - OTHER | 0.00 | 109,841.95 | 0.00 | 109,841.95 |
| 6060100 | DYED LIQUID FUELS | 9,934.13 | 92,458.84 | 0.00 | 102,392.97 |
| 6080100 | DISPOSAL - SOLIDS | 76,781.14 | 1,069.84 | 0.00 | 77,850.98 |
| 6080110 | DISP-SALTWATER \& OTH | 0.00 | 9,628.58 | 0.00 | 9,628.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 50,400.00 | 0.00 | 50,400.00 |
| 6090100 | FLUIDS - WATER | 5,997.50 | 226,086.79 | 0.00 | 232,084.29 |
| 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 |
| 6110120 | ROAD\&SITE PREP M\&S | 0.00 | 37,275.00 | 0.00 | 37,275.00 |
| 6110130 | ROAD\&SITE PREP SVC | 30,000.00 | 57,213.11 | 0.00 | 87,213.11 |
| 6110170 | DAMAGE \& REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | \& C SERVICES | 0.00 | 189,037.50 | 0.00 | 189,037.50 |
| 6130170 | COMM SVCS - WAN | 3,209.85 | 0.00 | 0.00 | 3,209.85 |
| 6130360 | RTOC - ENGINEERING | 0.00 | 4,034.31 | 0.00 | 4,034.31 |
| 6130370 | RTOC - GEOSTEERING | 8,805.25 | 0.00 | 0.00 | 8,805.25 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG\&WL SV | 0.00 | 171,887.94 | 0.00 | 171,887.94 |
| 6160100 | MATERIALS \& SUPPLIES | 3,621.16 | 0.00 | 0.00 | 3,621.16 |
| 6170100 | PULLING\&SWABBING SVC | 0.00 | 79,553.60 | 0.00 | 79,553.60 |
| 6170110 | SNUBBG\&COIL TUBG SVC | 0.00 | 13,373.03 | 0.00 | 13,373.03 |
| 6190100 | TRCKG\&HL-SOLID\&FLUID | 35,024.12 | 0.00 | 0.00 | 35,024.12 |
| 6190110 | TRUCKING\&HAUL OF EQP | 17,318.80 | 65,007.64 | 0.00 | 82,326.44 |
| 6200130 | CONSLT \& PROJECT SVC | 104,034.28 | 85,711.09 | 0.00 | 189,745.37 |
| 6230120 | SAFETY SERVICES | 26,869.74 | 0.00 | 0.00 | 26,869.74 |
| 6300270 | SOLIDS CONTROL SRVCS | 65,627.42 | 0.00 | 0.00 | 65,627.42 |
| 6310120 | STIMULATION SERVICES | 0.00 | 411,196.08 | 0.00 | 411,196.08 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 365,051.95 | 0.00 | 365,051.95 |
| 6310200 | CASING \& TUBULAR SVC | 67,095.19 | 0.00 | 0.00 | 67,095.19 |
| 6310250 | CEMENTING SERVICES | 160,036.09 | 0.00 | 0.00 | 160,036.09 |
| 6310280 | DAYWORK COSTS | 430,631.01 | 0.00 | 0.00 | 430,631.01 |
| 6310300 | DIRECTIONAL SERVICES | 217,480.86 | 0.00 | 0.00 | 217,480.86 |
| 6310310 | DRILL BITS | 54,605.19 | 0.00 | 0.00 | 54,605.19 |
| 6310330 | DRILL\&COMP FLUID\&SVC | 219,423.38 | 36,333.77 | 0.00 | 255,757.15 |
| 6310370 | MOB \& DEMOBILIZATION | 4,355.66 | 0.00 | 0.00 | 4,355.66 |
| 6310380 | OPEN HOLE EVALUATION | 15,727.53 | 0.00 | 0.00 | 15,727.53 |
| 6310480 | TSTNG-WELL, PL \& OTH | 0.00 | 104,254.42 | 0.00 | 104,254.42 |
| 6310510 | VACUUM TRUCK SVC | 0.00 | 2,500.00 | 0.00 | 2,500.00 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,135.39 | 0.00 | 19,135.39 |
| 6320100 | EQPMNT SVC-SRF RNTL | 81,204.04 | 153,099.06 | 0.00 | 234,303.10 |
| 6320110 | EQUIP SVC - DOWNHOLE | 30,155.50 | 62,650.00 | 0.00 | 92,805.50 |
| 6320160 | WELDING SERVICES | 1,496.22 | 0.00 | 0.00 | 1,496.22 |
| 6320190 | WATER TRANSFER | 0.00 | 67,988.05 | 0.00 | 67,988.05 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 188,306.20 | 0.00 | 188,306.20 |
| 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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

## Authorization for Expenditure

| AFE \# XX-141321.01 |  |  |
| :--- | :--- | :--- |
| Well Name: PRAIRIE FIRE 25-26 FED COM 623H | AFE Date: | $4 / 26 / 2021$ |
| Cost Center Number: 1094582901 | State: | NM |
| Legal Description: SEC $30-20$ S-30E | County/Parish: | EDDY |
| Revision: $\square$ |  |  |


| Code | Intangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | :---: | ---: |
| 6550100 | MISCS COSTS \& SERVS | 0.00 | $7,198.15$ | 0.00 | $7,198.15$ |
| 6550110 | MISCELLANEOUS SVC | $42,408.79$ | 0.00 | 0.00 | $42,408.79$ |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | $23,000.00$ | 0.00 | $23,000.00$ |
| 6630110 | CAPITAL OVERHEAD | $5,554.08$ | $46,953.75$ | 0.00 | $52,507.83$ |
| 6740340 | TAXES OTHER | 0.00 | $8,493.00$ | 0.00 | $8,493.00$ |
|  | Total Intangibles | $1,788,396.93$ | $2,688,739.04$ | 0.00 | $4,477,135.97$ |


| Code | Tangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :--- | :---: | :---: | ---: | ---: |
| 6120110 | I\&C EQUIPMENT | 0.00 | $79,120.91$ | 0.00 | $79,120.91$ |
| 6120120 | MEASUREMENT EQUIP | 0.00 | $31,950.00$ | 0.00 | $31,950.00$ |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | $370,913.23$ | 0.00 | $370,913.23$ |
| 6300220 | STORAGE VESSEL\&TANKS | 0.00 | $62,835.00$ | 0.00 | $62,835.00$ |
| 6300230 | PUMPS - SURFACE | 0.00 | $9,585.00$ | 0.00 | $9,585.00$ |
| 6310130 | ARTIFICIAL LIFT EQP | 0.00 | $25,000.00$ | 0.00 | $25,000.00$ |
| 6310150 | CASG-COND\&DRIVE PIPE | $20,000.00$ | 0.00 | 0.00 | $20,000.00$ |
| 6310420 | TUBING \& COMPONENTS | 0.00 | $53,519.90$ | 0.00 | $53,519.90$ |
| 6310460 | WELLHEAD EQUIPMENT | $48,893.97$ | $87,793.69$ | 0.00 | $136,687.66$ |
| 6310530 | SURFACE CASING | $17,042.45$ | 0.00 | 0.00 | $17,042.45$ |
| 6310540 | NTERMEDIATE CASING | $268,789.50$ | 0.00 | 0.00 | $268,789.50$ |
| 6310550 | PRODUCTION CASING | $353,477.94$ | 0.00 | 0.00 | $353,477.94$ |
| 6310580 | CASING COMPONENTS | $29,720.20$ | 0.00 | 0.00 | $29,720.20$ |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | $159,634.63$ | 0.00 | $159,634.63$ |
|  | Total Tangibles | $737,924.06$ | $880,352.36$ | 0.00 | $1,618,276.42$ |


| TOTAL ESTIMATED COST | $\mathbf{2 , 5 2 6 , 3 2 0 . 9 9}$ | $3,569,091.40$ | 0.00 | $\mathbf{6 , 0 9 5 , 4 1 2 . 3 9}$ |
| :---: | ---: | ---: | ---: | ---: |

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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

Authorization for Expenditure

AFE \# XX-141323.01
Well Name: PRAIRIE FIRE 25-26 FED COM 624H Cost Center Number: 1094583101
Legal Description: SEC 30-20S-30E

| AFE Date: | 4/26/2021 |
| :--- | :--- |
| State: | NM |
| County/Parish: | EDDY |

Revision: $\square$

Explanation and Justification:
DRILL AND COMPLETE

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6040110 | CHEMICALS - OTHER | 0.00 | 109,841.95 | 0.00 | 109,841.95 |
| 6060100 | DYED LIQUID FUELS | 9,057.51 | 92,458.84 | 0.00 | 101,516.35 |
| 6080100 | DISPOSAL - SOLIDS | 92,913.24 | 1,069.84 | 0.00 | 93,983.08 |
| 6080110 | DISP-SALTWATER \& OTH | 0.00 | 9,628.58 | 0.00 | 9,628.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 50,400.00 | 0.00 | 50,400.00 |
| 6090100 | FLUIDS - WATER | 25,175.87 | 226,086.79 | 0.00 | 251,262.66 |
| 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 |
| 6110120 | ROAD\&SITE PREP M\&S | 0.00 | 37,275.00 | 0.00 | 37,275.00 |
| 6110130 | ROAD\&SITE PREP SVC | 31,806.08 | 57,213.11 | 0.00 | 89,019.19 |
| 6110170 | DAMAGE \& REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | \& C SERVICES | 0.00 | 189,037.50 | 0.00 | 189,037.50 |
| 6130170 | COMM SVCS - WAN | 3,768.75 | 0.00 | 0.00 | 3,768.75 |
| 6130360 | RTOC - ENGINEERING | 0.00 | 4,034.31 | 0.00 | 4,034.31 |
| 6130370 | RTOC - GEOSTEERING | 6,175.57 | 0.00 | 0.00 | 6,175.57 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG\&WL SV | 0.00 | 171,887.94 | 0.00 | 171,887.94 |
| 6160100 | MATERIALS \& SUPPLIES | 3,448.70 | 0.00 | 0.00 | 3,448.70 |
| 6170100 | PULLING\&SWABBING SVC | 0.00 | 79,553.60 | 0.00 | 79,553.60 |
| 6170110 | SNUBBG\&COIL TUBG SVC | 0.00 | 13,373.03 | 0.00 | 13,373.03 |
| 6190100 | TRCKG\&HL-SOLID\&FLUID | 70,802.80 | 0.00 | 0.00 | 70,802.80 |
| 6190110 | TRUCKING\&HAUL OF EQP | 41,056.76 | 65,007.64 | 0.00 | 106,064.40 |
| 6200130 | CONSLT \& PROJECT SVC | 120,847.13 | 85,711.09 | 0.00 | 206,558.22 |
| 6230120 | SAFETY SERVICES | 23,051.49 | 0.00 | 0.00 | 23,051.49 |
| 6300270 | SOLIDS CONTROL SRVCS | 52,694.12 | 0.00 | 0.00 | 52,694.12 |
| 6310120 | STIMULATION SERVICES | 0.00 | 411,196.08 | 0.00 | 411,196.08 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 365,051.95 | 0.00 | 365,051.95 |
| 6310200 | CASING \& TUBULAR SVC | 57,637.73 | 0.00 | 0.00 | 57,637.73 |
| 6310250 | CEMENTING SERVICES | 136,997.79 | 0.00 | 0.00 | 136,997.79 |
| 6310280 | DAYWORK COSTS | 430,564.24 | 0.00 | 0.00 | 430,564.24 |
| 6310300 | DIRECTIONAL SERVICES | 223,657.58 | 0.00 | 0.00 | 223,657.58 |
| 6310310 | DRILL BITS | 50,060.10 | 0.00 | 0.00 | 50,060.10 |
| 6310330 | DRILL\&COMP FLUID\&SVC | 259,597.86 | 36,333.77 | 0.00 | 295,931.63 |
| 6310370 | MOB \& DEMOBILIZATION | 239,854.32 | 0.00 | 0.00 | 239,854.32 |
| 6310380 | OPEN HOLE EVALUATION | 9,592.72 | 0.00 | 0.00 | 9,592.72 |
| 6310480 | TSTNG-WELL, PL \& OTH | 0.00 | 104,254.42 | 0.00 | 104,254.42 |
| 6310510 | VACUUM TRUCK SVC | 0.00 | 2,500.00 | 0.00 | 2,500.00 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,135.39 | 0.00 | 19,135.39 |
| 6320100 | EQPMNT SVC-SRF RNTL | 134,259.66 | 153,099.06 | 0.00 | 287,358.72 |
| 6320110 | EQUIP SVC - DOWNHOLE | 66,628.63 | 62,650.00 | 0.00 | 129,278.63 |
| 6320160 | WELDING SERVICES | 973.27 | 0.00 | 0.00 | 973.27 |
| 6320190 | WATER TRANSFER | 0.00 | 67,988.05 | 0.00 | 67,988.05 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 188,306.20 | 0.00 | 188,306.20 |
| 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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

## Authorization for Expenditure

| AFE \# XX-141323.01 |  |  |
| :--- | :--- | :--- |
| Well Name: PRAIRIE FIRE 25-26 FED COM 624H | AFE Date: | 4/26/2021 |
| Cost Center Number: 1094583101 | State: | NM |
| Legal Description: SEC 30-20S-30E | County/Parish: | EDDY |
| Revision: $\square$ |  |  |


| Code | Intangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | ---: | ---: |
| 6550100 | MISCS COSTS \& SERVS | 0.00 | $7,198.15$ | 0.00 | $7,198.15$ |
| 6550110 | MISCELLANEOUS SVC | $40,822.78$ | 0.00 | 0.00 | $40,822.78$ |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | $23,000.00$ | 0.00 | $23,000.00$ |
| 6630110 | CAPITAL OVERHEAD | $6,106.41$ | $46,953.75$ | 0.00 | $53,060.16$ |
| 6740340 | TAXES OTHER | 0.00 | $8,493.00$ | 0.00 | $8,493.00$ |
|  | Total Intangibles | $2,208,551.11$ | $2,688,739.04$ | 0.00 | $4,897,290.15$ |


| Code | Tangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | ---: | ---: |
| 6120110 | I\&C EQUIPMENT | 0.00 | $79,120.91$ | 0.00 | $79,120.91$ |
| 6120120 | MEASUREMENT EQUIP | 0.00 | $31,950.00$ | 0.00 | $31,950.00$ |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | $370,913.23$ | 0.00 | $370,913.23$ |
| 6300220 | STORAGE VESSEL\&TANKS | 0.00 | $62,835.00$ | 0.00 | $62,835.00$ |
| 6300230 | PUMPS - SURFACE | 0.00 | $9,585.00$ | 0.00 | $9,585.00$ |
| 6310130 | ARTIFICIAL LIFT EQP | 0.00 | $25,000.00$ | 0.00 | $25,000.00$ |
| 6310150 | CASG-COND\&DRIVE PIPE | $20,000.00$ | 0.00 | 0.00 | $20,000.00$ |
| 6310420 | TUBING \& COMPONENTS | 0.00 | $53,519.90$ | 0.00 | $53,519.90$ |
| 6310460 | WELLHEAD EQUIPMENT | $45,236.91$ | $87,793.69$ | 0.00 | $133,030.60$ |
| 6310530 | SURFACE CASING | $14,450.40$ | 0.00 | 0.00 | $14,450.40$ |
| 6310540 | INTERMEDIATE CASING | $243,923.02$ | 0.00 | 0.00 | $243,923.02$ |
| 6310550 | PRODUCTION CASING | $276,174.92$ | 0.00 | 0.00 | $276,174.92$ |
| 6310580 | CASING COMPONENTS | $23,574.67$ | 0.00 | 0.00 | $23,574.67$ |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | $159,634.63$ | 0.00 | $159,634.63$ |
|  | Total Tangibles | $623,359.92$ | $880,352.36$ | 0.00 | $1,503,712.28$ |


| TOTAL ESTIMATED COST | $2,831,911.03$ | $3,569,091.40$ | 0.00 | $6,401,002.43$ |
| ---: | ---: | ---: | ---: | ---: |

## WORKING INTEREST OWNER APPROVAL

Company Name:
Signature: Print Name:

Title:

Date:

Email:

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

Chronology of Contacts between Devon Energy Production Company, L.P. ("Devon") and the Uncommitted Interest Owners in Case No. 22156:

1. Well Proposal Letter Prairie Fire $25-26$ Fed Com $333 H$ Well from Devon to all the working interest owners dated and mailed May 11, 2021 (Exhibit A-3).
2. Initial email with discussion of agreements/drafts between Devon Energy Production Company, L.P. and the working interest owners, occurred in May, 2020, following the mailing of the proposal letter.
3. Follow up email and phone call efforts with working interest owners, in June through August, 2021, were not reciprocated and the interests remained uncommitted.
4. Emailed with EOG Resources Inc. on September 1,2021. They responded that they have entered an appearance in the Case, but do not object to the Case moving forward on September 9, 2021.

## TAB 3

Case No. 22156

Exhibit B: Affidavit of Joseph Dixon, 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 <br> DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION 

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

Case No. 22156

## AFFIDAVIT OF JOE DIXON

I, Joe Dixon, 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 abovereferenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
4. I have testified previously by affidavit before the Oil Conservation Division ("Division") as an expert petroleum geologist; my credentials have been made a matter of record, and I have been qualified as an expert by the Division.
a. I have a Bachelor of Science Degree in Geology from Purdue University and a Master of Science Degree in Geology from Oklahoma State University.
b. I have worked on New Mexico Oil and Gas matters since November 2020.
5. Exhibit B-1 is a structure map showing the depth (subsea) to the top of the Wolfcamp formation, a marker that defines the base of the target interval for the proposed
well. Contour interval of $20^{\prime}$. The unit being pooled is outlined by red rectangle. The structure map shows that there is a regional down-dip to the Southeast. I do not observe any faulting, pinchouts, or other geologic impediments to developing this targeted interval.
6. Exhibit B-2 is a stratigraphic cross-section flattened on the Wolfcamp Top. Each well in the cross-section contains a gamma ray, resistivity, and porosity $\log$ (porosity $\log$ not ran on the Dooley 1). The cross-section demonstrates continuity and consistent thickness across the target zone. The well logs on the cross-section give a representative sample of the $3^{\text {rd }}$ Bone Spring Sand. The landing zone is highlighted by the well number.
7. Additional exhibits for the benefit of the Division's review include Exhibit B-3, a gross isochore of the 3- ${ }^{\text {d }}$ Bone Spring Sand, as well as Exhibits B-4 and B-5. Exhibit B4 is a gun barrel representation of the unit, and Exhibit B-5 is a structural cross section built along the wellbore trajectories.
8. I conclude from the attached exhibits that:
a. The horizontal spacing and proration unit is justified from a geologic standpoint.
b. There are no structural impediments or faulting that will interfere with horizontal development.
c. Each quarter-quarter section in the unit will contribute more or less equally to production, and since we are using proximity tracts to enlarge the unit, I can confirm each quarter section along the lateral will also contribute more or less equally to production.
9. The preferred well orientation in this area is East-West so that the wells run subperpendicular to the inferred orientation of the maximum horizontal stress.
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 drilling of unnecessary wells, and the protection of correlative rights.
12. The foregoing is correct and complete to the best of my knowledge and belief.
[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT


Subscribed to and sworn before me this pul $_{\text {al }}$ day of September_, 2021.



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


Exhibit B-2 Cross-section A to B. Stratigraphic cross-section hung on top of Wolfcamp.
Target interval indicated by well number.


Exhibit B-3 is a gross isochore of the $3{ }^{\text {rd }}$ Bone Springs Sandstone target formation with a 20' contour interval. Map demonstrates continuity and consistent thickness of the target zone.


Exhibit B-4 is a gun barrel representation of the unit.


Exhibit B-5 is a cross section with approximate well trajectory.

## TAB 4

Case No. 22156

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

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

## APPLICATION OF DEVON ENERGY PRODUCTION

COMPANY, L.P., FOR A HORIZONTAL SPACING UNIT
AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Case Nos. 22156, 22157, and 22158

## AFFIDAVIT OF NOTICE

STATE OF NEW MEXICO )
ss.
COUNTY OF SANTA FE )
Darin C. Savage, attorney and authorized representative of Devon Energy Production Company, L.P., the Applicant herein, being first duly sworn, upon oath, states that the above referenced Application was under a notice letter and that proof of receipt is attached hereto.


