BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING AUGUST 18, 2022

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

Case No. 22958:

Burton Flat 3-1 Fed State Com 621H Well Burton Flat 3-1 Fed State Com 622H Well Burton Flat 3-1 Fed State Com 822H Well

Case No. 22959:

Burton Flat 3-1 Fed State Com 333H Well

Case No. 22960:

Burton Flat 3-1 Fed State Com 332H Well

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TAB 1

Reference for Case No. 22958

Application Case No. 22958: Burton Flat 3-1 Fed State Com 621H Well

Burton Flat 3-1 Fed State Com 622H Well

Burton Flat 3-1 Fed State Com 822H Well

NMOCD Checklist Case No. 22958

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

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

Case No. 22958

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, seeking an order (1) establishing a standard 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying said unit.

In support of its Application, Devon states the following:

1. Devon recognizes that Sections 1, 2 and 3, are rather sizable correction sections consisting of 16 lots in the N/2 of the Sections and therefore may present a number of novel questions and issues regarding the application of the Division's rules to the unusual circumstances created by the Sections. Devon respectfully submits in Exhibit A, attached to this Application, what it proposes to be a valid and beneficial interpretation and application of NMAC 19.15.16.15B(1)(1) and related rules for establishing the N/2 N/2 of correction Sections 1, 2 and 3, consisting of Lots 1-8 of each Section ("Subject Lands"), as a standard unit. For the reasons

provided in Exhibit A, Devon respectfully submits that establishing the Subject Lands as a standard horizontal spacing unit would best serve the interest of the Division and applicants by ensuring a consistent and systematic application of the Rules to correction sections, no matter the size or number of lots, for the protection of correlative right and prevention of waste.

- 2. Although this Application represents Devon's preferred spacing unit and development plan, Devon has submitted concurrently (1) an alternate pooling application for the **Burton Flat 3-1 Fed State Com 621H and 822H Wells** with a spacing unit comprising Lots 1-4 of irregular Sections 1, 2 and 3; and (2) an alternate pooling application for the **Burton Flat 3-1 Fed State Com 622H Well** with a spacing unit comprising Lots 5-8 of irregular Sections 1, 2 and 3. These alternate pooling applications are provided for the Division's consideration should the Division reject the standard horizontal spacing unit proposed herein.
- 3. Devon is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.
- 4. Devon proposes and dedicates to the HSU three (3) initial wells, the Burton Flat 3-1 Fed State Com 621H Well; the Burton Flat 3-1 Fed State Com 622H Well, and the Burton Flat 3-1 Fed State Com 822H Well, to be drilled to a sufficient depth to test the Wolfcamp formation.
- 5. Devon proposes the **Burton Flat 3-1 Fed State Com 621H Well,** an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 1 of Section 1.
- 6. Devon proposes the **Burton Flat 3-1 Fed State Com 622H Well,** an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1.

- 7. Devon proposes the **Burton Flat 3-1 Fed State Com 822H Well,** an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 1 of Section 1.
- 8. The proposed wells are orthodox in their location, and the take points and completed intervals comply with setback requirements under statewide rules.
- 9. Devon has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed HSU.
- 10. The pooling of all interests in the Wolfcamp formation within the proposed HSU, and establishment of the standard spacing unit, will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 11. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Devon requests that all uncommitted interests in this HSU be pooled and that Devon be designated the operator of the proposed horizontal wells and HSU.

WHEREFORE, Devon requests that this Application be set for hearing on August 4, 2022, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Establishing a standard 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of correction Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico;
- B. Pooling all uncommitted mineral interests in the Wolfcamp formation underlying the proposed HSU.

- C. Approving the Burton Flat 3-1 Fed State Com 621H Well; the Burton Flat 3-1 Fed State Com 622H Well, and the Burton Flat 3-1 Fed State Com 822H Well as the wells for the HSU.
- D. Designating Devon as operator of this HSU and the horizontal wells to be drilled thereon;
- E. Authorizing Devon to recover its costs of drilling, equipping, and completing the wells:
- F. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- G. Setting a 200% charge for the risk assumed by Devon in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

ABADIE & SCHILL, PC

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Attorneys for Devon Energy Company, L.P.

Application of Devon Energy Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Burton Flat 3-1 Fed State Com 621H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location Lot 1 of Section 1; the Burton Flat 3-1 Fed State Com 622H Well, an oil well, to be horizontally drilled from a surface location in the Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1; and the Burton Flat 3-1 Fed State Com 822H Well, an oil well, to be horizontally drilled from a surface location in the Lot 5 of Section 3 to a bottom hole location in Lot 1 of Section 1. The wells will be orthodox, and the take points and completed intervals will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 7 miles northeast of Carlsbad, New Mexico.

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

Exhibit A: A legal basis for establishing standard horizontal spacing units in expanded correction sections under the existing language and intent of the Statewide Rules

In this Exhibit A, attached to and made a part of the pooling application, the Applicant respectfully asks the Division to consider what should constitute a standard horizontal spacing unit ("HSU") for horizontal oil wells when encountering expanded correction sections under the PLSS. The analysis in this Exhibit is provided to the New Mexico Oil Conservation Division ("Division") for its consideration as it works through the challenges posed by such idiosyncratic sections. The Applicant respectfully submits that the spacing unit proposed in its Application be deemed a standard HSU based on a review of what constitutes a standard HSU under the Rules, which begins with the criteria set out in NMAC 19.15.16.15B(1) that directly supplants – having been adopted "[i]n lieu of" – an oil spacing unit "described in Subsection A of 19.15.15.9 NMAC" as consisting of 40 acres for a vertical well.

More specifically, NMAC 19.15.16.15B(1)(a) states that "[t]he horizontal spacing unit shall comprise one or more contiguous <u>tracts</u> that the horizontal oil well's completed interval penetrates...." (emphasis added). As an example, a commonly approved standard HSU in a standard section would, and often does, comprise quarter-quarter sections consisting of Units A-D to create a 160-acre standard HSU. Such standard HSU would be accurately described under NMAC 19.15.4.9A(8) as the N/2 N/2 of said standard section. In a standard section, each "tract" of the standard HSU would consist "of a governmental quarter-quarter section...," in compliance with the language of NMAC 19.15.16.15B(1)(a).

The challenge that arises with correction sections is the application of the specific language of this Rule to correction Lots that vary in size from governmental quarter-quarter sections, Lots which often reduce the size of the quarter-quarter section. NMAC 19.15.16.15B(1)(a) accounts for such possible variations by stating that "each [tract] of which consists of a governmental quarter-quarter section or equivalent." (emphasis added).

In practice before the Division, applicants often encounter correction sections where the only correction is provided by Lots 1-4 across the top of the section to account for quarter-quarter sections that otherwise would be Units A-D. Common practice with such a scenario shows that these Lots 1-4 are addressed by requesting a standard HSU consisting of Lots 1-4 of the correction section and providing a legal description such as Lots 1-4 (aka the N/2 N/2) of said correction section pursuant to NMAC 19.15.4.9A(8). In this scenario, it has been the practice of the Division to deem Lots 1-4 as "equivalent" to the governmental quarter-quarter sections and approve the contiguous tracts penetrated by the well's completed interval as a standard HSU. *See* Diagram No. 2, provided herein and attached hereto.

In the present Application for compulsory pooling, the Applicant, Devon Energy Production Company, L.P. ("Devon"), is faced with correction sections that consist of Lots 1-16 that comprise the entire N/2 of the correction section. *See* Diagram No. 3, attached hereto. As an example, one of the correction sections is Section 1, Township 21 South, Range 27 East, NMPM. The challenge is the application of the language and intent of NMAC 19.15.16.15B(1)(a) to Section 1 in a systematic and consistent manner that protects correlative rights and prevents waste pursuant to the Oil and Gas Act ("Act") and that can be efficiently replicated for other correction sections under the PLSS.

Devon respectfully submits for the Division's consideration that the general legal description of the proposed unit be the guiding factor for determining what tracts should be deemed equivalent to governmental quarter-quarter sections for purposes of building a standard HSU in a correction section that would be equivalent, under the language of the Rules, to a standard HSU in a standard section.

Therefore, to establish such equivalency, the N/2 N/2 standard HSU of a standard section, consisting of Units A-D, should translate into using Lots 1-8 when creating an equivalent standard HSU in correction Section 1. A standard HSU consisting of Lots 1-8 of Section 1 would comprise the N/2 N/2 of Section 1, which is equivalent under the language of the Rules to the N/2 N/2 of a standard section in that it maintains a consistent and equivalent legal description in both the standard section and the correction section. *See* Diagram No. 1, attached hereto. In correction Section 1, the tracts that would constitute the basic building blocks for the N/2 N/2 standard unit of Section 1 would be blocks consisting of two stacked lots, such as Lots 1 and 8, Lots 2 and 7, Lots 3 and 6, and Lots 4 and 5. These stacked Lots used to create a N/2 N/2 standard HSU in a correction section would maintain the equivalency specified in NMAC 19.15.16.15B(1)(a).

The equivalency maintained by this approach is also illustrated by the fact that a quarter-quarter section in the N/2 N/2 of a standard section is equivalent to one-fourth (1/4) of the N/2 N/2 standard spacing unit, and the basic building block proposed herein for creating a standard HSU comprising the N/2 N/2 of correction Section 1 is also one-fourth (1/4) of the N/2 N/2 spacing unit. This approach for establishing standard HSUs in correction sections is replicable with any correction section one encounters, as the size the building blocks would be proportioned to maintain the one-fourth (1/4) equivalency in relation to the number of Lots involved, whether in

the N/2 N/2 or other legal description proposed. Furthermore, the setback requirements of 330 feet would be maintained within the unit to protect the correlative rights of the offset operators.

Devon respectfully submits that this approach would be preferrable to burdening the Division with a case-by-case evaluation of what should constitute a standard HSU in a correction section each time the Division encounters the unique irregularities of a correction section with lots of various sizes. Correction Section 1, in the present case, happens to have a number of Lots that are 40 acres, the same acreage as quarter-quarter sections, but the Lots are not equivalent to quarter-quarter sections because each Lot is one-eighth of the N/2 N/2 of correction Section 1, while a quarter-quarter section by definition is one-fourth (1/4) of the N/2 N/2 of a standard section. Furthermore, Lots can vary dramatically in size and distribution depending on the correction section, and consequently, one cannot depend on a Lot always being 40 acres.

The model for approaching correction sections presented herein would provide a reliable template for addressing correction section consistently and systematically. Further, it would incorporate the principle under NMAC 19.15.15.9 and -.11 of having building blocks that include at least 40 acres, which is also reflected in the revisions provided by the horizontal rules in NMAC 19.15.16.15. The correction sections under the PLSS that are expanded beyond four lots, such as correction Section 1, which has 16 lots, would have building blocks which would encompass at least 40 acres, as required by NMAC 19.15.15.9, but would allow additional acreage as envisioned in the intent of NMAC 19.15.16.15B(1)(a) for expanded standard units that accommodate longer horizontal wells and spacing units.

Countering this proposal, one might argue that this approach would lead to larger standard units in correction sections involving lots than those typically established in standard sections involving quarter-quarter section, but from a practical viewpoint, the larger standard unit would

be proper in order to accommodate in a consistent, efficient, and reliable manner those rare instances when the PLSS itself uses correction sections to accommodates anomalies. Devon respectfully submits that the Division has the authority to apply existing Rules to address such anomalies when the inherent language of the Rule itself provides for a consistent and rational application, as proposed herein.

The only alternative approach would involve trying to fit a square peg in a round hole. The Rules do not directly address the subject of correction sections in this situation; thus, without a consistent application of the Rules based on their existing language, the Division could likely risk arbitrarily deciding whether a correction Lot is equivalent to a quarter-quarter section, and the Rules do not provide a reliable threshold for such a determination. For example, would the threshold be a reduction of 5 acres, from 40 to 35, or 10 acres from 40 to 30, or other? Since the Rules do not specify a clear threshold, the Division would be left with using an arbitrary rule of thumb on a case-by-case basis.

Such a piecemeal approach for developing a correction section would not only burden the Division with this uncertainty but would also burden the applicant trying to decide if it should describe in its pooling application a contiguous set of correction Lots as a standard or a non-standard unit. If a clear and consistent pathway is not provided by a consistent application of the Rules on which an applicant can rely, the applicant risks misidentifying the unit as standard or non-standard resulting in the burden of having to dismiss or amend the original pooling application.

The approach provided herein has a number of advantages for ensuring the protection of correlative rights and the prevention of waste and drilling unnecessary wells. First, this approach would better ensure that all of the lots of a correction section would be developed by having an

established place of each lot in a standard spacing unit no matter how irregular the Lot might be. In the example of correction Section 1, with its N/2 consisting of an unwieldy 16 Lots, an applicant might decide to develop the lots in a piecemeal fashion, such as proposing a unit across Lots 13-16 separated from another unit proposed as Lots 5-8, thereby excluding owners in Lots 1-4 and 9-12 and creating gaps in what otherwise should be adjacent units developed based on principles of uniformity for the full development of the N/2 of the correction section.

Second, creating a situation where a series of Lots in a correction section are considered a non-standard unit could significantly burden the applicant by requiring an excessive amount of additional and costly title work to identify owners in adjacent tracts outside the correction section, which otherwise would not burden the applicant when developing a standard section. Such burden may create waste through delay of development or through the applicant deciding not to develop the unit due to the irregularity creating an excessive burden. Devon's proposed horizontal unit in the attached pooling application, if rejected as a standard unit, would require additional title work covering, at a minimum, tracts in Section 6-21S-38E, Sections 36, 35, 34 and 33-20S-28E, and Section 4-21S-27E.

Currently, for example, if an applicant wants to develop the N/2 N/2 of a standard section as a standard spacing unit, the applicant can do so efficiently under the Rules, without unnecessary or excessive burden, and still protect the correlative rights of offset operators and owners by observing the proper setback requirements. Devon respectfully submits that the Division should grant an applicant the benefit of the same efficiency under the Rules when developing expanded correction sections when there is a viable application of the Rules to facilitate efficient development. Under the Act, and its Rules, a correction section should not present such obstacles

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to the development of the state's natural resources when a reasonable and rational means is

available for development that would prevent waste and protect correlative rights.

In the development plan of its pooling application, Devon is proposing what it believes

should be considered, by definition under the Rules, a standard spacing unit comprised of Lots 1-

8 (aka the N/2 N/2) of correction Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM,

Eddy County, New Mexico. Devon respectfully submits that the approval of the proposed unit as

a standard spacing unit would prevent waste through the efficient development of correction

sections and protect correlative rights through the maintenance of appropriate setback

requirements. The Division has the authority to recognize contiguous tracts, equivalent to quarter-

quarter sections, for building standard spacing units in expanded correction sections under NMAC

19.15.16.15B(1)(a), and Devon respectfully asks the Division to exercise its authority if it should

find sufficient justification based on the analysis provided herein.

Respectfully,

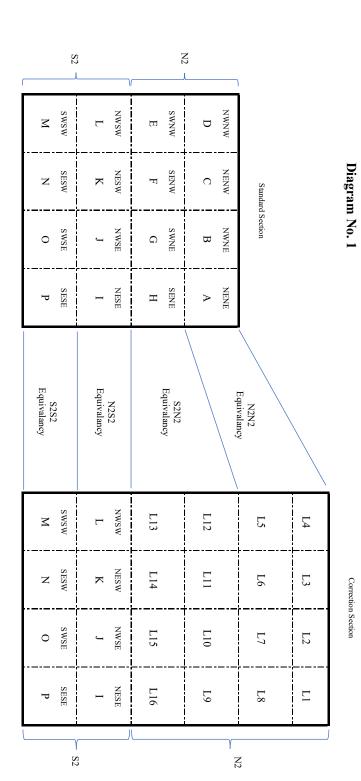
/s/ Darin C. Savage

Darin C. Savage

7

QQ Building Block in Standard Section Unit A

 \parallel



Each Lot in the Correction Section is 1/16 of the N2 of the Section

Each QQ Section of the Standard Section is 1/8 of the N2 of the Section

Therefore, a 40 acre QQ Section in the Standard Section is not equivalent to a 40 acre Lot in the Correction Section

But, QQ Sections A-D in the Standard Section (that being the N2 N2 of the Section) is equivalent to Lots 1-8 in the Correction Section (that also being the N2 N2 of the Section)

L1

NENE A

Two
Stacked
Lots as
Building
Blocks

Diagram No. 2

Standard Section

Correction Section

MWWN NENW NWNE NENE

Equivalancy N2N2 SWNW SWSW WSWN \leq H 7 NESW SENW SESW \mathbf{Z} $\overline{}$ L3 SWSE NWSE SWNE L2 0 G NESE SENE SESE i L1P Ή

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of the lots. establishing under the Rules a standard horizontal spacing unit for the N2 N2, consisting of Lots 1-4 in the correction section, regardless of the size variations common practice, when this particular scenario arises, to acknowledge the equivalency of Lots 1-4, as being equivalent to Units A-D in the standard section, for This Diagram No 2 is an example of the common situation when there are only four correction lots (Lots 1-4) across the top of the correction. It appears to be

whenever additional lots are encountered in a correction section. Diagram No. 1 herein shows how this common and established practice would be scalable and replicated to establish standard spacing units under the Rules

Diagram No. 3

		13 40.00	12 40 00	5 40.00	4 29.28
	ω	14 40.00	11 40.00	6 40.00	3 29.18
		15 40.00	10 40.00	7 40.00	2 29.07
		16 40.00	9 40.00	8 40.00	1 28.97
		13 40.00	12 40 00	5 40.00	4 28.85
NM 001086 01 Recon Surf Only		14 40.00	11 40.00	6 40.00	3 28.72
1086 01 nly	2	15 40.00	10 40.00	7 40.00	2 28.59
		16 40.00	9 40.00	8 40.00	1 28.46
		13 40.00	12 40.00	5 40.00	4 28.35
		14 40.00	11 40.00	6 40.00	3 28.25
	481906 D/C	15 40.00	10 40.00	7 40.00	2 28.15
		16 40.00	9 40.00	8 40.00	1 28.05

ALL INFORMATION IN THE APPLICATION MUST BE	SUPPORTED BY SIGNED AFFIDAVITS
Case: 22958	APPLICANT'S RESPONSE
Date:	August 16, 2022
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:	MRC Permian Company
	Sabinal Energy Operating, LLC
Well Family	Burton Flat 3-1 Fed State Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Exhibit B-3; 621H TVD approx 9,097', 622H TVD approx
	9,107', 822H TVD approx 9,518'.
Pool Name and Pool Code:	Wolfcamp [WC Burton Flat UPPER WC (Code 98315)]
Well Location Setback Rules:	NMAC statewide rules
Spacing Unit Size:	823.92 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	823.92 acres, more or less
Building Blocks:	Two stacked lots equivlent to 1 quarter-quarter section
Orientation:	west - east
Description: TRS/County	Lots 1-8 (equivalent to the N/2N/2) of Sections 1, 2 and
	Township 21 South, Range 27 East, NMPM, Eddy County
	New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract Well(s)	See Landman Exhibit A-2
Name & API (if assigned), surface and bottom hole location,	
footages, completion target, orientation, completion status	
(standard or non-standard)	
Well #1	Burton Flat 3-1 Fed State Com 621H Well (API No. 30-01
vveii #1	pending), SHL: Lot 5, 1031' FNL, 369' FWL, Section 3, T21
	R27E, NMPM; BHL: Lot 1, 400' FNL, 20' FEL, Section 1,
	T21S-R27E, NMPM, laydown, standard location
	1213-R27E, NIVIPIVI, IAYUOWII, Stallualu locatioli
Horizontal Well First and Last Take Points	Burton Flat 3-1 Fed State Com 621H Well: FTP 400' FNL,
Horizontal Well First and Last Take Points	100' FWL, Section 3; LTP 400' FNL, 100' FEL, Section 1
	100 TWL, Section 3, LTF 400 TNL, 100 TLL, Section 1
Completion Target (Formation, TVD and MD)	Burton Flat 3-1 Fed State Com 621H Well: TVD approx.
Completion ranget (Formation, TVD and MD)	·
	9,097', TMD 24,577'; Wolfcamp Formation, See Exhibit I
Well #2	Burton Flat 3-1 Fed State Com 622H Well (API No. 30-01
VV €II π∠	pending), SHL: Lot 5, 2077' FNL, 387' FWL, Section 3, T21
	R27E, NMPM; BHL: Lot 8, 1900' FNL, 20' FEL, Section 1,
	T21S-R27E, NMPM, laydown, standard location
	1213-1127 L, INIVIT IVI, IAYUUWII, SLAITUATU TULALIUTI
Horizontal Well First and Last Take Points	Burton Flat 3-1 Fed State Com 622H Well: FTP 1900' FNI
HOHZOHIAI WEH FIISI AHU LASI TAKE POHIIS	
	100' FWL, Section 3; LTP 1900' FNL, 100' FEL, Section 1
	Burton Flat 3-1 Fed State Com 622H Well: TVD approx.
Completion Target (Formation TVD and MD)	purton riat 5-1 red State Com 022H Well: TVD approx.
Completion Target (Formation, TVD and MD)	0 107 TMD 24 E97 Walforms Formation Con File bit 5
Completion Target (Formation, TVD and MD)	9,107', TMD 24,587'; Wolfcamp Formation, See Exhibit E

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Well #3	Burton Flat 3-1 Fed State Com 822H Well (API No. 30-015-
	pending), SHL: Lot 5, 2047' FNL, 387' FWL, Section 3, T21S-
	R27E, NMPM; BHL: Lot 1, 790' FNL, 20' FEL, Section 1,
	T21S-R27E, NMPM, laydown, standard location
	, , , , , , , , , , , , , , , , , , , ,
Horizontal Well First and Last Take Points	Burton Flat 3-1 Fed State Com 822H Well: FTP 790' FNL,
2001 2011 2011 2011 2011 2011 2011 2011	100' FWL, Section 3; LTP 790' FNL, 100' FEL, Section 1
	100 1 442, 3000001 3, 211 730 1142, 100 122, 300001 1
Completion Target (Formation, TVD and MD)	Burton Flat 3-1 Fed State Com 822H Well: TVD approx.
	9,518', TMD 24,998'; Wolfcamp Formation, See Exhibit B-
	15,516, TIVID 24,556, Wollcamp Formation, see Exhibit B
	3
AFE Canay and Operating Costs	
AFE Capex and Operating Costs Drilling Supervision/Month \$	ĆO OOO Tuhihit A
	\$8,000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	5 1 11 11 0 0 0 4
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, no depth severance
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-3
HSU Cross Section	Exhibit B-3, B-4, B-5
Depth Severance Discussion	Exhibit B, no depth severance
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-3, B-5
Cross Section (including Landing Zone)	Exhibit B-3, B-4, B-5
Additional Information	Little Co. Co. T. Co. Co.
Special Provisions/Stipulations	this shouldist is somewhate or decrease.
CERTIFICATION: I hereby certify that the information provided in	·
Printed Name (Attorney or Party Representative):	Darin C. Savage
Signed Name (Attorney or Party Representative):	/s/ Darin C. Savage
Date:	8/16/22

TAB 2

Case No. 22958

Exhibit A: Affidavit of Andy 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 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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

Case No. 22958

AFFIDAVIT OF ANDY D. 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 Advising Landman with Devon Energy Production Company, L.P. ("Devon"), and I am familiar with the subject application and the lands involved.
- 3. I graduated from the University of Oklahoma with a Bachelor's degree in Business (Energy Management) in 2008. I have worked at Devon for approximately 13 years, and I have been working in New Mexico for 4 years. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
- 4. This affidavit is submitted in connection with the filing by Devon in the above-referenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1).
- 5. Devon seeks an order (1) establishing a standard 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being

EXHIBIT

correction sections and therefore irregular, and (2) pooling all uncommitted ownership interests in the Wolfcamp formation [WC Burton Flat UPPER WC (Pool Code 98315)], designated as an oil pool, underlying said unit.

- 6. Devon recognizes that Sections 1, 2 and 3, are rather sizable correction sections consisting of 16 lots in the N/2 of the Sections and therefore may present a number of novel questions and issues regarding the application of the Division's rules to the unusual circumstances created by the Sections. Devon has respectfully submitted Exhibit A, attached to the Pooling Application herein, in which it has proposed what it believes to be a valid and beneficial interpretation and application of NMAC 19.15.16.15B(1)(1) and related rules for establishing the N/2 N/2 of correction Sections 1, 2 and 3, consisting of Lots 1-8 of each Section, as a standard unit. For the reasons provided in Exhibit A, Devon respectfully submits that establishing the Subject Lands as a standard unit would best serve the interest of the Division and Applicants by ensuring a consistent and systematic application of the Rules to correction sections, no matter the size or number of lots, for the protection of correlative right and prevention of waste.
- 7. Although this Application represents Devon's preferred spacing unit and development plan, Devon has submitted concurrently an alternate pooling application in Case No. 22962 for the **Burton Flat 3-1 Fed State Com 621H** and **822H Wells** with a spacing unit comprising Lots 1-4 of irregular Sections 1, 2 and 3; and an alternate pooling application in Case No. 22961 for the **Burton Flat 3-1 Fed State Com 622H Well** with a spacing unit comprising Lots 5-8 of irregular Sections 1, 2 and 3. These alternate pooling applications are provided for the Division's consideration should the Division reject the standard horizontal spacing unit proposed herein.

- 8. Under this <u>Case No. 22958</u>, Devon seeks to dedicate to the horizontal spacing and proration unit the Burton Flat 3-1 Fed State Com 621H Well; the Burton Flat 3-1 Fed State Com 622H Well, and the Burton Flat 3-1 Fed State Com 822H Well, (APIs 30-015-pending), as the oil initial wells.
- 9. The **Burton Flat 3-1 Fed State Com 621H Well,** an oil well, will be horizontally drilled from a surface location in Lot 5 of Section 3 (369' FWL and 1,031' FNL) to a bottom hole location in Lot 1 of Section 1 (20' FEL and 400' FNL); with an approximate TVD of 9,097'; an approximate TMD of 24,577'; FTP in Section 3: 100' FWL, 400' FNL; LTP in Section 1: 100' FEL, 400' FNL.
- 10. The **Burton Flat 3-1 Fed State Com 622H Well,** an oil well, will be horizontally drilled from a surface location in Lot 5 of Section 3 (387' FWL and 2,077' FNL) to a bottom hole location in Lot 8 of Section 1 (20' FEL and 1,900' FNL); with an approximate TVD of 9,107'; an approximate TMD of 24,587'; FTP in Section 3: 100' FWL, 1,900' FNL; LTP in Section 1: 100' FEL, 1,900' FNL.
- 11. The **Burton Flat 3-1 Fed State Com 822H Well,** an oil well, will be horizontally drilled from a surface location in Lot 5 of Section 3 (387' FWL and 2,047' FNL) to a bottom hole location in Lot 1 of Section 1 (20' FEL and 790' FNL); with an approximate TVD of 9,518'; an approximate TMD of 24,998'; FTP in Section 3: 100' FWL, 790' FNL; LTP in Section 1: 100' FEL, 790' FWL.
 - 12. The proposed C-102s for the wells are attached as **Exhibit A-1**.
- 13. A general location plat and a plat outlining the unit being pooled is attached hereto as **Exhibit A-2**, which shows the general location of the proposed wells within the unit. The

proposed wells are orthodox in their locations, and the take points and completed intervals comply with setback requirements under statewide rules.

- 14. 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 shows which working interest owners have committed, and which to date have not committed, their interest to a voluntary agreement with Devon, along with a list of the overriding royalty interest (ORRI) owners and record title (RT) owners to be pooled.
 - 15. There are no depth severances in the Wolfcamp formation in this acreage.
- 16. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted interest owners shown on Exhibit A-2. In compiling these addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the wells are located, and of phone directories and did internet searches to locate the contact information for parties entitled to notification. Mailings of only one WI owner (Paladin Inc. Andrew Smith President) and three ORRI owners (C. Eugene Corriher, Janet Lewis and XTO Holdings) were returned as undeliverable. Three WI owners, six ORRI owners and 1 RTO owner are listed by USPS.com as still in-transit; therefore, the locations cannot yet be confirmed for: Crosswinds Resources LLC (WI), Magnum Hunter Production Inc., C/O Cimarex Energy Co. (WI, contacted), Sieb Resources (WI), Ameripermian Holdings, LLC, Elizabeth L Cheney Irrev Trust Elizabeth L Cheney Trustee, Elizabeth L Cheney Mitchel E Cheney Family Rev Tr Alexander K Cheney TTEE, Estate Of Gwendolyn P Rutledge Alexis A Scott Personal Rep, Liberty Oil & Gas Corporation, MP Titan Flex LP, MSH Family Real Estate Partnership II, LLC, and SDX Resources Inc. Devon published notice in the Carlsbad Current Argus, a newspaper of general

circulation in Eddy County, New Mexico, to account for any unlocatable parties and cover any contingencies regarding notice.

- 17. Devon has made a good faith effort to negotiate with the interest owners, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed horizontal spacing unit. **Exhibit A-4** provides a chronology and history of contacts with the owners.
- 18. The working interest owners being pooled have been contacted regarding the proposed wells. If a mutually agreeable JOA 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 protection of correlative rights.
- 19. **Exhibit A-3** is a sample proposal letter and the AFEs for the proposed wells, that were sent to working interest owners. The estimated cost of the wells set forth in the AFE is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.
- 20. 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.
- 21. Devon requests the maximum cost, plus 200% risk charge be assessed against nonconsenting working interest owners.

- 22. Devon requests that it be designated operator of the unit and wells.
- 23. The Exhibits to this Affidavit were prepared by me or compiled from Devon's company business records under my direct supervision.
- 24. 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.
 - 25. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT

Andy D. Bennett

Subscribed to and sworn before me this May of August 2022.

Notary Pu

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 86240
Phone: (575) 393-6161 Fax: (575) 393-0720
DISTRICT II
811 S. FIRST ST., ARTESIA, NM 86210
Phone: (575) 748-1283 Fax: (575) 748-9720

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

□ AMENDED REPORT

1 none: (666) 116 6166 1411 (666) 116		CREAGE DEDICATION PLAT				
API Number	Pool Code	Pool Name				
Property Code	Proper	ty Name	Well Number			
	BURTON FLAT 3-	1 FED STATE COM	621H			
OGRID No.	Operat	or Name	Elevation			
6137	DEVON ENERGY PROD	UCTION COMPANY, L.P.	3196.9'			

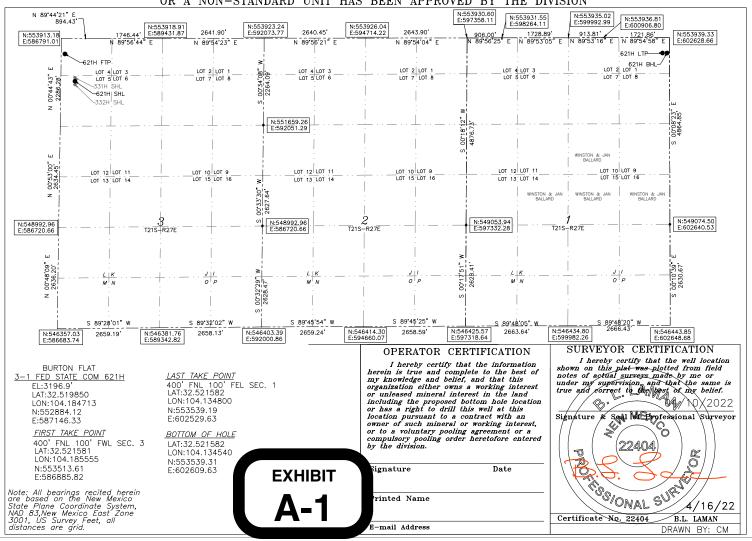
Surface Location

UL or lot N	. Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 5	3	21-S	27-E		1031	NORTH	369	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 1	1	21-S	27-E		400	NORTH	20	EAST	EDDY
Dedicated Acres Joint or Infill			nsolidation	Code Or	der 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



Inten	t	As Dril	led											
API#														
DE\	rator Nar /ON EN MPANY	IERGY P	RODUC	CTION	N		perty N RTON			1 FEC	o s	ГАТЕ	СОМ	Well Number 621H
Kick (Off Point	(KOP)												
UL	Section	Township	Range	Lot	Feet		From N	/S	Feet		From	n E/W	County	
Latitu	ıde				Longitu	ıde							NAD	
First 1	Гake Poin	nt (FTP)												
UL	Section 3	Township 21-S	Range 27-E	Lot 4	Feet 400		From N NOR		Feet 100			ST	County	,
32.	^{ide} 521581				Longitu 104.		555						NAD 83	
Last T	ake Poin	t (LTP)												
UL	Section 1	Township 21-S	Range 27-E	Lot 1	Feet 400		m N/S DRTH	Feet 100		From E		Count		
132.	^{ide} 521582	2			Longitu 104.		800					NAD 83		
Is this	s well the	defining v	vell for th	e Hori:	zontal Sp	pacin	g Unit?							
Is this	well an	infill well?												
	ll is yes p ng Unit.	lease prov	ide API if	availak	ole, Opei	rator	Name a	and v	vell nu	ımber	for [Definir	ng well fo	r Horizontal
API#														
Ope	rator Nar	ne:	•			Pro	perty N	ame:						Well Number
<u> </u>														

KZ 06/29/2018

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

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☐ AMENDED REPORT

	WELL LOCATION AND	ACREAGE DEDICATION PLAT				
API Number	Pool Code	Pool Name				
Property Code	Prop	perty Name Well Number				
	BURTON FLAT 3	-1 FED STATE COM	622H			
OGRID No.	0per	ator Name	Elevation			
6137	DEVON ENERGY PRO	DUCTION COMPANY, L.P.	3184.8'			

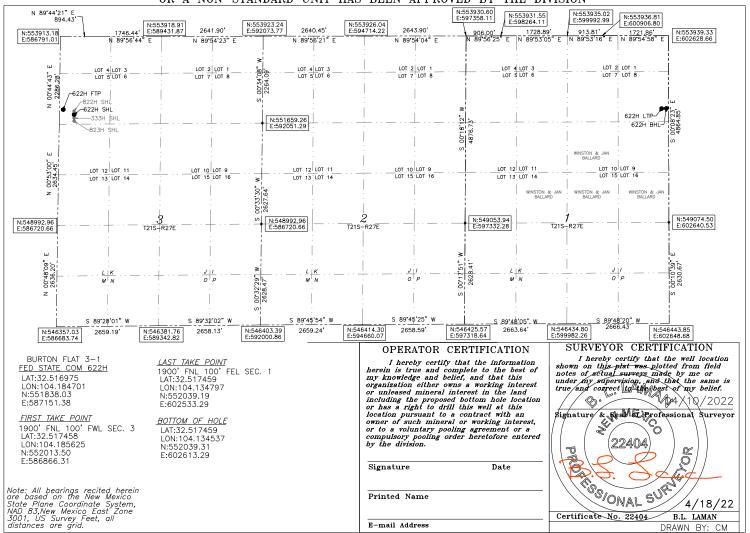
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 5	3	21-S	27-E		2077	NORTH	387	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 8	1	21-S	27-E		1900	NORTH	20	EAST	EDDY
Dedicated Acres Joint or Infill Consolidation Code			Code Ore	der 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



Intent	t	As Dril	led											
API#														
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.							erty Nam RTON FI	СОМ	Well Number 622H					
						1								
Kick C	Off Point	(KOP)												
UL	Section	Township	Range	Lot	Feet		From N/S	F	eet	Fron	n E/W	County		
Latitu	ıde				Longitu	ude				<u> </u>		NAD		
	Take Poir		T	T	T					1		Ι.		
UL	Section 3	Township 21-S	Range 27-E	Lot 5	Feet 1900		From N/S NORTI		eet 00		ST	County EDDY	<u>′</u>	
Latitu	ide 517458	3			Longitu							NAD 83		
UL	Section 1	Township 21-S	Range 27-E	Lot 8	Feet 1900	NO	m N/S Fe	et)0	From EAS		Count			
132.5	ide 517459)			Longitu 104.	.134797 NAD								
		defining v	vell for th	e Hori:	zontal S _l	pacing	g Unit?							
Spacii	ng Unit.	lease prov	ide API if	availab	ole, Ope	rator I	Name and	l wel	l numbe	r for I	Definir	ng well fo	or Horizontal	
API#														
Ope	rator Nai	ne:				Prop	erty Nam	e:					Well Number	
													KZ 06/29/201	

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number

Property Code

Property Name

BURTON FLAT 3-1 FED STATE COM

OGRID No.

6137

DEVON ENERGY PRODUCTION COMPANY, L.P.

