

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JANUARY 5, 2023**

**CASE NO. 23264**

*JAWHAWK 6-7 FED FEE COM #33H WELL*

**LEA COUNTY, NEW MEXICO**



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

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

**CASE NO. 23264**

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# COMPULSORY POOLING APPLICATION CHECKLIST

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

<b>Case: 23264</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>January 5, 2023</b>
Applicant	Devon Energy Production Company
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 6137
Applicant's Counsel:	Holland & Hart LLP
Case Title:	Application of Devon Energy Production Company, L.P. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	N/A
Well Family	Jayhawk 6-7 Fed Fee Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	WC-025 G-09 S263406D Lower Bone Spring Pool (98038).
Well Location Setback Rules:	Statewide Rules
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	Quarter-Quarter Sections
Orientation:	North-South
Description: TRS/County	E2E2 of Sections 6 and 7, T-26-S, R-34-E, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-2
<b>Well(s)</b>	
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	Jayhawk 6-7 Fed Fee Com 33H SHL: 405' FSL, 1292 FEL (Unit P) of Section 31 BHL: 20' FSL, 395' FEL (Unit P) of Section 7 Target: Bone Spring Orientation: North-South Completion: Standard Location
Horizontal Well First and Last Take Points	See Exhibit A-1
Completion Target (Formation, TVD and MD)	See Exhibit A-3
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	See Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	See Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
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 A-2
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A-3
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-1
Well Orientation (with rationale)	Exhibit B
Request For Information	Exhibit B

HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit A-1, Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Michael H. Feldewert
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	3-Jan-23

**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 HORIZONTAL WELL SPACING  
UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23264**

**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 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E/2 E/2 of Sections 6 and 7, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. In support of its 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 proposed **Jawhawk 6-7 Fed Fee Com #33H** well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 31, Township 25 South, Range 34 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 7, Township 26 South, Range 34 East.
3. This 320-acre horizontal well spacing unit will overlap the following existing horizontal well spacing unit covering portions of the subject acreage:

- A 160-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Section 7, Township 26, South, Range 34 East, dedicated to the ICHABOD “7” FED 1H well (API: 30-025-40043).

4. 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.

5. The approval of this overlapping spacing unit and 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 January 5, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the overlapping horizontal well spacing unit and pooling all uncommitted interests therein;
- B. Designating Applicant operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
- D. 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
- E. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By:   
\_\_\_\_\_  
Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Paula M. Vance  
Post Office Box 2208  
Santa Fe, NM 87504  
505-998-4421  
505-983-6043 Facsimile  
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pmvance@hollandhart.com

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

CASE \_\_\_\_\_: **Application of Devon Energy Production Company, L.P. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E/2 E/2 of Sections 6 and 7, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed **Jawhawk 6-7 Fed Fee Com #33H** well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 31, Township 25 South, Range 34 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 7, Township 26 South, Range 34 East. This 320-acre horizontal well spacing unit will overlap the following existing horizontal well spacing unit covering portions of the subject acreage:

- A 160-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Section 7, Township 26, South, Range 34 East, dedicated to the ICHABOD “7” FED 1H well (API: 30-025-40043).

Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 20 miles southwest of Jal, New Mexico.

**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 HORIZONTAL WELL SPACING UNIT AND  
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NO. 23264**

**SELF AFFIRMED STATEMENT OF DANIEL BRUNSMAN**

Daniel Brunzman, of lawful age and being first duly sworn, declares as follows:

1. My name is Daniel Brunzman, and I am a Landman with Devon Energy Production Company, L.P. I am familiar with the application filed by Devon in this case.

2. This is my first-time providing testimony to the New Mexico Oil Conservation Division. I have a Law Degree from the University of Tulsa and have been employed as an attorney and landman for oil and gas production companies for over 15 years. I have been employed by Devon, and affiliated entity WPX Energy, as a landman for the last ten years and my responsibilities now include the Permian Basin of New Mexico. I believe my educational background and work history qualify myself to testify as an expert witness in petroleum land matters.

3. In this matter, Devon seeks an order (a) approving a standard 320-acre overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E2E2 of Sections 6 and 7, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this proposed spacing unit.

4. No ownership depth severances exist in the Bone Spring formation underlying the proposed spacing unit.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A  
Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: January 5, 2023  
Case No. 23264**

5. Devon seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed Jayhawk 6–7 Fed Fee Com #33H well. **Devon Exhibit A-1** contains the Form C-102 for this initial well and shows that this well will be assigned to the WC-025 G-09 S263406D Lower Bone Spring Pool (98038).

6. **Devon Exhibit A-2** is a plat prepared by me identifying the tracts of land comprising the proposed horizontal spacing unit. This acreage includes a fee tract and a federal lease (NMNM114990). This plat identifies the affected working interest owners and the percentage of interest owned by tract and on a consolidated spacing unit basis. Devon seeks to pool the working interests held by EOG Resources and MRC Permian, two overriding royalty interest owners, and the owner of a net proceeds royalty interest. These parties are identified and highlighted in yellow on the exhibit.

7. **Devon Exhibit A-3** contains the well proposal letters and AFEs sent to the working interest owners Devon seeks to pool. The costs reflected in the AFEs are consistent with what Devon and other operators have incurred for drilling similar horizontal wells in the area.

8. Devon seeks approval of overhead and administrative costs at \$8,000/month while drilling and \$800/month while producing.

9. Devon has conducted a diligent search of the county public records, reviewed telephone directories and conducted computer searches to locate contact information for the interest owners that it seeks to pool. Devon has been able to locate contact information for all parties it seeks to pool.

10. **Devon Exhibit A-4** is a chronology of contacts with the working interest owners it is seeking to pool. These owners have been located and Devon has undertaken good faith efforts to reach a voluntary agreement with each of these uncommitted owners.