Darin C. Savage

SUBSCRIBED AND SWORN to before me this 7th day of September, 2021, by Darin C. Savage.


My Commission Expires:


ABADIEISCHILLPC

Colorado
Louisiana
Kansas
Nebraska
Montana
Oklahoma

New Mexico

## Texas

 UtahWyoming California
North Dakota

August 19, 2021

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

$$
\begin{array}{ll}
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico } \\
\text { Prairie Fire 25-26 Fed Com 333H Well (Case No. 22156) }
\end{array} \\
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico }
\end{array} \\
& \text { Prairie Fire 25-26 Fed Com 623H Well (Case No. 22157) } \\
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico }
\end{array} \\
& \text { Prairie Fire 25-26 Fed Com 624H Well (Case No. 22158) }
\end{array}
$$

Case Nos. 22156, 22157, and 22158:
Dear Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon") has filed the enclosed applications, Case Nos. 22156-58, with the New Mexico Oil Conservation Division for creating standard horizontal spacing units and the compulsory pooling of the Bone Spring formation, for Case No. 22156 involving the Prairie Fire 25-26 Fed Com 333H Well, and the Wolfcamp formation, a wildcat oil pool for Case Nos. 2215758 involving the Prairie Fire 25-26 Fed Com 623H and 624H Wells.

In Case No. 22156, Devon plans to pool the S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, a standard unit encompassing 640 acres, more or less, dedicated to the Prairie Fire $25-26$ Fed Com 333H Well.

In Case No. 22157, Devon plans to pool the N/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico a standard unit encompassing 320 acres, more or less, dedicated to the Prairie Fire $25-26$ Fed Com 623 H Well.

In Case No. 22158, Devon plans to pool the $\mathrm{S} / 2 \mathrm{~S} / 2$ of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico a standard unit encompassing 320 acres, more or less, dedicated to the Prairie Fire 25-26 Fed Com 624 H Well.

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 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 Prehearing 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) 5528002 or at AndyBennett@dvn.com.

## Sincerely,



Darin C. Savage
Attorney for Devon Energy Production Company, L.P.

For the Pursuit of Energy

Colorado
Louisiana
Kansas
Nebraska
Montana
Oklahoma

New Mexico
Texas
Utah

California
North Dakota

August 19, 2021

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

$$
\begin{array}{ll}
\text { Re: } & \begin{array}{l}
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\text { Prairie Fire 25-26 Fed Com 333H Well (Case No. 22156) }
\end{array} \\
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\end{array} \\
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\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico }
\end{array} \\
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\end{array}
$$

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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 Prehearing 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) 5528002 or at AndyBennett@dvn.com.


Darin C. Savage
Attorney for Devon Energy Production Company, L.P.

$$
\begin{array}{l|l|l|l|l|l|l}
\hline \text { Owner } & \text { Address } & \text { CITY } & \text { State } & \text { ZIP } & \text { USPS \# } \\
\begin{array}{l}
\text { Devon } \\
\text { EOG Resources, Inc. }
\end{array} & \text { 5509 Champions Dr. } & \text { Midland } & \text { TX } & 79706 & 70201290000124853125 & \text { Certified Mail } \\
\text { OXY Y-1 Company } & 5 \text { Greenway Plaza, Suite 110 } & \text { Houston } & \text { TX } & 77045 & 70201290000124853118 & \text { Certified Mail } \\
\begin{array}{l}
\text { United States of America } \\
\text { c/o Bureau of Land Management }
\end{array} & 301 \text { Dinosaur Trail } & \text { Santa Fe NM } & 87508 & 70201290000124853132 & \text { Certified Mail } \\
\begin{array}{l}
\text { United States of America } \\
\text { c/o Bureau of Land Management }
\end{array} & 620 \text { E. Greene St. } & \text { Carlsbad NM } & 88220 & 70201290000124853149 & \text { Certified Mail } \\
\hline
\end{array}
$$

$$
\begin{aligned}
& \text { Mailed Status Date Delivered } \\
& 8 / 19 / 21 \text { Delivered } 8 / 24 / 21 \\
& 8 / 19 / 21 \text { Delivered } 8 / 23 / 21 \\
& 8 / 19 / 21 \text { Delivered } 8 / 23 / 21 \\
& 8 / 19 / 21 \text { Delivered } 8 / 23 / 21
\end{aligned}
$$

$$
\begin{aligned}
& \text { Green Card Returned? } \\
& \text { YES } \\
& \text { YES } \\
& \text { YES } \\
& \text { YES }
\end{aligned}
$$

## 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:

COMPLETE THIS SECTION ON DELIVERY
A. Signature
$\times$ (
B. Received by (Printed Name)

$\mathrm{C}=$ Date of Delivery
D. Is delivery address different from item 1? If YES, enter delivery address below:

## 2. Article Number (Transfer from service labell

 3020 1290 00012485 311. 8
## 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

2．Article Number（Transfer from service label） アロ2ロ 129ロ ロロロ1 2485 3132 PS Form 3811，July 2020 PSN 7530－02－000－9053

A．Signature
$x^{2}$ buran
B．Received by（Printed Name）
Regina Duran
D．Is delivery address different from item 1？区 Yes If YES，enter delivery address below：



Agent Addressee

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

3．Service Type<br>Adult Signature<br>Adult Signature Restricted Delivery<br>Certified Mail ®<br>Certified Mail Restricted Delivery<br>Collect on Delivery<br>Collect on Delivery Restricted Delivery<br>Insured Mail<br>1 Mail Restricted Delivery<br>500）

$\square$ Priority Mail Express ®
$\square$ Registered Mail ${ }^{\text {TM }}$Registered Mail Restricted Delivery
$\square$ Signature Confirmation ${ }^{\text {TM }}$Signature Confirmation Restricted Delivery

## SENDER: COMPLETE THIS SECTION

## COMPLETE THIS SECTION ON DELIVERY

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:
A. Signature

$\square$ Agent
Addressee
B. Received by (Printed Name)

D. Is delivery address different from item 1 ? If YES, enter delivery address below:

EOG Resources Inc. 5509 Champions Dr. Midland, TX 79706
2. Article Number (Transfer from service label)
3. Service Type

Adult Signature
Adult Signature Restricted Delivery Certified Male Certified Mail Restricted Delivery Collect on Delivery
Collect on Delivery Restricted Delivery


Mail
Mail Restricted Delivery
tovorwj00)

## 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：

## COMPLETE THIS SECTION ON DELIVERY

A．Signature
B．Received by（Printgct Name） crane

D．Is delivery address different from item 1？ ／Addressee If YES，enter delivery address below：


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

## PF

## ｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜ 9590940264070303469022

2．Article Number（Transfer from service label）

3．Service Type
Adult Signature
$\square$ Adult Signature Restricted Delivery Certified Mail ${ }^{(8)}$
Certified Mail Restricted Delivery
$\square$ Collect on Delivery
$\square$ Collect on Delivery Restricted Delivery

## Candid Current Argus.

## Affidavit of Publication

Ad \# 0004881705
This is not an invoice

ABADIE SCHILL PC.
555 RIVERGATE LANE SUITE B4-18
DURANGO, CO 81301


#### Abstract

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:




Subscribed and sworn before me this August 26,
2021:


Stare of WI, County of Brown NOTARY PUBLIC


My commission expires

Ad \# 0004881705
PO \#: 22156 DG
\# of Affidavits 1
This is not an invoice

CASE No. 22156: 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 EOG RESOURCES, INC. AND OXY Y-1 COMPANY, 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://ww w.emnrd.nm.gov/ocd/hearin g-info/ or call (505) 4763441. 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 $S / 2$ of Sections 25 and 26 ,
Township 20 South, Range
29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted
Bone Spring formation, designated as an oil pool, underlying said unit. Said horizontal spacing unit is to be dedicated to the Prairie Fire 25-26 Fed Com 333H, an oil well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30, Township 20 South, Range 30 East, NMPM, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 26, Township 20 South, Range 29 East, NMPM. The completed interval and first take and last take points for well proposed in the unit meet the Division's statewide setback requirements for horizontal oil wells. Proximity tracts will be utilized for the unit. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a $200 \%$ charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southeast of Artesia, New Mexico.
\#4881705, Current Argus,
Auqust 26, 2021

## TAB 1

Reference for Case No. 22157
Application Case No. 22157 - Prairie Fire 25-26 Fed Com 623H NMOCD Checklist Case No. 22157

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


#### Abstract

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


Case No. 22157

## 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, a standard 320-acre, more or less, spacing and proration unit comprised of the $\mathrm{N} / 2 \mathrm{~S} / 2$ of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a wildcat oil 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 proposes and dedicates to the HSU the Prairie Fire 25-26 Fed Com 623H Well as an initial well.
3. Devon proposes the Prairie Fire 25-26 Fed Com 623H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30,

Township 20 South, Range 30 East, NMPM, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26, Township 20 South, Range 29 East, NMPM.
4. The well is orthodox in its location, and its take points and lateral comply with Statewide Rules for setbacks.
5. 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 well or in the commitment of their interests to the well for its development within the proposed HSU.
6. 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.
7. 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 well 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 the creation of a standard 320 -acre, more or less, spacing and proration unit comprised of the N/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico;
B. Pooling all uncommitted mineral interests in the Wolfcamp formation underlying the proposed HSU.
C. Approving the Prairie Fire 25-26 Fed Com 623H Well as the well for the HSU.
D. Designating Devon as operator of this HSU and the horizontal well to be drilled thereon;
E. Authorizing Devon to recover its costs of drilling, equipping, and completing the well;
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 well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

ABADIE \& SCHILL, PC<br>/s/ Darin C. Savage<br>Darin C. Savage<br>William E. Zimsky<br>Andrew D. Schill<br>214 McKenzie Street<br>Santa Fe, New Mexico 87501<br>Telephone: 970.385.4401<br>Facsimile: 970.385.4901<br>darin@abadieschill.com<br>bill@abadieschill.com<br>andrew@abadieschill.com

Attorneys for Devon Energy Production
Company, L.P.

[^0]
## COMPULSORY POOLING APPLICATION CHECKLIST

| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS |  |
| :--- | :--- |
| Case: $\mathbf{2 2 1 5 7}$ | APPLICANT'S RESPONSE |
| Date | September 7, 2021 |
| Applicant | Devon Energy Production Company, L.P. |
| Designated Operator \& OGRID (affiliation if applicable) | $\mathbf{6 1 3 7}$ |
| Applicant's Counsel: | Darin C. Savage - Abadie \& Schill, PC |
| Case Title: | Application of Devon Energy Production Company, L.P., <br> for a Horizontal Spacing Unit and Compulsory Pooling, <br> Eddy County, New Mexico |
| Entries of Appearance/Intervenors: | EOG Resources, Inc. |
| Well Family | Prairie Fire |
| Formation/Pool | Wolfcamp |
| Formation Name(s) or Vertical Extent: | Oil |
| Primary Product (Oil or Gas): | Prhim |


| Pooling this vertical extent: | Exh |
| :--- | :--- |
| Pool Name and Pool Code: | WC |


| Well Location Setback Rules: | NMAC statewide rules apply |
| :--- | :--- |
| Spacing Unit Size: | 320 acres, more or less |
| Spacing Unit | Horizontal |
| Type (Horizontal/Vertical) | 320 acres, more or less |
| Size (Acres) | quarter quarter sections (40 ac tracts) |
| Building Blocks: | east - west |
| Orientation: | N/2 S/2 of Sections 25 and 26, Township 20 South, Range <br> 29 East, NMPM, Eddy County, New Mexico |
| Description: TRS/County | Yes |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe |  |
| Other Situations | No |
| Depth Severance: Y/N. If yes, description | No |
| Proximity Tracts: If yes, description | N/a |
| Proximity Defining Well: if yes, description | See Landmand Exhibit A-2 |
| Applicant's Ownership in Each Tract |  |
| Well(s) |  |
| Name |  |

Name \& API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) Well \#1

Horizontal Well First and Last Take Points

Completion Target (Formation, TVD and MD)

Prairie Fire 25-26 Fed Com 623H Well (API 30-015-
pending), SHL: Unit M, 490' FSL, 1019' FWL, Section 30, T20S-R30E, NMPM; BHL: Unit L, 2150' FSL, 20' FWL, Section 26, T20S-R29E, NMPM, laydown, standard location
Prairie Fire 25-26 Fed Com 623H Well: FTP 2150' FSL, 100' FEL, Section 25; LTP 2150' FSL, 100' FWL, Section 26

Prairie Fire 25-26 Fed Com 623H Well: TVD approx. 9640', TMD approx. 19640'; Wolfcamp formation See Exhibit B-2

| 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

Case No. 22157

Exhibit A: Affidavits of Andy D. Bennett, 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

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

Case No. 22157

## AFFIDAVIT OF ANDY BENNETT <br> STATE OF OKLAHOMA ) <br> ) ss. <br> COUNTY OF OKLAHOMA )

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

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
2. I am employed as a Senior Staff Landman with Devon Energy Production Company, L.P. ("Devon"), and I am familiar with the subject application and the lands involved. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
3. 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.
4. Devon seeks orders pooling all uncommitted mineral interests in the Wolfcamp formation (WC 20S29E23; Wolfcamp; Pool Code: 98357) underlying standard 320-acre, more or less, horizontal spacing units comprised of the N/2S/2 of Sections 25 and 26 of T20S-R29E, NMPM, Eddy County, New Mexico:

- Under Case No. 22157: Devon seeks to pool the N/2S/2 of Section 25 and the N/2S/2 of Section 26, being 320 acre, more or less, for the Prairie Fire 25-26 Fed Com 623 H well (API No. 30-015-pending), to be horizontally drilled from a surface location in Lot 4 or SW/4 SW/4 (Unit M) of Section 30-T20S-R30E to a bottom hole location in the NW/4SW/4 of Section 26-T20S-R29E (Unit L); approximate TVD of 9,640 '; approximate TMD of 19,640'; FTP in Section 25: 100’ FEL, 2150' FSL; LTP in Section 26: 100' FWL, 2150' FSL;

5. The proposed C-102 for each well is attached as Exhibit A-1.
6. 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 location of each well is orthodox, and it meets the Division's offset requirements.
7. 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 working interest owners and overriding royalty interest owners.
8. There are no depth severances in the Wolfcamp formation in this acreage.
9. I provided the law firm of Abadie \& Schill P.C. a list of names and addresses for the uncommitted interest owners and ORRI owners shown on Exhibit A-2. In compiling these addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the well is located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. All working interest owners and overriding royalty interest owners were locatable and noticed. Devon published notice in the Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico.
10. Devon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells. Exhibit A-4 provides a chronology and history of contacts with the owners.
11. The interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells. However, Devon has been in ongoing discussions with some of the interest owners to voluntarily enter into a Joint Operating Agreement. If a mutually agreeable Joint Operating Agreement is reached between Devon and another interest owner or owners, Devon requests that the voluntary agreement become operative and supersede the Division's order for said parties, except to the extent the Division deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of waste, and the protection of correlative rights.
12. 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.
13. 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.
14. Devon requests the maximum cost, plus $200 \%$ risk charge be assessed against nonconsenting working interest owners.
15. Devon requests that it be designated operator of the units and wells.
16. The Exhibits to this Affidavit were prepared by me or compiled from Devon's company business records under my direct supervision.
17. 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.
18. The foregoing is correct and complete to the best of my knowledge and belief.
[Signature page follows]

## FURTHER AFFIANT SAYETH NAUGHT



Andy Bennett, CPL
Subscribed to and sworn before me this day of September, 2021.

State Oklarone §
County Okblame §


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
$\frac{1220 \text { S. St. Francis Dr., Santa Fe, NM } 87505}{}$ 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ${ }^{1}$ API Number |  |  | ${ }^{2}$ Pool Code[98357] |  |  | ${ }^{3}$ Pool Name WC 20S29E23:WOLFCAMP |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| ${ }^{4}$ Propert | Code | 5 Property NamePRAIRIE FIRE 25-26 FED COM |  |  |  |  |  |  | $\begin{gathered} { }^{6} \text { Well Number } \\ 623 \mathrm{H} \end{gathered}$ |
| $\begin{array}{r} 7{ }^{7} \text { OGRID } \\ 613 \end{array}$ |  | DEVON ENERGY PRODUCTION COMPANY, L.P. |  |  |  |  |  | $\begin{aligned} & { }^{9} \text { Elevation } \\ & 3256.74 \end{aligned}$ |  |
| ${ }^{10}$ Surface Location |  |  |  |  |  |  |  |  |  |
| $\begin{array}{\|c} \hline \text { UL or lot no. } \\ M \end{array}$ | $\begin{gathered} \hline \text { Section } \\ 30 \end{gathered}$ | $\begin{array}{\|c} \hline \text { Township } \\ 20-S \end{array}$ | $\begin{gathered} \text { Range } \\ 30-E \end{gathered}$ | $\begin{gathered} \text { Lot Idn } \\ 4 \end{gathered}$ | $\begin{aligned} & \text { Feet from the } \\ & 490 \end{aligned}$ | North/South line SOUTH | $\begin{aligned} & \text { Feet from the } \\ & 1019 \end{aligned}$ | East/West line WEST | County EDDY |
| ${ }^{11}$ Bottom Hole Location If Different From Surface |  |  |  |  |  |  |  |  |  |
| $\begin{array}{\|c} \hline \text { UL or lot no. } \\ \mathrm{L} \end{array}$ | $\begin{gathered} \text { Section } \\ 26 \end{gathered}$ | $\begin{array}{\|c} \hline \text { Township } \\ 20-S \end{array}$ | $\begin{aligned} & \text { Range } \\ & 29-E \end{aligned}$ | $\begin{gathered} \text { Lot Idn } \\ \text { N/A } \end{gathered}$ | $\begin{aligned} & \text { Feet from the } \\ & 2150 \end{aligned}$ | North/South line SOUTH | $\begin{aligned} & \text { Feet from the } \\ & 20 \end{aligned}$ | East/West line WEST | $\begin{aligned} & \hline \text { County } \\ & \text { EDDY } \end{aligned}$ |
| ${ }^{12}$ Dedicated Acres    <br> 320 ${ }^{13}$ Joint or Infill ${ }^{14}$ Consolidation Code  |  |  |  |  | ${ }^{5}$ 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.
16
N:564542.95

Intent $\mathrm{X} \quad$ As Drilled $\square$

| API\# |  |  |
| :--- | :--- | :--- | :--- |
| Operator Name: |  |  |
| DEVON ENERGY PRODUCTION COMPANY, L.P. | Property Name: <br> PRAIRIE FIRE 25-26 FED COM | Well Number <br> $623 H$ |

Kick Off Point (KOP)

| UL M | Section $30$ | $\begin{gathered} \hline \text { Township } \\ \text { 20S } \\ \hline \end{gathered}$ | Range 30E | Lot | Feet $2127$ | From N/S SOUTH | Feet 488 | From E/W WEST | County EDDY |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Latitude |  |  |  |  | Longitude |  |  |  | NAD |
| 32.54288470 |  |  |  |  | -104.01847701 |  |  |  | 83 |

First Take Point (FTP)

| $\begin{aligned} & \hline \text { UL } \\ & \text { I } \end{aligned}$ | $\begin{array}{\|l} \hline \text { Section } \\ 25 \end{array}$ | $\begin{aligned} & \text { Township } \\ & \text { 20-S } \end{aligned}$ | $\begin{aligned} & \text { Range } \\ & \text { 29-E } \end{aligned}$ | $\begin{array}{\|l\|} \hline \text { Lot } \\ \mathrm{N} / \mathrm{A} \end{array}$ | $\begin{array}{\|l\|} \hline \text { Feet } \\ 2150 \end{array}$ | From N/S SOUTH | $\begin{array}{\|l\|} \hline \text { Feet } \\ 100 \end{array}$ | From E/W EAST | County EDDY |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{array}{\|l\|} \hline \text { Latitude } \\ 32.543044^{\circ} \end{array}$ |  |  |  |  | $\begin{aligned} & \text { Longitude } \\ & -104.020305^{\circ} \end{aligned}$ |  |  |  | $\begin{array}{\|l\|} \hline \text { NAD } \\ 83 \end{array}$ |

Last Take Point (LTP)

| UL | $\begin{array}{\|l\|} \hline \text { Section } \\ 26 \end{array}$ | $\begin{aligned} & \text { Township } \\ & 20-S \end{aligned}$ | $\begin{aligned} & \text { Range } \\ & 29-E \end{aligned}$ | $\begin{array}{\|l\|} \hline \text { Lot } \\ \mathrm{N} / \mathrm{A} \end{array}$ | $\begin{aligned} & \text { Feet } \\ & 2150 \end{aligned}$ | $\begin{aligned} & \hline \text { From N/S } \\ & \text { SOUTH } \end{aligned}$ | $\begin{array}{\|c\|} \hline \text { Feet } \\ 100 \end{array}$ | From E/W WEST | County EDDY |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{array}{\|l\|} \hline \text { Latitude } \\ 32.543063^{\circ} \end{array}$ |  |  |  |  | $\begin{aligned} & \text { Longitude } \\ & \text {-104.053987º } \end{aligned}$ |  |  |  | $\begin{array}{\|l\|} \hline \text { NAD } \\ 83 \end{array}$ |

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

Is this well an infill well?

