



Devon Energy Corporation  
333 West Sheridan Avenue  
Oklahoma City, OK 73102-5010  
Phone (405) 228-4800

December 18, 2020

Dean McClure  
Petroleum Specialist  
New Mexico Energy, Minerals and Natural Resources Department  
1220 South St. Francis Drive Santa Fe, New Mexico 87505  
(505) 476-3471

**Re: Central Tank Battery: Flagler 8 CTB 1**

**Sec.-T-R:** 8-25S-33E  
**Wells:** Flagler 8 Fed 7H, Flagler 8 Fed 25H, Flagler 8 Fed 32H, Flagler 8 Fed 39H, Flagler 8 Fed Com 14H, Flagler 8 Fed Com 30H, Flagler 8 Fed Com 36H, Flagler 8 Fed Com 2H, Flagler 8 Fed Com 6H  
**Lease:** NMNM97151 (12.5%), NMNM97904 120ACS (12.5%) NMNM97151 40 ACS (12.5%)  
**Agreements:** CA NMNM139005 - BONE SPRING (160ACS) Federal Lease NMNM97904 120ACS (12.5%) NMNM97151 40 ACS (12.5%)  
CA NMNM139004 - WOLFCAMP (160ACS) Federal Lease NMNM97904 120ACS (12.5%) NMNM97151 40 ACS (12.5%)  
**Pool:** WC-025 G-09 S253309A; UPR WOLFCAMP (98180), DRAPER MILL; BONE SPRING (96392); RED HILLS, UPPER B.S. SHALE (97900)  
**County:** Lea Co., New Mexico

Dear Mr. McClure:

Please find attached the commingle application for the Central Tank Battery of the aforementioned wells. This application is necessary due to multiple pools and multiple identical sized Communitization Agreements and Leases.

The working interest, royalty interest and overriding royalty interest owners are identical.

A copy of the submitted Bureau of Land Management application is attached.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

Should you have any questions or need further assistance, please do not hesitate to contact me at (405) 228-8429.

Sincerely,

A handwritten signature in blue ink that reads "Rebecca Deal".

Rebecca Deal  
Regulatory Compliance Professional

Addressee Name  
Page 2  
December 18, 2020

**Enclosures**

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** Devon Energy Production Co., LP **OGRID Number:** 6137  
**Well Name:** Flagler 8 Fed Wells - See Attached **API:** See Attached  
**Pool:** WC-025 G- 09 S253309A; UPR WC, DRAPER MILL; B.S, RED HILLS, UPR B.S. SHALE **Pool Code:** 98180, 96392, 97900

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location - Spacing Unit - Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]
- [ I ] Commingling - Storage - Measurement  
 DHC     CTB     PLC     PC     OLS     OLM
- [ II ] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX     PMX     SWD     IPI     EOR     PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  **Notification and/or concurrent approval by BLM**  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Rebecca Deal  
 Print or Type Name  
  
 Signature

12/18/2020  
405-228-8429  
 Phone Number  
Rebecca.deal@divn.com  
 e-mail Address

Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-45001 (Multiple)
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Flagler 8 Fed Com
8. Well Number 2H (Multiple)
9. OGRID Number 6137
10. Pool name or Wildcat WC-025 G-09 S253309A; UPPER WC
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3466.9'

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [X] Gas Well [ ] Other [ ]
2. Name of Operator Devon Energy Production Co. LP
3. Address of Operator 333 W. Sheridan Ave OKC, OK 73102
4. Well Location Unit Letter M : 180 feet from the South line and 350 feet from the West line
Section 8 Township 25S Range 33E NMPM Lea County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3466.9'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [ ] PLUG AND ABANDON [ ]
TEMPORARILY ABANDON [ ] CHANGE PLANS [ ]
PULL OR ALTER CASING [ ] MULTIPLE COMPL [ ]
DOWNHOLE COMMINGLE [ ]
CLOSED-LOOP SYSTEM [ ]
OTHER: Surface Commingle [X]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [ ]
CASING/CEMENT JOB [ ]
OTHER: [ ]

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Devon Energy respectfully requests approval for Lease/Pool Commingling at the Flagler 8 CTB 1. This is application is necessary due to multiple pools and Communitization Agreements & Lease. The working interest, royalty interest and overriding royalty interest owners are identical.

