

**BEFORE THE OIL CONSERVATION COMMISSION  
EXAMINER HEARING NOVEMBER 14, 2019**

**CASE No. 20872**

*TALCO 16-21 STATE FED COM 1H WELL  
TALCO 16-21 STATE FED COM 2H WELL*

**LEA COUNTY, 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 COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No. 20872**

**AFFIDAVIT OF JOE HAMMOND, LANDMAN**

Joe Hammond, being of lawful age and duly sworn, states the following:

1. My name is Joe Hammond, and I am employed by Devon Energy Production Company, L.P. ("Devon") as a landman.
2. I am familiar with the application filed by Devon in this matter and the lands involved. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters, and my credentials have been accepted by the Division and made a matter of record.
3. None of the mineral owners to be pooled have expressed opposition to these proceedings, so I do not expect any opposition at the hearing.
4. Devon is seeking an order pooling all uncommitted interests in the Wolfcamp Formation underlying a 640.00 standard horizontal spacing unit comprised of the W/2 of Section 16 and the W/2 of Section 21, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This standard spacing unit will be initially dedicated to the proposed **Talco 16-21 State Fed Com 1H Well** and the **Talco 16-21 State Fed Com 2H Well**, both of which will be drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 16 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 21.

5. **Exhibits A-1 and A-2** contain the C-102s for the proposed wells. Pursuant to the instructions from the Division's District Office, two C-102s are required for each well to dedicate the acreage to two separate Wolfcamp Pools: The WC-025 G-09 S263504N; Wolfcamp (Pool Code 98117) covering Section 16 and the Jabalina; Wolfcamp, Southwest (Pool Code 96776) covering Section 21.

6. The completed interval for the Talco 16-21 State Fed Com 2H Well will be within 330' of the E/2 W/2 of Sections 16 and 21 to allow inclusion of these proximity tracts in a standard 640-acre horizontal well spacing unit.

7. **Exhibit A-3** identifies the tracts of land comprising the proposed spacing unit, the working interests in each tract and their interest in the horizontal spacing unit. Devon has identified on this exhibit the working interest owners that remain to be pooled. Devon is also seeking to pool a group of overriding royalty interest owners identified on the last page of Exhibit A-3.

8. There are no ownership depth severances in the Wolfcamp formation underlying the subject acreage.

9. **Exhibits A-4 and A-5** contain a sample of the well proposal letters and AFE's sent to the working interest owners for the proposed wells. In addition to sending letters, these parties have been contacted multiple times regarding the proposed wells but have yet to voluntarily commit their interests to the proposed spacing unit. Devon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

10. The estimated cost reflected on each AFE are consistent with what Devon and other operators have incurred for drilling similar horizontal wells in the subject formation in this area.

11. Devon requests overhead and administrative rates of \$8,000 per month for drilling and \$800 per month for a producing well. These rates are consistent with the rates charged by Devon and other operators for wells of this type in this area of southeastern New Mexico.

12. I have provided the law firm of Holland and Hart, LLP, with the names and addresses of the mineral owners that Devon seeks to pool. In compiling these addresses, I conducted a diligent search of the public records in Lea County, New Mexico, where the wells are located, phone directories and conducted computer searches to locate contact information for these parties.

13. Exhibits A-1 through A-5 were prepared by me or compiled under my direction from Devon's company business records.

FURTHER AFFIANT SAYETH NAUGHT

  
Joe Hammond

STATE OF OKLAHOMA     )  
  )  
COUNTY OF OKLAHOMA    )

SUBSCRIBED and SWORN to before me this 12<sup>th</sup> day of November 2019 by Joe Hammond.

  
NOTARY PUBLIC

My Commission Expires:

6.22.23



DISTRICT I  
1825 N. FRENCH DR., BOHRS, NM 86840  
Phone: (505) 908-6161 Fax: (505) 908-0780

DISTRICT II  
611 S. FIRST ST., ARTESIA, NM 86210  
Phone: (505) 748-1803 Fax: (505) 748-9780

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) 476-3468

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 98117	Pool Name WC-025 G-09 S263504N;WOLFCAMP
Property Code	Property Name TALCO 16-21 STATE FED COM	Well Number 001H
GRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3201.4'

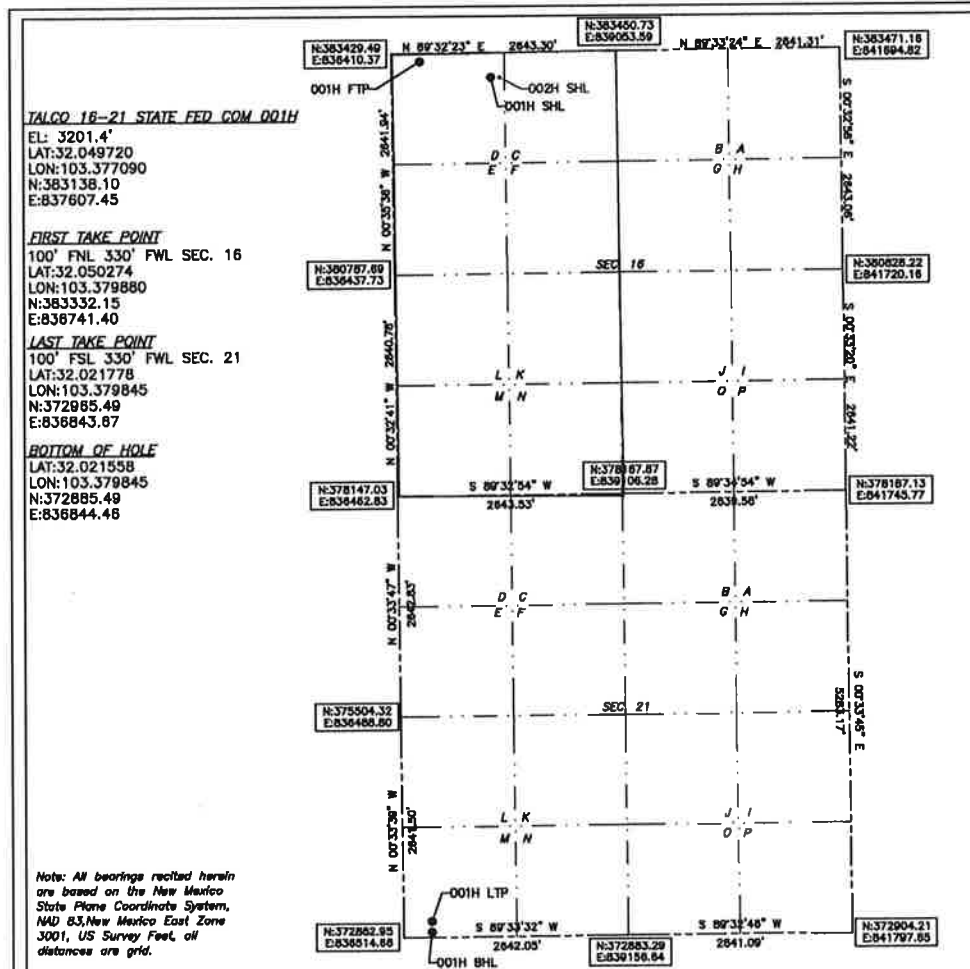
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	26-S	35-E		301	NORTH	1194	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	21	26-S	35-E		20	SOUTH	330	WEST	LEA
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

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



**OPERATOR CERTIFICATION**

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

Rebecca Deal 11/5/2019  
Signature Date  
Rebecca Deal, Regulatory Analyst  
Printed Name  
rebecca.deal@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.

