#### **BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING AUGUST 18, 2022**

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

Case No. 22961:

Burton Flat 3-1 Fed State Com 622H Well

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

Case No. 22962:

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

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

Case No. 22963:

Burton Flat 3-1 Fed State Com 333H Well

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

Case No. 22964:

Burton Flat 3-1 Fed State Com 332H Well

**Devon Energy Production Company, L.P.** 

#### **TABLE OF CONTENTS**

# TAB 1Reference for Case No. 22961Application Case No. 22961: Burton Flat 3-1 Fed State Com 622H WellNMOCD Checklist Case No. 22961

- TAB 2 Exhibit A: Affidavit of Andy Bennett, Landman
  22961 Exhibit A-1: C-102 Forms
  Exhibit A-2: Ownership and Sectional Map
  Exhibit A-3: Well Proposal Letters and AFEs
  Exhibit A-4: Chronology of Contacts with Uncommitted Owners
- TAB 3Exhibit B:Affidavit of Joseph Dixon, Geologist22961Exhibit B-1:Structure MapExhibit B-2:Gross IsochoreExhibit B-3:Stratigraphic Cross SectionExhibit B-4:Gun Barrel ViewExhibit B-5:Trajectory Cross-section
- TAB 1Reference for Case No. 22962Application Case No. 22962:Burton Flat 3-1 Fed State Com 621H Well<br/>Burton Flat 3-1 Fed State Com 822H WellNMOCD Checklist Case No. 22962
- TAB 2 Exhibit A: Affidavit of Andy Bennett, Landman 22962 Exhibit A-1: C-102 Forms Exhibit A-2: Ownership and Sectional Map Well Proposal Letters and AFEs Exhibit A-3: Exhibit A-4: Chronology of Contacts with Uncommitted Owners TAB 3 Exhibit B: Affidavit of Joseph Dixon, Geologist 22962 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
- TAB 1Reference for Case No. 22963Application Case No. 22963: Burton Flat 3-1 Fed State Com 333H WellNMOCD Checklist Case No. 22963
- TAB 2Exhibit A:Affidavit of Andy Bennett, Landman

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22963	Exhibit A-2:	C-102 Forms Ownership and Sectional Map Well Proposal Letters and AFEs Chronology of Contacts with Uncommitted Owners
TAB 3 22963	Exhibit B-3:	Affidavit of Joseph Dixon, Geologist Structure Map Gross Isochore Stratigraphic Cross Section Gun Barrel View Trajectory Cross-section

# TAB 1Reference for Case No. 22964Application Case No. 22964: Burton Flat 3-1 Fed State Com 332H WellNMOCD Checklist Case No. 22964

TAB 2	Exhibit A:	Affidavit of Andy Bennett, Landman
22964	Exhibit A-1:	C-102 Forms
	Exhibit A-2:	Ownership and Sectional Map
	Exhibit A-3:	Well Proposal Letters and AFEs
	Exhibit A-4:	Chronology of Contacts with Uncommitted Owners
TAB 3	Exhibit B:	Affidavit of Joseph Dixon, Geologist
22964	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

TAB 4	Exhibit C:	Affidavit of Notice, Darin C. Savage (Case Nos. 22961-64)
22961	Exhibit C-1:	Notice Letters (WI & ORRI & RTO) (Case Nos. 22961-64)
22962	Exhibit C-2:	Mailing List (Case Nos. 22961-64)
22963	Exhibit C-3:	Affidavits of Publication (Case Nos. 22961-64)
22964		× × ×

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# TAB 1

Reference for Case No. 22961 Application Case No. 22961: Burton Flat 3-1 Fed State Com 622H Well NMOCD Checklist Case No. 22961

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

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

Case No. 22961

#### **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 480-acre, more or less, spacing and proration unit comprised of Lots 5, 6, 7 and 8 (Lots 5-8) 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.

2. As a result, Devon has submitted concurrently an alternate pooling application for the **Burton Flat 3-1 Fed State Com 621H, 622H, and 822H Wells** that proposes a standard horizontal spacing unit comprising Lots 1-8 of irregular Sections 1, 2 and 3, which is Devon's preferred spacing unit and development plan for accommodating the 622H Well. Devon submits this application as a default application should the Division reject approval of its preferred pooling application.

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.

Devon proposes and dedicates to the HSU an initial well, the Burton Flat 3-1 Fed
 State Com 622H Well, to be drilled to a sufficient depth to test the Wolfcamp formation.

5. 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.

6. The proposed well is orthodox in its location, and the take points and completed interval comply with setback requirements under statewide rules.

7. 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.

8. 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.

9. 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.

2

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 480-acre, more or less, spacing and proration unit comprised of Lots 5 through 8 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 622H Well** as the well for the HSU.

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

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

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

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

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

William E. Zimsky Luke Kittinger Andrew D. Schill 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.com bill@abadieschill.com luke@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 480-acre, more or less, spacing and proration unit comprised of Lots 5 through 8 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 well to be dedicated to the horizontal spacing unit is 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. The well 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 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.

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

Case: 22961	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; 622H TVD approx 9,107'
Pool Name and Pool Code:	Wolfcamp [WC Burton Flat UPPER WC (Code 98315)]
Well Location Setback Rules:	NMAC statewide rules
Spacing Unit Size:	480 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480 acres, more or less
Building Blocks:	Single Lots within the correcion sections
Orientation:	west - east
Description: TRS/County	Lots 5, 6, 7 and 8 (Lots 5-8) 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, 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	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 622H Well (API No. 30-015
	pending), SHL: Lot 5, 2077' FNL, 387' FWL, Section 3, T215
	R27E, NMPM; BHL: Lot 8, 1900' 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 622H Well: FTP 1900' FNL,
	100' FWL, Section 3; LTP 1900' FNL, 100' FEL, Section 1
Completion Target (Formation, TVD and MD)	Burton Flat 3-1 Fed State Com 622H Well: TVD approx.
Completion Target (Formation, TVD and MD)	Burton Flat 3-1 Fed State Com 622H Well: TVD approx. 9,107', TMD 24,587'; Wolfcamp Formation, See Exhibit B-
Completion Target (Formation, TVD and MD)	

Received by OCD: 8/16/2022 6:51:08 PM	Page 11 of 27
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$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	
Proposed Notice of Hearing	Exhibit C, C-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
Pooled Parties (including ownership type)	Exhibit A-2
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage above &	
below)	Exhibit A-2
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-4, B-5
Cross Section (including Landing Zone)	Exhibit B-3, B-4, B-5
Additional Information	
Special Provisions/Stipulations	
	ided in this checklist is complete and accurate
CERTIFICATION: I hereby certify that the information prov	
Printed Name (Attorney or Party Representative):	Darin C. Savage
Signed Name (Attorney or Party Representative):	/s/ Darin C. Savage
Date:	8/16/22

Released to Imaging: 8/17/2022 9:30:16 AM

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# **TAB 2**

Case No. 22961

- 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

EXHIBIT

#### 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. 22961

#### 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 abovereferenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1).

5. Devon seeks an order (1) establishing a standard 480-acre, more or less, spacing and proration unit comprised of Lots 5 through 8 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 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.

7. As a result, Devon has submitted concurrently an alternate pooling application for the **Burton Flat 3-1 Fed State Com 622H Well** along with the **621H** and **822H Wells**, in Case No. 22958, that proposes a standard horizontal spacing unit comprising Lots 1-8 of irregular Sections 1, 2 and 3, which is Devon's preferred spacing unit and development plan for accommodating the 622H Well. Devon submits the present application in Case No. 22961 as a default application should the Division reject approval of its preferred pooling application.

8. Under this <u>Case No. 22961</u>, Devon seeks to dedicate to the horizontal spacing and proration unit the **Burton Flat 3-1 Fed State Com 622H Well** (API 30-015-pending), as the initial oil well.

9. 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.

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 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.

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

14. 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 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.

15. 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.

16. 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.

17. **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.

18. 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.

19. Devon requests the maximum cost, plus 200% risk charge be assessed against nonconsenting working interest owners.

4

20. Devon requests that it be designated operator of the unit and well.

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

22. 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.

23. 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  $\underline{iii}$  day of August 2022.



( lind Derb

Notary Public

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DISTRICT I 1625 N. FRENCH DR., H Phone: (575) 393-6161 Fp DISTRICT II 811 S. FIRST ST., AI Phone: (576) 748-1283 DISTRICT III 1000 RIO BRAZOS RI Phone: (505) 334-6170	RTESIA, NM Fax: (575) 74 D., AZTEC, N	88210 8-9720	DIL C	nerals 8 CONSI 1220 SC	k Natu ERV DUTH	ıral R ATIC ST. FF	Mexico esources De N DIVIS ANCIS DR. ico 87505	-	Revised A Submit one copy t	Corm C-102 ugust 1, 2011 o appropriate ct Office
DISTRICT IV 1220 S. ST. FRANCIS DR Phone: (505) 476-3460									□ AMEND	ED REPORT
		476-3462	WELL LO		AND	ACREA	GE DEDICATI			
API N	lumber			Pool Code				Pool Name		
Property Co			BU	RTON F	LAT 3		D STATE CO	М	Well Num 62	2H
<b>OGRID</b> No. 6137			DEVON	ENERGY		ator Name DUCTI(	ON COMPANY	7, L.P.	Elevation 318-	
					Surfa	ce Loca	tion			
UL or lot No.	Section	Township	Range	Lot Idn	Feet fro		North/South line	Feet from the	,	County
LOT 5	3	21-S	27-E		20		NORTH	387	WEST	EDDY
UL or lot No.	Section	Township	Bottom Range	Hole Loc	Eation 1 Feet fro		rent From Sur	face Feet from the	East/West line	County
LOT 8	1	21-S	27-E		19		NORTH	20	EAST EAST	EDDY
Dedicated Acres	Joint c	or Infill Co	onsolidation	Code Or	der No.					
NO ALLO	WABLE V						NTIL ALL INTEN Approved by '		BEEN CONSOLID.	ATED
N 89'44'21" E 894.43'							N:553930.60 E:597358.11	N:5	N:553936.81 9992.99 E:600906.80	
N:553913.18 E:586791.01	17 <u>46.44</u> N 89*56'4		2641.90' E:59	02073.77 2640. N 89'56			43.90' 54'04" E <u>906.00'</u> N 89'56'25"		3.81 1721.86 N:5	53939.33 02628.66
	LOT 4 LOT 3 LOT 5 LOT 6 2H SHL 2H SHL 333H 5HL 323H SHL	: 		N:551659.26	.0T 3 .0T 6			or 4 Lot 3	622H BHL <sup>2</sup>	
2 N:548992.96	.0T 12 LOT 11 .0T 13 LOT 14	3		LOT 12 L LOT 13 L	OT 14	Lot 1		T 12 LOT 11 T 13 LOT 14 WINSTON & JAN	CON & UN ALLARD LOT 10 LOT 9 LOT 15 LOT 16 TON & UN TON & UN BALLARD BALLARD E	549074.50 02640.53
E:586720.66		T21S-R27E		E:586720.66	1213-	-R27E				
N 0048'09"		···+··-·		2628.47	v		/			
N:546357.03 E:586683.74	89'28'01" W 2659.19'			6403.39 2659.2 2000.86			<u></u>	39' <u>48'05" W</u> 2663.64' N:546434.8 E:599982.2	<u> </u>	85 68
BURTON FLAT 3- FED STATE COM 6 LAT:32.516975 LON:104.184701 N:551838.03 E:587151.38		<u>LAST TAKE</u> 1900' FNL LAT:32.51 LON:104.1 N:552039 E:602533.	100'FEL SEC 7459 34797 19	2. 1		I here herein is ti my knowled organization or unleased including ti or has a rij	ATOR CERTIFICA by certify that the info ue and complete to the ge and belief, and that either owns a working mineral interest in the proposed bottom boli ght to drill this well at	prmation prmation pabest of this interest pand particle interest pand particle interest pand particle interest particle interest parti	RVEYOR CERTIFICA hereby certify that the mon this plat was plotted in factual surveys made by my supervision, and that of conrect to the best of	rell location from field me or the same is my belief. 10/2022
LAT:32.517458 LON:104.185625 N:552013.50	WL SEC. 3	<u>BOTTOM 0</u> LAT:32.51 LON:104.1 N:552039 E:602613	7459 34537 .31			owner of su or to a vol	rsuant to a contract wi ich mineral or working untary pooling agreemen pooling order heretofor vion.	interest, at or a e entered	(22404)	
E:586866.31 Note: All bearings re are based on the N State Plane Coordina	cited herein ew Mexico ite System	2.002010.			BIT	Signature Printed N	Dat			4/18/22
NAD 83,New Mexico 3001, US Survey Fea distances are grid.	East' Zone			<b>H</b> -		E-mail Add	lress	Certifi	Cate 10. 22404 B.1	LAMAN N BY: CM

Intent	As Drilled	

AP	I #	ŧ

Operator Name:		Property Name:	Well Number
DEVON ENERGY PI COMPANY, LP.	RODUCTION	BURTON FLAT 3-1 FED STATE COM	622H

#### Kick Off Point (KOP)

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

#### First Take Point (FTP)

UL	Section 3	Township 21-S	Range 27-E	Lot 5	Feet 1900	From N/S	Feet <b>100</b>	From E/W	County EDDY
Latitude Lo				Longitude		NAD			
32.5	517458	5			104.1856	625			83

#### Last Take Point (LTP)

UL	Section 1	Township <b>21-S</b>	Range 27-E	Lot 8	Feet 1900	From N/S	Feet <b>100</b>	From E/W	County EDDY
Latitude					Longitud	de		NAD	
32.517459					104.134797				83

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

Is this well an infill well?

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

Operator Name: Property Name: Well Number	API #		
	Operator Name:	Property Name:	Well Number

KZ 06/29/2018

#### Exhibit "A-2"

Lots 5-8 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
L5	L6	L7	L8	L5	L6	L7	L8	L5	L6	L7	L8
Sec. 3				Sec. 2				Sec. 1			

<b>Tract 1:</b> USA NMNM-109754	<b>Tract 2:</b> ST of NM L0-2766 (Lots 7 & 8)	<b>Tract 3:</b> USA NMNM-17095 (Lots 7 & 8)
	ST of NM L0-6523 (Lots 5 & 6)	USA NMNM-40256 (Lot 6)
		USA NMNM-46275 (Lot 5)
(160 acres)	(160 acres)	(160 acres)

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



#### Exhibit "A-2" OWNERSHIP BREAKDOWN – Wolfcamp formation Lots 5-8 of Sections 1, 2, and 3 of Township 21 South, Range 27 East of Eddy County, NM Burton Flat 3-1 Fed State Com 622H

#### TRACT 1 OWNERSHIP (encompassing Lots 5-8 of Section 3-T21S-R27E, being 160 acres)

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	95.2925587	19.8526164%	Committed
James L. Hewitt PO Box 54032 Orlando, FL 32854	6.80	1.416666667%	Uncommitted
Crosswinds Resources, LLC PO Box 1960 Chandler, AZ 85244	0.26176	0.05453333%	Uncommitted
Quimex International Inc PO Box 1659 Midland, TX 79702	6.80	1.416666667%	Uncommitted
Ranch 707, LLC 707 E. Quarterhorse Ln. Camp Verde, AZ 86322	0.6544	0.1363333%	Uncommitted
Perdant Energy, LLC PO Box 9626 Phoenix, AZ 85068	0.3272	0.0681667%	Uncommitted
Paladin Inc. PO Box 5062 Scottsdale, AZ 85261	0.661761302	0.1378669%	Uncommitted
Magic Merlin Energy Investments, LLC PO Box 2309 Bend, OR 97709	0.3272	0.0681667%	Uncommitted
ABJ Oil Company, Ltd. PO Box 44242 Phoenix, AZ 85064	0.6544	0.1363333%	Uncommitted
Jim Whitehead Oil & Gas, LLC PO Box 44251 Phoenix, AZ 85064	1.3088	0.2726667%	Uncommitted
Mitchel E. Cheney 7670 Woodway Dr., Suite 175 Houston, TX 77063	4.08	0.85%	Uncommitted

.

Lynn Charuk PO Box 52370 Midland, TX 79710	4.08	0.85%	Uncommitted
Angela Brown Management Trust PO Box 820 Henderson, Texas 75653	13.60	2.833333%	Uncommitted
Moon Royalty, LLC PO Box 720070 Oklahoma City, OK	8.18	1.7041667%	Committed
J&J Energy, LLC 300 N. Sorrel Court Show Low, AZ 85901	0.26176	0.0545333%	Uncommitted
M Code, LLC 5744 E. Joshua Tree Ln. Paradise Valley, AZ 85253	0.26176	0.0545333%	Uncommitted
RJ Fortune Investments, LLC 9290 E. Thompson Peak Pkwy, Unit 257 Scottsdale, AZ 85255	0.26176	0.0545333%	Uncommitted
BB Management, LLC PO Box 80735 Phoenix, AZ 85060	1.76688	0.3681%	Uncommitted
BF Energy, LLC 3504 E. Claremont St. Paradise Valley, AZ 85253	0.26176	0.0545333%	Uncommitted
Jeff Phillips 5710 Devlin Pl. Midland, TX 79707	2.72	0.5666667%	Uncommitted
Thomas Family Ltd. Partnership PO Box 44252 Phoenix, AZ 85064	0.818	0.1704167%	Uncommitted
Fred C. Corey 5503 Los Patios Dr. Midland, TX 79707	2.44	0.5083333%	Uncommitted
Herbaly Exploration, LLC 1420 W. Canal Ct., Suite 150 Littleton, CO 80120	8.18	1.7041667%	Uncommitted
TRACT 1 TOTAL	160	33.333333%	

Owner	Not A over	TT:4 XX/T	Status
Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	145.8265664	30.3805347%	Committed
Claremont Corporation PO Box 3326 Tulsa, OK 74101	0.0606304	0.0126313%	Uncommitted
Davoil Inc. PO Box 122269 Fort Worth, TX 76121	0.4307664	0.0897343%	Committed
GW Holdings Inc. (dba Great Western Drilling Ltd.) PO Box 1659 Midland, TX 79702	0.7818384	0.162883%	Committed
Javelina Partners 616 Texas Street Fort Worth, TX 76102	1.6168096	0.3368353%	Committed
Redfern Enterprises Inc. PO Box 2127 Midland, TX 79702	0.567472	0.1182233%	Uncommitted
Sabinal Energy, LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	8.8068576	1.834762%	Uncommitted
Sieb Resources PO Box 1107 Richmond, TX 77046	0.2922512	0.0608857%	Uncommitted
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	1.6168096	0.3368353%	Committed
	1(0	22 2222220/	
TRACT 2 TOTAL	160	33.333333%	

#### TRACT 2 OWNERSHIP (Lots 5-8 of Section 2-T21S-R27E, being 160 acres)

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	140	29.166667%	Committed
Magnum Hunter Production, Inc. 600 Marienfeld St., Suite 600 Midland, TX	20	4.1666667%	Uncommitted
TRACT 3 TOTAL	160	33.333333%	

#### TRACT 3 OWNERSHIP (Lots 5-8 of Section 1-T21S-R27E, being 160 acres)

.

## **UNIT RECAPITULATION:**

### Lots 5-8 of Sections 1, 2, and 3 of T21S-R27E; being 480 acres

Devon Energy Production Company, L.P.	79.3998178%	WI
Magnum Hunter Production, Inc.	4.1666667%	WI
James L. Hewitt	1.41666667%	WI
Crosswinds Resources, LLC	0.05453333%	WI
Quimex International Inc	1.41666667%	WI
Ranch 707, LLC	0.1363333%	WI
Perdant Energy, LLC	0.0681667%	WI
Paladin Inc.	0.1378669%	WI
Magic Merlin Energy Investments, LLC	0.0681667%	WI
ABJ Oil Company, Ltd.	0.1363333%	WI
Jim Whitehead Oil & Gas, LLC	0.2726667%	WI
Mitchel E. Cheney	0.85%	WI
Lynn Charuk	0.85%	WI
Angela Brown Management Trust	2.833333%	WI
Moon Royalty, LLC	1.7041667%	WI
J&J Energy, LLC	0.0545333%	WI
M Code, LLC	0.0545333%	WI
RJ Fortune Investments, LLC	0.0545333%	WI
BB Management, LLC	0.3681%	WI
BF Energy, LLC	0.0545333%	WI
Jeff Phillips	0.5666667%	WI
Thomas Family Ltd. Partnership	0.1704167%	WI
Fred C. Corey	0.5083333%	WI
Claremont Corporation	0.0126313%	WI

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Davoil Inc.	0.0897343%	WI
GW Holdings Inc. (dba Great Western Drilling Ltd.)	0.162883%	WI
Javelina Partners	0.3368353%	WI
Redfern Enterprises Inc.	0.1182233%	WI
Sabinal Energy, LLC	1.834762%	WI
Sieb Resources	0.0608857%	WI
Zorro Partners, Ltd.	0.3368353%	WI
Herbaly Exploration, LLC	1.7041667%	WI
UNIT TOTAL:	100% WI	

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## **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	Texas	77063
ANN T TOLLEFSON REV LVG TRUST DTD JUNE 7 2006 ANN TOLLEFSON TRUSTEE	PO BOX 570085	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	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
				78643
MELLITA, LLC	509 E. ELLIS	LLANO	TEXAS	
G4 RESOURCES, LP	PO BOX 53687	MIDLAND	TEXAS	79710

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### **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.** 

aust

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: \_\_\_\_\_

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:5-12-2022State:NMCounty/Parish:EDDY

Explanation and Justification:

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

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	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	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	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 SV	0.00	327,819.81	0.00	327,819.81
6160100	MATERIALS & SUPPLIES	534.13	0.00	0.00	534.13
	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	53,413.40	0.00	0.00	53,413.40
6190110	TRUCKING&HAUL OF EQP	51,000.00	46,412.39	0.00	97,412.39
6200130	CONSLT & PROJECT SVC	212,406.11	103,961.17	0.00	316,367.28
6230120	SAFETY SERVICES	34,718.71	0.00	0.00	34,718.71
6300270	SOLIDS CONTROL SRVCS	61,864.41	0.00	0.00	61,864.41
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	1,193,270.6
6310200	CASING & TUBULAR SVC	81,500.00	0.00	0.00	81,500.00
6310250	CEMENTING SERVICES	185,000.00	0.00	0.00	185,000.00
6310280	DAYWORK COSTS	601,568.37	0.00	0.00	601,568.37
6310300	DIRECTIONAL SERVICES	236,550.65	0.00	0.00	236,550.65
6310310	DRILL BITS	96,500.00	0.00	0.00	96,500.00
6310330	DRILL&COMP FLUID&SVC	174,918.38	18,245.15	0.00	193,163.53
6310370	MOB & DEMOBILIZATION	37,122.31	0.00	0.00	37,122.31
6310380	OPEN HOLE EVALUATION	17,196.94	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	96,133.12	35,289.39	0.00	131,422.51
6320160	WELDING SERVICES	1,500.00	0.00	0.00	1,500.00
	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
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 Revision:

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

4,135,141.15

#### TOTAL ESTIMATED COST

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

6,973,320.64

Title:

Date:

Email:

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:5-12-2022State:NMCounty/Parish: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	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
	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	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
	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	534.13	0.00	0.00	534.13
	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	53,413.40	0.00	0.00	53,413.40
	TRUCKING&HAUL OF EQP	51,000.00	46.412.39	0.00	97,412.39
	CONSLT & PROJECT SVC	212,406.11	103,961.17	0.00	316,367.28
	SAFETY SERVICES	34,718.71	0.00	0.00	34,718.71
6300270	SOLIDS CONTROL SRVCS	61,864.41	0.00	0.00	61,864.41
	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	185,000.00	0.00	0.00	185,000.00
6310280	DAYWORK COSTS	601,568.37	0.00	0.00	601,568.37
6310300	DIRECTIONAL SERVICES	236,550.65	0.00	0.00	236,550.65
6310310	DRILL BITS	96,500.00	0.00	0.00	96,500.00
6310330	DRILL&COMP FLUID&SVC	174,918.38	18,245.15	0.00	193,163.53
6310370	MOB & DEMOBILIZATION	37,122.31	0.00	0.00	37,122.31
6310380	OPEN HOLE EVALUATION	17,196.94	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
	EQUIP SVC - DOWNHOLE	96,133.12	35,289.39	0.00	131,422.51
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
	LEGAL FEES	10,000.00	0.00	0.00	10,000.00
	MISCS 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 Revision:

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

#### TOTAL ESTIMATED COST 4,

4,135,141.15 6,973,320.64

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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
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.
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)	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 (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. 22961

- Exhibit B:Affidavit of Joseph Dixon, GeologistExhibit B-1:Structure MapExhibit 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. 22961, 22962

#### **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



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.

OSEPH DIXON

STATE OF OKLAHOMA COUNTY OF OKlabona

TY OF <u>UKlahoma</u> SUBSCRIBED and SWORN to before me this <u>(h)</u> day of <u>August</u> by Joseph Dixon. O(1 + Qala)2022 by Joseph Dixon.



NOTARY PUBLIC

My Commission Expires:

3

Top of Wolfcamp Formation Structure Map Structure Map Contour Interval = 50' North North Exhibit B-1 is a structure map showing the depth (subsea) to the top of the Wolfcamp formation, a marker that defines the top of the target interval for the proposed well.

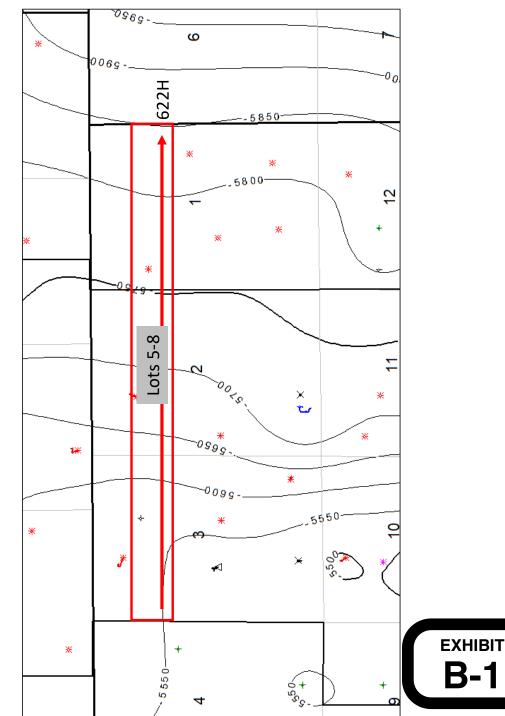
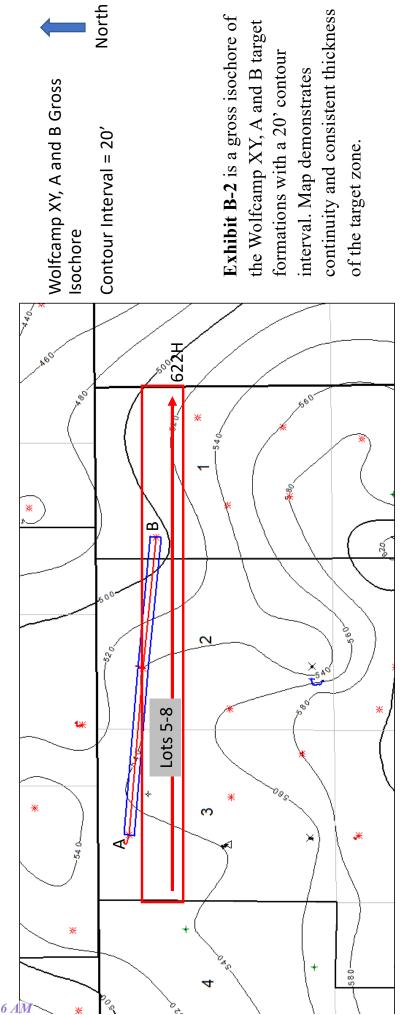


Exhibit B-1

.