Please find attached the commingle application for the Central Tank Battery of the aforementioned wells.

Spud Date: [ ]

Rig Release Date: [ ]

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Rebecca Deal TITLE Regulatory Analyst DATE 12/18/2020

Type or print name Rebecca Deal E-mail address: rebecca.deal@dvn.com PHONE: 405-228-8429

For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):

# APPLICATION FOR CENTRAL TANK BATTERY\OFF LEASE MEASUREMENT, SALES, & STORAGE

## Proposal for Flagler 8 CTB 1

Devon Energy Production Company, LP is requesting approval for a Lease/Pool Commingle for the following wells:

### Federal Lease NMNM97151 (12.5%)

Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU
Flagler 8 Fed 7H	8-25S-33E	30-025-44988	WC025G09S253309A-UPR WOLFCAMP	265	48.8	1173	1324.9
Flagler 8 Fed 25H	8-25S-33E	30-025-45013	RED HILLS, UPPER B.S. SHALE	443	45.0	753	1124.4
Flagler 8 Fed 32H	8-25S-33E	30-025-44986	RED HILLS, UPPER B.S. SHALE	640	42.8	960	1238.2
Flagler 8 Fed 39H	8-25S-33E	30-025-45261	RED HILLS, UPPER B.S. SHALE	443	44.3	753	1152.7

### CA NMNM139005 – BONE SPRING (160ACS) Federal Lease NMNM97904 120ACS (12.5%) NMNM97151 40 ACS (12.5%)

Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU
Flagler 8 Fed Com 14H	8-25S-33E	30-025-44990	DRAPER MILL; BONE SPRING	640	43.5	960	NA
Flagler 8 Fed Com 30H	8-25S-33E	30-025-44996	RED HILLS, UPPER B.S. SHALE	443	45.2	753	1157
Flagler 8 Fed Com 36H	8-25S-33E	30-025-44998	RED HILLS, UPPER B.S. SHALE	443	44.5	753	NA

### CA NMNM139004 – WOLFCAMP (160ACS) Federal Lease NMNM97904 120ACS (12.5%) NMNM97151 40 ACS (12.5%)

Well Name	Location	API #	Pool	BOPD	OG	MCFPD	BTU
Flagler 8 Fed Com 2H	8-25S-33E	30-025-45001	WC025G09S253309A-UPR WOLFCAMP	341	48.0	942	1327.50
Flagler 8 Fed Com 6H	8-25S-33E	30-025-44980	WC025G09S253309A-UPR WOLFCAMP	461	48.8	1195	1334.90

### Oil & Gas metering:

The central tank battery, Flagler 8 CTB 1, is located in SWSW 8S, T25S, R33E in Lea County, New Mexico.

Each well is routed to its own 3-phase separator where the full well stream is separated into gas, oil, and water streams. For each well, after separation, gas is measured with an independent, designated orifice meter for allocation, then flows into a gas production line where it is combined with gas from the other wells and flows through a gas meter(s) for the purpose of FMP/Sales/Royalty Payment. The oil from the 3-phase separator is measured with an independent, designated Coriolis Meter for allocation. It then combines with the oil production from the other wells, flows into the heater treater(s), then into the Ultra-Low Pressure Separator(s) (ULPS), and into one of the oil tanks. The oil is then pumped out of the common tanks to a LACT unit for the purpose of FMP/Sales/Royalty Payment. The water from the 3-phase separator is measured with an independent, designated Mag meter for allocation, combines with the water from the other wells, then flows into the gun barrel, and into one of the produced water tanks. Flash gas that exits the heater treater(s) and ULPS(s) flows to the Vapor Recovery Unit (VRU). After exiting the VRU, the gas will be measured through a designated orifice meter for allocation.

The central tank battery will have 3 oil tanks and 3 water tanks that all wells will utilize. All wells will have 1 common gas delivery point(s) on location. They will also share 1 common oil delivery point(s) (LACT) on or directly adjacent to location.

