

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING NOVEMBER 3, 2022**

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

Case No. 23147:

**Serpentine 35-26 Fed Com 1H Well
Serpentine 35-26 Fed Com 9H Well
Serpentine 35-26 Fed Com 11H Well
Serpentine 35-26 Fed Com 12H Well**

Case No. 23148:

**Serpentine 35-26 Fed Com 2H Well
Serpentine 35-26 Fed Com 10H Well**

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TAB 1

Reference for Case No. 23147

Application Case No. 23147:

Serpentine 35-26 Fed Com 1H Well

Serpentine 35-26 Fed Com 9H Well

Serpentine 35-26 Fed Com 11H Well

Serpentine 35-26 Fed Com 12H Well

NMOCD Checklist Case No. 23147

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

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

Case No. 23147
(formerly Case No. 23054)

AMENDED APPLICATION

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, through its undersigned attorneys, hereby files this Amended 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 600-acre, more or less, spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying said unit. The Amended Application is submitted in order to amend the Application filed in Case No. 23054 by including the **Serpentine 35-26 Fed Com 9H Well** as an additional initial well in the Bone Spring formation.

In support of its Amended Application, Devon states the following:

1. Devon is a working interest owner in the proposed horizontal spacing and proration unit (“HSU”) and has a right to drill a well thereon.
2. Devon proposes and dedicates to the HSU four initial oil wells: the **Serpentine 35-26 Fed Com 1H Well**, the **Serpentine 35-26 Fed Com 9H Well**, the **Serpentine 35-26 Fed Com**

11H Well, and the **Serpentine 35-26 Fed Com 12H Well** to be drilled to a sufficient depth to test the Bone Spring formation.

3. Devon proposes the **Serpentine 35-26 Fed Com 1H Well** to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26.

4. Devon proposes the **Serpentine 35-26 Fed Com 9H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26.

5. Devon proposes the **Serpentine 35-26 Fed Com 11H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26.

6. Devon proposes the **Serpentine 35-26 Fed Com 12H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26.

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

8. Because of BLM restrictions on the development of the SW/4 SW/4 of Section 35, Devon is requesting a nonstandard unit that excludes this quarter-quarter section in order to optimize the development of the lands available in the W/2 of Sections 26 and 35. Devon will apply administratively with the Division for approval of a Nonstandard Spacing and Proration (“NSP”) unit.

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

10. The pooling of all uncommitted interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

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

WHEREFORE, Devon requests that this Application be set for hearing on November 3, 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 600-acre, more or less, spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico;

B. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the proposed HSU;

C. Approving the **Serpentine 35-26 Fed Com 1H Well**, the **Serpentine 35-26 Fed Com 9H Well**, the **Serpentine 35-26 Fed Com 11H Well**, and the **Serpentine 35-26 Fed Com 12H Well** as the initial 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

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


Application of Devon Energy Co. for a Nonstandard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a nonstandard 600-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation, designated as an oil pool, underlying the unit. The proposed wells to be dedicated to the horizontal spacing unit are the **Serpentine 35-26 Fed Com 1H Well** to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; the **Serpentine 35-26 Fed Com 9H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; the **Serpentine 35-26 Fed Com 11H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; and the **Serpentine 35-26 Fed Com 12H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26. Applicant will apply for administrative approval of a Nonstandard Spacing and Proration (“NSP”) unit. The wells will be orthodox in location, and the take points and completed intervals will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 33 miles southwest of Hobbs, New Mexico, and approximately 25 miles north of the state line.

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

| Case: 23147 (formerly Case No. 23054) | APPLICANT'S RESPONSE |
|--|--|
| Date | November 3, 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: | Amended Application of Devon Energy Production Company, L.P. for a Nonstandard Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico |
| Entries of Appearance/Intervenors: | N/A |
| Well Family | Serpentine |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | See Exhibits B-4 & B-5: Serpentine 35-26 Fed Com 1H Well TVD apprx 11,000'; 9H Well TVD apprx 12,050'; 11H Well TVD apprx 11,000'; and 12H Well TVD apprx 11,000'. |
| Pool Name and Pool Code: | Brinninstool; Bone Spring Pool [Code: 7320] |
| Well Location Setback Rules: | NMAC Statewide Rules |
| Spacing Unit Size: | 600.00 acres, more or less |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 600.00 acres, more or less |
| Building Blocks: | quarter-quarter sections (40 ac blocks) |
| Orientation: | south - north |
| Description: TRS/County | W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe | No, non-standard horizontal spacing unit |
| 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 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 | Serpentine 35-26 Fed Com 1H Well (API No. Pending), SHL: Unit L, 1346' FSL, 621' FWL, Section 35, T22S-R33E, NMPPM; BHL: Unit D, 20' FNL, 330' FWL, Section 26, T22S-R33E, standup, standard location |
| Horizontal Well First and Last Take Points | Serpentine 35-26 Fed Com 1H Well: FTP 1420' FSL, 330' FWL, Section 35; LTP 100' FNL, 330' FWL, Section 26 |
| Completion Target (Formation, TVD and MD) | Serpentine 35-26 Fed Com 1H Well: TVD approx. 11,000', TMD 20,391'; Bone Spring Formation, See Exhibit B-4, B-5 |
| Well #2 | Serpentine 35-26 Fed Com 9H Well (API No. Pending), SHL: Unit N, 254' FSL, 1388' FWL, Section 35, T22S-R33E, NMPPM; BHL: Unit D, 20' FNL, 1254' FWL, Section 26, T22S-R33E, standup, standard location |
| Horizontal Well First and Last Take Points | Serpentine 35-26 Fed Com 9H Well: FTP 1420' FSL, 1254' FWL, Section 35; LTP 100' FNL, 1254' FWL, Section 26 |
| Completion Target (Formation, TVD and MD) | Serpentine 35-26 Fed Com 9H Well: TVD approx. 12,050', TMD 22,050'; Bone Spring Formation, See Exhibit B-4, B-5 |
| Well #3 | Serpentine 35-26 Fed Com 11H Well (API No. Pending), SHL: Unit N, 254' FSL, 1448' FWL, Section 35, T22S-R33E, NMPPM; BHL: Unit D, 20' FNL, 1254' FWL, Section 26, T22S-R33E, standup, standard location |
| Horizontal Well First and Last Take Points | Serpentine 35-26 Fed Com 11H Well: FTP 1420' FSL, 1254' FWL, Section 35; LTP 100' FNL, 1254' FWL, Section 26 |
| Completion Target (Formation, TVD and MD) | Serpentine 35-26 Fed Com 11H Well: TVD approx. 11,000', TMD 22,353'; Bone Spring Formation, See Exhibit B-4, B-5 |
| Well #4 | Serpentine 35-26 Fed Com 12H Well (API No. Pending), SHL: Unit N, 254' FSL, 1478' FWL, Section 35, T22S-R33E, NMPPM; BHL: Unit D, 20' FNL, 2178' FWL, Section 26, T22S-R33E, standup, standard location |
| Horizontal Well First and Last Take Points | Serpentine 35-26 Fed Com 12H Well: FTP 100' FSL, 2178' FWL, Section 35; LTP 100' FNL, 2178' FWL, Section 26 |
| Completion Target (Formation, TVD and MD) | Serpentine 35-26 Fed Com 12H Well: TVD approx. 11,000', TMD 21,289'; Bone Spring Formation, See Exhibit B-4, B-5 |
| 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) | N/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit A-3 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit A-2 |
| Chronology of Contact with Non-Joined Working Interests | Exhibit A-4 |
| Overhead Rates In Proposal Letter | Exhibit A-3 |
| Cost Estimate to Drill and Complete | Exhibit A-3 |
| Cost Estimate to Equip Well | Exhibit A-3 |
| Cost Estimate for Production Facilities | Exhibit A-3 |
| Geology | |
| Summary (including special considerations) | Exhibit B |
| Spacing Unit Schematic | Exhibits B-1, B-2, B-3 |
| Gunbarrel/Lateral Trajectory Schematic | Exhibit B-6 |
| Well Orientation (with rationale) | Exhibits B, B-1, B-2, B-3 |
| Target Formation | Exhibits B, B-4, B-5, B-6 |
| HSU Cross Section | Exhibit B-4, B-5 |
| Depth Severance Discussion | N/A |
| 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 A-1, B-1, B-4 |
| Structure Contour Map - Subsea Depth | Exhibit B-1, B-2, B-3, B-5 |
| Cross Section Location Map (including wells) | Exhibit B-4, B-5, B-6 |
| Cross Section (including Landing Zone) | Exhibit B-4, B-5, B-6 |
| Additional Information | |
| Special Provisions/Stipulations | |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | Darin C. Savage  |
| Signed Name (Attorney or Party Representative): | |
| Date: | 11/1/22 |

TAB 2

Case No. 23147

- Exhibit A: Affidavit of Matthew Hoops, 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**

**AMENDED APPLICATION OF DEVON ENERGY
PRODUCTION COMPANY, L.P., FOR A NON-STANDARD
HORIZONTAL SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO**

Case No. 23147
Formerly Case No. 23054

AFFIDAVIT OF MATTHEW HOOPS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

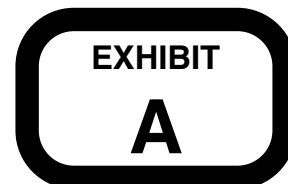
I, being duly sworn on oath, state the following:

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

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

3. I graduated in 2011 from the University of Oklahoma with a bachelor's degree in Energy Management and Finance (with an emphasis on Energy Management). I have worked at Devon for approximately 1.5 years, and I have been working in New Mexico for a little less than a year. I have previously testified by affidavit before the New Mexico Oil Conservation Division ("Division") and ask that my credentials as an expert witness in petroleum land matters be accepted and made a matter of record.

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



5. Devon seeks an order pooling all uncommitted mineral interests in the Bone Spring formation (Brinnistool; Bone Spring [Pool Code 7320]), designated as an oil pool, underlying a non-standard 600-acre, more or less, spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico.

6. Under Case No. 23147, Devon seeks to dedicate to the unit the **Serpentine 35-26 Fed Com 1H Well**, the **Serpentine 35-26 Fed Com 9H Well**, the **Serpentine 35-26 Fed Com 11H Well**, and the **Serpentine 35-26 Fed Com 12H Well** (API Nos. of the Wells pending) to be drilled to a sufficient depth to test the Bone Spring formation

7. The **Serpentine 35-26 Fed Com 1H Well** will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; with an approximate TVD of 11,000'; an approximate TMD of 20,391'; FTP in Section 35: approx. 1420' FSL, 330' FWL; LTP in Section 26: approx. 100' FNL, 330' FWL.

8. The **Serpentine 35-26 Fed Com 9H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; with an approximate TVD of 12,050'; an approximate TMD of 22,050'; FTP in Section 35: approx. 1420' FSL, 1,254' FWL; LTP in Section 26: approx. 100' FNL, 1,254' FWL.

9. The **Serpentine 35-26 Fed Com 11H Well** will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4

NW/4 (Unit D) of Section 26; with an approximate TVD of 11,000'; an approximate TMD of 20,353'; FTP in Section 35: approx. 1420' FSL, 1,254' FWL; LTP in Section 26: approx. 100' FNL, 1,254' FWL.

10. The **Serpentine 35-26 Fed Com 12H Well** will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26; with an approximate TVD of 11,000'; an approximate TMD of 21,289'; FTP in Section 35: approx. 100' FSL, 2178' FWL; LTP in Section 26: approx. 100' FNL, 2178' 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 location of the wells are orthodox and meet the Division's offset requirements for horizontal wells under statewide rules.

13. A non-standard unit is being requested because the BLM has prohibited leasing in the SW/4 SW/4 of Section 35, and Devon would like to maximize the lands for development in the W/2 of Sections 26 and 35 less the quarter quarter section that the BLM has excluded from development.

14. The parties being pooled, the nature of their interests, and their last known addresses are listed on **Exhibit A-2** attached hereto. **Exhibit A-2** includes information regarding working interest owners, overriding royalty interest owners, and record title owners.

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

16. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted interest owners shown on **Exhibit A-2**. In compiling these addresses, I

conducted a diligent search of the public records in Lea County, New Mexico, where the wells are located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. There were no notice letters returned undeliverable from interest owners, as all the letters were listed by the USPS as delivered. Devon published notice in the Hobbs News-Sun, a newspaper of general circulation in Lea County, New Mexico, to account for any unlocatable parties and cover any contingencies regarding notice.

17. Devon has made a good faith effort to negotiate with the interest owners but has been unable to obtain voluntary agreements from all interest owners to participate in the drilling of wells or commitment of their interests to the well for its development within the proposed horizontal spacing unit. **Exhibit A-4** provides a chronology and history of contacts with the owners.

18. Devon has been in ongoing discussions with some of the interest owners who have expressed a continued interest in the possibility of entering a Joint Operating Agreement, and if a mutually agreeable JOA is reached between Devon and another interest owner or owners, Devon requests that the JOA become operative and supersede the Divisions' order for said parties.

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

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

21. Devon requests the maximum cost, plus a 200% risk charge be assessed against non-consenting working interest owners.

22. Devon requests that it be designated operator of the unit and wells.

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

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

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

[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT


Matthew Hoops

Subscribed to and sworn before me this 31st day of October 2022.




Notary Public

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

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

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | |
|---------------|---------------------------------------|-----------|---------------------------|--|
| API Number | | Pool Code | Pool Name | |
| | | 7320 | BRINNINSTOOL; BONE SPRING | |
| Property Code | Property Name | | Well Number | |
| | SERPENTINE 35-26 FED COM | | 1H | |
| OGRID No. | Operator Name | | Elevation | |
| 6137 | DEVON ENERGY PRODUCTION COMPANY, L.P. | | 3575.2' | |

Surface Location

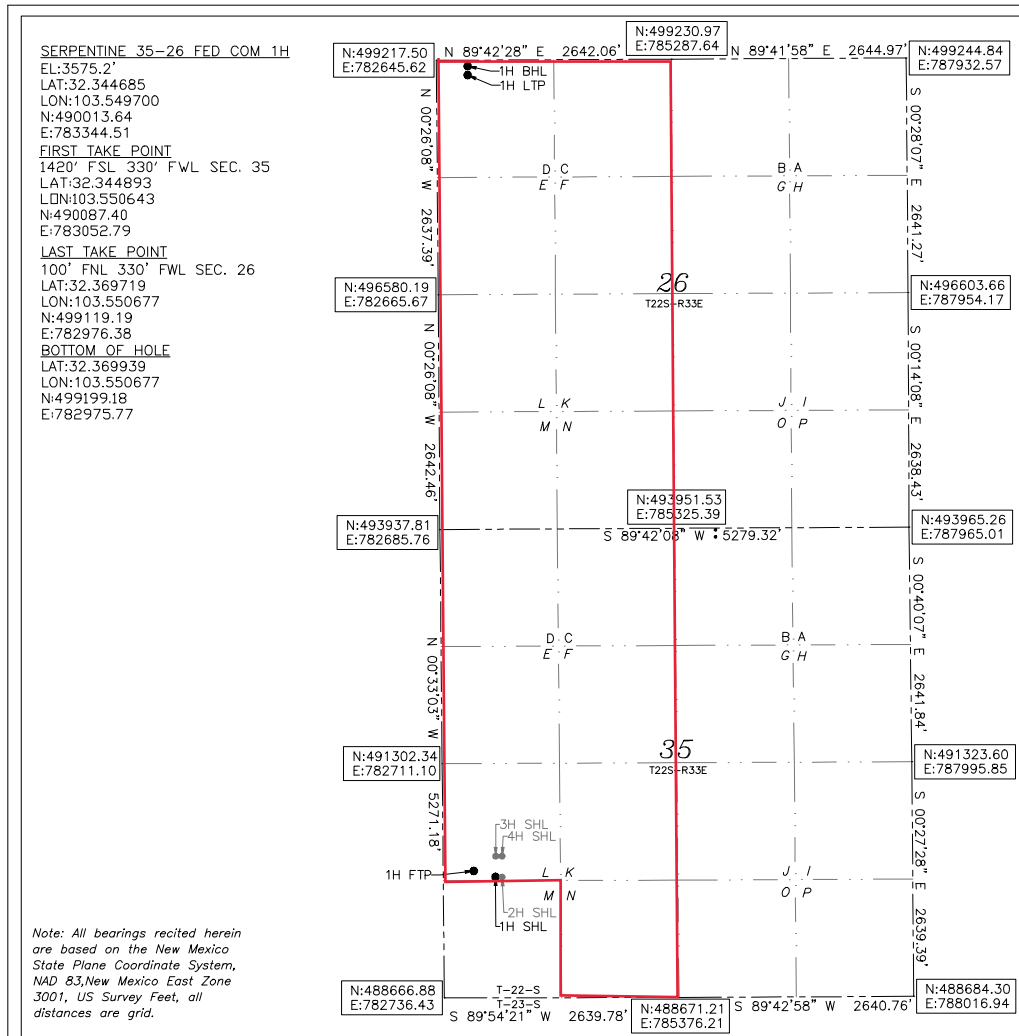
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L | 35 | 22-S | 33-E | | 1346 | SOUTH | 621 | WEST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 26 | 22-S | 33-E | | 20 | NORTH | 330 | WEST | LEA |

| | | | |
|-----------------|-----------------|--------------------|-----------|
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
| 600 | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Chelsey Green 09/30/22
Signature Date

Chelsey Green
Printed Name

chelsey.green@dvn.com
E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

10/8/2021
Date of Survey

Signature & Seal of Professional Surveyor

B. L. LAMAN
NEW MEXICO
22404
PROFESSIONAL SURVEYOR

Certificate No. 22



Intent As Drilled

| | | |
|--|--|-------------------|
| API # | | |
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP. | Property Name: SERPENTINE 35-26 FED COM | Well Number 1H |

Kick Off Point (KOP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|---------------------|---------|----------|-------|-----|-----------------------|----------|------|----------|-----------|
| L | 35 | 22S | 33E | | 1372 | SOUTH | 331 | WEST | LEA |
| Latitude 32.3447 | | | | | Longitude 103.5507 | | | | NAD 83 |

First Take Point (FTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-----------------------|---------|----------|-------|-----|-------------------------|----------|------|----------|-----------|
| L | 35 | 22-S | 33-E | | 1420 | SOUTH | 330 | WEST | LEA |
| Latitude 32.344893 | | | | | Longitude 103.550643 | | | | NAD 83 |

Last Take Point (LTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-----------------------|---------|----------|-------|-----|-------------------------|----------|------|----------|-----------|
| D | 26 | 22-S | 33-E | | 100 | NORTH | 330 | WEST | LEA |
| Latitude 32.369719 | | | | | Longitude 103.550677 | | | | NAD 83 |

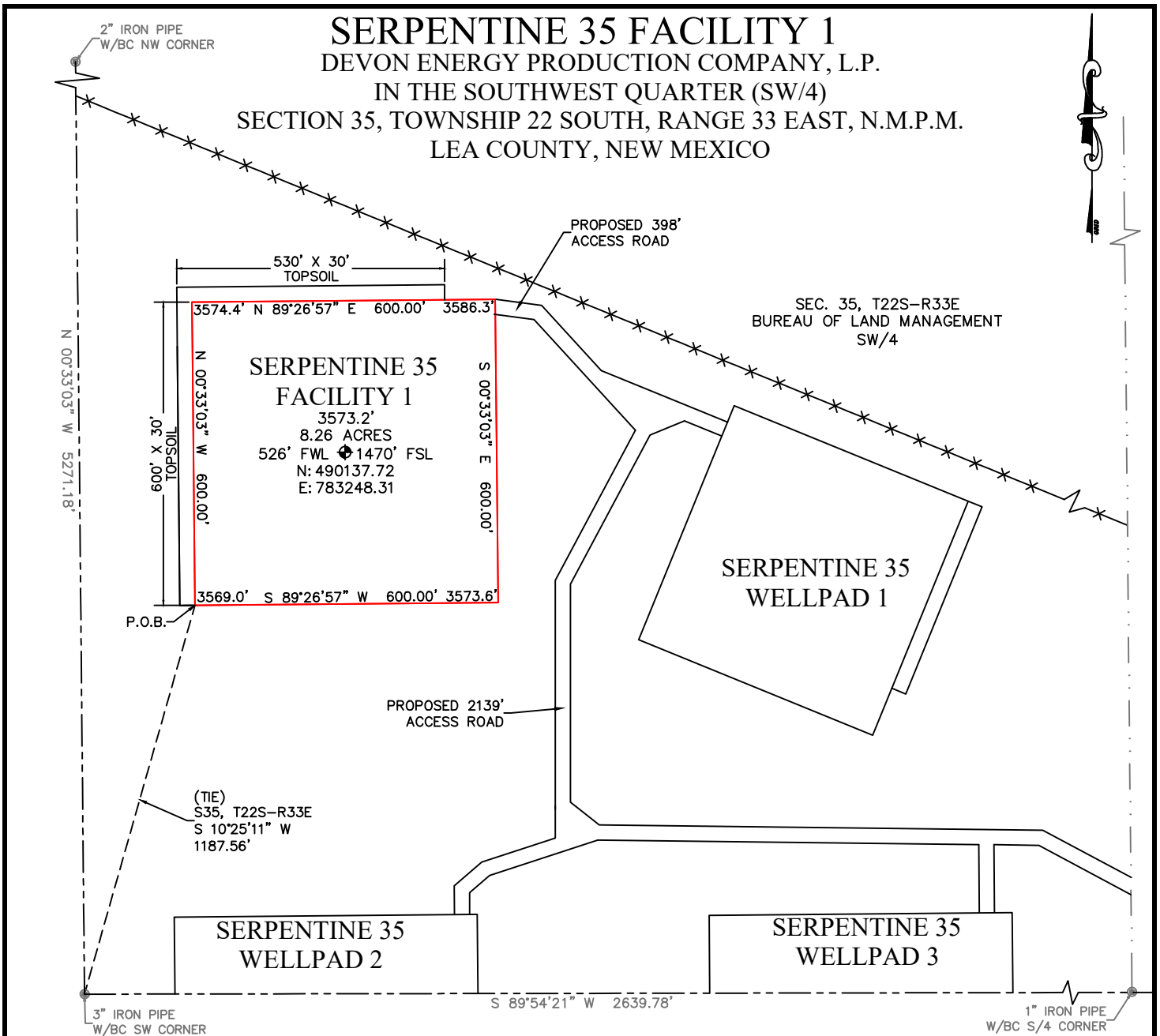
Is this well the defining well for the Horizontal Spacing Unit? N

Is this well an infill well? Y

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

| | | |
|---|--|-------------------|
| API # | | |
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP | Property Name: SERPENTINE 35-26 FED COM | Well Number 9H |

KZ 06/29/2018



DESCRIPTION

BEING A SURFACE SITE EASEMENT LYING IN SOUTHWEST QUARTER (SW/4) OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M., LEA COUNTY, NEW MEXICO.

BEGINNING AT THE SOUTHWEST CORNER OF SAID SITE EASEMENT, WHERE A 3" IRON PIPE W/BC FOR THE SOUTHWEST CORNER OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M. BEARS S 10°25'11" W , A DISTANCE 1187.56';

THENCE N 00°33'03" W, A DISTANCE 600.00 FEET TO THE NORTHWEST CORNER OF THIS EASEMENT;
 THENCE N 89°26'57" E, A DISTANCE 600.00 FEET TO THE NORTHEAST CORNER OF THIS EASEMENT;
 THENCE S 00°33'03" E, A DISTANCE 600.00 FEET TO THE SOUTHEAST CORNER OF THIS EASEMENT;
 THENCE S 89°26'57" W, A DISTANCE 600.00 FEET TO THE SOUTHWEST CORNER OF THIS EASEMENT,
 TO THE POINT OF BEGINNING; CONTAINING 8.26 ACRES.

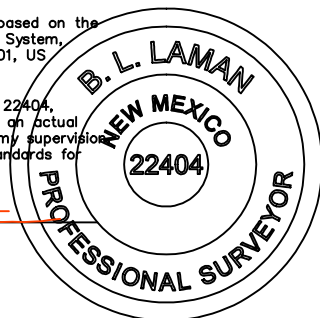
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.4 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 FACILITY ACCESS ROAD. HEAD WEST FOR 398' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 FACILITY 1.

GENERAL NOTES:

- 1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A FACILITY.
- 2.) All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



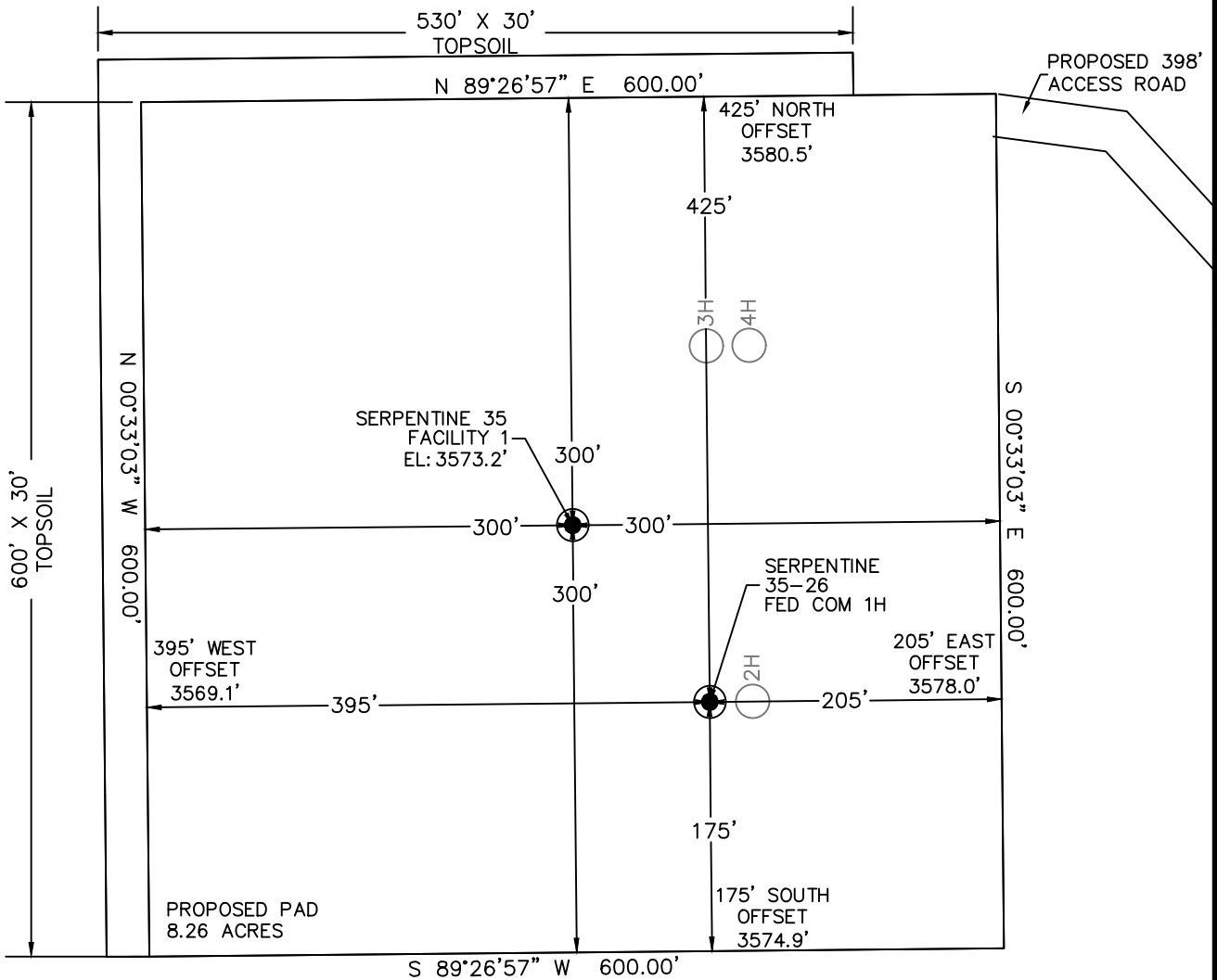
B.L. Laman PLS #22404
 Horizonrow, LLC
 Date Signed: 10-29-2021
 P.O. Box 548, Dry Creek, La.
 (903) 388-3045 70637
 Employee of Horizonrow, LLC

HORIZON ROW LLC
 Drawn for:
 Drawn by: JEANNIE PERRY
 Date: 10/12/2021

DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35 FACILITY 1
 SURVEY PLAT SHOWING
 A FACILITY
 ON THE PROPERTY OF THE
 BUREAU OF LAND MANAGEMENT

| |
|---------------------------------|
| SITE NUMBER: AA000504615 |
| WBS NUMBER: XX-141841.01.SLC |
| SCALE: 1" = 300' |
| REVISIONS: 10/29/21 |
| DATE OF SURVEY: 06/25/21 |

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
SITE MAP



SERPENTINE 35-26 FED COM 1H
1346' FSL 621' FWL SEC. 35
EL: 3575.2'
N: 490013.64
E: 783344.51

SERPENTINE 35-26 FED COM 2H
1346' FSL 651' FWL SEC. 35
EL: 3575.5'
N: 490013.93
E: 783374.51

SERPENTINE 35-26 FED COM 3H
1596' FSL 621' FWL SEC. 35
EL: 3577.1'
N: 490263.63
E: 783342.11

SERPENTINE 35-26 FED COM 4H
1596' FSL 651' FWL SEC. 35
EL: 3577.7'
N: 490263.92
E: 783372.11

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 1H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 621 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.4 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 FACILITY ACCESS ROAD. HEAD WEST FOR 398' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 FACILITY 1.

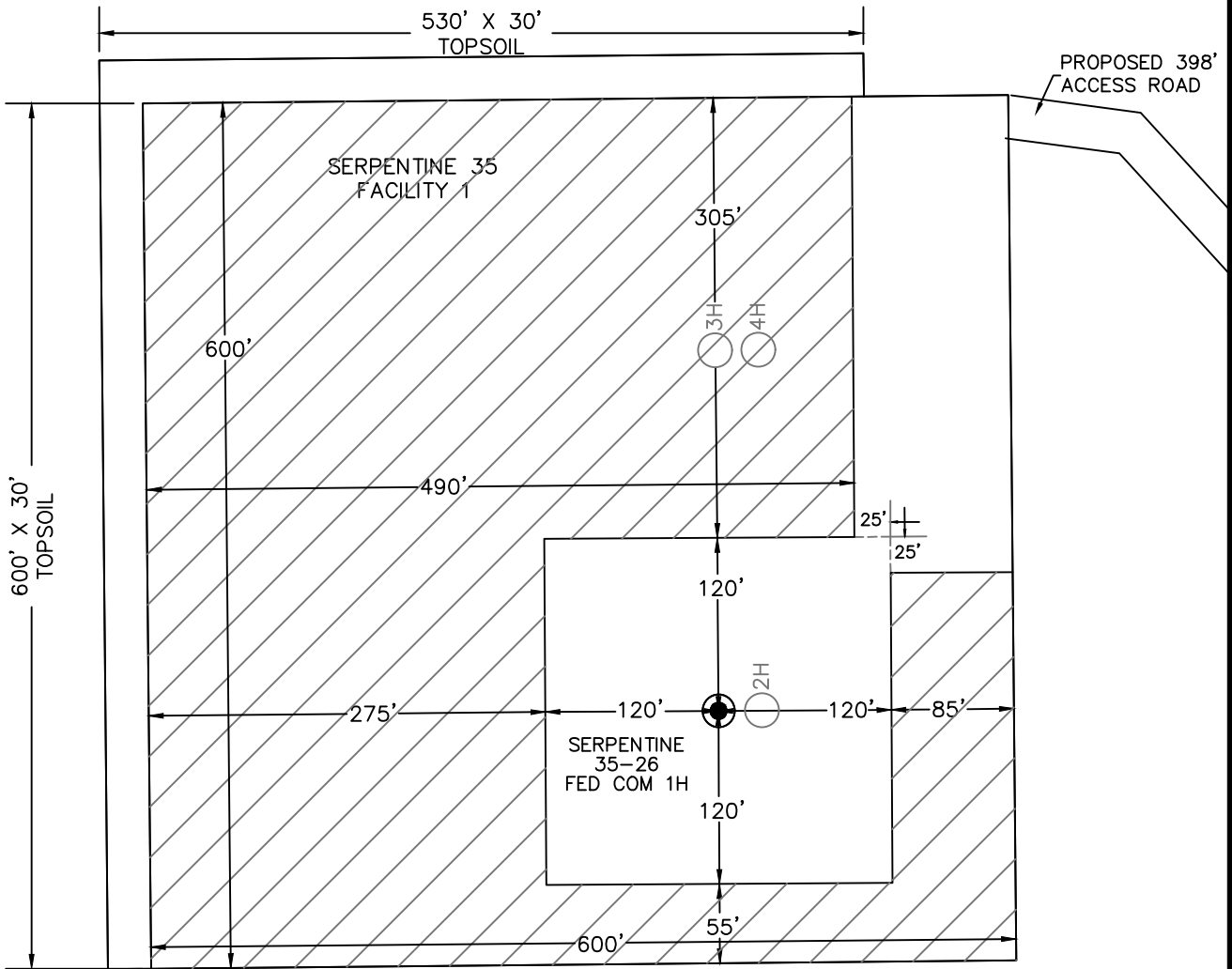
HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by: JEANNIE PERRY Date: 10/26/2021

Drawn for:

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
INTERIM SITE BUILD MAP




SERPENTINE 35-26 FED COM 1H
1346' FSL 621' FWL SEC. 35
EL: 3575.2'
N: 490013.64
E: 783344.51

SERPENTINE 35-26 FED COM 2H
1346' FSL 651' FWL SEC. 35
EL: 3575.5'
N: 490013.93
E: 783374.51

SERPENTINE 35-26 FED COM 3H
1596' FSL 621' FWL SEC. 35
EL: 3577.1'
N: 490263.63
E: 783342.11

SERPENTINE 35-26 FED COM 4H
1596' FSL 651' FWL SEC. 35
EL: 3577.7'
N: 490263.92
E: 783372.11

 DENOTES INTERIM PAD RECLAMATION AREA
6.12 ± ACRES INTERIM PAD RECLAMATION AREA
2.14 ± ACRES NON-RECLAIMED AREA
8.26 ± ACRES GRADING SITE RECLAMATION AREA



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 1H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 621 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

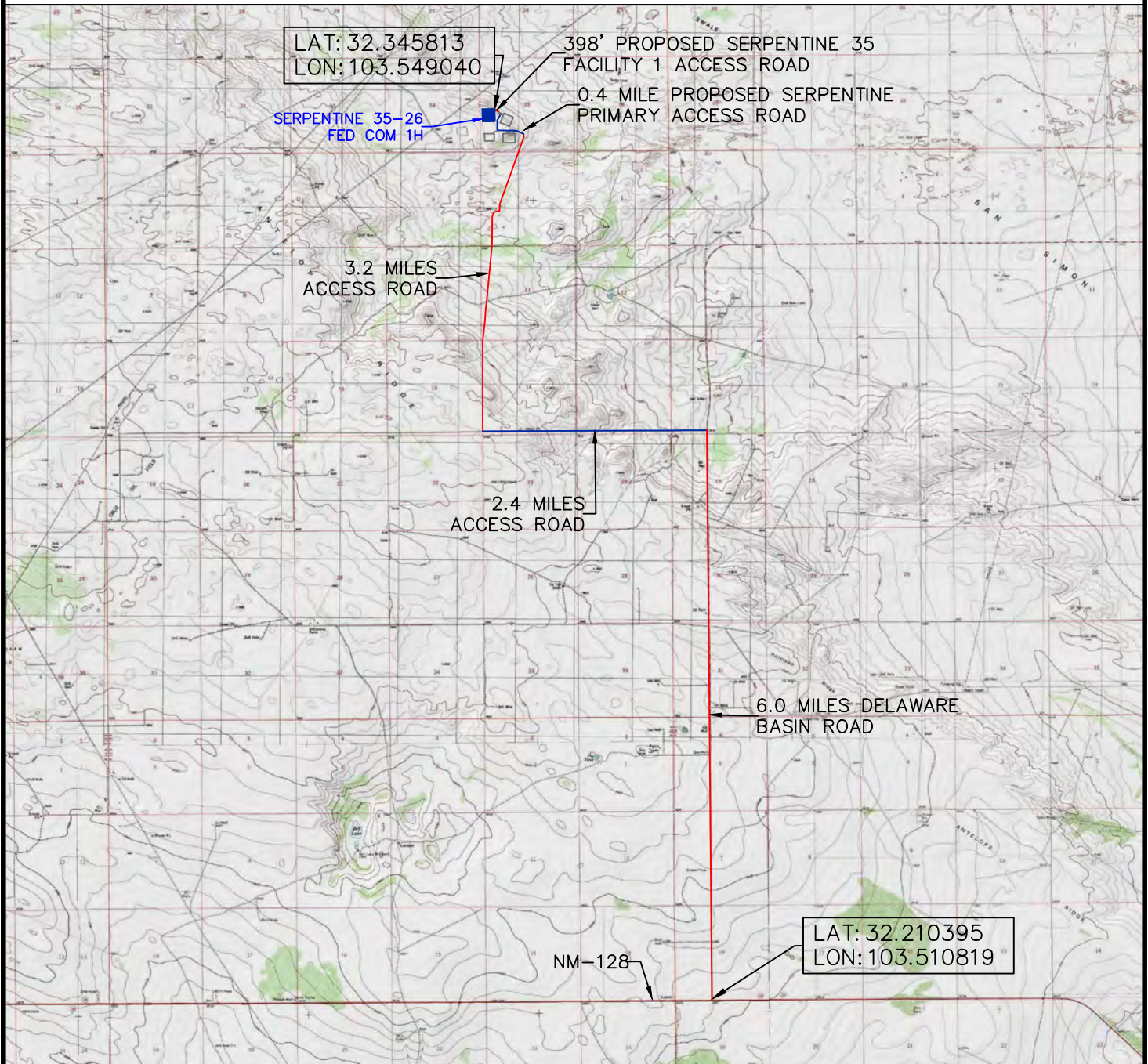
Drawn by:
JEANNIE PERRY

Date: 10/26/2021

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO VICINITY MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 1H
 LOCATED 1346 FT. FROM THE SOUTH LINE
 AND 621 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.4 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 FACILITY ACCESS ROAD. HEAD WEST FOR 398' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 FACILITY 1.

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

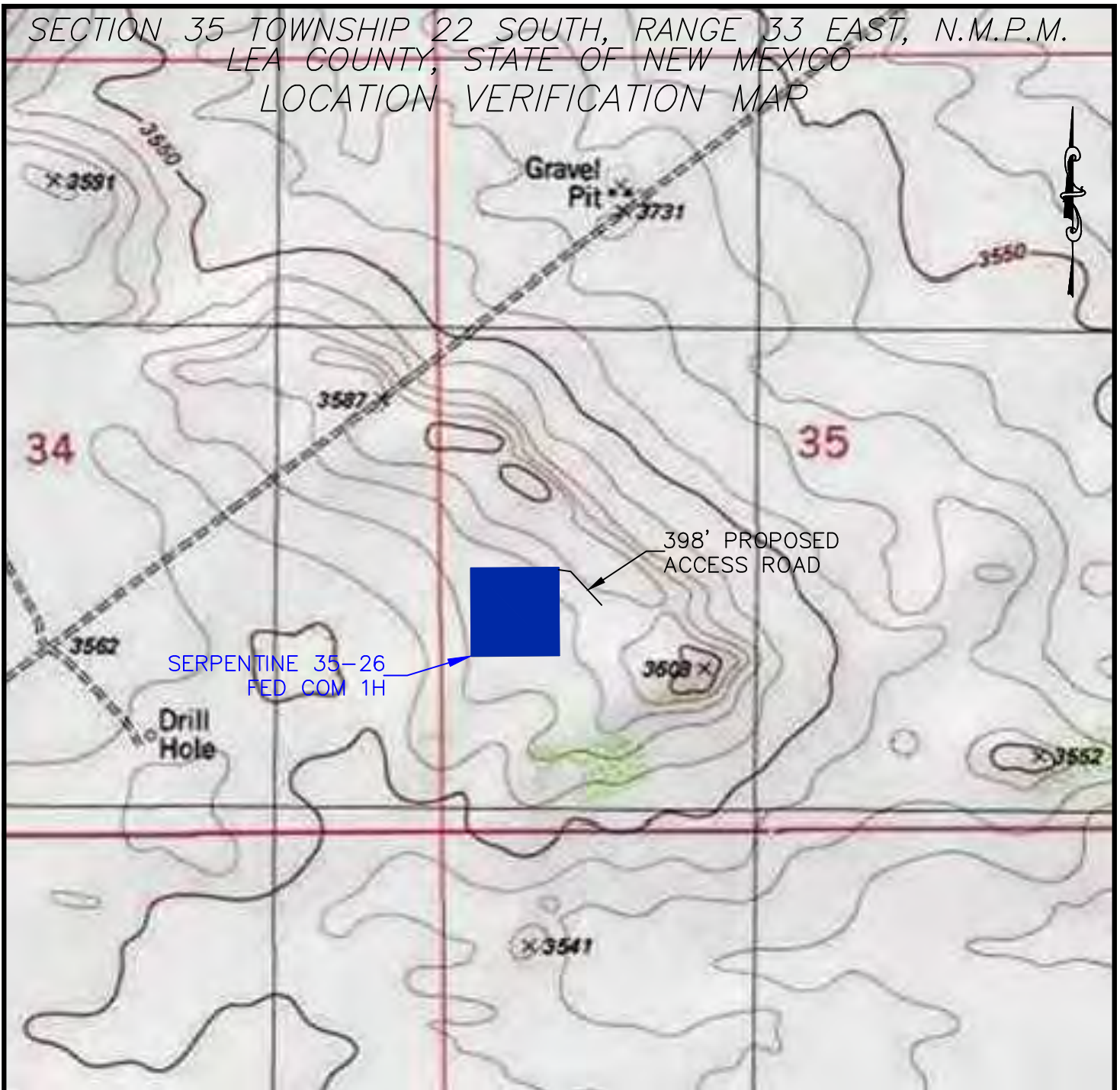
Drawn by:
JEANNIE PERRY

Date: 10/26/2021

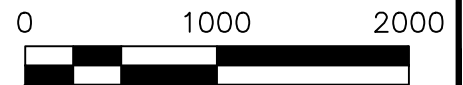
Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



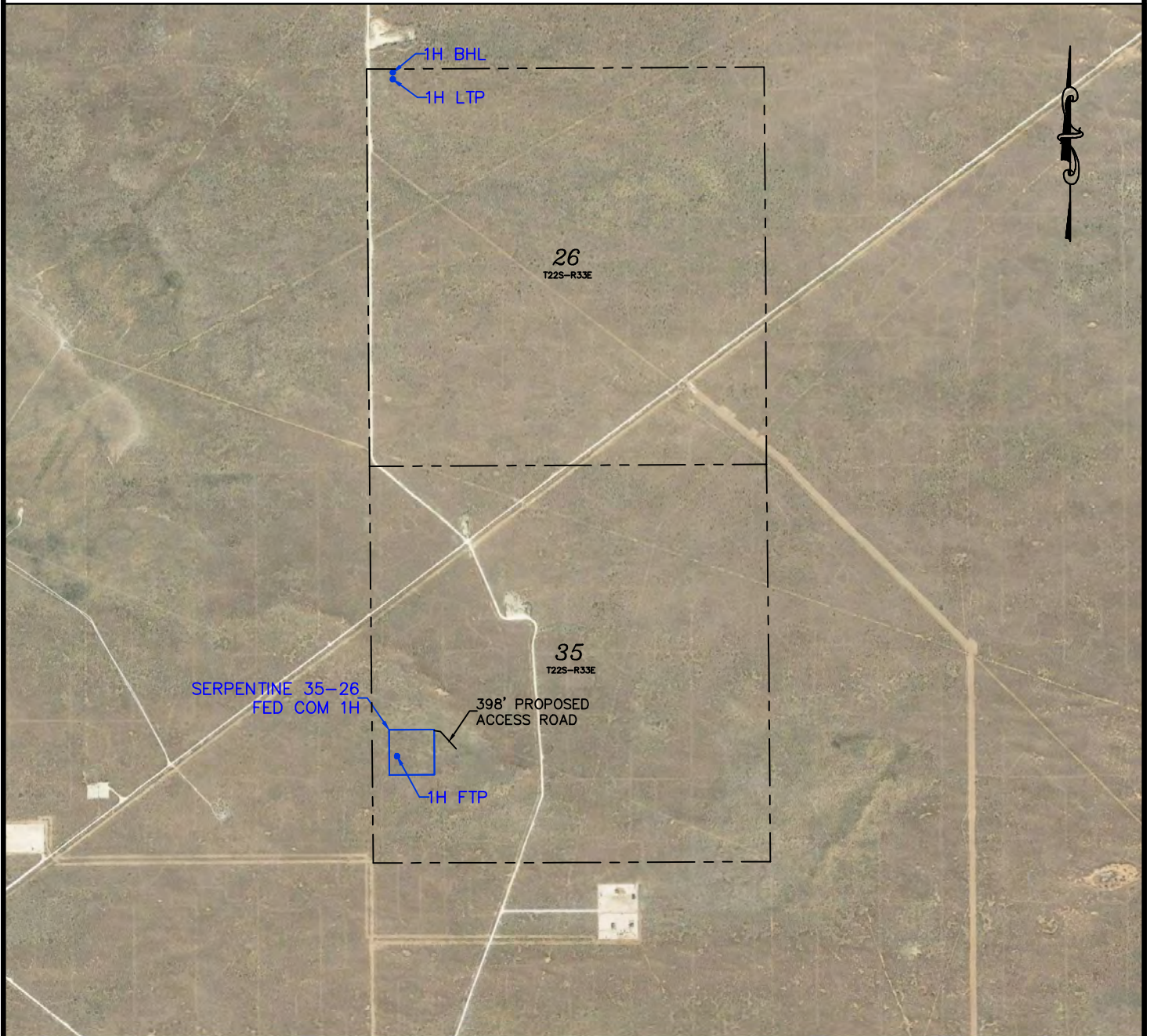
DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 1H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 621 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



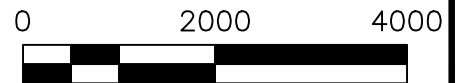
| | |
|-----------------------------------|------------------|
| HORIZON ROW LLC | |
| DEVON ENERGY PRODUCTION CO., L.P. | |
| Drawn by JEANNIE PERRY | Date: 10/26/2021 |



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 1H
 LOCATED 1346 FT. FROM THE SOUTH LINE
 AND 621 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO



HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

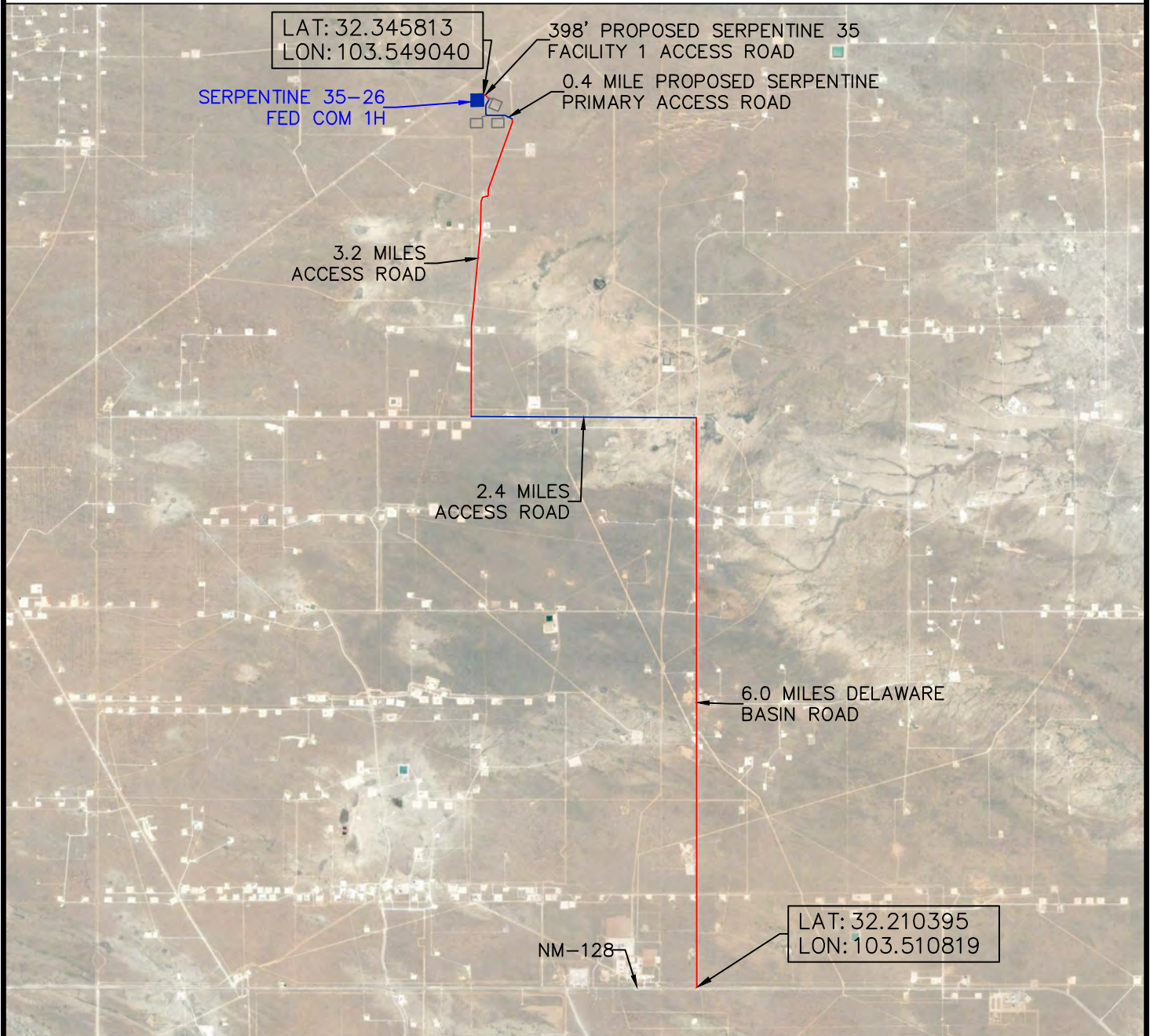
Drawn by:
JEANNIE PERRY

Date: 10/26/2021
REV: 12/16/2021 CM

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 1H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 621 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

NOT TO SCALE

HORIZON ROW LLC

Drawn for:

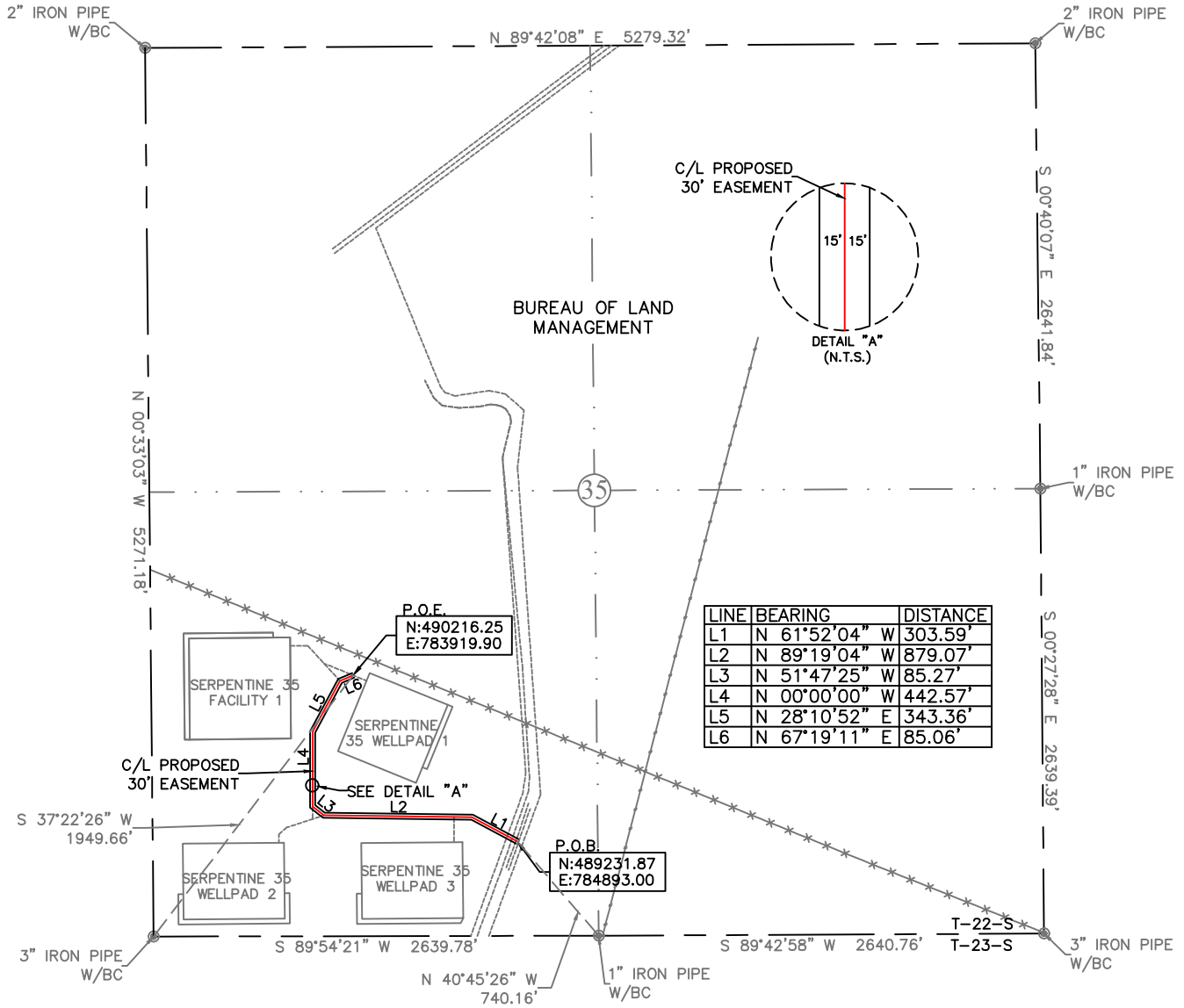
DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

Date: 10/26/2021



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO



| LINE | BEARING | DISTANCE |
|------|---------------|----------|
| L1 | N 61°52'04" W | 303.59' |
| L2 | N 89°19'04" W | 879.07' |
| L3 | N 51°47'25" W | 85.27' |
| L4 | N 00°00'00" W | 442.57' |
| L5 | N 28°10'52" E | 343.36' |
| L6 | N 67°19'11" E | 85.06' |

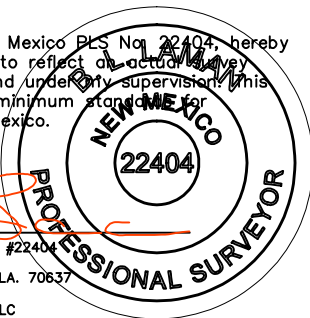
30' EASEMENT AREA = 1.47 ACRE(S)
2138.92 FEET OR 129.63 RODS

SEE THE ATTACHED LEGAL DESCRIPTION

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

- 0+00.0 P.O.B.
- 0+08.1 EDGE OF ROAD
- 0+30.4 BURIED PIPELINE
- 4+11.7 SERPENTINE 35 WELLPAD 3 ACCESS ROAD
- 11+82.7 SERPENTINE 35 WELLPAD 2 ACCESS ROAD
- 20+53.8 SERPENTINE 35 FACILITY 1 ACCESS ROAD
- 21+38.9 P.O.E./SERPENTINE 35 WELLPAD 1 ACCESS ROAD

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

| | | | |
|-------------------------|--|--|------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: |
| Drawn for: | | SERPENTINE 35 PRIMARY ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| Drawn by: JEANNIE PERRY | | PROPOSED 30' EASEMENT ON THE PROPERTY OF BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | SCALE: 1" = 1000' |
| Date: 10/12/2021 | | | REVISIONS: |
| | | | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 1" iron pipe w/BC found for the south quarter corner of Section 35;

Thence N 40°45'26" W, a distance of 740.16' to the **Point of Beginning** of this easement having coordinates of Northing=489231.87 feet, Easting=784893.00 feet, and continuing the following courses;

- Thence N 61°52'04" W a distance of 303.59' to an angle point;
- Thence N 89°19'04" W a distance of 879.07' to an angle point;
- Thence N 51°47'25" W a distance of 85.27' to an angle point;
- Thence N 00°00'00" W a distance of 442.57' to an angle point;
- Thence N 28°10'52" E a distance of 343.36' to an angle point;

Thence N 67°19'11" E a distance of 85.06' to the **Point of Ending** having coordinates of Northing=490216.25 feet, Easting=783919.90 feet from said point a 3" iron pipe w/BC found for the southwest corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 37°22'26" W a distance of 1949.66', covering **2138.92' or 129.63 rods** and having an area of **1.47 acres**.

NOTES:

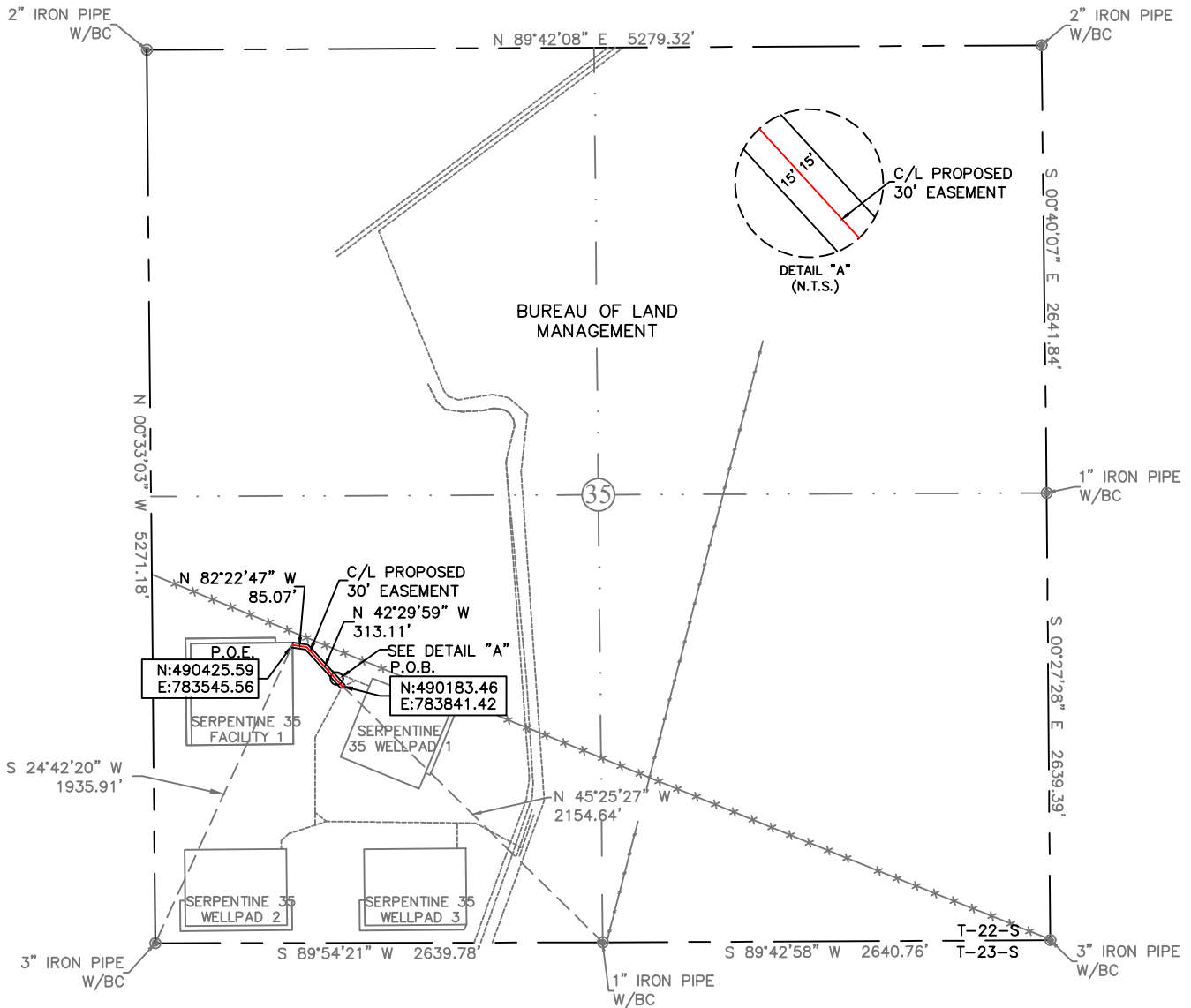
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO

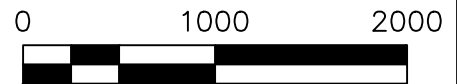
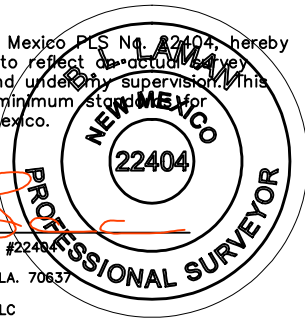


30' EASEMENT AREA = 0.274 ACRE(S)
398.18 FEET OR 24.13 RODS

0+00.0 P.O.B./SERPENTINE 35 PRIMARY ACCESS ROAD
1+40.5 SERPENTINE 35 WELLPAD 1 ACCESS ROAD
3+98.2 P.O.E./SERPENTINE 35 FACILITY 1

SEE THE ATTACHED LEGAL DESCRIPTION
Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect the actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
Date Signed: 10-29-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

| | | | | |
|----------------------------|------------------|--|--|---------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | | LINE NUMBER: 7610327R |
| Drawn for: | | SERPENTINE 35 FACILITY 1 ACCESS ROAD | | WBS NUMBER: XX-141841.01.SLC |
| | | PROPOSED 30' EASEMENT ON THE PROPERTY OF | | SCALE: 1" = 1000' |
| | | BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | | REVISIONS: 10/27/2021 |
| Drawn by: JEANNIE PERRY | Date: 10/13/2021 | | | SURVEY DATE: 10/26/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 1" iron pipe w/BC found for the south quarter corner of Section 35;

Thence N 45°25'27" W, a distance of 2154.64' to the **Point of Beginning** of this easement having coordinates of Northing=490183.46 feet, Easting=783841.42 feet, and continuing the following courses;

Thence N 42°29'59" W a distance of 313.11' to an angle point;

Thence N 82°22'47" W a distance of 85.07' to the **Point of Ending** having coordinates of Northing=490425.59 feet, Easting=783545.56 feet from said point a 3" iron pipe w/BC found for the southwest corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 24°42'20" W a distance of 1935.91', covering **398.18' or 24.13 rods** and having an area of **0.274 acres**.

NOTES:

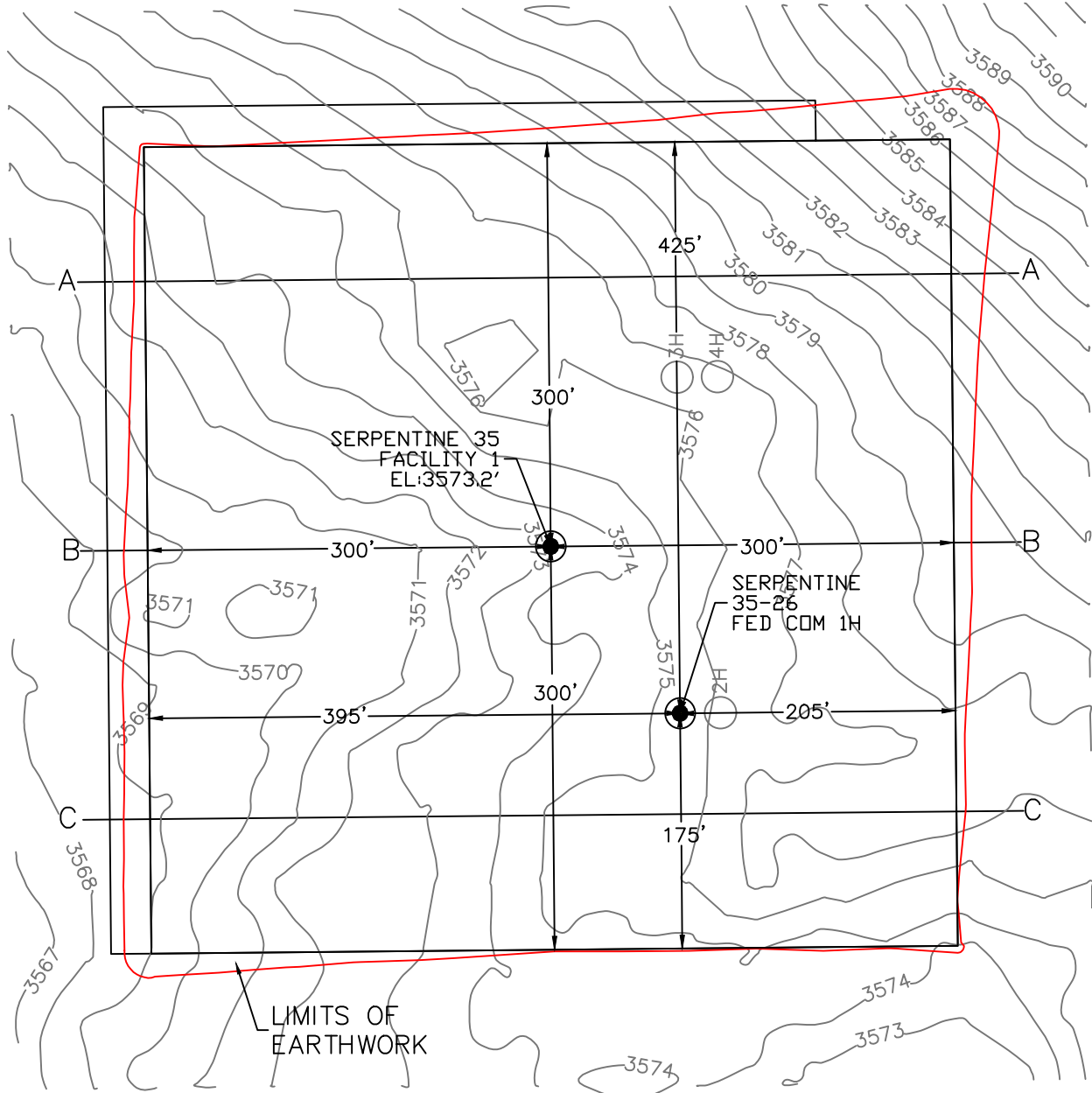
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

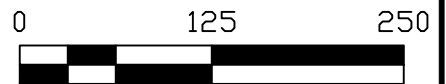
B.L. Laman PLS 22404
Date Signed: 10/29/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
PLAN VIEW



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 1H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 621 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



EARTHWORK QUANTITIES FOR
SERPENTINE 35 FACILITY 1

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,703 CY | 18,703 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

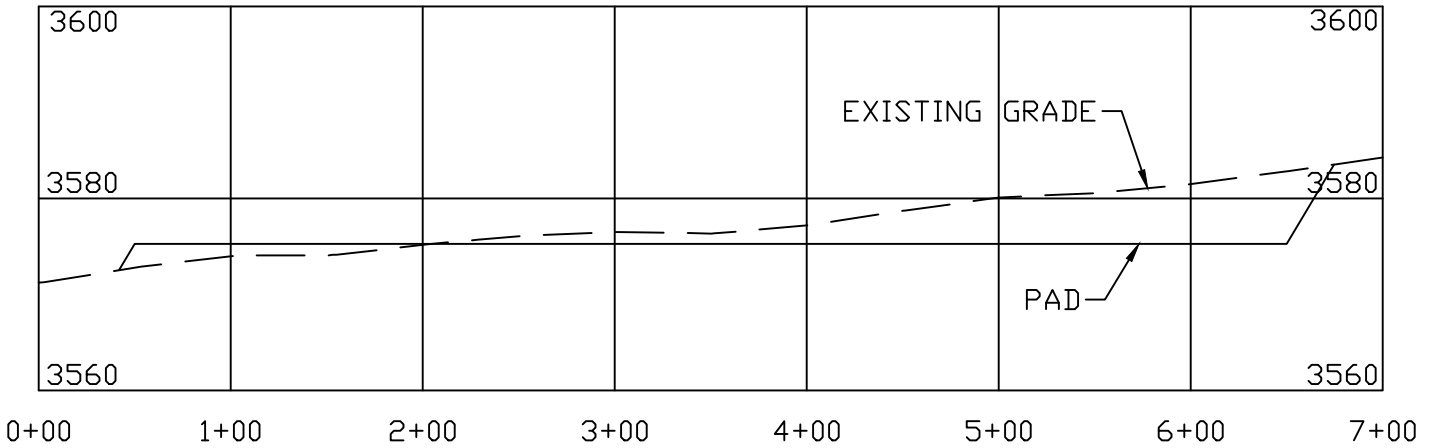
Date: 10/26/2021

Drawn for:

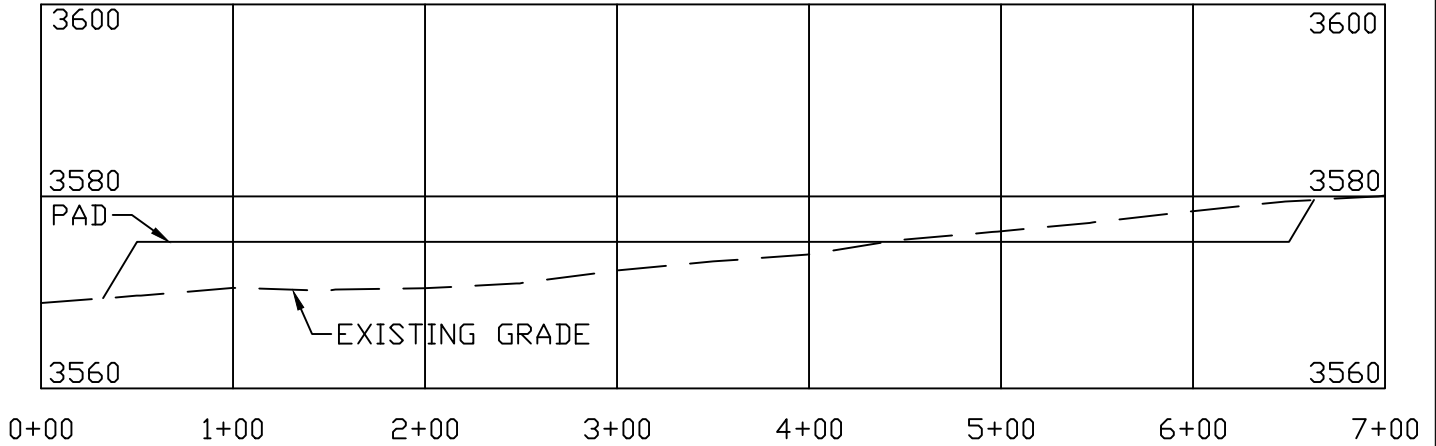


SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
CROSS SECTIONS

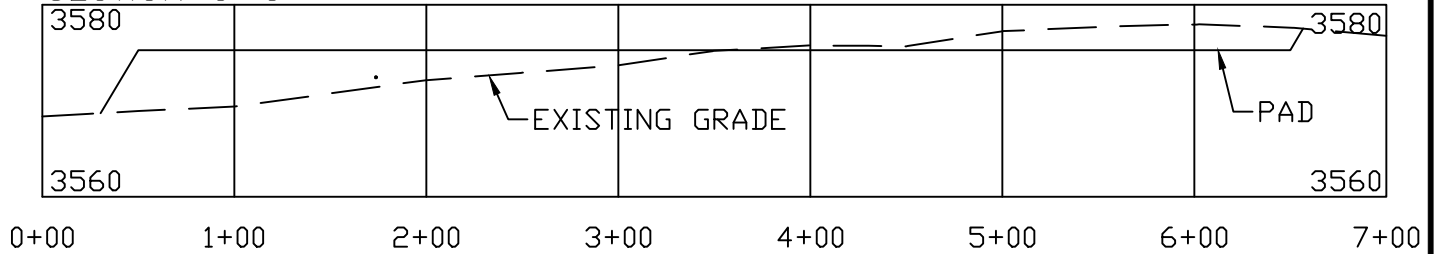
SECTION A-A



SECTION B-B



SECTION C-C



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 1H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 621 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

SCALE 1" = 100' HORIZONTAL
SCALE 1" = 20' VERTICAL

EARTHWORK QUANTITIES FOR
SERPENTINE 35 FACILITY 1

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,703 CY | 18,703 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

Date: 10/26/2021

Drawn for:



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

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

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------|--|--|
| API Number | Pool Code 7320 | Pool Name BRINNINSTOOL; BONE SPRING |
| Property Code | Property Name SERPENTINE 35-26 FED COM | Well Number 9H |
| OGRID No. 6137 | Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | Elevation 3553.3' |

Surface Location

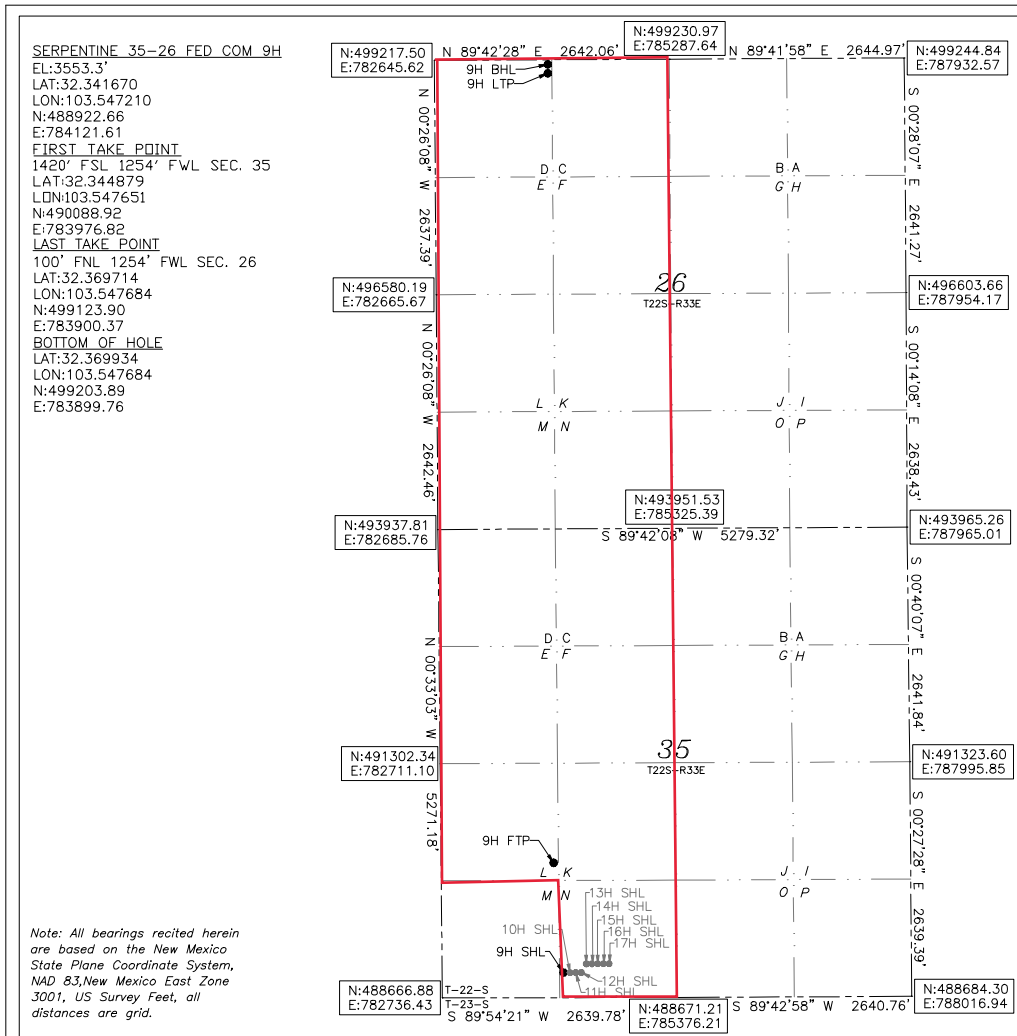
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 35 | 22-S | 33-E | | 254 | SOUTH | 1388 | WEST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 26 | 22-S | 33-E | | 20 | NORTH | 1254 | WEST | LEA |

| | | | |
|------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 600 | Joint or Infill | Consolidation Code | Order No. |
|------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Chelsey Green 9/30/22
Signature Date

Chelsey Green
Printed Name

chelsey.green@dvn.com
E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

10/8/2021
Date of Survey

Signature and Seal of Professional Surveyor

REV: 08/11/2022

| | |
|-----------------------|------------|
| Certificate No. 22404 | B.L. LAMAN |
| DRAWN BY: CM | |

Intent As Drilled

| | | |
|--|--|-------------------|
| API # | | |
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP. | Property Name: SERPENTINE 35-26 FED COM | Well Number 9H |

Kick Off Point (KOP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| L | 35 | 22S | 33E | | 1355 | SOUTH | 1337 | WEST | LEA |
| Latitude | | | | | Longitude | | | | NAD |
| 32.3446 | | | | | 103.5475 | | | | 83 |

First Take Point (FTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-----------|---------|----------|-------|-----|------------|----------|------|----------|--------|
| L | 35 | 22-S | 33-E | | 1420 | SOUTH | 1254 | WEST | LEA |
| Latitude | | | | | Longitude | | | | NAD |
| 32.344879 | | | | | 103.547651 | | | | 83 |

Last Take Point (LTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-----------|---------|----------|-------|-----|------------|----------|------|----------|--------|
| D | 26 | 22-S | 33-E | | 100 | NORTH | 1254 | WEST | LEA |
| Latitude | | | | | Longitude | | | | NAD |
| 32.369714 | | | | | 103.547684 | | | | 83 |

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

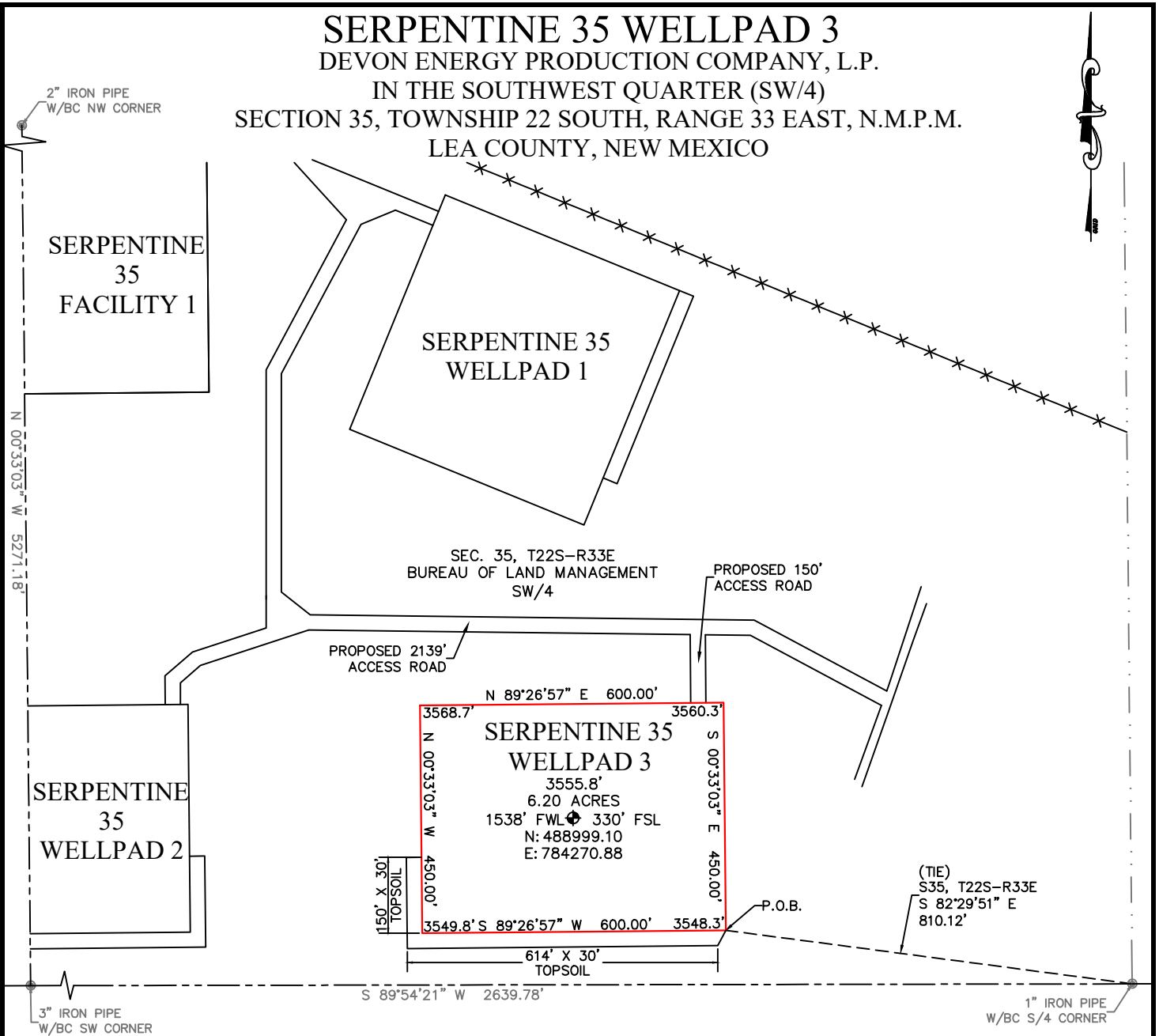
Is this well an infill well? N

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

| | | |
|----------------|--|-------------|
| API # | | |
| Property Name: | | Well Number |

KZ 06/29/2018

SERPENTINE 35 WELLPAD 3
 DEVON ENERGY PRODUCTION COMPANY, L.P.
 IN THE SOUTHWEST QUARTER (SW/4)
 SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, NEW MEXICO



DESCRIPTION

BEING A SURFACE SITE EASEMENT LYING IN SOUTHWEST QUARTER (SW/4) OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M., LEA COUNTY, NEW MEXICO.