6

\*

Exhibit B-2

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<sup>ЕХНІВІТ</sup> **В-2** 

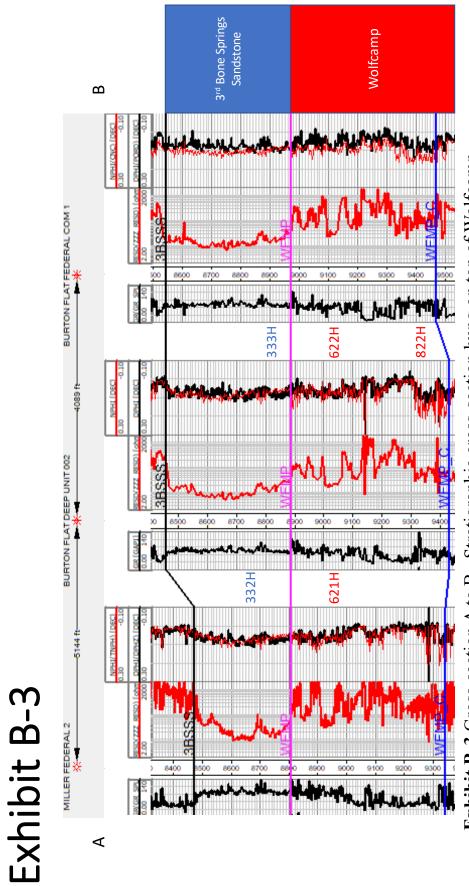
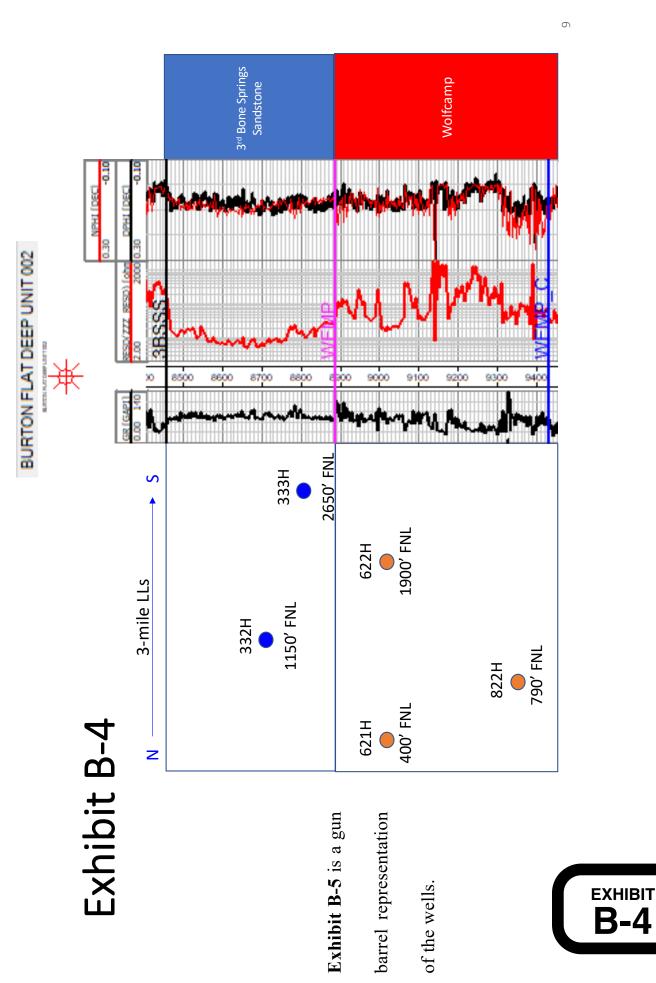
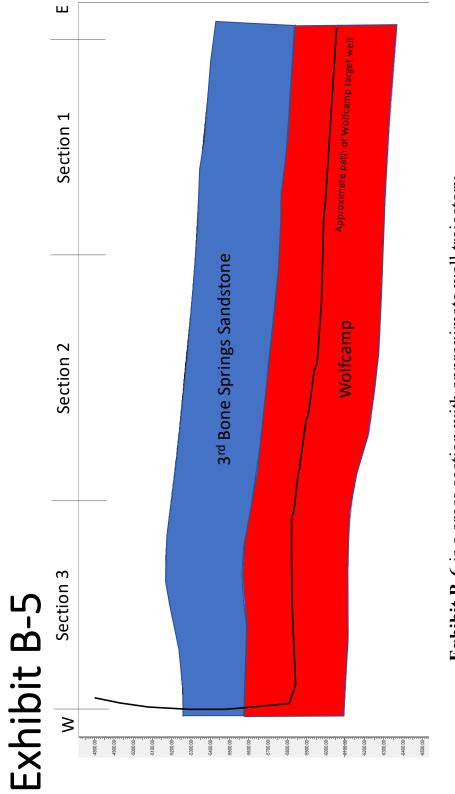




EXHIBIT B-3











# **TAB 1**

Reference for Case No. 22962 Application Case No. 22962: Burton Flat 3-1 Fed State Com 621H Well Burton Flat 3-1 Fed State Com 822H Well NMOCD Checklist Case No. 22962

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

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

Case No. 22962

#### **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 non-standard, if necessary, 343.92-acre, more or less, spacing and proration unit comprised of Lots 1, 2, 3 and 4 (Lots 1-4) 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.

2. Devon has submitted concurrently an alternate pooling application for the **Burton Flat 3-1 Fed State Com 621H, 622H, and 822H Wells** that proposes a standard horizontal spacing unit comprising Lots 1-8 of irregular Sections 1, 2 and 3, which is Devon's preferred spacing unit and development plan. Devon submits this application as a default application should the Division reject approval of the alternate pooling application.

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 two (2) initial wells, the Burton Flat 31 Fed State Com 621H 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.

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.

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

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

9. 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.

10. Since this Application involves the spacing of acreage in highly irregular correction sections that contain 16 Lots per section and present novel questions of first impression and

consideration, Devon requests that if the Division should deem the contiguous set of Lots 1-4 in Sections 1, 2 and 3, as described herein, to comprise a standard horizontal spacing unit, that the Division approve the proposed spacing unit in this Application as standard instead of non-standard. The Division is scheduled to address this issue in Case No. 22900, on the July 7, 2022, docket, involving a pooling application in which the applicant requests approval for a comparable set of contiguous Lots (Lots 1-4 of Sections 1 and 2, T21S, R28E, and Lots 3-4 of Section 6, T21S, R29E, NMPM). The application in Case No. 22900 does not designate its proposed horizontal spacing unit as nonstandard, which consists of Lots that are approximately 12+ acres smaller than a 40-acre quarter-quarter section; thus, raising a need to address the question of equivalency under NMAC 19.15.16.15B(1)(a). If the Division determines that such series of Lots in Case No. 22900 constitutes a standard horizontal spacing unit instead of nonstandard, Devon respectfully asks that the Division deem the spacing unit proposed herein to be standard as well. Special notice is required for a nonstandard spacing unit, which has been provided herein; however, special notice of a standard spacing unit in not required; and therefore, the notice provided pursuant to Devon's pooling application should satisfy the notice requirement for a standard spacing unit in its Application.

11. Furthermore, the spacing unit requested herein could be viewed as nonstandard if the Division decided that the reduction in acreage of Lots 1-4 were not equivalent to quarterquarter sections because of the reduction; however, the Division could also view Lots 1-4 as necessary adjustments under the PLSS that represent quarter-quarter sections "but for" the cartographic adjustment, and therefore, Lots 1-4 could stand in place as the revised "equivalent" of quarter-quarter sections. If the spacing unit is deemed nonstandard, Devon will apply for administrative approval of the nonstandard proration (NSP) unit

12. 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 nonstandard, if necessary, 343.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 4 of correction Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, unless such spacing unit can be deemed as standard;

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 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

/s/ Darin C. Savage

Darin C. Savage

William E. Zimsky Luke Kittinger Andrew D. Schill 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.com bill@abadieschill.com luke@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 nonstandard, if necessary, 343.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 4 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, 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 issue of whether the spacing unit in these irregular sections should be deemed nonstandard or standard (if deemed nonstandard, Applicant will apply for administrative approval of the nonstandard proration (NSP) unit); 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.

# **COMPULSORY POOLING APPLICATION CHECKLIST**

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

Case: 22962	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
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', 822H TVD approx
	9,518'
Pool Name and Pool Code:	Wolfcamp [WC Burton Flat UPPER WC (Code 98315)
Well Location Setback Rules:	NMAC state wide rules; standard locaton
Spacing Unit Size:	343.92 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	343.92 acres, more or less
Building Blocks:	Single Lots in correction sections
Orientation:	west - east
Description: TRS/County	Lots 1, 2, 3 and 4 (Lots 1-4) 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, describe	Non-standard spacing to the extent deemed necessary
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 621H Well (API No. 30-015
	pending), SHL: Lot 5, 1031' FNL, 369' FWL, Section 3, T21S
	R27E, NMPM; BHL: Lot 1, 400' 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 621H Well: FTP 400' FNL,
	100' FWL, Section 3; LTP 400' FNL, 100' FEL, Section 1
Completion Target (Formation, TVD and MD)	Burton Flat 3-1 Fed State Com 621H Well: TVD approx.
	9097', TMD 24,577'; Wolfcamp Formation, See Exhibit B-3
Released to Imaging: 8/17/2022 9:30:16 AM	J

Received by OCD: 8/16/2022 6:51:08 PM	Page 54 of Burton Flat 3-1 Fed State Com 822H Well (API No. 30-015
	pending), SHL: Lot 5, 2047' FNL, 387' FWL, Section 3, T215
	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,
	100' FWL, Section 3; LTP 790' FNL, 100' FEL, Section 1
	Burton Flat 3-1 Fed State Com 822H Well: TVD approx.
	9,518', TMD 24,998'; Wolfcamp Formation, See Exhibit B 3
AFE Capex and Operating Costs	
	\$8,000, Exhibit A
	\$800, Exhibit A
	Exhibit A
	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C, C-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3
Ownership Determination	
•	Exhibit A-2
	Exhibit A-2
	Exhibit A-2
	Exhibit A
Ownership Depth Severance (including percentage above &	
	Exhibit A-2, no depth severance
Joinder	
Sample Copy of Proposal Letter	Exhibit A-3
	Exhibit A-2
8,	Exhibit A-4 Exhibit A-3
	Exhibit A-3
	Exhibit A-3
	Exhibit A-3
Geology	
	Exhibit B
	Exhibit B-1
	Exhibit B-4
· · · ·	Exhibit B, B-1
5	Exhibit B, B-3
	Exhibit B-3, B-4, B-5
Depth Severance Discussion Forms, Figures and Tables	Exhibit B, no depth severance
corms, Figures and Tables	
C-102	Exhibit A-1 Exhibit A-1, A-2, B-1

Received by OCD: 8/16/2022 6:51:08 PM	Page 55 of 27
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	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information pro	ovided 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. Savage
Date:	8/16/22

.

# **TAB 2**

Case No. 22962

- 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 NONSTANDARD HORIZONTAL SPACING UNIT, IF NECESSARY, AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 22962

#### 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 abovereferenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1).

5. Devon seeks an order (1) establishing a nonstandard, if necessary, 343.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 4 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 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.

7. As a result, Devon has submitted concurrently an alternate pooling application for the **Burton Flat 3-1 Fed State Com 621H** and **822H Wells**, along with the **622H Well**, in Case No. 22958, that proposes a standard horizontal spacing unit comprising Lots 1-8 of irregular Sections 1, 2 and 3, which is Devon's preferred spacing unit and development plan for accommodating the wells. Devon submits the present application in Case No. 22962 as a default application should the Division reject approval of its preferred pooling application.

8. Under this <u>Case No. 22962</u>, Devon seeks to dedicate to the horizontal spacing and proration unit the **Burton Flat 3-1 Fed State Com 621H Well** (API 30-015-pending) and the **Burton Flat 3-1 Fed State Com 822H Well** (API 30-015-pending), as the initial two 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 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.

11. The proposed C-102s for the wells are attached as **Exhibit A-1**.

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 wells within the unit. The proposed wells are orthodox in their location, and the take points and completed intervals 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 Wolfcamp formation in this acreage.

15. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted 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.

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 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.

17. 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.

18. **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.

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 wells.

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

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

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

[Signature page follows]

# FURTHER AFFIANT SAYETH NAUGHT

Andy D. Bennett

Subscribed to and sworn before me this  $\underline{117}$  day of August 2022.



Notary Public

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DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (576) 393-6161 Fax: (575) 393-0720 DISTRICT II 811 S. FIRST ST., ARTESIA, NM 86210 Phone: (575) 746-1283 Fax: (575) 748-9720 DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-617	1220 Santa	State of Ne & Natural 1 SERVATI( SOUTH ST. F Fe, New Me	Resources De DN DIVIS RANCIS DR.	SION	Revised Au Submit one copy to	orm C-102 agust 1, 2011 o appropriate ct Office
Phone: (305) 334-0176 Fax: (305) 334-0176 DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 8750; Phone: (505) 476-3460 Fax: (505) 476-346					□ AMEND	ED REPORT
	WELL LOCATIO		AGE DEDICATIO			]
API Number	Pool Code	2		Pool Name		
Property Code	BURTON	Property Nam FLAT 3-1 FI	ED STATE CO	М	Well Num 62	1 H
<b>OGRID No.</b> 6137	DEVON ENERG	Operator Nam GY PRODUCTI		, L.P.	Elevatio 3196	
		Surface Loc				
LOT 5 3 21	ship Range Lot Idn -S 27-E	Feet from the 1031	North/South line	Feet from the 369	East/West line WEST	County
					VVESI	EDDY
UL or lot No. Section Towns			erent From Sur	Feet from the	East/West line	County
	-S 27-E	400	NORTH	20	EAST	EDDY
Dedicated Acres Joint or Infill	l Consolidation Code	Order No.				
NO ALLOWABLE WILL F						
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E:586668.74         E:589342.4           BURTON FLAT         3-1 FED STATE COM 621H         44           EL:3196.9'         44           LON:104.184713         LC           N:552884.12         N:           FIRST TAKE POINT         62           400' FNL 100' FWL SEC. 3         L2           LAT:32.521581         L2           LON:104.185555         NX	AST TAKE POINT 00' FNL 100' FEL SEC. 1 AT:32.521582 00:104.134800 1:553559.19 1:602529.63 0TTOM OF HOLE AT:32.521582 0N:104.134540 1:553539.31 1:602609.63 EXH	E:594660.07 I he herein is my knowl organizati or unlease including or has a location p owner of or to a w compulsor by the div	E:597318.64 RATOR CERTIFICAT reby certify that the infoi true and complete to the edge and belief, and that the proposed bottom hole right to drill this well at the proposed bottom hole right to drill this well at ursuant to a contract with such mineral or working i opuntary pooling agreement y pooling order heretofore rision. The Date Name	E:599982.26 FION trumation best of this theterst, t or a e e E E true and true and	ESO2648.6 EYOR CERTIFICA reby certify that the m this plat was plotted f oful surveys made by supervision and that forract the the second that sorract that sorract that s	is ITION ell location me or the same is belief. V2022 lal Surveyor

Intent	As Drilled			

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Operator Name:		Property Name:	Well Number
DEVON ENERGY PI COMPANY, LP.	RODUCTION	BURTON FLAT 3-1 FED STATE COM	621H

#### Kick Off Point (KOP)

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

#### First Take Point (FTP)

UL	Section 3	Township 21-S	Range 27-E	Lot <b>4</b>	Feet 400	From N/S	Feet <b>100</b>	From E/W	County EDDY
Latitude					Longitude		NAD		
32.521581					104.185	555			83

#### Last Take Point (LTP)

UL	Section 1	Township <b>21-S</b>	Range 27-E	Lot <b>1</b>	Feet 400	From N/S	Feet <b>100</b>	From E/W	County EDDY
Latitu	de				Longitud	Longitude			NAD
				104.1	34800		83		

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

Is this well an infill well?

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

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

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DISTRICT I 1625 N. FRENCH DR., F Phone: (575) 393-6161 F DISTRICT II 811 S. FIRST ST., AI Phone: (575) 748-1283 DISTRICT III 1000 RIO BRAZOS RI Phone: (505) 334-617)	RTESIA, NM Fax: (575) 74 D., AZTEC, N	88210 8-9720	DIL C	erals & ONSI .220 SC	k Natu ERV∉ OUTH S	ural R ATIO ST. FR	Mexico esources D N DIVI ANCIS DR. ico 87505	-	J	Revised Au Submit one copy t	Corm C-102 ngust 1, 2011 o appropriate ct Office	
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Intent	As Drilled		
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Operator Name:		Property Name:	Well Number
DEVON ENERGY PI COMPANY, LP.	RODUCTION	BURTON FLAT 3-1 FED STATE COM	822H
DEVON ENERGY PI	RODUCTION		

#### Kick Off Point (KOP)

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

#### First Take Point (FTP)

UL	Section <b>3</b>	Township 21-S	Range 27-E	Lot <b>4</b>	Feet <b>790</b>	From N/S	Feet <b>100</b>	From E/W	EDDY
				Longitude <b>104.18</b>	5573			NAD 83	

#### Last Take Point (LTP)

UL	Section 1	Township 21-S	Range 27-E	Lot <b>1</b>	Feet <b>790</b>	From N/S	Feet <b>100</b>	From E/W	EDDY
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Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

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

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

## Exhibit "A-2"

Lots 1-4 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
											<b></b>
Ľ5`, • `, •	L6	L7	L8	L5	L6	L7	L8	L5	L6	L7	L8
Sec. 3				Sec. 2				Sec. 1			

Tract 1: USA NMNM-109754 Tract 2: St. of NM L0-2766 Tract 3: **USA NMNM-17095** (Lots 1 & 2)

(116.50 acres)



(114.62 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 822H

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

USA NMNM-40256 (Lot 3)

**USA NMNM-46275** (Lot 4)

(112.80 acres)





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## Exhibit "A-2" OWNERSHIP BREAKDOWN – Wolfcamp formation Lots 1-4 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 and 822HH

#### TRACT 1 OWNERSHIP (encompassing Lots 1-4 of Section 3-T21S-R27E, being 116.50 acres)

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	69.3848943	20.174719%	Committed
James L. Hewitt PO Box 54032 Orlando, FL 32854	4.95125	1.43965%	Uncommitted
Crosswinds Resources, LLC PO Box 1960 Chandler, AZ 85244	0.190594	0.05542%	Uncommitted
Quimex International Inc PO Box 1659 Midland, TX 79702	4.95125	1.43965%	Uncommitted
Ranch 707, LLC 707 E. Quarterhorse Ln. Camp Verde, AZ 86322	0.476485	0.13855%	Uncommitted
Perdant Energy, LLC PO Box 9626 Phoenix, AZ 85068	0.2382425	0.06927%	Uncommitted
Paladin Inc. PO Box 5062 Scottsdale, AZ 85261	0.481844948	0.1401%	Uncommitted
Magic Merlin Energy Investments, LLC PO Box 2309 Bend, OR 97709	0.2382425	0.06927%	Uncommitted
ABJ Oil Company, Ltd. PO Box 44242 Phoenix, AZ 85064	0.476485	0.13855%	Uncommitted
Jim Whitehead Oil & Gas, LLC PO Box 44251 Phoenix, AZ 85064	0.95297	0.27709%	Uncommitted
Mitchel E. Cheney 7670 Woodway Dr., Suite 175 Houston, TX 77063	2.97075	0.86379%	Uncommitted

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Lynn Charuk PO Box 52370 Midland, TX 79710	2.97075	0.86379%	Uncommitted
Angela Brown Management Trust PO Box 820 Henderson, Texas 75653	9.9025	2.8793%	Uncommitted
Moon Royalty, LLC PO Box 720070 Oklahoma City, OK	5.9560625	1.73182%	Committed
J&J Energy, LLC 300 N. Sorrel Court Show Low, AZ 85901	0.190594	0.05542%	Uncommitted
M Code, LLC 5744 E. Joshua Tree Ln. Paradise Valley, AZ 85253	0.190594	0.05542%	Uncommitted
RJ Fortune Investments, LLC 9290 E. Thompson Peak Pkwy, Unit 257 Scottsdale, AZ 85255	0.190594	0.05542%	Uncommitted
BB Management, LLC PO Box 80735 Phoenix, AZ 85060	1.2865095	0.37407%	Uncommitted
BF Energy, LLC 3504 E. Claremont St. Paradise Valley, AZ 85253	0.190594	0.05542%	Uncommitted
Jeff Phillips 5710 Devlin Pl. Midland, TX 79707	1.9805	0.57586%	Uncommitted
Thomas Family Ltd. Partnership PO Box 44252 Phoenix, AZ 85064	0.59560625	0.17318%	Uncommitted
Fred C. Corey 5503 Los Patios Dr. Midland, TX 79707	1.776625	0.51658%	Uncommitted
Herbaly Exploration, LLC 1420 W. Canal Ct., Suite 150 Littleton, CO 80120	5.9560625	1.73182%	Uncommitted
TRACT 1 TOTAL	116.50	33.8741568%	

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	104.4665065	30.37523%	Committed
Claremont Corporation PO Box 3326 Tulsa, OK 74101	0.043434103	0.01263%	Uncommitted
Davoil Inc. PO Box 122269 Fort Worth, TX 76121	0.30859028	0.08973%	Committed
GW Holdings Inc. (dba Great Western Drilling Ltd.) PO Box 1659 Midland, TX 79702	0.560089484	0.16285%	Committed
Javelina Partners 616 Texas Street Fort Worth, TX 76102	1.158241977	0.33678%	Committed
Redfern Enterprises Inc. PO Box 2127 Midland, TX 79702	0.406522754	0.1182%	Uncommitted
Sabinal Energy, LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	6.309012613	1.83444%	Uncommitted
Sieb Resources PO Box 1107 Richmond, TX 77046	0.209361453	0.06088%	Uncommitted
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	1.158240831	0.33678%	Committed
TRACT 2 TOTAL	114.62	33.32752%	

### TRACT 2 OWNERSHIP (Lots 1-4 of Section 2-T21S-R27E, being 114.62 acres)

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	98.65	28.683996%	Committed
Magnum Hunter Production, Inc. 600 Marienfeld St., Suite 600 Midland, TX	14.15	4.1143289%	Uncommitted
TRACT 3 TOTAL	112.80	32.798325%	

### TRACT 3 OWNERSHIP (Lots 1-4 of Section 1-T21S-R27E, being 112.80 acres)

.

# **UNIT RECAPITULATION:**

# Lots 1-4 of Sections 1, 2, and 3 of T21S-R27E; being 343.92 acres

Devon Energy Production Company, L.P.	79.233945%	WI
Magnum Hunter Production, Inc.	4.1143289%	WI
James L. Hewitt	1.43965%	WI
Crosswinds Resources, LLC	0.05542%	WI
Quimex International Inc	1.43965%	WI
Ranch 707, LLC	0.13855%	WI
Perdant Energy, LLC	0.06927%	WI
Paladin Inc.	0.1401%	WI
Magic Merlin Energy Investments, LLC	0.06927%	WI
ABJ Oil Company, Ltd.	0.13855%	WI
Jim Whitehead Oil & Gas, LLC	0.27709%	WI
Mitchel E. Cheney	0.86379%	WI
Lynn Charuk	0.86379%	WI
Angela Brown Management Trust	2.8793%	WI
Moon Royalty, LLC	1.73182%	WI
J&J Energy, LLC	0.05542%	WI
M Code, LLC	0.05542%	WI
RJ Fortune Investments, LLC	0.05542%	WI
BB Management, LLC	0.37407%	WI
BF Energy, LLC	0.05542%	WI
Jeff Phillips	0.57586%	WI
Thomas Family Ltd. Partnership	0.17318%	WI
Fred C. Corey	0.51658%	WI
Claremont Corporation	0.01263%	WI
Davoil Inc.	0.08973%	WI

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GW Holdings Inc. (dba Great Western Drilling Ltd.)	0.16285%	WI
Javelina Partners	0.33678%	WI
Redfern Enterprises Inc.	0.1182%	WI
Sabinal Energy, LLC	1.83444%	WI
Sieb Resources	0.06088%	WI
Zorro Partners, Ltd.	0.33678%	WI
Herbaly Exploration, LLC	1.73182%	WI
UNIT TOTAL:	100% WI	

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### **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 LATTN BEN CLAVETTE	402 GAMMON PL STE 320	MADISON	Wisconsin	53719
ELIZABETH L CHENEY MITCHELE 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 576685	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			UTAH	84111
	910 DONNER WAY, #710	SALT LAKE CITY		
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	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

.

#### **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.** 

aust

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: \_\_\_\_\_

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:5-12-2022State:NMCounty/Parish:EDDY

Explanation and Justification:

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

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	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	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	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 SV	0.00	327,819.81	0.00	327,819.81
6160100	MATERIALS & SUPPLIES	534.13	0.00	0.00	534.13
	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	53,413.40	0.00	0.00	53,413.40
6190110	TRUCKING&HAUL OF EQP	51,000.00	46,412.39	0.00	97,412.39
6200130	CONSLT & PROJECT SVC	212,406.11	103,961.17	0.00	316,367.28
6230120	SAFETY SERVICES	34,718.71	0.00	0.00	34,718.71
6300270	SOLIDS CONTROL SRVCS	61,864.41	0.00	0.00	61,864.41
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	1,193,270.6
6310200	CASING & TUBULAR SVC	81,500.00	0.00	0.00	81,500.00
6310250	CEMENTING SERVICES	185,000.00	0.00	0.00	185,000.00
6310280	DAYWORK COSTS	601,568.37	0.00	0.00	601,568.37
6310300	DIRECTIONAL SERVICES	236,550.65	0.00	0.00	236,550.65
6310310	DRILL BITS	96,500.00	0.00	0.00	96,500.00
6310330	DRILL&COMP FLUID&SVC	174,918.38	18,245.15	0.00	193,163.53
6310370	MOB & DEMOBILIZATION	37,122.31	0.00	0.00	37,122.31
6310380	OPEN HOLE EVALUATION	17,196.94	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	96,133.12	35,289.39	0.00	131,422.51
6320160	WELDING SERVICES	1,500.00	0.00	0.00	1,500.00
	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
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 Revision:

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

4,135,141.15

#### TOTAL ESTIMATED COST

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

6,973,320.64

Title:

Date:

Email:

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:5-12-2022State:NMCounty/Parish: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	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	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	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 SV	0.00	327,819.81	0.00	327,819.81
6160100	MATERIALS & SUPPLIES	534.13	0.00	0.00	534.13
	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	53,413.40	0.00	0.00	53,413.40
6190110	TRUCKING&HAUL OF EQP	51,000.00	46,412.39	0.00	97,412.39
6200130	CONSLT & PROJECT SVC	212,406.11	103,961.17	0.00	316,367.28
6230120	SAFETY SERVICES	34,718.71	0.00	0.00	34,718.71
6300270	SOLIDS CONTROL SRVCS	61,864.41	0.00	0.00	61,864.41
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	1,193,270.6
6310200	CASING & TUBULAR SVC	81,500.00	0.00	0.00	81,500.00
6310250	CEMENTING SERVICES	185,000.00	0.00	0.00	185,000.00
6310280	DAYWORK COSTS	601,568.37	0.00	0.00	601,568.37
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6310310	DRILL BITS	96,500.00	0.00	0.00	96,500.00
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6320100	EQPMNT SVC-SRF RNTL	90,176.05	162,283.79	0.00	252,459.84
6320110	EQUIP SVC - DOWNHOLE	96,133.12	35,289.39	0.00	131,422.51
6320160	WELDING SERVICES	1,500.00	0.00	0.00	1,500.00
	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
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-139995.01 Well Name: BURTON FLAT 3-1 FED STATE COM 622H Cost Center Number: 1094558401 Legal Description: 3-21S-27E Revision:

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

#### TOTAL ESTIMATED COST 4,135,141.15

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

6,973,320.64

Title:

Date:

Email:

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.

