

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

**NM OIL CONSERVATION**  
State of New Mexico  
Energy, Minerals and Natural Resources  
AUG 14 2017  
OIL CONSERVATION DIVISION  
RECEIVED  
South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Revised July 18, 2013

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 15H) 30-015-43043 16H) 30-015-43044
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator DEVON ENERGY PRODUCTION CO LP		6. State Oil & Gas Lease No.
3. Address of Operator PO BOX 250, ARTESIA, NM 88210		7. Lease Name or Unit Agreement Name Snapping 2 State
4. Well Location Unit Letter <u>A</u> : _____ feet from the _____ line and _____ feet from the _____ line Section <u>2</u> Township <u>26S</u> Range <u>31E</u> NMPM County <u>Eddy</u>		8. Well Numbers: 15H & 16H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3291' GL		9. OGRID Number 6137
		10. Pool name or Wildcat Jennings; Bone Spring, West

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Reclaim Location <input checked="" type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

**For Information Only.** This 2-well location pad was built 10/23/15, with no conductor. The APDs for both wells have expired and Devon does not have any immediate plans to drill on this pad; therefore, this location has been reclaimed.

Devon Energy also requests permission to leave all power poles and new lines on edge of location for future use of Devon wells. Thank you.

15H: 200 FNL & 880 FEL  
16H: 200 FNL & 830 FEL

*All equipment must be removed from locations  
please Advise when Completed*

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

FEB 02 2018

Spud Date:

Rig Release Date:

RECEIVED

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE D. Menoud TITLE ADMIN FIELD SUPPORT DATE 8/10/2017

Type or print name DENISE MENOUD E-mail address: denise.menoud@dv.com PHONE: (575)746-5544

**For State Use Only**

APPROVED BY: [Signature] TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Signature of Approval (if any):

**STATE OF NEW MEXICO  
COMMISSIONER OF PUBLIC LANDS  
GRANT OF RIGHT-OF-WAY**

Right-of-Way Easement No. R-35058  
**Xcel to Snapping 2 State 15H & 16H**

This indenture made this 25<sup>th</sup> day of January, 2016 by and between the State of New Mexico, acting by and through its Commissioner of Public Lands, "Grantor", and Devon Energy Production Company, L.P. whose address is 333 West Sheridan, Oklahoma City, Oklahoma 73102 Grantee;

**WITNESSETH:**

That Grantor, for and in consideration of the sum of \$5.25----- Five Dollars and 25 /100----- cash in hand, receipt of which is hereby acknowledged, and other good and valuable consideration, hereby conveys to Grantee a right-of-way for the sole and exclusive purpose of Three phase 22.8/13.2kv overhead electric line including the right to enter upon the real estate hereinafter described at any time that it may see fit to construct, maintain and repair the structures upon the right-of-way, together with the right to remove trees, brush, undergrowth, and other obstructions interfering with the location, construction, and maintenance of said right-of-way.

The right-of-way hereby granted covers a strip of land 30 feet in width in Eddy County (ies), as more particularly described by the attached centerline description and survey plats, which are incorporated herein as **Exhibit A.**

This grant is made upon the following express terms and conditions:

1. This right-of-way is granted for a term of 35 years The grant may be renewed for additional periods upon application to Grantor. Any such renewals are subject to such terms and conditions as the Grantor may require, and payment of compensation.
2. Grantor reserves the right to authorize or grant rights-of-way or other easements to third parties, which may be parallel to, cross over or bisect this right-of-way. In such cases, the subsequent grantee may, at the discretion of the Grantor, be required to post a bond guaranteeing payment for damages to the installations and improvements of Grantee herein. In crossing any right-of-way for a highway, road, telephone, telegraph, transmission line, etc. Grantee herein will exercise due care so as not to interfere with said rights-of-way and will comply with all applicable laws, rules, and regulations in connection with the making of such crossings
3. The right to grant additional rights-of-way or easements within this right-of-way belongs exclusively to Grantor. Grantor hereby agrees, however, that in the event Grantor elects to exercise such right and if Grantee herein is the New Mexico State Highway and Transportation Department, Grantor will secure in writing the agreement of subsequent right-of-way grantee that no facilities will be constructed or installed within the right-of-way subsequently granted without first obtaining from the Department a permit prescribing the conditions under which facilities may be placed within such right-of-way in accordance with the Department's applicable rules and regulations.

