

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

**APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A STANDARD HORIZONTAL SPACING  
AND PRORATION UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No. 20454**

**APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A STANDARD HORIZONTAL SPACING  
AND PRORATION UNIT, AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No. 20455**

**Devon Energy Production Company LP  
Exhibits**

**Case No. 20454 - W/2**

**(Bell Lake 19-18 State Com 30H well)  
(Bell Lake 19-18 State Com 31H well)  
(Bell Lake 19-18 State Com 34H well)  
(Bell Lake 19-18 State Com 35H well)**

**Case No. 20455 - E/2**

**(Bell Lake 19-18 State Com 37H well)  
(Bell Lake 19-18 State Com 32H well)  
(Bell Lake 19-18 State Com 36H well)**

**May 2, 2019**

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

APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A STANDARD HORIZONTAL SPACING  
AND PRORATION UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO

Case No. 20454

APPLICATION

Devon Energy Production Company LP (“Devon”), through its undersigned attorneys, hereby files this amended application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) creating a standard 629.6-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of irregular Section 18 and the W/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]) underlying the unit. In support of its application, Devon states:

1. Devon is a working interest owner in the standard horizontal spacing and proration unit (“HSU”) and has the right to drill thereon.

2. Devon proposes to dedicate the HSU to its proposed **Bell Lake 19-18 State Com 30H** well, to be horizontally drilled from an approximate surface hole location 338’ FSL and 1,712’ FWL of irregular Section 19 to an approximate bottom hole location 20’ FNL and 1,000’ FWL of irregular Section 18. This well defines the HSU.

3. Also to be drilled are the following infill wells: (1) the **Bell Lake 19-18 State Com 31H** well, to be horizontally drilled from an approximate surface hole location 338’ FSL and 1,772’ FWL of irregular Section 19 to an approximate bottom hole location 20’ FNL and 2,310’ FWL of irregular Section 18; (2) the **Bell Lake 19-18 State Com 34H** well, to be horizontally

EXHIBIT No. 1  
Devon Energy Production Company  
Bell Lake Wells  
Case Nos. 20454 and 20455  
May 2, 2019 Hearing

drilled from an approximate surface hole location 338' FSL and 1,682' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 330' FWL of irregular Section 18; and (3) the **Bell Lake 19-18 State Com 35H** well, to be horizontally drilled from an approximate surface hole location 338' FSL and 1,742' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,671' FWL of irregular Section 18.

4. The completed intervals and first and last take points for all wells proposed in the unit meet the setback requirements set forth in the statewide rules for horizontal oil wells.

5. Devon has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the HSU.

6. Approval of the HSU and the pooling of all mineral interest owners in the Wolfcamp formation underlying the HSU will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

7. In order to permit Devon to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Devon should be designated the operator of the HSU.

WHEREFORE, Devon requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 2, 2019, and, after notice and hearing as required by law, the Division enter an order:

A. Creating a standard 629.6-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of irregular Section 18 and the W/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico;

B. Pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P;UPPER WOLFCAMP [98135]) underlying the HSU;

- C. Designating the Bell Lake 19-18 State Com 30H well as the defining well for the HSU;
- D. Allowing the drilling of the Bell Lake 19-18 State Com 31H well, Bell Lake 19-18 State Com 34H well, and Bell Lake 19-18 State Com 35H well as infill wells;
- E. Designating Devon as operator of the HSU and the wells to be drilled thereon;
- F. Authorizing Devon to recover its costs of drilling, equipping and completing the wells;
- G. 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
- H. Imposing a 200% penalty for the risk assumed by Devon in drilling and completing the wells against any interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Seth C. McMillan  
Sharon T. Shaheen  
Post Office Box 2307  
Santa Fe, NM 87504-2307  
(505) 982-3873  
[smcmillan@montand.com](mailto:smcmillan@montand.com)  
[sshaheen@montand.com](mailto:sshaheen@montand.com)

*Attorneys for Devon Energy Production Company  
LP*

Case No. 20154: *Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.* Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 629.6-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the W/2 of irregular Section 18 and the W/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]) underlying the HSU. Said horizontal spacing unit is to be dedicated to the proposed **Bell Lake 19-18 State Com 30H well**, to be horizontally drilled from an approximate surface location 338’ FSL and 1,712’ FWL of irregular Section 19 to an approximate bottom hole location 20’ FNL and 1,000’ FWL of irregular Section 18. This is the “defining well” for this unit. Also to be drilled is the following infill wells: (1) **Bell Lake 19-18 State Com 31H well**, to be horizontally drilled from an approximate surface hole location 338’ FSL and 1,772’ FWL of irregular Section 19 to an approximate bottom hole location 20’ FNL and 2,310’ FWL of irregular Section 18; (2) **Bell Lake 19-18 State Com 34H well**, to be horizontally drilled from an approximate surface hole location 338’ FSL and 1,682’ FWL of irregular Section 19 to an approximate bottom hole location 20’ FNL and 330’ FWL of irregular Section 18; and (3) **Bell Lake 19-18 State Com 35H well**, to be horizontally drilled from an approximate surface hole location 338’ FSL and 1,742’ FWL of irregular Section 19 to an approximate bottom hole location 20’ FNL and 1,671’ FWL of irregular Section 18. The completed interval and first and last take points for these wells are within the setbacks required by statewide pool rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 32 miles southeast of Eunice, New Mexico.

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

APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A STANDARD HORIZONTAL SPACING  
AND PRORATION UNIT, AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO

Case No. 20455

APPLICATION

Devon Energy Production Company LP ("Devon"), through its undersigned attorneys, hereby files this amended application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the E/2 of irregular Section 18 and the E/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]) underlying the unit. In support of its application, Devon states:

1. Devon is a working interest owner in the standard horizontal spacing and proration unit ("HSU") and has the right to drill thereon.
2. Devon proposes to dedicate the HSU to its proposed **Bell Lake 19-18 State Com 37H** well, to be horizontally drilled from an approximate surface hole location 281' FSL and 1,092' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,000' FEL of irregular Section 18. This well defines the HSU.
3. Also to be drilled are the following infill wells: (1) the **Bell Lake 19-18 State Com 32H** well, to be horizontally drilled from an approximate surface hole location 281' FSL and 1,122' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,671' FEL of irregular Section 18; and (2) the **Bell Lake 19-18 State Com 36H** well, to be horizontally

drilled from an approximate surface hole location 281' FSL and 1,152' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 2,310' FEL of irregular Section 18.

4. The completed intervals and first and last take points for all wells proposed in the unit meet the setback requirements set forth in the statewide rules for horizontal oil wells.

5. Devon has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the HSU.

6. Approval of the HSU and the pooling of all mineral interest owners in the Wolfcamp formation underlying the HSU will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

7. In order to permit Devon to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Devon should be designated the operator of the HSU.

WHEREFORE, Devon requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 2, 2019, and, after notice and hearing as required by law, the Division enter an order:

A. Creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the E/2 of irregular Section 18 and the E/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico;

B. Pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P;UPPER WOLFCAMP [98135]) underlying the HSU;

C. Designating the Bell Lake 19-18 State Com 37H well as the defining well for said HSU;

- D. Allowing the drilling of the Bell Lake 19-18 State Com 32H well, and the Bell Lake 19-18 State Com 36H well as infill wells;
- E. Designating Devon as operator of the HSU and the wells to be drilled thereon;
- F. Authorizing Devon to recover its costs of drilling, equipping and completing the wells;
- G. 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;
- H. Imposing a 200% penalty for the risk assumed by Devon in drilling and completing the wells against any interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,  
MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Seth C. McMillan

Sharon T. Shaheen

Post Office Box 2307

Santa Fe, NM 87504-2307

(505) 982-3873

smcmillan@montand.com

sshahen@montand.com

*Attorneys for Devon Energy Production Company  
LP*

***Case No. \_\_\_\_\_: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.*** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 of irregular Section 18 and the E/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P;UPPER WOLFCAMP [98135]) underlying the HSU. Said horizontal spacing unit is to be dedicated to the proposed **Bell Lake 19-18 State Com 37H well**, to be horizontally drilled from an approximate surface location 281' FSL and 1,092' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,000' FEL of irregular Section 18. This is the "defining well" for this unit. Also to be drilled is the following infill wells: (1) **Bell Lake 19-18 State Com 32H well**, to be horizontally drilled from an approximate surface hole location 281' FSL and 1,122' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,671' FEL of irregular Section 18; and (2) **Bell Lake 19-18 State Com 36H well**, to be horizontally drilled from an approximate surface hole location 281' FSL and 1,152' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 2,310' FEL of irregular Section 18. The completed interval and first and last take points for these wells are within the setbacks required by statewide pool rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 32 miles southeast of Eunice, New Mexico.

Case No. 20155 *Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.* Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the E/2 of irregular Section 18 and the E/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]) underlying the HSU. Said horizontal spacing unit is to be dedicated to the proposed **Bell Lake 19-18 State Com 37H well**, to be horizontally drilled from an approximate surface location 281’ FSL and 1,092’ FEL of irregular Section 19 to an approximate bottom hole location 20’ FNL and 1,000’ FEL of irregular Section 18. This is the “defining well” for this unit. Also to be drilled is the following infill wells: (1) **Bell Lake 19-18 State Com 32H well**, to be horizontally drilled from an approximate surface hole location 281’ FSL and 1,122’ FEL of irregular Section 19 to an approximate bottom hole location 20’ FNL and 1,671’ FEL of irregular Section 18; and (2) **Bell Lake 19-18 State Com 36H well**, to be horizontally drilled from an approximate surface hole location 281’ FSL and 1,152’ FEL of irregular Section 19 to an approximate bottom hole location 20’ FNL and 2,310’ FEL of irregular Section 18. The completed interval and first and last take points for these wells are within the setbacks required by statewide pool rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 32 miles southeast of Eunice, New Mexico.

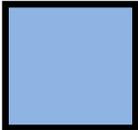
PLAT

W/2 of Sections 19 & 18, T-24-S, R-33-E, Lea County, New Mexico, Wolfcamp Formation

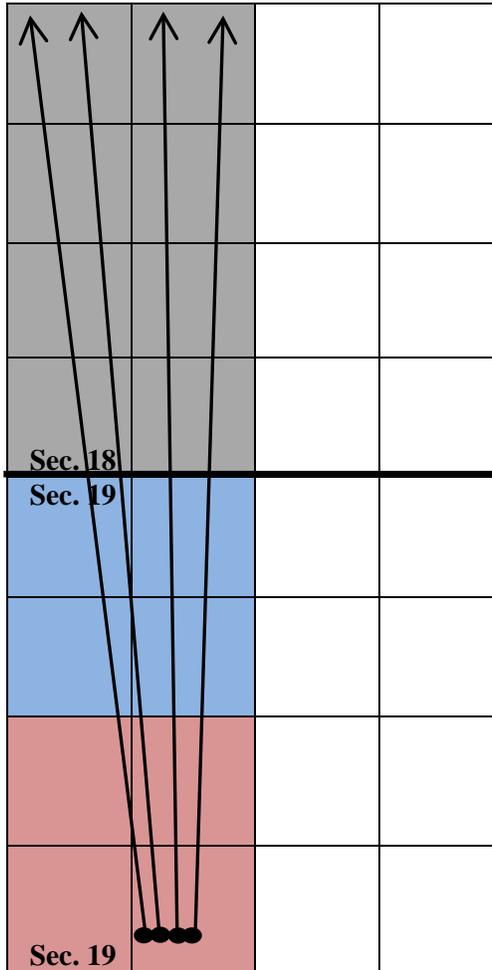
**Tract 1:**  
St of NM VO-5638  
(314.16 acres)



**Tract 2:**  
St of NM VO-4457  
(157.54 acres)



**Tract 3:**  
St of NM VO-4457  
(157.90 acres)



**34H, 30H, 35H, 31H**

**Bell Lake 19-18 State Com 34H**

SHL: 338' FSL & 1,682' FWL  
BHL: 20' FNL & 330' FWL

**Bell Lake 19-18 State Com 30H**

SHL: 338' FSL & 1,712' FWL  
BHL: 20' FNL & 1,000' FWL

**Bell Lake 19-18 State Com 35H**

SHL: 338' FSL & 1,742' FWL  
BHL: 20' FNL & 1,671' FWL

**Bell Lake 19-18 State Com 31H**

SHL: 338' FSL & 1,772' FWL  
BHL: 20' FNL & 2,310' FWL

**EXHIBIT A-1  
(Case No. 20454)**

**EXHIBIT No. 2  
Devon Energy Production Company  
Bell Lake Wells  
Case Nos. 20454 and 20455  
May 2, 2019 Hearing**

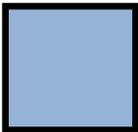
PLAT

E/2 of Sections 19 & 18, T-24-S, R-33-E, Lea County, New Mexico, Wolfcamp Formation

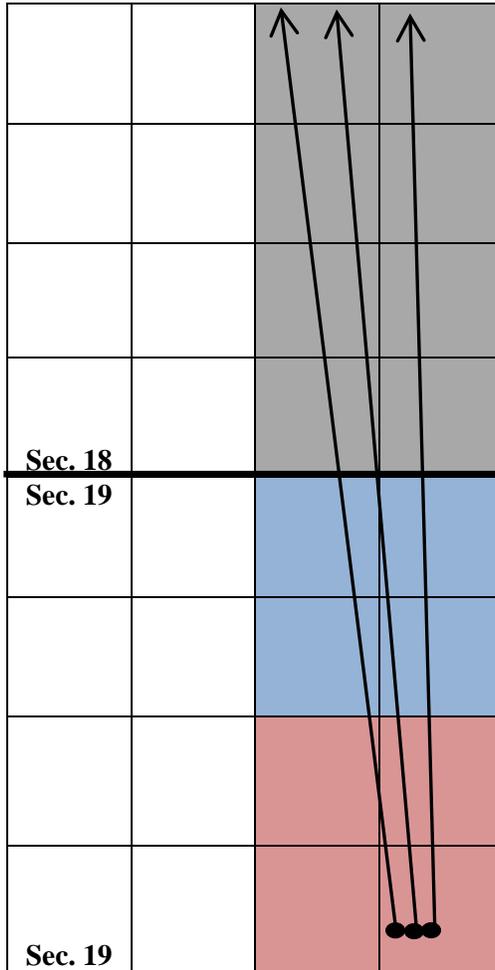
**Tract 1:**  
St of NM VO-5647  
(320 acres)