BEGINNING AT THE SOUTHEAST CORNER OF SAID SITE EASEMENT, WHERE A 1" IRON PIPE W/BC FOR THE SOUTH QUARTER CORNER OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M. BEARS S 82°29'51" E , A DISTANCE 810.12';

THENCE S 89°26'57" W, A DISTANCE 600.00 FEET TO THE SOUTHWEST CORNER OF THIS EASEMENT;
 THENCE N 00°33'03" W, A DISTANCE 450.00 FEET TO THE NORTHWEST CORNER OF THIS EASEMENT;
 THENCE N 89°26'57" E, A DISTANCE 600.00 FEET TO THE NORTHEAST CORNER OF THIS EASEMENT;
 THENCE S 00°33'03" E, A DISTANCE 450.00 FEET TO THE SOUTHEAST CORNER OF THIS EASEMENT,
 TO THE POINT OF BEGINNING; CONTAINING 6.20 ACRES.

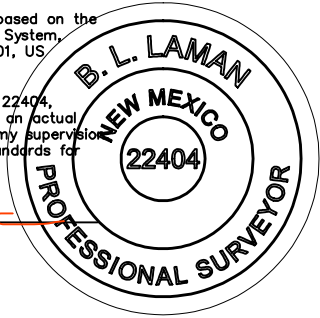
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

GENERAL NOTES:

- 1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A WELLPAD.
- 2.) All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
 Horizonrow, LLC
 Date Signed: 10-19-2021
 P.O. Box 548, Dry Creek, La.
 (903) 388-3045 70637
 Employee of Horizonrow, LLC

HORIZON ROW LLC

Drawn for:

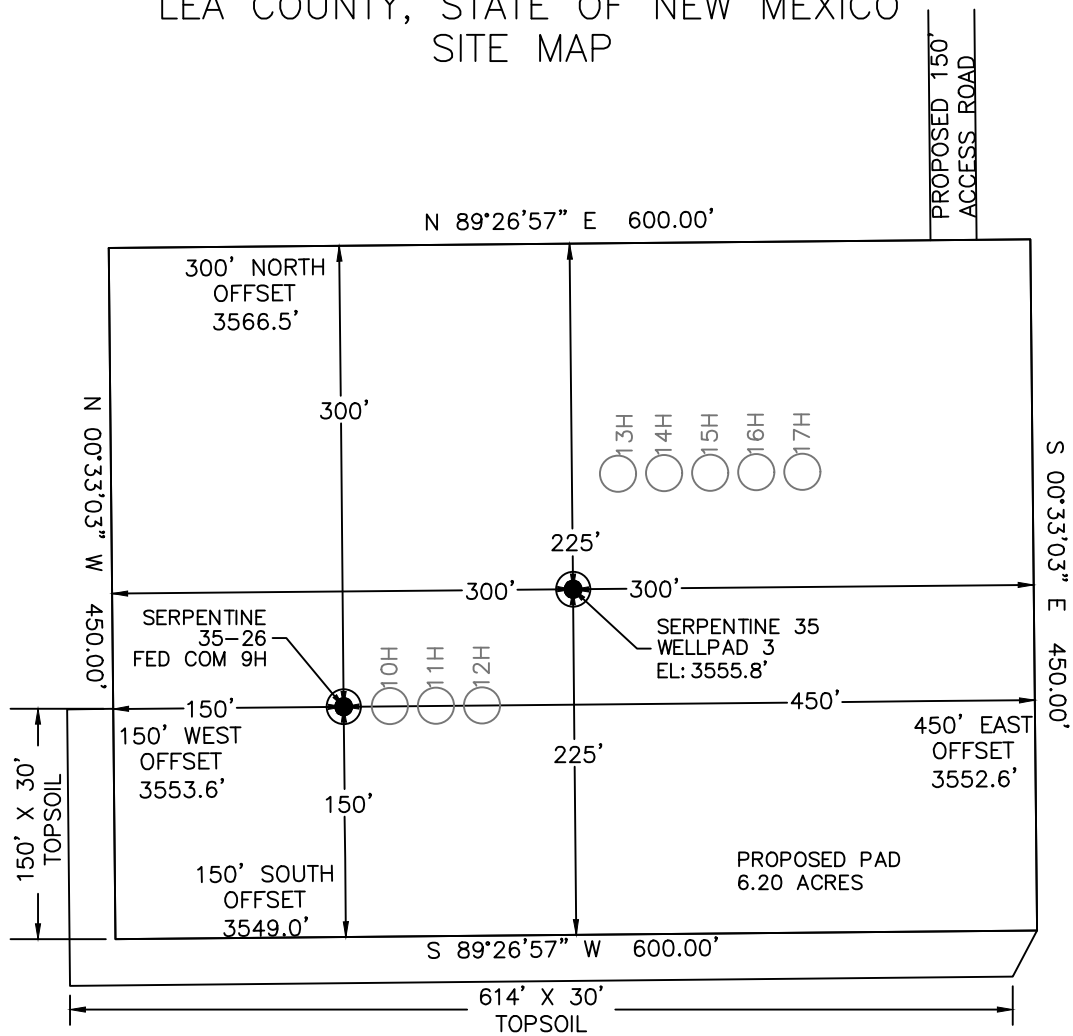
Drawn by: JEANNIE PERRY Date: 10/13/2021

DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35 WELLPAD 3

SURVEY PLAT SHOWING
 A WELLPAD
 ON THE PROPERTY OF THE
 BUREAU OF LAND MANAGEMENT

| |
|---------------------------------|
| SITE NUMBER: AA000504614 |
| WBS NUMBER: XX-141841.01.SLC |
| SCALE: 1" = 300' |
| REVISIONS: |
| DATE OF SURVEY: 06/25/21 |

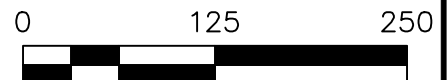
SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
SITE MAP



| | | | |
|--|--|--|--|
| <u>SERPENTINE 35-26 FED COM 9H</u> 254' FSL 1388' FWL SEC. 35 EL: 3553.3' N: 488922.66 E: 784121.61 | <u>SERPENTINE 35-26 FED COM 10H</u> 254' FSL 1418' FWL SEC. 35 EL: 3553.6' N: 488922.95 E: 784151.61 | <u>SERPENTINE 35-26 FED COM 11H</u> 254' FSL 1448' FWL SEC. 35 EL: 3554.0' N: 488923.23 E: 784181.61 | <u>SERPENTINE 35-26 FED COM 12H</u> 254' FSL 1478' FWL SEC. 35 EL: 3553.8' N: 488923.52 E: 784211.61 |
| <u>SERPENTINE 35-26 FED COM 13H</u> 405' FSL 1568' FWL SEC. 35 EL: 3557.2' N: 489074.38 E: 784300.16 | <u>SERPENTINE 35-26 FED COM 14H</u> 405' FSL 1598' FWL SEC. 35 EL: 3557.3' N: 489074.67 E: 784330.16 | <u>SERPENTINE 35-26 FED COM 15H</u> 405' FSL 1628' FWL SEC. 35 EL: 3556.6' N: 489074.96 E: 784360.16 | <u>SERPENTINE 35-26 FED COM 16H</u> 406' FSL 1658' FWL SEC. 35 EL: 3556.7' N: 489075.25 E: 784390.16 |
| <u>SERPENTINE 35 FED 17H</u> 406' FSL 1688' FWL SEC. 35 EL: 3556.6' N: 489075.53 E: 784420.16 | | | |

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 9H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1388 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

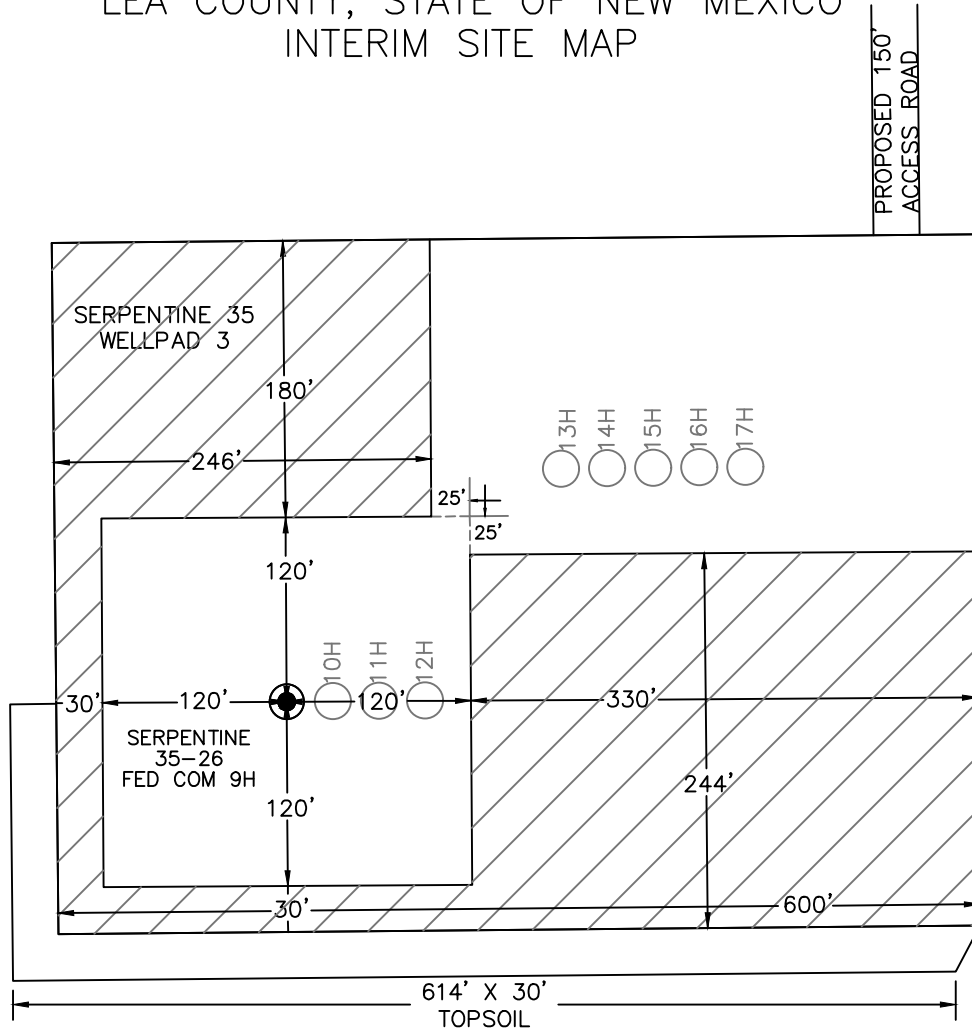
HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.


Drawn by: JEANNIE PERRY
Date: 10/19/2021

Drawn for:

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
INTERIM SITE MAP



| | | | |
|--|--|--|--|
| <u>SERPENTINE 35-26 FED COM 9H</u> 254' FSL 1388' FWL SEC. 35 EL: 3553.3' N: 488922.66 E: 784121.61 | <u>SERPENTINE 35-26 FED COM 10H</u> 254' FSL 1418' FWL SEC. 35 EL: 3553.6' N: 488922.95 E: 784151.61 | <u>SERPENTINE 35-26 FED COM 11H</u> 254' FSL 1448' FWL SEC. 35 EL: 3554.0' N: 488923.23 E: 784181.61 | <u>SERPENTINE 35-26 FED COM 12H</u> 254' FSL 1478' FWL SEC. 35 EL: 3553.8' N: 488923.52 E: 784211.61 |
| <u>SERPENTINE 35-26 FED COM 13H</u> 405' FSL 1568' FWL SEC. 35 EL: 3557.2' N: 489074.38 E: 784300.16 | <u>SERPENTINE 35-26 FED COM 14H</u> 405' FSL 1598' FWL SEC. 35 EL: 3557.3' N: 489074.67 E: 784330.16 | <u>SERPENTINE 35-26 FED COM 15H</u> 405' FSL 1628' FWL SEC. 35 EL: 3556.6' N: 489074.96 E: 784360.16 | <u>SERPENTINE 35-26 FED COM 16H</u> 406' FSL 1658' FWL SEC. 35 EL: 3556.7' N: 489075.25 E: 784390.16 |
| <u>SERPENTINE 35 FED 17H</u> 406' FSL 1688' FWL SEC. 35 EL: 3556.6' N: 489075.53 E: 784420.16 | | | |

 DENOTES INTERIM PAD RECLAMATION AREA
3.22 ± ACRES INTERIM PAD RECLAMATION AREA
2.98 ± ACRES NON-RECLAIMED AREA
6.20 ± ACRES GRADING SITE RECLAMATION AREA



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 9H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1388 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

HORIZON ROW LLC

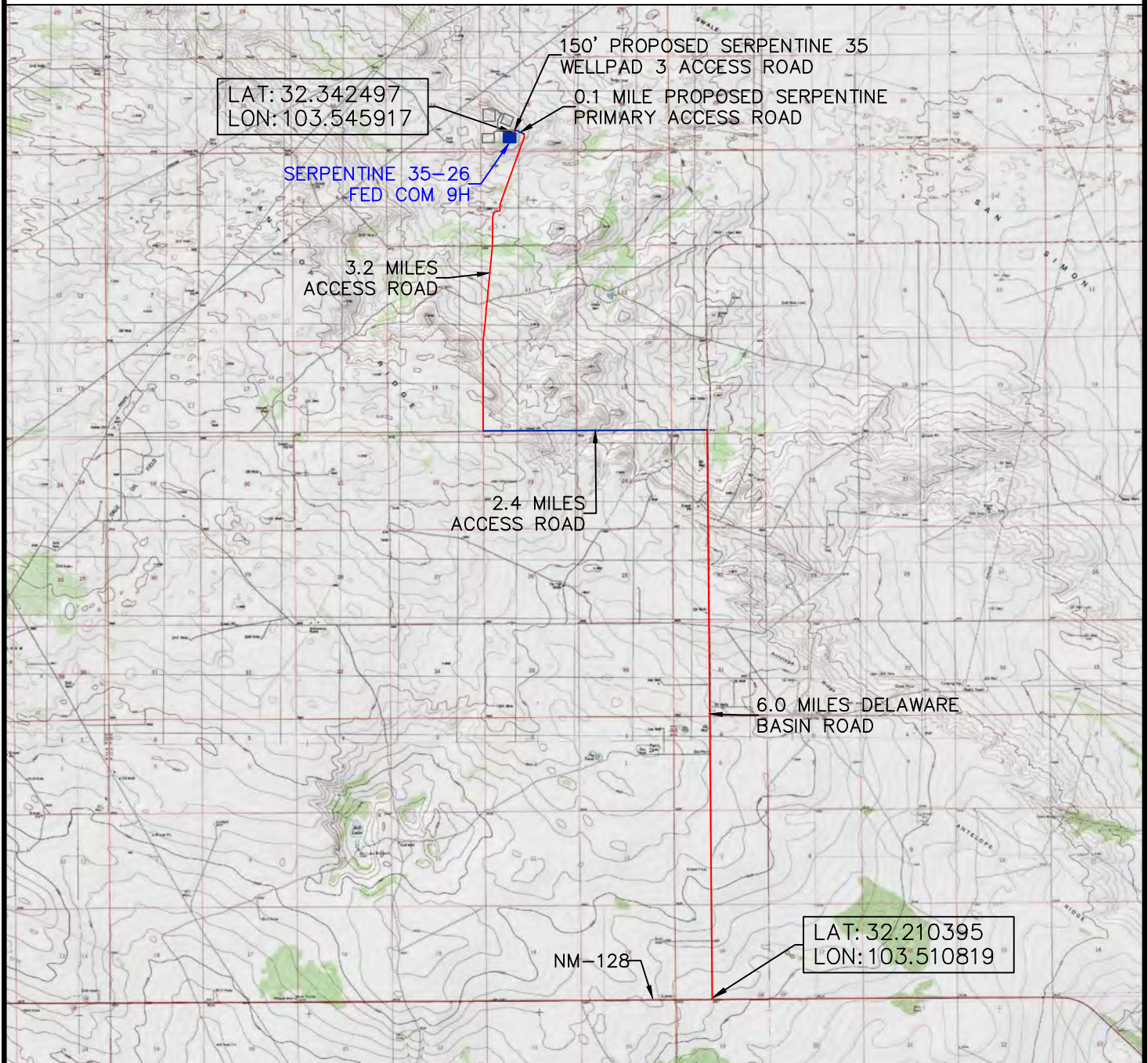
DEVON ENERGY PRODUCTION CO., L.P.

Drawn by: JEANNIE PERRY Date: 10/19/2021

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO VICINITY MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 9H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1388 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

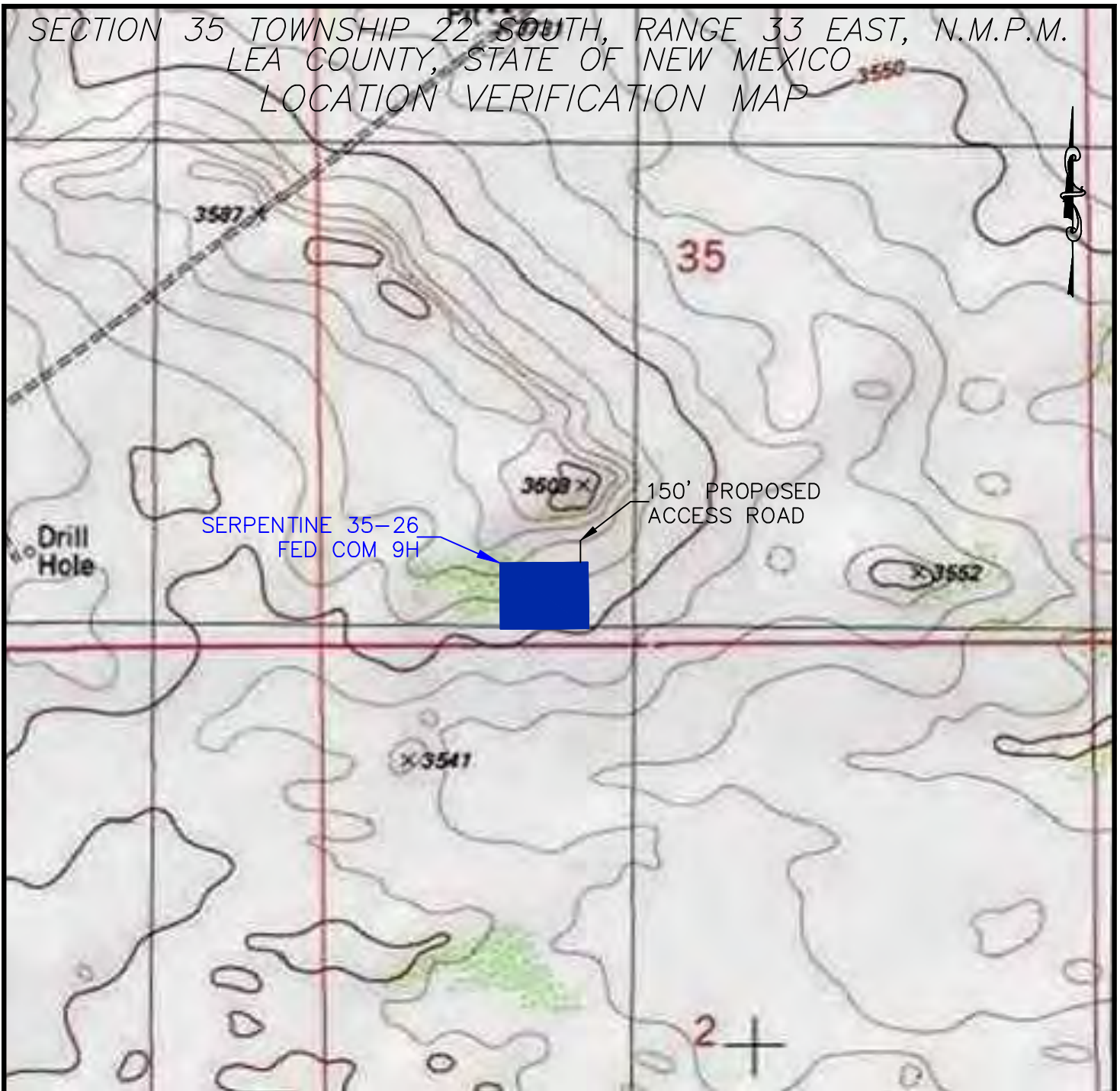
Drawn by:
JEANNIE PERRY

Date: 10/19/2021

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



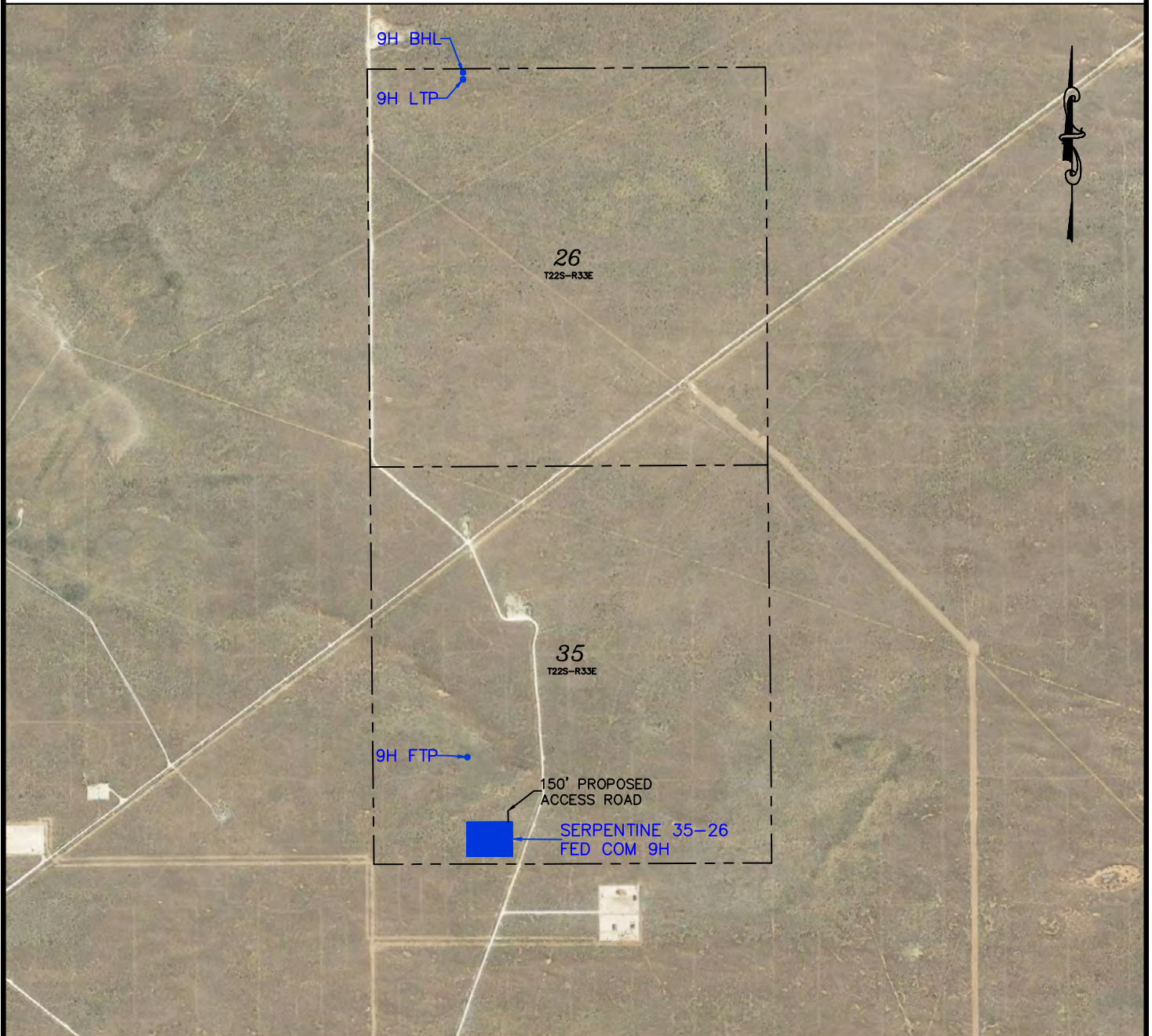
DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 9H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1388 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO



| | |
|-----------------------------------|------------------|
| HORIZON ROW LLC | |
| DEVON ENERGY PRODUCTION CO., L.P. | |
| Drawn by JEANNIE PERRY | Date: 10/19/2021 |



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



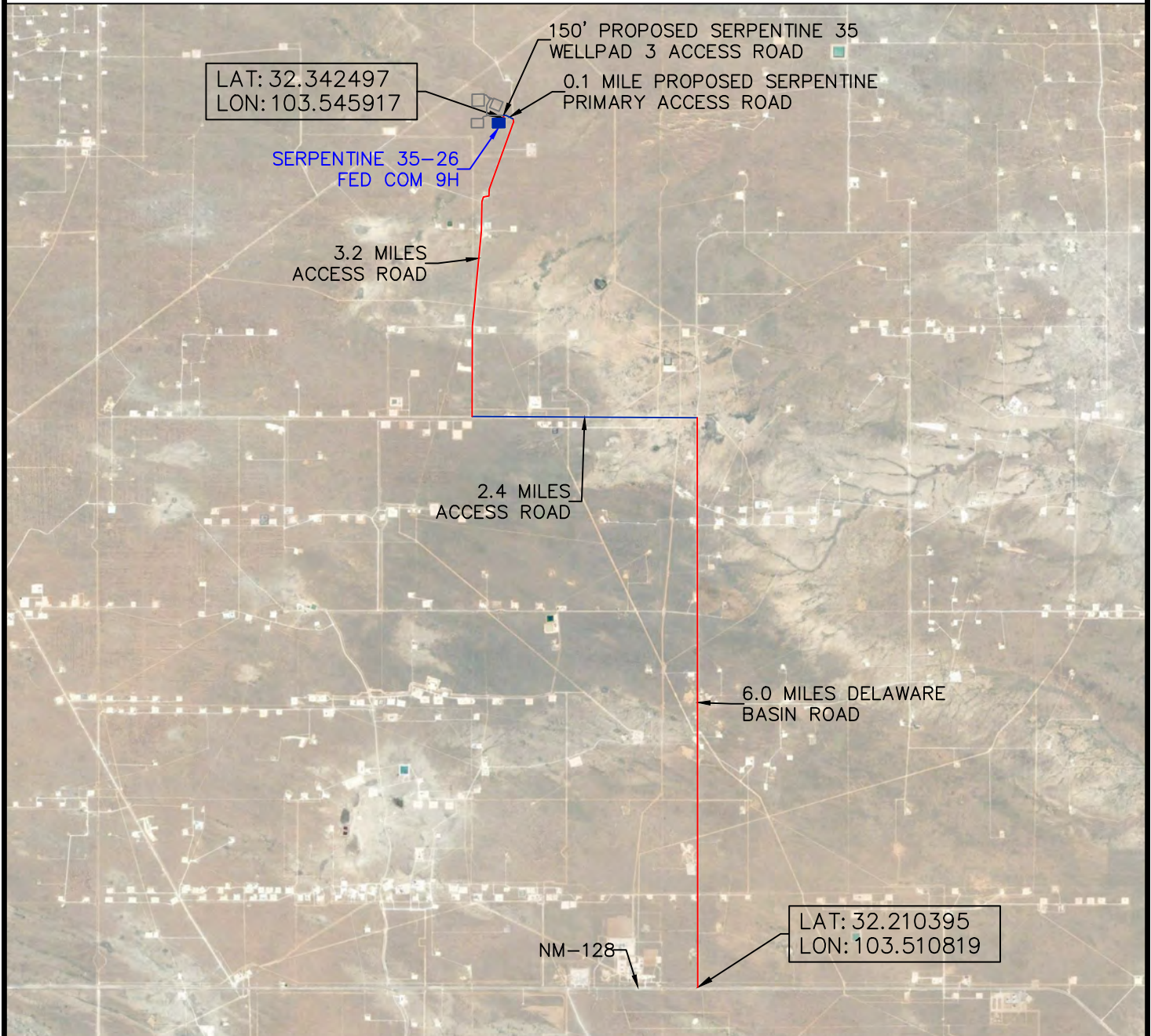
DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 9H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1388 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO



| | |
|-----------------------------------|--|
| HORIZON ROW LLC | |
| DEVON ENERGY PRODUCTION CO., L.P. | |
| Drawn by: JEANNIE PERRY | Date: 10/19/2021 REV: 12/16/2021 CM |



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 9H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1388 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

NOT TO SCALE

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

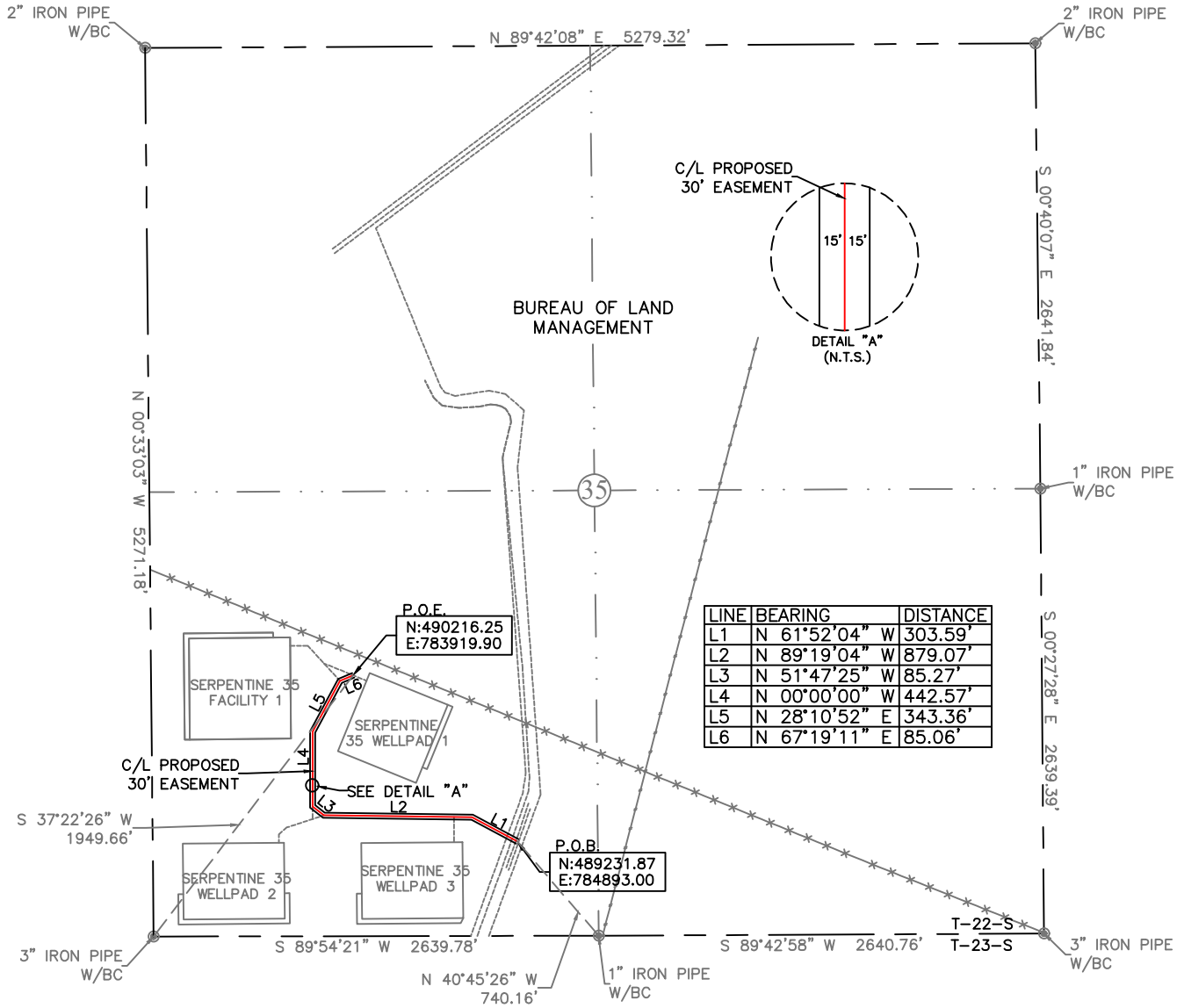
Drawn by:
JEANNIE PERRY

Date: 10/19/2021

Drawn for:



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO



| LINE | BEARING | DISTANCE |
|------|---------------|----------|
| L1 | N 61°52'04" W | 303.59' |
| L2 | N 89°19'04" W | 879.07' |
| L3 | N 51°47'25" W | 85.27' |
| L4 | N 00°00'00" W | 442.57' |
| L5 | N 28°10'52" E | 343.36' |
| L6 | N 67°19'11" E | 85.06' |

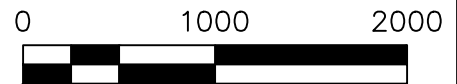
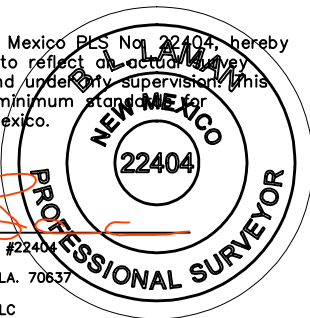
30' EASEMENT AREA = 1.47 ACRE(S)
2138.92 FEET OR 129.63 RODS

SEE THE ATTACHED LEGAL DESCRIPTION

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

- 0+00.0 P.O.B.
- 0+08.1 EDGE OF ROAD
- 0+30.4 BURIED PIPELINE
- 4+11.7 SERPENTINE 35 WELLPAD 3 ACCESS ROAD
- 11+82.7 SERPENTINE 35 WELLPAD 2 ACCESS ROAD
- 20+53.8 SERPENTINE 35 FACILITY 1 ACCESS ROAD
- 21+38.9 P.O.E./SERPENTINE 35 WELLPAD 1 ACCESS ROAD

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

| | | | |
|-------------------------|--|--|------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: |
| Drawn for: | | SERPENTINE 35 PRIMARY ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| Drawn by: JEANNIE PERRY | | PROPOSED 30' EASEMENT ON THE PROPERTY OF BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | SCALE: 1" = 1000' |
| Date: 10/12/2021 | | | REVISIONS: |
| | | | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 1" iron pipe w/BC found for the south quarter corner of Section 35;

Thence N 40°45'26" W, a distance of 740.16' to the **Point of Beginning** of this easement having coordinates of Northing=489231.87 feet, Easting=784893.00 feet, and continuing the following courses;

- Thence N 61°52'04" W a distance of 303.59' to an angle point;
- Thence N 89°19'04" W a distance of 879.07' to an angle point;
- Thence N 51°47'25" W a distance of 85.27' to an angle point;
- Thence N 00°00'00" W a distance of 442.57' to an angle point;
- Thence N 28°10'52" E a distance of 343.36' to an angle point;

Thence N 67°19'11" E a distance of 85.06' to the **Point of Ending** having coordinates of Northing=490216.25 feet, Easting=783919.90 feet from said point a 3" iron pipe w/BC found for the southwest corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 37°22'26" W a distance of 1949.66', covering **2138.92' or 129.63 rods** and having an area of **1.47 acres**.

NOTES:

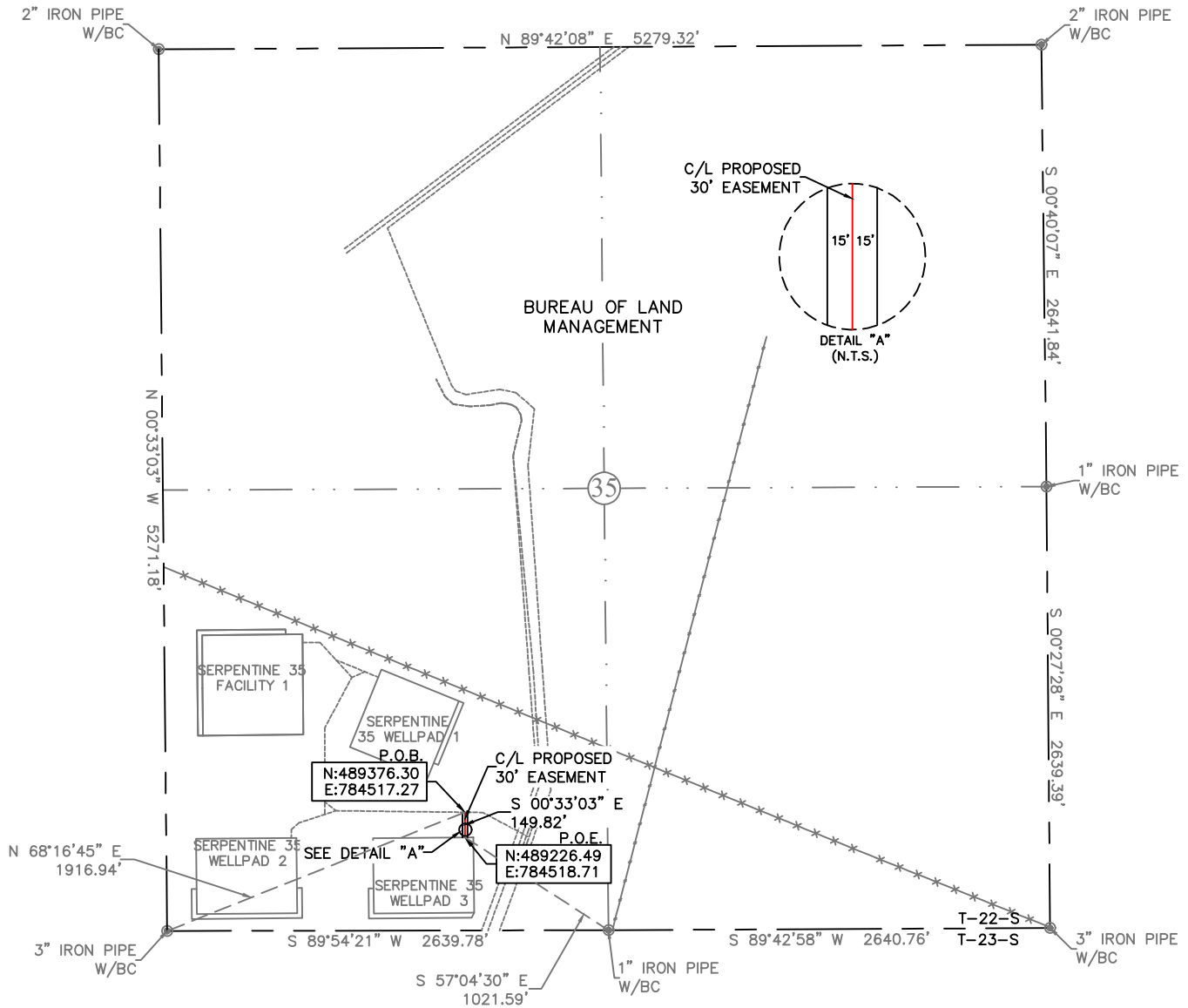
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO



30' EASEMENT AREA = 0.103 ACRE(S)
149.82 FEET OR 9.08 RODS

0+00.0 P.O.B./SERPENTINE 35 PRIMARY ACCESS ROAD
1+49.8 P.O.E./SERPENTINE 35 WELLPAD 3

SEE THE ATTACHED LEGAL DESCRIPTION
Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect all actual surveys made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

PLS #22404

NEW MEXICO
22404
PROFESSIONAL SURVEYOR

| | | | |
|----------------------------|--|---|---------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: 7610326R |
| Drawn for: | | SERPENTINE 35 WELLPAD 3 ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| Drawn by: JEANNIE PERRY | | PROPOSED 30' EASEMENT ON THE PROPERTY OF BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | SCALE: 1" = 1000' |
| Date: 10/13/2021 | | | REVISIONS: |
| | | | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 3" iron pipe w/BC found for the southwest corner of Section 35;


Thence N 68°16'45" E, a distance of 1916.94' to the **Point of Beginning** of this easement having coordinates of Northing=489376.30 feet, Easting=784517.27 feet, and continuing the following courses;

Thence S 00°33'03" E a distance of 149.82' to the **Point of Ending** having coordinates of Northing=489226.49 feet, Easting=784518.71 feet from said point a 1" iron pipe w/BC found for the south quarter corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 57°04'30" E a distance of 1021.59', covering **149.82' or 9.08 rods** and having an area of **0.103 acres**.

NOTES:

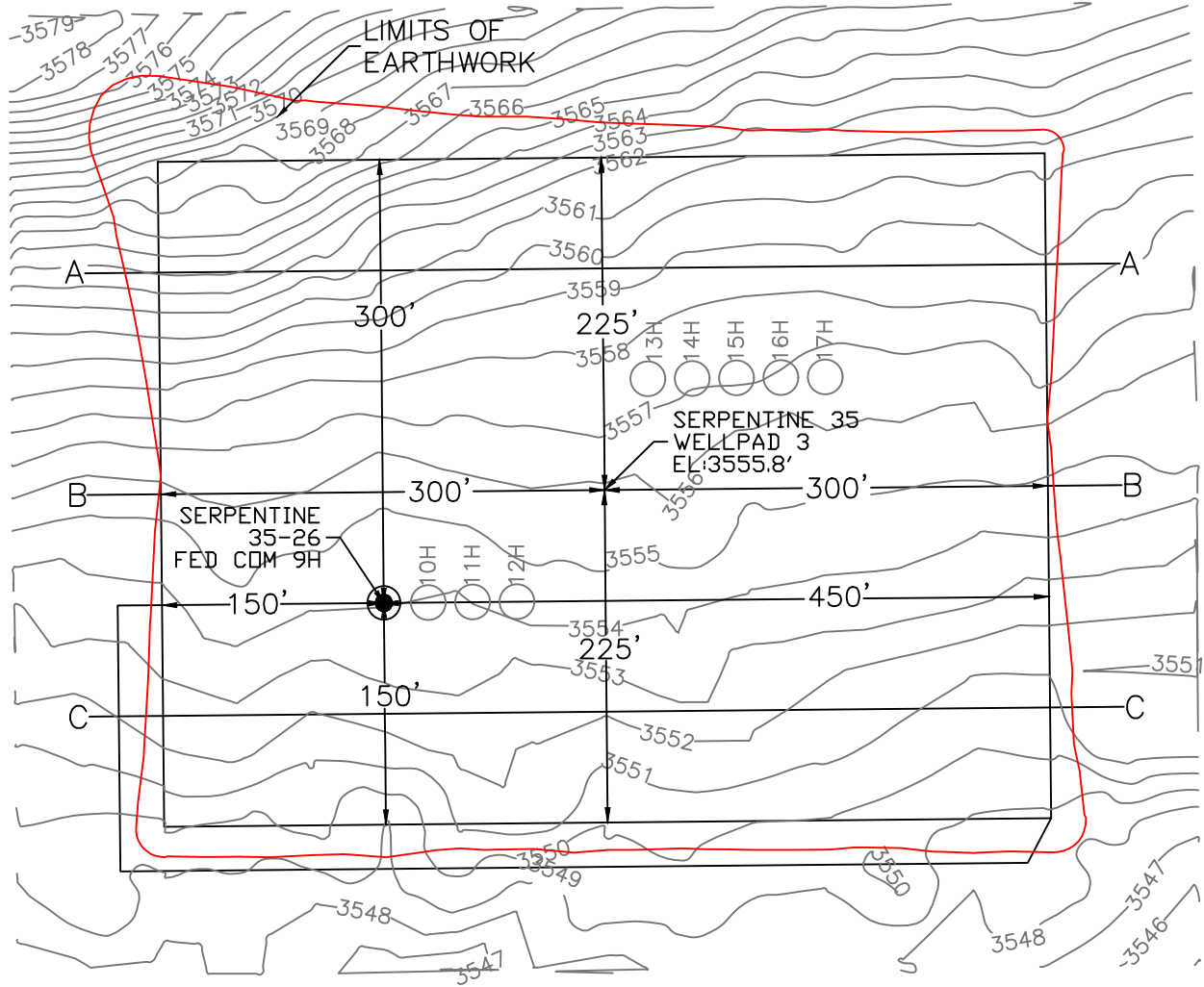
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

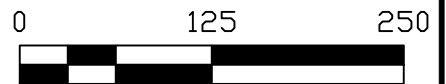

B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
PLAN VIEW



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 9H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1388 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



EARTHWORK QUANTITIES FOR
SERPENTINE 35 WELLPAD 3

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,228 CY | 18,228 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

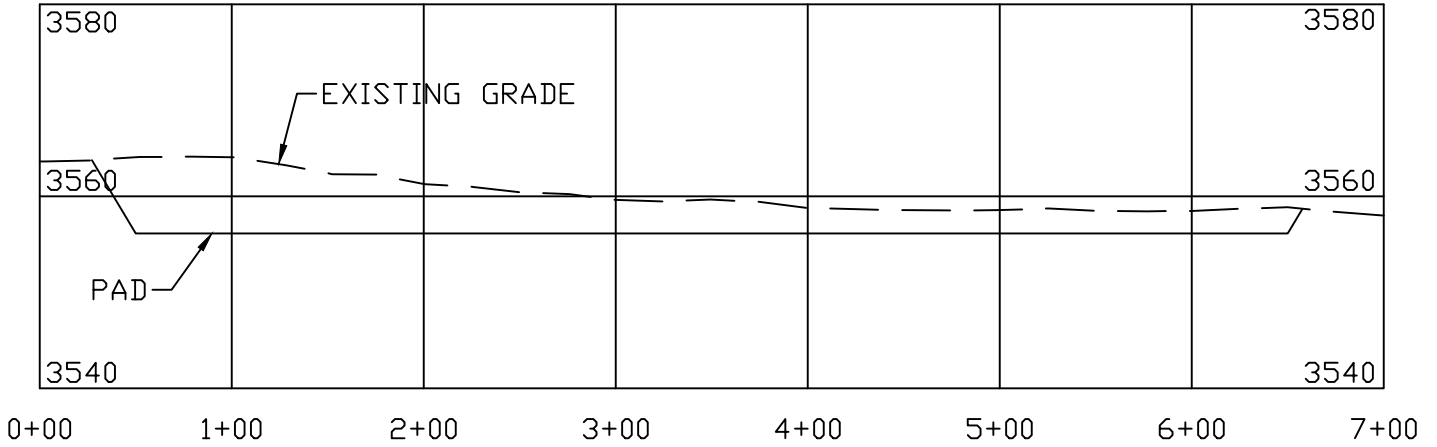
Date: 10/20/2021

Drawn for:

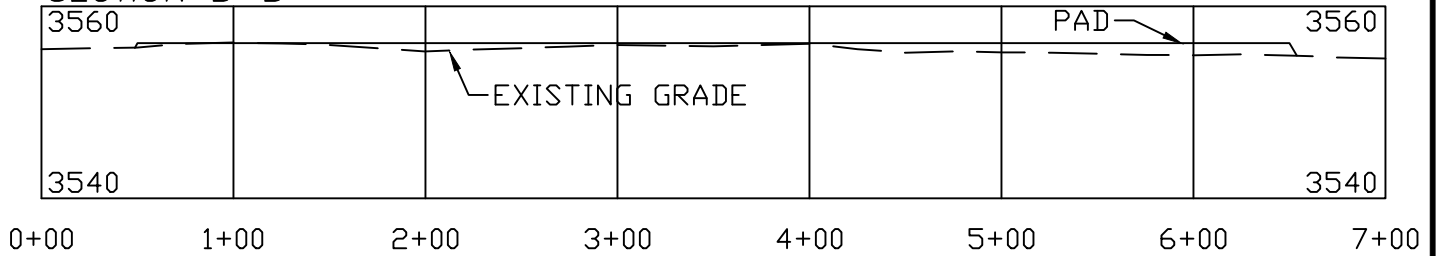


SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
CROSS SECTIONS

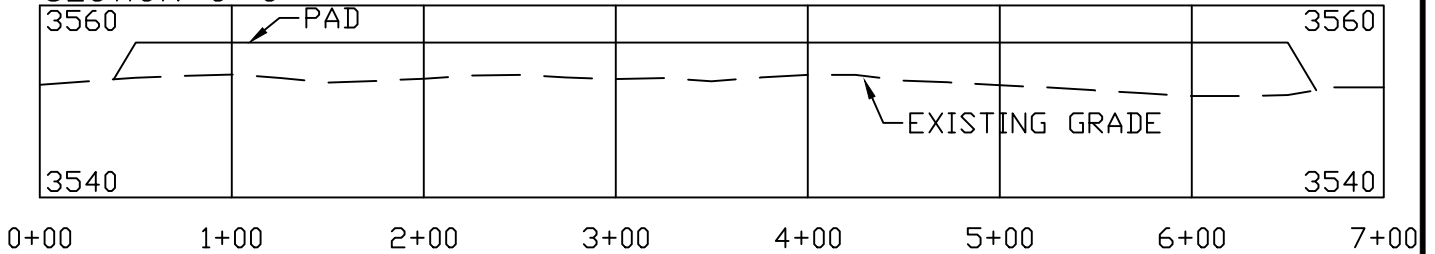
SECTION A-A



SECTION B-B



SECTION C-C



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 9H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1388 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

SCALE 1" = 100' HORIZONTAL
SCALE 1" = 20' VERTICAL

EARTHWORK QUANTITIES FOR
SERPENTINE 35 WELLPAD 3

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,228 CY | 18,228 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

Date: 10/20/2021

Drawn for:



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

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

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------|---|---|
| API Number | Pool Code 7320 | Pool Name BRINNINSTOOL; BONE SPRING |
| Property Code | Property Name SERPENTINE 35-26 FED COM | Well Number 11H |
| OGRID No. 6137 | Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | Elevation 3554.0' |

Surface Location

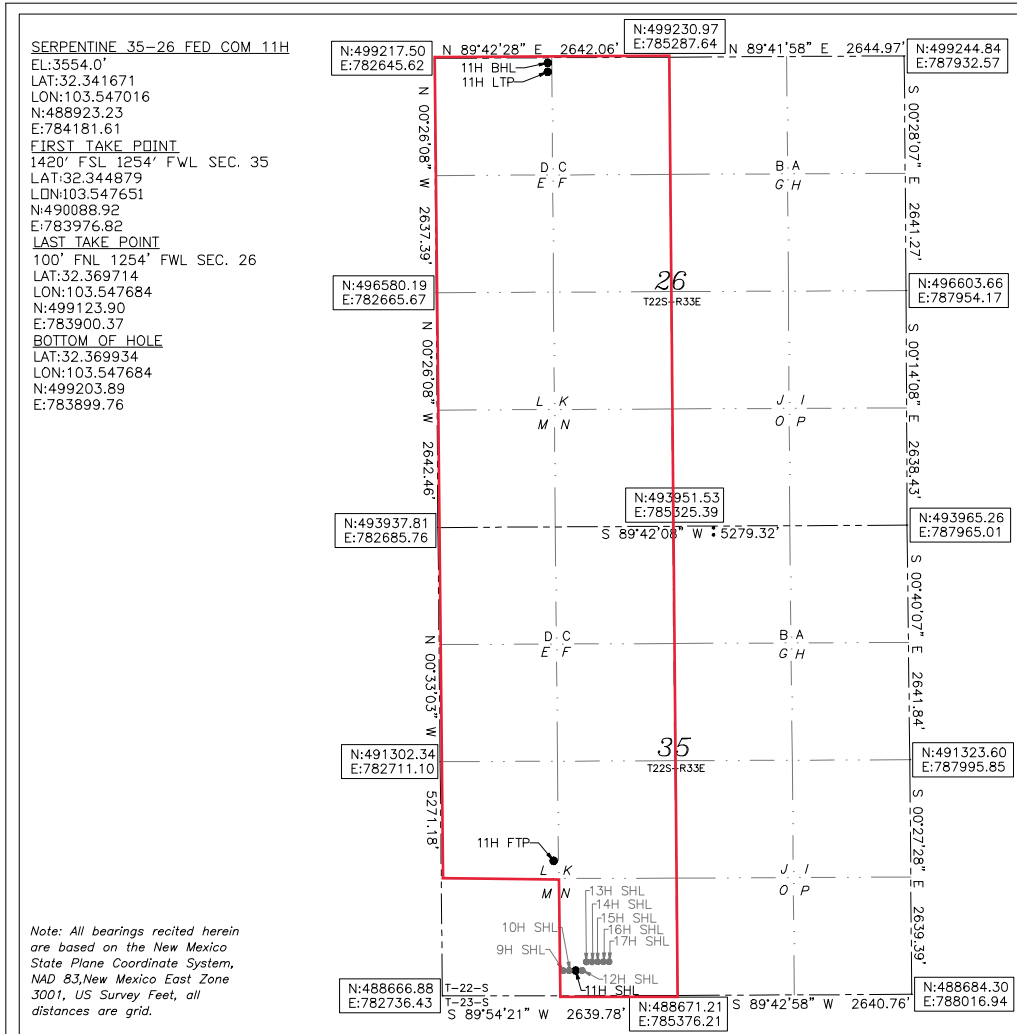
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 35 | 22-S | 33-E | | 254 | SOUTH | 1448 | WEST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 26 | 22-S | 33-E | | 20 | NORTH | 1254 | WEST | LEA |

| | | | |
|-------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 600 | Joint or Infill | Consolidation Code | Order No. |
|-------------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature Chelsey Green Date 9/30/22

Printed Name Chelsey Green

E-mail Address chelsey.green@dvn.com

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey 10/8/2021

Signature & Seal of Professional Surveyor

REV: 08/11/2022

Certificate No. 22404 B.L. LAMAN
DRAWN BY: CM

Intent As Drilled

| | | |
|--|--|--------------------|
| API # | | |
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP. | Property Name: SERPENTINE 35-26 FED COM | Well Number 11H |

Kick Off Point (KOP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|---------------------|---------|----------|-------|-----|-----------------------|----------|------|----------|-----------|
| L | 35 | 22S | 33E | | 1398 | SOUTH | 1337 | WEST | LEA |
| Latitude 32.3447 | | | | | Longitude 103.5475 | | | | NAD 83 |

First Take Point (FTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-----------------------|---------|----------|-------|-----|-------------------------|----------|------|----------|-----------|
| L | 35 | 22-S | 33-E | | 1420 | SOUTH | 1254 | WEST | LEA |
| Latitude 32.344879 | | | | | Longitude 103.547651 | | | | NAD 83 |

Last Take Point (LTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-----------------------|---------|----------|-------|-----|-------------------------|----------|------|----------|-----------|
| D | 26 | 22-S | 33-E | | 100 | NORTH | 1254 | WEST | LEA |
| Latitude 32.369714 | | | | | Longitude 103.547684 | | | | NAD 83 |

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

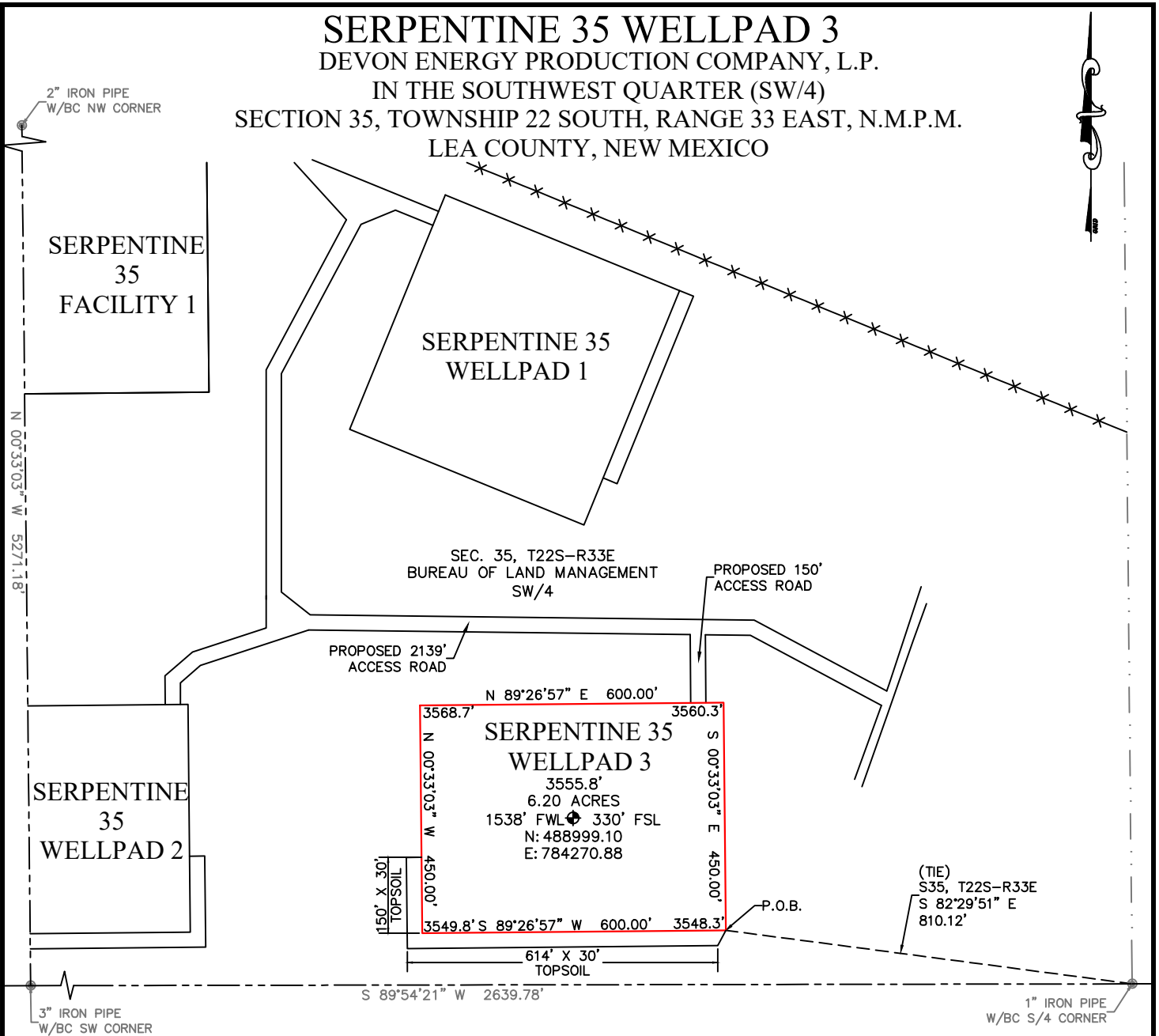
Is this well an infill well? Y

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

| | | |
|---|--|-------------------|
| API # | | |
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP | Property Name: SERPENTINE 35-26 FED COM | Well Number 9H |

KZ 06/29/2018

SERPENTINE 35 WELLPAD 3
 DEVON ENERGY PRODUCTION COMPANY, L.P.
 IN THE SOUTHWEST QUARTER (SW/4)
 SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, NEW MEXICO



DESCRIPTION

BEING A SURFACE SITE EASEMENT LYING IN SOUTHWEST QUARTER (SW/4) OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M., LEA COUNTY, NEW MEXICO.

BEGINNING AT THE SOUTHEAST CORNER OF SAID SITE EASEMENT, WHERE A 1" IRON PIPE W/BC FOR THE SOUTH QUARTER CORNER OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M. BEARS S 82°29'51" E , A DISTANCE 810.12';

THENCE S 89°26'57" W, A DISTANCE 600.00 FEET TO THE SOUTHWEST CORNER OF THIS EASEMENT;
 THENCE N 00°33'03" W, A DISTANCE 450.00 FEET TO THE NORTHWEST CORNER OF THIS EASEMENT;
 THENCE N 89°26'57" E, A DISTANCE 600.00 FEET TO THE NORTHEAST CORNER OF THIS EASEMENT;
 THENCE S 00°33'03" E, A DISTANCE 450.00 FEET TO THE SOUTHEAST CORNER OF THIS EASEMENT,
 TO THE POINT OF BEGINNING; CONTAINING 6.20 ACRES.

GENERAL NOTES:

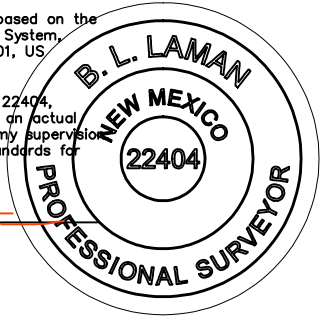
- 1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A WELLPAD.
- 2.) All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

0 300 600



B.L. Laman PLS #22404
 Horizonrow, LLC
 Date Signed: 10-19-2021
 P.O. Box 548, Dry Creek, La.
 (903) 388-3045 70637
 Employee of Horizonrow, LLC

HORIZON ROW LLC

Drawn for:

Drawn by: JEANNIE PERRY Date: 10/13/2021

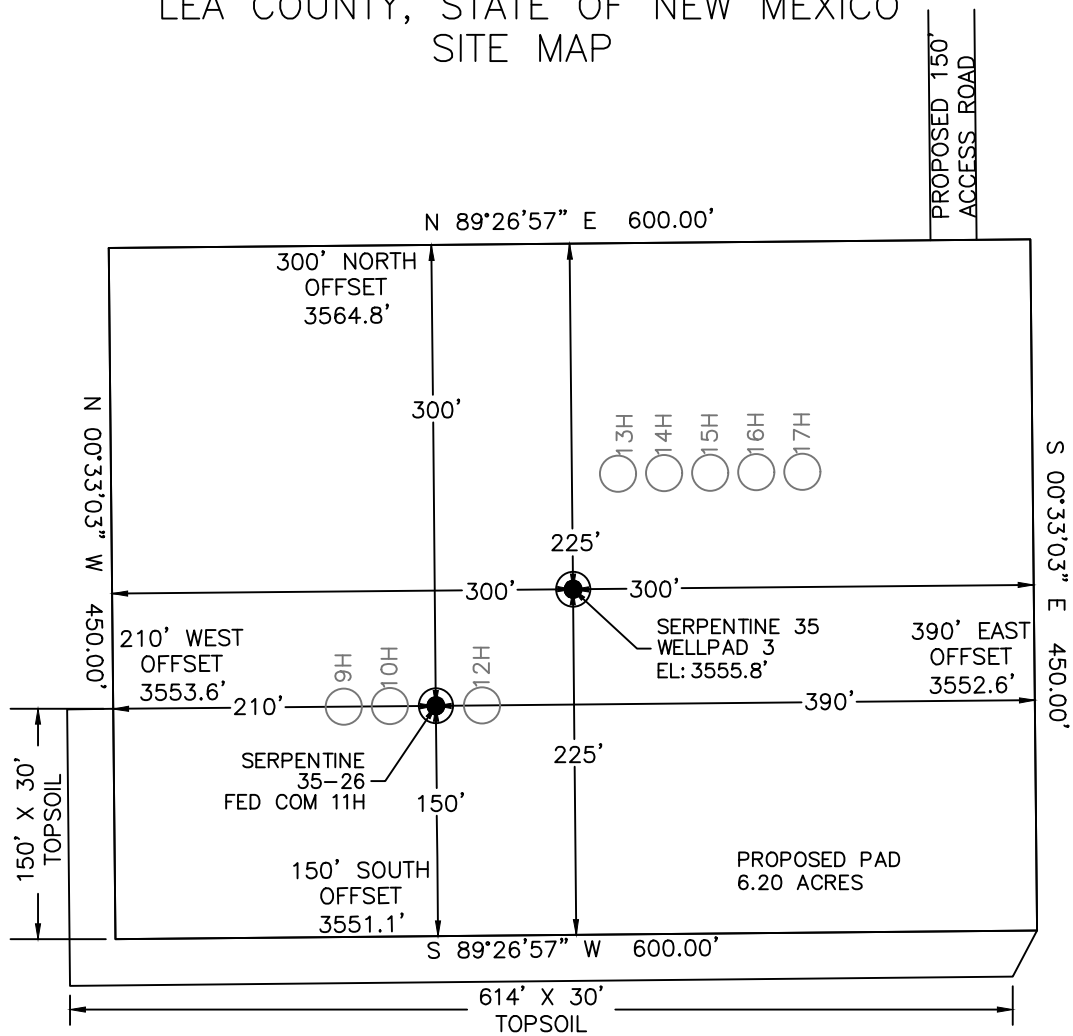
DEVON ENERGY PRODUCTION COMPANY, L.P.

