### BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING JANUARY 4, 2024

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

Case No. 24069:

Tiger Paw 22-24 Fed Com 332H Well

DEVON ENERGY PRODUCTION COMPANY, L.P.

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#### **TAB 1**

Reference for Case No. 24069 Application Case No. 24069: NMOCD Checklist Case No. 24069

Tiger Paw 22-24 Fed Com 332H Well

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

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

<b>CASE NO.</b> 24069
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#### **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 standard 720-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. In support of this application, Devon states:

- 1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced horizontal spacing unit ("HSU") to the following proposed **Tiger Paw 22-24 Fed Com 332H Well**, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24. The **332H Well** is orthodox in its location and meets statewide rules for setbacks.
- 3. The completed interval of the well will remain within 330 feet of the quarter-quarter line separating the N/2 S/2 from the S/2 S/2 to qualify as a proximity well that will allow for including proximity tracts in this standard horizontal spacing unit.

- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.
- 5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal well and spacing unit.
- 6. The pooling of all interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, 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,

ABADIE & SCHILL, PC

/s/ Darin C. Savage
Darin C. Savage

Andrew D. Schill
William E. Zimsky
214 McKenzie Street
Santa Fe, New Mexico 87501
Telephone: 970.385.4401
Facsimile: 970.385.4901
darin@abadieschill.com
andrew@abadieschill.com
bill@abadieschill.com

Attorneys for Devon Energy Production Company, L.P.

Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, *New Mexico.* Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 720-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Tiger Paw 22-24 Fed Com 332H Well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24. The 332H Well is orthodox in its location and meets statewide rules for setbacks. The completed interval of the Well will remain within 330 feet of the quarter-quarter line separating the N/2 S/2 from the S/2 S/2 to qualify as a proximity well that will allow for including proximity tracts in this standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the well, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of the Applicant as operator of the well and unit, and the imposition of a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 17 miles east of Lakewood, New Mexico.

#### **COMPULSORY POOLING APPLICATION CHECKLIST**

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

Case: 24069	APPLICANT'S RESPONSE
Date	January 4, 2024
Applicant	Devon Energy Production Company, L.P.
Designated Operator & OGRID (affiliation if applicable)	6137
Applicant's Counsel: Case Title:	Darin C. Savage, Abadie & Schill, P.C.  APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P., FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	N/A
Well Family	Tiger Paw 22-24 Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code:	Getty; Bone Spring; Pool Code: 27470
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	720
Building Blocks:	quarter-quarter sections
Orientation:	West to East
Description: TRS/County	S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy 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	Yes - proximity tracts in S/2 S/2 of Sections 23 and 24 and the SE/4 SE/4 of Section 22 pulled in by the 332H Proximity Well.
Proximity Defining Well: if yes, description	Yes: The Tiger Paw 22-24 Fed Com 332H Well is the proximity well that is positioned to allow for the use of proximity tracts in the S/2 S/2 of Sections 23 and 24 and the SE/4 SE/4 of Section 22.
Applicant's Ownership in Each Tract	See exhibit A-2
Well(s)	

Proposed Notice of Hearing
Proposed 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
Exhibits A-1, A-2, B-1, B-2

Tract List (including lease numbers and owners)
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.

N/A

Exhibit A-2, includes Working Interest owners; Record Title owners; and ORRI owners.

Unlocatable Parties to be Pooled

Ownership Depth Severance (including percentage above & below)

Joinder

Exhibit A-3

Exhibit A-2

Exhibit A-4

Exhibit A-3

Exhibit A-3

Exhibit A-3

Exhibit A-3

Sample Copy of Proposal Letter

Overhead Rates In Proposal Letter

Cost Estimate to Drill and Complete

Cost Estimate for Production Facilities Released to Imaging: 1/3/2024 11:38:47 AM

Cost Estimate to Equip Well

List of Interest Owners (ie Exhibit A of JOA)

Chronology of Contact with Non-Joined Working Interests

RECEIVED BY OCD: 1/2/2024 5:15:00 FM	rage 10 aj				
Geology					
Summary (including special considerations)	Exhibit B				
Spacing Unit Schematic	Exhbits B-1, B-2				
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4				
Well Orientation (with rationale)	Exhibit B, B-1, B-2				
Target Formation	Exhibit B-3				
HSU Cross Section	Exhibits B-3, B-5				
Depth Severance Discussion	N/A				
Forms, Figures and Tables					
C-102	Exhibit A-1				
Tracts	Exhibit A-2				
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2				
General Location Map (including basin)	Exhibit A-2				
Well Bore Location Map	Exhibit A-1, A-2, B-1				
Structure Contour Map - Subsea Depth	Exhbiit B-1				
Cross Section Location Map (including wells)	Exhibit B-3, B-4				
Cross Section (including Landing Zone)	Exhbits B-3, B-4, B-5, B-6				
Additional Information					
Special Provisions/Stipulations	N/A				
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.				
Printed Name (Attorney or Party Representative):	Darin C. Savage				
Signed Name (Attorney or Party Representative):	Darín C. Savage				
Date:	1/2/24				

#### **TAB 2**

Exhibit A: Self-Affirmed Statement of Andy Bennett, Landman

Exhibit A-1: C-102 Form

Exhibit A-2: Ownership and Sectional Map Exhibit A-3: Well Proposal Letter and AFE

Exhibit A-4: Chronology of Contact with Uncommitted Owners

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

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

Case No. 24069

#### SELF-AFFIRMED STATEMENT OF ANDY BENNETT

- 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 Statement, 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 from the University of Oklahoma with a Bachelor's degree in Business (Energy Management) in 2008. I have worked at Devon for approximately 14 years, and I have been working in New Mexico for 5 years. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
- 4. This Statement is submitted in connection with the filing by Devon of the above-referenced spacing and compulsory pooling applications pursuant to 19.15.4.12.A(1).
- 5. Devon seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 720-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico.