06/2019

Date of Survey

Signature & Seal of Professional Surveyor



06/19/19

Certificate No. 22404 B.L. LAMAN

DRAWN BY: CM

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A1

Submitted by: Devon Energy Production

Hearing Date: November 14, 2019

Case No 20872

DISTRICT I  
1825 N. FRANCH DR., HOBBBS, NM 88240  
Phone: (505) 905-8101 Fax: (505) 905-0720

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1803 Fax: (505) 748-9780

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3482

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

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Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code 96776	Pool Name JABALINA;WOLFCAMP, SOUTHWEST
Property Code	Property Name TALCO 16-21 STATE FED COM	Well Number 001H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3201.4'

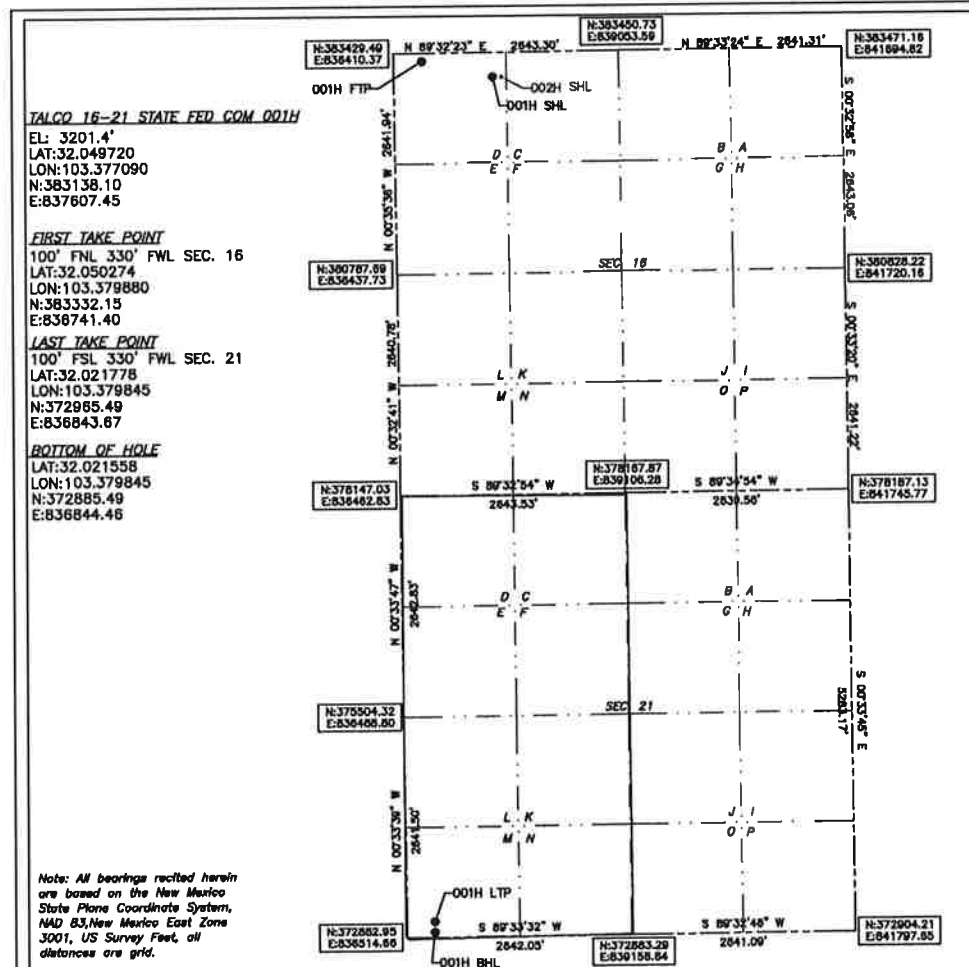
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	26-S	35-E		301	NORTH	1194	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	21	26-S	35-E		20	SOUTH	330	WEST	LEA
Dedicated Acres 320	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



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Signature: Rebecca Deal Date: 11/5/2019

Printed Name: Rebecca Deal, Regulatory Analyst

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

**SURVEYOR CERTIFICATION**

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

Date of Survey: 06/2019

Signature & Seal of Professional Surveyor



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

DISTRICT I  
1825 N. FRENCH DR., HOBBES, NM 86240  
Phone: (505) 998-8181 Fax: (505) 998-9780

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1899 Fax: (505) 748-9780

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-8176 Fax: (505) 334-8170

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Property Code	Property Name TALCO 16-21 STATE FED COM	Well Number 002H
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	Elevation 3201.6'

**Surface Location**

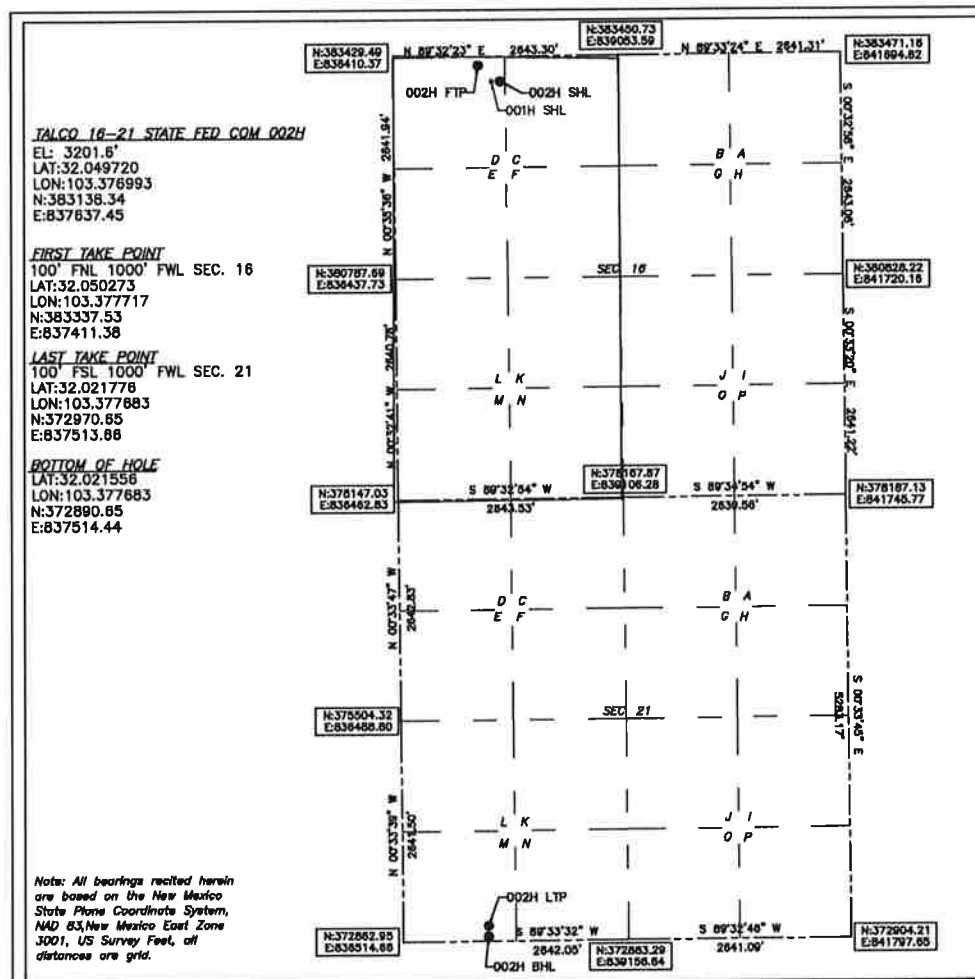
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	26-S	35-E		301	NORTH	1224	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	21	26-S	35-E		20	SOUTH	1000	WEST	LEA

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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Signature: Rebecca Deal Date: 11/5/2019