SERPENTINE 35 WELLPAD 3

SURVEY PLAT SHOWING A WELLPAD ON THE PROPERTY OF THE BUREAU OF LAND MANAGEMENT

| |
|---------------------------------|
| SITE NUMBER: AA000504614 |
| WBS NUMBER: XX-141841.01.SLC |
| SCALE: 1" = 300' |
| REVISIONS: |
| DATE OF SURVEY: 06/25/21 |

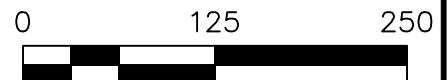
SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
SITE MAP



| | | | |
|--|--|--|--|
| <u>SERPENTINE 35-26 FED COM 9H</u> 254' FSL 1388' FWL SEC. 35 EL: 3553.3' N: 488922.66 E: 784121.61 | <u>SERPENTINE 35-26 FED COM 10H</u> 254' FSL 1418' FWL SEC. 35 EL: 3553.6' N: 488922.95 E: 784151.61 | <u>SERPENTINE 35-26 FED COM 11H</u> 254' FSL 1448' FWL SEC. 35 EL: 3554.0' N: 488923.23 E: 784181.61 | <u>SERPENTINE 35-26 FED COM 12H</u> 254' FSL 1478' FWL SEC. 35 EL: 3553.8' N: 488923.52 E: 784211.61 |
| <u>SERPENTINE 35-26 FED COM 13H</u> 405' FSL 1568' FWL SEC. 35 EL: 3557.2' N: 489074.38 E: 784300.16 | <u>SERPENTINE 35-26 FED COM 14H</u> 405' FSL 1598' FWL SEC. 35 EL: 3557.3' N: 489074.67 E: 784330.16 | <u>SERPENTINE 35-26 FED COM 15H</u> 405' FSL 1628' FWL SEC. 35 EL: 3556.6' N: 489074.96 E: 784360.16 | <u>SERPENTINE 35-26 FED COM 16H</u> 406' FSL 1658' FWL SEC. 35 EL: 3556.7' N: 489075.25 E: 784390.16 |
| <u>SERPENTINE 35 FED 17H</u> 406' FSL 1688' FWL SEC. 35 EL: 3556.6' N: 489075.53 E: 784420.16 | | | |

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 11H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1448 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

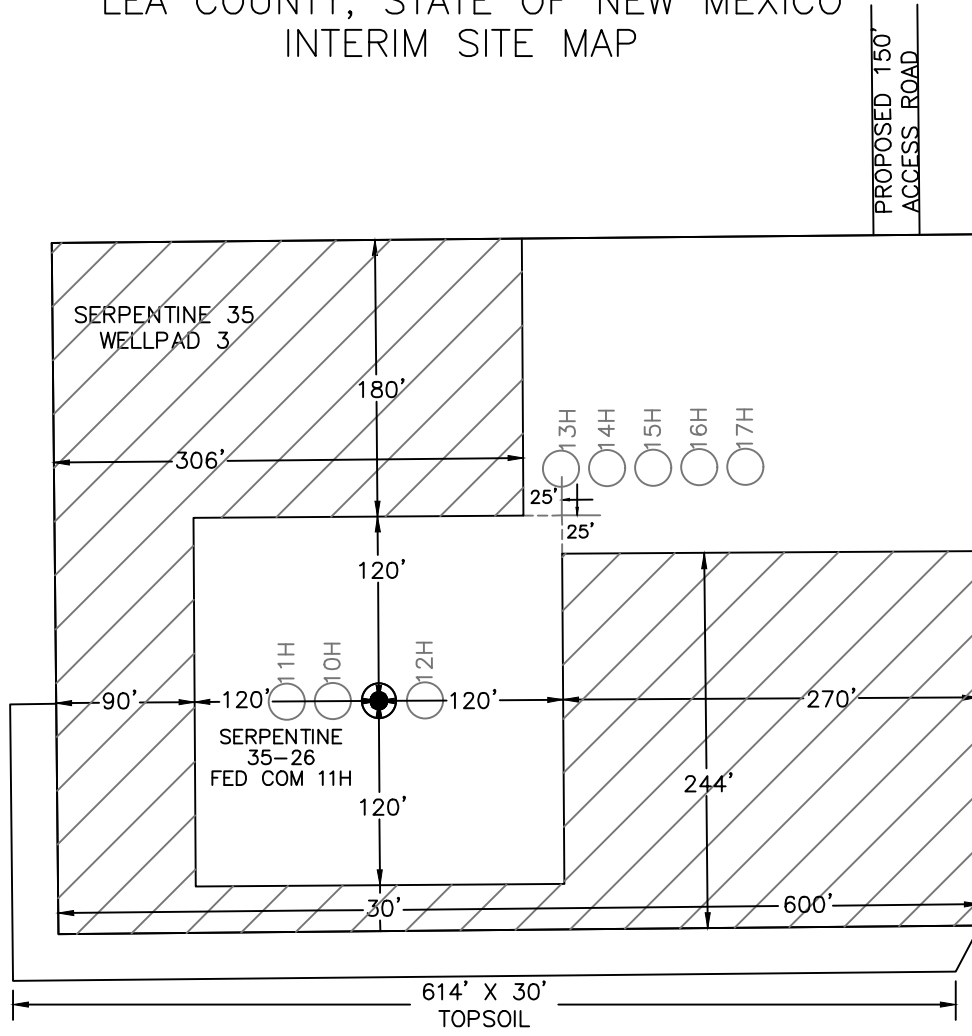
HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.


Drawn by: JEANNIE PERRY Date: 10/20/2021

Drawn for:

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
INTERIM SITE MAP



| | | | |
|--|--|--|--|
| <u>SERPENTINE 35-26 FED COM 9H</u> 254' FSL 1388' FWL SEC. 35 EL: 3553.3' N: 488922.66 E: 784121.61 | <u>SERPENTINE 35-26 FED COM 10H</u> 254' FSL 1418' FWL SEC. 35 EL: 3553.6' N: 488922.95 E: 784151.61 | <u>SERPENTINE 35-26 FED COM 11H</u> 254' FSL 1448' FWL SEC. 35 EL: 3554.0' N: 488923.23 E: 784181.61 | <u>SERPENTINE 35-26 FED COM 12H</u> 254' FSL 1478' FWL SEC. 35 EL: 3553.8' N: 488923.52 E: 784211.61 |
| <u>SERPENTINE 35-26 FED COM 13H</u> 405' FSL 1568' FWL SEC. 35 EL: 3557.2' N: 489074.38 E: 784300.16 | <u>SERPENTINE 35-26 FED COM 14H</u> 405' FSL 1598' FWL SEC. 35 EL: 3557.3' N: 489074.67 E: 784330.16 | <u>SERPENTINE 35-26 FED COM 15H</u> 405' FSL 1628' FWL SEC. 35 EL: 3556.6' N: 489074.96 E: 784360.16 | <u>SERPENTINE 35-26 FED COM 16H</u> 406' FSL 1658' FWL SEC. 35 EL: 3556.7' N: 489075.25 E: 784390.16 |
| <u>SERPENTINE 35 FED 17H</u> 406' FSL 1688' FWL SEC. 35 EL: 3556.6' N: 489075.53 E: 784420.16 | | | |

 DENOTES INTERIM PAD RECLAMATION AREA
3.50 ± ACRES INTERIM PAD RECLAMATION AREA
2.70 ± ACRES NON-RECLAIMED AREA
6.20 ± ACRES GRADING SITE RECLAMATION AREA



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 11H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1448 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

HORIZON ROW LLC

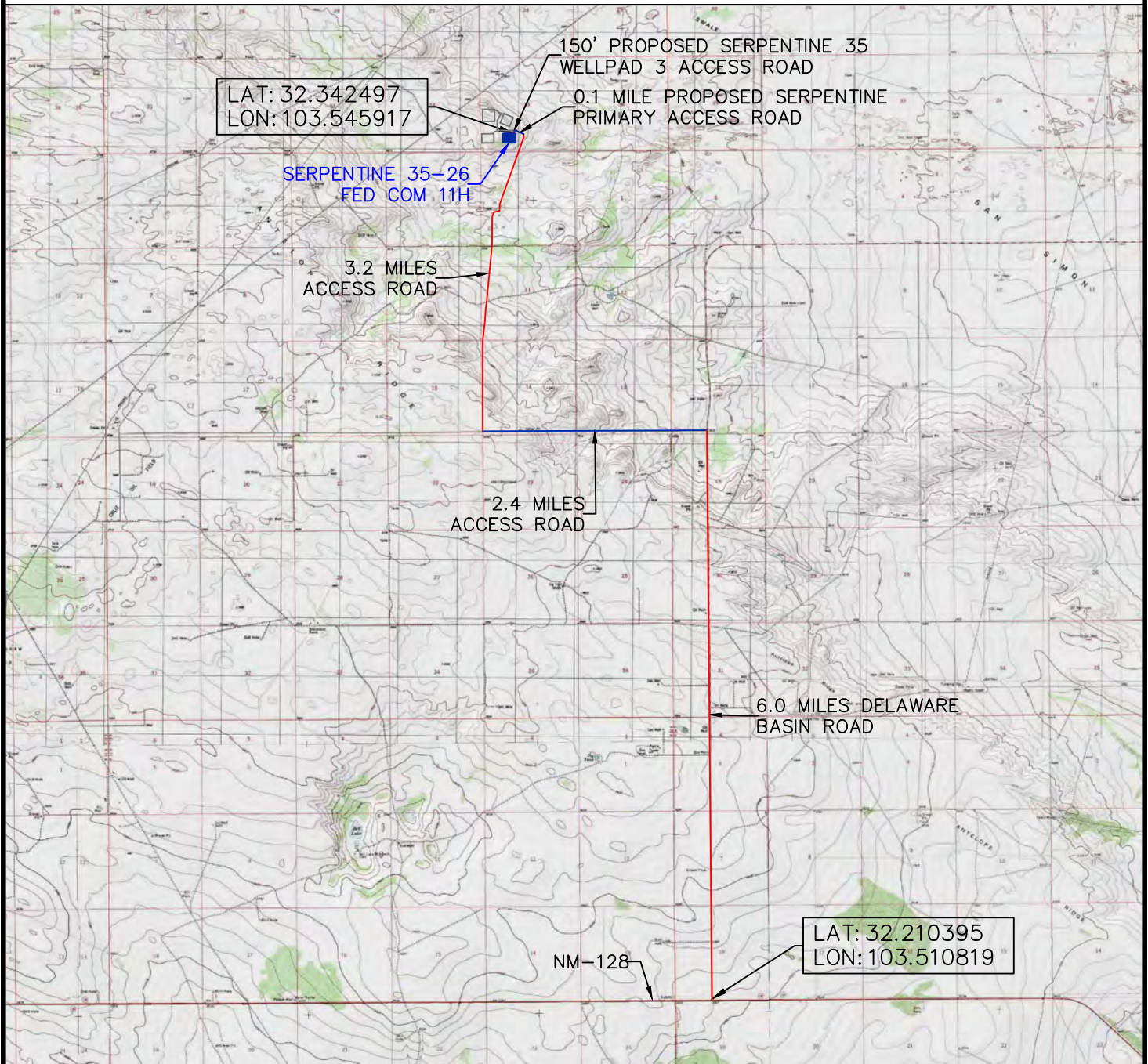
DEVON ENERGY PRODUCTION CO., L.P.

Drawn by: JEANNIE PERRY Date: 10/20/2021

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO VICINITY MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 11H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1448 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

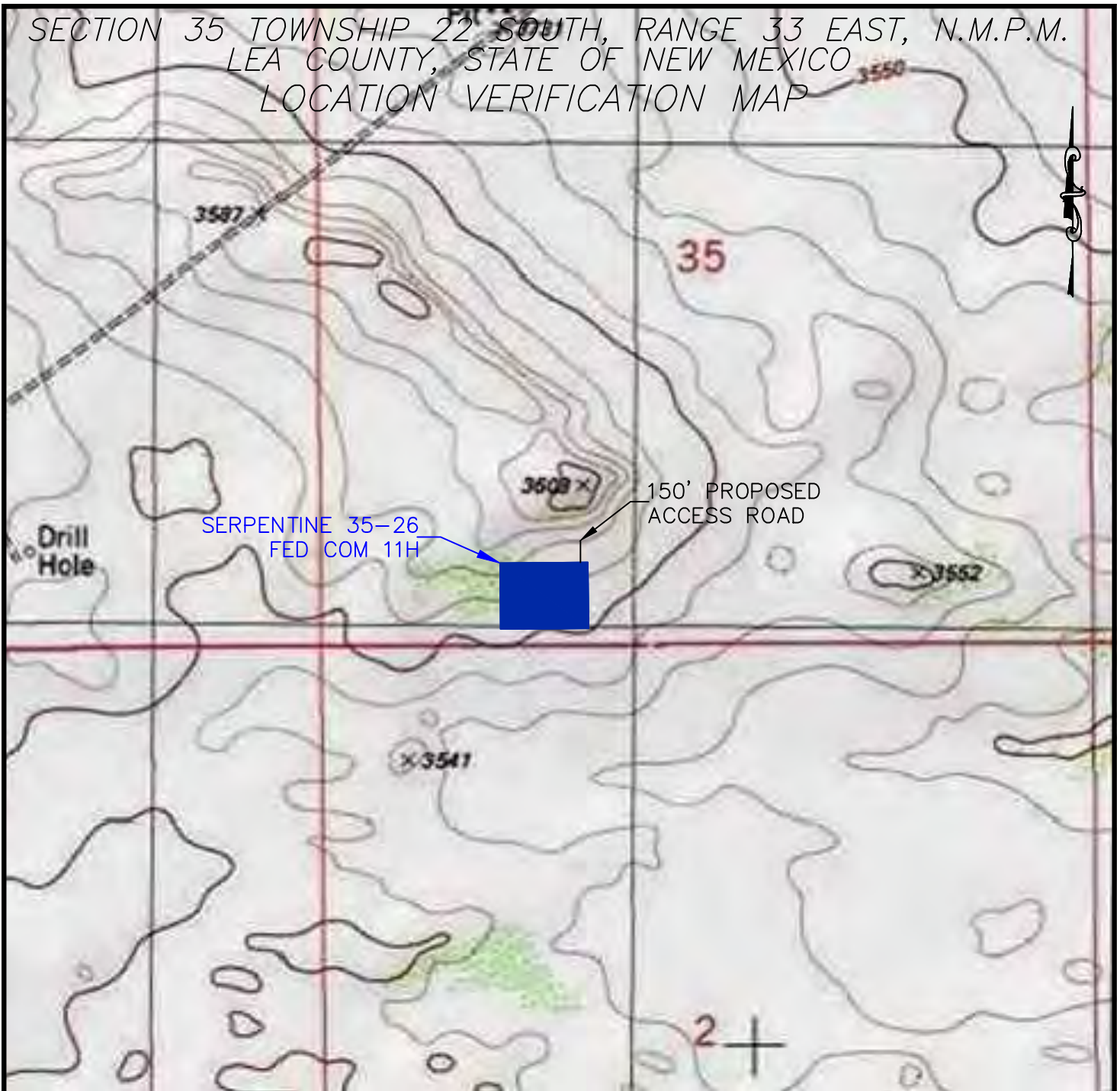
Drawn by:
JEANNIE PERRY

Date: 10/20/2021

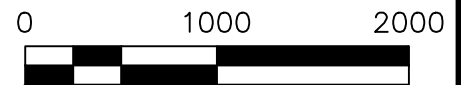
Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 11H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1448 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

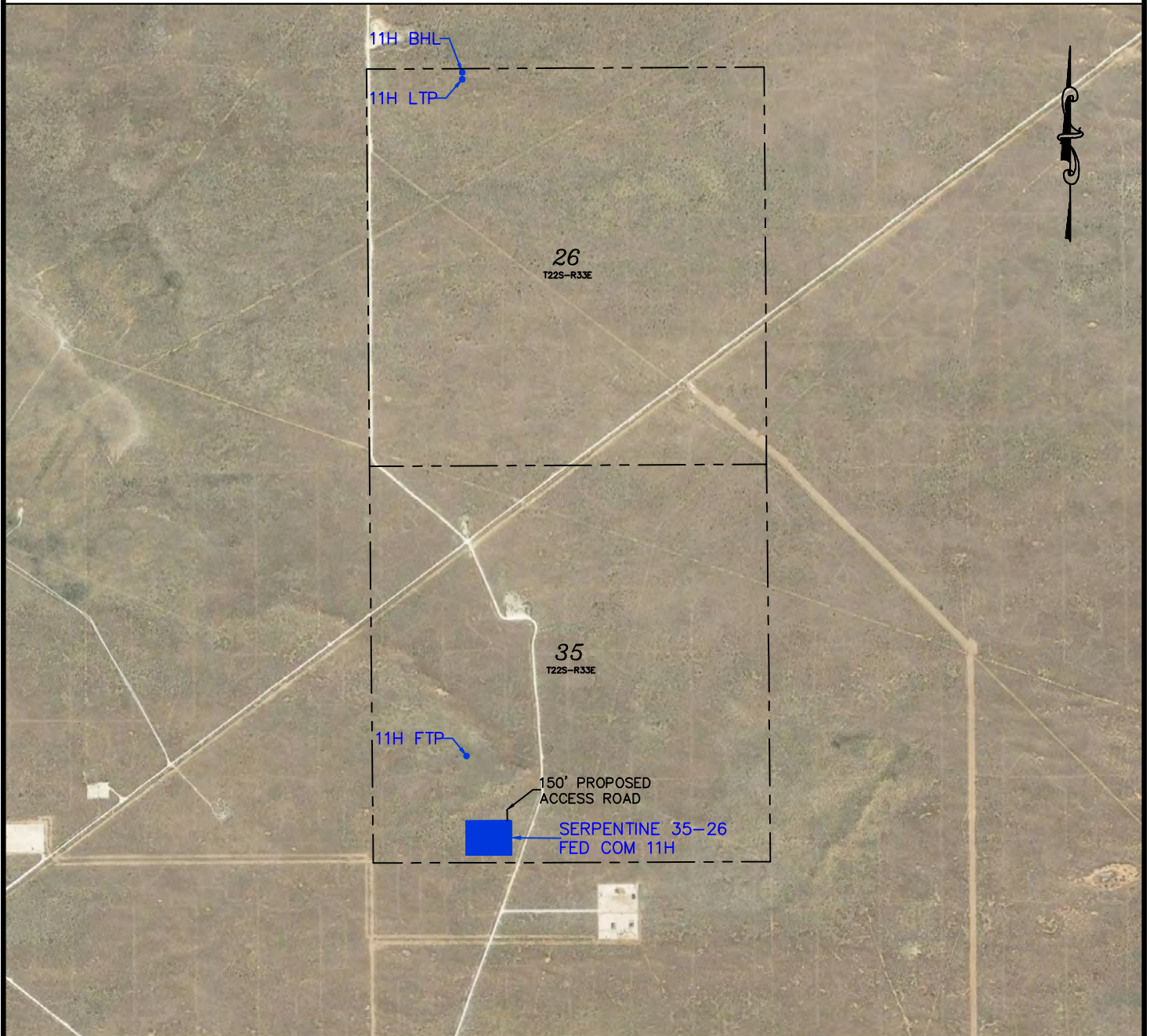
Drawn by
JEANNIE PERRY

Date: 10/20/2021

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



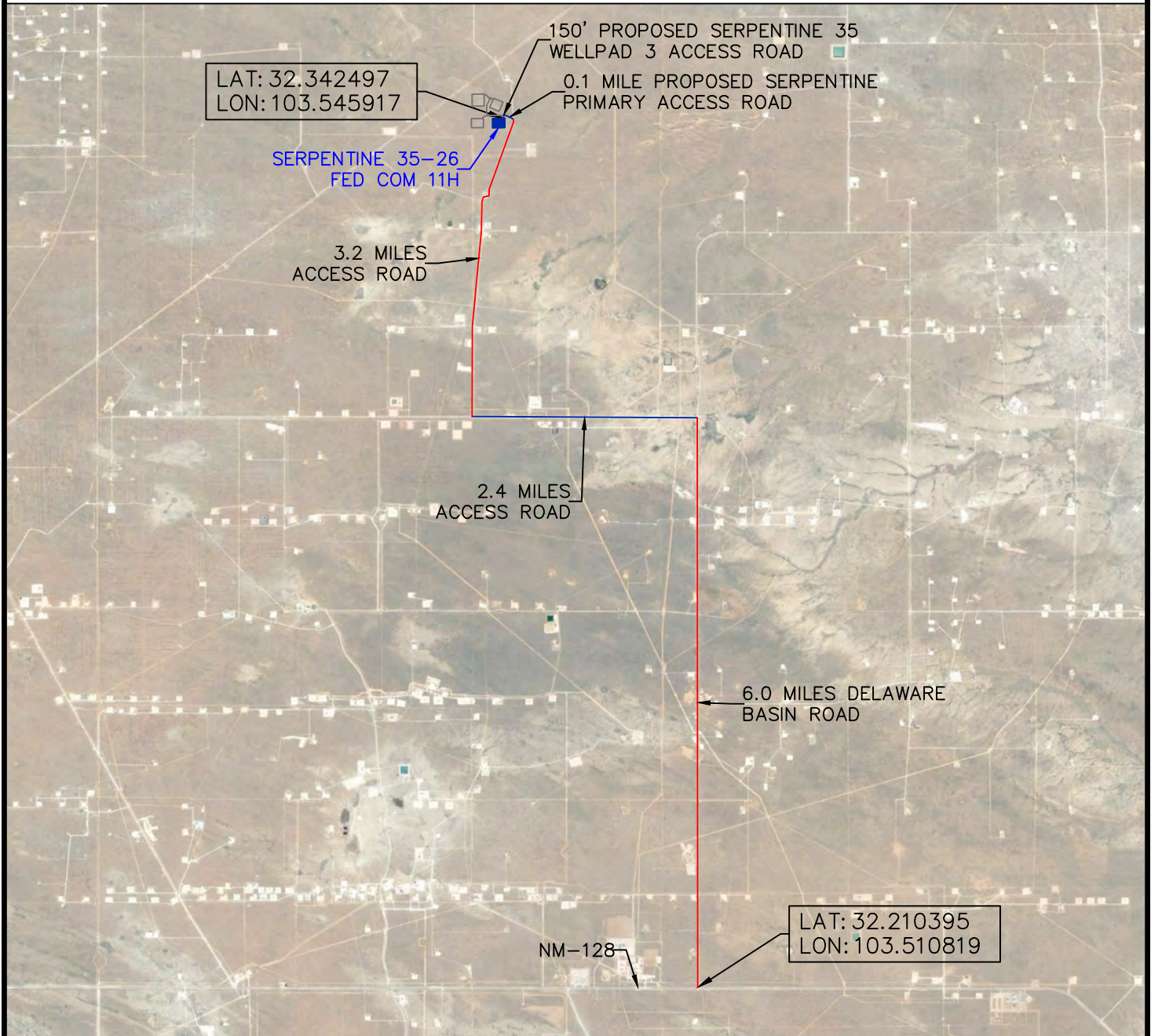
DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 11H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1448 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



| | |
|-----------------------------------|--|
| HORIZON ROW LLC | |
| DEVON ENERGY PRODUCTION CO., L.P. | |
| Drawn by: JEANNIE PERRY | Date: 10/19/2021 REV: 12/16/2021 CM |



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 11H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1448 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

NOT TO SCALE

HORIZON ROW LLC

Drawn for:

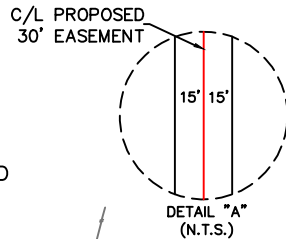
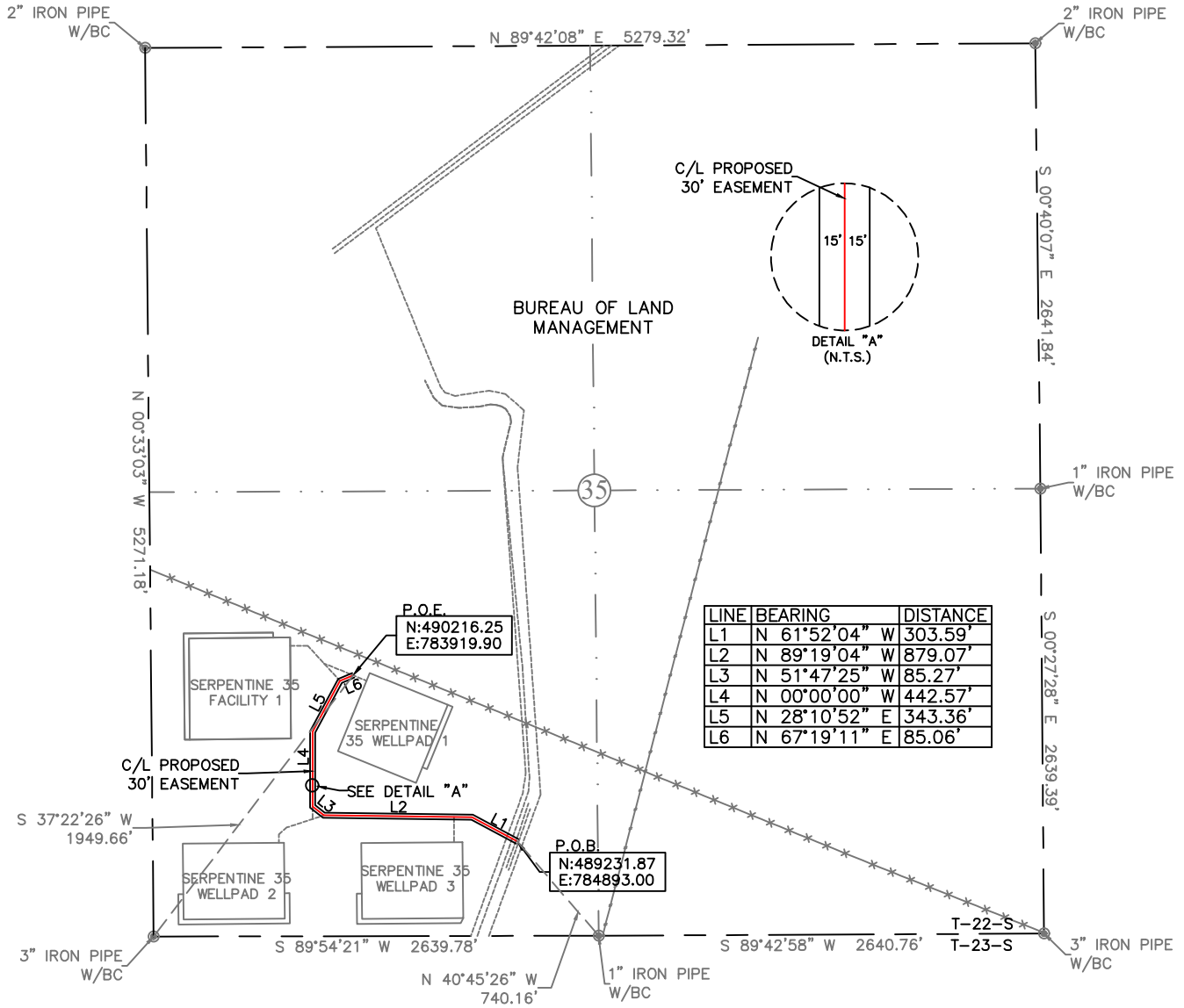
DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

Date: 10/20/2021



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO



| LINE | BEARING | DISTANCE |
|------|---------------|----------|
| L1 | N 61°52'04" W | 303.59' |
| L2 | N 89°19'04" W | 879.07' |
| L3 | N 51°47'25" W | 85.27' |
| L4 | N 00°00'00" W | 442.57' |
| L5 | N 28°10'52" E | 343.36' |
| L6 | N 67°19'11" E | 85.06' |

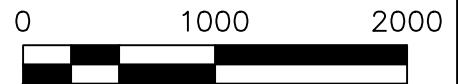
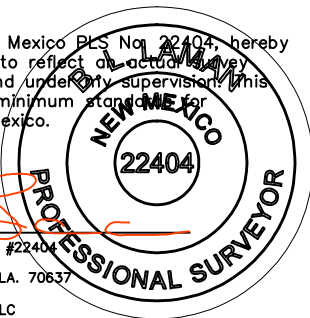
30' EASEMENT AREA = 1.47 ACRE(S)
2138.92 FEET OR 129.63 RODS

SEE THE ATTACHED LEGAL DESCRIPTION

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

- 0+00.0 P.O.B.
- 0+08.1 EDGE OF ROAD
- 0+30.4 BURIED PIPELINE
- 4+11.7 SERPENTINE 35 WELLPAD 3 ACCESS ROAD
- 11+82.7 SERPENTINE 35 WELLPAD 2 ACCESS ROAD
- 20+53.8 SERPENTINE 35 FACILITY 1 ACCESS ROAD
- 21+38.9 P.O.E./SERPENTINE 35 WELLPAD 1 ACCESS ROAD

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

| | | | |
|-------------------------|--|--|------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: |
| Drawn for: | | SERPENTINE 35 PRIMARY ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| Drawn by: JEANNIE PERRY | | PROPOSED 30' EASEMENT ON THE PROPERTY OF BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | SCALE: 1" = 1000' |
| Date: 10/12/2021 | | | REVISIONS: |
| | | | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 1" iron pipe w/BC found for the south quarter corner of Section 35;

Thence N 40°45'26" W, a distance of 740.16' to the **Point of Beginning** of this easement having coordinates of Northing=489231.87 feet, Easting=784893.00 feet, and continuing the following courses;

- Thence N 61°52'04" W a distance of 303.59' to an angle point;
- Thence N 89°19'04" W a distance of 879.07' to an angle point;
- Thence N 51°47'25" W a distance of 85.27' to an angle point;
- Thence N 00°00'00" W a distance of 442.57' to an angle point;
- Thence N 28°10'52" E a distance of 343.36' to an angle point;

Thence N 67°19'11" E a distance of 85.06' to the **Point of Ending** having coordinates of Northing=490216.25 feet, Easting=783919.90 feet from said point a 3" iron pipe w/BC found for the southwest corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 37°22'26" W a distance of 1949.66', covering **2138.92' or 129.63 rods** and having an area of **1.47 acres**.

NOTES:

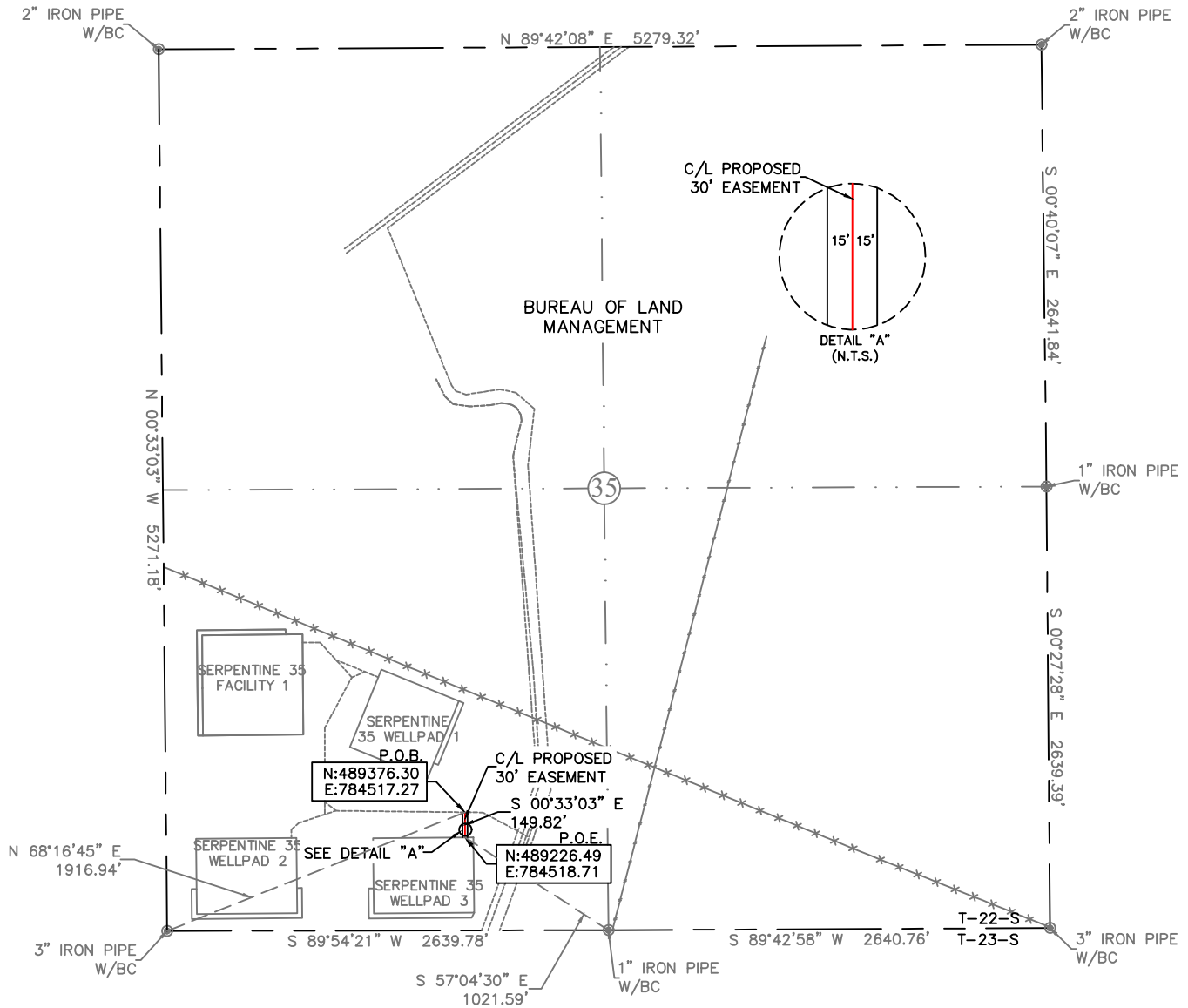
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO



30' EASEMENT AREA = 0.103 ACRE(S)
149.82 FEET OR 9.08 RODS

0+00.0 P.O.B./SERPENTINE 35 PRIMARY ACCESS ROAD
1+49.8 P.O.E./SERPENTINE 35 WELLPAD 3

SEE THE ATTACHED LEGAL DESCRIPTION
Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect all actual surveys made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

PLS #22404

NEW MEXICO
22404
PROFESSIONAL SURVEYOR

| | | | |
|----------------------------|--|---|---------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: 7610326R |
| Drawn for: | | SERPENTINE 35 WELLPAD 3 ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| Drawn by: JEANNIE PERRY | | PROPOSED 30' EASEMENT ON THE PROPERTY OF BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | SCALE: 1" = 1000' |
| Date: 10/13/2021 | | | REVISIONS: |
| | | | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 3" iron pipe w/BC found for the southwest corner of Section 35;


Thence N 68°16'45" E, a distance of 1916.94' to the **Point of Beginning** of this easement having coordinates of Northing=489376.30 feet, Easting=784517.27 feet, and continuing the following courses;

Thence S 00°33'03" E a distance of 149.82' to the **Point of Ending** having coordinates of Northing=489226.49 feet, Easting=784518.71 feet from said point a 1" iron pipe w/BC found for the south quarter corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 57°04'30" E a distance of 1021.59', covering **149.82' or 9.08 rods** and having an area of **0.103 acres**.

NOTES:

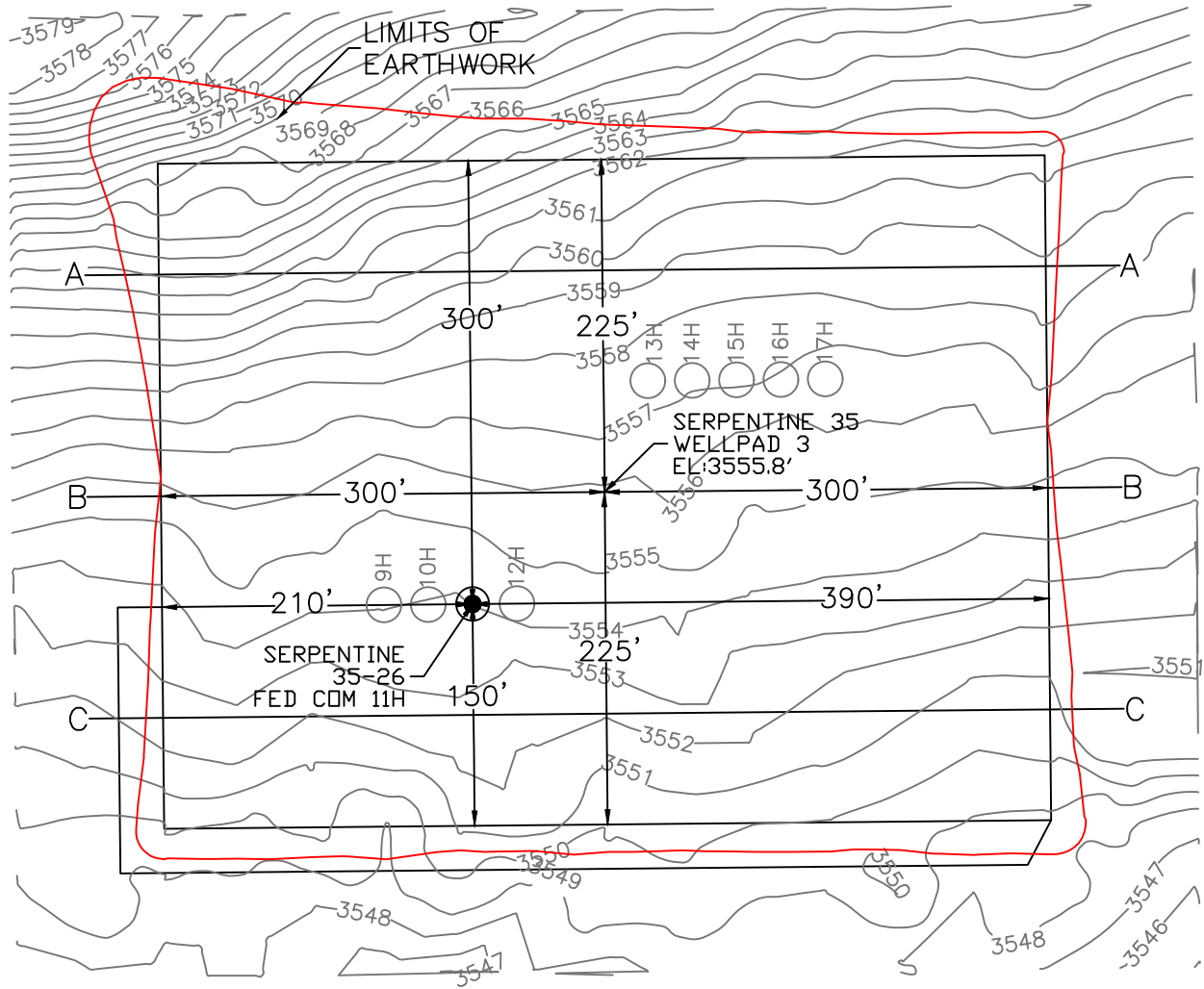
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

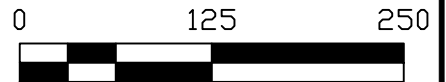

B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
PLAN VIEW



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 11H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1448 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



EARTHWORK QUANTITIES FOR
SERPENTINE 35 WELLPAD 3

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,228 CY | 18,228 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

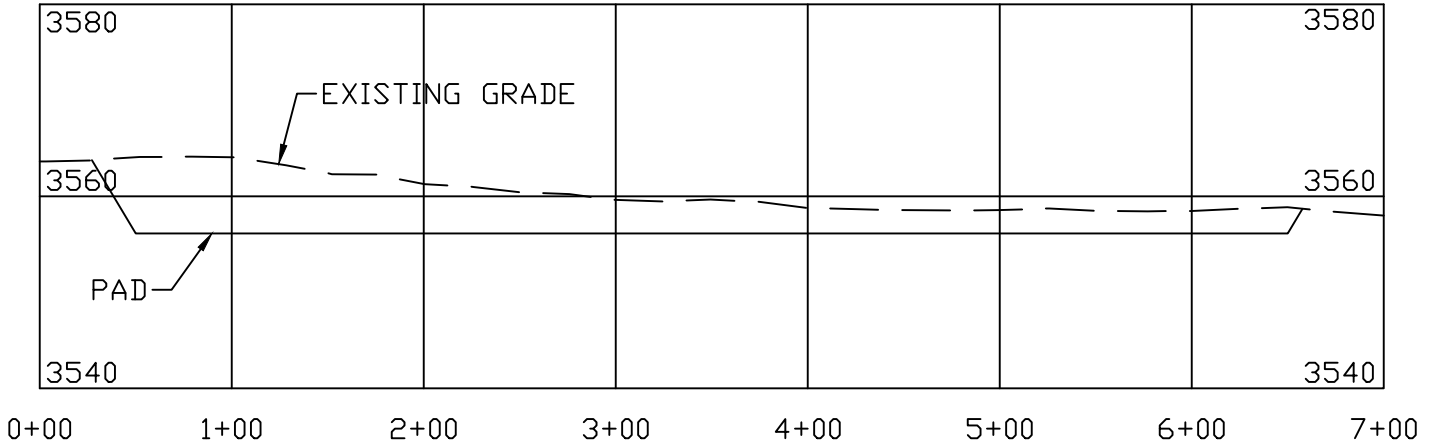
Date: 10/20/2021

Drawn for:

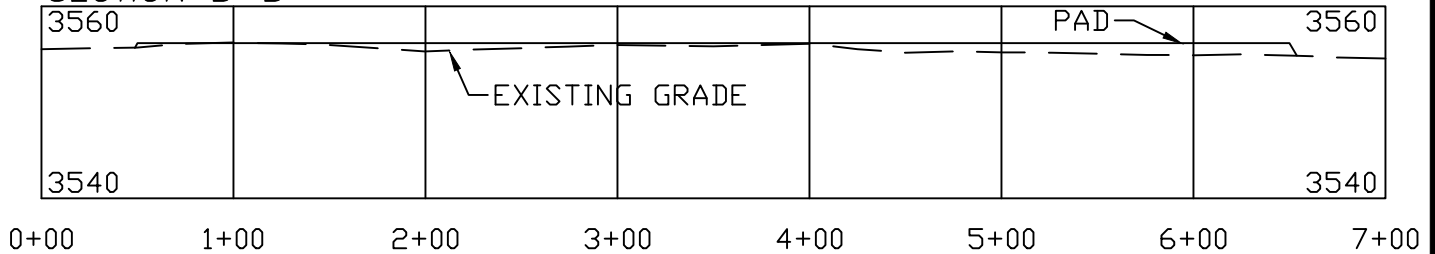


SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
CROSS SECTIONS

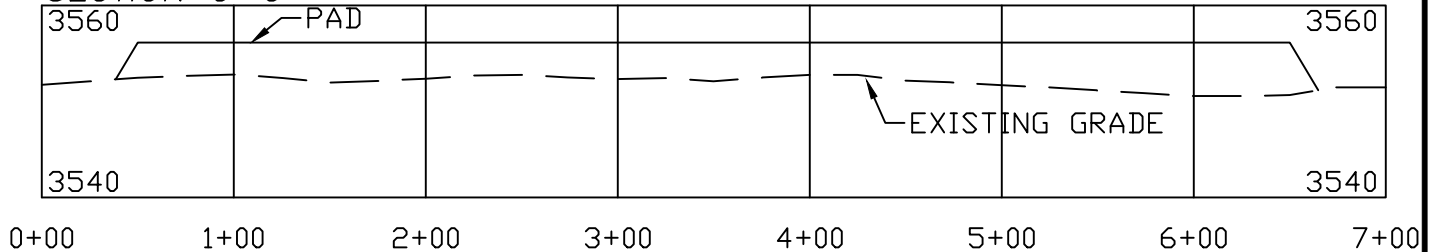
SECTION A-A



SECTION B-B



SECTION C-C



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 11H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1448 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

SCALE 1" = 100' HORIZONTAL
SCALE 1" = 20' VERTICAL

EARTHWORK QUANTITIES FOR
SERPENTINE 35 WELLPAD 3

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,228 CY | 18,228 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

Date: 10/20/2021

Drawn for:



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

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

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------|--|---------------------------------------|
| API Number | Pool Code 7320 | Pool Name BRINNINSTOOL;BONE SPRING |
| Property Code | Property Name SERPENTINE 35-26 FED COM | Well Number 12H |
| OGRID No. 6137 | Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | Elevation 3553.8' |

Surface Location

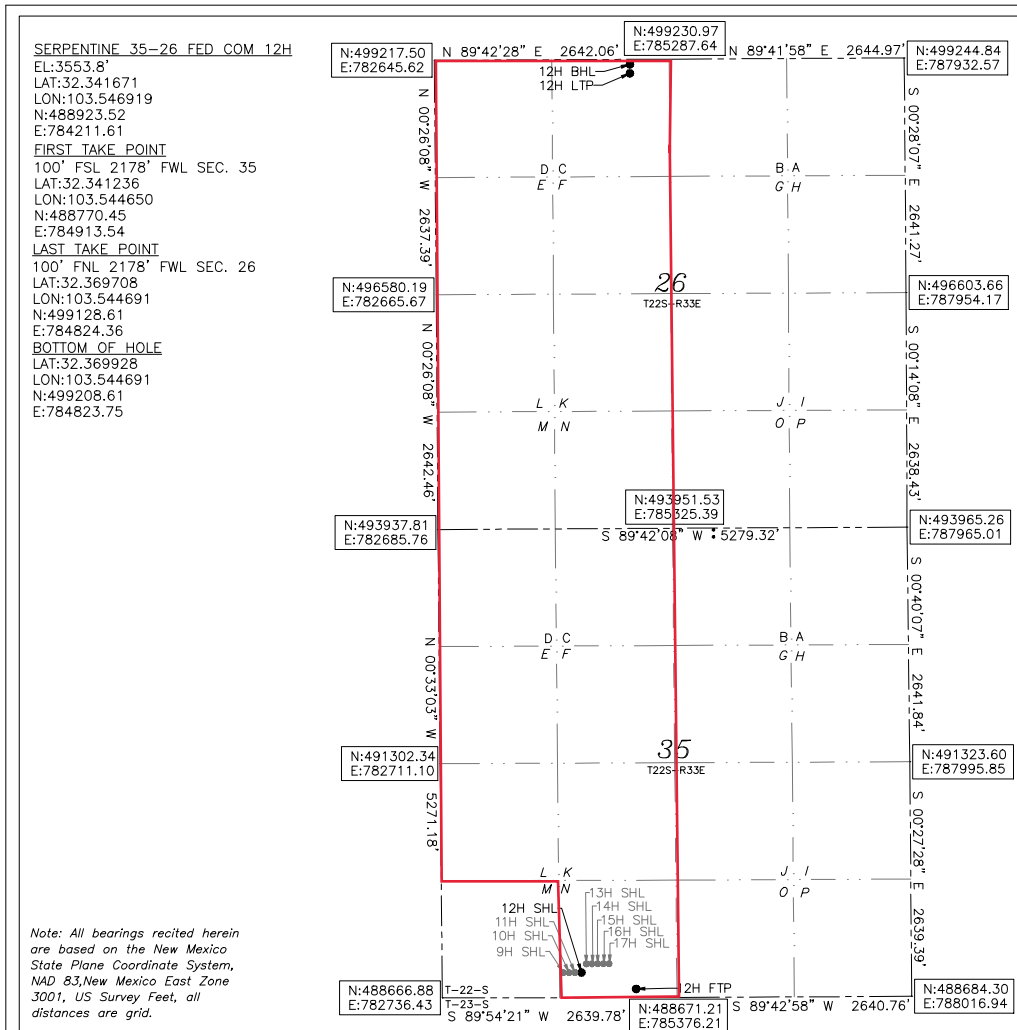
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 35 | 22-S | 33-E | | 254 | SOUTH | 1478 | WEST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C | 26 | 22-S | 33-E | | 20 | NORTH | 2178 | WEST | LEA |

| | | | |
|------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 600 | Joint or Infill | Consolidation Code | Order No. |
|------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Rebecca Deal Date: 12/15/2021

Printed Name: Rebecca Deal, Regulatory Analyst

E-mail Address: Rebecca.deal@dvn.com

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: 10/8/2021

Signature and Seal of Professional Surveyor

REV: 12/09/2021

Certificate No. 22404 B.L. LAMAN
DRAWN BY: CM

Intent As Drilled

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

Kick Off Point (KOP)

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

First Take Point (FTP)

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

Last Take Point (LTP)

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

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

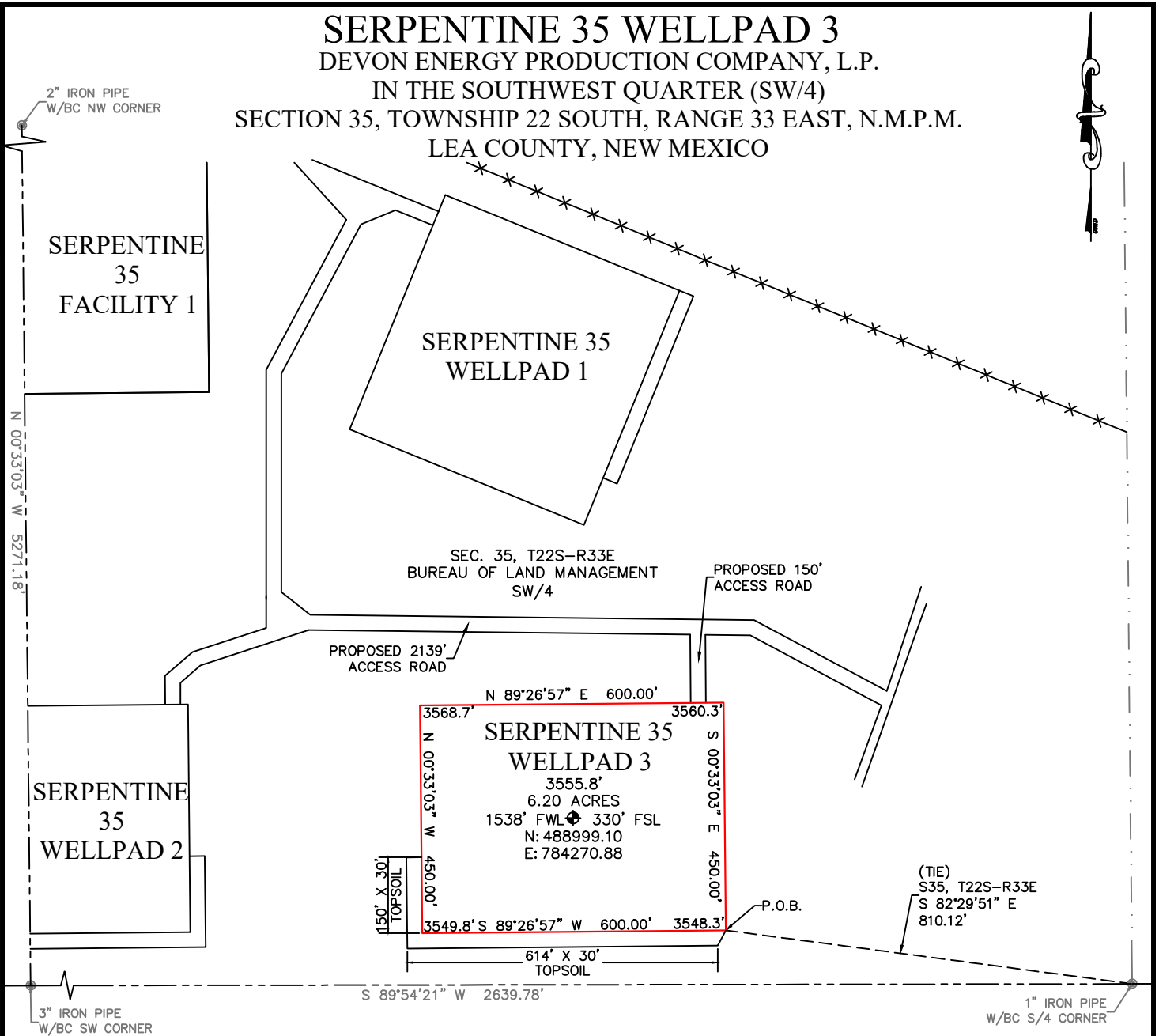
Is this well an infill well?

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

SERPENTINE 35 WELLPAD 3
 DEVON ENERGY PRODUCTION COMPANY, L.P.
 IN THE SOUTHWEST QUARTER (SW/4)
 SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, NEW MEXICO



DESCRIPTION

BEING A SURFACE SITE EASEMENT LYING IN SOUTHWEST QUARTER (SW/4) OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M., LEA COUNTY, NEW MEXICO.

BEGINNING AT THE SOUTHEAST CORNER OF SAID SITE EASEMENT, WHERE A 1" IRON PIPE W/BC FOR THE SOUTH QUARTER CORNER OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M. BEARS S 82°29'51" E , A DISTANCE 810.12';

THENCE S 89°26'57" W, A DISTANCE 600.00 FEET TO THE SOUTHWEST CORNER OF THIS EASEMENT;
 THENCE N 00°33'03" W, A DISTANCE 450.00 FEET TO THE NORTHWEST CORNER OF THIS EASEMENT;
 THENCE N 89°26'57" E, A DISTANCE 600.00 FEET TO THE NORTHEAST CORNER OF THIS EASEMENT;
 THENCE S 00°33'03" E, A DISTANCE 450.00 FEET TO THE SOUTHEAST CORNER OF THIS EASEMENT,
 TO THE POINT OF BEGINNING; CONTAINING 6.20 ACRES.

GENERAL NOTES:

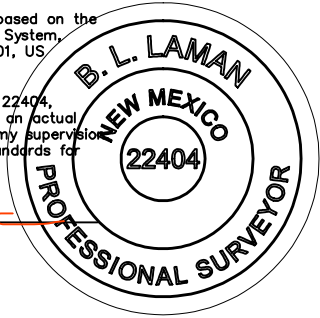
- 1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A WELLPAD.
- 2.) All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

0 300 600



B.L. Laman PLS #22404
 Horizonrow, LLC
 Date Signed: 10-19-2021
 P.O. Box 548, Dry Creek, La.
 (903) 388-3045 70637
 Employee of Horizonrow, LLC

HORIZON ROW LLC

Drawn for:

Drawn by: JEANNIE PERRY Date: 10/13/2021

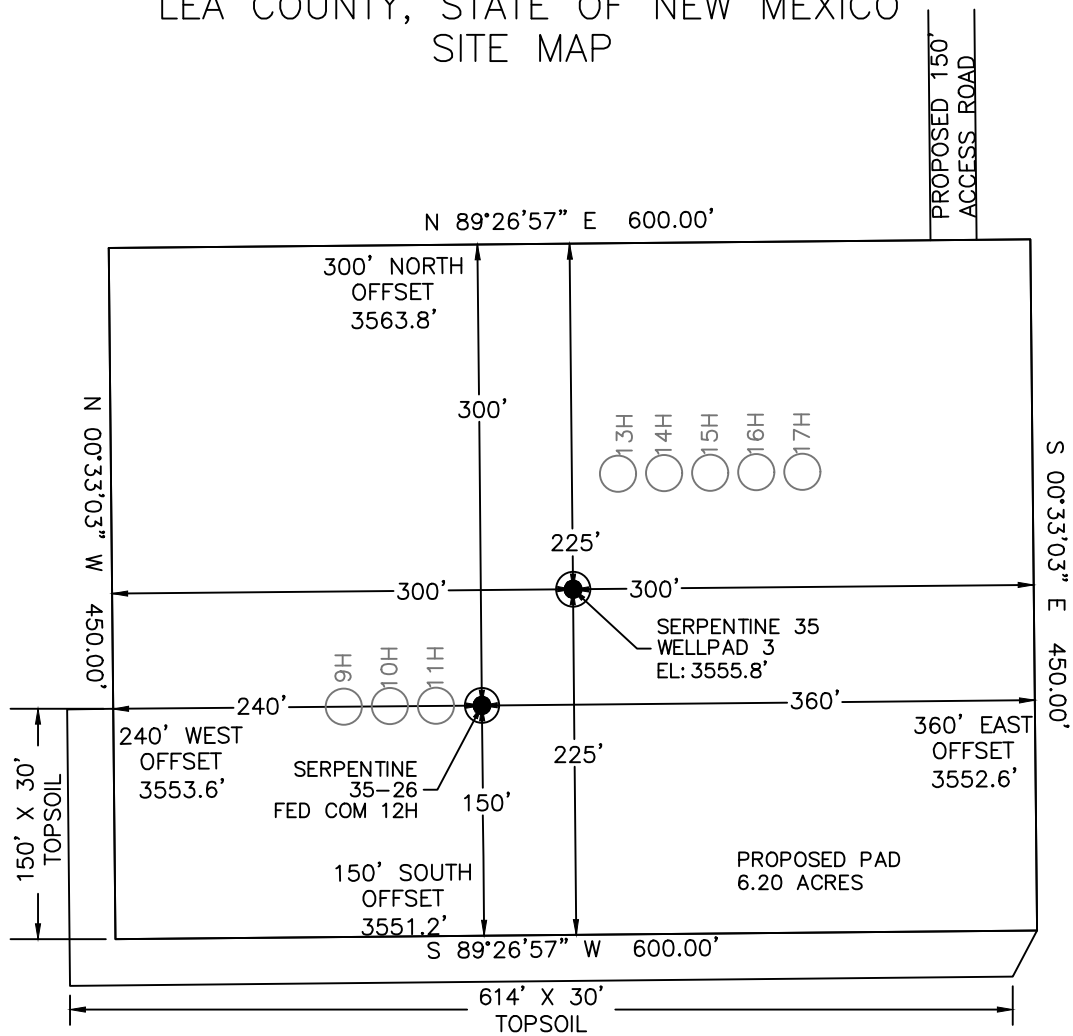
DEVON ENERGY PRODUCTION COMPANY, L.P.

SERPENTINE 35 WELLPAD 3

SURVEY PLAT SHOWING A WELLPAD ON THE PROPERTY OF THE BUREAU OF LAND MANAGEMENT

| |
|---------------------------------|
| SITE NUMBER: AA000504614 |
| WBS NUMBER: XX-141841.01.SLC |
| SCALE: 1" = 300' |
| REVISIONS: |
| DATE OF SURVEY: 06/25/21 |

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
SITE MAP



| | | | |
|--|--|--|--|
| <u>SERPENTINE 35-26 FED COM 9H</u> 254' FSL 1388' FWL SEC. 35 EL: 3553.3' N: 488922.66 E: 784121.61 | <u>SERPENTINE 35-26 FED COM 10H</u> 254' FSL 1418' FWL SEC. 35 EL: 3553.6' N: 488922.95 E: 784151.61 | <u>SERPENTINE 35-26 FED COM 11H</u> 254' FSL 1448' FWL SEC. 35 EL: 3554.0' N: 488923.23 E: 784181.61 | <u>SERPENTINE 35-26 FED COM 12H</u> 254' FSL 1478' FWL SEC. 35 EL: 3553.8' N: 488923.52 E: 784211.61 |
| <u>SERPENTINE 35-26 FED COM 13H</u> 405' FSL 1568' FWL SEC. 35 EL: 3557.2' N: 489074.38 E: 784300.16 | <u>SERPENTINE 35-26 FED COM 14H</u> 405' FSL 1598' FWL SEC. 35 EL: 3557.3' N: 489074.67 E: 784330.16 | <u>SERPENTINE 35-26 FED COM 15H</u> 405' FSL 1628' FWL SEC. 35 EL: 3556.6' N: 489074.96 E: 784360.16 | <u>SERPENTINE 35-26 FED COM 16H</u> 406' FSL 1658' FWL SEC. 35 EL: 3556.7' N: 489075.25 E: 784390.16 |
| <u>SERPENTINE 35 FED 17H</u> 406' FSL 1688' FWL SEC. 35 EL: 3556.6' N: 489075.53 E: 784420.16 | | | |

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 12H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1478 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

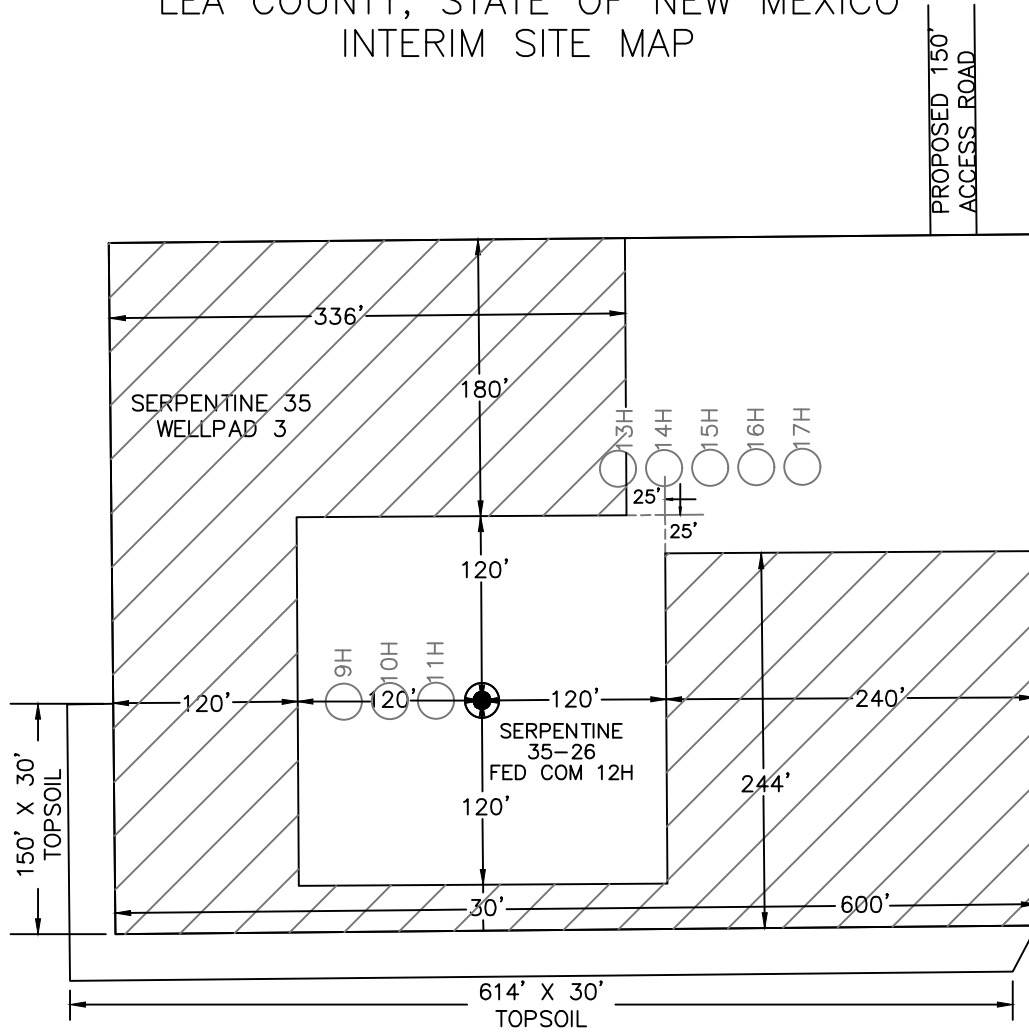
HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.


Drawn by: JEANNIE PERRY Date: 10/21/2021

Drawn for:

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
INTERIM SITE MAP



| | | | |
|--|--|--|--|
| <u>SERPENTINE 35-26 FED COM 9H</u> 254' FSL 1388' FWL SEC. 35 EL: 3553.3' N: 488922.66 E: 784121.61 | <u>SERPENTINE 35-26 FED COM 10H</u> 254' FSL 1418' FWL SEC. 35 EL: 3553.6' N: 488922.95 E: 784151.61 | <u>SERPENTINE 35-26 FED COM 11H</u> 254' FSL 1448' FWL SEC. 35 EL: 3554.0' N: 488923.23 E: 784181.61 | <u>SERPENTINE 35-26 FED COM 12H</u> 254' FSL 1478' FWL SEC. 35 EL: 3553.8' N: 488923.52 E: 784211.61 |
| <u>SERPENTINE 35-26 FED COM 13H</u> 405' FSL 1568' FWL SEC. 35 EL: 3557.2' N: 489074.38 E: 784300.16 | <u>SERPENTINE 35-26 FED COM 14H</u> 405' FSL 1598' FWL SEC. 35 EL: 3557.3' N: 489074.67 E: 784330.16 | <u>SERPENTINE 35-26 FED COM 15H</u> 405' FSL 1628' FWL SEC. 35 EL: 3556.6' N: 489074.96 E: 784360.16 | <u>SERPENTINE 35-26 FED COM 16H</u> 406' FSL 1658' FWL SEC. 35 EL: 3556.7' N: 489075.25 E: 784390.16 |
| <u>SERPENTINE 35 FED 17H</u> 406' FSL 1688' FWL SEC. 35 EL: 3556.6' N: 489075.53 E: 784420.16 | | | |

 DENOTES INTERIM PAD RECLAMATION AREA
3.64 ± ACRES INTERIM PAD RECLAMATION AREA
2.56 ± ACRES NON-RECLAIMED AREA

6.20 ± ACRES GRADING SITE RECLAMATION AREA



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 12H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1478 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

HORIZON ROW LLC

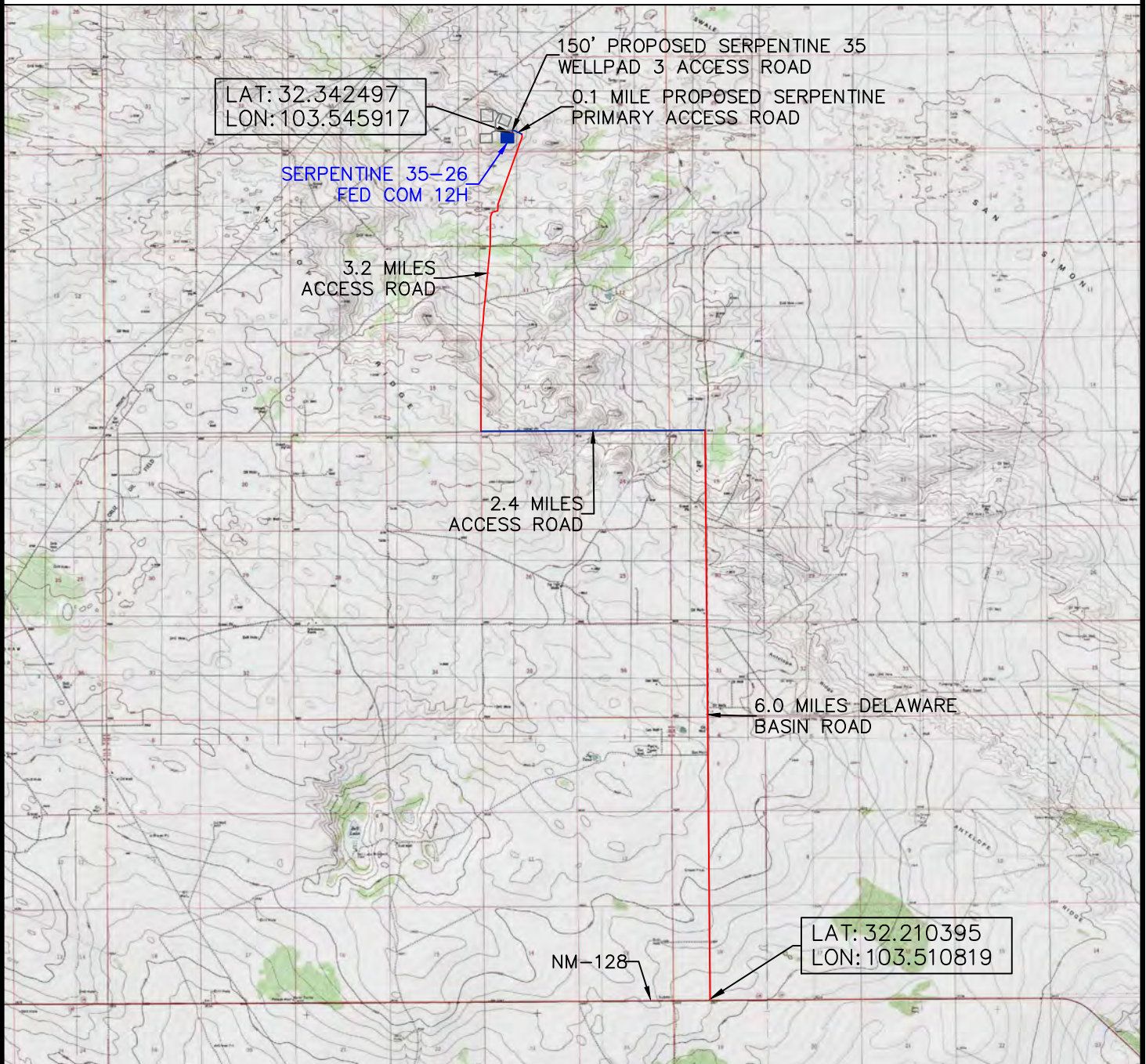
DEVON ENERGY PRODUCTION CO., L.P.