- 6. Under <u>Case No. 24069</u>, Devon seeks to dedicate to the HSU the **Tiger Paw 22-24 Fed Com 332H Well,** to be drilled to a sufficient depth to test the Bone Spring formation, specifically the GETTY;BONE SPRING Pool [Code 27470].
- 7. The **Tiger Paw 22-24 Fed Com 332H Well,** an oil well (API No. pending), to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24; approximate landing TVD of 9,438', bottom hole TVD of 9,550'; approximate TMD of 21,150'; FTP in Section 22: 1600' FSL, 1222' FEL; LTP in Section 24: 1600' FSL, 100' FEL.
  - 8. The **332H Well** is orthodox in its location and meets statewide rules for setbacks.
- 9. The completed interval of the well will remain within 330 feet of the quarter-quarter line separating the N/2 S/2 from the S/2 S/2 to qualify as a proximity well that will allow for including proximity tracts in this standard horizontal spacing unit.
  - 10. The proposed C-102 for each well is attached as **Exhibit A-1**.
- 11. A general location plat and a plat outlining the unit being pooled is attached hereto as **Exhibit A-2**, which show the location of the proposed well within the unit. The well location is orthodox, and it meets the Division's setback requirements.
- 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 the working interest owners, the overriding royalty interest owners, and the record title owners to be pooled.
  - 13. There are no depth severances in the Bone Spring formation in this acreage.
  - 14. Our review of records did not reveal any overlapping units.

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the uncommitted interest owners shown on **Exhibit A-2**. In compiling these addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the well is located, and of phone directories and did computer searches to locate the contact information for

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

parties entitled to notification. All Working Interest owners were locatable and received notice.

Notice for two ORRI owners, Chalcam Exploration, LLC and Thomas R. Nickoloff, are listed as

Undelivered - To be Returned, and thus unlocatable, as shown in Exhibit C-2. Devon published

notice in the Carlsbad Current-Argus, a newspaper of general circulation in Eddy County, New

Mexico, to account for any unlocatable parties and cover any contingencies regarding notice.

16. Devon has made a good faith effort to negotiate with the interest owners, but has

been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of

the well or in the commitment of their interests to the well for its development within the proposed

horizontal spacing unit. Exhibit A-4 provides a chronology and history of contacts with the

owners.

17. The interest owners being pooled have been contacted regarding the proposed wells

but have failed or refused to voluntarily commit their interest in the well. However, Devon has

been in ongoing discussions with some of the interest owners to voluntarily enter into a Joint

Operating Agreement. If a mutually agreeable Joint Operating Agreement is reached between

Devon and another interest owner or owners, Devon requests that the voluntary agreement become

operative and supersede the Division's order for said parties, except to the extent the Division

deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of

waste, and protection of correlative rights.

- 18. **Exhibit A-3** is a sample proposal letter and the AFEs for the proposed well. The estimated cost of the well 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.
- 19. Devon requests overhead and administrative rates of \$10,000/month for drilling each well and \$1,000/month for producing each well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Devon requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 20. Devon requests the maximum cost, plus 200% risk charge be assessed against non-consenting working interest owners to the extent needed.
  - 21. Devon requests that it be designated operator of the unit and wells.
- 22. The Exhibits to this Statement were prepared by me or compiled from Devon's company business records under my direct supervision.
- 23. The granting of this Application is in the best interests of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.
  - 24. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows]

From: Bennett, Andy Andy.Bennett@dvn.com

Subject: Andy Bennett's signature and execution of his landman statement Case #24069

Date: December 21, 2023 at 4:29 PM

To: Darin Savage darin@abadieschill.com

Cc: Dave Sessions dave@abadieschill.com

By this email, dated December 21, 2023, sent as referenced herein and sent to counsel for Devon Energy Production Company, L.P., I sign and execute my "Self-Affirmed Statement of Andy Bennett" for Case No. 24069.

I understand that my Self-Affirmed Statement will be used as written testimony before the Division in Case No. 24069 and affirm that my testimony in said Statement is true and correct, to the best of my knowledge and belief, and made under penalty of perjury under the laws of the State of New Mexico.

This email, demonstrating that my Self-Affirmed Statement for Case No. 24069 is signed and executed, is made a part of and incorporated by reference into my "Self-Affirmed Statement of Andy Bennett" for Case No. 24069.

Signed: Andy Bennett

Printed: Andy Bennett

Dated: December 21, 2023

#### Andy D. Bennett, CPL **Advising Landman**

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

Direct: 405.552.8002

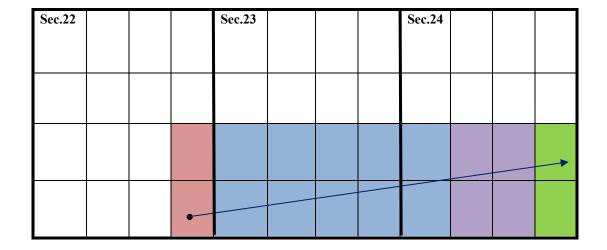
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District I 1625 N. French Dr., H	obbs NM 88	240		3	State of	<b>Ne</b>	w Mexico			Form C-102	
Phone: (575) 393-616 District II 811 S. First St., Artesia Phone: (575) 748-128	i1 Fax: (575) a, NM 88210	<sup>393-0720</sup> Er	ergy, I	Minera	Is & Na	tura	al Resources D		t Revised	d August 1, 2011	
District III 1000 Rio Brazos Road Phone: (505) 334-617 District IV 1220 S. St. Francis Dr.	8 Fax: (505)	334-6170		12	20 Sout	h St	t. Francis Dr. IM 87505		appropria	omit one copy to te District Office	
Phone: (505) 476-346		476-3462	LL LOC	CATION	AND	ACR	REAGE DEDIC	ATION PL	AT AME	NDED REPORT	
1,4	API Numb			<sup>2</sup> Pool Co 2747	de		Bone Sprin	3 Pool N	ame	PRING	
<sup>4</sup> Property	<sup>4</sup> Property Code			Ť	<sup>5</sup> Property Name TIGER PAW 22-24 FED COM					Well Number 332H	
<sup>7</sup> OGRID N 6137			DE	VON EN	<sup>8</sup> Operator Name VON ENERGY PRODUCTION COMPANY, L.P.				<sup>9</sup> Elevation 3273.09		
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UL or lot no.	Section	Township	Range	Lot Idn	E Locatio		Different From North/South line	Feet from the	East/West line	County	
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<sup>12</sup> Dedicated Acr 720	res <sup>13</sup> Joir	nt or Infill 14	Consolidat	ion Code	<sup>15</sup> Order No.						
L	-1,-	No allowa					on until all interests		solidated	7	
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PPP 4 1599' FSL - 1324' FE	,	S CALCULATE	D CORNER	the prope	osed bottom h	hole lo	nterest in the land includ cation or has a right to dr uant to a contract with ar	ill 11/29/20.	23		
SEC. 24, T20S, R29 N: 566145.04	E SE	CTION CORNER		owner of voluntary	such a minera pooling agree	ement	orking interest, or to a or a compulsory pooling	Date of 30	and Seal of Profes	sional Surveyor:	
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LAST TAKE POINT	D	N:569827.31 N:569827.31 N:569828.04	E:629941.68	Cignotur	e		Date	+	JOHN ME	the CV	
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LAT. 32.556000° LON104.020013'	. P	N:559264.68 N:564545.87		CONTROL PO	INT CP FITZ BOOSTE	ER AT N:5	156917.441 E:633266.606. IN US SURVEY FEET.	Certificate I Drawn by: J		EXHIBIT	

