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May 10, 2018

EXHIB

VIA CERTIFIED MAIL-RETURN RECEIPT

To: Pooled Parties (Exhibit "A")

Re: New Mexico Oil Conservation Division Application for Non-Standard Spacing and Proration

Unit and Compulsory Pooling, Case No. 16163

Spud Muffin 30-31 Fed Com 621H Well; Spud Muffin 30-31 Fed Com 732H Well;

Spud Muffin 31-30 622H Well; Spud Muffin 31-30 734H Well

Dear Ladies and Gentlemen:

This letter is to advise you that Devon Energy Production Company, L.P. has filed the enclosed application for non-standard spacing and compulsory pooling with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on May 31, 2018. The hearing will be held in the Oil Conservation Division's Santa Fe Offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an interest owner in the well unit you may be affected by this application, and you may appear and present testimony. Failure to appear at that time and become a part of record will preclude you from challenging the matter at a later date.

A party appearing in a Division case is required by Division Rule 19.15.4.13:B to file a Pre-Hearing Statement four days in advance of a scheduled hearing. This statement must be filed with the Division's Santa Fe office at the above address and should include: the names of the party and its attorney; 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 need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned and to the persons listed on Exhibit A.

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

Very truly yours,

Candace Callahan

Attorney for Devon Energy Production Company, L.P.

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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16163

AMENDED APPLICATION

Devon Energy Production Company, L.P. ("Devon"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. §70-2-17, for an order (1) authorizing a non-standard spacing unit in the Purple Sage Wolfcamp Gas Pool (98220); (2) creating a 632.38 acre non-standard spacing and proration unit comprised of the W/2 of Section 30 and the W/2 of Section 31, Township 23 South, Range 29 East, Eddy County, New Mexico; and (3) pooling all uncommitted interests in the Wolfcamp formation underlying this acreage. In support of its application, Devon states:

- 1. Devon (OGRID 6137) is a working interest owner in the subject acreage and has the right to drill thereon.
- 2. Devon proposes to dedicate the above-referenced spacing and proration unit as the project area for four proposed initial wells:
 - a. The proposed **Spud Muffin 30-31 Fed Com 621H Well**, which will be horizontally drilled from a surface location in the SW/4SW/4 of Section 31 (Unit M, Lot 4) to a bottom hole location in the NW/4NW/4 of Section 30 (Unit D, Lot 1);
 - b. The proposed **Spud Muffin 30-31 Fed Com 732H Well**, which will be horizontally drilled from a surface location in the SW/4SW/4 of Section 31 (Unit M, Lot 4) to a bottom hole location in the NW/4NW/4 of Section 30 (Unit D, Lot 1);

- c. The proposed **Spud Muffin 31-30 622H Well**, which will be horizontally drilled from a surface location in the SE/4SW/4 of Section 31 (Unit N) to a bottom hole location in the NE/4NW/4 of Section 30 (Unit C);
- d. The proposed **Spud Muffin 31-30 734H Well**, which will be horizontally drilled from a surface location in the SE/4SW/4 of Section 31 (Unit N) to a bottom hole location in the NE/4NW/4 of Section 30 (Unit C).

These wells will be pad-drilled sequentially and batch completed. All four wells will be drilled in the upper/lower Wolfcamp.

- 3. The Division's district office has placed these wells in the Purple Sage Wolfcamp Gas Pool (Pool Code 98220), which is subject to Special Rules pursuant to Order R-14262. The Special Rules for the Purple Sage Pool require 320-acre standard spacing for all wells. Devon requests approval of a standard 315.10-acre spacing unit to be combined with a 317.28-acre standard spacing unit for the purposes of drilling four 2-mile wells. The completed interval for each well will remain within the 330-foot standard offset required by the Special Rules.
- 4. Devon has sought and has been unable to obtain voluntary agreement for the development of these lands from all of the working interest owners in the subject spacing unit.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
- 6. As the proposed wells will be simultaneously drilled and completed, Devon requests an extension of the 120-day time period to drill and complete the wells provided by the standard pooling order.
- 7. In order to permit Devon to obtain it's just and fair share of the oil and gas underlying the subject lands, all mineral interests in this non-standard spacing unit should be pooled and Devon Energy Production Company, L.P. should be designated the operator of these proposed horizontal wells and spacing unit.