11. This proposed 320-acre horizontal well spacing unit will overlap an existing 160-acre horizontal well spacing unit comprised of the E2E2 of Section 7, which is dedicated to the Ichabod "7" Fed 1H well (API: 30-025-40043).

12. Devon provided the law firm of Holland & Hart LLP with the names and addresses of owners that Devon seeks to pool, and all working interest owners affected by the proposed overlapping spacing unit, so that they can be notified of this hearing.

13. Exhibits A-1 through A-4 were prepared by me or compiled under my direction from company business records.

14. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

  
\_\_\_\_\_  
Daniel Brunsman

12-27-22  
Date

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	Pool Name
	98038	WC-025 G-09 S263406D LOWER BONE SPRING
Property Code	Property Name	Well Number
	JAYHAWK 6-7 FED FEE COM	33H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3320.1'

Surface Location

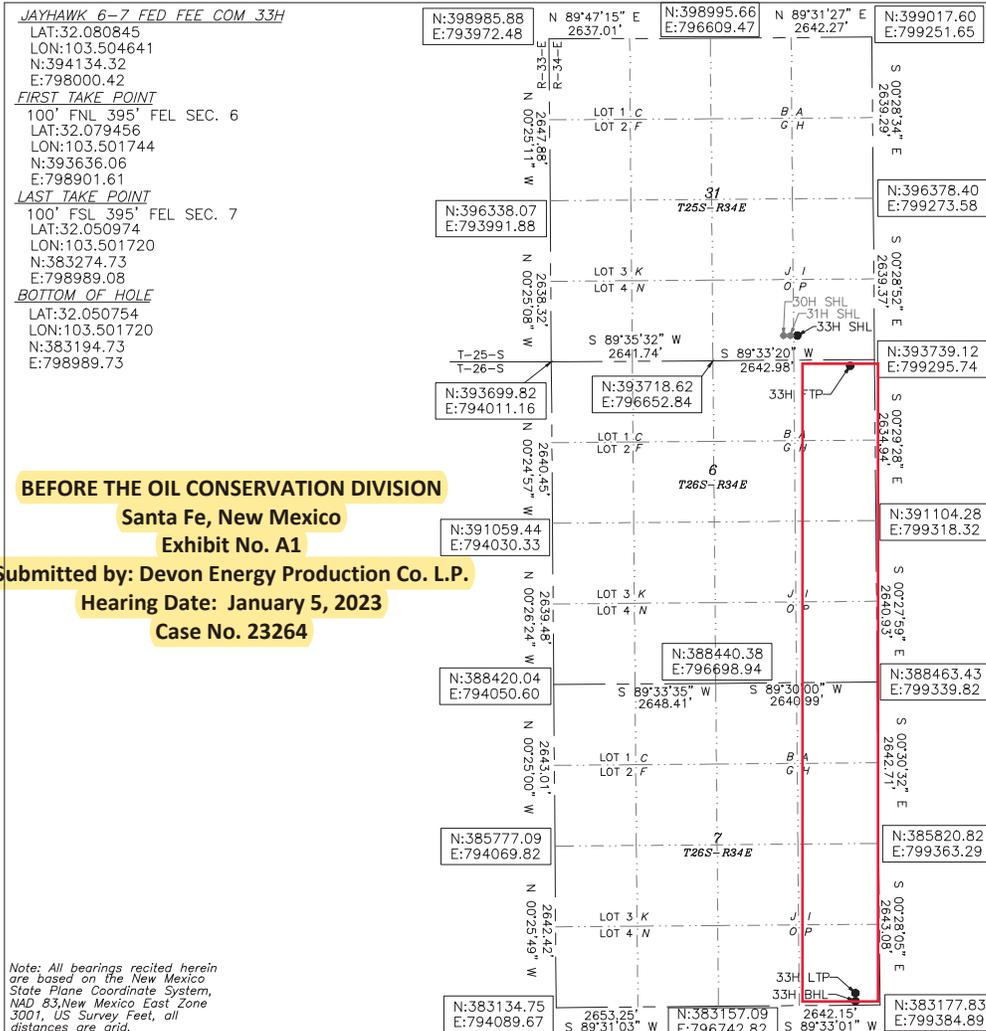
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	25-S	34-E		405	SOUTH	1292	EAST	LEA

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
P	7	26-S	34-E		20	SOUTH	395	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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.

*Chelsey Green* 5/18/22  
Signature Date

**Chelsey Green**  
Printed Name

**chelsey.green@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.

04/04/2022  
Date of Survey

Signature & Seal of Professional Surveyor

**B. L. LAMAN**  
NEW MEXICO  
22404  
PROFESSIONAL SURVEYOR

REV:6/6/22  
Certificate No. 22404 B.L. LAMAN  
DRAWN BY: CM

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.

E/2E/2 of Sections 6, 7, T26S-R34E  
Lea County, New Mexico

6		<b>Tract 2</b>
		<b>Tract 1 (NMNM 114990)</b>
7		

**Tract 1 (NMNM 114990) Working Interest:**      **E/2SE/4, SE/4NE/4 Section 6, and E/2E/2 Section 7,  
Township 26 South, Range 34 East**

Devon Energy Production Company, L.P.	50.00%	Committed
Chevron U.S.A., Inc.	50.00%	Committed
	100.0%	Committed
	00.00%	Uncommitted

**BEFORE THE OIL CONSERVATION DIVISION**  
 Santa Fe, New Mexico  
 Exhibit No. A2  
 Submitted by: Devon Energy Production Co. L.P.  
 Hearing Date: January 5, 2023  
 Case No. 23264

**Tract 1 Overrides:**

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NA

**Tract 1 Record Title:** E/2SE/4, SE/4NE/4 Section 6, and E/2E/2 Section 7, Township 26 South, Range 34 East

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Devon Energy Production Company, L.P.	50.00%
Chevron U.S.A., Inc.	50.00%

