

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

**APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P.
FOR APPROVAL OF AN OVERLAPPING
SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 24427

NOTICE OF AMENDED HEARING PACKAGE

Pursuant to the instructions of the Examiner at the August 9th hearing for this matter, Devon Energy Production Company files this Amended Hearing Package. The amendments revise the Compulsory Pooling Checklist and the draft Form C-102s (filed as Exhibit C-2) to include the pool identified by the Examiner at the Division.

Respectfully submitted,

HOLLAND & HART LLP



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**ATTORNEYS FOR DEVON ENERGY PRODUCTION
COMPANY, L.P**

CERTIFICATE OF SERVICE

I hereby certify that on August 9, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Jordan L. Kessler
EOG RESOURCES, INC.
125 Lincoln Avenue, Suite 213
Santa Fe, New Mexico 87501
(432) 488-6108
Jordan_kessler@eogresources.com

Attorney for EOG Resources, Inc.



Michael H. Feldewert

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JULY 25, 2024**

CASE NO. 24427

*BENT TREE 9-11 FED COM 221H, 332H & 333H
WELLS*

EDDY COUNTY, NEW MEXICO



**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
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**REVISED HEARING PACKAGE TABLE
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- **Devon Exhibit A:** *Revised* Compulsory Pooling Application Checklist
- **Devon Exhibit B:** Filed Application & Docket Notice
- **Devon Exhibit C:** Self-Affirmed Statement of David Broussard, Landman
 - Devon Exhibit C-1: Resume
 - Devon Exhibit C-2: *Revised* Draft C-102s
 - Devon Exhibit C-3: Tract Map
 - Devon Exhibit C-4: Sample Well Proposal Letter & AFEs
- **Devon Exhibit D:** Self-Affirmed Statement of Joseph Dixon, Geologist
 - Devon Exhibit D-1: Locator Map
 - Devon Exhibit D-2: Subsea Structure Map
 - Devon Exhibit D-3: Structural Cross Section
- **Devon Exhibit E:** Self-Affirmed Statement of Notice
- **Devon Exhibit F:** Affidavit of Publication

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24427	APPLICANT'S RESPONSE
Date:	July 25, 2024
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 Overlapping Spacing Unit and Compulsory Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	EOG Resources
Well Family	Bent Tree
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:	Avalon; Bone Spring, East (3713)
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640-acres
Building Blocks:	Quarter-Quarter sections
Orientation:	West-East
Description: TRS/County	NE4 of Section 9, the N2 of Section 10, and the NW4 of Section 11, Township 21 South, Range 27 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, N2NE4 of Section 9, the N2N2 of Section 10, and the N2NW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.
Proximity Defining Well: if yes, description	Bent Tree 9-11 State 332H
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Bent Tree 9-11 State 221H (API pending) SHL: 1761' FNL & 2446' FWL (Unit F) of Section 9 BHL: 330' FNL & 2642' FWL (Unit C) of Section 11 Target: Bone Spring Orientation: West-East Completion: Standard Location
Well #2	Bent Tree 9-11 State 332H (API pending) SHL: 1818' FNL & 2480' FWL (Unit F) of Section 9 BHL: 1470' FNL & 2652' FWL (Unit C) of Section 11 Target: Bone Spring Orientation: West-East Completion: Standard Location
Well #3	Bent Tree 9-11 State 333H (API pending) SHL: 1843' FNL & 2497' FWL (Unit F) of Section 9 BHL: 1660' FNL & 2654' FWL (Unit F) of Section 11 Target: Bone Spring Orientation: West-East Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification 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	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	N/A
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	Exhibit D-1
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibits C-2 & D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	
Date:	7/18/2024

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

**APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P.
FOR APPROVAL OF AN OVERLAPPING
SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 24427

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 (a) approving a standard 640-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the NE4 of Section 9, the N2 of Section 10, and the NW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted interest owners in this acreage. 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 initially dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- **Bent Tree 9-11 Fed Com 221H**, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the NW4NE4 (Unit B) of Section 9 and a last take point in NE4NW4 (Unit C) of Section 11; and
- **Bent Tree 9-11 Fed Com 332H**, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the SE4NE4 (Unit G) of Section 9 and a last take point in SE4NW4 (Unit F) of Section 11; and

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Devon Energy Production Co. L.P.
Hearing Date: July 25, 2024
Case No. 24427**

- **Bent Tree 9-11 Fed Com 333H**, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the SE4NE4 (Unit G) of Section 9 and a last take point in SE4NW4 (Unit F) of Section 11.
3. The completed interval of the Bent Tree 9-11 Fed Com 332H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in the proposed spacing unit.
4. This proposed spacing unit will overlap the following existing spacing units in the Bone Spring formation:
- A 160-acre spacing unit comprised of the N2N2 of Section 10 dedicated to the Cerf 10 Federal 3H (30-015-41058) operated by Devon and assigned to the Avalon; Bone Spring, East Pool (3713); and
 - A 160-acre spacing unit comprised of the S2N2 of Section 10 dedicated to the Cerf 10 Federal 4H (30-015-41059) operated by Devon and assigned to the Avalon; Bone Spring, East Pool (3713).
5. 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.
6. Approval of the overlapping unit and 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.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 2, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the proposed overlapping horizontal well spacing unit and pooling all uncommitted interests therein;

- B. Approving the initial wells in the horizontal well spacing unit;
- C. Designating Applicant as the operator of the horizontal spacing unit and the wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the wells;
- 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 wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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**ATTORNEYS FOR DEVON ENERGY PRODUCTION
COMPANY, L.P.**

Application of Devon Energy Production Company, L.P. for Approval of an Overlapping Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a 640-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the NE4 of Section 9, the N2 of Section 10, and the NW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- **Bent Tree 9-11 Fed Com 221H**, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the NW4NE4 (Unit B) of Section 9 and a last take point in NE4NW4 (Unit C) of Section 11; and
- **Bent Tree 9-11 Fed Com 332H**, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the SE4NE4 (Unit G) of Section 9 and a last take point in SE4NW4 (Unit F) of Section 11; and
- **Bent Tree 9-11 Fed Com 333H**, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the SE4NE4 (Unit G) of Section 9 and a last take point in SE4NW4 (Unit F) of Section 11

The completed interval of the Bent Tree 9-11 Fed Com 332H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in the proposed spacing unit. This proposed spacing unit will overlap the following existing spacing units in the Bone Spring formation:

- A 160-acre spacing unit comprised of the N2N2 of Section 10 dedicated to the Cerf 10 Federal 3H (30-015-41058) operated by Devon and assigned to the Avalon;Bone Spring, East Pool (3713); and
- A 160-acre spacing unit comprised of the S2N2 of Section 10 dedicated to the Cerf 10 Federal 4H (30-015-41059) operated by Devon and assigned to the Avalon;Bone Spring, East Pool (3713).

Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located approximately 5 miles northeast of Carlsbad, New Mexico.

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

**APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P.
FOR APPROVAL OF AN OVERLAPPING SPACING UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.**

CASE NO. 24427

SELF AFFIRMED STATEMENT OF DAVID BROUSSARD, LANDMAN

1. My name is David Broussard, and I am employed by Devon Energy Production Company, L.P. ("Devon") as a Petroleum Landman. My responsibilities include the Permian Basin of New Mexico. I am familiar with the application filed by Devon in this matter and the status of the lands in the subject area. This is my first time testifying before the New Mexico Oil Conservation Division.

2. **Exhibit C-1** is a copy of my resume. It reflects that I have been employed as a landman for over 10 years. I believe that my educational background, work history and credentials qualify me to testify as an expert witness in petroleum land matters.

3. The mineral owners that Devon seeks to pool in this matter have not expressed any opposition to this proceeding.

4. Devon seeks an order approving and then pooling a standard 640-acre overlapping horizontal well spacing unit in the Bone Spring formation underlying the NE4 of Section 9, the N2 of Section 10, and the NW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

5. There are no ownership depth severances in the Bone Spring formation underlying the subject acreage.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Devon Energy Production Co. L.P.
Hearing Date: July 25, 2024
Case No. 24427**

6. This standard spacing unit will be initially dedicated to the following proposed wells:

- o **Bent Tree 9-11 Fed Com 221H**, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the NW4NE4 (Unit B) of Section 9 and a last take point in NE4NW4 (Unit C) of Section 11;
- o **Bent Tree 9-11 Fed Com 332H**, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the SE4NE4 (Unit G) of Section 9 and a last take point in SE4NW4 (Unit F) of Section 11; and
- o **Bent Tree 9-11 Fed Com 333H**, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the SE4NE4 (Unit G) of Section 9 and a last take point in SE4NW4 (Unit F) of Section 11.

The completed interval of the Bent Tree 9-11 Fed Com 332H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in the proposed spacing unit.

7. **Exhibit C-2** contains a draft Form C-102 for the proposed initial wells. The pool and the pool code have not been identified because Devon has been informed that that the affected acreage is currently subject to the Avalon; Bone Spring, East Pool [3713]. Since the proposed wells are targeting the Second Bone Spring sands and the Third Bone Spring sands, Devon anticipates the wells will be assigned to a different oil pool to be determined by the Division. I confirm that the first and last take points listed on the Form C-102s will be in orthodox locations if an oil pool is assigned.

8. This proposed spacing unit will overlap the following existing spacing units in the Bone Spring formation:

- o A 160-acre spacing unit comprised of the N2N2 of Section 10 dedicated to the Cerf 10 Federal 3H (30-015-41058) operated by Devon and assigned to the Avalon; Bone Spring, East Pool (3713); and
- o A 160-acre spacing unit comprised of the S2N2 of Section 10 dedicated to the Cerf 10 Federal 4H (30-015-41059) operated by Devon and assigned to the Avalon; Bone Spring, East Pool (3713).

All the affected working interest owners in the existing and proposed spacing units have been notified of this application for approval of an overlapping spacing unit.

9. **Exhibit C-3** identifies the tracts of land comprising the proposed spacing unit, the working interest ownership in each tract, and the consolidated working interest ownership in the proposed horizontal spacing unit. Devon has highlighted in yellow the mineral owners that it seeks to pool, which includes a group of overriding royalty interest owners and record title owners. The subject acreage is comprised of federal lands.