**Tract 2:**  
St of NM VO-4457  
(160 acres)



**Tract 3:**  
St of NM VO-4457  
(160 acres)



**36H, 32H, 37H**

**Bell Lake 19-18 State Com 36H**  
SHL: 281' FSL & 1,152' FEL  
BHL: 20' FNL & 2,310' FEL

**Bell Lake 19-18 State Com 32H**  
SHL: 281' FSL & 1,122' FEL  
BHL: 20' FNL & 1,671' FEL

**Bell Lake 19-18 State Com 37H**  
SHL: 281' FSL & 1,092' FEL  
BHL: 20' FNL & 1,000' FEL

**OWNERSHIP BREAKDOWN**

**W/2 of Sections 19 and 18, Township 24 South, Range 33 East of Lea County, NM**

**Bell Lake 19-18 State Com 34H, 30H, 35H, and 31H**

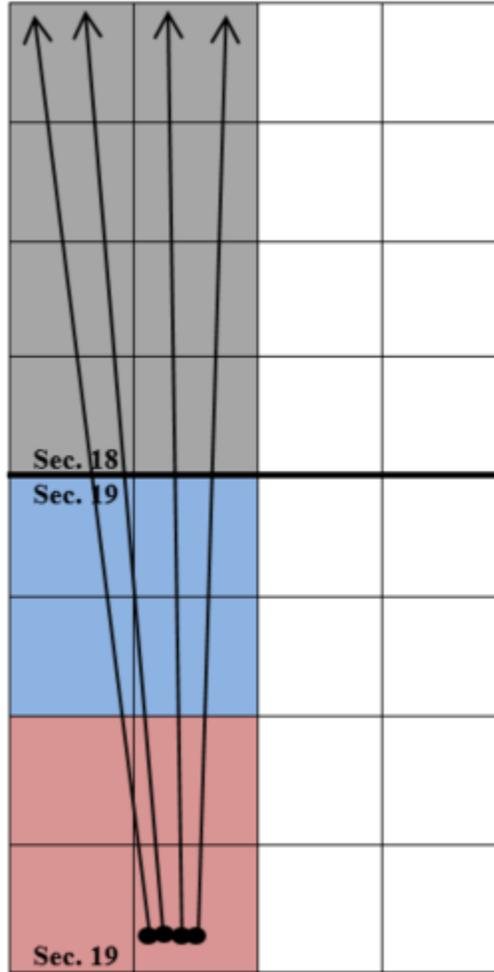
**Tract 1:**  
St of NM VO-5638  
(314.16 acres)



**Tract 2:**  
St of NM VO-4457  
(157.54 acres)



**Tract 3:**  
St of NM VO-4457  
(157.90 acres)



**34H, 30H, 35H, 31H**

**TRACT 1 OWNERSHIP (W/2 of Section 18-T24S-R33E, being 314.16 acres):**

<b>Owner</b>	<b>Net Acres</b>	<b>Unit WI</b>	<b>Status</b>
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	126.76356	0.201339835	Committed
Chevron Midcontinent, L.P. 1400 Smith Street Houston, TX 77002	147.6552	0.234522236	Uncommitted
The Allar Company 735 Elm Street Graham, TX 76450	36.1284	0.0573831	Uncommitted
Shepherd Royalty, LLC 5949 Sherry Lane, Suite 1175 Dallas, TX 75225	1.80642	0.002869155	Uncommitted
Highland Texas Energy Company, Inc. 7557 Rambler Road, Suite 918 Dallas, TX 75231	1.80642	0.002869155	Uncommitted
TRACT 1 TOTAL	314.16	0.498983482	

**TRACT 2 OWNERSHIP (NW/4 of Section 19-T24S-R33E being 157.54 acres)**

<b>Owner</b>	<b>Net Acres</b>	<b>Unit WI</b>	<b>Status</b>
Devon Energy Production Company, L.P.	111.8534	0.177657878	Committed
Monarch Resources, Inc. 306 W. 7 <sup>th</sup> Street, Suite 701 Fort Worth, TX 76102	3.1508	0.005004447	Uncommitted
Prince Petroleum Company, Ltd. 306 W. 7 <sup>th</sup> Street, Suite 701 Fort Worth, TX 76102	3.1508	0.005004447	Uncommitted
Durango Production Corporation P.O. Box 4848 Wichita Falls, TX 76308	39.385	0.062555591	Uncommitted
TRACT 2 TOTAL	157.54	0.2502223628	

**TRACT 3 OWNERSHIP (SW/4 of Section 19-T24S-R33E being 157.90 acres)**

<b>Owner</b>	<b>Net Acres</b>	<b>Unit WI</b>	<b>Status</b>
Devon Energy Production Company, L.P.	157.90	0.250794155	Committed
TRACT 3 TOTAL	157.90	0.250794155	
<hr/>			
<b>UNIT TOTALS</b>	<b>629.60</b>	<b>1.00</b>	

**ORRI Owners**

John Kyle Thoma, Trustee of the Cornerstone Family Trust  
PO Box 558  
Peyton, CO 80831

The Morse Family Security Trust  
410 17<sup>th</sup> Street, Suite 1150  
Denver CO 80202

Limpinbear Family Partnership, Ltd.  
410 17<sup>th</sup> Street, Suite 1150  
Denver CO 80202

The Allar Company  
PO Box 1567  
Graham, TX 76450

Devon Energy Production Company, L.P.  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

Highland Texas Energy Company  
7557 Rambler Road, Suite 918  
Dallas, TX 75231

States Royalty Limited Partnership  
PO Box 911  
Breckenridge, TX 76424

**OWNERSHIP BREAKDOWN**

**E/2 of Sections 19 and 18, Township 24 South, Range 33 East of Lea County, NM**

**Bell Lake 19-18 State Com 36H, 32H, and 37H**

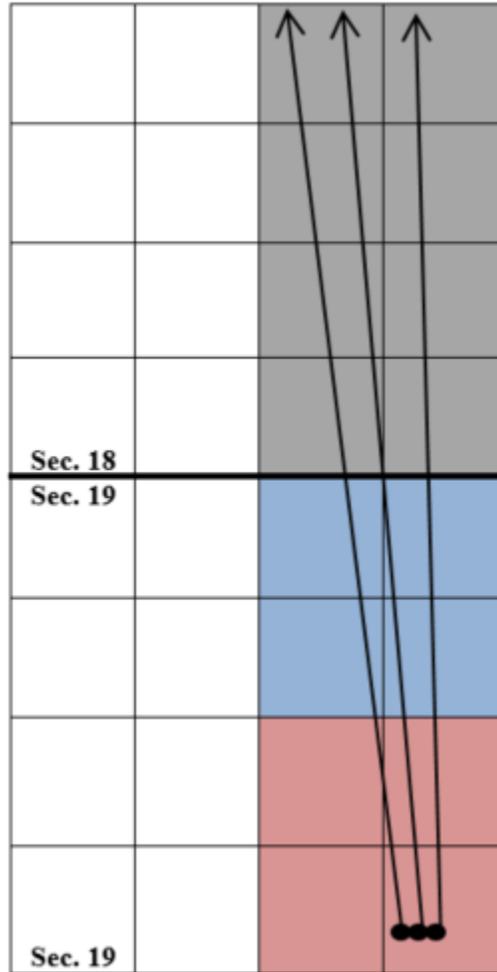
**Tract 1:**  
St of NM VO-5647  
(320 acres)



**Tract 2:**  
St of NM VO-4457  
(160 acres)



**Tract 3:**  
St of NM VO-4457  
(160 acres)



**36H, 32H, 37H**

**TRACT 1 OWNERSHIP (E/2 of Section 18-T24S-R33E, being 320 acres):**

<b>Owner</b>	<b>Net Acres</b>	<b>Unit WI</b>	<b>Status</b>
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue  Oklahoma City, OK 73102	129.12	0.20175	Committed
Chevron Midcontinent, L.P. 1400 Smith Street  Houston, TX 77002	150.40	0.235	Uncommitted
The Allar Company 735 Elm Street  Graham, TX 77002	36.80	0.0575	Uncommitted
Shepherd Royalty, LLC 5949 Sherry Lane, Suite 1175  Dallas, TX 75225	1.84	0.002875	Uncommitted
Highland Texas Energy Company, Inc. 7557 Rambler Road, Suite 918  Dallas, TX 75231	1.84	.002875	Uncommitted
TRACT 1 TOTAL	320.00	0.50	

**TRACT 2 OWNERSHIP (NE/4 of Section 19-T24S-R33E being 160.00 acres)**

<b>Owner</b>	<b>Net Acres</b>	<b>Unit WI</b>	<b>Status</b>
Devon Energy Production Company, L.P.	113.60	0.1775	Committed
Monarch Resources, Inc. 306 W. 7 <sup>th</sup> Street, Suite 701 Fort Worth, TX 76102	3.2	0.005	Uncommitted
Prince Petroleum Company, Ltd. 306 W. 7 <sup>th</sup> Street, Suite 701 Fort Worth, TX 76102	3.2	.005	Uncommitted
Durango Production Corporation P.O. Box 4848 Wichita Falls, TX 76308	40	0.0625	Uncommitted
TRACT 2 TOTAL	160.00	0.25	

**TRACT 3 OWNERSHIP (SE/4 of Section 19-T24S-R33E being 160.00 acres)**

<b>Owner</b>	<b>Net Acres</b>	<b>Unit WI</b>	<b>Status</b>
Devon Energy Production Company, L.P.	160.00	0.25	Committed
TRACT 3 TOTAL	160.00	0.25	
<hr/>			
<b>UNIT TOTALS</b>	<b>640.00</b>	<b>1.00</b>	

**ORRI Owners**

John Kyle Thoma, Trustee of the Cornerstone Family Trust  
PO Box 558  
Peyton, CO 80831

The Morse Family Security Trust  
410 17<sup>th</sup> Street, Suite 1150  
Denver CO 80202

Limpinbear Family Partnership, Ltd.  
410 17<sup>th</sup> Street, Suite 1150  
Denver CO 80202

The Allar Company  
PO Box 1567  
Graham, TX 76450

Devon Energy Production Company, L.P.  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

Highland Texas Energy Company  
7557 Rambler Road, Suite 918  
Dallas, TX 75231

States Royalty Limited Partnership  
PO Box 911  
Breckenridge, TX 76424

# Exhibit C

**DISTRICT I**  
1625 N. FRENCH DR., HOBBS, NM 86240  
Phone: (575) 393-6161 Fax: (575) 393-0780

**DISTRICT II**  
811 S. FIRST ST., ARTESIA, NM 86210  
Phone: (575) 748-1283 Fax: (575) 748-0780

**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
	98135	WC-025 G-09 S243310P;UPPER WOLFCAMP
Property Code	Property Name	Well Number
	BELL LAKE 19-18 STATE COM	30H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3549.0'

#### Surface Location

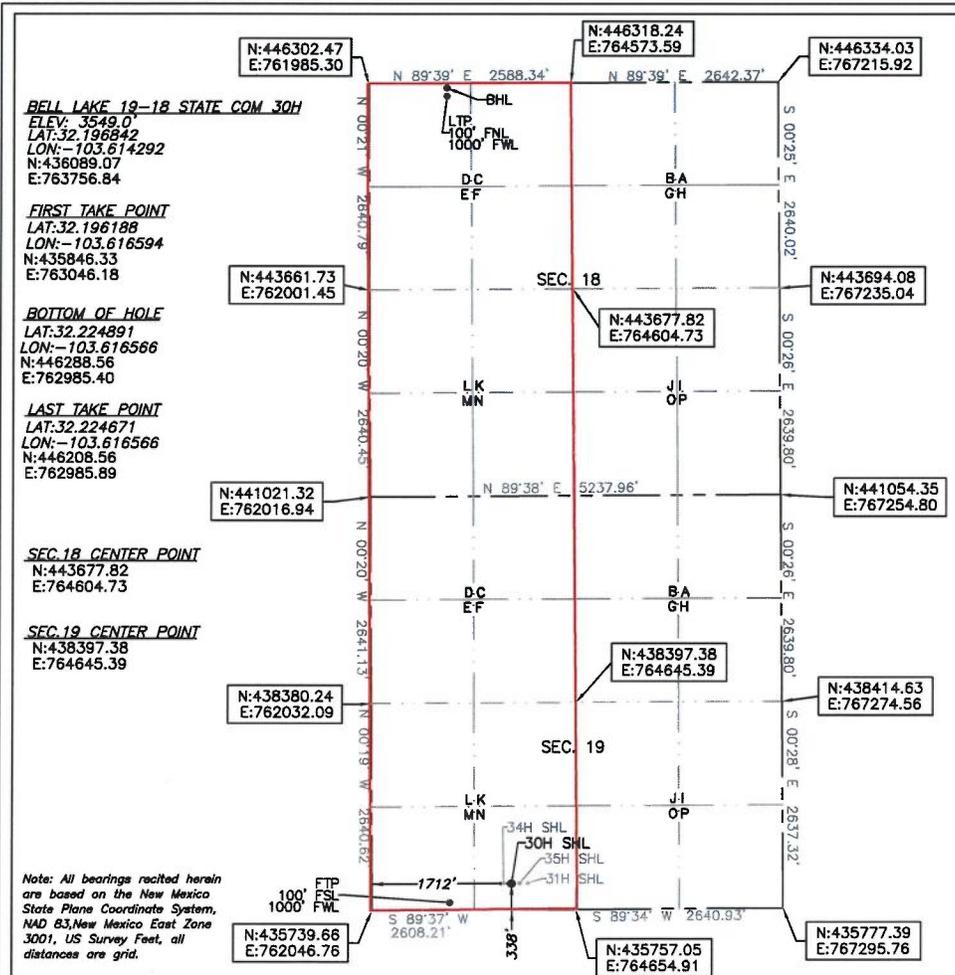
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	19	24-S	33-E		338	SOUTH	1712	WEST	LEA

#### 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
D	18	24-S	33-E		20	NORTH	1000	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
629.6			