Well Number

822H

Blevation

3185.1'

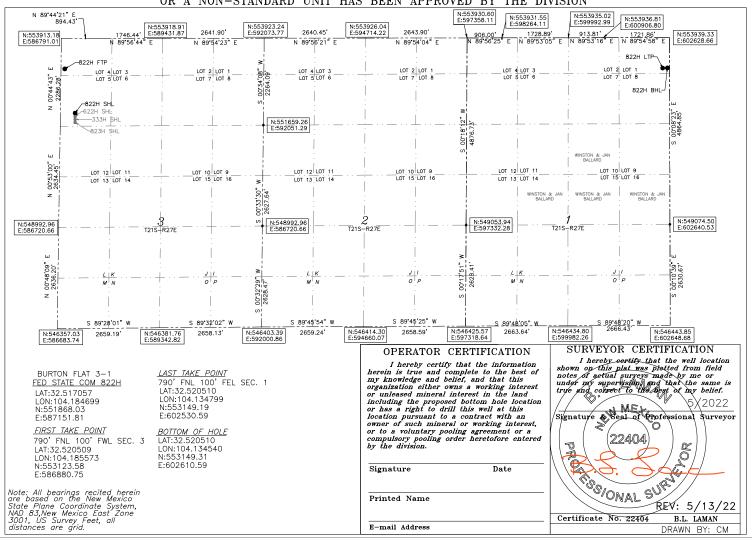
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 5	3	21-S	27-E		2047	NORTH	387	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or	lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LC)T 1	1	21-S	27-E		790	NORTH	20	EAST	EDDY
Dedica	ated Acres	s Joint o	r Infill Co	nsolidation	Code Or	der 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



Inten	t	As Dril	led											
API#	:													
DE	rator Nai /ON EN MPANY	IERGY F	PRODU	N	Property BURTC	ЕСОМ	Well Number 822H							
Kick (Off Point	(KOP)												
UL	Section	Township	Range	Lot	Feet	Fror	n N/S	Feet	Fro	om E/W	County			
Latit	ude				Longitu	ude					NAD			
											1			
	Take Poir		Danga	Lot	Foot	Fron	m NI/C	Foot	F=-	F/\\/	County			
UL	Section 3	Township 21-S	Range 27-E	Lot 4	Feet 790	NC	n N/S PRTH	Feet 100		EST	County EDDY	<u>'</u>		
32.	.5205	09			Longitu 104							NAD 83		
Last 1	āke Poin	t (LTP)												
UL	Section 1	Township 21-S	Range 27-E	Lot 1	Feet 790	From N/S			From E/W EAST	Coun				
132	.5205	10			Longitu 104	ude .1347	99			NAD 83				
Is this	s well the	defining v	well for th	ne Hori	zontal S	pacing Un	it?							
							_							
Is this	well an	infill well?												
	ll is yes p ng Unit.	lease prov	ide API if	availal	ole, Ope	rator Nam	ie and v	vell nu	mber fo	r Defini	ng well fo	or Horizontal		
API#	:													
Ope	rator Nai	me:				Property	/ Name	:				Well Number		
												K7 06/29/2018		

KZ 00/29/2010

Exhibit "A-2"

Lots 1-8 of Sections 1, 2, and 3 of T21S-R27E, Eddy County, New Mexico, Wolfcamp Formation

L4	L3	L2	L1	L4	L3	L2	L1	L4	L3	L2	L1
											—
	1.6	T 7	1.0	T. C.	7.6	1.7	1.0	T.C.	* (T 77	—
,	L6	L7	L8	L5	L6	L7	L8	L5	L6	L7	L8
•											
Sec. 3				Sec. 2				Sec. 1			

Tract 2: Tract 3: Tract 1: USA NMNM-109754 ST of NM L0-2766 USA NMNM-17095 (Lots 1, 2, 3, 4, 7, 8) (Lots 1, 2, 7, 8) ST of NM L0-6523 **USA NMNM-40256** (276.50 acres) (Lots 5 & 6) (Lots 3 & 6) (276.50 acres) (274.62 acres) **USA NMNM-46275** (Lots 4 & 5) (272.80 acres)

Burton Flat 3-1 Fed State Com 621H

SHL: Sec. 3-21S-27E; 1,031' FNL & 369' FWL BHL: Sec. 1-21S-27E; 400'FNL & 20' FEL

Burton Flat 3-1 Fed State Com 622H

SHL: Sec. 3-21S-27E; 2,077' FNL & 387' FWL BHL: Sec. 1-21S-27E; 1,900'FNL & 20' FEL

Burton Flat 3-1 Fed State Com 822H

SHL: Sec. 3-21S-27E; 2,047' 387' FWL BHL: Sec 1-21S-27E; 790' FNL & 20' FEL



Exhibit "A-2" OWNERSHIP BREAKDOWN – Wolfcamp formation Lots 1-8 of Sections 1, 2, and 3 of Township 21 South, Range 27 East of Eddy County, NM Burton Flat 3-1 Fed State Com 621H, 622H, 822HH

TRACT 1 OWNERSHIP (encompassing Lots 1-8 of Section 3-T21S-R27E, being 276.50 acres)

 Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	164.677453	19.9870683%	Committed
James L. Hewitt PO Box 54032 Orlando, FL 32854	11.75125	1.426261%	Uncommitted
Crosswinds Resources, LLC PO Box 1960 Chandler, AZ 85244	0.452354	0.0549027%	Uncommitted
Quimex International Inc PO Box 1659 Midland, TX 79702	11.75125	1.426261%	Uncommitted
Ranch 707, LLC 707 E. Quarterhorse Ln. Camp Verde, AZ 86322	1.130885	0.1372567%	Uncommitted
Perdant Energy, LLC PO Box 9626 Phoenix, AZ 85068	0.5654425	0.0686283%	Uncommitted
Paladin Inc. PO Box 5062 Scottsdale, AZ 85261	1.14360625	0.1388006%	Uncommitted
Magic Merlin Energy Investments, LLC PO Box 2309 Bend, OR 97709	0.5654425	0.0686283%	Uncommitted
ABJ Oil Company, Ltd. PO Box 44242 Phoenix, AZ 85064	1.130885	0.1372567%	Uncommitted
Jim Whitehead Oil & Gas, LLC PO Box 44251 Phoenix, AZ 85064	2.26177	0.2745133%	Uncommitted
Mitchel E. Cheney 7670 Woodway Dr., Suite 175 Houston, TX 77063	7.05075	0.8557566%	Uncommitted

Lynn Charuk PO Box 52370 Midland, TX 79710	7.05075	0.8557566%	Uncommitted
Angela Brown Management Trust PO Box 820 Henderson, Texas 75653	23.5025	2.8525221%	Uncommitted
Moon Royalty, LLC PO Box 720070 Oklahoma City, OK	14.1360625	1.7157081%	Committed
J&J Energy, LLC 300 N. Sorrel Court Show Low, AZ 85901	0.452354	0.0549027%	Uncommitted
M Code, LLC 5744 E. Joshua Tree Ln. Paradise Valley, AZ 85253	0.452354	0.0549027%	Uncommitted
RJ Fortune Investments, LLC 9290 E. Thompson Peak Pkwy, Unit 257 Scottsdale, AZ 85255	0.452354	0.0549027%	Uncommitted
BB Management, LLC PO Box 80735 Phoenix, AZ 85060	3.0533895	0.370593%	Uncommitted
BF Energy, LLC 3504 E. Claremont St. Paradise Valley, AZ 85253	0.452354	0.0549027%	Uncommitted
Jeff Phillips 5710 Devlin Pl. Midland, TX 79707	4.7005	0.5705044%	Uncommitted
Thomas Family Ltd. Partnership PO Box 44252 Phoenix, AZ 85064	1.41360625	0.1715708%	Uncommitted
Fred C. Corey 5503 Los Patios Dr. Midland, TX 79707	4.216625	0.511776%	Uncommitted
Herbaly Exploration, LLC 1420 W. Canal Ct., Suite 150 Littleton, CO 80120	14.1360625	1.7157081%	Uncommitted
TRACT 1 TOTAL	276.50	33.5590834%	

TRACT 2 OWNERSHIP (Lots 1-8 of Section 2-T21S-R27E, being 274.62 acres)

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	250.2930729	30.3783223%	Committed
Claremont Corporation PO Box 3326 Tulsa, OK 74101	0.104064503	0.0126304%	Uncommitted
Davoil Inc. PO Box 122269 Fort Worth, TX 76121	0.73935668	0.0897365%	Committed
GW Holdings Inc. (dba Great Western Drilling Ltd.) PO Box 1659 Midland, TX 79702	1.341927884	0.1628711%	Committed
Javelina Partners 616 Texas Street Fort Worth, TX 76102	2.775051577	0.3368108%	Committed
Redfern Enterprises Inc. PO Box 2127 Midland, TX 79702	0.973994754	0.1182147%	Uncommitted
Sabinal Energy, LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	15.11587021	1.8346284%	Uncommitted
Sieb Resources PO Box 1107 Richmond, TX 77046	0.501612653	0.0608812%	Uncommitted
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	2.775048831	0.3368105%	Committed
TRACT 2 TOTAL	274.62	33.3309059%	

TRACT 3 OWNERSHIP (Lots 1-8 of Section 1-T21S-R27E, being 272.80 acres)

 Owner	Net Acres	Unit WI	Status	
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	238.65	28.965191%	Committed	
Magnum Hunter Production, Inc. 600 Marienfeld St., Suite 600 Midland, TX	34.15	4.1448199%	Uncommitted	
TRACT 3 TOTAL	272.80	33.110011%		

UNIT RECAPITULATION:

Lots 1-8 of Sections 1, 2, and 3 of T21S-R27E; being 823.92 acres

Devon Energy Production Company, L.P.	79.3305816%	WI
Magnum Hunter Production, Inc.	4.1448199%	WI
James L. Hewitt	1.426261%	WI
Crosswinds Resources, LLC	0.0549027%	WI
Quimex International Inc	1.426261%	WI
Ranch 707, LLC	0.1372567%	WI
Perdant Energy, LLC	0.0686283%	WI
Paladin Inc.	0.1388006%	WI
Magic Merlin Energy Investments, LLC	0.0686283%	WI
ABJ Oil Company, Ltd.	0.1372567%	WI
Jim Whitehead Oil & Gas, LLC	0.2745133%	WI
Mitchel E. Cheney	0.8557566%	WI
Lynn Charuk	0.8557566%	WI
Angela Brown Management Trust	2.8525221%	WI
Moon Royalty, LLC	1.7157081%	WI
J&J Energy, LLC	0.0549027%	WI
M Code, LLC	0.0549027%	WI
RJ Fortune Investments, LLC	0.0549027%	WI
BB Management, LLC	0.370593%	WI
BF Energy, LLC	0.0549027%	WI
Jeff Phillips	0.5705044%	WI
Thomas Family Ltd. Partnership	0.1715708%	WI
Fred C. Corey	0.511776%	WI
Claremont Corporation	0.0126304%	WI
Davoil Inc.	0.0897365%	WI

UNIT TOTAL:	100% WI	
Herbaly Exploration, LLC	1.7157081%	WI
Zorro Partners, Ltd.	0.3368105%	WI
Sieb Resources	0.0608812%	WI
Sabinal Energy, LLC	1.8346284%	WI
Redfern Enterprises Inc.	0.1182147%	WI
Javelina Partners	0.3368108%	WI
GW Holdings Inc. (dba Great Western Drilling Ltd.)	0.1628711%	WI

Overriding Royalty Owners

TAY-MOR ENTERRISES INC	ELIZABETH L CHENEY IRREV TRUST ELIZABETH L CHENEY TRUSTEE	PO BOX 570083	HOUSTON	Texas	77257
GOLDEN ROCK ENERGY PARTNERS LP	TAY-MOR ENTERPRISES INC	PO BOX 4723	MIDLAND	Texas	79704
ALBERT & ANNA KAHN TRUST c/o MADISON CAPITAL ENERGY INCOME FUND I 402 GAMMON PL STE 200 MADISON Wisconsin 53719-1059 MAPHILL DL CORPORATION PO BOX 5334 MIDLAND Texas 79704 MAPHILL DL CORPORATION PO BOX 5334 MIDLAND Texas 79704 MAPHILL DL CORPORATION PO BOX 5334 MIDLAND Texas 79704 MAPHILL DL CORPORATION (S839) MADISON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE 402 GAMMON PL STE 320 MADISON WIsconsin 53719 ELZABETH L CHERKY INCOME FUND I ATTN BEN CLAVETTE PO BOX 533 MOJSON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE PO BOX 633 MOJSON WISconsin 53719 MOJSON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE PO BOX 633 MOJSON WISconsin 53719 MOJSON WISCONSIN 53719 MOJSON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE PO BOX 633 MOJSON WISCONSIN 53719 MOJSON WISCONSIN 537	POCO ROYALTY COMPANY	2602 TERRACE AVE	MIDLAND	Texas	79705
MAYHILL OIL CORPORATION	GOLDEN ROCK ENERGY PARTNERS LP	5956 SHERRY LANE STE 1221	DALLAS	Texas	75225
MAYHILL OIL CORPORATION	ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL ENERGY INCOME FUND I	402 GAMMON PL STE 200	MADISON	Wisconsin	53719-1059
BMM INC	·				
MADISON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE					
ELIZABETH L CHENEY MITCHEL E CHENEY FAMILY REV TR ALEXANDER K CHENEY TITE PO BOX 53083 HOUSTON Texas 77063 ANN T TOLLEFSON REV LUG TRUST DTD JUNE 7 2006 ANN TOLLEFSON TRUSTEE PO BOX 639 STORY Wyoming 52842 JOHN W GATES TEL ARTESIA New Mexico 88210 MITTROWBRIDGE 2509 23RD AVE SE ROCHESTER Minnesota 59904 BRITT TROWBRIDGE PO BOX 2292 ROSWELL New Mexico 80202-2922 TYLER TROWBRIDGE 9514 CIVIC WAY APT 2010 PROSPECT Kentucky 40059-5100 PO BOX 1593 SOLANA BEACH California 30275-7839 NORBERT M MCCAW 202 CROSSBOW RD ARTESIA New Mexico BETH TROWBRIDGE CRAIG 5115 KIM LN CHEYENNE Wyoming 52009 BUDSON NEW WERKCO MIN TRUST 615 TEXAS 5T FORT WORTH TEXAS 7618 BOLI LTD PO BOX 16192 FORT WORTH TEXAS 7618 TER-MACK LP 124 LARKSPUR LOOP ARTESIA New Mexico 88210 GENEE DWARD TROWBRIDGE III AKA TREY TROWBRIDGE 5000 K 2329 R					
ANN TTOLLEFSON REV LVG TRUST DID JUNE 7 2006 ANN TOLLEFSON TRUSTEE PO B WEST GRAND STREET ARTESIA New Mexico \$209 2870 AVE SE ROCHESTER Minnesota \$5904 ROSWELL New Mexico \$209 2870 AVE SE ROCHESTER Minnesota \$5904 ROSWELL New Mexico \$8210 PENASCO PETROLEUM LC PO B 00X 2292 ROSWELL New Mexico \$8202 2292 ROSWELL New Mexico \$8200 2292 ROSWELL New Mexico \$8200 2292 ROSWELL RETURNORSHERT MCCAW PO B 0X 1639 SOLANA BEACH California \$2007 57639 ROBBERT M MCCAW ROSWELT ROBBERT M MCCAW ROSWELL ROSWELL ROBBERT M MCCAW ROSWELL ROSWELL ROSWELL ROSWELL ROSWELL ROSWELL ROWNERIO ROSWELL ROSWELL ROSWELL ROSWELL ROSWELL ROSWELL ROSWELL ROWNERO ROWNERO ROSWELL ROSWEL					
DOTS					
RRITTROWBRIDGE					_
PABBAXZ D PETROLEUM LLC					
PYLET TROWBRIDGE					
PATRICIA BOYLE YOUNG					
NORBERT M MCCAW 202 CROSSBOW RD ARTESIA New Mexico SE210	TYLER TROWBRIDGE	9514 CIVIC WAY APT 301	PROSPECT	Kentucky	40059-5100
BETH TROWBRIDGE CRAIG	PATRICIA BOYLE YOUNG	PO BOX 1639	SOLANA BEACH	California	_
HUDSON NEW MEXICO MIN TRUST	NORBERT M MCCAW	202 CROSSBOW RD	ARTESIA	New Mexico	88210
ARD OIL LTD	BETH TROWBRIDGE CRAIG	5115 KIM LN	CHEYENNE	Wyoming	82009
ROBERTA MCCAW 202 CROSSBOW RD ARTESIA New Mexico 88210	HUDSON NEW MEXICO MIN TRUST	616 TEXAS ST	FORT WORTH	Texas	76102-4612
TER-MACK LP	ARD OIL LTD	PO BOX 101027	FORT WORTH	Texas	76185
GENE EDWARD TROWBRIDGE	ROBERTA MCCAW	202 CROSSBOW RD	ARTESIA	New Mexico	88210
PO BOX 2292 ROSWELL New Mexico \$8202-2292 SUDIE MARIE ADAMS 2351 MET PRONG RD MULBERRY Tennessee 37359 MULLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN JOINT TENANTS 286 LINCOLN HILLS DR ALTO New Mexico 88312 SETATE OF GWENDOLYN P RUTLEDGE ALEXIS A SCOTT PERSONAL REP 28 SCOTT PL SANTA FE New Mexico 87507-4396 S7507-4396	TER-MACK LP	124 LARKSPUR LOOP	ALTO	New Mexico	88312
SUDIE MARIE ADAMS WILLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN JOINT TENANTS 286 LINCOLN HILLS DR ALTO New Mexico 88312 285 COTT PL SANTA FE New Mexico 8707-4396 COLGATE ROYALTIES LP 300 N MARIENFIELD STE 1000 MIDLAND TEXAS 79701 RONALD L MARCUM & SYLVIA G MARCUM 4574 WEEPING WILLOW DR EL PASO TEXAS 79922 CRM 2018 LP PO BOX 51933 MIDLAND TEXAS 79710 WINNIE HELEN HAYES 107 JADE CIRCLE KNIGHTDALE NOKLAHOMA CITY OKLAHOMA CITY KANE RESOURCES, LIC PO BOX 471096 FORT WORTH TEXAS 76147 MASON OAKS ENERGY HOLDINGS, LIC 5125 LUTHER LANE, #188 DALLAS TEXAS 75215 SMP TITAN MINERAL HOLDINGS, LP PO BOX 123610 FORT WORTH TEXAS 75219 PEGASUS RESOURCES, LIC PO BOX 123610 FORT WORTH TEXAS 75219 PEGASUS RESOURCES, LIC PO BOX 123610 FORT WORTH TEXAS 75219 PEGASUS RESOURCES, LIC PO BOX 123610 FORT WORTH TEXAS 75219 PEGASUS RESOURCES, LIC PO BOX 123610 FORT WORTH TEXAS 75219 PEGASUS RESOURCES, LIC PO BOX 123610 FORT WORTH TEXAS 75219 PEGASUS RESOURCES, LIC PO BOX 123610 FORT WORTH TEXAS 75211 JANET LEWIS 910 DONNER WAY, #710 SALT LAKE CITY UTAH 84111 XTO HOLDINGS 810 HOUSTON STREET FORT WORTH TEXAS 75012 MEWBOURNE OIL COMPANY PO BOX 7698 TYLER TEXAS 75701 ANNA STOTT 309 BRIDGEBORO RD. MOORSETOWN NEW JERSEY 08057 ST. LUKE LUTHERAN CHURCH AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 77380 LIBERTY OIL & GAS CORPORATION LIU GISANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 77381	GENE EDWARD TROWBRIDGE III AKA TREY TROWBRIDGE	50000 215TH AVE	PLAINVIEW	Minnesota	55964
WILLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN JOINT TENANTS 286 LINCOLN HILLS DR ALTO New Mexico 88312 ESTATE OF GWENDOLYN P RUTLEDGE ALEXIS A SCOTT PERSONAL REP 28 SCOTT PL SANTA FE New Mexico 87507-4396 COLGATE ROYALTIES LP 300 N MARIENFIELD STE 1000 MIDLAND TEXAS 77901 RONALD L MARCUM & SYLVIA G MARCUM 4574 WEEPING WILLOW DR EL PASO TEXAS 79922 CRM 2018 LP PO BOX 51933 MIDLAND TEXAS 79710 WINNIE HELEN HAYES 107 JADE CIRCLE KNIGHTDALE North Carolina 27545 CHESAPEAKE EXPLORATION, LLC 6100 N. WESTERN AVE. OKLAHOMA CITY OKLAHOMA 713118 KANE RESOURCES, LLC PO BOX 471096 FORT WORTH TEXAS 75215 SMP TITAN MINERAL HOLDINGS, LLC 14143 MAPLE AVE., SUITE 500 DALLAS TEXAS 75219 PEGASUS RESOURCES, LLC PO BOX 123610 FORT WORTH TEXAS 75219 PEGASUS RESOURCES, LLC PO BOX 123610 FORT WORTH TEXAS 75219 PEGASUS RESOURCES, LLC PO BOX 123610 FORT WORTH TEXAS 75219 TEXAS 75219 TEXAS 75219 PO BOX 7598 TYLER TEXAS 75010 ANNA STOTT 309 BRIDGEBORO RD. MOORSETOWN NEW JERSEY NEW JER	ROLLA R HINKLE III	PO BOX 2292	ROSWELL	New Mexico	88202-2292
SANTA FE New Mexico R7507-4396	SUDIE MARIE ADAMS	2351 WET PRONG RD	MULBERRY	Tennessee	37359
COLGATE ROYALTIES LP SOON MARIENFIELD STE 1000 MIDLAND Texas 79701 RONALD L MARCUM & SYLVIA G MARCUM 4574 WEEPING WILLOW DR EL PASO Texas 79922 CRM 2018 LP PO BOX 51933 MIDLAND Texas 79710 MIDLAND Texas 79710 Texas 79710 MIDLAND Texas 79710 Texas 79710 Texas 79710 Texas 79710 Texas 79720 Texas 79722 CRM 2018 LP PO BOX 51933 MIDLAND Texas 79710 Texas 79720 Texas 79721 Texas 79710 Texas 79720 Texas 79720 Texas 79720 Texas 79720 Texas 79720 Texas 79721 Texas 79710 Texas 79720 Texas 79720 Texas 79720 Texas 79720 Texas 79720 Texas 79720 Texas 79721 Texas 79720 Texas 79720 Texas 79720 Texas 79720 Texas 79721 Texas 70147 Texas 7012 Texas 7013 Texas 7012 Texas 7012 Texas 7012 Texas 7012 Texas 7012 Texas 7012 Texas 7013 Texas 7013 Texas 7014 Texas 7015 Texas 7015 Texas 7015 Texas 7016 Texas T	WILLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN JOINT TENANTS	286 LINCOLN HILLS DR	ALTO	New Mexico	88312
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PO BOX 51933 MIDLAND Texas 79710	COLGATE ROYALTIES LP	300 N MARIENFIELD STE 1000	MIDLAND	Texas	79701
WINNIE HELEN HAYES 107 JADE CIRCLE KNIGHTDALE North Carolina 27545	RONALD L MARCUM & SYLVIA G MARCUM	4574 WEEPING WILLOW DR	EL PASO	Texas	79922
CHESAPEAKE EXPLORATION, LLC 6100 N. WESTERN AVE. OKLAHOMA CITY OKLAHOMA 73118 KANE RESOURCES, LLC PO BOX 471096 FORT WORTH TEXAS 76147 MASON OAKS ENERGY HOLDINGS, LLC 6125 LUTHER LANE, #188 DALLAS TEXAS 75225 SMP TITAN MINERAL HOLDINGS, LP 4143 MAPLE AVE., SUITE 500 DALLAS TEXAS 75219 PEGASUS RESOURCES, LLC PO BOX 123610 FORT WORTH TEXAS 76121 JANET LEWIS 910 DONNER WAY, #710 SALT LAKE CITY UTAH 84111 XTO HOLDINGS 810 HOUSTON STREET FORT WORTH TEXAS 75012 ANNA STOTT 309 BRIDGEBORO RD. MOORSETOWN NEW JERSEY 08057 ST. LUKE LUTHERAN CHURCH 2 REV DR. MLK KING DR. WILLINGBORO NEW JERSEY 08046 AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 77380 LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 77381 <	CRM 2018 LP	PO BOX 51933	MIDLAND	Texas	79710
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MASON OAKS ENERGY HOLDINGS, LLC 6125 LUTHER LANE, #188 DALLAS TEXAS 75225 SMP TITAN MINERAL HOLDINGS, LP 4143 MAPLE AVE., SUITE 500 DALLAS TEXAS 75219 PEGASUS RESOURCES, LLC PO BOX 123610 FORT WORTH TEXAS 76121 JANET LEWIS 910 DONNER WAY, #710 SALT LAKE CITY UTAH 84111 XTO HOLDINGS 810 HOUSTON STREET FORT WORTH TEXAS 76012 MEWBOURNE OIL COMPANY PO BOX 7698 TYLER TEXAS 75701 ANNA STOTT 309 BRIDGEBORO RD. MOORSETOWN NEW JERSEY 08057 ST. LUKE LUTHERAN CHURCH 2 REV DR. MLK KING DR. WILLINGBORO NEW JERSEY 08046 AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 7380 LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561	CHESAPEAKE EXPLORATION, LLC	6100 N. WESTERN AVE.	OKLAHOMA CITY	OKLAHOMA	73118
SMP TITAN MINERAL HOLDINGS, LP 4143 MAPLE AVE., SUITE 500 DALLAS TEXAS 75219 PEGASUS RESOURCES, LLC PO BOX 123610 FORT WORTH TEXAS 76121 JANET LEWIS 910 DONNER WAY, #710 SALT LAKE CITY UTAH 84111 XTO HOLDINGS 810 HOUSTON STREET FORT WORTH TEXAS 76012 MEWBOURNE OIL COMPANY PO BOX 7698 TYLER TEXAS 75701 ANNA STOTT 309 BRIDGEBORO RD. MOORSETOWN NEW JERSEY 08057 ST. LUKE LUTHERAN CHURCH 2 REV DR. MLK KING DR. WILLINGBORO NEW JERSEY 08046 AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 77380 LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381	KANE RESOURCES, LLC	PO BOX 471096	FORT WORTH	TEXAS	76147
PEGASUS RESOURCES, LLC PO BOX 123610 FORT WORTH TEXAS 76121 JANET LEWIS 910 DONNER WAY, #710 SALT LAKE CITY UTAH 84111 XTO HOLDINGS 810 HOUSTON STREET FORT WORTH TEXAS 76012 MEWBOURNE OIL COMPANY PO BOX 7698 TYLER TEXAS 75701 ANNA STOTT 309 BRIDGEBORO RD. MOORSETOWN NEW JERSEY 08057 ST. LUKE LUTHERAN CHURCH 2 REV DR. MLK KING DR. WILLINGBORO NEW JERSEY 08046 AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 77380 LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381	MASON OAKS ENERGY HOLDINGS, LLC	6125 LUTHER LANE, #188	DALLAS	TEXAS	75225
JANET LEWIS 910 DONNER WAY, #710 SALT LAKE CITY UTAH 84111	SMP TITAN MINERAL HOLDINGS, LP	4143 MAPLE AVE., SUITE 500	DALLAS	TEXAS	75219
XTO HOLDINGS 810 HOUSTON STREET FORT WORTH TEXAS 76012 MEWBOURNE OIL COMPANY PO BOX 7698 TYLER TEXAS 75701 ANNA STOTT 309 BRIDGEBORO RD. MOORSETOWN NEW JERSEY 08057 ST. LUKE LUTHERAN CHURCH 2 REV DR. MLK KING DR. WILLINGBORO NEW JERSEY 08046 AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 77380 LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381	PEGASUS RESOURCES, LLC	PO BOX 123610	FORT WORTH	TEXAS	76121
MEWBOURNE OIL COMPANY PO BOX 7698 TYLER TEXAS 75701 ANNA STOTT 309 BRIDGEBOR RD. MOORSETOWN NEW JERSEY 08057 ST. LUKE LUTHERAN CHURCH 2 REV DR. MLK KING DR. WILLINGBORO NEW JERSEY 08046 AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 77380 LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381	JANET LEWIS	910 DONNER WAY, #710	SALT LAKE CITY	UTAH	84111
ANNA STOTT 309 BRIDGEBORO RD. MOORSETOWN NEW JERSEY 08057 ST. LUKE LUTHERAN CHURCH 2 REV DR. MLK KING DR. WILLINGBORO NEW JERSEY 08046 AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 77380 LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381	XTO HOLDINGS	810 HOUSTON STREET	FORT WORTH	TEXAS	76012
ST. LUKE LUTHERAN CHURCH 2 REV DR. MLK KING DR. WILLINGBORO NEW JERSEY 08046 AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 77380 LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381	MEWBOURNE OIL COMPANY	PO BOX 7698	TYLER	TEXAS	75701
AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT THE WOODLANDS TEXAS 77380 LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381	ANNA STOTT	309 BRIDGEBORO RD.	MOORSETOWN	NEW JERSEY	O8057
LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381	ST. LUKE LUTHERAN CHURCH	2 REV DR. MLK KING DR.	WILLINGBORO	NEW JERSEY	O8046
LIBERTY OIL & GAS CORPORATION JCT HWY 78 & 979; PO BOX 430 LIVONIA LOUISIANA 70755 CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381	AMERIPERMIAN HOLDINGS, LLC	1733 WOODSTEAD CT	THE WOODLANDS	TEXAS	77380
CRM 2018, LP PO BOX 51933 MIDLAND TEXAS 79710 C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381		JCT HWY 78 & 979; PO BOX 430		LOUISIANA	70755
C. EUGENE CORRIHER 28875 PERIDO BEACH BLVD-I-1 ORANGE BEACH ALABAMA 36561 PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381		,			
PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH TEXAS 77381					
,					
G4 RESOURCES, LP PO BOX 53687 MIDLAND TEXAS 79710					

Record Title Owners (Lessees of Record)

Magnum Hunter Production, Inc. XTO Holdings, LLC Devon Energy Production Company, LP SDX Resources, Inc.



Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City, OK 73102 405 552 8002 Phone www.devonenergy.com

May 12, 2022

Magnum Hunter Production, Inc. 600 N. Marienfield St., STE 600 Midland, TX 79701

RE: Well Proposals- Burton Flat 3-1 Fed State Com 621H, 622H Sections 1, 2, & 3, All in T21S-R27E Eddy County, New Mexico

To whom it may concern:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following two (2) wells:

- Burton Flat 3-1 Fed State Com 621H as a horizontal well to an approximate landing TVD of 8,957', bottom hole TVD' of 9,097', and approximate TMD of 24,577' into the Wolfcamp formation at an approximate SHL of 1,031' FNL and 369' FWL of Section 3-T21S-R27E and an approximate BHL of 400' FNL and 20' FEL of Section 1-T21S-R27E, Eddy County, New Mexico (collectively with both proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs, completion costs, and overall completed well costs.
- Burton Flat 3-1 Fed State Com 622H as a horizontal well to an approximate landing TVD of 8,950', bottom hole TVD' of 9,107', and approximate TMD of 24,587' into the Wolfcamp formation at an approximate SHL of 2,077' FNL and 387' FWL of Section 3-T21S-R27E and an approximate BHL of 1,900' FNL and 20' FEL of Section 1-T21S-R27E, Eddy County, New Mexico (collectively with both proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs, completion costs, and overall completed well costs.

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.

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, upon request. The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- 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.

Page 2

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

Magnum Hunter Production, Inc.:
To Participate in the proposal of the Burton Flat 3-1 Fed State Com 621H
Not To Participate in the proposal of the Burton Flat 3-1 Fed State Com 621H
To Participate in the proposal of the Burton Flat 3-1 Fed State Com 622H
Not To Participate in the proposal of the Burton Flat 3-1 Fed State Com 622H
Agreed to and Accepted this day of, 2022.
Magnum Hunter Production, Inc.:
By:

Devon - Public

Title:



AFE # XX-139993.01

Well Name: BURTON FLAT 3-1 FED STATE COM 621H

Cost Center Number: 1094558301 Legal Description: 3-21S-27E

Revision:

AFE Date: State: County/Parish: 5-12-2022 NM

EDDY

Explanation and Justification:

DRILL AND COMPLETE THE BURTON FLAT 3-1 FED STATE COM 621H

Intangible Code Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110 CHEMICALS - OTHER	0.00	191,427.83	0.00	191,427.83
6060100 DYED LIQUID FUELS	138,874.83	485,482.24	0.00	624,357.07
6060130 GASEOUS FUELS	0.00	100,356.61	0.00	100,356.61
6080100 DISPOSAL - SOLIDS	114,036.90	3,156.85	0.00	117,193.75
6080110 DISP-SALTWATER & OTH	1 0.00	15,034.23	0.00	15,034.23
6080115 DISP VIA PIPELINE SW	0.00	130,350.00	0.00	130,350.00
6090100 FLUIDS - WATER	23,700.00	785,315.01	0.00	809,015.01
6100100 PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
6100110 RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110130 ROAD&SITE PREP SVC	22,500.00	59,487.39	0.00	81,987.39
6110170 DAMAGE & REMEDIATIO	N 5,000.00	0.00	0.00	5,000.00
6120100 & C SERVICES	0.00	67,414.50	0.00	67,414.50
6130170 COMM SVCS - WAN	2,830.91	0.00	0.00	2,830.91
6130360 RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.39
6130370 RTOC - GEOSTEERING	12,037.86	0.00	0.00	12,037.86
6140160 ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100 CH LOG PERFRTG&WL S		327,819.81	0.00	327,819.8
6160100 MATERIALS & SUPPLIES		0.00	0.00	534.13
6170100 PULLING&SWABBING SV		1,725.00	0.00	1,725.00
6170110 SNUBBG&COIL TUBG SV		107,659.61	0.00	107,659.6
6190100 TRCKG&HL-SOLID&FLUI		0.00	0.00	53,413.40
6190110 TRUCKING&HAUL OF EQ		46,412.39	0.00	97,412.39
6200130 CONSLT & PROJECT SV		103,961.17	0.00	316,367.28
6230120 SAFETY SERVICES	34,718.71	0.00	0.00	34,718.71
6300270 SOLIDS CONTROL SRVC		0.00	0.00	61,864.41
6310120 STIMULATION SERVICES		1,508,660.44	0.00	1,508,660.4
6310190 PROPPANT PURCHASE	0.00	1,193,270.60	0.00	1,193,270.6
6310200 CASING & TUBULAR SVO	81,500.00	0.00	0.00	81,500.00
6310250 CEMENTING SERVICES	185,000.00	0.00	0.00	185,000.0
6310280 DAYWORK COSTS	601,568.37	0.00	0.00	601,568.3
6310300 DIRECTIONAL SERVICES	<u> </u>	0.00	0.00	236,550.6
6310310 DRILL BITS	96,500.00	0.00	0.00	96,500.00
6310330 DRILL&COMP FLUID&SV		18,245.15	0.00	193,163.5
6310370 MOB & DEMOBILIZATION	<u> </u>	0.00	0.00	37,122.31
6310380 OPEN HOLE EVALUATIO		0.00	0.00	17,196.94
6310480 TSTNG-WELL, PL & OTH	0.00	146,864.50	0.00	146,864.50
6310600 MISC PUMPING SERVICE	0.00	43,609.06	0.00	43,609.06
6320100 EQPMNT SVC-SRF RNTL	90,176.05	162,283.79	0.00	252,459.84
6320110 EQUIP SVC - DOWNHOLE		35,289.39	0.00	131,422.5
6320160 WELDING SERVICES	1,500.00	0.00	0.00	1,500.00
6320190 WATER TRANSFER	0.00	128,450.18	0.00	128,450.18
6350100 CONSTRUCTION SVC	0.00	183,285.97	0.00	183,285.97
6520100 LEGAL FEES	10,000.00	0.00	0.00	10,000.00
6550100 MISCS COSTS & SERVS	0.00	7,368.95	0.00	7,368.95



AFE # XX-139993.01

Well Name: BURTON FLAT 3-1 FED STATE COM 621H

Cost Center Number: 1094558301 Legal Description: 3-21S-27E

TOTAL ESTIMATED COST

Revision:

AFE Date: State: 5-12-2022 NM

0.00

11,108,461.79

County/Parish: EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	28,000.00	0.00	0.00	28,000.00
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	11,083.28	48,239.03	0.00	59,322.31
6740340	TAXES OTHER	402.74	29,515.74	0.00	29,918.48
	Total Intangibles	2,456,569.10	5,963,070.83	0.00	8,419,639.93

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	85,048.74	0.00	85,048.74
6120120	MEASUREMENT EQUIP	0.00	35,399.95	0.00	35,399.95
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6230130	SAFETY EQUIPMENT	3,042.57	0.00	0.00	3,042.57
6300150	SEPARATOR EQUIPMENT	0.00	337,827.01	0.00	337,827.01
6300220	STORAGE VESSEL&TANKS	0.00	66,404.66	0.00	66,404.66
6300230	PUMPS - SURFACE	0.00	14,143.20	0.00	14,143.20
6310130	ARTIFICIAL LIFT EQP	0.00	30,000.00	0.00	30,000.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	94,441.06	0.00	94,441.06
6310460	WELLHEAD EQUIPMENT	42,578.00	93,168.47	0.00	135,746.47
6310530	SURFACE CASING	117,380.74	0.00	0.00	117,380.74
6310540	INTERMEDIATE CASING	516,806.74	0.00	0.00	516,806.74
6310550	PRODUCTION CASING	931,128.00	0.00	0.00	931,128.00
6310580	CASING COMPONENTS	47,636.00	0.00	0.00	47,636.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	242,566.72	0.00	242,566.72
	Total Tangibles	1,678,572.05	1,010,249.81	0.00	2,688,821.86

WORKING INTEREST OWNER APPROVAL						
Company Name:						
Signature:	Print Name:					
Title:						
Date:						
Email:						

4,135,141.15

6,973,320.64

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



AFE # XX-139995.01

Well Name: BURTON FLAT 3-1 FED STATE COM 622H

Cost Center Number: 1094558401 Legal Description: 3-21S-27E

Revision:

AFE Date: State: County/Parish:

5-12-2022 NM

EDDY

Explanation and Justification:

DRILL AND COMPLETE THE BURTON FLAT 3-1 FED STATE COM 622H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110 CHEMIC	CALS - OTHER	0.00	191,427.83	0.00	191,427.83
6060100 DYED L	IQUID FUELS	138,874.83	485,482.24	0.00	624,357.07
6060130 GASEO	US FUELS	0.00	100,356.61	0.00	100,356.61
6080100 DISPOS	SAL - SOLIDS	114,036.90	3,156.85	0.00	117,193.75
6080110 DISP-S	ALTWATER & OTH	0.00	15,034.23	0.00	15,034.23
6080115 DISP VI		0.00	130,350.00	0.00	130,350.00
6090100 FLUIDS		23,700.00	785,315.01	0.00	809,015.01
6100100 PERMIT	SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
6100110 RIGHT	OF WAY	25,000.00	0.00	0.00	25,000.00
6110130 ROAD8	SITE PREP SVC	22,500.00	59,487.39	0.00	81,987.39
6110170 DAMAG	E & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100 & C SI	ERVICES	0.00	67,414.50	0.00	67,414.50
6130170 COMM		2,830.91	0.00	0.00	2,830.91
6130360 RTOC -		0.00	27,385.39	0.00	27,385.39
6130370 RTOC -	GEOSTEERING	12,037.86	0.00	0.00	12,037.86
6140160 ENV-SE		1,000.00	0.00	0.00	1,000.00
	PERFRTG&WL SV	0.00	327,819.81	0.00	327,819.8
	IALS & SUPPLIES	534.13	0.00	0.00	534.13
	G&SWABBING SVC	0.00	1,725.00	0.00	1,725.00
	G&COIL TUBG SVC	0.00	107,659.61	0.00	107,659.6
	&HL-SOLID&FLUID	53,413.40	0.00	0.00	53,413.40
	ING&HAUL OF EQP	51,000.00	46,412.39	0.00	97,412.39
	T & PROJECT SVC	212,406.11	103,961.17	0.00	316,367.28
6230120 SAFET		34,718.71	0.00	0.00	34,718.71
	CONTROL SRVCS	61,864.41	0.00	0.00	61,864.41
	ATION SERVICES	0.00	1,508,660.44	0.00	1,508,660.4
	ANT PURCHASE	0.00	1,193,270.60	0.00	1,193,270.6
	& TUBULAR SVC	81,500.00	0.00	0.00	81,500.00
	TING SERVICES	185,000.00	0.00	0.00	185,000.0
6310280 DAYWO		601,568.37	0.00	0.00	601,568.3
	TONAL SERVICES	236,550.65	0.00	0.00	236,550.6
6310310 DRILL I		96,500.00	0.00	0.00	96,500.00
	COMP FLUID&SVC	174,918.38	18,245.15	0.00	193,163.5
	DEMOBILIZATION	37,122.31	0.00	0.00	37,122.31
	OLE EVALUATION	17,196.94	0.00	0.00	17,196.94
	-WELL, PL & OTH	0.00	146,864.50	0.00	146,864.50
	UMPING SERVICE	0.00	43,609.06	0.00	43,609.06
	T SVC-SRF RNTL	90,176.05	162,283.79	0.00	252,459.84
	SVC - DOWNHOLE	96,133.12	35,289.39	0.00	131,422.5
6320160 WELDII		1,500.00	0.00	0.00	1,500.00
6320190 WATER		0.00	128,450.18	0.00	128,450.18
6350100 CONST		0.00	183,285.97	0.00	183,285.97
6520100 LEGAL		10,000.00	0.00	0.00	10,000.00
	COSTS & SERVS	0.00	7,368.95	0.00	7,368.95



AFE # XX-139995.01

Well Name: BURTON FLAT 3-1 FED STATE COM 622H

Cost Center Number: 1094558401 Legal Description: 3-21S-27E

TOTAL ESTIMATED COST

Revision:

AFE Date: State: 5-12-2022 NM

County/Parish:

NM EDDY

0.00

11,108,461.79

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	28,000.00	0.00	0.00	28,000.00
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	11,083.28	48,239.03	0.00	59,322.31
6740340	TAXES OTHER	402.74	29,515.74	0.00	29,918.48
	Total Intangibles	2,456,569.10	5,963,070.83	0.00	8,419,639.93

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
	I&C EQUIPMENT	0.00	85,048.74	0.00	85,048.74
6120120	MEASUREMENT EQUIP	0.00	35,399.95	0.00	35,399.95
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6230130	SAFETY EQUIPMENT	3,042.57	0.00	0.00	3,042.57
6300150	SEPARATOR EQUIPMENT	0.00	337,827.01	0.00	337,827.01
6300220	STORAGE VESSEL&TANKS	0.00	66,404.66	0.00	66,404.66
6300230	PUMPS - SURFACE	0.00	14,143.20	0.00	14,143.20
6310130	ARTIFICIAL LIFT EQP	0.00	30,000.00	0.00	30,000.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	94,441.06	0.00	94,441.06
6310460	WELLHEAD EQUIPMENT	42,578.00	93,168.47	0.00	135,746.47
6310530	SURFACE CASING	117,380.74	0.00	0.00	117,380.74
6310540	INTERMEDIATE CASING	516,806.74	0.00	0.00	516,806.74
6310550	PRODUCTION CASING	931,128.00	0.00	0.00	931,128.00
6310580	CASING COMPONENTS	47,636.00	0.00	0.00	47,636.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	242,566.72	0.00	242,566.72
	Total Tangibles	1,678,572.05	1,010,249.81	0.00	2,688,821.86

WORKING INTEREST OWNER APPROVAL					
Company Name:					
Signature:	Print Name:				
Title:					
Date:					
Email:					

4,135,141.15

6,973,320.64

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



Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City, OK 73102 405 552 8002 Phone www.devonenergy.com

May 12, 2022

Magnum Hunter Production, Inc. 600 Marienfield St., STE 600 Midland, TX 79701

RE: Well Proposals- Burton Flat 3-1 Fed State Com 822H Sections 1, 2, & 3, All in T21S-R27E Eddy County, New Mexico

To whom it may concern:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following well:

Burton Flat 3-1 Fed State Com 822H as a horizontal well to an approximate landing TVD of 9,283', bottom hole TVD' of 9,518', and approximate TMD of 24,998' into the Wolfcamp formation at an approximate SHL of 2,047' FNL and 387' FWL of Section 3-T21S-R27E and an approximate BHL of 790' FNL and 20' FEL of Section 1-T21S-R27E, Eddy County, New Mexico (referred to hereafter as the "Well"). Enclosed for your review is Devon's AFE, indicating drilling costs, completion costs, and overall completed well costs.