**Tract 2 Working Interest:** NE/4NE/4 Section 6, Township 26 South, Range 34 East

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Devon Energy Production Company, L.P.	86.71%	Committed
Chevron U.S.A., Inc.	0.69%	Committed
Northern Oil & Gas Inc.	7.04%	Committed
EOG Resources, Inc.	3.13%	Uncommitted
MRC Permian Company	2.43%	Uncommitted

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	94.44%	Committed
	5.560%	Uncommitted

**Tract 2 Overrides:** NE/4NE/4 Section 6, Township 26 South, Range 34 East

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Panhandle Properties, LLC  
Monticello Minerals LLC

**Tract 2 NPRIs:** NE/4NE/4 Section 6, Township 26 South, Range 34 East

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Fredericka H. Crain Trust, Houston Trust Company, Successor Trustee

**Tract 2 Record Title:** NE/4NE/4 Section 6, Township 26 South, Range 34 East

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NA

Unit Working Interest: **E/2E/2 Section 6 & E/2E/2 Section 7, Township 26 South, Range 34 East**

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Devon Energy Production Company, L.P.	54.59%	Committed
Chevron U.S.A., Inc.	43.84%	Committed
Northern Oil & Gas Inc.	0.88%	Committed
EOG Resources, Inc.	0.39%	Uncommitted
MRC Permian Company	0.30%	Uncommitted

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	99.30%	Committed
	0.700%	Uncommitted



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

October 25, 2022

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

RE: Well Proposals- Jayhawk 6-7 Fed Fee Com 33H  
Sections 6 & 7  
Township 26 South, Range 34 East  
Lea County, New Mexico

To whom it may concern,

Devon Energy Production Company, L.P. (“Devon”), as Operator, proposes to drill and complete the following well:

- Jayhawk 6-7 Fed Fee Com 33H as a horizontal well to an approximate landing TVD of 11,940’, bottom hole TVD’ of 12,040’, and approximate TMD of 22,040’ into the Bone Spring formation at an approximate SHL of 1,292’ FEL and 405’ FNL of Section 31-T25S-R34E and an approximate BHL of 395’ FEL and 20’ FSL of Section 7-T26S-R34E, Lea County, New Mexico (the “Well”). Enclosed for your review is Devon’s AFE, indicating drilling costs, completion costs, and overall completed well costs.

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

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

- Devon Energy Production Company, L.P. named as Operator
- Contract Area: E/2 of Sections 6 & 7, T26S-R34E
- 100/400% Non-Consenting Penalty
- Overhead rates of \$6,000 DWR/\$600 PWR

Please indicate your election to participate in the drilling and completion of the Well in the spaces provided below, within 30 days of receipt, by signing and returning one (1) copy of this letter and AFE, along with your well data requirements sheet. A Communization Agreement for said 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 by all parties, Devon will apply to the New Mexico Oil Conversation Division for compulsory pooling of your interest into a spacing unit for the Wells, if uncommitted at such time.

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. A3  
Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: January 5, 2023  
Case No. 23264

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Please do not hesitate to contact me at (405) 228-4218 or via email at Andrew.Wenzel@dvn.com if you have any questions concerning this proposal.

Very truly yours,

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



Andrew Wenzel  
Senior Landman

**MRC Permian Company:**

\_\_\_\_\_ **To Participate** in the proposal of the Jayhawk 6-7 Fed Fee Com 33H

\_\_\_\_\_ **Not To Participate** in the proposal of the Jayhawk 6-7 Fed Fee Com 33H

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**MRC Permian Company:**

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

Title: \_\_\_\_\_



## Authorization for Expenditure

AFE # XX-150049.01

Well Name: JAYHAWK 6-7 FED FEE COM 33H

AFE Date: 10-24-2022

Cost Center Number: 1094681501

State: NM

Legal Description: 6-26S-R34E

County/Parish: LEA

Revision: 

### Explanation and Justification:

AFE TO D&amp;C THE JAYHAWK 6-7 FED FEE COM 33H.

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6020100	CONTRACT LABOR	3,937.50	0.00	0.00	3,937.50
6040110	CHEMICALS - OTHER	0.00	74,427.50	0.00	74,427.50
6060100	DYED LIQUID FUELS	78,750.00	241,096.30	0.00	319,846.30
6060130	GASEOUS FUELS	0.00	40,953.74	0.00	40,953.74
6080100	DISPOSAL - SOLIDS	68,257.00	3,167.93	0.00	71,424.93
6080110	DISP-SALTWATER & OTH	0.00	18,281.67	0.00	18,281.67
6080115	DISP VIA PIPELINE SW	0.00	24,000.00	0.00	24,000.00
6090100	FLUIDS - WATER	20,400.00	11,857.09	0.00	32,257.09
6090120	RECYC TREAT&PROC-H2O	0.00	114,913.00	0.00	114,913.00
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	45,000.00	38,705.03	0.00	83,705.03
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	44,522.92	0.00	44,522.92
6130170	COMM SVCS - WAN	3,544.00	0.00	0.00	3,544.00
6130360	RTOC - ENGINEERING	0.00	9,341.41	0.00	9,341.41
6130370	RTOC - GEOSTEERING	5,382.00	0.00	0.00	5,382.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	139,890.40	0.00	139,890.40
6160100	MATERIALS & SUPPLIES	4,725.00	0.00	0.00	4,725.00
6170100	PULLING&SWABBING SVC	0.00	1,725.00	0.00	1,725.00
6170110	SNUBBG&COIL TUBG SVC	0.00	62,180.90	0.00	62,180.90
6190100	TRCKG&HL-SOLID&FLUID	78,750.00	0.00	0.00	78,750.00
6190110	TRUCKING&HAUL OF EQP	47,700.00	35,524.08	0.00	83,224.08
6200130	CONSLT & PROJECT SVC	84,000.00	54,736.61	0.00	138,736.61
6230120	SAFETY SERVICES	23,625.00	0.00	0.00	23,625.00
6300270	SOLIDS CONTROL SRVCS	45,750.00	0.00	0.00	45,750.00
6310120	STIMULATION SERVICES	0.00	586,823.90	0.00	586,823.90
6310190	PROPPANT PURCHASE	0.00	397,240.10	0.00	397,240.10
6310200	CASING & TUBULAR SVC	81,200.00	0.00	0.00	81,200.00
6310250	CEMENTING SERVICES	190,000.00	0.00	0.00	190,000.00
6310280	DAYWORK COSTS	504,000.00	0.00	0.00	504,000.00
6310300	DIRECTIONAL SERVICES	209,250.00	0.00	0.00	209,250.00
6310310	DRILL BITS	95,000.00	0.00	0.00	95,000.00
6310330	DRILL&COMP FLUID&SVC	295,412.00	6,164.26	0.00	301,576.26
6310380	OPEN HOLE EVALUATION	7,150.00	0.00	0.00	7,150.00
6310480	TSTNG-WELL, PL & OTH	0.00	131,201.83	0.00	131,201.83
6310600	MISC PUMPING SERVICE	0.00	13,635.77	0.00	13,635.77
6320100	EQPMNT SVC-SRF RNTL	81,035.00	123,140.00	0.00	204,175.00
6320110	EQUIP SVC - DOWNHOLE	79,585.00	26,399.38	0.00	105,984.38
6320160	WELDING SERVICES	1,500.00	0.00	0.00	1,500.00
6320190	WATER TRANSFER	0.00	48,510.73	0.00	48,510.73
6350100	CONSTRUCTION SVC	0.00	163,305.92	0.00	163,305.92
6520100	LEGAL FEES	10,000.00	0.00	0.00	10,000.00