**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**

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Rebecca Deal 2/25/2019  
 Signature Date

Rebecca Deal, Regulatory Analyst  
 Printed Name

rebecca.deal@dmn.com  
 E-mail Address

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**SURVEYOR CERTIFICATION**

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1/2019  
 Date of Survey

Signature & Seal of Professional Surveyor

02/13/19

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

# Exhibit C

**DISTRICT I**  
1625 N. FRENCH DR., ROBBS, NM 86240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**DISTRICT II**  
811 S. FIRST ST., ARTESIA, NM 86210  
Phone: (575) 749-1283 Fax: (575) 749-0720

**DISTRICT III**  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-0178 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 <b>98135</b>	Pool Name <b>WC-025 G-09 S243310P;UPPER WOLFCAMP</b>
Property Code	Property Name <b>BELL LAKE 19-18 STATE COM</b>	Well Number <b>31H</b>
OGRID No. <b>6137</b>	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	Elevation <b>3549.1'</b>

#### Surface Location

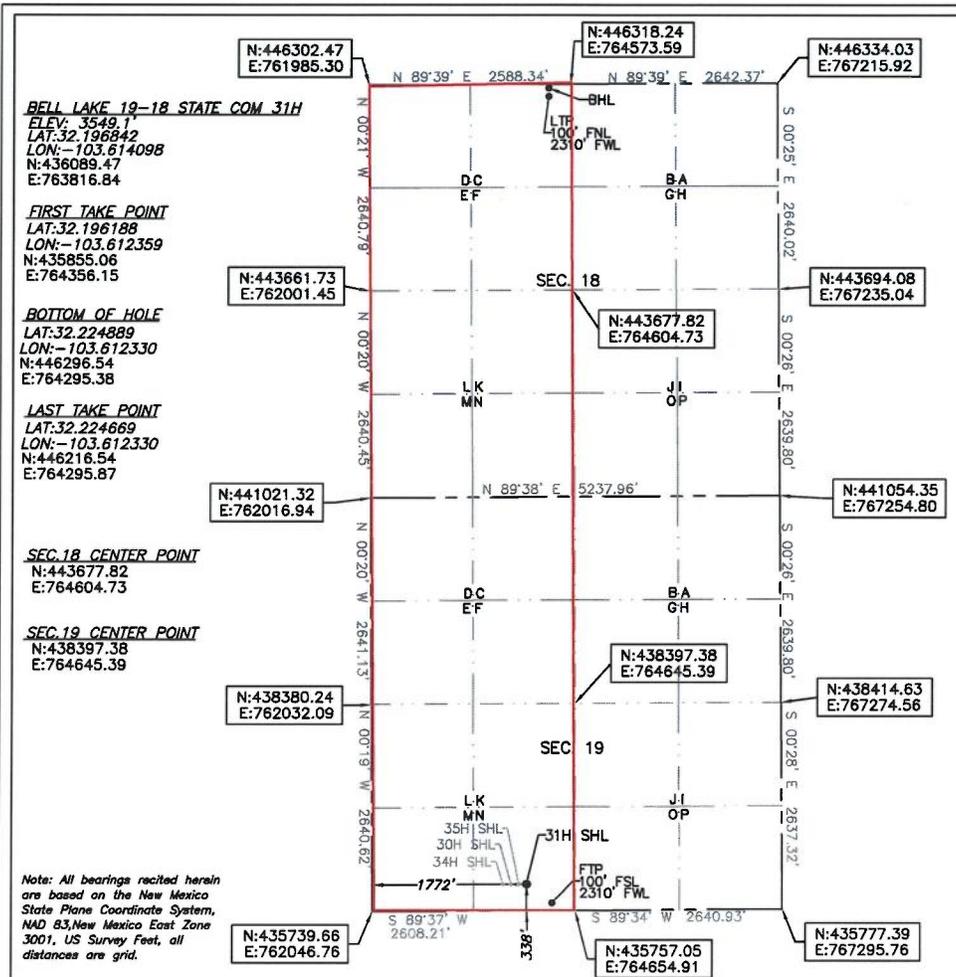
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	19	24-S	33-E		338	SOUTH	1772	WEST	LEA

#### 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
C	18	24-S	33-E		20	NORTH	2310	WEST	LEA

Dedicated Acres <b>629.6</b>	Joint or Infill	Consolidation Code	Order No.
---------------------------------	-----------------	--------------------	-----------

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2/25/2019  
 Signature Date

**Rebecca Deal, Regulatory Analyst**  
 Printed Name  
**rebecca.deal@dvn.com**  
 E-mail Address

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Signature & Seal of Professional Surveyor

01/22/19  
 Certificate No. 22404 **B.L. LAMAN**  
 DRAWN BY: CM



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AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	98135	WC-025 G-09 S243310P; UPPER WOLFCAMP
Property Code	Property Name	Well Number
	BELL LAKE 19-18 STATE COM	35H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3549.2'

#### Surface Location

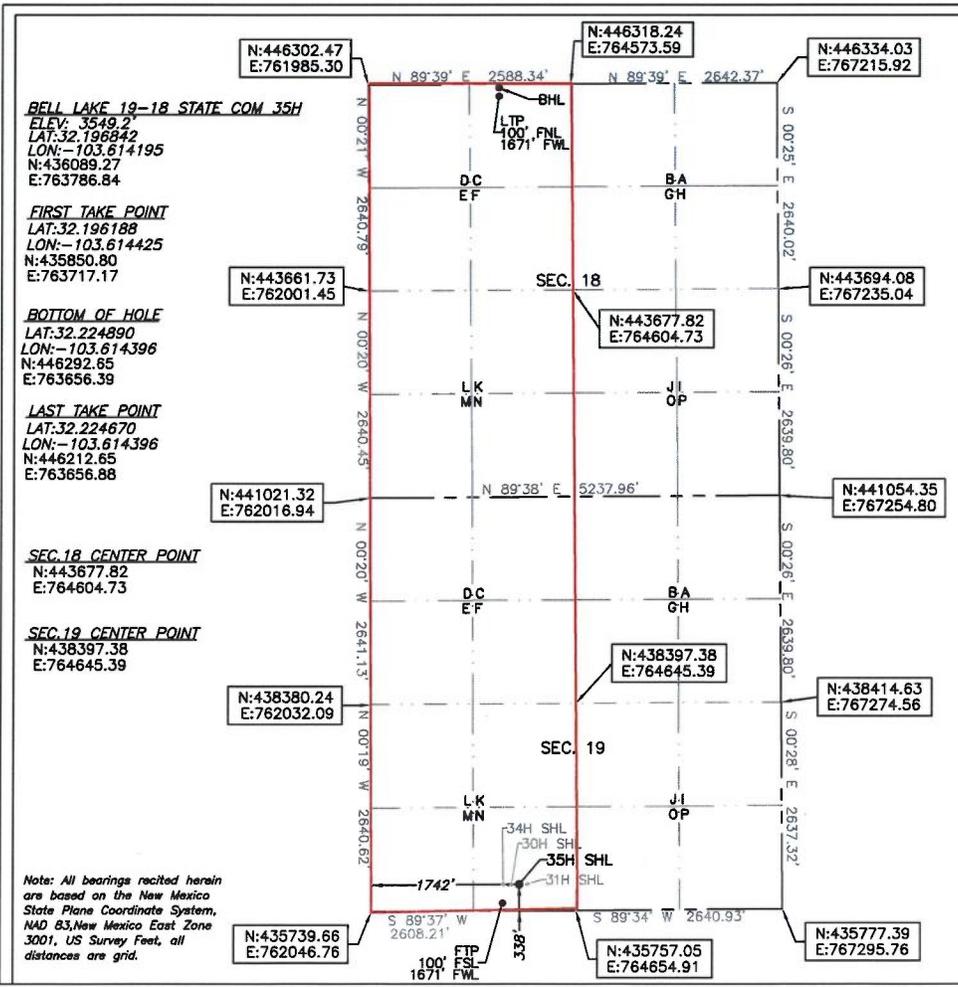
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	19	24-S	33-E		338	SOUTH	1742	WEST	LEA

#### 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
C	18	24-S	33-E		20	NORTH	1671	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
629.6			

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Rebecca Deal 2/25/2019  
 Signature Date  
**Rebecca Deal, Regulatory Analyst**  
 Printed Name  
 rebecca.deal@dvn.com  
 E-mail Address

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1/2019  
 Date of Survey  
 \_\_\_\_\_  
 Signature & Seal of Professional Surveyor



01/22/19

Certificate No. 22404    B.L. LAMAN  
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AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code <b>98135</b>	Pool Name <b>WC-025 G-09 S243310P; UPPER WOLFCAMP</b>
Property Code	Property Name <b>BELL LAKE 19-18 STATE COM</b>	Well Number <b>32H</b>
OGRID No. <b>6137</b>	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	Elevation <b>3540.5'</b>

### Surface Location

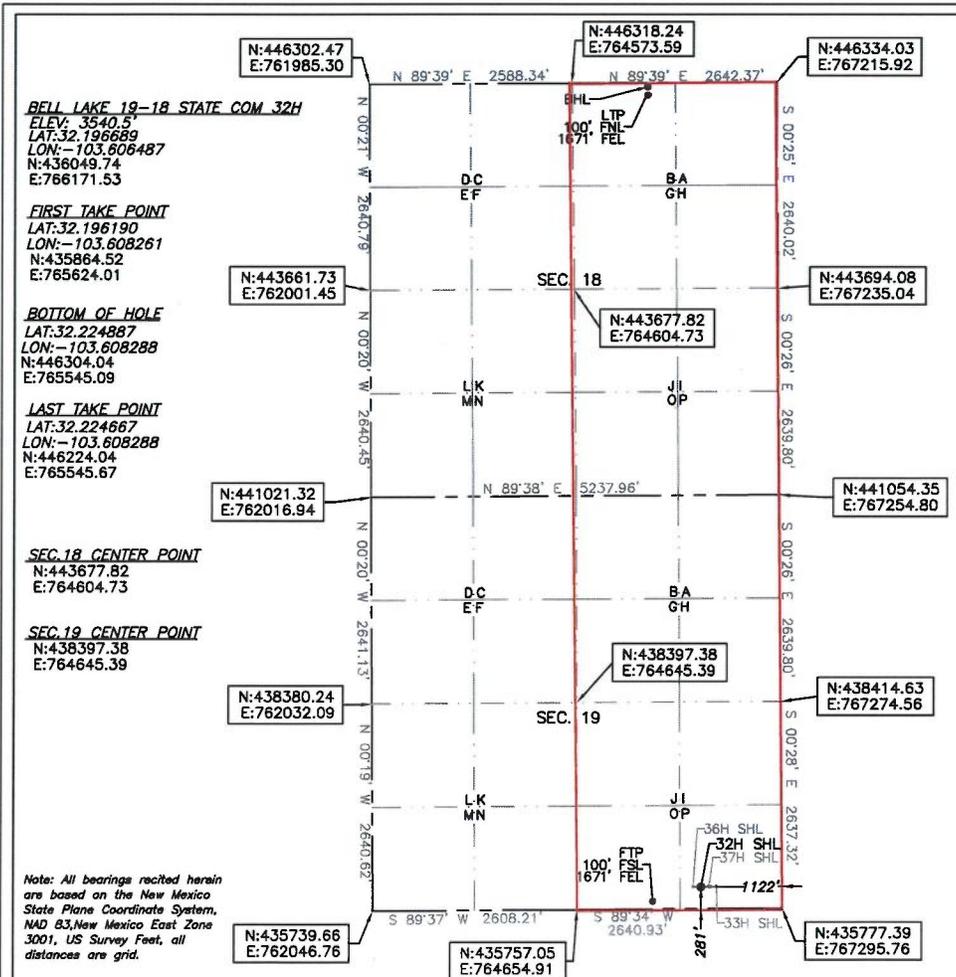
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	19	24-S	33-E		281	SOUTH	1122	EAST	LEA

### 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
B	18	24-S	33-E		20	NORTH	1671	EAST	LEA

Dedicated Acres <b>640</b>	Joint or Infill	Consolidation Code	Order No.
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*Rebecca Deal* 2/25/2019  
Signature Date

Rebecca Deal, Regulatory Analyst  
Printed Name

rebecca.deal@dvn.com  
E-mail Address

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1/2019  
Date of Survey

Signature & Seal of Professional Surveyor

01/21/19

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

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### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code <b>98135</b>	Pool Name <b>WC-025 G-09 S243310P;UPPER WOLFCAMP</b>
Property Code	Property Name <b>BELL LAKE 19-18 STATE COM</b>	Well Number <b>36H</b>
OGRID No. <b>6137</b>	Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	Elevation <b>3540.6'</b>

