



June 23, 2020

Devon Energy Production Company LP
Attn: Verl Brown
333 W Sheridan Ave.
Oklahoma City, OK 73102
Via email: verl.brown@dvn.com

Re: Letter of Intent
T25S-R28E, T23S-R32E, Eddy & Lea Counties
Acreage Trade Negotiations

To Whom It May Concern,

This Letter of Intent (this "LOI") sets forth the basis in which COG Operating LLC ("Concho") and Devon Energy Production Company LP ("DVN") are willing to negotiate a leasehold acreage trade in Eddy and Lea Counties, New Mexico, as outlined below in Paragraph A ("Proposed Acreage Trade"). Concho and DVN, when jointly referred to shall be known as the "Parties" to this Agreement, and each individually as a "Party".

A. The Proposed Acreage Trade shall consist of, but not be limited to, the following leases and lands:

1. Concho to receive all DVN's right, title and interest in and under those certain unleased mineral interests as they cover:
 - a. Section 6: N/2, T25S-R28E, NMPM;
 - b. Section 7: S/2SW/4, NE/4SW/4, T25S-R28E, NMPM and;
 - c. Section 18: NW/4, SE/4, T25S-R28E, NMPM.
2. DVN to receive all Concho's right, title and interest in
 - a. United States of America Oil and Gas Lease No. NMNM-114982, dated December 1, 2005, with Samson Resources Co., as lessee, covering the NW/4 of Section 12, T23S-R32E, NMPM.

(collectively the "Exchange Properties").

The effective date of the LOI shall be June 22, 2020 ("Effective Date").

For the avoidance of doubt, with respect to Paragraph A, this LOI merely sets forth the basis on which Concho and DVN will enter into further negotiations and devote additional resources to the Proposed Acreage Trade as set forth in more detail in Paragraph A above. With respect to the Proposed Acreage Trade, it is the understanding of both Parties that the Proposed Acreage Trade shall not be limited to the Exchange Properties set forth in Paragraph A. This LOI herein makes clear (i) no legally binding rights or obligation with respect to the purchase, sale or exchange of the Exchange Properties will be created between the Parties unless and until definitive written documents are negotiated, executed and delivered by all requisite parties, (ii) no Party shall have any liability to the other Party or any other persons if the Parties fail for any reason to enter into such definitive agreements. For purposes of this LOI, "definitive agreement" does not include an executed letter of intent or any other preliminary written agreement. This LOI may be executed in any number of counterparts, no one of which needs to be executed by all parties.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 21219 & 21220 Exhibit No.

Submitted by:

COG OPERATING LLC

Hearing Date: June 26, 2020

If the above correctly reflects your understanding of our Agreement, then please so indicate by signing in the space below, returning one (1) executed copy of this letter to the attention of the undersigned.

If you have any questions, contact Travis Macha at 432.221.0452 or tmacha@concho.com.

Very truly,

Travis Macha
Landman
COG Operating LLC

AGREED AND ACCEPTED this _____ day of June, 2020 but effective as of the Effective Date.

COG Operating LLC

By: 

Name: Mark A. Carter

Title: Attorney-In-Fact

AGREED AND ACCEPTED this 25 day of June, 2020 but effective as of the Effective Date.

Devon Energy Production Company, LP

By: 

Name: Lindsey N. Miles

Title: Manager, Land