Drawn by: JEANNIE PERRY Date: 10/21/2021

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO VICINITY MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 12H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1478 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

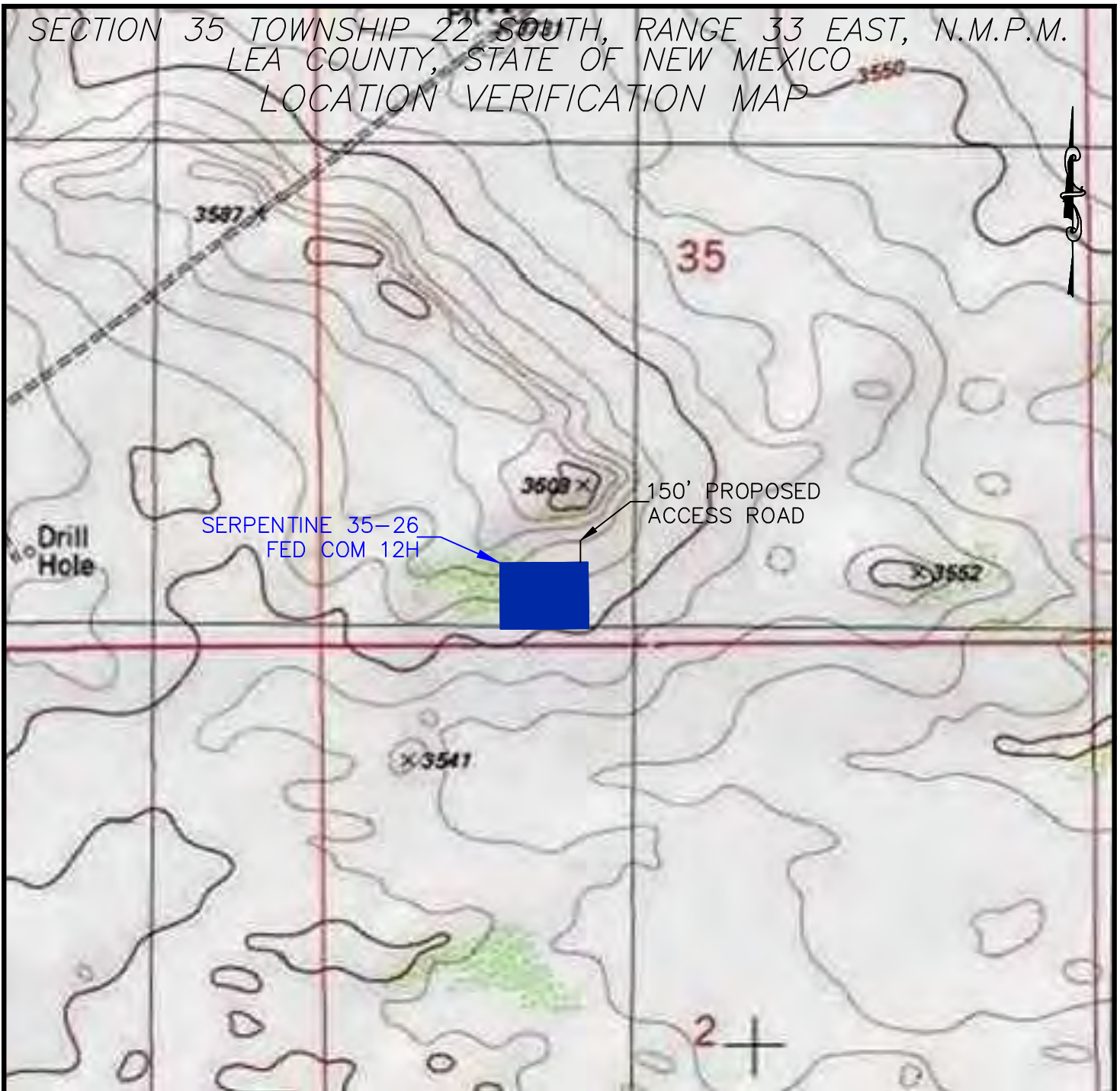
Drawn by:
JEANNIE PERRY

Date: 10/21/2021

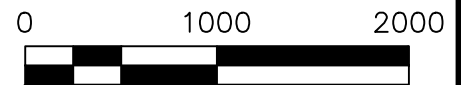
Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 12H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1478 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

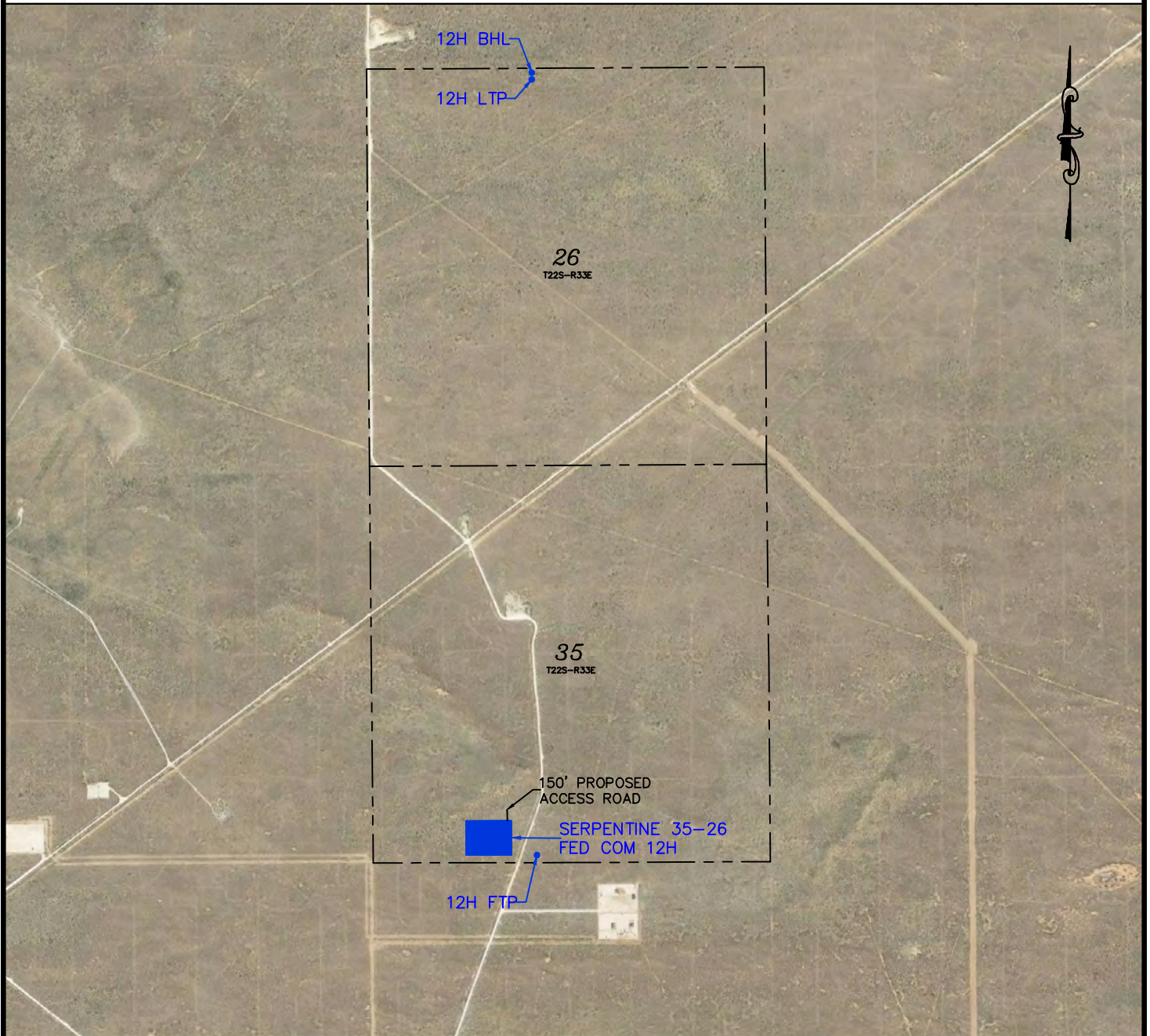
Drawn by
JEANNIE PERRY

Date: 10/21/2021

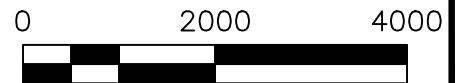
Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 12H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1478 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO



HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

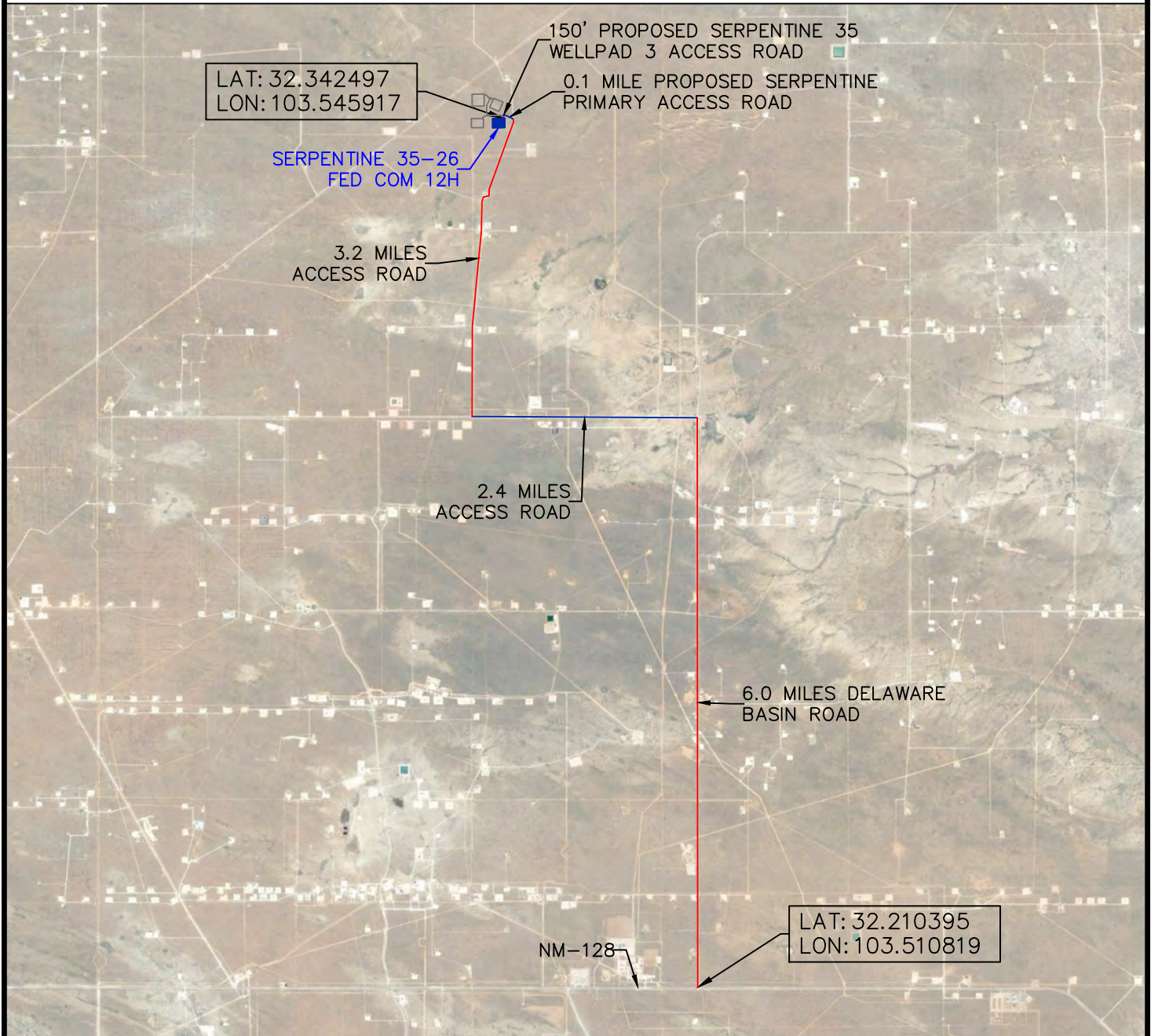
Drawn by:
JEANNIE PERRY

Date: 10/20/2021
REV: 12/8/2021 CM

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 12H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1478 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

NOT TO SCALE

HORIZON ROW LLC

Drawn for:

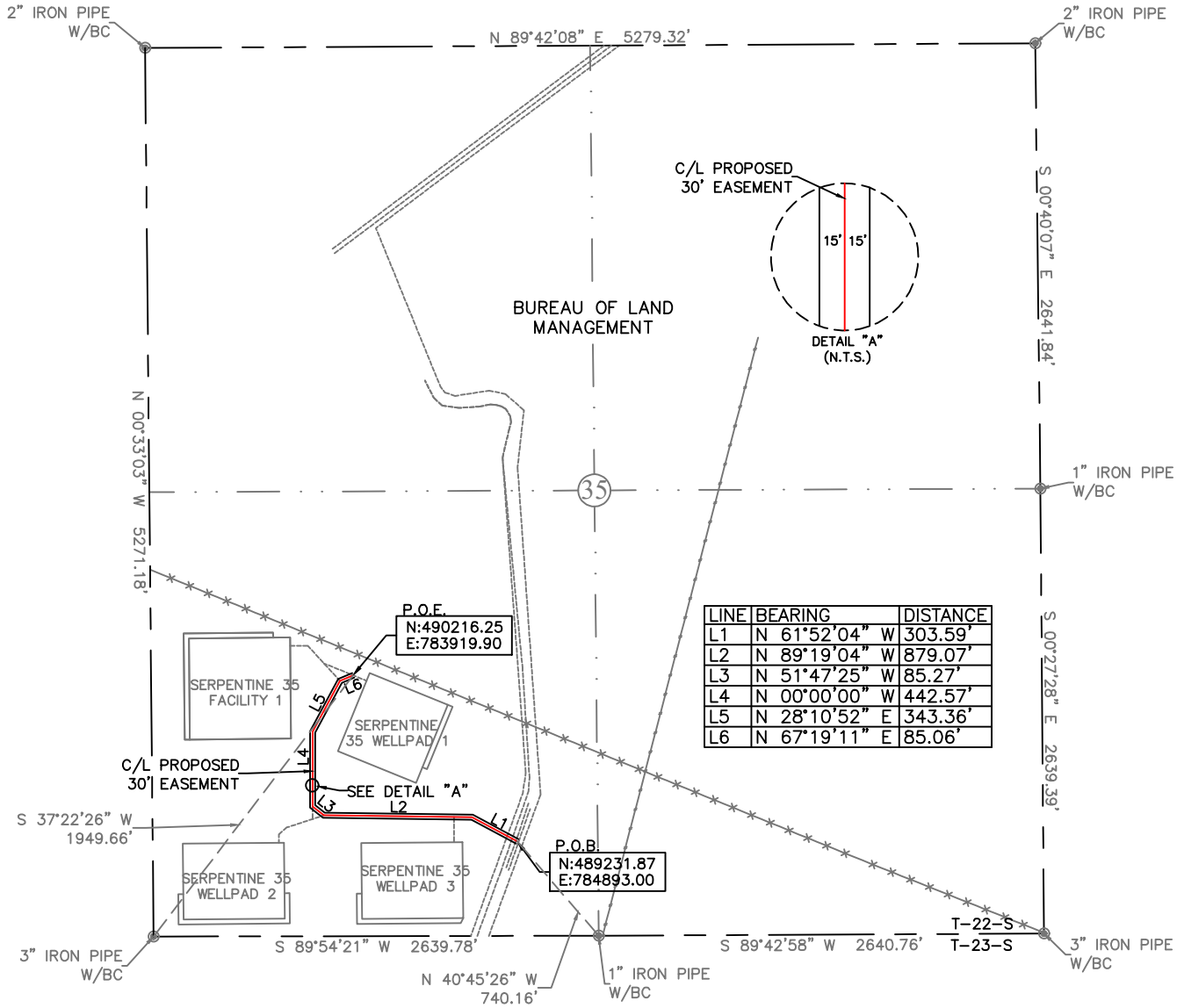
DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

Date: 10/21/2021



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO



| LINE | BEARING | DISTANCE |
|------|---------------|----------|
| L1 | N 61°52'04" W | 303.59' |
| L2 | N 89°19'04" W | 879.07' |
| L3 | N 51°47'25" W | 85.27' |
| L4 | N 00°00'00" W | 442.57' |
| L5 | N 28°10'52" E | 343.36' |
| L6 | N 67°19'11" E | 85.06' |

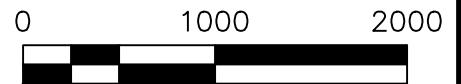
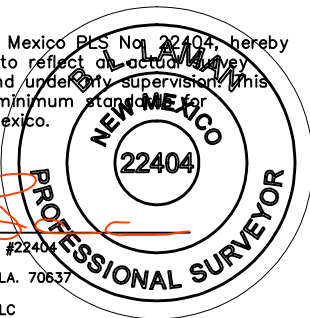
30' EASEMENT AREA = 1.47 ACRE(S)
2138.92 FEET OR 129.63 RODS

SEE THE ATTACHED LEGAL DESCRIPTION

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

- 0+00.0 P.O.B.
- 0+08.1 EDGE OF ROAD
- 0+30.4 BURIED PIPELINE
- 4+11.7 SERPENTINE 35 WELLPAD 3 ACCESS ROAD
- 11+82.7 SERPENTINE 35 WELLPAD 2 ACCESS ROAD
- 20+53.8 SERPENTINE 35 FACILITY 1 ACCESS ROAD
- 21+38.9 P.O.E./SERPENTINE 35 WELLPAD 1 ACCESS ROAD

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

| | | | |
|-------------------------|--|--|------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: |
| Drawn for: | | SERPENTINE 35 PRIMARY ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| Drawn by: JEANNIE PERRY | | PROPOSED 30' EASEMENT ON THE PROPERTY OF BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | SCALE: 1" = 1000' |
| Date: 10/12/2021 | | | REVISIONS: |
| | | | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 1" iron pipe w/BC found for the south quarter corner of Section 35;

Thence N 40°45'26" W, a distance of 740.16' to the **Point of Beginning** of this easement having coordinates of Northing=489231.87 feet, Easting=784893.00 feet, and continuing the following courses;

- Thence N 61°52'04" W a distance of 303.59' to an angle point;
- Thence N 89°19'04" W a distance of 879.07' to an angle point;
- Thence N 51°47'25" W a distance of 85.27' to an angle point;
- Thence N 00°00'00" W a distance of 442.57' to an angle point;
- Thence N 28°10'52" E a distance of 343.36' to an angle point;

Thence N 67°19'11" E a distance of 85.06' to the **Point of Ending** having coordinates of Northing=490216.25 feet, Easting=783919.90 feet from said point a 3" iron pipe w/BC found for the southwest corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 37°22'26" W a distance of 1949.66', covering **2138.92' or 129.63 rods** and having an area of **1.47 acres**.

NOTES:

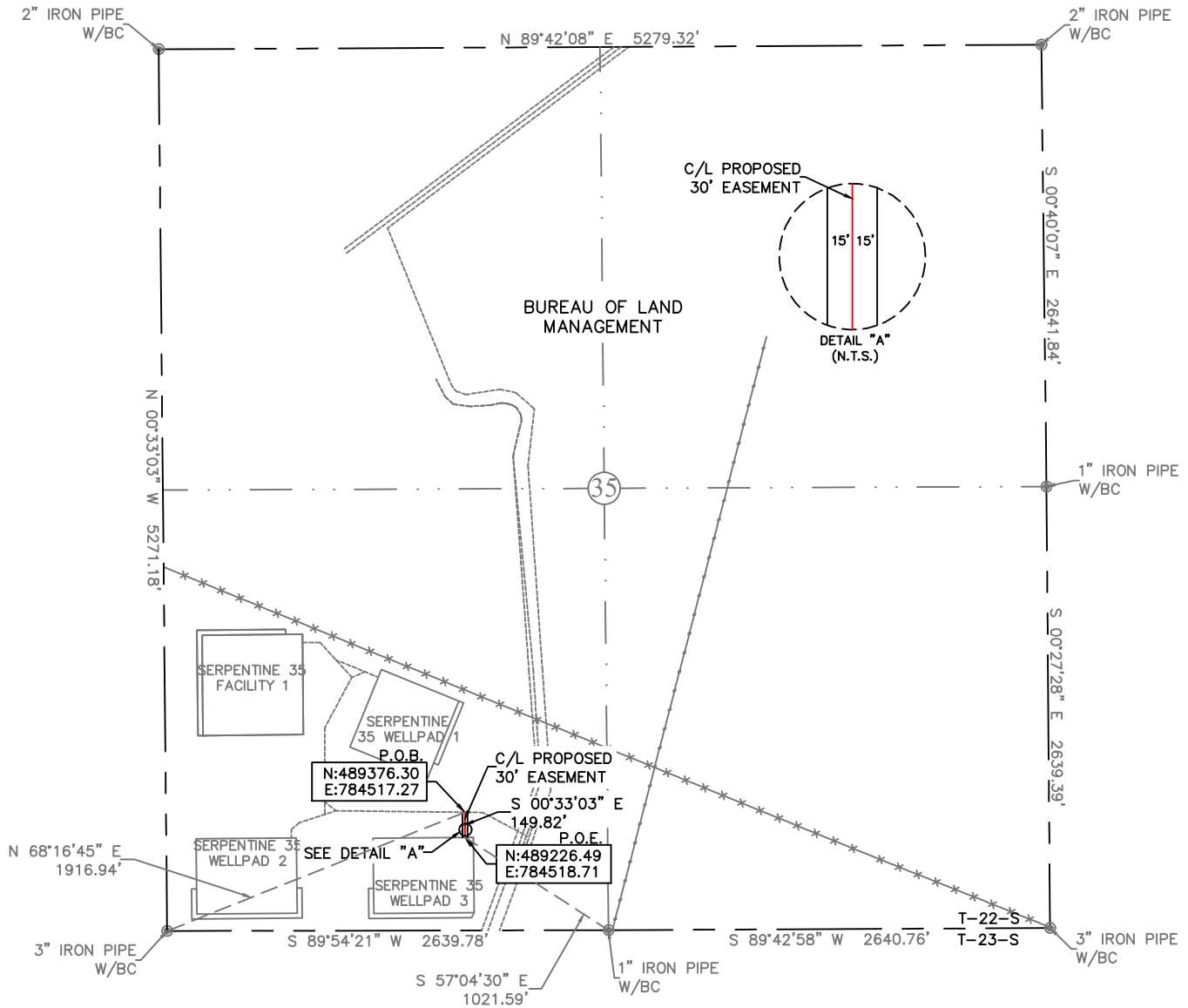
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO

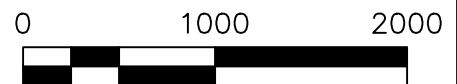


30' EASEMENT AREA = 0.103 ACRE(S)
149.82 FEET OR 9.08 RODS

0+00.0 P.O.B./SERPENTINE 35 PRIMARY ACCESS ROAD
1+49.8 P.O.E./SERPENTINE 35 WELLPAD 3

SEE THE ATTACHED LEGAL DESCRIPTION
Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect all actual surveys made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

| | | | |
|----------------------------|--|---|---------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: 7610326R |
| Drawn for: | | SERPENTINE 35 WELLPAD 3 ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| Drawn by: JEANNIE PERRY | | PROPOSED 30' EASEMENT ON THE PROPERTY OF BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | SCALE: 1" = 1000' |
| Date: 10/13/2021 | | | REVISIONS: |
| | | | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 3" iron pipe w/BC found for the southwest corner of Section 35;


Thence N 68°16'45" E, a distance of 1916.94' to the **Point of Beginning** of this easement having coordinates of Northing=489376.30 feet, Easting=784517.27 feet, and continuing the following courses;

Thence S 00°33'03" E a distance of 149.82' to the **Point of Ending** having coordinates of Northing=489226.49 feet, Easting=784518.71 feet from said point a 1" iron pipe w/BC found for the south quarter corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 57°04'30" E a distance of 1021.59', covering **149.82' or 9.08 rods** and having an area of **0.103 acres**.

NOTES:

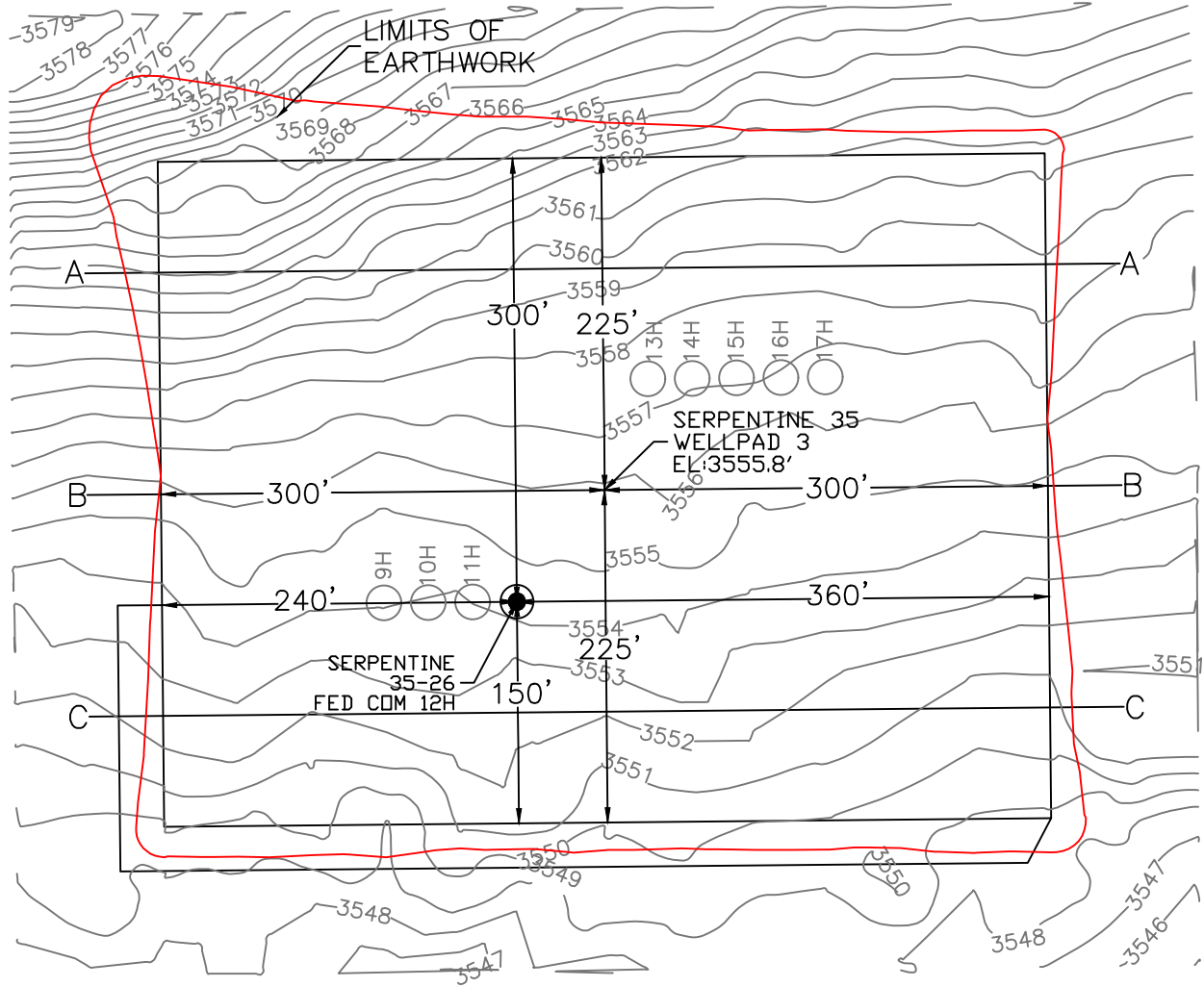
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.


B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
PLAN VIEW



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 12H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1478 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



EARTHWORK QUANTITIES FOR
SERPENTINE 35 WELLPAD 3

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,228 CY | 18,228 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

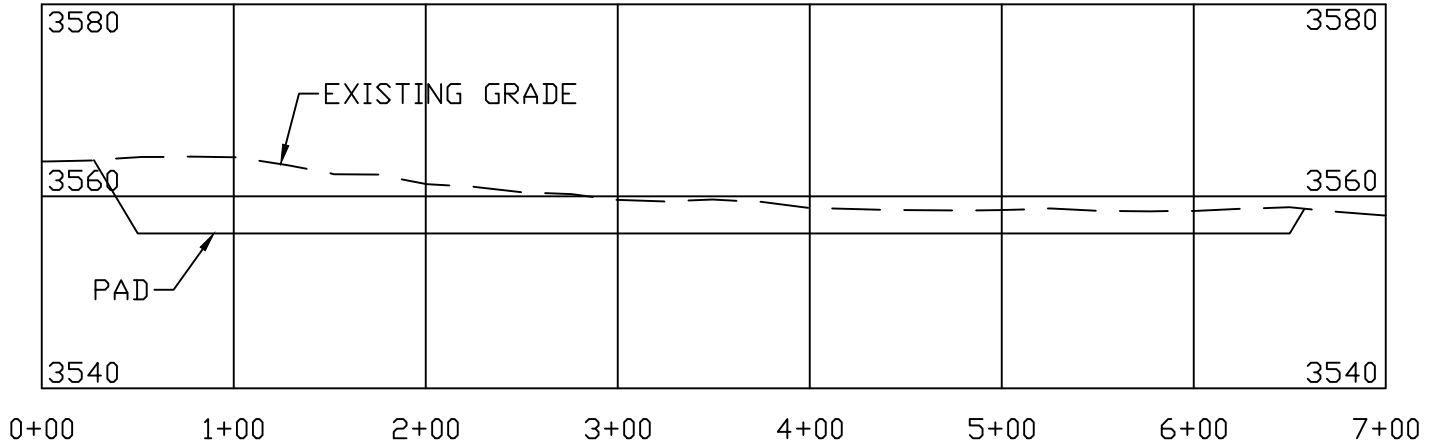
Date: 10/21/2021

Drawn for:

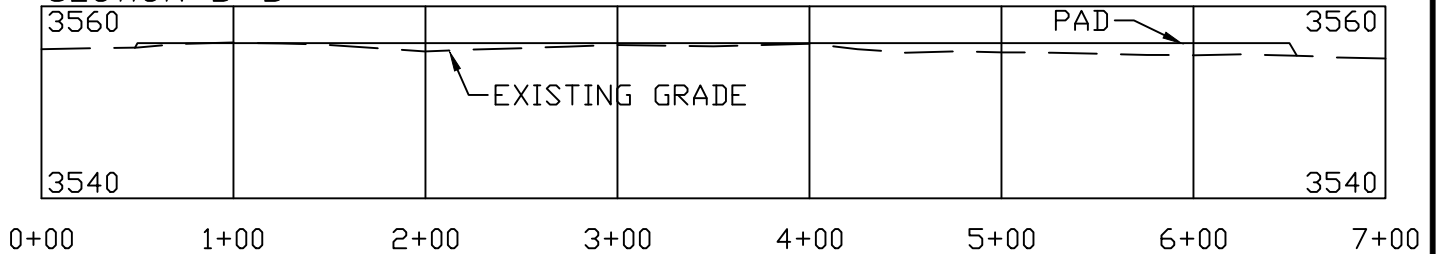


SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
CROSS SECTIONS

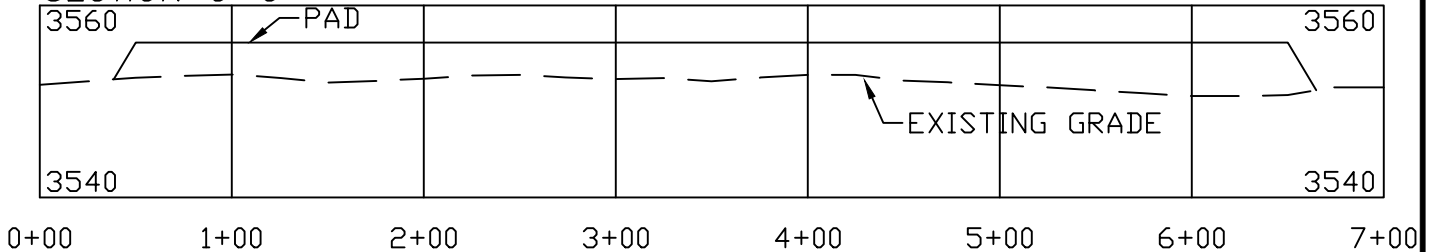
SECTION A-A



SECTION B-B



SECTION C-C



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 12H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1478 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

SCALE 1" = 100' HORIZONTAL
SCALE 1" = 20' VERTICAL

EARTHWORK QUANTITIES FOR
SERPENTINE 35 WELLPAD 3

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,228 CY | 18,228 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

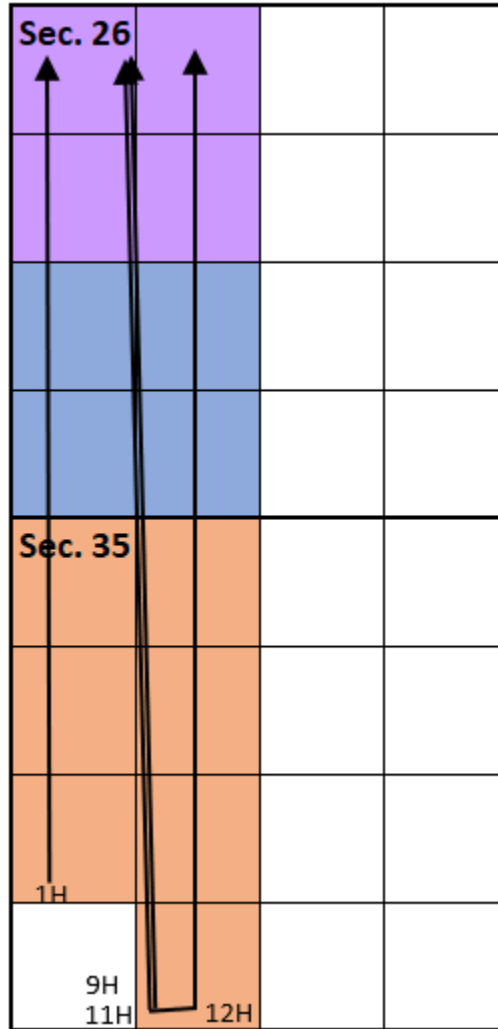
Date: 10/21/2021

Drawn for:

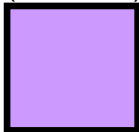


Exhibit "A-2"

W/2 of Section 26, NW/4 and N/2SW/4 and SE/4SW/4 of Section 35, T22S, R33E, Lea
County, New Mexico, Bone Spring Formation



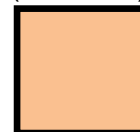
Tract 1:
USA NMNM 12846
(160 acres)



Tract 2:
USA NMNM 61360
(160 acres)



Tract 3:
USA NMNM 113969
(280 acres)



Serpentine 35-26 Fed Com 1H well

SHL: Sec. 35-22S-33E 1,346' FSL & 621' FWL

BHL: Sec. 26-22S-33E 20' FNL & 330' FWL

Serpentine 35-26 Fed Com 9H well

SHL: Sec. 35-22S-33E 254' FSL & 1,388' FWL

BHL: Sec. 26-22S-33E 20' FNL & 1,254' FWL

Serpentine 35-26 Fed Com 11H well

SHL: Sec. 35-22S-33E 254' FSL & 1,448' FWL

BHL: Sec. 26-22S-33E 20' FNL & 1,254' FWL

Serpentine 35-26 Fed Com 12H well

SHL: Sec. 35-22S-33E 254' FSL & 1,478' FWL

BHL: Sec. 26-22S-33E 20' FNL & 2,178' FWL

**OWNERSHIP BREAKDOWN – Bone Spring formation
W/2 of Section 26, NW/4 and N/2SW/4 and SE/4SW/4 of Section 35, T22S, R33E,
Lea County, New Mexico
Serpentine 35-26 Fed Com 1H, 9H, 11H, 12H**

TRACTS 1, 2 and 3 OWNERSHIP (encompassing the NW/4 of Section 26, SW/4 of Section 26, NW/4 and N/2SW/4 and SE/4SW/4 of Section 35, T22S, R33E, Lea County, New Mexico, being 600.00 acres)

| Owner | Net Acres | Unit WI | Status |
|--|---------------|-------------|--------------------|
| Marathon Oil Permian, LLC 990 Town and Country Blvd. Houston, TX 77024 | 160.00 | 100% | Uncommitted |
| TRACT 1 TOTAL | 160.00 | 100% | |
| Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102 | 160.00 | 100% | Committed |
| TRACT 2 TOTAL | 160.00 | 100% | |
| Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102 | 280.00 | 100% | Committed |
| TRACT 3 TOTAL | 280.00 | 100% | |
| TRACTS 1, 2, 3 TOTAL | 600.00 | 100% | |

UNIT RECAPITULATION:

**W/2 of Section 26, NW/4 and N/2SW/4 and SE/4SW/4 of Section 35, T22S, R33E,
Lea County, New Mexico**

| | | |
|---------------------------------------|------------|----|
| Devon Energy Production Company, L.P. | 73.333333% | WI |
| Marathon Oil Permian, LLC | 26.666666% | WI |

UNIT TOTAL: 100% WI

Overriding Royalty Owners

States Royalty Limited Partnership
300 N. Breckenridge Ave.
Breckenridge, TX 76424

Monty D. McLane
6800 County Rd. 48
Midland, TX 79707

AmeriPermian Holdings, LLC
1733 Woodstead Ct, Suite 206
The Woodlands, TX 77380

David B. Engle
38315 Sunset Dr
Oconomowoc, WI 53066

McMullen Minerals, LLC
PO Box 470857
Fort Worth, TX 761477

Pegasus Resources, LLC
2821 W. 7th St. #500
Fort Worth, TX 76107

Viper Energy Partners, LLC
500 West Texas Ste. 1200
Midland, TX 79701

October 13, 2022

Marathon Oil Permian LLC
5555 San Felipe St.
Houston, TX 77056

Re: Supplement to Well Proposal dated February 2, 2022
Serpentine 35-26 Fed Com 1H, 2H, 5H, 6H, 9H, 10H, 11H, 12H, and 16H
Sections 35 & 26-22S-33E
Lea County, New Mexico

Dear Working Interest Owner,

Devon Energy Production Company, L.P. (“Devon”) is providing this Supplemental Letter (“Supplement”) to be incorporated into the Well Proposal dated February 2, 2022 (“Well Proposal”), in order to update the Serpentine 35-26 Fed Com 9H Well (the “9H Well”) with certain adjustments pursuant the eleventh paragraph of the Well Proposal in which Devon reserved the right to modify locations and drilling plans.

Devon adjusts the specifications of the 9H Well as follows:

- Serpentine 35-26 Fed Com 9H, to be drilled to a depth to test the Bone Spring formation, at a total vertical depth of 12,050’, and total measured depth of 22,050’.

This change, and no other change, is made to the Well Proposal to optimize the development in the proposed horizontal spacing unit and prevent waste. The estimated SHL, BHL, Authority for Expenditure, and all other specifications remain unchanged for the 9H Well and the other wells proposed, and the original Well Proposal dated February 2, 2022, remains in effect subject to this Supplement.

Should you have any questions, please do not hesitate to contact me at (405) 552-3337.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Matthew Hoops
Sr. Staff Landman





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

405 235 3611 Phone
www.devonenergy.com

February 2, 2022

Marathon Oil Permian LLC
5555 San Felipe St
Houston, TX 77056

RE: Serpentine 35-26 Fed Com 1H, 2H, 5H, 6H, 9H, 10H, 11H, 12H, and 16H
Sections 35 & 26-22S-33E
Lea County, New Mexico

Dear Working Interest Owner,

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

Serpentine 35-26 Fed Com 1H – to be drilled to a depth sufficient to test the 2nd Bone Spring formation at an approximate TVD of 11,000' and approximate TMD of 20,391'. The surface location will be 1346' FSL & 621' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 330' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$1,985,169.84 and total completed well costs of \$5,236,468.73.

Serpentine 35-26 Fed Com 2H – to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate TVD of 12,275' and approximate TMD of 21,453'. The surface location will be 1346' FSL & 651' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 330' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$3,263,140.02 and total completed well costs of \$7,070,049.87.

Serpentine 35-26 Fed Com 5H – to be drilled to a depth sufficient to test the Avalon formation at an approximate TVD of 9,550' and approximate TMD of 18,995'. The surface location will be 1208' FSL & 1366' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 330' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of 1,881,613.69 and total completed well costs of \$5,122,209.72.

Serpentine 35-26 Fed Com 6H – to be drilled to a depth sufficient to test the Avalon formation at an approximate TVD of 9,550' and approximate TMD of 18,960'. The surface location will be 1196' FSL & 1393' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 1254' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$2,187,203.67 and total completed well costs of \$5,427,799.70.

Marathon Oil Permian LLC
February 2, 2022

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Serpentine 35-26 Fed Com 9H – to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate TVD of 12,275' and approximate TMD of 21,703'. The surface location will be 254' FSL & 1388' FWL, Section 35-22S-33E and bottom hole will be approximately 20' FNL & 1254' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed location for your review is Devon's AFE indicating drilling costs of \$3,238,015.02 and total completed well costs of \$7,044,924.87.

Serpentine 35-26 Fed Com 10H – to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate TVD of 12,275' and approximate TMD of 22,586'. The surface location will be 254' FSL & 1418' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 2178' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$2,932,424.97 and total completed well costs of \$6,739,334.82.

Serpentine 35-26 Fed Com 11H – to be drilled to a depth sufficient to test the 2nd Bone Spring formation at an approximate TVD of 11,000' and approximate TMD of 20,353'. The surface location will be 254' FSL & 1448' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 1254' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$1,960,044.84 and total completed well costs of \$5,211,343.73.

Serpentine 35-26 Fed Com 12H – to be drilled to a depth sufficient to test the 2nd Bone Spring formation at an approximate TVD of 11,000' and approximate TMD of 21,289'. The surface location will be 254' FSL & 1478' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 2178' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$1,960,044.84 and total completed well costs of \$5,211,343.73.

Serpentine 35-26 Fed Com 16H – to be drilled to a depth sufficient to test the Avalon formation at an approximate TVD of 9,550' and approximate TMD of 19,853'. The surface location will be 406' FSL & 1658' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 2178' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$2,187,203.67 and total completed well costs of \$5,427,799.70.

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

Please indicate our 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.

Marathon Oil Permian LLC
February 2, 2022

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If an agreement cannot be reached within 30 days of receipt of this letter, Devon will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the Wells, if uncommitted at such time.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Ryan Cloer
Sr. Staff Landman

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 1H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 1H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 2H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 2H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 5H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 5H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 6H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 6H** well.

Marathon Oil Permian LLC
February 2, 2022

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_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 9H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 9H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 10H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 10H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 11H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 11H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 12H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 12H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 16H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 16H** well.

Company Name: _____

Signature: _____ Date: _____



Authorization for Expenditure

AFE # XX-147333.01
 Well Name: SERPENTINE 35-26 FED COM 1H
 Cost Center Number: 1094628301
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL 2ND BONE SPRING WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 74,408.91 | 0.00 | 74,408.91 |
| 6060100 | DYED LIQUID FUELS | 70,937.81 | 226,429.48 | 0.00 | 297,367.29 |
| 6080100 | DISPOSAL - SOLIDS | 58,185.89 | 2,128.42 | 0.00 | 60,314.31 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,377.88 | 0.00 | 10,377.88 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 52,650.00 | 0.00 | 52,650.00 |
| 6090100 | FLUIDS - WATER | 8,068.34 | 17,953.68 | 0.00 | 26,022.02 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 168,719.29 | 0.00 | 168,719.29 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,803.84 | 0.00 | 83,803.84 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 1,946.90 | 0.00 | 0.00 | 1,946.90 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 12,896.44 | 0.00 | 12,896.44 |
| 6130370 | ROTC - GEOSTEERING | 5,912.96 | 0.00 | 0.00 | 5,912.96 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 152,660.76 | 0.00 | 152,660.76 |
| 6160100 | MATERIALS & SUPPLIES | 7,685.53 | 0.00 | 0.00 | 7,685.53 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 74,168.95 | 0.00 | 74,168.95 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 52,624.46 | 0.00 | 0.00 | 52,624.46 |
| 6190110 | TRUCKING&HAUL OF EQP | 15,025.05 | 35,050.63 | 0.00 | 50,075.68 |
| 6200130 | CONSLT & PROJECT SVC | 83,711.85 | 67,051.91 | 0.00 | 150,763.76 |
| 6230120 | SAFETY SERVICES | 22,674.05 | 0.00 | 0.00 | 22,674.05 |
| 6300270 | SOLIDS CONTROL SRVCS | 37,106.79 | 0.00 | 0.00 | 37,106.79 |
| 6310120 | STIMULATION SERVICES | 0.00 | 559,937.91 | 0.00 | 559,937.91 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 362,145.98 | 0.00 | 362,145.98 |
| 6310200 | CASING & TUBULAR SVC | 37,473.21 | 0.00 | 0.00 | 37,473.21 |
| 6310250 | CEMENTING SERVICES | 84,338.95 | 0.00 | 0.00 | 84,338.95 |
| 6310280 | DAYWORK COSTS | 299,495.69 | 0.00 | 0.00 | 299,495.69 |
| 6310300 | DIRECTIONAL SERVICES | 159,832.25 | 0.00 | 0.00 | 159,832.25 |
| 6310310 | DRILL BITS | 47,437.26 | 0.00 | 0.00 | 47,437.26 |
| 6310330 | DRILL&COMP FLUID&SVC | 212,984.35 | 9,704.42 | 0.00 | 222,688.77 |
| 6310370 | MOB & DEMOBILIZATION | 64,166.56 | 0.00 | 0.00 | 64,166.56 |
| 6310380 | OPEN HOLE EVALUATION | 11,836.87 | 0.00 | 0.00 | 11,836.87 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,732.44 | 0.00 | 118,732.44 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,510.50 | 0.00 | 19,510.50 |
| 6320100 | EQPMNT SVC-SRF RNTL | 81,287.36 | 144,565.40 | 0.00 | 225,852.76 |
| 6320110 | EQUIP SVC - DOWNHOLE | 72,695.67 | 21,346.29 | 0.00 | 94,041.96 |
| 6320160 | WELDING SERVICES | 420.48 | 0.00 | 0.00 | 420.48 |
| 6320190 | WATER TRANSFER | 0.00 | 64,320.78 | 0.00 | 64,320.78 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 9,095.15 | 0.00 | 9,095.15 |

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



Authorization for Expenditure

AFE # XX-147333.01

Well Name: SERPENTINE 35-26 FED COM 1H

AFE Date: 2/2/2022

Cost Center Number: 1094628301

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|--------------------------|---------------------|---------------------|----------------|---------------------|
| 6550110 | MISCELLANEOUS SVC | 9,674.48 | 0.00 | 0.00 | 9,674.48 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,451.36 | 34,103.81 | 0.00 | 38,555.17 |
| 6740340 | TAXES OTHER | 0.00 | 24,732.18 | 0.00 | 24,732.18 |
| | Total Intangibles | 1,565,974.12 | 2,467,547.88 | 0.00 | 4,033,522.00 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|-------------------|-------------------|----------------|---------------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 107,163.22 | 0.00 | 107,163.22 |
| 6310460 | WELLHEAD EQUIPMENT | 25,624.14 | 76,926.26 | 0.00 | 102,550.40 |
| 6310530 | SURFACE CASING | 19,487.80 | 0.00 | 0.00 | 19,487.80 |
| 6310540 | INTERMEDIATE CASING | 150,082.30 | 0.00 | 0.00 | 150,082.30 |
| 6310550 | PRODUCTION CASING | 187,462.71 | 0.00 | 0.00 | 187,462.71 |
| 6310580 | CASING COMPONENTS | 16,538.77 | 0.00 | 0.00 | 16,538.77 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 419,195.72 | 783,751.01 | 0.00 | 1,202,946.73 |

| | | | | |
|-----------------------------|---------------------|---------------------|-------------|---------------------|
| TOTAL ESTIMATED COST | 1,985,169.84 | 3,251,298.89 | 0.00 | 5,236,468.73 |
|-----------------------------|---------------------|---------------------|-------------|---------------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147336.01

Well Name: SERPENTINE 35-26 FED COM 2H

AFE Date: 2/2/2022

Cost Center Number: 1094628401

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL WOLFCAMP WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 95,211.17 | 0.00 | 95,211.17 |
| 6060100 | DYED LIQUID FUELS | 120,102.85 | 326,208.97 | 0.00 | 446,311.82 |
| 6080100 | DISPOSAL - SOLIDS | 98,512.93 | 1,065.52 | 0.00 | 99,578.45 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,389.69 | 0.00 | 10,389.69 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 93,600.00 | 0.00 | 93,600.00 |
| 6090100 | FLUIDS - WATER | 13,660.29 | 22,759.32 | 0.00 | 36,419.61 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 217,014.04 | 0.00 | 217,014.04 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,819.59 | 0.00 | 83,819.59 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 3,296.24 | 0.00 | 0.00 | 3,296.24 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 16,511.64 | 0.00 | 16,511.64 |
| 6130370 | ROTC - GEOSTEERING | 10,011.07 | 0.00 | 0.00 | 10,011.07 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 185,968.62 | 0.00 | 185,968.62 |
| 6160100 | MATERIALS & SUPPLIES | 13,012.17 | 0.00 | 0.00 | 13,012.17 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 77,391.66 | 0.00 | 77,391.66 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 89,097.03 | 0.00 | 0.00 | 89,097.03 |
| 6190110 | TRUCKING&HAUL OF EQP | 25,438.50 | 35,070.32 | 0.00 | 60,508.82 |
| 6200130 | CONSLT & PROJECT SVC | 138,091.61 | 76,545.32 | 0.00 | 214,636.93 |
| 6230120 | SAFETY SERVICES | 38,388.82 | 0.00 | 0.00 | 38,388.82 |
| 6300270 | SOLIDS CONTROL SRVCS | 62,824.49 | 0.00 | 0.00 | 62,824.49 |
| 6310120 | STIMULATION SERVICES | 0.00 | 692,845.24 | 0.00 | 692,845.24 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 454,621.35 | 0.00 | 454,621.35 |
| 6310200 | CASING & TUBULAR SVC | 63,444.87 | 0.00 | 0.00 | 63,444.87 |
| 6310250 | CEMENTING SERVICES | 142,791.96 | 0.00 | 0.00 | 142,791.96 |
| 6310280 | DAYWORK COSTS | 507,067.91 | 0.00 | 0.00 | 507,067.91 |
| 6310300 | DIRECTIONAL SERVICES | 270,607.59 | 0.00 | 0.00 | 270,607.59 |
| 6310310 | DRILL BITS | 80,314.73 | 0.00 | 0.00 | 80,314.73 |
| 6310330 | DRILL&COMP FLUID&SVC | 360,597.94 | 10,346.23 | 0.00 | 370,944.17 |
| 6310370 | MOB & DEMOBILIZATION | 108,638.64 | 0.00 | 0.00 | 108,638.64 |
| 6310380 | OPEN HOLE EVALUATION | 20,040.68 | 0.00 | 0.00 | 20,040.68 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 119,683.85 | 0.00 | 119,683.85 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 25,509.84 | 0.00 | 25,509.84 |
| 6320100 | EQPMNT SVC-SRF RNTL | 137,625.39 | 149,722.73 | 0.00 | 287,348.12 |
| 6320110 | EQUIP SVC - DOWNHOLE | 123,079.05 | 21,984.47 | 0.00 | 145,063.52 |
| 6320160 | WELDING SERVICES | 711.90 | 0.00 | 0.00 | 711.90 |
| 6320190 | WATER TRANSFER | 0.00 | 80,350.86 | 0.00 | 80,350.86 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 10,154.15 | 0.00 | 10,154.15 |

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



Authorization for Expenditure

AFE # XX-147336.01
 Well Name: SERPENTINE 35-26 FED COM 2H
 Cost Center Number: 1094628401
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 16,379.59 | 0.00 | 0.00 | 16,379.59 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 7,536.48 | 35,050.51 | 0.00 | 42,586.99 |
| 6740340 | TAXES OTHER | 0.00 | 29,059.98 | 0.00 | 29,059.98 |
| | Total Intangibles | 2,567,272.73 | 2,991,937.90 | 0.00 | 5,559,210.63 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 128,344.77 | 0.00 | 128,344.77 |
| 6310460 | WELLHEAD EQUIPMENT | 43,383.52 | 86,965.65 | 0.00 | 130,349.17 |
| 6310530 | SURFACE CASING | 32,994.26 | 0.00 | 0.00 | 32,994.26 |
| 6310540 | INTERMEDIATE CASING | 254,100.21 | 0.00 | 0.00 | 254,100.21 |
| 6310550 | PRODUCTION CASING | 317,387.97 | 0.00 | 0.00 | 317,387.97 |
| 6310580 | CASING COMPONENTS | 28,001.33 | 0.00 | 0.00 | 28,001.33 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 695,867.29 | 814,971.95 | 0.00 | 1,510,839.24 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 3,263,140.02 | 3,806,909.85 | 0.00 | 7,070,049.87 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147330.01
 Well Name: SERPENTINE 35-26 FED COM 5H
 Cost Center Number: 1094628501
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL AVALON WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 83,577.14 | 0.00 | 83,577.14 |
| 6060100 | DYED LIQUID FUELS | 66,953.88 | 196,580.46 | 0.00 | 263,534.34 |
| 6080100 | DISPOSAL - SOLIDS | 54,918.12 | 3,158.19 | 0.00 | 58,076.31 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,274.58 | 0.00 | 10,274.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 70,200.00 | 0.00 | 70,200.00 |
| 6090100 | FLUIDS - WATER | 7,615.22 | 20,097.30 | 0.00 | 27,712.52 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 190,261.84 | 0.00 | 190,261.84 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,666.10 | 0.00 | 83,666.10 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 1,837.56 | 0.00 | 0.00 | 1,837.56 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 13,298.08 | 0.00 | 13,298.08 |
| 6130370 | ROTC - GEOSTEERING | 5,580.88 | 0.00 | 0.00 | 5,580.88 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 151,787.92 | 0.00 | 151,787.92 |
| 6160100 | MATERIALS & SUPPLIES | 7,253.91 | 0.00 | 0.00 | 7,253.91 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 72,275.06 | 0.00 | 72,275.06 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 49,669.03 | 0.00 | 0.00 | 49,669.03 |
| 6190110 | TRUCKING&HAUL OF EQP | 14,181.23 | 34,878.47 | 0.00 | 49,059.70 |
| 6200130 | CONSLT & PROJECT SVC | 79,305.37 | 67,641.63 | 0.00 | 146,947.00 |
| 6230120 | SAFETY SERVICES | 21,400.66 | 0.00 | 0.00 | 21,400.66 |
| 6300270 | SOLIDS CONTROL SRVCS | 35,022.84 | 0.00 | 0.00 | 35,022.84 |
| 6310120 | STIMULATION SERVICES | 0.00 | 573,762.04 | 0.00 | 573,762.04 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 359,375.36 | 0.00 | 359,375.36 |
| 6310200 | CASING & TUBULAR SVC | 35,368.69 | 0.00 | 0.00 | 35,368.69 |
| 6310250 | CEMENTING SERVICES | 79,602.40 | 0.00 | 0.00 | 79,602.40 |
| 6310280 | DAYWORK COSTS | 282,675.74 | 0.00 | 0.00 | 282,675.74 |
| 6310300 | DIRECTIONAL SERVICES | 150,855.93 | 0.00 | 0.00 | 150,855.93 |
| 6310310 | DRILL BITS | 44,773.15 | 0.00 | 0.00 | 44,773.15 |
| 6310330 | DRILL&COMP FLUID&SVC | 201,022.96 | 9,379.70 | 0.00 | 210,402.66 |
| 6310370 | MOB & DEMOBILIZATION | 60,562.91 | 0.00 | 0.00 | 60,562.91 |
| 6310380 | OPEN HOLE EVALUATION | 11,172.10 | 0.00 | 0.00 | 11,172.10 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,237.51 | 0.00 | 118,237.51 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 20,197.75 | 0.00 | 20,197.75 |
| 6320100 | EQPMNT SVC-SRF RNTL | 76,722.19 | 141,345.92 | 0.00 | 218,068.11 |
| 6320110 | EQUIP SVC - DOWNHOLE | 68,613.02 | 20,902.30 | 0.00 | 89,515.32 |
| 6320160 | WELDING SERVICES | 396.86 | 0.00 | 0.00 | 396.86 |
| 6320190 | WATER TRANSFER | 0.00 | 66,023.38 | 0.00 | 66,023.38 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 8,724.50 | 0.00 | 8,724.50 |

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



Authorization for Expenditure

AFE # XX-147330.01

Well Name: SERPENTINE 35-26 FED COM 5H

AFE Date: 2/2/2022

Cost Center Number: 1094628501

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 9,131.15 | 0.00 | 0.00 | 9,131.15 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,201.37 | 34,159.45 | 0.00 | 38,360.82 |
| 6740340 | TAXES OTHER | 0.00 | 25,340.40 | 0.00 | 25,340.40 |
| | Total Intangibles | 1,484,837.17 | 2,496,197.91 | 0.00 | 3,981,035.08 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 99,736.59 | 0.00 | 99,736.59 |
| 6310460 | WELLHEAD EQUIPMENT | 24,185.06 | 45,000.00 | 0.00 | 69,185.06 |
| 6310530 | SURFACE CASING | 18,393.35 | 0.00 | 0.00 | 18,393.35 |
| 6310540 | INTERMEDIATE CASING | 141,653.54 | 0.00 | 0.00 | 141,653.54 |
| 6310550 | PRODUCTION CASING | 176,934.64 | 0.00 | 0.00 | 176,934.64 |
| 6310580 | CASING COMPONENTS | 15,609.93 | 0.00 | 0.00 | 15,609.93 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 396,776.52 | 744,398.12 | 0.00 | 1,141,174.64 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 1,881,613.69 | 3,240,596.03 | 0.00 | 5,122,209.72 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147331.01
 Well Name: SERPENTINE 35-26 FED COM 6H
 Cost Center Number: 1094628601
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL AVALON WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 83,577.14 | 0.00 | 83,577.14 |
| 6060100 | DYED LIQUID FUELS | 78,710.29 | 196,580.46 | 0.00 | 275,290.75 |
| 6080100 | DISPOSAL - SOLIDS | 64,561.18 | 3,158.19 | 0.00 | 67,719.37 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,274.58 | 0.00 | 10,274.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 70,200.00 | 0.00 | 70,200.00 |
| 6090100 | FLUIDS - WATER | 8,952.37 | 20,097.30 | 0.00 | 29,049.67 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 190,261.84 | 0.00 | 190,261.84 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,666.10 | 0.00 | 83,666.10 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 2,160.21 | 0.00 | 0.00 | 2,160.21 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 13,298.08 | 0.00 | 13,298.08 |
| 6130370 | ROTC - GEOSTEERING | 6,560.83 | 0.00 | 0.00 | 6,560.83 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 151,787.92 | 0.00 | 151,787.92 |
| 6160100 | MATERIALS & SUPPLIES | 8,527.62 | 0.00 | 0.00 | 8,527.62 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 72,275.06 | 0.00 | 72,275.06 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 58,390.40 | 0.00 | 0.00 | 58,390.40 |
| 6190110 | TRUCKING&HAUL OF EQP | 16,671.31 | 34,878.47 | 0.00 | 51,549.78 |
| 6200130 | CONSLT & PROJECT SVC | 92,308.73 | 67,641.63 | 0.00 | 159,950.36 |
| 6230120 | SAFETY SERVICES | 25,158.39 | 0.00 | 0.00 | 25,158.39 |
| 6300270 | SOLIDS CONTROL SRVCS | 41,172.49 | 0.00 | 0.00 | 41,172.49 |
| 6310120 | STIMULATION SERVICES | 0.00 | 573,762.04 | 0.00 | 573,762.04 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 359,375.36 | 0.00 | 359,375.36 |
| 6310200 | CASING & TUBULAR SVC | 41,579.06 | 0.00 | 0.00 | 41,579.06 |
| 6310250 | CEMENTING SERVICES | 93,579.76 | 0.00 | 0.00 | 93,579.76 |
| 6310280 | DAYWORK COSTS | 332,310.70 | 0.00 | 0.00 | 332,310.70 |
| 6310300 | DIRECTIONAL SERVICES | 177,344.68 | 0.00 | 0.00 | 177,344.68 |
| 6310310 | DRILL BITS | 52,634.85 | 0.00 | 0.00 | 52,634.85 |
| 6310330 | DRILL&COMP FLUID&SVC | 236,320.53 | 9,379.70 | 0.00 | 245,700.23 |
| 6310370 | MOB & DEMOBILIZATION | 71,197.13 | 0.00 | 0.00 | 71,197.13 |
| 6310380 | OPEN HOLE EVALUATION | 13,133.81 | 0.00 | 0.00 | 13,133.81 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,237.51 | 0.00 | 118,237.51 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 20,197.75 | 0.00 | 20,197.75 |
| 6320100 | EQPMNT SVC-SRF RNTL | 90,193.82 | 141,345.92 | 0.00 | 231,539.74 |
| 6320110 | EQUIP SVC - DOWNHOLE | 80,660.76 | 20,902.30 | 0.00 | 101,563.06 |
| 6320160 | WELDING SERVICES | 466.55 | 0.00 | 0.00 | 466.55 |
| 6320190 | WATER TRANSFER | 0.00 | 66,023.38 | 0.00 | 66,023.38 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 8,724.50 | 0.00 | 8,724.50 |

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



Authorization for Expenditure

AFE # XX-147331.01

Well Name: SERPENTINE 35-26 FED COM 6H

AFE Date: 2/2/2022

Cost Center Number: 1094628601

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|--------------------------|---------------------|---------------------|----------------|---------------------|
| 6550110 | MISCELLANEOUS SVC | 10,734.49 | 0.00 | 0.00 | 10,734.49 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,939.09 | 34,159.45 | 0.00 | 39,098.54 |
| 6740340 | TAXES OTHER | 0.00 | 25,340.40 | 0.00 | 25,340.40 |
| | Total Intangibles | 1,724,269.05 | 2,496,197.91 | 0.00 | 4,220,466.96 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|-------------------|-------------------|----------------|---------------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 99,736.59 | 0.00 | 99,736.59 |
| 6310460 | WELLHEAD EQUIPMENT | 28,431.71 | 45,000.00 | 0.00 | 73,431.71 |
| 6310530 | SURFACE CASING | 21,623.03 | 0.00 | 0.00 | 21,623.03 |
| 6310540 | INTERMEDIATE CASING | 166,526.45 | 0.00 | 0.00 | 166,526.45 |
| 6310550 | PRODUCTION CASING | 208,002.55 | 0.00 | 0.00 | 208,002.55 |
| 6310580 | CASING COMPONENTS | 18,350.88 | 0.00 | 0.00 | 18,350.88 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 462,934.62 | 744,398.12 | 0.00 | 1,207,332.74 |

| | | | | |
|-----------------------------|---------------------|---------------------|-------------|---------------------|
| TOTAL ESTIMATED COST | 2,187,203.67 | 3,240,596.03 | 0.00 | 5,427,799.70 |
|-----------------------------|---------------------|---------------------|-------------|---------------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147337.01

Well Name: SERPENTINE 35-26 FED COM 9H

AFE Date: 2/2/2022

Cost Center Number: 1094628701

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL WOLFCAMP WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 95,211.17 | 0.00 | 95,211.17 |
| 6060100 | DYED LIQUID FUELS | 120,102.85 | 326,208.97 | 0.00 | 446,311.82 |
| 6080100 | DISPOSAL - SOLIDS | 98,512.93 | 1,065.52 | 0.00 | 99,578.45 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,389.69 | 0.00 | 10,389.69 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 93,600.00 | 0.00 | 93,600.00 |
| 6090100 | FLUIDS - WATER | 13,660.29 | 22,759.32 | 0.00 | 36,419.61 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 217,014.04 | 0.00 | 217,014.04 |
| 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 | 38,819.59 | 0.00 | 61,319.59 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 3,296.24 | 0.00 | 0.00 | 3,296.24 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 16,511.64 | 0.00 | 16,511.64 |
| 6130370 | ROTC - GEOSTEERING | 10,011.07 | 0.00 | 0.00 | 10,011.07 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 185,968.62 | 0.00 | 185,968.62 |
| 6160100 | MATERIALS & SUPPLIES | 13,012.17 | 0.00 | 0.00 | 13,012.17 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 77,391.66 | 0.00 | 77,391.66 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 89,097.03 | 0.00 | 0.00 | 89,097.03 |
| 6190110 | TRUCKING&HAUL OF EQP | 25,438.50 | 35,070.32 | 0.00 | 60,508.82 |
| 6200130 | CONSLT & PROJECT SVC | 135,466.61 | 76,545.32 | 0.00 | 212,011.93 |
| 6230120 | SAFETY SERVICES | 38,388.82 | 0.00 | 0.00 | 38,388.82 |
| 6300270 | SOLIDS CONTROL SRVCS | 62,824.49 | 0.00 | 0.00 | 62,824.49 |
| 6310120 | STIMULATION SERVICES | 0.00 | 692,845.24 | 0.00 | 692,845.24 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 454,621.35 | 0.00 | 454,621.35 |
| 6310200 | CASING & TUBULAR SVC | 63,444.87 | 0.00 | 0.00 | 63,444.87 |
| 6310250 | CEMENTING SERVICES | 142,791.96 | 0.00 | 0.00 | 142,791.96 |
| 6310280 | DAYWORK COSTS | 507,067.91 | 0.00 | 0.00 | 507,067.91 |
| 6310300 | DIRECTIONAL SERVICES | 270,607.59 | 0.00 | 0.00 | 270,607.59 |
| 6310310 | DRILL BITS | 80,314.73 | 0.00 | 0.00 | 80,314.73 |
| 6310330 | DRILL&COMP FLUID&SVC | 360,597.94 | 10,346.23 | 0.00 | 370,944.17 |
| 6310370 | MOB & DEMOBILIZATION | 108,638.64 | 0.00 | 0.00 | 108,638.64 |
| 6310380 | OPEN HOLE EVALUATION | 20,040.68 | 0.00 | 0.00 | 20,040.68 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 119,683.85 | 0.00 | 119,683.85 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 25,509.84 | 0.00 | 25,509.84 |
| 6320100 | EQPMNT SVC-SRF RNTL | 137,625.39 | 149,722.73 | 0.00 | 287,348.12 |
| 6320110 | EQUIP SVC - DOWNHOLE | 123,079.05 | 21,984.47 | 0.00 | 145,063.52 |
| 6320160 | WELDING SERVICES | 711.90 | 0.00 | 0.00 | 711.90 |
| 6320190 | WATER TRANSFER | 0.00 | 80,350.86 | 0.00 | 80,350.86 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 10,154.15 | 0.00 | 10,154.15 |

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



Authorization for Expenditure

AFE # XX-147337.01

Well Name: SERPENTINE 35-26 FED COM 9H

AFE Date: 2/2/2022

Cost Center Number: 1094628701

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 16,379.59 | 0.00 | 0.00 | 16,379.59 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 7,536.48 | 35,050.51 | 0.00 | 42,586.99 |
| 6740340 | TAXES OTHER | 0.00 | 29,059.98 | 0.00 | 29,059.98 |
| | Total Intangibles | 2,542,147.73 | 2,991,937.90 | 0.00 | 5,534,085.63 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 128,344.77 | 0.00 | 128,344.77 |
| 6310460 | WELLHEAD EQUIPMENT | 43,383.52 | 86,965.65 | 0.00 | 130,349.17 |
| 6310530 | SURFACE CASING | 32,994.26 | 0.00 | 0.00 | 32,994.26 |
| 6310540 | INTERMEDIATE CASING | 254,100.21 | 0.00 | 0.00 | 254,100.21 |
| 6310550 | PRODUCTION CASING | 317,387.97 | 0.00 | 0.00 | 317,387.97 |
| 6310580 | CASING COMPONENTS | 28,001.33 | 0.00 | 0.00 | 28,001.33 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 695,867.29 | 814,971.95 | 0.00 | 1,510,839.24 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 3,238,015.02 | 3,806,909.85 | 0.00 | 7,044,924.87 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147338.01
 Well Name: SERPENTINE 35-26 FED COM 10H
 Cost Center Number: 1094627901
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL WOLFCAMP WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 95,211.17 | 0.00 | 95,211.17 |
| 6060100 | DYED LIQUID FUELS | 108,346.44 | 326,208.97 | 0.00 | 434,555.41 |
| 6080100 | DISPOSAL - SOLIDS | 88,869.87 | 1,065.52 | 0.00 | 89,935.39 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,389.69 | 0.00 | 10,389.69 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 93,600.00 | 0.00 | 93,600.00 |
| 6090100 | FLUIDS - WATER | 12,323.14 | 22,759.32 | 0.00 | 35,082.46 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 217,014.04 | 0.00 | 217,014.04 |
| 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 | 38,819.63 | 0.00 | 61,319.63 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.21 | 0.00 | 44,641.21 |
| 6130170 | COMM SVCS - WAN | 2,973.58 | 0.00 | 0.00 | 2,973.58 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 16,511.64 | 0.00 | 16,511.64 |
| 6130370 | ROTC - GEOSTEERING | 9,031.12 | 0.00 | 0.00 | 9,031.12 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 185,968.62 | 0.00 | 185,968.62 |
| 6160100 | MATERIALS & SUPPLIES | 11,738.45 | 0.00 | 0.00 | 11,738.45 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 77,391.66 | 0.00 | 77,391.66 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 80,375.66 | 0.00 | 0.00 | 80,375.66 |
| 6190110 | TRUCKING&HAUL OF EQP | 22,948.42 | 35,070.32 | 0.00 | 58,018.74 |
| 6200130 | CONSLT & PROJECT SVC | 122,463.24 | 76,545.32 | 0.00 | 199,008.56 |
| 6230120 | SAFETY SERVICES | 34,631.08 | 0.00 | 0.00 | 34,631.08 |
| 6300270 | SOLIDS CONTROL SRVCS | 56,674.83 | 0.00 | 0.00 | 56,674.83 |
| 6310120 | STIMULATION SERVICES | 0.00 | 692,845.24 | 0.00 | 692,845.24 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 454,621.35 | 0.00 | 454,621.35 |
| 6310200 | CASING & TUBULAR SVC | 57,234.49 | 0.00 | 0.00 | 57,234.49 |
| 6310250 | CEMENTING SERVICES | 128,814.59 | 0.00 | 0.00 | 128,814.59 |
| 6310280 | DAYWORK COSTS | 457,432.95 | 0.00 | 0.00 | 457,432.95 |
| 6310300 | DIRECTIONAL SERVICES | 244,118.84 | 0.00 | 0.00 | 244,118.84 |
| 6310310 | DRILL BITS | 72,453.02 | 0.00 | 0.00 | 72,453.02 |
| 6310330 | DRILL&COMP FLUID&SVC | 325,300.37 | 10,346.23 | 0.00 | 335,646.60 |
| 6310370 | MOB & DEMOBILIZATION | 98,004.41 | 0.00 | 0.00 | 98,004.41 |
| 6310380 | OPEN HOLE EVALUATION | 18,078.97 | 0.00 | 0.00 | 18,078.97 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 119,683.85 | 0.00 | 119,683.85 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 25,509.84 | 0.00 | 25,509.84 |
| 6320100 | EQPMNT SVC-SRF RNTL | 124,153.76 | 149,722.73 | 0.00 | 273,876.49 |
| 6320110 | EQUIP SVC - DOWNHOLE | 111,031.31 | 21,984.47 | 0.00 | 133,015.78 |
| 6320160 | WELDING SERVICES | 642.21 | 0.00 | 0.00 | 642.21 |
| 6320190 | WATER TRANSFER | 0.00 | 80,350.86 | 0.00 | 80,350.86 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 10,154.15 | 0.00 | 10,154.15 |

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



Authorization for Expenditure

AFE # XX-147338.01

Well Name: SERPENTINE 35-26 FED COM 10H

AFE Date: 2/2/2022

Cost Center Number: 1094627901

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 14,776.26 | 0.00 | 0.00 | 14,776.26 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 6,798.76 | 35,050.51 | 0.00 | 41,849.27 |
| 6740340 | TAXES OTHER | 0.00 | 29,059.98 | 0.00 | 29,059.98 |
| | Total Intangibles | 2,302,715.77 | 2,991,937.90 | 0.00 | 5,294,653.67 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 128,344.77 | 0.00 | 128,344.77 |
| 6310460 | WELLHEAD EQUIPMENT | 39,136.87 | 86,965.65 | 0.00 | 126,102.52 |
| 6310530 | SURFACE CASING | 29,764.58 | 0.00 | 0.00 | 29,764.58 |
| 6310540 | INTERMEDIATE CASING | 229,227.30 | 0.00 | 0.00 | 229,227.30 |
| 6310550 | PRODUCTION CASING | 286,320.06 | 0.00 | 0.00 | 286,320.06 |
| 6310580 | CASING COMPONENTS | 25,260.39 | 0.00 | 0.00 | 25,260.39 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 629,709.20 | 814,971.95 | 0.00 | 1,444,681.15 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 2,932,424.97 | 3,806,909.85 | 0.00 | 6,739,334.82 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147334.01
 Well Name: SERPENTINE 35-26 FED COM 11H
 Cost Center Number: 1094628001
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL 2ND BONE SPRING WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 74,408.91 | 0.00 | 74,408.91 |
| 6060100 | DYED LIQUID FUELS | 70,937.81 | 226,429.48 | 0.00 | 297,367.29 |
| 6080100 | DISPOSAL - SOLIDS | 58,185.89 | 2,128.42 | 0.00 | 60,314.31 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,377.88 | 0.00 | 10,377.88 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 52,650.00 | 0.00 | 52,650.00 |
| 6090100 | FLUIDS - WATER | 8,068.34 | 17,953.68 | 0.00 | 26,022.02 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 168,719.29 | 0.00 | 168,719.29 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 22,500.00 | 38,803.84 | 0.00 | 61,303.84 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 1,946.90 | 0.00 | 0.00 | 1,946.90 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 12,896.44 | 0.00 | 12,896.44 |
| 6130370 | ROTC - GEOSTEERING | 5,912.96 | 0.00 | 0.00 | 5,912.96 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 152,660.76 | 0.00 | 152,660.76 |
| 6160100 | MATERIALS & SUPPLIES | 7,685.53 | 0.00 | 0.00 | 7,685.53 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 74,168.95 | 0.00 | 74,168.95 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 52,624.46 | 0.00 | 0.00 | 52,624.46 |
| 6190110 | TRUCKING&HAUL OF EQP | 15,025.05 | 35,050.63 | 0.00 | 50,075.68 |
| 6200130 | CONSLT & PROJECT SVC | 81,086.85 | 67,051.91 | 0.00 | 148,138.76 |
| 6230120 | SAFETY SERVICES | 22,674.05 | 0.00 | 0.00 | 22,674.05 |
| 6300270 | SOLIDS CONTROL SRVCS | 37,106.79 | 0.00 | 0.00 | 37,106.79 |
| 6310120 | STIMULATION SERVICES | 0.00 | 559,937.91 | 0.00 | 559,937.91 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 362,145.98 | 0.00 | 362,145.98 |
| 6310200 | CASING & TUBULAR SVC | 37,473.21 | 0.00 | 0.00 | 37,473.21 |
| 6310250 | CEMENTING SERVICES | 84,338.95 | 0.00 | 0.00 | 84,338.95 |
| 6310280 | DAYWORK COSTS | 299,495.69 | 0.00 | 0.00 | 299,495.69 |
| 6310300 | DIRECTIONAL SERVICES | 159,832.25 | 0.00 | 0.00 | 159,832.25 |
| 6310310 | DRILL BITS | 47,437.26 | 0.00 | 0.00 | 47,437.26 |
| 6310330 | DRILL&COMP FLUID&SVC | 212,984.35 | 9,704.42 | 0.00 | 222,688.77 |
| 6310370 | MOB & DEMOBILIZATION | 64,166.56 | 0.00 | 0.00 | 64,166.56 |
| 6310380 | OPEN HOLE EVALUATION | 11,836.87 | 0.00 | 0.00 | 11,836.87 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,732.44 | 0.00 | 118,732.44 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,510.50 | 0.00 | 19,510.50 |
| 6320100 | EQPMNT SVC-SRF RNTL | 81,287.36 | 144,565.40 | 0.00 | 225,852.76 |
| 6320110 | EQUIP SVC - DOWNHOLE | 72,695.67 | 21,346.29 | 0.00 | 94,041.96 |
| 6320160 | WELDING SERVICES | 420.48 | 0.00 | 0.00 | 420.48 |
| 6320190 | WATER TRANSFER | 0.00 | 64,320.78 | 0.00 | 64,320.78 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 9,095.15 | 0.00 | 9,095.15 |