#### Surface Location

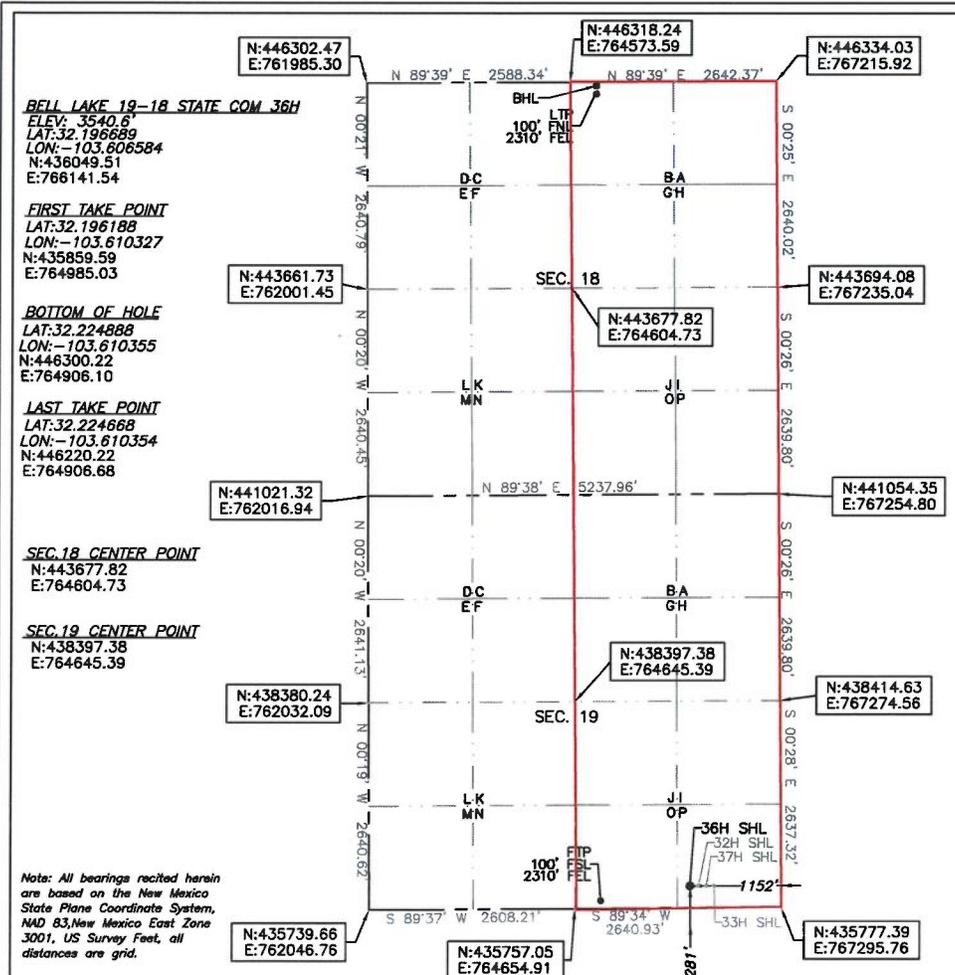
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	19	24-S	33-E		281	SOUTH	1152	EAST	LEA

#### 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
B	18	24-S	33-E		20	NORTH	2310	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			

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*Rebecca Deal* 2/25/2019  
Signature Date

Rebecca Deal, Regulatory Analyst  
Printed Name

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1/2019  
Date of Survey

Signature & Seal of Professional Surveyor

B. L. LAMAN

01/21/19

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### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	98135	WC-025 G-09 S243310P; UPPER WOLFCAMP
Property Code	Property Name	Well Number
	BELL LAKE 19-18 STATE COM	37H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3540.4'

#### Surface Location

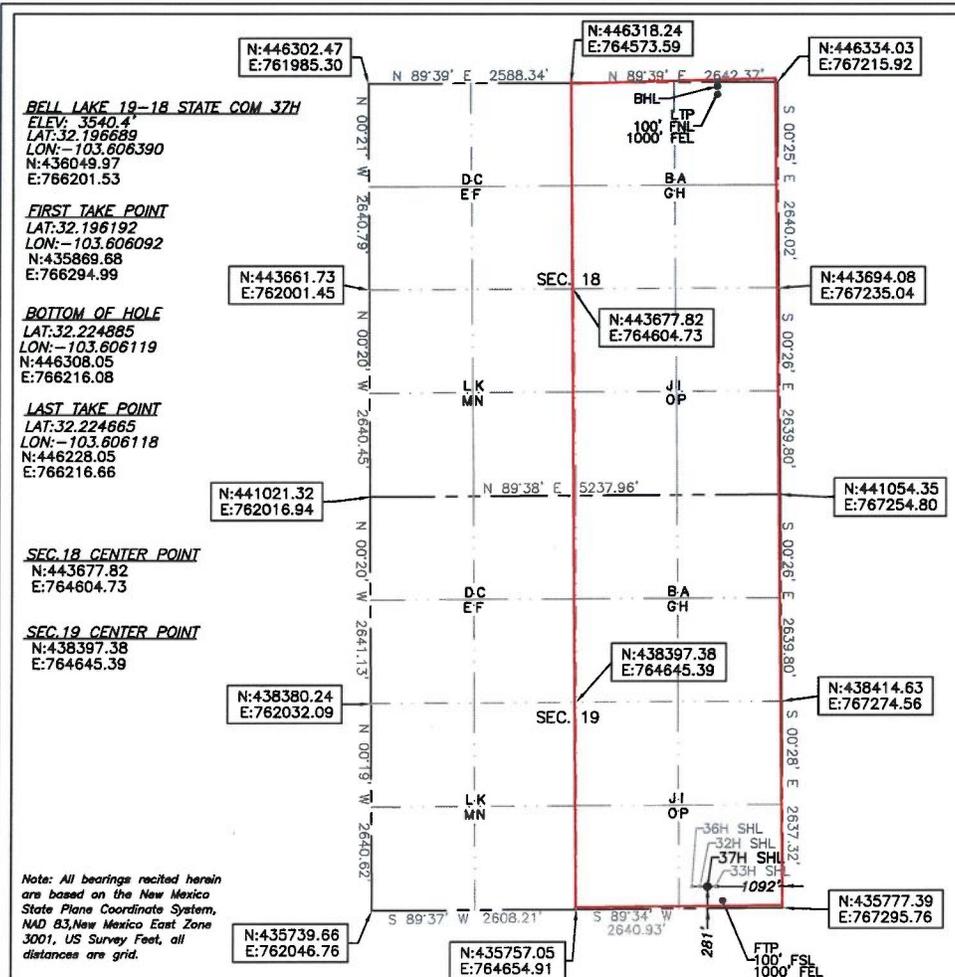
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	19	24-S	33-E		281	SOUTH	1092	EAST	LEA

#### 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
A	18	24-S	33-E		20	NORTH	1000	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			

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Signature Date  
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 Printed Name  
 rebecca.deal@dmv.com  
 E-mail Address

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1/2019  
 Date of Survey  
 Signature & Seal of Professional Surveyor  

 02/13/19  
 Certificate No. 22404 B.L. LAMAN  
 DRAWN BY: CM



February 8, 2019

Chevron Midcontinent, L.P.  
6301 Deauville Blvd.  
Midland, TX 79706

VIA FEDEX 7744 0362 2241

RE: Well Proposals– Bell Lake 19-18 State Com 30H  
Bell Lake 19-18 State Com 31H  
Bell Lake 19-18 State Com 34H  
Bell Lake 19-18 State Com 35H

Bell Lake 19-18 State Com 32H  
Bell Lake 19-18 State Com 33H  
Bell Lake 19-18 State Com 36H  
Bell Lake 19-18 State Com 37H

Lea County, New Mexico

Ladies and Gentlemen:

Devon Energy Production Company, L.P. (“Devon”), as Operator, proposes to drill and complete the following eight (8) wells:

- Bell Lake 19-18 State Com 30H as a horizontal well to an approximate TVD of 12,550’ and approximate TMD of 22,550’ into the Wolfcamp formation at an approximate SHL 338’ FSL and 1,712’ FWL of Section 19-T24S-R33E and an approximate BHL 20’ FNL and 1,000’ FWL of Section 18-24S-33E, Lea County, New Mexico (collectively with all eight proposed wells, the “Wells”). Enclosed for your review is Devon’s AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).
- Bell Lake 19-18 State Com 31H as a horizontal well to an approximate TVD of 12,550’ and approximate TMD of 22,550’ into the Wolfcamp formation at an approximate SHL 338’ FSL and 1,772’ FWL of Section 19-T24S-R33E and an approximate BHL 20’ FNL and 2,310’ FWL of Section 18-24S-33E, Lea County, New Mexico (collectively with all eight proposed wells, the “Wells”). Enclosed for your review is Devon’s AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).
- Bell Lake 19-18 State Com 34H as a horizontal well to an approximate TVD of 12,400’ and approximate TMD of 22,400’ into the Wolfcamp formation at an approximate SHL 338’ FSL and 1,682’ FWL of Section 19-T24S-R33E and an approximate BHL 20’ FNL and 330’ FWL of Section 18-24S-33E, Lea County, New Mexico (collectively with all eight proposed wells, the “Wells”). Enclosed for your review is Devon’s AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).

**EXHIBIT D**

- Bell Lake 19-18 State Com 35H as a horizontal well to an approximate TVD of 12,400' and approximate TMD of 22,400' into the Wolfcamp formation at an approximate SHL 338' FSL and 1,742' FWL of Section 19-T24S-R33E and an approximate BHL 20' FNL and 1,671' FWL of Section 18-24S-33E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).
- Bell Lake 19-18 State Com 32H as a horizontal well to an approximate TVD of 12,550' and approximate TMD of 22,550' into the Wolfcamp formation at an approximate SHL 281' FSL and 1,122' FEL of Section 19-T24S-R33E and an approximate BHL 20' FNL and 1,671' FEL of Section 18-24S-33E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).
- Bell Lake 19-18 State Com 33H as a horizontal well to an approximate TVD of 12,550' and approximate TMD of 22,550' into the Wolfcamp formation at an approximate SHL 281' FSL and 1,062' FEL of Section 19-T24S-R33E and an approximate BHL 20' FNL and 330' FEL of Section 18-24S-33E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).
- Bell Lake 19-18 State Com 36H as a horizontal well to an approximate TVD of 12,400' and approximate TMD of 22,400' into the Wolfcamp formation at an approximate SHL 281' FSL and 1,152' FEL of Section 19-T24S-R33E and an approximate BHL 20' FNL and 2,310' FEL of Section 18-24S-33E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline costs).
- Bell Lake 19-18 State Com 37H as a horizontal well to an approximate TVD of 12,400' and approximate TMD of 22,400' into the Wolfcamp formation at an approximate SHL 281' FSL and 1,092' FEL of Section 19-T24S-R33E and an approximate BHL 20' FNL and 1,000' FEL of Section 18-24S-33E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating drilling costs of \$4,167,630.80 and total completed well costs of \$11,801,380.71 (includes CTB and flowline 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 Wells under the terms of the modified and superseding 2015 AAPL form of Operating Agreements ("JOA's"). The JOA's will be supplied to those parties interested in participating. The JOA's will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- Contract area of the E/2 of Sections 19 and 18 - T24S-R33E, being approximately 640.00 acres
- Contract area of the W/2 of Sections 19 and 18 - T24S-R33E, being approximately 629.60 acres
- 100/400% Non-Consenting Penalty

Please indicate your election to participate in the drilling and completion of the Wells 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 Wells 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.

Please do not hesitate to contact me at (405) 552-8002 or via email at [Andy.Bennett@dvn.com](mailto:Andy.Bennett@dvn.com) if you have any questions concerning this proposal.

Very truly yours,

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



Andy Bennett  
Senior Staff Landman

Chevron Midcontinent, L.P.:

\_\_\_\_\_ **To Participate** in the proposal of the Bell Lake 19-18 State Com 30H Well

\_\_\_\_\_ **Not To Participate** in the proposal of the Bell Lake 19-18 State Com 30H Well

\_\_\_\_\_ **To Participate** in the proposal of the Bell Lake 19-18 State Com 31H Well

\_\_\_\_\_ **Not To Participate** in the proposal of the Bell Lake 19-18 State Com 31H Well

\_\_\_\_\_ **To Participate** in the proposal of the Bell Lake 19-18 State Com 34H Well

\_\_\_\_\_ **Not To Participate** in the proposal of the Bell Lake 19-18 State Com 34H Well

\_\_\_\_\_ **To Participate** in the proposal of the Bell Lake 19-18 State Com 35H Well

\_\_\_\_\_ **Not To Participate** in the proposal of the Bell Lake 19-18 State Com 35H Well

\_\_\_\_\_ **To Participate** in the proposal of the Bell Lake 19-18 State Com 32H Well

\_\_\_\_\_ **Not To Participate** in the proposal of the Bell Lake 19-18 State Com 32H Well

\_\_\_\_\_ **To Participate** in the proposal of the Bell Lake 19-18 State Com 33H Well

\_\_\_\_\_ **Not To Participate** in the proposal of the Bell Lake 19-18 State Com 33H Well

\_\_\_\_\_ **To Participate** in the proposal of the Bell Lake 19-18 State Com 36H Well

\_\_\_\_\_ **Not To Participate** in the proposal of the Bell Lake 19-18 State Com 36H Well

\_\_\_\_\_ **To Participate** in the proposal of the Bell Lake 19-18 State Com 37H Well

\_\_\_\_\_ **Not To Participate** in the proposal of the Bell Lake 19-18 State Com 37H Well

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

Chevron Midcontinent, L.P.

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

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



## Authorization for Expenditure

**AFE #**

Well: Bell Lake 19-18 State Com 30H

**AFE Date:** 2/6/2019

**Cost Center Number:**
**State:** NM

**Legal Description:** Section 19-24S-33E

**County/Parish:** LEA

**Revision:** 
**Explanation and Justification:**
**DRILL & COMPLETE THE BELL LAKE 19-18 STATE COM 30H**

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6060100	DYED LIQUID FUELS	135,959.58	0.00	0.00	135,959.58
6060130	GASEOUS FUELS	62,467.92	0.00	0.00	62,467.92
6080100	DISPOSAL - SOLIDS	102,390.24	1,050.00	0.00	103,440.24
6080110	DISP-SALTWATER & OTH	0.00	307,125.00	0.00	307,125.00
6090100	FLUIDS - WATER	60,900.00	329,794.29	0.00	390,694.29
6090120	RECYC TREAT&PROC-H2O	0.00	297,279.36	0.00	297,279.36
6100100	PERMIT SURVEY&TITLE	40,000.00	0.00	0.00	40,000.00
6100110	RIGHT OF WAY	20,000.00	0.00	0.00	20,000.00
6110130	ROAD&SITE PREP SVC	80,000.00	12,600.00	0.00	92,600
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	AUTOMATION LABOR, SVC	0.00	90,000.00	0.00	90,000.00
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
6170110	SNUBBG&COIL TUBG SVC	0.00	386,416.63	0.00	386,416.63
6190100	TRCKG&HL-SOLID&FLUID	55,118.75	0.00	0.00	55,118.75
6190110	TRUCKING&HAUL OF EQP	54,000.00	15,750	0.00	69,750.00
6200130	CONSLT & PROJECT SVC	176,380.00	126,604.37	0.00	302,984.37
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	3,718,007.02	0.00	3,718,007.02
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	734,916.67	0.00	0.00	734,916.67
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	2,100.00	0.00	398,020.00
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	248,924.87	0.00	248,924.87
6310600	MISC PUMPING SERVICE	0.00	127,884.94	0.00	127,884.94
6320100	EQPMNT SVC-SRF RNTL	143,492.48	468,615.92	0.00	612,108.40
6320110	EQUIP SVC - DOWNHOLE	79,690.00	0.00	0.00	79,690.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6350100	CONSTRUCTION SVC	0.00	231,800.00	0.00	231,800.00
6520100	LEGAL FEES	20,000.00	0.00	0.00	20,000.00
6550110	MISCELLANEOUS SERVICES	25,900.00	0.00	0.00	25,900.00
6630110	CAPITAL OVERHEAD	11,023.75	28,037.00	0.00	39,060.75
6740340	TAXES OTHER	394.28	0.00	0.00	394.28
	<b>Total Intangibles</b>	<b>3,283,907.22</b>	<b>6,863,806.91</b>	<b>0.00</b>	<b>10,147,714.13</b>

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 #

Well: Bell Lake 19-18 State Com 30H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6110120	ROAD PREP MATERIALS	0.00	25,024.00	0.00	25,024.00
6130120	AUTOMATION MATERIAL	0.00	17,945.00	0.00	17,945.00
6230130	SAFETY EQUIPMENT	3674.58	0.00	0.00	3,674.58
6300150	MAJOR EQUIP, LONG LEAD ITM	0.00	439,790.00	0.00	439,790.00
6310150	CASG-COND&DRIVE PIPE	60,000.00	0.00	0.00	60,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	63,210.00	0.00	96,310.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	305,100.00	0.00	0.00	305,100.00
6310550	PRODUCTION CASING	407,949.00	0.00	0.00	407,949.00
6310580	CASING COMPONENTS	40,900.00	0.00	0.00	40,900.00
6330100	PIPE, FITTING, FLANGES, VLVS	0.00	223,974.00	0.00	223,974.00
	<b>Total Tangibles</b>	<b>883,723.58</b>	<b>769,943.00</b>	<b>0.00</b>	<b>1,653,666.58</b>

<b>TOTAL ESTIMATED COST</b>	<b>4,167,630.80</b>	<b>7,633,749.91</b>	<b>0.00</b>	<b>11,801,380.71</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.