10. **Exhibit C-4** contains a sample of the well proposal letter sent to the working interest owners that Devon seeks to pool. The costs reflected in the AFE provided with this letter are consistent with what Devon and other operators have incurred for drilling similar horizontal wells in the area in this formation.

11. Devon requests overhead and administrative rates of \$10,000 per month while drilling and \$1,000 per month while producing the well. These rates are consistent with the rates charged by Devon and other operators for similar wells in this area.

12. Exhibits C-1 through C-4 were either prepared by me or compiled under my direction from company business records.

13. 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.



David Broussard

7-17-21

Date

32005298_v1

David J. Broussard, CPL

Mobile: (405) 802-9474
davidbroussard29@gmail.com

PROFESSIONAL EXPERIENCE

Devon Energy Corporation | Senior Staff Landman

- Delaware Basin Business Unit | Aug. 2023 - Present
 - Executed a multi-rig drilling program in New Mexico
 - Evaluated and transacted on numerous acreage trades
- Rockies Business Unit | Jun. 2018 – Aug. 2023
 - Managed over 160,000 leasehold acres including 8 federal exploratory units
 - Optimized appraisal and development program across five prospective formations
 - Increased rate of return from drilling program utilizing creative deal structures
 - Acted as land lead on multiple acquisition opportunities and government lease sales
- Exploration/New Ventures | Oct. 2015 – Jun. 2018
 - Worked with technical teams to develop and evaluate prospects in multiple states and basins in the lower 48
 - Executed an exploratory drilling program in multiple basins
 - Assembled and tested a 78,000-acre Delaware Basin prospect
 - Leased and drilled new basin entry opportunities utilizing a stealth approach
 - Acted as lead on divestitures in four states
- North Texas Business Unit | Jan. 2014 – Oct. 2015
 - Drilled development Barnett Shale wells
 - Leasehold maintenance associated with economically marginal wells
 - Strong emphasis on data cleanup

EDUCATION

Master of Science in Energy Legal Studies | Graduation July 2019
Oklahoma City University | Oklahoma City, OK

Bachelor of Business Administration in Energy Management and Accounting | Graduation December 2013
University of Oklahoma | Norman, OK

MEMBERSHIPS AND CERTIFICATIONS

American Association of Professional Landmen

- Certified Professional Landman

Oklahoma City Association of Professional Landmen

Rocky Mountain Mineral Law Foundation

- Attended Federal Oil & Gas Leasing Short Course - October 2019

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1

Submitted by: Devon Energy Production Co. L.P.

Hearing Date: July 25, 2024

Case No. 24427

Submitted by: Devon Energy Production Co. L.P.

Hearing Date: July 25, 2024
 Case No. 24427

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

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

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

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

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

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
 District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 3713	Pool Name Avalon; Bone Spring, East
Property Code	Property Name BENT TREE 9-11 FED COM	Well Number 221H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3221.1'

Surface Location

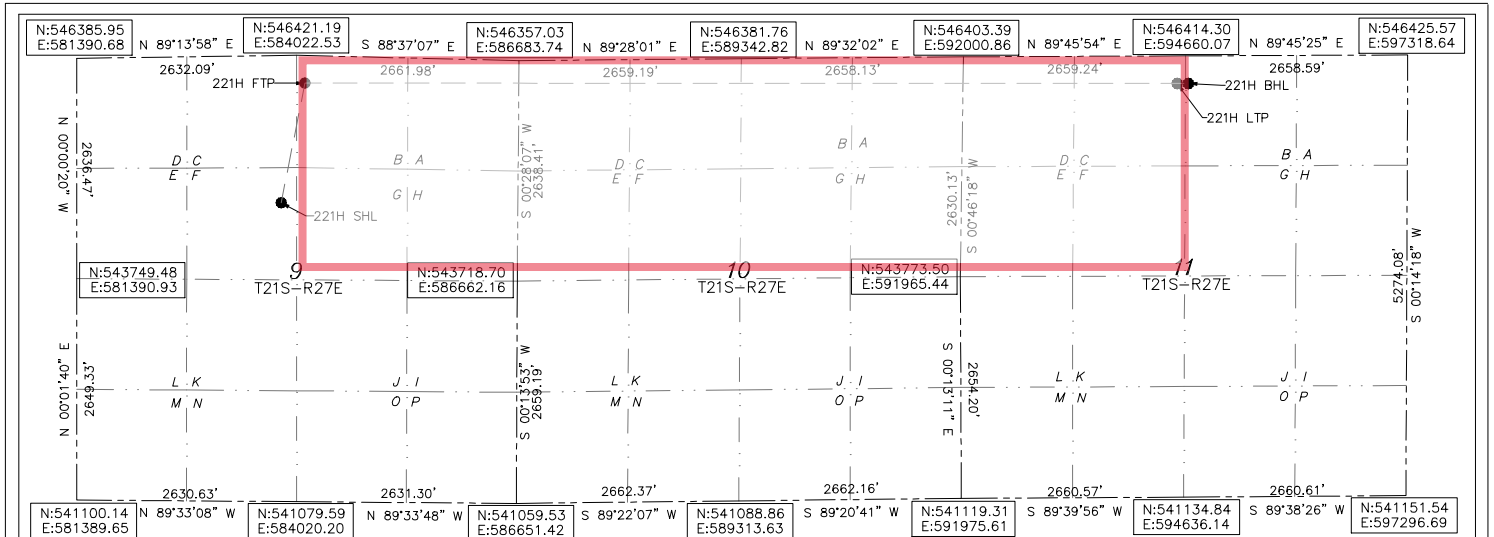
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	9	21-S	27-E		1761	NORTH	2446	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	21-S	27-E		330	NORTH	2642	WEST	EDDY

Dedicated Acres 640	Joint or Infill	Consolidation Code	Order No.
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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



BENT TREE 9-11 FED COM 221H

EL: 3221.1'
 GEODETIC COORDINATES NAD 83
 NMSP EAST SURFACE LOCATION
 N:544657.55
 E:583836.84
 LAT:32.497249
 LON:104.195484
 KICK OFF POINT
 CALLS:
 N:
 E:
 LAT:
 LON:

FIRST TAKE POINT

330' FNL 2559' FEL SEC. 9
 N:546088.69
 E:584122.38
 LAT:32.501182
 LON:104.194552

LAST TAKE POINT

330' FNL 2562' FWL SEC. 11
 N:546083.88
 E:594558.57
 LAT:32.501127
 LON:104.160700
BOTTOM OF HOLE
 N:546084.20
 E:594638.57
 LAT:32.501128
 LON:104.160441

OPERATOR CERTIFICATION

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

Arianna Evans 6/18/24
 Signature Date

Arianna Evans
 Printed Name

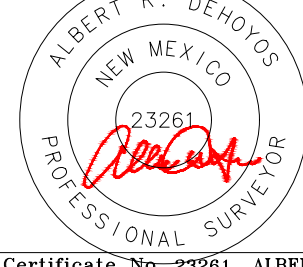
arianna.evans@dvn.com
 E-mail Address

SURVEYOR CERTIFICATION

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

4/2/2024

Signature & Seal of Professional Surveyor



04/02/24

Certificate No. 23261 ALBERT R. DEHOYOS

DRAWN BY: CM

Intent As Drilled

API #		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: BENT TREE 9-11 FED COM	Well Number 221H

Kick Off Point (KOP)

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

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
B	9	21-S	27-E		330	NORTH	2559	EAST	EDDY
Latitude 32.501182					Longitude 104.194552				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	11	21-S	27-E		330	NORTH	2562	WEST	EDDY
Latitude 32.501127					Longitude 104.160700				NAD 83

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

Is this well an infill well?

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

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	3713	Avalon; Bone Spring, East
Property Code	Property Name	Well Number
	BENT TREE 9-11 FED COM	332H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3220.2'

Surface Location

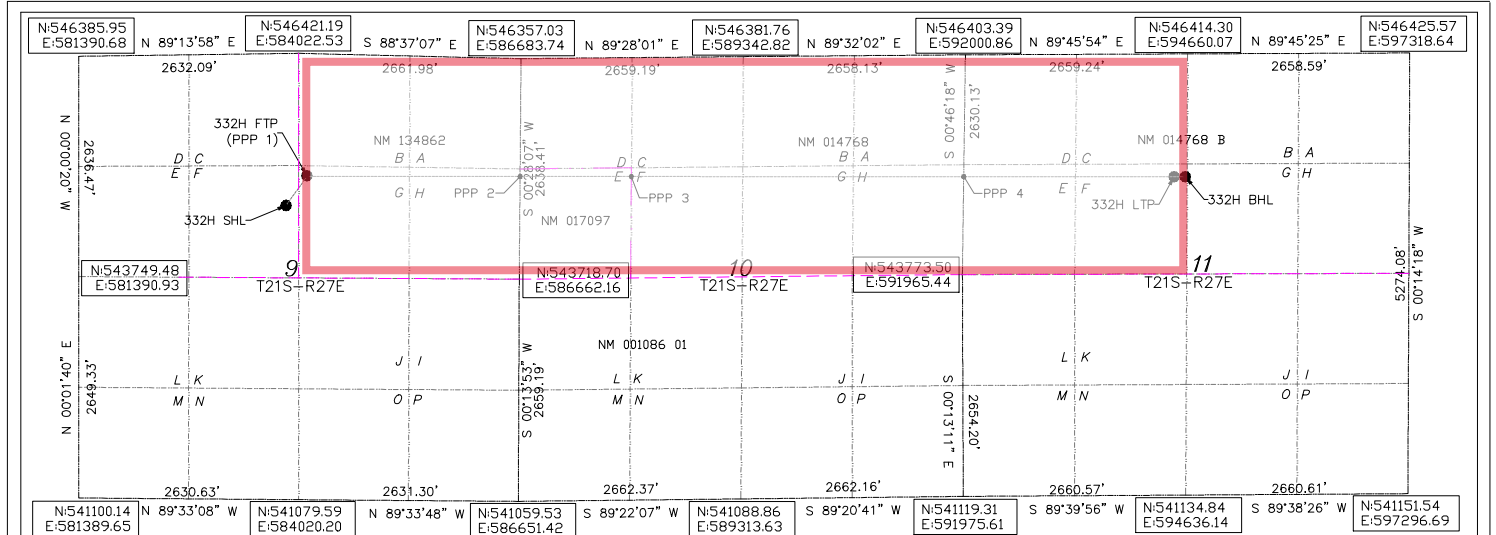
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	9	21-S	27-E		1818	NORTH	2480	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	21-S	27-E		1470	NORTH	2652	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			