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



Authorization for Expenditure

AFE # XX-147334.01

Well Name: SERPENTINE 35-26 FED COM 11H

AFE Date: 2/2/2022

Cost Center Number: 1094628001

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|--------------------------|---------------------|---------------------|----------------|---------------------|
| 6550110 | MISCELLANEOUS SVC | 9,674.48 | 0.00 | 0.00 | 9,674.48 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,451.36 | 34,103.81 | 0.00 | 38,555.17 |
| 6740340 | TAXES OTHER | 0.00 | 24,732.18 | 0.00 | 24,732.18 |
| | Total Intangibles | 1,540,849.12 | 2,467,547.88 | 0.00 | 4,008,397.00 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|-------------------|-------------------|----------------|---------------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 107,163.22 | 0.00 | 107,163.22 |
| 6310460 | WELLHEAD EQUIPMENT | 25,624.14 | 76,926.26 | 0.00 | 102,550.40 |
| 6310530 | SURFACE CASING | 19,487.80 | 0.00 | 0.00 | 19,487.80 |
| 6310540 | INTERMEDIATE CASING | 150,082.30 | 0.00 | 0.00 | 150,082.30 |
| 6310550 | PRODUCTION CASING | 187,462.71 | 0.00 | 0.00 | 187,462.71 |
| 6310580 | CASING COMPONENTS | 16,538.77 | 0.00 | 0.00 | 16,538.77 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 419,195.72 | 783,751.01 | 0.00 | 1,202,946.73 |

| | | | | |
|-----------------------------|---------------------|---------------------|-------------|---------------------|
| TOTAL ESTIMATED COST | 1,960,044.84 | 3,251,298.89 | 0.00 | 5,211,343.73 |
|-----------------------------|---------------------|---------------------|-------------|---------------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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

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



Authorization for Expenditure

AFE # XX-147335.01
 Well Name: SERPENTINE 35-26 FED COM 12H
 Cost Center Number: 1094628101
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL 2ND BONE SPRING WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 74,408.91 | 0.00 | 74,408.91 |
| 6060100 | DYED LIQUID FUELS | 70,937.81 | 226,429.48 | 0.00 | 297,367.29 |
| 6080100 | DISPOSAL - SOLIDS | 58,185.89 | 2,128.42 | 0.00 | 60,314.31 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,377.88 | 0.00 | 10,377.88 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 52,650.00 | 0.00 | 52,650.00 |
| 6090100 | FLUIDS - WATER | 8,068.34 | 17,953.68 | 0.00 | 26,022.02 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 168,719.29 | 0.00 | 168,719.29 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 22,500.00 | 38,803.84 | 0.00 | 61,303.84 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 1,946.90 | 0.00 | 0.00 | 1,946.90 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 12,896.44 | 0.00 | 12,896.44 |
| 6130370 | ROTC - GEOSTEERING | 5,912.96 | 0.00 | 0.00 | 5,912.96 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 152,660.76 | 0.00 | 152,660.76 |
| 6160100 | MATERIALS & SUPPLIES | 7,685.53 | 0.00 | 0.00 | 7,685.53 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 74,168.95 | 0.00 | 74,168.95 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 52,624.46 | 0.00 | 0.00 | 52,624.46 |
| 6190110 | TRUCKING&HAUL OF EQP | 15,025.05 | 35,050.63 | 0.00 | 50,075.68 |
| 6200130 | CONSLT & PROJECT SVC | 81,086.85 | 67,051.91 | 0.00 | 148,138.76 |
| 6230120 | SAFETY SERVICES | 22,674.05 | 0.00 | 0.00 | 22,674.05 |
| 6300270 | SOLIDS CONTROL SRVCS | 37,106.79 | 0.00 | 0.00 | 37,106.79 |
| 6310120 | STIMULATION SERVICES | 0.00 | 559,937.91 | 0.00 | 559,937.91 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 362,145.98 | 0.00 | 362,145.98 |
| 6310200 | CASING & TUBULAR SVC | 37,473.21 | 0.00 | 0.00 | 37,473.21 |
| 6310250 | CEMENTING SERVICES | 84,338.95 | 0.00 | 0.00 | 84,338.95 |
| 6310280 | DAYWORK COSTS | 299,495.69 | 0.00 | 0.00 | 299,495.69 |
| 6310300 | DIRECTIONAL SERVICES | 159,832.25 | 0.00 | 0.00 | 159,832.25 |
| 6310310 | DRILL BITS | 47,437.26 | 0.00 | 0.00 | 47,437.26 |
| 6310330 | DRILL&COMP FLUID&SVC | 212,984.35 | 9,704.42 | 0.00 | 222,688.77 |
| 6310370 | MOB & DEMOBILIZATION | 64,166.56 | 0.00 | 0.00 | 64,166.56 |
| 6310380 | OPEN HOLE EVALUATION | 11,836.87 | 0.00 | 0.00 | 11,836.87 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,732.44 | 0.00 | 118,732.44 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,510.50 | 0.00 | 19,510.50 |
| 6320100 | EQPMNT SVC-SRF RNTL | 81,287.36 | 144,565.40 | 0.00 | 225,852.76 |
| 6320110 | EQUIP SVC - DOWNHOLE | 72,695.67 | 21,346.29 | 0.00 | 94,041.96 |
| 6320160 | WELDING SERVICES | 420.48 | 0.00 | 0.00 | 420.48 |
| 6320190 | WATER TRANSFER | 0.00 | 64,320.78 | 0.00 | 64,320.78 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 9,095.15 | 0.00 | 9,095.15 |

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



Authorization for Expenditure

AFE # XX-147335.01

Well Name: SERPENTINE 35-26 FED COM 12H

AFE Date: 2/2/2022

Cost Center Number: 1094628101

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|--------------------------|---------------------|---------------------|----------------|---------------------|
| 6550110 | MISCELLANEOUS SVC | 9,674.48 | 0.00 | 0.00 | 9,674.48 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,451.36 | 34,103.81 | 0.00 | 38,555.17 |
| 6740340 | TAXES OTHER | 0.00 | 24,732.18 | 0.00 | 24,732.18 |
| | Total Intangibles | 1,540,849.12 | 2,467,547.88 | 0.00 | 4,008,397.00 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|-------------------|-------------------|----------------|---------------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 107,163.22 | 0.00 | 107,163.22 |
| 6310460 | WELLHEAD EQUIPMENT | 25,624.14 | 76,926.26 | 0.00 | 102,550.40 |
| 6310530 | SURFACE CASING | 19,487.80 | 0.00 | 0.00 | 19,487.80 |
| 6310540 | INTERMEDIATE CASING | 150,082.30 | 0.00 | 0.00 | 150,082.30 |
| 6310550 | PRODUCTION CASING | 187,462.71 | 0.00 | 0.00 | 187,462.71 |
| 6310580 | CASING COMPONENTS | 16,538.77 | 0.00 | 0.00 | 16,538.77 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 419,195.72 | 783,751.01 | 0.00 | 1,202,946.73 |

| | | | | |
|-----------------------------|---------------------|---------------------|-------------|---------------------|
| TOTAL ESTIMATED COST | 1,960,044.84 | 3,251,298.89 | 0.00 | 5,211,343.73 |
|-----------------------------|---------------------|---------------------|-------------|---------------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147332.01
 Well Name: SERPENTINE 35-26 FED COM 16H
 Cost Center Number: 1094628201
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL AVALON WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 83,577.14 | 0.00 | 83,577.14 |
| 6060100 | DYED LIQUID FUELS | 78,710.29 | 196,580.46 | 0.00 | 275,290.75 |
| 6080100 | DISPOSAL - SOLIDS | 64,561.18 | 3,158.19 | 0.00 | 67,719.37 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,274.58 | 0.00 | 10,274.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 70,200.00 | 0.00 | 70,200.00 |
| 6090100 | FLUIDS - WATER | 8,952.37 | 20,097.30 | 0.00 | 29,049.67 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 190,261.84 | 0.00 | 190,261.84 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,666.10 | 0.00 | 83,666.10 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 2,160.21 | 0.00 | 0.00 | 2,160.21 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 13,298.08 | 0.00 | 13,298.08 |
| 6130370 | ROTC - GEOSTEERING | 6,560.83 | 0.00 | 0.00 | 6,560.83 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 151,787.92 | 0.00 | 151,787.92 |
| 6160100 | MATERIALS & SUPPLIES | 8,527.62 | 0.00 | 0.00 | 8,527.62 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 72,275.06 | 0.00 | 72,275.06 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 58,390.40 | 0.00 | 0.00 | 58,390.40 |
| 6190110 | TRUCKING&HAUL OF EQP | 16,671.31 | 34,878.47 | 0.00 | 51,549.78 |
| 6200130 | CONSLT & PROJECT SVC | 92,308.73 | 67,641.63 | 0.00 | 159,950.36 |
| 6230120 | SAFETY SERVICES | 25,158.39 | 0.00 | 0.00 | 25,158.39 |
| 6300270 | SOLIDS CONTROL SRVCS | 41,172.49 | 0.00 | 0.00 | 41,172.49 |
| 6310120 | STIMULATION SERVICES | 0.00 | 573,762.04 | 0.00 | 573,762.04 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 359,375.36 | 0.00 | 359,375.36 |
| 6310200 | CASING & TUBULAR SVC | 41,579.06 | 0.00 | 0.00 | 41,579.06 |
| 6310250 | CEMENTING SERVICES | 93,579.76 | 0.00 | 0.00 | 93,579.76 |
| 6310280 | DAYWORK COSTS | 332,310.70 | 0.00 | 0.00 | 332,310.70 |
| 6310300 | DIRECTIONAL SERVICES | 177,344.68 | 0.00 | 0.00 | 177,344.68 |
| 6310310 | DRILL BITS | 52,634.85 | 0.00 | 0.00 | 52,634.85 |
| 6310330 | DRILL&COMP FLUID&SVC | 236,320.53 | 9,379.70 | 0.00 | 245,700.23 |
| 6310370 | MOB & DEMOBILIZATION | 71,197.13 | 0.00 | 0.00 | 71,197.13 |
| 6310380 | OPEN HOLE EVALUATION | 13,133.81 | 0.00 | 0.00 | 13,133.81 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,237.51 | 0.00 | 118,237.51 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 20,197.75 | 0.00 | 20,197.75 |
| 6320100 | EQPMNT SVC-SRF RNTL | 90,193.82 | 141,345.92 | 0.00 | 231,539.74 |
| 6320110 | EQUIP SVC - DOWNHOLE | 80,660.76 | 20,902.30 | 0.00 | 101,563.06 |
| 6320160 | WELDING SERVICES | 466.55 | 0.00 | 0.00 | 466.55 |
| 6320190 | WATER TRANSFER | 0.00 | 66,023.38 | 0.00 | 66,023.38 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 8,724.50 | 0.00 | 8,724.50 |

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



Authorization for Expenditure

AFE # XX-147332.01

Well Name: SERPENTINE 35-26 FED COM 16H

AFE Date: 2/2/2022

Cost Center Number: 1094628201

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 10,734.49 | 0.00 | 0.00 | 10,734.49 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,939.09 | 34,159.45 | 0.00 | 39,098.54 |
| 6740340 | TAXES OTHER | 0.00 | 25,340.40 | 0.00 | 25,340.40 |
| | Total Intangibles | 1,724,269.05 | 2,496,197.91 | 0.00 | 4,220,466.96 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 99,736.59 | 0.00 | 99,736.59 |
| 6310460 | WELLHEAD EQUIPMENT | 28,431.71 | 45,000.00 | 0.00 | 73,431.71 |
| 6310530 | SURFACE CASING | 21,623.03 | 0.00 | 0.00 | 21,623.03 |
| 6310540 | INTERMEDIATE CASING | 166,526.45 | 0.00 | 0.00 | 166,526.45 |
| 6310550 | PRODUCTION CASING | 208,002.55 | 0.00 | 0.00 | 208,002.55 |
| 6310580 | CASING COMPONENTS | 18,350.88 | 0.00 | 0.00 | 18,350.88 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 462,934.62 | 744,398.12 | 0.00 | 1,207,332.74 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 2,187,203.67 | 3,240,596.03 | 0.00 | 5,427,799.70 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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

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

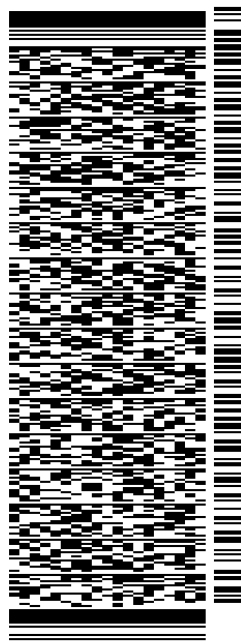
ORIGIN ID: OKCA (405) 552-3623
PEGGY BULLER
333 W SHERIDAN AVE
OKLAHOMA CITY, OK 73102
UNITED STATES US

SHIP DATE: 07FEB22
ACTWGT: 1.00 LB
CAD: 103493122IN/ET4460
BILL SENDER

TO ATTN: LAND DEPT
MARATHON OIL PERMIAN
5555 SAN FELIPE STREET

HOUSTON TX 77056

(713) 296-3055 REF: 9001002190
INV: DEPT:
PO:

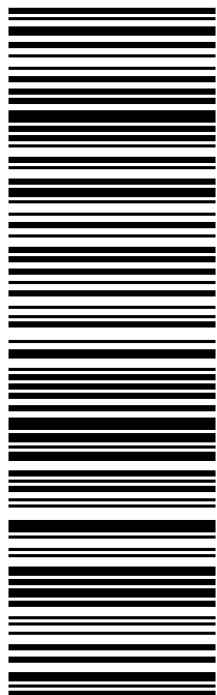


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After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

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A.A.P.L. FORM 610 - 2015

MODEL FORM OPERATING AGREEMENT

OPERATING AGREEMENT

DATED

March 1, 2021

OPERATOR: Devon Energy Production Company, L.P.

CONTRACT AREA: See Exhibit "A" attached hereto

COUNTY OR PARISH OF Lea, STATE OF New Mexico

AMERICAN ASSOCIATION OF PROFESSIONAL LANDMEN,
800 FOURNIER STREET, FORT WORTH, TEXAS, 76102, APPROVED FORM.

- 1 • management
- 2 • supervision not directly charged under Section II.2 (*Labor*)
- 3 • legal services not directly chargeable under Section II.9 (*Legal Expense*)
- 4 • taxation, other than those costs identified as directly chargeable under Section II.10 (*Taxes and Permits*)
- 5 • preparation and monitoring of permits and certifications; preparing regulatory reports; appearances before or meetings
- 6 with governmental agencies or other authorities having jurisdiction over the Joint Property, other than On-site
- 7 inspections; reviewing, interpreting, or submitting comments on or lobbying with respect to Laws or proposed
- 8 Laws.

9 Overhead charges shall include the salaries or wages plus applicable payroll burdens, benefits, and Personal Expenses
 10 of personnel performing overhead functions, as well as office and other related expenses of overhead functions.

11 **1. DRILLING AND PRODUCING OPERATIONS**

12 As compensation for costs incurred but not chargeable under Section II (*Direct Charges*) and not covered by other
 13 provisions of this Section III, the Operator shall charge on either: *Fixed Rate Basis, Section III.1.B*

14 **A. Technical Services**

15 (1) Except as otherwise provided in Section II.13 (*Ecological Environmental, and Safety*) and Section III.2
 16 (*Overhead – Major Construction and Catastrophe*), or by approval of the Parties pursuant to Section I.6.A
 17 (*General Matters*), the salaries, wages, related payroll burdens and benefits, and Personal Expenses for **On-site**
 18 Technical Services, including third party Technical Services: shall be charged direct to the Joint Account.

19 (2) Except as otherwise provided in Section II.13 (*Ecological, Environmental, and Safety*) and Section III.2
 20 (*Overhead – Major Construction and Catastrophe*), or by approval of the Parties pursuant to Section I.6.A
 21 (*General Matters*), the salaries, wages, related payroll burdens and benefits, and Personal Expenses for **Off-site**
 22 Technical Services, including third party Technical Services: shall be charged direct to the Joint Account.

23 Notwithstanding anything to the contrary in this Section III, Technical Services provided by Operator’s Affiliates are
 24 subject to limitations set forth in Section II.7 (*Affiliates*). Charges for Technical personnel performing non-technical
 25 work shall not be governed by this Section III.1.A, but instead governed by other provisions of this Accounting
 26 Procedure relating to the type of work being performed.

27 **B. Fixed Rate Basis**

28 (1) The Operator shall charge the Joint Account at the following rates per well per month:

29 Drilling Well Rate per month \$8,000 (prorated for less than a full month)

30 Producing Well Rate per month \$800

31 (2) Application of Overhead—Drilling Well Rate shall be as follows:

32 (a) Charges for onshore drilling wells shall begin on the spud date and terminate on the date the drilling and/or
 33 completion equipment used on the well is released, whichever occurs later. Charges for offshore and
 34 inland waters drilling wells shall begin on the date the drilling or completion equipment arrives on location
 35 and terminate on the date the drilling or completion equipment moves off location, or is released,
 36 whichever occurs first. No charge shall be made during suspension of drilling and/or completion
 37 operations for fifteen (15) or more consecutive calendar days.

38 (b) Charges for any well undergoing any type of workover, recompletion, and/or abandonment for a period of
 39 five (5) or more consecutive workdays shall be made at the Drilling Well Rate. Such charges shall be
 40 applied for the period from date operations, with rig or other units used in operations, commence through
 41 date of rig or other unit release, except that no charges shall be made during suspension of operations for
 42 fifteen (15) or more consecutive calendar days.

43 (3) Application of Overhead—Producing Well Rate shall be as follows:

44 (a) An active well that is produced, injected into for recovery or disposal, or used to obtain water supply to
 45 support operations for any portion of the month shall be considered as a one-well charge for the entire
 46 month.

47 (b) Each active completion in a multi-completed well shall be considered as a one-well charge provided each
 48 completion is considered a separate well by the governing regulatory authority.

Chronology of contacts between Devon Energy Production Company, L.P. (“Devon”) and Marathon Oil Permian, LLC (“Marathon”) being the only Uncommitted Working Interest Owner in Case No. 23147 and 23148:

1. Initial correspondence with preliminary discussion on plans of development in and through the NW/4 of Section 26-22S-33E occurred on September 16th, 2021. Devon proposed the idea of extending its laterals from 1.5 miles to 2-miles as to not strand the NW/4 of Section 26; primarily due to the fact Section 23 to the North is unleased BLM lands. Initially the Parties seemed amenable to executing a Joint Operating Agreement (“JOA”).
2. Subsequent email correspondence between Devon and Marathon occurred between September 20th and November 23rd, 2021. Discussions encompassed Devon’s development plans, operating agreements, tangent acreage in the area for reciprocal deals and timing of development.
3. On November 30th, 2021, Devon proposed proceeding with a JOA and provided a copy of Devon’s form.
4. Well Proposal Letter for the Serpentine 35-26 Fed Com 1H, 2H, 5H, 6H, 9H, 10H, 11H, 12H, and 16H Wells submitted from Devon to Marathon on February 2nd, 2022 (Exhibit A-3).
5. Follow-up email sent August 5th, 2022, from Devon to Marathon, to revisit the proposals, JOA and pooling of Marathon’s interest. Devon indicated it would be proceeding with compulsory pooling at this time to meet its development cadence and avoid stranding Marathon’s acreage.
6. Subsequent email and phone call discussions took place in middle to late August concerning Devon’s proposed operations and Marathon’s operations further East in the basin.
7. September 26th, 2022, Marathon’s interest remains uncommitted and Devon is amenable to executing a JOA with Marathon. If a mutually agreeable JOA is executed by both Devon and Marathon, Devon requests the JOA become operative and supersede the pooling order.
8. DVN initiated a follow-up phone call conversation with Marathon on September 27th, 2022. Marathon indicated they would not be contesting the hearing and both companies would evaluate potential trades in the basin.
9. October 13, 2022, submitted supplement to well proposal dated February 2, 2022 adjusting the Serpentine 35-26 Fed Com 9H to be drilled to a depth to test the Bone Spring formation vs. the Wolfcamp formation.



TAB 3

Case No. 23147

Exhibit B: Affidavit of Thomas Peryam, Geologist
Exhibit B-1: Structure Map
Exhibit B-2: Structure Map
Exhibit B-3: Stratigraphic Cross Section
Exhibit B-4: Cross-Section
Exhibit B-5: Lateral Wellbore Trajectory
Exhibit B-6: Gunbarrel Diagram

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

**AMENDED APPLICATION OF DEVON ENERGY
PRODUCTION COMPANY, L.P., FOR A NON-STANDARD
HORIZONTAL SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO**

Case No. 23147

AFFIDAVIT OF THOMAS PERYAM

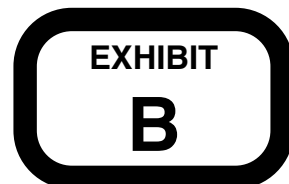
Thomas Peryam, of lawful age and being first duly sworn, declares as follows:

1. My name is Thomas Peryam, 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. My credentials have been made a matter of record and I have been qualified as an expert by the Division. I hold a Bachelor’s degree in Geology from the University of Oregon, a Master’s degree in Geology from New Mexico State University, and a Doctorate in Geology from the University of Oregon. I have been employed as a petroleum geologist with Devon since August 2012.

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 Serpentine wells in Section 35 and 26 of T22S-R33E are Second Bone Spring and the Third Bone Spring intervals of the Bone Spring formation.



5. **Devon Exhibit B-1** is a structure map at the top of the 2nd Bone Spring Sandstone member of the Bone Spring 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 in the 2nd Bone Spring member. This exhibit shows that the Bone Spring formation is gently dipping to the south in this area. I do not observe any faulting, pinch outs, or other geologic impediments to developing the targeted Bone Spring intervals with horizontal wells.

6. **Devon Exhibit B-2** is a structure map at the top of the 3rd Bone Spring Sandstone member of the Bone Spring Formation, with subsea depths marked by contour intervals every 10 feet. I have outlined the proposed spacing units and identified the orientation of the initial wellbores in the 3rd Bone Spring member. This exhibit shows that the Bone Spring formation is gently dipping to the south in this area. I do not observe any faulting, pinch outs, or other geologic impediments to developing the targeted Bone Spring intervals with horizontal wells.

7. In my opinion, the south-north orientation of the proposed wells is the preferred orientation for horizontal well development in the targeted intervals in this area. This standup orientation will efficiently and effectively develop the subject acreage.

8. **Devon Exhibit B-3** identifies the wells penetrating the Bone Spring and Wolfcamp formations that I have used to create a stratigraphic cross-section for each formation. I utilized these well logs because they penetrate the targeted intervals and are of good quality. In my opinion, these well logs are representative of the geology in the area.

9. **Devon Exhibit B-4** 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 intervals for the initial wells are depicted on the exhibit.

The cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.

10. **Devon Exhibit B-5** is a lateral wellbore trajectory schematic showing the placement of our proposed wells in relation to the Bone Spring's stratigraphy

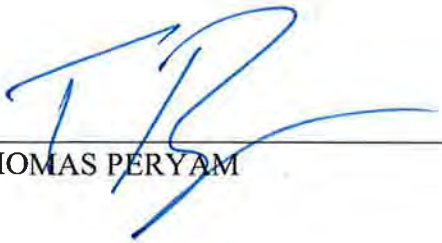
11. **Devon Exhibit B-6** is a west-to-east cross section view with wellbore placement identified ("gunbarrel diagram").

12. 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.

13. **Devon Exhibits B-1 to B-6** were either prepared by me or compiled under my direction and supervision.

[Signature page follows]

FURTHER AFFIANT SAYETH NOT.



THOMAS PERYAM

STATE OF OKLAHOMA)
)
COUNTY OF Oklahoma)

SUBSCRIBED and SWORN to before me this 1 day of Nov. 20
2022 by Thomas Peryam.





NOTARY PUBLIC

My Commission Expires:
11.25.2025

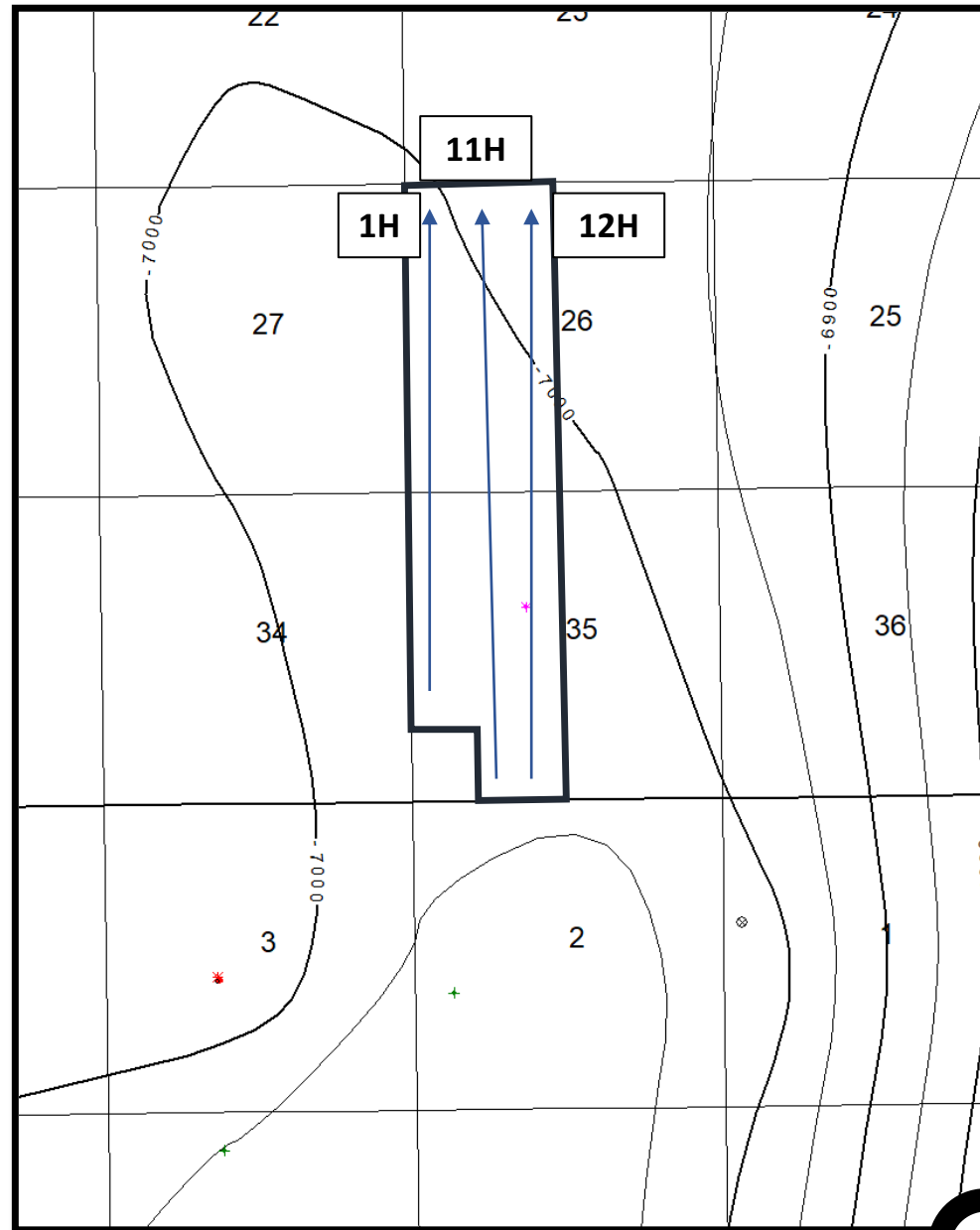


Exhibit B-1

**EXHIBIT
B-1**

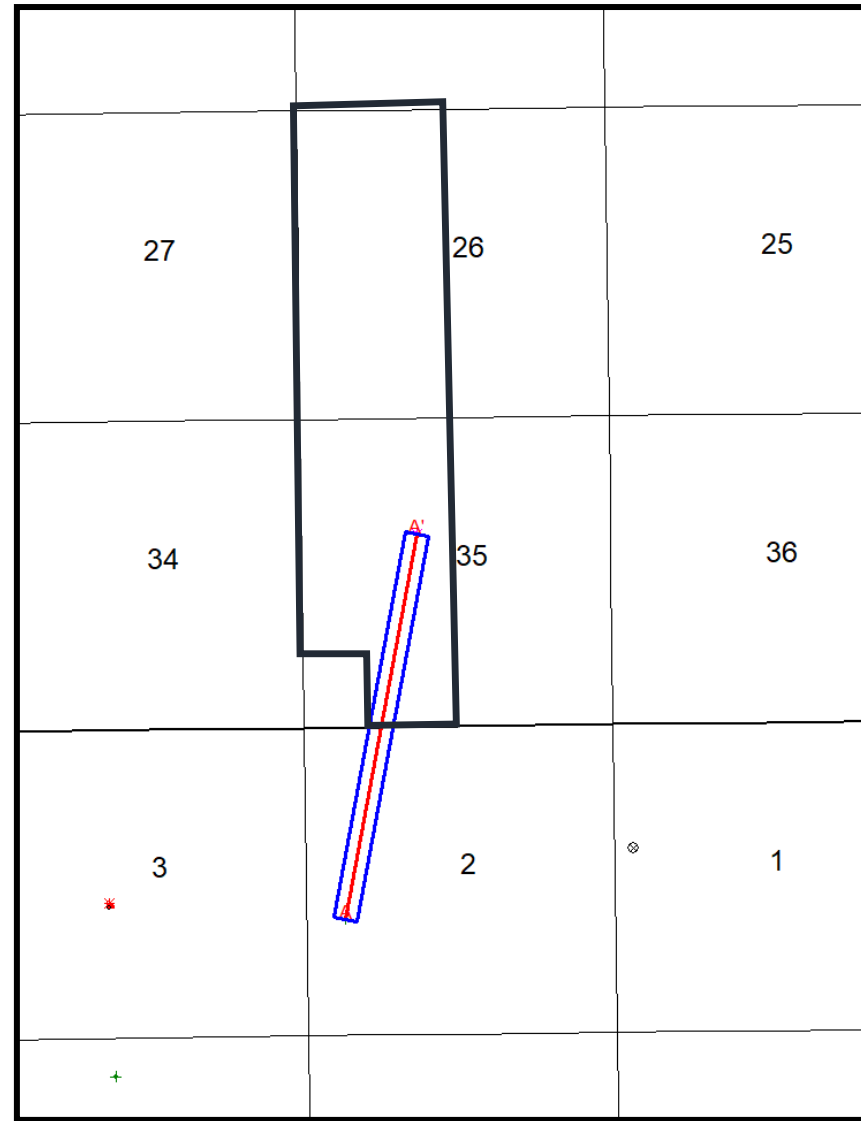
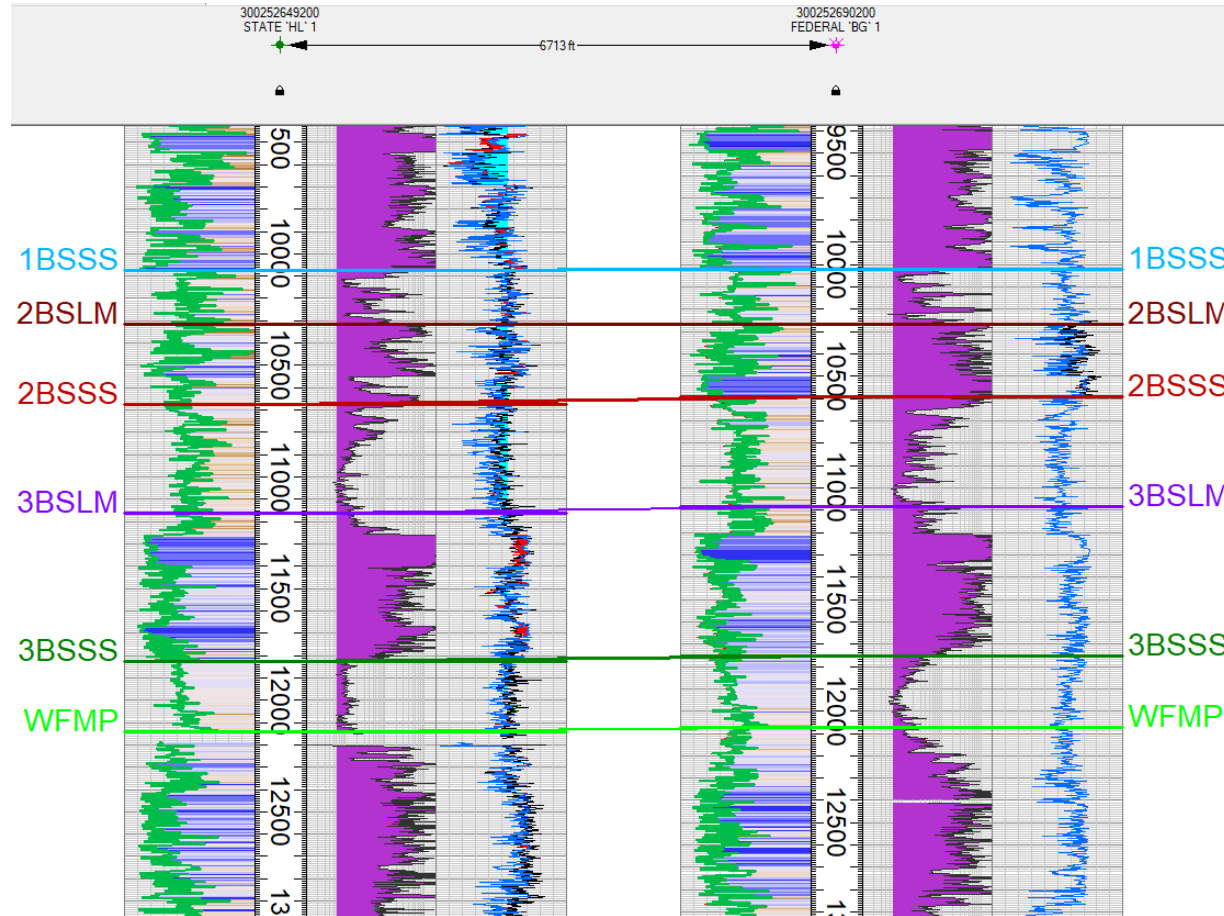


Exhibit B-3

EXHIBIT
B-3

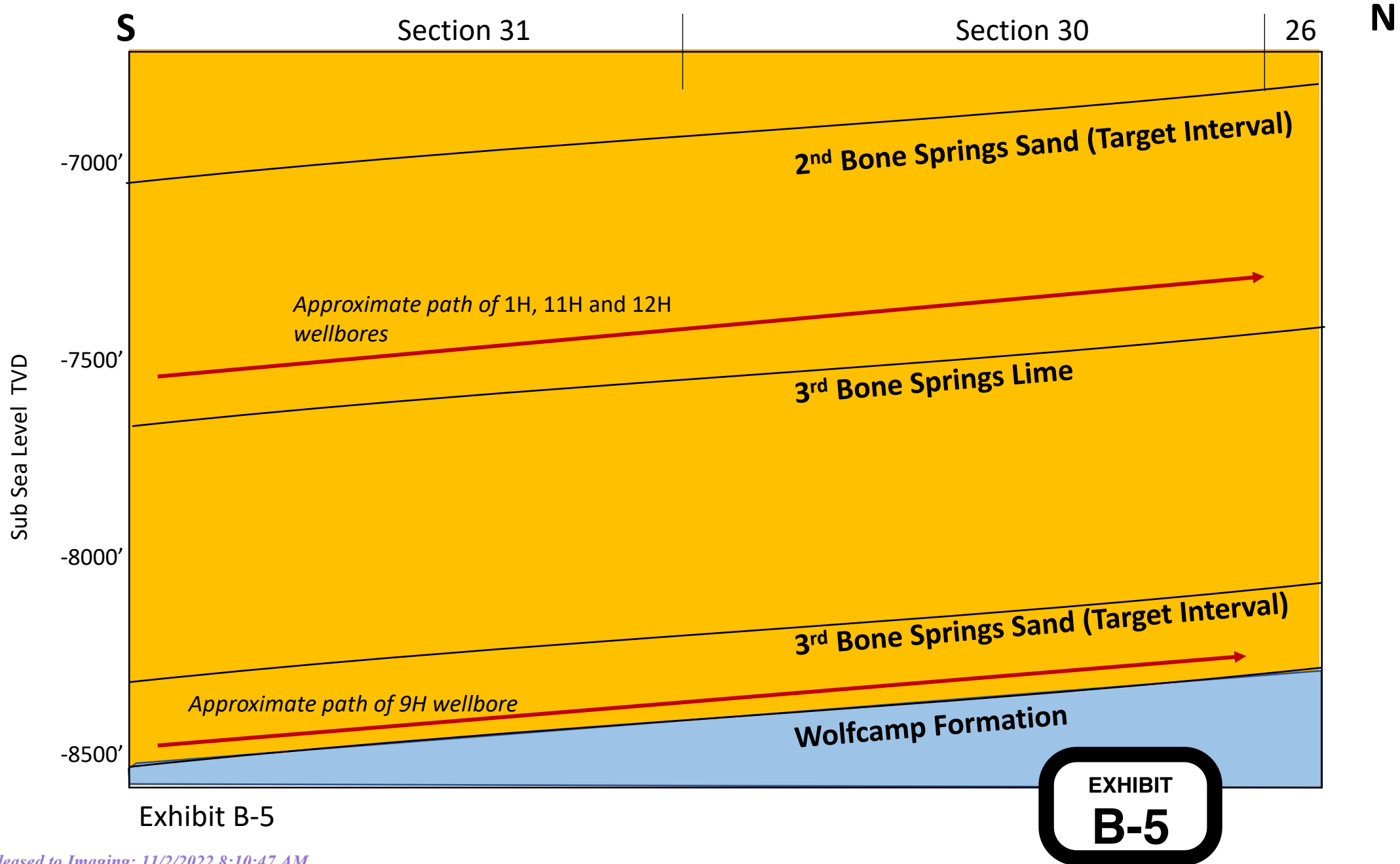


2nd Bone Sand Target Interval
1H, 11H and 12H

3rd Bone Sand Target Interval
9H

Exhibit B-4





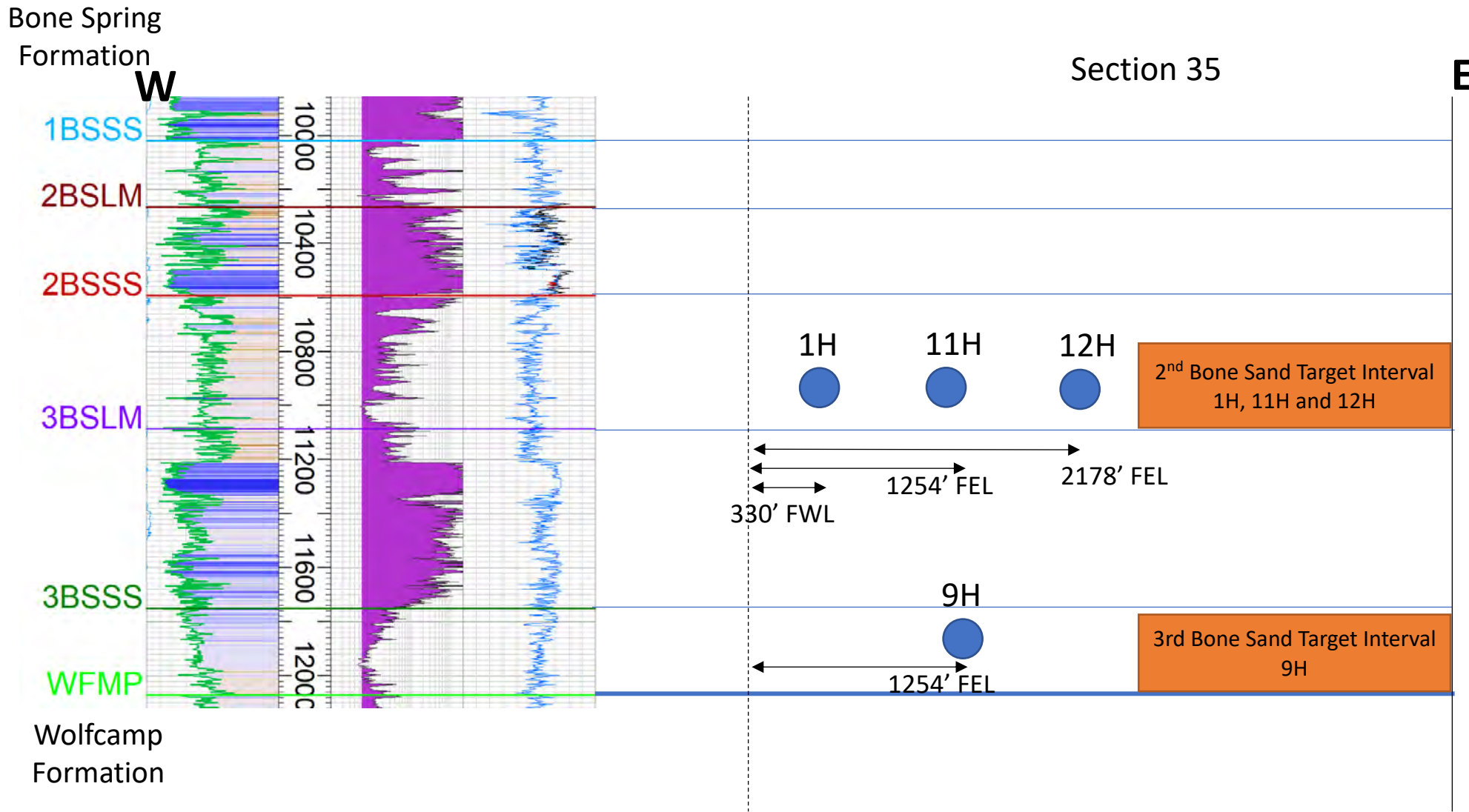


Exhibit B-6



TAB 4

Case No. 23147

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**

**AMENDED APPLICATIONS OF DEVON ENERGY
PRODUCTION COMPANY, L.P., FOR A NON-STANDARD
HORIZONTAL SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO**

Case No. 23147
Formerly Case No. 23054

Case No. 23148
Formerly Case No. 23055

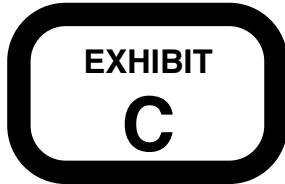
AFFIDAVIT OF NOTICE

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 October 11, 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.

2. Notice was sent to the Hobbs News-Sun, a newspaper of general circulation in Lea County, New Mexico, and timely published in said newspaper on October 13, 2022.

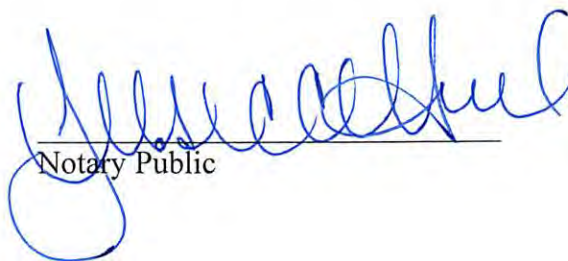


3. It is my understanding that Devon has made a reasonably diligent effort to find the names and addresses for the interest owners entitled to receive notice of the applications and cases herein.



Darin C. Savage

SUBSCRIBED AND SWORN to before me this 31st day of October, 2022, by Darin C. Savage.



Notary Public

My Commission Expires:

10/02/2023

| |
|---|
| STATE OF NEW MEXICO NOTARY PUBLIC JESSICA HEAD COMMISSION # 1127235 COMMISSION EXPIRES 10/02/2023 |
|---|



For the Pursuit of Energy

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| Louisiana | Texas |
| Nebraska | Kansas |
| Montana | Wyoming |
| Oklahoma | California |
| | North Dakota |

October 11, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Amended Application of Devon Energy Production Company, L.P.,
for a non-standard horizontal spacing unit and compulsory pooling, Lea
County, New Mexico
Serpentine 35-26 Fed Com 1H Well (Case No. 23147)
Serpentine 35-26 Fed Com 9H Well (Case No. 23147)
Serpentine 35-26 Fed Com 11H Well (Case No. 23147)
Serpentine 35-26 Fed Com 12H Well (Case No. 23147)

Re: Amended Application of Devon Energy Production Company, L.P.,
for a non-standard horizontal spacing unit and compulsory pooling, Lea
County, New Mexico
Serpentine 35-26 Fed Com 2H Well (Case No. 23148)
Serpentine 35-26 Fed Com 10H Well (Case No. 23148)

Case Nos. 23147 & 23148:

Dear WI Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. (“Devon”) has filed the enclosed amended applications, Case Nos. 23147 & 23148, with the New Mexico Oil Conservation Division (“Division”) for the compulsory pooling of non-standard horizontal spacing units in the Bone Spring and Wolfcamp formations.

In Case No. 23147, Devon seeks to pool the Bone Spring formation underlying the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, a non-

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214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901



standard unit encompassing 600 acres, more or less, dedicated to the above-referenced 1H, 9H, 11H and 12H Wells.

In Case No. 23148, Devon seeks to pool the Wolfcamp formation underlying the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, a non-standard unit encompassing 600 acres, more or less, dedicated to the above-referenced 2H and 10H Wells.

A hearing has been requested before a Division Examiner on November 3, 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 Emergency, 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, subject to title examination, 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 Matthew Hoops at (405) 552-3337 or at matthew.hoops@dvn.com.

Sincerely,



Darin C. Savage

Attorney for Devon Energy Production Company, L.P.



For the Pursuit of Energy

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| Louisiana | Texas |
| Nebraska | Kansas |
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| Oklahoma | California |
| | North Dakota |

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Serpentine 35-26 Fed Com 11H Well (Case No. 23147)
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Serpentine 35-26 Fed Com 10H Well (Case No. 23148)

Case No. 23147 & 23148:

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You are being notified as an overriding royalty interest owner, subject to title examination, 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 Matthew Hoops at (405) 552-3337 or at matthew.hoops@dvn.com.

Sincerely,



Darin C. Savage

Attorney for Devon Energy Production Company, L.P.



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You are being notified as an owner of reversionary interest, subject to title examination, 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.



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You are being notified as an owner of Record Title (subject to title examination), 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.

| INT. TYPE | NAME | Address | USPS Article Number | Date Mailed | Service | Status | Delivery Date | Green Card Returned? |
|-----------|--|--|----------------------|-------------|-------------------------------|-----------|---------------|----------------------|
| WI | Marathon Oil Permian LLC | PO Box 68, Houston, TX 77001-0068 | 70220410000152269908 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| | | 990 Town & Country Blvd, Houston, TX 77024 | 70220410000152269915 | 10/11/22 | Certified Mail/Return Receipt | Delivered | N/A | Yes |
| REV INT | Monty D McClane and wife, | 6800 County Rd 48, Midland, TX 79707 | 70220410000152269922 | 10/11/22 | Certified Mail/Return Receipt | | | |
| | | 4841 Rustic Trl, Midland, Texas 79707 | 70220410000152269991 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Not yet |
| REV INT | Alan Jochimsen and wife, Marcheta Jochimsen | 4209 Cardinal Ln, Midland TX 79707 | 70220410000152269946 | 10/11/22 | Certified Mail/Return Receipt | Delivered | N/A | Yes |
| RT | Monty D McClane | 6800 County Rd 48, Midland, TX 79707 | 70220410000152269984 | 10/11/22 | Certified Mail/Return Receipt | | | |
| | | 4841 Rustic Trl, Midland, Texas 79707 | 70220410000152269823 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Not yet |
| RT | Fred L Engle | 610 Sandy Nook St, Sarasota FL 34242 | 70220410000152269809 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/15/22 | Yes |
| ORRI | States Royalty Limited | PO Box 911, Breckenridge, TX 76424 | 70220410000152269953 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| | | 300 N Breckenridge Ave, Breckenridge TX 76424-0911 | 70220410000152269960 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | Monty D McClane | 6800 County Rd 48, Midland, TX 79707 | 70220410000152269816 | 10/11/22 | Certified Mail/Return Receipt | | | |
| | | 4841 Rustic Trl, Midland, Texas 79707 | 70220410000152269939 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Not yet |
| ORRI | AmeriPermian Holdings, LLC | 1733 Woodstead CT STE 206, The Woodlands TX 77380 | 70220410000152269830 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | David B. Engle | 38315 Sunset Dr, Oconomowoc WI 53066 | 70220410000152269847 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | McMullen Minerals, LLC | PO Box 470857, Fort Worth TX 76147-0857 | 70220410000152269854 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| | | 3100 W 7th St, Fort Worth TX 76107 | 70220410000152269861 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | Pegasus Resources, LLC | PO Box 733980, Dallas TX 75373 | 70220410000152269878 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/16/22 | Yes |
| | | 2821 W 7th St #500, Fort Worth TX 76107 | 70220410000152269885 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | Viper Energy Partners, LLC | 500 West Texas Ste 1200, Midland TX 79701 | 70220410000152269892 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| BLM | | 414 W Taylor St, Hobbs, NM 88240 | 70220410000152269977 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |



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1. Article Addressed to:

Viper Energy Partners, LLC
 500 West Texas Ste 1200
 Midland TX 79701



9590 9402 6862 1104 4345 19

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9892

A. Signature

X

[Handwritten Signature]

Agent

Addressee

B. Received by (Printed Name)

T. Beer

C. Date of Delivery

10/17/22

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- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery over \$500

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

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1. Article Addressed to:

McMullen Minerals, LLC
 3100 W 7th St
 Fort Worth TX 76107



9590 9402 6862 1104 4346 70

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9861

A. Signature

X

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

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If YES, enter delivery address below:

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Adult Signature

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Registered Mail™

Certified Mail®

Registered Mail Restricted Delivery

Certified Mail Restricted Delivery

Signature Confirmation™

Collect on Delivery

Signature Confirmation Restricted Delivery

Collect on Delivery Restricted Delivery

Insured Mail

Insured Mail Restricted Delivery

(over \$500)

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Complete items 1, 2, and 3.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

Pegasus Resources, LLC
PO Box 733980
Dallas, TX 7537-3980



9590 9402 7329 2028 4943 65

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9878

A. Signature

Gabriel Asamoah

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

OCT 16 2022

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

- Yes
- No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

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1. Article Addressed to:

Bureau of Land Management
414 W. Taylor St.
Hobbs, NM 88240



9590 9402 6862 1104 4343 35

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9977

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

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A. Signature

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B. Received by (Printed Name)

Jon Statten

C. Date of Delivery

10/17/22

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below:

 No

3. Service Type

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

Registered Mail

Registered Mail Restricted Delivery

Over \$500

Domestic Return Receipt

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

1. Article Addressed to:

Fred L. Engle
610 Sandy Nook St
Sarasota FL 34242



9590 9402 6862 1104 4344 89

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9809

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

10-15-22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

Pegasus Resources, LLC
2821 W 7th St #500
Fort Worth TX 76107



9590 9402 7329 2028 4943 72

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9885

Released to Imaging: 11/2/2022 8:10:47 AM

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

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

11/17/22

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

3. Service Type

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

Domestic Return Receipt

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1. Article Addressed to:

David B. Engle
 38315 Sunset Dr.
 Oconomowoc, WI 53066



9590 9402 6862 1104 4346 94

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9847

A. Signature

X

Jeany Engle

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

10/17/22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

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

1. Article Addressed to:

Marathon Oil Permian
PO Box 68
Houston, TX 77001-0068



9590 9402 7329 2028 4933 37

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9908

Released to Imaging: 11/2/2022 8:10:47 AM

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

A. Signature

 Agent Addressee

B. Received by (Printed Name)

CRAIG BLANTON

C. Date of Delivery

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

3. Service Type

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

Registered Mail

Restricted Mail Restricted Delivery

or \$500)

 Priority Mail Express® Registered Mail™ Registered Mail Restricted Delivery Signature Confirmation™ Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

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

1. Article Addressed to:

McMullen Minerals, LLC
PO Box 470857
Fort Worth, TX 76147



9590 9402 6862 1104 4346 87

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9854

Released to Imaging: 11/2/2022 8:10:47 AM

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

A. Signature

X

Lea Yater

 Agent Address

B. Received by (Printed Name)

Lea Yater

C. Date of Delivery

10/17/22

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

3. Service Type

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

Registered Mail

Registered Mail Restricted Delivery

Per \$500

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

AmeriPermian Holdings, LLC
 1733 Woodstead Ct., Suite 206
 The Woodlands, TX 77380



9590 9402 7329 2028 4933 13

2. Article Number (Transfer from service label)

0022 0410 0001 5226 9830

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

10/17/22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

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

1. Article Addressed to:

States Royalty Limited Partnership
 PO Box 911
 Breckenridge, TX 76424

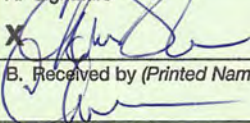


9590 9402 6862 1104 4343 11

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9953

A. Signature

X 

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

10/27/22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

1 Mail
 1 Mail Restricted Delivery
 500)

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Marathon Oil Permian
990 Town & Country Blvd
Houston, TX 77024



9590 9402 7329 2028 4933 44

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9915

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
 Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

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

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

States Royalty Limited Partnership
300 N Breckenridge Ave,
Breckenridge TX 76424-0911



9590 9402 6862 1104 4343 28

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9960

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Marilyne Sitts*

- Agent
 Addressee

B. Received by (Printed Name)

Marilyne Sitts

C. Date of Delivery

10-17-22

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

3. Service Type

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

and Mail

and Mail Restricted Delivery

(over \$500)

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

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

1. Article Addressed to:

Alan Jochimsen and
 Marcheta Jochimsen
 4209 Cardinal Ln
 Midland TX 79707



9590 9402 6862 1104 4343 04

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9946

A. Signature

X

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Insured Mail
 Mail Restricted Delivery
(0)

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

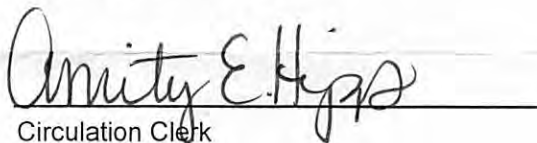
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
October 13, 2022
and ending with the issue dated
October 13, 2022.



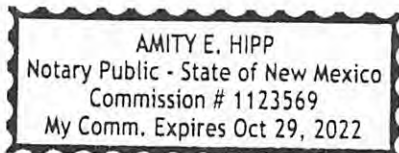
Publisher

Sworn and subscribed to before me this
13th day of October 2022.



Circulation Clerk

My commission expires
October 29, 2022
(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE October 13, 2022

CASE No. 23147: Notice to all affected parties and persons having any right, title, interest or claim to this case, including overriding royalty interest owners, reversionary interest owners, and record title owners, as well as the known and unknown heirs, devisees, assigns and successors of **MONTY D. MCCLANE AND KAREN R. MCCLANE, ALAN JOCHIMSEN AND MARCHETA JOCHIMSEN, MARATHON OIL PERMIAN LLC, FRED L. ENGLE, STATES ROYALTY LIMITED PARTNERSHIP, AMERIPERMIAN HOLDINGS, LLC, DAVID B. ENGLE, MCMULLEN MINERALS, LLC, PEGASUS RESOURCES, LLC AND VIPER ENERGY PARTNERS, LLC of Devon Energy Production Company, L.P.'s amended application for approval of a spacing unit and compulsory pooling, Lea 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 November 3, 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 remote access and the 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. Devon Energy Production Company, L.P., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division: (1) establishing a non-standard 600-acre, more or less, spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying the unit. Said horizontal spacing unit is to be dedicated to the **Serpentine 35-26 Fed Com 1H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; the **Serpentine 35-26 Fed Com 9H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; the **Serpentine 35-26 Fed Com 11H Well**, an oil well, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26.; and the **Serpentine 35-26 Fed Com 12H Well**, an oil well, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26. The wells will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules. Devon will be applying administratively for approval of a non-standard spacing and proration (NSP) unit; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 33 miles southwest of Hobbs, New Mexico, and approximately 25 mile north of the state line. #38117

67115820

00271889

KAIYA TOOP
ABADIE SCHILL
555 RIVERGATE LANE 84-180
DURANGO, CO 81301



TAB 1

Reference for Case No. 23148

Application Case No. 23148:

Serpentine 35-26 Fed Com 2H Well

Serpentine 35-26 Fed Com 10H Well

NMOCD Checklist Case No. 23148

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

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

Case No. 23148
(formerly Case No. 23055)

AMENDED APPLICATION

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, through its undersigned attorneys, hereby files this Amended 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 600-acre, more or less, spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying said unit. The Amended Application is submitted to remove from the Wolfcamp the **Serpentine 35-26 Fed Com 9H Well**, which had been proposed in the Application filed in Case No. 23055.

In support of its Application, Devon states the following:

1. Devon is a working interest owner in the proposed horizontal spacing and proration unit (“HSU”) and has a right to drill a well thereon.

2. Devon proposes and dedicates to the HSU two initial oil wells: the **Serpentine 35-26 Fed Com 2H Well** and the **Serpentine 35-26 Fed Com 10H Well** to be drilled to a sufficient depth to test the Wolfcamp formation.

3. Devon proposes the **Serpentine 35-26 Fed Com 2H Well** to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26.

4. Devon proposes the **Serpentine 35-26 Fed Com 10H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26.

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

6. Because of BLM restrictions on the development of the SW/4 SW/4 of Section 35, Devon is requesting a nonstandard unit that excludes this quarter-quarter section in order to optimize the development of the lands available in the W/2 of Sections 26 and 35. Devon will apply administratively with the Division for approval of a Nonstandard Spacing and Proration (“NSP”) unit.

7. Devon has sought in good faith, but has been unable to obtain, voluntary agreement from all uncommitted 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.

8. The pooling of all uncommitted interests in the Wolfcamp formation within the proposed HSU 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 wells and HSU.

WHEREFORE, Devon requests that this Application be set for hearing on November 3, 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 600-acre, more or less, spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico;

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

C. Approving the **Serpentine 35-26 Fed Com 2H Well** and the **Serpentine 35-26 Fed Com 10H Well** as the initial 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
Andrew D. Schill
214 McKenzie Street
Santa Fe, New Mexico 87501
Telephone: 970.385.4401
Facsimile: 970.385.4901
darin@abadieschill.com
bill@abadieschill.com
andrew@abadieschill.com

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


Application of Devon Energy Co. for a Nonstandard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) establishing a nonstandard 600-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. The proposed wells to be dedicated to the horizontal spacing unit are the **Serpentine 35-26 Fed Com 2H Well** to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; and the **Serpentine 35-26 Fed Com 10H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26. Applicant will apply for administrative approval of a Nonstandard Spacing and Proration (“NSP”) unit. The wells will be orthodox in their location, and the take points and completed intervals will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 33 miles southwest of Hobbs, New Mexico, and approximately 25 miles north of the state line.

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

| Case: 23148 (formerly Case No. 23055) | APPLICANT'S RESPONSE |
|--|--|
| Date | November 3, 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: | Amended Application of Devon Energy Production Company, L.P. for a Nonstandard Horizontal Spacing Unit and Compulsory Pooling, Lea County, New Mexico |
| Entries of Appearance/Intervenors: | N/A |
| Well Family | Serpentine |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Wolfcamp |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | See Exhibit B-4 & B-5; Serpentine 35-26 Fed Com 2H Well TVD apprx 12,275'; 10H Well apprx TVD 12,275'. |
| Pool Name and Pool Code: | Bell Lake; Wolfcamp, North Pool [Code: 5170] |
| Well Location Setback Rules: | NMAC Statewide Rules |
| Spacing Unit Size: | 600.00 acres, more or less |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 600.00 acres, more or less |
| Building Blocks: | quarter-quarter sections (40 ac blocks) |
| Orientation: | south - north |
| Description: TRS/County | W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe | No, non-standard horizontal spacing unit |
| 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 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 | Serpentine 35-26 Fed Com 2H Well (API No. Pending), SHL: Unit L, 1346' FSL, 651' FWL, Section 35, T22S-R33E, NMPM; BHL: Unit D, 20' FNL, 330' FWL, Section 26, T22S- R33E, standup, standard location |
| Horizontal Well First and Last Take Points | Serpentine 35-26 Fed Com 2H Well: FTP 1420' FSL, 330' FWL, Section 35; LTP 100' FNL, 330' FWL, Section 26 |
| Completion Target (Formation, TVD and MD) | Serpentine 35-26 Fed Com 2H Well: TVD approx. 12,275', TMD 21,453'; Wolfcamp Formation, See Exhibit B-4, B-5 |
| Well #2 | Serpentine 35-26 Fed Com 10H Well (API No. Pending), SHL: Unit N, 254' FSL, 1418' FWL, Section 35, T22S-R33E, NMPM; BHL: Unit C, 20' FNL, 2178' FWL, Section 26, T22S- R33E, standup, standard location |
| Horizontal Well First and Last Take Points | Serpentine 35-26 Fed Com 10H Well: FTP 100' FSL, 2178' FWL, Section 35; LTP 100' FNL, 2178' FWL, Section 26 |
| Completion Target (Formation, TVD and MD) | Serpentine 35-26 Fed Com 10H Well: TVD approx. 12,275', TMD 22,586'; Wolfcamp Formation, See Exhibit B-4, B-5 |
| 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) | N/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit A-3 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit A-2 |
| Chronology of Contact with Non-Joined Working Interests | Exhibit A-4 |
| Overhead Rates In Proposal Letter | Exhibit A-3 |
| Cost Estimate to Drill and Complete | Exhibit A-3 |
| Cost Estimate to Equip Well | Exhibit A-3 |
| Cost Estimate for Production Facilities | Exhibit A-3 |
| Geology | |
| Summary (including special considerations) | Exhibit B |

| | |
|--|---|
| Spacing Unit Schematic | Exhibits B-1, B-2 |
| Gunbarrel/Lateral Trajectory Schematic | Exhibit B-4, B-5 |
| Well Orientation (with rationale) | Exhibits B, B-1 |
| Target Formation | Exhibits B, B-3, B-4, B-5 |
| HSU Cross Section | Exhibit B-4, B-5 |
| Depth Severance Discussion | N/A |
| 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 A-1, B-1, B-4 |
| Structure Contour Map - Subsea Depth | Exhibit B-1, B-2 |
| Cross Section Location Map (including wells) | Exhibit B-4, B-5, B-6 |
| Cross Section (including Landing Zone) | Exhibit B-4, B-5 |
| Additional Information | |
| Special Provisions/Stipulations | |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | Darin C. Savage  |
| Signed Name (Attorney or Party Representative): | |
| Date: | 11/1/22 |

TAB 2

Case No. 23148

- Exhibit A: Affidavit of Matthew Hoops, 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**

**AMENDED APPLICATION OF DEVON ENERGY
PRODUCTION COMPANY, L.P., FOR A NON-STANDARD
HORIZONTAL SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO**

Case No. 23148
Formerly Case No. 23055

AFFIDAVIT OF MATTHEW HOOPS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

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

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

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

3. I graduated in 2011 from the University of Oklahoma with a bachelor's degree in Energy Management and Finance (with an emphasis on Energy Management). I have worked at Devon for approximately 1.5 years, and I have been working in New Mexico for a little less than a year. I have previously testified by affidavit before the New Mexico Oil Conservation Division ("Division") and ask that my credentials as an expert witness in petroleum land matters be accepted and made a matter of record.

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

5. Devon seeks an order pooling all uncommitted mineral interests in the



Wolfcamp formation (Bell Lake; Wolfcamp, North [Pool Code 5170]), designated as an oil pool, underlying a non-standard 600-acre, more or less, spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico,.

6. Under Case No. 23148, Devon seeks to dedicate to the unit the **Serpentine 35-26 Fed Com 2H Well** and the **Serpentine 35-26 Fed Com 10H Well** (API Nos. pending for the Wells) to be drilled to a sufficient depth to test the Wolfcamp formation.

7. The **Serpentine 35-26 Fed Com 2H Well** to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; with an approximate TVD of 12,275'; an approximate TMD of 21,453'; FTP in Section 35: approx. 1420' FSL, 330' FWL; LTP in Section 26: approx. 100' FNL, 330' FWL.

8. The **Serpentine 35-26 Fed Com 10H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26; with an approximate TVD of 12,275'; an approximate TMD of 22,586'; FTP in Section 35: approx. 100' FSL, 2178' FWL; LTP in Section 26: approx. 100' FNL, 2178' FWL.

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

10. 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 location of

the wells are orthodox, and meet the Division's offset requirements for horizontal wells under statewide rules.

11. A non-standard unit is being requested because the BLM has prohibited leasing in the SW/4 SW/4 of Section 35, and Devon would like to maximize the lands for development in the W/2 of Sections 26 and 35 less the quarter quarter section that the BLM has excluded from development.

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** includes information regarding working interest owners, overriding royalty interest owners, and record title owners.

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 Lea County, New Mexico, where the wells are located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. There were no notice letters returned undeliverable from interest owners, as all the letters were listed by the USPS as delivered. Devon published notice in the Hobbs News-Sun, a newspaper of general circulation in Lea 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 agreements from all interest owners to participate in the drilling of wells or commitment of their interests to the well for its development within the proposed horizontal spacing unit. **Exhibit A-4** provides a chronology and history of contacts with the owners.

16. Devon has been in ongoing discussions with some of the interest owners who have expressed a continued interest in the possibility of entering a Joint Operating Agreement, and if a mutually agreeable JOA is reached between Devon and another interest owner or owners, Devon requests that the JOA become operative and supersede the Divisions' order for said parties.

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

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

19. Devon requests the maximum cost, plus a 200% risk charge be assessed against non-consenting working interest owners.

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

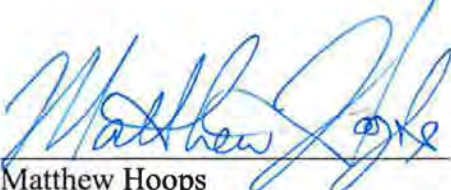
21. The Exhibits to this Affidavit were prepared by me or compiled from Devon company business records under my direct supervision.

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


Matthew Hoops

Subscribed to and sworn before me this 31st day of October 2022.




Notary Public

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

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

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--------------------------|---|--|
| API Number | Pool Code 5170 | Pool Name BELL LAKE; WOLFCAMP, NORTH |
| Property Code | Property Name SERPENTINE 35-26 FED COM | Well Number 2H |
| OGRID No. 6137 | Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | Elevation 3575.5' |

Surface Location

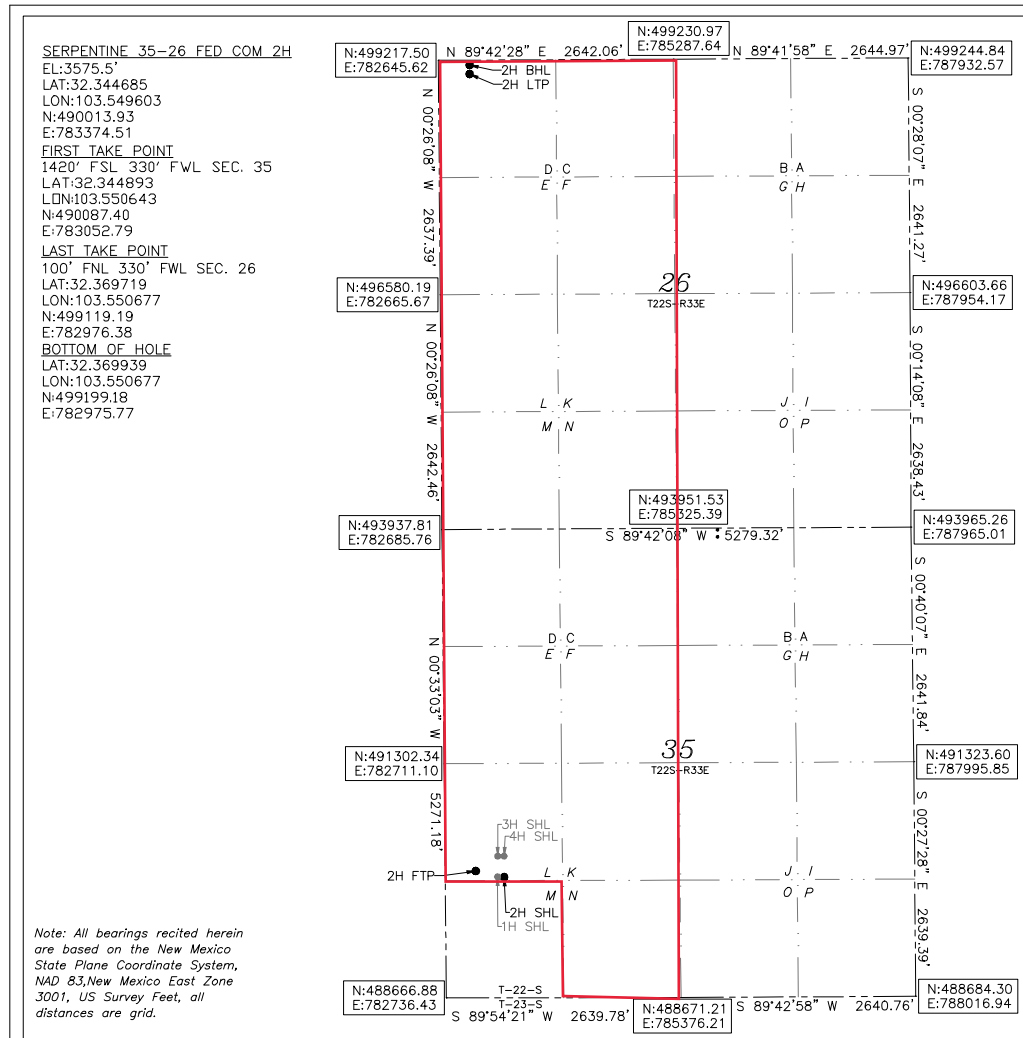
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L | 35 | 22-S | 33-E | | 1346 | SOUTH | 651 | WEST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 26 | 22-S | 33-E | | 20 | NORTH | 330 | WEST | LEA |

| | | | |
|-------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 600 | Joint or Infill | Consolidation Code | Order No. |
|-------------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature 9/30/22
 Date

Chelsey Green
 Printed Name
chelsey.green@dvn.com
 E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

10/8/2021
 Date of Survey

Signature and Seal of Professional Surveyor

Certificate No. **EXHIBIT A-1**

Intent As Drilled

| | | |
|--|--|-------------------|
| API # | | |
| Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP. | Property Name: SERPENTINE 35-26 FED COM | Well Number 2H |

Kick Off Point (KOP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| L | 35 | 22S | 33E | | 1386 | SOUTH | 330 | WEST | LEA |
| Latitude | | | | | Longitude | | | | NAD |
| 32.3447 | | | | | 103.5507 | | | | 83 |

First Take Point (FTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-----------|---------|----------|-------|-----|------------|----------|------|----------|--------|
| L | 35 | 22-S | 33-E | | 1420 | SOUTH | 330 | WEST | LEA |
| Latitude | | | | | Longitude | | | | NAD |
| 32.344893 | | | | | 103.550643 | | | | 83 |

Last Take Point (LTP)

| UL | Section | Township | Range | Lot | Feet | From N/S | Feet | From E/W | County |
|-----------|---------|----------|-------|-----|------------|----------|------|----------|--------|
| D | 26 | 22-S | 33-E | | 100 | NORTH | 330 | WEST | LEA |
| Latitude | | | | | Longitude | | | | NAD |
| 32.369719 | | | | | 103.550677 | | | | 83 |

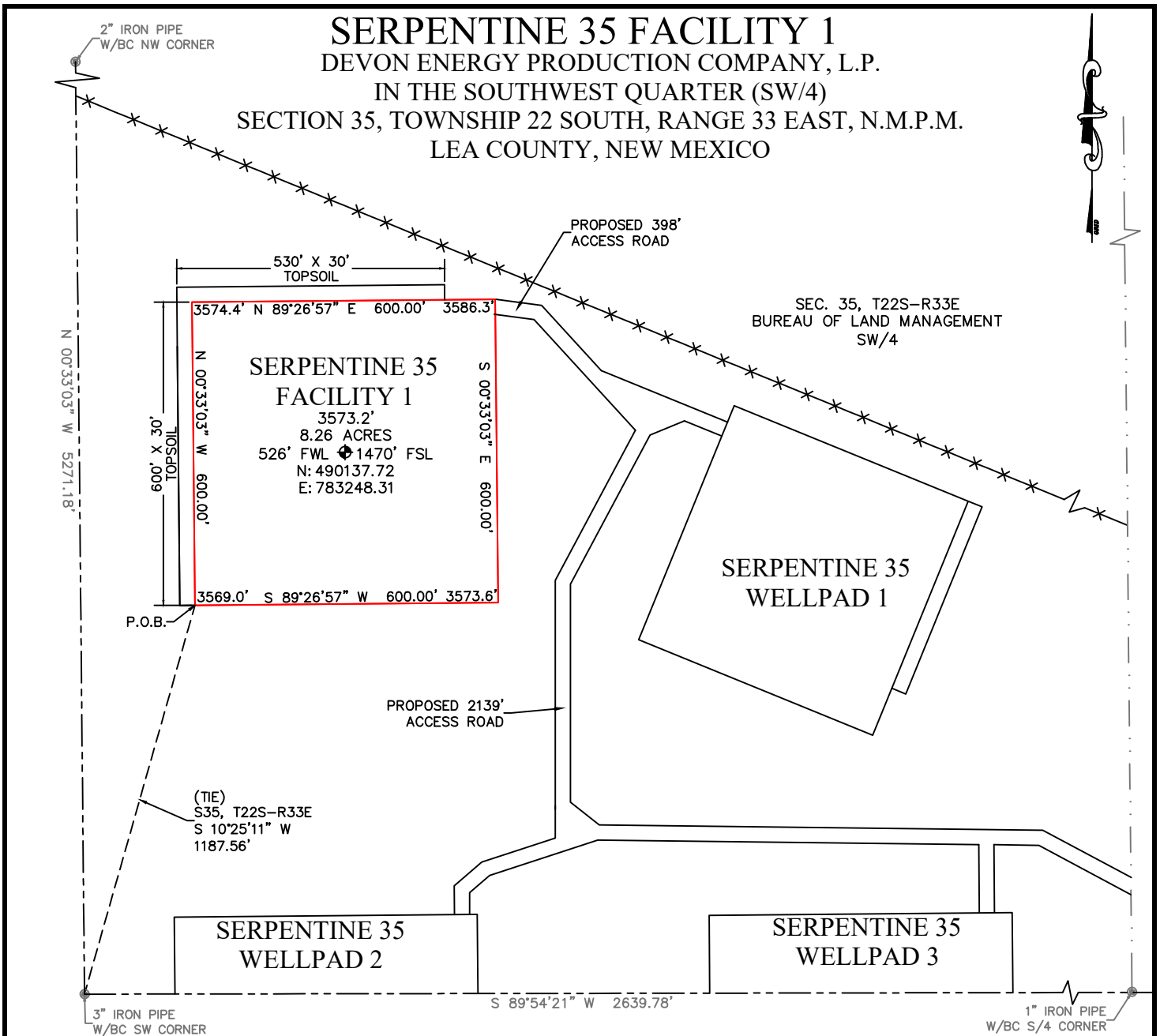
Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well? N

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



DESCRIPTION

BEING A SURFACE SITE EASEMENT LYING IN SOUTHWEST QUARTER (SW/4) OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M., LEA COUNTY, NEW MEXICO.