## Authorization for Expenditure

AFE #

Well: Bell Lake 19-18 State Com 31H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

**DRILL & COMPLETE THE BELL LAKE 19-18 STATE COM 31H**

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6060100	DYED LIQUID FUELS	135,959.58	0.00	0.00	135,959.58
6060130	GASEOUS FUELS	62,467.92	0.00	0.00	62,467.92
6080100	DISPOSAL - SOLIDS	102,390.24	1,050.00	0.00	103,440.24
6080110	DISP-SALTWATER & OTH	0.00	307,125.00	0.00	307,125.00
6090100	FLUIDS - WATER	60,900.00	329,794.29	0.00	390,694.29
6090120	RECYC TREAT&PROC-H2O	0.00	297,279.36	0.00	297,279.36
6100100	PERMIT SURVEY&TITLE	40,000.00	0.00	0.00	40,000.00
6100110	RIGHT OF WAY	20,000.00	0.00	0.00	20,000.00
6110130	ROAD&SITE PREP SVC	80,000.00	12,600.00	0.00	92,600.00
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	AUTOMATION LABOR, SVC	0.00	90,000.00	0.00	90,000.00
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
6170110	SNUBBG&COIL TUBG SVC	0.00	386,416.63	0.00	386,416.63
6190100	TRCKG&HL-SOLID&FLUID	55,118.75	0.00	0.00	55,118.75
6190110	TRUCKING&HAUL OF EQP	54,000.00	15,750.00	0.00	69,750.00
6200130	CONSLT & PROJECT SVC	176,380.00	126,604.37	0.00	302,984.37
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	3,718,007.02	0.00	3,718,007.02
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	734,916.67	0.00	0.00	734,916.67
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	2,100.00	0.00	398,020.00
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	248,924.87	0.00	248,924.87
6310600	MISC PUMPING SERVICE	0.00	127,884.94	0.00	127,884.94
6320100	EQPMNT SVC-SRF RNTL	143,492.48	468,615.92	0.00	612,108.40
6320110	EQUIP SVC - DOWNHOLE	79,690.00	0.00	0.00	79,690.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6350100	CONSTRUCTION SVC	0.00	231,800.00	0.00	231,800.00
6520100	LEGAL FEES	20,000.00	0.00	0.00	20,000.00
6550110	MISCELLANEOUS SERVICES	25,900.00	0.00	0.00	25,900.00
6630110	CAPITAL OVERHEAD	11,023.75	28,037.00	0.00	39,060.75
6740340	TAXES OTHER	394.28	0.00	0.00	394.28
	<b>Total Intangibles</b>	<b>3,283,907.22</b>	<b>6,863,806.91</b>	<b>0.00</b>	<b>10,147,714.13</b>

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 #

Well: Bell Lake 19-18 State Com 31H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6110120	ROAD PREP MATERIALS	0.00	25,024.00	0.00	25,024.00
6130120	AUTOMATION MATERIAL	0.00	17,945.00	0.00	17,945.00
6230130	SAFETY EQUIPMENT	3674.58	0.00	0.00	3,674.58
6300150	MAJOR EQUIP, LONG LEAD ITM	0.00	439,790.00	0.00	439,790.00
6310150	CASG-COND&DRIVE PIPE	60,000.00	0.00	0.00	60,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	63,210.00	0.00	96,310.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	305,100.00	0.00	0.00	305,100.00
6310550	PRODUCTION CASING	407,949.00	0.00	0.00	407,949.00
6310580	CASING COMPONENTS	40,900.00	0.00	0.00	40,900.00
6330100	PIPE, FITTING, FLANGES, VLVS	0.00	223,974.00	0.00	223,974.00
	<b>Total Tangibles</b>	<b>883,723.58</b>	<b>769,943.00</b>	<b>0.00</b>	<b>1,653,666.58</b>

<b>TOTAL ESTIMATED COST</b>	<b>4,167,630.80</b>	<b>7,633,749.91</b>	<b>0.00</b>	<b>11,801,380.71</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.



## Authorization for Expenditure

**AFE #**

Well: Bell Lake 19-18 State Com 34H

**AFE Date:** 2/6/2019

**Cost Center Number:**
**State:** NM

**Legal Description:** Section 19-24S-33E

**County/Parish:** LEA

**Revision:** 
**Explanation and Justification:**
**DRILL & COMPLETE THE BELL LAKE 19-18 STATE COM 34H**

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6060100	DYED LIQUID FUELS	135,959.58	0.00	0.00	135,959.58
6060130	GASEOUS FUELS	62,467.92	0.00	0.00	62,467.92
6080100	DISPOSAL - SOLIDS	102,390.24	1,050.00	0.00	103,440.24
6080110	DISP-SALTWATER & OTH	0.00	307,125.00	0.00	307,125.00
6090100	FLUIDS - WATER	60,900.00	329,794.29	0.00	390,694.29
6090120	RECYC TREAT&PROC-H2O	0.00	297,279.36	0.00	297,279.36
6100100	PERMIT SURVEY&TITLE	40,000.00	0.00	0.00	40,000.00
6100110	RIGHT OF WAY	20,000.00	0.00	0.00	20,000.00
6110130	ROAD&SITE PREP SVC	80,000.00	12,600.00	0.00	92,600
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	AUTOMATION LABOR, SVC	0.00	90,000.00	0.00	90,000.00
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
6170110	SNUBBG&COIL TUBG SVC	0.00	386,416.63	0.00	386,416.63
6190100	TRCKG&HL-SOLID&FLUID	55,118.75	0.00	0.00	55,118.75
6190110	TRUCKING&HAUL OF EQP	54,000.00	15,750	0.00	69,750.00
6200130	CONSLT & PROJECT SVC	176,380.00	126,604.37	0.00	302,984.37
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	3,718,007.02	0.00	3,718,007.02
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	734,916.67	0.00	0.00	734,916.67
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	2,100.00	0.00	398,020.00
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	248,924.87	0.00	248,924.87
6310600	MISC PUMPING SERVICE	0.00	127,884.94	0.00	127,884.94
6320100	EQPMNT SVC-SRF RNTL	143,492.48	468,615.92	0.00	612,108.40
6320110	EQUIP SVC - DOWNHOLE	79,690.00	0.00	0.00	79,690.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6350100	CONSTRUCTION SVC	0.00	231,800.00	0.00	231,800.00
6520100	LEGAL FEES	20,000.00	0.00	0.00	20,000.00
6550110	MISCELLANEOUS SERVICES	25,900.00	0.00	0.00	25,900.00
6630110	CAPITAL OVERHEAD	11,023.75	28,037.00	0.00	39,060.75
6740340	TAXES OTHER	394.28	0.00	0.00	394.28
	<b>Total Intangibles</b>	<b>3,283,907.22</b>	<b>6,863,806.91</b>	<b>0.00</b>	<b>10,147,714.13</b>

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 #

Well: Bell Lake 19-18 State Com 34H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6110120	ROAD PREP MATERIALS	0.00	25,024.00	0.00	25,024.00
6130120	AUTOMATION MATERIAL	0.00	17,945.00	0.00	17,945.00
6230130	SAFETY EQUIPMENT	3674.58	0.00	0.00	3,674.58
6300150	MAJOR EQUIP, LONG LEAD ITM	0.00	439,790.00	0.00	439,790.00
6310150	CASG-COND&DRIVE PIPE	60,000.00	0.00	0.00	60,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	63,210.00	0.00	96,310.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	305,100.00	0.00	0.00	305,100.00
6310550	PRODUCTION CASING	407,949.00	0.00	0.00	407,949.00
6310580	CASING COMPONENTS	40,900.00	0.00	0.00	40,900.00
6330100	PIPE, FITTING, FLANGES, VLVS	0.00	223,974.00	0.00	223,974.00
	<b>Total Tangibles</b>	<b>883,723.58</b>	<b>769,943.00</b>	<b>0.00</b>	<b>1,653,666.58</b>

<b>TOTAL ESTIMATED COST</b>	<b>4,167,630.80</b>	<b>7,633,749.91</b>	<b>0.00</b>	<b>11,801,380.71</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.



## Authorization for Expenditure

AFE #

Well: Bell Lake 19-18 State Com 35H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

**DRILL & COMPLETE THE BELL LAKE 19-18 STATE COM 35H**

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6060100	DYED LIQUID FUELS	135,959.58	0.00	0.00	135,959.58
6060130	GASEOUS FUELS	62,467.92	0.00	0.00	62,467.92
6080100	DISPOSAL - SOLIDS	102,390.24	1,050.00	0.00	103,440.24
6080110	DISP-SALTWATER & OTH	0.00	307,125.00	0.00	307,125.00
6090100	FLUIDS - WATER	60,900.00	329,794.29	0.00	390,694.29
6090120	RECYC TREAT&PROC-H2O	0.00	297,279.36	0.00	297,279.36
6100100	PERMIT SURVEY&TITLE	40,000.00	0.00	0.00	40,000.00
6100110	RIGHT OF WAY	20,000.00	0.00	0.00	20,000.00
6110130	ROAD&SITE PREP SVC	80,000.00	12,600.00	0.00	92,600
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	AUTOMATION LABOR, SVC	0.00	90,000.00	0.00	90,000.00
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
6170110	SNUBBG&COIL TUBG SVC	0.00	386,416.63	0.00	386,416.63
6190100	TRCKG&HL-SOLID&FLUID	55,118.75	0.00	0.00	55,118.75
6190110	TRUCKING&HAUL OF EQP	54,000.00	15,750	0.00	69,750.00
6200130	CONSLT & PROJECT SVC	176,380.00	126,604.37	0.00	302,984.37
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	3,718,007.02	0.00	3,718,007.02
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	734,916.67	0.00	0.00	734,916.67
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	2,100.00	0.00	398,020.00
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	248,924.87	0.00	248,924.87
6310600	MISC PUMPING SERVICE	0.00	127,884.94	0.00	127,884.94
6320100	EQPMNT SVC-SRF RNTL	143,492.48	468,615.92	0.00	612,108.40
6320110	EQUIP SVC - DOWNHOLE	79,690.00	0.00	0.00	79,690.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6350100	CONSTRUCTION SVC	0.00	231,800.00	0.00	231,800.00
6520100	LEGAL FEES	20,000.00	0.00	0.00	20,000.00
6550110	MISCELLANEOUS SERVICES	25,900.00	0.00	0.00	25,900.00
6630110	CAPITAL OVERHEAD	11,023.75	28,037.00	0.00	39,060.75
6740340	TAXES OTHER	394.28	0.00	0.00	394.28
	<b>Total Intangibles</b>	<b>3,283,907.22</b>	<b>6,863,806.91</b>	<b>0.00</b>	<b>10,147,714.13</b>

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 #

Well: Bell Lake 19-18 State Com 35H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6110120	ROAD PREP MATERIALS	0.00	25,024.00	0.00	25,024.00
6130120	AUTOMATION MATERIAL	0.00	17,945.00	0.00	17,945.00
6230130	SAFETY EQUIPMENT	3674.58	0.00	0.00	3,674.58
6300150	MAJOR EQUIP, LONG LEAD ITM	0.00	439,790.00	0.00	439,790.00
6310150	CASG-COND&DRIVE PIPE	60,000.00	0.00	0.00	60,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	63,210.00	0.00	96,310.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	305,100.00	0.00	0.00	305,100.00
6310550	PRODUCTION CASING	407,949.00	0.00	0.00	407,949.00
6310580	CASING COMPONENTS	40,900.00	0.00	0.00	40,900.00
6330100	PIPE, FITTING, FLANGES, VLVS	0.00	223,974.00	0.00	223,974.00
	<b>Total Tangibles</b>	<b>883,723.58</b>	<b>769,943.00</b>	<b>0.00</b>	<b>1,653,666.58</b>

<b>TOTAL ESTIMATED COST</b>	<b>4,167,630.80</b>	<b>7,633,749.91</b>	<b>0.00</b>	<b>11,801,380.71</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.