API #	#									
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ick.	Off Poir	nt (KOP)								
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Latitı	l ude				Longitude				NAD	
irst	Take Po	oint (FTP)								
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Exhibit "A-2"

S/2 of Sections 23 and 24, and E/2SE/4 of Section 22, all in T20S-R29E, Eddy County, New Mexico, Bone Spring Formation



Tract 1: USA NMNM-81929	<u>Tract 2:</u> USA NMNM-129731	<u>Tract 3:</u> USA NMNM-105821028	Tract 4: USA NMNM-129732
(E2SE4 of Section 22)	(S2 of Section 23; W2SW4 of Section 24)	(E2SW4 and W2SE4 of Section 24)	(E2SE4 of Section 24)
(80 acres)	(400 acres)	(160 acres)	(80 acres)

Tiger Paw 22-24 Fed Com 332H

SHL: Sec. 22-20S-29E; 813' FSL & 542' FWL BHL: Sec. 24-20S-29E; 1,600' FSL & 20' FEL



# Exhibit "A-2" OWNERSHIP BREAKDOWN – Bone Spring formation S/2 of Sections 23 and 24 and E/2SE/4 of Section 22; of Township 20 South, Range 29 East of Eddy County, NM Tiger Paw 22-24 Fed Com 332H

#### TRACT 1 OWNERSHIP (encompassing the E2SE4 of Section 22-T20S-R29E, being 80 acres)

 Owner	Net Acres	Unit WI	Status
EOG Resources, Inc. 5509 Champions Drive Midland, TX 79706	53.49164	7.42939%	Uncommitted
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	11.225	1.55903%	Committed
Oxy Y-1 Company 5 Greenway Plaza, Suite 110 Houston, TX	15.28336	2.12269%	Uncommitted
TRACT 1 TOTAL	80	11.11111%	

#### TRACT 2 OWNERSHIP (S2 of Section 23 and W2SW4 of Section 24; all being in T20S-R29E, being 400 acres)

 Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	400	55.55556%	Committed
TRACT 2 TOTAL	400	55.55556%	

#### TRACT 3 OWNERSHIP (E2SW4 and W2SE4 of Section 24-T20S-R29E, being 160 acres)

Owner	Net Acres	Unit WI	Status
Federal Abstract Company 419 E. Palace Ave Santa Fe, NM 87501; and/or Matador Resources Company/MRC Permian Comp 5400 Lyndon B. Johnson Freeway, Suite 1500 Dallas, TX 75240	160 Dany	22.22222%	Uncommitted
TRACT 3 TOTAL	160	22.22222%	

#### TRACT 4 OWNERSHIP (E2SE4 of Section 24; all being in T20S-R29E, being 80 acres)

 Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	80	11.11111%	Committed
TRACT 4 TOTAL	80	11.11111%	

#### **UNIT RECAPITULATION:**

S2 of Sections 23 and 24, and E2SE4 of T20S-R29E; being 720 acres

Devon Energy Production Company, L.P. 68.2257% WI

Federal Abstract Company and/or
Matador Resources Company/
MRC Permian Company

EOG Resources, Inc. 7.42939%

Oxy Y-1 Company 2.12269%

UNIT TOTAL: 100% WI

#### **Overriding Royalty Owners**

Chalcam Exploration, LLC Thomas R. Nickoloff David Petroleum Company

#### **Record Title Owners (Lessees of Record)**

Federal Abstract Company
Devon Energy Production Company, LP
Matador Resources Company/MRC Permian Company
EOG Resources, Inc.
Oxy Y-1 Company
McMillan Production Company, Inc.
Permian Exploration Corporation

#### **Pooling List Recapitulation: Full List of Uncommitted Parties/Persons to be Pooled:**

McMillan Production Company, Inc.	RT
Permian Exploration Corporation	RT
Federal Abstract Company	WI/RT
Matador Resources Company	WI/RT
MRC Permian Company	WI/RT
EOG Resources, Inc.	WI/RT
OXY Y-1 Company	WI/RT
Chalcam Exploration, LLC	ORRI
Thomas R. Nickoloff	ORRI
David Petroleum Corporation	ORRI



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

October 16, 2023

MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240

RE: Well Proposals - Tiger Paw 22-24 Fed Com 332H, 623H, 624H, 823H, 824H Eddy County, New Mexico

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following five (5) wells:

- Tiger Paw 22-24 Fed Com 332H as a horizontal well to an approximate landing TVD of 9,438' and an approximate bottom hole TVD of 9,550', with an approximate TMD of 21,150 into the Bone Spring formation at an approximate SHL of 811' FSL and 610' FWL of Section 22-T20S-R29E and an approximate BHL of 1,600' FSL and 20' FEL of Section 24-T20S-R29E, Eddy County, New Mexico (collectively the proposed wells, the "Wells"). Enclosed for your review is Devon's AFE.
- Tiger Paw 22-24 Fed Com 623H as a horizontal well to an approximate landing TVD of 9,589', bottom hole TVD of 9,744', and approximate TMD of 21,344' into the Wolfcamp formation at an approximate SHL of 871' FSL and 612' FWL of Section 22-T20S-R29E and an approximate BHL of 2,310' FSL and 20' FEL of Section 24-T20S-R29E, Eddy County, New Mexico (collectively the proposed wells, the "Wells"). Enclosed for your review is Devon's AFE.
- Tiger Paw 22-24 Fed Com 624H as a horizontal well to an approximate landing TVD of 9,569', bottom hole TVD of 9,754', and approximate TMD of 21,354' into the Wolfcamp formation at an approximate SHL of 781' FSL and 609' FWL of Section 22-T20S-R29E and an approximate BHL of 1,100' FSL and 20' FEL of Section 24-T20S-R29E, Eddy County, New Mexico (collectively the proposed wells, the "Wells"). Enclosed for your review is Devon's AFE.
- Tiger Paw 22-24 Fed Com 823H as a horizontal well to an approximate landing TVD of 9,769°, bottom hole TVD of 9,867°, and approximate TMD of 21,467° into the Wolfcamp formation at an approximate SHL of 841° FSL and 611° FWL of Section 22-T20S-R29E and an approximate BHL of 1,710° FSL and 20° FEL of Section 24-T20S-R29E, Eddy County, New Mexico (collectively the proposed wells, the "Wells"). Enclosed for your review is Devon's AFE.
- Tiger Paw 22-24 Fed Com 824H as a horizontal well to an approximate landing TVD of 9,794', bottom hole TVD of 9,877', and approximate TMD of 21,477' into the Wolfcamp formation at an approximate SHL of 751' FSL and 608' FWL of Section 22-T20S-R29E and an approximate BHL of 510' FSL and 20' FEL of Section 24-T20S-R29E, Eddy County, New Mexico (collectively the proposed wells, the "Wells"). Enclosed for your review is Devon's AFE.



October 16, 2023 Page 2

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

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

- Devon Energy Production Company, L.P. named as Operator
- Contract Area: E/2 SE/4 of Section 22, and the S/2 of Sections 23 and 24, T20S-R29E
- 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.

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

Very truly yours,

Devon Energy Production Company, L.P.

and South

Andy Bennett, CPL Advising Landman October 16, 2023 Page 3

MRC Permian Company:
To Participate in the proposal of the Tiger Paw 22-24 Fed Com 332HNot To Participate in the proposal of the Tiger Paw 22-24 Fed Com 332H
To Participate in the proposal of the Tiger Paw 22-24 Fed Com 623HNot To Participate in the proposal of the Tiger Paw 22-24 Fed Com 623H
To Participate in the proposal of the Tiger Paw 22-24 Fed Com 624H
Not To Participate in the proposal of the Tiger Paw 22-24 Fed Com 624H  To Participate in the proposal of the Tiger Paw 22-24 Fed Com 823H
Not To Participate in the proposal of the Tiger Paw 22-24 Fed Com 823HTo Participate in the proposal of the Tiger Paw 22-24 Fed Com 824H
Not To Participate in the proposal of the Tiger Paw 22-24 Fed Com 824H
Agreed to and Accepted this day of, 2023.
MRC Permian Company
By:
Title:



#### **Authorization for Expenditure**

AFE # XX-141118.01

Well Name: TIGER PAW 22-24 FED COM 332H

Cost Center Number: 1094574901

Legal Description: SEC 22, 23, AND 24 OF 20S-29E

Revision:

AFE Date: State: 10/5/2023

County/Parish: E

NM EDDY

#### **Explanation and Justification:**

#### DRILL & COMPLETE FOR THE TIGER PAW 22-24 FED COM 332H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6010130	COMPANY LABOR-ADJ	3,707.66	0.00	0.00	3,707.66
6040110	CHEMICALS - OTHER	0.00	116,964.00	0.00	116,964.00
	DYED LIQUID FUELS	129,356.05	239,980.00	0.00	369,336.05
6060130	GASEOUS FUELS	0.00	71,948.00	0.00	71,948.00
6080100	DISPOSAL - SOLIDS	90,631.63	5,285.00	0.00	95,916.63
6080110	DISP-SALTWATER & OTH	0.00	13,485.00	0.00	13,485.00
6080115	DISP VIA PIPELINE SW	0.00	94,710.00	0.00	94,710.00
6090100	FLUIDS - WATER	19,087.57	163,749.00	0.00	182,836.57
6090120	RECYC TREAT&PROC-H20	0.00	140,413.00	0.00	140,413.00
6100100	PERMIT SURVEY&TITLE	10,000.00	0.00	0.00	10,000.00
6100110	RIGHT OF WAY	4,500.00	0.00	0.00	4,500.00
6110120	ROAD&SITE PREP M&S	26,166.67	0.00	0.00	26,166.67
6110130	ROAD&SITE PREP SVC	52,333.33	1,586.00	0.00	53,919.33
6120100	I & C SERVICES	0.00	18,241.25	0.00	18,241.25
6130170	COMM SVCS - WAN	2,746.41	0.00	0.00	2,746.41
6130360	RTOC - ENGINEERING	0.00	3,383.00	0.00	3,383.00
6130370	RTOC - GEOSTEERING	7,552.64	0.00	0.00	7,552.64
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	306,378.00	0.00	306,378.00
6160100	MATERIALS & SUPPLIES	6,728.71	0.00	0.00	6,728.71
6170100	PULLING&SWABBING SVC	0.00	9,000.00	0.00	9,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	209,302.00	0.00	209,302.00
6190100	TRCKG&HL-SOLID&FLUID	68,248.36	0.00	0.00	68,248.36
6190110	TRUCKING&HAUL OF EQP	33,368.92	20,856.00	0.00	54,224.92
6200130	CONSLT & PROJECT SVC	90,356.98	83,833.00	0.00	174,189.98
6230120	SAFETY SERVICES	28,288.05	2,569.00	0.00	30,857.05
6300270	SOLIDS CONTROL SRVCS	53,005.77	0.00	0.00	53,005.77
6310120	STIMULATION SERVICES	0.00	995,227.00	0.00	995,227.00
6310190	PROPPANT PURCHASE	0.00	813,896.00	0.00	813,896.00
6310200	CASING & TUBULAR SVC	80,881.86	0.00	0.00	80,881.86
6310250	CEMENTING SERVICES	185,000.00	0.00	0.00	185,000.00
6310280	DAYWORK COSTS	720,000.00	0.00	0.00	720,000.00
6310300	DIRECTIONAL SERVICES	218,889.11	0.00	0.00	218,889.11
6310310	DRILL BITS	78,135.45	0.00	0.00	78,135.45
6310330	DRILL&COMP FLUID&SVC	200,762.78	43,975.00	0.00	244,737.78
	MOB & DEMOBILIZATION	410,000.00	0.00	0.00	410,000.00
6310380	OPEN HOLE EVALUATION	17,851.68	0.00	0.00	17,851.68
	TSTNG-WELL, PL & OTH	0.00	171,067.00	0.00	171,067.00
6310600	MISC PUMPING SERVICE	0.00	40,810.00	0.00	40,810.00
	EQPMNT SVC-SRF RNTL	116,035.94	230,481.00	0.00	346,516.94
	EQUIP SVC - DOWNHOLE	65,089.99	45,864.00	0.00	110,953.99
	WELDING SERVICES	1,922.49	0.00	0.00	1,922.49
	WATER TRANSFER	0.00	109,172.00	0.00	109,172.00
6350100	CONSTRUCTION SVC	0.00	169,229.25	0.00	169,229.25



