BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING DECEMBER 7, 2023

CASE No. 23989

NORTH BLONDIE 3-15 FED COM #102H

LEA COUNTY, NEW MEXICO



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

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

CASE NO. 23989

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o Devon Exhibit C-2: C-102s

o Devon Exhibit C-3: Land Tract Map / Uncommitted WIO, ORRI & RT

o Devon Exhibit C-4: Sample Well Proposal Letter with AFEs

o Devon Exhibit C-5: Chronology of Contacts

• **Devon Exhibit D:** Self-Affirmed Statement of Matthew Myer, Geologist

o Devon Exhibit D-1: Locator map

o Devon Exhibit D-2: Subsea structure & cross-section map

o Devon Exhibit D-3: Stratigraphic cross-section

- Devon Exhibit E: Self-Affirmed Statement of Notice
- **Devon Exhibit F:** Affidavit of Publication

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS					
Case: 23989	APPLICANT'S RESPONSE				
Date	December 7, 2023				
Applicant	Devon Energy Production Company, L.P.				
Designated Operator & OGRID (affiliation if applicable)	Devon Energy Production Company, L.P. (OGRID No. 6137)				
Applicant's Counsel:	Holland & Hart LLP				
Case Title:	APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.				
Entries of Appearance/Intervenors:	N/A				
Well Family	North Blondie				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Bone Spring				
Primary Product (Oil or Gas):	Oil				
Pooling this vertical extent:	N/A				
Pool Name and Pool Code:	Hardin Tank; Bone Spring [96661]				
Well Location Setback Rules:	Statewide oil rules				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	240				
Building Blocks:	40 acres				
Orientation:	North-South				
Description: TRS/County	E/2 W/2 of Section 10 and the E/2 NW/4 of Section 15, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico				
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes				
Other Situations					
Depth Severance: Y/N. If yes, description	No				
Proximity Tracts: If yes, description	No				
Proximity Defining Well: if yes, description	N/A				
Applicant's Ownership in Each Tract	Exhibit C-3				
Well(s)					
Name & API (if assigned), surface and bottom hole location,	Add wells as needed				
footages, completion target, orientation, completion status					
(standard or non-standard)					
Well #1	North Blondie 3-15 Fed Com #102H well				
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico	SHL: 1,859' FNL, 1,503' FWL (Unit F) of Section 15, T26S-R34E BHL: 20' FNL, 1,760' FWL (Unit C) of Section 10, T26S-R34E				
Exhibit No. A Submitted by: Devon Energy Production Co. L.P.	Target: Bone Spring				
Hearing Date: December 7, 2023	Orientation: North-South				
Case No. 23989	Completion: Standard Location				
Horizontal Well First and Last Take Points	Exhibit C-2				
Completion Target (Formation, TVD and MD)	Exhibit C-4				

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AFPCSSEX data Obertailing Elastes 1:14:48 PM	Page	e 4 o
Orilling Supervision/Month \$	\$10,000	
Production Supervision/Month \$	\$1,000	
ustification for Supervision Costs	Exhibit C	
Requested Risk Charge	200%	
Notice of Hearing		
Proposed Notice of Hearing	Exhibit A	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F	
Ownership Determination		
and Ownership Schematic of the Spacing Unit	Exhibit C-3	
ract List (including lease numbers and owners)	Exhibit C-3	
f approval of Non-Standard Spacing Unit is requested, Tract List including lease numbers and owners) of Tracts subject to notice equirements.		
Pooled Parties (including ownership type)	Exhibit C-3	
Unlocatable Parties to be Pooled	N/A	
Ownership Depth Severance (including percentage above &	INA	
pelow)	N/A	
oinder		
Sample Copy of Proposal Letter	Exhibit C-4	
ist of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3	
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5	
Overhead Rates In Proposal Letter	Exhibit C-4	
Cost Estimate to Drill and Complete	Exhibit C-4	
Cost Estimate to Equip Well	Exhibit C-4	
Cost Estimate for Production Facilities	Exhibit C-4	
Geology		
Summary (including special considerations)	Exhibit D	
Spacing Unit Schematic	Exhibit D-1	
Gunbarrel/Lateral Trajectory Schematic	N/A	
Well Orientation (with rationale)	Exhibit D	
arget Formation	Exhibit D, D-3	
HSU Cross Section	Exhibit D-3	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit C-2	
racts	Exhibit C-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3	
General Location Map (including basin)	Exhibit D-1	
Well Bore Location Map	Exhibit D-1	
<u> </u>		

Crossesetted by Oction Was Allending wells	Exhibit D-2	Page 5 d
Cross Section (including Landing Zone)	Exhibit D-3	
Additional Information		
Special Provisions/Stipulations	N/A	
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accura	ite.
Printed Name (Attorney or Party Representative):	Paula M. Vance	
Signed Name (Attorney or Party Representative):	Phone I	
Date:	- fall the	12/5/2023

Received by OCD: 12/5/2023 1:14:48 PM

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

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

CASE NO. 23989

APPLICATION

Devon Energy Production Company, L.P. ("Devon" or "Applicant") (OGRID No. 6137),

through its undersigned attorneys, hereby files this application with the Oil Conservation Division

pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests

in the Bone Spring formation underlying a 240-acre standard horizontal spacing unit comprised of

the E/2 W/2 of Section 10 and the E/2 NW/4 of Section 15, Township 26 South, Range 34 East,

NMPM, Lea County, New Mexico. In support of this application, Devon states:

Applicant is a working interest owner in the proposed horizontal spacing unit and has

the right to drill thereon.

2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to

the proposed North Blondie 3–15 Fed Com #102H, to be horizontally drilled from a surface location

in the SE/4 NW/4 (Unit F) of Section 15, with a first take point in the same and a last take point in

the NE/4 NW/4 (Unit C) of Section 10.