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Page 2

Very truly yours,

**Devon Energy Production Company, L.P.** 

agest

Andy Bennett, CPL Senior Staff Landman

#### Magnum Hunter Production, Inc.:

To Participate in the proposal of the Burton Flat 3-1 Fed State Com 822H

\_\_\_\_\_ Not To Participate in the proposal of the Burton Flat 3-1 Fed State Com 822H

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

#### Magnum Hunter Production, Inc.:

By: \_\_\_\_\_

Title:



AFE # XX-150180.01	
Well Name: BURTON FLAT 3-1 FED STATE COM 822H	AFE Dat
Cost Center Number: 1094682101	State:
Legal Description: 3-21S-27E	County/I
Revision:	•

E Date: 5-12-2022 e: NM Inty/Parish: 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	I & 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
6190100	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
6230120	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



Well Nan Cost Cer	K-150180.01 he: BURTON FLAT 3-1 FED hter Number: 1094682101 scription: 3-21S-27E : □	STATE COM 822H	AFE Da State: County/	NM	-2022 Y
	Intangible	Drilling	Completion	Dry Hole	Total
Code	Description	Costs	Costs	Costs	Costs
	MISCELLANEOUS SVC	28,000.00	0.00	0.00	28,000.00
	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
	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
Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	&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

TOTAL ESTIMATED COST	4,814,885.71	6,976,847.11	0.00	11,791,732.82
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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.

## 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.
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)	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 (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. 22962

- Exhibit B:Affidavit of Joseph Dixon, GeologistExhibit B-1:Structure MapExhibit 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. 22961, 22962

#### **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



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.

2

#### FURTHER AFFIANT SAYETH NOT.

OSEPH DIXON

STATE OF OKLAHOMA COUNTY OF OKlabona

TY OF <u>UKlahoma</u> SUBSCRIBED and SWORN to before me this <u>(h)</u> day of <u>August</u> by Joseph Dixon. O(1 + Qala)2022 by Joseph Dixon.



NOTARY PUBLIC

My Commission Expires:

3

Top of Wolfcamp Formation Structure Map Structure Map Contour Interval = 50' North North Exhibit B-1 is a structure map showing the depth (subsea) to the top of the Wolfcamp formation, a marker that defines the top of the target interval for the proposed well.

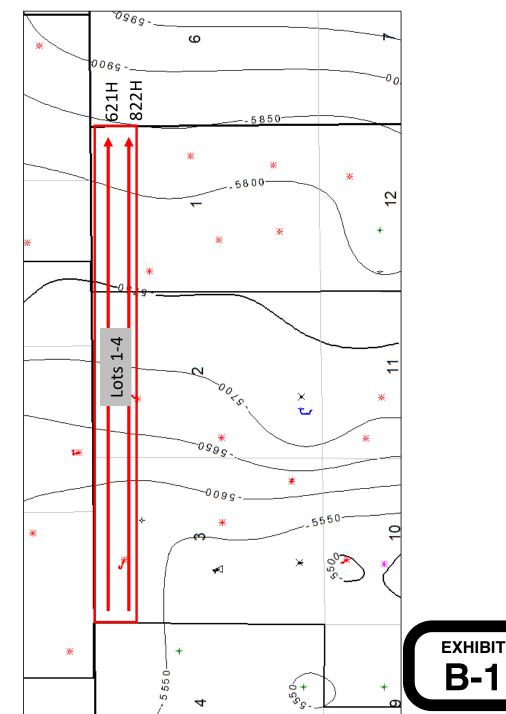
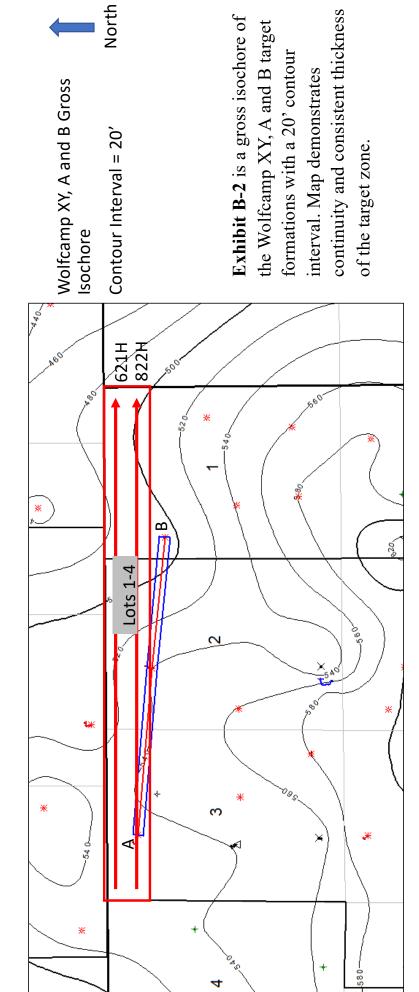


Exhibit B-1



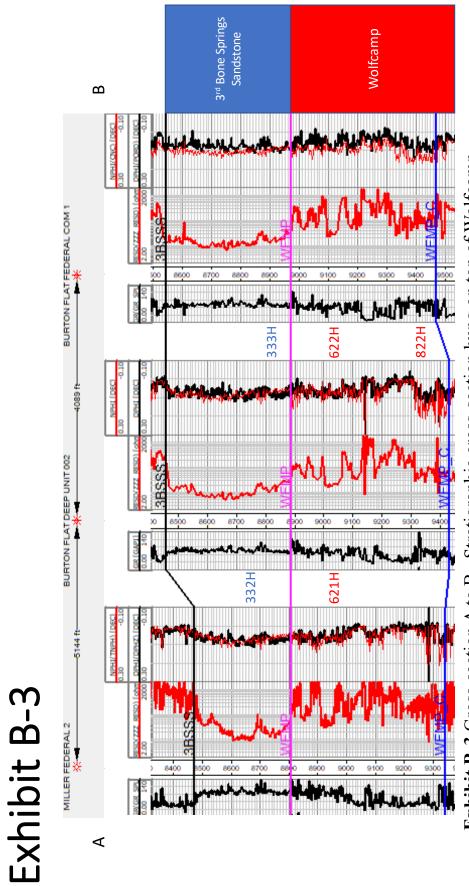


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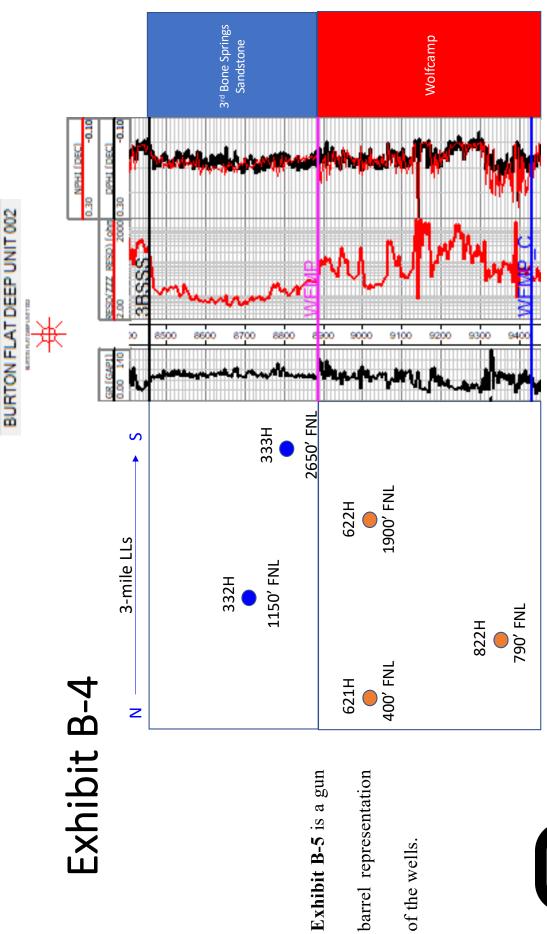




Target interval indicated by well number.

ехнівіт **В-3** 

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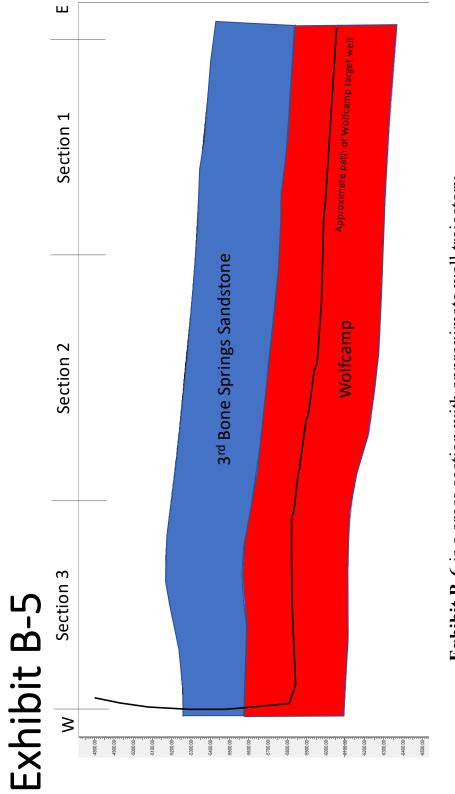


Exhibit B-6 is a cross section with approximate well trajectory.



# TAB 1

Reference for Case No. 22963 Application Case No. 22963: Burton Flat 3-1 Fed State Com 333H Well NMOCD Checklist Case No. 22963

#### 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. 22963

#### **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 480-acre, more or less, spacing and proration unit comprised of Lots 9 through 12 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.

2. As a result, Devon has submitted concurrently an alternate pooling application for the **Burton Flat 3-1 Fed State Com 333H Well** that proposes a standard horizontal spacing unit comprising Lots 1-8 of irregular Sections 1, 2 and 3, which is Devon's preferred spacing unit and

development plan for accommodating the 333H Well. Devon submits this application as a default application should the Division reject approval of its preferred pooling application.

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.

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 existing spacing units with wells owned and operated by Devon, the Burton Flat Deep Unit 55H Well (API No. 30-015-40682) with a unit covering Lots 9-12 in Section 2, and the Burton Flat Deep Unit 51H Well (API No. 30-015-40681) with a unit covering Lots 9-12 in Section 3. Devon requests approval for this overlapping unit.

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.

2

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

WHEREFORE, Devon requests that this Application be set for hearing on 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 480-acre, more or less, spacing and proration unit comprised of Lots 9 through 12 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,

Released to Imaging: 8/17/2022/9:30:16PAM

3

#### ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

William E. Zimsky Luke Kittinger Andrew D. Schill 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.com bill@abadieschill.com luke@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 480-acre, more or less, spacing and proration unit comprised of Lots 9 through 12 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 55H Well (API No. 30-015-40682) in Section 2 and the Burton Flat Deep Unit 51H Well (API No. 30-015-40681) in Section 3, both operated by the 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.

# COMPULSORY POOLING APPLICATION CHECKLIST

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

Date:         August 16, 2022           Applicant         Devon Energy Production Company LP.           Designated Operator & OGRID (affiliation if applicable)         Darin C. Savage - Abadie & Schill, PC           Case Title:         Darin C. Savage - Abadie & Schill, PC           Case Title:         Application Of Devon Energy Production Company, LP.           For a Nonstandard Horizontal Spacing Unit, if Necessary, 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 Name(s) or Vertical Extent:         Bone Spring           Primary Product (Oli or Gas):         Oil           Pooling this vertical extent:         Exhibit B-3; 333H TVD approx 8945'           Pooling this vertical extent:         Bone Spring [Avalon; Bone Spring East (Code 37130]]           Well Location Setback Rules:         NMAC statewide rules           Spacing Unit         Horizontal           Site (Arces)         A80 acres, more or less           Building Blocks:         Single Lots within correction sections           Orientation:         west - east           Description: TRs/County         No           Proximity Printing Well: trity eduscription	APPLICANT'S RESPONSE	
Applicant         Devon Energy Production Company L.P.           Designated Operator & OGRID (affiliation if applicable)         6137           Applicant's Counsel:         Oarin C. Savage - Abadie & Schill, PC           Case Title:         Applicant's Counsel:         Applicant's Counsel:           Case Title:         Applicant's Counsel:         Counsel:           Case Title:         Applicant's Counsel:         Counsel:           Case Title:         Applicant's Counsel:         Applicant's Counsel:           Case Title:         MRC Permian Company         Eddy County, New Mexico           Entries of Appearance/Intervenors:         MRC Permian Company         Satinal Energy Operating, LLC           Chevron U.S.A. Inc.         Well Family         Burton Flat 3-1 Fed State Com           Formation Mene(s) or Vertical Extent:         Bone Spring Iavalon; Bone Spring East (Code 37130)]           Pool Name and Pool Code:         Bone Spring Iavalon; Bone Spring East (Code 37130)]           Well Location Setback Rules:         NMAC statewide rules           Spacing Unit Size:         480 acres, more or less           Spacing Unit Size:         Single Lots within correction sections           Size (Acres)         480 acres, more or less           Building Blocks:         Single Lots within correction sections           Orientation:	August 16, 2022	
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 Nonstandard Horizontal Spacing Unit, if Necessary, 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         Primary Product (Oll or Gas):       Oll         Pooling this vertical Extent:       Bone Spring         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pool me and Pool Code:       Bone Spring [Avalon; Bone Spring East (Code 37130)]         Well Location Setback Rules:       NMAC statewide rules         Spacing Unit       Single Lots within correction sections         Orientation:       west - east         Description: TRS/County       Lots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico         Yea       More Corrections 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, describe       Yes         Other Stisuations       Depth Severace: YM. If		
Applicative Counsel:       Darin C. Savage - Abadie & Schill, PC         Case Title:       Application of Devon Energy Production Company, L.P.         for a Nonstandar Horizontal Spacing Unit, if Necessary, 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 Name(s) or Vertical Extent:       Bone Spring         Primary Product (Oll or Gas):       Oil         Pool Name and Pool Code:       Bone Spring [Avalon; Bone Spring East (Code 37130)]         Well Location Setback Rules:       NMAC statewide rules         Spacing Unit Size:       A80 acres, more or less         Spacing Unit Size:       A80 acres, more or less         Spacing Unit Size:       Single Lots within correction sections         Orientation:       west - east         Description: TRS/County       Lots 9:12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico         Standard Horizontal Well Spacing Unit (V/N), If No, describe       Yes         Other Situations       No         Proximity Tracts: If yes, description       No         Proximity Tracts: If yes, description       No         Proximity Tracts: If yes, description       No		
Case Title:     Application of Devon Energy Production Company, L.P. for a Nonstandard Horizontal Spacing Unit, if Necessary, 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:       Pointary Total extent:     Bone Spring       Proding this vertical extent:     Exhibit B-3; 333H TVD approx 8945'       Pool Name and Pool Code:     Bone Spring [Avalon; Bone Spring East (Code 37130)]       Well Location Setback Rules:     MMAC statewide rules       Spacing Unit Size:     480 acres, more or less       Spacing Unit Size:     A80 acres, more or less       Spacing Unit Size:     Single Lots within correction sections       Orientation:     west - east       Description: TRs/County     Lots 9-12 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, describe     Yes       Other Situations     No       Proximity Tracts: If yes, description     No       Name & API (If assigned), surface and bottom hole location, footages, completion target, orientation, completion	Darin C. Savage - Abadie & Schill, PC	
and Compulsory Pooling, Eddy County, New MexicoEntries of Appearance/Intervenors:MRC Permian Company Sabinal Energy Operating, LLC Chevron U.S.A. Inc.Well FamilyBurton Flat 3-1 Fed State ComFormation/PoolEntries of Appearance/Intervenors:Formation Name(s) or Vertical Extent:Bone SpringPooling this vertical extent:Exhibit B-3; 333H TVD approx 8945'Pool Name and Pool Code:Bone Spring [Avalon; Bone Spring East (Code 37130)]Well Location Setback Rules:NMAC Statewide rulesSpacing Unit Size:480 acres, more or lessSpacing Unit Size:480 acres, more or lessSpacing Unit Size:A80 acres, more or lessSpacing Unit Size:Single Lots within correction sectionsOrientation:west - eastDescription: TRS/CountyLots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New MexicoStandard Horizontal Well Spacing Unit (Y/N), If No, describeYesOther SituationsYesDepth Severance: Y/N. If yes, descriptionNoProximity Tract: If yes, descriptionNoProximity Defining Well: if yes, descriptionNoApplicant's Ownership in Each TractSee Landman Exhibit A-2Well MBurton Flat 3-1 Fed State Com 333H Well (API No. 30-015 Parding), SHL: Lot 5, 2107 'FNL, 387' FNL, Section 1, 2105' FNL, 307' FNL, 587' FNL, 507' FNL, 707' FNL, 587' FNL, 507' FNL, 707' FNL, 587' FNL, 500' FNL, 700' FEL, Section 1, 721S' R27E, NMPM, Haydown, standard locationWell #1Burton		
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       Energy Operating, LLC         Formation/Pool       01         Pooling this vertical extent:       Bone Spring         Primary Product (Oli or Gas):       Oil         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pooling this vertical extent:       MAC Statewide rules         Spacing Unit Ste:       480 acres, more or less         Building Blocks:       Single Lots within correction sections         Orientation:       west - east         Description:       RS/County         Nange 27 East, NMPM, Eddy County, New Mexico         Standard Horizontal Well Spacing Unit (Y/N), If No, descripton       No         Proximity	for a Nonstandard Horizontal Spacing Unit, if Necessary,	
Sabinal Energy Operating, LLC Chevron U.S.A. Inc.Well FamilyBurton Flat 3-1 Fed State ComFormation/PoolEoremation Name(s) or Vertical Extent:Primary Product (Oil or Gas):OilPooling this vertical extent:Exhibit B-3; 333H TVD approx 8945'Pooling this Stei:480 acres, more or lessSpacing UnitYeeYipe (Horizontal/Vertical)HorizontalSize (Acres)480 acres, more or lessBuilding Blocks:Single Lots within correction sectionsOrientation:west - eastDescription: TRS/CountyLots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New MexicoStandard Horizontal Well Spacing Unit (Y/N), If No, describeYesOther SituationsPeet - eastDepth Severance: Y/N. If yes, descriptionNoProximity Tracts: If yes, descriptionNoProximity Defining Well: firyes, descriptionNoProximity Defining Well: firyes, descriptionNoName & API (if assigned), surface and bottom hole location, standard or non-standard)Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 3, 7215- R27E, NMPM, BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T215-R27E, NMPM, BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T215-R27E, NMPM, BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T215-R27E, NMPM, BHL: Lot 9, 2650' FNL,	and Compulsory Pooling, Eddy County, New Mexico	
Chevron U.S.A. Inc.Well FamilyBurton Flat 3-1 Fed State ComFormation/PoolEntron Flat 3-1 Fed State ComFormation Name(s) or Vertical Extent:Bone SpringPooling this vertical extent:Exhibit B-3; 333H TVD approx 8945'Pool Name and Pool Code:Bone Spring [Avalon; Bone Spring East (Code 37130)]Well Location Setback Rules:NMAC statewide rulesSpacing Unit Size:480 acres, more or lessSpacing Unit Size:A80 acres, more or lessSpacing Unit Size:Single Lots within correction sectionsOrientation:west - eastDescription: TRS/CountyLots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New MexicoStandard Horizontal Well Spacing Unit (Y/N), If No, describeYesOther SituationsDescriptionDepth Severance: Y/N. If yes, descriptionNoProximity Defining Well: If yes, descriptionNoProximity Defining Well: If yes, descriptionNoProximity Offining unit (rest, orenpletion status (standard or non-standard)Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 Pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 3, 212s- R276, NMPM, BHL: Lot 9, 2650' FNL, 00' FNL, 20' FEL, Section 1, T215-R276, NMPM, BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T215-R276, NMPM, BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T215-R276, NMPM, BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T215-R276, NMPM, BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T215-R276, NMPM, BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T215-R276, NMPM, BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T215-R276, NMPM, BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, <br< td=""><td>MRC Permian Company</td></br<>	MRC Permian Company	
Well Family     Burton Flat 3-1 Fed State Com       Formation/Pool     Bone Spring       Formation Name(s) or Vertical Extent:     Bone Spring       Pooling this vertical extent:     Exhibit B-3; 333H TVD approx 8945'       Pool Name and Pool Code:     Bone Spring [Avalon; Bone Spring East (Code 37130)]       Well Location Setback Rules:     NMAC statewide rules       Spacing Unit Size:     480 acres, more or less       Spacing Unit Size:     480 acres, more or less       Spacing Unit Size:     480 acres, more or less       Spacing Unit Green     Horizontal       Size (Acres)     480 acres, more or less       Building Blocks:     Single Lots within correction sections       Orientation:     west - east       Description: TRS/County     Lots 9-12 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, describe     Yes       Other Situations     Other Situations       Depth Severance: Y/N. If yes, description     No       Proximity Tracts: If yes, description     No       Applicant's Ownership in Each Tract     See Landman Exhibit A-2       Well(S)     No       Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)     Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 R27E, NMPM; BHL: Lot 9, 265	Sabinal Energy Operating, LLC	
Formation/PoolFormation Name(s) or Vertical Extent:Bone SpringPrimary Product (Oil or Gas):OilPooling this vertical extent:Exhibit B-3; 333H TVD approx 8945'Pool Name and Pool Code:Bone Spring [Avalon; Bone Spring East (Code 37130)]Well Location Setback Rules:NMAC statewide rulesSpacing Unit Size:480 acres, more or lessSpacing Unit Size:480 acres, more or lessSpacing Unit Size:Single Lots within correction sectionsSize (Acres)480 acres, more or lessBuilding Blocks:Single Lots within correction sectionsOrientation:west - eastDescription: TRS/CountyLots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New MexicoStandard Horizontal Well Spacing Unit (Y/N). If No, describeYesOther SituationsProximity Tracts: If yes, descriptionNoProximity Tracts: If yes, descriptionProximity Defining Well: If yes, descriptionNoProximity Offining Well: If yes, descriptionNoApplicant's Ownership in Each TractSee Landman Exhibit A-2Well(s)Well f1Well #1Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 1, 7215-R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, 7215-R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, 7215-R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, 7215-R27E, NMPM; BHL: Lot 9, 2650' FNL, 100' FEL, Section 1Horizontal Well First and Last Take PointsBurton Flat 3-1 Fed State Com 333H Well: FTP 2650' FNL, 100' FWL, Section 3; LTP 2650' F	Chevron U.S.A. Inc.	
Formation Name(s) or Vertical Extent:       Bone Spring         Primary Product (0il or Gas):       Oil         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pool Name and Pool Code:       Bone Spring [Avalon; Bone Spring East (Code 37130)]         Well Location Setback Rules:       NMAC statewide rules         Spacing Unit Size:       480 acres, more or less         Spacing Unit Size:       480 acres, more or less         Building Blocks:       Single Lots within correction sections         Orientation:       west - east         Description: TRS/County       Lots 9-12 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, describe       Yes         Other Situations       Yes         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. 30-015 R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T215-R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL,	Burton Flat 3-1 Fed State Com	
Primary Product (Oil or Gas):       Oil         Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pool Name and Pool Code:       Bone Spring [Avalon; Bone Spring East (Code 37130)]         Well Location Setback Rules:       NMAC statewide rules         Spacing Unit       Spacing Unit         Type (Horizontal/Vertical)       Horizontal         Size (Acres)       480 acres, more or less         Building Blocks:       Single Lots within correction sections         Orientation:       west - east         Description: TRS/County       Lots 9-12 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, describe       Yes         Other Situations       Pept Severance: Y/N. If yes, description         Depth Severance: Y/N. If yes, description       No         Applicant's Ownership in Each Tract       See Landman Exhibit A-2         Well(3)       Well (assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)         Well If 1       Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 1, T215-R27E, NMPM, laydown, standard location         Horizontal Well First and Last Take Points       Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 pending), SHL: Lot 9, 2650' FNL, 100' FEL, Sectio		
Pooling this vertical extent:       Exhibit B-3; 333H TVD approx 8945'         Pool Name and Pool Code:       Bone Spring [Avalon; Bone Spring East (Code 37130)]         Well Location Setback Rules:       NMAC statewide rules         Spacing Unit Size:       480 acres, more or less         Spacing Unit       Horizontal         Type (Horizontal/Vertical)       Horizontal         Size (Acres)       480 acres, more or less         Building Blocks:       Single Lots within correction sections         Orientation:       west - east         Description: TRS/County       Lots 9-12 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, describe       Yes         Other Situations       No         Proximity Tracts: 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. 30-015 pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 1, T215-R27E, NMPM, Budyown, standard location         Hori	Bone Spring	
Pool Name and Pool Code:Bone Spring [Avalon; Bone Spring East (Code 37130)]Well Location Setback Rules:NMAC statewide rulesSpacing Unit Size:480 acres, more or lessSpacing Unit Size:480 acres, more or lessType (Horizontal/Vertical)HorizontalSize (Acres)480 acres, more or lessBuilding Blocks:Single Lots within correction sectionsOrientation:west - eastDescription: TRS/CountyLots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New MexicoStandard Horizontal Well Spacing Unit (Y/N), If No, describeYesOther SituationsOther SituationsDepth Severance: Y/N. If yes, descriptionNoProximity Tracts: If yes, descriptionNoApplicant's Ownership in Each TractSee Landman Exhibit A-2Well(s)Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)Well #1Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015- pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 1, T21S-R27E, NMPM; BuL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM; BuL: Lot 9, 2650' FNL, 20' FEL, Section 1, 	Oil	
Well Location Setback Rules:NMAC statewide rulesSpacing Unit Size:480 acres, more or lessSpacing Unit Size:480 acres, more or lessSpacing Unit Size480 acres, more or lessSize (Acres)480 acres, more or lessBuilding Blocks:Single Lots within correction sectionsOrientation:west - eastDescription: TRS/CountyLots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New MexicoStandard Horizontal Well Spacing Unit (Y/N), If No, describeYesOther SituationsProximity Tracts: If yes, descriptionNoProximity Tracts: If yes, descriptionProximity Defining Well: if yes, descriptionNoProximity Defining Well: if yes, descriptionNoApplicant's Ownership in Each TractSee Landman Exhibit A-2Well(s)Mome & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 1, 7215-R27E, NMPM, laydown, standard locationHorizontal Well First and Last Take PointsBurton Flat 3-1 Fed State Com 333H Well: FTP 2650' FNL, 100' FWL, Section 3; LTP 2650' FNL, 100' FEL, Section 1Completion Target (Formation, TVD and MD)Burton Flat 3-1 Fed State Com 333H Well: TVD approx. 8,945', TMD 24,425'; Bone Spring Formation, See Exhibit		
Spacing Unit Size:       480 acres, more or less         Spacing Unit       Horizontal         Type (Horizontal/Vertical)       Horizontal         Size (Acres)       480 acres, more or less         Building Blocks:       Single Lots within correction sections         Orientation:       west - east         Description: TRS/County       Lots 9-12 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, describe       Yes         Other Situations       Depth Severance: Y/N. If yes, description         No       Proximity Defining Well: if yes, description         Proximity Defining Well: if yes, description       No         Applicant's Ownership in Each Tract       See Landman Exhibit A-2         Well(5)       Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)       Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 3, T21S- R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM; BHL: Lot 9, 2650' 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 333H Well: FTP 2650' FNL, 100' FWL, Section 3; LTP 2650' FNL, 100' FEL, Section 1         Completion Target (Formation, TVD and MD)       Burton Flat 3-1 Fed State Com 333H Well: TVD ap	Bone Spring [Avalon; Bone Spring East (Code 37130)]	
Spacing Unit         Horizontal/Vertical)           Type (Horizontal/Vertical)         Horizontal           Size (Acres)         480 acres, more or less           Building Blocks:         Single Lots within correction sections           Orientation:         west - east           Description: TRS/County         Lots 9-12 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, describe         Yes           Other Situations         Depth Severance: Y/N. If yes, description           Depth Severance: Y/N. 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)         Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 1, T21S-R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM; BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T21S-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           Completion Target (Formation, TVD and MD)         Burton Flat 3-1 Fed Stat	NMAC statewide rules	
Type (Horizontal/Vertical)HorizontalSize (Acres)480 acres, more or lessBuilding Blocks:Single Lots within correction sectionsOrientation:west - eastDescription: TRS/CountyLots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New MexicoStandard Horizontal Well Spacing Unit (Y/N), If No, describeYesOther SituationsProximity Tracts: If yes, descriptionProximity Tracts: If yes, descriptionNoProximity Defining Well: if yes, descriptionNoApplicant's Ownership in Each TractSee Landman Exhibit A-2Well(s)NoName & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)Well #1Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015- pending), SHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM, BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM, laydown, standard locationHorizontal Well First and Last Take PointsBurton Flat 3-1 Fed State Com 333H Well: FTP 2650' FNL, 100' FWL, Section 3; LTP 2650' FNL, 100' FEL, Section 1Completion Target (Formation, TVD and MD)Burton Flat 3-1 Fed State Com 333H Well: TVD approx. 8,945', TMD 24,425'; Bone Spring Formation, See Exhibit	480 acres, more or less	
Size (Acres)       480 acres, more or less         Building Blocks:       Single Lots within correction sections         Orientation:       west - east         Description: TRS/County       Lots 9-12 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, describe       Yes         Other Situations       Proximity Tracts: If yes, description         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)       No         Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)       Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015- pending), SHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM; BHL: Lot 9, 2650' FNL, 100' FEL, Section 1, T21S-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         Completion Target (Formation, TVD and MD)       Burton Flat 3-1 Fed State Com 333H Well: TVD approx. 8,945', TMD 24,425'; Bone Spring Formation, See Exhibit		
Building Blocks:       Single Lots within correction sections         Orientation:       west - east         Description: TRS/County       Lots 9-12 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, describe       Yes         Other Situations	Horizontal	
Orientation:west - eastDescription: TRS/CountyLots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New MexicoStandard Horizontal Well Spacing Unit (Y/N), If No, describeYesOther SituationsDepth Severance: Y/N. If yes, descriptionNoProximity Tracts: If yes, descriptionNoProximity Defining Well: if yes, descriptionNoApplicant's Ownership in Each TractSee Landman Exhibit A-2Well(s)NoName & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)Well #1Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015 pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 3, T21S- R27E, NMPM; BHL: Lot 9, 2650' FNL, 20' FEL, Section 1, T21S-R27E, NMPM; Iaydown, standard locationHorizontal Well First and Last Take PointsBurton Flat 3-1 Fed State Com 333H Well: FTP 2650' FNL, 100' FWL, Section 3; LTP 2650' FNL, 100' FEL, Section 1Completion Target (Formation, TVD and MD)Burton Flat 3-1 Fed State Com 333H Well: TVD approx. 8,945', TMD 24,425'; Bone Spring Formation, See Exhibit	480 acres, more or less	
Description: TRS/CountyLots 9-12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New MexicoStandard Horizontal Well Spacing Unit (Y/N), If No, describeYesOther SituationsPotent Severance: Y/N. If yes, descriptionNoProximity Tracts: If yes, descriptionNoProximity Defining Well: if yes, descriptionNoApplicant's Ownership in Each TractSee Landman Exhibit A-2Well(s)NoName & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)Well #1Burton Flat 3-1 Fed State Com 333H Well (API No. 30-015- pending), SHL: Lot 5, 2107' FNL, 387' FWL, Section 1, T215-R27E, NMPM, Burton Flat 3-1 Fed State Com 333H Well: FTP 2650' FNL, 100' FWL, Section 3; LTP 2650' FNL, 100' FEL, Section 1, T215-R27E, NMPM, laydown, standard locationHorizontal Well First and Last Take PointsBurton Flat 3-1 Fed State Com 333H Well: FTP 2650' FNL, 100' FWL, Section 3; LTP 2650' FNL, 100' FEL, Section 1Completion Target (Formation, TVD and MD)Burton Flat 3-1 Fed State Com 333H Well: TVD approx. 8,945', TMD 24,425'; Bone Spring Formation, See Exhibit	Single Lots within correction sections	
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Received by OCD: 8/16/2022 6:51:08 PM	Page 103 of 27
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$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	
Proposed Notice of Hearing	Exhibit C, C-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
Pooled Parties (including ownership type)	Exhibit A-2
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage above &	
below)	Exhibit A-2
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
Forms, Figures and Tables C-102	
	Exhibit A-1
Tracts	Exhibit A-1, A-2, B-1 Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	
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	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information prov	-
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. 22963