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-150049.01

Well Name: JAYHAWK 6-7 FED FEE COM 33H

AFE Date: 10-24-2022

Cost Center Number: 1094681501

State: NM

Legal Description: 6-26S-R34E

County/Parish: LEA

Revision:

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550100	MISCS COSTS & SERVS	0.00	9,641.90	0.00	9,641.90
6550110	MISCELLANEOUS SVC	31,500.00	0.00	0.00	31,500.00
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	4,725.00	35,896.09	0.00	40,621.09
6740340	TAXES OTHER	228.00	25,772.28	0.00	26,000.28
	<b>Total Intangibles</b>	<b>2,161,405.50</b>	<b>2,488,055.74</b>	<b>0.00</b>	<b>4,649,461.24</b>

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	72,139.12	0.00	72,139.12
6120120	MEASUREMENT EQUIP	0.00	34,732.60	0.00	34,732.60
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6230130	SAFETY EQUIPMENT	3,544.00	0.00	0.00	3,544.00
6300150	SEPARATOR EQUIPMENT	0.00	357,223.49	0.00	357,223.49
6300220	STORAGE VESSEL&TANKS	0.00	39,849.81	0.00	39,849.81
6300230	PUMPS - SURFACE	0.00	10,478.42	0.00	10,478.42
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	239,904.44	0.00	239,904.44
6310460	WELLHEAD EQUIPMENT	50,000.00	93,279.26	0.00	143,279.26
6310530	SURFACE CASING	121,650.00	0.00	0.00	121,650.00
6310540	INTERMEDIATE CASING	672,413.00	0.00	0.00	672,413.00
6310550	PRODUCTION CASING	636,240.00	0.00	0.00	636,240.00
6310580	CASING COMPONENTS	31,110.00	0.00	0.00	31,110.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	192,674.20	0.00	192,674.20
	<b>Total Tangibles</b>	<b>1,534,957.00</b>	<b>1,081,531.34</b>	<b>0.00</b>	<b>2,616,488.34</b>

<b>TOTAL ESTIMATED COST</b>	<b>3,696,362.50</b>	<b>3,569,587.08</b>	<b>0.00</b>	<b>7,265,949.58</b>
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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 405 552 3316 Phone  
333 West Sheridan Avenue www.devonenergy.com  
Oklahoma City, OK 73102

October 25, 2022

EOG Resources Inc.  
5509 Champions Dr  
Midland, TX 79706

RE: Well Proposals- Jayhawk 6-7 Fed Fee Com 33H  
Sections 6 & 7  
Township 26 South, Range 34 East  
Lea County, New Mexico

To whom it may concern,

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

- Jayhawk 6-7 Fed Fee Com 33H as a horizontal well to an approximate landing TVD of 11,940', bottom hole TVD' of 12,040', and approximate TMD of 22,040' into the Bone Spring formation at an approximate SHL of 1,292' FEL and 405' FNL of Section 31-T25S-R34E and an approximate BHL of 395' FEL and 20' FSL of Section 7-T26S-R34E, Lea County, New Mexico (the "Well"). Enclosed for your review is Devon's AFE, indicating drilling costs, completion costs, and overall completed well costs.

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

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

- Devon Energy Production Company, L.P. named as Operator
- Contract Area: E/2 of Sections 6 & 7, T26S-R34E
- 100/400% Non-Consenting Penalty
- Overhead rates of \$6,000 DWR/\$600 PWR

Please indicate your election to participate in the drilling and completion of the Well in the spaces provided below, within 30 days of receipt, by signing and returning one (1) copy of this letter and AFE, along with your well data requirements sheet. A Communization Agreement for said 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 by all parties, Devon will apply to the New Mexico Oil Conversation Division for compulsory pooling of your interest into a spacing unit for the Wells, if uncommitted at such time.

Page 2

Please do not hesitate to contact me at (405) 228-4218 or via email at Andrew.Wenzel@dvn.com if you have any questions concerning this proposal.