Printed Name: Rebecca Deal, Regulatory Analyst

E-mail Address: rebecca.deal@dm.com

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Date of Survey: 06/2019

Signature & Seal of Professional Surveyor



Certificate No. 22404 B.L. LAMAN

DRAWN BY: CM

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A2

Submitted by: Devon Energy Production

Hearing Date: November 14, 2019

Case No 20872

DISTRICT I  
1625 N. YENICH DR., HOBBES, NM 85240  
Phone: (505) 808-6181 Fax: (505) 808-0720

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1888 Fax: (505) 748-9780

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Phone: (505) 334-6176 Fax: (505) 334-6170

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Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
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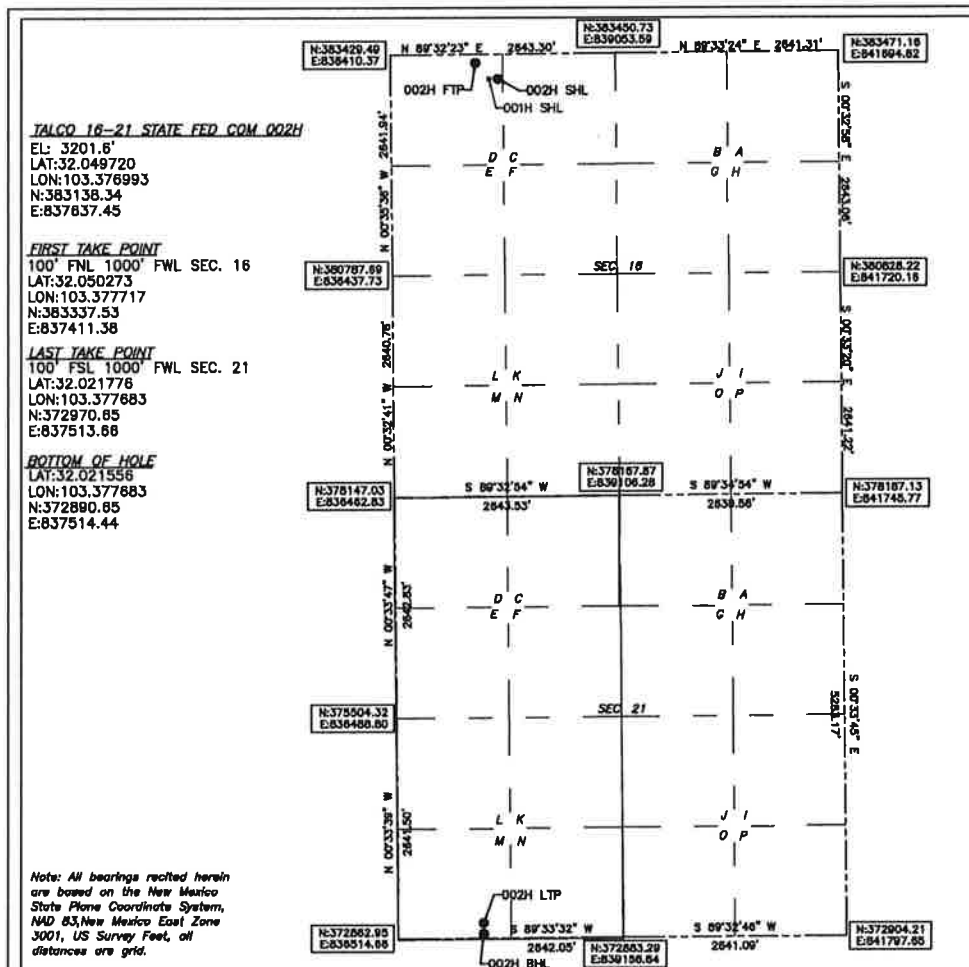
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UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	21	26-S	35-E		20	SOUTH	1000	WEST	LEA
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

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*Rebecca Deal* 11/5/2019  
Signature Date

Rebecca Deal, Regulatory Analyst  
Printed Name

rebecca.deal@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.

06/2019

Date of Survey

Signature & Seal of Professional Surveyor



10/19/19

Certificate No. 22404 B.L. LAMAN

DRAWN BY: CM



## Exhibit "A"

### Land Plat

W/2 of Section 16 and W/2 of Section 21-T26S-R35E  
Lea County, New Mexico  
Wolfcamp Formation

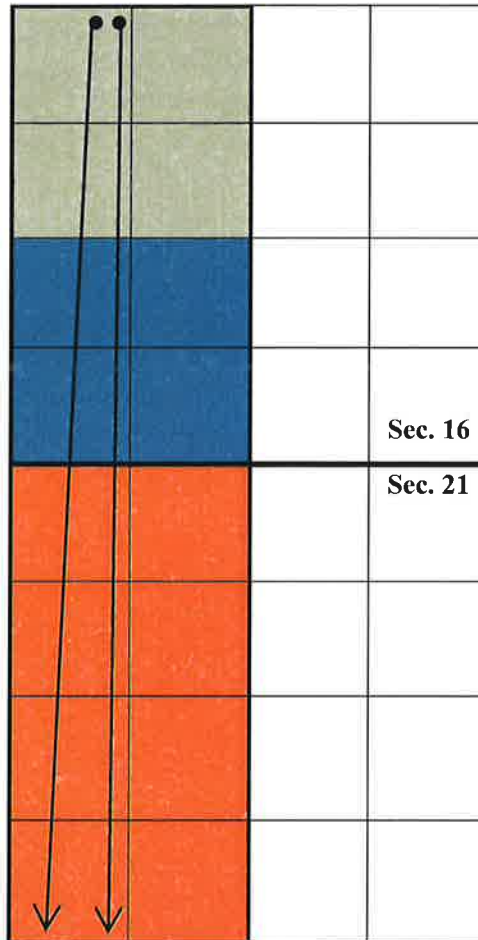
**Tract 1:**  
St of NM VB 2562  
(160 acres)



**Tract 2:**  
St of NM VB 2573  
(160 acres)



**Tract 3:**  
USA NM 0448921A  
(320 acres)



**Talco 16-21 State Fed Com 1H**  
SHL: 301' FNL & 1,194' FWL  
BHL: 20' FSL & 330' FWL

**Talco 16-21 State Fed Com 2H**  
SHL: 301' FNL & 1,224' FWL  
BHL: 20' FSL & 1,000' FWL

## EXHIBIT "B"

### OWNERSHIP BREAKDOWN

W/2 of Sections 16 and 21, Township 26 South, Range 35 East of Lea County, NM

Talco 16-21 State Fed Com 1H Well

Talco 16-21 State Fed Com 2H Well

**TRACT 1 OWNERSHIP (NW/4 Section 16-T26S-R35E, being 160.00 acres):**

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	160.00	25%	Committed

**TRACT 2 OWNERSHIP (SW/4 Section 16-T26S-R35E, being 160.00 acres):**

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	160.00	25%	Committed

**TRACT 3 OWNERSHIP (W/2 of Section 21-T26S-R35E, being 320.00 acres):**

Owner	Net Acres	Unit WI	Status
Lilis Energy, Inc. 1800 Bering Drive Suite 510 Houston, Texas 77057 (this interest recently acquired by Tap Rock Resources, LLC)	315.72	49.33125%	Uncommitted
J.D. Enterprises c/o Mickey Dobson OGE Drilling USA, Inc. 1219 Porterfield Rd. Midland, Texas 79705	3.20	.005%	Uncommitted
Enriqueta Garrett, MSU 5710 Antares Ct. Dallas, TX 75081	.72	.001125%	Uncommitted
Pamela K. Clements, MSU 520 Shirley Ct. Richardson, TX 75081	.36	.0005625%	Uncommitted