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



LEGAL DESCRIPTION:
A Surface Site Easement located in Lot 4 of Section 30, Township 20 South, Range 30 East, of the New Mexico Principal Meridian, Eddy County, State of New Mexico being described as follows:

Commencing at the South Quarter corner of said Section 30 (Found Brass Cap); thence, North $83^{\circ} 08^{\prime} 31^{\prime \prime}$ West a distance of 1446.59 feet to the POINT OF BEGINNING;
thence, North $66^{\circ} 51^{\prime} 377^{\prime \prime}$ West a distance of 950.23 feet, from which the Southwest corner of said Section 30 (Found Brass Cap) bears South $31^{\circ} 13^{\prime} 27^{\prime \prime}$ West a distance of
636.18 feet
thence, North $23^{\circ} 08^{\prime} 23^{\prime \prime}$ East a distance of 500.12 feet;
thence, South $66^{\circ} 51^{\prime} 37^{\prime \prime}$ East a distance of 950.23 feet;
thence, South $23^{\circ} 08^{\prime} 23^{\prime \prime}$ West a distance of 500.12 feet, to the (P.O.B) Point Of Beginning.
Said Surface Site Easement containing 10.910 Acres more or less.

DIRECTIONS:
BEGINNING AT THE INTERSECTION OF NEW MEXICO STATE HIGHWAY 62 (HOBBS HWY) AND BURTON FLATS ROAD (COUNTY ROAD 238). TURN LEFT ONTO BURTON FLATS ROAD (COUNTY ROAD 238) AND TRAVEL NORTH FOR 2.2 MILES. THE ROAD SPLITS, STAY LEFT ON BURTON FLATS ROAD TRAVEL WEST FOR 1.9 MILES TO AN INTERSECTION OF EXISTING UNNAMED ROAD. TURN LEFT ON UNNAMED ROAD AND TRAVEL SOUTH FOR 0.7 MILES TO THE ACCESS FOR TIGER PAW 22 WELL PAD 2 ON THE LEFT.

## NOTES:

1. BASIS OF BEARINGS, COORDINATES AND DISTANCES ARE STATE PLANE GRID, NAD 83, NEW MEXICO EAST (3001) WITH A CONVERGENCE ANGLE OF $0^{\circ} 09^{\prime} 37.47$ " AND A COMBINED SCALE FACTOR OF 0.999762289 BASED ON CP FITZ BOOSTER AT N:556917.44 E: 633268.61 . UNITS REPRESENTED ON THIS PLAT ARE IN US SURVEY FEET.
2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCES IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000237768
3. ELEVATIONS SHOWN ARE EXISTING GROUND UNLESS OTHERWISE NOTED.

SURVEYOR STATEMENT:
I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE SURVEY INFORMATION FOUND ON THIS EASEMENT PLAT WAS DERIVED FROM FIELD NOTES OR ELECTRONIC DATA OF AN ON-THE-GROUND SURVEY MADE BY ME OR UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY. THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO. IF ANY ALTERATIONS ARE MADE (HAND DRAWN, HANDWRITTEN OR DIGITAL ADDITIONS), THIS SURVEYOR IS NO LONGER RESPONSIBLE FOR THE VALIDITY OF THIS PLAT.


ALBERT R. DEHOYOS NEW MEXICO PS No. 23261


| nWHS <br> ENGINEERING > SURVEYING > PLANNING $15159^{\text {TH }}$ STREET, STE A, ROCK SPRINGS, WY 8290 307.362.6065\|866.938.3088|www.whsmithpc.com | DEVON ENERGY PRODUCTION CO., L.P. PRAIRIE FIRE 30 FAC 1 SURFACE SITE EASEMENT <br> ON THE PROPERTY OF |  |
| :---: | :---: | :---: |
| DRAWN BY: JMA CHECKED BY: ARD | BUREAU OF LAND MANAGEMENT | $\cdots 7$ |
| DATE: 02/16/2021 $\quad$ JOB NO: 18080 | SECTION 30, TOWNSHIP 20 SOUTH |  |
| REVISIONS: (04/01/2021 JEB) ADD TOPSOIL (4/23/21 JEB) MOVE SHL (04/26/21 JMA) PAD EXPANSION | RANGE 30 EAST, N.M.P.M. <br> EDDY COUNTY, STATE OF NEW MEXICO |  |
|  |  | AA000443609 |









## LEGAL DESCRIPTION <br> FOR <br> DEVON ENERGY PRODUCTION COMPANY, L.P. BUREAU OF LAND MANAGEMENT

PROPOSED 30' ACCESS ROAD EASEMENT:
A strip of land located in the Southwest Quarter (SW1/4) of the Southeast Quarter (NE1/4), the South Half (S1/2) of the Southwest Quarter (SW1/4), of Section 30, Township 20 South, Range 30 East, of the New Mexico Principal Meridian, Eddy county, State of New Mexico, being thirty feet ( $30^{\prime}$ ) in width, lying fifteen feet ( $15^{\prime}$ ) on each side of the following described centerline:

Commencing at the South Quarter Corner of said Section 30 (P.O.C.) (Found USGLO Brass Cap); thence, North $89^{\circ} 58^{\prime} 02^{\prime \prime}$ East a distance of 461.28 feet to the (P.O.B.) Point Of Beginning, said point being on the South line of the Southeast Quarter of said Section 30, sidelines are shortened or elongated to begin on said Section line;
thence, North $66^{\circ} 33^{\prime} 00^{\prime \prime}$ West a distance of 337.35 feet; thence, North $84^{\circ} 04^{\prime} 36^{\prime \prime}$ West a distance of 396.91 feet; thence, North $52^{\circ} 10^{\prime} 09^{\prime \prime}$ West a distance of 98.48 feet; thence, North $35^{\circ} 52^{\prime} 41^{\prime \prime}$ West a distance of 255.47 feet; thence, North $59^{\circ} 26^{\prime} 50^{\prime \prime}$ West a distance of 97.05 feet; thence, North $79^{\circ} 24^{\prime} 30^{\prime \prime}$ West a distance of 161.37 feet; thence, North $66^{\circ} 17^{\prime} 19$ " West a distance of 631.12 feet; thence, South $67^{\circ} 10^{\prime} 30^{\prime \prime}$ West a distance of 89.77 feet; thence, South $23^{\circ} 08^{\prime} 23^{\prime \prime}$ West a distance of 47.11 feet; thence, South $68^{\circ} 12^{\prime} 13^{\prime \prime}$ West a distance of 226.33 feet; thence, North $66^{\circ} 56^{\prime} 43^{\prime \prime}$ West a distance of 240.06 feet to the (P.O.E.) Point of Ending, from which the Southwest Corner of said Section 30 (Found USGLO Brass Cap) bears South $49^{\circ} 12^{\prime} 23^{\prime \prime}$ West a distance of 1079.57 feet.

Said centerline being 2581.02 feet or 156.43 rods in length and containing 1.778 Acres more or less.


## NOTES:

1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 556917.441, EAST:633268.606, ELEVATION: 3349.522, DETERMINED BY AN OPUS SOLUTION ON JUNE 25TH, 2020.
2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000237768
3. ELEVATIONS ARE OF NAVD 88 COMPUTED USEING GEIOD 12B.




## LEGAL DESCRIPTION <br> FOR <br> DEVON ENERGY PRODUCTION COMPANY, L.P. BUREAU OF LAND MANAGEMENT

PROPOSED 30' ACCESS ROAD EASEMENT:
A strip of land located in the North Half (N1/2) of the Northeast Quarter (NE1/4), of Section 31, Township 20 South, Range 30 East, of the New Mexico Principal Meridian, Eddy county, State of New Mexico, being thirty feet ( $30^{\prime}$ ) in width, lying fifteen feet ( $15^{\prime}$ ) on each side of the following described centerline:

Commencing at the Northeast Corner of said Section 31 (P.O.C.) (Found USGLO Brass Cap); thence, South $44^{\circ} 25^{\prime} 06^{\prime \prime}$ West a distance of 1030.50 feet to the (P.O.B.) Point Of Beginning;
thence, North $41^{\circ} 31^{\prime} 24^{\prime \prime}$ West a distance of 190.82 feet;
thence, North $64^{\circ} 51^{\prime} 12^{\prime \prime}$ West a distance of 560.22 feet;
thence, North $66^{\circ} 33^{\prime} 00$ " West a distance of 889.22 feet to the (P.O.E.) Point of Ending, said point being on the North line of the Northeast Quarter of said Section 31, sidelines are shortened or elongated to end on said Section line, from said point the North Quarter Corner of said Section 31 (Found USGLO Brass Cap) bears South $89^{\circ} 58^{\prime} 02^{\prime \prime}$ West a distance of 461.28 feet.

Said centerline being 1640.26 feet or 99.41 rods in length and containing 1.130 Acres more or less.


NOTES:

1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 556917.441, EAST:633268.606, ELEVATION: 3349.522, DETERMINED BY AN OPUS SOLUTION ON JUNE 25TH, 2020.
2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000237768
3. ELEVATIONS ARE OF NAVD 88 COMPUTED USEING GEIOD 12B.




Exhibit "A-2"
N/2 S/2 of Sections 25 \& 26, T-20-S, R-29-E, Eddy County, New Mexico, Wolfcamp Formation

| Sec. 26 |  |  |  | Sec. 25 |  |  |  | Sec. 30 |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  | $\vdots$ |  |

Tract 1:
USA NMNM-103602
(120 acres)


Tract 3:
USA NMNM-132066
(160 acres)


Tract 2:
USA NMNM-129731
(40 acres)


Prairie Fire 25-26 Fed Com 623H
SHL: Sec. $30-20 \mathrm{~S}-30 \mathrm{E} 490^{\prime}$ FSL \& 1,019' FWL
BHL: Sec. 26-20S-29E 2,150 FSL \& 20' FWL

# Exhibit "A-2" <br> OWNERSHIP BREAKDOWN - Wolfcamp formation <br> N/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East of Eddy County, NM <br> Prairie Fire 25-26 Fed Com 623H 

TRACT 1 OWNERSHIP (NE4SE4 and N2SW4 of Section 26-T20S-R29E, being 120 acres)
Lease: USA NMNM-103602

| Owner | Net Acres | Unit WI | Status |
| :--- | :--- | :--- | :--- |
| Devon Energy Production Company, L.P. | 28.80 | 0.09 | Committed |
| 333 W. Sheridan Avenue |  |  |  |
| Oklahoma City, OK 73102 |  |  |  |

EOG Resources Inc.

5509 Champions Drive
Midland, TX 79706

| OXY Y-1 Company | 38.40 | 0.12 |  |
| :--- | :--- | :--- | :--- |
| 5 Greenway Plaza, Suite 110 |  |  |  |
| Houston, TX 77046 |  |  |  |

TRACT 1 TOTAL
120.00
0.375

TRACT 2 OWNERSHIP (NW4SE4 of Section 26-T20S-R29E, being 40 acres)
Lease: USA NMNM-129731

| Owner | Net Acres | Unit WI | Status |
| :--- | :--- | :--- | :--- |
| Devon Energy Production Company, L.P. | 40.00 | 0.125 | Committed |
| 333 W. Sheridan Avenue |  |  |  |
| Oklahoma City, OK 73102 |  |  |  |
|  |  |  |  |
| TRACT 2 TOTAL | 40.00 | 0.125 |  |

TRACT 3 OWNERSHIP (N2S2 of Section 25-T20S-R29E, being 160 acres)
Lease: USA NMNM-132066

| Owner | Net Acres | Unit WI | Status |
| :--- | :--- | :--- | :--- |
| Devon Energy Production Company, L.P. | 160 | 0.50 | Committed |
| 333 W. Sheridan Avenue |  |  |  |
| Oklahoma City, OK 73102 |  |  |  |
|  |  |  |  |
| TRACT 3 TOTAL | 160.00 | 0.50 |  |

## Overriding Royalty Owners

NONE

# UNIT RECAPITULATION: N/2 S/2 of Sections $\mathbf{2 5}$ and $\mathbf{2 6}$ of T20S-R27E; $\mathbf{3 2 0}$ acres 

Devon Energy Production Company, L.P. ..... 71.50\% WI
EOG Resources, Inc. ..... 16.50\% WI
OXY Y-1 Company ..... 12.00\% WI
UNIT TOTAL: ..... 100\% WI

May 11, 2021

EOG Resources Inc.
Attn: Laci Stretcher
5509 Champions Drive
Midland, TX 79706

RE: Well Proposals- Prairie Fire 25-26 Fed Com 333H
Prairie Fire $25-26$ Fed Com 623H
Prairie Fire 25-26 Fed Com 624H
Eddy County, New Mexico

Ms. Stretcher:
Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following three (3) wells:

- Prairie Fire $25-26$ Fed Com 333H as a horizontal well to an approximate landing TVD of 9,655', bottom hole TVD' of $9,471^{\prime}$, and approximate TMD of $19,471^{\prime}$ into the Bone Spring formation at an approximate SHL of $462^{\prime}$ FSL and $1,007^{\prime}$ FWL of Section $30-$ T20S-R30E and an approximate BHL of 1,320' FSL and 20' FWL of Section 26-T20S-R29E, Eddy County, New Mexico (collectively with all three proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of $\$ 1,973,940$ and total completed well costs of $\$ 5,331,199$.
- Prairie Fire 25-26 Fed Com 623 H as a horizontal well to an approximate landing TVD of 9,810', bottom hole TVD' of $9,640^{\prime}$, and approximate TMD of $19,640^{\prime}$ into the Wolfcamp formation at an approximate SHL of $490^{\prime}$ FSL and $1,019^{\prime}$ FWL of Section 30-T20S-R30E and an approximate BHL of $1,980^{\prime}$ FSL and 20' FWL of Section 26-T20S-R29E, Eddy County, New Mexico (collectively with all three proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of $\$ 2,526,321$ and total completed well costs of $\$ 6,095,412$.
- Prairie Fire $25-26$ Fed Com 624 H as a horizontal well to an approximate landing TVD of 9,857', bottom hole TVD' of 9,659', and approximate TMD of 19,659' into the Wolfcamp formation at an approximate SHL of 435' FSL and 995' FWL of Section 30-T20S-R30E and an approximate BHL of $660^{\prime}$ FSL and $20^{\circ}$ FWL of Section 26-T20S-R29E, Eddy County, New Mexico (collectively with all three proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of $\$ 2,831,911$ and total completed well costs of $\$ 6,401,002$.

Devon reserves the right to modify the locations and drilling plans described above in order to address surface and subsurface concerns. Devon will advise of any such modifications.

May 11, 2021
Page 2

Devon is proposing to drill the Wells under the terms of the modified 2015 AAPL form of Operating Agreement ("JOA"). The JOA will be supplied to those parties interested in participating. The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- Contract Area: S/2 of Section 25 and 26, T20S-R29E, Eddy County, NM
- $100 / 300 \%$ Non-Consenting Penalty
- Overhead rates of $\$ 8,000$ DWR/\$800 PWR

Please indicate your election to participate in the drilling and completion of the Wells in the spaces provided below, within 30 days of receipt, by signing and returning one (1) copy of this letter and AFE, along with your well data requirements sheet. A Communization Agreement for said Wells will be supplied for your review and execution at a later date.

If your election is to participate, a cash call invoice will be sent following receipt of a timely election.
If an agreement cannot be reached within 30 days of receipt of this letter by all parties, Devon will apply to the New Mexico Oil Conversation Division for compulsory pooling of your interest into a spacing unit for the Wells, if uncommitted at such time.

Please do not hesitate to contact me at (405) 552-8002 or via email at Andy.Bennett@dvn.com if you have any questions concerning this proposal.

Very truly yours,

## Devon Energy Production Company, L.P.



Andy Bennett, CPL
Senior Staff Landman

May 11, 2021
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## EOG Resources Inc:

$\qquad$ To Participate in the proposal of the Prairie Fire 25-26 Fed Com 333H
$\qquad$ Not To Participate in the proposal of the Prairie Fire 25-26 Fed Com 333H
$\qquad$ To Participate in the proposal of the Prairie Fire 25-26 Fed Com 623H
$\qquad$ Not To Participate in the proposal of the Prairie Fire 25-26 Fed Com 623H
$\qquad$ To Participate in the proposal of the Prairie Fire $25-26$ Fed Com 624H
$\qquad$ Not To Participate in the proposal of the Prairie Fire 25-26 Fed Com 624H

Agreed to and Accepted this $\qquad$ day of $\qquad$ , 2021.