- 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

EXHIBIT

#### 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. 22963

#### 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 abovereferenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1).

5. Devon seeks an order (1) establishing a standard 480-acre, more or less, spacing and proration unit comprised of Lots 9 through 12 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, said Sections being correction section

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.

7. As a result, Devon has submitted concurrently an alternate pooling application for the **Burton Flat 3-1 Fed State Com 333H Well**, in Case No. 22959, that proposes a standard horizontal spacing unit comprising Lots 1-8 of irregular Sections 1, 2 and 3, which is Devon's preferred spacing unit and development plan for accommodating the 333H Well. Devon submits the present application in Case No. 22963 as a default application should the Division reject approval of its preferred pooling application.

8. Under this <u>Case No. 22963</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 oil 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 HSU overlaps existing spacing units with wells owned and operated by Devon, the Burton Flat Deep Unit 55H Well (API No. 30-015-40682) with a unit covering Lots 9-12 in Section 2, and the Burton Flat Deep Unit 51H Well (API No. 30-015-40681) with a unit covering Lots 9-12 in Section 3. Devon requests approval for this overlapping unit.

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 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.

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

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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  $\underline{\prod}$  day of August 2022.



Notary Public

DISTRICT I 1625 N. FRENCH DR., HOBJ Phone: (575) 393-6161 Fax: ( DISTRICT II 811 S. FIRST ST., ARTE Phone: (576) 748-1283 Fax DISTRICT III 1000 RIO BRAZOS RD., Phone: (505) 334-6178 F.	SIA, NM 88210 : (575) 748-9720 AZTEC, NM 87410	OIL C	nerals & CONSE 1220 SOU	RVATIO TH ST. F	v Mexico Resources De DN DIVIS RANCIS DR. xico 87505	-	Revised Au Submit one copy t	Corm C-102 ngust 1, 2011 o appropriate ct Office
DISTRICT IV 1220 S. ST. FRANCIS DR., S Phone: (505) 476-3460 F							□ AMEND	ED REPORT
				ND ACREA	GE DEDICATI			
API Nur	nber		Pool Code			Pool Name		
Property Code		BU	RTON FLA	Property Nam T 3–1 FE		М	Well Num 33	
<b>OGRID No.</b> 6137		DEVON	ENERGY	Operator Nam PRODUCTI	° ON COMPANY	7, L.P.	Elevatio 3184	
				Surface Loca				
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UL or lot No. Se LOT 9	ection Towns 1 21-		Lot Idn 1	Feet from the 2650	North/South line	Feet from the	East/West line EAST	County EDDY
Dedicated Acres	Joint or Infill	Consolidation	Code Order			20		
Lot 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000 2 1000	HL	N 89'54'23' E	53923.24 2640.45' 2073.77 N 8955'21" × Lot 4 Lot 3 806 Lot 5 Lot 6 01 N:556 659.26 E:592051.29 N:556 859.26 E:592051.29 N:558992.96 E:586720.66 N:548992.96 E:586720.66 × N:548992.96 E:586720.66 × N:548992.96 E:586720.66 × N 89'45'54" 1 46403.38 2659.24'	E N 8	2 Lot 1 7 Lot 8 3 1 0 1 L 7 Lot 8 3 1 0 1 L 3 1 0 1 1 3 1 0 1 1 0 1 3 1 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1728.89         91           1728.89         91           1728.89         91           1728.89         91           1728.89         91           1728.89         91           1728.89         91           1         1728.89           1         1728.89           1         1728.89           1         1           1 <td< th=""><th>5.3'16" Ε         N 89'54'58" Ε         LEG          </th><th>8</th></td<>	5.3'16" Ε         N 89'54'58" Ε         LEG	8
BURTON FLAT <u>3-1 FED STATE COM</u> EL: 3184.3' LAT:32.516892 LON:104.184703 N:551808.04 E:587150.95 <u>FIRST TAKE POINT</u> 2650' FNL 100' F	- -	LAST TAKE POINT 2650' FNL 100' FEL LAT:32.515397 LON:104.134796 N:551289.19 E:602535.12 BOTTOM OF HOLE	SEC. 1	I he. herein is my knowle organizatic or unlease including or has a l	RATOR CERTIFICA reby certify that the info frue and complete to the dage and belief, and that n either owns a working d mineral interest in the the proposed bottom hold ight to drill this well at ursuant to a contract with	primation primation this this interest interest interest true an e leand this this this this this this this this true an this this this true an this this this true an this this true an this this this true an this this true an this this true an this this true an this this this true an this this true an this this true an this this this true an this this this this true an this this this this true an this	WEYOR CERTIFICA hereby certify that the mo- on this plate the mo- of actual surveys made by y othervision, and that a conrect light port of the conrect light profession we a second that profession	rell location from field me or the same is

# **Released to Imaging: 8/17/2022 9:30:16 AM**

Intent	As Drilleo	ł				

AΡ	L	Ħ	

Operator Name:		Property Name:	Well Number
DEVON ENERGY PI COMPANY, LP.	RODUCTION	BURTON FLAT 3-1 FED STATE COM	333H
,			

#### Kick Off Point (KOP)

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

### First Take Point (FTP)

UL	Section 3	Township 21-S	Range 27-E	Lot 12	Feet 2650	From N/S	Feet <b>100</b>	From E/W	County EDDY
Latitude					Longitude		NAD		
32.5	32.515396			104.185663				83	

# Last Take Point (LTP)

UL	Section <b>1</b>	Township 21-S	Range 27-E	Lot 9	Feet 2650	From N/S	Feet <b>100</b>	From E/W	County EDDY
Latitude				Longitud	le		NAD		
32.515397				104.1	34796		83		

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

Is this well an infill well?

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

Operator Name: Property Name: Well Number	API #		
	Operator Name:	Property Name:	Well Number

KZ 06/29/2018

# Exhibit "A-2"

Lots 9-12 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
Sec. 3				Sec. 2				Sec. 1			

Tract 1: USA NMNM-0560290 (Lots 9, 10, 11)

Tract 2: (Lot 9)

USA NMNM-0560295 (Lot 12)

ST of NM L0-2766

ST of NM L0-6523 (Lots 10, 11, 12)

Tract 3: **USA NMNM-17095** (Lot 9)

Roy Renfroe et al (Fee Lease) (Lot 10)

**USA NMNM-40256** (Lot 11)

**USA NMNM-46275** (Lot 12)

(160 acres)

(160 acres)





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 9-12 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 9-12 of Section 3-T21S-R27E, being 160 acres)

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	145.8265664	30.3805347%	Committed
Claremont Corporation PO Box 3326 Tulsa, OK 74101	0.0606304	0.0126313%	Uncommitted
Davoil Inc. PO Box 122269 Fort Worth, TX 76121	0.4307664	0.0897343%	Committed
GW Holdings Inc. (dba Great Western Drilling Ltd.) PO Box 1659 Midland, TX 79702	0.7818384	0.162883%	Committed
Javelina Partners 616 Texas Street Fort Worth, TX 76102	1.6168096	0.3368353%	Committed
Redfern Enterprises Inc. PO Box 2127 Midland, TX 79702	0.567472	0.1182233%	Uncommitted
Sabinal Energy, LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	8.8068576	1.834762%	Uncommitted
Sieb Resources PO Box 1107 Richmond, TX 77046	0.2922512	0.0608857%	Uncommitted
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	1.6168096	0.3368353%	Committed
TRACT 1 TOTAL	160	33.333333%	

	-		
Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	145.8265664	30.3805347%	Committed
Claremont Corporation PO Box 3326 Tulsa, OK 74101	0.0606304	0.0126313%	Uncommitted
Davoil Inc. PO Box 122269 Fort Worth, TX 76121	0.4307664	0.0897343%	Committed
GW Holdings Inc. (dba Great Western Drilling Ltd.) PO Box 1659 Midland, TX 79702	0.7818384	0.162883%	Committed
Javelina Partners 616 Texas Street Fort Worth, TX 76102	1.6168096	0.3368353%	Committed
Redfern Enterprises Inc. PO Box 2127 Midland, TX 79702	0.567472	0.1182233%	Uncommitted
Sabinal Energy, LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	8.8068576	1.834762%	Uncommitted
Sieb Resources PO Box 1107 Richmond, TX 77046	0.2922512	0.0608857%	Uncommitted
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	1.6168096	0.3368353%	Committed
TRACT 2 TOTAL	160	33.333333%	
		00.00000000	

# TRACT 2 OWNERSHIP (Lots 9-12 of Section 2-T21S-R27E, being 160 acres)

Owner	Net Acres	Unit WI	Status
MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240	28.00	5.8333333%	Uncommitted
Chevron USA, Inc. 6301 Deauville Blvd. Midland, TX 79706	52.00	10.83333333%	Uncommitted
Magnum Hunter Production, Inc. 600 Marienfeld St., Suite 600 Midland, TX	80	16.66666667%	Uncommitted
TRACT 3 TOTAL	160	33.333333%	

# TRACT 3 OWNERSHIP (Lots 9-12 of Section 1-T21S-R27E, being 160 acres)

# **UNIT RECAPITULATION:**

# Lots 9-12 of Sections 1, 2, and 3 of T21S-R27E; being 480 acres

Devon Energy Production Company, L.P.	60.7610694%	WI
Magnum Hunter Production, Inc.	16.6666667%	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	5.8333333%	WI
Chevron USA, Inc.	10.8333333%	WI

UNIT TOTAL: 100% WI

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# **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 LATTN 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
				55964
GENE EDWARD TROWBRIDGE III AKA TREY TROWBRIDGE	50000 215TH AVE	PLAINVIEW	Minnesota	
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 KANE RESOURCES, LLC	6100 N. WESTERN AVE. PO BOX 471096	OKLAHOMA CITY FORT WORTH	OKLAHOMA TEXAS	73118 76147
MANNE RESOURCES, LLC 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		SALT LAKE CITY	UTAH	84111
	910 DONNER WAY, #710		TEXAS	76012
XTO HOLDINGS	810 HOUSTON STREET	FORT WORTH		
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
MELLITA, LLC	509 E. ELLIS	LLANO	TEXAS	78643
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 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.



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.**

JBett

Andy Bennett, CPL Senior Staff Landman

#### Magnum Hunter Production, Inc.

To Participate in the proposa	al of the Burt	on Flat 3-1 Fe	ed State Com 332H	
Not To Participate in the pro-	posal of the	Burton Flat 3-	-1 Fed State Com 332	Н
<b>To Participate</b> in the proposa	al of the Burt	on Flat 3-1 Fe	ed State Com 333H	
Not To Participate in the pro	posal of the	Burton Flat 3-	-1 Fed State Com 333	Η
Agreed to and Accepted this	_ day of		, 2022.	
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:5-12-2022State:NMCounty/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	100,356.6 <sup>.</sup>
6080100	DISPOSAL - SOLIDS	97,594.00	3,156.85	0.00	100,750.8
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	801,665.0
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	81,987.3
	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
	COMM SVCS - WAN	2,458.00	0.00	0.00	2,458.00
	RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.3
	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	327.819.8
	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	107,659.6
	TRCKG&HL-SOLID&FLUID	46,374.00	0.00	0.00	46,374.0
	TRUCKING&HAUL OF EQP	64,000.00	46,412.39	0.00	110,412.3
	CONSLT & PROJECT SVC	184,759.00	103.961.17	0.00	288,720.1
	SAFETY SERVICES	30,143.00	0.00	0.00	30,143.0
	SOLIDS CONTROL SRVCS	55,029.00	0.00	0.00	55,029.0
	STIMULATION SERVICES	0.00	1,508,660.44	0.00	1,508,660.4
	PROPPANT PURCHASE	0.00	1,193,270.60	0.00	1,193,270.6
	CASING & TUBULAR SVC	70,600.00	0.00	0.00	70,600.0
	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.0
	DAYWORK COSTS	522,288.00	0.00	0.00	522,288.0
	DIRECTIONAL SERVICES	167,090.00	0.00	0.00	167,090.0
	DRILL BITS	87,500.00	0.00	0.00	87,500.0
	DRILL&COMP FLUID&SVC	80,530.00	18,245.15	0.00	98,775.1
	MOB & DEMOBILIZATION	212,230.00	0.00	0.00	212,230.0
	OPEN HOLE EVALUATION	15,071.00	0.00	0.00	15,071.0
	TSTNG-WELL, PL & OTH	0.00	146,864.50	0.00	146,864.5
	MISC PUMPING SERVICE	0.00	43,609.06	0.00	43,609.0
	EQPMNT SVC-SRF RNTL	76,521.00	162,283.79	0.00	238,804.7
	EQUIP SVC - DOWNHOLE	102,630.00	35,289.39	0.00	137,919.3
	WELDING SERVICES	2,850.00	0.00	0.00	2,850.00
	WATER TRANSFER	0.00	128,450.18	0.00	128,450.1
	CONSTRUCTION SVC	0.00	183,285.97	0.00	183,285.9
	LEGAL FEES	10,000.00	0.00	0.00	10,000.0
	MISCS COSTS & SERVS	0.00	7,210.10	0.00	7,210.10

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-139994.01 Well Name: BURTON FLAT 3-1 FED STATE COM 332H Cost Center Number: 1094558201 Legal Description: 3-21S-27E Revision:

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

0.00

10,500,801.17

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

#### TOTAL ESTIMATED COST 3,568,690.00 6,932,111.17

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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:5-12-2022State:NMCounty/Parish: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	100,356.6 <sup>-</sup>
6080100	DISPOSAL - SOLIDS	97,594.00	3,156.85	0.00	100,750.8
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	801,665.0
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	59,487.3
6110160	TIMBER SALVAGE	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	67,414.50	0.00	67,414.5
6130170	COMM SVCS - WAN	2,109.00	0.00	0.00	2,109.00
6130360	RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.3
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	327,819.8
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	107,659.6
6190100	TRCKG&HL-SOLID&FLUID	39,794.00	0.00	0.00	39,794.0
6190110	TRUCKING&HAUL OF EQP	64,000.00	46,412.39	0.00	110,412.3
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	260,252.1
6230120	SAFETY SERVICES	25,866.00	0.00	0.00	25,866.0
6300270	SOLIDS CONTROL SRVCS	48,640.00	0.00	0.00	48,640.0
6310110	STANDBY SERVICES	0.00	1,508,660.44	0.00	1,508,660.4
	STIMULATION SERVICES	20,000.00	30,000.00	0.00	50,000.0
6310200	CASING & TUBULAR SVC	70,600.00	0.00	0.00	70,600.0
6310250	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.0
6310280	DAYWORK COSTS	448,181.00	0.00	0.00	448,181.0
6310300	DIRECTIONAL SERVICES	167,090.00	0.00	0.00	167,090.0
6310310	DRILL BITS	87,500.00	0.00	0.00	87,500.0
6310320	DRILL BITS SERVICES	0.00	18,245.15	0.00	18,245.1
6310330	DRILL&COMP FLUID&SVC	80,530.00	0.00	0.00	80,530.0
6310370	MOB & DEMOBILIZATION	27,657.00	0.00	0.00	27,657.0
6310380	OPEN HOLE EVALUATION	15,071.00	0.00	0.00	15,071.0
6310450	WELL CONTROL SVC	0.00	93,168.47	0.00	93,168.4 <sup>-</sup>
6310600	MISC PUMPING SERVICE	0.00	162,283.79	0.00	162,283.7
6320100	EQPMNT SVC-SRF RNTL	67,197.00	35,289.39	0.00	102,486.3
6320110	EQUIP SVC - DOWNHOLE	91,470.00	0.00	0.00	91,470.0
6320160	WELDING SERVICES	4,850.00	0.00	0.00	4,850.00
6320190	WATER TRANSFER	0.00	18,000.00	0.00	18,000.0

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

6,932,111.17

10,161,609.17

0.00

#### WORKING INTEREST OWNER APPROVAL

3,229,498.00

Company Name:

Signature:

Print Name:

Date:

Title:

- ----

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.
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)	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 (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. 22963

- Affidavit of Joseph Dixon, Geologist Exhibit B: Exhibit B-1: Structure Map Exhibit B-2: Gross Isochore
- Stratigraphic Cross Section Exhibit B-3:
- 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. 22963, 22964

#### 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



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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 3<sup>nd</sup> 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.

JOSEPH DIXON

STATE OF OKLAHOMA COUNTY OF Oldow

SUBSCRIBED and SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_\_ day of \_\_\_\_\_\_\_

NOTARY PUBLIC

My Commission Expires:



Top of Wolfcamp Formation Structure Map Structure Map Contour Interval = 50' North Contour Interval = 50' North showing the depth (subsea) to the top of the Wolfcamp formation, a marker that defines the base of the target interval for the proposed well.

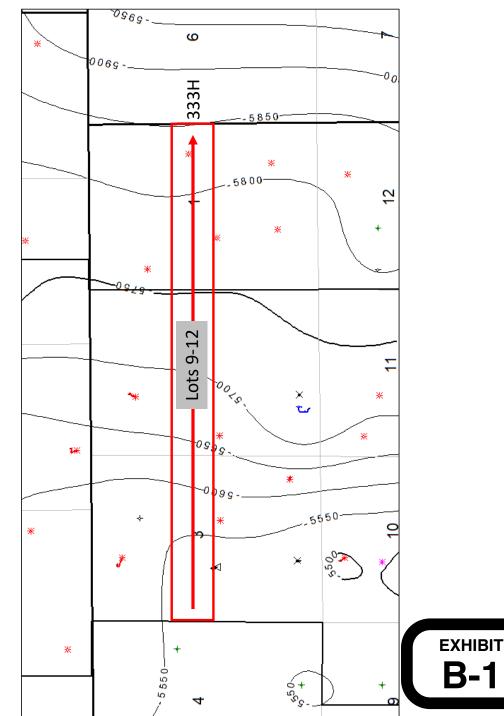
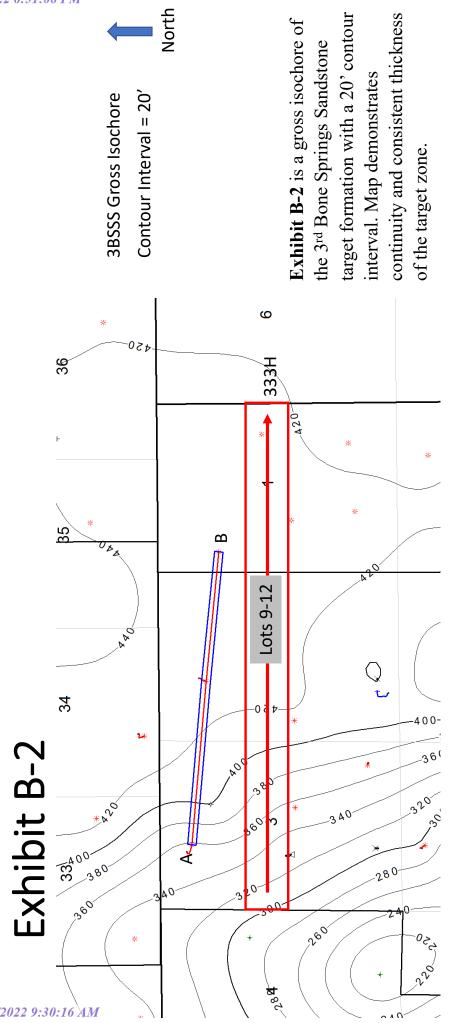


Exhibit B-1

ехнівіт **В-2** 





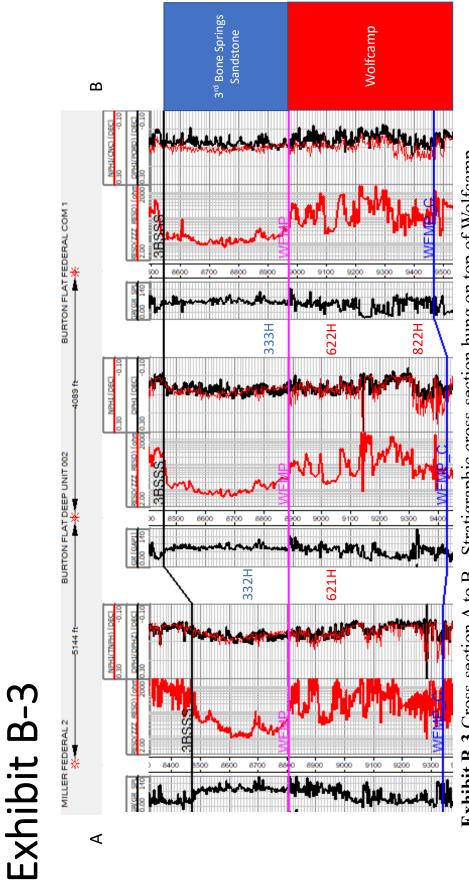
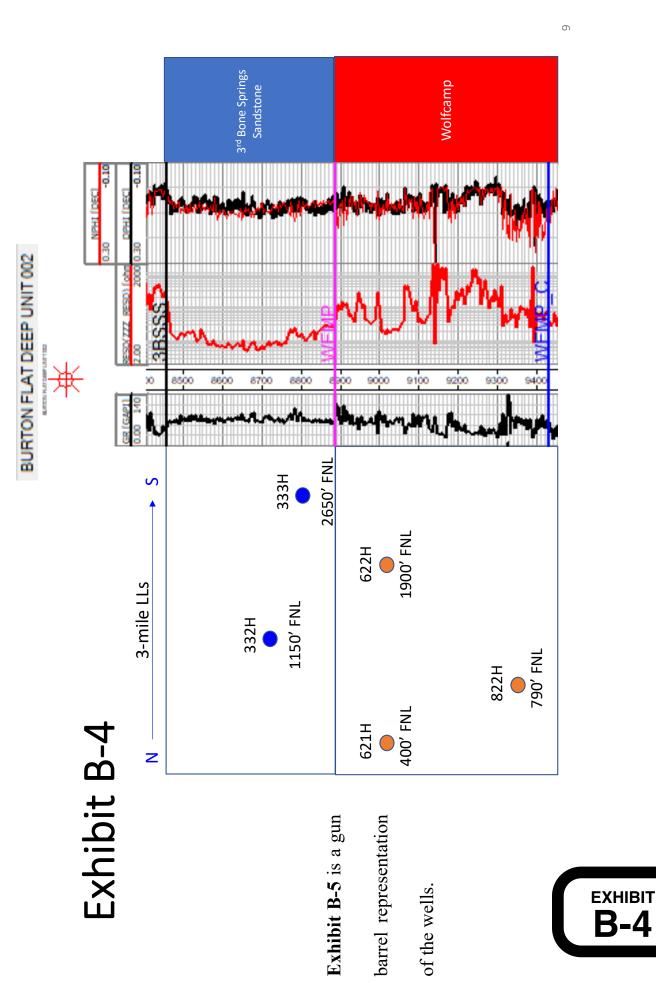
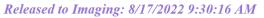


Exhibit B-3 Cross-section A to B. Stratigraphic cross-section hung on top of Wolfcamp. Target interval indicated by well number.