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.

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

- Devon Energy Production Company, L.P. named as Operator
- 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 Well 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 Well will be supplied for your review and execution at a later date.

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

Magnum Hunter Production, Inc.:				
To Participate in the proposa	ıl of the Burto	on Flat 3-1 Fe	ed State Com 82	22H
Not To Participate in the pro	posal of the	Burton Flat 3	-1 Fed State Co	m 822H
Agreed to and Accepted this	_ day of		, 2022.	
Magnum Hunter Production, Inc.:				
By:	_			



AFE # XX-150180.01

Well Name: BURTON FLAT 3-1 FED STATE COM 822H

Cost Center Number: 1094682101 Legal Description: 3-21S-27E

Revision:

AFE Date: State: County/Parish: 5-12-2022 NM

EDDY

Explanation and Justification:

DRILL AND COMPELETE THE BURTON FLAT 3-1 FED STATE COM 822H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	191,427.83	0.00	191,427.83
6060100	DYED LIQUID FUELS	187,086.35	485,482.24	0.00	672,568.59
6060130	GASEOUS FUELS	0.00	100,356.61	0.00	100,356.61
6080100	DISPOSAL - SOLIDS	115,621.43	3,156.85	0.00	118,778.28
6080110	DISP-SALTWATER & OTH	0.00	15,034.23	0.00	15,034.23
6080115	DISP VIA PIPELINE SW	0.00	130,350.00	0.00	130,350.00
6090100	FLUIDS - WATER	23,700.00	785,315.01	0.00	809,015.01
6100100	PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
6100110	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110130	ROAD&SITE PREP SVC	22,500.00	59,487.39	0.00	81,987.39
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100	& C SERVICES	0.00	67,414.50	0.00	67,414.50
6130170	COMM SVCS - WAN	3,813.68	0.00	0.00	3,813.68
6130360	RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.39
6130370	RTOC - GEOSTEERING	18,996.54	0.00	0.00	18,996.54
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	327,819.81	0.00	327,819.81
6160100	MATERIALS & SUPPLIES	719.56	0.00	0.00	719.56
6170100	PULLING&SWABBING SVC	0.00	1,725.00	0.00	1,725.00
6170110	SNUBBG&COIL TUBG SVC	0.00	107,659.61	0.00	107,659.61
	TRCKG&HL-SOLID&FLUID	71,956.29	0.00	0.00	71,956.29
6190110	TRUCKING&HAUL OF EQP	51,000.00	46,412.39	0.00	97,412.39
6200130	CONSLT & PROJECT SVC	285,233.32	103,961.17	0.00	389,194.49
	SAFETY SERVICES	46,771.59	0.00	0.00	46,771.59
6300270	SOLIDS CONTROL SRVCS	79,869.56	0.00	0.00	79,869.56
6310120	STIMULATION SERVICES	0.00	1,508,660.44	0.00	1,508,660.44
6310190	PROPPANT PURCHASE	0.00	1,193,270.60	0.00	1,193,270.60
6310200	CASING & TUBULAR SVC	81,500.00	0.00	0.00	81,500.00
6310250	CEMENTING SERVICES	200,000.00	0.00	0.00	200,000.00
6310280	DAYWORK COSTS	810,407.70	0.00	0.00	810,407.70
6310300	DIRECTIONAL SERVICES	318,385.71	0.00	0.00	318,385.71
6310310	DRILL BITS	111,500.00	0.00	0.00	111,500.00
6310330	DRILL&COMP FLUID&SVC	240,146.40	18,245.15	0.00	258,391.55
6310370	MOB & DEMOBILIZATION	50,009.62	0.00	0.00	50,009.62
6310380	OPEN HOLE EVALUATION	27,137.92	0.00	0.00	27,137.92
6310480	TSTNG-WELL, PL & OTH	0.00	146,864.50	0.00	146,864.50
6310600	MISC PUMPING SERVICE	0.00	43,609.06	0.00	43,609.06
6320100	EQPMNT SVC-SRF RNTL	121,661.88	162,283.79	0.00	283,945.67
6320110	EQUIP SVC - DOWNHOLE	127,581.86	35,289.39	0.00	162,871.25
6320160	WELDING SERVICES	1,500.00	0.00	0.00	1,500.00
6320190	WATER TRANSFER	0.00	128,450.18	0.00	128,450.18
6350100	CONSTRUCTION SVC	0.00	183,285.97	0.00	183,285.97
6520100	LEGAL FEES	10,000.00	0.00	0.00	10,000.00
6550100	MISCS COSTS & SERVS	0.00	7,527.80	0.00	7,527.80



AFE # XX-150180.01

Well Name: BURTON FLAT 3-1 FED STATE COM 822H

Cost Center Number: 1094682101 Legal Description: 3-21S-27E

TOTAL ESTIMATED COST

Revision:

AFE Date: State: 5-12-2022 NM

State: NM County/Parish: EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	28,000.00	0.00	0.00	28,000.00
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	14,930.93	48,239.03	0.00	63,169.96
6740340	TAXES OTHER	542.55	29,706.36	0.00	30,248.91
	Total Intangibles	3,111,572.89	5,963,420.30	0.00	9,074,993.19

	Tangible	Drilling	Completion	Dry Hole	Total
Code	Description	Costs	Costs	Costs	Costs
6120110	I&C EQUIPMENT	0.00	85,048.74	0.00	85,048.74
6120120	MEASUREMENT EQUIP	0.00	35,399.95	0.00	35,399.95
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6230130	SAFETY EQUIPMENT	4,173.69	0.00	0.00	4,173.69
6300150	SEPARATOR EQUIPMENT	0.00	337,827.01	0.00	337,827.01
6300220	STORAGE VESSEL&TANKS	0.00	66,404.66	0.00	66,404.66
6300230	PUMPS - SURFACE	0.00	14,143.20	0.00	14,143.20
6310130	ARTIFICIAL LIFT EQP	0.00	30,000.00	0.00	30,000.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	97,618.06	0.00	97,618.06
6310460	WELLHEAD EQUIPMENT	42,578.00	93,168.47	0.00	135,746.47
6310530	SURFACE CASING	101,534.34	0.00	0.00	101,534.34
6310540	INTERMEDIATE CASING	541,364.74	0.00	0.00	541,364.74
6310550	PRODUCTION CASING	946,026.05	0.00	0.00	946,026.05
6310580	CASING COMPONENTS	47,636.00	0.00	0.00	47,636.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	242,566.72	0.00	242,566.72
	Total Tangibles	1,703,312.82	1,013,426.81	0.00	2,716,739.63

WORKING INTEREST OWNER APPROVAL					
Company Name:					
Signature:	Print Name:				
Title:					
Date:					
Email:					

4,814,885.71

6,976,847.11

0.00

11,791,732.82

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

Exhibit A-4: Chronology of Contacts

All WI owners received the Well Proposals in May 2022

Owner	Timeline of Contacts/Discussion
Chausan USA Jan	Chevron's first email to me in mid-May 2022 after receiving the Well Proposals/AFE's; Chevron requested ownership details in late-May 2022, which I provided in a response on 5/31/2022; Chevron kept in contact with me throughout June and requested Devon's JOA form, which was provided to them on 6/30/2022; throughout July and August, Devon and Chevron have been in negotiations on edits/amendments to the JOA form, and we are still working towards finalizing a mutually agreeable JOA form that both parties can accept. Devon and Chevron mutually agreed on 8/9/2022 to continue negotiating the JOA, even after the Pooling Hearing Date, in hopes of coming to a final JOA form at some
Chevron USA, Inc.	point in the near future.
Moon Royalty, LLC Javelina Partners	Devon and Moon are committed to a JOA form that has written approval from both parties
Zorro Partners, LTD	Devon and Javelina are committed to a JOA form that has written approval from both parties Devon and Zorro are committed to a JOA form that has written approval from both parties
·	Devoir and 20110 are committed to a JOA form that has written approval from both parties
Cheney Energy Partners, LLC	Devon and Zorro are committed to a JOA form that has written approval from both parties
Magnum Hunter Production, Inc.	Devon and Magnum Hunter began conversations in mid-May 2022 regarding Magnum's WI ownership, the timing of the spud/completion dates, etc. On 5/31/2022, I asked if they would be interested in signing Devon's JOA form, and on 6/6/2022, I provided a copy of the JOA. To date, we have continued to have discussions around Devon's drilling plans, but there has been no feedback/comments from Magnum related to Devon's JOA form. Devon and Magnum spoke on 7/21/2022, and mutually agreed to continue the Cases from the original docket date of 8/4/2022, to the new date of 8/18/2022, so that Magnum could continue to evlaute their options. Since that time, I have received no additional comments/requests/changes from Magnum to the JOA form.
GW Holdings, Inc.	
(Great Western Drilling	
Ltd)	Devon and GW Holdings are committed to a JOA form that has written approval from both parties
Davoil Inc.	Davoil has commented that they are committed to a JOA, as long as GW Holdings, Inc. is also committed
MRC Permian Company	(see comment directly above related to GW Holdings) Devon and MRC have been in discussions related to MRC's ownership in these Cases dating back to before the well proposals were mailed out in mid-May 2022. To date, there has been no commitment that MRC wants to enter into a JOA.
Sabinal Energy, LLC	Devon and Sabinal have been in discussions regarding entering into the Devon JOA form; as of 8/8/2022 email correspondance with Sabinal, they were discussing as a team and would get back to me very soon regarding whether they wanted to commit to a JOA or not. Devon is open to JOA, but needs final feedback from Sabinal.
*Additional Owners	*The other owners in these Cases have been largely non-responsive, likely due to the very small nature of their ownership.



TAB 3

Case No. 22958

Exhibit B: Affidavit of Joseph Dixon, Geologist

Exhibit B-1: Structure Map Exhibit B-2: Gross Isochore

Exhibit B-3: Stratigraphic Cross Section

Exhibit B-4: Gun Barrel View

Exhibit B-5: Trajectory Cross-section

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

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

Case No. 22958

AFFIDAVIT OF JOSEPH DIXON

Joseph Dixon, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Joseph Dixon, and I am employed by Devon Energy Production Company, L.P. ("Devon") as a petroleum geologist.
- 2. I have testified previously by affidavit before the Oil Conservation Division ("Division") as an expert witness in petroleum geology. I hold a Bachelor's degree in Geology from Purdue University and a Master's degree in Geology from Oklahoma State University. I have been employed as a petroleum geologist with Devon since June 2013.
- 3. I am familiar with the applications filed by Devon in these consolidated cases, and I have conducted a geologic study of the Bone Spring and Wolfcamp formations underlying the subject area.
- 4. The initial targets for Devon's proposed Burton Flat 3-1 wells in the sections of 3, 2 and 1 of 21S-27E are Third Bone Spring Sandstone interval of the Bone Spring formation, and the Wolfcamp XY Sands, A and B intervals of the Wolfcamp formation.
- 5. **Devon Exhibit B-1** is structure map at the top of the Wolfcamp Formation, with subsea depths marked by contour intervals every 50 feet. I have outlined the proposed spacing units and identified the orientation of the initial wellbores. This exhibit shows that the top of the

ЕХНІВІТ

Wolfcamp formation is gently dipping to the east in this area. I do not observe any faulting, pinch outs, or other geologic impediments to developing the targeted Bone Spring or Wolfcamp intervals with horizontal wells.

- 6. **Devon Exhibit B-2** is a gross isochore thickness map for the Wolfcamp XY, A and B members of the Wolfcamp Formation with 20' contour interval. This exhibit shows that the reservoir interval targeted by Devon's development plan is of consistent thickness across the proposed unit.
- 7. **Devon Exhibit B-3** is a cross section for the Bone Spring and Wolfcamp formations using the representative wells depicted on Exhibit B-2. Each well log contains gamma ray, resistivity, and porosity logs. The target interval for the initial wells are depicted on the exhibit. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.
- 8. **Devon Exhibit B-4** is a gun barrel representation of the unit, and **Exhibit B-5** is a structural cross section built along the wellbore trajectory.
- 9. In my opinion, the West-East orientation of the proposed wells is the preferred orientation for horizontal well development in the targeted intervals in this area. The preferred well orientation in this area is West-East so that the wells run sub-perpendicular to the inferred orientation of the maximum horizontal stress. This lay down orientation will efficiently and effectively develop the subject acreage.
- 10. In my opinion, the granting of Devon's applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **Devon Exhibits B-1** to **B-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

JOSEPH DIXON

STATE OF OKLAHOMA

COUNTY OF Ollahoren

SUBSCRIBED and SWORN to before me this _

day of

August

2022 by Joseph Dixon.

NOTARY PUBLIC

My Commission Expires:

North

Exhibit B-1

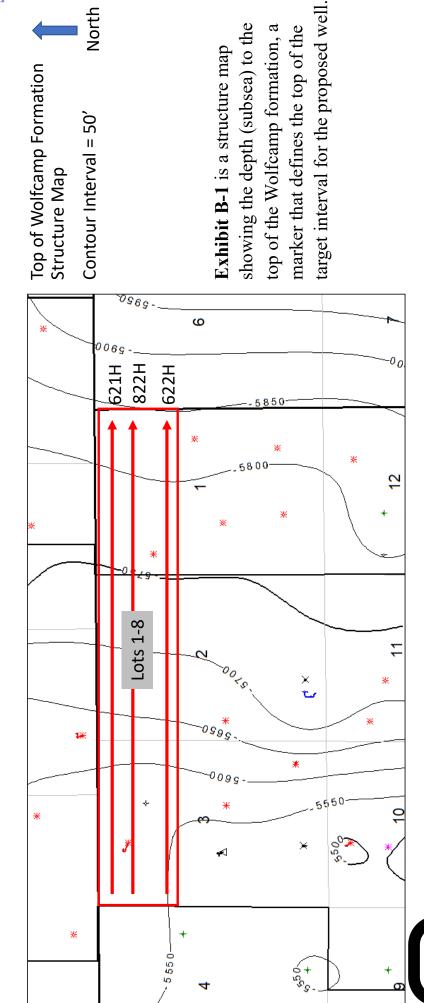


EXHIBIT B-1

North

Exhibit B-2

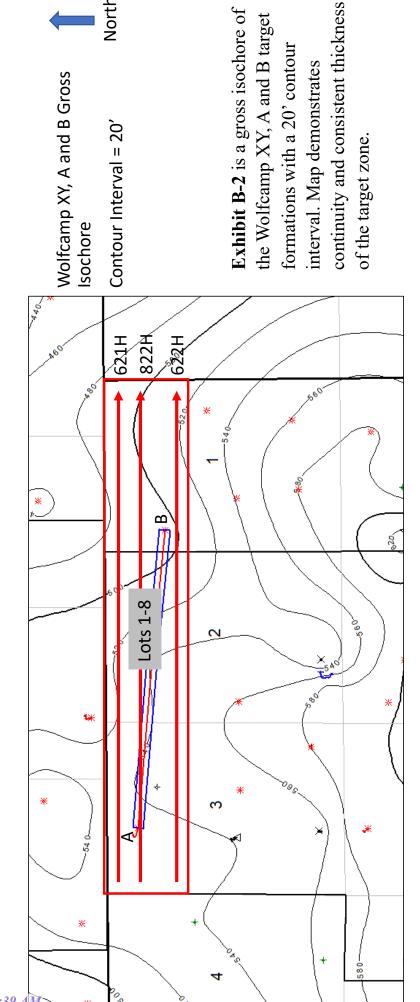


EXHIBIT **B-2**

Released to Imaging: 8/17/2022 9:28:39 AM

Exhibit B-3

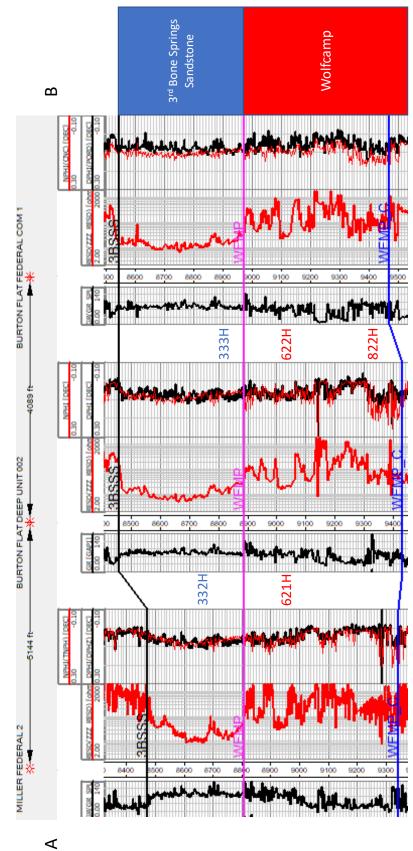
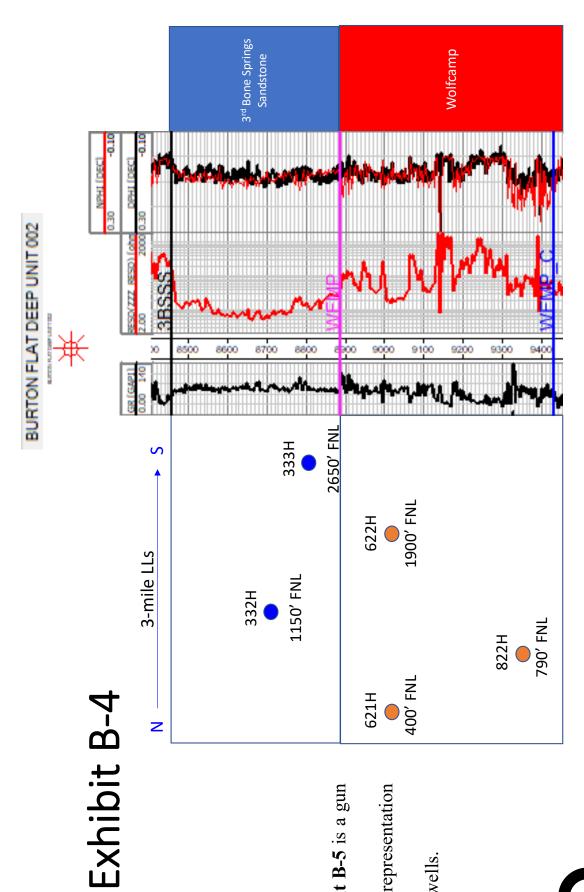


Exhibit B-3 Cross-section A to B. Stratigraphic cross-section hung on top of Wolfcamp. Target interval indicated by well number.









barrel representation

of the wells.

Exhibit B-5 is a gun

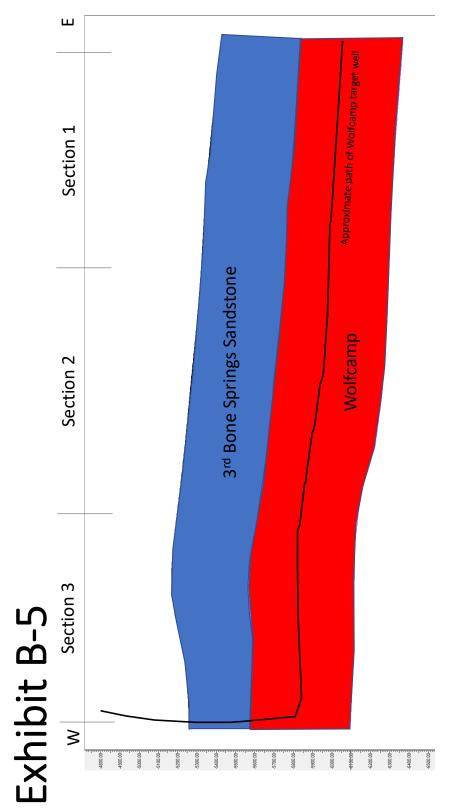


Exhibit B-6 is a cross section with approximate well trajectory.



TAB 1

Reference for Case No. 22959 Application Case No. 22959: Burton Flat 3-1 Fed State Com 333H Well NMOCD Checklist Case No. 22959

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

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

Case No. 22959

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, seeking an order (1) establishing a standard 960-acre, more or less, spacing and proration unit comprised of Lots 9 through 16 (equivalent to the S/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, 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 recognizes that Sections 1, 2 and 3, are rather sizable correction sections consisting of 16 lots in the N/2 of the Sections and therefore may present a number of novel questions and issues regarding the application of the Division's rules to the unusual circumstances created by the Sections. Devon respectfully submits that in Exhibit A, attached to this Application, it proposes for the Division's consideration a valid and beneficial interpretation and application of NMAC 19.15.16.15B(1)(1) and related rules for establishing the N/2 N/2 and/or S/2 N/2 of correction Sections 1, 2 and 3, consisting of Lots 1-8 of each Section ("Subject Lands"), as a

standard unit. For the reasons provided in Exhibit A, Devon respectfully submits that establishing the Subject Lands as a standard unit would best serve the interest of the Division and Applicants by ensuring a consistent and systematic application of the Rules to correction sections, no matter the size or number of lots, for the protection of correlative right and prevention of waste.

- 2. Although this Application represents Devon's preferred spacing unit and development plan, Devon has submitted concurrently an alternate pooling application for the **Burton Flat 3-1 Fed State Com 333H Well** proposed as a standard spacing unit comprising Lots 9-12 of irregular Sections 1, 2 and 3. This alternate pooling application is provided for the Division's consideration should the Division reject the standard horizontal spacing unit proposed herein.
- 3. Devon is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.
- 4. Devon proposes and dedicates to the HSU the **Burton Flat 3-1 Fed State Com 333H Well,** as the initial well, to be drilled to a sufficient depth to test the Bone Spring formation.
- 5. Devon proposes the **Burton Flat 3-1 Fed State Com 333H Well,** an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 9 of Section 1.
- 6. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under statewide rules.
- 7. The proposed HSU overlaps two existing spacing units with wells owned and operated by Devon, the Burton Flat Deep Unit 52H Well (API No. 30-015-40693) with a unit covering Lots 13-16 in Section 2; the Burton Flat Deep Unit 55H Well (API No. 30-015-40682) with a unit covering Lots 9-12 in Section 2; the Burton Flat Deep Unit 51H Well (API No. 30-015-40682)

015-40681) with a unit covering Lots 9-12 in Section 3; and the Burton Flat Deep Unit 56H Well (API No. 30-015-40683) with a unit covering Lots 13-16 in Section 3. Devon requests approval for these overlapping units.

- 8. Devon has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the well or in the commitment of their interests to the well for their development within the proposed HSU.
- 9. The pooling of all interests in the Bone Spring formation within the proposed HSU, and the establishment of the standard spacing unit, will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 10. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Devon requests that all uncommitted interests in this HSU be pooled and that Devon be designated the operator of the proposed horizontal well and HSU.

WHEREFORE, Devon requests that this Application be set for hearing on August 4, 2022, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Establishing a standard 960-acre, more or less, spacing and proration unit comprised of Lots 9 through 16 (equivalent to the S/2 N/2) of correction Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico;
- B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the proposed HSU.
- C. Approving the **Burton Flat 3-1 Fed State 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

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bill@abadieschill.com

luke@abadieschill.com andrew@abadieschill.com

Attorneys for Devon Energy Company, L.P.

Application of Devon Energy Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 960-acre, more or less, spacing and proration unit comprised of Lots 9 through 16 (equivalent to the S/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Burton Flat 3-1 Fed State Com 333H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in the Lot 9 of Section 1. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be approval for the overlapping of existing units involving the Burton Flat Deep Unit 52H Well (API No. 30-015-40693) and the Burton Flat Deep Unit 55H Well (API No. 30-015-40682) in Section 2, and Burton Flat Deep Unit 51H Well (API No. 30-015-40681) and the Burton Flat Deep Unit 56H Well (API No. 30-015-40683) in Section 3, all operated by Applicant; 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 7 miles northeast of Carlsbad, New Mexico.

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

Exhibit A: A legal basis for establishing standard horizontal spacing units in expanded correction sections under the existing language and intent of the Statewide Rules

In this Exhibit A, attached to and made a part of the pooling application, the Applicant respectfully asks the Division to consider what should constitute a standard horizontal spacing unit ("HSU") for horizontal oil wells when encountering expanded correction sections under the PLSS. The analysis in this Exhibit is provided to the New Mexico Oil Conservation Division ("Division") for its consideration as it works through the challenges posed by such idiosyncratic sections. The Applicant respectfully submits that the spacing unit proposed in its Application be deemed a standard HSU based on a review of what constitutes a standard HSU under the Rules, which begins with the criteria set out in NMAC 19.15.16.15B(1) that directly supplants – having been adopted "[i]n lieu of" – an oil spacing unit "described in Subsection A of 19.15.15.9 NMAC" as consisting of 40 acres for a vertical well.

More specifically, NMAC 19.15.16.15B(1)(a) states that "[t]he horizontal spacing unit shall comprise one or more contiguous <u>tracts</u> that the horizontal oil well's completed interval penetrates...." (emphasis added). As an example, a commonly approved standard HSU in a standard section would, and often does, comprise quarter-quarter sections consisting of Units A-D to create a 160-acre standard HSU. Such standard HSU would be accurately described under NMAC 19.15.4.9A(8) as the N/2 N/2 of said standard section. In a standard section, each "tract" of the standard HSU would consist "of a governmental quarter-quarter section...," in compliance with the language of NMAC 19.15.16.15B(1)(a).

The challenge that arises with correction sections is the application of the specific language of this Rule to correction Lots that vary in size from governmental quarter-quarter sections, Lots which often reduce the size of the quarter-quarter section. NMAC 19.15.16.15B(1)(a) accounts for such possible variations by stating that "each [tract] of which consists of a governmental quarter-quarter section or equivalent." (emphasis added).

In practice before the Division, applicants often encounter correction sections where the only correction is provided by Lots 1-4 across the top of the section to account for quarter-quarter sections that otherwise would be Units A-D. Common practice with such a scenario shows that these Lots 1-4 are addressed by requesting a standard HSU consisting of Lots 1-4 of the correction section and providing a legal description such as Lots 1-4 (aka the N/2 N/2) of said correction section pursuant to NMAC 19.15.4.9A(8). In this scenario, it has been the practice of the Division to deem Lots 1-4 as "equivalent" to the governmental quarter-quarter sections and approve the contiguous tracts penetrated by the well's completed interval as a standard HSU. *See* Diagram No. 2, provided herein and attached hereto.

In the present Application for compulsory pooling, the Applicant, Devon Energy Production Company, L.P. ("Devon"), is faced with correction sections that consist of Lots 1-16 that comprise the entire N/2 of the correction section. *See* Diagram No. 3, attached hereto. As an example, one of the correction sections is Section 1, Township 21 South, Range 27 East, NMPM. The challenge is the application of the language and intent of NMAC 19.15.16.15B(1)(a) to Section 1 in a systematic and consistent manner that protects correlative rights and prevents waste pursuant to the Oil and Gas Act ("Act") and that can be efficiently replicated for other correction sections under the PLSS.

Devon respectfully submits for the Division's consideration that the general legal description of the proposed unit be the guiding factor for determining what tracts should be deemed equivalent to governmental quarter-quarter sections for purposes of building a standard HSU in a correction section that would be equivalent, under the language of the Rules, to a standard HSU in a standard section.

Therefore, to establish such equivalency, the N/2 N/2 standard HSU of a standard section, consisting of Units A-D, should translate into using Lots 1-8 when creating an equivalent standard HSU in correction Section 1. A standard HSU consisting of Lots 1-8 of Section 1 would comprise the N/2 N/2 of Section 1, which is equivalent under the language of the Rules to the N/2 N/2 of a standard section in that it maintains a consistent and equivalent legal description in both the standard section and the correction section. *See* Diagram No. 1, attached hereto. In correction Section 1, the tracts that would constitute the basic building blocks for the N/2 N/2 standard unit of Section 1 would be blocks consisting of two stacked lots, such as Lots 1 and 8, Lots 2 and 7, Lots 3 and 6, and Lots 4 and 5. These stacked Lots used to create a N/2 N/2 standard HSU in a correction section would maintain the equivalency specified in NMAC 19.15.16.15B(1)(a).

The equivalency maintained by this approach is also illustrated by the fact that a quarter-quarter section in the N/2 N/2 of a standard section is equivalent to one-fourth (1/4) of the N/2 N/2 standard spacing unit, and the basic building block proposed herein for creating a standard HSU comprising the N/2 N/2 of correction Section 1 is also one-fourth (1/4) of the N/2 N/2 spacing unit. This approach for establishing standard HSUs in correction sections is replicable with any correction section one encounters, as the size the building blocks would be proportioned to maintain the one-fourth (1/4) equivalency in relation to the number of Lots involved, whether in

the N/2 N/2 or other legal description proposed. Furthermore, the setback requirements of 330 feet would be maintained within the unit to protect the correlative rights of the offset operators.

Devon respectfully submits that this approach would be preferrable to burdening the Division with a case-by-case evaluation of what should constitute a standard HSU in a correction section each time the Division encounters the unique irregularities of a correction section with lots of various sizes. Correction Section 1, in the present case, happens to have a number of Lots that are 40 acres, the same acreage as quarter-quarter sections, but the Lots are not equivalent to quarter-quarter sections because each Lot is one-eighth of the N/2 N/2 of correction Section 1, while a quarter-quarter section by definition is one-fourth (1/4) of the N/2 N/2 of a standard section. Furthermore, Lots can vary dramatically in size and distribution depending on the correction section, and consequently, one cannot depend on a Lot always being 40 acres.

The model for approaching correction sections presented herein would provide a reliable template for addressing correction section consistently and systematically. Further, it would incorporate the principle under NMAC 19.15.15.9 and -.11 of having building blocks that include at least 40 acres, which is also reflected in the revisions provided by the horizontal rules in NMAC 19.15.16.15. The correction sections under the PLSS that are expanded beyond four lots, such as correction Section 1, which has 16 lots, would have building blocks which would encompass at least 40 acres, as required by NMAC 19.15.15.9, but would allow additional acreage as envisioned in the intent of NMAC 19.15.16.15B(1)(a) for expanded standard units that accommodate longer horizontal wells and spacing units.

Countering this proposal, one might argue that this approach would lead to larger standard units in correction sections involving lots than those typically established in standard sections involving quarter-quarter section, but from a practical viewpoint, the larger standard unit would

be proper in order to accommodate in a consistent, efficient, and reliable manner those rare instances when the PLSS itself uses correction sections to accommodates anomalies. Devon respectfully submits that the Division has the authority to apply existing Rules to address such anomalies when the inherent language of the Rule itself provides for a consistent and rational application, as proposed herein.

The only alternative approach would involve trying to fit a square peg in a round hole. The Rules do not directly address the subject of correction sections in this situation; thus, without a consistent application of the Rules based on their existing language, the Division could likely risk arbitrarily deciding whether a correction Lot is equivalent to a quarter-quarter section, and the Rules do not provide a reliable threshold for such a determination. For example, would the threshold be a reduction of 5 acres, from 40 to 35, or 10 acres from 40 to 30, or other? Since the Rules do not specify a clear threshold, the Division would be left with using an arbitrary rule of thumb on a case-by-case basis.

Such a piecemeal approach for developing a correction section would not only burden the Division with this uncertainty but would also burden the applicant trying to decide if it should describe in its pooling application a contiguous set of correction Lots as a standard or a non-standard unit. If a clear and consistent pathway is not provided by a consistent application of the Rules on which an applicant can rely, the applicant risks misidentifying the unit as standard or non-standard resulting in the burden of having to dismiss or amend the original pooling application.

The approach provided herein has a number of advantages for ensuring the protection of correlative rights and the prevention of waste and drilling unnecessary wells. First, this approach would better ensure that all of the lots of a correction section would be developed by having an

established place of each lot in a standard spacing unit no matter how irregular the Lot might be. In the example of correction Section 1, with its N/2 consisting of an unwieldy 16 Lots, an applicant might decide to develop the lots in a piecemeal fashion, such as proposing a unit across Lots 13-16 separated from another unit proposed as Lots 5-8, thereby excluding owners in Lots 1-4 and 9-12 and creating gaps in what otherwise should be adjacent units developed based on principles of uniformity for the full development of the N/2 of the correction section.

Second, creating a situation where a series of Lots in a correction section are considered a non-standard unit could significantly burden the applicant by requiring an excessive amount of additional and costly title work to identify owners in adjacent tracts outside the correction section, which otherwise would not burden the applicant when developing a standard section. Such burden may create waste through delay of development or through the applicant deciding not to develop the unit due to the irregularity creating an excessive burden. Devon's proposed horizontal unit in the attached pooling application, if rejected as a standard unit, would require additional title work covering, at a minimum, tracts in Section 6-21S-38E, Sections 36, 35, 34 and 33-20S-28E, and Section 4-21S-27E.