## Authorization for Expenditure

AFE #

Well: Bell Lake 19-18 State Com 32H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE THE BELL LAKE 19-18 STATE COM 32H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6060100	DYED LIQUID FUELS	135,959.58	0.00	0.00	135,959.58
6060130	GASEOUS FUELS	62,467.92	0.00	0.00	62,467.92
6080100	DISPOSAL - SOLIDS	102,390.24	1,050.00	0.00	103,440.24
6080110	DISP-SALTWATER & OTH	0.00	307,125.00	0.00	307,125.00
6090100	FLUIDS - WATER	60,900.00	329,794.29	0.00	390,694.29
6090120	RECYC TREAT&PROC-H2O	0.00	297,279.36	0.00	297,279.36
6100100	PERMIT SURVEY&TITLE	40,000.00	0.00	0.00	40,000.00
6100110	RIGHT OF WAY	20,000.00	0.00	0.00	20,000.00
6110130	ROAD&SITE PREP SVC	80,000.00	12,600.00	0.00	92,600
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	AUTOMATION LABOR, SVC	0.00	90,000.00	0.00	90,000.00
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
6170110	SNUBBG&COIL TUBG SVC	0.00	386,416.63	0.00	386,416.63
6190100	TRCKG&HL-SOLID&FLUID	55,118.75	0.00	0.00	55,118.75
6190110	TRUCKING&HAUL OF EQP	54,000.00	15,750	0.00	69,750.00
6200130	CONSLT & PROJECT SVC	176,380.00	126,604.37	0.00	302,984.37
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	3,718,007.02	0.00	3,718,007.02
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	734,916.67	0.00	0.00	734,916.67
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	2,100.00	0.00	398,020.00
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	248,924.87	0.00	248,924.87
6310600	MISC PUMPING SERVICE	0.00	127,884.94	0.00	127,884.94
6320100	EQPMNT SVC-SRF RNTL	143,492.48	468,615.92	0.00	612,108.40
6320110	EQUIP SVC - DOWNHOLE	79,690.00	0.00	0.00	79,690.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6350100	CONSTRUCTION SVC	0.00	231,800.00	0.00	231,800.00
6520100	LEGAL FEES	20,000.00	0.00	0.00	20,000.00
6550110	MISCELLANEOUS SERVICES	25,900.00	0.00	0.00	25,900.00
6630110	CAPITAL OVERHEAD	11,023.75	28,037.00	0.00	39,060.75
6740340	TAXES OTHER	394.28	0.00	0.00	394.28
	<b>Total Intangibles</b>	<b>3,283,907.22</b>	<b>6,863,806.91</b>	<b>0.00</b>	<b>10,147,714.13</b>

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 #

Well: Bell Lake 19-18 State Com 32H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6110120	ROAD PREP MATERIALS	0.00	25,024.00	0.00	25,024.00
6130120	AUTOMATION MATERIAL	0.00	17,945.00	0.00	17,945.00
6230130	SAFETY EQUIPMENT	3674.58	0.00	0.00	3,674.58
6300150	MAJOR EQUIP, LONG LEAD ITM	0.00	439,790.00	0.00	439,790.00
6310150	CASG-COND&DRIVE PIPE	60,000.00	0.00	0.00	60,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	63,210.00	0.00	96,310.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	305,100.00	0.00	0.00	305,100.00
6310550	PRODUCTION CASING	407,949.00	0.00	0.00	407,949.00
6310580	CASING COMPONENTS	40,900.00	0.00	0.00	40,900.00
6330100	PIPE, FITTING, FLANGES, VLVS	0.00	223,974.00	0.00	223,974.00
	<b>Total Tangibles</b>	<b>883,723.58</b>	<b>769,943.00</b>	<b>0.00</b>	<b>1,653,666.58</b>

<b>TOTAL ESTIMATED COST</b>	<b>4,167,630.80</b>	<b>7,633,749.91</b>	<b>0.00</b>	<b>11,801,380.71</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.



## Authorization for Expenditure

**AFE #**

Well: Bell Lake 19-18 State Com 36H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

**Explanation and Justification:**

**DRILL & COMPLETE THE BELL LAKE 19-18 STATE COM 36H**

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6060100	DYED LIQUID FUELS	135,959.58	0.00	0.00	135,959.58
6060130	GASEOUS FUELS	62,467.92	0.00	0.00	62,467.92
6080100	DISPOSAL - SOLIDS	102,390.24	1,050.00	0.00	103,440.24
6080110	DISP-SALTWATER & OTH	0.00	307,125.00	0.00	307,125.00
6090100	FLUIDS - WATER	60,900.00	329,794.29	0.00	390,694.29
6090120	RECYC TREAT&PROC-H2O	0.00	297,279.36	0.00	297,279.36
6100100	PERMIT SURVEY&TITLE	40,000.00	0.00	0.00	40,000.00
6100110	RIGHT OF WAY	20,000.00	0.00	0.00	20,000.00
6110130	ROAD&SITE PREP SVC	80,000.00	12,600.00	0.00	92,600
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	AUTOMATION LABOR, SVC	0.00	90,000.00	0.00	90,000.00
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
6170110	SNUBBG&COIL TUBG SVC	0.00	386,416.63	0.00	386,416.63
6190100	TRCKG&HL-SOLID&FLUID	55,118.75	0.00	0.00	55,118.75
6190110	TRUCKING&HAUL OF EQP	54,000.00	15,750	0.00	69,750.00
6200130	CONSLT & PROJECT SVC	176,380.00	126,604.37	0.00	302,984.37
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	3,718,007.02	0.00	3,718,007.02
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	734,916.67	0.00	0.00	734,916.67
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	2,100.00	0.00	398,020.00
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	248,924.87	0.00	248,924.87
6310600	MISC PUMPING SERVICE	0.00	127,884.94	0.00	127,884.94
6320100	EQPMNT SVC-SRF RNTL	143,492.48	468,615.92	0.00	612,108.40
6320110	EQUIP SVC - DOWNHOLE	79,690.00	0.00	0.00	79,690.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6350100	CONSTRUCTION SVC	0.00	231,800.00	0.00	231,800.00
6520100	LEGAL FEES	20,000.00	0.00	0.00	20,000.00
6550110	MISCELLANEOUS SERVICES	25,900.00	0.00	0.00	25,900.00
6630110	CAPITAL OVERHEAD	11,023.75	28,037.00	0.00	39,060.75
6740340	TAXES OTHER	394.28	0.00	0.00	394.28
	<b>Total Intangibles</b>	<b>3,283,907.22</b>	<b>6,863,806.91</b>	<b>0.00</b>	<b>10,147,714.13</b>

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 #

Well: Bell Lake 19-18 State Com 36H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6110120	ROAD PREP MATERIALS	0.00	25,024.00	0.00	25,024.00
6130120	AUTOMATION MATERIAL	0.00	17,945.00	0.00	17,945.00
6230130	SAFETY EQUIPMENT	3674.58	0.00	0.00	3,674.58
6300150	MAJOR EQUIP, LONG LEAD ITM	0.00	439,790.00	0.00	439,790.00
6310150	CASG-COND&DRIVE PIPE	60,000.00	0.00	0.00	60,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	63,210.00	0.00	96,310.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	305,100.00	0.00	0.00	305,100.00
6310550	PRODUCTION CASING	407,949.00	0.00	0.00	407,949.00
6310580	CASING COMPONENTS	40,900.00	0.00	0.00	40,900.00
6330100	PIPE, FITTING, FLANGES, VLVS	0.00	223,974.00	0.00	223,974.00
	<b>Total Tangibles</b>	<b>883,723.58</b>	<b>769,943.00</b>	<b>0.00</b>	<b>1,653,666.58</b>

<b>TOTAL ESTIMATED COST</b>	<b>4,167,630.80</b>	<b>7,633,749.91</b>	<b>0.00</b>	<b>11,801,380.71</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.



## Authorization for Expenditure

AFE #

Well: Bell Lake 19-18 State Com 37H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE THE BELL LAKE 19-18 STATE COM 37H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6060100	DYED LIQUID FUELS	135,959.58	0.00	0.00	135,959.58
6060130	GASEOUS FUELS	62,467.92	0.00	0.00	62,467.92
6080100	DISPOSAL - SOLIDS	102,390.24	1,050.00	0.00	103,440.24
6080110	DISP-SALTWATER & OTH	0.00	307,125.00	0.00	307,125.00
6090100	FLUIDS - WATER	60,900.00	329,794.29	0.00	390,694.29
6090120	RECYC TREAT&PROC-H2O	0.00	297,279.36	0.00	297,279.36
6100100	PERMIT SURVEY&TITLE	40,000.00	0.00	0.00	40,000.00
6100110	RIGHT OF WAY	20,000.00	0.00	0.00	20,000.00
6110130	ROAD&SITE PREP SVC	80,000.00	12,600.00	0.00	92,600
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	AUTOMATION LABOR, SVC	0.00	90,000.00	0.00	90,000.00
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
6170110	SNUBBG&COIL TUBG SVC	0.00	386,416.63	0.00	386,416.63
6190100	TRCKG&HL-SOLID&FLUID	55,118.75	0.00	0.00	55,118.75
6190110	TRUCKING&HAUL OF EQP	54,000.00	15,750	0.00	69,750.00
6200130	CONSLT & PROJECT SVC	176,380.00	126,604.37	0.00	302,984.37
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	3,718,007.02	0.00	3,718,007.02
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	734,916.67	0.00	0.00	734,916.67
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	2,100.00	0.00	398,020.00
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	248,924.87	0.00	248,924.87
6310600	MISC PUMPING SERVICE	0.00	127,884.94	0.00	127,884.94
6320100	EQPMNT SVC-SRF RNTL	143,492.48	468,615.92	0.00	612,108.40
6320110	EQUIP SVC - DOWNHOLE	79,690.00	0.00	0.00	79,690.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6350100	CONSTRUCTION SVC	0.00	231,800.00	0.00	231,800.00
6520100	LEGAL FEES	20,000.00	0.00	0.00	20,000.00
6550110	MISCELLANEOUS SERVICES	25,900.00	0.00	0.00	25,900.00
6630110	CAPITAL OVERHEAD	11,023.75	28,037.00	0.00	39,060.75
6740340	TAXES OTHER	394.28	0.00	0.00	394.28
	<b>Total Intangibles</b>	<b>3,283,907.22</b>	<b>6,863,806.91</b>	<b>0.00</b>	<b>10,147,714.13</b>

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 #

Well: Bell Lake 19-18 State Com 37H

Cost Center Number:

Legal Description: Section 19-24S-33E

Revision:

AFE Date: 2/6/2019

State: NM

County/Parish: LEA

Explanation and Justification:

DRILL & COMPLETE

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole	Total Costs
6110120	ROAD PREP MATERIALS	0.00	25,024.00	0.00	25,024.00
6130120	AUTOMATION MATERIAL	0.00	17,945.00	0.00	17,945.00
6230130	SAFETY EQUIPMENT	3674.58	0.00	0.00	3,674.58
6300150	MAJOR EQUIP, LONG LEAD ITM	0.00	439,790.00	0.00	439,790.00
6310150	CASG-COND&DRIVE PIPE	60,000.00	0.00	0.00	60,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	63,210.00	0.00	96,310.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	305,100.00	0.00	0.00	305,100.00
6310550	PRODUCTION CASING	407,949.00	0.00	0.00	407,949.00
6310580	CASING COMPONENTS	40,900.00	0.00	0.00	40,900.00
6330100	PIPE, FITTING, FLANGES, VLVS	0.00	223,974.00	0.00	223,974.00
	<b>Total Tangibles</b>	<b>883,723.58</b>	<b>769,943.00</b>	<b>0.00</b>	<b>1,653,666.58</b>

<b>TOTAL ESTIMATED COST</b>	<b>4,167,630.80</b>	<b>7,633,749.91</b>	<b>0.00</b>	<b>11,801,380.71</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.

<b>Line</b>	<b>Mail Class</b>	<b>Tracking No</b>	<b>To Name</b>	<b>Delivery Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Mail Date</b>	<b>Signature Date</b>
1	Federal Express	7744 0387 3465	Shepherd Royalty, LLC	5949 Sherry Lane, Suite 1175	Dallas	TX	75225	2/8/2019	Delivered 2/11/2019
7	Federal Express	7744 0382 3850	Prince Petroleum Company, Ltd.	306 West 7th Street, Suite 701	Fort Worth	TX	76102	2/8/2019	Delivered 2/11/2019
9	Federal Express	7744 0375 6025	Monarch Resources, Inc.	306 West 7th Street, Suite 701	Fort Worth	TX	76102	2/8/2019	Delivered 2/11/2019
10	Federal Express	7744 0368 4537	Highland Texas Energy Company, Inc.	7557 Rambler Road, Suite 918	Dallas	TX	75231	2/8/2019	Delivered 2/11/2019
5	Federal Express	7744 0348 4380	Durango Production Corporation	2663 Plaza Parkway	Wichita Falls	TX	76308	2/8/2019	Delivered 2/11/2019
3	Federal Express	7744 0362 2241	Chevron Midcontinent, LP	6301 Deauville Blvd.	Midland	TX	79706	2/8/2019	Delivered 2/11/2019
4	Federal Express	7744 0328 1125	The Allar Company	735 Elm Street	Graham	TX	77002	2/8/2019	Delivered 2/12/2019

**EXHIBIT E**

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

**APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A STANDARD HORIZONTAL SPACING  
AND PRORATION UNIT, AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No 20454**

**APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A STANDARD HORIZONTAL SPACING  
AND PRORATION UNIT, AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No. 20455**

**AFFIDAVIT OF TOM PERYAM**

STATE OF OKLAHOMA    )  
  ) ss.  
COUNTY OF OKLAHOMA )

I, being duly sworn on oath, state the following:

1. I am over the age of 18, and I have personal knowledge of the matters stated herein.
2. I am employed as a petroleum geologist for Devon Energy Production Company, L.P. (“Devon”), and I am familiar with the subject application and the geology involved.
3. This affidavit is submitted in connection with the filing by Devon of the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1), (6) NMAC.
4. I seek to be qualified by the Oil Conservation Division (“Division”) as an expert petroleum geologist. I have not previously made my credentials a matter of record and been qualified as an expert by the Division.
  - a. I hold a Bachelor’s degree in Geology obtained from the University of Oregon,, a Master’s of Science degree in Geology obtained from New Mexico State University, and a Ph.D. in Geology obtained from the University of Oregon. I completed my education in 2012.

b. I have been employed as a petroleum geologist with Devon since August 2012.