> ехнівіт **В-3**





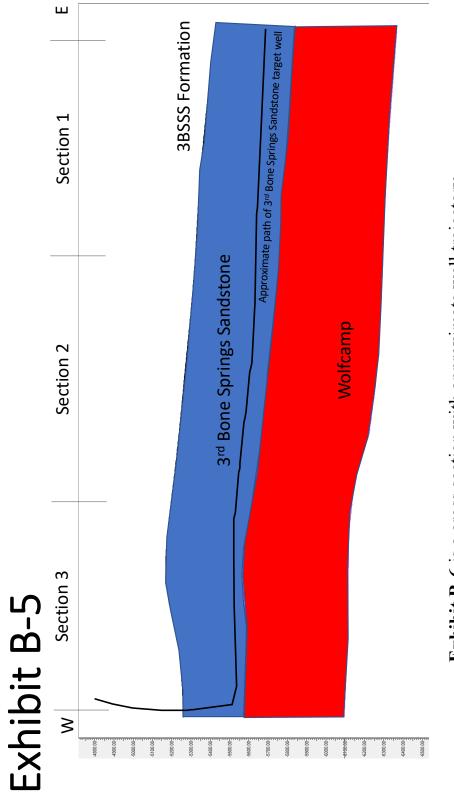


Exhibit B-6 is a cross section with approximate well trajectory.



# **TAB 1**

Reference for Case No. 22964 Application Case No. 22964: Burton Flat 3-1 Fed State Com 332H Well NMOCD Checklist Case No. 22964

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

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

Case No. <u>22964</u>

# **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 nonstandard, if necessary, 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 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 has submitted concurrently an alternate pooling application for the Burton
 Flat 3-1 Fed State Com 332H Well that proposes a standard horizontal spacing unit comprising
 Lots 1-8 of irregular Sections 1, 2 and 3, which is Devon's preferred spacing unit and development

plan. Devon submits this application as a default application should the Division reject approval of the alternate pooling application.

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.

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. Since this Application involves the spacing of acreage in highly irregular correction sections that contain 16 Lots per section and present novel questions of first impression and consideration, Devon requests that if the Division should deem Lots 1-8 in Sections 1, 2 and 3, as described herein, to comprise a standard horizontal spacing unit, that the Division approve the proposed spacing unit in this Application as standard instead of nonstandard. If the Division should deem the proposed spacing unit as nonstandard, Devon will apply administratively for approval of a Non-standard proration unit (NSP).

11. The spacing unit requested herein could be viewed as nonstandard if the Division decided that the reduction in acreage of Lots 1-4 were not equivalent to quarter-quarter sections because of the reduction; however, the Division could also view Lots 1-4 as necessary adjustments under the PLSS that represent quarter-quarter sections "but for" the cartographic adjustment, and therefore, Lots 1-4 would stand in place as the revised "equivalent" of quarter-quarter sections. In addition, the reduction in acreage is proportionally minimized by the inclusion of Lots 5-8 along with Lots 1-4.

12. For the possibility that the Division could approve, with the use of proximity tracts, Lots 1-8 as a standard horizontal spacing unit if it deems Lots 1-4 as equivalent or deems the acreage of Lots 1-8 as in substantial conformity with the acreage of a standard unit, Devon has located the **Burton Flat 3-1 Fed State Com 332H Well** as a proximity well, positioned to include Lots 1-4 of Sections 1, 2 and 3 as proximity tracts. Special notice is required for a nonstandard spacing unit, which has been provided herein; however, special notice of a standard spacing unit in not required; and therefore, the notice provided pursuant to this Pooling Application should satisfy the notice requirement for a standard spacing unit.

13. 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 nonstandard, if necessary, 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, unless a standard HSU can be approved through the use of proximity tracts described above in Paragraph 12;

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

Darin C. Savage

William E. Zimsky Luke Kittinger Andrew D. Schill 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.com bill@abadieschill.com luke@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 nonstandard, if necessary, 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 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 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) in Section 2, both operated by Applicant; the issue of whether the spacing unit in these irregular sections should be deemed nonstandard or standard and the use of proximity tracts if the spacing unit is deemed standard, or application for administrative approval of a nonstandard proration unit (NSP) if deemed nonstandard; 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.

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

Caso: 22064	
Case: 22964	APPLICANT'S RESPONSE
Date:	August 16, 2022
Applicant	Devon Energy Production Company L.P.
Designated Operator & OGRID (affiliation if applicable)	
Applicant's Counsel:	Darin C. Savage - Abadie & Schill, PC
Case Title:	Application of Devon Energy Production Company, L.P. for
	a Nonstandard Horizontal Spacing Unit, if Necessary, 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:	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:	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:	Single Lots in correction sections
Orientation:	west - east
Description: TRS/County	Lots 1-8 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, describe	Nonstandard spacing unit to the extent deemed necessar
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	If spacing unit is deemed standard, proxmity tracts are applicable
Proximity Defining Well: if yes, description	Burton Flat 3-1 Fed State Com 332H Well
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
	1213-N27E, NIVIFIN, laydown, standard location
Horizontal Well First and Last Take Points	Burton Flat 3-1 Fed State Com 332H Well: FTP 1150' FNL,
TIONZONIAI WEN FIIST AND LAST TAKE FOINTS	
	100' FWL, Section 3; LTP 1150' FNL, 100' FEL, Section 1
Completion Target (Formation, TVD and MD)	Burton Flat 3-1 Fed State Com 332H Well: TVD approx.
	8,825', TMD 24,305'; Bone Spring Formation, See Exhibit B
	3
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# <u>Received by OCD: 8/16/2022 6:51:08</u> PM

Received by OCD: 8/16/2022 6:51:08 PM AFE Capex and Operating Costs		Page 144 of
Drilling Supervision/Month \$	\$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		
Proposed Notice of Hearing	Exhibit C, C-1	
Proof of Mailed Notice of Hearing (20 days before hearing	ng) Exhibit C-2	
Proof of Published Notice of Hearing (10 days before hearing	g) 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 abov	/e &	
below)	Exhibit A-2, 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 Interes	ts 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	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information p</b>	rovided 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. Savage
Date:	8/16/22

# **TAB 2**

Case No. 22964

- 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 NONSTANDARD HORIZONTAL SPACING UNIT, IF NECESSARY, AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 22964

### 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 abovereferenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1).

5. Devon seeks an order (1) establishing a nonstandard, if necessary, 823.92-acre, more or less, spacing and proration unit comprised of Lots 1 through 8 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.

7. As a result, Devon has submitted concurrently an alternate pooling application for the **Burton Flat 3-1 Fed State Com 332H Well**, in Case No. 22960, that proposes a standard horizontal spacing unit comprising Lots 1-8 of irregular Sections 1, 2 and 3, which is Devon's preferred spacing unit and development plan for accommodating the 332H Well. Devon submits the present application in Case No. 22964 as a default application should the Division reject approval of its preferred pooling application.

8. Also, the spacing unit requested herein could be viewed as nonstandard if the Division decided that the reduction in acreage of Lots 1-4 were not equivalent to quarter-quarter sections because of the reduction; however, the Division could also view Lots 1-4 as necessary adjustments under the PLSS that represent quarter-quarter sections "but for" the cartographic adjustment, and therefore, Lots 1-4 would stand in place as the revised "equivalent" of quarter-quarter sections. In addition, the reduction in acreage is proportionally minimized by the inclusion of Lots 5-8 along with Lots 1-4.

9. For the possibility that the Division could approve, with the use of proximity tracts, Lots 1-8 as a standard horizontal spacing unit if it deems Lots 1-4 as "equivalent" or deems the acreage of Lots 1-8 as in substantial conformity with the acreage of a standard unit, Devon has located the **Burton Flat 3-1 Fed State Com 332H Well** as a proximity well, positioned to include Lots 1-4 of Sections 1, 2 and 3 as proximity tracts. Special notice is required for a nonstandard spacing unit, which has been provided herein; however, special notice of a standard spacing unit is not required; and therefore, the notice provided pursuant to this Pooling Application should satisfy the notice requirement for a standard spacing unit.

10. Under this <u>Case No. 22964</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 oil well.

11. 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.

12. The proposed C-102 for the well is 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 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.

14. The proposed unit 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.

3

15. 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.

16. There are no depth severances in the Bone Spring formation in this acreage.

17. 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 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.

18. 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.

19. 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.

20. **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.

21. 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.

22. Devon requests the maximum cost, plus 200% risk charge be assessed against nonconsenting working interest owners.

23. Devon requests that it be designated operator of the unit and well.

5

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

25. 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.

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

[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT

K

Andy D. Bennett

Subscribed to and sworn before me this  $\underline{\parallel \uparrow}^{H}$  day of August 2022.



Clint &

Notary Public

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DISTRICT I 1825 N. FRENCH DR., Phone: (575) 393-6161 I DISTRICT II 811 S. FIRST ST., A Phone: (575) 748-1283 DISTRICT III 1000 RIO BRAZOS R Phone: (505) 334-617	RTESIA, NM Fax: (575) 74 D., AZTEC, N	88210 8-9720	DIL C	nerals 8 CONSI 1220 SC Santa F	د Natı ERV )UTH	ural F ATIC ST. FI	) N D Rancis	es De IVIS DR.	-	1	Revised Au Submit one copy to	form C-102 Igust 1, 2011 5 appropriate ct Office
DISTRICT IV 1220 S. ST. FRANCIS D Phone: (505) 476-346											□ AMEND	ED REPORT
			WELL LO	OCATION	AND	ACREA	GE DEI	DICATI				
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UL or lot No. LOT 5	Section 3	Township	Range	Lot Idn	Feet fr	om the 61	North/Sou			om the	East/West line	County
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UL or lot No.	Section	Township	Bottom Range	Hole Loc Lot Idn	Feet fr		North/Sou		1	om the	East/West line	County
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Dedicated Acres	s Joint d	or Infill Co	nsolidation	Code Ore	ler No.							
NO ALLO	WABLE W			TO THIS NDARD UN							EN CONSOLIDA	ATED
N 89'44'21" E 894.43'							N	553930.60 597358.11	N:553931.55	N:553935 E:599992	LOO     N:000900.01	
N:553913.18 E:586791.01	17 <u>46.44</u> N 89*56'4		2641.90' N:53 89'54'23" E	53923.24 92073.77 2640. N 89*56	45' E:59		43.90' *54'04" E	906.00' N 89'56'25"	E:598264.11 1728.89 E N 89'53'0	913.81	1721.86' N:5	53939.33 02628.66
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BURTON FLA							ATOR CE			I here	YOR CERTIFICA	ell location
<u>3-1 FED STATE CC</u> EL:3196.8' LAT:32.519768 LON:104.184714 N:552854.12 E:587145.91	<u>)M 332H</u>	1150'F LAT:32.5	4.134798 39.19	SEC. 1		herein is t my knowle organizatio or unleased including t or has a r	rue and comp dge and belieg n either owns I mineral inte he proposed i ight to drill t ursuant to a c	plete to the f, and that a working prest in the pottom hole his well at	best of this interest land location this	notes of ac under my s true and co	his plat was plotted for tual surveys made by supervision, and that preat to the basis of the second by profession	me or the same is my belief. 10/2022
<i>FIRST TAKE POI</i> 1150' FNL 100' LAT:32.519520 LON:104.185590 N:552763.56	FWL SEC. 3	<u>BOTTOM</u> LAT:32.3	<i>OF HOLE</i> 519520 4.134539 89.31			owner of s or to a voi	uch mineral d untary poolin pooling orde. sion.	or working . g agreemen	interest, t or a e entered		22404	
E:586876.07 Note: All bearings r are based on the I State Plane Coordin NAD 83 New Mexico	ate System, Fast Zone			ЕХНІВ <b>Д</b> -	ыт <b>1</b>	Printed N		Dat		CH.	SIONAL SURA	.,,
3001, US Survey Fo distances are grid.	eet, all					E-mail Ad	dress			Certificate	e No. 22404 B.L	N BY: CM

Intent	As Drilled			
4.01.11				

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Operator Name:		Property Name:	Well Number
DEVON ENERGY PI COMPANY, LP.	RODUCTION	BURTON FLAT 3-1 FED STATE COM	332H

#### Kick Off Point (KOP)

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

#### First Take Point (FTP)

UL	Section 3	Township 21-S	Range 27-E	Lot 5	Feet 1150	From N/S	Feet <b>100</b>	From E/W	County EDDY
Latitude				Longitude				NAD	
32.519520			104.185590				83		

### Last Take Point (LTP)

UL	Section <b>1</b>	Township 21-S	Range 27-E	Lot 8	Feet 1150	From N/S	Feet <b>100</b>	From E/W	County EDDY
Latitu	de				Longitud	de			NAD
32.5	519520	)			104.1	34539			83

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

Is this well an infill well?

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

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

# 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			

<b>Tract 1:</b> USA NMNM-109754	<b>Tract 2:</b> ST of NM L0-2766 (Lots 1, 2, 3, 4, 7, 8)	<b>Tract 3:</b> USA NMNM-17095 (Lots 1, 2, 7, 8)
	ST of NM L0-6523 (Lots 5 & 6)	USA NMNM-40256 (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

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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%	

Jwner	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 2 OWNERSHIP (Lots 1-8 of Section 2-T21S-R27E, being 274.62 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%	

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

# **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

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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	Texas	77063
ANN T TOLLEFSON REV LVG TRUST DTD JUNE 7 2006 ANN TOLLEFSON TRUSTEE	PO BOX 570085	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
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
MELLITA, LLC	509 E. ELLIS	LLANO	TEXAS	78643
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.



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.**

JBett

Andy Bennett, CPL Senior Staff Landman

#### Magnum Hunter Production, Inc.

<b>To Participate</b> in the propos	al of the Burt	ton Flat 3-1 Fe	d State Com 332H
Not To Participate in the pro-	oposal of the	Burton Flat 3-	1 Fed State Com 332H
<b>To Participate</b> in the propos	al of the Burt	ton Flat 3-1 Fee	d State Com 333H
Not To Participate in the pro-	oposal of the	Burton Flat 3-	1 Fed State Com 333H
Agreed to and Accepted this	day of	,	, 2022.
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:5-12-2022State:NMCounty/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	100,356.6
6080100	DISPOSAL - SOLIDS	97,594.00	3,156.85	0.00	100,750.8
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	801,665.0
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	67,414.5
6130170	COMM SVCS - WAN	2,458.00	0.00	0.00	2,458.00
6130360	RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.3
6130370	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	327,819.8
	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	107,659.6
	TRCKG&HL-SOLID&FLUID	46,374.00	0.00	0.00	46,374.0
	TRUCKING&HAUL OF EQP	64,000.00	46,412.39	0.00	110,412.3
	CONSLT & PROJECT SVC	184,759.00	103,961.17	0.00	288,720.1
	SAFETY SERVICES	30,143.00	0.00	0.00	30,143.0
	SOLIDS CONTROL SRVCS	55,029.00	0.00	0.00	55,029.0
6310120	STIMULATION SERVICES	0.00	1,508,660.44	0.00	1,508,660.4
	PROPPANT PURCHASE	0.00	1,193,270.60	0.00	1,193,270.6
6310200	CASING & TUBULAR SVC	70,600.00	0.00	0.00	70,600.0
6310250	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.0
6310280	DAYWORK COSTS	522,288.00	0.00	0.00	522,288.0
	DIRECTIONAL SERVICES	167,090.00	0.00	0.00	167,090.0
6310310	DRILL BITS	87,500.00	0.00	0.00	87,500.0
6310330	DRILL&COMP FLUID&SVC	80,530.00	18,245.15	0.00	98,775.1
6310370	MOB & DEMOBILIZATION	212,230.00	0.00	0.00	212,230.0
6310380	OPEN HOLE EVALUATION	15,071.00	0.00	0.00	15,071.0
6310480	TSTNG-WELL, PL & OTH	0.00	146,864.50	0.00	146,864.5
6310600	MISC PUMPING SERVICE	0.00	43,609.06	0.00	43,609.0
6320100	EQPMNT SVC-SRF RNTL	76,521.00	162,283.79	0.00	238,804.7
6320110	EQUIP SVC - DOWNHOLE	102,630.00	35,289.39	0.00	137,919.3
6320160	WELDING SERVICES	2,850.00	0.00	0.00	2,850.00
6320190	WATER TRANSFER	0.00	128,450.18	0.00	128,450.1
6350100	CONSTRUCTION SVC	0.00	183,285.97	0.00	183,285.9
6520100	LEGAL FEES	10,000.00	0.00	0.00	10,000.0
6550100	MISCS COSTS & SERVS	0.00	7,210.10	0.00	7,210.10

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-139994.01 Well Name: BURTON FLAT 3-1 FED STATE COM 332H Cost Center Number: 1094558201 Legal Description: 3-21S-27E Revision:

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

0.00

10,500,801.17

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

#### TOTAL ESTIMATED COST 3,568,690.00 6,932,111.17

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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:5-12-2022State:NMCounty/Parish: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	100,356.6 <sup>-</sup>
6080100	DISPOSAL - SOLIDS	97,594.00	3,156.85	0.00	100,750.8
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	801,665.0
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	59,487.3
6110160	TIMBER SALVAGE	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	67,414.50	0.00	67,414.5
6130170	COMM SVCS - WAN	2,109.00	0.00	0.00	2,109.00
6130360	RTOC - ENGINEERING	0.00	27,385.39	0.00	27,385.3
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	327,819.8
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	107,659.6
6190100	TRCKG&HL-SOLID&FLUID	39,794.00	0.00	0.00	39,794.0
6190110	TRUCKING&HAUL OF EQP	64,000.00	46,412.39	0.00	110,412.3
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	260,252.1
6230120	SAFETY SERVICES	25,866.00	0.00	0.00	25,866.0
6300270	SOLIDS CONTROL SRVCS	48,640.00	0.00	0.00	48,640.0
6310110	STANDBY SERVICES	0.00	1,508,660.44	0.00	1,508,660.4
	STIMULATION SERVICES	20,000.00	30,000.00	0.00	50,000.0
6310200	CASING & TUBULAR SVC	70,600.00	0.00	0.00	70,600.0
6310250	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.0
6310280	DAYWORK COSTS	448,181.00	0.00	0.00	448,181.0
6310300	DIRECTIONAL SERVICES	167,090.00	0.00	0.00	167,090.0
6310310	DRILL BITS	87,500.00	0.00	0.00	87,500.0
6310320	DRILL BITS SERVICES	0.00	18,245.15	0.00	18,245.1
6310330	DRILL&COMP FLUID&SVC	80,530.00	0.00	0.00	80,530.0
6310370	MOB & DEMOBILIZATION	27,657.00	0.00	0.00	27,657.0
6310380	OPEN HOLE EVALUATION	15,071.00	0.00	0.00	15,071.0
6310450	WELL CONTROL SVC	0.00	93,168.47	0.00	93,168.4 <sup>-</sup>
6310600	MISC PUMPING SERVICE	0.00	162,283.79	0.00	162,283.7
6320100	EQPMNT SVC-SRF RNTL	67,197.00	35,289.39	0.00	102,486.3
6320110	EQUIP SVC - DOWNHOLE	91,470.00	0.00	0.00	91,470.0
6320160	WELDING SERVICES	4,850.00	0.00	0.00	4,850.00
6320190	WATER TRANSFER	0.00	18,000.00	0.00	18,000.0

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

6,932,111.17

10,161,609.17

0.00

#### WORKING INTEREST OWNER APPROVAL

3,229,498.00

Company Name:

Signature:

Print Name:

Title:

**D**4101

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.
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. 22964

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. 22963, 22964

#### **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



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 3<sup>nd</sup> 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.

2

# FURTHER AFFIANT SAYETH NOT.

JOSEPH DIXON

STATE OF OKLAHOMA COUNTY OF Oldow

SUBSCRIBED and SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_\_ day of \_\_\_\_\_\_\_

NOTARY PUBLIC

My Commission Expires:



Top of Wolfcamp Formation Structure Map Structure Map Contour Interval = 50' North Contour Interval = 50' North Exhibit B-1 is a structure map showing the depth (subsea) to the showing the depth (subsea) to the top of the Wolfcamp formation, a marker that defines the base of the target interval for the proposed well.

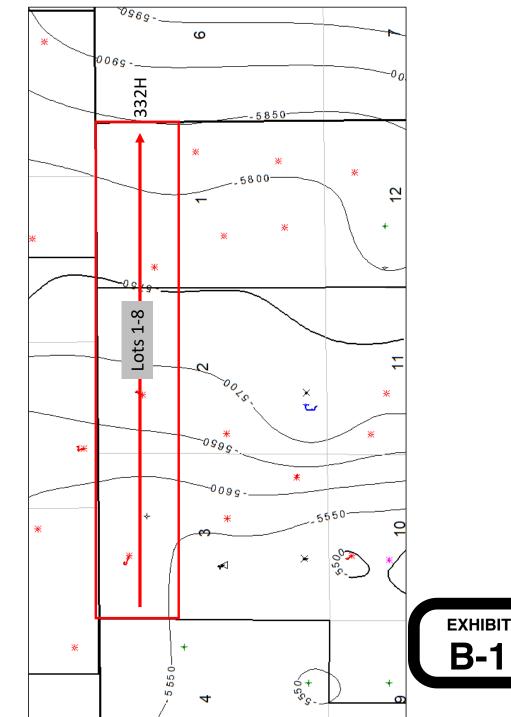
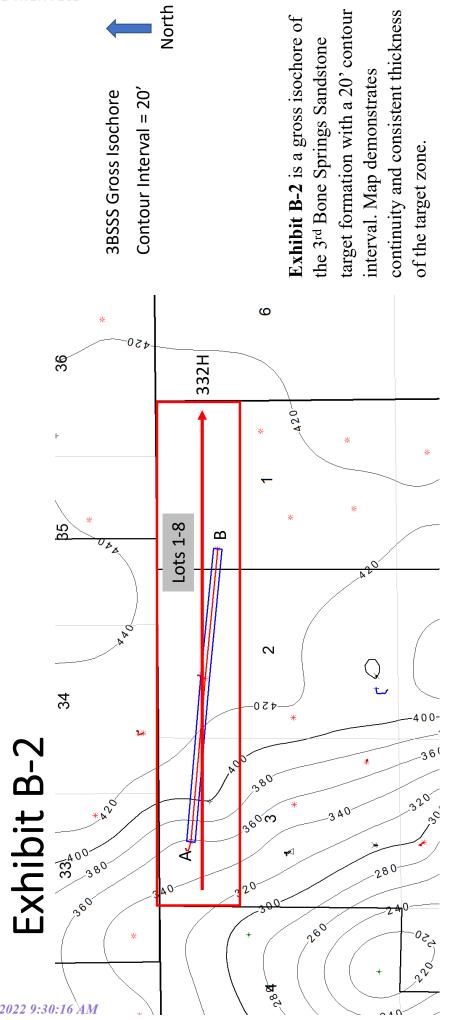


Exhibit B-1

EXHIBIT

**B-2** 





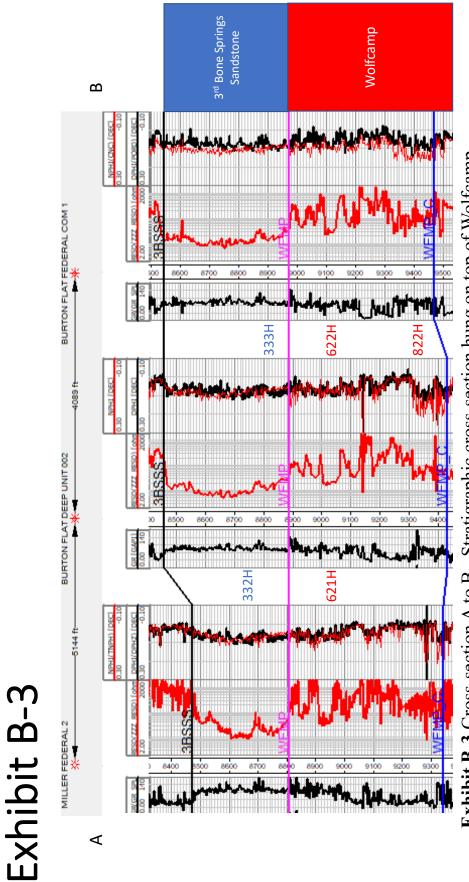
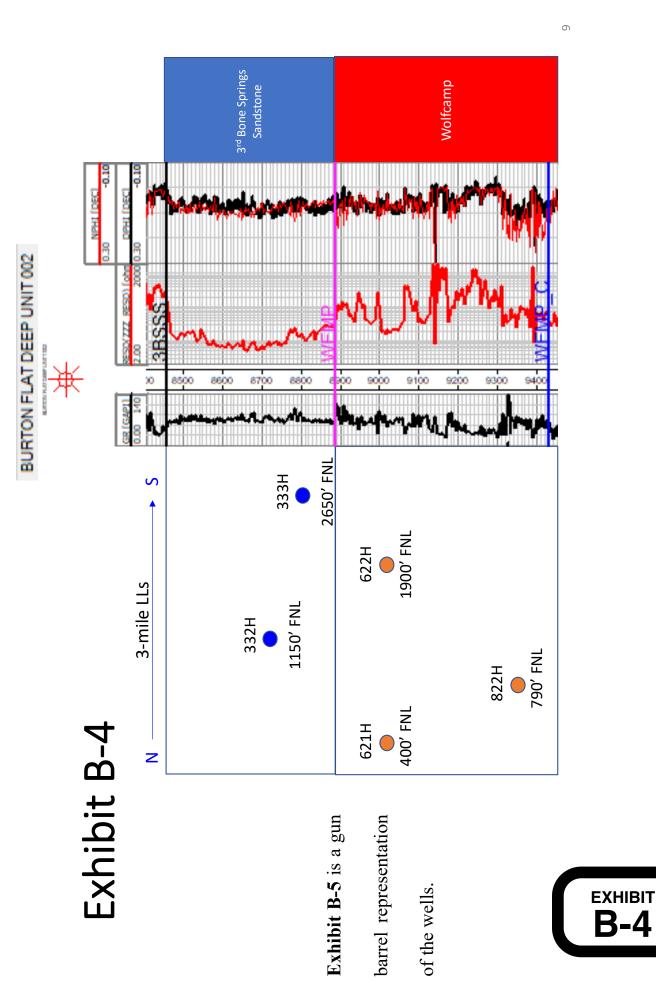
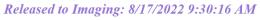
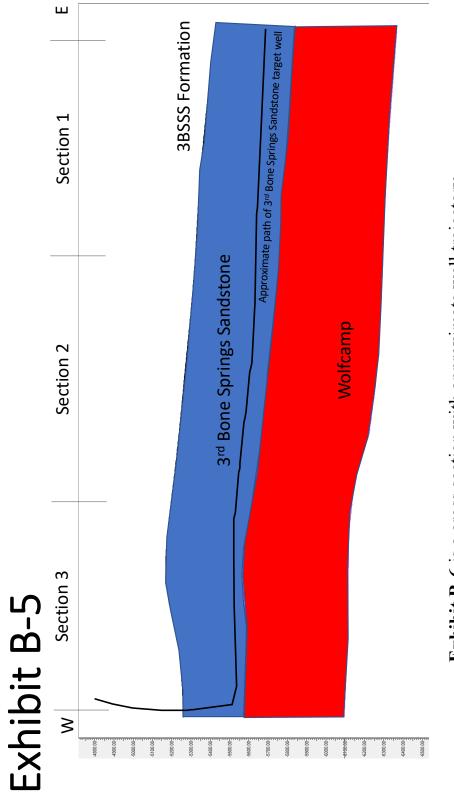


Exhibit B-3 Cross-section A to B. Stratigraphic cross-section hung on top of Wolfcamp. Target interval indicated by well number.

> ехнівіт **В-3**











# **TAB 4**

Case Nos. 22961, 22962, 22963, 22964

- 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. 22961 & 22963

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

Case Nos. 22962 & 22964

#### 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.



It is my understanding that Devon has made a diligent effort to find the names and 2.

addresses for the interest owners entitled to receive notice of the applications and cases herein.