Currently, for example, if an applicant wants to develop the N/2 N/2 of a standard section as a standard spacing unit, the applicant can do so efficiently under the Rules, without unnecessary or excessive burden, and still protect the correlative rights of offset operators and owners by observing the proper setback requirements. Devon respectfully submits that the Division should grant an applicant the benefit of the same efficiency under the Rules when developing expanded correction sections when there is a viable application of the Rules to facilitate efficient development. Under the Act, and its Rules, a correction section should not present such obstacles

Received by OCD: 8/16/2022/6532438PPM

Page 0720f 257

to the development of the state's natural resources when a reasonable and rational means is

available for development that would prevent waste and protect correlative rights.

In the development plan of its pooling application, Devon is proposing what it believes

should be considered, by definition under the Rules, a standard spacing unit comprised of Lots 9

through 16 (equivalent to the S/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East,

NMPM, Eddy County, New Mexico. Devon respectfully submits that the approval of the proposed

unit as a standard spacing unit would prevent waste through the efficient development of correction

sections and protect correlative rights through the maintenance of appropriate setback

requirements. The Division has the authority to recognize contiguous tracts, equivalent to quarter-

quarter sections, for building standard spacing units in expanded correction sections under NMAC

19.15.16.15B(1)(a), and Devon respectfully asks the Division to exercise its authority if it should

find sufficient justification based on the analysis provided herein.

Respectfully,

/s/ Darin C. Savage

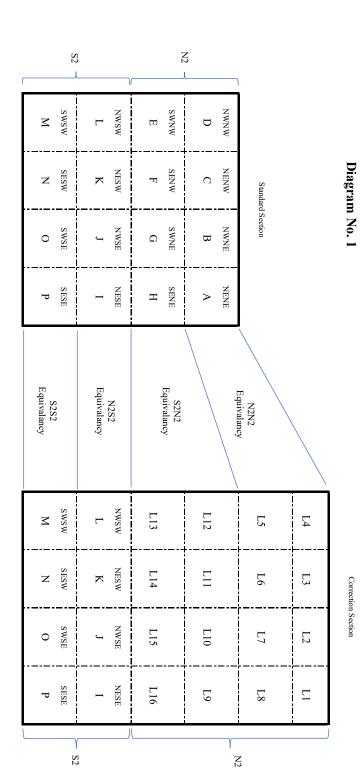
Darin C. Savage

7

QQ Building Block in Standard Section Unit A

 \parallel

L1



Each QQ Section of the Standard Section is 1/8 of the N2 of the Section

Each Lot in the Correction Section is 1/16 of the N2 of the Section

Therefore, a 40 acre QQ Section in the Standard Section is not equivalent to a 40 acre Lot in the Correction Section

NENE A But, QQ Sections A-D in the Standard Section (that being the N2 N2 of the Section) is equivalent to Lots 1-8 in the Correction Section (that also being the N2 N2 of the Section)

Two
Stacked
Lots as
Building
Blocks

Diagram No. 2

Standard Section

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NENE

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Equivalancy N2N2

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Correction Section

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establishing under the Rules a standard horizontal spacing unit for the N2 N2, consisting of Lots 1-4 in the correction section, regardless of the size variations common practice, when this particular scenario arises, to acknowledge the equivalency of Lots 1-4, as being equivalent to Units A-D in the standard section, for This Diagram No 2 is an example of the common situation when there are only four correction lots (Lots 1-4) across the top of the correction. It appears to be

of the lots.

whenever additional lots are encountered in a correction section. Diagram No. 1 herein shows how this common and established practice would be scalable and replicated to establish standard spacing units under the Rules

Diagram No. 3

		13 40.00	12 40 00	5 40.00	4 29.28
	ω	14 40.00	11 40.00	6 40.00	3 29.18
		15 40.00	10 40.00	7 40.00	2 29.07
		16 40.00	9 40,00	8 40.00	1 28.97
		13 40.00	12 40 00	5 40.00	4 28.85
NM 00 Recon Surf O		14 40.00	11 40.00	6 40.00	3 28.72
NM 001086 01 Recon Surf Only	2	15 40.00	10 40.00	7 40.00	2 28.59
		16 40.00	9 40 00	8 40.00	1 28.46
		13 40.00	12 40.00	5 40.00	4 28.35
		14 40.00	11 40.00	6 40.00	3 28.25
	481906 D/C	15 40.00	10 40.00	7 40.00	2 28.15
		16 40.00	9 40.00	8 40.00	1 28.05

COMPULSORY POOLING APPLICATION CHECKLIST

Case: 22959	APPLICANT'S RESPONSE				
Date:	August 16, 2022				
Applicant	Devon Energy Production Company L.P.				
Designated Operator & OGRID (affiliation if	5, ,				
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:	MRC Permian Company				
	Sabinal Energy Operating, LLC				
	Chevron U.S.A. Inc.				
Well Family	Burton Flat 3-1 Fed State Com				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Bone Spring				
Primary Product (Oil or Gas):	Oil				
Pooling this vertical extent:	Exhibit B-3; 333H TVD approx 8,945'				
Pool Name and Pool Code:	Bone Spring [Avalong; Bone Spring East (Code 3713)]				
Well Location Setback Rules:	Standard statewide rules				
Spacing Unit Size:	960 acres, more or less				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	960 acres, more or less				
Building Blocks:	2 stacked lots, equivalent to 1 quarter-quarter section				
Orientation:	west - east				
Description: TRS/County	Lots 9-16 (equivalent to the S/2N/2) of Sections 1, 2 and 3,				
	Township 21 South, Range 27 East, NMPM, Eddy County,				
	New Mexico				
Standard Horizontal Well Spacing Unit (Y/N), If No,	Yes				
describe					
Other Situations					
Depth Severance: Y/N. If yes, description	No				
Proximity Tracts: If yes, description	No				
Proximity Defining Well: if yes, description	No				
Applicant's Ownership in Each Tract	See Landman Exhibit A-2				
Well(s)					
Name & API (if assigned), surface and bottom hole					
location, footages, completion target, orientation,					
completion status (standard or non-standard)					
Well #1	Burton Flat 3-1 Fed State Com 333H Well (API No. 30-105-				
	pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 3, T21S-				
	R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T215				
	R27E, NMPM, laydown, standard location				
Horizontal Well First and Last Take Points	Burton Flat 3-1 Fed State Com 333H Well: FTP 2650' FNL,				
	100' FWL, Section 3; LTP 2650' FNL, 100' FEL, Section 1				

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):	/s/ Darin C. Gavage				
Date:	8/16/22				

TAB 2

Case No. 22959

Exhibit A: Affidavit of Andy 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 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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

Case No. 22959

AFFIDAVIT OF ANDY D. 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.
- I am employed as an Advising Landman with Devon Energy Production Company,
 L.P. ("Devon"), and I am familiar with the subject application and the lands involved.
- 3. I graduated from the University of Oklahoma with a Bachelor's degree in Business (Energy Management) in 2008. I have worked at Devon for approximately 13 years, and I have been working in New Mexico for 4 years. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
- 4. This affidavit is submitted in connection with the filing by Devon in the above-referenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1).
- 5. Devon seeks an order (1) establishing a standard 960-acre, more or less, spacing and proration unit comprised of Lots 9 through 16 (equivalent to the S/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being



correction sections and therefore irregular, and (2) pooling all uncommitted ownership interests in the Bone Spring formation, [(Avalon; Bone Spring East 3713)], designated as an oil pool, underlying said unit.

- 6. Devon recognizes that Sections 1, 2 and 3, are rather sizable correction sections consisting of 16 lots in the N/2 of the Sections and therefore may present a number of novel questions and issues regarding the application of the Division's rules to the unusual circumstances created by the Sections. Devon has respectfully submitted Exhibit A, attached to the Pooling Application herein, in which it has proposed what it believes to be a valid and beneficial interpretation and application of NMAC 19.15.16.15B(1)(1) and related rules for establishing the N/2 N/2 of correction Sections 1, 2 and 3, consisting of Lots 1-8 of each Section, as a standard unit, and consequently, we respectfully propose that the S/2 N/2, consisting of Lots 9-16, should also be a standard unit. For the reasons provided in Exhibit A, Devon respectfully submits that establishing the Subject Lands as a standard unit would best serve the interest of the Division and Applicants by ensuring a consistent and systematic application of the Rules to correction sections, no matter the size or number of lots, for the protection of correlative right and prevention of waste.
- 7. Although this Application represents Devon's preferred spacing unit and development plan, Devon has submitted concurrently an alternate pooling application in Case No. 22963 for the **Burton Flat 3-1 Fed State Com 333H Well** proposed as a standard spacing unit, to the extent necessary, comprising Lots 9-12 of irregular Sections 1, 2 and 3. This alternate pooling application is provided for the Division's consideration should the Division reject the standard horizontal spacing unit proposed herein.
- 8. Under this <u>Case No. 22959</u>, Devon seeks to dedicate to the horizontal spacing and proration unit the **Burton Flat 3-1 Fed State Com 333H Well** (API 30-015-pending), as the initial well.

- 9. The **Burton Flat 3-1 Fed State Com 333H Well,** an oil well, will be horizontally drilled from a surface location in Lot 5 of Section 3 (387' FWL and 2,107' FNL) to a bottom hole location in Lot 9 of Section 1 (20' FEL and 2,650' FNL); with an approximate TVD of 8,945'; an approximate TMD of 24,425'; FTP in Section 3: 100' FWL, 2,650' FNL; LTP in Section 1: 100' FEL, 2,650' FNL.
 - 10. The proposed C-102 for the well is attached as **Exhibit A-1**.
- 11. A general location plat and a plat outlining the unit being pooled is attached hereto as **Exhibit A-2**, which shows the general location of the proposed well within the unit. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under statewide rules.
- 12. The proposed unit overlaps two existing spacing units with wells owned and operated by Devon, the Burton Flat Deep Unit 52H Well (API No. 30-015-40693) with a unit covering Lots 13-16 in Section 2; the Burton Flat Deep Unit 55H Well (API No. 30-015-40682) with a unit covering Lots 9-12 in Section 2; the Burton Flat Deep Unit 51H Well (API No. 30-015-40681) with a unit covering Lots 9-12 in Section 3; and the Burton Flat Deep Unit 56H Well (API No. 30-015-40683) with a unit covering Lots 13-16 in Section 3. Devon requests approval for these overlapping units.
- 13. The parties being pooled, the nature of their interests, and their last known addresses are listed on **Exhibit A-2** attached hereto. Exhibit A-2 shows which working interest owners have committed, and which to date have not committed, their interest to a voluntary agreement with Devon, along with a list of the overriding royalty interest (ORRI) owners and record title (RT) owners to be pooled.
 - 14. There are no depth severances in the Bone Spring formation in this acreage.

- 15. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted interest 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 internet searches to locate the contact information for parties entitled to notification. Mailings of one WI owner (Paladin Inc., Andrew Smith President) and three ORRI owners (C. Eugene Corriher, Janet Lewis and XTO Holdings) were returned as undeliverable. Three WI owners, six ORRI owners and 1 RTO owner are listed by USPS.com as still in-transit; therefore, the locations cannot yet be confirmed for: Crosswinds Resources LLC (WI), Magnum Hunter Production Inc., C/O Cimarex Energy Co. (WI, contacted), Sieb Resources (WI), Ameripermian Holdings, LLC, Elizabeth L Cheney Irrev Trust Elizabeth L Cheney Trustee, Elizabeth L Cheney Mitchel E Cheney Family Rev Tr Alexander K Cheney TTEE, Estate Of Gwendolyn P Rutledge Alexis A Scott Personal Rep, Liberty Oil & Gas Corporation, MP Titan Flex LP, MSH Family Real Estate Partnership II, LLC, and SDX Resources Inc. Devon published notice in the Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico, to account for any unlocatable parties and cover any contingencies regarding notice.
- 16. Devon has made a good faith effort to negotiate with the interest owners, 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 their development within the proposed horizontal spacing unit. **Exhibit A-4** provides a chronology and history of contacts with the owners.
- 17. The working interest owners being pooled have been contacted regarding the proposed well. If a mutually agreeable JOA 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 protection of correlative rights.

- 18. **Exhibit A-3** is a sample proposal letter and the AFEs for the proposed well, that were sent to working interest owners. The estimated cost of the well set forth in the AFE is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.
- 19. Devon requests overhead and administrative rates of \$8,000/month for drilling each well and \$800/month for producing each well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Devon requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 20. Devon requests the maximum cost, plus 200% risk charge be assessed against nonconsenting working interest owners.
 - 21. Devon requests that it be designated operator of the unit and well.
- 22. The Exhibits to this Affidavit were prepared by me or compiled from Devon's company business records under my direct supervision.
- 23. The granting of this Application is in the best interests of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.
 - 24. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT

Andy D. Bennett

Subscribed to and sworn before me this ______day of August 2022.

07004034 # 07004034 # 07004034 # 07004034

Notary Public

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

Energy, Minerals & Natural Resources Department OIL CONSERVATION 1220 SOUTH ST. FRANCIS DR.

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

□ AMENDED REPORT

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

	WELL LOCATION AND ACREAGE DEDICATION PLAT	
API Number	Pool Code Pool Name	
Property Code	Property Name	Well Number
	BURTON FLAT 3-1 FED STATE COM	333H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3184.3'

Santa Fe, New Mexico 87505

State of New Mexico

DIVISION

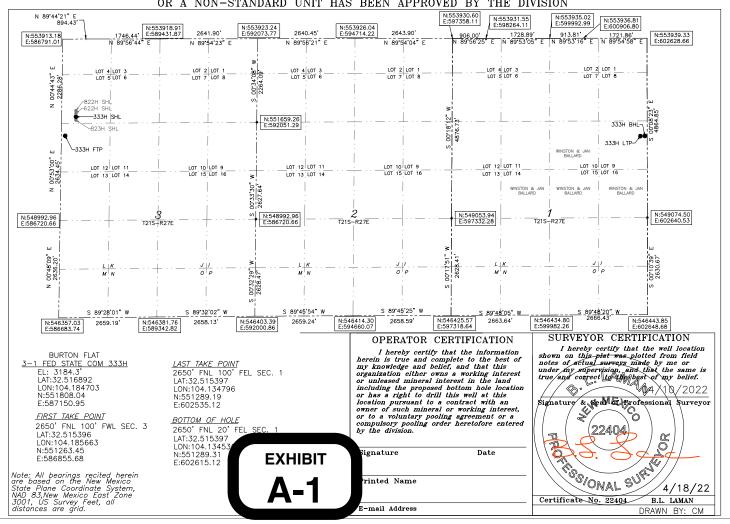
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 5	3	21-S	27-E		2107	NORTH	387	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 9	1	21-S	27-E		2650	NORTH	20	EAST	EDDY
Dedicated Acres	Joint o	r Infill Co	nsolidation	Code Or	der 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



Inten	t	As Dril	led											
API#														
DΕ\	rator Nar /ON EN MPANY	IERGY P	PRODUC	CTION	J		perty Na RTON			·1 FE	D S	TATE	СОМ	Well Number 333H
Kick C	Off Point ((KOP)												
UL	Section	Township	Range	Lot	Feet		From N	/S	Feet		Fron	n E/W	County	
Latitu	ıde				Longitu	ide					l		NAD	
First 1	Take Poin	it (FTP)												
UL	Section 3	Township 21-S	Range 27-E	12	Feet 2650		From N NOR		Feet 100			ST	County EDDY	•
132.5	ide 515396	6			Longitu 104.		663						NAD 83	
Last T	ake Poin	t (LTP)												
UL	Section 1	Township 21-S	Range 27-E	Lot 9	Feet 2650		m N/S ORTH	Feet 100		From		Count		
132.5	ide 515397	7			Longitu 104.		796					NAD 83		
Is this	well the	defining v	vell for th	ie Horiz	contal Sp	oacin	g Unit?]				
Is this	well an i	infill well?]									
	ng Unit.	lease provi	ide API if	availab	ile, Opei	rator	Name a	ınd v	vell n	umbe	r for I	Definir	ng well fo	r Horizontal
One	rator Nar	me.				Pro	perty N	ame:						Well Number
Орс	.aco. mai					. 10								Trem Humber

KZ 06/29/2018

Exhibit "A-2"

Lots 9-16 of Sections 1, 2, and 3 of T21S-R27E, Eddy County, New Mexico, Wolfcamp Formation

L4	L3	L2	L1	L4	L3	L2	L1	L4	L3	L2	L1
L5	L6	L7	L8	L5	L6	L7	L8	L5	L6	L7	L8
•											
L12	L11	L10	L9	L12	L11	L10	L9	L12	L11	L10	L9
L13	L14	L15	L16	L13	L14	L15	L16	L13	L14	L15	L16
Sec. 3				Sec. 2				Sec. 1			

Tract 1: USA NMNM-0560290

(Lots 9, 10, 11, 15, 16)

USA NMNM-0560295 (Lot 12)

USA NMNM-0560289 (Lots 13 & 14)

Tract 2:

ST of NM L0-2766 (Lots 9, 13, 14)

ST of NM L0-6523

(Lots 10, 11, 12, 15, 16)

USA NMNM-40256 (Lot 11)

(Lots 10, 14, 15, 16)

USA NMNM-17095

Roy Renfroe et al (Fee Lease)

USA NMNM-46275 (Lots 12 & 13)

(320 acres)



(320 acres)



(320 acres)

Tract 3:

(Lot 9)



Burton Flat 3-1 Fed State Com 333H

SHL: Sec. 3-21S-27E; 2,107' FNL & 387' FWL BHL: Sec. 1-21S-27E; 2,650'FNL & 20' FEL



Exhibit "A-2" OWNERSHIP BREAKDOWN – Wolfcamp formation Lots 9-16 of Sections 1, 2, and 3 of Township 21 South, Range 27 East of Eddy County, NM Burton Flat 3-1 Fed State Com 333H

TRACT 1 OWNERSHIP (encompassing Lots 9-16 of Section 3-T21S-R27E, being 320 acres)

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	291.653133	30.3805347%	Committed
Claremont Corporation PO Box 3326 Tulsa, OK 74101	0.1212608	0.0126313%	Uncommitted
Davoil Inc. PO Box 122269 Fort Worth, TX 76121	0.8615328	0.0897343%	Committed
GW Holdings Inc. (dba Great Western Drilling Ltd.) PO Box 1659 Midland, TX 79702	1.5636768	0.162883%	Committed
Javelina Partners 616 Texas Street Fort Worth, TX 76102	3.2336192	0.3368353%	Committed
Redfern Enterprises Inc. PO Box 2127 Midland, TX 79702	1.134944	0.1182233%	Uncommitted
Sabinal Energy, LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	17.6137152	1.834762%	Uncommitted
Sieb Resources PO Box 1107 Richmond, TX 77046	0.5845024	0.0608857%	Uncommitted
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	3.2336192	0.3368353%	Committed
TRACT 1 TOTAL	320	33.333333%	

TRACT 2 OWNERSHIP (Lots 9-16 of Section 2-T21S-R27E, being 320 acres)

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	291.653133	30.3805347%	Committed
Claremont Corporation PO Box 3326 Tulsa, OK 74101	0.1212608	0.0126313%	Uncommitted
Davoil Inc. PO Box 122269 Fort Worth, TX 76121	0.8615328	0.0897343%	Committed
GW Holdings Inc. (dba Great Western Drilling Ltd.) PO Box 1659 Midland, TX 79702	1.5636768	0.162883%	Committed
Javelina Partners 616 Texas Street Fort Worth, TX 76102	3.2336192	0.3368353%	Committed
Redfern Enterprises Inc. PO Box 2127 Midland, TX 79702	1.134944	0.1182233%	Uncommitted
Sabinal Energy, LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	17.6137152	1.834762%	Uncommitted
Sieb Resources PO Box 1107 Richmond, TX 77046	0.5845024	0.0608857%	Uncommitted
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	3.2336192	0.3368353%	Committed
TRACT 2 TOTAL	320	33.333333%	

TRACT 3 OWNERSHIP (Lots 9-16 of Section 1-T21S-R27E, being 320 acres)

Owner	Net Acres	Unit WI	Status
MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240	28.00	2.91666667%	Uncommitted
Chevron USA, Inc. 6301 Deauville Blvd. Midland, TX 79706	132.00	13.75%	Uncommitted
Magnum Hunter Production, Inc. 600 Marienfeld St., Suite 600 Midland, TX	160	16.66666667%	Uncommitted
TRACT 3 TOTAL	320	33.333333%	

UNIT RECAPITULATION:

Lots 9-16 of Sections 1, 2, and 3 of T21S-R27E; being 960 acres

Devon Energy Production Company, L.P.	60.7610694%	WI
Magnum Hunter Production, Inc.	16.66666667%	WI
Claremont Corporation	0.0252627%	WI
Davoil Inc.	0.179486%	WI
GW Holdings Inc. (dba Great Western Drilling Ltd.)	0.325766%	WI
Javelina Partners	0.6736707%	WI
Redfern Enterprises Inc.	0.2364467%	WI
Sabinal Energy, LLC	3.669524%	WI
Sieb Resources	0.1217713%	WI
Zorro Partners, Ltd.	0.6736707%	WI
MRC Permian Company	2.91666667%	WI
Chevron USA, Inc.	13.75%	WI

UNIT TOTAL: 100% WI

Overriding Royalty Owners

ELIZABETH L CHENEY IRREV TRUST ELIZABETH L CHENEY TRUSTEE	PO BOX 570083	HOUSTON	Texas	77257
TAY-MOR ENTERPRISES INC	PO BOX 4723	MIDLAND	Texas	79704
POCO ROYALTY COMPANY	2602 TERRACE AVE	MIDLAND	Texas	79705
GOLDEN ROCK ENERGY PARTNERS LP	5956 SHERRY LANE STE 1221	DALLAS	Texas	75225
ALBERT & ANNA KAHN TRUST c/o MADISON CAPITAL ENERGY INCOME FUND I	402 GAMMON PL STE 200	MADISON	Wisconsin	53719-1059
MAYHILL OIL CORPORATION	PO BOX 5334	MIDLAND	Texas	79704
BNMINC	4032 US HWY 82	MAYHILL	New Mexico	88339
				-
MADISON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE	402 GAMMON PL STE 320	MADISON	Wisconsin	53719
ELIZABETH L CHENEY MITCHEL E CHENEY FAMILY REV TR ALEXANDER K CHENEY TTEE	PO BOX 570083	HOUSTON	Texas	77063
ANN T TOLLEFSON REV LVG TRUST DTD JUNE 7 2006 ANN TOLLEFSON TRUSTEE	PO BOX 639	STORY	Wyoming	82842
JOHN W GATES LLC	706 WEST GRAND STREET	ARTESIA	New Mexico	88210
BRITT TROWBRIDGE	2509 23RD AVE SE	ROCHESTER	Minnesota	55904
PENASCO PETROLEUM LLC	PO BOX 2292	ROSWELL	New Mexico	88202-2292
TYLER TROWBRIDGE	9514 CIVIC WAY APT 301	PROSPECT	Kentucky	40059-5100
PATRICIA BOYLE YOUNG	PO BOX 1639	SOLANA BEACH	California	92075-7639
NORBERT M MCCAW	202 CROSSBOW RD	ARTESIA	New Mexico	88210
BETH TROWBRIDGE CRAIG	5115 KIM LN	CHEYENNE	Wyoming	82009
HUDSON NEW MEXICO MIN TRUST	616 TEXAS ST	FORT WORTH	Texas	76102-4612
ARD OIL LTD	PO BOX 101027	FORT WORTH	Texas	76185
ROBERTA MCCAW	202 CROSSBOW RD	ARTESIA	New Mexico	88210
TER-MACK LP	124 LARKSPUR LOOP	ALTO	New Mexico	88312
GENE EDWARD TROWBRIDGE III AKA TREY TROWBRIDGE	50000 215TH AVE	PLAINVIEW	Minnesota	55964
ROLLA R HINKLE III	PO BOX 2292	ROSWELL	New Mexico	88202-2292
SUDIE MARIE ADAMS	2351 WET PRONG RD	MULBERRY	Tennessee	37359
WILLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN JOINT TENANTS	286 LINCOLN HILLS DR	ALTO	New Mexico	88312
ESTATE OF GWENDOLYN P RUTLEDGE ALEXIS A SCOTT PERSONAL REP	28 SCOTT PL	SANTA FE	New Mexico	87507-4396
COLGATE ROYALTIES LP	300 N MARIENFIELD STE 1000	MIDLAND	Texas	79701
RONALD L MARCUM & SYLVIA G MARCUM	4574 WEEPING WILLOW DR	EL PASO	Texas	79922
CRM 2018 LP	PO BOX 51933	MIDLAND	Texas	79710
WINNIE HELEN HAYES	107 JADE CIRCLE	KNIGHTDALE	North Carolina	27545
CHESAPEAKE EXPLORATION, LLC	6100 N. WESTERN AVE.	OKLAHOMA CITY	OKLAHOMA	73118
KANE RESOURCES, LLC	PO BOX 471096	FORT WORTH	TEXAS	76147
MASON OAKS ENERGY HOLDINGS, LLC	6125 LUTHER LANE, #188	DALLAS	TEXAS	75225
SMP TITAN MINERAL HOLDINGS, LP	4143 MAPLE AVE., SUITE 500	DALLAS	TEXAS	75219
PEGASUS RESOURCES, LLC	PO BOX 123610	FORT WORTH	TEXAS	76121
JANET LEWIS	910 DONNER WAY, #710	SALT LAKE CITY	UTAH	84111
XTO HOLDINGS	810 HOUSTON STREET	FORT WORTH	TEXAS	76012
MEWBOURNE OIL COMPANY	PO BOX 7698	TYLER	TEXAS	75701
ANNA STOTT	309 BRIDGEBORO RD.	MOORSETOWN	NEW JERSEY	O8057
ST. LUKE LUTHERAN CHURCH	2 REV DR. MLK KING DR.	WILLINGBORO	NEW JERSEY	O8046
AMERIPERMIAN HOLDINGS, LLC	1733 WOODSTEAD CT	THE WOODLANDS	TEXAS	77380
LIBERTY OIL & GAS CORPORATION	JCT HWY 78 & 979; PO BOX 430	LIVONIA	LOUISIANA	70755
CRM 2018, LP	PO BOX 51933	MIDLAND	TEXAS	79710
C. EUGENE CORRIHER	28875 PERIDO BEACH BLVD-I-1	ORANGE BEACH	ALABAMA	36561
PENNY PIEKARSKI	723 SADDLEWOOD CIRCLE	SHENANDOAH	TEXAS	77381
MELLITA, LLC	509 E. ELLIS	LLANO	TEXAS	78643
G4 RESOURCES, LP	PO BOX 53687	MIDLAND	TEXAS	79710
,				1

Record Title Owners (Lessees of Record)

Magnum Hunter Production, Inc. XTO Holdings, LLC Devon Energy Production Company, LP Sabinal Energy Operating, LLC Roy Renfroe et. al.



Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City, OK 73102 405 552 8002 Phone www.devonenergy.com

May 12, 2022

Magnum Hunter Production, Inc. 600 Marienfield St., STE 600 Midland, TX 79701

RE: Well Proposals- Burton Flat 3-1 Fed State Com 332H & 333H Sections 1, 2, & 3, All in T21S-R27E Eddy County, New Mexico

To whom it may concern:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following two (2) wells:

- Burton Flat 3-1 Fed State Com 332H as a horizontal well to an approximate landing TVD of 8,670', bottom hole TVD' of 8,825', and approximate TMD of 24,305' into the Bone Spring formation at an approximate SHL of 1,061' FNL and 369' FWL of Section 3-T21S-R27E and an approximate BHL of 1,150' FNL and 20' FEL of Section 1-T21S-R27E, Eddy County, New Mexico (collectively with both proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs, completion costs, and overall completed well costs.
- Burton Flat 3-1 Fed State Com 333H as a horizontal well to an approximate landing TVD of 8,770', bottom hole TVD' of 8,945', and approximate TMD of 24,425' into the Bone Spring formation at an approximate SHL of 2,107' FNL and 387' FWL of Section 3-T21S-R27E and an approximate BHL of 2,650' FNL and 20' FEL of Section 1-T21S-R27E, Eddy County, New Mexico (collectively with both proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs, completion costs, and overall completed well costs.

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.

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, upon request.

The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- 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.

EXHIBIT A-3

Page 2

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

 To Participate in the proposal of the Burton Flat 3-1 Fed State Com 332H
 Not To Participate in the proposal of the Burton Flat 3-1 Fed State Com 332H
To Participate in the proposal of the Burton Flat 3-1 Fed State Com 333H

Not To Participate in the proposal of the Burton Flat 3-1 Fed State Com 333H

Agreed to and Accepted this _____ day of _____, 2022.

Magnum Hunter Production, Inc.

Magnum Hunter Production, Inc.

By: _____

Title:



AFE # XX-139994.01

Well Name: BURTON FLAT 3-1 FED STATE COM 332H

Cost Center Number: 1094558201 Legal Description: 3-21S-27E

Revision:

AFE Date: State: 5-12-2022 NM

County/Parish:

EDDY

Explanation and Justification:

AFE TO DRILL AND COMPLETE THE BURTON FLAT 3-1 FED STATE COM 332H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
	CHEMICALS - OTHER	0.00	191,427.83	0.00	191,427.83
6060100	DYED LIQUID FUELS	120,573.00	485,482.24	0.00	606,055.24
	GASEOUS FUELS	0.00	100,356.61	0.00	100,356.61
	DISPOSAL - SOLIDS	97.594.00	3,156.85	0.00	100,750.85
	DISP-SALTWATER & OTH	0.00	15,034.23	0.00	15,034.23
	DISP VIA PIPELINE SW	0.00	94,800.00	0.00	94,800.00
	FLUIDS - WATER	16,350.00	785,315.01	0.00	801,665.01
	PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
	ROAD&SITE PREP SVC	22,500.00	59,487.39	0.00	81,987.39
	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
	I & C SERVICES	0.00	67,414.50	0.00	67,414.50
	COMM SVCS - WAN	2,458.00	0.00	0.00	2,458.00
	RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.39
	RTOC - GEOSTEERING	9,972.00	0.00	0.00	9,972.00
	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
	CH LOG PERFRTG&WL SV	0.00	327,819.81	0.00	327,819.81
	MATERIALS & SUPPLIES	464.00	0.00	0.00	464.00
	PULLING&SWABBING SVC	0.00	1,725.00	0.00	1,725.00
	SNUBBG&COIL TUBG SVC	0.00	107,659.61	0.00	107,659.61
	TRCKG&HL-SOLID&FLUID	46,374.00	0.00	0.00	46,374.00
	TRUCKING&HAUL OF EQP	64,000.00	46,412.39	0.00	110,412.39
	CONSLT & PROJECT SVC	184,759.00	103,961.17	0.00	288,720.17
	SAFETY SERVICES	30,143.00	0.00	0.00	30,143.00
	SOLIDS CONTROL SRVCS	55,029.00	0.00	0.00	55,029.00
	STIMULATION SERVICES	0.00	1,508,660.44	0.00	1,508,660.44
	PROPPANT PURCHASE	0.00	1,193,270.60	0.00	1,193,270.60
	CASING & TUBULAR SVC	70,600.00	0.00	0.00	70,600.00
	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.00
	DAYWORK COSTS	522,288.00	0.00	0.00	522,288.00
	DIRECTIONAL SERVICES	167,090.00	0.00	0.00	167,090.00
	DRILL BITS	87,500.00	0.00	0.00	87.500.00
	DRILL&COMP FLUID&SVC	80,530.00	18,245.15	0.00	98,775.15
	MOB & DEMOBILIZATION	212,230.00	0.00	0.00	212,230.00
	OPEN HOLE EVALUATION	15,071.00	0.00	0.00	15,071.00
	TSTNG-WELL, PL & OTH	0.00	146,864.50	0.00	146,864.50
	MISC PUMPING SERVICE	0.00	43,609.06	0.00	43,609.06
	EQPMNT SVC-SRF RNTL	76,521.00	162,283.79	0.00	238,804.79
	EQUIP SVC - DOWNHOLE	102,630.00	35,289.39	0.00	137,919.39
	WELDING SERVICES	2,850.00	0.00	0.00	2,850.00
	WATER TRANSFER	0.00	128,450.18	0.00	128,450.18
	CONSTRUCTION SVC	0.00	183,285.97	0.00	183,285.97
	LEGAL FEES	10,000.00	0.00	0.00	10,000.00
	MISCS COSTS & SERVS	0.00	7,210.10	0.00	7,210.10
3330100	micos costo a senva	0.00	1,210.10	0.00	1,210.10



AFE # XX-139994.01

Well Name: BURTON FLAT 3-1 FED STATE COM 332H

Cost Center Number: 1094558201 Legal Description: 3-21S-27E

TOTAL ESTIMATED COST

Revision:

AFE Date: State: 5-12-2022 NM

State: NM County/Parish: EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	24,700.00	0.00	0.00	24,700.00
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	9,623.00	48,239.03	0.00	57,862.03
6740340	TAXES OTHER	350.00	27,192.12	0.00	27,542.12
	Total Intangibles	2,228,199.00	5,925,038.36	0.00	8,153,237.36

	Tangible	Drilling	Completion	Dry Hole	Total
Code	Description	Costs	Costs	Costs	Costs
6120110	I&C EQUIPMENT	0.00	85,048.74	0.00	85,048.74
6120120	MEASUREMENT EQUIP	0.00	35,399.95	0.00	35,399.95
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6230130	SAFETY EQUIPMENT	2,243.00	0.00	0.00	2,243.00
6300150	SEPARATOR EQUIPMENT	0.00	337,827.01	0.00	337,827.01
6300220	STORAGE VESSEL&TANKS	0.00	66,404.66	0.00	66,404.66
6300230	PUMPS - SURFACE	0.00	14,143.20	0.00	14,143.20
6310130	ARTIFICIAL LIFT EQP	0.00	30,000.00	0.00	30,000.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,264.06	0.00	91,264.06
6310460	WELLHEAD EQUIPMENT	42,578.00	93,168.47	0.00	135,746.47
6310530	SURFACE CASING	101,534.00	0.00	0.00	101,534.00
6310540	INTERMEDIATE CASING	214,396.00	0.00	0.00	214,396.00
6310550	PRODUCTION CASING	923,679.00	0.00	0.00	923,679.00
6310580	CASING COMPONENTS	36,061.00	0.00	0.00	36,061.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	242,566.72	0.00	242,566.72
	Total Tangibles	1,340,491.00	1,007,072.81	0.00	2,347,563.81

WORKING INTEREST OWNER A	VORKING INTEREST OWNER APPROVAL		
Company Name:			
Signature:	Print Name:		
Title:			
Date:			
Email:			

3,568,690.00

6,932,111.17

0.00

10,500,801.17

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



AFE # XX-139996.01

Well Name: BURTON FLAT 3-1 FED STATE COM 333H

Cost Center Number: 1094557301 Legal Description: 3-21S-27E

Revision:

AFE Date: State: County/Parish: 5-12-2022 NM

EDDY

Explanation and Justification:

AFE TO DRILL AND COMPLETE THE BURTON FLAT 3-1 FED STATE COM 333H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	191,427.83	0.00	191,427.83
6060100	DYED LIQUID FUELS	103,465.00	485,482.24	0.00	588,947.24
6060130	GASEOUS FUELS	0.00	100,356.61	0.00	100,356.61
6080100	DISPOSAL - SOLIDS	97,594.00	3,156.85	0.00	100,750.85
6080110	DISP-SALTWATER & OTH	0.00	15,034.23	0.00	15,034.23
6080115	DISP VIA PIPELINE SW	0.00	94,800.00	0.00	94,800.00
6090100	FLUIDS - WATER	16,350.00	785,315.01	0.00	801,665.01
6100100	PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110120	ROAD&SITE PREP M&S	22,500.00	0.00	0.00	22,500.00
6110130	ROAD&SITE PREP SVC	0.00	59,487.39	0.00	59,487.39
6110160	TIMBER SALVAGE	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	67,414.50	0.00	67,414.50
	COMM SVCS - WAN	2,109.00	0.00	0.00	2,109.00
	RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.39
	RTOC - GEOSTEERING	9,972.00	0.00	0.00	9,972.00
	ENV-COMPLIANCE&FINES	1,000.00	0.00	0.00	1,000.00
	CH LOG PERFRTG&WL SV	0.00	327,819.81	0.00	327,819.81
	MATERIALS & SUPPLIES	398.00	0.00	0.00	398.00
	PULLING&SWABBING SVC	0.00	1,725.00	0.00	1,725.00
6170110	SNUBBG&COIL TUBG SVC	0.00	107,659.61	0.00	107,659.61
	TRCKG&HL-SOLID&FLUID	39,794.00	0.00	0.00	39,794.00
	TRUCKING&HAUL OF EQP	64,000.00	46,412.39	0.00	110,412.39
6190120	MAIL & COURIER COSTS	2,625.00	0.00	0.00	2,625.00
	CONSLT & PROJECT SVC	156,291.00	103,961.17	0.00	260,252.17
	SAFETY SERVICES	25,866.00	0.00	0.00	25,866.00
	SOLIDS CONTROL SRVCS	48,640.00	0.00	0.00	48,640.00
	STANDBY SERVICES	0.00	1,508,660.44	0.00	1,508,660.44
6310120	STIMULATION SERVICES	20,000.00	30,000.00	0.00	50,000.00
6310200	CASING & TUBULAR SVC	70,600.00	0.00	0.00	70,600.00
6310250	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.00
6310280	DAYWORK COSTS	448,181.00	0.00	0.00	448,181.00
6310300	DIRECTIONAL SERVICES	167,090.00	0.00	0.00	167,090.00
6310310	DRILL BITS	87,500.00	0.00	0.00	87,500.00
6310320	DRILL BITS SERVICES	0.00	18,245.15	0.00	18,245.15
6310330	DRILL&COMP FLUID&SVC	80,530.00	0.00	0.00	80,530.00
6310370	MOB & DEMOBILIZATION	27,657.00	0.00	0.00	27,657.00
6310380	OPEN HOLE EVALUATION	15,071.00	0.00	0.00	15,071.00
	WELL CONTROL SVC	0.00	93,168.47	0.00	93,168.47
6310600	MISC PUMPING SERVICE	0.00	162,283.79	0.00	162,283.79
6320100	EQPMNT SVC-SRF RNTL	67,197.00	35,289.39	0.00	102,486.39
6320110	EQUIP SVC - DOWNHOLE	91,470.00	0.00	0.00	91,470.00
	WELDING SERVICES	4,850.00	0.00	0.00	4,850.00
	WATER TRANSFER	0.00	18,000.00	0.00	18,000.00