3. Applicant has sought and been unable to obtain voluntary agreement for the

development of these lands from all interest owners in the subject spacing unit.

4. The pooling of interests will allow Applicant to obtain a just and fair share of the oil

and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and

will protect correlative rights.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Exhibit No. B

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 7, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Bone Spring formation underlying the proposed horizontal spacing unit;
- B. Approving the initial well in the horizontal well spacing unit;
- C. Designating Applicant as the operator of the horizontal spacing unit and the well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert Adam G. Rankin Paula M. Vance Post Office Box 2208 Santa Fe, NM 87504 505-988-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com pmvance@hollandhart.com

ATTORNEYS FOR DEVON ENERGY PRODUCTION COMPANY, L.P.

CASE ____:

Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre standard horizontal spacing unit comprised of the E/2 W/2 of Section 10 and the E/2 NW/4 of Section 15, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed **North Blondie 3–15 Fed Com #102H**, to be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 15, with first take point in the same and a last take point in the NE/4 NW/4 (Unit C) of Section 10. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 16 miles southwest of Jal, New Mexico.

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

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

CASE NO. 23989

SELF-AFFIRMED STATEMENT OF DANIEL BRUNSMAN

1. My name is Daniel Brunsman. I work for Devon Energy Production Company, L.P.

("Devon") as a Landman.

2. I have previously testified before the New Mexico Oil Conservation Division

("Division") as an expert witness in petroleum land matters. My credentials as a landman have

been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by Devon in this case, and I am familiar

with the status of the lands in the subject area.

4. None of the uncommitted parties in this case have indicated opposition to

proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.

5. Under Case No. 23989, Devon seeks an order pooling all uncommitted interests in

the Bone Spring formation (Hardin Tank; Bone Spring [96661]) underlying a 240-acre standard

horizontal spacing unit comprised of the E/2 W/2 of Section 10 and the E/2 NW/4 of Section 15,

Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be

initially dedicated to the North Blondie 3-15 Fed Com #102H, to be horizontally drilled from a

surface location in the SE/4 NW/4 (Unit F) of Section 15, with a first take point in the same and a

last take point in the NE/4 NW/4 (Unit C) of Section 10. The North Blondie 3–15 Fed Com #102H

1

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Devon Energy Production Company, L.P.
Hearing Date: December 7, 2023

Case No. 23989

will be at a non-standard location; therefore, Devon will apply separately by administrative application.

- 6. The proposed spacing unit overlaps Devon's existing spacing unit covering the W/2 of Sections 3 and 10 and the NW/4 of Section 15, Township 26 South, Range 34 East, *see* Division Order R-22745. Therefore, **Devon Exhibit C-1** includes a copy of the notice letter mailed to the other working interest owners in both the new and existing spacing units; Devon did not receive any objections from the other interest owners during the 20-day objection period. Exhibit C-1 also includes a diagram depicting the newly proposed spacing unit in relation to the existing spacing unit.
- 7. **Devon Exhibit C-2** contains a draft Form C-102 for the well. The exhibit shows that the well will be assigned to the Hardin Tank; Bone Spring pool [96661].
- 8. **Devon Exhibit C-3** identifies the tracts of land comprising the horizontal spacing unit, the ownership interests in each tract, and ownership interests on a spacing unit basis. The subject acreage is comprised of federal lands. The parties Devon seeks to pool are highlighted in yellow.
- 9. **Devon Exhibit C-4** contains a sample of the well proposal letter and AFEs sent to owners with a working interest. The costs reflected in the AFEs are consistent with what Devon and other operators have incurred for drilling similar horizontal wells in the area in this formation.
- 10. Devon requests that the overhead and administrative costs for drilling and producing the proposed well be set at \$10,000 per month while drilling and \$1,000 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

- 11. **Devon Exhibit C-5** contains a general summary of the contacts with the uncommitted interest owners. As indicated in the exhibit, Devon has made a good faith effort to locate and has had communications with the with all of the parties that it seeks to pool in this case in an effort to reach voluntary joinder. In my opinion, Devon has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.
- 12. Devon has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Devon seeks to pool and instructed that they be notified of this hearing. Devon has conducted a diligent search of all public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each interest owner.
- 13. **Devon Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.
- 14. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Daniel Brunsman

Date



Devon Energy Production Company LP

405 228-2896 Phone
Daniel.Brunsman@dvn.com

333 West Sheridan Avenue

Oklahoma City, OK 73102

September 26, 2023

VIA EMAIL: jack@allarcompany.com

Allar Development LLC P.O. Box 1567 Graham, TX 76450

Re:

Notice of Overlapping Spacing Units

Bone Springs Formation - North Blondie 3-15 FED COM 102H Sections: E2W2 of section 10, & E2NW4 of section 15, T26S, R34E,

Lea County, New Mexico To Whom It May Concern:

Devon Energy Production Company, L.P. ("Devon") has proposed well(s) for development of the Bone Springs underlying the E2W2 of Section 10 and the E2NW4 of Section 15, Township 26 South, Range 34 East, Lea County, New Mexico. This letter is to advise you that this proposed development plan will require the formation of the following 240-acre spacing units:

240-acre horizontal well spacing unit, being the E2W2 of Section 10 and the E2NW4 of Section 15, Township 26 South, Range 34 East, with a surface location in the SE4NW4 of Section 15, Township 26 South, Range 34 East, to a bottom hole location in the NE4NW4 of Section 10, Township 26 South, Range 34 East.