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Tract 3 Totals	320.00	50%	Uncommitted
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	Acres	Unit Percentage	
TRACT 1 TOTAL	160.00	0.25	Committed
TRACT 2 TOTAL	160.00	0.25	Committed
TRACT 3 TOTAL	320.00	0.50	Uncommitted
<b>UNIT TOTALS</b>	<b>640.00</b>	<b>1.00</b>	

**ORRI Owners (W/2 Section 21)**

Wolfcamp Title, LLC  
P.O. Box 2423  
Roswell, NM 88202

Sophia Agusta Toraby, MSU  
1243 Hardscrabble Rd.  
Chappaqua, NY 10514

White Gold CorporationGabriel  
P.O. Box 730  
Roswell, NM 88202

Joshua Heafitz, MSU  
#1 Gracie Terrace, #19-A  
New York, NY 10028

Bruce Heafitz, a single man  
3802 NE 207th St., Apt. 2703  
Miami, FL 33180

Samara Galit Heafitz, MSU  
#1 Gracie Terrace, #19-A  
New York, NY 10028

Spinnaker Royalty Company, LP  
3738 Oak Lawn Ave., Ste. 300  
Dallas, TX 75219

Tumbler Energy Partners, LLC  
P.O. Box 50938  
Midland, TX 79710

Innerarity Family Minerals, LLC  
P.O. Box 313  
Midland, TX 79702

Jules Russell Toraby, MSU  
1243 Hardscrabble Rd.  
Chappaqua, NY 10514

Jeanette Fisher McKillop, MSU  
1144 S. Gaylord  
Denver, CO 80210

Carrie Bridget Fisher, MSU  
1144 S. Gaylord  
Denver, CO 80210

TD Minerals, LLC  
8111 Westchester Dr., Ste. 900  
Dallas, TX 75225

Brushy Resources, Inc.  
300 E. Sonterra Blvd., Ste. 1220  
San Antonio, TX 78258

President & Fellows of Harvard University  
600 Atlantis Ave.  
Boston, MA 02210



Devon Energy Production Company LP  
333 West Sheridan Avenue  
Oklahoma City, OK 73102

405 235 3611 Phone  
www.devonenergy.com

July 30, 2019

Emailed: nrudderow@lilisenergy.com

Lilis Energy, Inc.  
1800 Bering Drive  
Suite 510  
Houston, Texas 77057

RE: Well Proposal: Talco 16-21 State Fed Com 1H  
T26S-R35E  
Section 16: W/2, Section 21: W/2  
Lea County, New Mexico

Dear Mr. Rudderow,

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the Talco 16-21 State Fed Com 1H as a horizontal well to an approximate TVD of 12,590' and approximate TMD of 22,590' into the Wolfcamp formation at a SHL 301' FNL and 1,194' FWL Section 16-26S-35E and BHL 20' FSL and 330' FWL Section 21-26S-35E, Lea County, New Mexico. Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,427,582.65 and total completed well costs of \$12,430,402.57 (includes CTB and flowline costs).

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

Devon will drill the Well under the terms of the modified 2015 AAPL form of Operating Agreement ("JOA"), which will be provided upon request. The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- Contract Area of W/2W/2 of Sections 16 and 21-T26S-R35E
- 100/300% Non-Consenting Penalty
- \$8000/\$800 Drilling and Production Rate

Please indicate your election to participate in the drilling and completion of the Well in the space provided below, within 30 days of receipt, by signing and returning one (1) copy of this letter and AFE, along with your well data requirements sheet. A Communitization Agreement for said well will be supplied for your review and execution at a later date.

If your election is to participate, a cash call invoice will be sent following receipt of a timely election.

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


BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A4  
Submitted by: Devon Energy Production  
Hearing Date: November 14, 2019  
Case No 20872

Lilis Energy, Inc.  
Talco 16-21 State Fed Com 1H  
AFE: XX-133886  
July 30, 2019  
Page Two

If you have any questions concerning this proposal, please do not hesitate to contact me at (405) 552-8070 or email me at Taylor.Ford@dvn.com.

Best regards,

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



Taylor Ford  
Landman

Lilis Energy, Inc. hereby elects:

\_\_\_\_\_ **To Participate** in the drilling and completion of the referenced Well.

\_\_\_\_\_ **Not To Participate** in the drilling and completion of the referenced Well.

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Lilis Energy, Inc.

By: \_\_\_\_\_



## Authorization for Expenditure

AFF # XX-133886.01

Well Name: Talco 16-21 State Fed Com 1H

Cost Center Number: 1094074901

Legal Description: Section 16-26S-35E

AFF Date:

7/30/2019

State:

NM

County/Parish:

Lea

Revision: ☐

### Explanation and Justification:

Drill and complete the Talco 16-21 State Fed Com 1H.

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	354,904.87	0.00	354,904.87
6060100	DYED LIQUID FUELS	135,959.58	542,833.47	0.00	678,793.05
6060130	GASEOUS FUELS	62,467.92	0.00	0.00	62,467.92
6080100	DISPOSAL - SOLIDS	102,390.24	2,100.00	0.00	104,490.24
6080110	DISP-SALTWATER & OTH	0.00	223,000.00	0.00	223,000.00
6090100	FLUIDS - WATER	60,900.00	164,897.15	0.00	225,797.15
6090120	RECYC TREAT&PROC-H2O	0.00	473,788.98	0.00	473,788.98
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PREP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	6,430.52	0.00	0.00	6,430.52
6130360	RTOC - ENGINEERING	0.00	10,500.00	0.00	10,500.00
6130370	RTOC - GEOSTEERING	28,404.00	0.00	0.00	28,404.00
6150100	CH LOG PERFRTG&WL SV	0.00	461,317.50	0.00	461,317.50
6160100	MATERIALS & SUPPLIES	734.92	0.00	0.00	734.92
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	631,591.63	0.00	631,591.63
6190100	TRCKG&HL-SOLID&FLUID	55,118.75	0.00	0.00	55,118.75
6190110	TRUCKING&HAUL OF EQP	54,000.00	18,750.00	0.00	72,750.00
6200130	CONSLT & PROJECT SVC	176,380.00	147,587.80	0.00	323,967.80
6230120	SAFETY SERVICES	60,630.63	0.00	0.00	60,630.63
6300270	SOLIDS CONTROL SRVCS	117,586.67	0.00	0.00	117,586.67
6310120	STIMULATION SERVICES	0.00	1,677,554.55	0.00	1,677,554.55
6310190	PROPPANT PURCHASE	0.00	918,097.80	0.00	918,097.80
6310200	CASING & TUBULAR SVC	67,600.00	0.00	0.00	67,600.00
6310250	CEMENTING SERVICES	255,000.00	0.00	0.00	255,000.00
6310280	DAYWORK COSTS	750,000.00	0.00	0.00	750,000.00
6310300	DIRECTIONAL SERVICES	355,887.50	0.00	0.00	355,887.50
6310310	DRILL BITS	135,200.00	0.00	0.00	135,200.00
6310330	DRILL&COMP FLUID&SVC	395,920.00	6,600.00	0.00	402,520.00
6310370	MOB & DEMOBILIZATION	22,000.00	0.00	0.00	22,000.00
6310380	OPEN HOLE EVALUATION	24,129.31	0.00	0.00	24,129.31
6310480	TESTNG-WELL, PL & OTH	0.00	270,050.72	0.00	270,050.72
6310600	MISC PUMPING SERVICE	0.00	136,119.57	0.00	136,119.57
6320100	EQPMNT SVC-SRF RNTL	150,000.00	486,050.82	0.00	636,050.82
6320110	EQUIP SVC - DOWNHOLE	80,000.00	0.00	0.00	80,000.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	235,684.07	0.00	235,684.07
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6520100	LEGAL FEES	20,000.00	0.00	0.00	20,000.00
6550100	MISCS COSTS & SVCS	0.00	11,325.00	0.00	11,325.00
6550110	MISCELLANEOUS SVC	125,900.00	0.00	0.00	125,900.00

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.