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



BENT TREE 9-11 FED COM 332H

1818' FNL 2480' FWL SEC. 9
EL: 3220.2'
GEODETTIC COORDINATES
NAD 83 NMSF EAST
SURFACE LOCATION
N:544600.80
E:583870.80
LAT:32.497093
LON:104.195374
KICK OFF POINT
LAT: _____
LON: _____

FIRST TAKE POINT (PPP 1)
1470' FNL 2550' FEL SEC. 9
N:544948.37
E:584121.89
LAT:32.498048
LON:104.194559

LAST TAKE POINT
1470' FNL 2572' FWL SEC. 11
N:544943.85
E:594553.40
LAT:32.497993
LON:104.160723

BOTTOM OF HOLE
N:544944.17
E:594633.41
LAT:32.497994
LON:104.160464

1410' FNL 0' FEL
N:544947.26
E:586672.21
LAT:32.498035
LON:104.186286

1423' FNL 1328' FWL SEC. 10
N:544946.69
E:588003.53
LAT:32.498029
LON:104.181968

1458' FNL 0' FEL
N:544946.69
E:591981.24
LAT:32.498012
LON:104.169066

LEGEND

- SECTION LINE
- QUARTER LINE
- LEASE LINE
- WELL PATH

OPERATOR CERTIFICATION

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

Arianna Evans 6/18/24
Signature Date

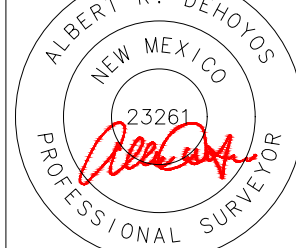
Arianna Evans
Printed Name
arianna.evans@dvn.com
E-mail Address

SURVEYOR CERTIFICATION

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

5/22/2020

Signature & Seal of Professional Surveyor



04/12/24

Certificate No. 23261 ALBERT R. DEHOYOS

DRAWN BY: JW

Intent As Drilled

API #		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: BENT TREE 9-11 FED COM	Well Number 332H

Kick Off Point (KOP)

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

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
G	9	21-S	27-E		1470	NORTH	2550	EAST	EDDY
Latitude 32.498048					Longitude 104.194559				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
F	11	21-S	27-E		1470	NORTH	2572	WEST	EDDY
Latitude 32.497993					Longitude 104.160723				NAD 83

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

Is this well an infill well?

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

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

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

State of New Mexico
Energy, Minerals & Natural Resources Department

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

OIL CONSERVATION DIVISION

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

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

Surface Location

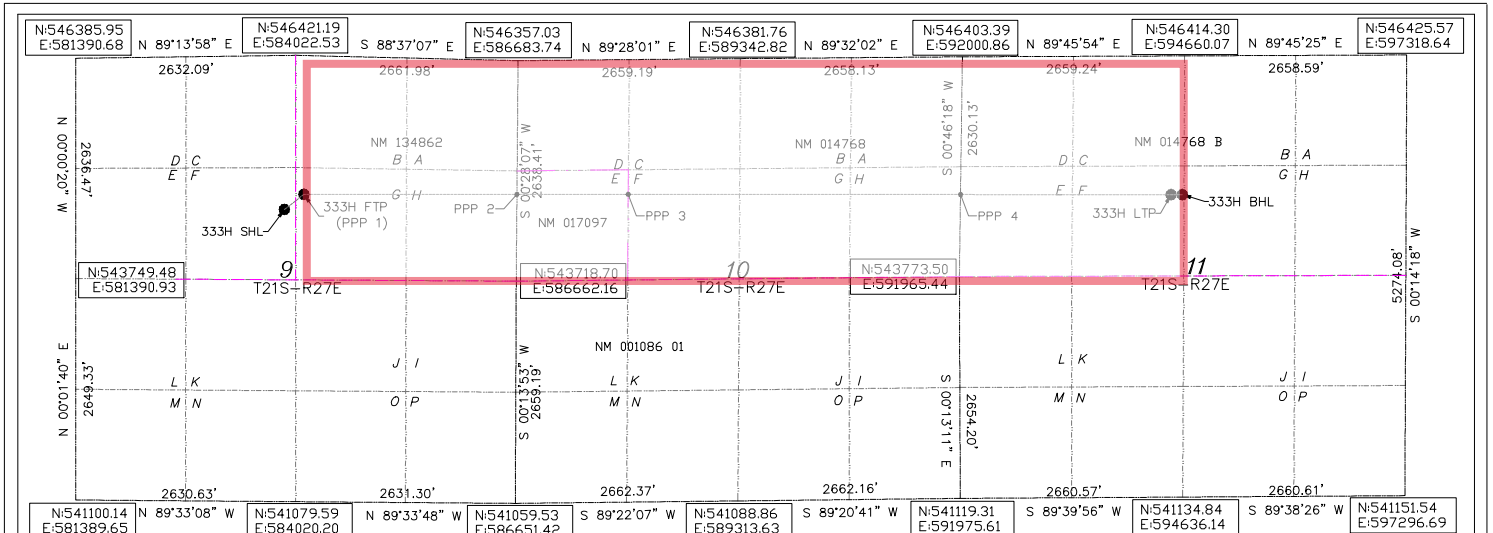
Table with 10 columns: UL or lot No., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot No., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Table with 4 columns: Dedicated Acres, Joint or Infill, Consolidation Code, Order No.

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



BENT TREE 9-11 FED COM 333H
1843' FNL 2497' FWL SEC. 9
EL: 3218.5'
GEOIDETIC COORDINATES
NAD 83 NMSP EAST
SURFACE LOCATION
N544575.23
E583888.02
LAT:32.497026
LON:104.195319
KICK OFF POINT
LAT: _____
LON: _____
FIRST TAKE POINT (PPP 1)
1660' FNL 2549' FEL SEC. 9
N544758.32
E584121.80
LAT:32.497525
LON:104.194560
LAST TAKE POINT
1660' FNL 2574' FWL SEC. 11
N544753.84
E594552.54
LAT:32.497471
LON:104.160727
BOTTOM OF HOLE
N544754.17
E594632.54
LAT:32.497472
LON:104.160467

OPERATOR CERTIFICATION
I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
Signature: Arianna Evans
Date: 6/18/24
Printed Name: Arianna Evans
E-mail Address: arianna.evans@dvn.com

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
5/22/2020
Signature & Seal of Professional Surveyor
ALBERT R. DEHOYOS
NEW MEXICO
23261
PROFESSIONAL SURVEYOR
Certificate No. 23261 ALBERT R. DEHOYOS
04/12/24
DRAWN BY: JW

Intent As Drilled

API #		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: BENT TREE 9-11 FED COM	Well Number 333H

Kick Off Point (KOP)

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

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
G	9	21-S	27-E		1660	NORTH	2549	EAST	EDDY
Latitude 32.497525					Longitude 104.194560				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
F	11	21-S	27-E		1660	NORTH	2574	WEST	EDDY
Latitude 32.497471					Longitude 104.160727				NAD 83

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

Is this well an infill well?

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

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

Exhibit “C-3”

NE/4 of Section 9, N/2 of Section 10, and NW/4 of Section 11 of T21S-R27E, Eddy County, New Mexico, Limited to the Bone Spring Formation

9				10				11			

Tract 1:
 NMNM-134862
 21S-27E-9: NE/4
 (160 acres)



Tract 2:
 NMNM-14768
 21S-27E-10: N/2N/2;
 S/2 NE/4, SE/4 NW/4
 (280 acres)



Tract 3:
 NMNM-17097
 21S-27E-10:
 SW/4 NW/4
 (40 acres)



Tract 4:
 NMNM-14768-B
 21S-27E-11: NW/4
 (160 acres)



Bent Tree 9-11 Fed Com 221H

SHL: Sec. 9-21S-27E; 1,761’ FNL & 2446’ FWL
 BHL: Sec. 11-21S-27E; 330’ FNL & 2642’ FWL

Bent Tree 9-11 Fed Com 332H

SHL: Sec. 9-21S-27E; 1,818’ FNL & 2480’ FWL
 BHL: Sec. 11-21S-27E; 1470’ FNL & 2652’ FWL

Bent Tree 9-11 Fed Com 333H

SHL: Sec. 9-21S-27E; 1,843’ FNL & 2497’ FWL
 BHL: Sec. 11-21S-27E; 1660’ FNL & 2654’ FWL

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. C-3

Submitted by: Devon Energy Production Co. L.P.
 Hearing Date: July 25, 2024
 Case No. 24427

Case No. 24427

Exhibit "C-3"**OWNERSHIP BREAKDOWN – Limited to the Bone Spring formation****NE/4 of Section 9, N/2 of Section 10, and NW/4 of Section 11 of T21S-R27E, Eddy County, New Mexico****TRACT 1 OWNERSHIP (encompassing the NE/4 of Section 9-T21S-R27E, being 160 acres)**

Owner	Net Acres	Tract WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	160	100%	Committed
TRACT 1 TOTAL	160.0000	100.0000%	

TRACT 2 OWNERSHIP (encompassing the N/2N/2, S/2 NE/4, and SE/4 NW/4 of Section 10-T21S-R27E, being 280 acres)

Owner	Net Acres	Tract WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	250.969264	89.63188%	Committed
Sabinal Energy Operating LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	29.030736	10.36812%	Committed
TRACT 2 TOTAL	280.0000	100.0000%	

TRACT 3 OWNERSHIP (encompassing the SW/4 NW/4 of Section 10-T12S-R27E, being 40 acres)