The proposed 240-acre spacing unit will overlap the following existing spacing units and wells:

800-acre horizontal well spacing unit, being the W2 of Sections 3 and 10, and the NW4 of Section 15, Township 26 South, Range 34 East, Lea County, New Mexico

Pursuant to NMAC 19.15.16.15.B(9) and 19.15.15.12.B, you have a right to object the overlapping spacing units by delivering a written statement of objection within twenty (20) days of the mailing of this notice. To expedite approval of the overlapping spacing units, we ask that you contact the undersigned timely with questions and/or concerns. If no objection is received within this 20-day period, we will proceed with obtaining any remaining regulatory approvals for the proposed spacing units.

If you have any questions about this matter, please contact my office.

Regards,

Devon Energy Production Company, L.P.

Daniel J. Brunsman Advising Landman



Devon Energy Production Company LP

405 228-2896 Phone
Daniel.Brunsman@dvn.com

333 West Sheridan Avenue

Oklahoma City, OK 73102

September 26, 2023

Chevron USA Inc. 1400 Smith St. Houston, TX 77002 VIA EMAIL: ScottSabrsula@chevron.com

Re:

Notice of Overlapping Spacing Units

Bone Springs Formation - North Blondie 3-15 FED COM 102H Sections: E2W2 of section 10, & E2NW4 of section 15, T26S, R34E, Lea County, New Mexico To Whom It May Concern:

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The proposed 240-acre spacing unit will overlap the following existing spacing units and wells:

800-acre horizontal well spacing unit, being the W2 of Sections 3 and 10, and the NW4 of Section 15, Township 26 South, Range 34 East, Lea County, New Mexico

Pursuant to NMAC 19.15.16.15.8(9) and 19.15.15.12.8, you have a right to object the overlapping spacing units by delivering a written statement of objection within twenty (20) days of the mailing of this notice. To expedite approval of the overlapping spacing units, we ask that you contact the undersigned timely with questions and/or concerns. If no objection is received within this 20-day period, we will proceed with obtaining any remaining regulatory approvals for the proposed spacing units.

If you have any questions about this matter, please contact my office.

Regards,

Devon Energy Production Company, L.P.

Daniel J. Brunsman Advising Landman



Devon Energy Production Company LP

405 228-2896 Phone Daniel.Brunsman@dvn.com

333 West Sheridan Avenue

Oklahoma City, OK 73102

September 26, 2023

Chief Capital O&G II LLC 8111 Westchester STE 900 Dallas, TX 75225

VIA EMAIL: Jace McKenzie@chief.energy.com

Re:

Notice of Overlapping Spacing Units

Bone Springs Formation - North Blondie 3-15 FED COM 102H Sections: E2W2 of section 10, & E2NW4 of section 15, T26S, R34E,

Lea County, New Mexico To Whom It May Concern:

Devon Energy Production Company, L.P. ("Devon") has proposed well(s) for development of the Bone Springs underlying the E2W2 of Section 10 and the E2NW4 of Section 15, Township 26 South, Range 34 East, Lea County, New Mexico. This letter is to advise you that this proposed development plan will require the formation of the following 240-acre spacing units:

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800-acre horizontal well spacing unit, being the W2 of Sections 3 and 10, and the NW4 of Section 15, Township 26 South, Range 34 East, Lea County, New Mexico

Pursuant to NMAC 19.15.16.15.B(9) and 19.15.15.12.B, you have a right to object the overlapping spacing units by delivering a written statement of objection within twenty (20) days of the mailing of this notice. To expedite approval of the overlapping spacing units, we ask that you contact the undersigned timely with questions and/or concerns. If no objection is received within this 20-day period, we will proceed with obtaining any remaining regulatory approvals for the proposed spacing units.

If you have any questions about this matter, please contact my office.

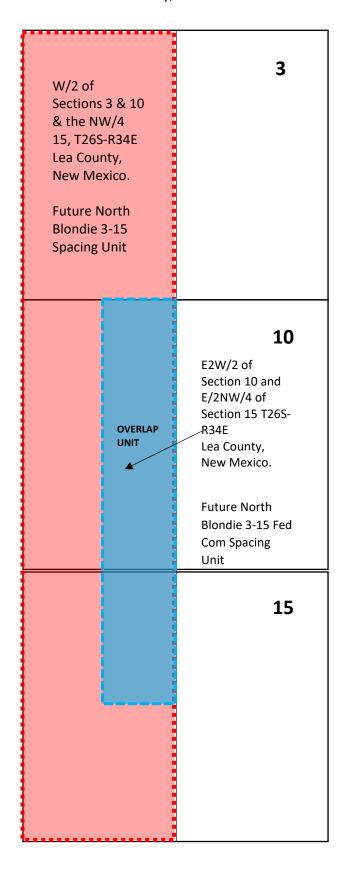
Regards,

Devon Energy Production Company, L.P.

Daniel J. Brunsman **Advising Landman**

Overlapping Spacing Unit Exhibit:

E/2W/2 of Section 10 & E/2NW4 of Section 15, T26S-R34E Lea County, New Mexico



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New MexRage 17 of 37 Exhibit No. C-2

Submitted by: Devon Energy Production Company, L.P. Hearing Date: December 7, 2023 Case No. 23989

State of New Mexico DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 Energy, Minerals & Natural Resources Department CONSERVATION DIVISION DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

TATELL

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

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

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

	WELL LOCATION AND .	ACREAGE DEDICATION PLAT			
API Number	Pool Code	Pool Code Pool Name			
	96661	HARDIN TANK;BONE SP	RING		
Property Code	Prop	erty Name	Well Number		
	NORTH BLONDI	102H			
OGRID No.	Oper:	Elevation			
6137	DEVON ENERGY PROI	3276.9'			