AFE # XX-133886.01

Well Name: Talco 16-21 State Fed Com 1H

Cost Center Number: 1094074901

Legal Description: Section 16-26S-35E

AFE Date: 7/30/2019

State: NM

County/Parish: Lea

Revision: ☐

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6630110	CAPITAL OVERHEAD	11,023.75	29,906.74	0.00	40,930.49
6740340	TAXES OTHER	394.28	8,106.00	0.00	8,500.28
	Total Intangibles	3,410,808.07	7,165,680.71	0.00	10,576,488.78

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6130120	COMM DEVICES - SCADA	0.00	24,194.94	0.00	24,194.94
6230130	SAFETY EQUIPMENT	3,674.58	0.00	0.00	3,674.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310160	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	66,000.00	0.00	66,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	72,460.00	0.00	105,560.00
6310530	SURFACE CASING	80,000.00	0.00	0.00	80,000.00
6310540	INTERMEDIATE CASING	350,000.00	0.00	0.00	350,000.00
6310560	PRODUCTION CASING	450,000.00	0.00	0.00	450,000.00
6310580	CASING COMPONENTS	50,000.00	0.00	0.00	50,000.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	1,016,774.58	837,139.21	0.00	1,853,913.79

TOTAL ESTIMATED COST	4,427,582.65	8,002,819.92	0.00	12,430,402.57
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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 Production Company LP  
333 West Sheridan Avenue  
Oklahoma City, OK 73102

405 235 3611 Phone  
[www.devonenergy.com](http://www.devonenergy.com)

July 30, 2019

Emailed: [nrudderow@lilisenergy.com](mailto:nrudderow@lilisenergy.com)

Lilis Energy, Inc.  
1800 Bering Drive  
Suite 510  
Houston, Texas 77057

RE: Well Proposal: Talco 16-21 State Fed Com 2H  
T26S-R35E  
Section 16: W/2, Section 21: W/2  
Lea County, New Mexico

Dear Mr. Rudderow,

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the Talco 16-21 State Fed Com 2H as a horizontal well to an approximate TVD of 12,590' and approximate TMD of 22,590' into the Wolfcamp formation at a SHL 301' FNL and 1,224' FWL Section 16-26S-35E and BHL 20' FSL and 990' FWL Section 21-26S-35E, Lea County, New Mexico. Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,427,582.65 and total completed well costs of \$12,430,402.57 (includes CTB and flowline costs).

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

Devon will drill the Well under the terms of the modified 2015 AAPL form of Operating Agreement ("JOA"), which will be provided upon request. The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- Contract Area of W/2W/2 of Sections 16 and 21-T26S-R35E
- 100/300% Non-Consenting Penalty
- \$8000/\$800 Drilling and Production Rate

Please indicate your election to participate in the drilling and completion of the Well in the space provided below, within 30 days of receipt, by signing and returning one (1) copy of this letter and AFE, along with your well data requirements sheet. A Communitization Agreement for said well will be supplied for your review and execution at a later date.

If your election is to participate, a cash call invoice will be sent following receipt of a timely election.

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

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A5  
Submitted by: Devon Energy Production  
Hearing Date: November 14, 2019  
Case No 20872

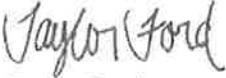


Lilis Energy, Inc.  
Talco 16-21 State Fed Com 2H  
AFE: XX-133887  
July 30, 2019  
Page Two

If you have any questions concerning this proposal, please do not hesitate to contact me at (405) 552-8070 or email me at Taylor.Ford@dvn.com.

Best regards,

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



Taylor Ford  
Landman

Lilis Energy, Inc. hereby elects:

\_\_\_\_\_ **To Participate** in the drilling and completion of the referenced Well.

\_\_\_\_\_ **Not To Participate** in the drilling and completion of the referenced Well.

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Lilis Energy, Inc.

By: \_\_\_\_\_



## Authorization for Expenditure

AFE # XX-133887.01

Well Name: Talco 16-21 State Fed Com 2H

Cost Center Number: 1094075001

Legal Description: Section 16-26S-35E

Revision: ☐

AFE Date: 7/30/2019

State: NM

County/Parish: Lea

Explanation and Justification:

Drill and complete the Talco 16-21 State Fed Com 2H.

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	354,904.87	0.00	354,904.87
6060100	DYED LIQUID FUELS	135,959.58	542,833.47	0.00	678,793.05
6060130	GASEOUS FUELS	62,467.92	0.00	0.00	62,467.92
6080100	DISPOSAL - SOLIDS	102,390.24	2,100.00	0.00	104,490.24
6080110	DISP-SALTWATER & OTH	0.00	223,000.00	0.00	223,000.00
6090100	FLUIDS - WATER	60,900.00	164,897.15	0.00	225,797.15
6090120	RECYC TREAT&PROC-H2O	0.00	473,788.98	0.00	473,788.98
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PREP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	6,430.52	0.00	0.00	6,430.52
6130360	RTOC - ENGINEERING	0.00	10,500.00	0.00	10,500.00
6130370	RTOC - GEOSTEERING	28,404.00	0.00	0.00	28,404.00
6150100	CH LOG PERFRTG&WL SV	0.00	461,317.50	0.00	461,317.50
6160100	MATERIALS & SUPPLIES	734.92	0.00	0.00	734.92
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	631,591.63	0.00	631,591.63
6190100	TRCKG&HL-SOLID&FLUID	55,118.75	0.00	0.00	55,118.75
6190110	TRUCKING&HAUL OF EQP	54,000.00	18,750.00	0.00	72,750.00
6200130	CONSLT & PROJECT SVC	176,380.00	147,587.80	0.00	323,967.80
6230120	SAFETY SERVICES	60,630.63	0.00	0.00	60,630.63
6300270	SOLIDS CONTROL SRVCS	117,586.67	0.00	0.00	117,586.67
6310120	STIMULATION SERVICES	0.00	1,677,554.55	0.00	1,677,554.55
6310190	PROPPANT PURCHASE	0.00	918,097.80	0.00	918,097.80
6310200	CASING & TUBULAR SVC	67,600.00	0.00	0.00	67,600.00
6310250	CEMENTING SERVICES	255,000.00	0.00	0.00	255,000.00
6310280	DAYWORK COSTS	750,000.00	0.00	0.00	750,000.00
6310300	DIRECTIONAL SERVICES	355,887.50	0.00	0.00	355,887.50
6310310	DRILL BITS	135,200.00	0.00	0.00	135,200.00
6310330	DRILL&COMP FLUID&SVC	395,920.00	6,600.00	0.00	402,520.00
6310370	MOB & DEMOBILIZATION	22,000.00	0.00	0.00	22,000.00
6310380	OPEN HOLE EVALUATION	24,129.31	0.00	0.00	24,129.31
6310480	TSTNG-WELL, PL & OTH	0.00	270,050.72	0.00	270,050.72
6310600	MISC PUMPING SERVICE	0.00	136,119.57	0.00	136,119.57
6320100	EQPMNT SVC-SRF RNTL	150,000.00	486,050.82	0.00	636,050.82
6320110	EQUIP SVC - DOWNHOLE	80,000.00	0.00	0.00	80,000.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	235,684.07	0.00	235,684.07
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6520100	LEGAL FEES	20,000.00	0.00	0.00	20,000.00
6550100	MISCS COSTS & SERVS	0.00	11,325.00	0.00	11,325.00
6550110	MISCELLANEOUS SVC	125,900.00	0.00	0.00	125,900.00