GRANTEE EXPRESSLY AGREES THAT PRIOR TO THE CONSTRUCTION OR INSTALLATION OF ANY FACILITIES WITHIN THE RIGHT-OF-WAY GRANTED HEREIN, GRANTEE WILL DETERMINE WHETHER THE RIGHT-OF-WAY IS WITHIN A PREVIOUSLY ESTABLISHED NEW MEXICO STATE HIGHWAY AND TRANSPORTATION DEPARTMENT RIGHT-OF-WAY, AND IF IT IS, GRANTEE WILL OBTAIN FROM THE NEW MEXICO STATE HIGHWAY AND TRANSPORTATION DEPARTMENT A PERMIT THAT PRESCRIBES THE CONDITIONS UNDER WHICH FACILITIES MAY BE PLACED

WITHIN THE RIGHT-OF-WAY IN ACCORDANCE WITH THE DEPARTMENT'S APPLICABLE RULES AND REGULATIONS. GRANTEE FURTHER UNDERSTANDS AND AGREES THAT THE FAILURE TO OBTAIN SUCH PERMIT SHALL RESULT IN THE FORCIBLE REMOVAL BY THE DEPARTMENT OF ANY FACILITIES THAT MAY BE CONSTRUCTED OR INSTALLED WITHIN THE RIGHT-OF-WAY.'

4. In clearing the right-of-way, Grantee agrees to dispose of brush and other debris so as not to interfere with the movement of livestock of state agriculture lessees.
5. All pipelines placed on said lands by virtue of this grant shall be buried not less than twenty inches (20") deep. An exception to this requirement may be granted on other than agricultural lands when hard rock is encountered which would require blasting, or when a temporary pipeline is necessary and will not unduly hamper other surface uses. Deviation of the twenty-inch depth must be shown on the plat accompanying the application for right-of-way or by the filing of an amended plat upon completion of construction.
6. Grantee hereby agrees to carefully avoid destruction or injury to any improvements or livestock lawfully upon the premises described herein, to close all gates immediately upon passing through same, and to pay promptly the reasonable and just damages for any injury or destruction arising from construction or maintenance of this right-of way.
7. Grantee shall not assign this right-of-way without the prior written approval of Grantor. Such approval may be conditioned upon the agreement by Grantee's assignee to additional conditions and covenants and may require payment of additional compensation to Grantor. This right-of-way is for the sole purpose stated and no other. Grantee agrees not to sell or otherwise grant to any person or entity any interest therein or the right to use any portion thereof.
8. The rights granted herein are subject to valid existing rights.
9. Grantor reserves the right to execute leases for oil and gas, coal, and minerals of whatsoever kind and for geothermal resources development and operation, the right to sell or dispose of same and the right to grant rights-of-way and easements related to such leasing.
10. In all matters affecting the premises described herein or operations thereon, Grantee, its employees, agents and contractors shall, at their own expense, fully comply with all laws, regulations, rules, ordinances, and requirements of any governmental authority or agency, which may be enacted or promulgated, including, but not limited to, requirements or enactments pertaining to conservation, sanitation, aesthetics, pollution, cultural properties, fire, or ecology, including those provisions of the New Mexico Cultural Properties Act, §§18-6-1 through 17, NMSA 1978, that attach criminal penalties to the appropriation, excavation, injury or destruction of any site or object of historical, archaeological, architectural, or scientific value located on state lands. In addition, Grantee, its employees, agents and contractors must comply with the provisions of the Pipeline Safety Act, §§ 70-3-11 through 20, NMSA 1978, and rules enacted pursuant to the Act, and agree to provide the Public Regulation Commission access to records of compliance.

82:11 NW 02 NW 9102

Right-of-Way Easement No. R-35058

11. Non-use of the right-of-way granted herein for any period in excess of one (1) year following the initial construction of improvements, without the prior written consent of Grantor shall be conclusive proof of abandonment of the right-of-way, and non-use for shorter periods shall place upon grantee the burden of providing that there was no intent to abandon.
12. Grantee, if other than a governmental entity that is provided immunity from suit by the New Mexico Tort Claims Act, agrees to save and hold harmless, defend and indemnify the State of New Mexico, the Commissioner of Public Lands, and his agents or employees, in their official and individual capacities, of and from any and all liability, claims, losses, or damages arising out of or alleged to arise out of or indirectly connected with the operations of Grantee, its employees, agents, or contractors hereunder.
13. Not with standing anything contained herein, Grantor may cancel this grant for violation of any of the covenants of this agreement; provided, however, that before any such cancellation shall become effective, Grantor shall mail to grantee or any approved assignee, by certified mail addressed to the post office address of Grantee or such assignee shown by Land Office records, a thirty (30) day notice of intention to cancel, specifying the default for which the grant is subject to cancellation. No proof of receipt of notice shall be necessary and thirty (30) days after such mailing, Grantor may enter cancellation unless Grantee shall have sooner remedied the default to the satisfaction of Grantor.
14. Grantee agrees to preserve and protect the natural environmental conditions of the land encompassed in this grant, and to take those reclamation or corrective actions that are accepted soil and water conservation practices and that are deemed necessary by Grantor to protect the land from pollution, erosion, or other environmental degradation.
15. Grantee agrees to reclaim by grading, leveling, or terracing all areas disturbed by the construction or maintenance of the right-of-way or operations thereon and to landscape such areas at its own cost and expense. Landscaping shall include the planting of native grasses, shrubs, or other vegetation so as to return disturbed areas to their natural state and prevent water and wind erosion.
16. This grant shall become effective upon its execution by Grantor.