5. **Exhibit A** is a Wolfcamp structure map. The unit being pooled is outlined by the red rectangle. Strata dip approximately 75 feet to the east across the Bell Lake sections. The apparent structural dip along the proposed Bell Lake wellbores is around 0°. No major structural hazards exist at this location.

6. **Exhibit A** identifies wells in the vicinity of the proposed well, with a cross-section line running from A to A'.

7. **Exhibit A** shows that the structure dips down to the east.

8. **Exhibit B** is a Wolfcamp stratigraphic cross-section hung on the top of the Wolfcamp unit. The cross-section shows consistent target thickness of between around 175 to 200 feet in wells near the proposed Bell Lake wells. The well logs on the cross-section give a representative sample of the Wolfcamp formation in the area and demonstrate reasonable well control. The target zone for the wells is the Wolfcamp Y to the Wolfcamp 120 as indicated by the "Target" label in **Exhibit B**. The target zone is continuous across the well unit.

9. **Exhibit C** is a gross isochore of the Wolfcamp formation. The map shows thickness for the "target interval" indicated in **Exhibit B**. The Wolfcamp is largely uniform across the proposed well unit.

10. I conclude from the attached exhibits that:

- a. The horizontal spacing and proration unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter-quarter section in the unit will contribute more or less equally to production.

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

12. The Exhibits to this Affidavit were prepared by me, or compiled from Devon's company business records.

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

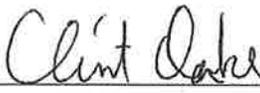
14. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NAUGHT

  
\_\_\_\_\_  
Tom Peryam

Subscribed to and sworn before me this 29<sup>th</sup> day of April, 2019.



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

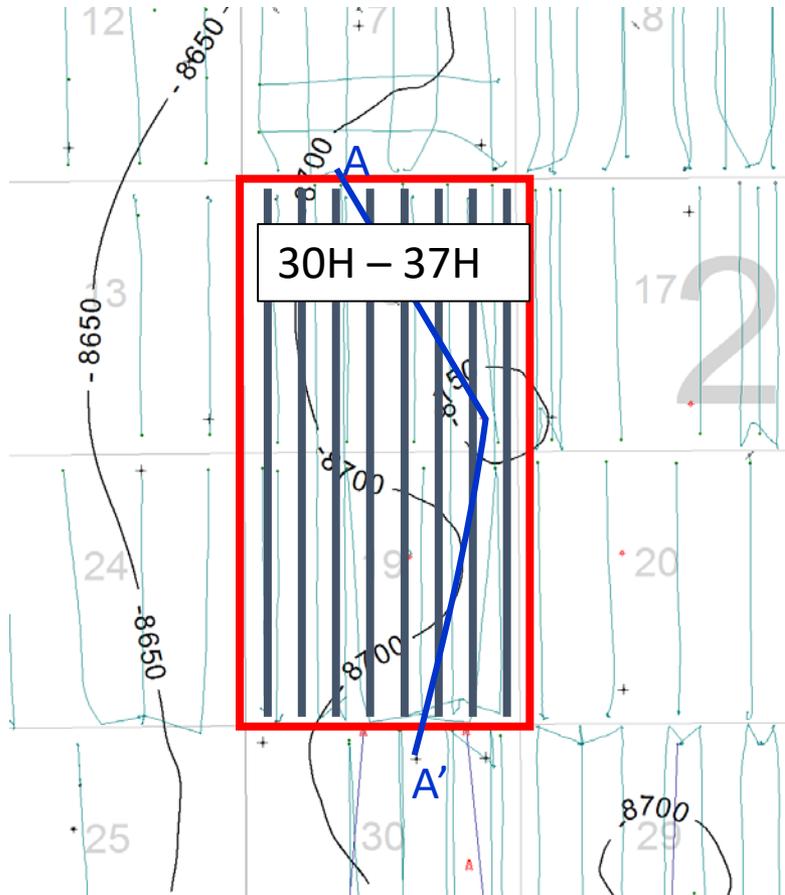
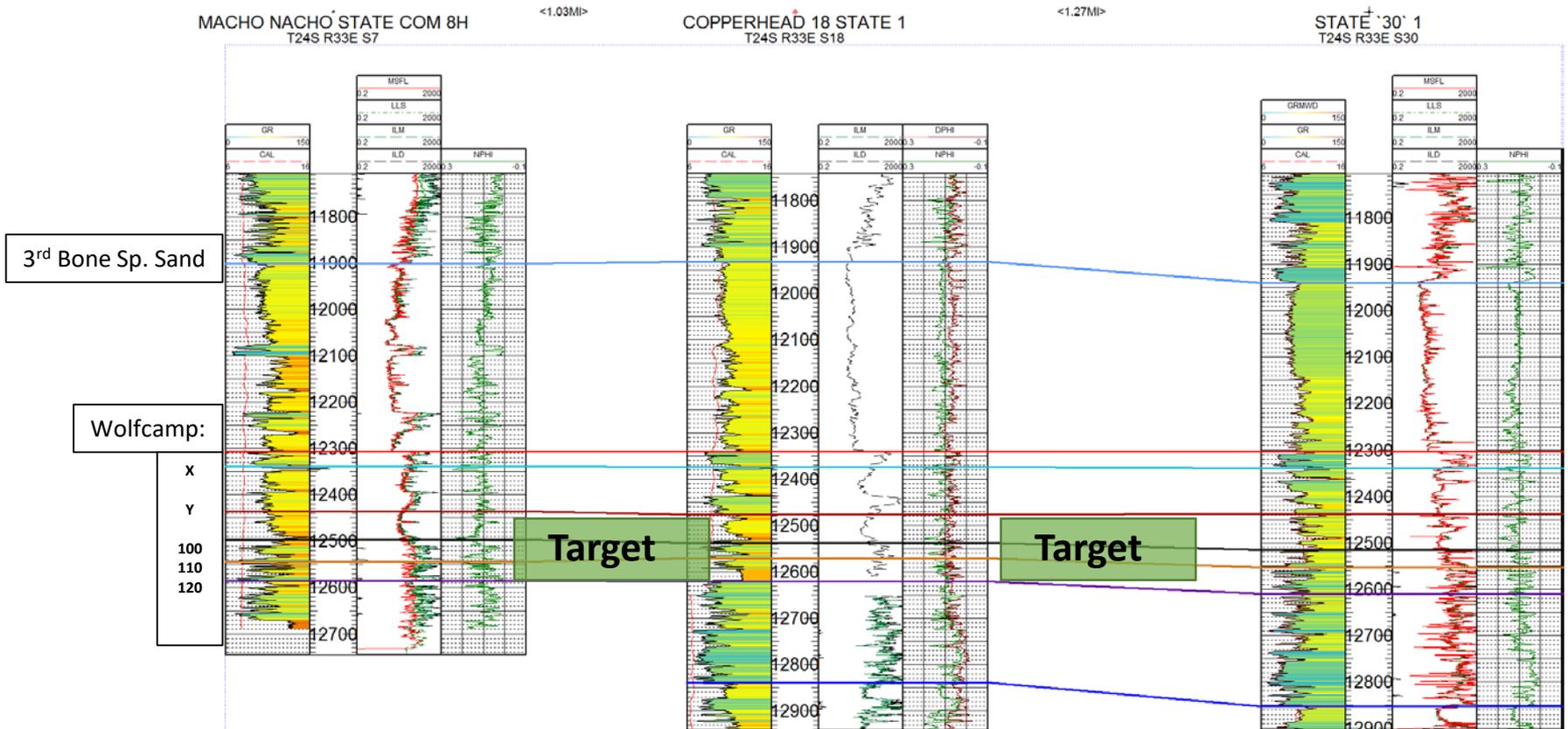


Exhibit A: Wolfcamp structure map. Contour interval equals 50'. Blue line shows line of section for Exhibit B. Red rectangle indicates unit being pooled.

**EXHIBIT A**

Exhibit B: Cross section A to A'. Stratigraphic cross section flattened on top of Wolfcamp unit. Target indicated.



**EXHIBIT B**

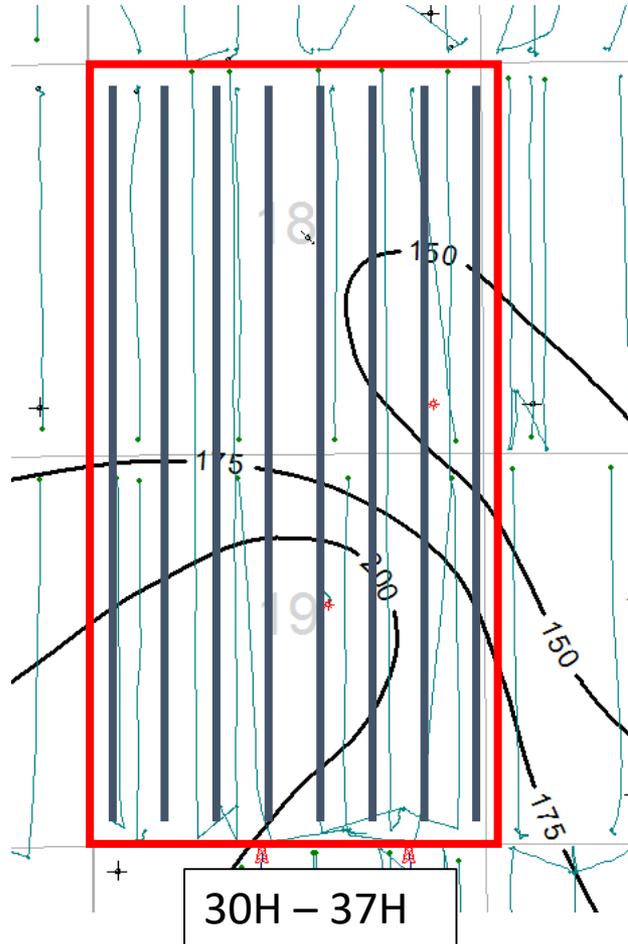


Exhibit C: Isochore thickness of target interval indicated on cross section.

**EXHIBIT C**

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

**APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A STANDARD HORIZONTAL SPACING  
AND PRORATION UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No. 20454**

**APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY LP FOR A STANDARD HORIZONTAL SPACING  
AND PRORATION UNIT, AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No. 20455**

**AFFIDAVIT OF NOTICE**

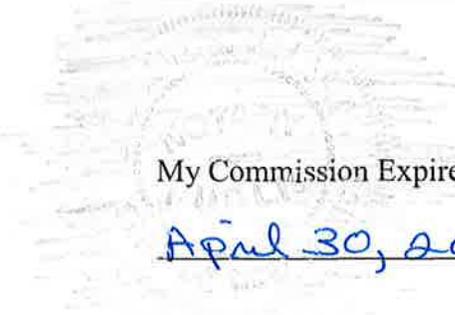
STATE OF NEW MEXICO    )  
                                  ) ss.  
COUNTY OF SANTA FE    )

I, Sharon T. Shaheen, attorney in fact and authorized representative of Devon Energy Production Company, L.P., the Applicant in the above-captioned matters, being first duly sworn, upon oath state that I sent copies of the Applications in these matters to the parties as specified on the attached **Exhibit A**. Proof of receipt is attached hereto. I also had published a Notice in the Hobbs News-Sun. An Affidavit of Publication is attached as **Exhibit B**. Devon has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the Applications filed herein.

  
\_\_\_\_\_  
SHARON T. SHAHEEN

**EXHIBIT No. 4  
Devon Energy Production Company  
Bell Lake Wells  
Case Nos. 20454 and 20455  
May 2, 2019 Hearing**

SUBSCRIBED AND SWORN to before me this 1<sup>st</sup> day of May, 2019.



Barbara B. Palacios  
Notary Public

My Commission Expires:

April 30, 2022

**Exhibit A**

**Working Interest Owners-Sections 19 and 18**

Chevron Midcontinent, L.P.  
1400 Smith Street  
Houston, TX 77002

The Allar Company  
735 Elm Street  
Graham, TX 76450

Shepherd Royalty, LLC  
8241 Westchester Drive, Suite 740  
Dallas, TX 75225

Highland Texas Energy Company, Inc.  
7557 Rambler Road, Suite 918  
Dallas, TX 75231

Monarch Resources, Inc.  
306 W. 7<sup>th</sup> Street, Suite 701  
Fort Worth, TX 76102

Prince Petroleum Company, Ltd.  
306 W. 7<sup>th</sup> Street, Suite 701  
Fort Worth, TX 76102

Durango Production Corporation  
P.O. Box 4848  
Wichita Falls, TX 76308

**ORRI - Section 18**

John Kyle Thoma,  
trustee of the Cornerstone Family Trust  
P.O. Box 558  
Peyton, CO 80831

The Morse Family Security Trust  
410 17<sup>th</sup> Street, Suite 1150  
Denver, CO 80202

Limpinbear Family Partnership, Ltd  
410 17<sup>th</sup> Street, Suite 1150  
Denver, CO 80202

The Allar Company  
P.O. Box 1567  
Graham, TX 76450

Highland Texas Energy Company  
7557 Rambler Road, Suite 918  
Dallas, TX 75231

**ORRI - Section 19**

States Royalty Limited Partnership  
P.O. Box 911  
Breckenridge, TX 76424

**Royalty-Section 19 and 18**

The New Mexico State Land Office  
P.O. Box 1148  
Santa Fe, NM 87504-1148

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<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$ <u>7.00</u>



Sent To: **Chevron Midcontinent, L.P.**  
 Street and Apt. No: **1400 Smith Street**  
 City, State, ZIP+4: **Houston, TX 77002**

PS Form 3800, A

7015 1730 0000 9813 3910

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature <input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
	B. Received by (Printed Name) <i>Ann. Alley</i>	C. Date of Delivery <i>4-15-19</i>
1. Article Addressed to:  Chevron Midcontinent, L.P. 1400 Smith Street Houston, TX 77002	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. <b>7015 1730 0000 9813 3910</b>	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		



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<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

**SANTA FE NM**  
APR 8 2019  
USPO 87504

Postage
\$

Total Postage and Fees
\$ <u>7.42</u>

Sent To **The Allar Company**  
 Street and Apt. No. **735 Elm Street**  
 City, State, ZIP+4® **Graham, TX 76450**