Very truly yours,

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



Andrew Wenzel  
Senior Landman

**EOG Resources Inc.:**

\_\_\_\_\_ **To Participate** in the proposal of the Jayhawk 6-7 Fed Fee Com 33H

\_\_\_\_\_ **Not To Participate** in the proposal of the Jayhawk 6-7 Fed Fee Com 33H

Agreed to and Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**EOG Resources Inc.**

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

Title: \_\_\_\_\_



## Authorization for Expenditure

AFE # XX-150049.01

Well Name: JAYHAWK 6-7 FED FEE COM 33H

AFE Date: 10-24-2022

Cost Center Number: 1094681501

State: NM

Legal Description: 6-26S-R34E

County/Parish: LEA

Revision: 

### Explanation and Justification:

AFE TO D&amp;C THE JAYHAWK 6-7 FED FEE COM 33H.

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6020100	CONTRACT LABOR	3,937.50	0.00	0.00	3,937.50
6040110	CHEMICALS - OTHER	0.00	74,427.50	0.00	74,427.50
6060100	DYED LIQUID FUELS	78,750.00	241,096.30	0.00	319,846.30
6060130	GASEOUS FUELS	0.00	40,953.74	0.00	40,953.74
6080100	DISPOSAL - SOLIDS	68,257.00	3,167.93	0.00	71,424.93
6080110	DISP-SALTWATER & OTH	0.00	18,281.67	0.00	18,281.67
6080115	DISP VIA PIPELINE SW	0.00	24,000.00	0.00	24,000.00
6090100	FLUIDS - WATER	20,400.00	11,857.09	0.00	32,257.09
6090120	RECYC TREAT&PROC-H2O	0.00	114,913.00	0.00	114,913.00
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	45,000.00	38,705.03	0.00	83,705.03
6110170	DAMAGE & REMEDIATION	5,000.00	0.00	0.00	5,000.00
6120100	I & C SERVICES	0.00	44,522.92	0.00	44,522.92
6130170	COMM SVCS - WAN	3,544.00	0.00	0.00	3,544.00
6130360	RTOC - ENGINEERING	0.00	9,341.41	0.00	9,341.41
6130370	RTOC - GEOSTEERING	5,382.00	0.00	0.00	5,382.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	139,890.40	0.00	139,890.40
6160100	MATERIALS & SUPPLIES	4,725.00	0.00	0.00	4,725.00
6170100	PULLING&SWABBING SVC	0.00	1,725.00	0.00	1,725.00
6170110	SNUBBG&COIL TUBG SVC	0.00	62,180.90	0.00	62,180.90
6190100	TRCKG&HL-SOLID&FLUID	78,750.00	0.00	0.00	78,750.00
6190110	TRUCKING&HAUL OF EQP	47,700.00	35,524.08	0.00	83,224.08
6200130	CONSLT & PROJECT SVC	84,000.00	54,736.61	0.00	138,736.61
6230120	SAFETY SERVICES	23,625.00	0.00	0.00	23,625.00
6300270	SOLIDS CONTROL SRVCS	45,750.00	0.00	0.00	45,750.00
6310120	STIMULATION SERVICES	0.00	586,823.90	0.00	586,823.90
6310190	PROPPANT PURCHASE	0.00	397,240.10	0.00	397,240.10
6310200	CASING & TUBULAR SVC	81,200.00	0.00	0.00	81,200.00
6310250	CEMENTING SERVICES	190,000.00	0.00	0.00	190,000.00
6310280	DAYWORK COSTS	504,000.00	0.00	0.00	504,000.00
6310300	DIRECTIONAL SERVICES	209,250.00	0.00	0.00	209,250.00
6310310	DRILL BITS	95,000.00	0.00	0.00	95,000.00
6310330	DRILL&COMP FLUID&SVC	295,412.00	6,164.26	0.00	301,576.26
6310380	OPEN HOLE EVALUATION	7,150.00	0.00	0.00	7,150.00
6310480	TSTNG-WELL, PL & OTH	0.00	131,201.83	0.00	131,201.83
6310600	MISC PUMPING SERVICE	0.00	13,635.77	0.00	13,635.77
6320100	EQPMNT SVC-SRF RNTL	81,035.00	123,140.00	0.00	204,175.00
6320110	EQUIP SVC - DOWNHOLE	79,585.00	26,399.38	0.00	105,984.38
6320160	WELDING SERVICES	1,500.00	0.00	0.00	1,500.00
6320190	WATER TRANSFER	0.00	48,510.73	0.00	48,510.73
6350100	CONSTRUCTION SVC	0.00	163,305.92	0.00	163,305.92
6520100	LEGAL FEES	10,000.00	0.00	0.00	10,000.00

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-150049.01

Well Name: JAYHAWK 6-7 FED FEE COM 33H

AFE Date: 10-24-2022

Cost Center Number: 1094681501

State: NM

Legal Description: 6-26S-R34E

County/Parish: LEA

Revision:

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550100	MISCS COSTS & SERVS	0.00	9,641.90	0.00	9,641.90
6550110	MISCELLANEOUS SVC	31,500.00	0.00	0.00	31,500.00
6550120	OTHER ROUSTABOUT SER	0.00	5,000.00	0.00	5,000.00
6630110	CAPITAL OVERHEAD	4,725.00	35,896.09	0.00	40,621.09
6740340	TAXES OTHER	228.00	25,772.28	0.00	26,000.28
	<b>Total Intangibles</b>	<b>2,161,405.50</b>	<b>2,488,055.74</b>	<b>0.00</b>	<b>4,649,461.24</b>

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	0.00	72,139.12	0.00	72,139.12
6120120	MEASUREMENT EQUIP	0.00	34,732.60	0.00	34,732.60
6150110	LOG PERFORATG&WL EQP	0.00	11,250.00	0.00	11,250.00
6230130	SAFETY EQUIPMENT	3,544.00	0.00	0.00	3,544.00
6300150	SEPARATOR EQUIPMENT	0.00	357,223.49	0.00	357,223.49
6300220	STORAGE VESSEL&TANKS	0.00	39,849.81	0.00	39,849.81
6300230	PUMPS - SURFACE	0.00	10,478.42	0.00	10,478.42
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	239,904.44	0.00	239,904.44
6310460	WELLHEAD EQUIPMENT	50,000.00	93,279.26	0.00	143,279.26
6310530	SURFACE CASING	121,650.00	0.00	0.00	121,650.00
6310540	INTERMEDIATE CASING	672,413.00	0.00	0.00	672,413.00
6310550	PRODUCTION CASING	636,240.00	0.00	0.00	636,240.00
6310580	CASING COMPONENTS	31,110.00	0.00	0.00	31,110.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	192,674.20	0.00	192,674.20
	<b>Total Tangibles</b>	<b>1,534,957.00</b>	<b>1,081,531.34</b>	<b>0.00</b>	<b>2,616,488.34</b>