**Stipulations:**

- **Temporary Construction Space is granted up to 20' during initial construction and maintenance. Exclude remediation phase. Temporary Work Space not to exceed 180 days.**

82 :11 W 02 JAN 20

(4)

Right-of-Way Easement No. R-35058

GRANTEE: Devon Energy Production Company, L.P.

By: Tracy Carter  
Tracy Carter  
Agent and Attorney-in-Fact

ACKNOWLEDGMENT

STATE OF OKLAHOMA )  
 ) ss.  
COUNTY OF OKLAHOMA )

The foregoing instrument was acknowledged before me this 15 day of January, 20 16,  
by Tracy Carter, Attorney-in-Fact, of Devon Energy Production Company, L.P., a  
Oklahoma limited partnership ~~corporation~~, on behalf of said ~~corporation~~  
limited partnership.

My Commission Expires:

9/17/19



Lesly Heckenlively  
NOTARY PUBLIC

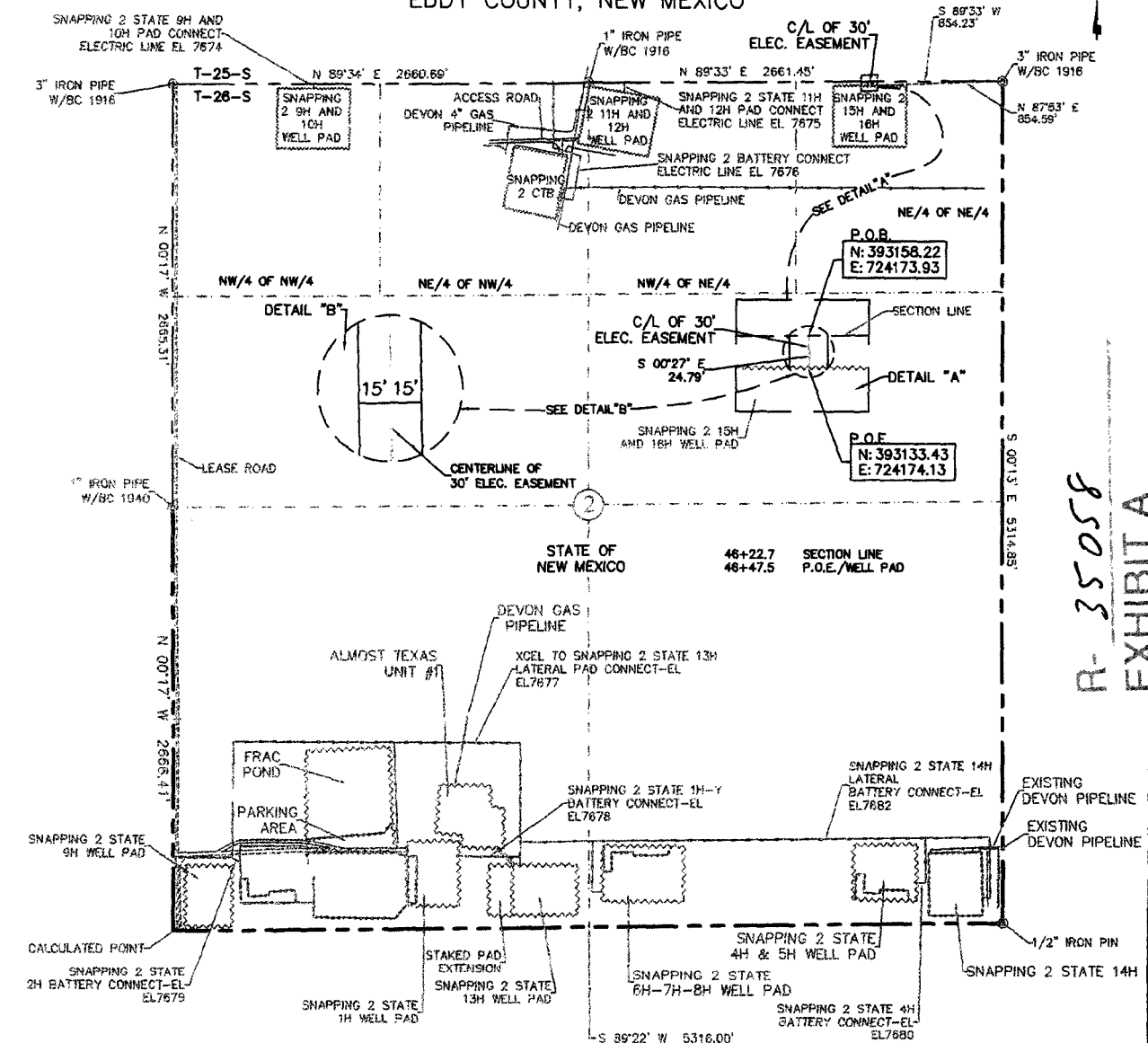


STATE OF NEW MEXICO

BY: Aubrey Dunn  
Aubrey Dunn  
Commissioner of Public Lands

DATE: 1-25-16

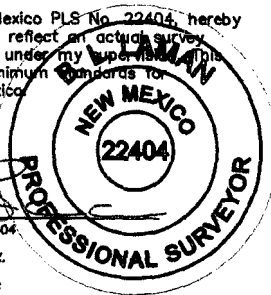
EXHIBIT "A"  
PAGE 1 of 2  
ELECTRIC LINE PLAT  
SECTION 2, T26S-R31E, N.M.P.M.  
EDDY COUNTY, NEW MEXICO



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

QUARTER/QUARTER	30' EASEMENT AREA	FEET	RODS
NE 1/4 OF NE 1/4	0.02 ACRES	24.79	1.50

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



B.L. Laman PLS #22404  
Date Signed: 10-29-2015  
571 State Street, Jasper, TX  
(409) 202-5111 75951  
Employee of Horizonrow, LLC

HORIZON ROW LLC

Drawn for:

devon

Drawn by:  
CHRIS MAAS

Date: 10/22/2015

DEVON ENERGY PRODUCTION COMPANY, L.P.  
XCEL TO SNAPPING 2 STATE 15H  
AND 16H LATERAL PAD CONNECT  
ELECTRIC LINE  
PROPOSED 30' EASEMENT  
ON THE PROPERTY OF  
STATE OF NEW MEXICO  
SECTION 2, T26S-R31E, N.M.P.M.

LINE NUMBER:  
EL7673  
WBS NUMBER:  
CC-112971.AL  
SCALE:  
1" = 1000'  
REVISIONS:  
SHEET:  
1 OF 2

0 1000 2000

R-35058  
EXHIBIT A  
1 OF 2