LOCATION AND ACDEACE DEDICATION DIAT

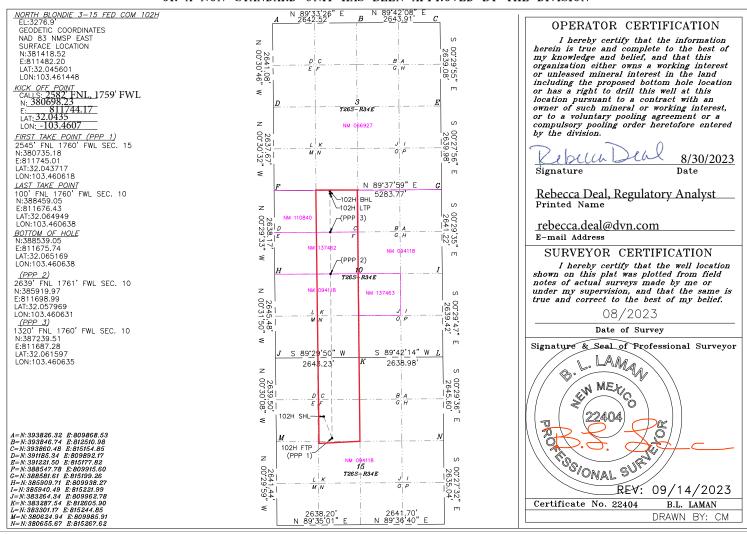
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	15	26-S	34-E		1859	NORTH	1503	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
С	10	26-S	34-E		20	NORTH	1760	WEST	LEA
Dedicated Acre	s Joint o	r Infill Co	nsolidation	Code Or	der No.			•	
240									

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



Tract 1	10		
Tract 2			
Tract 3			
Tract 4			
	15		

KEY: Pooled parties are highlighted in yellow

Tract 1 WI 40.00%	NE/4NW/4 Sec. 10, Township 26 South, Range 34 East Devon Energy Production Company, L.P.						
40.00%	Chevron U.S.A. Inc. (UNCOMMITTED)						
10.00% 10.00%	Chief Capital (O&G) II, LLC (UNCOMMITTED) The Allar Company (UNCOMMITTED)						
10.00%	Total Committed Interest 40.00% Total Uncommitted Interest 60.00%						
Tract 1 Record Title Owner	NE/4NW/4 Sec. 10, Township 26 South, Range 34 East						
100.00%	Echo Production Inc. (UNCOMMITTED)						
Tract 1 ORRI	Allar Development, L.L.C. John Kyle Thomas, Trustee, of the Cornerstone Family Trust Strategic Energy Income Fund IV, LP Shepard Royalty, LLC. Highland Texas Energy Company Constitution Resources II, LP Crownrock Minerals, LP Pegasus Resources LLC						
Tract 2 WI	SE/4NW/4 Sec. 10, Township 26 South, Range 34 East						
100.00%	Devon Energy Production Company, L.P. Total Committed Interest 100.00% Total Uncommitted Interest 0.00%						
100.00%	Total Committee interest 100.00% Total offcommittee interest 0.00%						
Tract 2 ORRI	S/2 NW/4 Sec. 10, Township 26 South, Range 34 East None						
Tract 3 WI	E/2SW/4 Sec. 10, Township 26 South, Range 34 East						
50.00%	Devon Energy Production Company, L.P.						
<mark>50.00%</mark>	Chevron U.S.A. Inc. (UNCOMMITTED)						
100.00%	Total Committed Interest 50.00% Total Uncommitted Interest 50.00%						
Tract 3 ORRI	Cornerstone Family Trust created U/A/D 6/9/2016, John Kyle Thomas, Trustee Crownrock Minerals, L.P. Lowe Partners, LP Wing Resources VI LLC Paul R. Barwis C/O Dutton, Harris & Company Jareed Partners, Ltd. Devon Energy Production Company, L.P.						

Tract 4 WI	E/2NW4 Sec. 15, Township 26 South, Range 34 East
50.00%	Devon Energy Production Company, L.P.
<mark>50.00%</mark>	Chevron U.S.A. Inc. (UNCOMMITTED)
100.00%	Total Committed Interest 50.00% Total Uncommitted Interest 50.00%
Tract 4 ORRI	Cornerstone Family Trust created U/A/D 6/9/2016, John Kyle Thomas, Trustee
	Crownrock Minerals, L.P.
	Lowe Partners, LP
	Wing Resources VI LLC
	Paul R. Barwis C/O Dutton, Harris & Company
	Jareed Partners, Ltd.
	Devon Energy Production Company, L.P.



Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City, OK 73102 405 552 3316 Phone www.devonenergy.com

September 26, 2023

VIA PREMIUM MAIL DELIVERY &

VIA EMAIL: Jace McKenzie@chief.energy.com

Chief Capital O&G II LLC 8111 Westchester STE 900 Dallas, TX 75225

RE: Well Proposal(s):

NORTH BLONDIE 3-15 FED COM 102H, Sections: E2W2 of section 10, & E2NW4 of section 15, T26S, R34E, Lea County, New Mexico

To Whom It May Concern:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following one (1) well, collectively, the ("Wells"):

NORTH BLONDIE 3-15 FED COM 102H as a horizontal well to an approximate landing TVD of 9,700' bottom hole TVD of 9,600', and approximate TMD of 17,200' into the Bone Springs formation at an approximate SHL of 1,859' FNL and 1,503' FWL of Section 15-T26S-R34E and an approximate BHL of 20' FNL and 1,760' FWL of Section 10-T26S-R34E, Lea County, New Mexico. Enclosed for your review is Devon's AFE, indicating drilling costs, completion costs, and overall completed well costs.