### Meter Owner / Serial Number:

Well Name	Gas Allocation Meter	Oil Allocation Meter	Gas FMP - DCP	Oil FMP	VRU Allocation Meter
FLAGLER 8 FED COM 14H	390-49-1518	14932215	742759/742760	Marathon	390001228
FLAGLER 8 FED COM 2H	390491232	14793545	742759/742760	Marathon	390001228
FLAGLER 8 FED COM 6H	390491230	14789936	742759/742760	Marathon	390001228
FLAGLER 8 FED 25H	390-49-1517	14933951	742759/742760	Marathon	390001228
FLAGLER 8 FED 32H	390-49-1521	14919169	742759/742760	Marathon	390001228
FLAGLER 8 FED COM 30H	390-49-1522	14948120	742759/742760	Marathon	390001228
FLAGLER 8 FED 39H	390-49-1519	14926776	742759/742760	Marathon	390001228
FLAGLER 8 FED COM 36H	390-49-1523	14947484	742759/742760	Marathon	390001228
FLAGLER 8 FED 7H	390491231	14790777	742759/742760	Marathon	390001228

\* Meter serial numbers to be provided after construction of facility.

The total of all oil sales meters will be allocated to each well based on the oil allocation meter located downstream of each well's 3-phase separator. Devon will continue to operate and maintain the Coriolis Meter per BLM applicable regulations, notwithstanding further guidance from the local BLM in regards to proving the Coriolis Meter to meet applicable BLM standards. The total of all gas sales meters will be allocated to each well based on the gas allocation meter located downstream of each well's 3-phase separator and the VRU allocation meter. The VRU allocation meter volumes will be allocated to each well based on the oil allocation meter of each well. The BLM and OCD will be notified of any future changes to the facilities.

### Process and Flow Descriptions:

The flow of produced fluids is described above and shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, location of wells, facility, and gas sales meter.

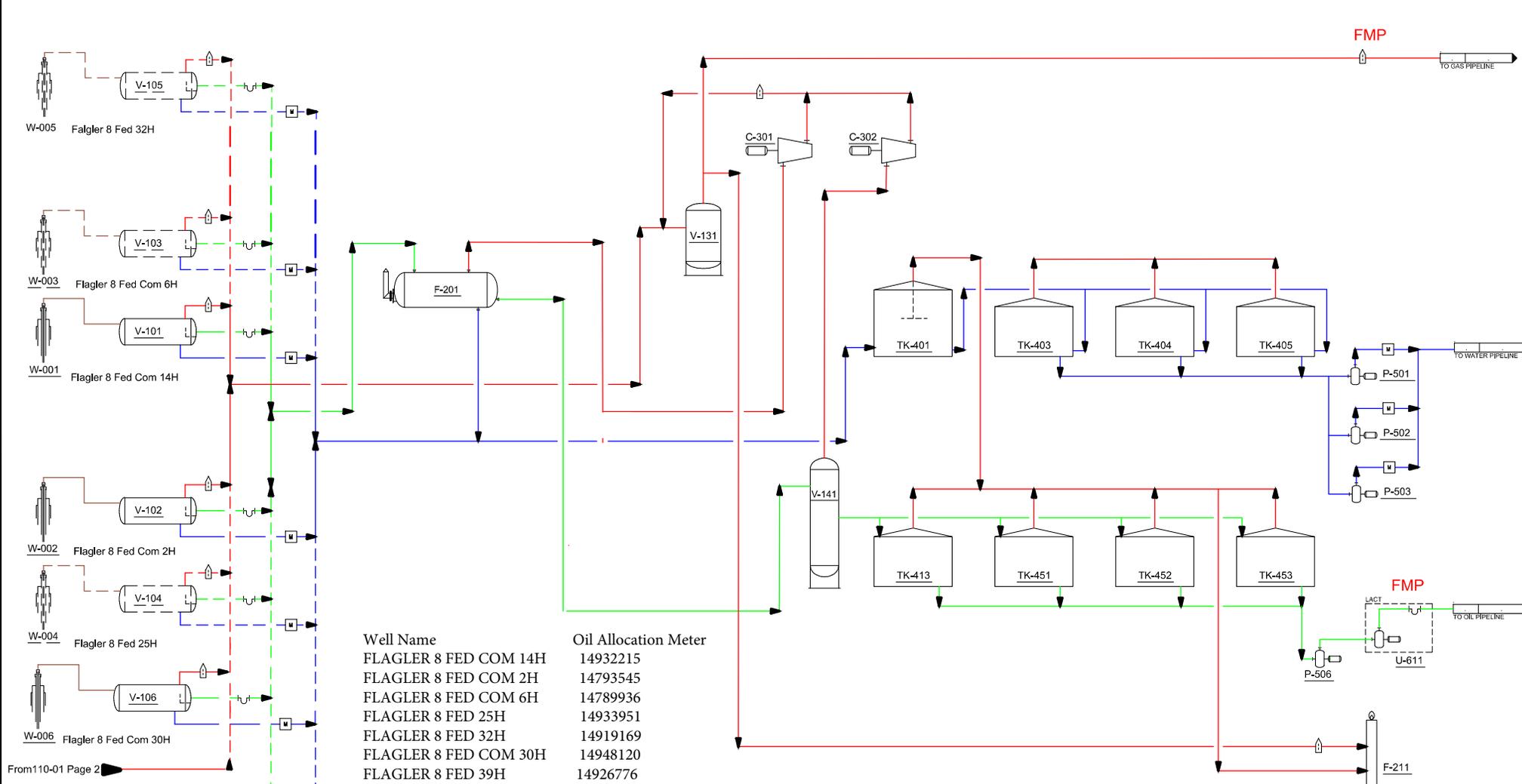
The proposed commingling is appropriate based on the BLM's guidance in IM NMPO 2013-02 & 43 CFR 3173.14. The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and emissions. The proposed commingling will reduce operating expenses, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