SECTION 2, T26S-R31E, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO

ELECTRIC LINE PLAT

LEGAL DESCRIPTION

FOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

STATE OF NEW MEXICO

**30' EASEMENT DESCRIPTION:**

BEING an easement thirty (30) feet in width lying fifteen (15) feet on the right side and fifteen (15) feet on the left side of the survey centerline described below, being out of the northeast quarter (NE ¼) of the northeast quarter (NE ¼) of Section 2, Township 26 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, and being out of a parcel of land owned by the State of New Mexico. Said centerline of easement being more particularly described as follows:

Commencing from a 3" iron pipe w/ BC 1916 for the northeast corner of Section 2, T26S-R31E, N.M.P.M., Eddy County, New Mexico;

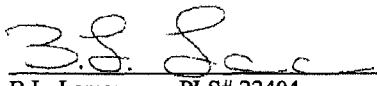
Thence S 89°33' W a distance of 854.23' to the **Point of Beginning** of this easement having coordinates of Northing=393158.22, Easting=724173.93 feet and continuing the following course;

Thence S 00°27' E a distance of 24.79' to the **Point of Ending** having coordinates of Northing=393133.43 Easting=724174.13 feet in the northeast quarter (NE ¼) of the northeast quarter (NE ¼) of Section 2, T26S-R31E, N.M.P.M., Eddy County, New Mexico, from said point a 3" iron pipe w/BC 1916 for the northeast corner of Section 2, T26S-R31E bears N 87°53' E a distance of 854.59', covering 24.79' or 1.50 rods and having an area of 0.02 acres.

**NOTES:**

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

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

  
B.L. Laman PLS# 22404  
Date Signed: 10/29/2015  
Horizon Row, LLC  
571 State Street Jasper, TX  
(409) 202-5111 75951  
Employee of Horizon Row, LLC



2016 JAN 20 AM 11:28

2015 DEC 15 PM 12:29

R-35058  
EXHIBIT A  
2 OF 2