AFE # XX-139996.01

Well Name: BURTON FLAT 3-1 FED STATE COM 333H

Cost Center Number: 1094557301 Legal Description: 3-21S-27E

Revision:

AFE Date: State: 5-12-2022 NM

County/Parish:

NM EDDY

	Intangible	Drilling	Completion	Dry Hole	Total
Code	Description	Costs	Costs	Costs	Costs
6350100	CONSTRUCTION SVC	0.00	183,285.97	0.00	183,285.97
6500160	TRAVEL - OTHER	10,000.00	0.00	0.00	10,000.00
6520110	LEGAL SETTLEMENTS	0.00	7,210.10	0.00	7,210.10
6550110	MISCELLANEOUS SVC	24,700.00	5,000.00	0.00	29,700.00
6580100	INV STRGE&HANDLING	0.00	19,548.38	0.00	19,548.38
6630110	CAPITAL OVERHEAD	8,257.00	28,690.65	0.00	36,947.65
6740340	TAXES OTHER	300.00	0.00	0.00	300.00
	Total Intangibles	1,909,007.00	4,526,820.37	0.00	6,435,827.37

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	85,048.74	0.00	85,048.74
6120120	MEASUREMENT EQUIP	0.00	35,399.95	0.00	35,399.95
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6230130	SAFETY EQUIPMENT	2,243.00	0.00	0.00	2,243.00
6300150	SEPARATOR EQUIPMENT	0.00	337,827.01	0.00	337,827.01
6300220	STORAGE VESSEL&TANKS	0.00	66,404.66	0.00	66,404.66
6300230	PUMPS - SURFACE	0.00	14,143.20	0.00	14,143.20
6310160	OCTG CASING	0.00	1,193,270.60	0.00	1,193,270.60
6310410	SUCKER RODS	0.00	91,264.06	0.00	91,264.06
6310460	WELLHEAD EQUIPMENT	42,578.00	146,864.50	0.00	189,442.50
6310530	SURFACE CASING	101,534.00	0.00	0.00	101,534.00
6310540	INTERMEDIATE CASING	214,396.00	0.00	0.00	214,396.00
6310550	PRODUCTION CASING	923,679.00	0.00	0.00	923,679.00
6310580	CASING COMPONENTS	36,061.00	43,609.06	0.00	79,670.06
6320180	EQUIPMENT OTHER	0.00	128,450.18	0.00	128,450.18
6330100	PIPE,FIT,FLANG,CPLNG	0.00	224,566.72	0.00	224,566.72
6710130	NON-OP - TANGIBLE	0.00	27,192.12	0.00	27,192.12
	Total Tangibles	1,320,491.00	2,405,290.80	0.00	3,725,781.80

TOTAL ESTIMATED COST	3,229,498.00	6,932,111.17	0.00	10,161,609.17
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WORKING INTEREST OWNER APPROVAL Company Name: Signature: Print Name:

Title:

Date:

Email:

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

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

Exhibit A-4: Chronology of Contacts

All WI owners received the Well Proposals in May 2022

Owner	Timeline of Contacts/Discussion
Chevron USA, Inc. Moon Royalty, LLC	Chevron's first email to me in mid-May 2022 after receiving the Well Proposals/AFE's; Chevron requested ownership details in late-May 2022, which I provided in a response on 5/31/2022; Chevron kept in contact with me throughout June and requested Devon's JOA form, which was provided to them on 6/30/2022; throughout July and August, Devon and Chevron have been in negotiations on edits/amendments to the JOA form, and we are still working towards finalizing a mutually agreeable JOA form that both parties can accept. Devon and Chevron mutually agreed on 8/9/2022 to continue negotiating the JOA, even after the Pooling Hearing Date, in hopes of coming to a final JOA form at some point in the near future. Devon and Moon are committed to a JOA form that has written approval from both parties
Javelina Partners	Devon and Javelina are committed to a JOA form that has written approval from both parties
Zorro Partners, LTD	Devon and Zorro are committed to a JOA form that has written approval from both parties
Cheney Energy Partners, LLC	Devon and Zorro are committed to a JOA form that has written approval from both parties
Magnum Hunter Production, Inc.	Devon and Magnum Hunter began conversations in mid-May 2022 regarding Magnum's WI ownership, the timing of the spud/completion dates, etc. On 5/31/2022, I asked if they would be interested in signing Devon's JOA form, and on 6/6/2022, I provided a copy of the JOA. To date, we have continued to have discussions around Devon's drilling plans, but there has been no feedback/comments from Magnum related to Devon's JOA form. Devon and Magnum spoke on 7/21/2022, and mutually agreed to continue the Cases from the original docket date of 8/4/2022, to the new date of 8/18/2022, so that Magnum could continue to evlaute their options. Since that time, I have received no additional comments/requests/changes from Magnum to the JOA form.
GW Holdings, Inc. (Great Western Drilling	
Ltd) Davoil Inc.	Devon and GW Holdings are committed to a JOA form that has written approval from both parties Davoil has commented that they are committed to a JOA, as long as GW Holdings, Inc. is also committed (see comment directly above related to GW Holdings)
MRC Permian Company	Devon and MRC have been in discussions related to MRC's ownership in these Cases dating back to before the well proposals were mailed out in mid-May 2022. To date, there has been no commitment that MRC wants to enter into a JOA.
Sabinal Energy, LLC	Devon and Sabinal have been in discussions regarding entering into the Devon JOA form; as of 8/8/2022 email correspondance with Sabinal, they were discussing as a team and would get back to me very soon regarding whether they wanted to commit to a JOA or not. Devon is open to JOA, but needs final feedback from Sabinal.
*Additional Owners	*The other owners in these Cases have been largely non-responsive, likely due to the very small nature of their ownership.



TAB 3

Case No. 22959

Exhibit B: Affidavit of Joseph Dixon, Geologist

Exhibit B-1: Structure Map Exhibit B-2: Gross Isochore

Exhibit B-3: Stratigraphic Cross Section

Exhibit B-4: Gun Barrel View

Exhibit B-5: Trajectory Cross-section

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

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

Case Nos. 22959, 22960

AFFIDAVIT OF JOSEPH DIXON

Joseph Dixon, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Joseph Dixon, and I am employed by Devon Energy Production Company, L.P. ("Devon") as a petroleum geologist.
- 2. I have testified previously by affidavit before the Oil Conservation Division ("Division") as an expert witness in petroleum geology. I hold a Bachelor's degree in Geology from Purdue University and a Master's degree in Geology from Oklahoma State University. I have been employed as a petroleum geologist with Devon since June 2013.
- 3. I am familiar with the applications filed by Devon in these consolidated cases, and I have conducted a geologic study of the Bone Spring and Wolfcamp formations underlying the subject area.
- 4. The initial targets for Devon's proposed Burton Flat 3-1 wells in the sections of 3, 2 and 1 of 21S-27E are Third Bone Spring Sandstone interval of the Bone Spring formation, and the Wolfcamp XY Sands, A and B intervals of the Wolfcamp formation.
- 5. **Devon Exhibit B-1** is structure map at the top of the Wolfcamp Formation, with subsea depths marked by contour intervals every 50 feet. I have outlined the proposed spacing units and identified the orientation of the initial wellbores. This exhibit shows that the top of the

ЕХНІВІТ

Wolfcamp formation is gently dipping to the east in this area. I do not observe any faulting, pinch outs, or other geologic impediments to developing the targeted Bone Spring or Wolfcamp intervals with horizontal wells.

- 6. **Devon Exhibit B-2** is a gross isochore thickness map for the 3nd Bone Spring Sandstone member of the Bone Spring Formation with 20' contour interval. This exhibit shows that the reservoir interval targeted by Devon's development plan is of consistent thickness across the proposed unit.
- 7. **Devon Exhibit B-3** is a cross section for the Bone Spring and Wolfcamp formations using the representative wells depicted on Exhibit B-2. Each well log contains gamma ray, resistivity, and porosity logs. The target interval for the initial wells are depicted on the exhibit. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.
- 8. **Devon Exhibit B-4** is a gun barrel representation of the unit, and **Exhibit B-5** is a structural cross section built along the wellbore trajectory.
- 9. In my opinion, the West-East orientation of the proposed wells is the preferred orientation for horizontal well development in the targeted intervals in this area. The preferred well orientation in this area is West-East so that the wells run sub-perpendicular to the inferred orientation of the maximum horizontal stress. This lay down orientation will efficiently and effectively develop the subject acreage.
- 10. In my opinion, the granting of Devon's applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **Devon Exhibits B-1** to **B-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

OSEPH DIXON

STATE OF OKLAHOMA

COUNTY OF Ollahoma

2022 by Joseph Dixon.



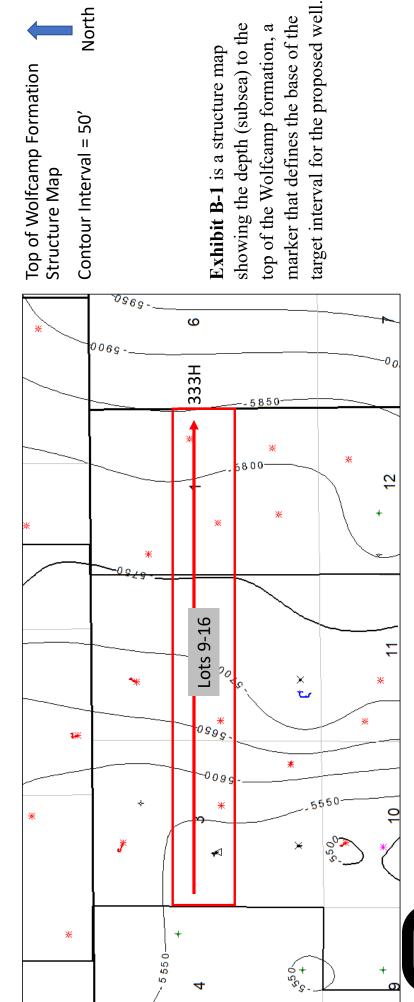
NOTARY PUBLIC

My Commission Expires:

North

ехнівіт **В-1**

Exhibit B-1



Released to Imaging: 8/17/2022 9:28:39 AM

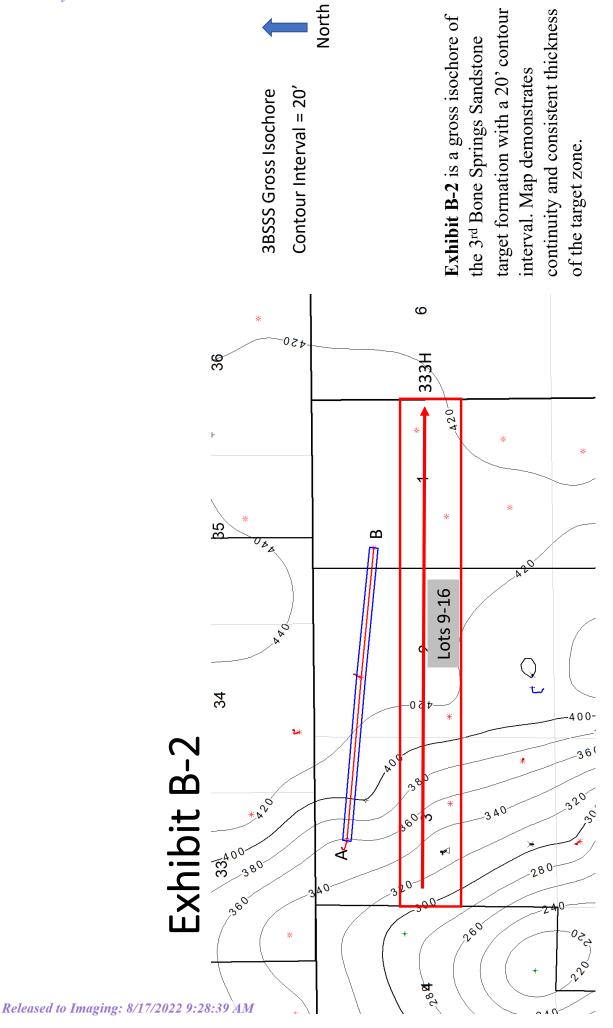




Exhibit B-3

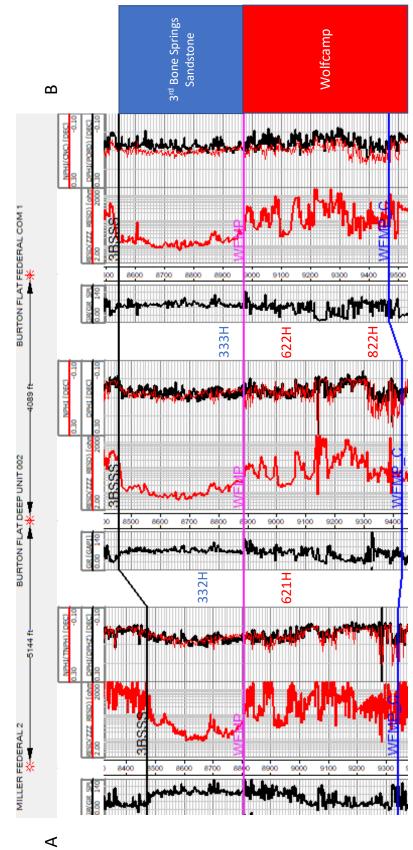
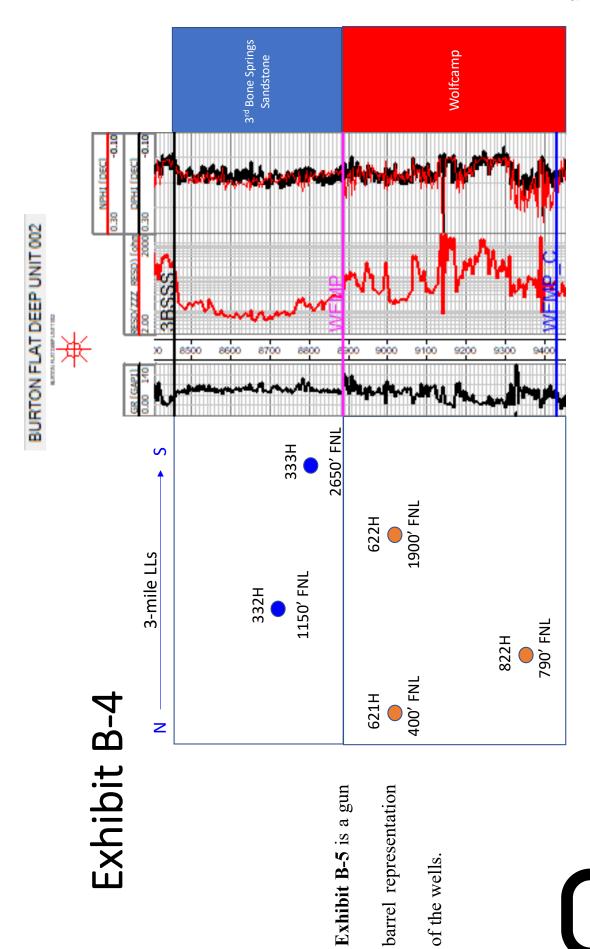


Exhibit B-3 Cross-section A to B. Stratigraphic cross-section hung on top of Wolfcamp. Target interval indicated by well number.









of the wells.

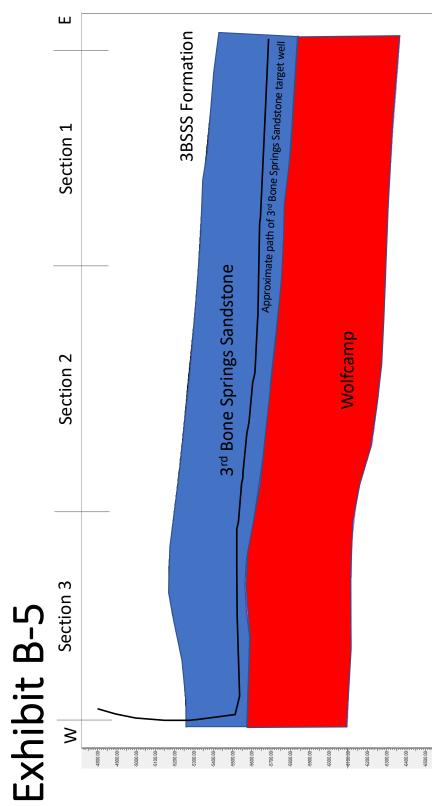


Exhibit B-6 is a cross section with approximate well trajectory.



TAB 1

Reference for Case No. 22960

Application Case No. 22960: Burton Flat 3-1 Fed State Com 332H Well NMOCD Checklist Case No. 22960

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

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

Case No. ___22960

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, seeking an order (1) establishing a standard 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, 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 recognizes that Sections 1, 2 and 3, are rather sizable correction sections consisting of 16 lots in the N/2 of the Sections and therefore may present a number of novel questions and issues regarding the application of the Division's rules to the unusual circumstances created by the Sections. Devon respectfully submits that in Exhibit A, attached to this Application, it proposes a valid and beneficial interpretation and application of NMAC 19.15.16.15B(1)(1) and related rules for establishing the N/2 N/2 of correction Sections 1, 2 and 3, consisting of Lots 1-8 of each Section ("Subject Lands"), as a standard unit. For the reasons provided in Exhibit A,

Devon respectfully submits that establishing the Subject Lands as a standard unit would best serve the interest of the Division and Applicants by ensuring a consistent and systematic application of the Rules to correction sections, no matter the size or number of lots, for the protection of correlative right and prevention of waste.

- 2. Although this Application represents Devon's preferred spacing unit and development plan, Devon has submitted concurrently an alternate pooling application for the **Burton Flat 3-1 Fed State Com 332H Well** proposed as a non-standard spacing unit, to the extent necessary, comprising Lots 1-8 of irregular Sections 1, 2 and 3. This alternate pooling application is provided for the Division's consideration should the Division reject the standard horizontal spacing unit proposed herein.
- 3. Devon is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.
- 4. Devon proposes and dedicates to the HSU the **Burton Flat 3-1 Fed State Com 332H Well,** as the initial well, to be drilled to a sufficient depth to test the Bone Spring formation.
- 5. Devon proposes the **Burton Flat 3-1 Fed State Com 332H Well,** an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1.
- 6. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under statewide rules.
- 7. The proposed HSU overlaps two existing spacing units with wells owned and operated by Devon, the Burton Flat Deep Unit 49H Well (API No. 30-015-40707) with a unit covering Lots 1-4 in Section 2; and the Burton Flat Deep Unit 50H Well (API No. 30-015-

40758) with a unit covering Lots 5-8 in Section 2. Devon requests approval for these overlapping units.

- 8. Devon has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the well or in the commitment of their interests to the well for their development within the proposed HSU.
- 9. The pooling of all interests in the Bone Spring formation within the proposed HSU, and the establishment of the standard spacing unit, will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 10. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Devon requests that all uncommitted interests in this HSU be pooled and that Devon be designated the operator of the proposed horizontal well and HSU.

WHEREFORE, Devon requests that this Application be set for hearing on August 4, 2022, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Establishing a standard 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of correction Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico;
- B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the proposed HSU.
- C. Approving the Burton Flat 3-1 Fed State Com 332H 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

D : C C

Darin C. Savage

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Attorneys for Devon Energy Company, L.P.

Application of Devon Energy Company, L.P., for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a standard 823.93-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the Burton Flat 3-1 Fed State Com 332H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1. The well will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules; also to be considered will be approval for the overlapping of existing units in Section 2 involving the Burton Flat Deep Unit 49H Well (API No. 30-015-40707) and the Burton Flat Deep Unit 50H Well (API No. 30-015-40758) both operated by Applicant; 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 7 miles northeast of Carlsbad, New Mexico.

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

Exhibit A: A legal basis for establishing standard horizontal spacing units in expanded correction sections under the existing language and intent of the Statewide Rules

In this Exhibit A, attached to and made a part of the pooling application, the Applicant respectfully asks the Division to consider what should constitute a standard horizontal spacing unit ("HSU") for horizontal oil wells when encountering expanded correction sections under the PLSS. The analysis in this Exhibit is provided to the New Mexico Oil Conservation Division ("Division") for its consideration as it works through the challenges posed by such idiosyncratic sections. The Applicant respectfully submits that the spacing unit proposed in its Application be deemed a standard HSU based on a review of what constitutes a standard HSU under the Rules, which begins with the criteria set out in NMAC 19.15.16.15B(1) that directly supplants – having been adopted "[i]n lieu of" – an oil spacing unit "described in Subsection A of 19.15.15.9 NMAC" as consisting of 40 acres for a vertical well.

More specifically, NMAC 19.15.16.15B(1)(a) states that "[t]he horizontal spacing unit shall comprise one or more contiguous <u>tracts</u> that the horizontal oil well's completed interval penetrates...." (emphasis added). As an example, a commonly approved standard HSU in a standard section would, and often does, comprise quarter-quarter sections consisting of Units A-D to create a 160-acre standard HSU. Such standard HSU would be accurately described under NMAC 19.15.4.9A(8) as the N/2 N/2 of said standard section. In a standard section, each "tract" of the standard HSU would consist "of a governmental quarter-quarter section...," in compliance with the language of NMAC 19.15.16.15B(1)(a).

The challenge that arises with correction sections is the application of the specific language of this Rule to correction Lots that vary in size from governmental quarter-quarter sections, Lots which often reduce the size of the quarter-quarter section. NMAC 19.15.16.15B(1)(a) accounts for such possible variations by stating that "each [tract] of which consists of a governmental quarter-quarter section or equivalent." (emphasis added).

In practice before the Division, applicants often encounter correction sections where the only correction is provided by Lots 1-4 across the top of the section to account for quarter-quarter sections that otherwise would be Units A-D. Common practice with such a scenario shows that these Lots 1-4 are addressed by requesting a standard HSU consisting of Lots 1-4 of the correction section and providing a legal description such as Lots 1-4 (aka the N/2 N/2) of said correction section pursuant to NMAC 19.15.4.9A(8). In this scenario, it has been the practice of the Division to deem Lots 1-4 as "equivalent" to the governmental quarter-quarter sections and approve the contiguous tracts penetrated by the well's completed interval as a standard HSU. *See* Diagram No. 2, provided herein and attached hereto.

In the present Application for compulsory pooling, the Applicant, Devon Energy Production Company, L.P. ("Devon"), is faced with correction sections that consist of Lots 1-16 that comprise the entire N/2 of the correction section. *See* Diagram No. 3, attached hereto. As an example, one of the correction sections is Section 1, Township 21 South, Range 27 East, NMPM. The challenge is the application of the language and intent of NMAC 19.15.16.15B(1)(a) to Section 1 in a systematic and consistent manner that protects correlative rights and prevents waste pursuant to the Oil and Gas Act ("Act") and that can be efficiently replicated for other correction sections under the PLSS.

Devon respectfully submits for the Division's consideration that the general legal description of the proposed unit be the guiding factor for determining what tracts should be deemed equivalent to governmental quarter-quarter sections for purposes of building a standard HSU in a correction section that would be equivalent, under the language of the Rules, to a standard HSU in a standard section.

Therefore, to establish such equivalency, the N/2 N/2 standard HSU of a standard section, consisting of Units A-D, should translate into using Lots 1-8 when creating an equivalent standard HSU in correction Section 1. A standard HSU consisting of Lots 1-8 of Section 1 would comprise the N/2 N/2 of Section 1, which is equivalent under the language of the Rules to the N/2 N/2 of a standard section in that it maintains a consistent and equivalent legal description in both the standard section and the correction section. *See* Diagram No. 1, attached hereto. In correction Section 1, the tracts that would constitute the basic building blocks for the N/2 N/2 standard unit of Section 1 would be blocks consisting of two stacked lots, such as Lots 1 and 8, Lots 2 and 7, Lots 3 and 6, and Lots 4 and 5. These stacked Lots used to create a N/2 N/2 standard HSU in a correction section would maintain the equivalency specified in NMAC 19.15.16.15B(1)(a).

The equivalency maintained by this approach is also illustrated by the fact that a quarter-quarter section in the N/2 N/2 of a standard section is equivalent to one-fourth (1/4) of the N/2 N/2 standard spacing unit, and the basic building block proposed herein for creating a standard HSU comprising the N/2 N/2 of correction Section 1 is also one-fourth (1/4) of the N/2 N/2 spacing unit. This approach for establishing standard HSUs in correction sections is replicable with any correction section one encounters, as the size the building blocks would be proportioned to maintain the one-fourth (1/4) equivalency in relation to the number of Lots involved, whether in

the N/2 N/2 or other legal description proposed. Furthermore, the setback requirements of 330 feet would be maintained within the unit to protect the correlative rights of the offset operators.

Devon respectfully submits that this approach would be preferrable to burdening the Division with a case-by-case evaluation of what should constitute a standard HSU in a correction section each time the Division encounters the unique irregularities of a correction section with lots of various sizes. Correction Section 1, in the present case, happens to have a number of Lots that are 40 acres, the same acreage as quarter-quarter sections, but the Lots are not equivalent to quarter-quarter sections because each Lot is one-eighth of the N/2 N/2 of correction Section 1, while a quarter-quarter section by definition is one-fourth (1/4) of the N/2 N/2 of a standard section. Furthermore, Lots can vary dramatically in size and distribution depending on the correction section, and consequently, one cannot depend on a Lot always being 40 acres.

The model for approaching correction sections presented herein would provide a reliable template for addressing correction section consistently and systematically. Further, it would incorporate the principle under NMAC 19.15.15.9 and -.11 of having building blocks that include at least 40 acres, which is also reflected in the revisions provided by the horizontal rules in NMAC 19.15.16.15. The correction sections under the PLSS that are expanded beyond four lots, such as correction Section 1, which has 16 lots, would have building blocks which would encompass at least 40 acres, as required by NMAC 19.15.15.9, but would allow additional acreage as envisioned in the intent of NMAC 19.15.16.15B(1)(a) for expanded standard units that accommodate longer horizontal wells and spacing units.

Countering this proposal, one might argue that this approach would lead to larger standard units, in correction sections involving lots, than those typically established in standard sections involving quarter-quarter section, but from a practical viewpoint, the larger standard unit would

be proper in order to accommodate in a consistent, efficient, and reliable manner those rare instances when the PLSS itself uses correction sections to accommodates anomalies. Devon respectfully submits that the Division has the authority to apply existing Rules to address such anomalies when the inherent language of the Rule itself provides for a consistent and rational application, as proposed herein.

The only alternative approach would involve trying to fit a square peg in a round hole. The Rules do not directly address the subject of correction sections in this situation; thus, without a consistent application of the Rules based on their existing language, the Division could likely risk arbitrarily deciding whether a correction Lot is equivalent to a quarter-quarter section, and the Rules do not provide a reliable threshold for such a determination. For example, would the threshold be a reduction of 5 acres, from 40 to 35, or 10 acres from 40 to 30, or other? Since the Rules do not specify a clear threshold, the Division would be left with using an arbitrary rule of thumb on a case-by-case basis.

Such a piecemeal approach for developing a correction section would not only burden the Division with this uncertainty but would also burden the applicant trying to decide if it should describe in its pooling application a contiguous set of correction Lots as a standard or a non-standard unit. If a clear and consistent pathway is not provided by a consistent application of the Rules on which an applicant can rely, the applicant risks misidentifying the unit as standard or non-standard resulting in the burden of having to dismiss or amend the original pooling application.

The approach provided herein has a number of advantages for ensuring the protection of correlative rights and the prevention of waste and drilling unnecessary wells. First, this approach would better ensure that all of the lots of a correction section would be developed by having an

established place of each lot in a standard spacing unit no matter how irregular the Lot might be. In the example of correction Section 1, with its N/2 consisting of an unwieldy 16 Lots, an applicant might decide to develop the lots in a piecemeal fashion, such as proposing a unit across Lots 13-16 separated from another unit proposed as Lots 5-8, thereby excluding owners in Lots 1-4 and 9-12 and creating gaps in what otherwise should be adjacent units developed based on principles of uniformity for the full development of the N/2 of the correction section.

Second, creating a situation where a series of Lots in a correction section are considered a non-standard unit could significantly burden the applicant by requiring an excessive amount of additional and costly title work to identify owners in adjacent tracts outside the correction section, which otherwise would not burden the applicant when developing a standard section. Such burden may create waste through delay of development or through the applicant deciding not to develop the unit due to the irregularity creating an excessive burden. Devon's proposed horizontal unit in the attached pooling application, if rejected as a standard unit, would require additional title work covering, at a minimum, tracts in Section 6-21S-38E, Sections 36, 35, 34 and 33-20S-28E, and Section 4-21S-27E.

Currently, for example, if an applicant wants to develop the N/2 N/2 of a standard section as a standard spacing unit, the applicant can do so efficiently under the Rules, without unnecessary or excessive burden, and still protect the correlative rights of offset operators and owners by observing the proper setback requirements. Devon respectfully submits that the Division should grant an applicant the benefit of the same efficiency under the Rules when developing expanded correction sections when there is a viable application of the Rules to facilitate efficient development. Under the Act, and its Rules, a correction section should not present such obstacles

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to the development of the state's natural resources when a reasonable and rational means is

available for development that would prevent waste and protect correlative rights.

In the development plan of its pooling application, Devon is proposing what it believes

should be considered, by definition under the Rules, a standard spacing unit comprised of Lots 1-

8 (aka the N/2 N/2) of correction Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM

Eddy County, New Mexico. Devon respectfully submits that the approval of the proposed unit as

a standard spacing unit would prevent waste through the efficient development of correction

sections and protect correlative rights through the maintenance of appropriate setback

requirements. The Division has the authority to recognize contiguous tracts, equivalent to quarter-

quarter sections, for building standard spacing units in expanded correction sections under NMAC

19.15.16.15B(1)(a), and Devon respectfully asks the Division to exercise its authority if it should

find sufficient justification based on the analysis provided herein.

Respectfully,

/s/ Darin C. Savage

Darin C. Savage

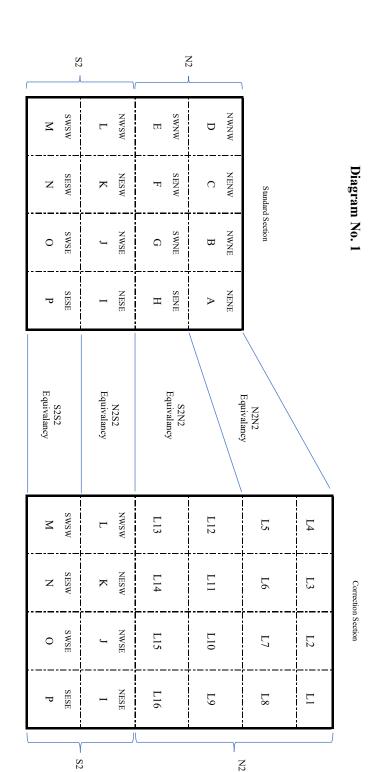
7

QQ Building Block in Standard Section Unit A

 \parallel

L1

NENE A



Each QQ Section of the Standard Section is 1/8 of the N2 of the Section

Each Lot in the Correction Section is 1/16 of the N2 of the Section

But, QQ Sections A-D in the Standard Section (that being the N2 N2 of the Section) is equivalent to Lots 1-8 in the Correction Section (that also being the N2 N2 of the Section)

Therefore, a 40 acre QQ Section in the Standard Section is not equivalent to a 40 acre Lot in the Correction Section

Two
Stacked
Lots as
Building
Blocks

Diagram No. 2

Standard Section

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NENW

NWNE

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Equivalancy N2N2

NENE

Correction Section

SWNW SWSW WSWN \leq H 7 NESW SENW SESW \mathbf{Z} $\overline{}$ L3 SWSE NWSE SWNE L2 0 G NESE SENE SESE i L1P Ή

SWSW

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of the lots. establishing under the Rules a standard horizontal spacing unit for the N2 N2, consisting of Lots 1-4 in the correction section, regardless of the size variations common practice, when this particular scenario arises, to acknowledge the equivalency of Lots 1-4, as being equivalent to Units A-D in the standard section, for This Diagram No 2 is an example of the common situation when there are only four correction lots (Lots 1-4) across the top of the correction. It appears to be

whenever additional lots are encountered in a correction section. Diagram No. 1 herein shows how this common and established practice would be scalable and replicated to establish standard spacing units under the Rules

Diagram No. 3

		13 40.00	12 40 00	5 40.00	4 29.28
		14 40.00	11 40.00	6 40.00	3 29.18
	ω	15 40.00	10 40.00	7 40.00	2 29.07
		16 40.00	9 40.00	8 40.00	1 28.97
NM 001086 01 Recon Surf Only		13 40.00	12 40 00	5 40.00	4 2000
		14 40.00	11 40.00	6 40.00	3 28.72
1086 01 hy	2	15 40.00	10 40.00	7 40.00	2 28.59
		16 40.00	9 40.00	8 40.00	1 28.46
		13 40.00	12 40.00	5 40.00	4 28.35
		14 40.00	11 40.00	6 40.00	3 28.25
	481906 D/C	15 40.00	10 40.00	7 40.00	2 28.15
		16 40.00	9 40.00	8 40.00	1 28.05

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22960	APPLICANT'S RESPONSE
Date:	August 16, 2022
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:	MRC Permian Company
	Sabinal Energy Operating, LLC
	Chevron U.S.A. Inc.
Well Family	Burton Flat 3-1 Fed State Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Exhibit B-3; 332H TVD approx 8,825'
Pool Name and Pool Code:	Bone Spring [Avalon; Bone Spring East (Code 3713)]
Well Location Setback Rules:	Standard statewide rules
Spacing Unit Size:	823.92 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	823.92 acres, more or less
Building Blocks:	Two stacked lots, equivalent to 1 quarter-quarter section
Orientation:	west - east
Description: TRS/County	Lots 1-8 (equivalent to the N/2N/2) of Sections 1, 2 and 3,
, ,	Township 21 South, Range 27 East, NMPM, Eddy County, New
	Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No,	Yes
describe	
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	See Landman Exhibit A-2
Well(s)	
Name & API (if assigned), surface and bottom hole	
location, footages, completion target, orientation,	
completion status (standard or non-standard)	
Well #1	Burton Flat 3-1 Fed State Com 332H Well (API No. 30-015-
	pending), SHL: Lot 5, 1061' FNL, 369' FWL, Section 3, T21S-
	R27E, NMPM; BHL: Lot 8, 1150' FNL, 20' FEL, Section 1, T21S-
	R27E, NMPM, laydown, standard location
Horizontal Well First and Last Take Points	Burton Flat 3-1 Fed State Com 332H Well: FTP 1150' FNL, 100'
	FWL, Section 3; LTP 1150' FNL, 100' FEL, Section 1

\$8,000, Exhibit A
\$8,000 Exhibit A
\$8,000 Exhibit A
40,000, Eximple / C
\$800, Exhibit A
Exhibit A
200%, Exhibit A
Exhibit C, C-1
Exhibit C-2
Exhibit C-3
Exhibit A-2
Exhibit A-2
Exhibit A-2
Exhibit A
Exhibit A-2
Exhibit A-3
Exhibit A-2
Exhibit A-4
Exhibit A-3
Exhibit A-3
Exhibit A-3
Exhibit A-3
Exhibit B
Exhibit B-1
Exhibit B-4
Exhibit B, B-1
Exhibit B, B-3
Exhibit B-3, B-4, B-5
Exhibit B, no depth severance
Exhibit A-1
Exhibit A-1, A-2, B-1
Exhibit A-2
Exhibit A-2
Exhibit B-1, B-4
Exhibit B-1
Exhibit B-3, B-4, B-5
Exhibit B-3, B-4, B-5

8/16/22

Date:

TAB 2

Case No. 22960

Exhibit A: Affidavit of Andy 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 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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

Case No. 22960

AFFIDAVIT OF ANDY D. 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 an Advising Landman with Devon Energy Production Company, L.P. ("Devon"), and I am familiar with the subject application and the lands involved.
- 3. I graduated from the University of Oklahoma with a Bachelor's degree in Business (Energy Management) in 2008. I have worked at Devon for approximately 13 years, and I have been working in New Mexico for 4 years. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
- 4. This affidavit is submitted in connection with the filing by Devon in the above-referenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1).
- 5. Devon seeks an order (1) establishing a standard 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being

EXHIBIT A

correction sections and therefore irregular, and (2) pooling all uncommitted ownership interests in the Bone Spring formation, [(Avalon; Bone Spring East 3713)], designated as an oil pool, underlying said unit.

- 6. Devon recognizes that Sections 1, 2 and 3, are rather sizable correction sections consisting of 16 lots in the N/2 of the Sections and therefore may present a number of novel questions and issues regarding the application of the Division's rules to the unusual circumstances created by the Sections. Devon has respectfully submitted Exhibit A, attached to the Pooling Application herein, in which it has proposed what it believes to be a valid and beneficial interpretation and application of NMAC 19.15.16.15B(1)(1) and related rules for establishing the N/2 N/2 of correction Sections 1, 2 and 3, consisting of Lots 1-8 of each Section ("Subject Lands"), as a standard unit. For the reasons provided in Exhibit A, Devon respectfully submits that establishing the Subject Lands as a standard unit would best serve the interest of the Division and Applicants by ensuring a consistent and systematic application of the Rules to correction sections, no matter the size or number of lots, for the protection of correlative right and prevention of waste.
- 7. Although this Application represents Devon's preferred spacing unit and development plan, Devon has submitted concurrently an alternate pooling application in Case No. 22964 for the **Burton Flat 3-1 Fed State Com 332H Well** proposed as a non-standard spacing unit, to the extent necessary, comprising Lots 1-8 of irregular Sections 1, 2 and 3. This alternate pooling application is provided for the Division's consideration should the Division reject the standard horizontal spacing unit proposed herein.
- 8. Under this <u>Case No. 22960</u>, Devon seeks to dedicate to the horizontal spacing and proration unit the **Burton Flat 3-1 Fed State Com 332H Well** (API 30-015-pending), as the initial well.