- 8. Notice of this application is being given in accordance with Division rules.

 WHEREFORE, Devon requests that this application be set for hearing before an

 Examiner of the Oil Conservation Division on May 31, 2018, and, after notice and hearing as required by law, the Division enter an order:
- A. Authorizing a non-standard spacing unit in the Purple Sage Wolfcamp Gas Pool (98220) comprised of the W/2 of Section 30 and the W/2 of Section 31, Township 23 South, Range 29 East, Eddy County, New Mexico;
- B. Creating a non-standard 632.38 acre non-standard spacing and proration unit comprised of the W/2 of Section 30 and the W/2 of Section 31, Township 23 South, Range 29 East, Eddy County, New Mexico, for compulsory pooling;
 - C. Pooling all uncommitted interests in the non-standard spacing and proration unit;
 - D. Dedicating the initial wells to the non-standard spacing and proration unit;
- E. Providing an extension of the 120-day requirement to drill and complete the wells;
- F. Designating Devon Energy Production Company, L.P. operator of this non-standard spacing unit and the horizontal wells to be drilled thereon;
- G. Authorizing Devon to recover its costs of drilling, equipping and completing each of the four wells;

Exhibit A

WI Owners within Pooled Unit in the Wolfcamp Formation:

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

Oxy USA, Inc. 5 Greenway Plaza, Suite 110 Houston, TX 77046 Attn: Jeremy D. Murphrey

RKI Exploration & Production, LLC C/O WPX Energy, Inc. 3500 One Williams Center, Stc. 2600 Tulsa, OK 74172

Chevron North America Exploration and Production Co., A Division of Chevron U.S.A Inc. 1400 Smith Street Houston, TX 77002 Attn: Irvin Gutierrez

PT Resources, LP 1904 Western Midland, TX 79705

RSC Resources, LP P.O Box 8329 Horseshoe Bay, TX 78657

Unleased Mineral Owners within Pooled Unit:

Tundra AD3, LP 2100 Ross Ave., Ste 1870 Dallas, TX 75201 AllDale Minerals II, LP 2100 Ross Ave., Ste 1870 Dallas, TX 75201

Lanell Joy Honeyman 406 Skywood Midland, TX 79705

Lanell Joy Honeyman, Trustee of the Leslie Robert Honeyman Trust 406 Skywood Midland, TX 79705

Robert Mitchell Raindl P.O Box 853 Tahoka, TX 79373

Debra Kay Primera P.O Box 28504 Austin, TX 78755

Ricky D. Raindl P.O Box 142454 Irving, TX 75014

Lois Hastings P.O Box 501 Newton, KS 67114

Pearl Archuleta Box 251 Santa Fe, NM 87501

ORRI Owners Within Pooled Unit:

John S. Tittl 7304 Valencia Grove Court Fort Worth, TX 76132

Michael A. Kulenguski 279 Jones Mtn Rd Madison, VA 22727

Beverly Gay Nichols 1118 Pike Place Charlottesville, VA 22901

Occidental Permian, LP (formerly Altura Energy, Ltd.) 5 Greenway Plaza, Suite 110 Houston, TX 77046

Mid-Continent Energy, Inc. 4127 Gulf of Mexico Drive Longboat Key, FL 34228

Mid-Continent Energy, Inc. 3500 S. Blvd, Ste 3D Edmond, OK 73013

Roden Participants, Ltd. 2603 Augusta Drive, Ste 430 Houston, TX 77057

Roden Exploration Company 2603 Augusta Drive, Ste 430 Houston, TX 77057 Roden Associates, Ltd. 2603 Augusta Drive, Ste 430 Houston, TX 77057