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-133887.01

Well Name: Talco 16-21 State Fed Com 2H

Cost Center Number: 1094075001

Legal Description: Section 16-26S-35E

AFE Date: 7/30/2019

State: NM

County/Parish: Lea

Revision: ☐

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6630110	CAPITAL OVERHEAD	11,023.75	29,906.74	0.00	40,930.49
6740340	TAXES OTHER	394.28	8,106.00	0.00	8,500.28
	Total Intangibles	3,410,808.07	7,165,680.71	0.00	10,576,488.78

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6130120	COMM DEVICES - SCADA	0.00	24,194.94	0.00	24,194.94
6230130	SAFETY EQUIPMENT	3,674.58	0.00	0.00	3,674.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310160	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	66,000.00	0.00	66,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	72,460.00	0.00	105,560.00
6310530	SURFACE CASING	80,000.00	0.00	0.00	80,000.00
6310540	INTERMEDIATE CASING	350,000.00	0.00	0.00	350,000.00
6310560	PRODUCTION CASING	450,000.00	0.00	0.00	450,000.00
6310580	CASING COMPONENTS	50,000.00	0.00	0.00	50,000.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	1,016,774.58	837,139.21	0.00	1,853,913.79

TOTAL ESTIMATED COST	4,427,582.65	8,002,819.92	0.00	12,430,402.57
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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.

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

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

**Case No. 20872**

**AFFIDAVIT OF J. RUSSELL GOODIN, GEOLOGIST**

J. Russell Goodin, of lawful age and being duly sworn, states the following:

1. My name is J. Russell Goodin, and I am employed by Devon Energy Production Company, L.P. ("Devon") as a petroleum geologist.
2. I am familiar with the application filed by Devon in this matter and the geology of the lands in the subject area.
3. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology, and my credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
4. **Exhibit B-1** is a subsea structure map of the Wolfcamp formation with 25' contour intervals. The proposed spacing unit is outlined by a red rectangle, and the proposed horizontal wells are shown with dash green and blue lines.
5. Exhibit B-1 shows that the strata dip is approximately 25' northward across Sections 16 and 21, and the apparent structural dip along the proposed wellbores is approximately 0.15° toward the North. I do not see any faults, pinch-outs or other major structural impediments to developing the Wolfcamp formation with horizontal wells.

6. Exhibit B-1 also identifies the three wells used to create a stratigraphic cross-section for the Wolfcamp formation running from A to A'. I chose these wells because they have good logs and are representative of the geology in the area.

7. Exhibit B-2 is a stratigraphic cross-section flattened on the top of the Wolfcamp "100". Each well in the cross section contains gamma ray, resistivity, and porosity logs. The targeted intervals for the proposed wells are shown by squares with well numbers. The cross-section demonstrates continuity and consistent thickness of the target zones.

8. Based on my geologic study, the Wolfcamp formation underlying the subject area is suitable for development by horizontal wells, and the quarter-quarter sections comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbores.

9. The preferred well orientation in this area is south-north, because the inferred orientation of the maximum horizontal stress is roughly east-west.

10. The granting of this Application is in the interests of conservation, the prevention of waste and the protection of correlative rights.

11. Devon Exhibits B-1 and B-2 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT

  
\_\_\_\_\_  
J. Russell Goodin

STATE OF OKLAHOMA       )  
  )  
COUNTY OF OKLAHOMA    )

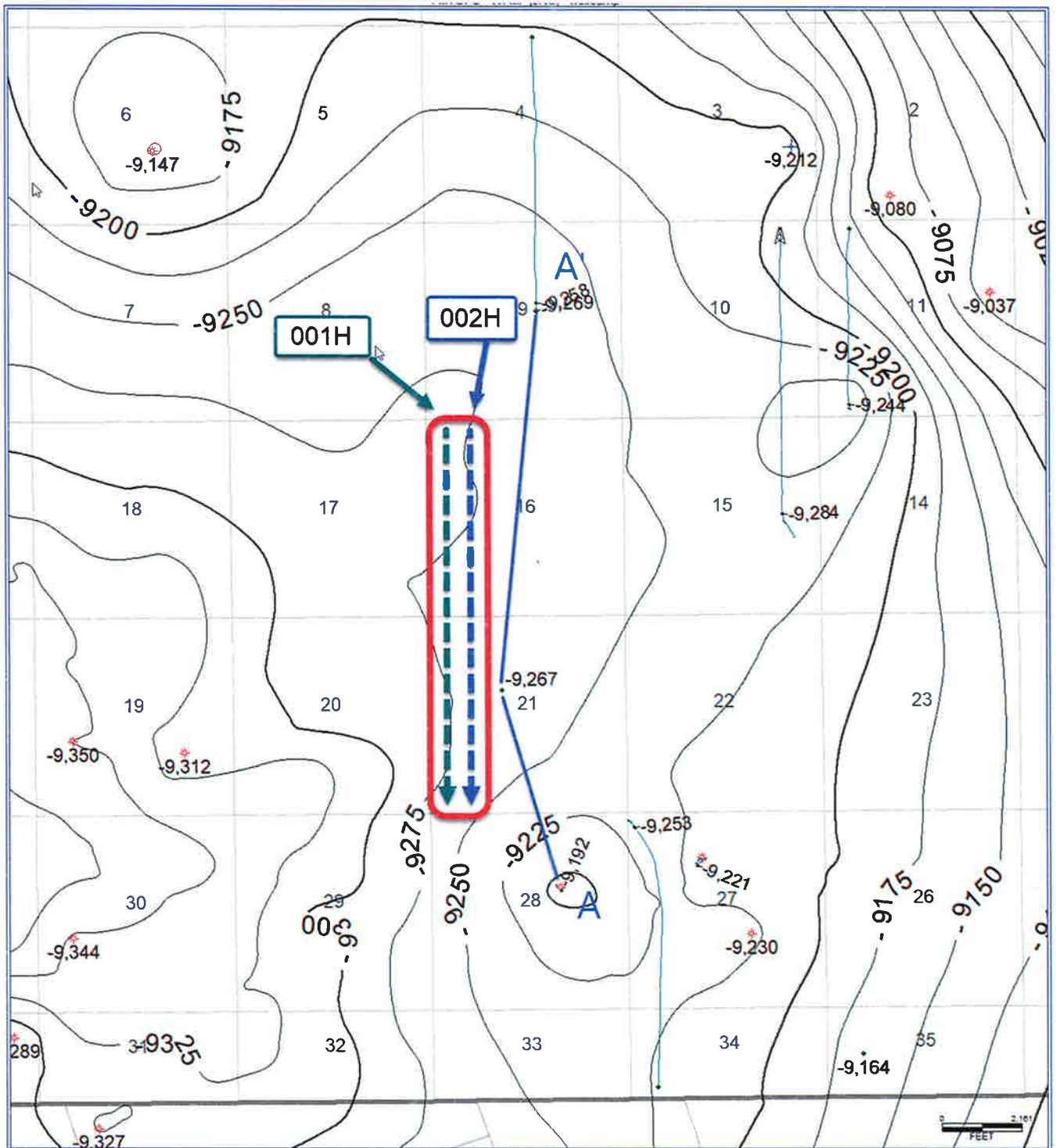
SUBSCRIBED and SWORN to before me this 12<sup>th</sup> day of November 2019 by J. Russell Goodin.