Devon Energy Production Company, LP understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Working, royalty, and overriding interest owners are identical. No notification required.

12 11 10 9 8 7 6 5 4 3 2 1

V-101 thru V-109 3PH SEPARATOR  
 F-201 & 202 HEATER TREATER  
 C-310 GAS LIFT COMPRESSOR(S)  
 V-131 SALES GAS SEP  
 V-141 ULTRA LOW PRESSURE SEP.  
 C-301 & C-302 VAPOR RECOVERY UNIT  
 TK-401 GUN BARREL  
 TK-413 SKIM TANK  
 TK-403 thru 405 WATER TANK  
 TK-451 thru 453 OIL TANK  
 P-501 thru P-503 WATER TRANSFER PUMP  
 P-506 LACT CHARGE PUMP  
 U-611 LACT  
 F-211 FLARE



Well Name	Oil Allocation Meter
FLAGLER 8 FED COM 14H	14932215
FLAGLER 8 FED COM 2H	14793545
FLAGLER 8 FED COM 6H	14789936
FLAGLER 8 FED 25H	14933951
FLAGLER 8 FED 32H	14919169
FLAGLER 8 FED COM 30H	14948120
FLAGLER 8 FED 39H	14926776
FLAGLER 8 FED COM 36H	14947484
FLAGLER 8 FED 7H	14790777

LEGEND	
	ORIFICE METER
	CORIOLIS METER
	MAGNETIC METER
	OIL
	GAS
	WATER

DRAWING STATUS			DRAWN BY		DATE	
ISSUED FOR:	DATE:	BY:	ENGINEERED BY:	DATE:		
CONSTRUCTION:			APPROVED BY:	DATE:		
PROJECT No.: 000			DRAWING No.: 110-01 Page 1			