## EOG Resources Inc.

By: $\qquad$
Title: $\qquad$

## devon

Authorization for Expenditure
AFE \# XX-141322.01
Well Name: PRAIRIE FIRE 25-26 FED COM 333H
Cost Center Number: 1094583001
Legal Description: SEC 30-20S-30E

| AFE Date: | 4/26/2021 |
| :--- | :--- |
| State: | NM |

Revision: $\square$
County/Parish: EDDY

Explanation and Justification:
DRILL AND COMPLETE

| Code | Intangible Description | Drilling Costs | $\begin{gathered} \text { Completion } \\ \text { Costs } \\ \hline \end{gathered}$ | Dry Hole Costs | $\begin{aligned} & \text { Total } \\ & \text { Costs } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6040110 | CHEMICALS - OTHER | 0.00 | 73,877.57 | 0.00 | 73,877.57 |
| 6060100 | DYED LIQUID FUELS | 10,512.89 | 64,688.65 | 0.00 | 75,201.54 |
| 6080100 | DISPOSAL - SOLIDS | 68,528.76 | 1,052.34 | 0.00 | 69,581.10 |
| 6080110 | DISP-SALTWATER \& OTH | 0.00 | 9,471.07 | 0.00 | 9,471.07 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 50,400.00 | 0.00 | 50,400.00 |
| 6090100 | FLUIDS - WATER | 15,836.16 | 148,135.17 | 0.00 | 163,971.33 |
| 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 |
| 6110120 | ROAD\&SITE PREP M\&S | 0.00 | 37,275.00 | 0.00 | 37,275.00 |
| 6110130 | ROAD\&SITE PREP SVC | 30,000.00 | 57,003.10 | 0.00 | 87,003.10 |
| 6110170 | DAMAGE \& REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | \& C SERVICES | 0.00 | 189,037.50 | 0.00 | 189,037.50 |
| 6130170 | COMM SVCS - WAN | 2,201.97 | 0.00 | 0.00 | 2,201.97 |
| 6130360 | RTOC - ENGINEERING | 0.00 | 3,900.76 | 0.00 | 3,900.76 |
| 6130370 | RTOC - GEOSTEERING | 7,167.88 | 0.00 | 0.00 | 7,167.88 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG\&WL SV | 14,913.97 | 168,483.18 | 0.00 | 183,397.15 |
| 6160100 | MATERIALS \& SUPPLIES | 695.76 | 0.00 | 0.00 | 695.76 |
| 6170100 | PULLING\&SWABBING SVC | 0.00 | 78,311.06 | 0.00 | 78,311.06 |
| 6170110 | SNUBBG\&COIL TUBG SVC | 0.00 | 13,154.27 | 0.00 | 13,154.27 |
| 6190100 | TRCKG\&HL-SOLID\&FLUID | 34,159.25 | 0.00 | 0.00 | 34,159.25 |
| 6190110 | TRUCKING\&HAUL OF EQP | 28,161.89 | 64,745.12 | 0.00 | 92,907.01 |
| 6200130 | CONSLT \& PROJECT SVC | 98,340.61 | 84,343.46 | 0.00 | 182,684.07 |
| 6230120 | SAFETY SERVICES | 25,819.66 | 0.00 | 0.00 | 25,819.66 |
| 6300270 | SOLIDS CONTROL SRVCS | 57,632.82 | 0.00 | 0.00 | 57,632.82 |
| 6310120 | STIMULATION SERVICES | 0.00 | 397,372.51 | 0.00 | 397,372.51 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 304,122.52 | 0.00 | 304,122.52 |
| 6310200 | CASING \& TUBULAR SVC | 74,762.90 | 0.00 | 0.00 | 74,762.90 |
| 6310250 | CEMENTING SERVICES | 104,010.72 | 0.00 | 0.00 | 104,010.72 |
| 6310280 | DAYWORK COSTS | 431,571.39 | 0.00 | 0.00 | 431,571.39 |
| 6310300 | DIRECTIONAL SERVICES | 157,257.56 | 0.00 | 0.00 | 157,257.56 |
| 6310310 | DRILL BITS | 66,334.43 | 0.00 | 0.00 | 66,334.43 |
| 6310330 | DRILL\&COMP FLUID\&SVC | 82,643.61 | 35,706.45 | 0.00 | 118,350.06 |
| 6310380 | OPEN HOLE EVALUATION | 21,202.59 | 0.00 | 0.00 | 21,202.59 |
| 6310480 | TSTNG-WELL, PL \& OTH | 0.00 | 103,380.72 | 0.00 | 103,380.72 |
| 6310510 | VACUUM TRUCK SVC | 0.00 | 2,500.00 | 0.00 | 2,500.00 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 18,374.22 | 0.00 | 18,374.22 |
| 6320100 | EQPMNT SVC-SRF RNTL | 87,099.57 | 171,018.82 | 0.00 | 258,118.39 |
| 6320110 | EQUIP SVC - DOWNHOLE | 46,390.52 | 61,433.32 | 0.00 | 107,823.84 |
| 6320160 | WELDING SERVICES | 3,579.16 | 0.00 | 0.00 | 3,579.16 |
| 6320190 | WATER TRANSFER | 0.00 | 65,889.94 | 0.00 | 65,889.94 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 188,306.20 | 0.00 | 188,306.20 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS \& SERVS | 0.00 | 7,198.15 | 0.00 | 7,198.15 |

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

## Authorization for Expenditure

AFE \# XX-141322.01
Well Name: PRAIRIE FIRE 25-26 FED COM 333H

| AFE Date: | $4 / 26 / 2021$ |
| :--- | :--- |
| State: | NM |
| County/Parish: | EDDY |

Legal Description: SEC 30-20S-30E
County/Parish: EDDY
Revision: $\square$

| Code | Intangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6550110 | MISCELLANEOUS SVC | $16,765.19$ | 0.00 | 0.00 | $16,765.19$ |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | $23,000.00$ | 0.00 | $23,000.00$ |
| 6630110 | CAPITAL OVERHEAD | $5,472.44$ | $46,953.75$ | 0.00 | $52,426.19$ |
| 6740340 | TAXES OTHER | 0.00 | $8,493.00$ | 0.00 | $8,493.00$ |
|  | Total Intangibles | $1,562,061.70$ | $2,477,627.85$ | 0.00 | $4,039,689.55$ |


| Code | Tangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :--- | :---: | :---: | ---: | ---: |
| 6120110 | \&C EQUIPMENT | 0.00 | $79,120.91$ | 0.00 | $79,120.91$ |
| 6120120 | MEASUREMENT EQUIP | 0.00 | $31,950.00$ | 0.00 | $31,950.00$ |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | $370,913.23$ | 0.00 | $370,913.23$ |
| 6300220 | STORAGE VESSEL\&TANKS | 0.00 | $62,835.00$ | 0.00 | $62,835.00$ |
| 6300230 | PUMPS - SURFACE | 0.00 | $9,585.00$ | 0.00 | $9,585.00$ |
| 6310130 | ARTIFICIAL LIFT EQP | 0.00 | $25,000.00$ | 0.00 | $25,000.00$ |
| 6310150 | CASG-COND\&DRIVE PIPE | $20,000.00$ | 0.00 | 0.00 | $20,000.00$ |
| 6310420 | TUBING \& COMPONENTS | 0.00 | $53,499.13$ | 0.00 | $53,499.13$ |
| 6310460 | WELLHEAD EQUIPMENT | $46,923.43$ | $87,093.66$ | 0.00 | $134,017.09$ |
| 6310540 | NTERMEDIATE CASING | $109,296.80$ | 0.00 | 0.00 | $109,296.80$ |
| 6310550 | PRODUCTION CASING | $207,572.26$ | 0.00 | 0.00 | $207,572.26$ |
| 6310580 | CASING COMPONENTS | $28,085.67$ | 0.00 | 0.00 | $28,085.67$ |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | $159,634.63$ | 0.00 | $159,634.63$ |
|  | Total Tangibles | $411,878.16$ | $879,631.56$ | 0.00 | $1,291,509.72$ |


|  |  |  |  |  |  |  |
| :--- | :--- | ---: | ---: | ---: | :---: | :---: |
| TOTAL ESTIMATED COST | $1,973,939.86$ | $3,357,259.41$ | 0.00 | $\mathbf{5 , 3 3 1}, 199.27$ |  |  |

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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

Authorization for Expenditure

AFE \# XX-141321.01
Well Name: PRAIRIE FIRE 25-26 FED COM 623H
Cost Center Number: 1094582901
Legal Description: SEC 30-20S-30E
AFE Date:
4/26/2021
County/Parish: EDDY
Revision: $\square$

Explanation and Justification:
DRILL AND COMPLETE

| Code | Intangible <br> Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6040110 | CHEMICALS - OTHER | 0.00 | 109,841.95 | 0.00 | 109,841.95 |
| 6060100 | DYED LIQUID FUELS | 9,934.13 | 92,458.84 | 0.00 | 102,392.97 |
| 6080100 | DISPOSAL - SOLIDS | 76,781.14 | 1,069.84 | 0.00 | 77,850.98 |
| 6080110 | DISP-SALTWATER \& OTH | 0.00 | 9,628.58 | 0.00 | 9,628.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 50,400.00 | 0.00 | 50,400.00 |
| 6090100 | FLUIDS - WATER | 5,997.50 | 226,086.79 | 0.00 | 232,084.29 |
| 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 |
| 6110120 | ROAD\&SITE PREP M\&S | 0.00 | 37,275.00 | 0.00 | 37,275.00 |
| 6110130 | ROAD\&SITE PREP SVC | 30,000.00 | 57,213.11 | 0.00 | 87,213.11 |
| 6110170 | DAMAGE \& REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | \& C SERVICES | 0.00 | 189,037.50 | 0.00 | 189,037.50 |
| 6130170 | COMM SVCS - WAN | 3,209.85 | 0.00 | 0.00 | 3,209.85 |
| 6130360 | RTOC - ENGINEERING | 0.00 | 4,034.31 | 0.00 | 4,034.31 |
| 6130370 | RTOC - GEOSTEERING | 8,805.25 | 0.00 | 0.00 | 8,805.25 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG\&WL SV | 0.00 | 171,887.94 | 0.00 | 171,887.94 |
| 6160100 | MATERIALS \& SUPPLIES | 3,621.16 | 0.00 | 0.00 | 3,621.16 |
| 6170100 | PULLING\&SWABBING SVC | 0.00 | 79,553.60 | 0.00 | 79,553.60 |
| 6170110 | SNUBBG\&COIL TUBG SVC | 0.00 | 13,373.03 | 0.00 | 13,373.03 |
| 6190100 | TRCKG\&HL-SOLID\&FLUID | 35,024.12 | 0.00 | 0.00 | 35,024.12 |
| 6190110 | TRUCKING\&HAUL OF EQP | 17,318.80 | 65,007.64 | 0.00 | 82,326.44 |
| 6200130 | CONSLT \& PROJECT SVC | 104,034.28 | 85,711.09 | 0.00 | 189,745.37 |
| 6230120 | SAFETY SERVICES | 26,869.74 | 0.00 | 0.00 | 26,869.74 |
| 6300270 | SOLIDS CONTROL SRVCS | 65,627.42 | 0.00 | 0.00 | 65,627.42 |
| 6310120 | STIMULATION SERVICES | 0.00 | 411,196.08 | 0.00 | 411,196.08 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 365,051.95 | 0.00 | 365,051.95 |
| 6310200 | CASING \& TUBULAR SVC | 67,095.19 | 0.00 | 0.00 | 67,095.19 |
| 6310250 | CEMENTING SERVICES | 160,036.09 | 0.00 | 0.00 | 160,036.09 |
| 6310280 | DAYWORK COSTS | 430,631.01 | 0.00 | 0.00 | 430,631.01 |
| 6310300 | DIRECTIONAL SERVICES | 217,480.86 | 0.00 | 0.00 | 217,480.86 |
| 6310310 | DRILL BITS | 54,605.19 | 0.00 | 0.00 | 54,605.19 |
| 6310330 | DRILL\&COMP FLUID\&SVC | 219,423.38 | 36,333.77 | 0.00 | 255,757.15 |
| 6310370 | MOB \& DEMOBILIZATION | 4,355.66 | 0.00 | 0.00 | 4,355.66 |
| 6310380 | OPEN HOLE EVALUATION | 15,727.53 | 0.00 | 0.00 | 15,727.53 |
| 6310480 | TSTNG-WELL, PL \& OTH | 0.00 | 104,254.42 | 0.00 | 104,254.42 |
| 6310510 | VACUUM TRUCK SVC | 0.00 | 2,500.00 | 0.00 | 2,500.00 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,135.39 | 0.00 | 19,135.39 |
| 6320100 | EQPMNT SVC-SRF RNTL | 81,204.04 | 153,099.06 | 0.00 | 234,303.10 |
| 6320110 | EQUIP SVC - DOWNHOLE | 30,155.50 | 62,650.00 | 0.00 | 92,805.50 |
| 6320160 | WELDING SERVICES | 1,496.22 | 0.00 | 0.00 | 1,496.22 |
| 6320190 | WATER TRANSFER | 0.00 | 67,988.05 | 0.00 | 67,988.05 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 188,306.20 | 0.00 | 188,306.20 |
| 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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

## Authorization for Expenditure

| AFE \# XX-141321.01 |  |  |
| :--- | :--- | :--- |
| Well Name: PRAIRIE FIRE 25-26 FED COM 623H | AFE Date: | $4 / 26 / 2021$ |
| Cost Center Number: 1094582901 | State: | NM |
| Legal Description: SEC $30-20$ S-30E | County/Parish: | EDDY |
| Revision: $\square$ |  |  |


| Code | Intangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | :---: | ---: |
| 6550100 | MISCS COSTS \& SERVS | 0.00 | $7,198.15$ | 0.00 | $7,198.15$ |
| 6550110 | MISCELLANEOUS SVC | $42,408.79$ | 0.00 | 0.00 | $42,408.79$ |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | $23,000.00$ | 0.00 | $23,000.00$ |
| 6630110 | CAPITAL OVERHEAD | $5,554.08$ | $46,953.75$ | 0.00 | $52,507.83$ |
| 6740340 | TAXES OTHER | 0.00 | $8,493.00$ | 0.00 | $8,493.00$ |
|  | Total Intangibles | $1,788,396.93$ | $2,688,739.04$ | 0.00 | $4,477,135.97$ |


| Code | Tangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :--- | :---: | :---: | ---: | ---: |
| 6120110 | I\&C EQUIPMENT | 0.00 | $79,120.91$ | 0.00 | $79,120.91$ |
| 6120120 | MEASUREMENT EQUIP | 0.00 | $31,950.00$ | 0.00 | $31,950.00$ |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | $370,913.23$ | 0.00 | $370,913.23$ |
| 6300220 | STORAGE VESSEL\&TANKS | 0.00 | $62,835.00$ | 0.00 | $62,835.00$ |
| 6300230 | PUMPS - SURFACE | 0.00 | $9,585.00$ | 0.00 | $9,585.00$ |
| 6310130 | ARTIFICIAL LIFT EQP | 0.00 | $25,000.00$ | 0.00 | $25,000.00$ |
| 6310150 | CASG-COND\&DRIVE PIPE | $20,000.00$ | 0.00 | 0.00 | $20,000.00$ |
| 6310420 | TUBING \& COMPONENTS | 0.00 | $53,519.90$ | 0.00 | $53,519.90$ |
| 6310460 | WELLHEAD EQUIPMENT | $48,893.97$ | $87,793.69$ | 0.00 | $136,687.66$ |
| 6310530 | SURFACE CASING | $17,042.45$ | 0.00 | 0.00 | $17,042.45$ |
| 6310540 | NTERMEDIATE CASING | $268,789.50$ | 0.00 | 0.00 | $268,789.50$ |
| 6310550 | PRODUCTION CASING | $353,477.94$ | 0.00 | 0.00 | $353,477.94$ |
| 6310580 | CASING COMPONENTS | $29,720.20$ | 0.00 | 0.00 | $29,720.20$ |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | $159,634.63$ | 0.00 | $159,634.63$ |
|  | Total Tangibles | $737,924.06$ | $880,352.36$ | 0.00 | $1,618,276.42$ |


| TOTAL ESTIMATED COST | $2,526,320.99$ | $3,569,091.40$ | 0.00 | $6,095,412.39$ |
| :---: | ---: | ---: | ---: | ---: |

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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

Authorization for Expenditure

AFE \# XX-141323.01
Well Name: PRAIRIE FIRE 25-26 FED COM 624H Cost Center Number: 1094583101
Legal Description: SEC 30-20S-30E

| AFE Date: | 4/26/2021 |
| :--- | :--- |
| State: | NM |
| County/Parish: | EDDY |

Revision: $\square$

Explanation and Justification:
DRILL AND COMPLETE

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6040110 | CHEMICALS - OTHER | 0.00 | 109,841.95 | 0.00 | 109,841.95 |
| 6060100 | DYED LIQUID FUELS | 9,057.51 | 92,458.84 | 0.00 | 101,516.35 |
| 6080100 | DISPOSAL - SOLIDS | 92,913.24 | 1,069.84 | 0.00 | 93,983.08 |
| 6080110 | DISP-SALTWATER \& OTH | 0.00 | 9,628.58 | 0.00 | 9,628.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 50,400.00 | 0.00 | 50,400.00 |
| 6090100 | FLUIDS - WATER | 25,175.87 | 226,086.79 | 0.00 | 251,262.66 |
| 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 |
| 6110120 | ROAD\&SITE PREP M\&S | 0.00 | 37,275.00 | 0.00 | 37,275.00 |
| 6110130 | ROAD\&SITE PREP SVC | 31,806.08 | 57,213.11 | 0.00 | 89,019.19 |
| 6110170 | DAMAGE \& REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | \& C SERVICES | 0.00 | 189,037.50 | 0.00 | 189,037.50 |
| 6130170 | COMM SVCS - WAN | 3,768.75 | 0.00 | 0.00 | 3,768.75 |
| 6130360 | RTOC - ENGINEERING | 0.00 | 4,034.31 | 0.00 | 4,034.31 |
| 6130370 | RTOC - GEOSTEERING | 6,175.57 | 0.00 | 0.00 | 6,175.57 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG\&WL SV | 0.00 | 171,887.94 | 0.00 | 171,887.94 |
| 6160100 | MATERIALS \& SUPPLIES | 3,448.70 | 0.00 | 0.00 | 3,448.70 |
| 6170100 | PULLING\&SWABBING SVC | 0.00 | 79,553.60 | 0.00 | 79,553.60 |
| 6170110 | SNUBBG\&COIL TUBG SVC | 0.00 | 13,373.03 | 0.00 | 13,373.03 |
| 6190100 | TRCKG\&HL-SOLID\&FLUID | 70,802.80 | 0.00 | 0.00 | 70,802.80 |
| 6190110 | TRUCKING\&HAUL OF EQP | 41,056.76 | 65,007.64 | 0.00 | 106,064.40 |
| 6200130 | CONSLT \& PROJECT SVC | 120,847.13 | 85,711.09 | 0.00 | 206,558.22 |
| 6230120 | SAFETY SERVICES | 23,051.49 | 0.00 | 0.00 | 23,051.49 |
| 6300270 | SOLIDS CONTROL SRVCS | 52,694.12 | 0.00 | 0.00 | 52,694.12 |
| 6310120 | STIMULATION SERVICES | 0.00 | 411,196.08 | 0.00 | 411,196.08 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 365,051.95 | 0.00 | 365,051.95 |
| 6310200 | CASING \& TUBULAR SVC | 57,637.73 | 0.00 | 0.00 | 57,637.73 |
| 6310250 | CEMENTING SERVICES | 136,997.79 | 0.00 | 0.00 | 136,997.79 |
| 6310280 | DAYWORK COSTS | 430,564.24 | 0.00 | 0.00 | 430,564.24 |
| 6310300 | DIRECTIONAL SERVICES | 223,657.58 | 0.00 | 0.00 | 223,657.58 |
| 6310310 | DRILL BITS | 50,060.10 | 0.00 | 0.00 | 50,060.10 |
| 6310330 | DRILL\&COMP FLUID\&SVC | 259,597.86 | 36,333.77 | 0.00 | 295,931.63 |
| 6310370 | MOB \& DEMOBILIZATION | 239,854.32 | 0.00 | 0.00 | 239,854.32 |
| 6310380 | OPEN HOLE EVALUATION | 9,592.72 | 0.00 | 0.00 | 9,592.72 |
| 6310480 | TSTNG-WELL, PL \& OTH | 0.00 | 104,254.42 | 0.00 | 104,254.42 |
| 6310510 | VACUUM TRUCK SVC | 0.00 | 2,500.00 | 0.00 | 2,500.00 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,135.39 | 0.00 | 19,135.39 |
| 6320100 | EQPMNT SVC-SRF RNTL | 134,259.66 | 153,099.06 | 0.00 | 287,358.72 |
| 6320110 | EQUIP SVC - DOWNHOLE | 66,628.63 | 62,650.00 | 0.00 | 129,278.63 |
| 6320160 | WELDING SERVICES | 973.27 | 0.00 | 0.00 | 973.27 |
| 6320190 | WATER TRANSFER | 0.00 | 67,988.05 | 0.00 | 67,988.05 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 188,306.20 | 0.00 | 188,306.20 |
| 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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

## Authorization for Expenditure

## AFE \# XX-141323.01

Well Name: PRAIRIE FIRE 25-26 FED COM 624H
Cost Center Number: 1094583101
Legal Description: SEC 30-20S-30E

| AFE Date: | 4/26/2021 |
| :--- | :--- |
| State: | NM |
| County/Parish: | EDDY |

Revision:

| Code | Intangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | ---: | ---: |
| 6550100 | MISCS COSTS \& SERVS | 0.00 | $7,198.15$ | 0.00 | $7,198.15$ |
| 6550110 | MISCELLANEOUS SVC | $40,822.78$ | 0.00 | 0.00 | $40,822.78$ |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | $23,000.00$ | 0.00 | $23,000.00$ |
| 6630110 | CAPITAL OVERHEAD | $6,106.41$ | $46,953.75$ | 0.00 | $53,060.16$ |
| 6740340 | TAXES OTHER | 0.00 | $8,493.00$ | 0.00 | $8,493.00$ |
|  | Total Intangibles | $2,208,551.11$ | $2,688,739.04$ | 0.00 | $4,897,290.15$ |


| Code | Tangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | ---: | ---: |
| 6120110 | I\&C EQUIPMENT | 0.00 | $79,120.91$ | 0.00 | $79,120.91$ |
| 6120120 | MEASUREMENT EQUIP | 0.00 | $31,950.00$ | 0.00 | $31,950.00$ |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | $370,913.23$ | 0.00 | $370,913.23$ |
| 6300220 | STORAGE VESSEL\&TANKS | 0.00 | $62,835.00$ | 0.00 | $62,835.00$ |
| 6300230 | PUMPS - SURFACE | 0.00 | $9,585.00$ | 0.00 | $9,585.00$ |
| 6310130 | ARTIFICIAL LIFT EQP | 0.00 | $25,000.00$ | 0.00 | $25,000.00$ |
| 6310150 | CASG-COND\&DRIVE PIPE | $20,000.00$ | 0.00 | 0.00 | $20,000.00$ |
| 6310420 | TUBING \& COMPONENTS | 0.00 | $53,519.90$ | 0.00 | $53,519.90$ |
| 6310460 | WELLHEAD EQUIPMENT | $45,236.91$ | $87,793.69$ | 0.00 | $133,030.60$ |
| 6310530 | SURFACE CASING | $14,450.40$ | 0.00 | 0.00 | $14,450.40$ |
| 6310540 | INTERMEDIATE CASING | $243,923.02$ | 0.00 | 0.00 | $243,923.02$ |
| 6310550 | PRODUCTION CASING | $276,174.92$ | 0.00 | 0.00 | $276,174.92$ |
| 6310580 | CASING COMPONENTS | $23,574.67$ | 0.00 | 0.00 | $23,574.67$ |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | $159,634.63$ | 0.00 | $159,634.63$ |
|  | Total Tangibles | $623,359.92$ | $880,352.36$ | 0.00 | $1,503,712.28$ |


| TOTAL ESTIMATED COST | $2,831,911.03$ | $\mathbf{3 , 5 6 9 , 0 9 1 . 4 0}$ | $\mathbf{0 . 0 0}$ | $\mathbf{6 , 4 0 1 , 0 0 2 . 4 3}$ |
| :---: | ---: | ---: | ---: | ---: |

## 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 as establishing any limit on the monies which will be required to perform the proposed operation.