Rachel Gerlach  
NOTARY PUBLIC

My Commission Expires:

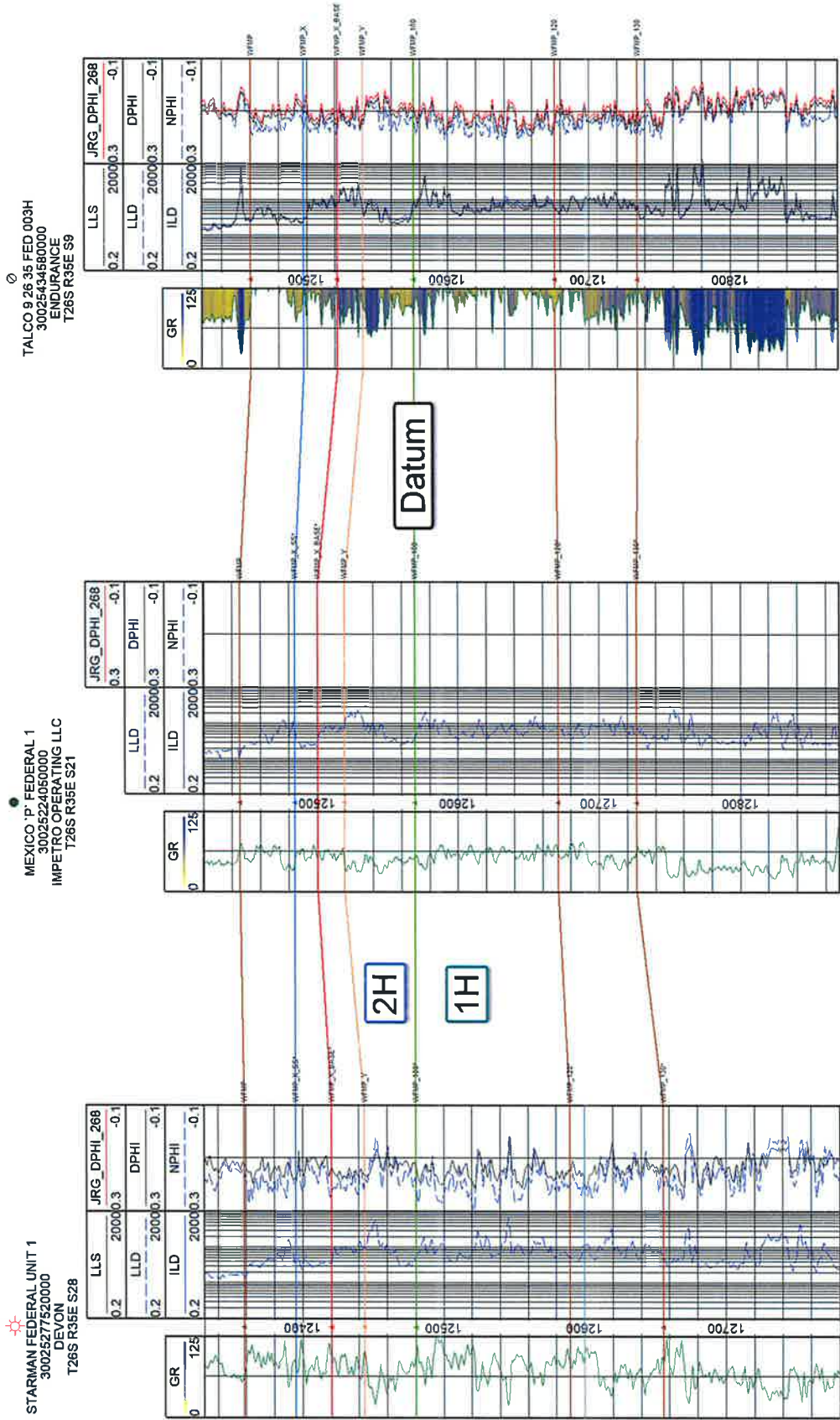
10.22.23





*Wolfcamp structure map. Contour interval = 50'. Cross-section indicated by blue line labeled A to A'. 1. The green and blue dashed lines indicate wells being pooled. Green and blue colors are also used in cross section to indicate landing interval.*





Cross-section A to A'. Stratigraphic cross-section hung on top of Wolfcamp "100". Target interval indicated by well numbers.



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

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

**CASE NO. 20872**

**AFFIDAVIT**

STATE OF NEW MEXICO    )  
  ) ss.  
COUNTY OF SANTA FE    )

Michael H. Feldewert, attorney in fact and authorized representative of Devon Energy Production Company, L.P., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.

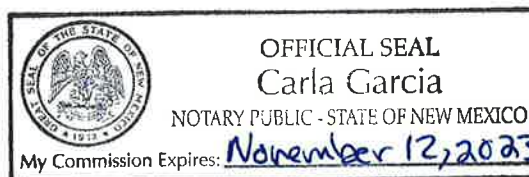
  
Michael H. Feldewert

SUBSCRIBED AND SWORN to before me this 13th day of November, 2019 by Michael  
H. Feldewert.

  
Notary Public

My Commission Expires:

November 12, 2023



BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: **Devon Energy Production**  
Hearing Date: November 14, 2019  
Case No 20872



**Michael H. Feldewert**  
Recognized Specialist in the  
Area of Natural Resources –  
Oil and Gas Law – New  
Mexico Board of Legal  
Specification  
mfeldewert@hollandhart.com

October 23, 2019

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Devon Energy Production Company, L.P. for compulsory  
pooling, Lea County, New Mexico.  
Talco 16-21 State Fed Com 1H Well  
Talco 16-21 State Fed Com 2H Well**

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 November 14, 2019, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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 by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Joe Hammond, at (405) 552-8102, or at [Joe.Hammond@dvn.com](mailto:Joe.Hammond@dvn.com).

Sincerely,  
A handwritten signature in blue ink, appearing to read "Michael H. Feldewert".

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

Tracking Number	Recipient	Status
9214890194038396563099	( Enriqueta Garrett MSU 5710 Antares Ct Dallas TX 75252	In-Transit
9214890194038396563105	( Pamela K Clements MSU 520 Shirley Ct Richardson TX 75081	In-Transit
9214890194038396563112	( Lilis Energy Inc 1800 Bering Drive Ste 510 Houston TX 77057	In-Transit
9214890194038396563129	( J D Enterprises c/o Mickey Dobson/ OGE Drilling USA Inc 1219 Porterfield Rd Midland TX 79705	In-Transit
9214890194038396563136	( Brushy Resources Inc 300 E Sonterra Blvd Ste 1220 San Antonio TX 78258	In-Transit
9214890194038396563143	( Tap Rock Resources LLC 602 Park Point Dr Ste 200 Golden CO 80401	Delivered Signature Received
9214890194038396563150	( Gary L Todd MSU 710 Vail Dr Arlington TX 76012	In-Transit
9214890194038396563167	( Wolfcamp Title LLC PO BOX 2423 Roswell NM 88202	Delivered Signature Received
9214890194038396563174	( White Gold Corporation PO BOX 730 Roswell NM 88202	Delivered Signature Received
9214890194038396563181	( Bruce Heafitz 3802 NE 207th St Apt 2703 Miami FL 33180	Delivered Signature Received
9214890194038396563198	( Spinnaker Royalty Company LP 3738 Oak Lawn Ave Ste 300 Dallas TX 75219	In-Transit
9214890194038396563204	( Innerarity Family Minerals LLC PO BOX 313 Midland TX 79702	Delivered Signature Received
9214890194038396563211	( Jeanette Fisher McKillop MSU 1144 S Gaylord Denver CO 80210	Delivered Signature Received
9214890194038396563228	( Carrie Bridget Fisher MSU 1144 S Gaylord Denver CO 80210	Delivered Signature Received
9214890194038396563235	( TD Minerals LLC 8111 Westchester Dr Ste 900 Dallas TX 75225	In-Transit
9214890194038396563242	( President & Fellows of Harvard University 600 Atlantis Ave Boston MA 02210	Delivered Signature Received
9214890194038396563259	( Jules Russell Toraby MSU 1243 Hardscrabble Rd Chappaqua NY 10514	In-Transit
9214890194038396563266	( Sophia Augusta Toraby MSU 1243 Hardscrabble Rd Chappaqua NY 10514	In-Transit
9214890194038396563273	( Gabriel Joshua Heafitz MSU Gracie Terrace #19-A #1 New York NY 10028	<del>In-Transit</del>
9214890194038396563280	( Samara Galit Heafitz MSU Gracie Terrace #19-A #1 New York NY 10028	<del>In-Transit</del>
9214890194038396563297	( Tumbler Energy Partners LLC PO BOX 50938 Midland TX 79710	Delivered Signature Received