#### **Authorization for Expenditure**

AFE # XX-141118.01

Well Name: TIGER PAW 22-24 FED COM 332H

Cost Center Number: 1094574901

TOTAL ESTIMATED COST

Email:

Legal Description: SEC 22, 23, AND 24 OF 20S-29E

Revision:

AFE Date: State:

10/5/2023

NM County/Parish:

**EDDY** 

0.00

9,067,133.28

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6520100	LEGAL FEES	1,000.00	0.00	0.00	1,000.00
6550100	MISCS COSTS & SERVS	0.00	7,850.15	0.00	7,850.15
6550110	MISCELLANEOUS SVC	28,700.01	0.00	0.00	28,700.01
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	7,689.96	31,551.11	0.00	39,241.07
6740340	TAXES OTHER	0.00	31,074.78	0.00	31,074.78
	Total Intangibles	2,759,038.02	4,196,879.54	0.00	6,955,917.56

	Tangible	Drilling	Completion	Dry Hole	Total
Code	Description	Costs	Costs	Costs	Costs
6120110	I&C EQUIPMENT	0.00	30,538.88	0.00	30,538.88
6120120	MEASUREMENT EQUIP	0.00	24,221.92	0.00	24,221.92
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6300150	SEPARATOR EQUIPMENT	0.00	202,350.00	0.00	202,350.00
6300230	PUMPS - SURFACE	0.00	800.00	0.00	800.00
6310130	ARTIFICIAL LIFT EQP	0.00	30,000.00	0.00	30,000.00
6310150	CASG-COND&DRIVE PIPE	25,000.00	0.00	0.00	25,000.00
6310420	TUBING & COMPONENTS	0.00	82,003.00	0.00	82,003.00
6310460	WELLHEAD EQUIPMENT	28,000.00	180,524.00	0.00	208,524.00
6310530	SURFACE CASING	20,715.00	0.00	0.00	20,715.00
6310540	INTERMEDIATE CASING	539,250.17	0.00	0.00	539,250.17
6310560	PROD LINERS&TIEBACKS	688,629.00	0.00	0.00	688,629.00
6310580	CASING COMPONENTS	23,893.79	0.00	0.00	23,893.79
6330100	PIPE,FIT,FLANG,CPLNG	0.00	224,039.96	0.00	224,039.96
	Total Tangibles	1,325,487.96	785,727.76	0.00	2,111,215.72

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

4,084,525.98

4,982,607.30

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

# Exhibit A-4: Chronology of Contacts

All WI owners received the Well Proposals in October 2023

Owner	Timeline of Contacts/Discussion
	Devon and Matador have been in discussion regarding these wells via emails spanning November and December,
Matador Resources Company	but Matador has not entered into a JOA with Devon at this time.
	Federal Abstract notified Devon that they were not going to be involved in these wells, and that they were
Federal Abstract Company	transferring the leases they purchased under their name at the BLM Lease Sale, into Matador's name.
	OXY requested Devon's JOA form in November, and it was provided to them. Oxy Land currently reviewing JOA to
	determine if they are willing to execute JOA, but they have provided no additional feedback or questions since JOA
OXY Y-1 Company	was provided.
	Emails in October between Devon and EOG, but EOG has not shown any desire to execute or negotiate a JOA with
EOG Resources, Inc.	Devon for these wells.
1	



#### **TAB 3**

Exhibit B: Self-Affirmed Statement of Joseph Dixon, Geologist

Exhibit B-1: Structure Map
Exhibit B-2: Gross Isochore
Exhibit B-3: Cross-Section
Exhibit B-4: Gun Barrel View

Exhibit B-5: Structural Cross-Section 332H Well Exhibit B-6: Structural Cross-Section 331H Well

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

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

Case Nos. 24067 & 24069

#### SELF-AFFIRMED STATEMENT OF JOSEPH DIXON

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

- 1. My name is Joseph Dixon, and I am employed by Devon Energy Production Company, L.P. ("Devon") as a petroleum geologist.
- 2. I have testified previously by affidavit before the Oil Conservation Division ("Division") as an expert witness in petroleum geology. I hold a Bachelor's degree in Geology from Purdue University and a Master's degree in Geology from Oklahoma State University. I have been employed as a petroleum geologist with Devon since June 2013.
- 3. I am familiar with the application filed by Devon, and I have conducted a geologic study of the Wolfcamp formation underlying the subject area.
- 4. The initial Bone Springs targets for Devon's proposed Tiger Paw wells in the sections of 22, 23, and 24 of 20S-29E are the 3<sup>rd</sup> Bone Springs Sandstone formation.
- 5. **Devon Exhibit B-1** is structure map at the top of the Wolfcamp Formation, with subsea depths marked by contour intervals every 50 feet. I have outlined the proposed spacing units and identified the orientation of the initial wellbores with the red boxes. This exhibit shows that the top of the Wolfcamp formation is gently dipping to the southeast in this area. I do not



observe any faulting, pinch outs, or other geologic impediments to developing the targeted Wolfcamp interval with horizontal wells.