Darin C. Savage

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

Marcha Datta Conch Notary Public

My Commission Expires:

2026

STATE OF NEW MEXICO NOTARY PUBLIC MARSHA DALTON COUCH COMMISSION #1077509 COMMISSION EXPIRES 02/10/2026 Received by OCD: 8/16/2022 6:51:08 PM





### 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. 22964)
 Burton Flat 3-1 Fed State Com 333H Well (Case No. 22963)
 Burton Flat 3-1 Fed State Com 621H Well (Case No. 22962)
 Burton Flat 3-1 Fed State Com 622H Well (Case No. 22961)
 Burton Flat 3-1 Fed State Com 822H Well (Case No. 22962)

Case Nos. 22961, 22962, 22963 & 22964:

Dear Interest Owner:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon") has filed the enclosed applications, Case Nos. 22961, 22962, 22963 and 22964, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units in the Bone Spring and Wolfcamp formations.

In Case No. 22964, Devon seeks to pool the Bone Spring formation underlying Lots 1 through 8 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 nonstandard unit, if necessary, encompassing 823.92 acres, more or less, dedicated to the above-referenced 332H Well.

In Case No. 22963, Devon seeks to pool the Bone Spring formation underlying Lots 9 through 12 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 480 acres, more or less, dedicated to the above-referenced 333H Well.

In Case No. 22962, Devon seeks to pool the Wolfcamp formation underlying Lots 1, 2, 3 and 4 (Lots 1-4) 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 nonstandard unit, if necessary, encompassing 343.92 acres, more or less, dedicated to the above-referenced 621H and 822H Wells.

a b a d i e s c h i l l . c o m 214 McKenzie Street, Santa Fe, New Mexico, 87501 O: 970.385.4401 • F: 970.385.4901 In Case No. 22961, Devon seeks to pool the Wolfcamp formation underlying Lots 5, 6, 7 and 8 (Lots 5-8) 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 480 acres, more or less, dedicated to the above-referenced 622H Well.

The enclosed applications are provided as alternate applications to the preferred horizontal spacing units Devon has proposed in Case Nos. 22960, 22959, and 22958. Sections 1, 2 and 3 represent atypical, 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, or nonstandard, spacing unit in the N/2 of such correction sections, and Devon has filed these applications as an alternative for the possibility that the Division may view the spacing differently from the preferred spacing units.

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.

Received by OCD: 8/16/2022 6:51:08 PM



#### ABADIE I SCHILL PC

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

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

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Attorney for Devon Energy Production Company, L.P.

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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.

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Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

									T
Ownership Type	Name	Street	City	State	Postal Code	Certified Mail No.	Status	Date Delivered	Green Card Returned?
LIENT	DEVON ENERGY PROD CO LP		-	-	-				
WI	ABJ OIL COMPANY LTD	PO BOX 44242	PHOENIX	Arizona	85064	70220410000152269205	Delivered	7/19/22	YES
WI	ANGELA BROWN MGMT TRUST S ANGELA BROWN TTEE ATTN TOBY	PO BOX 820	HENDERSON	Texas	75653	70220410000152269199	Delivered	7/19/22	YES
VI	FAILS SR VP TR OFFICER CITIZENS NATL BANK AGENT BB MANAGEMENT LLC	PO BOX 80735	PHOENIX	Arizona	85060	70220410000152269182	Delivered	7/19/22	YES
/1	BEACHBUMS ENERGY LLC	PO BOX 5141	SCOTTSDALE	Arizona		70220410000152269182	Delivered	7/20/22	YES
VI	BF ENERGY LLC c/o RANDAL BUNESS	3504 E CLAREMONT ST	PARADISE VALLEY	Arizona	85253-3749	70220410000152269168	Delivered	7/20/22	YES
/1	CHEVRON USA, INC. CLAREMONT CORPORATION	6301 DEAUVILLE BLVD PO BOX 3226	MIDLAND TULSA	Texas Oklahoma	79706 74101-3226	70220410000152269151 70220410000152269144	Delivered Delivered	7/18/22 7/20/22	YES
/1	CROSSWINDS RESOURCES LLC	PO BOX 5226 PO BOX 1960	CHANDLER	Arizona	85244	70220410000152269144	In Transit per USPS.com	-	-
/1	DAVOIL INC	PO BOX 122269	FORT WORTH	Texas	76121-2269	70220410000152269120	Delivered	7/19/22	YES
/1	FRED C COREY	5503 LOS PATIOS DR	MIDLAND	Texas	79707	70220410000152269113	Delivered per USPS.com	7/18/22	NO
VI	GW HOLDINGS INC GREAT WESTERN DRILLING LTD DBA GREAT WESTERN DRILLING COMPANY	PO BOX 1659	MIDLAND	Texas	79702-1659	70220410000152269106	Delivered	7/27/22	YES
VI.	HERBALY EXPLORATION LLC	1420 W CANAL CT STE 150	LITTLETON	Colorado	80120-5660	70220410000152269090	Delivered	7/18/22	YES
/1	J & J ENERGY LLC	300 N SORREL CT	SHOW LOW	Arizona	85901	70220410000152269083	Delivered	7/18/22	YES
/1	JAMES L HEWITT JAVELINA PARTNERS	PO BOX 54032 616 TEXAS ST	ORLANDO FT WORTH	Florida Texas	32854 76102-4612	70220410000152269076 70220410000152269069	Delivered per USPS.com Delivered	7/18/22 7/18/22	NO YES
4	JEFF PHILLIPS	5710 DEVLIN PL	MIDLAND	Texas	79707	70220410000152269069	Delivered	N/A	YES
1	JIM WHITEHEAD OIL & GAS LLC	PO BOX 44251	PHOENIX	Arizona	85064	70220410000152269045	Delivered	7/19/22	YES
1	LYNN CHARUK	PO BOX 52370	MIDLAND	Texas	79710	70220410000152269038	Delivered	7/19/22	YES
1	M CODE LLC MAGIC MERLIN ENERGY INVESTMENTS LLC	5744 E JOSHUA TREE LN PO BOX 2309	PARADISE VALLEY BEND	Arizona Oregon	85253 97709	70220410000152269021 70220410000152269014	Delivered Delivered	N/A 7/25/22	YES; Unsigned YES
1		600 MARIENFELD STREET, SUITE 600	MIDLAND	Texas	79701	70220410000152269212	In Transit per USPS.com	-	-
1	MITCHEL E CHENEY C/O CHENEY ENERGY PARTNERS LLC MOON ROYALTY LLC	7670 WOODWAY DR STE 175 PO BOX 720070	HOUSTON OKLAHOMA CITY	Texas Oklahoma	77063 73172	70220410000152269229 70220410000152269236	Delivered per USPS.com Delivered	7/18/22 7/18/22	NO YES
1	MRC PERMIAN COMPANY	5400 LBJ FREEWAY, SUITE 1500	DALLAS	Texas	75240	70220410000152269238	Delivered	7/19/22	YES
1	PALADIN INC L ANDREW SMITH PRESIDENT	PO BOX 5062	SCOTTSDALE	Arizona	85261-5062	70220410000152269267	Returned Undeliverable	-	-
1	PERDANT ENERGY LLC	PO BOX 9626	PHOENIX	Arizona	85068	70220410000152269250	Delivered	N/A	YES
1	QUIMEX INTERNATIONAL INC ROBERT BEESON RANCH 707 LLC	1900 KING ST 707 E QUARTERHORSE LN	MIDLAND CAMP VERDE	Texas Arizona	79701 86322-6899	70220410000152269274 70220410000152269281	Delivered Delivered	N/A N/A	YES VES: Unsigned
1	REDFERN ENTERPRISES INC	PO BOX 2127	MIDLAND	Texas	79702-2127	70220410000152269281 70220410000152269311	Delivered	N/A 7/25/22	YES; Unsigned YES
1	RJ FORTUNE INVESTMENTS LLC	9290 E THOMPSON PEAK PKWY UNIT 257	SCOTTSDALE	Arizona	85255-4513	70220410000152269304	Delivered	N/A	YES; Unsigned
1	SABINAL ENERGY LLC DBA SABINAL ENERGY OPERATING LLC	1780 HUGES LANDING BLVD STE 1200	THE WOODLANDS	Texas	77380	70220410000152269298	Delivered	7/18/22	YES
1	SIEB RESOURCES THOMAS FAMILY LTD PARTNERSHIP	PO BOX 1107 PO BOX 44252	RICHMOND PHOENIX	Texas Arizona	77406 85064	70220410000152269335 70220410000152269328	In Transit per USPS.com Delivered	7/19/22	YES
I	XTO HOLDINGS, LLC c/o XTO ENERGY, INC.	22777 SPRINGWOODS VILLAGE PARKWAY	SPRING	Texas	77389	70220410000152269328	Delivered	7/19/22	YES
I	ZORRO PARTNERS LTD	616 TEXAS ST	FT WORTH	Texas	76102-4612	70220410000152269359	Delivered	N/A	YES
	BUREAU OF LAND MANAGEMENT	620 E GREENE ST.	CARLSBAD	New Mexico	88220	70220410000152269366	Delivered	7/19/22	YES
	ONRR ROYALTY MANAGEMENT PROGRAM STATE OF NEW MEXICO COMMISSION OF PUBLIC LANDS	PO BOX 25627 PO BOX 1148	DENVER SANTA FE	Colorado New Mexico	80225-0627 87504-1148	70220410000152269373 70220410000152269380	Delivered Delivered	7/21/22 N/A	YES
JINETI OWNER		000001140	SAUTHE	Her mexico	07504 1140	/0220410000152205500	bantarea		
RRI	ALBERT & ANNA KAHN TRUST c/o MADISON CAPITAL ENERGY	402 GAMMON PL STE 200	MADISON	Wisconsin	53719-1059	70220410000152269007	Delivered	7/19/22	YES
RRI	INCOME FUND I AmeriPermian Holdings, LLC	PO Box 1723	Midland	Texas	79702	70220410000152268994	In Transit per USPS.com		
RRI	AmeriPermian Holdings, LLC	1733 Woodstead Ct.	Woodlands	Texas	77380	70220410000152268987	Delivered	7/18/22	YES
RRI	ANN T TOLLEFSON REV LVG TRUST DTD JUNE 7 2006 ANN	PO BOX 639	STORY	Wyoming	82842	70220410000152268970	Delivered	7/18/22	YES
DDI	TOLLEFSON TRUSTEE	addross up a satable (desessed)							
RRI	Anna Stott (deceased) ARD OIL LTD	address unlocatable (deceased) PO BOX 101027	- FORT WORTH	- Texas	- 76185	- 70220410000152268963	- Delivered	- 8/9/22	- YES
RRI	BETH TROWBRIDGE CRAIG	5115 KIM LN	CHEYENNE	Wyoming	82009	70220410000152268956	Delivered	N/A	YES
RRI	BNMINC	4032 US HWY 82	MAYHILL	New Mexico	88339	70220410000152268949	Delivered	7/18/22	YES
RRI	BRITT TROWBRIDGE	2509 23RD AVE SE 28875 Perido Beach Blvd I-1	ROCHESTER Oronge Beech	Minnesota	55904 36561	70220410000152268932 70220410000152268925	Delivered Returned Undeliverable	N/A	YES
RRI	C. Eugene Corriher Chesapeake Exploration LLC	6100 N. Western Ave.	Orange Beach OKC	AL Oklahoma	73118	70220410000152268925	Delivered	- 7/19/22	- YES
RRI	Chevron USA Inc.	6001 Bollinger Canyon Road RM G1264	San Ramon	California	94583	70220410000152268901	Delivered	7/18/22	YES
RRI	COLGATE ROYALTIES LP	300 N MARIENFIELD STE 1000	MIDLAND	Texas	79701	70220410000152268895	Delivered	7/19/22	YES
RRI (Owns WI) RRI	CRM 2018, LP ELIZABETH L CHENEY IRREV TRUST ELIZABETH L CHENEY TRUSTEE	-	-	-	- 77257	-	-	-	-
RRI	ELIZABETH L CHENEY INNEY TROST ELIZABETH L CHENEY TROSTEE	PO BOX 570083 PO BOX 570083	HOUSTON HOUSTON	Texas Texas	77063	70220410000152268888 70220410000152268871	In Transit per USPS.com In Transit per USPS.com		
	ALEXANDER K CHENEY TTEE								
RRI		28 SCOTT PL	SANTA FE	New Mexico	87507-4396	70220410000152268864	In Transit per USPS.com		
RRI	REP G4 Resources, LP	PO Box 53687	Midland	Texas	79710	70220410000152268857	Delivered	7/19/22	YES
RRI	GENE EDWARD TROWBRIDGE III AKA TREY TROWBRIDGE	50000 215TH AVE	PLAINVIEW	Minnesota	55964	70220410000152268840	Delivered	7/19/22	YES
RRI	GOLDEN ROCK ENERGY PARTNERS LP	5956 SHERRY LANE STE 1221	DALLAS	Texas	75225	70220410000152268833	Delivered	7/19/22	YES
RRI	HUDSON NEW MEXICO MIN TRUST Janet Lewis	616 TEXAS ST 910 Donner Way #701	FORT WORTH Salt Lake City	Texas Utah	76102-4612 84111	70220410000152268826 70220410000152268819	Delivered Returned Undeliverable	N/A	YES
RRI	JOHN W GATES LLC	706 WEST GRAND STREET	ARTESIA	New Mexico	88210	70220410000152268819	Delivered	- 7/18/22	- YES
RRI	Kane Resources, LLC	PO Box 471096	Fort Worth	Texas	76147	70220410000152268796	Delivered	8/5/22	YES
RRI	Liberty Oil & Gas Corporation	PO Box 430	Livonia	LA	70755	70220410000152268789	In Transit per USPS.com	a la a la c	
RRI	MADISON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE Mason Oaks Energy Holdings, LLC	402 GAMMON PL STE 320 6125 Luther Lane #188	MADISON Dallas	Wisconsin Texas	53719 75225	70220410000152268765	Delivered	7/19/22	YES
RRI	Mason Gaks Energy Holdings, LEC MAYHILL OIL CORPORATION	PO BOX 5334	MIDLAND	Texas	79704	70220410000152268772	Delivered	7/18/22	YES
RRI	Mellita, LLC	509 E. Ellis	Llano	Texas	78643	70220410000152268741	Delivered	7/20/22	YES
RRI	Mewbourne Oil Company	PO Box 7698	Tyler	Texas	75701	70220410000152268734	Delivered	7/18/22	YES
RRI	MP Titan Flex LP, MSH Family Real Estate Partnership II, LLC NORBERT M MCCAW	4143 Maple Ave. Suite 500 202 CROSSBOW RD	Dallas ARTESIA	Texas New Mexico	75219 88210	70220410000152268727 70220410000152268710	In Transit per USPS.com Delivered	N/A	YES
RRI	PATRICIA BOYLE YOUNG	PO BOX 1639	SOLANA BEACH	California		70220410000152268703	Delivered	7/18/22	YES
RRI	Pegasus Resources, LLC	PO Box 123610	Fort Worth	Texas	76121	70220410000152268697	Delivered	N/A	YES
RRI	PENASCO PETROLEUM LLC Penny Piekarski	PO BOX 2292 723 Saddlewood Circle	ROSWELL Shenandoah	New Mexico	88202-2292 77381	70220410000152268680	Delivered	N/A 7/18/22	YES
RI	Penny Piekarski POCO ROYALTY COMPANY	723 Saddlewood Circle 2602 TERRACE AVE	Shenandoah MIDLAND	Texas Texas	77381 79705	70220410000152268673 70220410000152268666	Delivered Delivered	7/18/22 7/18/22	YES
RRI	ROBERTA MCCAW	202 CROSSBOW RD	ARTESIA	New Mexico	88210	70220410000152268659	Delivered	N/A	YES
RRI	ROLLA R HINKLE III	PO BOX 2292	ROSWELL	New Mexico	88202-2292	70220410000152268642	Delivered	N/A	YES
RRI	RONALD L MARCUM & SYLVIA G MARCUM SMP Sidecar Titan Mineral Holdings LP	4574 WEEPING WILLOW DR	EL PASO Dallas	Texas Texas	79922 75219	70220410000152268635	Delivered Delivered	N/A N/A	YES YES; Unsigned
RRI	SMP Sidecar Titan Mineral Holdings LP SMP Titan Mineral Holdings LP	4143 Maple Ave. Suite 500 4143 Maple Ave. Suite 500	Dallas Dallas	Texas	75219	70220410000152268628 70220410000152268611	Delivered	N/A N/A	YES; Unsigned YES; Unsigned
RRI	St. Luke Lutheran Church	2 Rev. Dr. ML King Dr.	Willingboro	NJ	08046	70220410000152268604	Delivered	7/19/22	YES
RRI	St. Luke Lutheran Church	PO Box 2008	Willingboro	NJ	08046	70220410000152268598	Delivered	7/19/22	YES
RI	SUDIE MARIE ADAMS TAY-MOR ENTERPRISES INC	2351 WET PRONG RD PO BOX 4723	MULBERRY MIDLAND	Tennessee Texas	37359 79704	70220410000152268581 70220410000152268574	Delivered Delivered	7/20/22 7/18/22	YES
RRI	TAY-MOR ENTERPRISES INC TER-MACK LP	124 LARKSPUR LOOP	ALTO	Texas New Mexico	79704 88312	70220410000152268574 70220410000183779988	Delivered	7/18/22 7/16/22	YES
RI	TYLER TROWBRIDGE	9514 CIVIC WAY APT 301	PROSPECT	Kentucky		70220410000183779971	Delivered	7/21/22	YES
RRI	WILLIAM EDWARD STEINMANN JR & PATRICIA ANNE STEINMANN		ALTO	New Mexico	88312	70220410000183779964	Delivered	7/18/22	YES
RRI	JOINT TENANTS WINNIE HELEN HAYES	107 JADE CIRCLE	KNIGHTDALE	North Carolina	27545	70220410000152269427	Delivered per USPS.com	7/19/22	NO
RRI (Owns WI, @	WINNIE HELEN HAYES XTO Holdings	107 JADE CIRCLE 810 Houston St.	Fort Worth	North Carolina Texas	27545 76012	70220410000152269427 70220410000152269397	Returned Undeliverable	-	-
fferent address)								L	
0	SDX RESOURCES INC	507 N. Marienfeld Street	MIDLAND	Texas	79701	70220410000152269403	In Transit per USPS.com		<u> </u>
TO (Owns WI)	SDX RESOURCES INC MAGNUM HUNTER PRODUCTION INC; c/o Cimarex (now Coterra)	-	-	Texas -		, 3220410000132209403	manait per USPS.com		
	XTO HOLDINGS LLC	-	-	-	-				
TO (Owns WI)	SABINAL ENERGY OPERATING LLC	-	-						сушол
TO (Owns WI) TO (Owns WI)									
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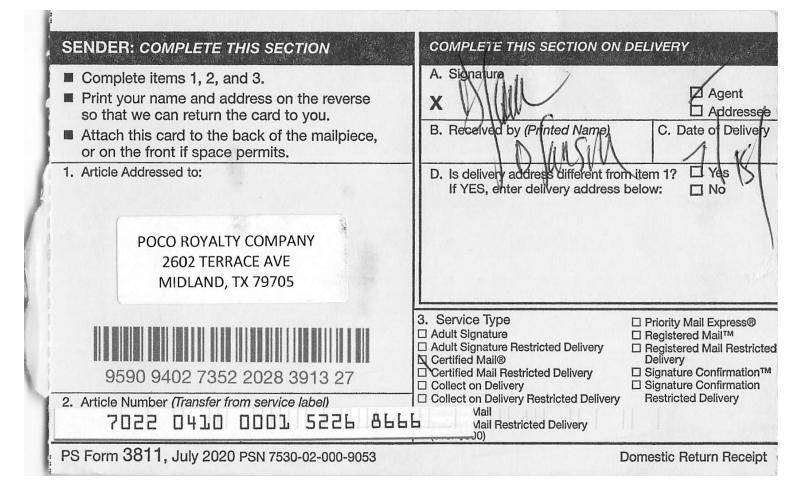
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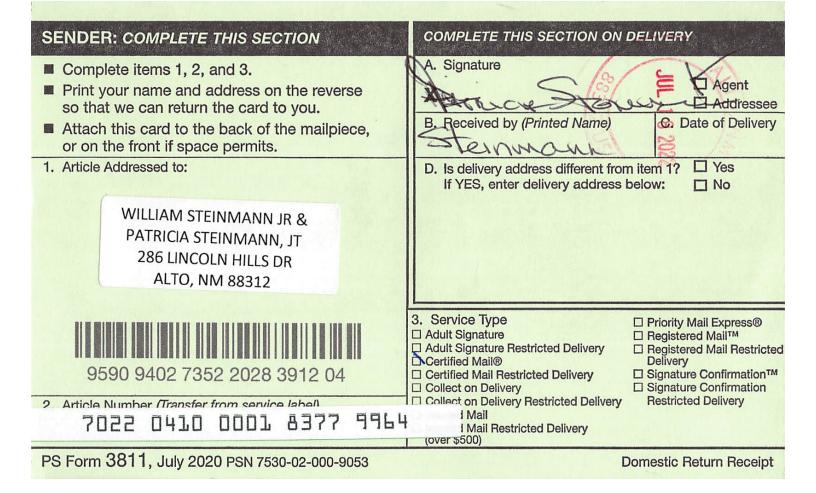
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>	A. Signature
TER-MACK LP 124 LARKSPUR LOOP ALTO, NM 88312	
9590 9402 7352 2028 3912 28 2. Article Number (Transfer from service label) 7022 0410 0001 8377 9988	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Insured Mail       I Mail Restricted Delivery         □ Insured Mail       I Mail 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
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>	A. Signature X Agent B. Received by (Printed Name) C. Date of Delivery C. Date of Deliver
MAYHILL OIL CORPORATION PO BOX 5334 MIDLAND, TX 79704	NOIL
9590 9402 7352 2028 3914 19 2. Article Number (Transfer from service label) 7022 0410 0001 5226 875	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Priority Mail Express®         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation ™         □ Adult Adult 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
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>		A. Signature X. Slophin Hi B. Received by ( <i>Rrinted Name</i> ) Stephane Hunt D. Is delivery address different from If YES, enter delivery address	
	TAY-MOR ENTERPRISES INC PO BOX 4723 MIDLAND, TX 79704		
2 Article N	90 9402 7352 2028 3912 35 Jumber (Transfer from service label) 2 0410 0001 5226 8574	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery red Mail red Mail Restricted Delivery \$500)	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form	3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt



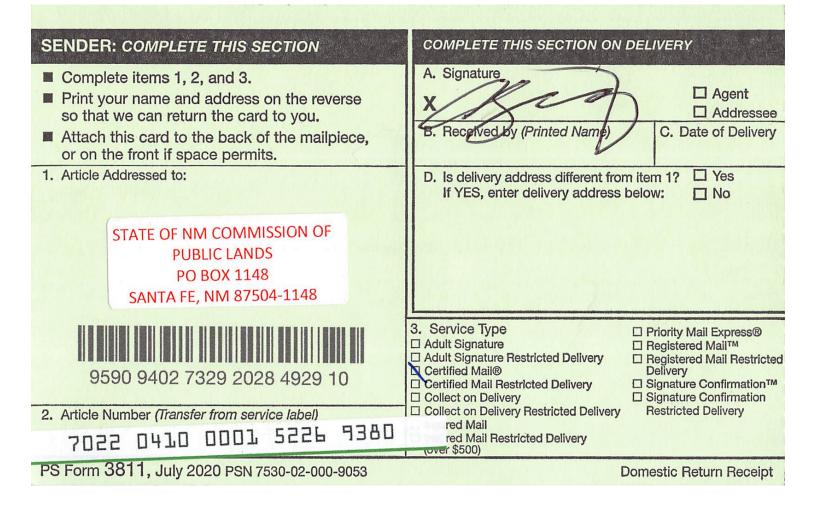


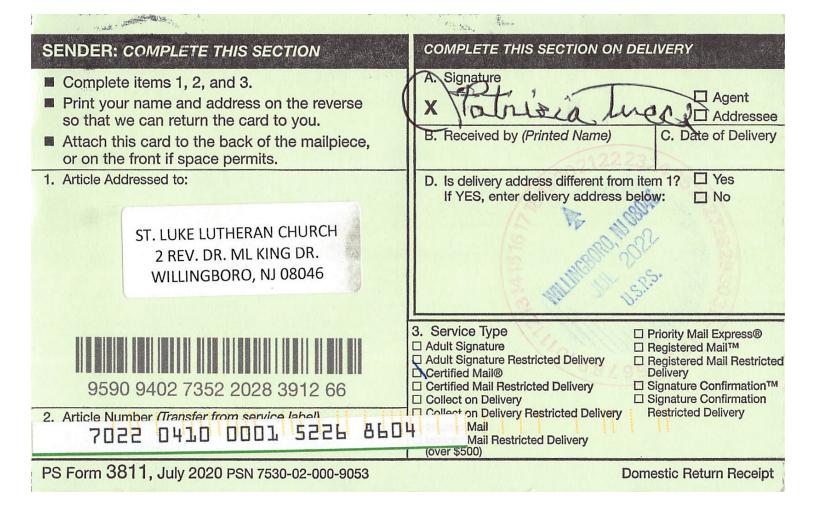
<ul> <li>SENDER: COMPLETE THIS SECTION</li> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>			COMPLETE THIS SECTION ON L A. Signature X B. Received by (Printed Name)	DELIVERY
1. Article Addressed to: PENASCO PETROLEUM LLC PO BOX 2292 ROSWELL, NM 88202-2292		D. Is delivery address different from If YES, enter delivery address b		
2 Article 7	590 9402 7352 2028 3913 41 Number (Transfer from service label) 022 0410 0001 5226	8680	0)	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form 3811, July 2020 PSN 7530-02-000-9053			D	omestic Return Receipt

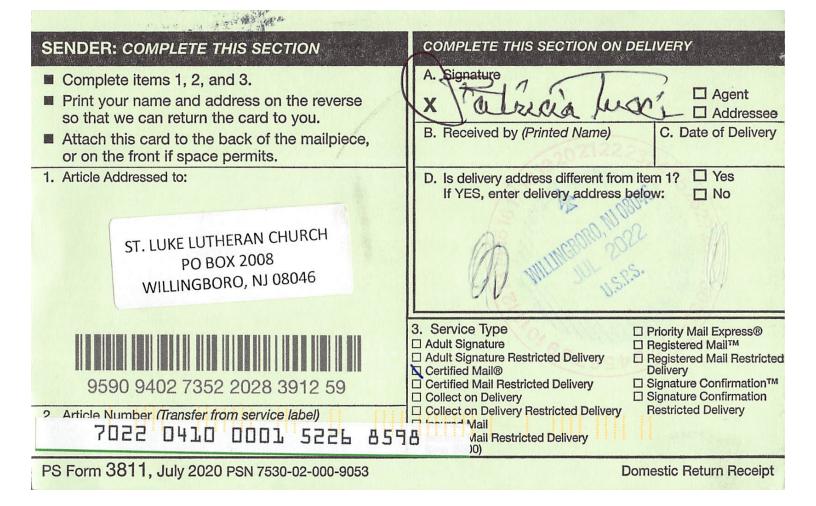
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SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>		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? Yes If YES, enter delivery address below: No
	ROLLA R HINKLE III PO BOX 2292 ROSWELL, NM 88202-2292	
2 Article	590 9402 7352 2028 3913 03 Number (Transfer from sorvice (abo) 222 0410 0001 5226 864	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation™         □ Mail       Mail         ■ Mail Restricted Delivery       ■ Restricted Delivery
PS Form	3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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BNM INC 4032 US HWY 82 MAYHILL, NM 88339	
9590 9402 7352 2028 3916 00 2. Article Number ( <i>Transfer from service label</i> ) 7022 0410 0001 5226 8949	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ d Mail       Restricted Delivery         □ d Mail       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		
MADISON CAPITAL ENERGY ATTN BEN CLAVETTE 402 GAMMON PL STE 320 MADISON, WI 53719			
9590 9402 7352 2028 3914 33	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation		
2 Article Number (Transfer from service label) 7022 0410 0001 5226 8765	Collect on Delivery Restricted Delivery Mail Mail Restricted Delivery i00)		
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt		