BEGINNING AT THE SOUTHWEST CORNER OF SAID SITE EASEMENT, WHERE A 3" IRON PIPE W/BC FOR THE SOUTHWEST CORNER OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M. BEARS S 10°25'11" W , A DISTANCE 1187.56';

THENCE N 00°33'03" W, A DISTANCE 600.00 FEET TO THE NORTHWEST CORNER OF THIS EASEMENT;
 THENCE N 89°26'57" E, A DISTANCE 600.00 FEET TO THE NORTHEAST CORNER OF THIS EASEMENT;
 THENCE S 00°33'03" E, A DISTANCE 600.00 FEET TO THE SOUTHWEST CORNER OF THIS EASEMENT;
 THENCE S 89°26'57" W, A DISTANCE 600.00 FEET TO THE SOUTHWEST CORNER OF THIS EASEMENT,
 TO THE POINT OF BEGINNING; CONTAINING 8.26 ACRES.

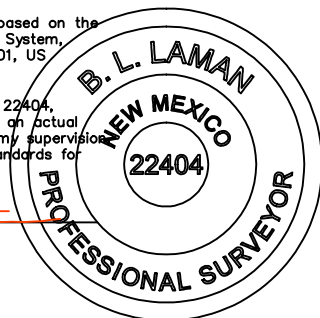
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.4 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 FACILITY ACCESS ROAD. HEAD WEST FOR 398' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 FACILITY 1.

GENERAL NOTES:

- 1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A FACILITY.
- 2.) All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



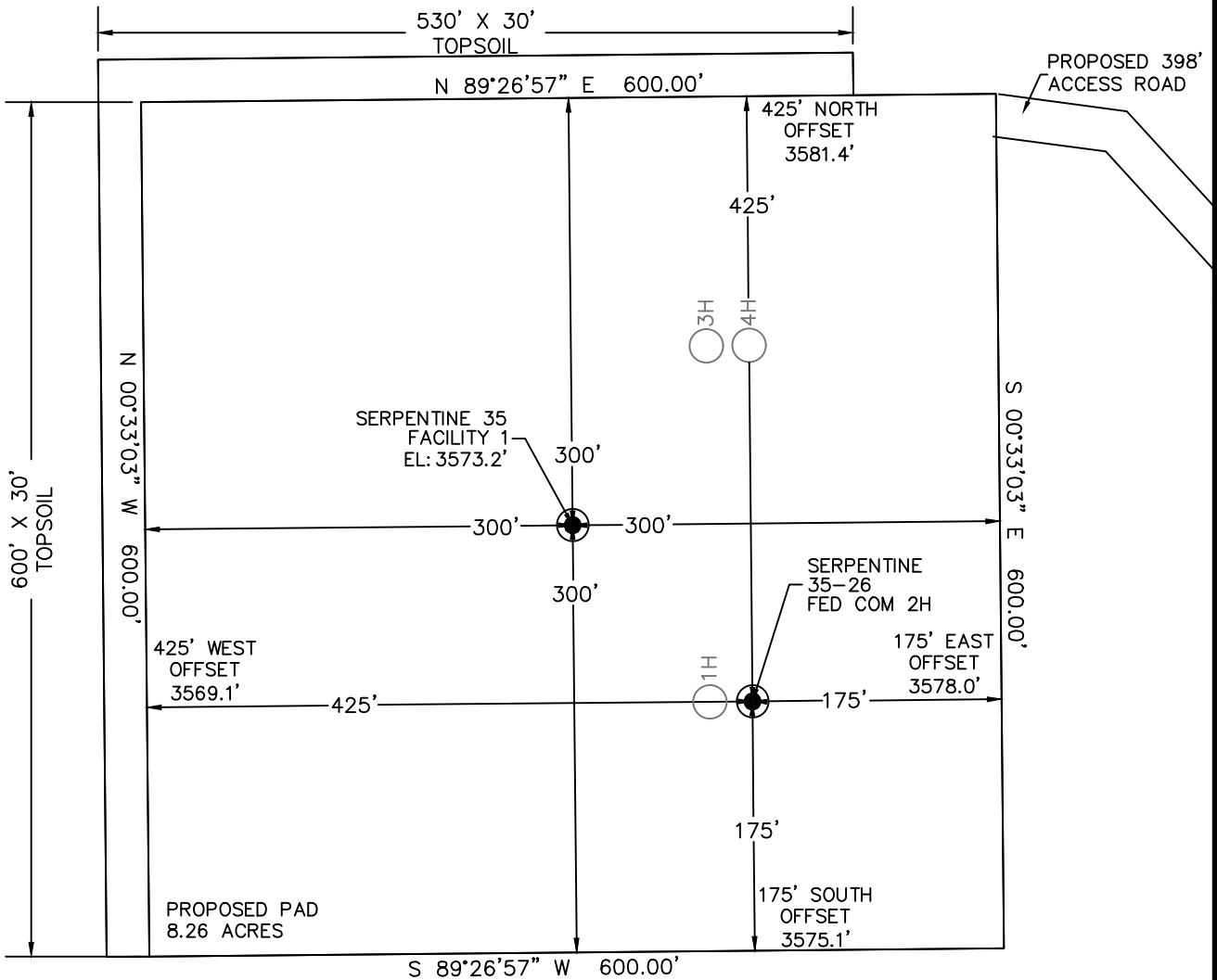
B.L. Laman PLS #22404
 Horizonrow, LLC
 Date Signed: 10-29-2021
 P.O. Box 548, Dry Creek, La.
 (903) 388-3045 70637
 Employee of Horizonrow, LLC

HORIZON ROW LLC
 Drawn for:
 Drawn by: JEANNIE PERRY
 Date: 10/12/2021

DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35 FACILITY 1
 SURVEY PLAT SHOWING
 A FACILITY
 ON THE PROPERTY OF THE
 BUREAU OF LAND MANAGEMENT

| |
|---------------------------------|
| SITE NUMBER: AA000504615 |
| WBS NUMBER: XX-141841.01.SLC |
| SCALE: 1" = 300' |
| REVISIONS: 10/29/21 |
| DATE OF SURVEY: 06/25/21 |

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
SITE MAP



SERPENTINE 35-26 FED COM 1H
1346' FSL 621' FWL SEC. 35
EL: 3575.2'
N: 490013.64
E: 783344.51

SERPENTINE 35-26 FED COM 2H
1346' FSL 651' FWL SEC. 35
EL: 3575.5'
N: 490013.93
E: 783374.51

SERPENTINE 35-26 FED COM 3H
1596' FSL 621' FWL SEC. 35
EL: 3577.1'
N: 490263.63
E: 783342.11

SERPENTINE 35-26 FED COM 4H
1596' FSL 651' FWL SEC. 35
EL: 3577.7'
N: 490263.92
E: 783372.11

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 2H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 651 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.4 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 FACILITY ACCESS ROAD. HEAD WEST FOR 398' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 FACILITY 1.

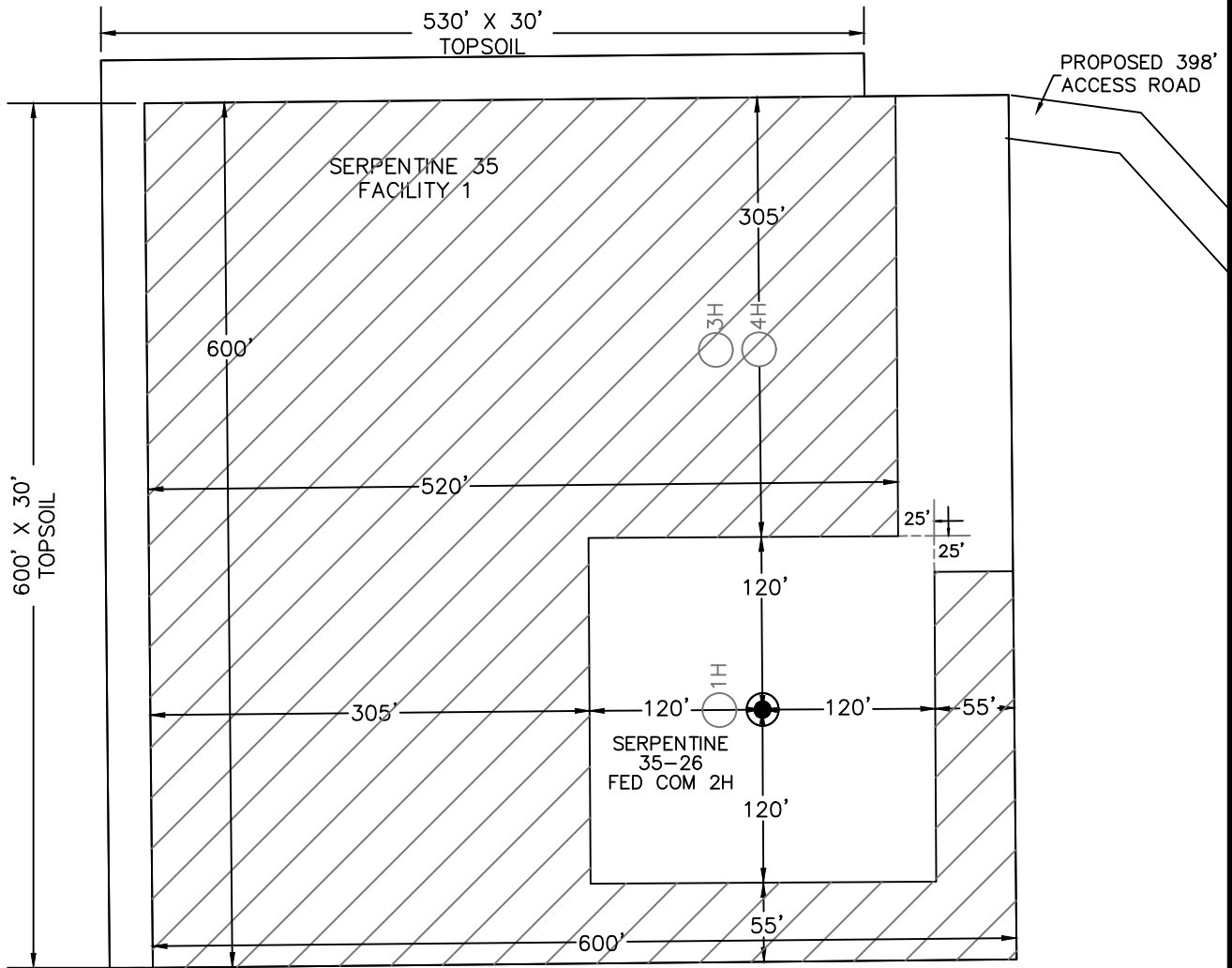
HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by: JEANNIE PERRY Date: 10/26/2021

Drawn for:

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
INTERIM SITE BUILD MAP




SERPENTINE 35-26 FED COM 1H
1346' FSL 621' FWL SEC. 35
EL: 3575.2'
N: 490013.64
E: 783344.51

SERPENTINE 35-26 FED COM 2H
1346' FSL 651' FWL SEC. 35
EL: 3575.5'
N: 490013.93
E: 783374.51

SERPENTINE 35-26 FED COM 3H
1596' FSL 621' FWL SEC. 35
EL: 3577.1'
N: 490263.63
E: 783342.11

SERPENTINE 35-26 FED COM 4H
1596' FSL 651' FWL SEC. 35
EL: 3577.7'
N: 490263.92
E: 783372.11

 DENOTES INTERIM PAD RECLAMATION AREA
6.35 ± ACRES INTERIM PAD RECLAMATION AREA
1.91 ± ACRES NON-RECLAIMED AREA
8.26 ± ACRES GRADING SITE RECLAMATION AREA



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 2H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 651 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

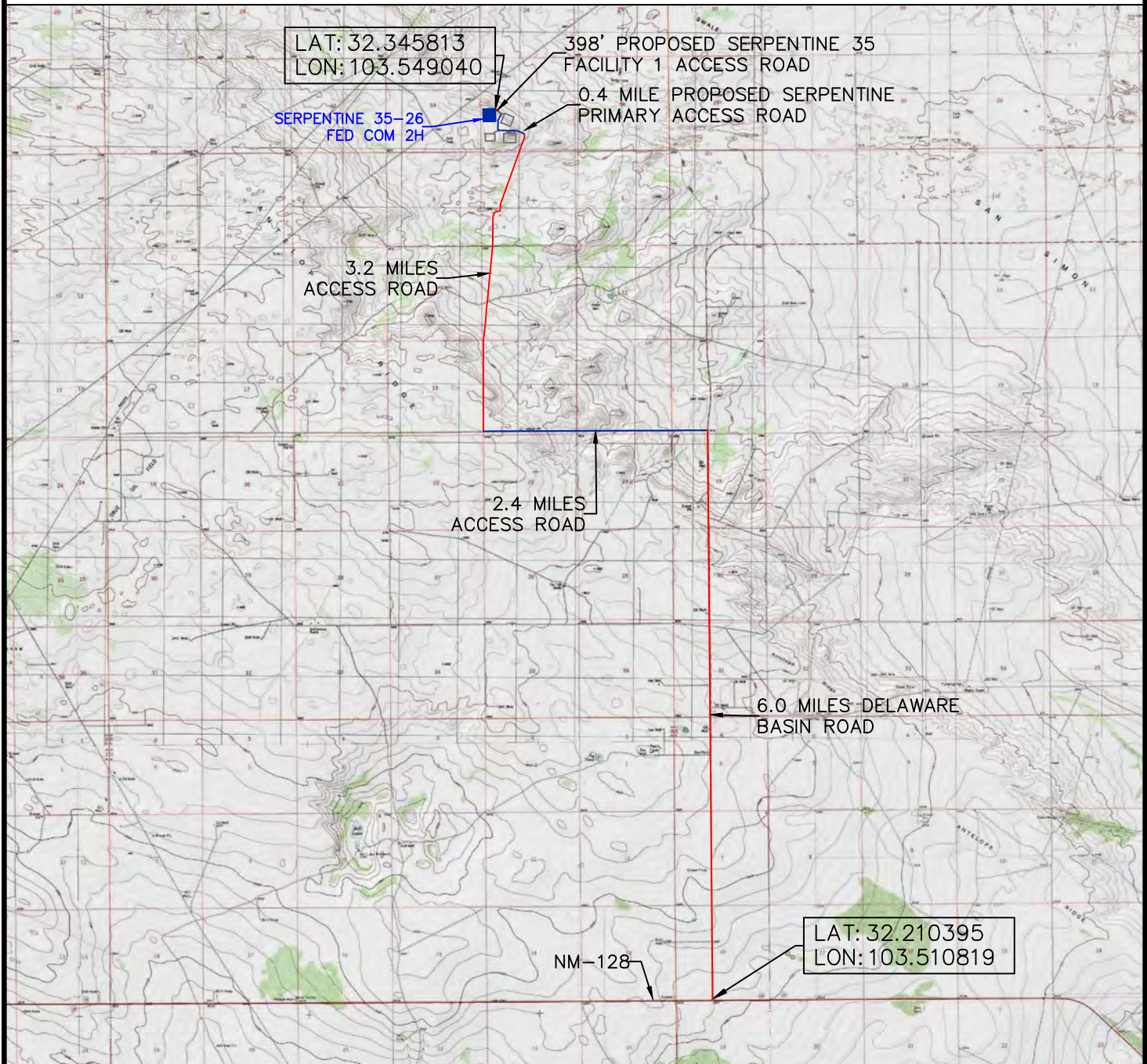
Drawn by:
JEANNIE PERRY

Date: 10/26/2021

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO VICINITY MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 2H
 LOCATED 1346 FT. FROM THE SOUTH LINE
 AND 651 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.4 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 FACILITY ACCESS ROAD. HEAD WEST FOR 398' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 FACILITY 1.

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

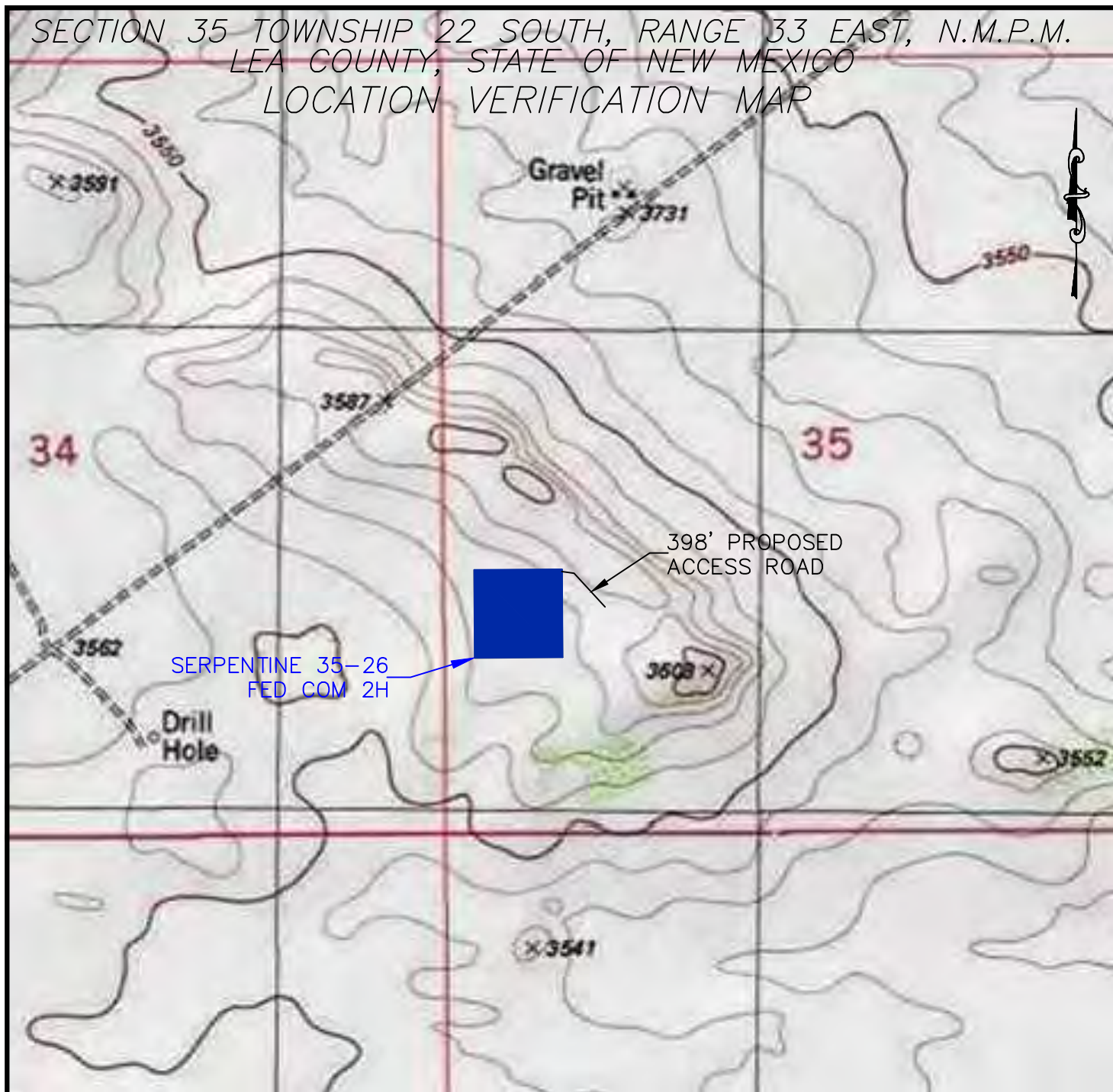
Drawn by:
JEANNIE PERRY

Date: 10/26/2021

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 2H
 LOCATED 1346 FT. FROM THE SOUTH LINE
 AND 651 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO



HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

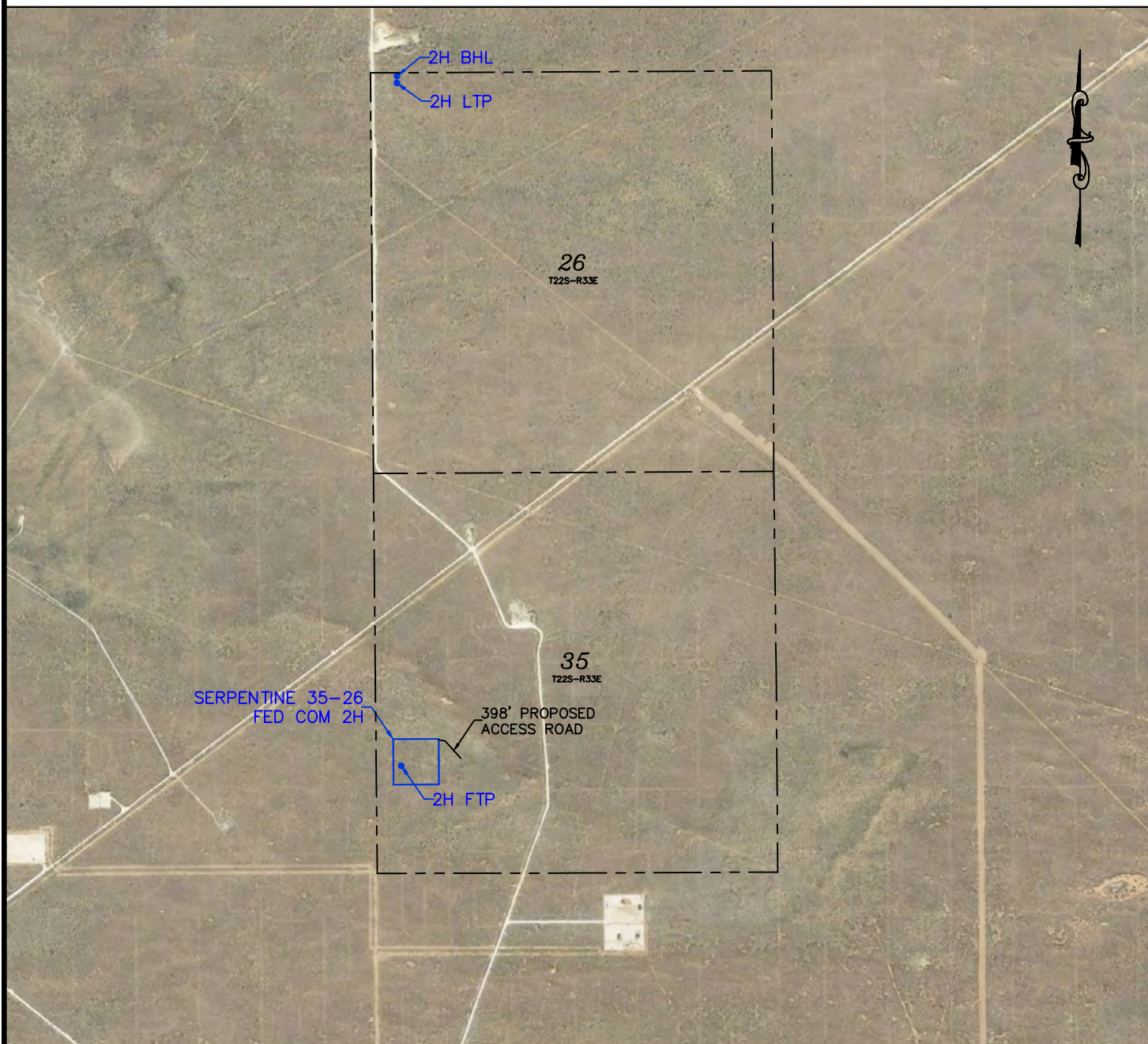
Drawn by
JEANNIE PERRY

Date: 10/26/2021

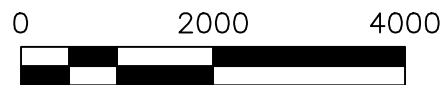
Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 2H
 LOCATED 1346 FT. FROM THE SOUTH LINE
 AND 651 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO



HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

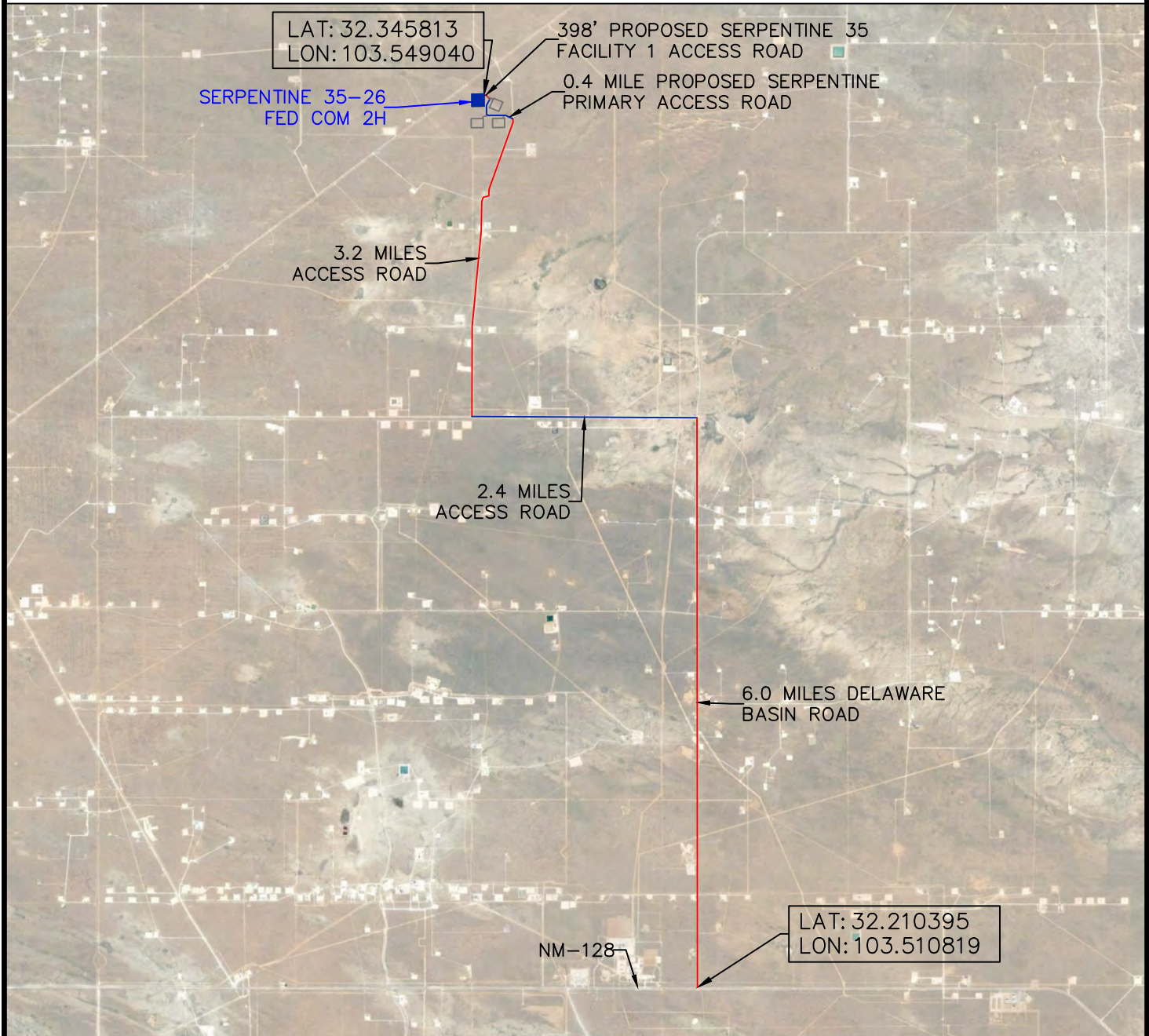
Drawn by:
JEANNIE PERRY

Date: 10/26/2021
REV: 12/16/2021 CM

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 2H
 LOCATED 1346 FT. FROM THE SOUTH LINE
 AND 651 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

NOT TO SCALE

HORIZON ROW LLC

Drawn for:

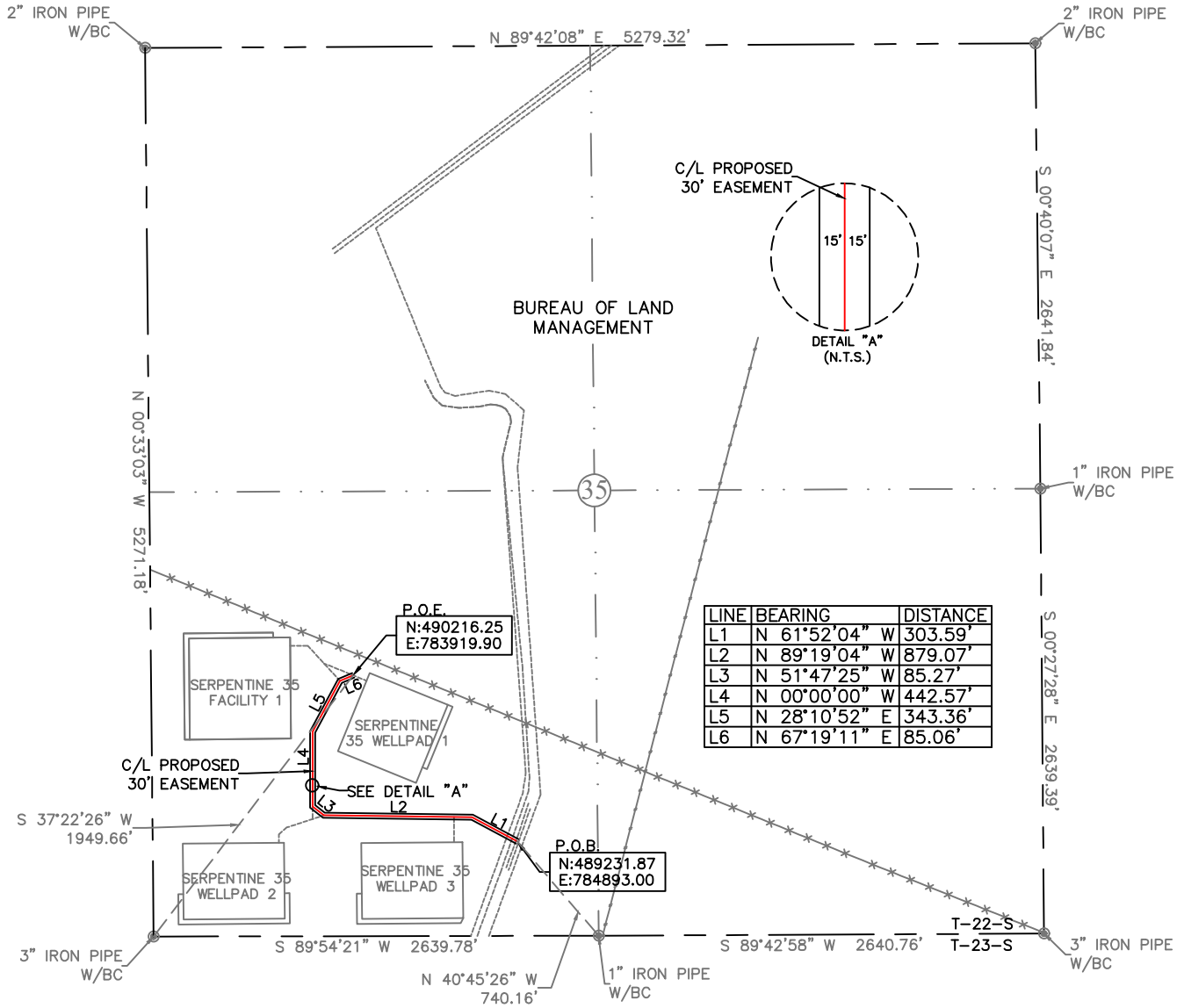
DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

Date: 10/26/2021



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO



| LINE | BEARING | DISTANCE |
|------|---------------|----------|
| L1 | N 61°52'04" W | 303.59' |
| L2 | N 89°19'04" W | 879.07' |
| L3 | N 51°47'25" W | 85.27' |
| L4 | N 00°00'00" W | 442.57' |
| L5 | N 28°10'52" E | 343.36' |
| L6 | N 67°19'11" E | 85.06' |

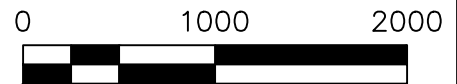
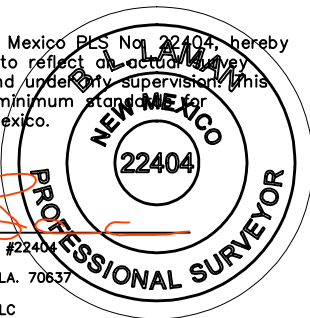
30' EASEMENT AREA = 1.47 ACRE(S)
2138.92 FEET OR 129.63 RODS

SEE THE ATTACHED LEGAL DESCRIPTION

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

- 0+00.0 P.O.B.
- 0+08.1 EDGE OF ROAD
- 0+30.4 BURIED PIPELINE
- 4+11.7 SERPENTINE 35 WELLPAD 3 ACCESS ROAD
- 11+82.7 SERPENTINE 35 WELLPAD 2 ACCESS ROAD
- 20+53.8 SERPENTINE 35 FACILITY 1 ACCESS ROAD
- 21+38.9 P.O.E./SERPENTINE 35 WELLPAD 1 ACCESS ROAD

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

| | | | |
|-------------------------|--|--|------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: |
| Drawn for: | | SERPENTINE 35 PRIMARY ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| Drawn by: JEANNIE PERRY | | PROPOSED 30' EASEMENT ON THE PROPERTY OF BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | SCALE: 1" = 1000' |
| Date: 10/12/2021 | | | REVISIONS: |
| | | | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 1" iron pipe w/BC found for the south quarter corner of Section 35;

Thence N 40°45'26" W, a distance of 740.16' to the **Point of Beginning** of this easement having coordinates of Northing=489231.87 feet, Easting=784893.00 feet, and continuing the following courses;

- Thence N 61°52'04" W a distance of 303.59' to an angle point;
- Thence N 89°19'04" W a distance of 879.07' to an angle point;
- Thence N 51°47'25" W a distance of 85.27' to an angle point;
- Thence N 00°00'00" W a distance of 442.57' to an angle point;
- Thence N 28°10'52" E a distance of 343.36' to an angle point;

Thence N 67°19'11" E a distance of 85.06' to the **Point of Ending** having coordinates of Northing=490216.25 feet, Easting=783919.90 feet from said point a 3" iron pipe w/BC found for the southwest corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 37°22'26" W a distance of 1949.66', covering **2138.92' or 129.63 rods** and having an area of **1.47 acres**.

NOTES:

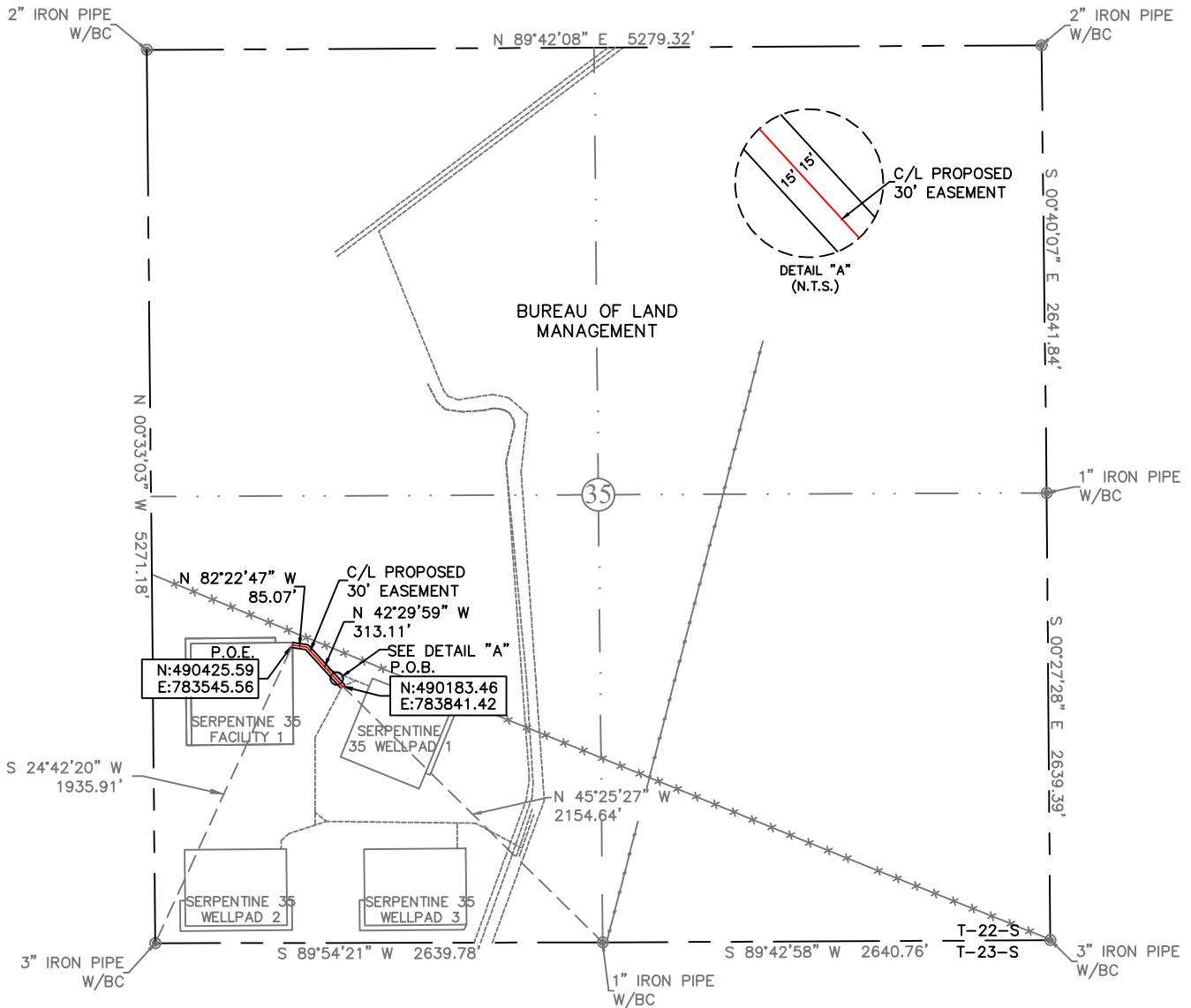
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO

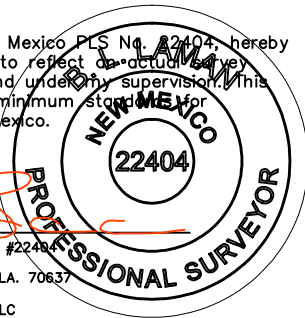


30' EASEMENT AREA = 0.274 ACRE(S)
398.18 FEET OR 24.13 RODS

0+00.0 P.O.B./SERPENTINE 35 PRIMARY ACCESS ROAD
1+40.5 SERPENTINE 35 WELLPAD 1 ACCESS ROAD
3+98.2 P.O.E./SERPENTINE 35 FACILITY 1

SEE THE ATTACHED LEGAL DESCRIPTION
Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect the actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
Date Signed: 10-29-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

HORIZON ROW LLC

Drawn for:



Drawn by:
JEANNIE PERRY

Date: 10/13/2021

DEVON ENERGY PRODUCTION COMPANY, L.P.

SERPENTINE 35 FACILITY 1
ACCESS ROAD

PROPOSED 30' EASEMENT
ON THE PROPERTY OF

BUREAU OF LAND MANAGEMENT
SECTION 35, T22S-R33E, N.M.P.M.

LINE NUMBER:
7610327R

WBS NUMBER:
XX-141841.01.SLC

SCALE:
1" = 1000'

REVISIONS:
10/27/2021

SURVEY DATE:
10/26/2021

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 1" iron pipe w/BC found for the south quarter corner of Section 35;

Thence N 45°25'27" W, a distance of 2154.64' to the **Point of Beginning** of this easement having coordinates of Northing=490183.46 feet, Easting=783841.42 feet, and continuing the following courses;

Thence N 42°29'59" W a distance of 313.11' to an angle point;

Thence N 82°22'47" W a distance of 85.07' to the **Point of Ending** having coordinates of Northing=490425.59 feet, Easting=783545.56 feet from said point a 3" iron pipe w/BC found for the southwest corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 24°42'20" W a distance of 1935.91', covering **398.18' or 24.13 rods** and having an area of **0.274 acres**.

NOTES:

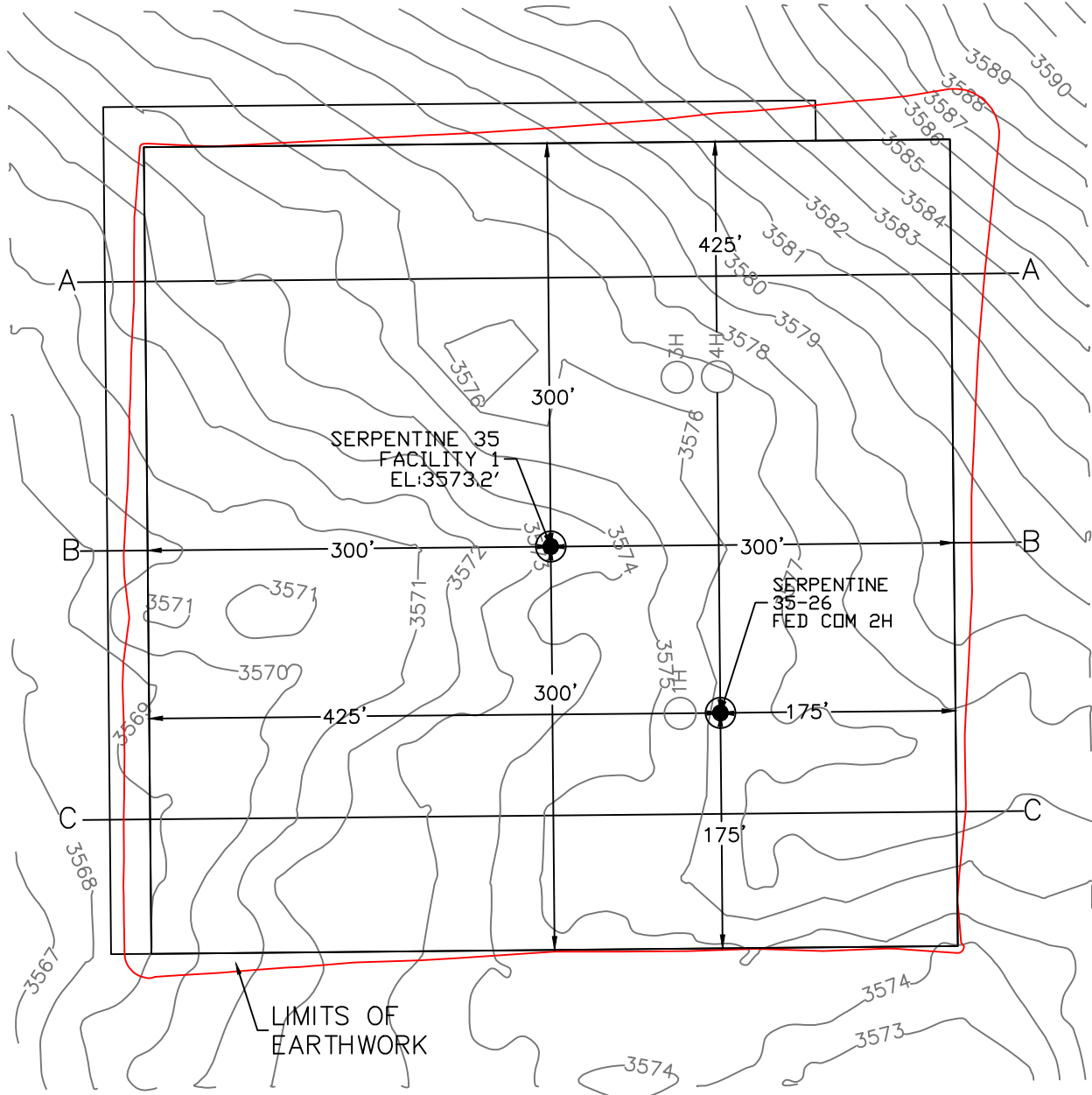
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

B.L. Laman PLS 22404
Date Signed: 10/29/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
PLAN VIEW



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 2H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 651 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



EARTHWORK QUANTITIES FOR
SERPENTINE 35 FACILITY 1

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,703 CY | 18,703 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

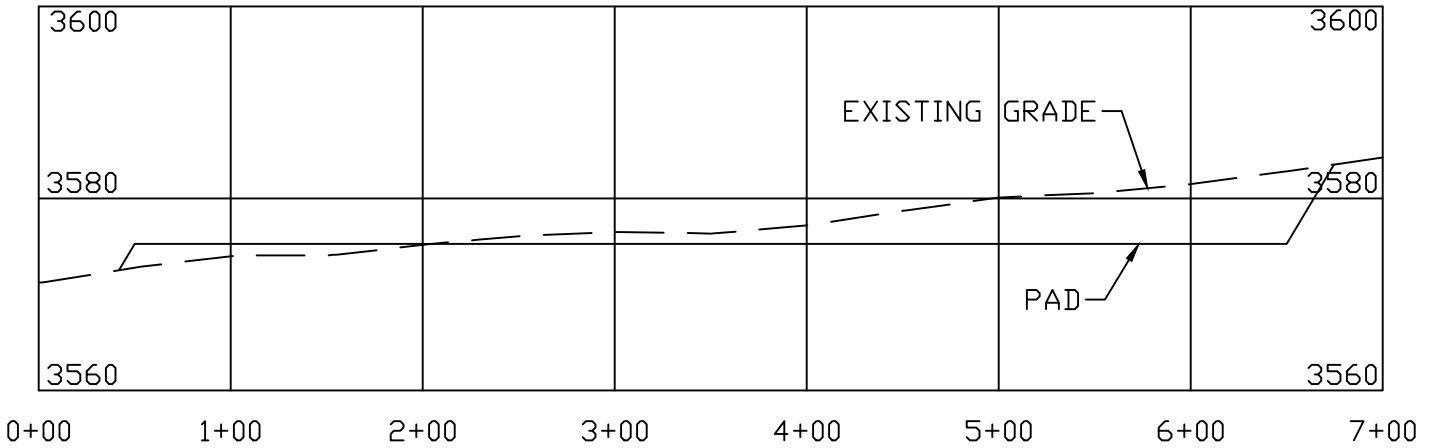
Date: 10/26/2021

Drawn for:

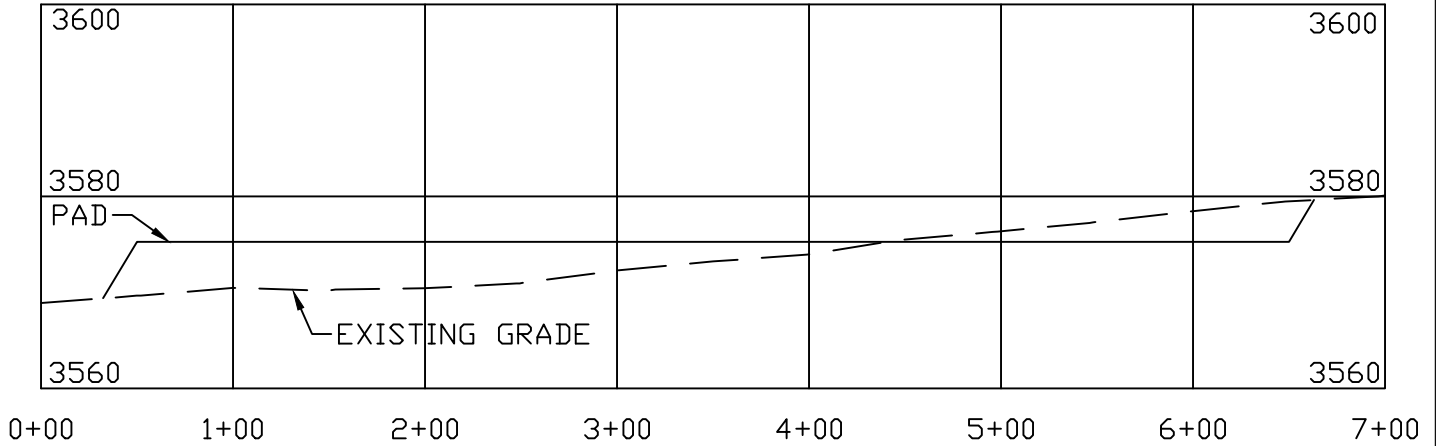


SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
CROSS SECTIONS

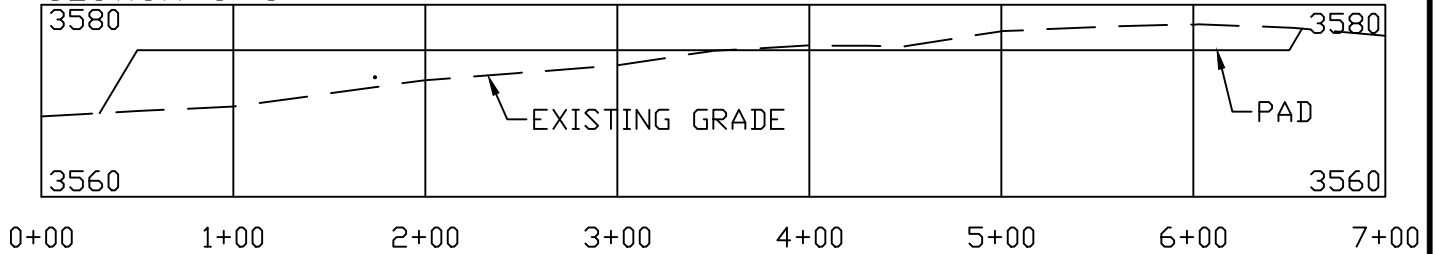
SECTION A-A



SECTION B-B



SECTION C-C



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 2H
LOCATED 1346 FT. FROM THE SOUTH LINE
AND 651 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

SCALE 1" = 100' HORIZONTAL
SCALE 1" = 20' VERTICAL

EARTHWORK QUANTITIES FOR
SERPENTINE 35 FACILITY 1

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,703 CY | 18,703 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by
JEANNIE PERRY

Date: 10/26/2021

Drawn for:



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

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

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--------------------------|---|---|
| API Number | Pool Code 5170 | Pool Name BELL LAKE;WOLFCAMP, NORTH |
| Property Code | Property Name SERPENTINE 35-26 FED COM | Well Number 10H |
| OGRID No. 6137 | Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | Elevation 3553.6' |

Surface Location

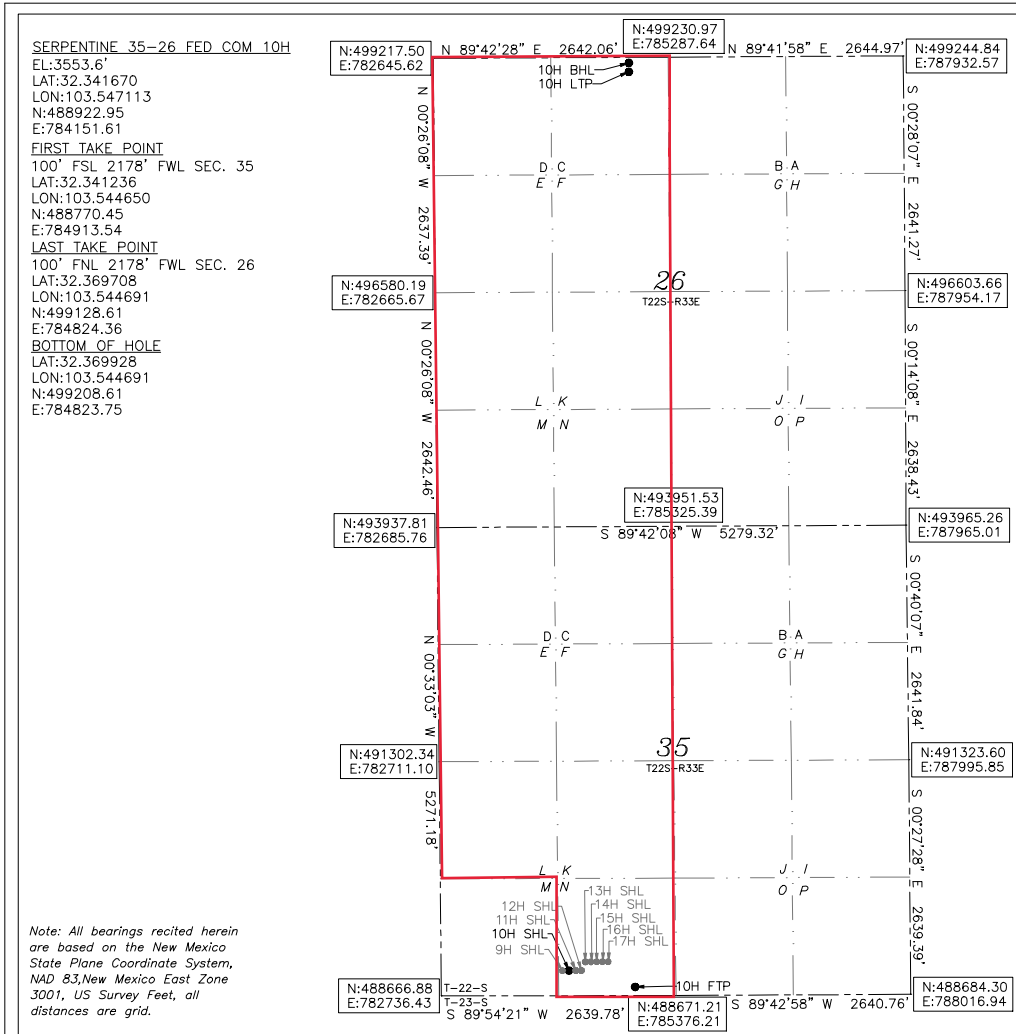
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 35 | 22-S | 33-E | | 254 | SOUTH | 1418 | WEST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C | 26 | 22-S | 33-E | | 20 | NORTH | 2178 | WEST | LEA |

| | | | |
|-------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 600 | Joint or Infill | Consolidation Code | Order No. |
|-------------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Rebecca Deal Date: 12/15/2021

Printed Name: Rebecca Deal, Regulatory Analyst

E-mail Address: Rebecca.deal@dvn.com

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: 10/8/2021

Signature & Seal of Professional Surveyor

REV: 12/09/2021

Certificate No. 22404 B.L. LAMAN
DRAWN BY: CM

Intent As Drilled

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

Kick Off Point (KOP)

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

First Take Point (FTP)

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

Last Take Point (LTP)

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

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

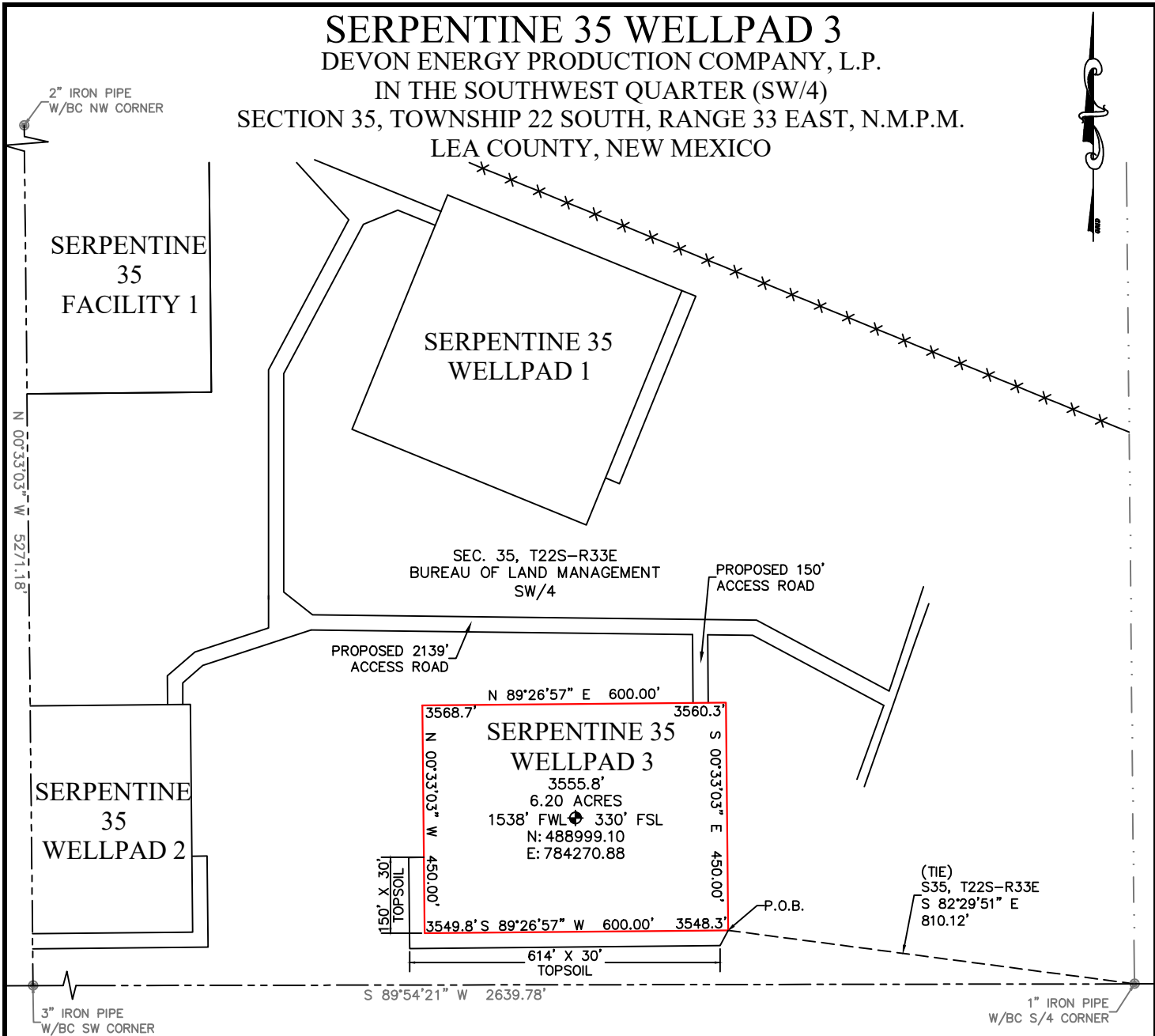
Is this well an infill well?

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

SERPENTINE 35 WELLPAD 3
 DEVON ENERGY PRODUCTION COMPANY, L.P.
 IN THE SOUTHWEST QUARTER (SW/4)
 SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, NEW MEXICO



DESCRIPTION

BEING A SURFACE SITE EASEMENT LYING IN SOUTHWEST QUARTER (SW/4) OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M., LEA COUNTY, NEW MEXICO.

BEGINNING AT THE SOUTHEAST CORNER OF SAID SITE EASEMENT, WHERE A 1" IRON PIPE W/BC FOR THE SOUTH QUARTER CORNER OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST N.M.P.M. BEARS S 82°29'51" E , A DISTANCE 810.12';

THENCE S 89°26'57" W, A DISTANCE 600.00 FEET TO THE SOUTHWEST CORNER OF THIS EASEMENT;
 THENCE N 00°33'03" W, A DISTANCE 450.00 FEET TO THE NORTHWEST CORNER OF THIS EASEMENT;
 THENCE N 89°26'57" E, A DISTANCE 600.00 FEET TO THE NORTHEAST CORNER OF THIS EASEMENT;
 THENCE S 00°33'03" E, A DISTANCE 450.00 FEET TO THE SOUTHEAST CORNER OF THIS EASEMENT,
 TO THE POINT OF BEGINNING; CONTAINING 6.20 ACRES.

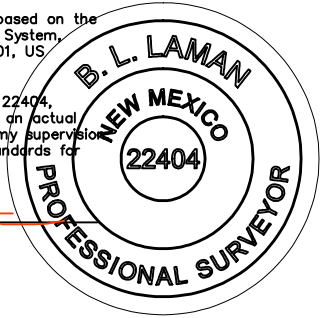
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

GENERAL NOTES:

- 1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A WELLPAD.
- 2.) All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
 Horizonrow, LLC
 Date Signed: 10-19-2021
 P.O. Box 548, Dry Creek, La.
 (903) 388-3045 70637
 Employee of Horizonrow, LLC

HORIZON ROW LLC

Drawn for:

Drawn by: JEANNIE PERRY Date: 10/13/2021

DEVON ENERGY PRODUCTION COMPANY, L.P.

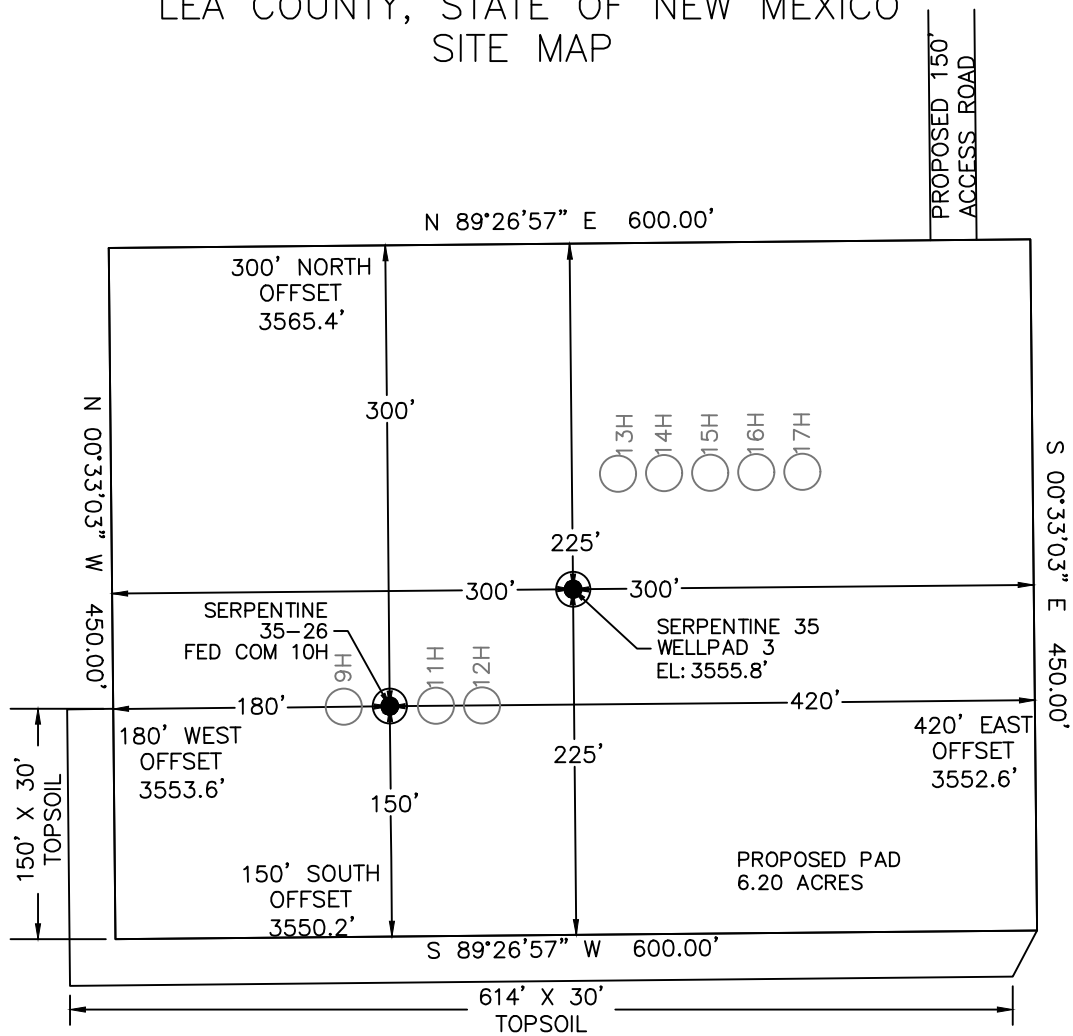
SERPENTINE 35 WELLPAD 3

SURVEY PLAT SHOWING A WELLPAD ON THE PROPERTY OF THE BUREAU OF LAND MANAGEMENT

| |
|---------------------------------|
| SITE NUMBER: AA000504614 |
| WBS NUMBER: XX-141841.01.SLC |
| SCALE: 1" = 300' |
| REVISIONS: |
| DATE OF SURVEY: 06/25/21 |



SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
SITE MAP



| | | | |
|--|--|--|--|
| <u>SERPENTINE 35-26 FED COM 9H</u> 254' FSL 1388' FWL SEC. 35 EL: 3553.3' N: 488922.66 E: 784121.61 | <u>SERPENTINE 35-26 FED COM 10H</u> 254' FSL 1418' FWL SEC. 35 EL: 3553.6' N: 488922.95 E: 784151.61 | <u>SERPENTINE 35-26 FED COM 11H</u> 254' FSL 1448' FWL SEC. 35 EL: 3554.0' N: 488923.23 E: 784181.61 | <u>SERPENTINE 35-26 FED COM 12H</u> 254' FSL 1478' FWL SEC. 35 EL: 3553.8' N: 488923.52 E: 784211.61 |
| <u>SERPENTINE 35-26 FED COM 13H</u> 405' FSL 1568' FWL SEC. 35 EL: 3557.2' N: 489074.38 E: 784300.16 | <u>SERPENTINE 35-26 FED COM 14H</u> 405' FSL 1598' FWL SEC. 35 EL: 3557.3' N: 489074.67 E: 784330.16 | <u>SERPENTINE 35-26 FED COM 15H</u> 405' FSL 1628' FWL SEC. 35 EL: 3556.6' N: 489074.96 E: 784360.16 | <u>SERPENTINE 35-26 FED COM 16H</u> 406' FSL 1658' FWL SEC. 35 EL: 3556.7' N: 489075.25 E: 784390.16 |
| <u>SERPENTINE 35 FED 17H</u> 406' FSL 1688' FWL SEC. 35 EL: 3556.6' N: 489075.53 E: 784420.16 | | | |

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 10H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1418 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

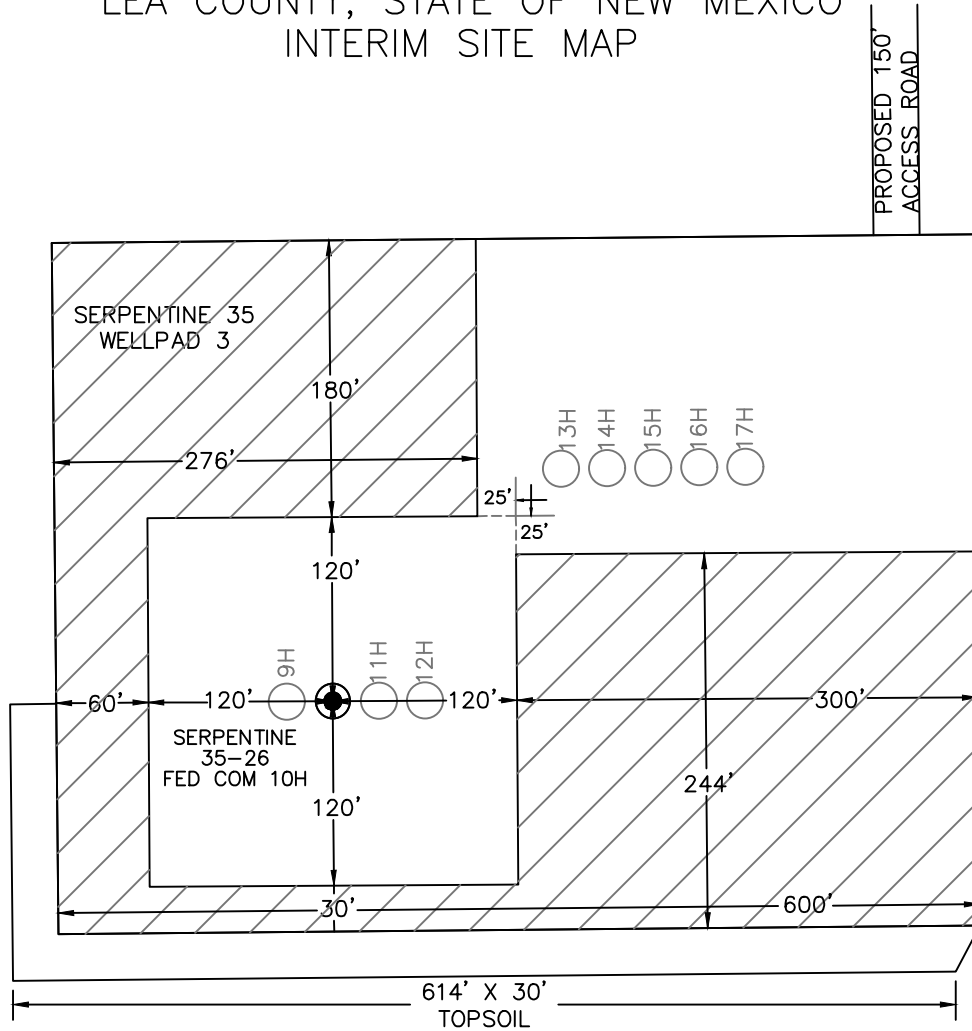
HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by: JEANNIE PERRY Date: 10/20/2021

Drawn for:

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
INTERIM SITE MAP



| | | | |
|--|--|--|--|
| <u>SERPENTINE 35-26 FED COM 9H</u> 254' FSL 1388' FWL SEC. 35 EL: 3553.3' N: 488922.66 E: 784121.61 | <u>SERPENTINE 35-26 FED COM 10H</u> 254' FSL 1418' FWL SEC. 35 EL: 3553.6' N: 488922.95 E: 784151.61 | <u>SERPENTINE 35-26 FED COM 11H</u> 254' FSL 1448' FWL SEC. 35 EL: 3554.0' N: 488923.23 E: 784181.61 | <u>SERPENTINE 35-26 FED COM 12H</u> 254' FSL 1478' FWL SEC. 35 EL: 3553.8' N: 488923.52 E: 784211.61 |
| <u>SERPENTINE 35-26 FED COM 13H</u> 405' FSL 1568' FWL SEC. 35 EL: 3557.2' N: 489074.38 E: 784300.16 | <u>SERPENTINE 35-26 FED COM 14H</u> 405' FSL 1598' FWL SEC. 35 EL: 3557.3' N: 489074.67 E: 784330.16 | <u>SERPENTINE 35-26 FED COM 15H</u> 405' FSL 1628' FWL SEC. 35 EL: 3556.6' N: 489074.96 E: 784360.16 | <u>SERPENTINE 35-26 FED COM 16H</u> 406' FSL 1658' FWL SEC. 35 EL: 3556.7' N: 489075.25 E: 784390.16 |
| <u>SERPENTINE 35 FED 17H</u> 406' FSL 1688' FWL SEC. 35 EL: 3556.6' N: 489075.53 E: 784420.16 | | | |

DENOTES INTERIM PAD RECLAMATION AREA
3.36 ± ACRES INTERIM PAD RECLAMATION AREA
2.84 ± ACRES NON-RECLAIMED AREA
6.20 ± ACRES GRADING SITE RECLAMATION AREA



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 10H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1418 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

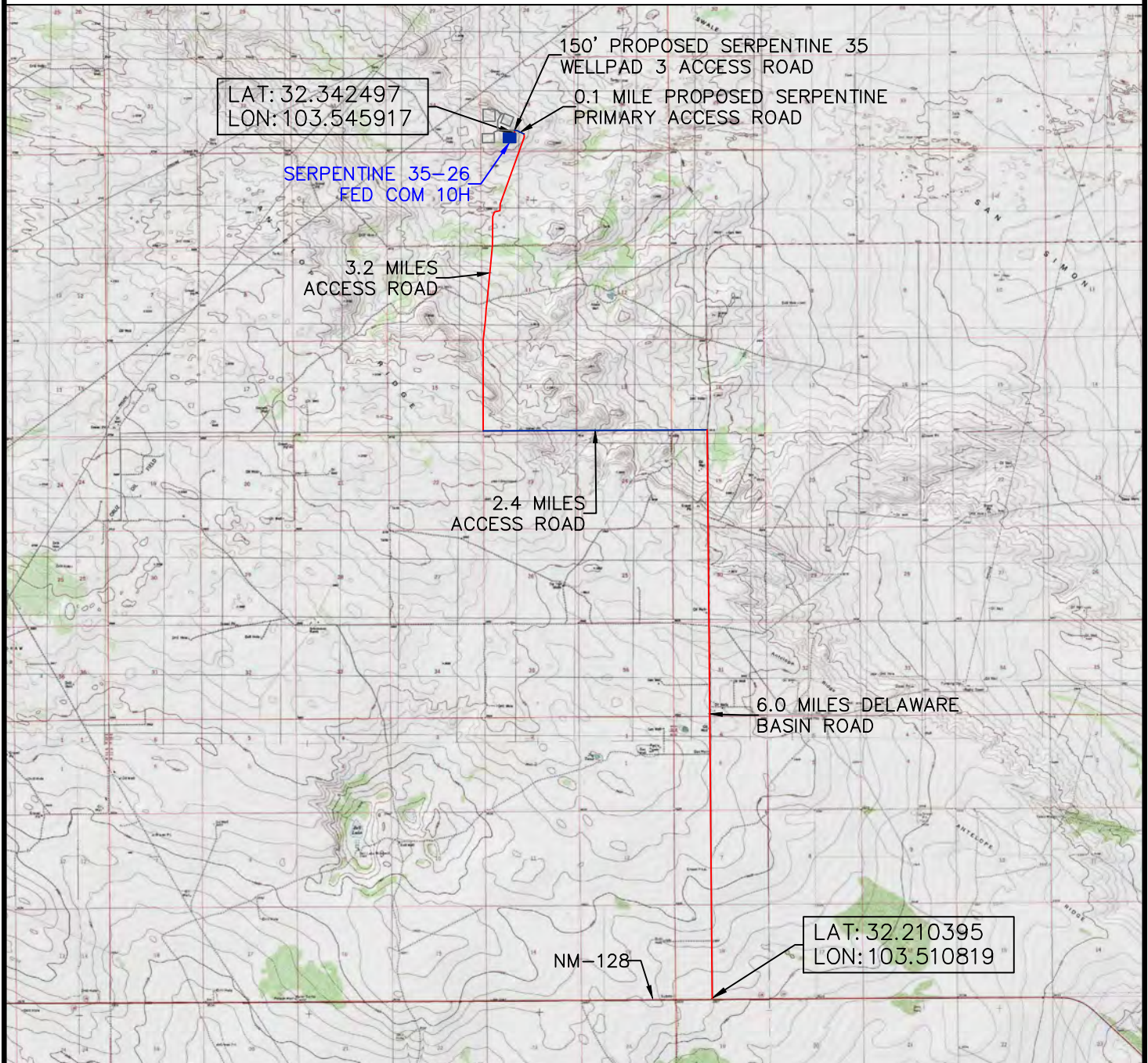
HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by: JEANNIE PERRY Date: 10/20/2021

Drawn for:

SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO VICINITY MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 10H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1418 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

FROM THE INTERSECTION OF NM 128 AND DELAWARE BASIN ROAD, HEAD NORTH ON DELAWARE BASIN ROAD FOR 6.0 MILES. TURN LEFT AND HEAD WEST ONTO AN ACCESS ROAD FOR 2.4 MILES. TURN RIGHT AND HEAD NORTH ONTO AN ACCESS ROAD FOR 3.2 MILES. TURN LEFT ONTO THE PROPOSED SERPENTINE 35 PRIMARY ACCESS ROAD FOR 0.1 OF A MILE TO THE BEGINNING OF THE PROPOSED SERPENTINE 35 WELLPAD 3 ACCESS ROAD. HEAD SOUTH FOR 150' TO THE NORTHEAST CORNER OF THE SERPENTINE 35 WELLPAD 3.