<b>TOTAL ESTIMATED COST</b>	<b>3,696,362.50</b>	<b>3,569,587.08</b>	<b>0.00</b>	<b>7,265,949.58</b>
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**WORKING INTEREST OWNER APPROVAL**

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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.**

**Chronology of Contacts with Non-Committed Working Interest owners:**

**MRC Permian Company**

10/26/22 – Mailed Well Proposal to MRC Permian Company  
11/3/22 – Email with David Johns discussing Well Proposal  
11/8/22 – Email with David Johns discussing Well Proposal  
12/8/22 – Email with David Johns discussing Well Proposal  
12/8/22 – Email from David Johns discussing Well Proposal  
12/13/22 – Email with David Johns discussing Well Proposal  
12/13/22 – Email from David Johns discussing Well Proposal  
12/13/22 – Email with David Johns discussing Well Proposal  
12/13/22 – Email from David Johns discussing Well Proposal

**EOG Resources, Inc.**

10/26/22 – Mailed Well Proposal to EOG Resources, Inc.  
10/26/22 – Email with Laci Stretcher discussing Well Proposal  
10/27/22 – Email with Lacie Stretcher, Tracy Jordan, Brian Pond, and Reece Cook discussing Well Proposal  
12/8/22 – Email with Lacie Stretcher, Tracy Jordan, Brian Pond, and Reece Cook discussing Well Proposal  
12/13/22 – Email with Lacie Stretcher, Tracy Jordan, Brian Pond, and Reece Cook discussing Well Proposal  
12/13/22 – Email from Lacie Stretcher discussing Well Proposal  
12/14/22 – Email from Daniel Koury discussing Well Proposal  
12/14/22 – Email with Daniel Koury discussing Well Proposal  
12/15/22 – Phone call with Daniel Koury discussing Well Proposal  
12/16/22 – Email from Daniel Koury discussing Well Proposal  
12/16/22 – Email with Daniel Koury discussing Well Proposal  
12/19/22 - Phone call with Daniel Koury discussing Well Proposal  
12/19/22 - Email to Daniel Koury discussing Well Proposal  
12/20/22 - Phone call with Daniel Koury discussing Well Proposal  
12/21/22 - Email to Daniel Koury discussing Well Proposal

**BEFORE THE OIL CONSERVATION DIVISION**

**Santa Fe, New Mexico**

**Exhibit No. A4**

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

**Hearing Date: January 5, 2023**

**Case No. 23264**

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 HORIZONTAL WELL SPACING UNIT  
AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 23264

AFFIDAVIT OF MATTHEW MYERS, GEOLOGIST

Matthew Myers, of lawful age and being first duly sworn, declares as follows:

1. My name is Matthew Myers and I am employed by Devon Energy Production Company, L.P. ("Devon") as a geologist. I am familiar with the application filed by Devon in this matter and 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.

3. The target interval for the proposed initial well is the Third Bone Spring Lime interval of the Bone Spring formation.

4. **Devon Exhibit B-1** is a subsea structure map that I prepared for the Third Bone Spring Lime. The contour intervals are 25 feet. The area comprising the proposed spacing unit is outlined in blue with the approximate location and orientation of the initial well noted with a black line. The structure map shows the targeted formation gently dipping to the East. The structure appears consistent across the proposed spacing unit, and I do not observe any faulting, pinch outs, or other geologic impediments to drilling horizontal wells.

5. **Devon Exhibit B-2** shows a line of cross section through the proposed horizontal spacing units from A to A'. I chose the logs from these wells to create the cross section because they penetrate the targeted interval, are of good quality and have been subjected to petrophysical

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. B

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

Hearing Date: January 5, 2023

Case No. 23264

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

6. **Devon Exhibit B-3** is a stratigraphic cross-section that I prepared using the logs from the representative wells shown on Exhibit B-2. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the proposed well is marked on the cross section with green shading. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing unit.

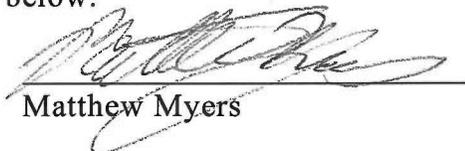
7. My geologic study indicates the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed horizontal spacing unit will be productive and contribute proportionately to the production from the wells.

8. In my opinion, the standup orientation of the proposed wells is appropriate because it is near perpendicular to the maximum horizontal stress of the area.