- 9. The **Burton Flat 3-1 Fed State Com 332H Well** will be horizontally drilled from a surface location in Lot 5 of Section 3 (369' FWL and 1061' FNL) to a bottom hole location in Lot 8 of Section 1 (20' FEL and 1,150' FNL); with an approximate TVD of 8,825'; an approximate TMD of 24,305'; FTP in Section 3: 100' FWL, 1,150' FNL; LTP in Section 1: 100' FEL, 1,150' FNL.
 - 10. The proposed C-102 for the well is attached as **Exhibit A-1**.
- 11. The proposed HSU overlaps two existing spacing units with wells owned and operated by Devon, the Burton Flat Deep Unit 49H Well (API No. 30-015-40707) with a unit covering Lots 1-4 in Section 2; and the Burton Flat Deep Unit 50H Well (API No. 30-015-40758) with a unit covering Lots 5-8 in Section 2. Devon requests approval for these overlapping units.
- 12. A general location plat and a plat outlining the unit being pooled is attached hereto as **Exhibit A-2**, which shows the location of the proposed well within the unit. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under statewide rules.
- 13. The parties being pooled, the nature of their interests, and their last known addresses are listed on **Exhibit A-2** attached hereto. Exhibit A-2 shows which working interest owners have committed, and which to date have not committed, their interest to a voluntary agreement with Devon, along with a list of the overriding royalty interest (ORRI) owners and record title (RT) owners to be pooled.
 - 14. There are no depth severances in the Bone Spring formation in this acreage.
- 15. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted interest 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 internet searches to locate the contact information for parties entitled to notification. Mailings for one WI owner (Paradin Inc., Andrew Smith President) and three ORRI owners (C. Eugene Corriher, Janet Lewis and XTO Holdings) were returned as undeliverable. Three WI owners, six ORRI owners and 1 RTO owner are listed by USPS.com as still in-transit; therefore, the locations by mailing cannot yet be confirmed for: Crosswinds Resources LLC (WI), Magnum Hunter Production Inc., C/O Cimarex Energy Co. (WI, contacted), Sieb Resources (WI), Ameripermian Holdings, LLC, Elizabeth L Cheney Irrev Trust Elizabeth L Cheney Trustee, Elizabeth L Cheney Mitchel E Cheney Family Rev Tr Alexander K Cheney TTEE, Estate Of Gwendolyn P Rutledge Alexis A Scott Personal Rep, Liberty Oil & Gas Corporation, MP Titan Flex LP, MSH Family Real Estate Partnership II, LLC, and SDX Resources Inc. Devon published notice in the Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico, to account for any unlocatable parties and cover any contingencies regarding notice.

- 16. Devon has made a good faith effort to negotiate with the interest owners, 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 their development within the proposed horizontal spacing unit. **Exhibit A-4** provides a chronology and history of contacts with the owners.
- 17. The working interest owners being pooled have been contacted regarding the proposed well. If a mutually agreeable JOA 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 protection of correlative rights.

- 18. **Exhibit A-3** is a sample proposal letter and the AFEs for the proposed well, that were sent to working interest owners. The estimated cost of the well set forth in the AFE is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.
- 19. Devon requests overhead and administrative rates of \$8,000/month for drilling each well and \$800/month for producing each well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Devon requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 20. Devon requests the maximum cost, plus 200% risk charge be assessed against nonconsenting working interest owners.
 - 21. Devon requests that it be designated operator of the unit and well.
- 22. The Exhibits to this Affidavit were prepared by me or compiled from Devon's company business records under my direct supervision.
- 23. The granting of this Application is in the best interests of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.
 - 24. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT

Andy D. Bennett

Subscribed to and sworn before me this $\underline{\text{M}}$ day of August 2022.

07004034 P. 05/07/23

Notary Public

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name				
Property Code	Pr	Property Name				
		3-1 FED STATE COM	Well Number 332H			
OGRID No. 6137	•	erator Name ODUCTION COMPANY, L.P.	Elevation 3196.8'			

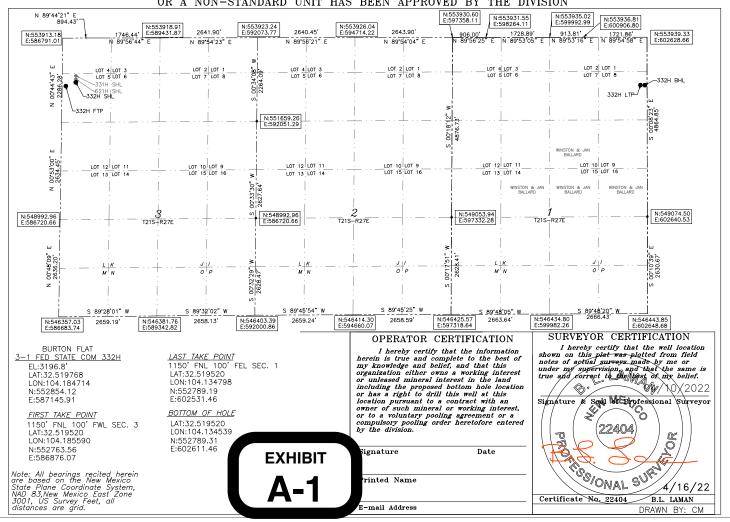
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 5	3	21-S	27-E		1061	NORTH	369	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 8	1	21-S	27-E		1150	NORTH	20	EAST	EDDY
Dedicated Acres Joint or Infill Consolidation Code			Code Or	der 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



Inten	t	As Dril	led										
API#	ŧ												
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP. Property Name: BURTON FLAT 3-1 FED STATE C										COM	Well Number 332H		
Kick (Off Point	(KOP)											
UL	Section	Township	Range	Lot	Feet		From N/S	Feet	Fron	n E/W	County		
Latitu	ude	L			Longitu	ıde					NAD		
First ⁻	Take Poir	nt (FTP)									<u> </u>		
UL	Section 3	Township 21-S	Range 27-E	Lot 5	Feet 1150		From N/S NORTH	Feet 100		n E/W EST	County EDDY	•	
132.	ude 519520)	ı		Longitu 104.		590				NAD 83		
Last T	「ake Poin	t (LTP)											
UL	Section 1	Township 21-S	Range 27-E	Lot 8	Feet 1150		m N/S Feet 100	D E	rom E/W AST	Count			
32.	^{ude} 519520)			Longitu 104.					NAD 83			
Is this	s well the	defining v	well for th	e Horiz	zontal S _l	pacin	g Unit? [I			
Is this	s well an	infill well?											
	ll is yes p ng Unit.	lease prov	ide API if	availab	ole, Ope	rator	Name and v	vell nun	nber for	Definir	ng well fo	r Horizontal	
API#	<u> </u>												
Ope	rator Nai	ne:				Prop	perty Name	:				Well Number	
						<u> </u>						K7.06/29/2018	

KZ 06/29/2018

Exhibit "A-2"

Lots 1-8 of Sections 1, 2, and 3 of T21S-R27E, Eddy County, New Mexico, Bone Spring Formation

L4	L3	L2	L1	L4	L3	L2	L1	L4	L3	L2	L1
L5	L6	L7	L8	L5	L6	L7	L8	L5	L6	L7	L8
Sec. 3				Sec. 2				Sec. 1			

Tract 3: Tract 1: Tract 2: USA NMNM-109754 ST of NM L0-2766 USA NMNM-17095 (Lots 1, 2, 3, 4, 7, 8) (Lots 1, 2, 7, 8) ST of NM L0-6523 USA NMNM-40256 (Lots 5 & 6) (Lots 3 & 6) USA NMNM-46275 (Lots 4 & 5) (276.50 acres) (274.62 acres) (272.80 acres)

Burton Flat 3-1 Fed State Com 332H

SHL: Sec. 3-21S-27E; 1,061' FNL & 369' FWL BHL: Sec. 1-21S-27E; 1,150'FNL & 20' FEL



Exhibit "A-2" OWNERSHIP BREAKDOWN – Bone Spring formation Lots 1-8 of Sections 1, 2, and 3 of Township 21 South, Range 27 East of Eddy County, NM Burton Flat 3-1 Fed State Com 332H

TRACT 1 OWNERSHIP (encompassing Lots 1-8 of Section 3-T21S-R27E, being 276.50 acres)

 Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	164.677453	19.9870683%	Committed
James L. Hewitt PO Box 54032 Orlando, FL 32854	11.75125	1.426261%	Uncommitted
Crosswinds Resources, LLC PO Box 1960 Chandler, AZ 85244	0.452354	0.0549027%	Uncommitted
Quimex International Inc PO Box 1659 Midland, TX 79702	11.75125	1.426261%	Uncommitted
Ranch 707, LLC 707 E. Quarterhorse Ln. Camp Verde, AZ 86322	1.130885	0.1372567%	Uncommitted
Perdant Energy, LLC PO Box 9626 Phoenix, AZ 85068	0.5654425	0.0686283%	Uncommitted
Paladin Inc. PO Box 5062 Scottsdale, AZ 85261	1.14360625	0.1388006%	Uncommitted
Magic Merlin Energy Investments, LLC PO Box 2309 Bend, OR 97709	0.5654425	0.0686283%	Uncommitted
ABJ Oil Company, Ltd. PO Box 44242 Phoenix, AZ 85064	1.130885	0.1372567%	Uncommitted
Jim Whitehead Oil & Gas, LLC PO Box 44251 Phoenix, AZ 85064	2.26177	0.2745133%	Uncommitted
Mitchel E. Cheney 7670 Woodway Dr., Suite 175 Houston, TX 77063	7.05075	0.8557566%	Uncommitted

Lynn Charuk PO Box 52370 Midland, TX 79710	7.05075	0.8557566%	Uncommitted
Angela Brown Management Trust PO Box 820 Henderson, Texas 75653	23.5025	2.8525221%	Uncommitted
Moon Royalty, LLC PO Box 720070 Oklahoma City, OK	14.1360625	1.7157081%	Committed
J&J Energy, LLC 300 N. Sorrel Court Show Low, AZ 85901	0.452354	0.0549027%	Uncommitted
M Code, LLC 5744 E. Joshua Tree Ln. Paradise Valley, AZ 85253	0.452354	0.0549027%	Uncommitted
RJ Fortune Investments, LLC 9290 E. Thompson Peak Pkwy, Unit 257 Scottsdale, AZ 85255	0.452354	0.0549027%	Uncommitted
BB Management, LLC PO Box 80735 Phoenix, AZ 85060	3.0533895	0.370593%	Uncommitted
BF Energy, LLC 3504 E. Claremont St. Paradise Valley, AZ 85253	0.452354	0.0549027%	Uncommitted
Jeff Phillips 5710 Devlin Pl. Midland, TX 79707	4.7005	0.5705044%	Uncommitted
Thomas Family Ltd. Partnership PO Box 44252 Phoenix, AZ 85064	1.41360625	0.1715708%	Uncommitted
Fred C. Corey 5503 Los Patios Dr. Midland, TX 79707	4.216625	0.511776%	Uncommitted
Herbaly Exploration, LLC 1420 W. Canal Ct., Suite 150 Littleton, CO 80120	14.1360625	1.7157081%	Uncommitted
TRACT 1 TOTAL	276.50	33.5590834%	

TRACT 2 OWNERSHIP (Lots 1-8 of Section 2-T21S-R27E, being 274.62 acres)

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	250.2930729	30.3783223%	Committed
Claremont Corporation PO Box 3326 Tulsa, OK 74101	0.104064503	0.0126304%	Uncommitted
Davoil Inc. PO Box 122269 Fort Worth, TX 76121	0.73935668	0.0897365%	Committed
GW Holdings Inc. (dba Great Western Drilling Ltd.) PO Box 1659 Midland, TX 79702	1.341927884	0.1628711%	Committed
Javelina Partners 616 Texas Street Fort Worth, TX 76102	2.775051577	0.3368108%	Committed
Redfern Enterprises Inc. PO Box 2127 Midland, TX 79702	0.973994754	0.1182147%	Uncommitted
Sabinal Energy, LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	15.11587021	1.8346284%	Uncommitted
Sieb Resources PO Box 1107 Richmond, TX 77046	0.501612653	0.0608812%	Uncommitted
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	2.775048831	0.3368105%	Committed
TRACT 2 TOTAL	274.62	33.3309059%	

TRACT 3 OWNERSHIP (Lots 1-8 of Section 1-T21S-R27E, being 272.80 acres)

Owner	Net Acres	Unit WI	Status
MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240	95.34	11.571512%	Uncommitted
Chevron USA, Inc. 6301 Deauville Blvd. Midland, TX 79706	40.86	4.959219%	Uncommitted
Magnum Hunter Production, Inc. 600 Marienfeld St., Suite 600 Midland, TX	136.60	16.579280%	Uncommitted
TRACT 3 TOTAL	272.80	33.110011%	

UNIT RECAPITULATION:

Lots 1-8 of Sections 1, 2, and 3 of T21S-R27E; being 823.92 acres

Devon Energy Production Company, L.P.	50.3652913%	WI
MRC Permian Company	11.571512%	WI
Chevron USA, Inc.	4.959219%	WI
Magnum Hunter Production, Inc.	16.579280%	WI
James L. Hewitt	1.426261%	WI
Crosswinds Resources, LLC	0.0549027%	WI
Quimex International Inc	1.426261%	WI
Ranch 707, LLC	0.1372567%	WI
Perdant Energy, LLC	0.0686283%	WI
Paladin Inc.	0.1388006%	WI
Magic Merlin Energy Investments, LLC	0.0686283%	WI
ABJ Oil Company, Ltd.	0.1372567%	WI
Jim Whitehead Oil & Gas, LLC	0.2745133%	WI
Mitchel E. Cheney	0.8557566%	WI
Lynn Charuk	0.8557566%	WI
Angela Brown Management Trust	2.8525221%	WI
Moon Royalty, LLC	1.7157081%	WI
J&J Energy, LLC	0.0549027%	WI
M Code, LLC	0.0549027%	WI
RJ Fortune Investments, LLC	0.0549027%	WI
BB Management, LLC	0.370593%	WI
BF Energy, LLC	0.0549027%	WI
Jeff Phillips	0.5705044%	WI
Thomas Family Ltd. Partnership	0.1715708%	WI
Fred C. Corey	0.511776%	WI

Claremont Corporation	0.0126304%	WI
Davoil Inc.	0.0897365%	WI
GW Holdings Inc. (dba Great Western Drilling Ltd.)	0.1628711%	WI
Javelina Partners	0.3368108%	WI
Redfern Enterprises Inc.	0.1182147%	WI
Sabinal Energy, LLC	1.8346284%	WI
Sieb Resources	0.0608812%	WI
Zorro Partners, Ltd.	0.3368105%	WI
Herbaly Exploration, LLC	1.7157081%	WI

UNIT TOTAL: 100% WI

Overriding Royalty Owners

ELIZABETH L CHENEY IRREV TRUST ELIZABETH L CHENEY TRUSTEE	PO BOX 570083	HOUSTON	Texas	77257
TAY-MOR ENTERPRISES INC	PO BOX 4723	MIDLAND	Texas	79704
POCO ROYALTY COMPANY	2602 TERRACE AVE	MIDLAND	Texas	79705
GOLDEN ROCK ENERGY PARTNERS LP	5956 SHERRY LANE STE 1221	DALLAS	Texas	75225
ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL ENERGY INCOME FUND I	402 GAMMON PL STE 200	MADISON	Wisconsin	53719-1059
MAYHILL OIL CORPORATION	PO BOX 5334	MIDLAND	Texas	79704
BNM INC	4032 US HWY 82	MAYHILL	New Mexico	88339
MADISON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE	402 GAMMON PL STE 320	MADISON	Wisconsin	53719
ELIZABETH L CHENEY MITCHEL E CHENEY FAMILY REV TR ALEXANDER K CHENEY TTEE	PO BOX 570083	HOUSTON		77063
		-	Texas	82842
ANN T TOLLEFSON REV LVG TRUST DTD JUNE 7 2006 ANN TOLLEFSON TRUSTEE	PO BOX 639	STORY	Wyoming	88210
JOHN W GATES LLC	706 WEST GRAND STREET	ARTESIA	New Mexico	55904
BRITT TROWBRIDGE	2509 23RD AVE SE	ROCHESTER	Minnesota	
PENASCO PETROLEUM LLC	PO BOX 2292	ROSWELL	New Mexico	88202-2292
TYLER TROWBRIDGE	9514 CIVIC WAY APT 301	PROSPECT	Kentucky	40059-5100
PATRICIA BOYLE YOUNG	PO BOX 1639	SOLANA BEACH	California	92075-7639
NORBERT M MCCAW	202 CROSSBOW RD	ARTESIA	New Mexico	88210
BETH TROWBRIDGE CRAIG	5115 KIM LN	CHEYENNE	Wyoming	82009
HUDSON NEW MEXICO MIN TRUST	616 TEXAS ST	FORT WORTH	Texas	76102-4612
ARD OIL LTD	PO BOX 101027	FORT WORTH	Texas	76185
ROBERTA MCCAW	202 CROSSBOW RD	ARTESIA	New Mexico	88210
TER-MACK LP	124 LARKSPUR LOOP	ALTO	New Mexico	88312
GENE EDWARD TROWBRIDGE III AKA TREY TROWBRIDGE	50000 215TH AVE	PLAINVIEW	Minnesota	55964
ROLLA R HINKLE III	PO BOX 2292	ROSWELL	New Mexico	88202-2292
SUDIE MARIE ADAMS	2351 WET PRONG RD	MULBERRY	Tennessee	37359
WILLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN JOINT TENANTS	286 LINCOLN HILLS DR	ALTO	New Mexico	88312
ESTATE OF GWENDOLYN P RUTLEDGE ALEXIS A SCOTT PERSONAL REP	28 SCOTT PL	SANTA FE	New Mexico	87507-4396
COLGATE ROYALTIES LP	300 N MARIENFIELD STE 1000	MIDLAND	Texas	79701
RONALD L MARCUM & SYLVIA G MARCUM	4574 WEEPING WILLOW DR	EL PASO	Texas	79922
CRM 2018 LP	PO BOX 51933	MIDLAND	Texas	79710
WINNIE HELEN HAYES	107 JADE CIRCLE	KNIGHTDALE		27545
CHESAPEAKE EXPLORATION, LLC	6100 N. WESTERN AVE.	OKLAHOMA CITY	OKLAHOMA	73118
KANE RESOURCES, LLC	PO BOX 471096	FORT WORTH	TEXAS	76147
MASON OAKS ENERGY HOLDINGS, LLC	6125 LUTHER LANE, #188	DALLAS	TEXAS	75225
SMP TITAN MINERAL HOLDINGS, LP	4143 MAPLE AVE., SUITE 500	DALLAS	TEXAS	75219
PEGASUS RESOURCES, LLC	PO BOX 123610	FORT WORTH	TEXAS	76121
JANET LEWIS	910 DONNER WAY, #710	SALT LAKE CITY	UTAH	84111
CHEVRON USA, INC.	6301 DEAUVILLE BLVD	MIDLAND	TEXAS	79706
ANNA STOTT	309 BRIDGEBORO RD.	MOORSETOWN	NEW JERSEY	O8057
ST. LUKE LUTHERAN CHURCH	2 REV DR. MLK KING DR.	WILLINGBORO	NEW JERSEY	O8046
AMERIPERMIAN HOLDINGS, LLC	1733 WOODSTEAD CT	THE WOODLANDS	TEXAS	77380
LIBERTY OIL & GAS CORPORATION	JCT HWY 78 & 979; PO BOX 430	LIVONIA	LOUISIANA	70755
CRM 2018, LP	PO BOX 51933	MIDLAND	TEXAS	79710
C. EUGENE CORRIHER	28875 PERIDO BEACH BLVD-I-1	ORANGE BEACH	ALABAMA	36561
PENNY PIEKARSKI	723 SADDLEWOOD CIRCLE	SHENANDOAH	TEXAS	77381
	509 E. ELLIS	LLANO	TEXAS	78643
MELLITA, LLC				
G4 RESOURCES, LP	PO BOX 53687	MIDLAND	TEXAS	79710

Record Title Owners (Lessees of Record)

Magnum Hunter Production, Inc. XTO Holdings, LLC Devon Energy Production Company, LP SDX Resources, Inc.



Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City, OK 73102 405 552 8002 Phone www.devonenergy.com

May 12, 2022

Magnum Hunter Production, Inc. 600 Marienfield St., STE 600 Midland, TX 79701

RE: Well Proposals- Burton Flat 3-1 Fed State Com 332H & 333H Sections 1, 2, & 3, All in T21S-R27E Eddy County, New Mexico

To whom it may concern:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following two (2) wells:

- Burton Flat 3-1 Fed State Com 332H as a horizontal well to an approximate landing TVD of 8,670', bottom hole TVD' of 8,825', and approximate TMD of 24,305' into the Bone Spring formation at an approximate SHL of 1,061' FNL and 369' FWL of Section 3-T21S-R27E and an approximate BHL of 1,150' FNL and 20' FEL of Section 1-T21S-R27E, Eddy County, New Mexico (collectively with both proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs, completion costs, and overall completed well costs.
- Burton Flat 3-1 Fed State Com 333H as a horizontal well to an approximate landing TVD of 8,770', bottom hole TVD' of 8,945', and approximate TMD of 24,425' into the Bone Spring formation at an approximate SHL of 2,107' FNL and 387' FWL of Section 3-T21S-R27E and an approximate BHL of 2,650' FNL and 20' FEL of Section 1-T21S-R27E, Eddy County, New Mexico (collectively with both proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs, completion costs, and overall completed well costs.

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.

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, upon request.

The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- 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.

EXHIBIT A-3

Page 2

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

Magnum Hunter Production, Inc.

Title:

To Participate in the proposal of the Burton Flat 3-1 Fed State Com 332H
Not To Participate in the proposal of the Burton Flat 3-1 Fed State Com 332H
To Participate in the proposal of the Burton Flat 3-1 Fed State Com 333H
Not To Participate in the proposal of the Burton Flat 3-1 Fed State Com 333H
Agreed to and Accepted this day of, 2022.
Magnum Hunter Production, Inc.

Devon - Public



AFE # XX-139994.01

Well Name: BURTON FLAT 3-1 FED STATE COM 332H

Cost Center Number: 1094558201 Legal Description: 3-21S-27E

Revision:

AFE Date: State: 5-12-2022 NM

County/Parish: EDDY

Explanation and Justification:

AFE TO DRILL AND COMPLETE THE BURTON FLAT 3-1 FED STATE COM 332H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	191,427.83	0.00	191,427.83
6060100	DYED LIQUID FUELS	120,573.00	485,482.24	0.00	606,055.24
6060130	GASEOUS FUELS	0.00	100,356.61	0.00	100,356.61
6080100	DISPOSAL - SOLIDS	97,594.00	3,156.85	0.00	100,750.85
6080110	DISP-SALTWATER & OTH	0.00	15,034.23	0.00	15,034.23
6080115	DISP VIA PIPELINE SW	0.00	94,800.00	0.00	94,800.00
6090100	FLUIDS - WATER	16,350.00	785,315.01	0.00	801,665.01
6100100	PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110130	ROAD&SITE PREP SVC	22,500.00	59,487.39	0.00	81,987.39
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100	& C SERVICES	0.00	67,414.50	0.00	67,414.50
6130170	COMM SVCS - WAN	2,458.00	0.00	0.00	2,458.00
	RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.39
6130370	RTOC - GEOSTEERING	9,972.00	0.00	0.00	9,972.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
	CH LOG PERFRTG&WL SV	0.00	327,819.81	0.00	327,819.81
	MATERIALS & SUPPLIES	464.00	0.00	0.00	464.00
	PULLING&SWABBING SVC	0.00	1,725.00	0.00	1,725.00
	SNUBBG&COIL TUBG SVC	0.00	107,659.61	0.00	107,659.61
	TRCKG&HL-SOLID&FLUID	46,374.00	0.00	0.00	46,374.00
	TRUCKING&HAUL OF EQP	64,000.00	46,412.39	0.00	110,412.39
	CONSLT & PROJECT SVC	184,759.00	103,961.17	0.00	288,720.17
	SAFETY SERVICES	30,143.00	0.00	0.00	30,143.00
	SOLIDS CONTROL SRVCS	55,029.00	0.00	0.00	55,029.00
	STIMULATION SERVICES	0.00	1,508,660.44	0.00	1,508,660.44
	PROPPANT PURCHASE	0.00	1,193,270.60	0.00	1,193,270.60
6310200	CASING & TUBULAR SVC	70,600.00	0.00	0.00	70,600.00
6310250	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.00
6310280	DAYWORK COSTS	522,288.00	0.00	0.00	522,288.00
6310300	DIRECTIONAL SERVICES	167,090.00	0.00	0.00	167,090.00
6310310	DRILL BITS	87,500.00	0.00	0.00	87,500.00
6310330	DRILL&COMP FLUID&SVC	80,530.00	18,245.15	0.00	98,775.15
6310370	MOB & DEMOBILIZATION	212,230.00	0.00	0.00	212,230.00
6310380	OPEN HOLE EVALUATION	15,071.00	0.00	0.00	15,071.00
	TSTNG-WELL, PL & OTH	0.00	146,864.50	0.00	146,864.50
	MISC PUMPING SERVICE	0.00	43,609.06	0.00	43,609.06
	EQPMNT SVC-SRF RNTL	76,521.00	162,283.79	0.00	238,804.79
	EQUIP SVC - DOWNHOLE	102,630.00	35,289.39	0.00	137,919.39
6320160	WELDING SERVICES	2,850.00	0.00	0.00	2,850.00
	WATER TRANSFER	0.00	128,450.18	0.00	128,450.18
6350100	CONSTRUCTION SVC	0.00	183,285.97	0.00	183,285.97
	LEGAL FEES	10,000.00	0.00	0.00	10,000.00
	MISCS COSTS & SERVS	0.00	7,210.10	0.00	7,210.10



AFE # XX-139994.01

Well Name: BURTON FLAT 3-1 FED STATE COM 332H

Cost Center Number: 1094558201 Legal Description: 3-21S-27E

TOTAL ESTIMATED COST

Revision:

AFE Date: State: 5-12-2022

County/Parish:

NM EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	24,700.00	0.00	0.00	24,700.00
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	9,623.00	48,239.03	0.00	57,862.03
6740340	TAXES OTHER	350.00	27,192.12	0.00	27,542.12
	Total Intangibles	2,228,199.00	5,925,038.36	0.00	8,153,237.36

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	85,048.74	0.00	85,048.74
6120120	MEASUREMENT EQUIP	0.00	35,399.95	0.00	35,399.95
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6230130	SAFETY EQUIPMENT	2,243.00	0.00	0.00	2,243.00
6300150	SEPARATOR EQUIPMENT	0.00	337,827.01	0.00	337,827.01
6300220	STORAGE VESSEL&TANKS	0.00	66,404.66	0.00	66,404.66
6300230	PUMPS - SURFACE	0.00	14,143.20	0.00	14,143.20
6310130	ARTIFICIAL LIFT EQP	0.00	30,000.00	0.00	30,000.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,264.06	0.00	91,264.06
6310460	WELLHEAD EQUIPMENT	42,578.00	93,168.47	0.00	135,746.47
6310530	SURFACE CASING	101,534.00	0.00	0.00	101,534.00
6310540	INTERMEDIATE CASING	214,396.00	0.00	0.00	214,396.00
6310550	PRODUCTION CASING	923,679.00	0.00	0.00	923,679.00
6310580	CASING COMPONENTS	36,061.00	0.00	0.00	36,061.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	242,566.72	0.00	242,566.72
	Total Tangibles	1,340,491.00	1,007,072.81	0.00	2,347,563.81

VORKING INTEREST OWNER APPROVAL						
Company Name:						
Signature:	Print Name:					
Title:						
Date:						
Email:						

3,568,690.00

6,932,111.17

0.00

10,500,801.17

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



AFE # XX-139996.01

Well Name: BURTON FLAT 3-1 FED STATE COM 333H

Cost Center Number: 1094557301 Legal Description: 3-21S-27E

Revision:

AFE Date: State: County/Parish: 5-12-2022 NM

EDDY

Explanation and Justification:

AFE TO DRILL AND COMPLETE THE BURTON FLAT 3-1 FED STATE COM 333H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	191,427.83	0.00	191,427.83
6060100	DYED LIQUID FUELS	103,465.00	485,482.24	0.00	588,947.24
6060130	GASEOUS FUELS	0.00	100,356.61	0.00	100,356.61
6080100	DISPOSAL - SOLIDS	97,594.00	3,156.85	0.00	100,750.85
	DISP-SALTWATER & OTH	0.00	15,034.23	0.00	15,034.23
6080115	DISP VIA PIPELINE SW	0.00	94,800.00	0.00	94,800.00
6090100	FLUIDS - WATER	16,350.00	785,315.01	0.00	801,665.01
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	22,500.00	0.00	0.00	22,500.00
6110130	ROAD&SITE PREP SVC	0.00	59,487.39	0.00	59,487.39
6110160	TIMBER SALVAGE	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	67,414.50	0.00	67,414.50
6130170	COMM SVCS - WAN	2,109.00	0.00	0.00	2,109.00
6130360	RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.39
6130370	RTOC - GEOSTEERING	9,972.00	0.00	0.00	9,972.00
6140110	ENV-COMPLIANCE&FINES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	327,819.81	0.00	327,819.81
6160100	MATERIALS & SUPPLIES	398.00	0.00	0.00	398.00
6170100	PULLING&SWABBING SVC	0.00	1,725.00	0.00	1,725.00
6170110	SNUBBG&COIL TUBG SVC	0.00	107,659.61	0.00	107,659.61
6190100	TRCKG&HL-SOLID&FLUID	39,794.00	0.00	0.00	39,794.00
6190110	TRUCKING&HAUL OF EQP	64,000.00	46,412.39	0.00	110,412.39
6190120	MAIL & COURIER COSTS	2,625.00	0.00	0.00	2,625.00
6200130	CONSLT & PROJECT SVC	156,291.00	103,961.17	0.00	260,252.17
6230120	SAFETY SERVICES	25,866.00	0.00	0.00	25,866.00
6300270	SOLIDS CONTROL SRVCS	48,640.00	0.00	0.00	48,640.00
6310110	STANDBY SERVICES	0.00	1,508,660.44	0.00	1,508,660.44
6310120	STIMULATION SERVICES	20,000.00	30,000.00	0.00	50,000.00
6310200	CASING & TUBULAR SVC	70,600.00	0.00	0.00	70,600.00
6310250	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.00
6310280	DAYWORK COSTS	448,181.00	0.00	0.00	448,181.00
6310300	DIRECTIONAL SERVICES	167,090.00	0.00	0.00	167,090.00
6310310	DRILL BITS	87,500.00	0.00	0.00	87,500.00
6310320	DRILL BITS SERVICES	0.00	18,245.15	0.00	18,245.15
6310330	DRILL&COMP FLUID&SVC	80,530.00	0.00	0.00	80,530.00
6310370	MOB & DEMOBILIZATION	27,657.00	0.00	0.00	27,657.00
6310380	OPEN HOLE EVALUATION	15,071.00	0.00	0.00	15,071.00
6310450	WELL CONTROL SVC	0.00	93,168.47	0.00	93,168.47
	MISC PUMPING SERVICE	0.00	162,283.79	0.00	162,283.79
6320100	EQPMNT SVC-SRF RNTL	67,197.00	35,289.39	0.00	102,486.39
	EQUIP SVC - DOWNHOLE	91,470.00	0.00	0.00	91,470.00
6320160	WELDING SERVICES	4,850.00	0.00	0.00	4,850.00
6320190	WATER TRANSFER	0.00	18,000.00	0.00	18,000.00

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.



AFE # XX-139996.01

Well Name: BURTON FLAT 3-1 FED STATE COM 333H

Cost Center Number: 1094557301 Legal Description: 3-21S-27E

Revision:

AFE Date: State: 5-12-2022 NM

County/Parish:

NM EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6350100	CONSTRUCTION SVC	0.00	183,285.97	0.00	183,285.97
6500160	TRAVEL - OTHER	10,000.00	0.00	0.00	10,000.00
6520110	LEGAL SETTLEMENTS	0.00	7,210.10	0.00	7,210.10
6550110	MISCELLANEOUS SVC	24,700.00	5,000.00	0.00	29,700.00
6580100	INV STRGE&HANDLING	0.00	19,548.38	0.00	19,548.38
6630110	CAPITAL OVERHEAD	8,257.00	28,690.65	0.00	36,947.65
6740340	TAXES OTHER	300.00	0.00	0.00	300.00
	Total Intangibles	1,909,007.00	4,526,820.37	0.00	6,435,827.37

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	85,048.74	0.00	85,048.74
6120120	MEASUREMENT EQUIP	0.00	35,399.95	0.00	35,399.95
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6230130	SAFETY EQUIPMENT	2,243.00	0.00	0.00	2,243.00
6300150	SEPARATOR EQUIPMENT	0.00	337,827.01	0.00	337,827.01
6300220	STORAGE VESSEL&TANKS	0.00	66,404.66	0.00	66,404.66
6300230	PUMPS - SURFACE	0.00	14,143.20	0.00	14,143.20
6310160	OCTG CASING	0.00	1,193,270.60	0.00	1,193,270.60
6310410	SUCKER RODS	0.00	91,264.06	0.00	91,264.06
6310460	WELLHEAD EQUIPMENT	42,578.00	146,864.50	0.00	189,442.50
6310530	SURFACE CASING	101,534.00	0.00	0.00	101,534.00
6310540	INTERMEDIATE CASING	214,396.00	0.00	0.00	214,396.00
6310550	PRODUCTION CASING	923,679.00	0.00	0.00	923,679.00
6310580	CASING COMPONENTS	36,061.00	43,609.06	0.00	79,670.06
6320180	EQUIPMENT OTHER	0.00	128,450.18	0.00	128,450.18
6330100	PIPE,FIT,FLANG,CPLNG	0.00	224,566.72	0.00	224,566.72
6710130	NON-OP - TANGIBLE	0.00	27,192.12	0.00	27,192.12
	Total Tangibles	1,320,491.00	2,405,290.80	0.00	3,725,781.80

TOTAL ESTIMATED COST 3,2	229,498.00	6,932,111.17	0.00	10,161,609.17

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.

Exhibit A-4: Chronology of Contacts

All WI owners received the Well Proposals in May 2022

Owner	Timeline of Contacts/Discussion
Chevron USA, Inc. Moon Royalty, LLC	Chevron's first email to me in mid-May 2022 after receiving the Well Proposals/AFE's; Chevron requested ownership details in late-May 2022, which I provided in a response on 5/31/2022; Chevron kept in contact with me throughout June and requested Devon's JOA form, which was provided to them on 6/30/2022; throughout July and August, Devon and Chevron have been in negotiations on edits/amendments to the JOA form, and we are still working towards finalizing a mutually agreeable JOA form that both parties can accept. Devon and Chevron mutually agreed on 8/9/2022 to continue negotiating the JOA, even after the Pooling Hearing Date, in hopes of coming to a final JOA form at some point in the near future. Devon and Moon are committed to a JOA form that has written approval from both parties
Javelina Partners	Devon and Javelina are committed to a JOA form that has written approval from both parties
Zorro Partners, LTD	Devon and Zorro are committed to a JOA form that has written approval from both parties
Cheney Energy Partners, LLC	Devon and Zorro are committed to a JOA form that has written approval from both parties
Magnum Hunter Production, Inc.	Devon and Magnum Hunter began conversations in mid-May 2022 regarding Magnum's WI ownership, the timing of the spud/completion dates, etc. On 5/31/2022, I asked if they would be interested in signing Devon's JOA form, and on 6/6/2022, I provided a copy of the JOA. To date, we have continued to have discussions around Devon's drilling plans, but there has been no feedback/comments from Magnum related to Devon's JOA form. Devon and Magnum spoke on 7/21/2022, and mutually agreed to continue the Cases from the original docket date of 8/4/2022, to the new date of 8/18/2022, so that Magnum could continue to evlaute their options. Since that time, I have received no additional comments/requests/changes from Magnum to the JOA form.
GW Holdings, Inc. (Great Western Drilling	
Ltd) Davoil Inc.	Devon and GW Holdings are committed to a JOA form that has written approval from both parties Davoil has commented that they are committed to a JOA, as long as GW Holdings, Inc. is also committed (see comment directly above related to GW Holdings)
MRC Permian Company	Devon and MRC have been in discussions related to MRC's ownership in these Cases dating back to before the well proposals were mailed out in mid-May 2022. To date, there has been no commitment that MRC wants to enter into a JOA.
Sabinal Energy, LLC	Devon and Sabinal have been in discussions regarding entering into the Devon JOA form; as of 8/8/2022 email correspondance with Sabinal, they were discussing as a team and would get back to me very soon regarding whether they wanted to commit to a JOA or not. Devon is open to JOA, but needs final feedback from Sabinal.
*Additional Owners	*The other owners in these Cases have been largely non-responsive, likely due to the very small nature of their ownership.