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

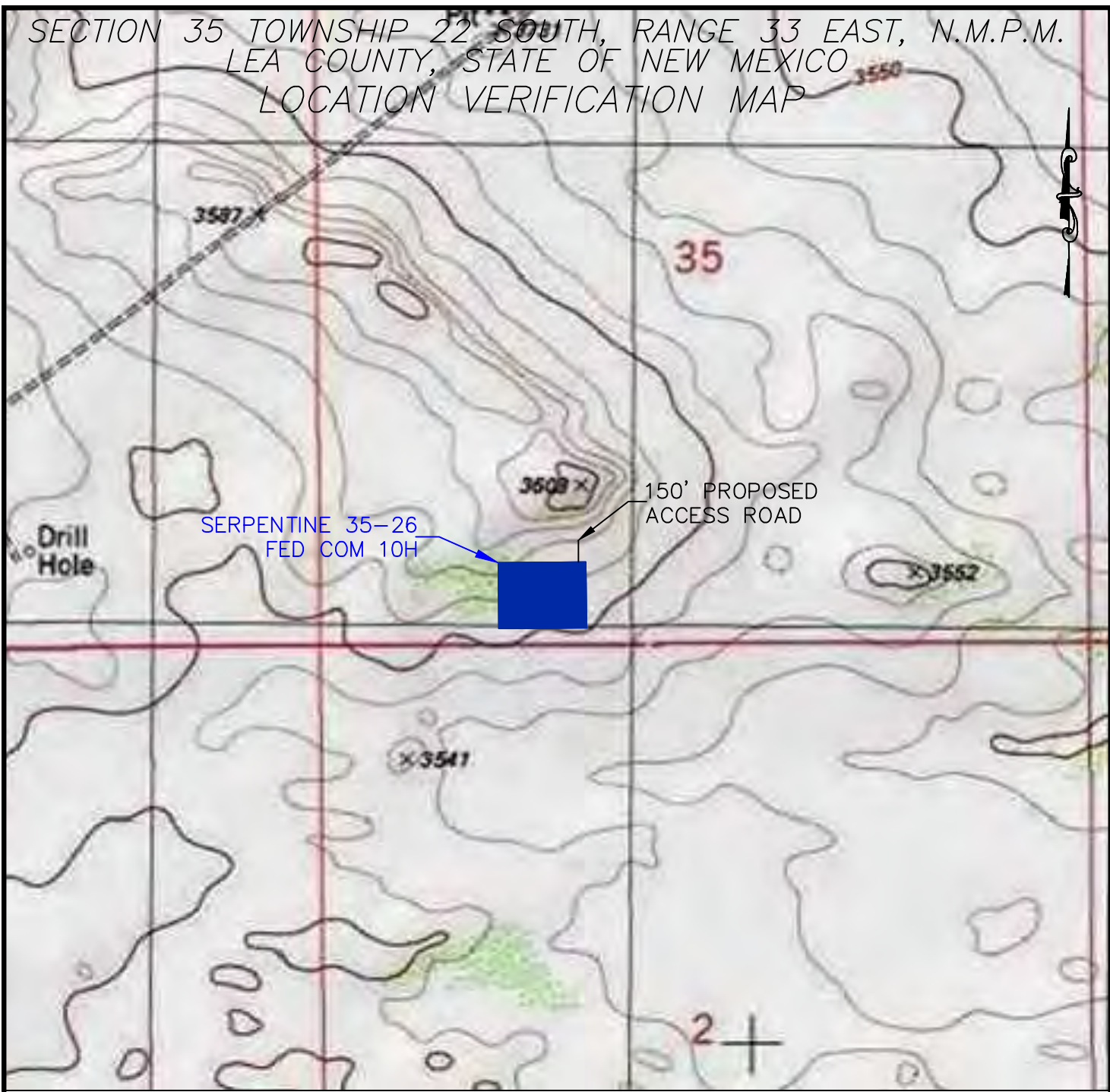
Drawn by:
JEANNIE PERRY

Date: 10/20/2021

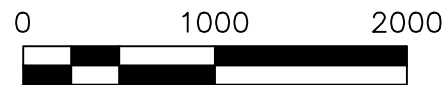
Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
LOCATION VERIFICATION MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 10H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1418 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO



HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

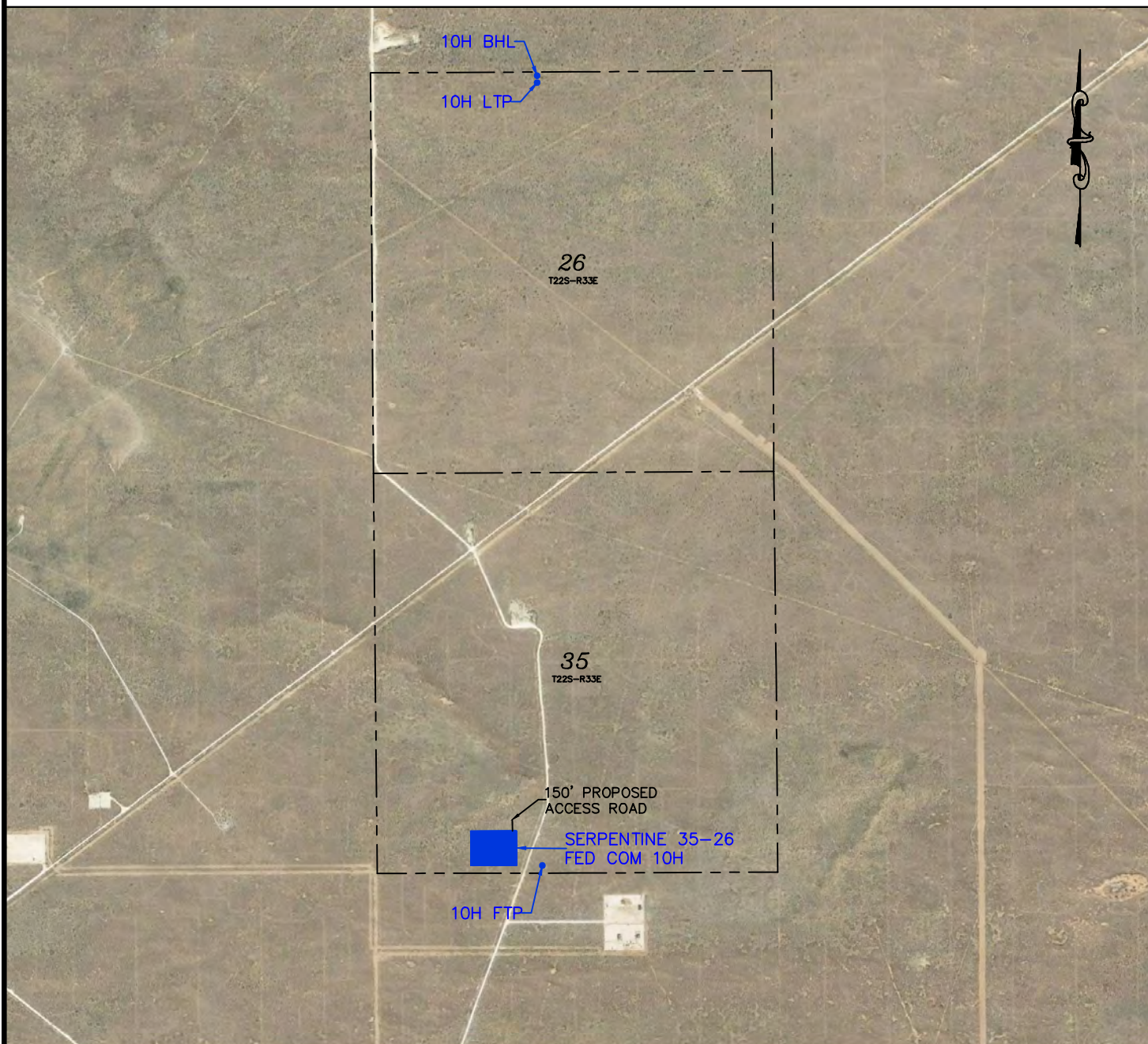
Drawn by
JEANNIE PERRY

Date: 10/20/2021

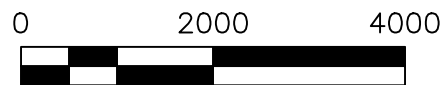
Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 10H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1418 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO



HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

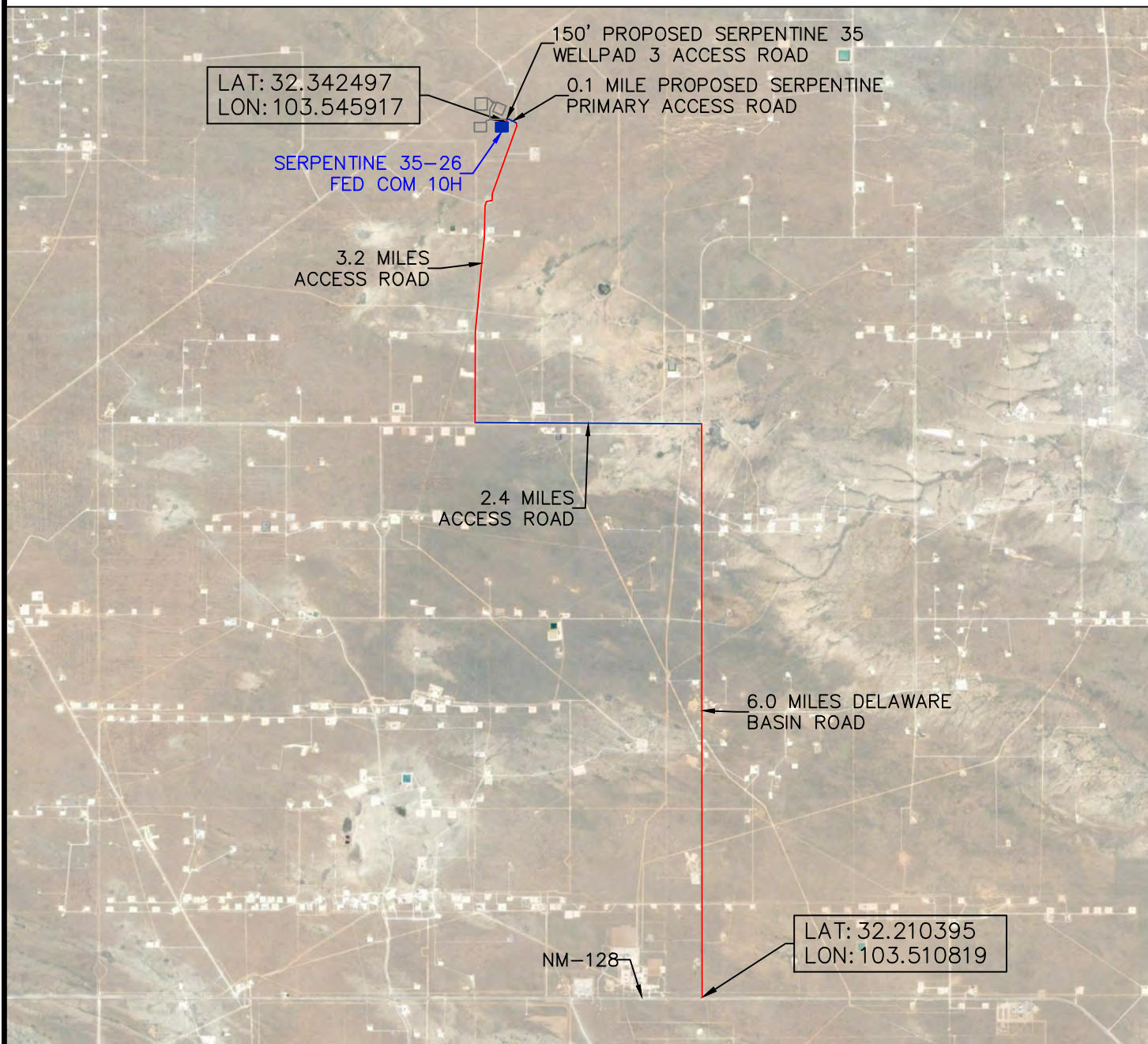
Drawn by:
JEANNIE PERRY

Date: 10/20/2021
REV: 12/8/2021 CM

Drawn for:



SECTION 35 TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M. LEA COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



DEVON ENERGY PRODUCTION COMPANY, L.P.
 SERPENTINE 35-26 FED COM 10H
 LOCATED 254 FT. FROM THE SOUTH LINE
 AND 1418 FT. FROM THE WEST LINE OF
 SECTION 35, TOWNSHIP 22 SOUTH,
 RANGE 33 EAST, N.M.P.M.
 LEA COUNTY, STATE OF NEW MEXICO

NOT TO SCALE

HORIZON ROW LLC

Drawn for:

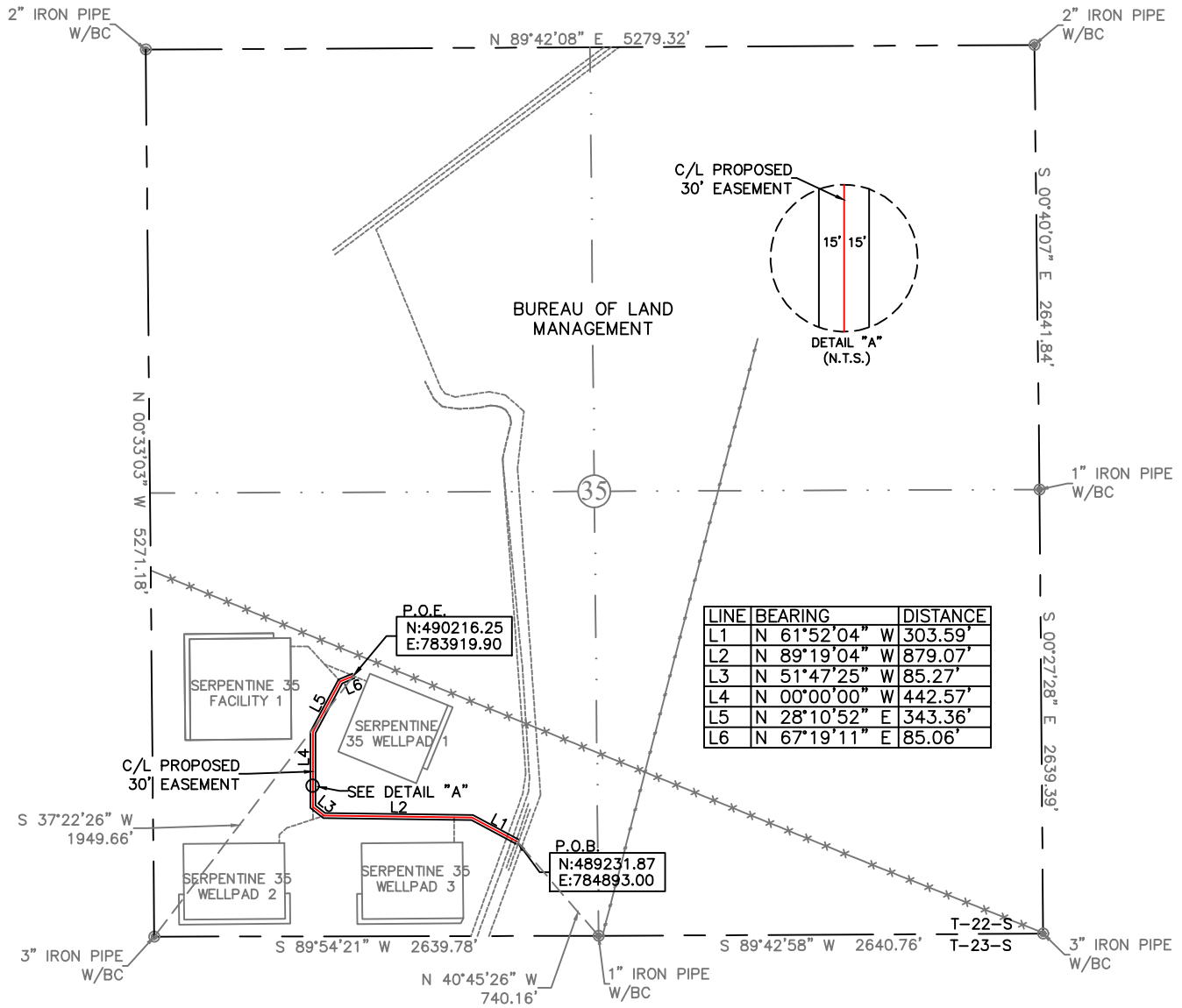
DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

Date: 10/20/2021



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO



| LINE | BEARING | DISTANCE |
|------|---------------|----------|
| L1 | N 61°52'04" W | 303.59' |
| L2 | N 89°19'04" W | 879.07' |
| L3 | N 51°47'25" W | 85.27' |
| L4 | N 00°00'00" W | 442.57' |
| L5 | N 28°10'52" E | 343.36' |
| L6 | N 67°19'11" E | 85.06' |

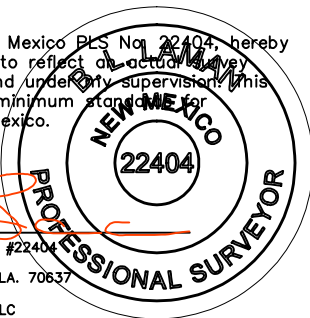
30' EASEMENT AREA = 1.47 ACRE(S)
2138.92 FEET OR 129.63 RODS

SEE THE ATTACHED LEGAL DESCRIPTION

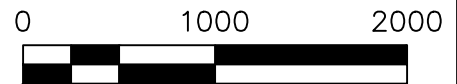
Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

- 0+00.0 P.O.B.
- 0+08.1 EDGE OF ROAD
- 0+30.4 BURIED PIPELINE
- 4+11.7 SERPENTINE 35 WELLPAD 3 ACCESS ROAD
- 11+82.7 SERPENTINE 35 WELLPAD 2 ACCESS ROAD
- 20+53.8 SERPENTINE 35 FACILITY 1 ACCESS ROAD
- 21+38.9 P.O.E./SERPENTINE 35 WELLPAD 1 ACCESS ROAD

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC



| | | | |
|----------------------------|--|--|---------------------------------|
| HORIZON ROW LLC | | DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: |
| Drawn for: | | SERPENTINE 35 PRIMARY ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| Drawn by: JEANNIE PERRY | | PROPOSED 30' EASEMENT ON THE PROPERTY OF BUREAU OF LAND MANAGEMENT SECTION 35, T22S-R33E, N.M.P.M. | SCALE: 1" = 1000' |
| Date: 10/12/2021 | | | REVISIONS: |
| | | | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 1" iron pipe w/BC found for the south quarter corner of Section 35;

Thence N 40°45'26" W, a distance of 740.16' to the **Point of Beginning** of this easement having coordinates of Northing=489231.87 feet, Easting=784893.00 feet, and continuing the following courses;

- Thence N 61°52'04" W a distance of 303.59' to an angle point;
- Thence N 89°19'04" W a distance of 879.07' to an angle point;
- Thence N 51°47'25" W a distance of 85.27' to an angle point;
- Thence N 00°00'00" W a distance of 442.57' to an angle point;
- Thence N 28°10'52" E a distance of 343.36' to an angle point;

Thence N 67°19'11" E a distance of 85.06' to the **Point of Ending** having coordinates of Northing=490216.25 feet, Easting=783919.90 feet from said point a 3" iron pipe w/BC found for the southwest corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 37°22'26" W a distance of 1949.66', covering **2138.92' or 129.63 rods** and having an area of **1.47 acres**.

NOTES:

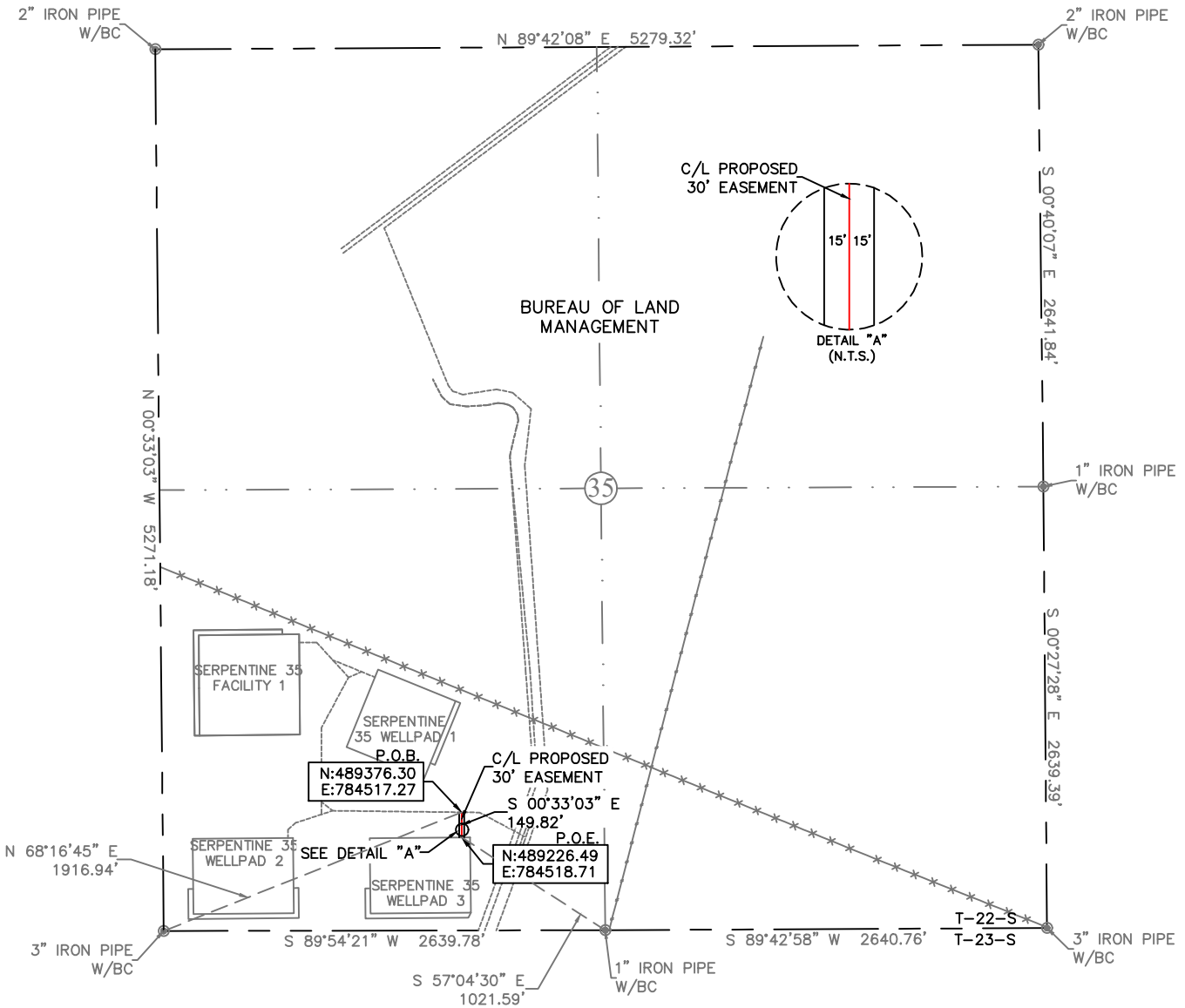
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.

B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



EXHIBIT "A"
ACCESS ROAD PLAT
SECTION 35, T22S-R33E, N.M.P.M.
LEA COUNTY, NEW MEXICO

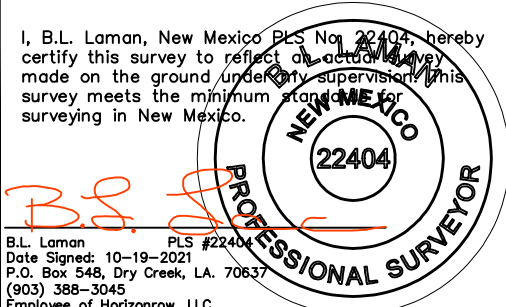


30' EASEMENT AREA = 0.103 ACRE(S)
149.82 FEET OR 9.08 RODS

0+00.0 P.O.B./SERPENTINE 35 PRIMARY ACCESS ROAD
1+49.8 P.O.E./SERPENTINE 35 WELLPAD 3

SEE THE ATTACHED LEGAL DESCRIPTION
Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect all actual surveys made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.



B.L. Laman PLS #22404
Date Signed: 10-19-2021
P.O. Box 548, Dry Creek, LA. 70637
(903) 388-3045
Employee of Horizonrow, LLC

HORIZON ROW LLC

Drawn for:

devon

Drawn by: JEANNIE PERRY Date: 10/13/2021

| | |
|---|---------------------------------|
| DEVON ENERGY PRODUCTION COMPANY, L.P. | LINE NUMBER: 7610326R |
| SERPENTINE 35 WELLPAD 3 ACCESS ROAD | WBS NUMBER: XX-141841.01.SLC |
| PROPOSED 30' EASEMENT ON THE PROPERTY OF | SCALE: 1" = 1000' |
| BUREAU OF LAND MANAGEMENT | REVISIONS: |
| SECTION 35, T22S-R33E, N.M.P.M. | SURVEY DATE: 10/11/2021 |

**SECTION 35, T22S-R33E, N.M.P.M.,
LEA COUNTY, NEW MEXICO**

ACCESS ROAD PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

BUREAU OF LAND MANAGEMENT

30' EASEMENT DESCRIPTION:

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the southwest quarter (SW/4) of Section 35, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and being out of a parcel of land owned by the Bureau of Land Management. Said centerline of easement being more particularly described as follows:

Commencing from a 3" iron pipe w/BC found for the southwest corner of Section 35;


Thence N 68°16'45" E, a distance of 1916.94' to the **Point of Beginning** of this easement having coordinates of Northing=489376.30 feet, Easting=784517.27 feet, and continuing the following courses;

Thence S 00°33'03" E a distance of 149.82' to the **Point of Ending** having coordinates of Northing=489226.49 feet, Easting=784518.71 feet from said point a 1" iron pipe w/BC found for the south quarter corner of Section 35, T22S-R33E, N.M.P.M., Lea County, New Mexico bears S 57°04'30" E a distance of 1021.59', covering **149.82' or 9.08 rods** and having an area of **0.103 acres**.

NOTES:

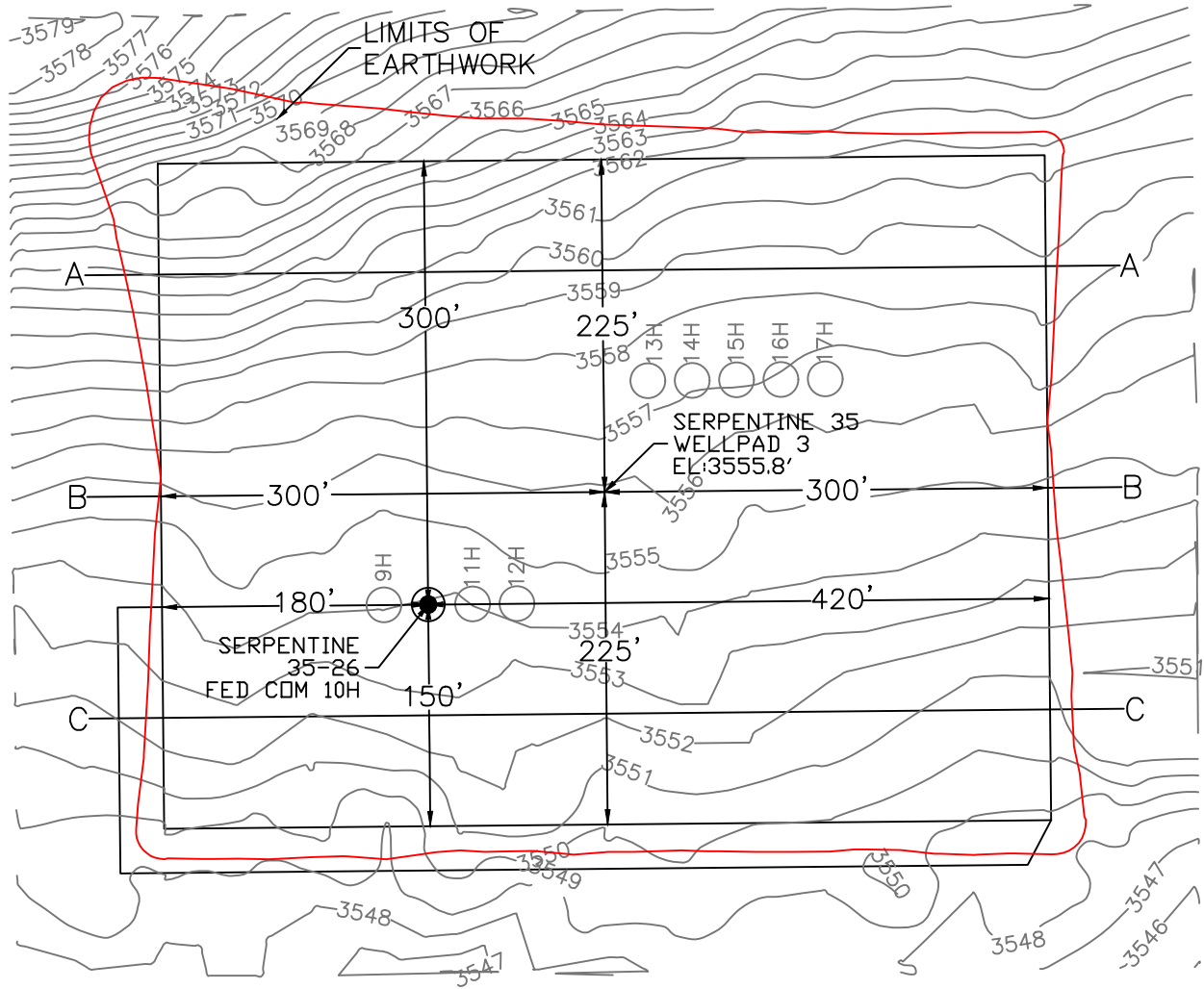
Bearings, distances and coordinates shown herein are based on New Mexico State Plane Coordinate System, NAD 83, East Zone 3001, US Survey Feet, all distances are grid.

I, B.L. Laman, New Mexico PLS No. 22404, hereby certify this survey to reflect an actual survey made on the ground under my supervision. This survey meets the minimum standards for surveying in New Mexico.


B.L. Laman PLS 22404
Date Signed: 10/19/2021
Horizon Row, LLC
P.O. Box 548, Dry Creek, LA
(903) 388-3045 70637
Employee of Horizon Row, LLC



SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
PLAN VIEW



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 10H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1418 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO



EARTHWORK QUANTITIES FOR
SERPENTINE 35 WELLPAD 3

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,228 CY | 18,228 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

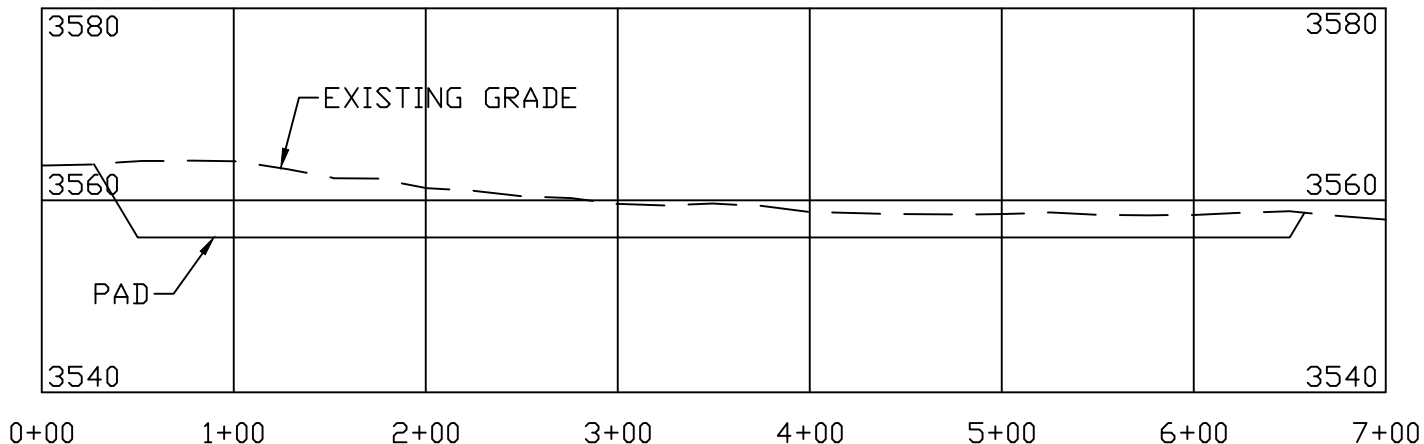
Date: 10/20/2021

Drawn for:

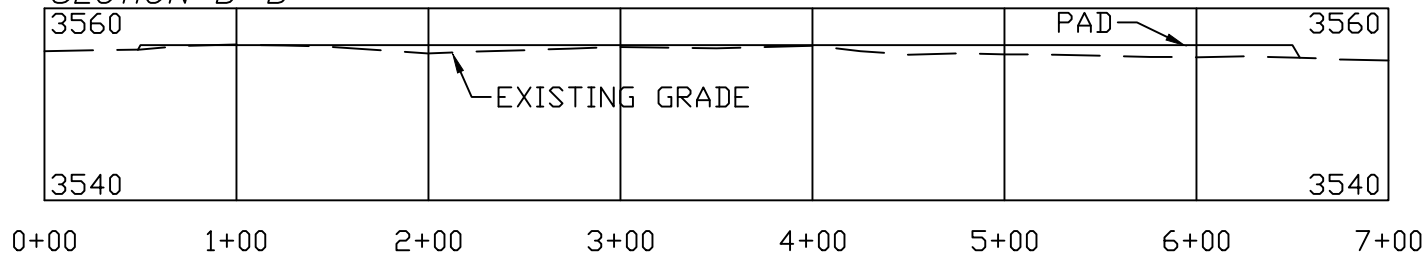


SECTION 35, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO
CROSS SECTIONS

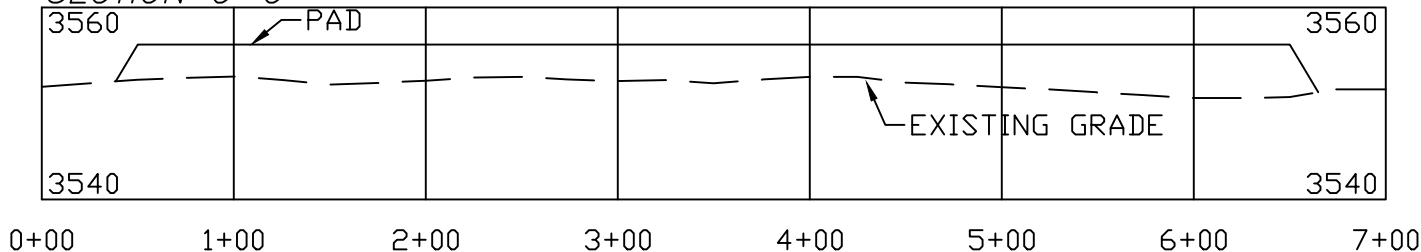
SECTION A-A



SECTION B-B



SECTION C-C



DEVON ENERGY PRODUCTION COMPANY, L.P.
SERPENTINE 35-26 FED COM 10H
LOCATED 254 FT. FROM THE SOUTH LINE
AND 1418 FT. FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 33 EAST, N.M.P.M.
LEA COUNTY, STATE OF NEW MEXICO

SCALE 1" = 100' HORIZONTAL
SCALE 1" = 20' VERTICAL

EARTHWORK QUANTITIES FOR
SERPENTINE 35 WELLPAD 3

| CUT | FILL | NET |
|-----------|-----------|-------|
| 18,228 CY | 18,228 CY | 10 CY |

EARTHWORK QUANTITIES ARE ESTIMATED

HORIZON ROW LLC

DEVON ENERGY PRODUCTION CO., L.P.

Drawn by:
JEANNIE PERRY

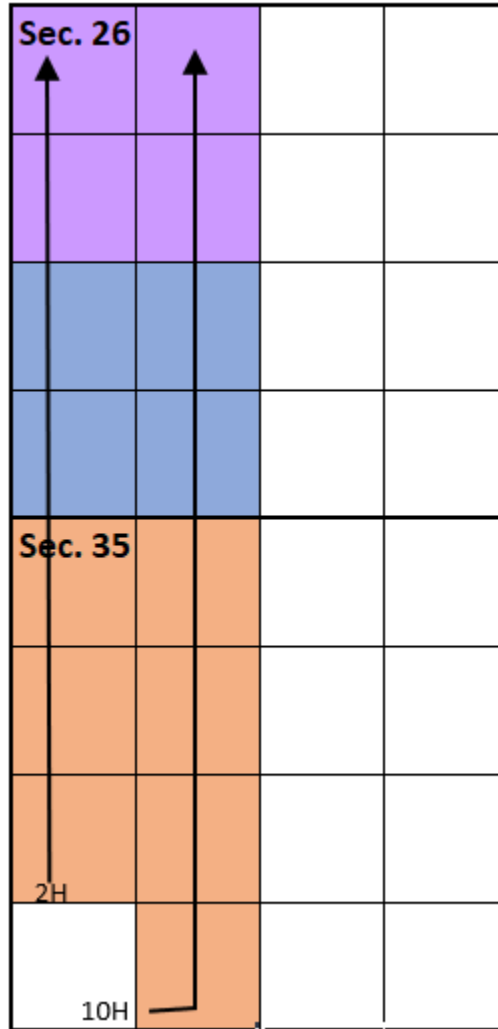
Date: 10/20/2021

Drawn for:

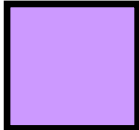


Exhibit "A-2"

W/2 of Section 26, NW/4 and N/2SW/4 and SE/4SW/4 of Section 35, T22S, R33E, Lea County, New Mexico, Wolfcamp Formation



Tract 1:
USA NMNM 12846
(160 acres)



Tract 2:
USA NMNM 61360
(160 acres)



Tract 3:
USA NMNM 113969
(280 acres)



Serpentine 35-26 Fed Com 2H well

SHL: Sec. 35-22S-33E 1,346' FSL & 651' FWL

BHL: Sec. 26-22S-33E 20' FNL & 330' FWL

Serpentine 35-26 Fed Com 10H well

SHL: Sec. 35-22S-33E 254' FSL & 1,418' FWL

BHL: Sec. 26-22S-33E 20' FNL & 2,178' FWL

**OWNERSHIP BREAKDOWN – Wolfcamp formation
W/2 of Section 26, NW/4 and N/2SW/4 and SE/4SW/4 of Section 35, T22S, R33E,
Lea County, New Mexico
Serpentine 35-26 Fed Com 2H, 10H**

TRACTS 1, 2 and 3 OWNERSHIP (encompassing the NW/4 of Section 26, SW/4 of Section 26, NW/4 and N/2SW/4 and SE/4SW/4 of Section 35, T22S, R33E, Lea County, New Mexico, being 600.00 acres)

| Owner | Net Acres | Unit WI | Status |
|--|---------------|-------------|--------------------|
| Marathon Oil Permian, LLC 990 Town and Country Blvd. Houston, TX 77024 | 160.00 | 100% | Uncommitted |
| TRACT 1 TOTAL | 160.00 | 100% | |
| Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102 | 160.00 | 100% | Committed |
| TRACT 2 TOTAL | 160.00 | 100% | |
| Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102 | 280.00 | 100% | Committed |
| TRACT 3 TOTAL | 280.00 | 100% | |
| TRACTS 1, 2, 3 TOTAL | 600.00 | 100% | |

UNIT RECAPITULATION:

**W/2 of Section 26, NW/4 and N/2SW/4 and SE/4SW/4 of Section 35, T22S, R33E,
Lea County, New Mexico**

| | | |
|---------------------------------------|------------|----|
| Devon Energy Production Company, L.P. | 73.333333% | WI |
| Marathon Oil Permian, LLC | 26.666666% | WI |

UNIT TOTAL: 100% WI

Overriding Royalty Owners

States Royalty Limited Partnership
300 N. Breckenridge Ave.
Breckenridge, TX 76424

Monty D. McLane
6800 County Rd. 48
Midland, TX 79707

AmeriPermian Holdings, LLC
1733 Woodstead Ct, Suite 206
The Woodlands, TX 77380

David B. Engle
38315 Sunset Dr
Oconomowoc, WI 53066

McMullen Minerals, LLC
PO Box 470857
Fort Worth, TX 761477

Pegasus Resources, LLC
2821 W. 7th St. #500
Fort Worth, TX 76107

Viper Energy Partners, LLC
500 West Texas Ste. 1200
Midland, TX 79701

October 13, 2022

Marathon Oil Permian LLC
5555 San Felipe St.
Houston, TX 77056

Re: Supplement to Well Proposal dated February 2, 2022
Serpentine 35-26 Fed Com 1H, 2H, 5H, 6H, 9H, 10H, 11H, 12H, and 16H
Sections 35 & 26-22S-33E
Lea County, New Mexico

Dear Working Interest Owner,

Devon Energy Production Company, L.P. (“Devon”) is providing this Supplemental Letter (“Supplement”) to be incorporated into the Well Proposal dated February 2, 2022 (“Well Proposal”), in order to update the Serpentine 35-26 Fed Com 9H Well (the “9H Well”) with certain adjustments pursuant the eleventh paragraph of the Well Proposal in which Devon reserved the right to modify locations and drilling plans.

Devon adjusts the specifications of the 9H Well as follows:

- Serpentine 35-26 Fed Com 9H, to be drilled to a depth to test the Bone Spring formation, at a total vertical depth of 12,050’, and total measured depth of 22,050’.

This change, and no other change, is made to the Well Proposal to optimize the development in the proposed horizontal spacing unit and prevent waste. The estimated SHL, BHL, Authority for Expenditure, and all other specifications remain unchanged for the 9H Well and the other wells proposed, and the original Well Proposal dated February 2, 2022, remains in effect subject to this Supplement.

Should you have any questions, please do not hesitate to contact me at (405) 552-3337.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Matthew Hoops
Sr. Staff Landman





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

405 235 3611 Phone
www.devonenergy.com

February 2, 2022

Marathon Oil Permian LLC
5555 San Felipe St
Houston, TX 77056

RE: Serpentine 35-26 Fed Com 1H, 2H, 5H, 6H, 9H, 10H, 11H, 12H, and 16H
Sections 35 & 26-22S-33E
Lea County, New Mexico

Dear Working Interest Owner,

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

Serpentine 35-26 Fed Com 1H – to be drilled to a depth sufficient to test the 2nd Bone Spring formation at an approximate TVD of 11,000' and approximate TMD of 20,391'. The surface location will be 1346' FSL & 621' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 330' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$1,985,169.84 and total completed well costs of \$5,236,468.73.

Serpentine 35-26 Fed Com 2H – to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate TVD of 12,275' and approximate TMD of 21,453'. The surface location will be 1346' FSL & 651' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 330' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$3,263,140.02 and total completed well costs of \$7,070,049.87.

Serpentine 35-26 Fed Com 5H – to be drilled to a depth sufficient to test the Avalon formation at an approximate TVD of 9,550' and approximate TMD of 18,995'. The surface location will be 1208' FSL & 1366' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 330' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of 1,881,613.69 and total completed well costs of \$5,122,209.72.

Serpentine 35-26 Fed Com 6H – to be drilled to a depth sufficient to test the Avalon formation at an approximate TVD of 9,550' and approximate TMD of 18,960'. The surface location will be 1196' FSL & 1393' FWL, Section 35-22S-33E and bottom hole location will be approximately 20' FNL & 1254' FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the "Wells"). Enclosed for your review is Devon's AFE indicating drilling costs of \$2,187,203.67 and total completed well costs of \$5,427,799.70.

Marathon Oil Permian LLC
February 2, 2022

page 2

Serpentine 35-26 Fed Com 9H – to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate TVD of 12,275’ and approximate TMD of 21,703’. The surface location will be 254’ FSL & 1388’ FWL, Section 35-22S-33E and bottom hole will be approximately 20’ FNL & 1254’ FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the “Wells”). Enclosed location for your review is Devon’s AFE indicating drilling costs of \$3,238,015.02 and total completed well costs of \$7,044,924.87.

Serpentine 35-26 Fed Com 10H – to be drilled to a depth sufficient to test the Wolfcamp formation at an approximate TVD of 12,275’ and approximate TMD of 22,586’. The surface location will be 254’ FSL & 1418’ FWL, Section 35-22S-33E and bottom hole location will be approximately 20’ FNL & 2178’ FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the “Wells”). Enclosed for your review is Devon’s AFE indicating drilling costs of \$2,932,424.97 and total completed well costs of \$6,739,334.82.

Serpentine 35-26 Fed Com 11H – to be drilled to a depth sufficient to test the 2nd Bone Spring formation at an approximate TVD of 11,000’ and approximate TMD of 20,353’. The surface location will be 254’ FSL & 1448’ FWL, Section 35-22S-33E and bottom hole location will be approximately 20’ FNL & 1254’ FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the “Wells”). Enclosed for your review is Devon’s AFE indicating drilling costs of \$1,960,044.84 and total completed well costs of \$5,211,343.73.

Serpentine 35-26 Fed Com 12H – to be drilled to a depth sufficient to test the 2nd Bone Spring formation at an approximate TVD of 11,000’ and approximate TMD of 21,289’. The surface location will be 254’ FSL & 1478’ FWL, Section 35-22S-33E and bottom hole location will be approximately 20’ FNL & 2178’ FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the “Wells”). Enclosed for your review is Devon’s AFE indicating drilling costs of \$1,960,044.84 and total completed well costs of \$5,211,343.73.

Serpentine 35-26 Fed Com 16H – to be drilled to a depth sufficient to test the Avalon formation at an approximate TVD of 9,550’ and approximate TMD of 19,853’. The surface location will be 406’ FSL & 1658’ FWL, Section 35-22S-33E and bottom hole location will be approximately 20’ FNL & 2178’ FWL, Section 26-22S-33E, Lea County, New Mexico (collectively with all nine proposed wells, the “Wells”). Enclosed for your review is Devon’s AFE indicating drilling costs of \$2,187,203.67 and total completed well costs of \$5,427,799.70.

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

Please indicate our 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.

Marathon Oil Permian LLC
February 2, 2022

page 3

If an agreement cannot be reached within 30 days of receipt of this letter, Devon will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the Wells, if uncommitted at such time.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.



Ryan Cloer
Sr. Staff Landman

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 1H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 1H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 2H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 2H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 5H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 5H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 6H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 6H** well.

Marathon Oil Permian LLC
February 2, 2022

page 4

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 9H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 9H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 10H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 10H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 11H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 11H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 12H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 12H** well.

_____ I/we elect to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 16H** well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the **Serpentine 35-26 Fed Com 16H** well.

Company Name: _____

Signature: _____ Date: _____



Authorization for Expenditure

AFE # XX-147333.01
 Well Name: SERPENTINE 35-26 FED COM 1H
 Cost Center Number: 1094628301
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL 2ND BONE SPRING WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 74,408.91 | 0.00 | 74,408.91 |
| 6060100 | DYED LIQUID FUELS | 70,937.81 | 226,429.48 | 0.00 | 297,367.29 |
| 6080100 | DISPOSAL - SOLIDS | 58,185.89 | 2,128.42 | 0.00 | 60,314.31 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,377.88 | 0.00 | 10,377.88 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 52,650.00 | 0.00 | 52,650.00 |
| 6090100 | FLUIDS - WATER | 8,068.34 | 17,953.68 | 0.00 | 26,022.02 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 168,719.29 | 0.00 | 168,719.29 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,803.84 | 0.00 | 83,803.84 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 1,946.90 | 0.00 | 0.00 | 1,946.90 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 12,896.44 | 0.00 | 12,896.44 |
| 6130370 | ROTC - GEOSTEERING | 5,912.96 | 0.00 | 0.00 | 5,912.96 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 152,660.76 | 0.00 | 152,660.76 |
| 6160100 | MATERIALS & SUPPLIES | 7,685.53 | 0.00 | 0.00 | 7,685.53 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 74,168.95 | 0.00 | 74,168.95 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 52,624.46 | 0.00 | 0.00 | 52,624.46 |
| 6190110 | TRUCKING&HAUL OF EQP | 15,025.05 | 35,050.63 | 0.00 | 50,075.68 |
| 6200130 | CONSLT & PROJECT SVC | 83,711.85 | 67,051.91 | 0.00 | 150,763.76 |
| 6230120 | SAFETY SERVICES | 22,674.05 | 0.00 | 0.00 | 22,674.05 |
| 6300270 | SOLIDS CONTROL SRVCS | 37,106.79 | 0.00 | 0.00 | 37,106.79 |
| 6310120 | STIMULATION SERVICES | 0.00 | 559,937.91 | 0.00 | 559,937.91 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 362,145.98 | 0.00 | 362,145.98 |
| 6310200 | CASING & TUBULAR SVC | 37,473.21 | 0.00 | 0.00 | 37,473.21 |
| 6310250 | CEMENTING SERVICES | 84,338.95 | 0.00 | 0.00 | 84,338.95 |
| 6310280 | DAYWORK COSTS | 299,495.69 | 0.00 | 0.00 | 299,495.69 |
| 6310300 | DIRECTIONAL SERVICES | 159,832.25 | 0.00 | 0.00 | 159,832.25 |
| 6310310 | DRILL BITS | 47,437.26 | 0.00 | 0.00 | 47,437.26 |
| 6310330 | DRILL&COMP FLUID&SVC | 212,984.35 | 9,704.42 | 0.00 | 222,688.77 |
| 6310370 | MOB & DEMOBILIZATION | 64,166.56 | 0.00 | 0.00 | 64,166.56 |
| 6310380 | OPEN HOLE EVALUATION | 11,836.87 | 0.00 | 0.00 | 11,836.87 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,732.44 | 0.00 | 118,732.44 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,510.50 | 0.00 | 19,510.50 |
| 6320100 | EQPMNT SVC-SRF RNTL | 81,287.36 | 144,565.40 | 0.00 | 225,852.76 |
| 6320110 | EQUIP SVC - DOWNHOLE | 72,695.67 | 21,346.29 | 0.00 | 94,041.96 |
| 6320160 | WELDING SERVICES | 420.48 | 0.00 | 0.00 | 420.48 |
| 6320190 | WATER TRANSFER | 0.00 | 64,320.78 | 0.00 | 64,320.78 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 9,095.15 | 0.00 | 9,095.15 |

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



Authorization for Expenditure

AFE # XX-147333.01

Well Name: SERPENTINE 35-26 FED COM 1H

AFE Date: 2/2/2022

Cost Center Number: 1094628301

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|--------------------------|---------------------|---------------------|----------------|---------------------|
| 6550110 | MISCELLANEOUS SVC | 9,674.48 | 0.00 | 0.00 | 9,674.48 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,451.36 | 34,103.81 | 0.00 | 38,555.17 |
| 6740340 | TAXES OTHER | 0.00 | 24,732.18 | 0.00 | 24,732.18 |
| | Total Intangibles | 1,565,974.12 | 2,467,547.88 | 0.00 | 4,033,522.00 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|-------------------|-------------------|----------------|---------------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 107,163.22 | 0.00 | 107,163.22 |
| 6310460 | WELLHEAD EQUIPMENT | 25,624.14 | 76,926.26 | 0.00 | 102,550.40 |
| 6310530 | SURFACE CASING | 19,487.80 | 0.00 | 0.00 | 19,487.80 |
| 6310540 | INTERMEDIATE CASING | 150,082.30 | 0.00 | 0.00 | 150,082.30 |
| 6310550 | PRODUCTION CASING | 187,462.71 | 0.00 | 0.00 | 187,462.71 |
| 6310580 | CASING COMPONENTS | 16,538.77 | 0.00 | 0.00 | 16,538.77 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 419,195.72 | 783,751.01 | 0.00 | 1,202,946.73 |

| | | | | |
|-----------------------------|---------------------|---------------------|-------------|---------------------|
| TOTAL ESTIMATED COST | 1,985,169.84 | 3,251,298.89 | 0.00 | 5,236,468.73 |
|-----------------------------|---------------------|---------------------|-------------|---------------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147336.01
 Well Name: SERPENTINE 35-26 FED COM 2H
 Cost Center Number: 1094628401
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL WOLFCAMP WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 95,211.17 | 0.00 | 95,211.17 |
| 6060100 | DYED LIQUID FUELS | 120,102.85 | 326,208.97 | 0.00 | 446,311.82 |
| 6080100 | DISPOSAL - SOLIDS | 98,512.93 | 1,065.52 | 0.00 | 99,578.45 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,389.69 | 0.00 | 10,389.69 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 93,600.00 | 0.00 | 93,600.00 |
| 6090100 | FLUIDS - WATER | 13,660.29 | 22,759.32 | 0.00 | 36,419.61 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 217,014.04 | 0.00 | 217,014.04 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,819.59 | 0.00 | 83,819.59 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 3,296.24 | 0.00 | 0.00 | 3,296.24 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 16,511.64 | 0.00 | 16,511.64 |
| 6130370 | ROTC - GEOSTEERING | 10,011.07 | 0.00 | 0.00 | 10,011.07 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 185,968.62 | 0.00 | 185,968.62 |
| 6160100 | MATERIALS & SUPPLIES | 13,012.17 | 0.00 | 0.00 | 13,012.17 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 77,391.66 | 0.00 | 77,391.66 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 89,097.03 | 0.00 | 0.00 | 89,097.03 |
| 6190110 | TRUCKING&HAUL OF EQP | 25,438.50 | 35,070.32 | 0.00 | 60,508.82 |
| 6200130 | CONSLT & PROJECT SVC | 138,091.61 | 76,545.32 | 0.00 | 214,636.93 |
| 6230120 | SAFETY SERVICES | 38,388.82 | 0.00 | 0.00 | 38,388.82 |
| 6300270 | SOLIDS CONTROL SRVCS | 62,824.49 | 0.00 | 0.00 | 62,824.49 |
| 6310120 | STIMULATION SERVICES | 0.00 | 692,845.24 | 0.00 | 692,845.24 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 454,621.35 | 0.00 | 454,621.35 |
| 6310200 | CASING & TUBULAR SVC | 63,444.87 | 0.00 | 0.00 | 63,444.87 |
| 6310250 | CEMENTING SERVICES | 142,791.96 | 0.00 | 0.00 | 142,791.96 |
| 6310280 | DAYWORK COSTS | 507,067.91 | 0.00 | 0.00 | 507,067.91 |
| 6310300 | DIRECTIONAL SERVICES | 270,607.59 | 0.00 | 0.00 | 270,607.59 |
| 6310310 | DRILL BITS | 80,314.73 | 0.00 | 0.00 | 80,314.73 |
| 6310330 | DRILL&COMP FLUID&SVC | 360,597.94 | 10,346.23 | 0.00 | 370,944.17 |
| 6310370 | MOB & DEMOBILIZATION | 108,638.64 | 0.00 | 0.00 | 108,638.64 |
| 6310380 | OPEN HOLE EVALUATION | 20,040.68 | 0.00 | 0.00 | 20,040.68 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 119,683.85 | 0.00 | 119,683.85 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 25,509.84 | 0.00 | 25,509.84 |
| 6320100 | EQPMNT SVC-SRF RNTL | 137,625.39 | 149,722.73 | 0.00 | 287,348.12 |
| 6320110 | EQUIP SVC - DOWNHOLE | 123,079.05 | 21,984.47 | 0.00 | 145,063.52 |
| 6320160 | WELDING SERVICES | 711.90 | 0.00 | 0.00 | 711.90 |
| 6320190 | WATER TRANSFER | 0.00 | 80,350.86 | 0.00 | 80,350.86 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 10,154.15 | 0.00 | 10,154.15 |

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



Authorization for Expenditure

AFE # XX-147336.01

Well Name: SERPENTINE 35-26 FED COM 2H

AFE Date: 2/2/2022

Cost Center Number: 1094628401

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 16,379.59 | 0.00 | 0.00 | 16,379.59 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 7,536.48 | 35,050.51 | 0.00 | 42,586.99 |
| 6740340 | TAXES OTHER | 0.00 | 29,059.98 | 0.00 | 29,059.98 |
| | Total Intangibles | 2,567,272.73 | 2,991,937.90 | 0.00 | 5,559,210.63 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 128,344.77 | 0.00 | 128,344.77 |
| 6310460 | WELLHEAD EQUIPMENT | 43,383.52 | 86,965.65 | 0.00 | 130,349.17 |
| 6310530 | SURFACE CASING | 32,994.26 | 0.00 | 0.00 | 32,994.26 |
| 6310540 | INTERMEDIATE CASING | 254,100.21 | 0.00 | 0.00 | 254,100.21 |
| 6310550 | PRODUCTION CASING | 317,387.97 | 0.00 | 0.00 | 317,387.97 |
| 6310580 | CASING COMPONENTS | 28,001.33 | 0.00 | 0.00 | 28,001.33 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 695,867.29 | 814,971.95 | 0.00 | 1,510,839.24 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 3,263,140.02 | 3,806,909.85 | 0.00 | 7,070,049.87 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147330.01
 Well Name: SERPENTINE 35-26 FED COM 5H
 Cost Center Number: 1094628501
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL AVALON WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 83,577.14 | 0.00 | 83,577.14 |
| 6060100 | DYED LIQUID FUELS | 66,953.88 | 196,580.46 | 0.00 | 263,534.34 |
| 6080100 | DISPOSAL - SOLIDS | 54,918.12 | 3,158.19 | 0.00 | 58,076.31 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,274.58 | 0.00 | 10,274.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 70,200.00 | 0.00 | 70,200.00 |
| 6090100 | FLUIDS - WATER | 7,615.22 | 20,097.30 | 0.00 | 27,712.52 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 190,261.84 | 0.00 | 190,261.84 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,666.10 | 0.00 | 83,666.10 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 1,837.56 | 0.00 | 0.00 | 1,837.56 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 13,298.08 | 0.00 | 13,298.08 |
| 6130370 | ROTC - GEOSTEERING | 5,580.88 | 0.00 | 0.00 | 5,580.88 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 151,787.92 | 0.00 | 151,787.92 |
| 6160100 | MATERIALS & SUPPLIES | 7,253.91 | 0.00 | 0.00 | 7,253.91 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 72,275.06 | 0.00 | 72,275.06 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 49,669.03 | 0.00 | 0.00 | 49,669.03 |
| 6190110 | TRUCKING&HAUL OF EQP | 14,181.23 | 34,878.47 | 0.00 | 49,059.70 |
| 6200130 | CONSLT & PROJECT SVC | 79,305.37 | 67,641.63 | 0.00 | 146,947.00 |
| 6230120 | SAFETY SERVICES | 21,400.66 | 0.00 | 0.00 | 21,400.66 |
| 6300270 | SOLIDS CONTROL SRVCS | 35,022.84 | 0.00 | 0.00 | 35,022.84 |
| 6310120 | STIMULATION SERVICES | 0.00 | 573,762.04 | 0.00 | 573,762.04 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 359,375.36 | 0.00 | 359,375.36 |
| 6310200 | CASING & TUBULAR SVC | 35,368.69 | 0.00 | 0.00 | 35,368.69 |
| 6310250 | CEMENTING SERVICES | 79,602.40 | 0.00 | 0.00 | 79,602.40 |
| 6310280 | DAYWORK COSTS | 282,675.74 | 0.00 | 0.00 | 282,675.74 |
| 6310300 | DIRECTIONAL SERVICES | 150,855.93 | 0.00 | 0.00 | 150,855.93 |
| 6310310 | DRILL BITS | 44,773.15 | 0.00 | 0.00 | 44,773.15 |
| 6310330 | DRILL&COMP FLUID&SVC | 201,022.96 | 9,379.70 | 0.00 | 210,402.66 |
| 6310370 | MOB & DEMOBILIZATION | 60,562.91 | 0.00 | 0.00 | 60,562.91 |
| 6310380 | OPEN HOLE EVALUATION | 11,172.10 | 0.00 | 0.00 | 11,172.10 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,237.51 | 0.00 | 118,237.51 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 20,197.75 | 0.00 | 20,197.75 |
| 6320100 | EQPMNT SVC-SRF RNTL | 76,722.19 | 141,345.92 | 0.00 | 218,068.11 |
| 6320110 | EQUIP SVC - DOWNHOLE | 68,613.02 | 20,902.30 | 0.00 | 89,515.32 |
| 6320160 | WELDING SERVICES | 396.86 | 0.00 | 0.00 | 396.86 |
| 6320190 | WATER TRANSFER | 0.00 | 66,023.38 | 0.00 | 66,023.38 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 8,724.50 | 0.00 | 8,724.50 |

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



Authorization for Expenditure

AFE # XX-147330.01

Well Name: SERPENTINE 35-26 FED COM 5H

AFE Date: 2/2/2022

Cost Center Number: 1094628501

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|--------------------------|---------------------|---------------------|----------------|---------------------|
| 6550110 | MISCELLANEOUS SVC | 9,131.15 | 0.00 | 0.00 | 9,131.15 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,201.37 | 34,159.45 | 0.00 | 38,360.82 |
| 6740340 | TAXES OTHER | 0.00 | 25,340.40 | 0.00 | 25,340.40 |
| | Total Intangibles | 1,484,837.17 | 2,496,197.91 | 0.00 | 3,981,035.08 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|-------------------|-------------------|----------------|---------------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 99,736.59 | 0.00 | 99,736.59 |
| 6310460 | WELLHEAD EQUIPMENT | 24,185.06 | 45,000.00 | 0.00 | 69,185.06 |
| 6310530 | SURFACE CASING | 18,393.35 | 0.00 | 0.00 | 18,393.35 |
| 6310540 | INTERMEDIATE CASING | 141,653.54 | 0.00 | 0.00 | 141,653.54 |
| 6310550 | PRODUCTION CASING | 176,934.64 | 0.00 | 0.00 | 176,934.64 |
| 6310580 | CASING COMPONENTS | 15,609.93 | 0.00 | 0.00 | 15,609.93 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 396,776.52 | 744,398.12 | 0.00 | 1,141,174.64 |

| | | | | |
|-----------------------------|---------------------|---------------------|-------------|---------------------|
| TOTAL ESTIMATED COST | 1,881,613.69 | 3,240,596.03 | 0.00 | 5,122,209.72 |
|-----------------------------|---------------------|---------------------|-------------|---------------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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

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



Authorization for Expenditure

AFE # XX-147331.01
 Well Name: SERPENTINE 35-26 FED COM 6H
 Cost Center Number: 1094628601
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL AVALON WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 83,577.14 | 0.00 | 83,577.14 |
| 6060100 | DYED LIQUID FUELS | 78,710.29 | 196,580.46 | 0.00 | 275,290.75 |
| 6080100 | DISPOSAL - SOLIDS | 64,561.18 | 3,158.19 | 0.00 | 67,719.37 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,274.58 | 0.00 | 10,274.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 70,200.00 | 0.00 | 70,200.00 |
| 6090100 | FLUIDS - WATER | 8,952.37 | 20,097.30 | 0.00 | 29,049.67 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 190,261.84 | 0.00 | 190,261.84 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,666.10 | 0.00 | 83,666.10 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 2,160.21 | 0.00 | 0.00 | 2,160.21 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 13,298.08 | 0.00 | 13,298.08 |
| 6130370 | ROTC - GEOSTEERING | 6,560.83 | 0.00 | 0.00 | 6,560.83 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 151,787.92 | 0.00 | 151,787.92 |
| 6160100 | MATERIALS & SUPPLIES | 8,527.62 | 0.00 | 0.00 | 8,527.62 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 72,275.06 | 0.00 | 72,275.06 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 58,390.40 | 0.00 | 0.00 | 58,390.40 |
| 6190110 | TRUCKING&HAUL OF EQP | 16,671.31 | 34,878.47 | 0.00 | 51,549.78 |
| 6200130 | CONSLT & PROJECT SVC | 92,308.73 | 67,641.63 | 0.00 | 159,950.36 |
| 6230120 | SAFETY SERVICES | 25,158.39 | 0.00 | 0.00 | 25,158.39 |
| 6300270 | SOLIDS CONTROL SRVCS | 41,172.49 | 0.00 | 0.00 | 41,172.49 |
| 6310120 | STIMULATION SERVICES | 0.00 | 573,762.04 | 0.00 | 573,762.04 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 359,375.36 | 0.00 | 359,375.36 |
| 6310200 | CASING & TUBULAR SVC | 41,579.06 | 0.00 | 0.00 | 41,579.06 |
| 6310250 | CEMENTING SERVICES | 93,579.76 | 0.00 | 0.00 | 93,579.76 |
| 6310280 | DAYWORK COSTS | 332,310.70 | 0.00 | 0.00 | 332,310.70 |
| 6310300 | DIRECTIONAL SERVICES | 177,344.68 | 0.00 | 0.00 | 177,344.68 |
| 6310310 | DRILL BITS | 52,634.85 | 0.00 | 0.00 | 52,634.85 |
| 6310330 | DRILL&COMP FLUID&SVC | 236,320.53 | 9,379.70 | 0.00 | 245,700.23 |
| 6310370 | MOB & DEMOBILIZATION | 71,197.13 | 0.00 | 0.00 | 71,197.13 |
| 6310380 | OPEN HOLE EVALUATION | 13,133.81 | 0.00 | 0.00 | 13,133.81 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,237.51 | 0.00 | 118,237.51 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 20,197.75 | 0.00 | 20,197.75 |
| 6320100 | EQPMNT SVC-SRF RNTL | 90,193.82 | 141,345.92 | 0.00 | 231,539.74 |
| 6320110 | EQUIP SVC - DOWNHOLE | 80,660.76 | 20,902.30 | 0.00 | 101,563.06 |
| 6320160 | WELDING SERVICES | 466.55 | 0.00 | 0.00 | 466.55 |
| 6320190 | WATER TRANSFER | 0.00 | 66,023.38 | 0.00 | 66,023.38 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 8,724.50 | 0.00 | 8,724.50 |

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



Authorization for Expenditure

AFE # XX-147331.01

Well Name: SERPENTINE 35-26 FED COM 6H

AFE Date: 2/2/2022

Cost Center Number: 1094628601

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 10,734.49 | 0.00 | 0.00 | 10,734.49 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,939.09 | 34,159.45 | 0.00 | 39,098.54 |
| 6740340 | TAXES OTHER | 0.00 | 25,340.40 | 0.00 | 25,340.40 |
| | Total Intangibles | 1,724,269.05 | 2,496,197.91 | 0.00 | 4,220,466.96 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 99,736.59 | 0.00 | 99,736.59 |
| 6310460 | WELLHEAD EQUIPMENT | 28,431.71 | 45,000.00 | 0.00 | 73,431.71 |
| 6310530 | SURFACE CASING | 21,623.03 | 0.00 | 0.00 | 21,623.03 |
| 6310540 | INTERMEDIATE CASING | 166,526.45 | 0.00 | 0.00 | 166,526.45 |
| 6310550 | PRODUCTION CASING | 208,002.55 | 0.00 | 0.00 | 208,002.55 |
| 6310580 | CASING COMPONENTS | 18,350.88 | 0.00 | 0.00 | 18,350.88 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 462,934.62 | 744,398.12 | 0.00 | 1,207,332.74 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 2,187,203.67 | 3,240,596.03 | 0.00 | 5,427,799.70 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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