Owner	Net Acres	Tract WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	35.852752	89.63188%	Committed
Sabinal Energy Operating LLC 1780 Hughes Landing Blvd., Suite 1200 The Woodlands, TX 77380	4.147248	10.36812%	Committed
TRACT 3 TOTAL	40.0000	100.0000%	

Case No. 24427

TRACT 4 OWNERSHIP (encompassing the NW/4 of Section 11-T12S-R27E, being 160 acres)

Owner	Net Acres	Tract WI	Status
Rockwood Energy, LP 4450 Oak Park Lane, Suite 101897 Fort Worth, TX 76109	160.0000	100.000%	Committed
TRACT 4 TOTAL	160.0000	100.0000%	

UNIT RECAPITULATION:

NE/4 of Section 9, N/2 of Section 10, and NW/4 of Section 11 of T21S-R27E, Eddy County, New Mexico ; being 640.00 acres

Devon Energy Production Company, L.P.	69.81594%	WI
Rockwood Energy, LP	25.00000%	WI
Sabinal Energy Operating, LLC	5.184060%	WI
UNIT TOTAL:	100.0000%	WI

Case No. 24427

Overriding Royalty Owners

Owner	Street	City	State	Postal Code
Carrie Elizabeth McVay, Trustee of the Carrie McVay Trust dated March 2, 2018	3225 WILLARD ST	SAN DIEGO	CALIFORNIA	92122
J. Travis Reeves	1804 CHEYENNE DR	RICHARDSON	TEXAS	75080
WilderPan LLC	PO BOX 50088	MIDLAND	TEXAS	79710
Donald R. Creamer	PO Box 10014	MIDLAND	TEXAS	79702
Bernard Lee House, Jr.	PO BOX 51707	MIDLAND	TEXAS	79710
Casa Grande Royalty Co Inc.	PO BOX 818	KEMAH	TEXAS	77565
John W. Gates LLC	706 W GRAND AVE	ARTESIA	NEW MEXICO	88210
Norbert M. McCaw	202 CROSSBOW RD	ARTESIA	NEW MEXICO	88210
Roberta McCaw	202 CROSSBOW RD	ARTESIA	NEW MEXICO	88210
Winnie Helen Hayes	107 JADE CIRCLE	KNIGHTDALE	NORTH CAROLINA	27545
Tumbler Energy Partners LLC	PO BOX 50938	MIDLAND	TEXAS	79710
VERITAS PERMIAN RESOURCES LLC	PO BOX 10850	FORT WORTH	TEXAS	76114
ELK RANGE ROYALTIES II LP	2110 FARRINGTON ST	DALLAS	TEXAS	75207
ASHER LAND & MINERALS LLC	4071 BUENA VISTA STREET	DALLAS	TEXAS	75204

Record Title Owners (Lessees of Record)

Devon Energy Production Company, LP

Southwest Royalties Inc.

Rockwood Energy, LP

Sabinal Energy Operating, LLC



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

405 235 3611 Phone
www.devonenergy.com

February 8, 2024

Sent via Priority Mail

SOUTHWEST ROYALTIES INC.
PO BOX 53570
MIDLAND, TEXAS 79710-3570

RE: Bent Tree 9-10 Fed Com 221H, Bent Tree 9-11 Fed Com 222H and 332H
Sections 9, 10 & 11-21S-27E
Eddy County, New Mexico

Dear Working Interest Owner,

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

- Bent Tree 9-10 Fed Com 221H as a horizontal well to an approximate landing TVD of 7450' and an approximate TMD of 17,450' into the 2nd Bone Spring Sand formation at an approximate SHL in the SENW (Unit F) of Section 9-21S-27E, and an approximate BHL in the NENW (Unit C) of Section 11-21S-27E, Eddy County, New Mexico (collectively with the other proposed wells, the "Wells"). Enclosed for your review is Devon's Authority for Expenditure estimating total completed well costs of \$8,795,478.22.
- Bent Tree 9-11 Fed Com 222H as a horizontal well to an approximate landing TVD of 7450' and an approximate TMD of 17,450' into the 2nd Bone Spring Sand formation at an approximate SHL in the SENW (Unit F) of Section 9-21S-27E, and an approximate BHL in the SENW (Unit F) of Section 11-21S-27E, Eddy County, New Mexico (collectively with the other proposed wells, the "Wells"). Enclosed for your review is Devon's Authority for Expenditure estimating total completed well costs of \$8,795,478.22.
- Bent Tree 9-11 Fed Com 332H as a horizontal well to an approximate landing TVD of 8,715' and an approximate TMD of 18,715' into the 3rd Bone Spring Sand formation at an approximate SHL in the SENW (Unit F) of Section 9-21S-27E, and an approximate BHL in the SENW (Unit F) of Section 11-21S-27E, Eddy County, New Mexico (collectively with the other proposed wells, the "Wells"). Enclosed for your review is Devon's Authority for Expenditure estimating total completed well costs of \$10,525,595.77.

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

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-4

Submitted by: Devon Energy Production Co. L.P.
Hearing Date: July 25, 2024
Case No. 24427

Bent Tree 9-10 Fed Com 221H, Bent Tree 9-11 Fed Com 222H and 332H
February 8, 2024
Page No. 2

Devon is proposing to drill the Wells under the terms of the modified 2015 AAPL form of Operating Agreement ("JOA") which contains the following general provisions:

- Devon named as Operator
- Contract Area: NE/4 of 9-21S-27E, N/2 of 10-21S-27E, & NW/4 of 11-21S-27E
- 100% / 300% Non-Consenting Penalty
- \$10,000/\$1,000 Drilling and Producing Overhead Rates

If you wish to participate in the operation, please indicate in the space provided below, along with a signed AFE, and deliver to my attention at the letterhead address or by email at David.broussard@dvn.com, and Devon will provide the completed JOA for your review. If your election is to participate, a cash call invoice will be sent following receipt of a timely election. If you do not wish to participate in the proposed operation, Devon would like to negotiate a voluntary agreement that includes your interest.

If an agreement is not reached within 30 days of the date of this letter, Devon will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed wells.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.



David Broussard
Sr. Staff Landman

Bent Tree 9-10 Fed Com 221H, Bent Tree 9-11 Fed Com 222H and 332H
February 8, 2024
Page No. 3

Bent Tree 9-10 Fed Com 221H

_____ I/we elect to participate in the drilling and completion of the Bent Tree 9-10 Fed Com 221H well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the Bent Tree 9-10 Fed Com 221H well.

Bent Tree 9-11 Fed Com 222H

_____ I/we elect to participate in the drilling and completion of the Bent Tree 9-11 Fed Com 222H well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the Bent Tree 9-11 Fed Com 222H well.

Bent Tree 9-11 Fed Com 332H

_____ I/we elect to participate in the drilling and completion of the Bent Tree 9-11 Fed Com 332H well.
A signed AFE is returned herewith.

_____ I/we elect not to participate in the drilling and completion of the Bent Tree 9-11 Fed Com 332H well.

SOUTHWEST ROYALTIES INC.

By: _____

Name: _____

Title: _____

Date: _____



Authorization for Expenditure

AFE # XX-138644.01
 Well Name: BENT TREE 9-10 FED COM 221H
 Cost Center Number: 1094525901
 Legal Description: SEC. 9-21S-27E
 Revision:

AFE Date: 2/8/2024
 State: NEW MEXICO
 County/Parish: EDDY

Explanation and Justification: DRILL AND COMPLETE

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6010130	COMPANY LABOR-ADJ	3,863.72	0.00	0.00	3,863.72
6040110	CHEMICALS - OTHER	0.00	126,787.65	0.00	126,787.65
6060100	DYED LIQUID FUELS	134,800.73	287,433.17	0.00	422,233.90
6060130	GASEOUS FUELS	0.00	92,334.40	0.00	92,334.40
6080100	DISPOSAL - SOLIDS	94,446.37	5,262.50	0.00	99,708.87
6080110	DISP-SALTWATER & OTH	0.00	13,430.00	0.00	13,430.00
6080115	DISP VIA PIPELINE SW	0.00	60,000.00	0.00	60,000.00
6090100	FLUIDS - WATER	19,890.98	44,111.05	0.00	64,002.03
6090120	RECYC TREAT&PROC-H2O	0.00	222,538.61	0.00	222,538.61
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	40,070.89	0.00	92,404.22
6120100	I & C SERVICES	0.00	87,731.61	0.00	87,731.61
6130170	COMM SVCS - WAN	2,862.01	0.00	0.00	2,862.01
6130360	RTOC - ENGINEERING	0.00	3,727.75	0.00	3,727.75
6130370	RTOC - GEOSTEERING	7,870.53	0.00	0.00	7,870.53
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRGTG&WL SV	0.00	272,234.22	0.00	272,234.22
6160100	MATERIALS & SUPPLIES	7,011.93	0.00	0.00	7,011.93
6170100	PULLING&SWABBING SVC	0.00	6,750.00	0.00	6,750.00
6170110	SNUBBG&COIL TUBG SVC	0.00	124,195.00	0.00	124,195.00
6190100	TRCKG&HL-SOLID&FLUID	71,120.98	0.00	0.00	71,120.98
6190110	TRUCKING&HAUL OF EQP	34,773.44	41,924.28	0.00	76,697.72
6200130	CONSLT & PROJECT SVC	94,160.17	79,388.46	0.00	173,548.63
6230120	SAFETY SERVICES	29,478.72	2,774.59	0.00	32,253.31
6300270	SOLIDS CONTROL SRVCS	55,236.82	0.00	0.00	55,236.82
6310120	STIMULATION SERVICES	0.00	1,064,203.60	0.00	1,064,203.60
6310190	PROPPANT PURCHASE	0.00	674,698.49	0.00	674,698.49
6310200	CASING & TUBULAR SVC	84,286.23	0.00	0.00	84,286.23
6310250	CEMENTING SERVICES	185,000.00	0.00	0.00	185,000.00
6310280	DAYWORK COSTS	541,887.15	0.00	0.00	541,887.15
6310300	DIRECTIONAL SERVICES	228,102.30	0.00	0.00	228,102.30
6310310	DRILL BITS	81,424.22	0.00	0.00	81,424.22
6310330	DRILL&COMP FLUID&SVC	209,213.03	16,629.50	0.00	225,842.53
6310370	MOB & DEMOBILIZATION	45,000.00	0.00	0.00	45,000.00
6310380	OPEN HOLE EVALUATION	18,603.07	0.00	0.00	18,603.07
6310480	TSTNG-WELL, PL & OTH	0.00	134,286.75	0.00	134,286.75
6310600	MISC PUMPING SERVICE	0.00	44,966.80	0.00	44,966.80
6320100	EQPMNT SVC-SRF RNTL	120,919.98	217,450.49	0.00	338,370.47
6320110	EQUIP SVC - DOWNHOLE	67,829.67	34,614.09	0.00	102,443.76
6320160	WELDING SERVICES	2,003.41	0.00	0.00	2,003.41
6320190	WATER TRANSFER	0.00	118,936.23	0.00	118,936.23
6350100	CONSTRUCTION SVC	0.00	205,308.19	0.00	205,308.19