Chronology of Contacts between Devon Energy Production Company, L.P. ("Devon") and the Uncommitted Interest Owners in Case No. 22157:

1. Well Proposal Letter Prairie Fire $25-26$ Fed Com 623 H Well from Devon to all the working interest owners dated and mailed May 11, 2021 (Exhibit A-3).
2. Initial email with discussion of agreements/drafts between Devon Energy Production Company, L.P. and the working interest owners, occurred in May, 2020, following the mailing of the proposal letter.
3. Follow up email and phone call efforts with working interest owners, in June through August, 2021, were not reciprocated and the interests remained uncommitted.
4. Well Proposal updated emails to working interest owners on September 1, 2021, notifying them of a slight change to the BHL of the Well.
$>$ EOG Resources Inc. replies that they have no concerns with this change and have entered an appearance in the Case, but do not object to the Case moving forward on September 9, 2021

## TAB 3

Case No. 22157

Exhibit B: Affidavit of Joseph Dixon, 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 <br> DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION 

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

Case No. 22157

## AFFIDAVIT OF JOE DIXON

I, Joe Dixon, 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 abovereferenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
4. I have testified previously by affidavit before the Oil Conservation Division ("Division") as an expert petroleum geologist; my credentials have been made a matter of record, and I have been qualified as an expert by the Division.
a. I have a Bachelor of Science Degree in Geology from Purdue University and a Master of Science Degree in Geology from Oklahoma State University.
b. I have worked on New Mexico Oil and Gas matters since November 2020.
5. 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
well. Contour interval of $20^{\prime}$. The unit being pooled is outlined by red rectangle. The structure map shows that there is a regional down-dip to the Southeast. I do not observe any faulting, pinchouts, or other geologic impediments to developing this targeted interval.
6. Exhibit B-2 is a stratigraphic cross-section flattened on the Wolfcamp Top. Each well in the cross-section contains a gamma ray, resistivity, and porosity $\log$ (porosity log not ran on the Dooley 1). The cross-section demonstrates continuity and consistent thickness across the target zone. The well logs on the cross-section give a representative sample of the Wolfcamp. The landing zone is highlighted by the well number.
7. Additional exhibits for the benefit of the Division's review include Exhibit B-3, a gross isochore of the Wolfcamp XY, as well as Exhibits B-4 and B-5. Exhibit B-4 is a gun barrel representation of the unit, and Exhibit B-5 is a structural cross section built along the wellbore trajectories.
8. I conclude from the attached exhibits that:
a. The horizontal spacing and proration unit is justified from a geologic standpoint.
b. There are no structural impediments or faulting that will interfere with horizontal development.
c. Each quarter-quarter section in the unit will contribute more or less equally to production.
9. The preferred well orientation in this area is East-West so that the wells run subperpendicular to the inferred orientation of the maximum horizontal stress.
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 drilling of unnecessary wells, and the protection of correlative rights.
12. The foregoing is correct and complete to the best of my knowledge and belief. [Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT


Subscribed to and sworn before me this pul $_{\text {al }}$ day of September_, 2021.



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 well.


Exhibit B-2 Cross-section A to B. Stratigraphic cross-section hung on top of Wolfcamp.
Target interval indicated by well number.


Exhibit B-3 is a gross isochore of the Wolfcamp XY target formation with a $20^{\prime}$ contour interval. Map demonstrates continuity and consistent thickness of the target zone.


Exhibit B-4 is a gun barrel representation of the unit.



Exhibit B-5 is a cross section with approximate well trajectory.

## TAB 4

Case No. 22157

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

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

## APPLICATION OF DEVON ENERGY PRODUCTION

COMPANY, L.P., FOR A HORIZONTAL SPACING UNIT
AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Case Nos. 22156, 22157, and 22158

## AFFIDAVIT OF NOTICE

STATE OF NEW MEXICO )
ss.
COUNTY OF SANTA FE )
Darin C. Savage, attorney and authorized representative of Devon Energy Production Company, L.P., the Applicant herein, being first duly sworn, upon oath, states that the above referenced Application was under a notice letter and that proof of receipt is attached hereto.


Darin C. Savage

SUBSCRIBED AND SWORN to before me this 7th day of September, 2021, by Darin C.
Savage.


My Commission Expires:


ABADIEISCHILLPC

Colorado
Louisiana
Kansas
Nebraska
Montana
Oklahoma

New Mexico Texas Utah
Wyoming California

North Dakota

August 19, 2021

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

$$
\begin{array}{ll}
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico } \\
\text { Prairie Fire 25-26 Fed Com 333H Well (Case No. 22156) }
\end{array} \\
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico }
\end{array} \\
& \text { Prairie Fire 25-26 Fed Com 623H Well (Case No. 22157) } \\
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico }
\end{array} \\
& \text { Prairie Fire 25-26 Fed Com 624H Well (Case No. 22158) }
\end{array}
$$

Case Nos. 22156, 22157, and 22158:
Dear Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon") has filed the enclosed applications, Case Nos. 22156-58, with the New Mexico Oil Conservation Division for creating standard horizontal spacing units and the compulsory pooling of the Bone Spring formation, for Case No. 22156 involving the Prairie Fire 25-26 Fed Com 333H Well, and the Wolfcamp formation, a wildcat oil pool for Case Nos. 2215758 involving the Prairie Fire 25-26 Fed Com 623H and 624H Wells.

In Case No. 22156, Devon plans to pool the S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, a standard unit encompassing 640 acres, more or less, dedicated to the Prairie Fire $25-26$ Fed Com 333H Well.

In Case No. 22157, Devon plans to pool the N/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico a standard unit encompassing 320 acres, more or less, dedicated to the Prairie Fire $25-26$ Fed Com 623 H Well.

In Case No. 22158, Devon plans to pool the S/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico a standard unit encompassing 320 acres, more or less, dedicated to the Prairie Fire 25-26 Fed Com 624 H Well.

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 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 Prehearing 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) 5528002 or at AndyBennett@dvn.com.

> Sincerely,


Darin C. Savage
Attorney for Devon Energy Production Company, L.P.

For the Pursuit of Energy

ABADIEISCHILLPC

Colorado
Louisiana
Kansas
Nebraska
Montana
Oklahoma

New Mexico
Texas
Utah

August 19, 2021

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

$$
\begin{array}{ll}
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico } \\
\text { Prairie Fire 25-26 Fed Com 333H Well (Case No. 22156) }
\end{array} \\
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico }
\end{array} \\
& \text { Prairie Fire 25-26 Fed Com 623H Well (Case No. 22157) } \\
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico }
\end{array} \\
& \text { Prairie Fire 25-26 Fed Com 624H Well (Case No. 22158) }
\end{array}
$$

Case Nos. 22156, 22157, and 22158:
Dear Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon") has filed the enclosed applications, Case Nos. 22156-58, with the New Mexico Oil Conservation Division for creating standard horizontal spacing units and the compulsory pooling of the Bone Spring formation, for Case No. 22156 involving the Prairie Fire 25-26 Fed Com 333H Well, and the Wolfcamp formation, a wildcat oil pool for Case Nos. 2215758 involving the Prairie Fire 25-26 Fed Com 623H and 624H Wells.

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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 Prehearing 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) 5528002 or at AndyBennett@dvn.com.


Darin C. Savage
Attorney for Devon Energy Production Company, L.P.

$$
\begin{array}{l|l|l|l|l|l|l|}
\hline \text { Owner } & \text { Address } & \text { CITY } & \text { State } & \text { ZIP } & \text { USPS \# } \\
\begin{array}{lllllll}
\text { Devon } \\
\text { EOG Resources, Inc. }
\end{array} & \text { 5509 Champions Dr. } & \text { Midland } & \text { TX } & 79706 & 70201290000124853125 & \text { Certified Mail } \\
\text { OXY Y-1 Company } & 5 \text { Greenway Plaza, Suite 110 } & \text { Houston } & \text { TX } & 77045 & 70201290000124853118 & \text { Certified Mail } \\
\begin{array}{l}
\text { United States of America } \\
\text { c/o Bureau of Land Management }
\end{array} & 301 \text { Dinosaur Trail } & \text { Santa Fe NM } & 87508 & 70201290000124853132 & \text { Certified Mail } \\
\begin{array}{l}
\text { United States of America } \\
\text { c/o Bureau of Land Management }
\end{array} & 620 \text { E. Greene St. } & \text { Carlsbad NM } & 88220 & 70201290000124853149 & \text { Certified Mail } \\
\hline
\end{array}
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\begin{aligned}
& \text { Mailed Status Date Delivered } \\
& 8 / 19 / 21 \text { Delivered } 8 / 24 / 21 \\
& 8 / 19 / 21 \text { Delivered } 8 / 23 / 21 \\
& 8 / 19 / 21 \text { Delivered } 8 / 23 / 21 \\
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\end{aligned}
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\begin{aligned}
& \text { Green Card Returned? } \\
& \text { YES } \\
& \text { YES } \\
& \text { YES } \\
& \text { YES }
\end{aligned}
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## 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:

COMPLETE THIS SECTION ON DELIVERY
A. Signature
$\times$ (
B. Received by (Printed Name)

$\mathrm{C}=$ Date of Delivery
D. Is delivery address different from item 1?

If YES, enter delivery address below:

## 2. Article Number (Transfer from service labell

 3020 1290 00012485 311. 8
## 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

2．Article Number（Transfer from service label） アロ2ロ 129ロ ロロロ1 2485 3132

A．Signature
$x^{2}$ buran
B．Received by（Printed Name）
Regina Duran
D．Is delivery address different from item 1？区 Yes If YES，enter delivery address below：

 \＆Addressee

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

3．Service Type<br>Adult Signature<br>Adult Signature Restricted Delivery<br>Certified Mail ®<br>Certified Mail Restricted Delivery<br>Collect on Delivery<br>Collect on Delivery Restricted Delivery<br>Insured Mail<br>1 Mail Restricted Delivery<br>500）

$\square$ Priority Mail Express ®
$\square$ Registered Mail ${ }^{\text {TM }}$Registered Mail Restricted Delivery
$\square$ Signature Confirmation ${ }^{\text {TM }}$Signature Confirmation Restricted Delivery

## SENDER: COMPLETE THIS SECTION

## COMPLETE THIS SECTION ON DELIVERY

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:
A. Signature


Addressee
B. Received by (Printed Name)

D. Is delivery address different from item 1 ? If YES, enter delivery address below:

EOG Resources Inc. 5509 Champions Dr. Midland, TX 79706
2. Article Number (Transfer from service label)
3. Service Type

Adult Signature
Adult Signature Restricted Delivery Certified Male Certified Mail Restricted Delivery Collect on Delivery
Collect on Delivery Restricted Delivery
$\square$ Mail
Mail Restricted Delivery
(wormj00)

## 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：

## COMPLETE THIS SECTION ON DELIVERY

A．Signature
B．Received by（Printgct Name） crane

D．Is delivery address different from item 1？ ／Addressee If YES，enter delivery address below：


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

## PF

## ｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜｜ 9590940264070303469022

2．Article Number（Transfer from service label）

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$\square$ Adult Signature Restricted Delivery Certified Mail ${ }^{(8)}$
Certified Mail Restricted Delivery
$\square$ Collect on Delivery
$\square$ Collect on Delivery Restricted Delivery

## Carlsbad Current Argus.

# Affidavit of Publication <br> Ad\# 0004881677 <br> This is not an invoice 

## ABADIE SCHILL PAC. <br> 555 RIVERGATE LANE SUITE B4-18

DURANGO, CO 81301


#### Abstract

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:




Subscribed and sworn before me this August 26,


Stale of WI, County of Brown NOTARY PUBLIC


KATHLEEN ALLEN Notary Public State of Wisconsin

Ad\# 0004881677
PO \#: 22157 DG
\# of Affidavits 1
This is not an invoice

CASE No. 22157: 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 EOG RESOURCES, INC. AND OXY Y-1 COMPANY, 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://ww w.emnrd.nm.gov/ocd/hearin g-infol 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 320 -acre, more or less, spacing and proration unit comprised of the N/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a wildcat oil pool, underlying said unit. Said horizontal spacing unit is to be dedicated to the Prairie Fire 25-26 Fed Com 623H to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30, Township 20 South, Range 30 East, NMPM, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26, Township 20 South, Range 29 East, NMPM. The well will have a standard location; completed interval and first take and last take points for well proposed in the unit meet the Division's statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a $200 \%$ charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southeast of Artesia, New Mexico. \#4881677, Current Argus, Auqust 26, 2021

## TAB 1

Reference for Case No. 22158
Application Case No. 22158 - Prairie Fire 25-26 Fed Com 624H
NMOCD Checklist Case No. 22158

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


#### Abstract

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


Case No. 22158

## 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, a standard 320-acre, more or less, spacing and proration unit comprised of the $\mathrm{S} / 2 \mathrm{~S} / 2$ of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a wildcat oil 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 proposes and dedicates to the HSU the Prairie Fire 25-26 Fed Com 624H Well as an initial well.
3. Devon proposes the Prairie Fire 25-26 Fed Com 624H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30,

Township 20 South, Range 30 East, NMPM, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 26, Township 20 South, Range 29 East, NMPM.
4. The well is orthodox in its location, and its take points and lateral comply with Statewide Rules for setbacks.
5. 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 well or in the commitment of their interests to the well for its development within the proposed HSU.
6. 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.
7. 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 well 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 the creation of a standard 320 -acre, more or less, spacing and proration unit comprised of the $\mathrm{S} / 2 \mathrm{~S} / 2$ of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico;
B. Pooling all uncommitted mineral interests in the Wolfcamp formation underlying the proposed HSU.
C. Approving the Prairie Fire 25-26 Fed Com 624H Well as the well for the HSU.
D. Designating Devon as operator of this HSU and the horizontal well to be drilled thereon;
E. Authorizing Devon to recover its costs of drilling, equipping, and completing the well;
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 well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

ABADIE \& SCHILL, PC<br>/s/ Darin C. Savage<br>Darin C. Savage<br>William E. Zimsky<br>Andrew D. Schill<br>214 McKenzie Street<br>Santa Fe, New Mexico 87501<br>Telephone: 970.385.4401<br>Facsimile: 970.385.4901<br>darin@abadieschill.com<br>bill@abadieschill.com<br>andrew@abadieschill.com

## Attorneys for Devon Energy Production Company, L.P.

[^1]
## COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

| 22158 | APPLICANT'S RESPONSE |
| :---: | :---: |
| Date | September 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 a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico |
| Entries of Appearance/Intervenors: | EOG Resources, Inc. |
| Well Family | Prairie Fire |
| Formation/Pool |  |
| Formation Name(s) or Vertical Extent: | Wolfcamp |
| Primary Product (Oil or Gas): | Oil |



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

Case No. 22158

## AFFIDAVIT OF ANDY BENNETT <br> STATE OF OKLAHOMA ) <br> ) ss. <br> COUNTY OF OKLAHOMA )

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

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
2. I am employed as a Senior Staff Landman with Devon Energy Production Company, L.P. ("Devon"), and I am familiar with the subject application and the lands involved. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
3. 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.
4. Devon seeks orders pooling all uncommitted mineral interests in the Wolfcamp formation (WC 20S29E23; Wolfcamp; Pool Code: 98357) underlying standard 320-acre, more or less, horizontal spacing units comprised of the S/22S/2 of Sections 25 and 26 of T20S-R29E, NMPM, Eddy County, New Mexico:

- Under Case No. 22158: Devon seeks to pool the $\mathrm{S} / 2 \mathrm{~S} / 2$ of Section 25 and the $\mathrm{S} / 2 \mathrm{~S} / 2$ of Section 26, being 320 acre, more or less, for the Prairie Fire 25-26 Fed Com 624H well (API No. 30-015-pending), to be horizontally drilled from a surface location in Lot 4 or SW/4 SW/4 (Unit M) of Section 30-T20S-R30E to a bottom hole location in the SW/4SW/4 of Section 26-T20S-R29E (Unit M); approximate TVD of 9,659'; approximate TMD of 19,659'; FTP in Section 25: 100' FEL, 330’ FSL; LTP in Section 26: 100' FWL, 330' FSL;

5. The proposed C-102 for each well is attached as Exhibit A-1.
6. 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 location of each well is orthodox, and it meets the Division's offset requirements.
7. 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 working interest owners and overriding royalty interest owners.
8. There are no depth severances in the Wolfcamp formation in this acreage.
9. I provided the law firm of Abadie \& Schill P.C. a list of names and addresses for the uncommitted interest owners and ORRI owners shown on Exhibit A-2. In compiling these addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the well is located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. All working interest owners and overriding royalty interest owners were locatable and noticed. Devon published notice in the Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico.
10. Devon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells. Exhibit A-4 provides a chronology and history of contacts with the owners.
11. The interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells. However, Devon has been in ongoing discussions with some of the interest owners to voluntarily enter into a Joint Operating Agreement. If a mutually agreeable Joint Operating Agreement is reached between Devon and another interest owner or owners, Devon requests that the voluntary agreement become operative and supersede the Division's order for said parties, except to the extent the Division deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of waste, and the protection of correlative rights.
12. 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.
13. 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.
14. Devon requests the maximum cost, plus $200 \%$ risk charge be assessed against nonconsenting working interest owners.
15. Devon requests that it be designated operator of the units and wells.
16. The Exhibits to this Affidavit were prepared by me or compiled from Devon's company business records under my direct supervision.
17. 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.
18. The foregoing is correct and complete to the best of my knowledge and belief.
[Signature page follows]

## FURTHER AFFIANT SAYETH NAUGHT



Andy Bennett, CPL
Subscribed to and sworn before me this day of September, 2021.