**Devon Energy Corporation**  
 333 West Sheridan Avenue, Oklahoma City, OK 73102-5015

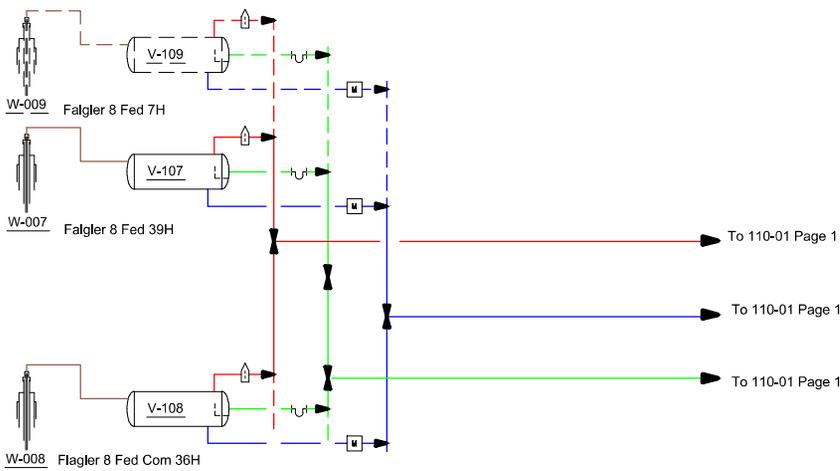
**DBBU STANDARD P&ID'S COMPLIANCE PFD**

FILE NAME: DBBU Compliance PFD  
 REV: C



**CONFIDENTIAL**  
 This drawing is the property of Devon Energy. Any reproduction, copying or unauthorized use of this drawing or any part thereof, without the express written consent of Devon Energy is prohibited.

V-101 thru V-109  
3PH SEPARATOR



LEGEND	
	ORIFICE METER
	CORIOLIS METER
	MAGNETIC METER
	OIL
	GAS
	WATER

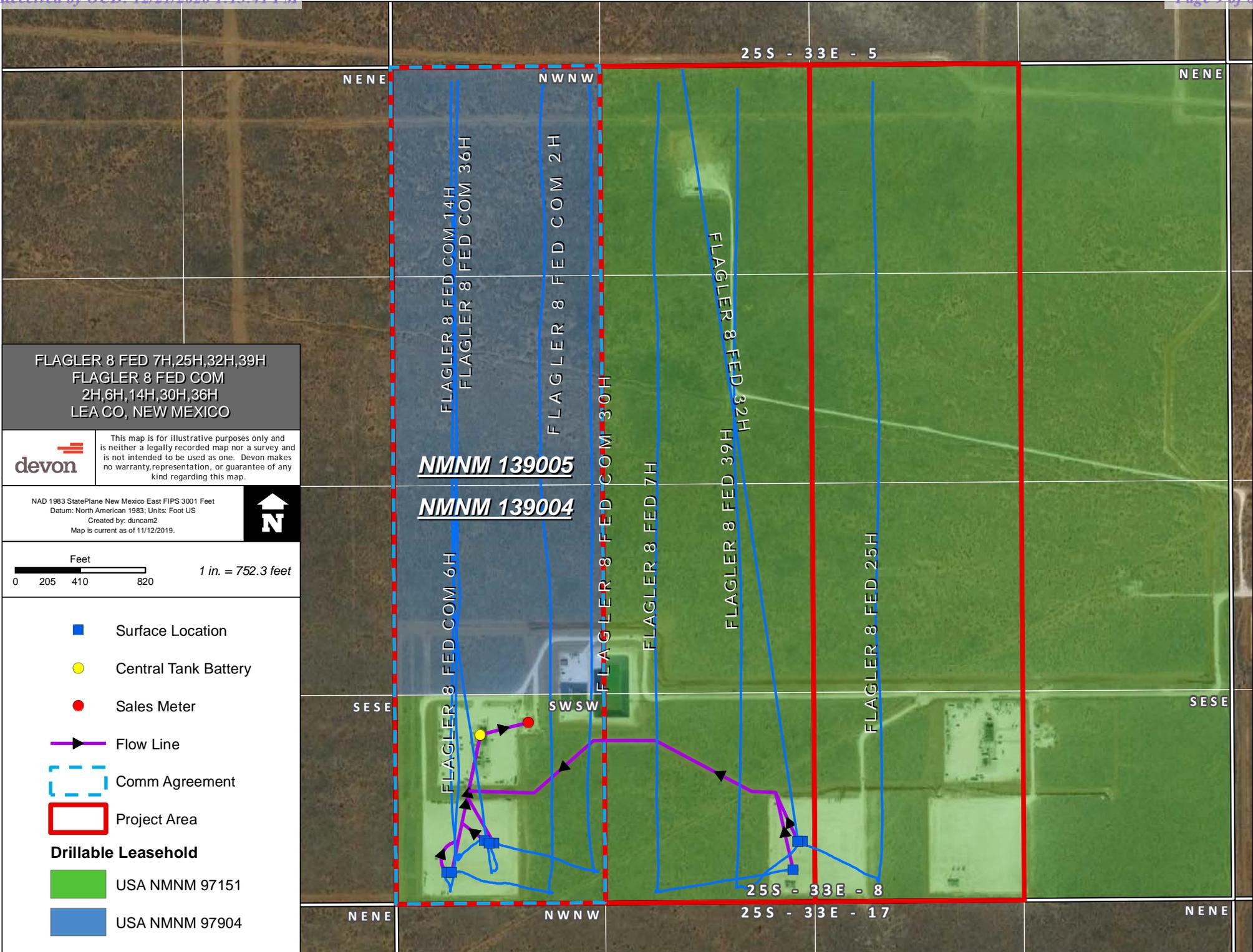
DRAWING STATUS		
ISSUED FOR	DATE	BY
CONSTRUCTION		
AS-BUILT		