- 6. **Devon Exhibit B-2** is a gross isochore thickness map for the 3<sup>rd</sup> Bone Springs Sandstone formation with a 20' contour interval. This exhibit shows that the reservoir interval targeted by Devon's development plan is of consistent thickness across the proposed unit.
- 7. **Devon Exhibit B-3** is a cross section for the 3<sup>rd</sup> Bone Springs Sandstone formation using the representative wells depicted on Exhibit B-2. Each well log contains gamma ray, resistivity, and porosity logs (porosity log not ran on the Dooley 1). The target interval for the initial wells are depicted on the exhibit. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.
- 8. **Devon Exhibit B-4** is a gun barrel representation of the unit, and **Exhibit B-5** and **B-6** are structural cross sections built along the wellbore trajectories.
- 9. In my opinion, the West-East orientation of the proposed wells is the preferred orientation for horizontal well development in the targeted intervals in this area. The preferred well orientation in this area is West-East so that the wells run sub-perpendicular to the inferred orientation of the maximum horizontal stress. This lay down orientation will efficiently and effectively develop the subject acreage.
- 10. In my opinion, the granting of Devon's applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **Devon Exhibits B-1** to **B-6** were either prepared by me or compiled under my direction and supervision.
  - 12. I conclude from the attached exhibits that:

- a. The horizontal spacing and proration unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter-quarter section in the unit will contribute more or less equally to production.

[Signature page follows]

Signature page of Self-Affirmed Statement of Joseph Dixon:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case Nos. 24067 and 24069 and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.

Joseph Dixon

12/27/2023

Date Signed

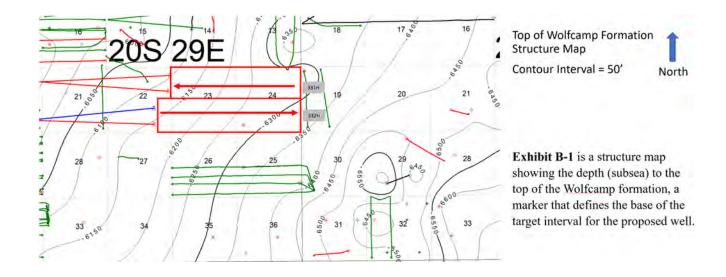
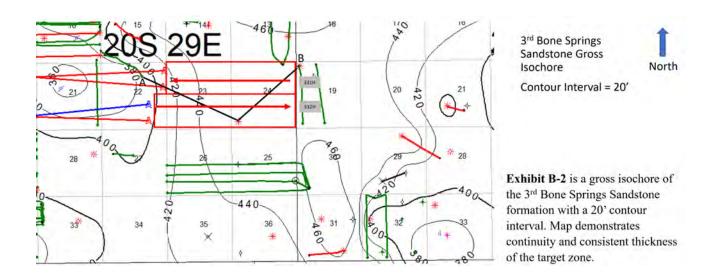
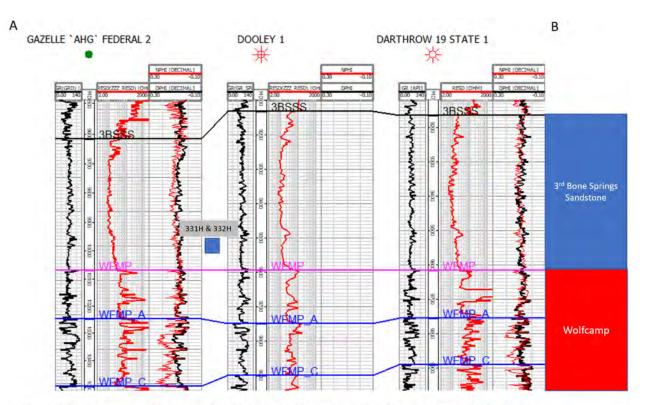


EXHIBIT **B-1** 

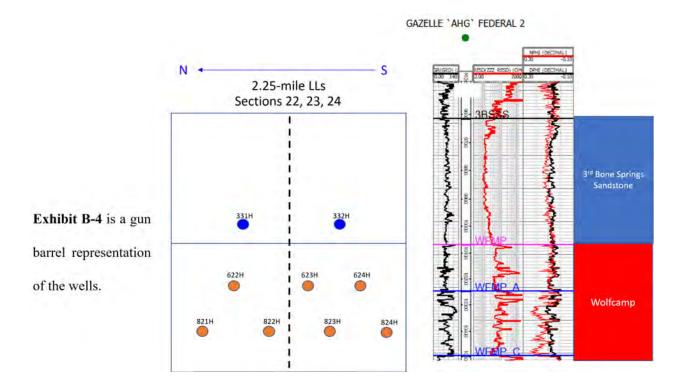


B-2



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

B-3



B-4

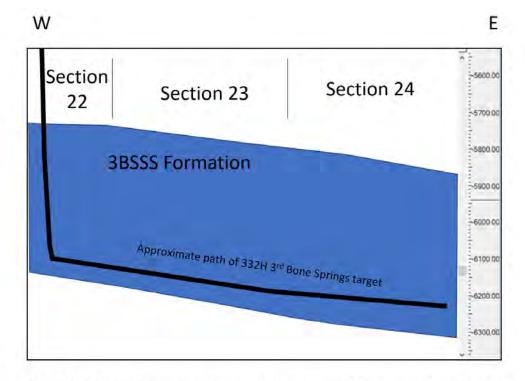


Exhibit B-5 is a cross section with approximate well trajectory.



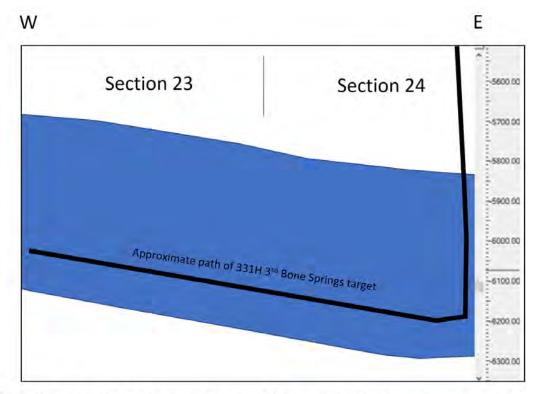


Exhibit B-6 is a cross section with approximate well trajectory.