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

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

- Devon Energy Production Company, L.P. named as Operator
- Contract area of E2W2 of Section 10 and the E2NW4 of Section 15, T26S-34E, being approximately 240.00 acres
- 100/300% Non-Consenting Penalty
- Overhead rates of \$10,000 DWR/\$1,000 PWR

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

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

Page 1 of 2

Case No. 23989

Please do not hesitate to contact me at 405.228.2896	or via email at Daniel.Brunsman@dvn.com should you
have questions concerning this proposal.	

Regards,

Devon Energy Production Company, L.P.

Title: _____

Daniel Brunsman Advising Landman

Chief Capital O&G II LLC
To Participate in the proposal of the NORTH BLONDIE 3-15 FED COM 102H
Not To Participate in the proposal of the NORTH BLONDIE 3-15 FED COM 102H
Agreed to and Accepted this day of, 2023.
Chief Capital O&G II LLC
Ву:



Authorization for Expenditure

AFE # XX-159117.01

Well Name: NORTH BLONDIE 3-15 FED COM 102H

Cost Center Number: 1094833001

Legal Description:

Revision:

AFE Date:

State:

NM County/Parish: **LEA**

Explanation and Justification:

Drill and Complete

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
	COMPANY LABOR-ADJ	3,531.82	0.00	0.00	3,531.82
	CHEMICALS - OTHER	0.00	94,980.02	0.00	94,980.02
	DYED LIQUID FUELS	123,221.34	202,151.38	0.00	325,372.72
	GASEOUS FUELS	0.00	61,330.94	0.00	61,330.94
	DISPOSAL - SOLIDS	86,333.42	5,262.50	0.00	91,595.92
	DISP-SALTWATER & OTH	0.00	13,430.00	0.00	13,430.00
	DISP VIA PIPELINE SW	0.00	40,800.00	0.00	40,800.00
	FLUIDS - WATER	18,182.34	33,061.94	0.00	51,244.28
	RECYC TREAT&PROC-H20	0.00	165,284.16	0.00	165,284.16
	PERMIT SURVEY&TITLE	10,000.00	0.00	0.00	10,000.00
	RIGHT OF WAY	4,500.00	0.00	0.00	4,500.00
	ROAD&SITE PREP SVC	21,166.67	1,578.75	0.00	22,745.42
	& C SERVICES	0.00	37,275.00	0.00	37,275.00
	COMM SVCS - WAN	2,616.16	0.00	0.00	2,616.16
	RTOC - ENGINEERING	0.00	2,654.61	0.00	2,654.61
	RTOC - GEOSTEERING	7,194.45	0.00	0.00	7,194.45
	CH LOG PERFRTG&WL SV	0.00	207,696.77	0.00	207,696.77
	MATERIALS & SUPPLIES	6,409.60	0.00	0.00	6,409.60
	PULLING&SWABBING SVC	0.00	9,000.00	0.00	9,000.00
	SNUBBG&COIL TUBG SVC	0.00	107,355.00	0.00	107,355.00
	TRCKG&HL-SOLID&FLUID	65,011.68	0.00	0.00	65,011.68
	TRUCKING&HAUL OF EQP	31,786.40	22,450.00	0.00	54,236.40
	CONSLT & PROJECT SVC	86,071.81	67,002.53	0.00	153,074.34
	SAFETY SERVICES	26,946.49	2,127.34	0.00	29,073.83
6300270	SOLIDS CONTROL SRVCS	50,491.97	0.00	0.00	50,491.97
6310120	STIMULATION SERVICES	0.00	798,053.56	0.00	798,053.56
6310190	PROPPANT PURCHASE	0.00	511,003.53	0.00	511,003.53
6310200	CASING & TUBULAR SVC	77,046.04	0.00	0.00	77,046.04
6310250	CEMENTING SERVICES	185,000.00	0.00	0.00	185,000.00
6310280	DAYWORK COSTS	524,009.87	0.00	0.00	524,009.87
6310300	DIRECTIONAL SERVICES	208,508.30	0.00	0.00	208,508.30
6310310	DRILL BITS	74,429.88	0.00	0.00	74,429.88
6310330	DRILL&COMP FLUID&SVC	191,241.61	16,629.50	0.00	207,871.11
6310370	MOB & DEMOBILIZATION	45,000.00	0.00	0.00	45,000.00
6310380	OPEN HOLE EVALUATION	17,005.07	0.00	0.00	17,005.07
6310480	TSTNG-WELL, PL & OTH	0.00	131,760.75	0.00	131,760.75
6310600	MISC PUMPING SERVICE	0.00	32,021.81	0.00	32,021.81
6320100	EQPMNT SVC-SRF RNTL	110,532.94	206,123.47	0.00	316,656.41
6320110	EQUIP SVC - DOWNHOLE	62,003.10	32,403.84	0.00	94,406.94
6320160	WELDING SERVICES	1,831.32	0.00	0.00	1,831.32
6320190	WATER TRANSFER	0.00	89,810.01	0.00	89,810.01
6350100	CONSTRUCTION SVC	0.00	403,368.75	0.00	403,368.75
6550100	MISCS COSTS & SERVS	1,000.00	8,210.15	0.00	9,210.15
6550110	MISCELLANEOUS SVC	27,338.92	0.00	0.00	27,338.92



Authorization for Expenditure

AFE # XX-159117.01

Well Name: NORTH BLONDIE 3-15 FED COM 102H

Cost Center Number: 1094833001

Legal Description:

Revision:

AFE Date:

State:

NM

County/Parish: LEA

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
Code	Description	COSIS	COSIS	Costs	Costs
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	7,325.26	52,988.94	0.00	60,314.20
6740340	TAXES OTHER	0.00	26,160.18	0.00	26,160.18
	Total Intangibles	2,075,736.46	3,386,975.43	0.00	5,462,711.89