TAB 3

Case No. 22960

Exhibit B: Affidavit of Joseph Dixon, Geologist

Exhibit B-1: Structure Map Exhibit B-2: Gross Isochore

Exhibit B-3: Stratigraphic Cross Section

Exhibit B-4: Gun Barrel View

Exhibit B-5: Trajectory Cross-section

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

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

Case Nos. 22959, 22960

AFFIDAVIT OF JOSEPH DIXON

Joseph Dixon, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Joseph Dixon, and I am employed by Devon Energy Production Company, L.P. ("Devon") as a petroleum geologist.
- 2. I have testified previously by affidavit before the Oil Conservation Division ("Division") as an expert witness in petroleum geology. I hold a Bachelor's degree in Geology from Purdue University and a Master's degree in Geology from Oklahoma State University. I have been employed as a petroleum geologist with Devon since June 2013.
- 3. I am familiar with the applications filed by Devon in these consolidated cases, and I have conducted a geologic study of the Bone Spring and Wolfcamp formations underlying the subject area.
- 4. The initial targets for Devon's proposed Burton Flat 3-1 wells in the sections of 3, 2 and 1 of 21S-27E are Third Bone Spring Sandstone interval of the Bone Spring formation, and the Wolfcamp XY Sands, A and B intervals of the Wolfcamp formation.
- 5. **Devon Exhibit B-1** is structure map at the top of the Wolfcamp Formation, with subsea depths marked by contour intervals every 50 feet. I have outlined the proposed spacing units and identified the orientation of the initial wellbores. This exhibit shows that the top of the

ЕХНІВІТ

Wolfcamp formation is gently dipping to the east in this area. I do not observe any faulting, pinch outs, or other geologic impediments to developing the targeted Bone Spring or Wolfcamp intervals with horizontal wells.

- 6. **Devon Exhibit B-2** is a gross isochore thickness map for the 3nd Bone Spring Sandstone member of the Bone Spring Formation with 20' contour interval. This exhibit shows that the reservoir interval targeted by Devon's development plan is of consistent thickness across the proposed unit.
- 7. **Devon Exhibit B-3** is a cross section for the Bone Spring and Wolfcamp formations using the representative wells depicted on Exhibit B-2. Each well log contains gamma ray, resistivity, and porosity logs. The target interval for the initial wells are depicted on the exhibit. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.
- 8. **Devon Exhibit B-4** is a gun barrel representation of the unit, and **Exhibit B-5** is a structural cross section built along the wellbore trajectory.
- 9. In my opinion, the West-East orientation of the proposed wells is the preferred orientation for horizontal well development in the targeted intervals in this area. The preferred well orientation in this area is West-East so that the wells run sub-perpendicular to the inferred orientation of the maximum horizontal stress. This lay down orientation will efficiently and effectively develop the subject acreage.
- 10. In my opinion, the granting of Devon's applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **Devon Exhibits B-1** to **B-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

OSEPH DIXON

STATE OF OKLAHOMA

COUNTY OF Ollahoma

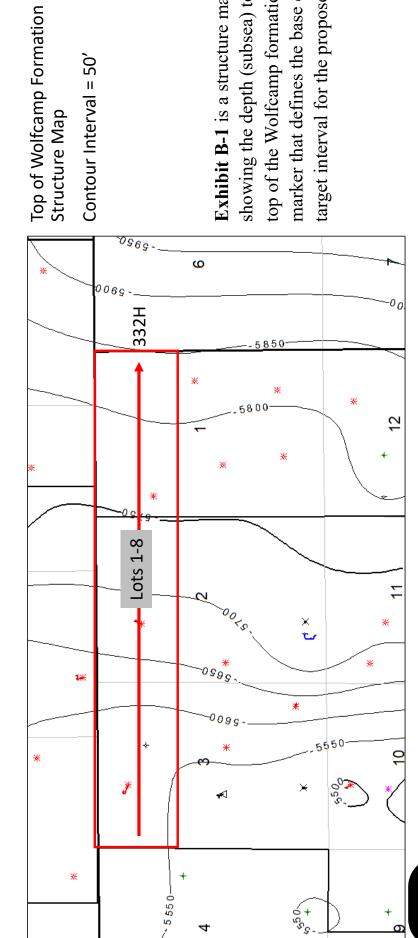
2022 by Joseph Dixon.



NOTARY PUBLIC

My Commission Expires:

Exhibit B-1

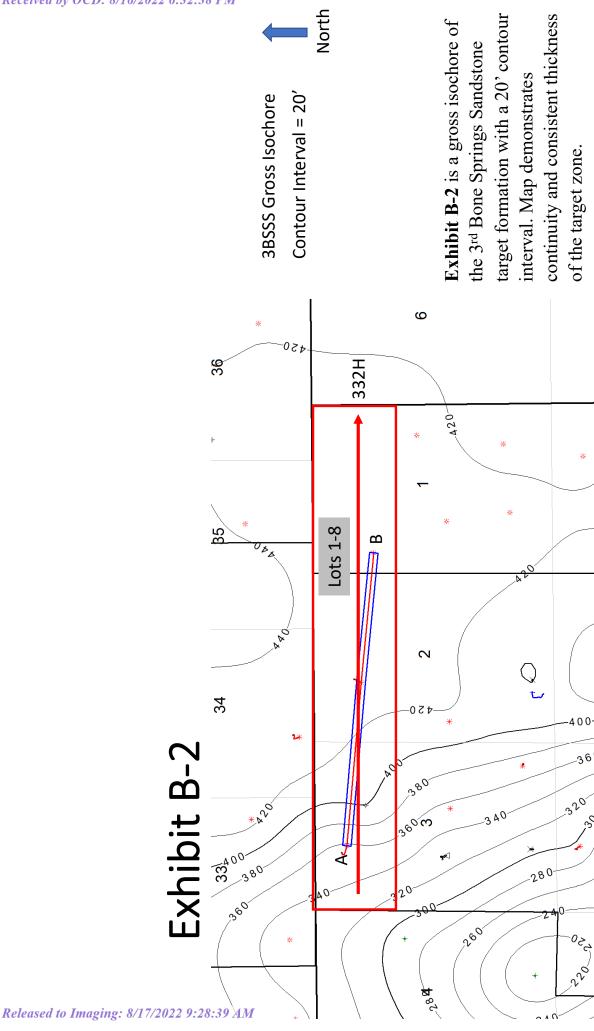


target interval for the proposed well. marker that defines the base of the showing the depth (subsea) to the top of the Wolfcamp formation, a Exhibit B-1 is a structure map

North

Released to Imaging: 8/17/2022 9:28:39 AM

EXHIBIT B-1







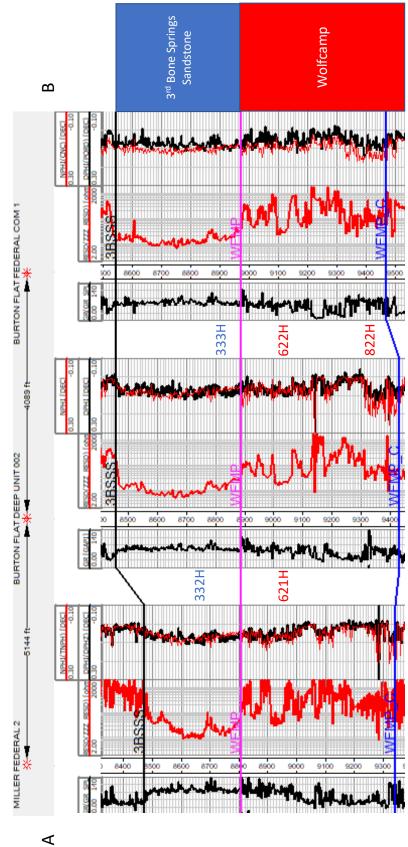
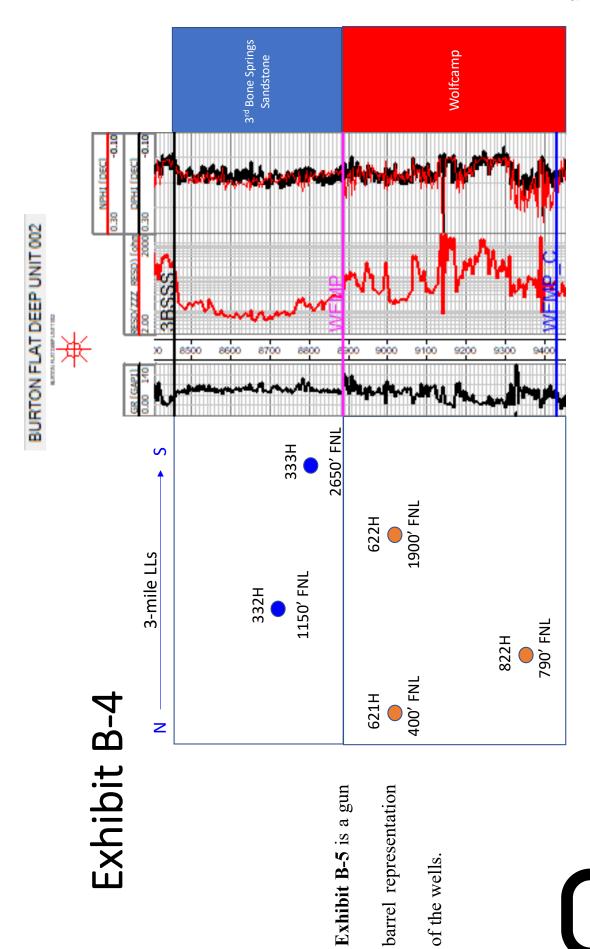


Exhibit B-3 Cross-section A to B. Stratigraphic cross-section hung on top of Wolfcamp. Target interval indicated by well number.









of the wells.

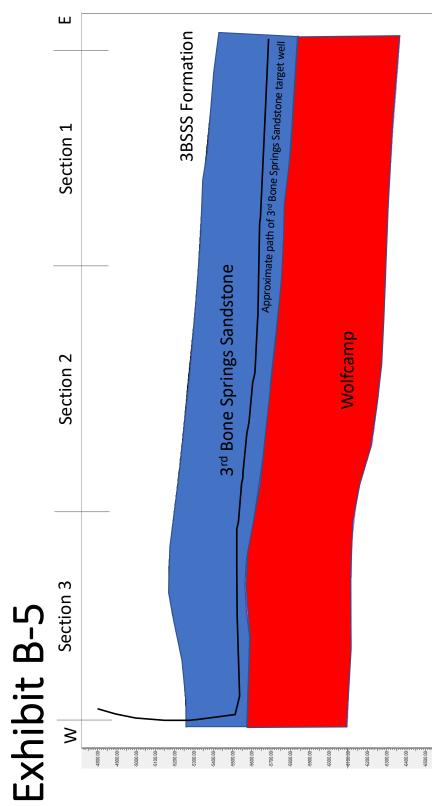


Exhibit B-6 is a cross section with approximate well trajectory.



TAB 4

Case Nos. 22958, 22959, 22960

Exhibit C: Affidavit of Notice, Darin C. Savage Exhibit C-1: Notice Letters (WI & ORRI & RTO)

Exhibit C-2: Mailing List

Exhibit C-3: Affidavits of Publication

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

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

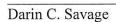
Case Nos. 22958, 22959, & 22960

AFFIDAVIT OF NOTICE

STATE OF NEW MEXICO)	
)	SS
COUNTY OF SANTA FE)	

- I, Darin C. Savage, attorney and authorized representative of Devon Energy Production Company, L.P. ("Devon"), the Applicant herein, being first duly sworn, upon oath, states the following:
- 1. Notice of the applications and hearing in the above-reference cases was timely sent by certified mail, return receipt requested, through the United States Postal Service on July 14, 2022, to all uncommitted interest owners sought to be pooled in this proceeding. See Exhibit C-2, attached hereto. Copies of notice letters and evidence of mailing to parties are attached hereto as Exhibits C-1 and C-2. Notice was also timely served by publication in the Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico, on July 20, 2022, as reflected in the Affidavits of Publication attached hereto as Exhibit C-3.
- 2. It is my understanding that Devon has made a diligent effort to find the names and addresses for the interest owners entitled to receive notice of the application and case herein.





SUBSCRIBED AND SWORN to before me this 16th day of August, 2022, by Darin C. Savage.

Notary Public

My Commission Expires:

STATE OF NEW MEXICO NOTARY PUBLIC MARSHA DALTON COUCH COMMISSION #1077509 COMMISSION EXPIRES 02/10/2026



July 14, 2022

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

ABADIE I SCHILL PC

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

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Devon Energy Production Company, L.P., for a horizontal

spacing unit and compulsory pooling, Eddy County, New Mexico

Burton Flat 3-1 Fed State Com 332H Well (Case No. 22960)

Burton Flat 3-1 Fed State Com 333H Well (Case No. 22959)

Burton Flat 3-1 Fed State Com 621H Well (Case No. 22958)

Burton Flat 3-1 Fed State Com 622H Well (Case No. 22958)

Burton Flat 3-1 Fed State Com 822H Well (Case No. 22958)

Case Nos. 22960, 22959, & 22958:

Dear Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon") has filed the enclosed applications, Case Nos. 22960, 22959 and 22958, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units in the Bone Spring and Wolfcamp formations.

In Case No. 22960, Devon seeks to pool the Bone Spring formation underlying Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, a standard unit encompassing 823.92 acres, more or less, dedicated to the above-referenced 332H Well.

In Case No. 22959, Devon seeks to pool the Bone Spring formation underlying Lots 9 through 16 (equivalent to the S/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, a standard unit encompassing 960 acres, more or less, dedicated to the above-referenced 333H Well.

In Case No. 22958, Devon seeks to pool the Wolfcamp formation underlying Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, a standard

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O: 970.385.4401 • F: 970.385.4901

encompassing 823.92 acres, more or less, dedicated to the above-referenced 621H, 622H, and 822H Wells.

These Case Nos. 22960, 22959, and 22958 are presented to the Division as Devon's preferred horizontal spacing units. Sections 1, 2 and 3 represent unusually large correction sections with 16 Lots in the N/2 of each section. There may be an unresolved question under the Rules about what constitutes a standard horizontal spacing unit in the N/2 of such correction sections, and Devon has filed alternate applications for the possibility that the Division may view the spacing differently than that proposed in these applications. You should receive a similar notice, enclosed, of the alternate applications.

A hearing has been requested before a Division Examiner on August 4, 2022, 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 policies, the hearing will be conducted remotely online. For information about remote access and status of the case, 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 Pre-hearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

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

Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.



ABADIE I SCHILL PC

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

July 14, 2022

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Devon Energy Production Company, L.P., for a horizontal

spacing unit and compulsory pooling, Eddy County, New Mexico

Burton Flat 3-1 Fed State Com 332H Well (Case No. 22960)

Burton Flat 3-1 Fed State Com 333H Well (Case No. 22959)

Burton Flat 3-1 Fed State Com 621H Well (Case No. 22958)

Burton Flat 3-1 Fed State Com 622H Well (Case No. 22958)

Burton Flat 3-1 Fed State Com 822H Well (Case No. 22958)

Case Nos. 22960, 22959, & 22958:

Dear Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon") has filed the enclosed applications, Case Nos. 22960, 22959 and 22958, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units in the Bone Spring and Wolfcamp formations.

In Case No. 22960, Devon seeks to pool the Bone Spring formation underlying Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, a standard unit encompassing 823.92 acres, more or less, dedicated to the above-referenced 332H Well.

In Case No. 22959, Devon seeks to pool the Bone Spring formation underlying Lots 9 through 16 (equivalent to the S/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, a standard unit encompassing 960 acres, more or less, dedicated to the above-referenced 333H Well.

In Case No. 22958, Devon seeks to pool the Wolfcamp formation underlying Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, a standard unit

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214 McKenzie Street, Santa Fe, New Mexico, 87501

O: 970.385.4401 • F: 970.385.4901

encompassing 823.92 acres, more or less, dedicated to the above-referenced 621H, 622H, and 822H Wells.

These Case Nos. 22960, 22959, and 22958 are presented to the Division as Devon's preferred horizontal spacing units. Sections 1, 2 and 3 represent unusually large correction sections with 16 Lots in the N/2 of each section. There may be an unresolved question under the Rules about what constitutes a standard horizontal spacing unit in the N/2 of such correction sections, and Devon has filed alternate applications for the possibility that the Division may view the spacing differently than that proposed in these applications. You should receive a similar notice, enclosed, of the alternate applications.

A hearing has been requested before a Division Examiner on August 4, 2022, 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 policies, the hearing will be conducted remotely online. For information about remote access and status of the case, 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 overriding royalty interest owner and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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

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

Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.



July 14, 2022

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

ABADIE I SCHILL PC

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

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Devon Energy Production Company, L.P., for a horizontal

spacing unit and compulsory pooling, Eddy County, New Mexico

Burton Flat 3-1 Fed State Com 332H Well (Case No. 22960)

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In Case No. 22958, Devon seeks to pool the Wolfcamp formation underlying Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction sections and therefore irregular, a standard unit

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

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

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Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

The color of the										
The color of the	Ownership Type	Name	Street	City	State	Postal Code	Certified Mail No.	Status	Date Delivered	Green Card Returned?
Company Comp	CLIENT	DEVON ENERGY PROD CO LP	•	-	-	-				
The color of the	WI									
Teach	WI		PO BOX 820	HENDERSON	Texas	75653	70220410000152269199	Delivered	7/19/22	YES
Company Comp	WI	BB MANAGEMENT LLC								
Description	WI	BF ENERGY LLC c/o RANDAL BUNESS	3504 E CLAREMONT ST	PARADISE VALLEY	Arizona	85253-3749	70220410000152269168	Delivered	7/20/22	YES
Company Comp	WI									
The Color	WI								- 7/10/22	- VEC
## STREET, CALLED CONTROL 100 FT FUNC STREET,	WI	FRED C COREY	5503 LOS PATIOS DR	MIDLAND	Texas	79707	70220410000152269113	Delivered per USPS.com	7/18/22	NO
The Control Control Control Contro	WI		PO BOX 1659	MIDLAND	Texas	79702-1659	70220410000152269106	Delivered	7/27/22	YES
Mathematics		HERBALY EXPLORATION LLC								
Tempor	WI			ORLANDO		32854	70220410000152269076		7/18/22	
Column	WI									
Column	WI	JIM WHITEHEAD OIL & GAS LLC	PO BOX 44251	PHOENIX	Arizona	85064	70220410000152269045	Delivered	7/19/22	
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MACH REPLICE	WI	PERDANT ENERGY LLC	PO BOX 9626	PHOENIX	Arizona	85068	70220410000152269250	Delivered		
	WI						70220410000152269281			
Goldman, SMRETHLY CORPORATION (CARLOS) The CONTINUENCY CONTINU	WI	REDFERN ENTERPRISES INC	PO BOX 2127	MIDLAND	Texas	79702-2127	70220410000152269311	Delivered	7/25/22	YES
	WI	SABINAL ENERGY LLC DBA SABINAL ENERGY OPERATING LLC	1780 HUGES LANDING BLVD STE 1200	THE WOODLANDS	Texas	77380	70220410000152269298	Delivered		
## CROSCOMMALLIC CAPTORNING MC									7/19/22	YES
COLUMN C	WI	XTO HOLDINGS, LLC c/o XTO ENERGY, INC.	22777 SPRINGWOODS VILLAGE PARKWAY	SPRING	Texas	77389	70220410000152269342	Delivered	7/19/22	YES
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Description	ORRI	ARD OIL LTD	PO BOX 101027							
Company	ORRI	BNM INC	4032 US HWY 82	MAYHILL	New Mexico	88339	70220410000152268949	Delivered	7/18/22	YES
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Description	ORRI	GENE EDWARD TROWBRIDGE III AKA TREYTROWBRIDGE	50000 215TH AVE	PLAINVIEW	Minnesota	55964	70220410000152268840	Delivered	7/19/22	YES
ORN CORN C	ORRI	HUDSON NEW MEXICO MIN TRUST	616 TEXAS ST	FORT WORTH	Texas	76102-4612	70220410000152268826	Delivered		
ORB									7/18/22	- YES
ORBR	ORRI	Kane Resources, LLC	PO Box 471096	Fort Worth	Texas	76147	70220410000152268796	Delivered		
ORB Masin Oals Steregy Holdings LLC 0.125 Luther Lane #1.88 Dallas Texas 7.725 70.220410000152288772 Delivered 71.8722 YES	ORRI ORRI		402 GAMMON PL STE 320						7/19/22	YES
CAR Mellita, LIC S09 E. Ellis Llano Texas 78643 70220410000152268741 Delivered 7/20/22 YES		Mason Oaks Energy Holdings, LLC			Texas	75225		Delivered	7/18/22	YES
ORR MP TITAR Flex LP, MSH Family Real Estate Partnership II, LLC 4.143 Maple Ave. Suite 500 Dallas Texas 752.19 70220410000152268727 In Transit per USPS.com ORR NORBERTM MCCAW 20 C ROSSBOW BD ARTESA New Mexico 88210 70220410000152268370 Delivered 7/18/22 YES ORRI P CORDINATE PO BOX 123510 Fort Worth Texas 76211 70220410000152268697 Delivered 7/18/22 YES ORRI P POROXED PERTOLEUM LLC PO BOX 123510 Fort Worth Texas 76211 70220410000152268697 Delivered N/A YES ORRI P PORNOZ PETROLEUM LLC PO BOX 2292 ROSWELL New Mexico 88202-2292 70220410000152268697 Delivered N/A YES ORRI P POND GOVATA YCOMPANY 200 CROSSOW BD ARTESIA New Mexico 88210 79220410000152268697 Delivered N/A YES ORRI S ROLLA REINIKUE III PO BOX 2292 ROSWELL New Mexico 88210 7920 72020410000152268690 Delivered N/A YES	ORRI	Mellita, LLC	509 E. Ellis	Llano	Texas	78643	70220410000152268741	Delivered	7/20/22	YES
ORBIT NORBERT AMCCAW 202 CROSSEOW RD ARTESIA New Mexico 8210 7022410000152268710 Delivered N/A YES									7/18/22	YES
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ORRI POCO ROVALTY COMPANY 26.0 TERRACE AVE MIDLAND Texas 79705 792204 1000015226866 Delivered 77,18/22 YES ORRI ROBERTA MCCAW 20.2 CROSSROW RD ARTENA New Mexico 82.0 792204 1000015226865 Delivered N/A YES ORRI ROLLA R HINKLE III PO BOX 2292 ROSWELL New Mexico 88202-2292 792204 10000152268642 Delivered N/A YES ORRI RONALD L MARCUM & SYLVIA G MARCUM 4574 WEEPING WILLOW DR EL PAO Texas 79922 702204 10000152268652 Delivered N/A YES ORRI SMP Titan Mineral Holdings LP 4143 Maple Ave. Suite 500 Dallas Texas 752.19 702204 10000152268628 Delivered N/A YES Unsigned ORRI SMP Titan Mineral Holdings LP 4143 Maple Ave. Suite 500 Dallas Texas 752.19 702204 10000152268611 Delivered N/A YES Unsigned ORRI St. Luke Lutheran Church 2 Rev. Or. ML King Dr. Willingboro NJ 08046 702204 10000152268611 Delivered N/A YES Unsigned ORRI St. Luke Lutheran Church PO Box 2008 Willingboro NJ 08046 702204 1000015226858 Delivered 77/19/22 YES ORRI SUBJEC MARIE ROAMAS 2351 WET PROMG RD MULBERRY Tennessee 3739 702204 10000152268598 Delivered 77/19/22 YES ORRI TAY-MOR ENTERPRISES INC PO BOX 4723 MIDLAND Texas 79704 702204 10000152268574 Delivered 77/18/22 YES ORRI TER-MOKEL P 124 LARKSPUR LOOP AITO New Mexico 88312 702204 1000015379988 Delivered 77/18/22 YES ORRI WILLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN 286 LINCOLN HILLS DR AITO New Mexico 88312 702204 1000015269472 Delivered 77/18/22 YES ORRI WINNER HELEN HAYES 107 LABCECIELE KNIGHTDALE North Carolina 27545 702204 10000152269472 Delivered 77/18/22 YES ORRI WINNER HELEN HAYES 107 LABCECIELE KNIGHTDALE North Carolina 27545 702204 10000152269472 Delivered 77/19/22 YES ORRI WINNER HELEN HAYES 107 LABCECIELE KNIGHTDALE North Carolina 27545 702204 10000152269472 Delivered 77/19/22 YES ORR										
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ORRI WILLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN 28 ELINCOLN HILLS DR ALTO New Mexico 88312 70220410000183779964 Delivered 7/18/22 YES JOINT TENANTS 107 JADE CIRCLE KNIGHTDALE North Carolina 27545 70220410000152269427 Delivered per USPS.com 7/19/22 NO ORRI Owns Will, @ XTO Holdings S10 Houston St. Fort Worth Texas 76012 70220410000152269397 Returned Undeliverable S10 Houston St. Fort Worth Texas 78012 70220410000152269397 Returned Undeliverable S10 Houston St. S10 Houston St. Fort Worth Texas 79701 70220410000152269397 Returned Undeliverable S10 Houston St. S1	ORRI	TER-MACK LP	124 LARKSPUR LOOP	ALTO	New Mexico	88312	70220410000183779988	Delivered	7/16/22	YES
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	RTO (Owns WI)	SABINAL ENERGY OPERATING LLC	•			-			·	EXHIBIT

Released to Imaging: 8/17/2022 9:28:39 AM

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
■ Complete items 1, 2, and 3.	A. Signature
■ Print your name and address on the reverse	X Agent Addressee
so that we can return the card to you.	B. Received by (Printed Name) C. Date of Delivery
Attach this card to the back of the mailpiece, or on the front if space permits.	Esche 7/25/21
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
MAGIC MERLIN ENERGY	
INVESTMENTS LLC	
PO BOX 2309	
BEND, OR 97709	
	2 Coming Type
	3. Service Type ☐ Priority Mail Express® ☐ Registered Mail™
	☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Delivery
9590 9402 7352 2028 3916 79	☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation
2. Article Number (Transfer from service label)	Collect on Delivery Restricted Delivery Mail Mail
2055 0470 0007 255P 207,	Mail Restricted Delivery (over ৯০০০)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

Me in the	₩-				
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. Article Addressed to: 	B. Received by (Printed Name) D. Is delivery address different from	Agent Addressee C. Date of Delivery 16222 n item 1? Yes			
TER-MACK LP 124 LARKSPUR LOOP ALTO, NM 88312	If YES, enter delivery address				
9590 9402 7352 2028 3912 28 2. Article Number (<i>Transfer from service label</i>) 7022 0410 0001 8377 9988	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Insured Mail I Mail Restricted Delivery 500)	 □ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery 			
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt			

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 X
MAYHILL OIL CORPORATION PO BOX 5334 MIDLAND, TX 79704	If YES, enter delivery address below:
9590 9402 7352 2028 3914 19 2. Article Number (Transfer from service label) 7022 0410 0001 5226 875	3. Service Type ☐ Adult Signature ☐ Adult Signature ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Gall ☐ Mail Restricted Delivery ☐ Alil ☐ Mail Restricted Delivery ☐ Correspond (Acres approximately provided the provided Restricted Delivery) ☐ Correspond (Acres approximately provided Registered Mail Express® ☐ Registered Mail Express® ☐ Registered Mail The Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Signature Confirmation ☐ Res
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDEF	R: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Print you so that Attach or on t	ete items 1, 2, and 3. our name and address on the reverse we can return the card to you. this card to the back of the mailpiece, he front if space permits.	A. Signature X Sophim Addressee B. Received by (Printed Name) C. Date of Delivery Stephane Hunt D. Is delivery address different from item 12 Yes If YES, enter delivery address below: No
	TAY-MOR ENTERPRISES INC PO BOX 4723 MIDLAND, TX 79704	
2. Article N	90 9402 7352 2028 3912 35 Sumber (Transfer from service label)	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation ☐ Restricted Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation
PS Form	3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. 	A. Signature X
1. Article Addressed to: POCO ROYALTY COMPANY 2602 TERRACE AVE MIDLAND, TX 79705	D. Is delivery address different from item 1?
9590 9402 7352 2028 3913 27 2. Article Number (<i>Transfer from service label</i>)	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Registered Mail Restricted Delivery □ Signature Confirmation □ Restricted Delivery
7022 0410 0001 5226 866	,
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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 Agent Addressee B. Received by (Printed Name) D. Is delivery address different from item 1? If YES, enter delivery address below: No
WILLIAM STEINMANN JR & PATRICIA STEINMANN, JT 286 LINCOLN HILLS DR ALTO, NM 88312	
9590 9402 7352 2028 3912 04	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Registered Polivery ☐ Signature Confirmation
2 Article Number (Transfer from service label) 7022 0410 0001 8377 9964	Collect on Delivery Restricted Delivery i Mail I Mail Restricted Delivery (over \$500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. Article Addressed to: 	A. Signature X Agent Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below: No
PENASCO PETROLEUM LLC PO BOX 2292 ROSWELL, NM 88202-2292	in 120, enter delivery address below.
9590 9402 7352 2028 3913 41 2 Article Number (Transfer from service label) 7022 0410 0001 5226 868	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Aail Aail Restricted Delivery Aail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COM	PLETE THIS SECTION		COMPLETE THIS SECTION ON	I DELIVERY
so that we can Attach this can	ne and address on the revers n return the card to you. I'd to the back of the mailpied if space permits.		A. Signature X B. Received by (Printed Name) D. Is delivery address different from If YES, enter delivery address	
	OLLA R HINKLE III PO BOX 2292 /ELL, NM 88202-2292		ii 120, enter delivery address.	S DOLOW.
2 Article Number (02 7352 2028 3913 03 Transfer from service labell 1410 0001 5224		3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail ☐ Mail Restricted Delivery ☐ (over \$500)	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811,	July 2020 PSN 7530-02-000-90	53		Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
■ Complete items 1, 2, and 3.	A. Signature
■ Print your name and address on the reverse	X Multi Waln Agent Addressee
so that we can return the card to you.	B. Received by (Printed Name) C. Date of Delivery
Attach this card to the back of the mailpiece, or on the front if space permits.	I wate Nelcon 7/18/22
1. Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
BNM INC 4032 US HWY 82 MAYHILL, NM 88339	
9590 9402 7352 2028 3916 00	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Signature Confirmation □ Signature Confirmation
2. Article Number (Transfer from service label) 7022 0410 0001 5226 8949	☐ Collect on Delivery Restricted Delivery ed Mail ed Mail Restricted Delivery \$500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. 	A. Signature Agent Addressee B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
STATE OF NM COMMISSION OF PUBLIC LANDS PO BOX 1148 SANTA FE, NM 87504-1148	
9590 9402 7329 2028 4929 10	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Signature Confirmation
2. Article Number (Transfer from service label) 7022 0410 0001 5226 9380	☐ Collect on Delivery Restricted Delivery red Mail red Mail Restricted Delivery (over \$500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

	The same
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. 	A. Signature X Agent Addressee B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to: ST. LUKE LUTHERAN CHURCH 2 REV. DR. ML KING DR. WILLINGBORO, NJ 08046	D. Is delivery address different from item 1?
9590 9402 7352 2028 3912 66 2. Article Number (Transfer from service lebel) 7022 0410 0001 5226 860	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail ☐ Mail Restricted Delivery ☐ Collect Sooo
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

The second secon	
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. 	A. Signature A. Signature A. Signature A. Signature Addressee B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
ST. LUKE LUTHERAN CHURCH PO BOX 2008 WILLINGBORO, NJ 08046	MITHER DE WAS 1825
9590 9402 7352 2028 3912 59 2 Article Number (Transfer from service label) 7022 0410 0001 5226 859	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect On Delivery Restricted Delivery ☐ Collect On Delivery Restricted Delivery ☐ Mail Mail Restricted Delivery Noil Restricted Delivery ☐ Collect On Delivery Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DEL	IVERY
 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. 	A. Signature X Mad Cap B. Received by (Printed Name)	☐ Agent ☐ Addressee C. Date of Delivery 7~14~ ≥>
1. Article Addressed to:	D. Is delivery address different from iter If YES, enter delivery address below	
MADISON CAPITAL ENERGY ATTN BEN CLAVETTE 402 GAMMON PL STE 320 MADISON, WI 53719		
9590 9402 7352 2028 3914 33 2. Article Number (Transfer from service label) 7022 0410 0001 5224 8765	□ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery Mail	riority Mail Express® legistered Mail™ legistered Mail Restricted lelivery lignature Confirmation™ lignature Confirmation lestricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Dome	estic Return Receipt

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. 	A. Signature X Au Deur Agent Addressee B. Received by (Printed Name) CA WILLIAMS 7/19/2Z
BUREAU OF LAND MANAGEMENT 620 E GREENE ST. CARLSBAD, NM 88220	D. Is delivery address different from item 1?
9590 9402 7329 2028 4929 03 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9366	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. 	A. Signature X Gene Mould Agent Aderessee B. Beceived by (Printed Name) C. Date of Delivery Dene Towhy do 7-19-22
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
GENE EDWARD TROWBRIDGE III AKA TREY TROWBRIDGE 50000 215TH AVE PLAINVIEW, MN 55964	
9590 9402 7352 2028 3915 01 2 Article Number (Transfer from service label)	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect On Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery
7022 0410 0001 5226 8840	Mail Mail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. Article Addressed to: BF ENERGY C/O RANDAL BUNESS 3504 E CLAREMONT ST PARADISE VALLEY, AZ 85253	A. Signature X B. Received by (Printed Name) D. Is delivery address different from If YES, enter delivery address	
9590 9402 7329 2028 4927 05 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9168	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Mail Mail Restricted Delivery joo)	☐ Priority Mail Express® ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt

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. Article Addressed to: SUDIE MARIE ADAMS 2351 WET PRONG RD MULBERRY, TN 37359 	A. Signature X Subject Adows Agent Deceived by (Printed Name) B. Received by (Printed Name) C. Date of Delivery The Addressee D. Is delivery address different from item 1? If YES, enter delivery address below:
9590 9402 7352 2028 3912 42 2. Article Number (Transfer from service lebel) 7022 0410 0001 5224 8581	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail ☐ Mail ☐ Mail Restricted Delivery ☐ Cover \$500) ☐ Priority Mail Express® ☐ Registered Mail TM ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. 	A. Signature A. Signature A. Signature Addressee B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from item 1?
PERDANT ENERGY LLC PO BOX 9626 PHOENIX, AZ 85068	
9590 9402 7329 2028 4928 04	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Signature Confirmation □ Signature Confirmation
2. Article Number (<i>Transfer from service label</i>) 7022 0410 0001 5226 9250	Collect on Delivery Restricted Delivery red Mail red Mail Restricted Delivery \$500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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 X
CHESAPEAKE EXPLORATION LLC 6100 N. WESTERN AVE. OKC , OK 73118	JUL 1 9 2022 MAILROOM 9
9590 9402 7352 2028 3915 70 2. Article Number (Transfer from service label) 7022 0410 0001 5226 8918	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ ured Mail ☐ ured Mail Restricted Delivery ☐ r \$500) ☐ Priority Mail Express® ☐ Registered Mail Testricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery ☐ Restricted Delivery ☐ Restricted Delivery ☐ R
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. Article Addressed to: 	A. Signature X
MOON ROYALTY LLC PO BOX 720070 OK CITY , OK 73172	
9590 9402 7329 2028 4927 74 2 Article Number (Transfer from service label) 7022 0410 0001 5224 923	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Mail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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 A. Signature A. Signature Addressee B. Received by (Printed Name) C. Date of Delivery Penal Pickarski 7-18-22 D. Is delivery address different from item 1? If YES, enter delivery address below: No
PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH, TX 77381	
9590 9402 7352 2028 3913 34 2. Article Number (Transfer from service label) 7022 0410 0001 5226 867	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ ail ☐ ail Restricted Delivery ☐ (over \$500) ☐ Priority Mail Express® ☐ Registered Mail TM ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. 	A. Signature X 5 Sentoes C19 Agent B. Received by (Printed Name) C. Date of Delivery DS R79 C19 07-18
J & J ENERGY LLC 300 N SORREL CT SHOW LOW, AZ 85901	D. Is delivery address different from item 1?
9590 9402 7329 2028 4926 20 2. Article Number (Transfer from service label) 7022 0410 0001 5226 90	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ I Restricted Delivery ☐ I Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. 	A. Signature X
ZORRO PARTNERS LTD 616 TEXAS ST FT WORTH, TX 76102-4612	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 7329 2028 4928 97 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9359	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ I Mail ☐ Mail Restricted Delivery ☐ 3. Service Type ☐ Registered Mail Express® ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. Article Addressed to: CHEVRON USA INC. 6001 BOLLINGER CANYON RD #G1264 SAN RAMON, CA 94583 	A. Signature X
9590 9402 7352 2028 3915 63 2. Article Number (Transfer from service label) 7022 0410 0001 5226 890	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail Adail Restricted Delivery Adail Adail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER:	COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
■ Print yo so that the Attach the	te items 1, 2, and 3. ur name and address on the reverse we can return the card to you. his card to the back of the mailpiece, e front if space permits. ddressed to:	A. Signature X B. Received by (Printed Name) EMAN ZA D. Is delivery address different from If YES, enter delivery address	
	ANGELA BROWN MGMT TRUST CITIZENS NATL BANK AGENT PO BOX 820 HENDERSON, TX 75653		
	90 9402 7329 2028 4927 36	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery
700		Mail I I I I I I I I I I I I I I I I I I I	III
PS Form 3	811, July 2020 PSN 7530-02-000-9053	C	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3.	A. Signature	
■ Print your name and address on the reverse	X Mitte held Agent Addressee	
so that we can return the card to you. Attach this card to the back of the mailpiece,	B. Received by (Printed Name) C. Date of Delivery	
or on the front if space permits.	Mysty Killia	
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
HUDSON, NM MIN TRUST 616 TEXAS ST FORT WORTH, TX 76102-4612		
9590 9402 7352 2028 3914 88	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery □ Signature Confirmation □ Signature Confirmation □ Signature Confirmation	
2. Article Number (Transfer from service label) 7022 0410 0001 5226 8826	Collect on Delivery Restricted Delivery Mail Mail Restricted Delivery Oo)	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt	