B-6

### **TAB 4**

Exhibit C: Self-Affirmed Statement of Notice, Darin C. Savage

Exhibit C-1: Notice Letters Exhibit C-2: Mailing List Exhibit C-3: Affidavit of Publication

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

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

Case No. 24069

#### **SELF-AFFIRMED STATEMENT OF NOTICE**

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 December 14, 2023, to all uncommitted mineral 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 Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico, and timely published in said newspaper on December 19, 2023. *See* Exhibit C-3.

[Signature page follows]



Signature page of Self-Affirmed Statement of Darin C. Savage:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case No. 24069 and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.

Darin Savage

Date Signed

#### ABADIE I SCHILL PC



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

December 14, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

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

for compulsory pooling, Eddy County, New Mexico

Tiger Paw 22-24 Fed Com 332H Well (Case No. 24069)

Case No. 24069:

Dear Interest Owner:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon"), has filed the enclosed application, Case No. 24069, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units in the Bone Spring formation.

In Case No. 24069, Devon seeks to pool the Bone Spring formation underlying the S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, a standard unit encompassing 720.00 acres, more or less, dedicated to the above-referenced 332H Well.

A hearing has been requested before a Division Examiner on January 4, 2024, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., in Pecos Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. If so desired, you can attend the hearing in person at Pecos Hall or you can attend virtually through remote online access. For information about attending by remote access and reviewing the status of the case, you can visit the Division's website at: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a> or call (505) 476-3441. It is recommended that you check with the Division to determine the best option for attendance.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O: 970.385.4401 • F: 970.385.4901

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

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

Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

#### ABADIE I SCHILL PC



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

December 14, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

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

for compulsory pooling, Eddy County, New Mexico

Tiger Paw 22-24 Fed Com 332H Well (Case No. 24069)

Case No. 24069:

Dear Interest Owners:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon"), has filed the enclosed application, Case No. 24069, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units in the Bone Spring formation.

In Case No. 24069, Devon seeks to pool the Bone Spring formation underlying the S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, a standard unit encompassing 720.00 acres, more or less, dedicated to the above-referenced 332H Well.

A hearing has been requested before a Division Examiner on January 4, 2024, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., in Pecos Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. If so desired, you can attend the hearing in person at Pecos Hall or you can attend virtually through remote online access. For information about attending by remote access and reviewing the status of the case, you can visit the Division's website at: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a> or call (505) 476-3441. It is recommended that you check with the Division to determine the best option for attendance.

abadieschill.com

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

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

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

Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

#### ABADIE I SCHILL PC



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

December 14, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

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

for compulsory pooling, Eddy County, New Mexico

Tiger Paw 22-24 Fed Com 332H Well (Case No. 24069)

Case No. 24069:

Dear Interest Owner:

This letter is to advise you that Devon Energy Production Company, L.P. ("Devon"), has filed the enclosed application, Case No. 24069, with the New Mexico Oil Conservation Division ("Division") for the compulsory pooling of units in the Bone Spring formation.

In Case No. 24069, Devon seeks to pool the Bone Spring formation underlying the S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, a standard unit encompassing 720.00 acres, more or less, dedicated to the above-referenced 332H Well.

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

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

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

Sincerely,

Darin C. Savage

Attorney for Devon Energy Production Company, L.P.

		Mail Activity Report - CertifiedPro.net Mailed from 12/11/2023 to 12/18/2023 User Name: abadieschill Generated: 12/29/2023 5:38:06 AM	adPro.net 2/18/2023 iill 3:06 AM					
USPS Article Number	Date Mailed Ownership	p Name 1	Address 1 Addre	Address 2 Cit	City Sta	State Zip	Mailing Status	Service Options
9314869904300115142811	12/14/2023	Bureau of Land Management	620 E. Greene St	Carlsbad	bad NM		88220 Delivered	Return Receipt - Electronic, Certified Mail
9314869904300115142828	12/14/2023 RT	McMillan Production Company, Inc. 118 W. 1st Street	. 118 W. 1st Street	Roswell	ell		88203 Delivered	Return Receipt - Electronic, Certified Mail
9314869904300115142835	12/14/2023 RT	Permian Exploration Corporation	116 W. 1st Street	Roswell	ell NM		38203 Delivered	Return Receipt - Electronic, Certified Mail
9314869904300115142842	12/14/2023 WI/RT	Federal Abstract Company	419 E. Palace Avenue	Santa Fe	Fe NM	∞	7501 Delivered	Return Receipt - Electronic, Certified Mail
9314869904300115142859	12/14/2023 WI/RT	Federal Abstract Company	P.O. Box 2288	SantaFe	Fe NM	∞	7504 Delivered	Return Receipt - Electronic, Certified Mail
9314869904300115142866	12/14/2023 WI/RT	Matador Resources Company	5400 Lyndon B. Johnson Freeway Suite 1500 Dallas	.500 Dalla	s XT	7524	75240 Delivered	Return Receipt - Electronic, Certified Mail
9314869904300115142873	12/14/2023 WI/RT	MRC Permian Company	5400 Lyndon B. Johnson Freeway Suite 1500 Dallas	.500 Dalla	s XT	7524	'5240 Delivered	Return Receipt - Electronic, Certified Mail
9314869904300115142880	12/14/2023 WI/RT	EOG Resources, Inc.	5509 Champions Drive	Midland	XT pue	7970	79706 Delivered	Return Receipt - Electronic, Certified Mail
9314869904300115142897	12/14/2023 WI/RT	OXY Y-1 Company	5 Greenway Plaza Suite 110	.10 Houston	ton TX	7704	7046 Delivered	Return Receipt - Electronic, Certified Mail
9314869904300115142903	12/14/2023 ORRI	Chalcam Exploration, LLC	200 W. 1st Street Suite 434	134 Roswell	ell	1 8820	3 Undelivered - To Be Returned	38203 Undelivered - To Be Returned Return Receipt - Electronic, Certified Mail
9314869904300115142910	12/14/2023 ORRI	Thomas R. Nickoloff	118 W. 1st Street	Roswell	ell NN	1 8820	3 Undelivered - To Be Returned	8203 Undelivered - To Be Returned Return Receipt - Electronic, Certified Mail
9314869904300115142927	12/14/2023 ORRI	David Petroleum Corporation	116 W. 1st Street	Roswell	ell		38203 Delivered	Return Receipt - Electronic, Certified Mail





Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0115 1429 27.