9. In my opinion, approval of Devon's application is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

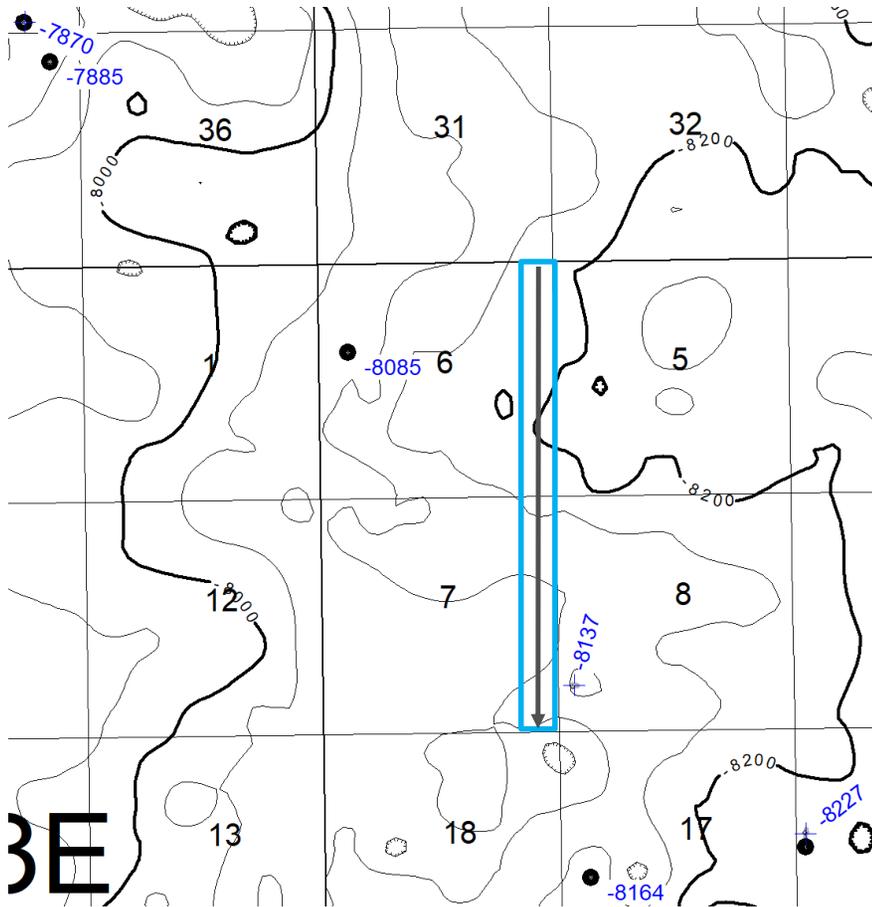
10. Devon Exhibits B-1 through B-3 were either prepared by me or compiled under my direction and supervision.

11. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

  
Matthew Myers

1-3-2022  
Date

# Structure Map



SSTVD Structure Map  
 3<sup>rd</sup> Bone Spring Lime  
 C.I. = 25 feet

**Horizontal Locations:**  
 Jayhawk 6-7 FED COM 33H →

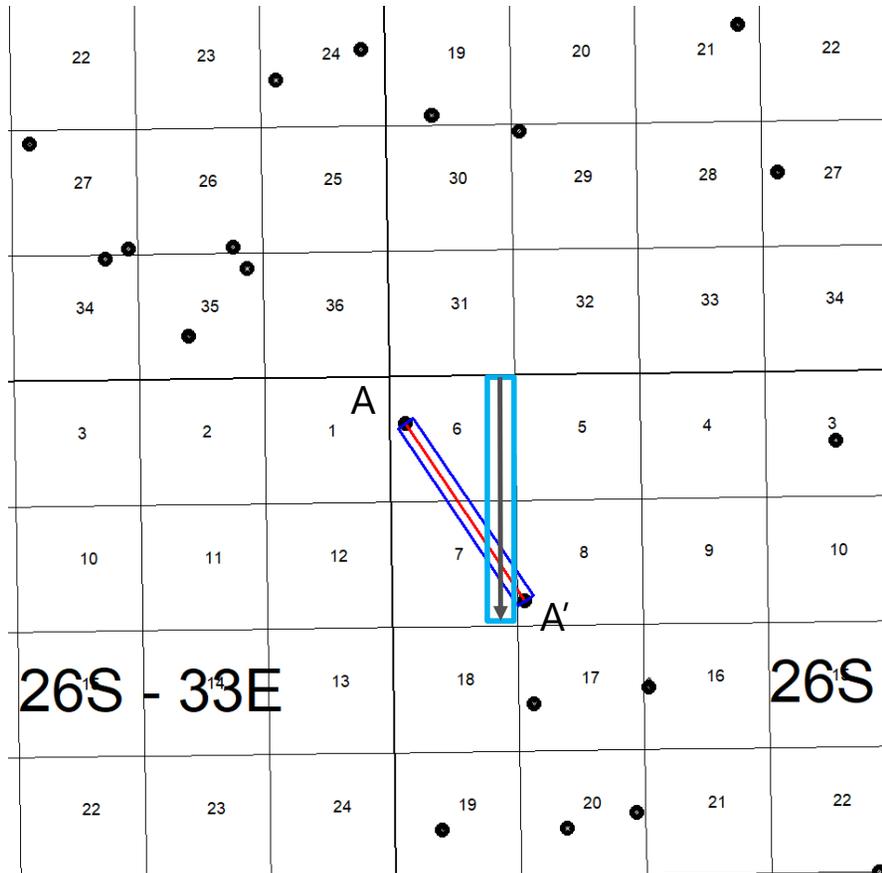
-  Spacing Unit
-  Control Points



Devon - General

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. B1  
 Submitted by: Devon Energy Production Co. L.P.  
 Hearing Date: January 5, 2023  
 Case No. 23264

# Base Map



Cross Section A – A'