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



Authorization for Expenditure

| | |
|--|--------------------|
| AFE # XX-147337.01 | AFE Date: 2/2/2022 |
| Well Name: SERPENTINE 35-26 FED COM 9H | State: NM |
| Cost Center Number: 1094628701 | County/Parish: LEA |
| Legal Description: SEC 35-22S-33E | |
| Revision: <input type="checkbox"/> | |

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL WOLFCAMP WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 95,211.17 | 0.00 | 95,211.17 |
| 6060100 | DYED LIQUID FUELS | 120,102.85 | 326,208.97 | 0.00 | 446,311.82 |
| 6080100 | DISPOSAL - SOLIDS | 98,512.93 | 1,065.52 | 0.00 | 99,578.45 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,389.69 | 0.00 | 10,389.69 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 93,600.00 | 0.00 | 93,600.00 |
| 6090100 | FLUIDS - WATER | 13,660.29 | 22,759.32 | 0.00 | 36,419.61 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 217,014.04 | 0.00 | 217,014.04 |
| 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 | 38,819.59 | 0.00 | 61,319.59 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 3,296.24 | 0.00 | 0.00 | 3,296.24 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 16,511.64 | 0.00 | 16,511.64 |
| 6130370 | ROTC - GEOSTEERING | 10,011.07 | 0.00 | 0.00 | 10,011.07 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 185,968.62 | 0.00 | 185,968.62 |
| 6160100 | MATERIALS & SUPPLIES | 13,012.17 | 0.00 | 0.00 | 13,012.17 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 77,391.66 | 0.00 | 77,391.66 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 89,097.03 | 0.00 | 0.00 | 89,097.03 |
| 6190110 | TRUCKING&HAUL OF EQP | 25,438.50 | 35,070.32 | 0.00 | 60,508.82 |
| 6200130 | CONSLT & PROJECT SVC | 135,466.61 | 76,545.32 | 0.00 | 212,011.93 |
| 6230120 | SAFETY SERVICES | 38,388.82 | 0.00 | 0.00 | 38,388.82 |
| 6300270 | SOLIDS CONTROL SRVCS | 62,824.49 | 0.00 | 0.00 | 62,824.49 |
| 6310120 | STIMULATION SERVICES | 0.00 | 692,845.24 | 0.00 | 692,845.24 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 454,621.35 | 0.00 | 454,621.35 |
| 6310200 | CASING & TUBULAR SVC | 63,444.87 | 0.00 | 0.00 | 63,444.87 |
| 6310250 | CEMENTING SERVICES | 142,791.96 | 0.00 | 0.00 | 142,791.96 |
| 6310280 | DAYWORK COSTS | 507,067.91 | 0.00 | 0.00 | 507,067.91 |
| 6310300 | DIRECTIONAL SERVICES | 270,607.59 | 0.00 | 0.00 | 270,607.59 |
| 6310310 | DRILL BITS | 80,314.73 | 0.00 | 0.00 | 80,314.73 |
| 6310330 | DRILL&COMP FLUID&SVC | 360,597.94 | 10,346.23 | 0.00 | 370,944.17 |
| 6310370 | MOB & DEMOBILIZATION | 108,638.64 | 0.00 | 0.00 | 108,638.64 |
| 6310380 | OPEN HOLE EVALUATION | 20,040.68 | 0.00 | 0.00 | 20,040.68 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 119,683.85 | 0.00 | 119,683.85 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 25,509.84 | 0.00 | 25,509.84 |
| 6320100 | EQPMNT SVC-SRF RNTL | 137,625.39 | 149,722.73 | 0.00 | 287,348.12 |
| 6320110 | EQUIP SVC - DOWNHOLE | 123,079.05 | 21,984.47 | 0.00 | 145,063.52 |
| 6320160 | WELDING SERVICES | 711.90 | 0.00 | 0.00 | 711.90 |
| 6320190 | WATER TRANSFER | 0.00 | 80,350.86 | 0.00 | 80,350.86 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 10,154.15 | 0.00 | 10,154.15 |

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



Authorization for Expenditure

AFE # XX-147337.01

Well Name: SERPENTINE 35-26 FED COM 9H

AFE Date: 2/2/2022

Cost Center Number: 1094628701

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 16,379.59 | 0.00 | 0.00 | 16,379.59 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 7,536.48 | 35,050.51 | 0.00 | 42,586.99 |
| 6740340 | TAXES OTHER | 0.00 | 29,059.98 | 0.00 | 29,059.98 |
| | Total Intangibles | 2,542,147.73 | 2,991,937.90 | 0.00 | 5,534,085.63 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 128,344.77 | 0.00 | 128,344.77 |
| 6310460 | WELLHEAD EQUIPMENT | 43,383.52 | 86,965.65 | 0.00 | 130,349.17 |
| 6310530 | SURFACE CASING | 32,994.26 | 0.00 | 0.00 | 32,994.26 |
| 6310540 | INTERMEDIATE CASING | 254,100.21 | 0.00 | 0.00 | 254,100.21 |
| 6310550 | PRODUCTION CASING | 317,387.97 | 0.00 | 0.00 | 317,387.97 |
| 6310580 | CASING COMPONENTS | 28,001.33 | 0.00 | 0.00 | 28,001.33 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 695,867.29 | 814,971.95 | 0.00 | 1,510,839.24 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 3,238,015.02 | 3,806,909.85 | 0.00 | 7,044,924.87 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147338.01
 Well Name: SERPENTINE 35-26 FED COM 10H
 Cost Center Number: 1094627901
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL WOLFCAMP WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 95,211.17 | 0.00 | 95,211.17 |
| 6060100 | DYED LIQUID FUELS | 108,346.44 | 326,208.97 | 0.00 | 434,555.41 |
| 6080100 | DISPOSAL - SOLIDS | 88,869.87 | 1,065.52 | 0.00 | 89,935.39 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,389.69 | 0.00 | 10,389.69 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 93,600.00 | 0.00 | 93,600.00 |
| 6090100 | FLUIDS - WATER | 12,323.14 | 22,759.32 | 0.00 | 35,082.46 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 217,014.04 | 0.00 | 217,014.04 |
| 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 | 38,819.63 | 0.00 | 61,319.63 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.21 | 0.00 | 44,641.21 |
| 6130170 | COMM SVCS - WAN | 2,973.58 | 0.00 | 0.00 | 2,973.58 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 16,511.64 | 0.00 | 16,511.64 |
| 6130370 | ROTC - GEOSTEERING | 9,031.12 | 0.00 | 0.00 | 9,031.12 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 185,968.62 | 0.00 | 185,968.62 |
| 6160100 | MATERIALS & SUPPLIES | 11,738.45 | 0.00 | 0.00 | 11,738.45 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 77,391.66 | 0.00 | 77,391.66 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 80,375.66 | 0.00 | 0.00 | 80,375.66 |
| 6190110 | TRUCKING&HAUL OF EQP | 22,948.42 | 35,070.32 | 0.00 | 58,018.74 |
| 6200130 | CONSLT & PROJECT SVC | 122,463.24 | 76,545.32 | 0.00 | 199,008.56 |
| 6230120 | SAFETY SERVICES | 34,631.08 | 0.00 | 0.00 | 34,631.08 |
| 6300270 | SOLIDS CONTROL SRVCS | 56,674.83 | 0.00 | 0.00 | 56,674.83 |
| 6310120 | STIMULATION SERVICES | 0.00 | 692,845.24 | 0.00 | 692,845.24 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 454,621.35 | 0.00 | 454,621.35 |
| 6310200 | CASING & TUBULAR SVC | 57,234.49 | 0.00 | 0.00 | 57,234.49 |
| 6310250 | CEMENTING SERVICES | 128,814.59 | 0.00 | 0.00 | 128,814.59 |
| 6310280 | DAYWORK COSTS | 457,432.95 | 0.00 | 0.00 | 457,432.95 |
| 6310300 | DIRECTIONAL SERVICES | 244,118.84 | 0.00 | 0.00 | 244,118.84 |
| 6310310 | DRILL BITS | 72,453.02 | 0.00 | 0.00 | 72,453.02 |
| 6310330 | DRILL&COMP FLUID&SVC | 325,300.37 | 10,346.23 | 0.00 | 335,646.60 |
| 6310370 | MOB & DEMOBILIZATION | 98,004.41 | 0.00 | 0.00 | 98,004.41 |
| 6310380 | OPEN HOLE EVALUATION | 18,078.97 | 0.00 | 0.00 | 18,078.97 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 119,683.85 | 0.00 | 119,683.85 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 25,509.84 | 0.00 | 25,509.84 |
| 6320100 | EQPMNT SVC-SRF RNTL | 124,153.76 | 149,722.73 | 0.00 | 273,876.49 |
| 6320110 | EQUIP SVC - DOWNHOLE | 111,031.31 | 21,984.47 | 0.00 | 133,015.78 |
| 6320160 | WELDING SERVICES | 642.21 | 0.00 | 0.00 | 642.21 |
| 6320190 | WATER TRANSFER | 0.00 | 80,350.86 | 0.00 | 80,350.86 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 10,154.15 | 0.00 | 10,154.15 |

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



Authorization for Expenditure

AFE # XX-147338.01

Well Name: SERPENTINE 35-26 FED COM 10H

AFE Date: 2/2/2022

Cost Center Number: 1094627901

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 14,776.26 | 0.00 | 0.00 | 14,776.26 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 6,798.76 | 35,050.51 | 0.00 | 41,849.27 |
| 6740340 | TAXES OTHER | 0.00 | 29,059.98 | 0.00 | 29,059.98 |
| | Total Intangibles | 2,302,715.77 | 2,991,937.90 | 0.00 | 5,294,653.67 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 128,344.77 | 0.00 | 128,344.77 |
| 6310460 | WELLHEAD EQUIPMENT | 39,136.87 | 86,965.65 | 0.00 | 126,102.52 |
| 6310530 | SURFACE CASING | 29,764.58 | 0.00 | 0.00 | 29,764.58 |
| 6310540 | INTERMEDIATE CASING | 229,227.30 | 0.00 | 0.00 | 229,227.30 |
| 6310550 | PRODUCTION CASING | 286,320.06 | 0.00 | 0.00 | 286,320.06 |
| 6310580 | CASING COMPONENTS | 25,260.39 | 0.00 | 0.00 | 25,260.39 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 629,709.20 | 814,971.95 | 0.00 | 1,444,681.15 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 2,932,424.97 | 3,806,909.85 | 0.00 | 6,739,334.82 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147334.01
 Well Name: SERPENTINE 35-26 FED COM 11H
 Cost Center Number: 1094628001
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL 2ND BONE SPRING WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 74,408.91 | 0.00 | 74,408.91 |
| 6060100 | DYED LIQUID FUELS | 70,937.81 | 226,429.48 | 0.00 | 297,367.29 |
| 6080100 | DISPOSAL - SOLIDS | 58,185.89 | 2,128.42 | 0.00 | 60,314.31 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,377.88 | 0.00 | 10,377.88 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 52,650.00 | 0.00 | 52,650.00 |
| 6090100 | FLUIDS - WATER | 8,068.34 | 17,953.68 | 0.00 | 26,022.02 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 168,719.29 | 0.00 | 168,719.29 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 22,500.00 | 38,803.84 | 0.00 | 61,303.84 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 1,946.90 | 0.00 | 0.00 | 1,946.90 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 12,896.44 | 0.00 | 12,896.44 |
| 6130370 | ROTC - GEOSTEERING | 5,912.96 | 0.00 | 0.00 | 5,912.96 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 152,660.76 | 0.00 | 152,660.76 |
| 6160100 | MATERIALS & SUPPLIES | 7,685.53 | 0.00 | 0.00 | 7,685.53 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 74,168.95 | 0.00 | 74,168.95 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 52,624.46 | 0.00 | 0.00 | 52,624.46 |
| 6190110 | TRUCKING&HAUL OF EQP | 15,025.05 | 35,050.63 | 0.00 | 50,075.68 |
| 6200130 | CONSLT & PROJECT SVC | 81,086.85 | 67,051.91 | 0.00 | 148,138.76 |
| 6230120 | SAFETY SERVICES | 22,674.05 | 0.00 | 0.00 | 22,674.05 |
| 6300270 | SOLIDS CONTROL SRVCS | 37,106.79 | 0.00 | 0.00 | 37,106.79 |
| 6310120 | STIMULATION SERVICES | 0.00 | 559,937.91 | 0.00 | 559,937.91 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 362,145.98 | 0.00 | 362,145.98 |
| 6310200 | CASING & TUBULAR SVC | 37,473.21 | 0.00 | 0.00 | 37,473.21 |
| 6310250 | CEMENTING SERVICES | 84,338.95 | 0.00 | 0.00 | 84,338.95 |
| 6310280 | DAYWORK COSTS | 299,495.69 | 0.00 | 0.00 | 299,495.69 |
| 6310300 | DIRECTIONAL SERVICES | 159,832.25 | 0.00 | 0.00 | 159,832.25 |
| 6310310 | DRILL BITS | 47,437.26 | 0.00 | 0.00 | 47,437.26 |
| 6310330 | DRILL&COMP FLUID&SVC | 212,984.35 | 9,704.42 | 0.00 | 222,688.77 |
| 6310370 | MOB & DEMOBILIZATION | 64,166.56 | 0.00 | 0.00 | 64,166.56 |
| 6310380 | OPEN HOLE EVALUATION | 11,836.87 | 0.00 | 0.00 | 11,836.87 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,732.44 | 0.00 | 118,732.44 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,510.50 | 0.00 | 19,510.50 |
| 6320100 | EQPMNT SVC-SRF RNTL | 81,287.36 | 144,565.40 | 0.00 | 225,852.76 |
| 6320110 | EQUIP SVC - DOWNHOLE | 72,695.67 | 21,346.29 | 0.00 | 94,041.96 |
| 6320160 | WELDING SERVICES | 420.48 | 0.00 | 0.00 | 420.48 |
| 6320190 | WATER TRANSFER | 0.00 | 64,320.78 | 0.00 | 64,320.78 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 9,095.15 | 0.00 | 9,095.15 |

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



Authorization for Expenditure

AFE # XX-147334.01

Well Name: SERPENTINE 35-26 FED COM 11H

AFE Date: 2/2/2022

Cost Center Number: 1094628001

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|--------------------------|---------------------|---------------------|----------------|---------------------|
| 6550110 | MISCELLANEOUS SVC | 9,674.48 | 0.00 | 0.00 | 9,674.48 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,451.36 | 34,103.81 | 0.00 | 38,555.17 |
| 6740340 | TAXES OTHER | 0.00 | 24,732.18 | 0.00 | 24,732.18 |
| | Total Intangibles | 1,540,849.12 | 2,467,547.88 | 0.00 | 4,008,397.00 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|-------------------|-------------------|----------------|---------------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 107,163.22 | 0.00 | 107,163.22 |
| 6310460 | WELLHEAD EQUIPMENT | 25,624.14 | 76,926.26 | 0.00 | 102,550.40 |
| 6310530 | SURFACE CASING | 19,487.80 | 0.00 | 0.00 | 19,487.80 |
| 6310540 | INTERMEDIATE CASING | 150,082.30 | 0.00 | 0.00 | 150,082.30 |
| 6310550 | PRODUCTION CASING | 187,462.71 | 0.00 | 0.00 | 187,462.71 |
| 6310580 | CASING COMPONENTS | 16,538.77 | 0.00 | 0.00 | 16,538.77 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 419,195.72 | 783,751.01 | 0.00 | 1,202,946.73 |

| | | | | |
|-----------------------------|---------------------|---------------------|-------------|---------------------|
| TOTAL ESTIMATED COST | 1,960,044.84 | 3,251,298.89 | 0.00 | 5,211,343.73 |
|-----------------------------|---------------------|---------------------|-------------|---------------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

| | |
|---|--------------------|
| AFE # XX-147335.01 | AFE Date: 2/2/2022 |
| Well Name: SERPENTINE 35-26 FED COM 12H | State: NM |
| Cost Center Number: 1094628101 | County/Parish: LEA |
| Legal Description: SEC 35-22S-33E | |
| Revision: <input type="checkbox"/> | |

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL 2ND BONE SPRING WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 74,408.91 | 0.00 | 74,408.91 |
| 6060100 | DYED LIQUID FUELS | 70,937.81 | 226,429.48 | 0.00 | 297,367.29 |
| 6080100 | DISPOSAL - SOLIDS | 58,185.89 | 2,128.42 | 0.00 | 60,314.31 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,377.88 | 0.00 | 10,377.88 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 52,650.00 | 0.00 | 52,650.00 |
| 6090100 | FLUIDS - WATER | 8,068.34 | 17,953.68 | 0.00 | 26,022.02 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 168,719.29 | 0.00 | 168,719.29 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 22,500.00 | 38,803.84 | 0.00 | 61,303.84 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 1,946.90 | 0.00 | 0.00 | 1,946.90 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 12,896.44 | 0.00 | 12,896.44 |
| 6130370 | ROTC - GEOSTEERING | 5,912.96 | 0.00 | 0.00 | 5,912.96 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 152,660.76 | 0.00 | 152,660.76 |
| 6160100 | MATERIALS & SUPPLIES | 7,685.53 | 0.00 | 0.00 | 7,685.53 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 74,168.95 | 0.00 | 74,168.95 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 52,624.46 | 0.00 | 0.00 | 52,624.46 |
| 6190110 | TRUCKING&HAUL OF EQP | 15,025.05 | 35,050.63 | 0.00 | 50,075.68 |
| 6200130 | CONSLT & PROJECT SVC | 81,086.85 | 67,051.91 | 0.00 | 148,138.76 |
| 6230120 | SAFETY SERVICES | 22,674.05 | 0.00 | 0.00 | 22,674.05 |
| 6300270 | SOLIDS CONTROL SRVCS | 37,106.79 | 0.00 | 0.00 | 37,106.79 |
| 6310120 | STIMULATION SERVICES | 0.00 | 559,937.91 | 0.00 | 559,937.91 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 362,145.98 | 0.00 | 362,145.98 |
| 6310200 | CASING & TUBULAR SVC | 37,473.21 | 0.00 | 0.00 | 37,473.21 |
| 6310250 | CEMENTING SERVICES | 84,338.95 | 0.00 | 0.00 | 84,338.95 |
| 6310280 | DAYWORK COSTS | 299,495.69 | 0.00 | 0.00 | 299,495.69 |
| 6310300 | DIRECTIONAL SERVICES | 159,832.25 | 0.00 | 0.00 | 159,832.25 |
| 6310310 | DRILL BITS | 47,437.26 | 0.00 | 0.00 | 47,437.26 |
| 6310330 | DRILL&COMP FLUID&SVC | 212,984.35 | 9,704.42 | 0.00 | 222,688.77 |
| 6310370 | MOB & DEMOBILIZATION | 64,166.56 | 0.00 | 0.00 | 64,166.56 |
| 6310380 | OPEN HOLE EVALUATION | 11,836.87 | 0.00 | 0.00 | 11,836.87 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,732.44 | 0.00 | 118,732.44 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 19,510.50 | 0.00 | 19,510.50 |
| 6320100 | EQPMNT SVC-SRF RNTL | 81,287.36 | 144,565.40 | 0.00 | 225,852.76 |
| 6320110 | EQUIP SVC - DOWNHOLE | 72,695.67 | 21,346.29 | 0.00 | 94,041.96 |
| 6320160 | WELDING SERVICES | 420.48 | 0.00 | 0.00 | 420.48 |
| 6320190 | WATER TRANSFER | 0.00 | 64,320.78 | 0.00 | 64,320.78 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 9,095.15 | 0.00 | 9,095.15 |

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



Authorization for Expenditure

AFE # XX-147335.01

Well Name: SERPENTINE 35-26 FED COM 12H

AFE Date: 2/2/2022

Cost Center Number: 1094628101

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|--------------------------|---------------------|---------------------|----------------|---------------------|
| 6550110 | MISCELLANEOUS SVC | 9,674.48 | 0.00 | 0.00 | 9,674.48 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,451.36 | 34,103.81 | 0.00 | 38,555.17 |
| 6740340 | TAXES OTHER | 0.00 | 24,732.18 | 0.00 | 24,732.18 |
| | Total Intangibles | 1,540,849.12 | 2,467,547.88 | 0.00 | 4,008,397.00 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|-------------------|-------------------|----------------|---------------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 107,163.22 | 0.00 | 107,163.22 |
| 6310460 | WELLHEAD EQUIPMENT | 25,624.14 | 76,926.26 | 0.00 | 102,550.40 |
| 6310530 | SURFACE CASING | 19,487.80 | 0.00 | 0.00 | 19,487.80 |
| 6310540 | INTERMEDIATE CASING | 150,082.30 | 0.00 | 0.00 | 150,082.30 |
| 6310550 | PRODUCTION CASING | 187,462.71 | 0.00 | 0.00 | 187,462.71 |
| 6310580 | CASING COMPONENTS | 16,538.77 | 0.00 | 0.00 | 16,538.77 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 419,195.72 | 783,751.01 | 0.00 | 1,202,946.73 |

| | | | | |
|-----------------------------|---------------------|---------------------|-------------|---------------------|
| TOTAL ESTIMATED COST | 1,960,044.84 | 3,251,298.89 | 0.00 | 5,211,343.73 |
|-----------------------------|---------------------|---------------------|-------------|---------------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-147332.01
 Well Name: SERPENTINE 35-26 FED COM 16H
 Cost Center Number: 1094628201
 Legal Description: SEC 35-22S-33E
 Revision:

AFE Date: 2/2/2022
 State: NM
 County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE HORIZONTAL AVALON WELL

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|-------------|
| 6040110 | CHEMICALS - OTHER | 0.00 | 83,577.14 | 0.00 | 83,577.14 |
| 6060100 | DYED LIQUID FUELS | 78,710.29 | 196,580.46 | 0.00 | 275,290.75 |
| 6080100 | DISPOSAL - SOLIDS | 64,561.18 | 3,158.19 | 0.00 | 67,719.37 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,274.58 | 0.00 | 10,274.58 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 70,200.00 | 0.00 | 70,200.00 |
| 6090100 | FLUIDS - WATER | 8,952.37 | 20,097.30 | 0.00 | 29,049.67 |
| 6090120 | RECYC TREAT&PROC-H2O | 0.00 | 190,261.84 | 0.00 | 190,261.84 |
| 6100100 | PERMIT SURVEY&TITLE | 30,000.00 | 0.00 | 0.00 | 30,000.00 |
| 6100110 | RIGHT OF WAY | 25,000.00 | 0.00 | 0.00 | 25,000.00 |
| 6110130 | ROAD&SITE PREP SVC | 45,000.00 | 38,666.10 | 0.00 | 83,666.10 |
| 6110170 | DAMAGE & REMEDIATION | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6120100 | I & C SERVICES | 0.00 | 44,641.25 | 0.00 | 44,641.25 |
| 6130170 | COMM SVCS - WAN | 2,160.21 | 0.00 | 0.00 | 2,160.21 |
| 6130360 | ROTC - ENGINEERING | 0.00 | 13,298.08 | 0.00 | 13,298.08 |
| 6130370 | ROTC - GEOSTEERING | 6,560.83 | 0.00 | 0.00 | 6,560.83 |
| 6140160 | ENV-SERVICES | 1,000.00 | 0.00 | 0.00 | 1,000.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 151,787.92 | 0.00 | 151,787.92 |
| 6160100 | MATERIALS & SUPPLIES | 8,527.62 | 0.00 | 0.00 | 8,527.62 |
| 6170100 | PULLING&SWABBING SVC | 0.00 | 6,900.00 | 0.00 | 6,900.00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 72,275.06 | 0.00 | 72,275.06 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 58,390.40 | 0.00 | 0.00 | 58,390.40 |
| 6190110 | TRUCKING&HAUL OF EQP | 16,671.31 | 34,878.47 | 0.00 | 51,549.78 |
| 6200130 | CONSLT & PROJECT SVC | 92,308.73 | 67,641.63 | 0.00 | 159,950.36 |
| 6230120 | SAFETY SERVICES | 25,158.39 | 0.00 | 0.00 | 25,158.39 |
| 6300270 | SOLIDS CONTROL SRVCS | 41,172.49 | 0.00 | 0.00 | 41,172.49 |
| 6310120 | STIMULATION SERVICES | 0.00 | 573,762.04 | 0.00 | 573,762.04 |
| 6310190 | PROPPANT PURCHASE | 0.00 | 359,375.36 | 0.00 | 359,375.36 |
| 6310200 | CASING & TUBULAR SVC | 41,579.06 | 0.00 | 0.00 | 41,579.06 |
| 6310250 | CEMENTING SERVICES | 93,579.76 | 0.00 | 0.00 | 93,579.76 |
| 6310280 | DAYWORK COSTS | 332,310.70 | 0.00 | 0.00 | 332,310.70 |
| 6310300 | DIRECTIONAL SERVICES | 177,344.68 | 0.00 | 0.00 | 177,344.68 |
| 6310310 | DRILL BITS | 52,634.85 | 0.00 | 0.00 | 52,634.85 |
| 6310330 | DRILL&COMP FLUID&SVC | 236,320.53 | 9,379.70 | 0.00 | 245,700.23 |
| 6310370 | MOB & DEMOBILIZATION | 71,197.13 | 0.00 | 0.00 | 71,197.13 |
| 6310380 | OPEN HOLE EVALUATION | 13,133.81 | 0.00 | 0.00 | 13,133.81 |
| 6310480 | TSNG-WELL, PL & OTH | 0.00 | 118,237.51 | 0.00 | 118,237.51 |
| 6310600 | MISC PUMPING SERVICE | 0.00 | 20,197.75 | 0.00 | 20,197.75 |
| 6320100 | EQPMNT SVC-SRF RNTL | 90,193.82 | 141,345.92 | 0.00 | 231,539.74 |
| 6320110 | EQUIP SVC - DOWNHOLE | 80,660.76 | 20,902.30 | 0.00 | 101,563.06 |
| 6320160 | WELDING SERVICES | 466.55 | 0.00 | 0.00 | 466.55 |
| 6320190 | WATER TRANSFER | 0.00 | 66,023.38 | 0.00 | 66,023.38 |
| 6350100 | CONSTRUCTION SVC | 0.00 | 109,511.58 | 0.00 | 109,511.58 |
| 6520100 | LEGAL FEES | 10,000.00 | 0.00 | 0.00 | 10,000.00 |
| 6550100 | MISCS COSTS & SERVS | 0.00 | 8,724.50 | 0.00 | 8,724.50 |

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



Authorization for Expenditure

AFE # XX-147332.01

Well Name: SERPENTINE 35-26 FED COM 16H

AFE Date: 2/2/2022

Cost Center Number: 1094628201

State: NM

Legal Description: SEC 35-22S-33E

County/Parish: LEA

Revision:

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|------------------------|----------------|------------------|----------------|--------------|
| 6550110 | MISCELLANEOUS SVC | 10,734.49 | 0.00 | 0.00 | 10,734.49 |
| 6550120 | OTHER ROUSTABOUT SER | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| 6630110 | CAPITAL OVERHEAD | 4,939.09 | 34,159.45 | 0.00 | 39,098.54 |
| 6740340 | TAXES OTHER | 0.00 | 25,340.40 | 0.00 | 25,340.40 |
| | Total Intangibles | 1,724,269.05 | 2,496,197.91 | 0.00 | 4,220,466.96 |

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---------|----------------------|----------------|------------------|----------------|--------------|
| 6120110 | I&C EQUIPMENT | 0.00 | 56,590.31 | 0.00 | 56,590.31 |
| 6120120 | MEASUREMENT EQUIP | 0.00 | 29,843.67 | 0.00 | 29,843.67 |
| 6150110 | LOG PERFORATG&WL EQP | 0.00 | 11,250.00 | 0.00 | 11,250.00 |
| 6300150 | SEPARATOR EQUIPMENT | 0.00 | 286,721.67 | 0.00 | 286,721.67 |
| 6300220 | STORAGE VESSEL&TANKS | 0.00 | 34,435.00 | 0.00 | 34,435.00 |
| 6300230 | PUMPS - SURFACE | 0.00 | 9,354.25 | 0.00 | 9,354.25 |
| 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 | 99,736.59 | 0.00 | 99,736.59 |
| 6310460 | WELLHEAD EQUIPMENT | 28,431.71 | 45,000.00 | 0.00 | 73,431.71 |
| 6310530 | SURFACE CASING | 21,623.03 | 0.00 | 0.00 | 21,623.03 |
| 6310540 | INTERMEDIATE CASING | 166,526.45 | 0.00 | 0.00 | 166,526.45 |
| 6310550 | PRODUCTION CASING | 208,002.55 | 0.00 | 0.00 | 208,002.55 |
| 6310580 | CASING COMPONENTS | 18,350.88 | 0.00 | 0.00 | 18,350.88 |
| 6330100 | PIPE,FIT,FLANG,CPLNG | 0.00 | 141,466.63 | 0.00 | 141,466.63 |
| | Total Tangibles | 462,934.62 | 744,398.12 | 0.00 | 1,207,332.74 |

| | | | | |
|----------------------|--------------|--------------|------|--------------|
| TOTAL ESTIMATED COST | 2,187,203.67 | 3,240,596.03 | 0.00 | 5,427,799.70 |
|----------------------|--------------|--------------|------|--------------|

WORKING INTEREST OWNER APPROVAL

Company Name:

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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

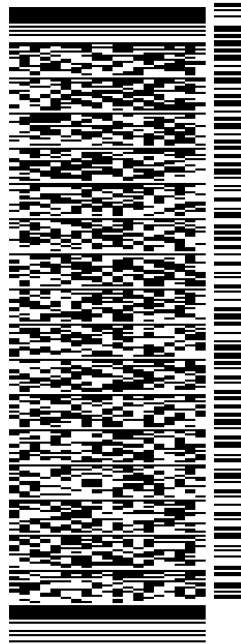
ORIGIN ID: OKCA (405) 552-3623
PEGGY BULLER
333 W SHERIDAN AVE
OKLAHOMA CITY, OK 73102
UNITED STATES US

SHIP DATE: 07FEB22
ACTWGT: 1.00 LB
CAD: 103493122IN/ET4460
BILL SENDER

TO ATTN: LAND DEPT
MARATHON OIL PERMIAN
5555 SAN FELIPE STREET

HOUSTON TX 77056

(713) 296-3055 REF: 9001002190
INV: DEPT:
PO:



J221022010501uv

56DJ2027C/FE4A

TRK# 7759 7698 4758
0201
TUE - 08 FEB 4:30P
STANDARD OVERNIGHT

ABHOUA
77056
TX-US IAH

After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

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Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

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A.A.P.L. FORM 610 - 2015

MODEL FORM OPERATING AGREEMENT

OPERATING AGREEMENT

DATED

March 1, 2021

OPERATOR: Devon Energy Production Company, L.P.

CONTRACT AREA: See Exhibit "A" attached hereto

COUNTY OR PARISH OF Lea, STATE OF New Mexico

AMERICAN ASSOCIATION OF PROFESSIONAL LANDMEN,
800 FOURNIER STREET, FORT WORTH, TEXAS, 76102, APPROVED FORM.

- 1 • management
- 2 • supervision not directly charged under Section II.2 (*Labor*)
- 3 • legal services not directly chargeable under Section II.9 (*Legal Expense*)
- 4 • taxation, other than those costs identified as directly chargeable under Section II.10 (*Taxes and Permits*)
- 5 • preparation and monitoring of permits and certifications; preparing regulatory reports; appearances before or meetings
- 6 with governmental agencies or other authorities having jurisdiction over the Joint Property, other than On-site
- 7 inspections; reviewing, interpreting, or submitting comments on or lobbying with respect to Laws or proposed
- 8 Laws.

9 Overhead charges shall include the salaries or wages plus applicable payroll burdens, benefits, and Personal Expenses
10 of personnel performing overhead functions, as well as office and other related expenses of overhead functions.

11 1. **DRILLING AND PRODUCING OPERATIONS**

12 As compensation for costs incurred but not chargeable under Section II (*Direct Charges*) and not covered by other
13 provisions of this Section III, the Operator shall charge on either: *Fixed Rate Basis, Section III.1.B*

14 A. **Technical Services**

15 (1) Except as otherwise provided in Section II.13 (*Ecological Environmental, and Safety*) and Section III.2
16 (*Overhead – Major Construction and Catastrophe*), or by approval of the Parties pursuant to Section I.6.A
17 (*General Matters*), the salaries, wages, related payroll burdens and benefits, and Personal Expenses for **On-site**
18 Technical Services, including third party Technical Services: shall be charged direct to the Joint Account.

19 (2) Except as otherwise provided in Section II.13 (*Ecological, Environmental, and Safety*) and Section III.2
20 (*Overhead – Major Construction and Catastrophe*), or by approval of the Parties pursuant to Section I.6.A
21 (*General Matters*), the salaries, wages, related payroll burdens and benefits, and Personal Expenses for **Off-site**
22 Technical Services, including third party Technical Services: shall be charged direct to the Joint Account.

23 Notwithstanding anything to the contrary in this Section III, Technical Services provided by Operator's Affiliates are
24 subject to limitations set forth in Section II.7 (Affiliates). Charges for Technical personnel performing non-technical
25 work shall not be governed by this Section III.1.A, but instead governed by other provisions of this Accounting
26 Procedure relating to the type of work being performed.

27 B. **Fixed Rate Basis**

28 (1) The Operator shall charge the Joint Account at the following rates per well per month:

29 Drilling Well Rate per month \$8,000 (prorated for less than a full month)

30 Producing Well Rate per month \$800

31 (2) Application of Overhead—Drilling Well Rate shall be as follows:

32 (a) Charges for onshore drilling wells shall begin on the spud date and terminate on the date the drilling and/or
33 completion equipment used on the well is released, whichever occurs later. Charges for offshore and
34 inland waters drilling wells shall begin on the date the drilling or completion equipment arrives on location
35 and terminate on the date the drilling or completion equipment moves off location, or is released,
36 whichever occurs first. No charge shall be made during suspension of drilling and/or completion
37 operations for fifteen (15) or more consecutive calendar days.

38 (b) Charges for any well undergoing any type of workover, recompletion, and/or abandonment for a period of
39 five (5) or more consecutive workdays shall be made at the Drilling Well Rate. Such charges shall be
40 applied for the period from date operations, with rig or other units used in operations, commence through
41 date of rig or other unit release, except that no charges shall be made during suspension of operations for
42 fifteen (15) or more consecutive calendar days.

43 (3) Application of Overhead—Producing Well Rate shall be as follows:

44 (a) An active well that is produced, injected into for recovery or disposal, or used to obtain water supply to
45 support operations for any portion of the month shall be considered as a one-well charge for the entire
46 month.

47 (b) Each active completion in a multi-completed well shall be considered as a one-well charge provided each
48 completion is considered a separate well by the governing regulatory authority.

Chronology of contacts between Devon Energy Production Company, L.P. (“Devon”) and Marathon Oil Permian, LLC (“Marathon”) being the only Uncommitted Working Interest Owner in Case No. 23147 and 23148:

1. Initial correspondence with preliminary discussion on plans of development in and through the NW/4 of Section 26-22S-33E occurred on September 16th, 2021. Devon proposed the idea of extending its laterals from 1.5 miles to 2-miles as to not strand the NW/4 of Section 26; primarily due to the fact Section 23 to the North is unleased BLM lands. Initially the Parties seemed amenable to executing a Joint Operating Agreement (“JOA”).
2. Subsequent email correspondence between Devon and Marathon occurred between September 20th and November 23rd, 2021. Discussions encompassed Devon’s development plans, operating agreements, tangent acreage in the area for reciprocal deals and timing of development.
3. On November 30th, 2021, Devon proposed proceeding with a JOA and provided a copy of Devon’s form.
4. Well Proposal Letter for the Serpentine 35-26 Fed Com 1H, 2H, 5H, 6H, 9H, 10H, 11H, 12H, and 16H Wells submitted from Devon to Marathon on February 2nd, 2022 (Exhibit A-3).
5. Follow-up email sent August 5th, 2022, from Devon to Marathon, to revisit the proposals, JOA and pooling of Marathon’s interest. Devon indicated it would be proceeding with compulsory pooling at this time to meet its development cadence and avoid stranding Marathon’s acreage.
6. Subsequent email and phone call discussions took place in middle to late August concerning Devon’s proposed operations and Marathon’s operations further East in the basin.
7. September 26th, 2022, Marathon’s interest remains uncommitted and Devon is amenable to executing a JOA with Marathon. If a mutually agreeable JOA is executed by both Devon and Marathon, Devon requests the JOA become operative and supersede the pooling order.
8. DVN initiated a follow-up phone call conversation with Marathon on September 27th, 2022. Marathon indicated they would not be contesting the hearing and both companies would evaluate potential trades in the basin.
9. October 13, 2022, submitted supplement to well proposal dated February 2, 2022 adjusting the Serpentine 35-26 Fed Com 9H to be drilled to a depth to test the Bone Spring formation vs. the Wolfcamp formation.



TAB 3

Case No. 23148

Exhibit B: Affidavit of Thomas Peryam, Geologist
Exhibit B-1: Structure Map
Exhibit B-2: Structure Map
Exhibit B-3: Stratigraphic Cross Section
Exhibit B-4: Cross-Section
Exhibit B-5: Lateral Wellbore Trajectory
Exhibit B-6: Gunbarrel Diagram

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

**AMENDED APPLICATION OF DEVON ENERGY
PRODUCTION COMPANY, L.P., FOR A NON-STANDARD
HORIZONTAL SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO**

Case No. **23148**

AFFIDAVIT OF THOMAS PERYAM

Thomas Peryam, of lawful age and being first duly sworn, declares as follows:

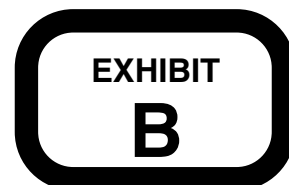
1. My name is Thomas Peryam, and I am employed by Devon Energy Production Company, L.P. (“Devon”) as a petroleum geologist.

2. I have testified previously by affidavit before the Oil Conservation Division (“Division”) as an expert witness in petroleum geology. My credentials have been made a matter of record and I have been qualified as an expert by the Division. I hold a Bachelor’s degree in Geology from the University of Oregon, a Master’s degree in Geology from New Mexico State University, and a Doctorate in Geology from the University of Oregon. I have been employed as a petroleum geologist with Devon since August 2012.

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 target for Devon’s proposed Serpentine wells in Section 35 and 26 of T22S-R33E is the Wolfcamp formation.

5. **Devon Exhibit B-1** is a 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 in the 2nd Bone Spring member. This exhibit shows that the Bone Spring formation is gently dipping to the south in this area. I do not observe any faulting, pinch outs, or other geologic impediments to developing the targeted Bone Spring intervals with horizontal wells.

6. In my opinion, the south-north orientation of the proposed wells is the preferred orientation for horizontal well development in the targeted intervals in this area. This standup orientation will efficiently and effectively develop the subject acreage.

7. **Devon Exhibit B-2** identifies the wells penetrating the Bone Spring and Wolfcamp formations that I have used to create a stratigraphic cross-section for each formation. I utilized these well logs because they penetrate the targeted intervals and are of good quality. In my opinion, these well logs are representative of the geology in the area.

8. **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 intervals for the initial wells are depicted on the exhibit. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.

9. **Devon Exhibit B-4** is a lateral wellbore trajectory schematic showing the placement of our proposed wells in relation to the Bone Spring's stratigraphy

10. **Devon Exhibit B-5** is a west-to-east cross section view with wellbore placement identified ("gunbarrel diagram").

11. 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.

12. **Devon Exhibits B-1 to B-5** were either prepared by me or compiled under my direction and supervision.

[Signature page follows]

FURTHER AFFIANT SAYETH NOT.



THOMAS PERYAM

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA)

SUBSCRIBED and SWORN to before me this 19th day of October
2022 by Thomas Peryam.





NOTARY PUBLIC

My Commission Expires:

12/14/2025

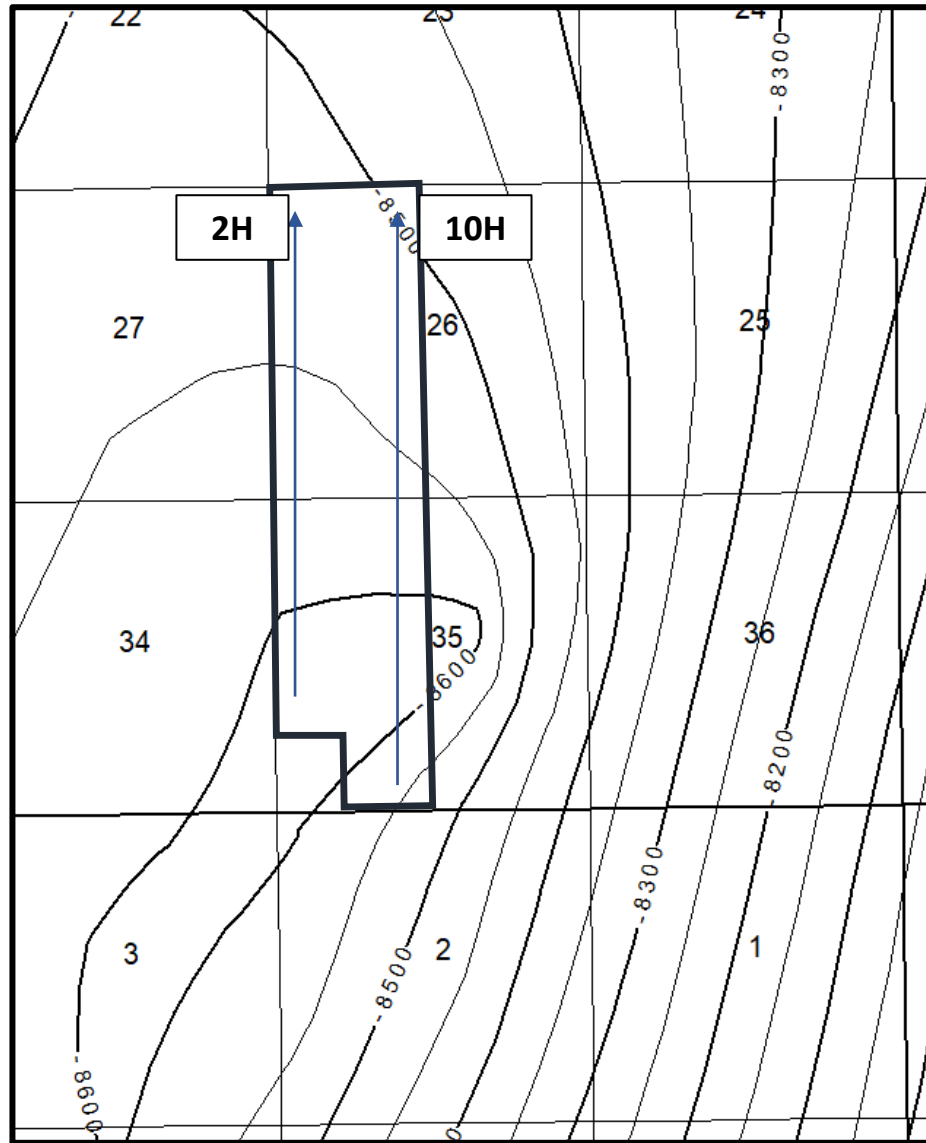


Exhibit B-1



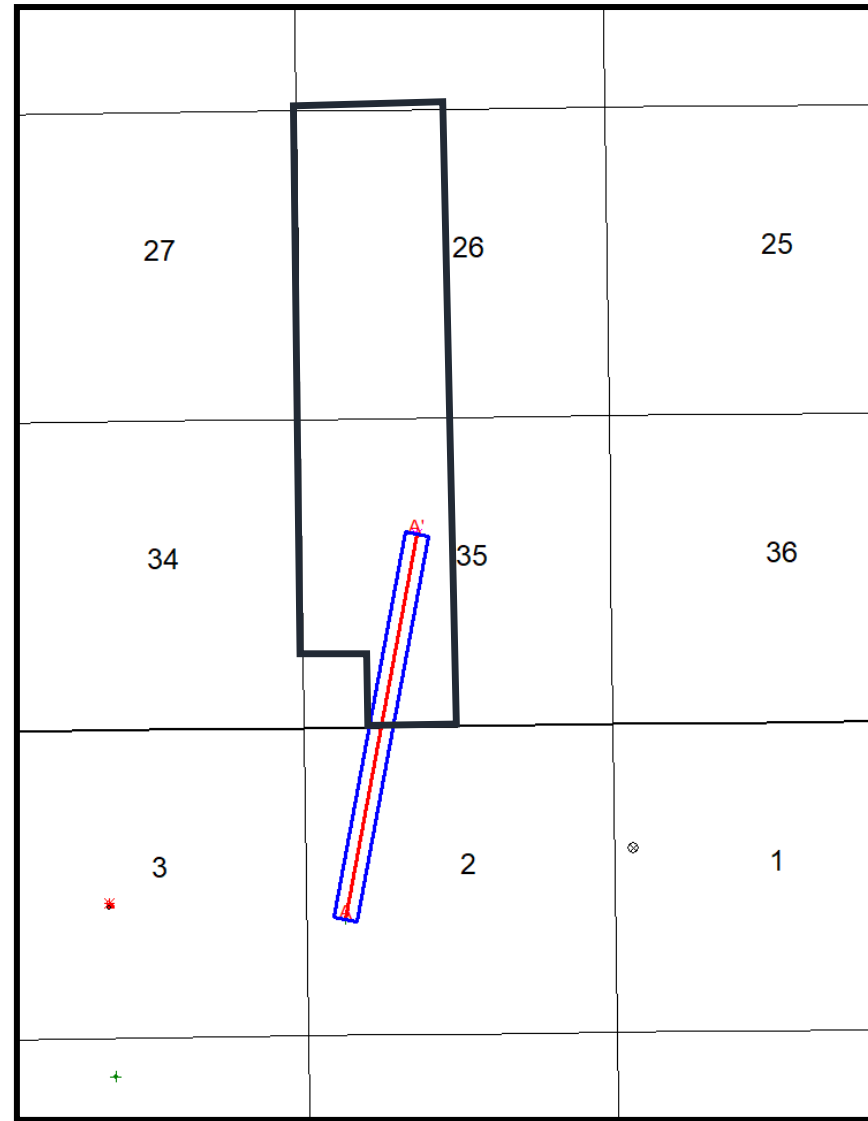


Exhibit B-2

EXHIBIT
B-3

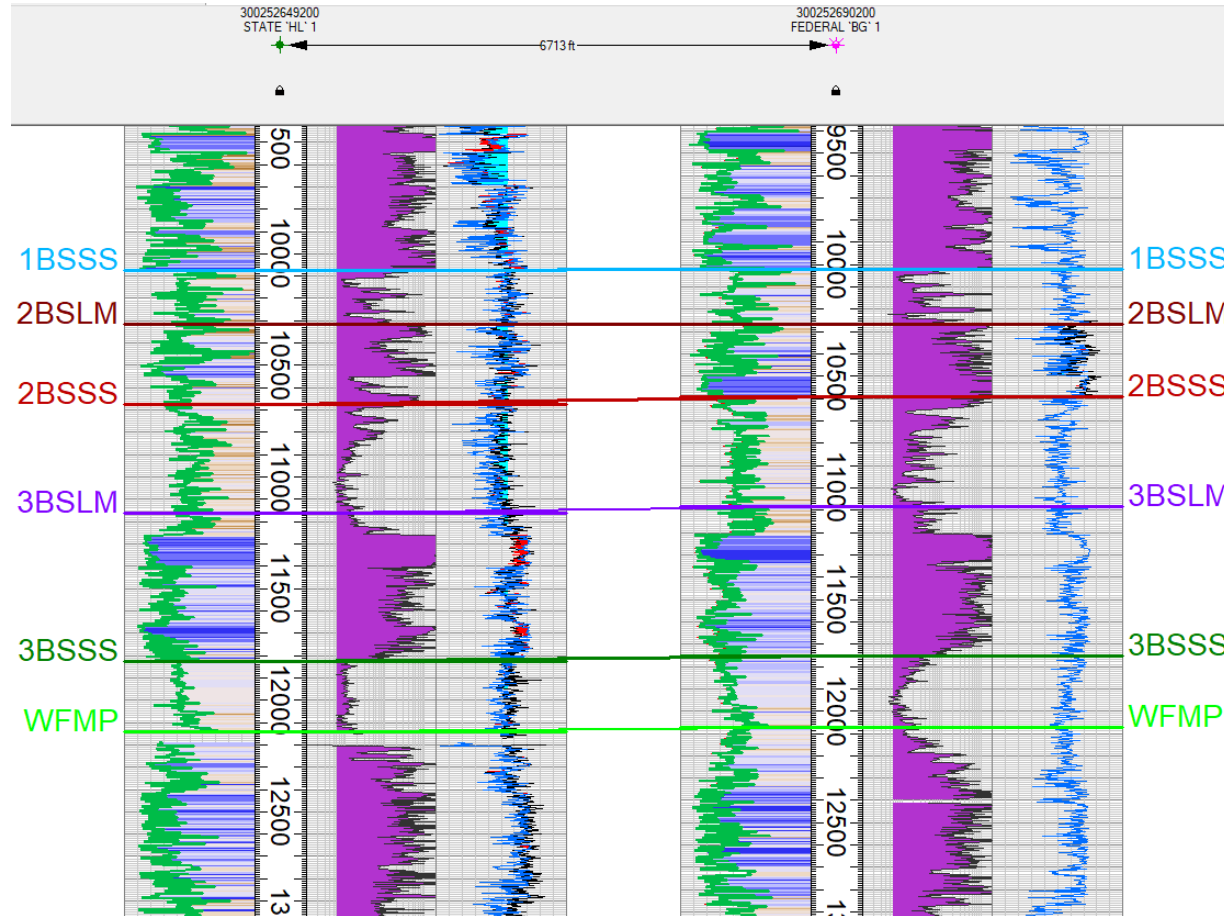


Exhibit B-3



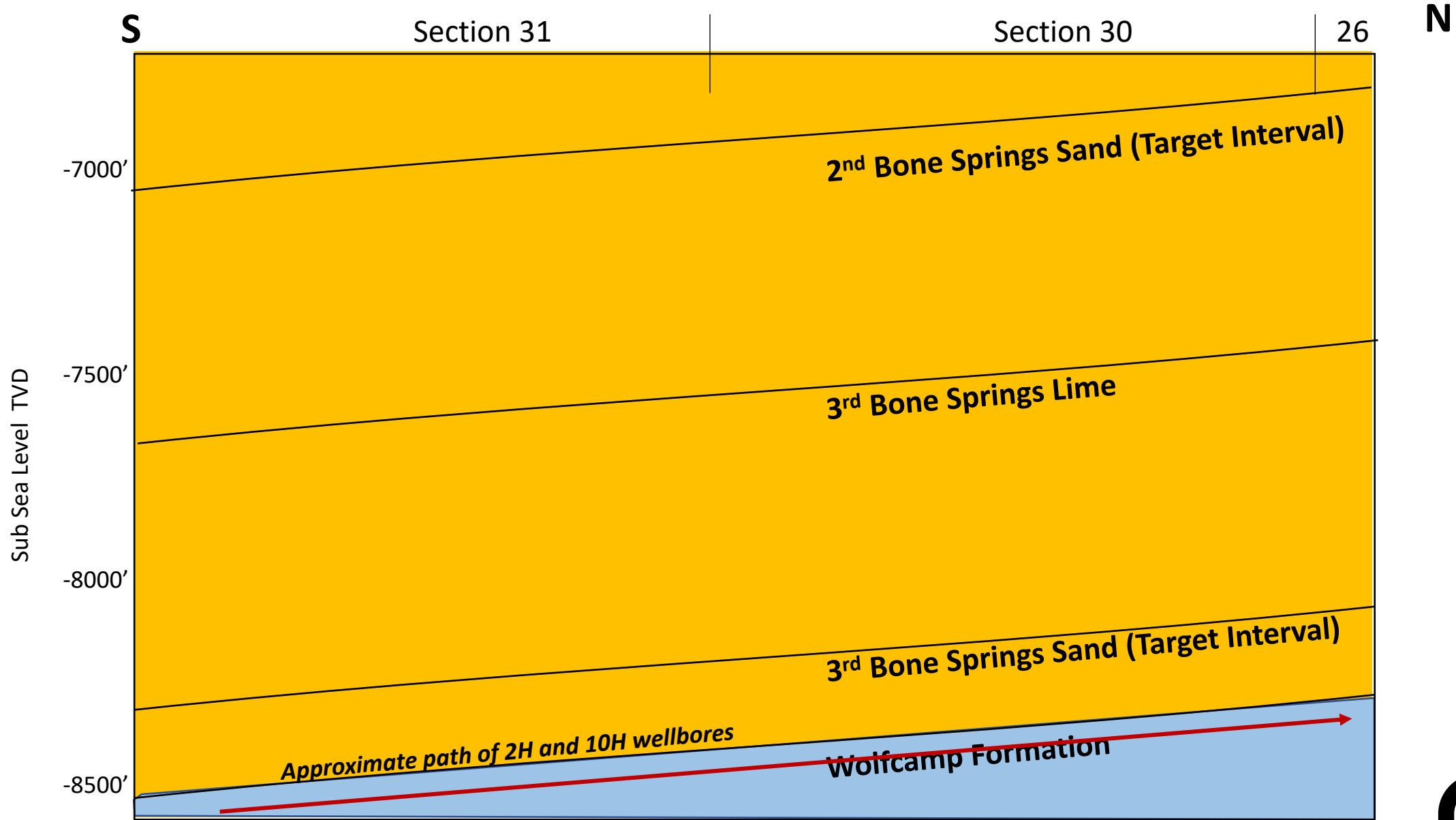


Exhibit B-4

EXHIBIT
B-5

Bone Spring Formation

W

Section 35

E

2BSLM

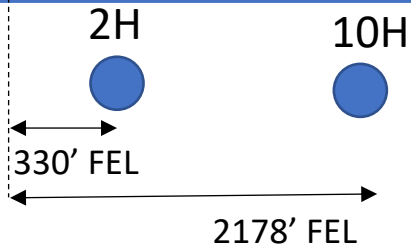
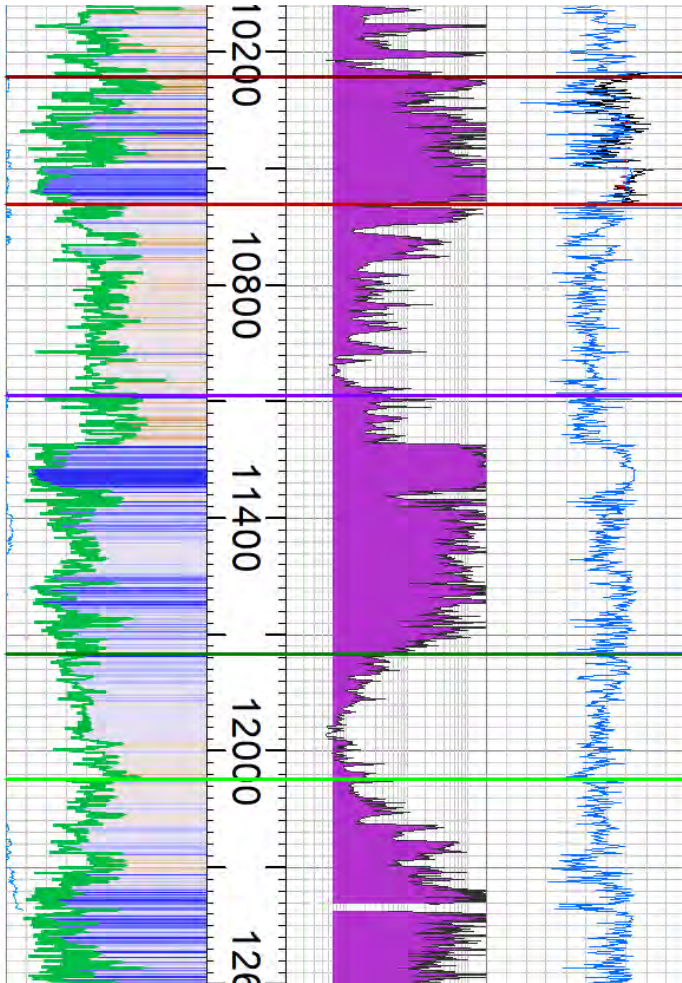
2BSSS

3BSLM

3BSSS

WFMP

Wolfcamp Formation



3rd Bone Sand Target Interval
9H

EXHIBIT
B-6

Exhibit B-5

TAB 4

Case No. 23148

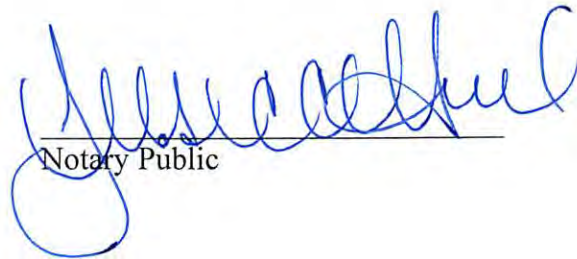
Exhibit C: Affidavit of Notice, Darin C. Savage
Exhibit C-1: Notice Letters (WI & ORRI & RTO)
Exhibit C-2: Mailing List
Exhibit C-3: Affidavits of Publication

3. It is my understanding that Devon has made a reasonably diligent effort to find the names and 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 31st day of October, 2022, by Darin C. Savage.



Notary Public

My Commission Expires:

10/02/2023

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|---|
| STATE OF NEW MEXICO NOTARY PUBLIC JESSICA HEAD COMMISSION # 1127235 COMMISSION EXPIRES 10/02/2023 |
|---|



For the Pursuit of Energy

ABADIE | SCHILL PC

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

October 11, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Amended Application of Devon Energy Production Company, L.P.,
for a non-standard horizontal spacing unit and compulsory pooling, Lea
County, New Mexico
Serpentine 35-26 Fed Com 1H Well (Case No. 23147)
Serpentine 35-26 Fed Com 9H Well (Case No. 23147)
Serpentine 35-26 Fed Com 11H Well (Case No. 23147)
Serpentine 35-26 Fed Com 12H Well (Case No. 23147)

Re: Amended Application of Devon Energy Production Company, L.P.,
for a non-standard horizontal spacing unit and compulsory pooling, Lea
County, New Mexico
Serpentine 35-26 Fed Com 2H Well (Case No. 23148)
Serpentine 35-26 Fed Com 10H Well (Case No. 23148)

Case Nos. 23147 & 23148:

Dear WI Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. (“Devon”) has filed the enclosed amended applications, Case Nos. 23147 & 23148, with the New Mexico Oil Conservation Division (“Division”) for the compulsory pooling of non-standard horizontal spacing units in the Bone Spring and Wolfcamp formations.

In Case No. 23147, Devon seeks to pool the Bone Spring formation underlying the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, a non-

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214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901



standard unit encompassing 600 acres, more or less, dedicated to the above-referenced 1H, 9H, 11H and 12H Wells.

In Case No. 23148, Devon seeks to pool the Wolfcamp formation underlying the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, a non-standard unit encompassing 600 acres, more or less, dedicated to the above-referenced 2H and 10H Wells.

A hearing has been requested before a Division Examiner on November 3, 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 Emergency, 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, subject to title examination, 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 Matthew Hoops at (405) 552-3337 or at matthew.hoops@dvn.com.

Sincerely,



Darin C. Savage

Attorney for Devon Energy Production Company, L.P.



For the Pursuit of Energy

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

October 11, 2022

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Case No. 23147 & 23148:

Dear ORR Interest Owners:

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In Case No. 23147, Devon seeks to pool the Bone Spring formation underlying the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, a non-standard unit encompassing 600 acres, more or less, dedicated to the above-referenced 1H, 9H, 11H and 12H Wells.

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214 McKenzie Street, Santa Fe, New Mexico, 87501

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You are being notified as an overriding royalty interest owner, subject to title examination, 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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If you have any questions about this matter, please contact Matthew Hoops at (405) 552-3337 or at matthew.hoops@dvn.com.

Sincerely,



Darin C. Savage

Attorney for Devon Energy Production Company, L.P.



For the Pursuit of Energy

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| Louisiana | Texas |
| Nebraska | Kansas |
| Montana | Wyoming |
| Oklahoma | California |
| | North Dakota |

October 11, 2022

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214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

In Case No. 23148, Devon seeks to pool the Wolfcamp formation underlying the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, a non-standard unit encompassing 600 acres, more or less, dedicated to the above-referenced 2H and 10H Wells.

A hearing has been requested before a Division Examiner on November 3, 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 Emergency, 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 owner of reversionary interest, subject to title examination, 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 Matthew Hoops at (405) 552-3337 or at matthew.hoops@dvn.com.

Sincerely,



Darin C. Savage

Attorney for Devon Energy Production Company, L.P.



For the Pursuit of Energy

ABADIE | SCHILL PC

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

October 11, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Amended Application of Devon Energy Production Company, L.P.,
for a non-standard horizontal spacing unit and compulsory pooling, Lea
County, New Mexico
Serpentine 35-26 Fed Com 1H Well (Case No. 23147)
Serpentine 35-26 Fed Com 9H Well (Case No. 23147)
Serpentine 35-26 Fed Com 11H Well (Case No. 23147)
Serpentine 35-26 Fed Com 12H Well (Case No. 23147)

Re: Amended Application of Devon Energy Production Company, L.P.,
for a non-standard horizontal spacing unit and compulsory pooling, Lea
County, New Mexico
Serpentine 35-26 Fed Com 2H Well (Case No. 23148)
Serpentine 35-26 Fed Com 10H Well (Case No. 23148)

Case No. 23147 & 23148:

Dear Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. (“Devon”) has filed the enclosed amended application, Case No. 23147 & 23148, with the New Mexico Oil Conservation Division (“Division”) for the compulsory pooling of non-standard horizontal spacing units in the Bone Spring and Wolfcamp formations.

In Case No. 23147, Devon seeks to pool the Bone Spring formation underlying the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, a non-standard unit encompassing 600 acres, more or less, dedicated to the above-referenced 1H, 9H, 11H and 12H Wells.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

In Case No. 23148, Devon seeks to pool the Wolfcamp formation underlying the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, a non-standard unit encompassing 600 acres, more or less, dedicated to the above-referenced 2H and 10H Wells.

A hearing has been requested before a Division Examiner on November 3, 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 owner of Record Title (subject to title examination), not a Working Interest owner with operating rights, and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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

If you have any questions about this matter, please contact Matthew Hoops at (405) 552-3337 or at matthew.hoops@dvn.com.

Sincerely,



Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

| INT. TYPE | NAME | Address | USPS Article Number | Date Mailed | Service | Status | Delivery Date | Green Card Returned? |
|-----------|--|--|----------------------|-------------|-------------------------------|-----------|---------------|----------------------|
| WI | Marathon Oil Permian LLC | PO Box 68, Houston, TX 77001-0068 | 70220410000152269908 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| | | 990 Town & Country Blvd, Houston, TX 77024 | 70220410000152269915 | 10/11/22 | Certified Mail/Return Receipt | Delivered | N/A | Yes |
| REV INT | Monty D McClane and wife, | 6800 County Rd 48, Midland, TX 79707 | 70220410000152269922 | 10/11/22 | Certified Mail/Return Receipt | | | |
| | | 4841 Rustic Trl, Midland, Texas 79707 | 70220410000152269991 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Not yet |
| REV INT | Alan Jochimsen and wife, Marcheta Jochimsen | 4209 Cardinal Ln, Midland TX 79707 | 70220410000152269946 | 10/11/22 | Certified Mail/Return Receipt | Delivered | N/A | Yes |
| RT | Monty D McClane | 6800 County Rd 48, Midland, TX 79707 | 70220410000152269984 | 10/11/22 | Certified Mail/Return Receipt | | | |
| | | 4841 Rustic Trl, Midland, Texas 79707 | 70220410000152269823 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Not yet |
| RT | Fred L Engle | 610 Sandy Nook St, Sarasota FL 34242 | 70220410000152269809 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/15/22 | Yes |
| ORRI | States Royalty Limited | PO Box 911, Breckenridge, TX 76424 | 70220410000152269953 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| | | 300 N Breckenridge Ave, Breckenridge TX 76424-0911 | 70220410000152269960 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | Monty D McClane | 6800 County Rd 48, Midland, TX 79707 | 70220410000152269816 | 10/11/22 | Certified Mail/Return Receipt | | | |
| | | 4841 Rustic Trl, Midland, Texas 79707 | 70220410000152269939 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Not yet |
| ORRI | AmeriPermian Holdings, LLC | 1733 Woodstead CT STE 206, The Woodlands TX 77380 | 70220410000152269830 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | David B. Engle | 38315 Sunset Dr, Oconomowoc WI 53066 | 70220410000152269847 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | McMullen Minerals, LLC | PO Box 470857, Fort Worth TX 76147-0857 | 70220410000152269854 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| | | 3100 W 7th St, Fort Worth TX 76107 | 70220410000152269861 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | Pegasus Resources, LLC | PO Box 733980, Dallas TX 75373 | 70220410000152269878 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/16/22 | Yes |
| | | 2821 W 7th St #500, Fort Worth TX 76107 | 70220410000152269885 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| ORRI | Viper Energy Partners, LLC | 500 West Texas Ste 1200, Midland TX 79701 | 70220410000152269892 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |
| BLM | | 414 W Taylor St, Hobbs, NM 88240 | 70220410000152269977 | 10/11/22 | Certified Mail/Return Receipt | Delivered | 10/17/22 | Yes |



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1. Article Addressed to:

Viper Energy Partners, LLC
 500 West Texas Ste 1200
 Midland TX 79701



9590 9402 6862 1104 4345 19

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9892

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

[Handwritten Signature]

Agent

Addressee

B. Received by (Printed Name)

T. Beer

C. Date of Delivery

10/17/22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery over \$500

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

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

1. Article Addressed to:

McMullen Minerals, LLC
 3100 W 7th St
 Fort Worth TX 76107



9590 9402 6862 1104 4346 70

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9861

A. Signature

X

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

Yes

If YES, enter delivery address below:

No

3. Service Type

Adult Signature

Priority Mail Express®

Adult Signature Restricted Delivery

Registered Mail™

Certified Mail®

Registered Mail Restricted Delivery

Certified Mail Restricted Delivery

Signature Confirmation™

Collect on Delivery

Signature Confirmation Restricted Delivery

Collect on Delivery Restricted Delivery

Insured Mail

Insured Mail Restricted Delivery

(over \$500)

RECIPIENT: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

Complete items 1, 2, and 3.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

Pegasus Resources, LLC
PO Box 733980
Dallas, TX 7537-3980



9590 9402 7329 2028 4943 65

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9878

A. Signature
Gabriel Asamoah

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery
OCT 16 2022

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Bureau of Land Management
414 W. Taylor St.
Hobbs, NM 88240



9590 9402 6862 1104 4343 35

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9977

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A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

Jon Statten

C. Date of Delivery

10/17/22

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below:

 No

3. Service Type

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

Registered Mail

Registered Mail Restricted Delivery

Over \$500

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Fred L. Engle
610 Sandy Nook St
Sarasota FL 34242



9590 9402 6862 1104 4344 89

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9809

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

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

10-15-22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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- Complete items 1, 2, and 3.
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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Pegasus Resources, LLC
2821 W 7th St #500
Fort Worth TX 76107



9590 9402 7329 2028 4943 72

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9885

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A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

C. Date of Delivery

11/17/22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Registered Mail Restricted Delivery (over \$500)

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

David B. Engle
 38315 Sunset Dr.
 Oconomowoc, WI 53066



9590 9402 6862 1104 4346 94

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9847

A. Signature

X

Jeany Engle

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

10/17/22

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below:

No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Marathon Oil Permian
PO Box 68
Houston, TX 77001-0068



9590 9402 7329 2028 4933 37

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9908

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

A. Signature

 Agent Addressee

B. Received by (Printed Name)

CRAIG BLANTON

C. Date of Delivery

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

3. Service Type

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

Registered Mail

Registered Mail Restricted Delivery

(or \$500)

 Priority Mail Express® Registered Mail™ Registered Mail Restricted Delivery Signature Confirmation™ Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

McMullen Minerals, LLC
PO Box 470857
Fort Worth, TX 76147



9590 9402 6862 1104 4346 87

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9854

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

A. Signature

X

Lea Yater

 Agent Address

B. Received by (Printed Name)

Lea Yater

C. Date of Delivery

10/17/22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Registered Mail

Registered Mail Restricted Delivery

Per \$500

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

AmeriPermian Holdings, LLC
 1733 Woodstead Ct., Suite 206
 The Woodlands, TX 77380



9590 9402 7329 2028 4933 13

2. Article Number (Transfer from service label)

0022 0410 0001 5226 9830

A. Signature

X

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

10/17/22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

States Royalty Limited Partnership
 PO Box 911
 Breckenridge, TX 76424



9590 9402 6862 1104 4343 11

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9953

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

10/27/22

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

1 Mail
 1 Mail Restricted Delivery
 50)

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Marathon Oil Permian
990 Town & Country Blvd
Houston, TX 77024



9590 9402 7329 2028 4933 44

2. Article Number (Transfer from service label)

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A. Signature

X

- Agent
 Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

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

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

States Royalty Limited Partnership
 300 N Breckenridge Ave,
 Breckenridge TX 76424-0911



9590 9402 6862 1104 4343 28

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9960

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Marilyn Sitts*

- Agent
- Addressee

B. Received by (Printed Name)

Marilyn Sitts

C. Date of Delivery

10-17-22

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

3. Service Type

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

Registered Mail
 Registered Mail Restricted Delivery
 (over \$500)

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Alan Jochimsen and
Marcheta Jochimsen
4209 Cardinal Ln
Midland TX 79707



9590 9402 6862 1104 4343 04

2. Article Number (Transfer from service label)

7022 0410 0001 5226 9946

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

00)

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

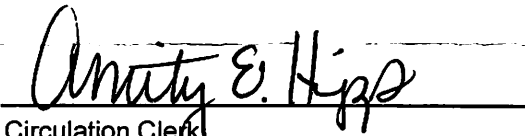
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
October 13, 2022
and ending with the issue dated
October 13, 2022.



Publisher

Sworn and subscribed to before me this
13th day of October 2022.



Circulation Clerk

My commission expires
October 29, 2022
(Seal)

AMITY E. HIPPI
Notary Public - State of New Mexico
Commission # 1123569
My Comm. Expires Oct 29, 2022

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE October 13, 2022

CASE No. 23148: Notice to all affected parties and persons having any right, title, interest or claim to this case, including overriding royalty interest owners, reversionary interest owners, and record title owners, as well as the known and unknown heirs, devisees, assigns and successors of MONTY D. MCCLANE AND KAREN R. MCCLANE, ALAN JOCHIMSEN AND MARCHETA JOCHIMSEN, MARATHON OIL PERMIAN LLC, FRED L. ENGLE, STATES ROYALTY LIMITED PARTNERSHIP, AMERIPERMIAN HOLDINGS, LLC, DAVID B. ENGLE, MCMULLEN MINERALS, LLC, PEGASUS RESOURCES, LLC AND VIPER ENERGY PARTNERS, LLC of Devon Energy Production Company, L.P.'s amended application for approval of a spacing unit and compulsory pooling, Lea 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 November 3, 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 remote access and the status of the case, you can visit the Division's website at: <https://www.emnrd.nm.gov/oed/hearing-info/> or call (505) 476-3441. Devon Energy Production Company, L.P., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division: (1) establishing a non-standard 600-acre, more or less, spacing and proration unit comprised of the W/2 of Section 26 and the NW/4 and the N/2 SW/4 and the SE/4 SW/4 of Section 35 (also described as the W/2 of Sections 26 and 35 less the SW/4 SW/4 of Section 35), Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as an oil pool, underlying the unit. Said horizontal spacing unit is to be dedicated to the Serpentine 35-26 Fed Com 2H Well, an oil well, to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 35 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26; and the Serpentine 35-26 Fed Com 10H Well, an oil well, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 35 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 26. The wells will be orthodox, and the take points and completed interval will comply with the setback requirements under the statewide Rules. Devon will be applying administratively for approval of a non-standard spacing and proration (NSP) unit; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 33 miles southwest of Hobbs, New Mexico, and approximately 25 mile north of the state line. #39118

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EXHIBIT
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