Curt A. Anderson and Edna Anderson 3807 South CR 1135 Midland, TX 76102

Kimbell Art Foundation 301 Commerce Street, Suite 2300 Fort Worth, TX 76102

Bill Burton 301 Commerce St, Ste 2900 Fort Worth, TX 76102

Ben J. Fortson III, Trustee for Ben J. Fortson III Children's Trust P.O Box 29 Fort Worth, TX 76101

Robert C. Grable 201 Main St, Ste 2500 Fort Worth, TX 76102

Ben J. Fortson, Jr. Trustee for MWB 1998 Trust, CCB 1998 Trust DCB 1998 Trust 301 Commerce St, Ste 2900 Fort Worth, TX 76102

Sundance Minerals I P.O Box 17744 Fort Worth, TX 76102

MAP00-NET P.O Box 268946 Oklahoma City, OK 73126 The Roach Foundation Fort Worth Club Tower Pen II-J 777 Taylor St Fort Worth, TX 76102

Laneli Joy Honeyman 406 Skywood Midland, TX 79705

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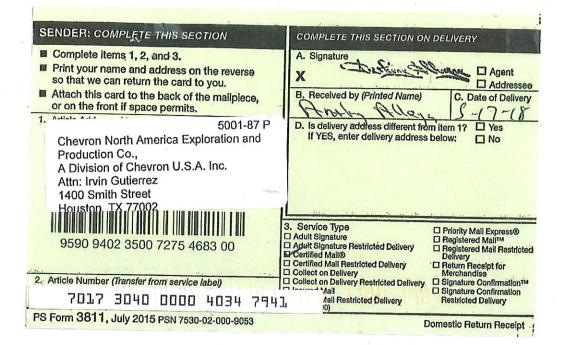
Lanell Joy Honeyman, Trustee of the Leslie Robert Honeyman Trust 406 Skywood Midland, TX 79705

COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature ■ Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse ☐ Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery ■ Attach this card to the back of the mailpiece, or on the front if space permits. D. Is delivery address different from item 1? 1. Article Addressed to: If YES, enter delivery address below: 5001-87 P JAMES BEARD Oxy USA, Inc. Attn: Jeremy D. Murphrey 5 Greenway Plaza, Suite 110 Houston, TX 77046 □ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted □ Delivery □ Return Receipt for Merchandise □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery 3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery 9590 9402 3500 7275 4683 24 Collect on Delivery Collect on Delivery Restricted Delivery Mail 2. Article Number (Transfer from senile lebel) 7017 3040 0000 4034 7927 Mail Restricted Delivery **Domestic Return Receipt** PS Form 3811, July 2015 PSN 7530-02-000-9053

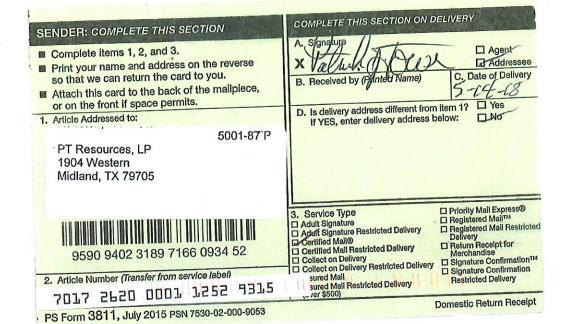


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	City, State,	Houston TX 77002		
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 If YES, enter delivery address below: 1. Article Addressed to: 5001-87 P RSC Resources, LP P.O. Box 8329 Horseshoe Bay, TX 78657 3. Service Type

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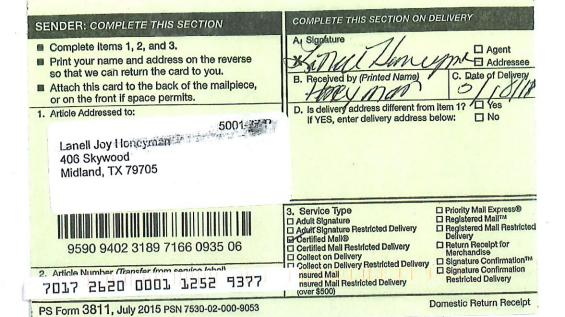
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