*Returned*  
*Returned*



$\$5.60 \times 21 = \$117.60$

## Shipment Confirmation Acceptance Notice

### A. Mailer Action

**Note to Mailer:** The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Devon \_ Talco 16-21 1H & 2H  
Case No. 20872  
CM# 41132.0002

Shipment Date: 10/23/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	21
Total	21

\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

### B. USPS Action

**Note to RSS Clerk:**

1. Home screen > Mailing/Shipping > More
2. Select **Shipment Confirm**
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

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3. 9214 8901 9403 8396 5631 12	Lika Energy Inc 1800 Bering Drive Ste 510 Houston TX 77057	0.50	3.50								1.60			
4. 9214 8901 9403 8396 5631 29	J D Enterprises c/o Mickey Dobson/ OGE Drilling USA Inc 1219 Porterfield Rd Midland TX 79705	0.50	3.50								1.60			
5. 9214 8901 9403 8396 5631 36	Brushy Resources Inc 300 E Sonterra Blvd Ste 1220 San Antonio TX 78258	0.50	3.50								1.60			
6. 9214 8901 9403 8396 5631 43	Tap Rock Resources LLC 602 Park Point Dr Ste 200 Golden CO 80401	0.50	3.50								1.60			
7. 9214 8901 9403 8396 5631 50	Gary L Toed MSU 710 Valt Dr Arlington TX 76012	0.50	3.50								1.60			
8. 9214 8901 9403 8396 5631 67	Workcamp Title LLC PO BOX 2423 Roswell NM 88202	0.50	3.50								1.60			
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9. 9214 8901 9403 8396 5631 74	White Gold Corporation PO BOX 730 Roswell NM 88202	0.50	3.50	Handling Charge - if Registered and over \$50,000 in value							1.60			
10. 9214 8901 9403 8396 5631 81	Bruce Haeffler 3802 NE 207th St Apt 2703 Miami FL 33180	0.50	3.50								1.60			
11. 9214 8901 9403 8396 5631 98	Spinaker Royalty Company LP 3736 Oak Lawn Ave Ste 300 Dallas TX 75219	0.50	3.50								1.60			
12. 9214 8901 9403 8396 5632 04	Inequality Family Minerals LLC PO BOX 313 Midland TX 79702	0.50	3.50								1.60			
13. 9214 8901 9403 8396 5632 11	Jeanette Fisher McKillop MSU 1144 S Gaylord Denver CO 80210	0.50	3.50								1.60			
14. 9214 8901 9403 8396 5632 28	Carrie Bridget Fisher MSU 1144 S Gaylord Denver CO 80210	0.50	3.50								1.60			
15. 9214 8901 9403 8396 5632 35	TD Minerals LLC 8111 Westchester Dr Ste 900 Dallas TX 75225	0.50	3.50								1.60			
16. 9214 8901 9403 8396 5632 42	President & Fellows of Harvard University 600 Atlantic Ave Boston MA 02210	0.50	3.50								1.60			
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17. 9214 8901 9403 8396 5632 59	Jules Russell Toraby MSU 1243 Hardscrabble Rd Chappaque NY 10514	0.50	3.50	Handling Charge - if Registered and over \$50,000 in value							1.60					
18. 9214 8901 9403 8396 5632 66	Sophia Agusta Toraby MSU 1243 Hardscrabble Rd Chappaque NY 10514	0.50	3.50								1.60					
19. 9214 8901 9403 8396 5632 73	Gabriel Joshua Heafitz MSU Gracie Terrace #19-A #1 New York NY 10028	0.50	3.50								1.60					
20. 9214 8901 9403 8396 5632 80	Samara Gelli Heafitz MSU Gracie Terrace #19-A #1 New York NY 10028	0.50	3.50								1.60					
21. 9214 8901 9403 8396 5632 97	Tumbler Energy Partners LLC PO BOX 50938 Midland TX 79710	0.50	3.50								1.60					
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# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

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

Beginning with the issue dated  
November 01, 2019  
and ending with the issue dated  
November 01, 2019.



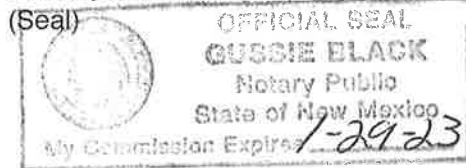
Publisher

Sworn and subscribed to before me this  
1st day of November 2019.



Business Manager

My commission expires  
January 29, 2023



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

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LEGAL NOTICE  
NOVEMBER 1, 2019

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **November 14, 2019**, in Porter Hall, the Oil Conservation Division Hearing Room, 1st Floor, Wendell Chino Building, 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **November 4, 2019**. Public documents, including the agenda and minutes, can be provided in various accessible formats. Members of the public may obtain copies of the docket by contacting Ms. Davidson at the phone number indicated above. Also, the docket will be posted on the Oil Conservation Division website at [www.emnrd.state.nm.us/OCD/](http://www.emnrd.state.nm.us/OCD/). Please contact Ms. Davidson if a summary or other type of accessible form is needed.

**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 overriding royalty interest owners and pooled parties, including:** J.D. Enterprises, c/o Mickey Dobson/OGE Drilling USA, Inc.; Lillis Energy, Inc.; Pamela K. Clements, MSU, her heirs and devisees; Enriqueta Garrett, MSU, her heirs and devisees; Brushy Resources, Inc.; Tap Rock Resources, LLC; Gary L. Todd, MSU, his heirs and devisees; Wolfcamp Title, LLC; White Gold Corporation; Bruce Heafitz, his heirs and devisees; Spinnaker Royalty Company, LP; Innerarity Family Minerals, LLC; Jeanette Fisher McKillop, MSU, her heirs and devisees; Carrie Bridget Fisher, MSU, her heirs and devisees; TD Minerals, LLC; President & Fellows of Harvard University; Jules Russell Toraby, MSU, her heirs and devisees; Sophia Agusta Toraby, MSU, her heirs and devisees; Gabriel Joshua Heafitz, MSU, his heirs and devisees; Samara Galit Heafitz, MSU, her heirs and devisees; Tumbler Energy Partners, LLC.

**Case No. 20872: Application of Devon Energy Production Company, L.P. for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 16 and 21, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following two initial proposed wells, both of which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 16 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 21: (1) the **Talco 16-21 State Fed Com 1H Well**; and (2) the **Talco 16-21 State Fed Com 2H Well**. The completed interval for the **Talco 16-21 State Fed Com 2H Well** will be within 330' of the E/2 W/2 of Sections 16 and 21 to allow inclusion of these proximity tracts in a standard 640-acre horizontal well spacing comprised of W/2 of Sections 16 and 21. Also to be considered will be the cost of drilling and completing the wells, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of the applicant as operator, and the imposition of a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 11 miles southwest of Jai, New Mexico.  
**#34818**

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00235335

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

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Devon Energy Production  
Hearing Date: November 14, 2019  
Case No 20872