**CONFIDENTIAL**  
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DRAWN BY	DATE
ENGINEERED BY	DATE
APPROVED BY	DATE
PROJECT No.:	000
DRAWING No.:	110-01 Page 2



Devon Energy Corporation 333 West Sheridan Avenue, Oklahoma City, OK 73102-5015	
DBBU STANDARD P&ID'S COMPLIANCE PFD	
FILE NAME DBBU Compliance PFD	REV C



FLAGLER 8 FED 7H,25H,32H,39H  
 FLAGLER 8 FED COM  
 2H,6H,14H,30H,36H  
 LEA CO, NEW MEXICO



This map is for illustrative purposes only and is neither a legally recorded map nor a survey and is not intended to be used as one. Devon makes no warranty, representation, or guarantee of any kind regarding this map.

NAD 1983 StatePlane New Mexico East FIPS 3001 Feet  
 Datum: North American 1983; Units: Foot US  
 Created by: duncam2  
 Map is current as of 11/12/2019.



Feet  
 0 205 410 820  
 1 in. = 752.3 feet

- Surface Location
- Central Tank Battery
- Sales Meter
- ▶ Flow Line
- Comm Agreement
- Project Area
- Drillable Leasehold**
- USA NMNM 97151
- USA NMNM 97904

# Economic Justification Report

## Flagler 8 CTB 1



Well Name & Number	Type	Fed Lease 1	Royalty Rate	Fed Lease 2 (if applicable)	Royalty Rate	Fed Lease 3 (if applicable)	Royalty Rate	BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
Flagler 8 Fed Com 2H	Sweet	NMNM97151	12.50%	NMNM97904	12.50%			341	48	942	1327.5
Flagler 8 Fed Com 6H	Sweet	NMNM97151	12.50%	NMNM97904	12.50%			461	48.8	1195	1334.9
Flagler 8 Fed Com 14H	Sweet	NMNM97151	12.50%	NMNM97904	12.50%			640	43.5	960	1252.6
Flagler 8 Fed Com 30H	Sweet	NMNM97151	12.50%	NMNM97904	12.50%			443	45.2	753	1157
Flagler 8 Fed Com 36H	Sweet	NMNM97151	12.50%	NMNM97904	12.50%			443	44.5	753	1152.2
Flagler 8 Fed 7H	Sweet	NMNM97151	12.50%					265	48.8	1173	1324.9
Flagler 8 Fed 25H	Sweet	NMNM97151	12.50%					443	45	753	1124.4
Flagler 8 Fed 32H	Sweet	NMNM97151	12.50%					640	42.8	960	1238.2
Flagler 8 Fed 39H	Sweet	NMNM97151	12.50%					443	44.3	753	1152.7

Signed: Rebecca Deal

Date: 12/18/2020

Printed Name: Rebecca Deal

Title: Regulatory Compliance Specialist

**Economic Combined Production**

BOPD	Oil Gravity @ 60°	MCFPD	Dry BTU
4119.0	45.2	8242.0	1243.0

Per Oil & Gas Marketing, combining this production will not affect value to the royalty owner.