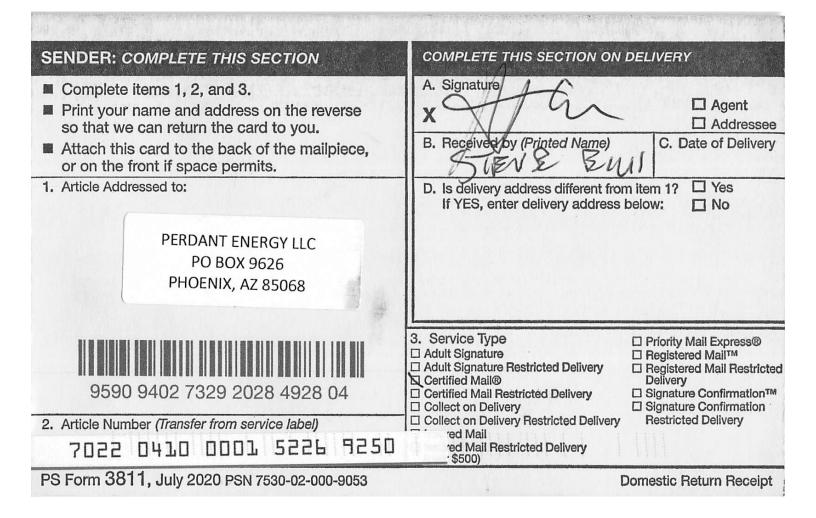
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> <li>BUREAU OF LAND MANAGEMENT 620 E GREENE ST. CARLSBAD, NM 88220</li> </ul>	A. Signature       Agent         X       Addressee         B. Received by (Printed Name)       C. Date of Delivery         X       Y         X       Y         X       Y         Y       Y
9590 9402 7329 2028 4929 03 2. Article Number (Transfer from service label) 7022 0410 0001 5225 7356	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery Restri
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

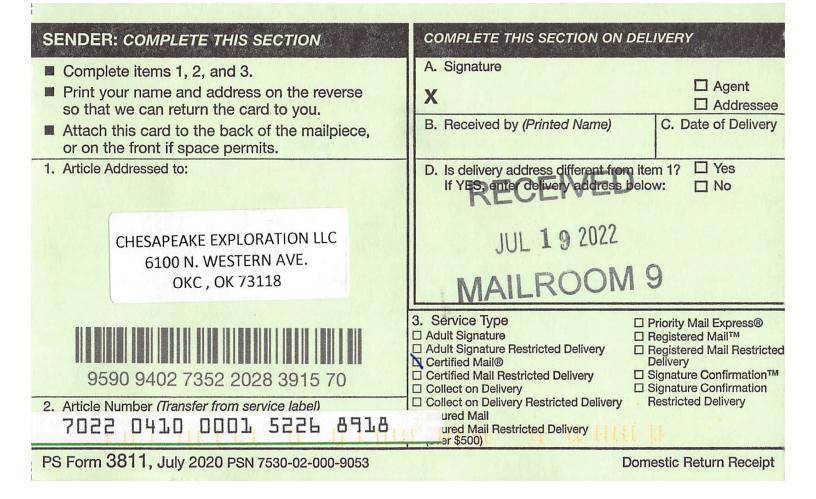
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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>	A. Signature X Gene Mouhf Agent B. Received by (Printed Name) C. Date of Delivery C. Date of Delivery C. Date of Delivery Dene Mouhf 2-19-22 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) 7022 0410 0001 5226 8840	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         Mail       Mail Restricted Delivery         Mail       Mail Restricted Delivery         00)       00
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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1. Article Addressed to: BF ENERGY C/O RANDAL BUNESS	D. Is delivery address different from item 1?  Yes If YES, enter delivery address below:  No		
3504 E CLAREMONT ST PARADISE VALLEY, AZ 85253			
9590 9402 7329 2028 4927 05	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery       □ Signature Confirmation		
7022 0410 0001 5226 9168	Mail Mail Restricted Delivery 300)		
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt		

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SUDIE MARIE ADAMS 2351 WET PRONG RD MULBERRY, TN 37359	
9590 9402 7352 2028 3912 42 2. Article Number (Transfer from service /sho) 7022 0410 0001 5226 8583	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery       □ Signature Confirmation         □ Mail       □ Mail         □ Mail       □ Mail
PS Form 3811, July 2020 PSN 7530-02-000-9053	(over \$500) Domestic Return Receipt



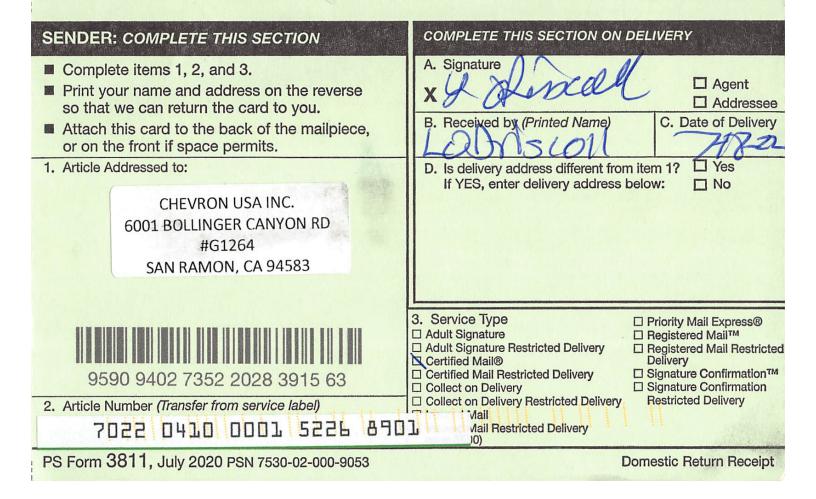


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SENDE	R: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Print so that</li> <li>Attac or on</li> </ul>	olete items 1, 2, and 3. your name and address on the reverse at we can return the card to you. h this card to the back of the mailpiece, the front if space permits.	A. Signature X Agent B. Received by (Printed Name) D. Is delivery address different from item 1? If YES, enter delivery address below:
	MOON ROYALTY LLC PO BOX 720070 OK CITY , OK 73172	
2 Article	0590       9402       7329       2028       4927       74         Number (Transfer from service label)       22       04       000       5226       9236	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation ™         □ Adult Adult       □ Signature Confirmation ™         □ Signature Confirmation       □ Restricted Delivery         □ Adult       □ Signature Confirmation         □ Adult       □ Signature Confirmation         □ Signature Confirmation       □ Signature Confirmation         □ Signature Confirmation       □ Signature Confirmation         □ Adult       □ Signature Confirmation         □ Signature       □ Signature Confirmation         □ Adult       □ Signature Confirmation         □ Signature       □ Signature Confirmation
PS Form	3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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<ul> <li>Print y so that</li> <li>Attach or on the second second</li></ul>	lete items 1, 2, and 3. Your name and address on the reverse t we can return the card to you. In this card to the back of the mailpiece, the front if space permits. Addressed to:	A. Signature A. Signature A. Signature A. Signature A. Signature A. Signature A. Agent D. Addressee B. Received by (Printed Name) C. Date of Delivery 7-16-22 D. Is delivery address different from item 1? If YES, enter delivery address below: D. No
	PENNY PIEKARSKI 723 SADDLEWOOD CIRCLE SHENANDOAH, TX 77381	
2. Article	590 9402 7352 2028 3913 34 Number (Transfer from service label) 2022 0410 0001 5226 867	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ ail ail Restricted Delivery       □ Signature Confirmation         □ collect on Delivery Restricted Delivery       □ Signature Confirmation         □ collect on Delivery Signature Confirmation       □ Restricted Delivery
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9590 9402 7329 2028 4926 20 2. Article Number ( <i>Transfer from service label</i> ) 7022 0410 0001 5226 90	
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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ZORRO PARTNERS LTD 616 TEXAS ST FT WORTH, TX 76102-4612		
9590 9402 7329 2028 4928 97 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9359	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         ⊥ Mail       ⊥ Mail         ⊥ Mail       ⊥ Mail         ⊥ Soo)       □ Signature Confirmation	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt	

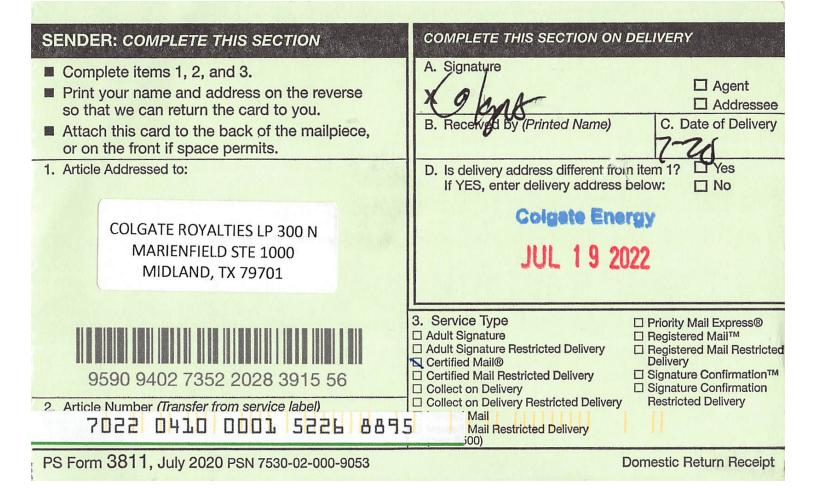


SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON I	DELIVERY
<ul> <li>Print yo so that</li> <li>Attach t or on th</li> </ul>	te items 1, 2, and 3. ur name and address on the reverse we can return the card to you. his card to the back of the mailpiece, e front if space permits. ddressed to:	A. Signature X B. Received by (Printed Name) EMINZA D. Is delivery address different from If YES, enter delivery address to	
	ANGELA BROWN MGMT TRUST CITIZENS NATL BANK AGENT PO BOX 820 HENDERSON, TX 75653		
9590 9402 7329 2028 4927 36 2 Article Number (Transfer from service label) 7022 0410 0001 5226 9199		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)	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form 3	811, July 2020 PSN 7530-02-000-9053	D	omestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>	A. Signature X Mutual 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	
HUDSON, NM MIN TRUST 616 TEXAS ST FORT WORTH, TX 76102-4612		
9590 9402 7352 2028 3914 88 2. Article Number (Transfer from service label) 7022 0410 0001 5226 882	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Bilivery         □ Certified Mail Restricted Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation ™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation ™         □ Mail       Mail Restricted Delivery         □ Mail       Mail Restricted Delivery	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt	

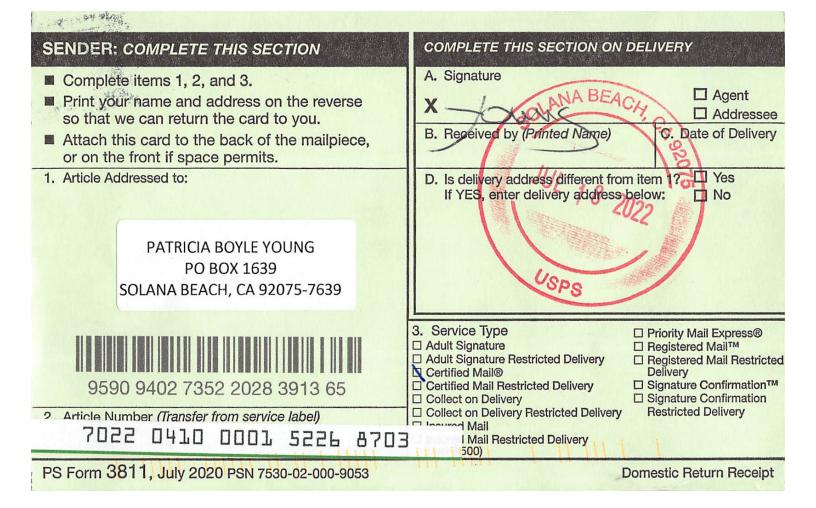
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>	A. Signature X Agent B. Received by (Printed Name) C. Date of Delivery C. Date of Deliver
GOLDEN ROCK ENERGY PARTNERS LP 5956 SHERRY LANE STE 1221 DALLAS, TX 75225	
9590 9402 7352 2028 3914 95	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation™         □ Mail       □ Repistered Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	(over \$500) Domestic Return Receipt

		- CANA	
SENDER	R: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
<ul> <li>Print y so that</li> <li>Attach or on t</li> </ul>	lete items 1, 2, and 3. our name and address on the reverse t we can return the card to you. this card to the back of the mailpiece, the front if space permits. Addressed to: DAVOIL INC PO BOX 122269 FORT WORTH, TX 76121-2269	A. Signature X B. Received by (Printed Name) D. Is delivery address different from If YES, enter delivery address	
2. Article I	590 9402 7329 2028 4926 68 Number (Transfer from service label) 022 0410 001 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 Aail Aail Restricted Delivery (over 4000)	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form	3811, July 2020 PSN 7530-02-000-9053	0	Domestic Return Receipt



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> <li>JAVELINA PARTNERS         <ul> <li>616 TEXAS ST</li> <li>FT WORTH, TX 76102-4612</li> </ul> </li> </ul>	A. Signature X. J. B. Beceived by (Printed Name) J. B. Beceived by (Prin	
9590 9402 7329 2028 4926 06 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9069	<ul> <li>3. Service Type</li> <li>Adult Signature</li> <li>Adult Signature Restricted Delivery</li> <li>Certified Mail®</li> <li>Certified Mail Restricted Delivery</li> <li>Collect on Delivery</li> <li>Collect on Delivery Restricted Delivery</li> <li>ed Mail</li> <li>ed Mail Restricted Delivery</li> <li>\$500)</li> </ul>	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form 3811, July 2020 PSN 7530-02-000-9053	1	Domestic Return Receipt

and supply	
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XTO HOLDINGS C/O XTO ENERGY 22777 SPRINGWOODS VILLAGE PARKWAY SPRING, TX 77389	
9590 9402 7329 2028 4928 80 2 Article Number (Transfer from service label) 7022 0410 0001 5226 9342	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Adult Signature Restricted Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Adult Adult       □ Signature Confirmation         □ Adult Adult       □ Signature Confirmation         □ Adult Adult       □ Signature Confirmation         □ Signature Confirmation       □ Signature Confirmation         □ Adult       □ Signature         □ Adult
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

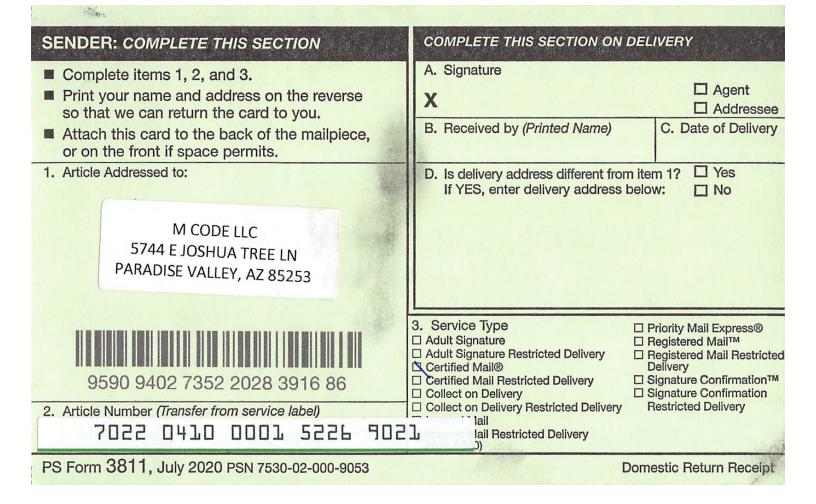


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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>	A. Signature
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       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation™         □ Mail       □ Adult         □ Mail       □ Signature Confirmation         □ Signature Confirmation       □ Signature Confirmation         □ Signature Confirmation       □ Signature Confirmation         □ Signature Confirmation       □ Signature Confirmation         □ Mail       □ Signature Confirmation         □ Signature       □ Signature Confirmation         □ Signature       □ Signature         □ Mail       □ Signature         □ Mail       □ Signature         □ Signature       □ Signature         □ Signature       □ Signature         □ Signature       □ Signature
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>	A. Signature
NORBERT M-MCCAW 202 CROSSBOW RD ARTESIA, NM 88210	
9590 9402 7352 2028 3913 72 2 Article Number (Transfer from service Jabel) 7022 0410 0001 5226 871	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation ™         □ Adult Restricted Delivery       □ Signature Confirmation ™         □ Adult Restricted Delivery       □ Signature Confirmation         □ Adult Restricted Delivery       □ Signature Confirmation         □ Adult Restricted Delivery       □ Signature Confirmation         □ Adult Restricted Delivery       □ Signature Confirmation
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

ALCONTRACT AND A DESCRIPTION OF A DESCRI		
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul> ROBERTA MCCAW 202 CROSSBOW RD ARTESIA, NM 88210	A. Signature	
9590 9402 7352 2028 3913 10 2 Article Number (Transfer from service label) 7022 0410 0001 5226 8659	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail <sup>™M</sup> □ Adult Signature Restricted Delivery       □ Registered Mail <sup>™M</sup> □ Certified Mail®       □ Registered Mail <sup>™M</sup> □ Collect on Delivery       □ Signature Confirmation <sup>™M</sup> □ Collect on Delivery Restricted Delivery       □ Signature Confirmation <sup>™M</sup> □ d Mail       □ d Mail         □ d Mail       □ Signature Confirmation	
PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt		

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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul> ANN T TOLLEFSON REV LVG TRUST ANN TOLLEFSON TRUSTEE PO BOX 639 STORY, WY 82842	A. Signature X Addressee B. Received by (Printed Name) C. Date of Delivery 7/1/22 D. Is delivery address different from item 1? If YES, enter delivery address below: No
9590 9402 7352 2028 3916 31 2. Article Number (Transfer from service label) 7022 0410 0001 5226 897	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation ™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Aail       Aail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt



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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>	A. Signature
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       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Adult Signature       □ Priority Mail Express®         □ Registered Mail       □ Registered Mail         □ Collect on Delivery       □ Signature Confirmation         □ Adult       □ Adult         □ Collect on Delivery       □ Signature Confirmation         □ Adult       □ Adult         □ Collect on Delivery       □ Signature Confirmation         □ Adult       □ Adult         □ Adult       □ Adult
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt



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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>	A. Signature X Jun Jan   Agent Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
JEFF PHILLIPS 5710 DEVLIN PL MIDLAND, TX 79707	
9590 9402 7352 2028 3917 16 2 Article Number (Transfer from service /abol) 7022 0410 0001 5226 905	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Mail       Mail         Mail       Mail         Mail       Restricted Delivery         (over \$500)       □ Priority Mail Express®
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

<ul> <li>SENDER: COMPLETE THIS SECTION</li> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul> BEACHBUMS ENERGY LLC PO BOX 5141 SCOTTSDALE, AZ 85261-5141	A. Signature
9590 9402 7329 2028 4927 12 2. Article Number (Transfer from service label) 7022 0410 0001 5226 917	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Signature Mail       □ Signature Confirmation         5       Vail Restricted Delivery         0)       □ Output
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

	and a second that I	and the second second
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> )	3. Service Type       □ Priority Mail Express         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmat         □ Collect on Delivery       □ Signature Confirmat         □ Adult       □ Signature Confirmat         □ Signature       □ Signature Confirmat         □ Signature       □ Signature Confirmat         □ Adult       □ Signature Confirmat         □ Signature       □ Signature	tricted
7022 0410 0001 5226 91	d Mail Restricted Delivery 500)	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Rec	eipt

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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>	A. Signature X Addressee B. Received by (Printed Name) C. Date of Delivery Addressee C. Date of Delivery Addressee Addressee C. Date of Delivery Addressee Addr
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       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Signature Confirmation™         □ Certified Mail Restricted Delivery       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery       □ Signature Confirmation         □ d Mail       □ Adult Restricted Delivery         □ Signature Confirmation       □ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>	A. Signature A. Signature A. Signature A. Signature A. Signature A. Signature A. Agent Addressee B. Received by ( <i>Printed Name</i> ) O. Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below: No
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       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery       □ Signature Confirmation         □ Adult Signature Restricted Delivery       □ Signature Confirmation
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
<ul><li>Print you so that w</li><li>Attach the second seco</li></ul>	te items 1, 2, and 3. In name and address on the reverse we can return the card to you. This card to the back of the mailpiece, the front if space permits.	<ul> <li>A. Signature</li> <li>X</li> <li>B. Received by (<i>Printed Name</i>)</li> <li>D. Is delivery address different from If YES, enter delivery address in</li> </ul>	
	BRITT TROWBRIDGE 2509 23RD AVE SE ROCHESTER, MN 55904		
	0 9402 7352 2028 3915 94 mber (Transfer from service label) 22 0410 0001 5226 893	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 ec00)	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form 38	811, July 2020 PSN 7530-02-000-9053	E	Domestic Return Receipt

SENDE	R: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON	DELIVERY
<ul> <li>Print y so that</li> <li>Attach or on the second second</li></ul>	lete items 1, 2, and 3. rour name and address on the reve t we can return the card to you. In this card to the back of the mailpi the front if space permits. Addressed to:	-	A. Signature X B. Received by (Printed Name) D. Is delivery address different from	
	HERBALY EXPLORATION LLC 1420 W CANAL CT STE 150 LITTLETON, CO 80120-5660		If YES, enter delivery address	below: 🔲 No
and the standard standard state	590 9402 7329 2028 4926 3 Number ( <i>Transfer from service label</i> ) 7022 0410 0001 52		3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form	3811, July 2020 PSN 7530-02-000-5		TEL CONTRACT OF	Domestic Return Receipt

14.4.4

SENDER:	COMPLETE THIS SECTION		COMPLETE THIS SECTION ON	DELIVERY
<ul> <li>Print yo so that</li> <li>Attach t or on th</li> </ul>	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 A. Signature B. Received by (Printed Name) Dathons Ue D. Is delivery address different from If YES, enter delivery address	
	JIM WHITEHEAD OIL & GAS LLC PO BOX 44251 PHOENIX, AZ 85064			
2. Article N	00 9402 7352 2028 3917 09 umber (Transfer from service label) 0410 0001 5226 90	1111	<ul> <li>3. Service Type</li> <li>Adult Signature</li> <li>Adult Signature Restricted Delivery</li> <li>Certified Mail®</li> <li>Certified Mail Restricted Delivery</li> <li>Collect on Delivery</li> <li>Collect on Delivery Restricted Delivery</li> <li>Collect on Delivery Restricted Delivery</li> <li>ured Mail Restricted Delivery er \$500)</li> </ul>	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form 3	811, July 2020 PSN 7530-02-000-9053	3	E	Domestic Return Receipt

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BETH TROWBRIDGE CRAIG 5115 KIM LN CHEYENNE, WY 82009	
9590 9402 7352 2028 3916 17 2. Article Number (Transfer from service label) 7022 0410 0001 5226 895	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Aail       Aail         □ Aail       Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature          □ Agent         □ Addressee         □ Addressee         □ Addressee         □ Addressee         □ Addressee         □ C. Date of Delivery         □         □         □
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
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9590 9402 7352 2028 3912 80	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation
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PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

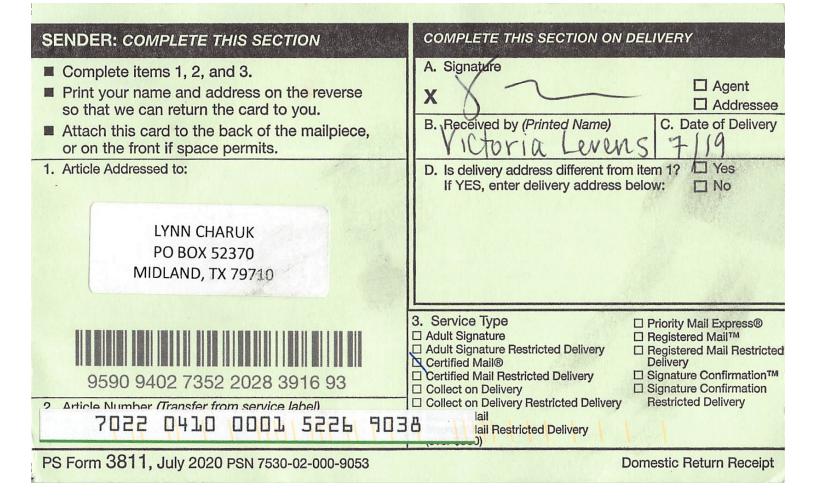
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1. Article Addressed to: SMP TITAN MINERAL HOLDINGS LP 4143 MAPLE AVE. SUITE 500 DALLAS, TX 75219	D. Is delivery address different from If YES, enter delivery address	
9590 9402 7352 2028 3912 73 2. Article Number (Transfer from service label) 7022 0410 0001 5226 8611	<ul> <li>3. Service Type</li> <li>Adult Signature</li> <li>Adult Signature Restricted Delivery</li> <li>Certified Mail®</li> <li>Certified Mail Restricted Delivery</li> <li>Collect on Delivery</li> <li>Collect on Delivery Restricted Delivery</li> <li>J Mail</li> <li>J Mail Restricted Delivery</li> <li>500)</li> </ul>	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt

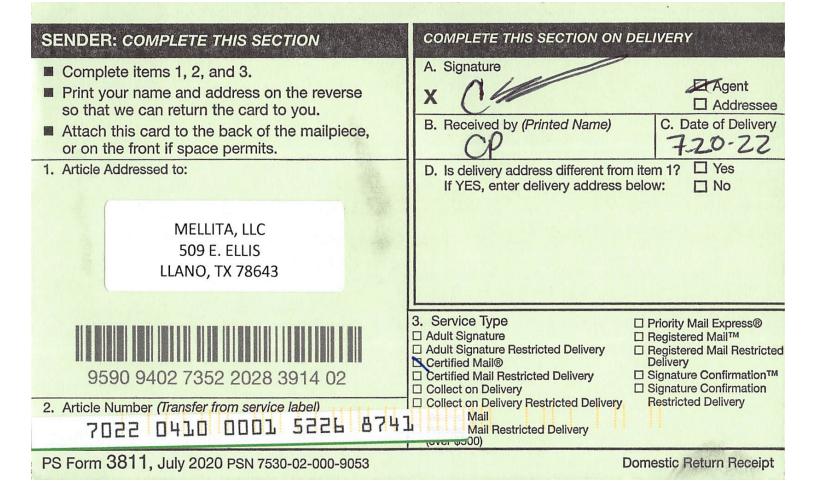
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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> <li>BB MANAGEMENT LLC PO BOX 80735 PHOENIX, AZ 85060</li> </ul>	A Signature A Signature A Signature A ddressee B. Received by (Printed Name) C. Date of Delivery Darlene Kuehn 1/19/22 D. Is delivery address different from item 1? If YES, enter delivery address below: No	
9590 9402 7329 2028 4927 29 2 Article Number (Transfer from service label) 7022 0410 0001 5226 91.83	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation™         □ Mail       Mail         ■ Mail       Mail Restricted Delivery	
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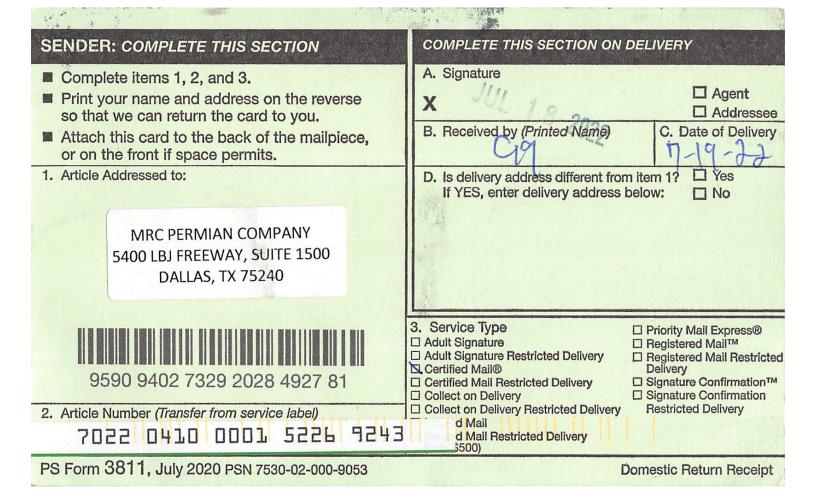
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THOMAS FAMILY PARTNERSHIP PO BOX 44252 PHOENIX, AZ 85064	
9590 9402 7329 2028 4928 73 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9328	Image: Service Type       □       Priority Mail Express®         □       Adult Signature       □       Registered Mail™         □       Adult Signature Restricted Delivery       □       Registered Mail™         □       Certified Mail®       □       Registered Mail Restricted Delivery         □       Certified Mail Restricted Delivery       □       Signature Confirmation™         □       Collect on Delivery       □       Signature Confirmation         □       Collect on Delivery Restricted Delivery       □       Signature Confirmation         □       Collect on Delivery Restricted Delivery       □       Signature Confirmation         □       Mail       Mail       Restricted Delivery       □         □       Mail Restricted Delivery       □       Signature Confirmation         □       Mail Restricted Delivery       □       Restricted Delivery         □       Mail Restricted Delivery       □       Notesting         □       Mail       □       Notesting       □
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	ABJ OIL COMPANY LTD PO BOX 44242 PHOENIX, AZ 85064		
2. Article Nur	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 Restricted Delivery Mail Restricted Delivery \$500	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
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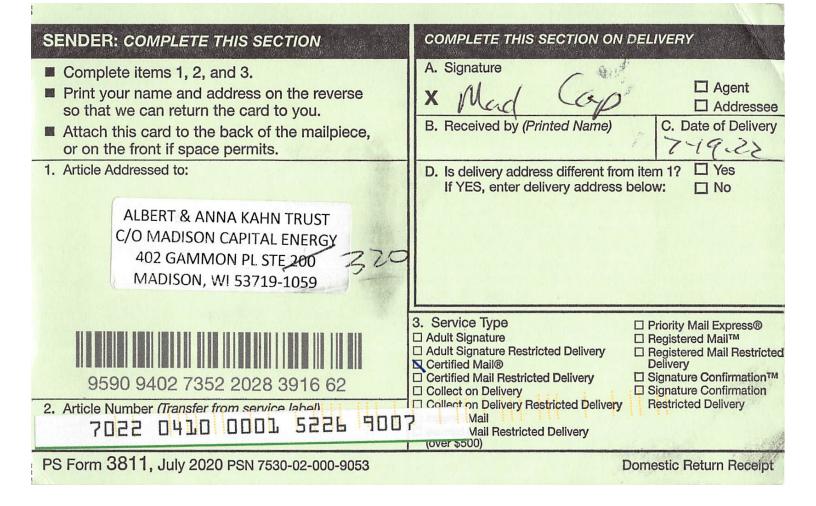


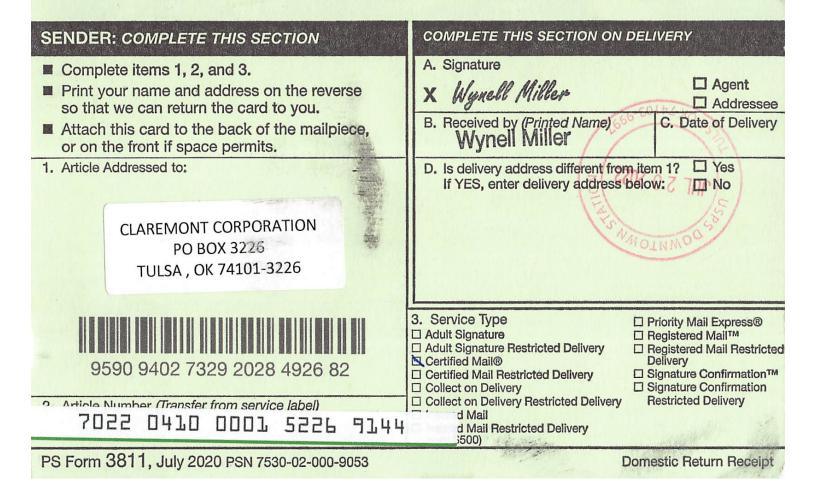
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9590 9402 7352 2028 3913 58 2 Article Number (Transfer from service label) 7022 0410 0001 5226 869	3. Service Type       □       Priority Mail Express®         □ Adult Signature       □       Registered Mail™         □ Adult Signature Restricted Delivery       □       Registered Mail™         □ Certified Mail®       □       Registered Mail Restricted Delivery         □ Collect on Delivery       □       Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □       Signature Confirmation™         □ Signature Confirmation       Restricted Delivery         □ Insured Mail       Mail Restricted Delivery         ○       0)       0
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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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9590 9402 7329 2028 4928 59 2. Article Number (Transfer from service label) 7022 0410 0001 5226 929	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Signature Confirmation™         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation™         □ Adult Signature       □ Registered Mail Restricted Delivery         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Adult Restricted Delivery       □ Signature Confirmation         □ Adult Signature       □ Priority Mail Express®         □ Certified Mail®       □ Signature Confirmation         □ Collect on Delivery       □ Signature Confirmation         □ Adult Signature       □ Priority Mail Express®         □ Signature       □ Priority Mail Restricted         □ Delivery       □ Signature Confirmation         □ Adult Signature       □ Priority Mail Restricted         □ Adult Signature       □ Priority Mail Restricted         □ Delivery       □ Signature Confirmation         □ Adult Signature       □ Priority Mail Restricted         □ Delivery       □ Signature Confirmation         □ Delivery </td
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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	AMERIPERMIAN HOLDINGS, LLC 1733 WOODSTEAD CT. WOODLANDS, TX 77380		
2 Article	590 9402 7352 2028 3916 48 Number (Transfer from service label) 122 0410 0001 5226 8987	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Adult Signature Certified Mail® Certified Mail® Collect on Delivery Adult Signature Collect on Delivery Collect On Delivery Collec	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
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9590 9402 7329 2028 4928 28 2. Article Number (Transfer from service label) 7022 0410 0001 5226 9283	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Adult Signature Collect on Delivery Solution Collect on Delivery Solution Collect On Delivery Collect on Delivery Adult Signature Collect on Delivery Collect on Delivery Collect on Delivery Collect on Delivery Restricted Delivery Collect On Delive	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
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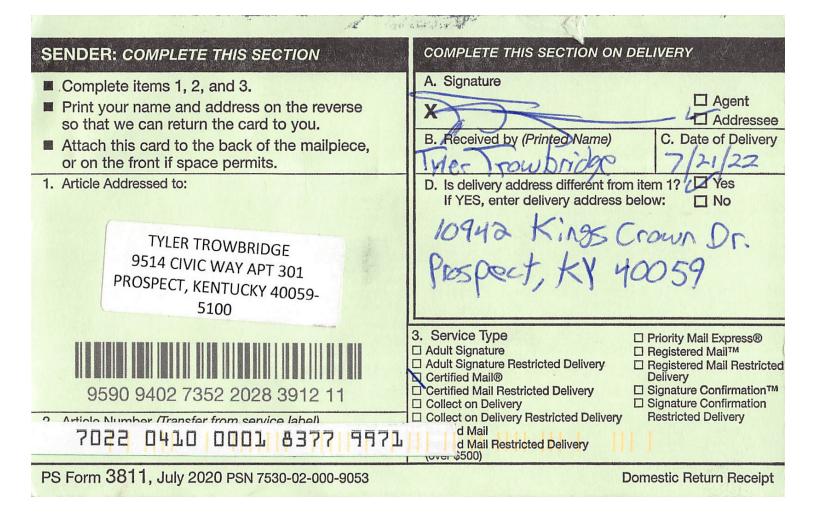
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	RJ FORTUNE INVESTMENTS LLC 9290 E THOMPSON PEAK PKWY UNIT 257 SCOTTSDALE, AZ 85255-4513		
9	590 9402 7329 2028 4928 42	Adult Signature     Adult Signature Restricted Delivery     Certified Mail®     Certified Mail Restricted Delivery     Collect on Delivery	Priority Mail Express® Registered Mail™ Registered Mail Restricted Delivery Signature Confirmation™ Signature Confirmation
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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> <li>REDFERN ENTERPRISES INC PO BOX 2127 MIDLAND, TX 79702-2127</li> </ul>	A. Signature X Cha Apple Agent Addressee B. Received by (Printed Name) Addressee C. Date of Delivery Apple Address different from item 1? If YES, enter delivery address below: I No
9590 9402 7329 2028 4928 35 2 Article Number (Transfer from service label) 7022 0410 0001 5226 931	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Certified Mail®       □ Registered Mail Restricted Delivery         □ Collect on Delivery       □ Signature Confirmation™         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Adult Restricted Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ Adult Adult Restricted Delivery       □ Signature Confirmation
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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	GW HOLDINGS INC / GREAT WESTERN DRILLING COMPANY PO BOX 1659 MIDLAND, TX 79702-1659		
	590 9402 7329 2028 4926 44	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
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PS Form	3811, July 2020 PSN 7530-02-000-9053	C	Domestic Return Receipt

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<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> <li>RONALD &amp; SYLVIA MARCUM 4574 WEEPING WILLOW DR EL PASO, TX 79922</li> </ul>	A. Signature X July Market B. Received by (Printed Name) D. Is delivery address different from If YES, enter delivery address b	
9590 9402 7352 2028 3912 97 2. Article Number ( <i>Transfer from service label</i> ) 7022 0410 0001 5226 8635	<ul> <li>3. Service Type</li> <li>Adult Signature</li> <li>Adult Signature Restricted Delivery</li> <li>Certified Mail®</li> <li>Certified Mail Restricted Delivery</li> <li>Collect on Delivery</li> <li>Collect on Delivery Restricted Delivery</li> <li>I Mail</li> <li>I Mail Restricted Delivery</li> <li>500)</li> </ul>	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
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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® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Mail Mail Restricted Delivery 00)	<ul> <li>Priority Mail Express®</li> <li>Registered Mail<sup>TM</sup></li> <li>Registered Mail Restricted Delivery</li> <li>Signature Confirmation<sup>TM</sup></li> <li>Signature Confirmation Restricted Delivery</li> </ul>
PS Form 3811, July 2020 PSN 7530-02-000-9053	C	Domestic Return Receipt

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ARD OIL LTD PO BOX 101027 FORT WORTH, TX 76185	
9590 9402 7352 2028 3916 24 2. Article Number (Transfer from service label) 7022 0410 0001 5226 8963	3. Service Type       □ Priority Mail Express®         □ Adult Signature       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail™         □ Adult Signature Restricted Delivery       □ Registered Mail Restricted Delivery         □ Certified Mail®       □ Signature Confirmation™         □ Collect on Delivery       □ Signature Confirmation         □ Collect on Delivery Restricted Delivery       □ Signature Confirmation         □ red Mail       Restricted Delivery         □ signature Confirmation       Restricted Delivery         □ red Mail       Restricted Delivery         □ signature Confirmation       Restricted Delivery         □ signature Co
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

Affidavit of Publication Ad # 0005341647 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

1-7-85

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005341647 PO #: 5341647 # of Affidavits1



CASE No. 22961: 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 owning overriding royalty interest owners and record title own-ers, as well as the known and unknown heirs, devisees, as-signs 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 c/o RANDAL BUNESS, CHEVRON USA, INC., CLAREMONT CORPORATION, CROSSWINDS RESOURCES LLC, DAVOIL INC, FRED C COREY, GW HOLDINGS INC GREAT WESTERN DRILL-ING LTD DBA GREAT WESTERN DRILLING COMPANY, HERBALY EXPLORATION LLC, J & J ENERGY LLC, JAMES L HE-WITT, JAVELINA PARTNERS, JEFF PHILLIPS, JIM WHITEHEAD OIL & GAS LLC, LYNN CHARUK, M CODE LLC, MAGIC MERLIN ENERGY INVESTMENTS LLC, MAGNUM HUNTER PRODUC-TION 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 BRESON RAVELC, DATE MRC PERMIAN COMPANY, PALADIN INCL ANDREW SMITH PRESIDENT, PERDANT ENERGY LLC, QUIMEX INTERNATIONAL INC ROBERT BEESON, RANCH 707 LLC, REDFERN ENTERPRISES INC, RI FORTUNE INVESTMENTS LLC, SABINAL ENERGY LLC DBA SABINAL ENERGY OPERATING LLC, SIEB RESOURCES, THOMAS FAMILY LTD PARTNERSHIP, XTO HOLDINGS, LLC (IO XTO ENERGY, INC., ZORRO PART-NERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL EN-ERGY 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, BIMM 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 MITCHELE CHENEY FAMILY REV TR ALEXANDER K CHENEY THEE, ESTATE OF GWENDOLYN P RUTLEDGE ALEXIS A SCOTT PERSONAL REP, G4 RESOURCES, 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 COR-PORATION, 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 FAM-ILY 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 SIDE RUTLEDGE ALEXIS A SCOTT PERSONAL REP, G4 RESOURCES, ROYALTY COMPANY, ROBERTA MCCAW, ROLLA R HINKLE III, RONALD L MARCUM & SYLVIA G MARCUM, SMP SIDE-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 JR & PATRI-CIA ANNE STEINMANN JOINT TENANTS, WINNIE HELEN HAYES, SDX RESOURCES INC., of Devon Energy Production Company, LP.'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 rethe current COVID-19 Public Health policies, the hearing will be conducted remotely online. For information about re-mote access and the status of the case, you can visit the Divi-sion's website at; https://www.emnrd.nm.gov/ocd/hearing-in fo/ or call (505) 476-3441. Devon Energy Production Compa-ny, L.P., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division: (1) establishing a standard 480-arre, more or less, horizontal spacing and proration unit comprised of Lots 5, 6, 7, and 8/Lots 5, 80, 67 Sortions 1, 2, and 480-acre, more or less, horizontal spacing and proration unit comprised of Lots 5, 6, 7 and 8 (Lots 5-8) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral inter-ests in the Wolfcamp 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 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. The application in this Case No. 22951 is present Section 1. The application in this Case No. 22961 is presented to the Division as an alternate application to Devon's preferred horizontal spacing unit in Case No. 22958. Sec-tions 1, 2, and 3 represent unusually large correction sec-tions with 16 Lots in the N/2 of each Section. There may be a question under the Division's Rules about what constitutes a guestion under the Division's Rules about what constitutes a standard horizontal spacing unit in such Sections, and Dev-on has filed this alternate application should the Division view the spacing differently from Devon's preferred spacing unit. The location of the well is standard; the completed in-terval and first take and last take points for the well pro-posed in the unit meet the Division's statewide Rules. Also to be considered will be the the cost of drilling and com-pleting the well and the allocation of the costs thereof; ac-tual operating costs and charges for supervision; the desig-nation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and complenng the wen, The wen and lands are located approx, 7 miles northeast of Carlsbad, New Mexico. #5341647, Current Argus, July 20, 2022

Affidavit of Publication Ad # 0005341674 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

1-7-7

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005341674 PO #: 5341674 # of Affidavits1

CASE No. 22962: Notice to all affected parties and persons having any right, title, interest or claim to this case, includhaving any right, title, interest or claim to this case, includ-ing overriding royalty interest owners and record title own-ers, as well as the known and unknown heirs, devisees, as-signs and successors of ABJ OIL COMPANY LTD, ANGELA BROWN MGMT TRUST S ANGELA BROWN TTEE ATTN TOBY FAILS SR VP TR OFFICER CITIZENS 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 DRILL-ING LTD DBA GREAT WESTERN DRILLING COMPANY, HERBALY EXPLORATION LLC, J & J ENERGY LLC, JAMES L HE-WITT, JAVELINA PARTNERS, JEFF PHILLIPS, JIM WHITEHEAD OIL & GAS LLC, LYNN CHARUK, M CODE LLC, MAGIC MERLIN ENERGY INVESTMENTS LLC, MAGNUM HUNTER PRODUC-TION 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, SABINAL ENERGY LLC DBA SABINAL ENERGY OPERATING LLC, SIEB RESOURCES, THOMAS FAMILY LTD PARTNERSTILL, SABINAL ENERGY LLC DBA SABINAL ENERGY OPERATING LLC, SIEB RESOURCES, THOMAS FAMILY LTD PARTNERSHIP, XTO HOLDINGS, LLC C/O XTO ENERGY, INC., ZORRO PART-NERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL EN-ERGY INCOME FUND I, AMERIPERMIAN HOLDINGS, LLC, ANN T TOLLEFSON REV LYG TRUST DTD JUNE 7 2006 ANN ing overriding royalty interest owners and record title own-NERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL EN-ERGY 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 TITE, 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 COR-PORATION, MADISON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE, MASON OAKS ENERGY HOLDINGS, LLC, MAYHILL OIL CORPORATION, MELITA, LLC, MEWBOURNE OIL COMPANY, MP TITAN FLEX LP, MSH FAM-ILY 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 SIDE-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 JR & PATRI-HOLDINGS LP, ST. LUKE LUTHERAN CHURCH, SUDIE MARIE ADAMS, TAY-MOR ENTERPRISES INC, TER-MACK LP, TYLER TROWBRIDGE, WILLIAM EDWARD STEINMANN JR & PATRI-CIA ANNE STEINMANN JOINT TENANTS, WINNIE HELEN HAYES, SDX RESOURCES INC., of Devon Energy Production Company, LP.'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-mote access and the status of the case, you can visit the Divi-sion's website at: https://www.emnrd.ntm.gov/ocd/nearing-in fo/ or call (SOS) 476-3441. Devon Energy Production Compa-ny, LP., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division: (1) establishing a nonstan-dard, if necessary, 343.92-acre, more or less, horizontal spacdard, if necessary, 343.92-acre, more or less, horizontal spac-ing and proration unit comprised of Lots 1, 2, 3 and 4 (Lots 1-4) of Sections 1, 2 and 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (2) pooling all 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 hori-zontal spacing unit is to be dedicated to the following two wells: Burton Flat 3-1 Fed State Com 621H Well and the Bur-ton 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 bot-tom hole location in Lot 1 of Section 1, and the Burton Flat 3-1 Fed State Com 822H Well an oil well to be horizontally 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 bot-tom hole location in Lot 1 of Section 1. The application in this Case No. 22962 is presented to the Division as an alternate application to Devon's preferred horizontal spacing unit in Case No. 22958. 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 Division's Rules about what constitutes a standard horizontal spacing unit in such Sections, and Devon has filed this alternate application should the Division view the spacing differently from Dev-on's preferred spacing unit. 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 nuies. Also to be considered will be the issue of whether the horizontal spacing unit in these irregular sections should be viewed as nonstandard or standard (if nonstandard, Devon will apply for administrative approval of the nonstandard (NSP) unit; 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. #5341674, Current Argus, July 20, 2022

Affidavit of Publication Ad # 0005341680 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

1-7-89

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005341680 PO #: 5341680 # of Affidavits1

CASE No. 22963: Notice to all affected parties and persons having any right, title, interest or claim to this case, includhaving any nght, title, interest or Gaim to this case, includ-ing overriding royalty interest owners and record title own-ers, as well as the known and unknown heirs, devisees, as-signs 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, DF ENERGY LLC d'O RANDAL BUNESS, CHEVRON USA, INC., CLAREMONT CORPORATION, CROSSWINDS RESOURCES LLC, DAVOLI INC, FRED C COREY, GW HOLDINGS INC GREAT WESTERN DRILL-ING LTD DBA GREAT WESTERN DRILLING COMPANY, HERBALY EXPLORATION LLC, J & J ENERGY LLC, JAME'S L HE-WITT, JAVELINA PARTNERS, JEFF PHILLIPS, JIM WHITEHEAD OIL & GAS LLC, LYNN CHARUK, M CODE LLC, MAGIC MERLIN ENERGY INVESTMENTS LLC, MAGIUM HUNTER PRODUC-TION 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, RI FORTUNE INVESTMENTS LLC, SABINAL ENERGY LLC DBA SABINAL ENERGY OPERATING LLC, SIEB RESOURCES, THOMAS FAMILY LTD PARTNERSHP, WTO UNDING LLC, MAGE AND AND AND AND AND AND AND AND LIC SABINAL ENERGY LLC BA SABINAL ENERGY OPERATING LLC, SIEB RESOURCES, THOMAS FAMILY LTD PARTNERSHP, ing overriding royalty interest owners and record title own-LLC, SIEB RESOURCES, THOMAS FAMILY LTD PARTNERSHIP, XTO HOLDINGS, LLC CO XTO ENERGY, INC., ZORRO PART-NERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL EN-NERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL EN-ERGY 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 TTEE, ESTATE OF GWENDOLYN P RUTLEDGE ALEXIS A SCOTT PERSONAL REP, G4 RESOURCES, LP, GENE EDWARD TROWBRIDGE III AKA THEY TROWBRIDGE, GOLDEN ROCK ENERGY PARTNERS LP, HUDSON NEW MEXICO MIN TRUST, JANET LEWIS, JOHN W GATES LLC, KANE RESOURCES, LLC, LIBERTY OIL & GAS COR-PORATION, MADISON CAPITAL ENERGY INCOME FUND 1 ATTN BEN CLAVETTE, MASON OAKS ENERGY HOLDINGS, LLC, MAYHILL OIL CORPORATION, MELLITA, LLC, MEWBOURNE OIL COMPANY, MP TITAN FLEX LP, MSH FAM-ILY 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 SIDE-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, BULLIAN EDVARD STEINMANN JR & PATRI-HOLDINGS LP, ST. LUKE LUTHERAN CHURCH, SUDIE MARIE ADAMS, TAY-MOR ENTERPRISES INC, TER-MACK LP, TYLER TROWBRIDGE, WILLIAM EDWARD STEINMANN JR & PATRI-CIA 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, 8750S. However, under the current COVID-19 Public Health policies, the hearing will be conducted remotely online. For information about re-mote access and the status of the case, you can visit the Divi-sion's website at; https://www.emrd.nm.gov/ocd/hearing-in fo/ or call (50S) 476-3441. Devon Energy Production Com-pany, L.P., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division; I) establishing a standard 480-acre, more or less, horizontal spacing and 73102, seeks an order from the Division: (1) establishing a standard 480-acre, more or less, horizontal spacing and proration unit comprised of Lots 9 through 12 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 Section 3 to a bottom hole location in Lot 9 of Section 1. The application in this Case No. 22963 is presented to the Division as an alternate application to is presented to the Division as an alternate application to Devon's preferred horizontal spacing unit in Case No. 22959. 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 this alternate application should the Division view the spacthis alternate application should the Division view the spac-ing differently from Devon's preferred spacing unit. The lo-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 SSH Well (API No. 30-015-40682) in Lots 9-12 in Section 2, and the Burton Flat Deep Unit S1H Well (API No. 30-015-40681) in Lots 9-12 in Section 3; the cost of drill-ion and completing the well and the allocation of the costs ing and completing the well and the allocation of the costs

thereon, actual operating costs and charges for supervision, the clesignation 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. #5341680, Current Argus, July 20, 2022

Affidavit of Publication Ad # 0005341689 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

-)-55

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005341689 PO #: 5341689 # of Affidavits1

CASE No. 22964: 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, as signs and successors of ABJ OIL COMPANY LTD, ANGELA BROWN MGMT TRUST S ANGELA BROWN THEE ATTN TOBY FAILS SR VP TR OFFICER CITIZENS NATL BANK AGENT, BB BROWN MGMI TRUST'S ANGELA BROWN THE ATTN TOBY FAILS SR VP TR OFFICER CITIZENS NATL BANK AGENT, BB MANAGEMENT LLC, BEACHBUMS ENERGY LLC, DE ENERGY LLC ¢/o RANDAL BUNESS, CHEVRON USA, INC., CLAREMONT CORPORATION, CROSSWINDS RESOURCES LLC, DAVOIL INC, FRED C COREY, GW HOLDINGS INC GREAT WESTERN DRILL-ING LTD DBA GREAT WESTERN DRILLING COMPANY, HERBALY EXPLORATION LLC, J & J ENERGY LLC, JAMES L HE-WITT, JAVELINA PARTNERS, JEFF PHILLIPS, JIM WHITEHEAD OIL & GAS LLC, LYNN CHARUK, M CODE LLC, MAGIC MERLIN ENERGY INVESTMENTS LLC, MAGNUM HUNTER PRODUC-TION INC., ¢/O CIMAREX ENERGY CO., MITCHEL E CHENEY ¢/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, SABINAL ENERGY LLC DBA SABINAL ENERGY OPERATING LLC, SIEB RESOURCES, THOMAS FAMILY LTD PARTNERSHIP, XTO HOLDINGS, LLC ¢/o XTO ENERGY, INC., ZORO PART-NERS LTD, ONRR ROYALTY MANAGEMENT PROGRAM, ALBERT & ANNA KAHN TRUST C/O MADISON CAPITAL EN-ERGY INCOME FUND 1, AMERIPERMIAN HOLDINGS, LLC, ANNA KAHN TRUST C/O MADISON CAPITAL EN-ERGY INCOME FUND 1, AMERIPERMIAN HOLDINGS, LLC, ALBERT & ANNA KAHN THUST C/O MADISON CAPITAL EN-ERGY 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, BINM 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 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 COR-PORATION, MADISON CAPITAL ENERGY INCOME FUND I ATTN BEN CLAVETTE, MASON OAKS ENERGY HOLDINGS, LLC, MAYHIL OIL CORPORATION, MELLITA, LLC, MEWBOURNE OIL COMPANY, MP TITAN FLEX LP, MSH FAM-ILY REAL ESTATE PARTNERSHIP II, LLC, NORBERT M MCCAW, PATRICIA BOYLE YOUNG, PEGASUS RESOURCES, LC, PANSCO PETROLEUM LLC, PENNY PIEKARSKI, POCO ROYALTY COMPANY, ROBERTA MCCAW, ROLLA R HINKLE III, RONALD L MARCUM & SYLVIA G MARCUM, SMP SIDE-CAP TITAN MINEPAL HOLDINGS L PE GAME TITAN MINEPAL ERGY INCOME FUND I, AMERIPERMIAN HOLDINGS, LLC, LLC, PENASCO PETROLEUM LLC, PENNY PIEKARSKI, POCO ROYALTY COMPANY, ROBERTA MCCAW, ROLLA R HINKLE III, RONALD L MARCUM & SYLVIA G MARCUM, SMP SIDE-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 JR & PATRI-CIA 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 &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 re-mote access and the status of the case, you can visit the Divi-sion's website at: https://www.emmcd.nm.gov/ocd/hearing-in fo/ or call (505) 476-3441. Devon Energy Production Com-pany, L.P., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division: (1) establishing a nonstandard, if necessary, 823.92-acre, more or less, hori-zontal spacing and proration unit comprised of Lots 1 through 8 (pouvelent) to the N/2 N/2) ol Sections L-2 and 3 zontal spacing and proration unit comprised of loss, hore 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 dedicated to the Burton Flat 3-1 Fed State Com 332H Well, an oil well, to be horizontally drilled from a surface location 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. 22964 is present-ed to the Division as an alternate application to Devon's preferred horizontal spacing unit in Case No. 22960. Sec-tions 1, 2, and 3 represent unusually large correction sec-tions 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 this alternate anolication, should the Division view the space. this alternate application should the Division view the spacfins differently from Devor's preferred spacing unit. The lo-cation of the well is standard; the completed interval and first take and last take points for the well proposed in the unit meets the Division's statewide Rules. To be considered is the issue of whether the horizontal spacing unit proposed in these irregular sections should be viewed as nonstandard or standard (if nonstandard, Devon will apply for adminis-trative approval of the nonstandard (NSP) unit, and if

standard, beyon has positioned the SS2n wen to quarty as a proximity well, utilizing proximity tracts). Also to be considered 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 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. #5341689, Current Argus, July 20, 2022