**Horizontal Locations:**  
Jayhawk 6-7 FED COM 33H →

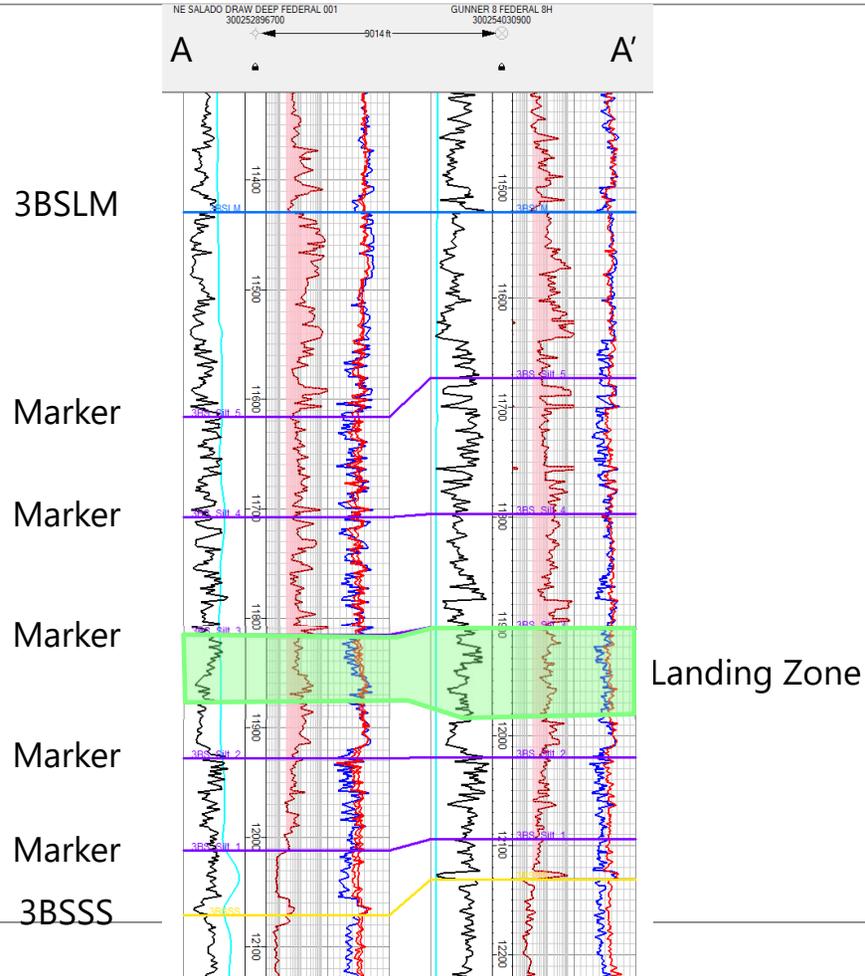
-  Spacing Unit
-  Control Points



Devon - General

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. B2  
 Submitted by: Devon Energy Production Co. L.P.  
 Hearing Date: January 5, 2023  
 Case No. 23264

# Cross Section A-A'



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. B3  
 Submitted by: Devon Energy Production Co. L.P.  
 Hearing Date: January 5, 2023  
 Case No. 23264





SUBSCRIBED AND SWORN to before me this 3rd day of January, 2023 by Michael H.

Feldewert.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

Nov. 12, 2023

STATE OF NEW MEXICO  
NOTARY PUBLIC  
CARLA GARCIA  
COMMISSION # 1127528  
COMMISSION EXPIRES 11/12/2023



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

December 16, 2022

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

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

**Re: Application of Devon Energy Production Company, L.P. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico: Jawhawk 6-7 Fed Fee Com #33H 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 January 5, 2023, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.**

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

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

Sincerely,

Paula M. Vance  
**ATTORNEY FOR DEVON ENERGY PRODUCTION COMPANY, L.P.**

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Devon - Jayhawk 6-7 Fed Fee 33H  
Case No 23264 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765835192696	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	Your item was picked up at a postal facility at 7:53 am on December 21, 2022 in MIDLAND, TX 79702.
9414811898765835192641	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765835192689	Panhandle Properties LLC	PO Box 647	Artesia	NM	88211-0647	Your item was picked up at the post office at 11:00 am on December 22, 2022 in ARTESIA, NM 88210.
9414811898765835192634	Monticello Minerals LLC	4128 Bryn Mawr Dr	Dallas	TX	75225-6736	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765835192672	Fredericka H. Crain Trust, Houston Trust Company, Successor Trustee	PO Box 56429	Houston	TX	77256-6429	Your item was picked up at a postal facility at 9:03 am on December 22, 2022 in HOUSTON, TX 77027.

# 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).

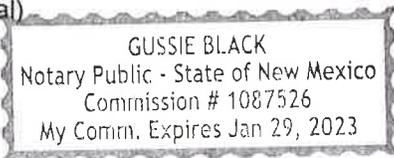
Beginning with the issue dated  
December 16, 2022  
and ending with the issue dated  
December 16, 2022.

  
\_\_\_\_\_  
Publisher

Sworn and subscribed to before me this  
16th day of December 2022.

  
\_\_\_\_\_  
Business Manager

My commission expires  
January 29, 2023  
(Seal)



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

**LEGAL NOTICE**  
**December 16, 2022**  
**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 case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, January 5, 2023, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov). Documents filed in the case 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 Marlene Salvidrez at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov), or the New Mexico Relay Network at 1-800-659-1779, no later than **December 25, 2022**.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m70857b43582c30c1009e8e4c5f5461e7>  
Webinar number: 2499 289 7870  
Panelist password: AvxgVmMe829 (28948663 from phones and video systems)

Join by video: [24992897870@nmemnrd.webex.com](mailto:24992897870@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: 2499 289 7870

**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 parties, including: EOG Resources, Inc.; MRC Permian Company; Panhandle Properties LLC; Monticello Minerals LLC; and Fredericka H. Crain Trust, Houston Trust Company, Successor Trustee.**

**Case No. 23264: Application of Devon Energy Production Company, L.P. for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E/2 E/2 of Sections 6 and 7, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed **Jawhawk 6-7 Fed Fee Com #33H** well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 31, Township 25 South, Range 34 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 7, Township 26 South, Range 34 East. This 320-acre horizontal well spacing unit will overlap the following existing horizontal well spacing unit covering portions of the subject acreage:

• A 160-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Section 7, Township 26, South, Range 34 East, dedicated to the ICHABOD "7" FED 1H well (API: 30-025- 40043).

Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling the well. Said area is located approximately 20 miles southwest of Jal, New Mexico.  
**#00273918**

67100754

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

00273918  
**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Devon Energy Production Co. L.P.  
Hearing Date: January 5, 2023  
Case No. 23264