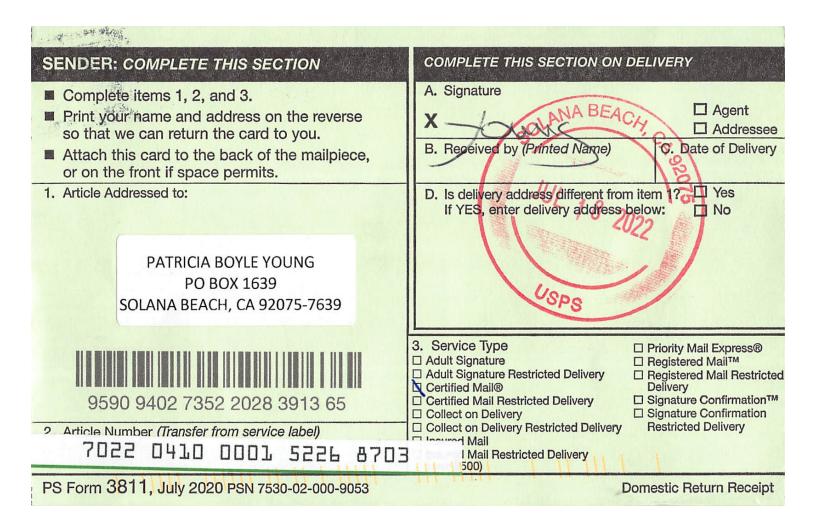
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: 	A. Signature X Agent Addressee B. Received by (Printed Name) C. Date of Delivery C. Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below: No
GOLDEN ROCK ENERGY PARTNERS LP 5956 SHERRY LANE STE 1221 DALLAS, TX 75225	
9590 9402 7352 2028 3914 95 2 Article Number (Transfer from service label) 7022 0410 0001 5226 8835	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail Mail Restricted Delivery ☐ Cover \$500) ☐ Priority Mail Express® ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. Article Addressed to: 	A. Signature X Addressee B. Received by (Printed Name) C. Date of Delivery 7-19-22 D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
DAVOIL INC PO BOX 122269 FORT WORTH, TX 76121-2269	
9590 9402 7329 2028 4926 68 2. Article Number (Transfer from service label) 7077 0410 0001 5226 912	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery
TOLL DIE COOLING	(voc voc 0)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDE	R: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON D	DELIVERY
Print so th	plete items 1, 2, and 3. your name and address on the reveat we can return the card to you. th this card to the back of the mailpointhe front if space permits. Addressed to:	4674	A. Signature B. Received by (Printed Name) D. Is delivery address different from If YES, enter delivery address by	
	COLGATE ROYALTIES LP 300 N MARIENFIELD STE 1000 MIDLAND, TX 79701		JUL 1 9 20	
2 Article	0590 9402 7352 2028 3915 5 e Number (Transfer from service label) 022 0410 0001 522		3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Mail Mail Restricted Delivery 3. Mail Restricted Delivery	☐ Priority Mail Express® ☐ Registered Mail TM ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation TM ☐ Signature Confirmation Restricted Delivery
PS Forn	n 3811, July 2020 PSN 7530-02-000	-9053	D	omestic Return Receipt

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. Article Addressed to: 	A. Signature B. Beceived by (Printed Name) D. Is delivery address different from If YES, enter delivery address	
JAVELINA PARTNERS 616 TEXAS ST FT WORTH, TX 76102-4612		
9590 9402 7329 2028 4926 06 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9069	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery ed Mail ed Mail Restricted Delivery \$500)	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	C	Domestic Return Receipt

MANAGER	
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. Article Addressed to: XTO HOLDINGS C/O XTO ENERGY 22777 SPRINGWOODS VILLAGE PARKWAY SPRING, TX 77389	A. Signature X
9590 9402 7329 2028 4928 80 2 Article Number (Transfer from service label) 7022 0410 uu01 5226 7342	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Hegistered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt



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. Article Addressed to: 	A. Signature Agent Addressee B. Received by (Printed Name) C. Date of Delivery MARGARET GATES 7/18/22 D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
JOHN W GATES LLC 706 WEST GRAND STREET ARTESIA, NM 88210	
9590 9402 7352 2028 3914 64 2. Article Number (Transfer from service label) 7022 0410 0001 5226 8802	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Mail ☐ d Mail ☐ d Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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 A. Signature Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below:
NORBERT M MCCAW 202 CROSSBOW RD ARTESIA, NM 88210	
9590 9402 7352 2028 3913 72 2. Article Number (Transfer from service label) 7022 0410 0001 5226 871	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery □ Aail Aail Restricted Delivery Aail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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ROBERTA MCCAW 202 CROSSBOW RD ARTESIA, NM 88210	
9590 9402 7352 2028 3913 10 2 Article Number (Transfer from service label) 7022 0410 0001 5226	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Mail Restricted Delivery Registered Mail Restricted Delivery Signature Confirmation Restricted Delivery Ad Mail Mail Restricted Delivery Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9	

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: ANN T TOLLEFSON REV LVG TRUST ANN TOLLEFSON TRUSTEE PO BOX 639 STORY, WY 82842 3. Service Type Adult Signature Adult Signature Restricted Delivery Adult Signature Restricted Delivery Collect on Delivery Registered Mail Restricted Delivery Signature Confirmation Restricted Delivery Collect on Delivery Col		
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: ANN T TOLLEFSON REV LVG TRUST ANN TOLLEFSON TRUSTEE PO BOX 639 STORY, WY 82842 3. Service Type Adult Signature Adult Signature Adult Signature Adult Signature Collect on Delivery Certified Mail® Collect on Delivery Collect on Delivery Collect on Delivery Adult Restricted Delivery Collect on Delivery Signature Confirmation Restricted Delivery Signature Confirmation Restricted Delivery Signature Confirmation Restricted Delivery Collect on Delivery Restricted Delivery Adult Restricted Delivery Adult Restricted Delivery Collect on Delivery Restricted Delivery Adult Restricted Delivery Signature Confirmation Restricted Delivery Collect on Delivery Restricted Delivery Adult Restricted Delivery Collect on Delivery Restricted Delivery Adult Restricted Delivery Collect on Delivery Restricted Delivery Adult Restricted Delivery Signature Confirmation Restricted Delivery Collect on Delivery Restricted Delivery Adult Restricted Delivery Collect on Delivery Registered Mail Restricted Deliv	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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: B. Received by (Printed Name) C. Date of Delivery 7 1 1 2 2 2 2 2 2 3 9 1 6 3 1 2 2 2 2 2 3 9 1 6 3 1 2 2 2 2 2 3 9 1 6 3 1 2 2 2 2 2 3 9 1 5 2 2 5 3 7 2 2 2 2 2 8 3 9 1 5 2 2 5 3 7 2 2 2 2 3 9 1 6 3 1 2 2 2 2 2 3 9 1 6 3 1 2 2 2 2 2 3 9 1 6 3 1 2 2 2 2 3 3 2 2 2 2 3 9 1 6 3 1 2 3 2 2 2 2 3 3 2 2 2 2 3 3 3 2 3 3 3 2 3	Complete items 1, 2, and 3.	
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9590 9402 7352 2028 3916 31 2. Article Number (Transfer from service label) 7022 0410 0001 5226 8970		☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted
2. Article Number (Transfer from service label) 7022 0410 0001 5226 8970 Mail Aail Restricted Delivery (Collect on Delivery Restricted Delivery Restricted Delivery O)	9590 9402 7352 2028 3916 31	
7022 0410 0001 5226 8970 Aail Restricted Delivery		
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PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt	1000 0710 0001 3000 011	nall Hestricted Delivery
	PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. 	A. Signature X
1. Article Addressed to: M CODE LLC 5744 E JOSHUA TREE LN PARADISE VALLEY, AZ 85253	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 7352 2028 3916 86 2. Article Number (<i>Transfer from service label</i>) 7022 0410 0001 5226 9	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery □ Iail □ Iail Restricted Delivery □ Iail Iail Restricted Delivery □ Iail Iail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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MASON OAKS ENERGY HOLDINGS, LLC 6125 LUTHER LANE #188 DALLAS, TX 75225	
9590 9402 7352 2028 3914 26 2. Article Number (Transfer from service label) 7022 0410 0001 5226 877	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery □ Mail Mail Restricted Delivery Mail Restricted Delivery Cover \$\phi = 0.0000000000000000000000000000000000
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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SENDER:	COMPLETE THIS SECTION	COMPLETE THIS SECTION ON L	DELIVERY
Print yo so that Attach to or on the	te items 1, 2, and 3. ur name and address on the reverse we can return the card to you. this card to the back of the mailpiece, e front if space permits. ddressed to:	A. Signature CEVE X B. Received M (Printed Nation 2) Conzalo Argote D. Is delivery address different from If YES, enter delivery address to	☐ Agent ☐ Addressee C. Date of Delivery nitem 1? ☐ Yes Delow: ☐ No
	MEWBOURNE OIL COMPANY PO BOX 7698 TYLER, TX 75701		
2. Article N	90 9402 7352 2028 3913 96 umber (Transfer from service label)	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Iail Iail Restricted Delivery O)	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery
PS Form 3	811, July 2020 PSN 7530-02-000-9053		omestic Return Receipt

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Print your notes that weAttach this	tems 1, 2, and 3. name and address on the reverse can return the card to you. card to the back of the mailpiece, ont if space permits.	A. Signature X due of factors B. Received by (Printed Name)	☐ Agent ☐ Addressee ☐ C. Date of Delivery
1. Article Addre	essed to:	D. Is delivery address different from If YES, enter delivery address	
	JEFF PHILLIPS 5710 DEVLIN PL MIDLAND, TX 79707		
O Article Numb	9402 7352 2028 3917 16	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Mail	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery
IULL		Mail Restricted Delivery (over \$500)	
PS Form 381	1, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt

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. Article Addressed to: BEACHBUMS ENERGY LLC PO BOX 5141	A. Signature X B. Received by (Printed Name) C. Date of Delive 7-20-72 D. Is delivery address different from item 1? If YES, enter delivery address below: No
SCOTTSDALE, AZ 85261-5141	
7022 0410 0001 5226 417	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Collect on Delivery Restricted Delivery ☐ Insured Mail Mail Restricted Delivery ☐ Mail Restricted Delivery ☐ Onlect On Delivery Restricted Delivery ☐ Unsured Mail ☐ Mail Restricted Delivery ☐ Onlect On Delivery ☐ Unsured Mail ☐ Mail Restricted Delivery ☐ Onlect O
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
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CHEVRON USA, INC. 6301 DEAUVILLE BLVD MIDLAND, TX 79706		
9590 9402 7329 2028 4926 99 2. Article Number (<i>Transfer from service label</i>) 7022 0410 0001 5226 9151	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Mail	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt

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. Article Addressed to: 	A. Signature X Addressee B. Received by (Printed Name) C. Date of Delivery Addressee D. Is delivery address different from item 1? If YES, enter delivery address below:
G4 RESOURCES, LP PO BOX 53687 MIDLAND, TX 79710	
9590 9402 7352 2028 3915 18 2 Article Number (Transfer from service label) 7022 0410 0001 5226 8857	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail ☐ Mail ☐ Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. Article Addressed to: 	A. Signature A. Signature A. Signature Addressee B. Received by (Printed Name) D. Is delivery address different from item 1? If Yes If YES, enter delivery address below:
QUIMEX INTERNATIONAL INC ROBERT BEESON 1900 KING ST MIDLAND, TX 79701	
9590 9402 7329 2028 4928 11 2. Article Number (<i>Transfer from service label</i>)	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail
7022 0410 0001 5226 9274	d Mail Restricted Delivery ;500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Recei

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. 	A. Signature X
1. Article Addressed to: BRITT TROWBRIDGE 2509 23RD AVE SE ROCHESTER, MN 55904	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 7352 2028 3915 94 2. Article Number (Transfer from service label) 7022 0410 0001 5226 893	1 (CVC) 40000)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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1. Article	Addressed to: HERBALY EXPLORATION LLC 1420 W CANAL CT STE 150 LITTLETON, CO 80120-5660	D. Is delivery address different from If YES, enter delivery address	
autoria (Carolina antaria) din An	590 9402 7329 2028 4926 37 Number (Transfer from service label) 7022 0410 0001 522ь 90	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Restricted Delivery	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery
PS Form	3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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JIM WHITEHEAD OIL & GAS LLC PO BOX 44251 PHOENIX, AZ 85064	
9590 9402 7352 2028 3917 09 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9045	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
■ Complete items 1, 2, and 3.	A. Signature
Print your name and address on the reverse so that we can return the card to you.	X Public MC Agent Addressee
Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
BETH TROWBRIDGE CRAIG 5115 KIM LN CHEYENNE, WY 82009	
9590 9402 7352 2028 3916 17 2. Article Number (Transfer from service label)	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect On Delivery Restricted Delivery Mail ☐ Priority Mail Express® ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery
7022 0410 0001 5226 895	Mail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON L	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. 	A. Signature X B. Received by (Printed Name)	☐ Agent☐ Addressee☐ C. Date of Delivery
1. Article Addressed to: SMP SIDECAR TITAN MINERAL HOLDINGS LP 4143 MAPLE AVE. SUITE 500 DALLAS, TX 75219	D. Is delivery address different from If YES, enter delivery address be	
9590 9402 7352 2028 3912 80 2 Article Number (Transfer from service label) 7022 0410 0001 5226 862	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery Mail Mail Restricted Delivery (over φ500)	 □ Priority Mail Express® □ Registered Mail Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	D	omestic Return Receipt

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
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1. Article Addressed to: SMP TITAN MINERAL HOLDINGS LP 4143 MAPLE AVE. SUITE 500 DALLAS, TX 75219	D. Is delivery address different fro If YES, enter delivery address	m item 1? □ Yes below: □ No
9590 9402 7352 2028 3912 73 2. Article Number (Transfer from service label) 7022 0410 0001 5226 8611	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail ☐ Mail ☐ Mail Restricted Delivery 500)	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt

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1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
BB MANAGEMENT LLC PO BOX 80735 PHOENIX, AZ 85060		
9590 9402 7329 2028 4927 29 2 Article Number (Transfer from service label)	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail	
7022 0410 0001 5226 9182	Mail Restricted Delivery (00)	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt	

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. Article Addressed to: THOMAS FAMILY PARTNERSHIP PO BOX 44252 PHOENIX, AZ 85064 	A. Signature A. Signature A. Signature A. Address different from item 1? D. Is delivery address different from item 1? If YES, enter delivery address below: No	essee
9590 9402 7329 2028 4928 73 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9328	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Heatered Mail ☐ Mail Restricted Delivery ☐ Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Restricted Delivery ☐ Restricted Delivery	stricted tion™ tion
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Rec	ceipt

e the water			
SENDER:	COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
Print you so that w	e items 1, 2, and 3. Ir name and address on the reverse we can return the card to you. In a card to the back of the mailpiece, or front if space permits. It is card to:	A. Signature B. Received by (Printed Name) Ar che ue D. Is delivery address different from If YES, enter delivery address	
	ABJ OIL COMPANY LTD PO BOX 44242 PHOENIX, AZ 85064		
2. Article Nu	0 9402 7329 2028 4927 43 mber (Transfer from service label) 2 0410 0001 5226 9205	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Insured Mail d Mail Restricted Delivery	☐ Priority Mail Express® ☐ Registered Mail [™] ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation [™] ☐ Signature Confirmation ☐ Restricted Delivery
de service de la constant de	311, July 2020 PSN 7530-02-000-9053	3500)	Domestic Return Receipt

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. Article Addressed to: 	A. Signature X
LYNN CHARUK PO BOX 52370 MIDLAND, TX 79710	
9590 9402 7352 2028 3916 93	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery □ I
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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. 	A. Signature X Agent Addressee B. Received by (Printed Name) C Date of Delivery 7-20-22
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
MELLITA, LLC 509 E. ELLIS LLANO, TX 78643	
9590 9402 7352 2028 3914 02 2. Article Number (Transfer from service label) 7022 0410 0001 5226 8743	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail Mail Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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1. Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No	
MRC PERMIAN COMPANY 5400 LBJ FREEWAY, SUITE 1500 DALLAS, TX 75240		
9590 9402 7329 2028 4927 81 2. Article Number (<i>Transfer from service label</i>) 7022 0410 0001 5226 9243	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ G Mail ☐ d Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery	
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 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. Article Addressed to: PEGASUS RESOURCES, LLC PO BOX 123610 FORT WORTH, TX 76121 	A. Signature X Agent Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below: No
9590 9402 7352 2028 3913 58 2 Article Number (Transfer from service label) 7022 0410 0001 5226 869	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect On Delivery Restricted Delivery ☐ Insured Mail Mail Restricted Delivery Mail Restricted Delivery ☐ Insured Mail Mail Restricted Delivery 00)
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9590 9402 7329 2028 4928 59 2. Article Number (<i>Transfer from service label</i>) 7022 0410 0001 5226 929	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Iail ☐ Iail Restricted Delivery ☐ Iail ☐ Iail Restricted Delivery
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1. Article Addressed to: RANCH 707 LLC 707 E QUARTERHORSE LN CAMP VERDE, AZ 86322-6899	D. Is delivery address different from If YES, enter delivery address	
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ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL ENERGY 402 GAMMON PL STE 200 MADISON, WI 53719-1059	
9590 9402 7352 2028 3916 62	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery
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CLAREMONT CORPORATION PO BOX 3226 TULSA, OK 74101-3226	Fr. MOINMOOSS
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RJ FORTUNE INVESTMENTS LLC 9290 E THOMPSON PEAK PKWY UNIT 257 SCOTTSDALE, AZ 85255-4513		
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REDFERN ENTERPRISES INC PO BOX 2127 MIDLAND, TX 79702-2127	
9590 9402 7329 2028 4928 35	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
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GW HOLDINGS WESTERN DRILLI PO BOX MIDLAND, TX	NG COMPANY 1659		
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1. Article Addressed to: RONALD & SYLVIA MARCUM 4574 WEEPING WILLOW DR EL PASO, TX 79922	D. Is delivery address different from If YES, enter delivery address be	
9590 9402 7352 2028 3912 97 2. Article Number (Transfer from service label) 7022 0410 0001 5226 8635	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery I Mail Mail Restricted Delivery 500)	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery
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TYLER TROWBRIDGE 9514 CIVIC WAY APT 301 PROSPECT, KENTUCKY 40059-	D. Is delivery address different from item 1? 2 Yes If YES, enter delivery address below: No 10942 Kings Crown Dr. Pospect, KY 40059
9590 9402 7352 2028 3912 11 2 Article Number (Transfer from service label) 7022 0410 0001 8377 9971	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail ☐ d Mail Restricted Delivery
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KANE RESOURCES, LLC PO BOX 471096 FORT WORTH, TX 76147	If YES, enter delivery address I	A CONTRACT OF THE PARTY OF THE
9590 9402 7352 2028 3914 57 2 Article Number (Transfer from service label) 7022 0410 0001 5226 879	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Collect on Delivery Collect on Delivery Mail Mail Restricted Delivery	☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery
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ARD OIL LTD PO BOX 101027 FORT WORTH, TX 76185	
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Carisbad Current Argus.

Affidavit of Publication Ad # 0005341597 This is not an invoice

ABADIE SCHILL P.C. 555 RIVERGATE # B 4-180

DURANGO, CO 81301-7485

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 in editions dated as follows:

07/20/2022

Legal Clerk

Subscribed and sworn before me this July 20, 2022:

State of WI, County of Brown NOTARY PUBLIC

1 --

My commission expires

Ad # 0005341597 PO #: 5341597 # of Affidavits1

This is not an invoice

KATHLEEN ALLEN Notary Public State of Wisconsin

C-3

CASE No. 22958: Notice to all affected parties and persons having any right, title, interest or claim to this case, includ-ing overriding royalty interest owners and record title owners, as well as the known and unknown heirs, devisees, assigns and successors of ABJ OIL COMPANY LTD, ANGELA BROWN MGMT TRUST S ANGELA BROWN THEE ATTN TOBY FAILS SR VP TR OFFICER CITIZENS NATE BANK AGENT, BB ers, as well as the known and unknown heirs, devisees, assigns and successors of ABJ OIL COMPANY LTD, ANGELA BROWN MGMT TRUST S ANGELA BROWN TEE ATTN TOBY FAILS SR VP TR OFFICER CITIZENS NATL BANK AGENT, BB MANAGEMENT LLC, BEACHBUMS ENERGY LLC, BF ENERGY LLC COR RANDAL BUNESS, CHEVRON USA, INC., CLAREMONT CORPORATION, CROSSWINDS RESOURCES LLC, DAVOIL INC, FRED C COREY, GW HOLDINGS INC GREAT WESTERN DRILLING LTD DBA GREAT WESTERN DRILLING LTD DBA GREAT WESTERN DRILLING COMPANY, HERBALY EXPLORATION LLC, J & J ENERGY LLC, JAMES L HEWITT, JAVELINA PARTNERS, JEFF PHILLIPS, JIM WHITEHEAD OIL & GAS LLC, LYNN CHARDK, M CODE LLC, MAGIC MERLIN ENERGY INVESTMENTS LLC, MAGNUM HUNTER PRODUCTION INC., C/O CIMAREX ENERGY CO., MITCHEL E CHENEY C/O CHENEY ENERGY PARTNERS LLC, MOON ROYALTY LLC, MRC PERMIAN COMPANY, PALADIN INC L ANDREW SMITH PRESIDENT, PERDANT ENERGY LLC, QUIMEX INTERNATIONAL INC ROBERT BEESON, RANCH 707 LLC, REDFERN ENTERPRISES INC, RJ FORTUNE INVESTMENTS LLC, SJEB RESOURCES, THOMAS FAMILY LTD PARTNERSHIP, XTO HOLDINGS, LLC C/O XTO ENERGY, INC., ZORRO PARTNERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL ENERGY INCOME FUND I, AMERIPERMIAN HOLDINGS, LLC, ANN T TOLLEFSON REV LVG TRUST DTD JUNE 7 2006 ANN TOLLEFSON TRUSTEE, ANNA STOTT ESTATE, AND OIL LC, CHEVRON USA INC., COLGATE ROYALTES LP, ELIZABETH L CHENEY MITCHEL E CHENEY TRUSTEE, LIZABETH L CHENEY MITCHEL E CHENEY FAMILY REV TR ALEXANDER K CHENEY TIELE, ESTATE OF GWENDOLYN PRUTLEDGE ALEXIS A SCOTT PERSONAL REP, G4 RESOURCES, LP, GENE EDWARD TROWBRIDGE III AKA TREY TROWBRIDGE, GOLDEN ROCK ENERGY PARTNERS LP, HUDSON NEW MEXICO MIN TRUST, JANET LEWIS, JOHN W GATES LLC, KANE RESOURCES, LLC, LIBERTY OIL & GAS CORPORATION, MADISON CAPITAL ENERGY HOLDINGS, LLC, MAYHILL OIL CORPORATION, MELLITA, LLC, MERCY JUNG, PERSOURCE SULC, MAYHILL OIL CORPORATION, MELLITA, LLC, MERCY JUNG, PERSOURCES, LLC, LIBERTY OIL & GAS CORPORATION, MELLITA, LLC, MERCY JUNG ENERGY HOLDINGS, LLC, MAYHILL OIL COMPANY, MP TITAN FILEX LP, MSH FAMILLY REAL the current COVID-19 Public Health policies, the hearing will be conducted remotely online. For information about remote access and the status of the case, you can visit the Division's website at: https://www.emnrd.nm.gov/ocd/hearing-in fo/ 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) establishing a standard 823-92-acre, more or less, horizontal spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/Z) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying said unit. Said horidesignated as an oil pool, underlying said unit. Said horizontal spacing unit is to be dedicated to the following three wells: Burton Flat 3-1 Fed State Com 621H Well, Burton Flat 3-1 Fed State Com 622H Well, and the Burton Flat 3-1 Fed 3-1 Fed State Com 622H Well, and the Burton Flat 3-1 Fed State Com 822H Well; the Burton Flat 3-1 Fed State Com 621H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 1 of Section 1; the Burton Flat 3-1 Fed State Com 622H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1; and the Burton Flat 3-1 Fed State Com 822H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 1 of Section 1. The application in this Case No. 22958 is presented to the Division as Devon's preferred horizontal is presented to the Division as Devon's preferred horizontal spacing unit. Sections 1, 2, and 3 represent unusually large correction sections with 16 Lots in the N/2 of each Section. There may be a question under the Rules about what constitutes a standard horizontal spacing unit in such Sections, and Devon has filed alternate applications in Case Nos 22961 and 22962 for these wells should the Division view

The location of the wells are standard; the completed interval and first take and last take points for the wells proposed in the unit meet the Division's statewide Rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approx. 7 miles northeast of Carlsbad, New Mexico.
#5341597, Current Argus, July 20, 2022



Affidavit of Publication Ad # 0005341613 This is not an invoice

ABADIE SCHILL P.C. 555 RIVERGATE # B 4-180

DURANGO, CO 81301-7485

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 in editions dated as follows:

07/20/2022

Legal Clerk

Subscribed and sworn before me this July 20, 2022;

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

Ad # 0005341613 PO #: 5341613 # of Affidavits 1

This is not an invoice

KATHLEEN ALLEN Notary Public State of Wisconsin

CASE No. 22959: Notice to all affected parties and persons having any right, title, interest or claim to this case, including overriding royalty interest owners and record title owning overriding royalty interest owners and rerord title numers, as well as the known and unknown heirs, devisees, assigns and successors of ABJ OIL COMPANY LTD, ANGELA BROWN MGMT TRUST S ANGELA BROWN TIEE ATTN TOBY FAILS SR VP TR OFFICER CITIZENS NATL BANK AGENT, BB MANAGEMENT LLC, BEACHBUMS ENERGY LLC, BF ENERGY LLC CORANDAL BUNESS, CHEVRON USA, INC., CLAREMONT CORPORATION, CROSSWINDS RESOURCES LLC, DAVOIL INC, FRED C COREY, GW HOLDINGS INC GREAT WESTERN DRILLING LTD DBA GREAT WESTERN DRILLING COMPANY, HERBALY EXPLORATION LLC, J & J ENERGY LLC, JAMES L HEWITT, JAVELINA PARTNERS, JEFF PHILLIPS, JIM WHITEHEAD OIL & GAS LLC, LYNN CHARUK, M CODE LLC, MAGIC MERLIN ENERGY INVESTMENTS LLC, MAGNUM HUNTER PRODUC-ENERGY INVESTMENTS LLC, MAGNUM HUNTER PRODUCTION INC., c/o CIMAREX ENERGY CO., MITCHEL E CHENEY C/o CHENEY ENERGY PARTNERS LLC, MOON ROYALTY LLC, MRC PERMIAN COMPANY, PALADIN INC L ANDREW SMITH ENERGY LLC. OLIMAEY SMITH MRC PERMIAN COMPANY, PALADIN INC L ANDREW SMITH PRESIDENT, PERDANT ENERGY LLC, QUIMEX INTERNATIONAL INC ROBERT BEESON, RANCH 707 LLC, REDFERN ENTERPRISES INC, RJ FORTUNE INVESTMENTS LLC, SABINAL ENERGY CONTROL CONT XTÓ HOLDINGS, LLC LO XTO ENERGY, INC., ZORRO PART-NERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL ENERGY INCOME FUND I, AMERIPERMIAN HOLDINGS, LLC, ANN T TOLLEFSON REV LVG TRUST DTD JUNE 7 2006 ANN TOLLEFSON TRUSTEE, ANNA STOTT ESTATE, ARD OIL LTD, BETH TROWBRIDGE CRAIG, BNM INC., BRITT TROWBRIDGE, C. EUGENE CORRIHER, CHESAPEAKE EXPLORATION LLC, CHEVRON USA INC., COLGATE ROYALTIES LP, ELIZABETH L CHENEY IRREV TRUST ELIZABETH L CHENEY TRUSTEE, ELIZABETH L CHENEY MITCHEL E CHENEY FAMILY REV TR ALEXANDER K CHENEY TITEE, ESTATE OF GWENDOLYN P RUTLEDGE ALEXIS A SCOTT PERSONAL REP, GA RESOURCES, LP, GENE EDWARD TROWBRIDGE III AKA TREY TROWBRIDGE, GOLDEN ROCK ENERGY PARTINERS LP, HUDSON NEW MEXICO MIN TRUST, JANET LEWIS, JOHN W GATES LLC, KANE RESOURCES, LLC, LIBERTY OIL & GAS CORPORATION, MADISON CAPITAL ENERGY INCOME FUND I ATIN BEN CLAVETTE, MASON OAKS ENERGY HOLDINGS, LLC, MAYHILL OIL CORPORATION, MELLITA, LLC, MEWBOURNE OIL COMPANY, MP TITAN FLEX LP, MSH FAMILY REAL ESTATE PARTINERSHIP II, LLC, NORBERT M MCCAW, PATRICIA BOYLE YOUNG, PEGASUS RESOURCES, LLC, PENASCO PETROLEUM LLC, PENNY PIEKARSKI, POCO ROYALTY COMPANY, ROBERTA MCCAW, ROLLA R HINKLE III, RONALD L MARCUM & SYLVIA G MARCUM, SMP SIDECAR TITAN MINERAL HOLDINGS LP, SMP TITAN MINERAL HOLDINGS LP, SMP TITAN MINERAL HOLDINGS LP, ST. LUKE LUTHERAN CHURCH, SUDIE MARIE ADAMS, TAY-MOR ENTERPRISES INC, TER-MACK LP, TYLER TROWBRIDGE, WILLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN JOINT TENANTS, WINNIE HELEN HAYES, SDX RESOURCES INC., 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 August 4, 2022, at 1220 S. St. Francis, Santa Fe, New Mexico, 87505. However, under the current COVID-19 Public Health policies, the hearing will be conducted remotely online. For information about re 73102, seeks an order from the Division: (1) establishing a standard 960-acre, more or less, horizontal spacing and proration unit comprised of Lots 9 through 16 (equivalent to the S/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 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. Said horizontal spacing unit is to be dedicated to the Burton Flat 3-1 Fed State Com 333H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Sec. horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 9 of Section 1. The application in this Case No. 22959 is presented to the Division as Devon's preferred horizontal spacing unit. Sections 1, 2, and 3 represent unusually large correction sections with 16 Lots in the N/2 of each Section. There may be a question under the Rules about what constitutes a standard horizontal spacing unit in such Sections, and Devon has filed an alternate application in Case No. 22963 should the Division view the spacing differently from Devon's preferred spacing unit. The location of the well is standard, the com-pleted interval and first take and last take points for the well proposed in the unit meet the Division's statewide Rules. Also to be considered will be approval for overlapping units for the Burton Flat Deep Unit 52H Well (API No. 30-015-40693) in Lots 13-16 in Section 2; the Burton Flat Deep Unit 55H Well (API No. 30-015-40682) in Lots 9-12 in Control 2: the Burton Flat Deep Unit 55H Well (API No. 30-015-140682) in Lots 9-12 in Control 2: the Burton Flat Deep Unit 55H Well (API No. 30-015-140682) in Lots 9-12 in Control 2: the Burton Flat Deep Unit 51H No. 30-015-14081 (API No. 30-015-14081) in Lots 1-14081 (API No Section 2; the Burton Flat Deep Unit 51H Well (API No. 30Deep Unit 56H Well (API No. 30-015-40683) in Lots 13-16 in Section 3; 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 approx. 7 miles northeast of Carlsbad, New Mexico.
#5341613, Current Argus, July 20, 2022



Affidavit of Publication Ad # 0005341633 This is not an invoice

ABADIE SCHILL P.C. 555 RIVERGATE # B 4-180

DURANGO, CO 81301-7485

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 in editions dated as follows:

07/20/2022

Legal Clerk

Subscribed and sworn before me this July 20, 2022:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

Ad # 0005341633 PO #: 5341633 # of Affidavits1

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KATHLEEN ALLEN Notary Public State of Wisconsin

CASE No. 22960: Notice to all affected parties and persons having any right, title, interest or claim to this case, including overriding royalty interest owners and record title owners, as well as the known and unknown heirs, devisees, assigns and successors of ABJ OIL COMPANY LTD, ANGELA BROWN ITEE ATIN TOBY BROWN MGMT TRUST S ANGELA BROWN THEE ATTN TOBY FAILS SR VP TR OFFICER CHIZENS NATL BANK AGENT, BB MANAGEMENT LLC, BEACHBUMS ENERGY LLC, BF ENERGY LLC C/O RANDAL BUNESS, CHEVRON USA, INC., CLAREMONT CORPORATION, CROSSWINDS RESOURCES LLC, DAVOIL INC, FRED C COREY, GW HOLDINGS INC GREAT WESTERN DRILLING COMPANY, HERBALY EXPLORATION LLC, J & J ENERGY LLC, JAMES L HEWITT, JAVELINA PARTNERS, JEFF PHILLIPS, JIM WHITEHEAD OIL & GAS LLC, LYNN CHARUK, M CODE LLC, MAGIC MERLIN ENERGY INVESTMENTS LLC, MAGNUM HUNTER PRODUCTION INC., C/O CÍMAREX ENERGY CO., MITCHEL E CHENEY C/O CHENEY ENERGY PARTNERS LLC, MOON ROYALTY LLC, MRC PERMIAN COMPANY, PALADIN INC L ANDREW SMITH PRESIDENT, PERDANT ENERGY LLC, QUIMEX MRC PERMIAN COMPANY, PALADIN INC L ANDREW SMITH PRESIDENT, PERDANT ENERGY LLC, QUIMEX, INTERNATIONAL INC ROBERT BEESON, RANCH 707 LLC, REDFERN ENTERPRISES INC, RJ FORTUNE INVESTMENTS LLC, SABINAL ENERGY LLC DBA SABINAL ENERGY OPERATING LLC, SIEB RESOURCES, THOMAS FAMILY LTD PARTNERSHIP, XTO HOLDINGS, LLC C/O XTO ENERGY, INC., ZORRO PARTNERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL ENERGY INCOME FILIND L AMERIPERMIAN HOLDINGS. LLC NERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL ENERGY INCOME FUND I, AMERIPERMIAN HOLDINGS, LLC, ANN T TOLLEFSON REV LVG TRUST DTD JUNE 7 2006 ANN TOLLEFSON TRUSTEE, ANNA STOTT ESTATE, ARD OIL LTD, BETH TROWBRIDGE CRAIG, BNM INC, BRITT TROWBRIDGE, C. EUGENE CORRIHER, CHESAPEAKE EXPLORATION LLC, CHEVRON USA INC., COLGATE ROYALTIES LP, ELIZABETH L CHENEY TRUST ELIZABETH L CHENEY TRUSTEE, ELIZABETH L CHENEY TRUST ELIZABETH L CHENEY TRUSTEE, ELIZABETH L CHENEY FAMILY REV TR ALEXANDER K CHENEY TTEE, ESTATE OF GWENDOLYN P RUTLEDGE ALEXIS A SCOTT PERSONAL REP, G4 RESOURCES, LP, GENE EDWARD TROWBRIDGE III AKA TREY TROWBRIDGE, GOLDEN ROCK ENERGY PARTNERS LP, HUDSON NEW MEXICO MIN TRUST, JANET LEWIS, JOHN W GATES LLC, KANE RESOURCES, LLC, LIBERTY OIL & GAS CORPORATION, MADISON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE, MASON OAKS ENERGY HOLDINGS, LLC, MAYHILL OIL CORPORATION, MELLITA, LLC, MEWBOURNE OIL COMPANY, MP TITAN FLEX LP, MSH FAMILY REAL ESTATE PARTNERSHIP II, LLC, NORBERT M MCCAW, PATRICIA BOYLE YOUNG, PEGASUS RESOURCES, LLC, PENASCO PETROLEUM LLC, PENNY PIEKARSKI, POCO ROYALTY COMPANY, ROBERTA MCCAW, ROLLA R HINKLE III, RONALD L MARCUM & SYLVIA G MARCUM, SMP SIDECAR TITAN MINERAL HOLDINGS LP, SMP TITAN MINERAL HOLDINGS WILLIAM EDWARD STEINMANN JR & PATRI-CAR TITAN MINERAL HOLDINGS LP, SMP TITAN MINERAL HOLDINGS LP, ST. LUKE LUTHERAN CHURCH, SUDIE MARIE ADAMS, TAY-MOR ENTERPRISES INC, TER-MACK LP, TYLER TROWBRIDGE, WILLIAM EDWARD STEINMANN JOINT TENANTS, WINNIE HELEN HAYES, SDX RESOURCES INC., 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 August 4, 2022, at 1220 S. St. Francis, Santa Fe, New Mexico, 8750S. However, under the current COVID-19 Public Health policies, the hearing will be conducted remotely online. For information about remote access and the status of the case, you can visit the Division's website at; https://www.emnrd.nm.gov/ocd/nearing-info/ or call (505) 476-3441. Devon Energy Production Company, L.P., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division: (1) establishing a standard 823-92-acre, more or less, horizontal spacing and proration unit comprised of Lots 1 through 8 (equivalent to the N/2 N/2) of Sections 1, 2 and 3, Township 21 South, Range 27 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. Said horizontal spacing unit is to be deficiated to the Burton Elat uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. Said horizontal spacing unit is to be dedicated to the Burton Flat 3-1 Fed State Com 332H Well, an oil well, to be horizontally drilled from a surface location in Lot 5 of Section 3 to a bottom hole location in Lot 8 of Section 1. The application in this Case No. 22960 is presented to the Division as Devon's preferred horizontal spacing unit. Sections 1, 2, and 3 represent unusually large correction sections with 16 Lots in the N/2 of each Section. There may be a question under the Rules about what constitutes a standard horizontal spacing unit in such Sections, and Devon has filed an alternate application in Case No. 22964 should the Division view the spacing differently from Devon's preferred spacing unit. The loing differently from Devon's preferred spacing unit. The loing differently from Devon's preferred spacing unit. The fo-cation of the well is standard; the completed interval and first take and last take points for the well proposed in the unit meet the Division's statewide Rules. Also to be consid-ered will be approval for overlapping units for the Burton Flat Deep Unit 49H Well (API No. 30-015-40707) in Lots 1-4 in Section 2, and the Burton Flat Deep Unit 50H Well (API No. 30-015-40758) in Lots 5-8 in Section 2; the cost of drilling and completing the well and the allocation of the costs

thereon, 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 approx. 7 miles northeast of Carlsbad, New Mexico. #5341633, Current Argus, July 20, 2022