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

The Allar Company  
 735 Elm Street  
 Graham, TX 76450

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
 Sheila Burt  Agent  
 Addressee

B. Received by (Printed Name) Sheila Burt C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

2. A .....  
 0 7015 1730 0000 9813 3903

7015 1730 0000 9813 3897

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Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$

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APR 2019  
Postmark Here  
**USPO 87504**

**Total Postage and Fees**  
\$ 7.00

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Street and Apt. No.,

City, State, ZIP+4®

Shepherd Royalty, LLC  
8241 Westchester Drive, Suite 740  
Dallas, TX 75225

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## Track Another Package +

**Tracking Number:** 70151730000098133897

Remove X

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### In-Transit

April 25, 2019  
In Transit to Next Facility

**Get Updates** ✓

Feedback

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**Text & Email Updates**



---

**Tracking History**



#### April 25, 2019

In Transit to Next Facility

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

---

#### April 21, 2019, 8:59 pm

Departed USPS Regional Facility

OKLAHOMA CITY OK DISTRIBUTION CENTER

---

**April 21, 2019, 4:12 pm**

Arrived at USPS Regional Facility  
OKLAHOMA CITY OK DISTRIBUTION CENTER

---

**April 11, 2019, 1:03 pm**

Delivery Attempted - No Access to Delivery Location  
DALLAS, TX 75225

---

**April 11, 2019, 4:12 am**

Departed USPS Regional Facility  
DALLAS TX DISTRIBUTION CENTER

---

**April 10, 2019, 1:50 pm**

Arrived at USPS Regional Facility  
DALLAS TX DISTRIBUTION CENTER

---

**April 8, 2019, 9:14 pm**

Departed USPS Facility  
ALBUQUERQUE, NM 87101

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**April 8, 2019, 9:02 pm**

Arrived at USPS Facility  
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\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____
<input type="checkbox"/> Return Receipt (electronic)	\$ _____
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____
Postage	
\$	
Total Postage and Fees	
\$	7.62

USPO 87504  
APR 8 2019  
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Sent to Highland Texas Energy Company, Inc.  
Street and Apt. No. 7557 Rambler Road, Suite 918  
City, State, ZIP+4® Dallas, TX 75231

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1. Article Addressed to:

Highland Texas Energy Company, Inc.  
7557 Rambler Road, Suite 918  
Dallas, TX 75231

2. A  
7015 1730 0000 9813 3880

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 [Signature]  Addressee

B. Received by (Printed Name) C. Date of Delivery  
[Signature] 4-11-9

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

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Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$ <u>7.62</u>



Sent To: **Monarch Resources, Inc.**  
 Street and Apt. No.: **306 W. 7<sup>th</sup> Street, Suite 701**  
 City, State, ZIP+4®: **Fort Worth, TX 76102**

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature  <input checked="" type="checkbox"/> <u>Tara L Edland</u> <input type="checkbox"/> Agent  <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>Tara L Edland</u> C. Date of Delivery <u>4-11-19</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes                  If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>Monarch Resources, Inc.                  306 W. 7<sup>th</sup> Street, Suite 701                  Fort Worth, TX 76102</p>	<p>3. Service Type  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>
<p>2. Article (Transit)</p> <p>7015 1730 0000 9813 3873</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

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Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
<b>Total Postage and Fees</b>	\$ <b>3.62</b>
Sent To	Prince Petroleum Company, Ltd.
Street and Apt. No.	306 W. 7 <sup>th</sup> Street, Suite 701
City, State, ZIP+4®	Fort Worth, TX 76102
PS Form 3800, A	



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<p>1. Article Addressed to:</p> <p>Prince Petroleum Company, Ltd.  306 W. 7<sup>th</sup> Street, Suite 701  Fort Worth, TX 76102</p>	<p>3. Service Type</p> <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

2. 7015 1730 0000 9813 3866

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<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$



Total Postage and  
 \$ 7.02

Sent To Durango Production Corporation  
 P.O. Box 4848  
 Street and Apt. No. Wichita Falls, TX 76303  
 City, State, ZIP+4®

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1. Article Addressed to:

Durango Production Corporation  
 P.O. Box 4848  
 Wichita Falls, TX 76308

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature <input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
B. Received by (Printed Name) <i>[Signature]</i>	C. Date of Delivery
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	

3. Service Type	
<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered	<input checked="" type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> C.O.D.
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

2 7015 1730 0000 9813 4344

7015 1730 0000 9813 4337

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Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$ <u>7.62</u>
Sent to	
John Kyle Thoma, trustee of the Cornerstone Family Trust P.O. Box 558 Peyton, CO 80831	
Street and Apt. No.	
City, State, ZIP+4®	

PS Form 3800, A

**SANTA FE NM**  
**APR 8 2019**  
**USPO 87504**

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<p>1. Article Addressed to:</p> <p>John Kyle Thoma, trustee of the Cornerstone Family Trust P.O. Box 558 Peyton, CO 80831</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>2. Article Number (Tra) <u>7015 1730 0000 9813 4337</u></p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

7015 1730 0000 9813 4320

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Certified Mail Fee \$ \_\_\_\_\_

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

**SANTA FE NM**  
**APR 8 2019**  
**USPO 87604**

Total Postage and Fees \$ 7.00

Sent To The Morse Family Security Trust  
410 17<sup>th</sup> Street, Suite 1150  
Denver, CO 80202

Street and Apt. No.,  
 City, State, ZIP+4®

PS Form 3800, Apr 2018

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature  <input checked="" type="checkbox"/> Agent  <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p>The Morse Family Security Trust            410 17<sup>th</sup> Street, Suite 1150            Denver, CO 80202</p>	<p>B. Received by (Printed Name)  <u>MORSE</u></p>	<p>C. Date of Delivery  <u>4-10-19</u></p>
	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes            If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>2. Article # (Transfer) <u>7015 1730 0000 9813 4320</u></p>	<p>3. Service Type  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

7015 1730 0000 9813 4313

**U.S. Postal Service™  
CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

Certified Mail Fee \$ \_\_\_\_\_

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ 2.97

Total Postage and Fees \$ \_\_\_\_\_

Sent To Limpinbear Family Partnership, Ltd  
410 17<sup>th</sup> Street, Suite 1150  
Denver, CO 80202

City, State, ZIP+4® \_\_\_\_\_

PS Form 3800, April 2004

*USPO 87504  
Postmark Here  
SANTA FE NM  
APR 5 6 19*

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <u>[Signature]</u> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>[Signature]</u> C. Date of Delivery <u>4/16/09</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p><u>Limpinbear Family Partnership, Ltd</u>  <u>410 17<sup>th</sup> Street, Suite 1150</u>  <u>Denver, CO 80202</u></p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>
<p>2. <u>7015 1730 0000 9813 4313</u></p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

7015 1730 0000 9813 4306  
ETB 0000 DEPT 4306

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

OFFICIAL USE

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____
<input type="checkbox"/> Return Receipt (electronic)	\$ _____
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____
Postage	\$ _____

USPO 87604  
A/R 8 2019  
Postman Here  
SANTANE NM

Total Postage and Extra	\$
Sent To	States Royalty Limited Partnership
Street and Apt. No	P.O. Box 911
City, State, ZIP+4®	Breckenridge, TX 76424

# USPS Tracking® FAQs > (<https://www.usps.com/faqs/uspstracking-faqs.htm>)

**Track Another Package +**

**Tracking Number:** 70151730000098134306

Remove X

**Expected Delivery on**

**THURSDAY**

**11**

APRIL  
2019 ⓘ

by

**8:00pm** ⓘ

Feedback

 **Delivered**

April 11, 2019 at 9:16 am  
Delivered  
BRECKENRIDGE, TX 76424

**Get Updates** ▾

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**Text & Email Updates**



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**Tracking History**



**April 11, 2019, 9:16 am**

Delivered

**BRECKENRIDGE, TX 76424**

Your item was delivered at 9:16 am on April 11, 2019 in BRECKENRIDGE, TX 76424.

---

**April 11, 2019, 7:33 am**

Available for Pickup  
BRECKENRIDGE, TX 76424

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**April 11, 2019, 7:31 am**

Arrived at Unit  
BRECKENRIDGE, TX 76424

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**April 10, 2019, 9:38 pm**

Departed USPS Regional Facility  
FORT WORTH TX DISTRIBUTION CENTER

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**April 10, 2019, 11:24 am**

Arrived at USPS Regional Facility  
FORT WORTH TX DISTRIBUTION CENTER

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**April 9, 2019**

In Transit to Next Facility

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**April 8, 2019, 9:14 pm**

Departed USPS Facility  
ALBUQUERQUE, NM 87101

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**April 8, 2019, 9:02 pm**

Arrived at USPS Facility  
ALBUQUERQUE, NM 87101

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Feedback

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**Product Information**



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**See Less** ^



# USPS Tracking® FAQs > (<https://www.usps.com/faqs/uspstracking-faqs.htm>)

**Track Another Package +**

**Tracking Number:** 70151730000098134290

Remove X

**Expected Delivery on**

**WEDNESDAY**

**10** APRIL 2019 ⓘ

by **8:00pm** ⓘ

Feedback

**✓ Delivered**

April 10, 2019 at 6:55 am  
Delivered, Individual Picked Up at Postal Facility  
SANTA FE, NM 87501

**Get Updates** ∨

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**Text & Email Updates** ∨

---

**Tracking History** ^

**April 10, 2019, 6:55 am**

Delivered, Individual Picked Up at Postal Facility

SANTA FE, NM 87501

Your item was picked up at a postal facility at 6:55 am on April 10, 2019 in SANTA FE, NM 87501.

---

**April 10, 2019, 6:42 am**

Arrived at Unit  
SANTA FE, NM 87501

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**April 9, 2019, 3:57 pm**

Departed USPS Facility  
ALBUQUERQUE, NM 87101

---

**April 9, 2019**

In Transit to Next Facility

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**April 8, 2019, 9:02 pm**

Arrived at USPS Facility  
ALBUQUERQUE, NM 87101

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**Product Information**

Feedback  
✓

See Less ^

## Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

**FAQs (<https://www.usps.com/faqs/uspstracking-faqs.htm>)**

# 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).

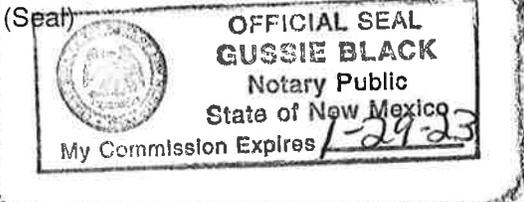
Beginning with the issue dated  
April 17, 2019  
and ending with the issue dated  
April 17, 2019.

  
\_\_\_\_\_  
Publisher

Sworn and subscribed to before me this  
17th day of April 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

LEGAL

LEGAL

LEGAL

LEGAL NOTICE  
APRIL 17, 2019

To the following entities, individuals, their heirs, personal representatives, trustees, successors or assigns: **Chevron Midcontinent, L.P.; The Allar Company; Shepherd Royalty, LLC; Highland Texas Energy Company, Inc.; Monarch Resources, Inc.; Prince Petroleum Company, Ltd., Durango Production Corp., John Kyle Thoma, trustee of the Cornerstone Family Trust; The Morse Family Security Trust; Limpinbear Family Partnership, Ltd.; States Royalty Limited Partnership, and the New Mexico State Land Office.**

Devon Energy Production Company, L.P. has filed applications with the New Mexico Oil Conservation Division as follows:

**Case No. 20454: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 629.6-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the W/2 of irregular Section 18 and the W/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]) underlying the HSU. Said horizontal spacing unit is to be dedicated to the proposed **Bell Lake 19-18 State Com 30H well**, to be horizontally drilled from an approximate surface location 338' FSL and 1,712' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,000' FWL of irregular Section 18. This is the "defining well" for this unit. Also to be drilled is the following infill wells: (1) **Bell Lake 19-18 State Com 31H well**, to be horizontally drilled from an approximate surface hole location 338' FSL and 1,772' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 2,310' FWL of irregular Section 18; (2) **Bell Lake 19-18 State Com 34H well**, to be horizontally drilled from an approximate surface hole location 338' FSL and 1,682' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 330' FWL of irregular Section 18; and (3) **Bell Lake 19-18 State Com 35H well**, to be horizontally drilled from an approximate surface hole location 338' FSL and 1,742' FWL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,671' FWL or irregular Section 18. The completed interval and first and last take points for these wells are within the setbacks required by statewide pool rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 32 miles southeast of Eunice, New Mexico.

**Case No. 20455: Application of Devon Energy Production Company LP for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the E/2 of irregular Section 18 and the E/2 of irregular Section 19, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]) underlying the HSU. Said horizontal spacing unit is to be dedicated to the proposed **Bell Lake 19-18 State Com 37H well**, to be horizontally drilled from an approximate surface location 281' FSL and 1,092' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,000' FEL of irregular Section 18. This is the "defining well" for this unit. Also to be drilled is the following infill wells: (1) **Bell Lake 19-18 State Com 32H well**, to be horizontally drilled from an approximate surface hole location 281' FSL and 1,122' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 1,671' FEL of irregular Section 18; and (2) **Bell Lake 19-18 State Com 36H well**, to be horizontally drilled from an approximate surface hole location 281' FSL and 1,152' FEL of irregular Section 19 to an approximate bottom hole location 20' FNL and 2,310' FEL of irregular Section 18. The completed interval and first and last take points for these wells are within the setbacks required by statewide pool rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 32 miles southeast of Eunice, New Mexico.

Hearing on these applications is scheduled at 8:15 a.m. on Thursday, May 2, 2019 at the Oil Conservation Division's offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. For further information, contact the applicant's attorney, Sharon T. Shaheen, Montgomery and Andrews, P.A., 325 Paseo de Peralta, Santa Fe, New Mexico 87501, (505) 986-2678.  
#34029

01101398

00227131

SETH C. MCMILLAN  
MONTGOMERY & ANDREWS, P.A.  
P.O. BOX OFFICE BOX 2307  
A/C 451986  
SANTA FE,, NM 87504-2307

**EXHIBIT B**