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



Authorization for Expenditure

AFE # XX-138644.01

Well Name: BENT TREE 9-10 FED COM 221H

AFE Date: 2/8/2024

Cost Center Number: 1094525901

State: NEW MEXICO

Legal Description: SEC. 9-21S-27E

County/Parish: EDDY

Revision:

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	8,180.30	0.00	8,180.30
6550110	MISCELLANEOUS SVC	29,908.02	0.00	0.00	29,908.02
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	8,013.63	42,493.42	0.00	50,507.05
6740340	TAXES OTHER	0.00	28,032.36	0.00	28,032.36
	Total Intangibles	2,272,707.11	4,105,494.40	0.00	6,378,201.51

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	101,346.46	0.00	101,346.46
6120120	MEASUREMENT EQUIP	0.00	35,677.18	0.00	35,677.18
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6300150	SEPARATOR EQUIPMENT	0.00	406,518.21	0.00	406,518.21
6300220	STORAGE VESSEL&TANKS	0.00	63,687.00	0.00	63,687.00
6300230	PUMPS - SURFACE	0.00	13,924.12	0.00	13,924.12
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	96,394.50	0.00	96,394.50
6310460	WELLHEAD EQUIPMENT	45,000.00	181,568.75	0.00	226,568.75
6310530	SURFACE CASING	47,729.00	0.00	0.00	47,729.00
6310540	INTERMEDIATE CASING	476,522.50	0.00	0.00	476,522.50
6310550	PRODUCTION CASING	528,912.50	0.00	0.00	528,912.50
6310580	CASING COMPONENTS	24,899.50	0.00	0.00	24,899.50
6330100	PIPE, FIT, FLANG, CPLNG	0.00	328,846.99	0.00	328,846.99
	Total Tangibles	1,148,063.50	1,269,213.21	0.00	2,417,276.71

TOTAL ESTIMATED COST	3,420,770.61	5,374,707.61	0.00	8,795,478.22
-----------------------------	---------------------	---------------------	-------------	---------------------

WORKING INTEREST OWNER APPROVAL

Company Name: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-138645.01

Well Name: BENT TREE 9-11 FED COM 222H

Cost Center Number: 1094526201

Legal Description: SEC. 9-21S-27E

Revision:

AFE Date: 2/8/2024

State: NEW MEXICO

County/Parish: EDDY

Explanation and Justification: DRILL AND COMPLETE

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6010130	COMPANY LABOR-ADJ	3,863.72	0.00	0.00	3,863.72
6040110	CHEMICALS - OTHER	0.00	126,787.65	0.00	126,787.65
6060100	DYED LIQUID FUELS	134,800.73	287,433.17	0.00	422,233.90
6060130	GASEOUS FUELS	0.00	92,334.40	0.00	92,334.40
6080100	DISPOSAL - SOLIDS	94,446.37	5,262.50	0.00	99,708.87
6080110	DISP-SALTWATER & OTH	0.00	13,430.00	0.00	13,430.00
6080115	DISP VIA PIPELINE SW	0.00	60,000.00	0.00	60,000.00
6090100	FLUIDS - WATER	19,890.98	44,111.05	0.00	64,002.03
6090120	RECYC TREAT&PROC-H2O	0.00	222,538.61	0.00	222,538.61
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	40,070.89	0.00	92,404.22
6120100	I & C SERVICES	0.00	87,731.61	0.00	87,731.61
6130170	COMM SVCS - WAN	2,862.01	0.00	0.00	2,862.01
6130360	RTOC - ENGINEERING	0.00	3,727.75	0.00	3,727.75
6130370	RTOC - GEOSTEERING	7,870.53	0.00	0.00	7,870.53
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRGTG&WL SV	0.00	272,234.22	0.00	272,234.22
6160100	MATERIALS & SUPPLIES	7,011.93	0.00	0.00	7,011.93
6170100	PULLING&SWABBING SVC	0.00	6,750.00	0.00	6,750.00
6170110	SNUBBG&COIL TUBG SVC	0.00	124,195.00	0.00	124,195.00
6190100	TRCKG&HL-SOLID&FLUID	71,120.98	0.00	0.00	71,120.98
6190110	TRUCKING&HAUL OF EQP	34,773.44	41,924.28	0.00	76,697.72
6200130	CONSLT & PROJECT SVC	94,160.17	79,388.46	0.00	173,548.63
6230120	SAFETY SERVICES	29,478.72	2,774.59	0.00	32,253.31
6300270	SOLIDS CONTROL SRVCS	55,236.82	0.00	0.00	55,236.82
6310120	STIMULATION SERVICES	0.00	1,064,203.60	0.00	1,064,203.60
6310190	PROPPANT PURCHASE	0.00	674,698.49	0.00	674,698.49
6310200	CASING & TUBULAR SVC	84,286.23	0.00	0.00	84,286.23
6310250	CEMENTING SERVICES	185,000.00	0.00	0.00	185,000.00
6310280	DAYWORK COSTS	541,887.15	0.00	0.00	541,887.15
6310300	DIRECTIONAL SERVICES	228,102.30	0.00	0.00	228,102.30
6310310	DRILL BITS	81,424.22	0.00	0.00	81,424.22
6310330	DRILL&COMP FLUID&SVC	209,213.03	16,629.50	0.00	225,842.53
6310370	MOB & DEMOBILIZATION	45,000.00	0.00	0.00	45,000.00
6310380	OPEN HOLE EVALUATION	18,603.07	0.00	0.00	18,603.07
6310480	TESTNG-WELL, PL & OTH	0.00	134,286.75	0.00	134,286.75
6310600	MISC PUMPING SERVICE	0.00	44,966.80	0.00	44,966.80
6320100	EQPMNT SVC-SRF RNTL	120,919.98	217,450.49	0.00	338,370.47
6320110	EQUIP SVC - DOWNHOLE	67,829.67	34,614.09	0.00	102,443.76
6320160	WELDING SERVICES	2,003.41	0.00	0.00	2,003.41
6320190	WATER TRANSFER	0.00	118,936.23	0.00	118,936.23
6350100	CONSTRUCTION SVC	0.00	205,308.19	0.00	205,308.19

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



Authorization for Expenditure

AFE # XX-138645.01
 Well Name: BENT TREE 9-11 FED COM 222H
 Cost Center Number: 1094526201
 Legal Description: SEC. 9-21S-27E
 Revision:

AFE Date: 2/8/2024
 State: NEW MEXICO
 County/Parish: EDDY

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	8,180.30	0.00	8,180.30
6550110	MISCELLANEOUS SVC	29,908.02	0.00	0.00	29,908.02
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	8,013.63	42,493.42	0.00	50,507.05
6740340	TAXES OTHER	0.00	28,032.36	0.00	28,032.36
	Total Intangibles	2,272,707.11	4,105,494.40	0.00	6,378,201.51

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	101,346.46	0.00	101,346.46
6120120	MEASUREMENT EQUIP	0.00	35,677.18	0.00	35,677.18
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6300150	SEPARATOR EQUIPMENT	0.00	406,518.21	0.00	406,518.21
6300220	STORAGE VESSEL&TANKS	0.00	63,687.00	0.00	63,687.00
6300230	PUMPS - SURFACE	0.00	13,924.12	0.00	13,924.12
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	96,394.50	0.00	96,394.50
6310460	WELLHEAD EQUIPMENT	45,000.00	181,568.75	0.00	226,568.75
6310530	SURFACE CASING	47,729.00	0.00	0.00	47,729.00
6310540	INTERMEDIATE CASING	476,522.50	0.00	0.00	476,522.50
6310550	PRODUCTION CASING	528,912.50	0.00	0.00	528,912.50
6310580	CASING COMPONENTS	24,899.50	0.00	0.00	24,899.50
6330100	PIPE,FIT,FLANG,CPLNG	0.00	328,846.99	0.00	328,846.99
	Total Tangibles	1,148,063.50	1,269,213.21	0.00	2,417,276.71

TOTAL ESTIMATED COST	3,420,770.61	5,374,707.61	0.00	8,795,478.22
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WORKING INTEREST OWNER APPROVAL

Company Name: _____

Signature: _____ Print Name: _____

Title: _____

Date: _____

Email: _____

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

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



Authorization for Expenditure

AFE # XX-134777.01

Well Name: BENT TREE 9-11 FED COM 332H

AFE Date: 2/8/2024

Cost Center Number: 1094111701

State: NM

Legal Description: SEC. 9-21S-27E

County/Parish: EDDY

Revision:

Explanation and Justification: DRILL & COMPLETE

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6010130	COMPANY LABOR-ADJ	5,120.45	0.00	0.00	5,120.45
6040110	CHEMICALS - OTHER	0.00	129,039.00	0.00	129,039.00
6060100	DYED LIQUID FUELS	178,646.78	254,514.00	0.00	433,160.78
6060130	GASEOUS FUELS	0.00	77,320.00	0.00	77,320.00
6080100	DISPOSAL - SOLIDS	125,166.53	5,285.00	0.00	130,451.53
6080110	DISP-SALTWATER & OTH	0.00	13,485.00	0.00	13,485.00
6080115	DISP VIA PIPELINE SW	0.00	107,792.10	0.00	107,792.10
6090100	FLUIDS - WATER	26,360.83	178,379.00	0.00	204,739.83
6090120	RECYC TREAT&PROC-H2O	0.00	153,048.00	0.00	153,048.00
6100100	PERMIT SURVEY&TITLE	30,000.00	0.00	0.00	30,000.00
6100110	RIGHT OF WAY	25,000.00	0.00	0.00	25,000.00
6110130	ROAD&SITE PREP SVC	30,000.00	79,686.00	0.00	109,686.00
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	134,239.58	0.00	134,239.58
6130170	COMM SVCS - WAN	3,792.93	0.00	0.00	3,792.93
6130360	RTOC - ENGINEERING	0.00	3,658.00	0.00	3,658.00
6130370	RTOC - GEOSTEERING	10,430.54	0.00	0.00	10,430.54
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	330,161.00	0.00	330,161.00
6160100	MATERIALS & SUPPLIES	9,292.67	0.00	0.00	9,292.67
6170100	PULLING&SWABBING SVC	0.00	9,000.00	0.00	9,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	173,362.00	0.00	173,362.00
6190100	TRCKG&HL-SOLID&FLUID	94,254.19	0.00	0.00	94,254.19
6190110	TRUCKING&HAUL OF EQP	46,084.04	64,122.67	0.00	110,206.71
6200130	CONSLT & PROJECT SVC	128,287.24	83,865.00	0.00	212,152.24
6230120	SAFETY SERVICES	39,067.13	2,735.00	0.00	41,802.13
6300270	SOLIDS CONTROL SRVCS	73,203.46	0.00	0.00	73,203.46
6310120	STIMULATION SERVICES	0.00	1,029,496.00	0.00	1,029,496.00
6310190	PROPPANT PURCHASE	0.00	894,829.00	0.00	894,829.00
6310200	CASING & TUBULAR SVC	111,701.65	0.00	0.00	111,701.65
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	302,296.14	0.00	0.00	302,296.14
6310310	DRILL BITS	107,908.72	0.00	0.00	107,908.72
6310330	DRILL&COMP FLUID&SVC	277,262.83	30,338.00	0.00	307,600.83
6310370	MOB & DEMOBILIZATION	556,000.00	0.00	0.00	556,000.00
6310380	OPEN HOLE EVALUATION	24,654.01	0.00	0.00	24,654.01
6310480	TSTNG-WELL, PL & OTH	0.00	165,675.00	0.00	165,675.00
6310600	MISC PUMPING SERVICE	0.00	44,126.00	0.00	44,126.00
6320100	EQPMNT SVC-SRF RNTL	160,251.09	229,311.00	0.00	389,562.09
6320110	EQUIP SVC - DOWNHOLE	89,892.33	41,147.00	0.00	131,039.33
6320160	WELDING SERVICES	2,655.05	0.00	0.00	2,655.05
6320190	WATER TRANSFER	0.00	116,600.00	0.00	116,600.00
6350100	CONSTRUCTION SVC	0.00	251,696.25	0.00	251,696.25

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



Authorization for Expenditure

AFE # XX-134777.01

Well Name: BENT TREE 9-11 FED COM 332H

AFE Date: 2/8/2024

Cost Center Number: 1094111701

State: NM

Legal Description: SEC. 9-21S-27E

County/Parish: EDDY

Revision:

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6520100	LEGAL FEES	10,000.00	0.00	0.00	10,000.00
6550100	MISCS COSTS & SERVS	0.00	7,850.15	0.00	7,850.15
6550110	MISCELLANEOUS SVC	39,636.07	0.00	0.00	39,636.07
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	10,620.19	59,371.21	0.00	69,991.40
6740340	TAXES OTHER	0.00	31,859.71	0.00	31,859.71
	Total Intangibles	3,428,584.87	4,706,990.67	0.00	8,135,575.54

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	141,404.83	0.00	141,404.83
6120120	MEASUREMENT EQUIP	0.00	47,464.48	0.00	47,464.48
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6300150	SEPARATOR EQUIPMENT	0.00	454,187.41	0.00	454,187.41
6300220	STORAGE VESSEL&TANKS	0.00	129,220.00	0.00	129,220.00
6300230	PUMPS - SURFACE	0.00	19,793.33	0.00	19,793.33
6310130	ARTIFICIAL LIFT EQP	0.00	30,000.00	0.00	30,000.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	82,003.00	0.00	82,003.00
6310460	WELLHEAD EQUIPMENT	35,000.00	180,524.00	0.00	215,524.00
6310530	SURFACE CASING	8,678.00	0.00	0.00	8,678.00
6310540	INTERMEDIATE CASING	162,080.00	0.00	0.00	162,080.00
6310560	PROD LINERS&TIEBACKS	547,580.00	0.00	0.00	547,580.00
6310580	CASING COMPONENTS	32,998.45	0.00	0.00	32,998.45
6330100	PIPE,FIT,FLANG,CPLNG	0.00	487,836.73	0.00	487,836.73
	Total Tangibles	806,336.45	1,583,683.78	0.00	2,390,020.23

TOTAL ESTIMATED COST	4,234,921.32	6,290,674.45	0.00	10,525,595.77
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WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

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

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

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

405 235 3611 Phone
www.devonenergy.com



March 26, 2024

Sent via Priority Mail

SABINAL ENERGY OPERATING LLC
1780 HUGHES LANDING BLVD STE 1200
THE WOODLANDS , TEXAS 77380

RE: Bent Tree 9-10 Fed Com 221H, Bent Tree 9-11 Fed Com 222H and 332H
Sections 9, 10 & 11-21S-27E
Eddy County, New Mexico

Dear Working Interest Owner,

By proposal letter dated February 8, 2024, Devon Energy Production Company, L.P. (“Devon”), as Operator, proposed the drilling and completing of the subject wells in the Bone Spring formation. Due to existing, approved federal permits to drill, the below wells will be drilled under the updated well names listed in the table below:

Old Well Name	Updated Well Name
Bent Tree 9-10 Fed Com 221H	Bent Tree 9-11 Fed Com 221H
Bent Tree 9-11 Fed Com 222H	Bent Tree 9-11 Fed Com 333H

All future correspondence will refer to this well using the updated name. Additionally, and subsequent to the initial proposal letter being sent, SHL and BHL footages were finalized. This letter serves to provide all working interest owners with these footages included below:

- Bent Tree 9-11 Fed Com 221H as a horizontal well to an approximate landing TVD of 7450’ and an approximate TMD of 17,450’ into the 2nd Bone Spring Sand formation at an approximate SHL of 1761’ FNL & 2446’ FWL in the SENW (Unit F) of Section 9-21S-27E, and an approximate BHL of 330’ FNL & 2446’ FWL in the NENW (Unit C) of Section 11-21S-27E, Eddy County, New Mexico (collectively with the other proposed wells, the “Wells”). Enclosed for your review is Devon’s Authority for Expenditure estimating total completed well costs of \$8,795,478.22.
- Bent Tree 9-11 Fed Com 333H as a horizontal well to an approximate landing TVD of 7450’ and an approximate TMD of 17,450’ into the 2nd Bone Spring Sand formation at an approximate SHL of 1843’ FNL & 2497’ FWL in the SENW (Unit F) of Section 9-21S-27E, and an approximate BHL of 1660’ FNL & 2446’ FWL in the SENW (Unit F) of Section 11-21S-27E, Eddy County, New Mexico (collectively with the other proposed wells, the “Wells”). Enclosed for your review is Devon’s Authority for Expenditure estimating total completed well costs of \$8,795,478.22.
- Bent Tree 9-11 Fed Com 332H as a horizontal well to an approximate landing TVD of 8,715’ and an approximate TMD of 18,715’ into the 3rd Bone Spring Sand formation at an approximate SHL of 1818’ FNL & 2480’ FWL in the SENW (Unit F) of Section 9-21S-27E, and an approximate BHL of 1470’ FNL and 2446’ FWL in the SENW (Unit F) of Section 11-21S-27E, Eddy County,

Bent Tree 9-10 Fed Com 221H, Bent Tree 9-11 Fed Com 222H and 332H

March 26, 2024

Page No. 2

New Mexico (collectively with the other proposed wells, the "Wells"). Enclosed for your review is Devon's Authority for Expenditure estimating total completed well costs of \$10,525,595.77.

This letter is being sent as a courtesy notice. No further action is required beyond what was requested in the initial proposal letter.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

A handwritten signature in blue ink that reads "David Broussard". The signature is written in a cursive style.

David Broussard
Sr. Staff Landman

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

**APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P.
FOR APPROVAL OF AN OVERLAPPING SPACING UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.**

CASE NO. 24427

SELF-AFFIRMED STATEMENT OF JOSEPH DIXON, GEOLOGIST

1. My name is Joseph Dixon, and I am employed as a petroleum geologist by Devon Energy Production Company, L.P. (“Devon”). I am familiar with the application filed in this matter and I have conducted a geologic study of the lands in the subject area.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology and my credential have been accepted and made a matter of public record.

3. **Devon Exhibit D-1** is an area map showing the location of Devon’s proposed spacing unit outlined in red with arrows depicting the orientation and general location of the initial wells targeting the Bone Spring formation. This map also shows the existing wells in the surrounding sections that are completed in the 2nd and 3rd Bone Spring Sandstone intervals of the Bone Spring formation.

4. The initial targets for the proposed wells are the 2nd and 3rd Bone Spring Sandstone intervals of the Bone Spring formation.

5. **Devon Exhibit D-2** is a 3rd Bone Spring Limestone subsea structure map that I prepared for the Bone Spring formation with contour intervals of 50 feet. Devon’s proposed spacing unit is outlined in red. This exhibit demonstrates that the structure in the Bone Spring formation is consistent across the proposed spacing unit and dips gently

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Devon Energy Production Co. L.P.
Hearing Date: July 25, 2024
Case No. 24427

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

6. Devon Exhibit D-2 also depicts a line of cross section through Devon's 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 and are of good quality. 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 on Exhibit D-2. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target intervals for the initial wells are identified on the exhibit with well numbers. The cross-section demonstrates that the targeted intervals are continuous and relatively uniform across the proposed spacing unit.