	Tangible	Drilling	Completion	Dry Hole	Total
Code	Description	Costs	Costs	Costs	Costs
6110140	ROAD&SITE PREP EQUIP	42,333.33	0.00	0.00	42,333.33
6120110	I&C EQUIPMENT	0.00	88,235.25	0.00	88,235.25
6120120	MEASUREMENT EQUIP	0.00	48,443.85	0.00	48,443.85
6150110	LOG PERFORATG&WL EQP	1,000.00	11,250.00	0.00	12,250.00
6300220	STORAGE VESSEL&TANKS	0.00	476,110.72	0.00	476,110.72
6300230	PUMPS - SURFACE	0.00	3,993.75	0.00	3,993.75
6310130	ARTIFICIAL LIFT EQP	0.00	30,000.00	0.00	30,000.00
6310170	CASG-LINERS&TIEBACKS	25,000.00	0.00	0.00	25,000.00
6310420	TUBING & COMPONENTS	0.00	89,194.50	0.00	89,194.50
6310460	WELLHEAD EQUIPMENT	45,000.00	168,968.75	0.00	213,968.75
6310530	SURFACE CASING	26,735.00	0.00	0.00	26,735.00
6310540	INTERMEDIATE CASING	330,540.00	0.00	0.00	330,540.00
6310550	PRODUCTION CASING	732,260.00	0.00	0.00	732,260.00
6310580	CASING COMPONENTS	22,760.63	0.00	0.00	22,760.63
6330100	PIPE,FIT,FLANG,CPLNG	0.00	394,466.85	0.00	394,466.85
	Total Tangibles	1,225,628.96	1,310,663.67	0.00	2,536,292.63

TOTAL ESTIMATED COST	3,301,365.42	4,697,639.10	0.00	7,999,004.52

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

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

Chronology of Contacts with Non-Committed Working Interest owners:

Chevron U.S.A. Inc.

9/22/23 – Mailed Well Proposals to Chevron 9/22/23 – Email communication with Scott Sabrsula 9/26/23 – Email communication with Scott Sabrsula

The Allar Company

9/22/23 – Mailed Well Proposals to Allar Company 9/22/23 – Email communication with Jack Graham 9/26/2023 – Email communication with Jack Graham

Chief Capital (O&G) II, LLC

9/26/23 – Mailed Well proposals to Chief 9/26/23 – Email communication with Chief

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-5
Submitted by: Devon Energy Production Company, L.P.
Hearing Date: December 7, 2023
Case No. 23989

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

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

CASE NO. 23989

SELF-AFFIRMED STATEMENT OF MATTHEW MYERS

- My name is Matthew Myers. I work for Devon Energy Production Company, L.P.
 ("Permian") as a Geologist.
- 2. I have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
- 3. I am familiar with the application filed by Devon in this case, and I have conducted a geologic study of the lands in the subject area.
 - 4. Devon is targeting the Avalon interval of the Bone Spring formation in this case.
- 5. **Devon Exhibit D-1** is a subsea structure map that I prepared for the Avalon. The contour intervals are 25 feet. The area comprising the proposed spacing unit is outlined in blue with the approximate location and orientation of the initial well noted with a black line. The structure map shows the targeted formation gently dipping to the South. The structure appears consistent across the proposed spacing unit, and I do not observe any faulting, pinch outs, or other geologic impediments to drilling horizontal wells.
- 6. **Devon Exhibit D-2** shows a line of cross-section through the proposed horizontal spacing unit from A to A'. I chose the logs from these wells to create the cross section because they penetrate the targeted interval, are of good quality and have been subjected to petrophysical

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Devon Energy Production Company, L.P.
Hearing Date: December 7, 2023
Case No. 23989

analysis of the targeted interval. In my opinion, these well logs are representative of the geology in the subject area.

- 7. **Devon Exhibit D-3** is a stratigraphic cross-section that I prepared using the logs from the representative wells shown in Exhibit D-2. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the proposed well is marked on the cross section with green shading. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing unit.
- 8. In my opinion, standup orientation of the proposed well is the appropriate orientation for horizontal well development in this area because it is more near perpendicular to the maximum horizontal stress of the area.
- 9. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbore. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit proposed.
- 10. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and that approving Devon's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **Devon Exhibits D-1 through D-3** were either prepared by me or compiled under my direction and supervision.
- 12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will

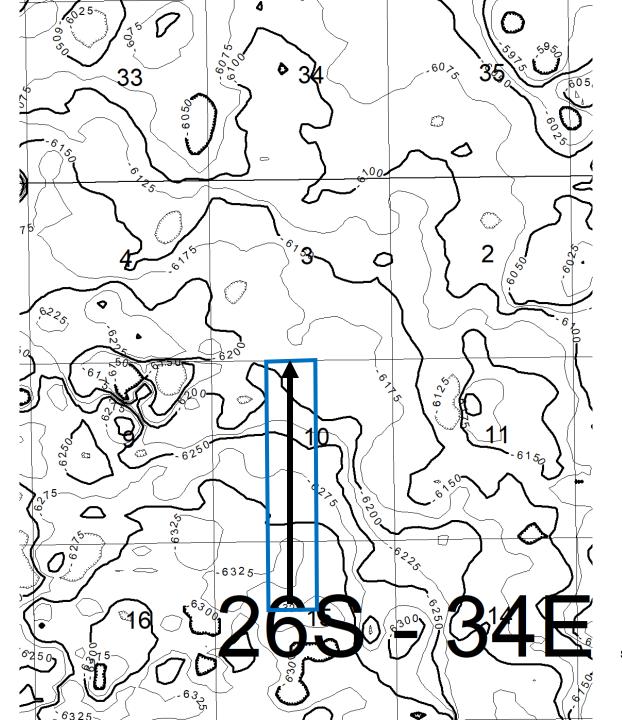
be used as written testimony in this case. This statement is made on the date next to my signature

below.