State Oklarone §
County Okblame §


District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
$\frac{1}{811 \text { S. First St., Artesia, NM } 88210}$
8hone: (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
$\frac{1220 \text { S. St. Francis Dr., Santa Fe, NM } 87505}{}$ 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ${ }^{1}$ API Number |  |  | $\begin{aligned} & \hline{ }^{2} \text { Pool Code } \\ & 98357 \end{aligned}$ |  |  | ${ }^{3}$ Pool Name <br> WC 20S29E23:WOLFCAMP |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| ${ }^{4}$ Property Code |  | PRAIRIE FIRE 25-26 FED COM |  |  |  |  |  | $\begin{gathered} { }^{6} \text { Well Number } \\ 624 \mathrm{H} \end{gathered}$ |  |
| $\begin{gathered} { }^{7} \text { OGRID No. } \\ 6137 \end{gathered}$ |  | DEVON ENERGY PRODUCTION COMPANY, L.P. |  |  |  |  |  | $\begin{aligned} & { }^{9} \text { Elevation } \\ & 3257.93 \end{aligned}$ |  |
| ${ }^{10}$ Surface Location |  |  |  |  |  |  |  |  |  |
| UL or lot no. M | $\begin{gathered} \hline \text { Section } \\ 30 \end{gathered}$ | $\begin{gathered} \text { Township } \\ 20-\mathrm{S} \end{gathered}$ | $\begin{gathered} \text { Range } \\ 30-E \end{gathered}$ | $\begin{gathered} \hline \text { Lot Idn } \\ 4 \end{gathered}$ | $\begin{aligned} & \hline \text { Feet from the } \\ & 435 \end{aligned}$ | North/South line SOUTH | Feet from the 995 | East/West line WEST | County EDDY |
| ${ }^{11}$ Bottom Hole Location If Different From Surface |  |  |  |  |  |  |  |  |  |
| UL or lot no. M | $\begin{gathered} \hline \text { Section } \\ 26 \end{gathered}$ | $\begin{gathered} \text { Township } \\ 20-\mathrm{S} \end{gathered}$ | $\begin{aligned} & \text { Range } \\ & 29-E \end{aligned}$ | Lot Idn N/A | $\begin{aligned} & \text { Feet from the } \\ & 330 \end{aligned}$ | North/South line SOUTH | $\begin{aligned} & \hline \text { Feet from the } \\ & 20 \end{aligned}$ | East/West line WEST | County EDDY |
| ${ }^{12}$ Dedicated Acres   <br> 320 ${ }^{13}$ Joint or Infill ${ }^{14}$ Consolidation Code |  |  |  |  | ${ }^{5}$ 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.
16
N:564542.95

Intent $\square$ As Drilled $\square$

| API\# |  |  |
| :--- | :--- | :--- | :--- |
| Operator Name: |  |  |
| DEVON ENERGY PRODUCTION COMPANY, L.P. | Property Name: <br> PRAIRIE FIRE 25-26 FED COM | Well Number <br> 624 H |

Kick Off Point (KOP)

| $\begin{array}{\|c} \mathrm{UL} \\ \mathrm{M} \end{array}$ | Section $30$ | $\begin{aligned} & \text { Township } \\ & 20 \mathrm{~S} \end{aligned}$ | Range 30E | Lot | $\begin{array}{r} \text { Feet } \\ 308 \end{array}$ | From N/S SOUTH | $\begin{array}{\|r\|} \hline \text { Feet } \\ 489 \\ \hline \end{array}$ | From E/W WEST | County EDDY |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Latitude |  |  |  |  | Longitude |  |  |  | NAD |
| 32.53788319 |  |  |  |  | -104.01848698 |  |  |  | 83 |

First Take Point (FTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| P | 25 | $20-\mathrm{S}$ | 29-E | N/A | 330 | SOUTH | 100 | EAST | EDDY |
| Latitude |  |  |  |  |  |  |  |  |  |
| $32.538042^{\circ}$ |  |  |  |  |  |  |  |  |  |

Last Take Point (LTP)

| $\begin{array}{\|l\|} \hline \mathrm{UL} \\ \mathrm{M} \end{array}$ | $\begin{aligned} & \hline \text { Section } \\ & 26 \end{aligned}$ | $\begin{aligned} & \text { Township } \\ & 20-S \end{aligned}$ | $\begin{aligned} & \text { Range } \\ & \text { 29-E } \end{aligned}$ | $\begin{array}{\|l\|} \hline \text { Lot } \\ \text { N/A } \end{array}$ | $\begin{aligned} & \text { Feet } \\ & 330 \end{aligned}$ | $\begin{aligned} & \hline \text { From N/S } \\ & \text { SOUTH } \end{aligned}$ | $\begin{aligned} & \text { Feet } \\ & 100 \end{aligned}$ | From E/W WEST | County EDDY |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{aligned} & \text { Latitude } \\ & 32.538062^{\circ} \end{aligned}$ |  |  |  |  | $\begin{array}{\|l\|} \hline \text { Longitude } \\ -104.053990^{\circ} \end{array}$ |  |  |  | $\begin{array}{\|l\|} \hline \text { NAD } \\ 83 \end{array}$ |

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

Is this well an infill well?
NO

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



LEGAL DESCRIPTION:
A Surface Site Easement located in Lot 4 of Section 30, Township 20 South, Range 30 East, of the New Mexico Principal Meridian, Eddy County, State of New Mexico being described as follows:

Commencing at the South Quarter corner of said Section 30 (Found Brass Cap); thence, North $83^{\circ} 08^{\prime} 31^{\prime \prime}$ West a distance of 1446.59 feet to the POINT OF BEGINNING;
thence, North $66^{\circ} 51^{\prime} 377^{\prime \prime}$ West a distance of 950.23 feet, from which the Southwest corner of said Section 30 (Found Brass Cap) bears South $31^{\circ} 13^{\prime} 27^{\prime \prime}$ West a distance of
636.18 feet;
thence, North $23^{\circ} 08^{\prime} 23^{\prime \prime}$ East a distance of 500.12 feet;
thence, South $66^{\circ} 51^{\prime} 37^{\prime \prime}$ East a distance of 950.23 feet;
thence, South $23^{\circ} 08^{\prime} 23^{\prime \prime}$ West a distance of 500.12 feet, to the (P.O.B) Point Of Beginning.
Said Surface Site Easement containing 10.910 Acres more or less.

DIRECTIONS:
BEGINNING AT THE INTERSECTION OF NEW MEXICO STATE HIGHWAY 62 (HOBBS HWY) AND BURTON FLATS ROAD (COUNTY ROAD 238). TURN LEFT ONTO BURTON FLATS ROAD (COUNTY ROAD 238) AND TRAVEL NORTH FOR 2.2 MILES. THE ROAD SPLITS, STAY LEFT ON BURTON FLATS ROAD TRAVEL WEST FOR 1.9 MILES TO AN INTERSECTION OF EXISTING UNNAMED ROAD. TURN LEFT ON UNNAMED ROAD AND TRAVEL SOUTH FOR 0.7 MILES TO THE ACCESS FOR TIGER PAW 22 WELL PAD 2 ON THE LEFT.

## NOTES:

1. BASIS OF BEARINGS, COORDINATES AND DISTANCES ARE STATE PLANE GRID, NAD 83, NEW MEXICO EAST (3001) WITH A CONVERGENCE ANGLE OF $0^{\circ} 09^{\prime} 37.47$ " AND A COMBINED SCALE FACTOR OF 0.999762289 BASED ON CP FITZ BOOSTER AT N:556917.44 E: 633268.61 . UNITS REPRESENTED ON THIS PLAT ARE IN US SURVEY FEET.
2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCES IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000237768
3. ELEVATIONS SHOWN ARE EXISTING GROUND UNLESS OTHERWISE NOTED.

SURVEYOR STATEMENT:
I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE SURVEY INFORMATION FOUND ON THIS EASEMENT PLAT WAS DERIVED FROM FIELD NOTES OR ELECTRONIC DATA OF AN ON-THE-GROUND SURVEY MADE BY ME OR UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY. THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO. IF ANY ALTERATIONS ARE MADE (HAND DRAWN, HANDWRITTEN OR DIGITAL ADDITIONS), THIS SURVEYOR IS NO LONGER RESPONSIBLE FOR THE VALIDITY OF THIS PLAT.


ALBERT R. DEHOYOS NEW MEXICO PS No. 23261


| nWHS <br> ENGINEERING > SURVEYING > PLANNING $15159^{\text {TH }}$ STREET, STE A, ROCK SPRINGS, WY 8290 307.362.6065\|866.938.3088|www.whsmithpc.com | DEVON ENERGY PRODUCTION CO., L.P. PRAIRIE FIRE 30 FAC 1 SURFACE SITE EASEMENT <br> ON THE PROPERTY OF |  |
| :---: | :---: | :---: |
| DRAWN BY: JMA CHECKED BY: ARD | BUREAU OF LAND MANAGEMENT | $\cdots 7$ |
| DATE: 02/16/2021 $\quad$ JOB NO: 18080 | SECTION 30, TOWNSHIP 20 SOUTH |  |
| REVISIONS: (04/01/2021 JEB) ADD TOPSOIL (4/23/21 JEB) MOVE SHL (04/26/21 JMA) PAD EXPANSION | RANGE 30 EAST, N.M.P.M. <br> EDDY COUNTY, STATE OF NEW MEXICO |  |
|  |  | AA000443609 |









## LEGAL DESCRIPTION <br> FOR <br> DEVON ENERGY PRODUCTION COMPANY, L.P. BUREAU OF LAND MANAGEMENT

PROPOSED 30' ACCESS ROAD EASEMENT:
A strip of land located in the Southwest Quarter (SW1/4) of the Southeast Quarter (NE1/4), the South Half (S1/2) of the Southwest Quarter (SW1/4), of Section 30, Township 20 South, Range 30 East, of the New Mexico Principal Meridian, Eddy county, State of New Mexico, being thirty feet ( $30^{\prime}$ ) in width, lying fifteen feet ( $15^{\prime}$ ) on each side of the following described centerline:

Commencing at the South Quarter Corner of said Section 30 (P.O.C.) (Found USGLO Brass Cap); thence, North $89^{\circ} 58^{\prime} 02^{\prime \prime}$ East a distance of 461.28 feet to the (P.O.B.) Point Of Beginning, said point being on the South line of the Southeast Quarter of said Section 30, sidelines are shortened or elongated to begin on said Section line;
thence, North $66^{\circ} 33^{\prime} 00^{\prime \prime}$ West a distance of 337.35 feet; thence, North $84^{\circ} 04^{\prime} 36^{\prime \prime}$ West a distance of 396.91 feet; thence, North $52^{\circ} 10^{\prime} 09^{\prime \prime}$ West a distance of 98.48 feet; thence, North $35^{\circ} 52^{\prime} 41^{\prime \prime}$ West a distance of 255.47 feet; thence, North $59^{\circ} 26^{\prime} 50^{\prime \prime}$ West a distance of 97.05 feet; thence, North $79^{\circ} 24^{\prime} 30^{\prime \prime}$ West a distance of 161.37 feet; thence, North $66^{\circ} 17^{\prime} 19$ " West a distance of 631.12 feet; thence, South $67^{\circ} 10^{\prime} 30^{\prime \prime}$ West a distance of 89.77 feet; thence, South $23^{\circ} 08^{\prime} 23^{\prime \prime}$ West a distance of 47.11 feet; thence, South $68^{\circ} 12^{\prime} 13^{\prime \prime}$ West a distance of 226.33 feet; thence, North $66^{\circ} 56^{\prime} 43^{\prime \prime}$ West a distance of 240.06 feet to the (P.O.E.) Point of Ending, from which the Southwest Corner of said Section 30 (Found USGLO Brass Cap) bears South $49^{\circ} 12^{\prime} 23^{\prime \prime}$ West a distance of 1079.57 feet.

Said centerline being 2581.02 feet or 156.43 rods in length and containing 1.778 Acres more or less.


## NOTES:

1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 556917.441, EAST:633268.606, ELEVATION: 3349.522, DETERMINED BY AN OPUS SOLUTION ON JUNE 25TH, 2020.
2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000237768
3. ELEVATIONS ARE OF NAVD 88 COMPUTED USEING GEIOD 12B.




## LEGAL DESCRIPTION <br> FOR <br> DEVON ENERGY PRODUCTION COMPANY, L.P. BUREAU OF LAND MANAGEMENT

PROPOSED 30' ACCESS ROAD EASEMENT:
A strip of land located in the North Half ( $\mathrm{N} 1 / 2$ ) of the Northeast Quarter (NE1/4), of Section 31, Township 20 South, Range 30 East, of the New Mexico Principal Meridian, Eddy county, State of New Mexico, being thirty feet ( $30^{\prime}$ ) in width, lying fifteen feet ( $15^{\prime}$ ) on each side of the following described centerline:

Commencing at the Northeast Corner of said Section 31 (P.O.C.) (Found USGLO Brass Cap); thence, South $44^{\circ} 25^{\prime} 06^{\prime \prime}$ West a distance of 1030.50 feet to the (P.O.B.) Point Of Beginning;
thence, North $41^{\circ} 31^{\prime} 24^{\prime \prime}$ West a distance of 190.82 feet;
thence, North $64^{\circ} 51^{\prime} 12^{\prime \prime}$ West a distance of 560.22 feet;
thence, North $66^{\circ} 33^{\prime} 00$ " West a distance of 889.22 feet to the (P.O.E.) Point of Ending, said point being on the North line of the Northeast Quarter of said Section 31, sidelines are shortened or elongated to end on said Section line, from said point the North Quarter Corner of said Section 31 (Found USGLO Brass Cap) bears South $89^{\circ} 58^{\prime} 02^{\prime \prime}$ West a distance of 461.28 feet.

Said centerline being 1640.26 feet or 99.41 rods in length and containing 1.130 Acres more or less.


NOTES:

1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 556917.441, EAST:633268.606, ELEVATION: 3349.522, DETERMINED BY AN OPUS SOLUTION ON JUNE 25TH, 2020.
2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000237768
3. ELEVATIONS ARE OF NAVD 88 COMPUTED USEING GEIOD 12B.





## Exhibit "A-2"

S/2 S/2 of Sections 25 \& 26, T-20-S, R-29-E, Eddy County, New Mexico, Wolfcamp Formation

| Sec. 26 |  |  |  | Sec. 25 |  |  |  | Sec. 30 |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |

Tract 1:
USA NMNM-103602
(120 acres)


Tract 2:
USA NMNM-129731
(40 acres)


Tract 3:
USA NMNM-132066
(160 acres)


Prairie Fire 25-26 Fed Com 624H
SHL: Sec. 30-20S-30E 435' FSL \& 995' FWL BHL: Sec. 26-20S-29E $330^{\circ}$ FSL \& $20^{\circ}$ FWL

# Exhibit "A-2" <br> OWNERSHIP BREAKDOWN - Wolfcamp formation <br> S/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East of Eddy County, NM Prairie Fire 25-26 Fed Com 624H 

TRACT 1 OWNERSHIP (SE4SE4 and S2SW4 of Section 26-T20S-R29E, being 120 acres)
Lease: USA NMNM-103602

| Owner | Net Acres | Unit WI | Status |
| :--- | :--- | :--- | :--- |
| Devon Energy Production Company, L.P. <br> 333 W. Sheridan Avenue | 28.80 | 0.09 | Committed |
| Oklahoma City, OK 73102 |  |  |  |
| EOG Resources Inc. | 52.80 | 0.165 | Uncommitted |
| 5509 Champions Drive |  |  |  |
| Midland, TX 79706 | 38.40 | 0.12 | Uncommitted |
| OXY Y-1 Company   <br> 5 Greenway Plaza, Suite 110   <br> Houston, TX 77046 120.00 0.375 |  |  |  |
| TRACT 1 TOTAL   |  |  |  |

TRACT 2 OWNERSHIP (SW4SE4 of Section 26-T20S-R29E, being 40 acres)
Lease: USA NMNM-129731

| Owner | Net Acres | Unit WI | Status |
| :--- | :--- | :--- | :--- |
| Devon Energy Production Company, L.P. | 40.00 | 0.125 | Committed |
| 333 W. Sheridan Avenue |  |  |  |
| Oklahoma City, OK 73102 |  |  |  |
|  |  |  |  |
| TRACT 2 TOTAL | 40.00 | 0.125 |  |

TRACT 3 OWNERSHIP (S2S2 of Section 25-T20S-R29E, being 160 acres)
Lease: USA NMNM-132066

| Owner | Net Acres | Unit WI | Status |
| :--- | :--- | :--- | :--- |
| Devon Energy Production Company, L.P. | 160 | 0.50 | Committed |
| 333 W. Sheridan Avenue |  |  |  |
| Oklahoma City, OK 73102 |  |  |  |
|  |  |  |  |
| TRACT 3 TOTAL | 160.00 | 0.50 |  |

## Overriding Royalty Owners

NONE

UNIT RECAPITULATION: S/2 S/2 of Sections $\mathbf{2 5}$ and $\mathbf{2 6}$ of T20S-R27E; $\mathbf{3 2 0}$ acres

| Devon Energy Production Company, L.P. | $71.50 \%$ WI |
| :--- | :--- |
| EOG Resources, Inc. | $16.50 \%$ WI |
| OXY Y-1 Company | $12.00 \%$ WI |
| UNIT TOTAL: | $\mathbf{1 0 0 \%} \mathbf{~ W I}$ |

May 11, 2021

EOG Resources Inc.
Attn: Laci Stretcher
5509 Champions Drive
Midland, TX 79706

RE: Well Proposals- Prairie Fire 25-26 Fed Com 333H
Prairie Fire $25-26$ Fed Com 623H
Prairie Fire 25-26 Fed Com 624H
Eddy County, New Mexico

Ms. Stretcher:
Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following three (3) wells:

- Prairie Fire $25-26$ Fed Com 333H as a horizontal well to an approximate landing TVD of 9,655', bottom hole TVD' of $9,471^{\prime}$, and approximate TMD of $19,471^{\prime}$ into the Bone Spring formation at an approximate SHL of $462^{\prime}$ FSL and $1,007^{\prime}$ FWL of Section $30-$ T20S-R30E and an approximate BHL of $1,320^{\prime}$ FSL and 20' FWL of Section 26-T20S-R29E, Eddy County, New Mexico (collectively with all three proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of $\$ 1,973,940$ and total completed well costs of $\$ 5,331,199$.
- Prairie Fire 25-26 Fed Com 623 H as a horizontal well to an approximate landing TVD of 9,810', bottom hole TVD' of $9,640^{\prime}$, and approximate TMD of $19,640^{\prime}$ into the Wolfcamp formation at an approximate SHL of $490^{\prime}$ FSL and $1,019^{\prime}$ FWL of Section 30-T20S-R30E and an approximate BHL of $1,980^{\prime}$ FSL and 20' FWL of Section 26-T20S-R29E, Eddy County, New Mexico (collectively with all three proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of $\$ 2,526,321$ and total completed well costs of $\$ 6,095,412$.
- Prairie Fire $25-26$ Fed Com 624 H as a horizontal well to an approximate landing TVD of 9,857', bottom hole TVD' of 9,659', and approximate TMD of 19,659' into the Wolfcamp formation at an approximate SHL of $435^{\prime}$ FSL and $995^{\prime}$ FWL of Section $30-\mathrm{T} 20 \mathrm{~S}-\mathrm{R} 30 \mathrm{E}$ and an approximate BHL of $660^{\prime}$ FSL and $20^{\circ}$ FWL of Section 26-T20S-R29E, Eddy County, New Mexico (collectively with all three proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of $\$ 2,831,911$ and total completed well costs of $\$ 6,401,002$.

Devon reserves the right to modify the locations and drilling plans described above in order to address surface and subsurface concerns. Devon will advise of any such modifications.