8. My geologic study indicates the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed horizontal spacing unit will be productive and contribute proportionately to the production from the well.

9. As reflected in Exhibit D-1, the primary orientation for the existing wells targeting the Bone Spring formation in this area laydown. In my opinion, laydown orientation of Devon's proposed wells is consistent with existing development and appropriate for the stress orientation in the Bone Spring formation in this area.

10. In my opinion, approval of this application is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

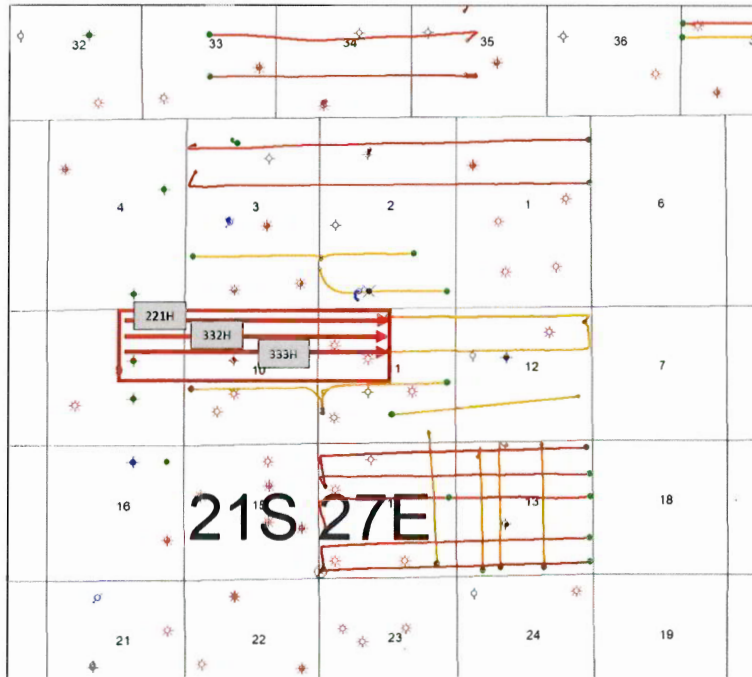
11. **Devon Exhibits D-1 through D-3** were either prepared by me or compiled under my direction and supervision.

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.

Joseph Dixon

Date

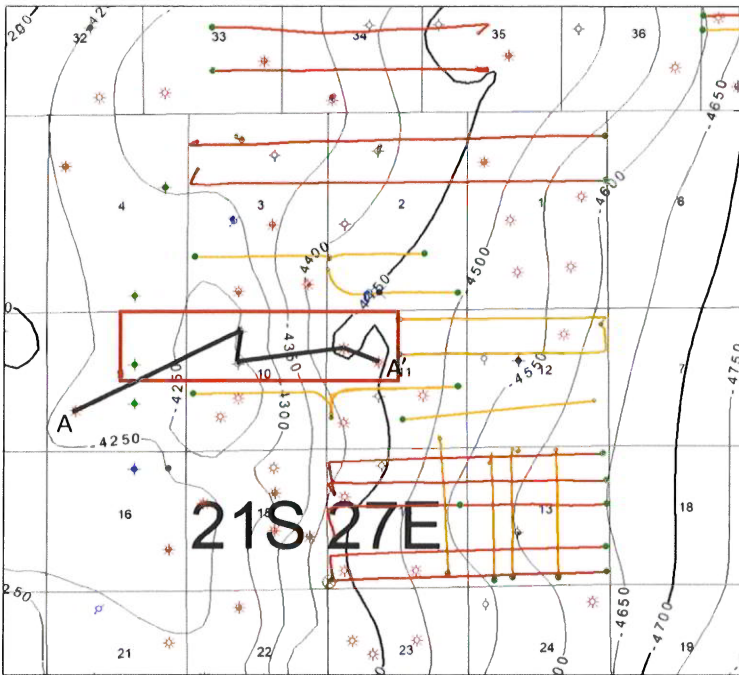
Exhibit D-1



North

Exhibit D-1 is an area map showing the location of Devon’s proposed spacing unit outlined in red with arrows depicting the orientation and general location of the initial wells targeting the Bone Spring Formation. This map also shows the existing wells in the surrounding sections that are completed in the Bone Spring Formation. 2nd Bone Spring Sandstone targets are orange and 3rd Bone Spring Sandstone targets are red.

Exhibit D-2



Top of 3rd Bone Spring Limestone Structure Map

Contour Interval = 50'



Exhibit D-2 is a subsea structure map showing the depth to the top of the 3rd Bone Spring Limestone. Devon's proposed spacing unit is outlined in red.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. D-2

Submitted by: Devon Energy Production Co. L.P.

Hearing Date: July 25, 2024

Case No. 24427

Exhibit D-3

Exhibit D-3
Cross-section
A to A'.
Stratigraphic
cross-section
hung on top of
3rd Bone
Spring
Limestone.
Target interval
indicated by
well numbers.

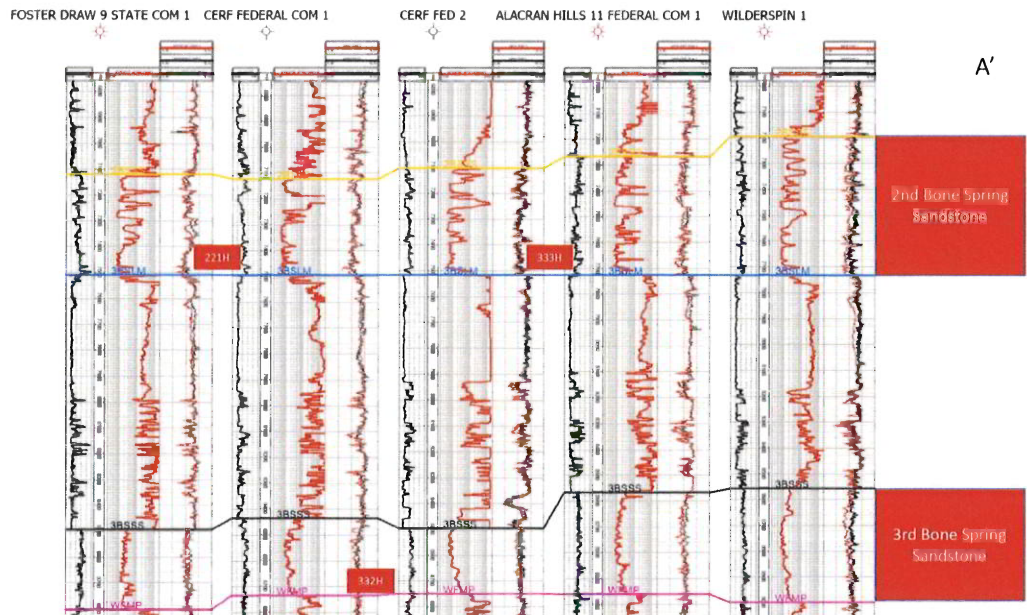


Exhibit D-3

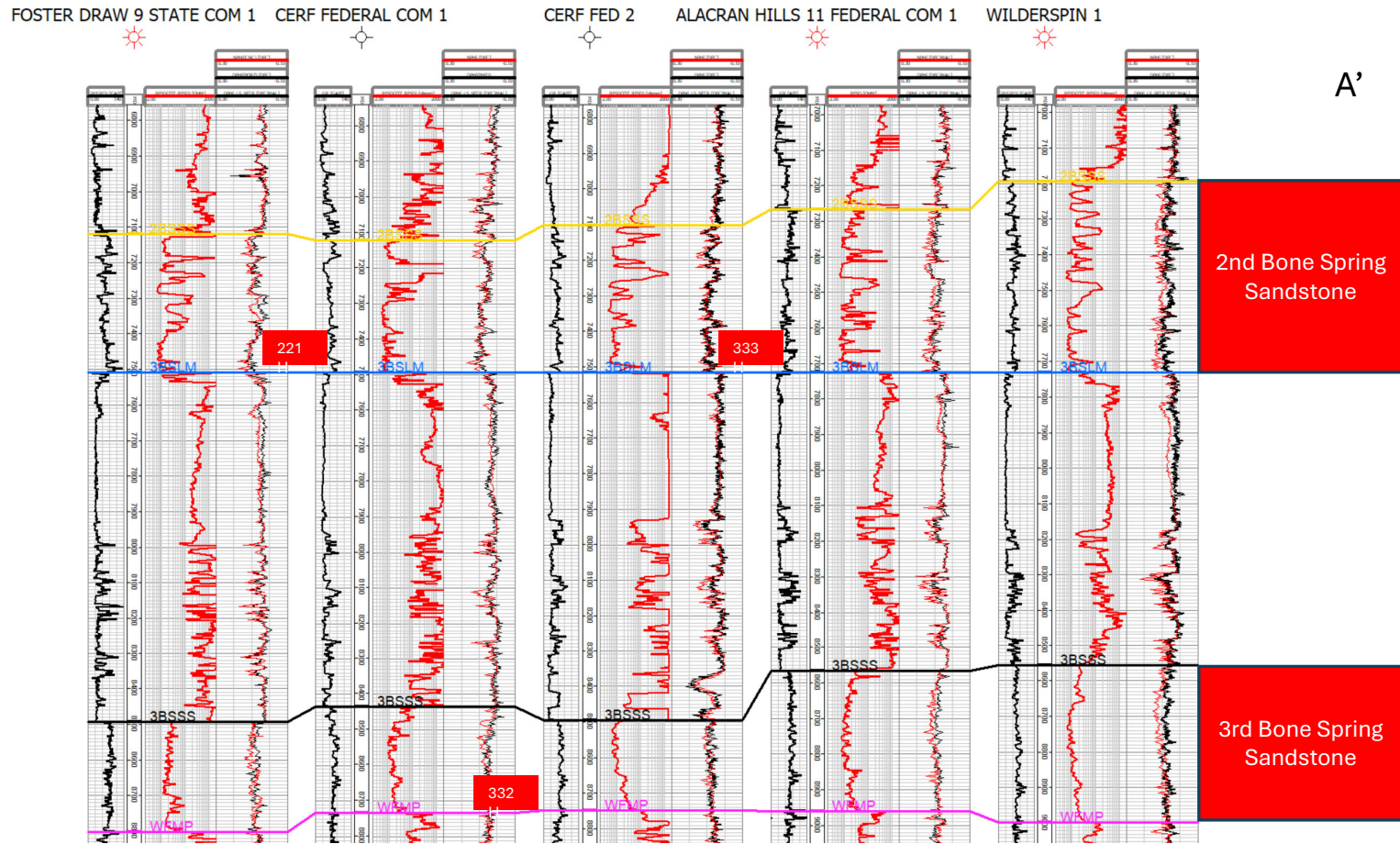


Exhibit D-3
 Cross-section
 A to A'.
 Stratigraphic
 cross-section
 hung on top of
 3rd Bone
 Spring
 Limestone.
 Target interval
 indicated by
 well numbers.