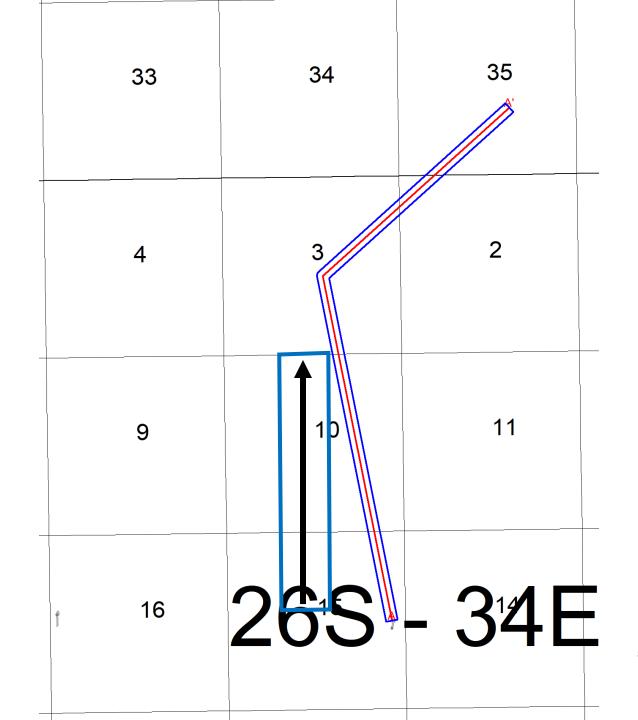
Matthew Myers

Date

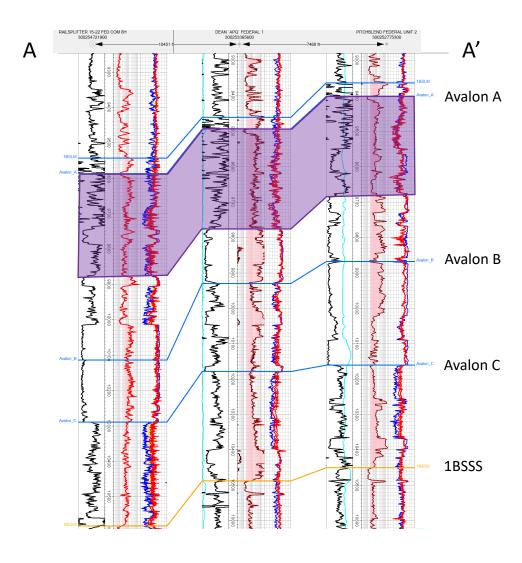
Avalon A SSTVD



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-1
Submitted by: Devon Energy Production Company, L.P.
Hearing Date: December 7, 2023
Case No. 23989



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-2
Submitted by: Devon Energy Production Company, L.P.
Hearing Date: December 7, 2023
Case No. 23989



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-3
Submitted by: Devon Energy Production Company, L.P.
Hearing Date: December 7, 2023
Case No. 23989

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

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

CASE NO. 23989

SELF-AFFIRMED STATEMENT OF PAULA M. VANCE

1. I am attorney in fact and authorized representative of Devon Energy Production

Company, L.P. ("Devon"), the Applicant herein. I have personal knowledge of the matter

addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was

sent by certified mail to the locatable affected parties on the date set forth in the letter attached

hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice

was provided.

4. The spreadsheet attached hereto contains the information provided by the United

States Postal Service on the status of the delivery of this notice as of December 4, 2023.

5. I caused a notice to be published to all parties subject to this compulsory pooling

proceeding. An affidavit of publication from the publication's legal clerk with a copy of the notice

publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that

the foregoing statements are true and correct. I understand that this self-affirmed statement will be

used as written testimony in this case. This statement is made on the date next to my signature

below.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Devon Energy Production Co. L.P.

Paula M. Vance

12/5/2023

Date



Paula M. Vance Associate **Phone** (505) 988-4421 Email pmvance@hollandhart.com

November 17, 2023

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Application of Devon Energy Production Company, L.P. for Compulsory Re: Pooling, Lea County, New Mexico: North Blondie 3–15 Fed Com #102H

Ladies & Gentlemen:

This letter is to advise you that Devon Energy Production Company, L.P. has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 7, 2023, and the status of the hearing can be monitored through the Division's website at https://www.emnrd.nm.gov/ocd/.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

You 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 to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Daniel Brunsman at (405) 228-2896 Daniel.Brunsman@dvn.com.

Sincerely,

Paula M. Vance

ATTORNEY FOR DEVON ENERGY PRODUCTION COMPANY, L.P.