May 11, 2021
Page 2

Devon is proposing to drill the Wells under the terms of the modified 2015 AAPL form of Operating Agreement ("JOA"). The JOA will be supplied to those parties interested in participating. The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- Contract Area: S/2 of Section 25 and 26, T20S-R29E, Eddy County, NM
- $100 / 300 \%$ Non-Consenting Penalty
- Overhead rates of $\$ 8,000$ DWR/\$800 PWR

Please indicate your election to participate in the drilling and completion of the Wells in the spaces provided below, within 30 days of receipt, by signing and returning one (1) copy of this letter and AFE, along with your well data requirements sheet. A Communization Agreement for said Wells will be supplied for your review and execution at a later date.

If your election is to participate, a cash call invoice will be sent following receipt of a timely election.
If an agreement cannot be reached within 30 days of receipt of this letter by all parties, Devon will apply to the New Mexico Oil Conversation Division for compulsory pooling of your interest into a spacing unit for the Wells, if uncommitted at such time.

Please do not hesitate to contact me at (405) 552-8002 or via email at Andy.Bennett@dvn.com if you have any questions concerning this proposal.

Very truly yours,

## Devon Energy Production Company, L.P.



Andy Bennett, CPL
Senior Staff Landman

May 11, 2021
Page 3

## EOG Resources Inc:

$\qquad$ To Participate in the proposal of the Prairie Fire 25-26 Fed Com 333H
$\qquad$ Not To Participate in the proposal of the Prairie Fire 25-26 Fed Com 333H
$\qquad$ To Participate in the proposal of the Prairie Fire 25-26 Fed Com 623H
$\qquad$ Not To Participate in the proposal of the Prairie Fire 25-26 Fed Com 623H
$\qquad$ To Participate in the proposal of the Prairie Fire $25-26$ Fed Com 624H
$\qquad$ Not To Participate in the proposal of the Prairie Fire 25-26 Fed Com 624H

Agreed to and Accepted this $\qquad$ day of $\qquad$ , 2021.

## EOG Resources Inc.

By: $\qquad$
Title: $\qquad$

## devon

Authorization for Expenditure
AFE \# XX-141322.01
Well Name: PRAIRIE FIRE 25-26 FED COM 333H
Cost Center Number: 1094583001
Legal Description: SEC 30-20S-30E

| AFE Date: | 4/26/2021 |
| :--- | :--- |
| State: | NM |

Revision: $\square$
County/Parish: EDDY

Explanation and Justification:
DRILL AND COMPLETE

| Code | Intangible Description | Drilling Costs | $\begin{gathered} \text { Completion } \\ \text { Costs } \\ \hline \end{gathered}$ | Dry Hole Costs | $\begin{aligned} & \text { Total } \\ & \text { Costs } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6040110 | CHEMICALS - OTHER | 0.00 | 73,877.57 | 0.00 | 73,877.57 |
| 6060100 | DYED LIQUID FUELS | 10,512.89 | 64,688.65 | 0.00 | 75,201.54 |
| 6080100 | DISPOSAL - SOLIDS | 68,528.76 | 1,052.34 | 0.00 | 69,581.10 |
| 6080110 | DISP-SALTWATER \& OTH | 0.00 | 9,471.07 | 0.00 | 9,471.07 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 50,400.00 | 0.00 | 50,400.00 |
| 6090100 | FLUIDS - WATER | 15,836.16 | 148,135.17 | 0.00 | 163,971.33 |
| 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 |
| 6110120 | ROAD\&SITE PREP M\&S | 0.00 | 37,275.00 | 0.00 | 37,275.00 |
| 6110130 | ROAD\&SITE PREP SVC | 30,000.00 | 57,003.10 | 0.00 | 87,003.10 |
| 6110170 | DAMAGE \& REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | \& C SERVICES | 0.00 | 189,037.50 | 0.00 | 189,037.50 |
| 6130170 | COMM SVCS - WAN | 2,201.97 | 0.00 | 0.00 | 2,201.97 |
| 6130360 | RTOC - ENGINEERING | 0.00 | 3,900.76 | 0.00 | 3,900.76 |
| 6130370 | RTOC - GEOSTEERING | 7,167.88 | 0.00 | 0.00 | 7,167.88 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG\&WL SV | 14,913.97 | 168,483.18 | 0.00 | 183,397.15 |
| 6160100 | MATERIALS \& SUPPLIES | 695.76 | 0.00 | 0.00 | 695.76 |
| 6170100 | PULLING\&SWABBING SVC | 0.00 | 78,311.06 | 0.00 | 78,311.06 |
| 6170110 | SNUBBG\&COIL TUBG SVC | 0.00 | 13,154.27 | 0.00 | 13,154.27 |
| 6190100 | TRCKG\&HL-SOLID\&FLUID | 34,159.25 | 0.00 | 0.00 | 34,159.25 |
| 6190110 | TRUCKING\&HAUL OF EQP | 28,161.89 | 64,745.12 | 0.00 | 92,907.01 |
| 6200130 | CONSLT \& PROJECT SVC | 98,340.61 | 84,343.46 | 0.00 | 182,684.07 |
| 6230120 | SAFETY SERVICES | 25,819.66 | 0.00 | 0.00 | 25,819.66 |
| 6300270 | SOLIDS CONTROL SRVCS | 57,632.82 | 0.00 | 0.00 | 57,632.82 |
| 6310120 | STIMULATION SERVICES | 0.00 | 397,372.51 | 0.00 | 397,372.51 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 304,122.52 | 0.00 | 304,122.52 |
| 6310200 | CASING \& TUBULAR SVC | 74,762.90 | 0.00 | 0.00 | 74,762.90 |
| 6310250 | CEMENTING SERVICES | 104,010.72 | 0.00 | 0.00 | 104,010.72 |
| 6310280 | DAYWORK COSTS | 431,571.39 | 0.00 | 0.00 | 431,571.39 |
| 6310300 | DIRECTIONAL SERVICES | 157,257.56 | 0.00 | 0.00 | 157,257.56 |
| 6310310 | DRILL BITS | 66,334.43 | 0.00 | 0.00 | 66,334.43 |
| 6310330 | DRILL\&COMP FLUID\&SVC | 82,643.61 | 35,706.45 | 0.00 | 118,350.06 |
| 6310380 | OPEN HOLE EVALUATION | 21,202.59 | 0.00 | 0.00 | 21,202.59 |
| 6310480 | TSTNG-WELL, PL \& OTH | 0.00 | 103,380.72 | 0.00 | 103,380.72 |
| 6310510 | VACUUM TRUCK SVC | 0.00 | 2,500.00 | 0.00 | 2,500.00 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 18,374.22 | 0.00 | 18,374.22 |
| 6320100 | EQPMNT SVC-SRF RNTL | 87,099.57 | 171,018.82 | 0.00 | 258,118.39 |
| 6320110 | EQUIP SVC - DOWNHOLE | 46,390.52 | 61,433.32 | 0.00 | 107,823.84 |
| 6320160 | WELDING SERVICES | 3,579.16 | 0.00 | 0.00 | 3,579.16 |
| 6320190 | WATER TRANSFER | 0.00 | 65,889.94 | 0.00 | 65,889.94 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 188,306.20 | 0.00 | 188,306.20 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS \& SERVS | 0.00 | 7,198.15 | 0.00 | 7,198.15 |

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

## Authorization for Expenditure

AFE \# XX-141322.01
Well Name: PRAIRIE FIRE 25-26 FED COM 333H

| AFE Date: | $4 / 26 / 2021$ |
| :--- | :--- |
| State: | NM |
| County/Parish: | EDDY |

Legal Description: SEC $\mathbf{3 0 - 2 0 S}-30 E$
County/Parish: EDDY
Revision: $\square$

| Code | Intangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6550110 | MISCELLANEOUS SVC | $16,765.19$ | 0.00 | 0.00 | $16,765.19$ |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | $23,000.00$ | 0.00 | $23,000.00$ |
| 6630110 | CAPITAL OVERHEAD | $5,472.44$ | $46,953.75$ | 0.00 | $52,426.19$ |
| 6740340 | TAXES OTHER | 0.00 | $8,493.00$ | 0.00 | $8,493.00$ |
|  | Total Intangibles | $1,562,061.70$ | $2,477,627.85$ | 0.00 | $4,039,689.55$ |


| Code | Tangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :--- | :---: | :---: | ---: | ---: |
| 6120110 | \&C EQUIPMENT | 0.00 | $79,120.91$ | 0.00 | $79,120.91$ |
| 6120120 | MEASUREMENT EQUIP | 0.00 | $31,950.00$ | 0.00 | $31,950.00$ |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | $370,913.23$ | 0.00 | $370,913.23$ |
| 6300220 | STORAGE VESSEL\&TANKS | 0.00 | $62,835.00$ | 0.00 | $62,835.00$ |
| 6300230 | PUMPS - SURFACE | 0.00 | $9,585.00$ | 0.00 | $9,585.00$ |
| 6310130 | ARTIFICIAL LIFT EQP | 0.00 | $25,000.00$ | 0.00 | $25,000.00$ |
| 6310150 | CASG-COND\&DRIVE PIPE | $20,000.00$ | 0.00 | 0.00 | $20,000.00$ |
| 6310420 | TUBING \& COMPONENTS | 0.00 | $53,499.13$ | 0.00 | $53,499.13$ |
| 6310460 | WELLHEAD EQUIPMENT | $46,923.43$ | $87,093.66$ | 0.00 | $134,017.09$ |
| 6310540 | NTERMEDIATE CASING | $109,296.80$ | 0.00 | 0.00 | $109,296.80$ |
| 6310550 | PRODUCTION CASING | $207,572.26$ | 0.00 | 0.00 | $207,572.26$ |
| 6310580 | CASING COMPONENTS | $28,085.67$ | 0.00 | 0.00 | $28,085.67$ |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | $159,634.63$ | 0.00 | $159,634.63$ |
|  | Total Tangibles | $411,878.16$ | $879,631.56$ | 0.00 | $1,291,509.72$ |


|  |  |  |  |  |  |  |
| :--- | :--- | ---: | ---: | ---: | :---: | :---: |
| TOTAL ESTIMATED COST | $1,973,939.86$ | $3,357,259.41$ | 0.00 | $\mathbf{5 , 3 3 1}, 199.27$ |  |  |

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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

Authorization for Expenditure

AFE \# XX-141321.01
Well Name: PRAIRIE FIRE 25-26 FED COM 623H
Cost Center Number: 1094582901
Legal Description: SEC 30-20S-30E
AFE Date:
4/26/2021
County/Parish: EDDY
Revision: $\square$

Explanation and Justification:
DRILL AND COMPLETE

| Code | Intangible <br> Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6040110 | CHEMICALS - OTHER | 0.00 | 109,841.95 | 0.00 | 109,841.95 |
| 6060100 | DYED LIQUID FUELS | 9,934.13 | 92,458.84 | 0.00 | 102,392.97 |
| 6080100 | DISPOSAL - SOLIDS | 76,781.14 | 1,069.84 | 0.00 | 77,850.98 |
| 6080110 | DISP-SALTWATER \& OTH | 0.00 | 9,628.58 | 0.00 | 9,628.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 50,400.00 | 0.00 | 50,400.00 |
| 6090100 | FLUIDS - WATER | 5,997.50 | 226,086.79 | 0.00 | 232,084.29 |
| 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 |
| 6110120 | ROAD\&SITE PREP M\&S | 0.00 | 37,275.00 | 0.00 | 37,275.00 |
| 6110130 | ROAD\&SITE PREP SVC | 30,000.00 | 57,213.11 | 0.00 | 87,213.11 |
| 6110170 | DAMAGE \& REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | \& C SERVICES | 0.00 | 189,037.50 | 0.00 | 189,037.50 |
| 6130170 | COMM SVCS - WAN | 3,209.85 | 0.00 | 0.00 | 3,209.85 |
| 6130360 | RTOC - ENGINEERING | 0.00 | 4,034.31 | 0.00 | 4,034.31 |
| 6130370 | RTOC - GEOSTEERING | 8,805.25 | 0.00 | 0.00 | 8,805.25 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG\&WL SV | 0.00 | 171,887.94 | 0.00 | 171,887.94 |
| 6160100 | MATERIALS \& SUPPLIES | 3,621.16 | 0.00 | 0.00 | 3,621.16 |
| 6170100 | PULLING\&SWABBING SVC | 0.00 | 79,553.60 | 0.00 | 79,553.60 |
| 6170110 | SNUBBG\&COIL TUBG SVC | 0.00 | 13,373.03 | 0.00 | 13,373.03 |
| 6190100 | TRCKG\&HL-SOLID\&FLUID | 35,024.12 | 0.00 | 0.00 | 35,024.12 |
| 6190110 | TRUCKING\&HAUL OF EQP | 17,318.80 | 65,007.64 | 0.00 | 82,326.44 |
| 6200130 | CONSLT \& PROJECT SVC | 104,034.28 | 85,711.09 | 0.00 | 189,745.37 |
| 6230120 | SAFETY SERVICES | 26,869.74 | 0.00 | 0.00 | 26,869.74 |
| 6300270 | SOLIDS CONTROL SRVCS | 65,627.42 | 0.00 | 0.00 | 65,627.42 |
| 6310120 | STIMULATION SERVICES | 0.00 | 411,196.08 | 0.00 | 411,196.08 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 365,051.95 | 0.00 | 365,051.95 |
| 6310200 | CASING \& TUBULAR SVC | 67,095.19 | 0.00 | 0.00 | 67,095.19 |
| 6310250 | CEMENTING SERVICES | 160,036.09 | 0.00 | 0.00 | 160,036.09 |
| 6310280 | DAYWORK COSTS | 430,631.01 | 0.00 | 0.00 | 430,631.01 |
| 6310300 | DIRECTIONAL SERVICES | 217,480.86 | 0.00 | 0.00 | 217,480.86 |
| 6310310 | DRILL BITS | 54,605.19 | 0.00 | 0.00 | 54,605.19 |
| 6310330 | DRILL\&COMP FLUID\&SVC | 219,423.38 | 36,333.77 | 0.00 | 255,757.15 |
| 6310370 | MOB \& DEMOBILIZATION | 4,355.66 | 0.00 | 0.00 | 4,355.66 |
| 6310380 | OPEN HOLE EVALUATION | 15,727.53 | 0.00 | 0.00 | 15,727.53 |
| 6310480 | TSTNG-WELL, PL \& OTH | 0.00 | 104,254.42 | 0.00 | 104,254.42 |
| 6310510 | VACUUM TRUCK SVC | 0.00 | 2,500.00 | 0.00 | 2,500.00 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,135.39 | 0.00 | 19,135.39 |
| 6320100 | EQPMNT SVC-SRF RNTL | 81,204.04 | 153,099.06 | 0.00 | 234,303.10 |
| 6320110 | EQUIP SVC - DOWNHOLE | 30,155.50 | 62,650.00 | 0.00 | 92,805.50 |
| 6320160 | WELDING SERVICES | 1,496.22 | 0.00 | 0.00 | 1,496.22 |
| 6320190 | WATER TRANSFER | 0.00 | 67,988.05 | 0.00 | 67,988.05 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 188,306.20 | 0.00 | 188,306.20 |
| 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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

## Authorization for Expenditure

| AFE \# XX-141321.01 |  |  |
| :--- | :--- | :--- |
| Well Name: PRAIRIE FIRE 25-26 FED COM 623H | AFE Date: | $4 / 26 / 2021$ |
| Cost Center Number: 1094582901 | State: | NM |
| Legal Description: SEC $30-20$ S-30E | County/Parish: | EDDY |
| Revision: $\square$ |  |  |


| Code | Intangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | :---: | ---: |
| 6550100 | MISCS COSTS \& SERVS | 0.00 | $7,198.15$ | 0.00 | $7,198.15$ |
| 6550110 | MISCELLANEOUS SVC | $42,408.79$ | 0.00 | 0.00 | $42,408.79$ |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | $23,000.00$ | 0.00 | $23,000.00$ |
| 6630110 | CAPITAL OVERHEAD | $5,554.08$ | $46,953.75$ | 0.00 | $52,507.83$ |
| 6740340 | TAXES OTHER | 0.00 | $8,493.00$ | 0.00 | $8,493.00$ |
|  | Total Intangibles | $1,788,396.93$ | $2,688,739.04$ | 0.00 | $4,477,135.97$ |


| Code | Tangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :--- | :---: | :---: | ---: | ---: |
| 6120110 | I\&C EQUIPMENT | 0.00 | $79,120.91$ | 0.00 | $79,120.91$ |
| 6120120 | MEASUREMENT EQUIP | 0.00 | $31,950.00$ | 0.00 | $31,950.00$ |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | $370,913.23$ | 0.00 | $370,913.23$ |
| 6300220 | STORAGE VESSEL\&TANKS | 0.00 | $62,835.00$ | 0.00 | $62,835.00$ |
| 6300230 | PUMPS - SURFACE | 0.00 | $9,585.00$ | 0.00 | $9,585.00$ |
| 6310130 | ARTIFICIAL LIFT EQP | 0.00 | $25,000.00$ | 0.00 | $25,000.00$ |
| 6310150 | CASG-COND\&DRIVE PIPE | $20,000.00$ | 0.00 | 0.00 | $20,000.00$ |
| 6310420 | TUBING \& COMPONENTS | 0.00 | $53,519.90$ | 0.00 | $53,519.90$ |
| 6310460 | WELLHEAD EQUIPMENT | $48,893.97$ | $87,793.69$ | 0.00 | $136,687.66$ |
| 6310530 | SURFACE CASING | $17,042.45$ | 0.00 | 0.00 | $17,042.45$ |
| 6310540 | NTERMEDIATE CASING | $268,789.50$ | 0.00 | 0.00 | $268,789.50$ |
| 6310550 | PRODUCTION CASING | $353,477.94$ | 0.00 | 0.00 | $353,477.94$ |
| 6310580 | CASING COMPONENTS | $29,720.20$ | 0.00 | 0.00 | $29,720.20$ |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | $159,634.63$ | 0.00 | $159,634.63$ |
|  | Total Tangibles | $737,924.06$ | $880,352.36$ | 0.00 | $1,618,276.42$ |


| TOTAL ESTIMATED COST | $2,526,320.99$ | $3,569,091.40$ | 0.00 | $6,095,412.39$ |
| :---: | ---: | ---: | ---: | ---: |

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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

Authorization for Expenditure

AFE \# XX-141323.01
Well Name: PRAIRIE FIRE 25-26 FED COM 624H Cost Center Number: 1094583101
Legal Description: SEC 30-20S-30E

| AFE Date: | 4/26/2021 |
| :--- | :--- |
| State: | NM |
| County/Parish: | EDDY |