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

**APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P.
FOR APPROVAL OF AN OVERLAPPING
SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 24427

**SELF-AFFIRMED STATEMENT OF
MICHAEL H. FELDEWERT**

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 this 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 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 July 16, 2024.

5. I caused a notice to be published to all parties subject to these proceedings. 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 statement 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.
Hearing Date: July 25, 2024
Case No. 24427**



Michael H. Feldewert

July 17, 2024

Date



Michael H. Feldewert
Partner
Phone (505) 988-4421
mfeldewert@hollandhart.com

April 26, 2024

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS AND
AFFECTED BY THE OVERLAPPING SPACING UNIT**

**Re: Application of Devon Energy Production Company, L.P. for Approval of an
Overlapping Spacing Unit and Compulsory Pooling,
Eddy County, New Mexico: Bent Tree 221H, 332H & 333H**

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 May 16, 2024, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the 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 David Broussard at (405) 228-8788 or at david.broussard@dvn.com.

Sincerely,

Michael H. Feldewert
**ATTORNEY FOR DEVON ENERGY PRODUCTION
COMPANY, L.P.**

Location
110 North Guadalupe, Suite 1
Santa Fe, NM 87501-1849

Mailing Address
P.O. Box 2208
Santa Fe, NM 87504-2208

Contact
p: 505.988.4421 | f: 505.983.6043
www.hollandhart.com

Holland & Hart LLP Anchorage Aspen Billings Boise Boulder Cheyenne Denver Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C.

Devon - Bent Tree 221H, 332H and 333H wells - Case no. 24427
Postal Delivery Report

9414811898765403320841	Asher Land & Minerals LLC	4071 Buena Vista St	Dallas	TX	75204-7803	Your item was delivered to an individual at the address at 12:38 pm on May 6, 2024 in DALLAS, TX 75204.
9414811898765403320834	Bernard Lee House, Jr.	PO Box 51707	Midland	TX	79710-1707	Your item was picked up at a postal facility at 1:00 pm on May 8, 2024 in MIDLAND, TX 79705.
9414811898765403320872	Carrie Elizabeth Mcvay, Trustee Of The Carrie McVay Trust Dated March 2, 2018	3225 Willard St	San Diego	CA	92122-2920	Your item was picked up at a postal facility at 3:47 pm on May 7, 2024 in SAN DIEGO, CA 92122.
9414811898765403320759	Casa Grande Royalty Co Inc.	PO Box 818	Kemah	TX	77565-0818	Your item was picked up at the post office at 9:34 am on May 14, 2024 in KEMAH, TX 77565.
9414811898765403320766	Donald R. Creamer	PO Box 10014	Midland	TX	79702-7014	Your item was delivered to an individual at the address at 1:17 pm on May 11, 2024 in SAN ANTONIO, TX 78258.
9414811898765403320704	Elk Range Royalties II LP	2110 Farrington St	Dallas	TX	75207-6502	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

Devon - Bent Tree 221H, 332H and 333H wells - Case no. 24427
Postal Delivery Report

9414811898765403320797	J. Travis Reeves	1804 Cheyenne Dr	Richardson	TX	75080-2904	Your item was picked up at the post office at 10:41 am on May 6, 2024 in RICHARDSON, TX 75080.
9414811898765403320742	John W. Gates LLC	706 W Grand Ave	Artesia	NM	88210-1935	Your item was delivered to an individual at the address at 1:04 pm on May 3, 2024 in ARTESIA, NM 88210.
9414811898765403320735	Norbert M. Mccaw	202 Crossbow Rd	Artesia	NM	88210-9506	Your item was delivered to an individual at the address at 2:32 pm on May 4, 2024 in ARTESIA, NM 88210.
9414811898765403320919	Roberta Mccaw	202 Crossbow Rd	Artesia	NM	88210-9506	Your item was delivered to an individual at the address at 11:45 am on May 11, 2024 in EAST GREENVILLE, PA 18041.
9414811898765403320957	Sabinal Energy Operating LLC	1780 Hughes Landing Blvd Ste 1200	The Woodlands	TX	77380-4024	Your item was delivered to an individual at the address at 12:20 pm on May 6, 2024 in SPRING, TX 77380.

Devon - Bent Tree 221H, 332H and 333H wells - Case no. 24427
 Postal Delivery Report

9414811898765403320964	Southwest Royalties Inc.	PO Box 53570	Midland	TX	79710-3570	Your item was picked up at a postal facility at 10:09 am on May 8, 2024 in MIDLAND, TX 79705.
9414811898765403320926	Tumbler Energy Partners LLC	PO Box 50938	Midland	TX	79710-0938	Your item was picked up at a postal facility at 12:04 pm on May 9, 2024 in MIDLAND, TX 79705.
9414811898765403320902	Veritas Permian Resources LLC	PO Box 10850	Fort Worth	TX	76114-0850	Your item was picked up at the post office at 11:20 am on May 7, 2024 in FORT WORTH, TX 76114.
9414811898765403320940	Wilderpan LLC	PO Box 50088	Midland	TX	79710-0088	Your item was picked up at a postal facility at 12:40 pm on May 8, 2024 in MIDLAND, TX 79705.
9414811898765403320933	Winnie Helen Hayes	107 Jade Cir	Knightdale	NC	27545-7252	Your item was picked up at the post office at 10:05 am on May 4, 2024 in KNIGHTDALE, NC 27545.



PO Box 631667 Cincinnati, OH 45263-1667

AFFIDAVIT OF PUBLICATION

Joe Stark
Holland And Hart
110 N Guadalupe ST # 1
Santa Fe NM 87501-1849

STATE OF WISCONSIN, COUNTY OF BROWN

The Carlsbad Current Argus, a newspaper published in the city of Carlsbad, Eddy County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

05/02/2024

and that the fees charged are legal.
Sworn to and subscribed before on 05/02/2024

Legal Clerk

Notary, State of WI, County of Brown

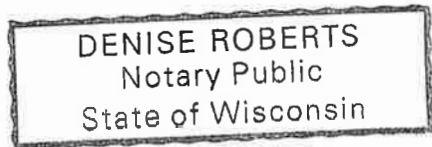
6-6-27

My commission expires

Publication Cost:	\$338.40	
Order No:	10110168	# of Copies:
Customer No:	1360634	1
PO #:	Case No. 24427	

THIS IS NOT AN INVOICE!

Please do not use this form for payment remittance.



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. F
 Submitted by: Devon Energy Production Co. L.P.
 Hearing Date: July 25, 2024
 Case No. 24427
 Page 1 of 2

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 in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform (sign-in information below) on Thursday, May 16, 2024, beginning at 8:15 a.m. To participate in the hearings, see the instructions posted below. The docket may be viewed at <https://www.emnrd.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/Imaging/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 May 7, 2024.

Persons may view and participate in the hearings through the following link:
<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m32aaf77e9d082c47d69dd41d9276ffa>

Webinar number: 2486 275 6900

Join by video system:
Dial 24862756900@nmemnrd.webex.com
You can also dial 173.243.2.68 and enter your webinar number.

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

Access code: 2486 275 6900
Panelist password: PxJVpFrv278 (79587378 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: Asher Land & Minerals LLC; Bernard Lee House, Jr., his heirs and devisees; Carrie Elizabeth Mcvay, Trustee Of The Carrie Mcvay Trust Dated March 2, 2018; Casa Grande Royalty Co Inc.; Donald R. Creamer, his heirs and devisees; Elk Range Royalties II LP; J. Travis Reeves, his heirs and devisees; John W. Gates LLC; Norbert M. McCaw, his heirs and devisees; Roberta McCaw, her heirs and devisees; Sabinal Energy Operating LLC; Southwest Royalties Inc.; Tumbler Energy Partners LLC; Veritas Permian Resources LLC; Wilderpan LLC, and Winnie Helen Hayes, her heirs and devisees.

Case No. 24427: Application of Devon Energy Production Company, L.P. for Approval of an Overlapping Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a 640-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the NE4 of Section 9, the N2 of Section 10, and the NW4 of Section 11, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- Bent Tree 9-11 Fed Com 221H, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the NW4NE4 (Unit B) of Section 9 and a last take point in NE4NW4 (Unit C) of Section 11; and
- Bent Tree 9-11 Fed Com 332H, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the SE4NE4 (Unit G) of Section 9 and a last take point in SE4NW4 (Unit F) of Section 11; and
- Bent Tree 9-11 Fed Com 333H, to be horizontally drilled from a surface location in the SE4NW4 (Unit F) of Section 9, with a first take point in the SE4NE4 (Unit G) of Section 9 and a last take point in SE4NW4 (Unit F) of Section 11

The completed interval of the Bent Tree 9-11 Fed Com 332H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in the proposed spacing unit. This proposed spacing unit will overlap the following existing spacing units in the Bone Spring formation:

- A 160-acre spacing unit comprised of the N2N2 of Section 10 dedicated to the Cerf 10 Federal 3H (30-015-41058) operated by Devon and assigned to the Avalon; Bone Spring, East Pool (3713); and
- A 160-acre spacing unit comprised of the S2N2 of Section 10 dedicated to the Cerf 10 Federal 4H (30-015-41059) operated by Devon and assigned to the Avalon; Bone Spring, East Pool (3713).

Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located approximately 5 miles northeast of Carlsbad, New Mexico.