Devon - North Blondie 102H well, Case no. 23989 Postal Delivery Report

						Your package will arrive later than
						expected, but is still on its way. It
						is currently in transit to the next
9414811898765498246026	Chevron USA Inc.	PO Box 740436	Dallas	TX	75374	facility.
						Your item was picked up at the
						post office at 10:02 am on
						November 27, 2023 in GRAHAM,
9414811898765498246460	Allar Development LLC	PO Box 1567	Graham	TX	76450-7567	TX 76450.
						Your item arrived at the
						MIDLAND, TX 79705 post office at
						11:58 am on November 21, 2023
9414811898765498246422	Crownrock Minerals LP	PO Box 51933	Midland	TX	79710-1933	and is ready for pickup.
						Your item has been delivered and
						is available at a PO Box at 11:10
						am on November 20, 2023 in
9414811898765498246408	Cornerstone Family Trust	PO Box 558	Peyton	со	80831-0558	PEYTON, CO 80831.
						Your item has been delivered and
						is available at a PO Box at 4:45
						pm on November 22, 2023 in
9414811898765498246491	Pegasus Resources LLC	PO Box 470698	Fort Worth	TX	76147-0698	FORT WORTH, TX 76147.
						Your package will arrive later than
						expected, but is still on its way. It
						is currently in transit to the next
9414811898765498246446	Highland Texas Energy Company	11886 Greenville Ave Ste 106	Dallas	TX	75243-3569	facility.
						Your item was delivered to an
						individual at the address at 9:21
						am on November 21, 2023 in
9414811898765498246484	Strategic Energy Income Fund IV LP	1521 N Cooper St Ste 400	Arlington	TX	76011-5537	ARLINGTON, TX 76011.
						Your item was delivered to the
						front desk, reception area, or mail
						room at 12:58 pm on November
9414811898765498246439	Constitution Resources II LP	2901 Via Fortuna Ste 600	Austin	TX	78746-7710	22, 2023 in AUSTIN, TX 78746.
						Your item was delivered to an
						individual at the address at 12:45
						pm on November 21, 2023 in
						pili oli Novellibei 21, 2025 ili

Devon - North Blondie 102H well, Case no. 23989 Postal Delivery Report

						Your item was delivered to an individual at the address at 10:55
						am on November 21, 2023 in
9414811898765498246002	Chevron USA Inc.	6301 Deauville Attn Land Department	Midland	TX	79706-2964	MIDLAND, TX 79706.
						Your shipment was received at
						3:31 pm on November 17, 2023 in
						DENVER, CO 80217. The
						acceptance of your package is
9414811898765498246095	Allar Development LLC	PO Box 1567	Graham	TX	76450-7567	pending.
						Your item was delivered to the
						front desk, reception area, or mail
						room at 10:54 am on November
9414811898765498246040	Chief Capital O&G II LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	22, 2023 in DALLAS, TX 75225.
						Your item was delivered to an
						individual at the address at 9:41
						am on November 21, 2023 in
9414811898765498246088	Echo Production Inc.	616 5th St	Graham	TX	76450-2602	GRAHAM, TX 76450.
						Your item was delivered to an
						individual at the address at 7:35
						am on November 28, 2023 in
9414811898765498246033	Lowe Royality Partners LP	PO Box 4887 Detp 4	Houston	TX	77210-4887	HOUSTON, TX 77202.
						Your item arrived at the
						MIDLAND, TX 79705 post office at
						11:56 am on November 21, 2023
9414811898765498246071	Jareed Partners Ltd	PO Box 51451	Midland	TX	79710-1451	and is ready for pickup.
						Your item was picked up at a
						postal facility at 1:03 pm on
			l			November 21, 2023 in MIDLAND,
9414811898765498246415	Paul R. Barwis	PO Box 230	Midland	TX	79702-0230	TX 79702.
						Your item was delivered to the
						front desk, reception area, or mail room at 1:38 pm on November
0.41.401.10007.07.4003.40.453	Shanhad Bayalty LLC	E040 Sharmy In Sto 1175	Dallas	TV	75325 0075	i i
9414811898765498246453	эперпеа коуану шС	5949 Sherry Ln Ste 1175	Dallas	TX	/5225-80/5	22, 2023 in DALLAS, TX 75225.

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 November 22, 2023 and ending with the issue dated November 22, 2023.

Publisher

Sworn and subscribed to before me this 22nd day of November 2023.

JUSSIERUHBlack Business Manager

My commission expires Janua ry29, 2027

(Seal) STATE OF NEW MEXICO

NOTARY PUBLIC

GUSSIE RUTH BLACK

COMMISSION # 1087526

COMMISSION EXPIRES 01/29/2027

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 publication has been made.

LEGAL NOTICE November 22, 2023

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following cases. The hearings will be conducted remotely on Thursday, December 7, 2023, beginning at 8:15 a.m. To participate in the hearings, see the instructions posted below. The docket may be viewed at https://www.emrrd.nm.gov/ocd/hearing-info/ or obtained from Sheila Apodaca, at Sheila.Apodaca@emnrd.nm.gov. Documents filed in these cases may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Sheila Apodaca at Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than November 27, 2023.

Persons may view and participate in the hearings through the following link: https://nmemrrd.webex.com/nmemrrd/j.php?MTID=m8e2efa70128b8314f91bf0 542ac8df6c

Webinar number: 2497 742 0771

Join by video system: 24977420771 @nmemnrd.webex.com You can also dial 173.243.2.68 and enter your webhar number

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll

Access code: 2497 742 0771
Panelist password: b2WdDzPFe47 (22923973 from phones and video systems)

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated)

To: All affected interest owners, including: Chevron USA Inc.; Chief Capital O&G II LLC; Echo Production Inc.; Lowe Royalty Partners LP; Jareed Partners Ltd; Paul R. Barwis, his heirs and devisees; Shephed Royalty LLC; Allar Development LLC; Crownrock Minerals LP; Cornerstone Family Trust; Pegasus Resources LLC; Highland Texas Energy Company; Strategic Energy Income Fund IV LP; Constitution Resources II LP, and Wind Resources VI LLC.

Case No. 23989: Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a 240-acre standard horizontal spacing unit comprised of the E/2 W/2 of Section 10 and the E/2 NW/4 of Section 15, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed North Blondie 3–15 Fed Com #102H, to be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 15, with first take point in the same and a last take point in the NE/4 NW/4 (Unit C) of Section 10. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 16 miles southwest of Jal, New Mexico.

67100754

00285054

HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Devon Energy Production Co. L.P.
Hearing Date: December 7, 2023
Case No. 23989