Item Details

Status: Delivered, Front Desk/Reception/Mail Room

Status Date / Time: December 18, 2023, 04:41 p.m.

Location: ROSWELL, NM 88203

Postal Product: First-Class Mail<sup>®</sup>
Extra Services: Certified Mail<sup>™</sup>

Return Receipt Electronic

Recipient Name: David Petroleum Corporation

Shipment Details

Weight: 3.0oz

**Destination Delivery Address** 

Street Address: 116 W 1ST ST

City, State ZIP Code: ROSWELL, NM 88203-4702

Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

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Information in this section provided by Covius Document Services, LLC.



**Dear Covius Document Services:** 

The following is in response to your request for proof of delivery on your item with the tracking number: **9314 8699 0430 0115 1428 59**.

Item Details

Status: Delivered, Individual Picked Up at Post Office

Status Date / Time: December 18, 2023, 11:38 a.m.

Location: SANTA FE, NM 87501

Postal Product: First-Class Mail<sup>®</sup>
Extra Services: Certified Mail<sup>™</sup>

Return Receipt Electronic

Recipient Name: Federal Abstract Company

Shipment Details

Weight: 5.0oz

Recipient Signature

Signature of Recipient:

tat Miles

PO BOX 2288

Address of Recipient:

ANTA FE, NM 87504-2288

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**Dear Covius Document Services:** 

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0115 1428 42.

Item Details

Status: Delivered, Left with Individual Status Date / Time: December 18, 2023, 03:15 p.m.

Location: SANTA FE, NM 87501

Postal Product: First-Class Mail<sup>®</sup>
Extra Services: Certified Mail<sup>™</sup>

Return Receipt Electronic

Recipient Name: Federal Abstract Company

Shipment Details

Weight: 5.0oz

**Destination Delivery Address** 

Street Address: 419 E PALACE AVE

City, State ZIP Code: SANTA FE, NM 87501-2907

Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Information in this section provided by Covius Document Services, LLC.



**Dear Covius Document Services:** 

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0115 1428 35.

Item Details

Status: Delivered, Front Desk/Reception/Mail Room

Status Date / Time: December 18, 2023, 04:41 p.m.

Location: ROSWELL, NM 88203

Postal Product: First-Class Mail<sup>®</sup>
Extra Services: Certified Mail<sup>™</sup>

Return Receipt Electronic

Recipient Name: Permian Exploration Corporation

Shipment Details

Weight: 3.0oz

**Destination Delivery Address** 

Street Address: 116 W 1ST ST

City, State ZIP Code: ROSWELL, NM 88203-4702

Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

Information in this section provided by Covius Document Services, LLC.



Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0115 1428 28.

#### Item Details

Status: Delivered, Front Desk/Reception/Mail Room

Status Date / Time: December 18, 2023, 04:42 p.m.

Location: ROSWELL, NM 88203

Postal Product: First-Class Mail<sup>®</sup>
Extra Services: Certified Mail<sup>™</sup>

Return Receipt Electronic

Recipient Name: McMillan Production Company Inc

Shipment Details

Weight: 3.0oz

**Destination Delivery Address** 

Street Address: 118 W 1ST ST

City, State ZIP Code: ROSWELL, NM 88203-4702

Recipient Signature

Signature of Recipient:

EK DAVID

Address of Recipient:

1/6 W 1,57 5 C &

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

Information in this section provided by Covius Document Services, LLC.



Dear Covius Document Services:

The following is in response to your request for proof of delivery on your item with the tracking number: 9314 8699 0430 0115 1428 11.

Item Details

Status: Delivered, Left with Individual Status Date / Time: December 18, 2023, 02:33 p.m.

Location: CARLSBAD, NM 88220

Postal Product: First-Class Mail<sup>®</sup>
Extra Services: Certified Mail<sup>™</sup>

Return Receipt Electronic

Recipient Name: Bureau of Land Management

Shipment Details

Weight: 5.0oz

**Destination Delivery Address** 

Street Address: 620 E GREENE ST

City, State ZIP Code: CARLSBAD, NM 88220-6292

Recipient Signature

Signature of Recipient:

Address of Recipient:

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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Sincerely, United States Postal Service® 475 L'Enfant Plaza SW Washington, D.C. 20260-0004

Information in this section provided by Covius Document Services, LLC.

## **Carlsbad Current Argus.**

## Affidavit of Publication Ad # 0005867383 This is not an invoice

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

**DURANGO, CO 81301-7485** 

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/19/2023

Subscribed and sworn before me this December 19,

2023:

State of WI, County of Brown

**NOTARY PUBLIC** 

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

50

Ad # 0005867383 PO #: 24069 # of Affidavits 1

This is not an invoice

CASE No. 24069: Notice — to all parties and persons having any right, title, interest or claim in this case, including owners of working interest, overriding royalty interest, and record title, among others, whether such parties or persons are listed herein or not, as well as notice to all known and unknown heirs, devisees, assigns and successors of such affected parties and persons, which based on reasonable diligence include MCMILLAN PRODUCTION COMPANY, INC.; PERMIAN EXPLORATION CORPORATION; FEDERAL ABSTRACT COMPANY; MATADOR RESOURCES COMPANY; MRC PERMIAN COMPANY; EOG RESOURCES, INC.; OXY Y-1 COMPANY; CHALCAM EXPLORATION, LLC; THOMAS R. NICKOLOFF and DAVID PETROLEUM CORPORATION.— of Devon Energy Production Company, L.P.'s application for approval of compulsory pooling, Eddy County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on January 4, 2024, held in Pecos Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 8750S. If so desired, you can attend the hearing in person at Pecos Hall or you can attend virtually through remote online access. For information about attending by remote access and reviewing the status of the case, you can visit the Division's website at: https://www.emrnd.nm.gov/ocd/hearing-info/ or call (505) 476-3441. It is recommended that you check with the Division to determine the best option for attendance. Devon Energy Production Company, L.P., at 333 W. Sheridan Ave, Oklahoma City, OK 73102, seeks an order from the Division pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 720-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 23 and 24, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Tig

C-3