Revision: $\square$

Explanation and Justification:
DRILL AND COMPLETE

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6040110 | CHEMICALS - OTHER | 0.00 | 109,841.95 | 0.00 | 109,841.95 |
| 6060100 | DYED LIQUID FUELS | 9,057.51 | 92,458.84 | 0.00 | 101,516.35 |
| 6080100 | DISPOSAL - SOLIDS | 92,913.24 | 1,069.84 | 0.00 | 93,983.08 |
| 6080110 | DISP-SALTWATER \& OTH | 0.00 | 9,628.58 | 0.00 | 9,628.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 50,400.00 | 0.00 | 50,400.00 |
| 6090100 | FLUIDS - WATER | 25,175.87 | 226,086.79 | 0.00 | 251,262.66 |
| 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 |
| 6110120 | ROAD\&SITE PREP M\&S | 0.00 | 37,275.00 | 0.00 | 37,275.00 |
| 6110130 | ROAD\&SITE PREP SVC | 31,806.08 | 57,213.11 | 0.00 | 89,019.19 |
| 6110170 | DAMAGE \& REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | \& C SERVICES | 0.00 | 189,037.50 | 0.00 | 189,037.50 |
| 6130170 | COMM SVCS - WAN | 3,768.75 | 0.00 | 0.00 | 3,768.75 |
| 6130360 | RTOC - ENGINEERING | 0.00 | 4,034.31 | 0.00 | 4,034.31 |
| 6130370 | RTOC - GEOSTEERING | 6,175.57 | 0.00 | 0.00 | 6,175.57 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG\&WL SV | 0.00 | 171,887.94 | 0.00 | 171,887.94 |
| 6160100 | MATERIALS \& SUPPLIES | 3,448.70 | 0.00 | 0.00 | 3,448.70 |
| 6170100 | PULLING\&SWABBING SVC | 0.00 | 79,553.60 | 0.00 | 79,553.60 |
| 6170110 | SNUBBG\&COIL TUBG SVC | 0.00 | 13,373.03 | 0.00 | 13,373.03 |
| 6190100 | TRCKG\&HL-SOLID\&FLUID | 70,802.80 | 0.00 | 0.00 | 70,802.80 |
| 6190110 | TRUCKING\&HAUL OF EQP | 41,056.76 | 65,007.64 | 0.00 | 106,064.40 |
| 6200130 | CONSLT \& PROJECT SVC | 120,847.13 | 85,711.09 | 0.00 | 206,558.22 |
| 6230120 | SAFETY SERVICES | 23,051.49 | 0.00 | 0.00 | 23,051.49 |
| 6300270 | SOLIDS CONTROL SRVCS | 52,694.12 | 0.00 | 0.00 | 52,694.12 |
| 6310120 | STIMULATION SERVICES | 0.00 | 411,196.08 | 0.00 | 411,196.08 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 365,051.95 | 0.00 | 365,051.95 |
| 6310200 | CASING \& TUBULAR SVC | 57,637.73 | 0.00 | 0.00 | 57,637.73 |
| 6310250 | CEMENTING SERVICES | 136,997.79 | 0.00 | 0.00 | 136,997.79 |
| 6310280 | DAYWORK COSTS | 430,564.24 | 0.00 | 0.00 | 430,564.24 |
| 6310300 | DIRECTIONAL SERVICES | 223,657.58 | 0.00 | 0.00 | 223,657.58 |
| 6310310 | DRILL BITS | 50,060.10 | 0.00 | 0.00 | 50,060.10 |
| 6310330 | DRILL\&COMP FLUID\&SVC | 259,597.86 | 36,333.77 | 0.00 | 295,931.63 |
| 6310370 | MOB \& DEMOBILIZATION | 239,854.32 | 0.00 | 0.00 | 239,854.32 |
| 6310380 | OPEN HOLE EVALUATION | 9,592.72 | 0.00 | 0.00 | 9,592.72 |
| 6310480 | TSTNG-WELL, PL \& OTH | 0.00 | 104,254.42 | 0.00 | 104,254.42 |
| 6310510 | VACUUM TRUCK SVC | 0.00 | 2,500.00 | 0.00 | 2,500.00 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,135.39 | 0.00 | 19,135.39 |
| 6320100 | EQPMNT SVC-SRF RNTL | 134,259.66 | 153,099.06 | 0.00 | 287,358.72 |
| 6320110 | EQUIP SVC - DOWNHOLE | 66,628.63 | 62,650.00 | 0.00 | 129,278.63 |
| 6320160 | WELDING SERVICES | 973.27 | 0.00 | 0.00 | 973.27 |
| 6320190 | WATER TRANSFER | 0.00 | 67,988.05 | 0.00 | 67,988.05 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 188,306.20 | 0.00 | 188,306.20 |
| 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 as establishing any limit on the monies which will be required to perform the proposed operation.

## devon

## Authorization for Expenditure

## AFE \# XX-141323.01

Well Name: PRAIRIE FIRE 25-26 FED COM 624H
Cost Center Number: 1094583101
Legal Description: SEC 30-20S-30E

| AFE Date: | 4/26/2021 |
| :--- | :--- |
| State: | NM |
| County/Parish: | EDDY |

Revision:

| Code | Intangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | ---: | ---: |
| 6550100 | MISCS COSTS \& SERVS | 0.00 | $7,198.15$ | 0.00 | $7,198.15$ |
| 6550110 | MISCELLANEOUS SVC | $40,822.78$ | 0.00 | 0.00 | $40,822.78$ |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | $23,000.00$ | 0.00 | $23,000.00$ |
| 6630110 | CAPITAL OVERHEAD | $6,106.41$ | $46,953.75$ | 0.00 | $53,060.16$ |
| 6740340 | TAXES OTHER | 0.00 | $8,493.00$ | 0.00 | $8,493.00$ |
|  | Total Intangibles | $2,208,551.11$ | $2,688,739.04$ | 0.00 | $4,897,290.15$ |


| Code | Tangible <br> Description | Drilling <br> Costs | Completion <br> Costs | Dry Hole <br> Costs | Total <br> Costs |
| :---: | :---: | :---: | :---: | ---: | ---: |
| 6120110 | I\&C EQUIPMENT | 0.00 | $79,120.91$ | 0.00 | $79,120.91$ |
| 6120120 | MEASUREMENT EQUIP | 0.00 | $31,950.00$ | 0.00 | $31,950.00$ |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | $370,913.23$ | 0.00 | $370,913.23$ |
| 6300220 | STORAGE VESSEL\&TANKS | 0.00 | $62,835.00$ | 0.00 | $62,835.00$ |
| 6300230 | PUMPS - SURFACE | 0.00 | $9,585.00$ | 0.00 | $9,585.00$ |
| 6310130 | ARTIFICIAL LIFT EQP | 0.00 | $25,000.00$ | 0.00 | $25,000.00$ |
| 6310150 | CASG-COND\&DRIVE PIPE | $20,000.00$ | 0.00 | 0.00 | $20,000.00$ |
| 6310420 | TUBING \& COMPONENTS | 0.00 | $53,519.90$ | 0.00 | $53,519.90$ |
| 6310460 | WELLHEAD EQUIPMENT | $45,236.91$ | $87,793.69$ | 0.00 | $133,030.60$ |
| 6310530 | SURFACE CASING | $14,450.40$ | 0.00 | 0.00 | $14,450.40$ |
| 6310540 | INTERMEDIATE CASING | $243,923.02$ | 0.00 | 0.00 | $243,923.02$ |
| 6310550 | PRODUCTION CASING | $276,174.92$ | 0.00 | 0.00 | $276,174.92$ |
| 6310580 | CASING COMPONENTS | $23,574.67$ | 0.00 | 0.00 | $23,574.67$ |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | $159,634.63$ | 0.00 | $159,634.63$ |
|  | Total Tangibles | $623,359.92$ | $880,352.36$ | 0.00 | $1,503,712.28$ |


| TOTAL ESTIMATED COST | $2,831,911.03$ | $\mathbf{3 , 5 6 9 , 0 9 1 . 4 0}$ | $\mathbf{0 . 0 0}$ | $\mathbf{6 , 4 0 1 , 0 0 2 . 4 3}$ |
| :---: | ---: | ---: | ---: | ---: |

## 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 as establishing any limit on the monies which will be required to perform the proposed operation.

Chronology of Contacts between Devon Energy Production Company, L.P. ("Devon") and the Uncommitted Interest Owners in Case No. 22158:

1. Well Proposal Letter Prairie Fire $25-26$ Fed Com 624 H Well from Devon to all the working interest owners dated and mailed May 11, 2021 (Exhibit A-3).
2. Initial email with discussion of agreements/drafts between Devon Energy Production Company, L.P. and the working interest owners, occurred in May, 2020, following the mailing of the proposal letter.
3. Follow up email and phone call efforts with working interest owners, in June through August, 2021, were not reciprocated and the interests remained uncommitted.
4. Well Proposal updated emails to working interest owners on September 1, 2021, notifying them of a slight change to the BHL of the Well.
$>$ EOG Resources Inc. replies that they have no concerns with this change and have entered an appearance in the Case, but do not object to the Case moving forward on September 9, 2021

## TAB 3

Case No. 22158

Exhibit B: Affidavit of Joseph Dixon, 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 <br> DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION 

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

Case No. 22158

## AFFIDAVIT OF JOE DIXON

I, Joe Dixon, 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 abovereferenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
4. I have testified previously by affidavit before the Oil Conservation Division ("Division") as an expert petroleum geologist; my credentials have been made a matter of record, and I have been qualified as an expert by the Division.
a. I have a Bachelor of Science Degree in Geology from Purdue University and a Master of Science Degree in Geology from Oklahoma State University.
b. I have worked on New Mexico Oil and Gas matters since November 2020.
5. 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
well. Contour interval of $20^{\prime}$. The unit being pooled is outlined by red rectangle. The structure map shows that there is a regional down-dip to the Southeast. I do not observe any faulting, pinchouts, or other geologic impediments to developing this targeted interval.
6. Exhibit B-2 is a stratigraphic cross-section flattened on the Wolfcamp Top. Each well in the cross-section contains a gamma ray, resistivity, and porosity $\log$ (porosity $\log$ not ran on the Dooley 1). The cross-section demonstrates continuity and consistent thickness across the target zone. The well logs on the cross-section give a representative sample of the Wolfcamp. The landing zone is highlighted by the well number.
7. Additional exhibits for the benefit of the Division's review include Exhibit B-3, a gross isochore of the Wolfcamp XY, as well as Exhibits B-4 and B-5. Exhibit B-4 is a gun barrel representation of the unit, and Exhibit B-5 is a structural cross section built along the wellbore trajectories.
8. I conclude from the attached exhibits that:
a. The horizontal spacing and proration unit is justified from a geologic standpoint.
b. There are no structural impediments or faulting that will interfere with horizontal development.
c. Each quarter-quarter section in the unit will contribute more or less equally to production.
9. The preferred well orientation in this area is East-West so that the wells run subperpendicular to the inferred orientation of the maximum horizontal stress.
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 drilling of unnecessary wells, and the protection of correlative rights.
12. The foregoing is correct and complete to the best of my knowledge and belief. [Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT


Subscribed to and sworn before me this pul $_{\text {al }}$ day of September_, 2021.



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 well.


Exhibit B-2 Cross-section A to B. Stratigraphic cross-section hung on top of Wolfcamp.
Target interval indicated by well number.


Exhibit B-3 is a gross isochore of the Wolfcamp XY target formation with a $20^{\prime}$ contour interval. Map demonstrates continuity and consistent thickness of the target zone.


Exhibit B-4 is a gun barrel representation of the unit.



Exhibit B-5 is a cross section with approximate well trajectory.

## TAB 4

Case No. 22158

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

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

## APPLICATION OF DEVON ENERGY PRODUCTION

COMPANY, L.P., FOR A HORIZONTAL SPACING UNIT
AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Case Nos. 22156, 22157, and 22158

## AFFIDAVIT OF NOTICE

STATE OF NEW MEXICO )
ss.
COUNTY OF SANTA FE )
Darin C. Savage, attorney and authorized representative of Devon Energy Production Company, L.P., the Applicant herein, being first duly sworn, upon oath, states that the above referenced Application was under a notice letter and that proof of receipt is attached hereto.


Darin C. Savage

SUBSCRIBED AND SWORN to before me this 7th day of September, 2021, by Darin C. Savage.


My Commission Expires:


ABADIEISCHILLPC

Colorado
Louisiana
Kansas
Nebraska
Montana
Oklahoma

New Mexico

## Texas

 UtahWyoming California
North Dakota

August 19, 2021

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

$$
\begin{array}{ll}
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico } \\
\text { Prairie Fire 25-26 Fed Com 333H Well (Case No. 22156) }
\end{array} \\
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico }
\end{array} \\
& \text { Prairie Fire 25-26 Fed Com 623H Well (Case No. 22157) } \\
\text { Re: } & \begin{array}{l}
\text { Application of Devon Energy Production Company, L.P., for horizontal } \\
\text { spacing and compulsory pooling, Eddy County, New Mexico }
\end{array} \\
& \text { Prairie Fire 25-26 Fed Com 624H Well (Case No. 22158) }
\end{array}
$$

Case Nos. 22156, 22157, and 22158:
Dear Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon") has filed the enclosed applications, Case Nos. 22156-58, with the New Mexico Oil Conservation Division for creating standard horizontal spacing units and the compulsory pooling of the Bone Spring formation, for Case No. 22156 involving the Prairie Fire 25-26 Fed Com 333H Well, and the Wolfcamp formation, a wildcat oil pool for Case Nos. 2215758 involving the Prairie Fire 25-26 Fed Com 623H and 624H Wells.

In Case No. 22156, Devon plans to pool the S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, a standard unit encompassing 640 acres, more or less, dedicated to the Prairie Fire $25-26$ Fed Com 333H Well.

In Case No. 22157, Devon plans to pool the N/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico a standard unit encompassing 320 acres, more or less, dedicated to the Prairie Fire $25-26$ Fed Com 623 H Well.

In Case No. 22158, Devon plans to pool the $\mathrm{S} / 2 \mathrm{~S} / 2$ of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico a standard unit encompassing 320 acres, more or less, dedicated to the Prairie Fire 25-26 Fed Com 624H Well.

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 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 Prehearing 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) 5528002 or at AndyBennett@dvn.com.

Sincerely,


Darin C. Savage
Attorney for Devon Energy Production Company, L.P.

For the Pursuit of Energy

ABADIEISCHILLPC

Colorado
Louisiana
Kansas
Nebraska
Montana
Oklahoma

New Mexico
Texas
Utah

August 19, 2021

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Darin C. Savage
Attorney for Devon Energy Production Company, L.P.

$$
\begin{array}{l|l|l|l|l|l|l}
\hline \text { Owner } & \text { Address } & \text { CITY } & \text { State } & \text { ZIP } & \text { USPS \# } \\
\begin{array}{l}
\text { Devon } \\
\text { EOG Resources, Inc. }
\end{array} & \text { 5509 Champions Dr. } & \text { Midland } & \text { TX } & 79706 & 70201290000124853125 & \text { Certified Mail } \\
\text { OXY Y-1 Company } & 5 \text { Greenway Plaza, Suite 110 } & \text { Houston } & \text { TX } & 77045 & 70201290000124853118 & \text { Certified Mail } \\
\begin{array}{l}
\text { United States of America } \\
\text { c/o Bureau of Land Management }
\end{array} & 301 \text { Dinosaur Trail } & \text { Santa Fe NM } & 87508 & 70201290000124853132 & \text { Certified Mail } \\
\begin{array}{l}
\text { United States of America } \\
\text { c/o Bureau of Land Management }
\end{array} & 620 \text { E. Greene St. } & \text { Carlsbad NM } & 88220 & 70201290000124853149 & \text { Certified Mail } \\
\hline
\end{array}
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\begin{aligned}
& \text { Mailed Status Date Delivered } \\
& 8 / 19 / 21 \text { Delivered } 8 / 24 / 21 \\
& 8 / 19 / 21 \text { Delivered } 8 / 23 / 21 \\
& 8 / 19 / 21 \text { Delivered } 8 / 23 / 21 \\
& 8 / 19 / 21 \text { Delivered } 8 / 23 / 21
\end{aligned}
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\begin{aligned}
& \text { Green Card Returned? } \\
& \text { YES } \\
& \text { YES } \\
& \text { YES } \\
& \text { YES }
\end{aligned}
$$

## 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:

COMPLETE THIS SECTION ON DELIVERY
A. Signature
$\times$ (
B. Received by (Printed Name)

D. Is delivery address different from item 1? If YES, enter delivery address below:

## 2. Article Number (Transfer from service labell

 3020 1290 00012485 311. 8
## 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 9590940264070303469503

2．Article Number（Transfer from service label） アロ2ロ 129ロ ロロロ1 2485 3132 PS Form 3811，July 2020 PSN 7530－02－000－9053

COMPLETE THIS SECTION ON DELIVERY
A．Signature
$x^{R}$ buran
B．Received by（Printed Name）
Regina Duran
D．Is delivery address different from item 1？．Yes If YES，enter delivery address below：

 \＆Addressee

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

3．Service Type<br>Adult Signature<br>Adult Signature Restricted Delivery<br>Certified Mail ®<br>Certified Mail Restricted Delivery<br>Collect on Delivery<br>Collect on Delivery Restricted Delivery<br>Insured Mail<br>7 Mail Restricted Delivery<br>500）

$\square$ Priority Mail Express ®
$\square$ Registered Mail ${ }^{\text {TM }}$Registered Mail Restricted Delivery
$\square$ Signature Confirmation ${ }^{\text {TM }}$Signature Confirmation Restricted Delivery

## SENDER: COMPLETE THIS SECTION

## COMPLETE THIS SECTION ON DELIVERY

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:
A. Signature


Addressee
B. Received by (Printed Name)

D. Is delivery address different from item 1 ? If YES, enter delivery address below:

EOG Resources Inc. 5509 Champions Dr. Midland, TX 79706
2. Article Number (Transfer from service label)
3. Service Type

Adult Signature
Adult Signature Restricted Delivery Certified Male Certified Mail Restricted Delivery Collect on Delivery
Collect on Delivery Restricted Delivery


Mail
Mail Restricted Delivery
(0rorwj00)

## SENDER：COMPLETE THIS SECTION

－Complete items 1，2，and 3.
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1．Article Addressed to：

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A．Signature
B．Received by（Printgct Name） crane

D．Is delivery address different from item 1？ ／Addressee If YES，enter delivery address below：


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

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2．Article Number（Transfer from service label）

3．Service Type
Adult Signature
$\square$ Adult Signature Restricted Delivery Certified Mail ${ }^{(8)}$
Certified Mail Restricted Delivery
$\square$ Collect on Delivery
$\square$ Collect on Delivery Restricted Delivery

## Carlsbad Current Argus.

## Affidavit of Publication <br> Ad \# 0004881547 <br> This is not an invoice

## ABADIE SCHILL P.C. <br> 555 RIVERGATE LANE SUITE B4-18

DURANGO, CO 81301

I, a legal clerk of the Carisbad 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


Subscribed and sworn before me this August 26,


Ad \# 0004881547
PO \#: 22158 DS
\# of Affidavits 1
This is not an invoice

CASE No. 22158: 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 EOG RESOURCES, INC. AND OXY Y-1 COMPANY, of Devon Energy COMPANY, of Devon Energy
Production Company, L.P.'s apProduction Company, L.P.'s ap-
plication for approval of a spacplication for approval of a spac-
ing unit and compulsory pooling 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 motely. For information about Division's website at: https://ww Division's website at: httpsi/hww
w.emnrd.nm.gov/ocd/hearing-w.emnrd.nm.govfocd/hearing-
infol or call (505) 476-3441. infol or call (505) 476-3441.
Devon Energy Production ComDevon Energy Production Company, L.P., at 333 W. Sheridan
Ave, Oklahoma City, OK 73102 , Ave, Oklahoma City, OK 73102, seeks an order from the Division:
(1) creating a standard 320 -acre, more or less, spacing and proration unit comprised of the $5 / 2 \mathrm{~S} / 2$ of Sections 25 and 26 , Township 20 South, Range 29 East, NMPM. Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, desigthe Wolfcamp as a wildcat oil pool, unnated as a wildcat oi pool, un-
derlying said unit. Said horizonderlying said unit. Said horizon-
tal spacing unit is to be dedicattal spacing unit is to be dedicat-
ed to the Prairie Fire 25-26 Fed ed to the Prairie Fire $25-26$ fed
Com 624 H to be horizontally Com 624 H to be horizontally
drilled from a surface location in drilled from a surface location in
Lot 4 (SW/4 SW/4) (Unit M) of Section 30, Township 20 South, Range 30 East, NMPM, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 26, Township 20 South, Range 29 East, NMPM. The well will have a standard location; completed interval and first take and last take points for well proposed in the unit meet the Division's the unit meet the Division's statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a $200 \%$ charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southeast of Artesia, New Mexico.
\#4881547, Current Argus, Auqust 26, 2021


[^0]:    Application of Devon Energy Production Company, L.P. for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the N/2 S/2 of Sections 25 and 26, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, a wildcat oil pool, underlying the unit. The proposed well to be dedicated to the horizontal spacing unit is the Prairie Fire 25-26 Fed Com 623H Well, an oil well, to be horizontally drilled from a surface location in Lot 4 (SW/4 SW/4) (Unit M) of Section 30, Township 20 South, Range 30 East, NMPM, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26. The well is orthodox in location and the take points and lateral comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a $200 \%$ charge for the risk involved in drilling and completing the well. The well and lands are located approximately 3 miles southeast of Artesia, New Mexico.

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