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

405 235 3611 Phone  
www.devonenergy.com

April 23, 2020

New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87504

Re: Flagler 8 Fed Wells  
Flagler 8 Fed Com Wells  
Section 8-T25S-R33E  
Lea County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon") desires to pool commingle the wells listed below in the WG-025 G-09 S253309A; Upper Wolfcamp (98180), Red Hills; Upper Bone Spring Shale (97900) and the Draper Mill; Bone Spring (96382) pools. Upon review of the title information and Devon's records, please be advised that all of the ownership is identical in these wells.

<u>Well Name</u>	<u>Location</u>	<u>API</u>	<u>Pool</u>
Flagler 8 Fed 3H	E/2W/2 Sec 8-T25S-R33E	30-025-45257	WC-025 G-09 S253309A; Upper Wolfcamp (98180)
Flagler 8 Fed 4H	W/2E/2 Sec 8-T25S-R33E	30-025-45258	WC-025 G-09 S253309A; Upper Wolfcamp (98180)
Flagler 8 Fed 8H	W/2E/2 Sec 8-T25S-R33E	30-025-44989	WC-025 G-09 S253309A; Upper Wolfcamp (98180)
Flagler 8 Fed 12H	E/2E/2 Sec 8-T25S-R33E	30-025-45163	WC-025 G-09 S253309A; Upper Wolfcamp (98180)
Flagler 8 Fed 17H	E/2E/2 Sec 8-T25S-R33E	30-025-44984	Draper Mill; Bone Spring (96392)
Flagler 8 Fed 20H	E/2W/2 Sec 8-T25S-R33E	30-025-45003	Draper Mill; Bone Spring (96392)
Flagler 8 Fed 35H	E/2E/2 Sec 8-T25S-R33E	30-025-45164	Red Hill; Upper Bone Spring Shale (97900)
Flagler 8 Fed 41H	E/2E/2 Sec 8-T25S-R33E	30-025-45000	Red Hill; Upper Bone Spring Shale (97900)
Flagler 8 Fed 7H	E/2W/2 Sec 8-T25S-R33E	30-025-44988	WC-025 G-09 S253309A; Upper Wolfcamp (98180)
Flagler 8 Fed 25H	E/2W/2 Sec 8-T25S-R33E	30-025-45013	Red Hill; Upper Bone Spring Shale (97900)
Flagler 8 Fed 32H	E/2W/2 Sec 8-T25S-R33E	30-025-44986	Draper Mill; Bone Spring (96392)
Flagler 8 Fed 39H	E/2W/2 Sec 8-T25S-R33E	30-025-45261	Red Hill; Upper Bone Spring Shale (97900)
Flagler 8 Fed Com 2H	W/2W/2 Sec 8-T25S-R33E	30-025-45001	WC-025 G-09 S253309A; Upper Wolfcamp (98180)
Flagler 8 Fed Com 6H	W/2W/2 Sec 8-T25S-R33E	30-025-44980	WC-025 G-09 S253309A; Upper Wolfcamp (98180)
Flagler 8 Fed Com 14H	W/2W/2 Sec 8-T25S-R33E	30-025-44990	Draper Mill; Bone Spring (96392)
Flagler 8 Fed Com 30H	W/2W/2 Sec 8-T25S-R33E	30-025-44990	Draper Mill; Bone Spring (96392)
Flagler 8 Fed Com 36H	W/2W/2 Sec 8-T25S-R33E	30-025-44998	Red Hill; Upper Bone Spring Shale (97900)

Addressee Name  
Page 2  
April 23, 2020

Should you have any questions or wish to discuss further, please contact the undersigned by email at [Joe.Hammond@dvn.com](mailto:Joe.Hammond@dvn.com) or by phone at (405) 552-8102.

Sincerely,

Devon Energy Production Company, L.P.

Joe Hammond  
Advisor Landman

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, 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, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-44996</b>		<sup>2</sup> Pool Code <b>97900</b>		<sup>3</sup> Pool Name <b>RED HILLS; UPPER BONE SPRING SHALE</b>	
<sup>4</sup> Property Code <b>322150</b>		<sup>5</sup> Property Name <b>FLAGLER 8 FED COM</b>		<sup>6</sup> Well Number <b>30H</b>	
<sup>7</sup> OGRID No. <b>6137</b>		<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>		<sup>9</sup> Elevation <b>3466.3</b>	

<sup>10</sup> Surface Location

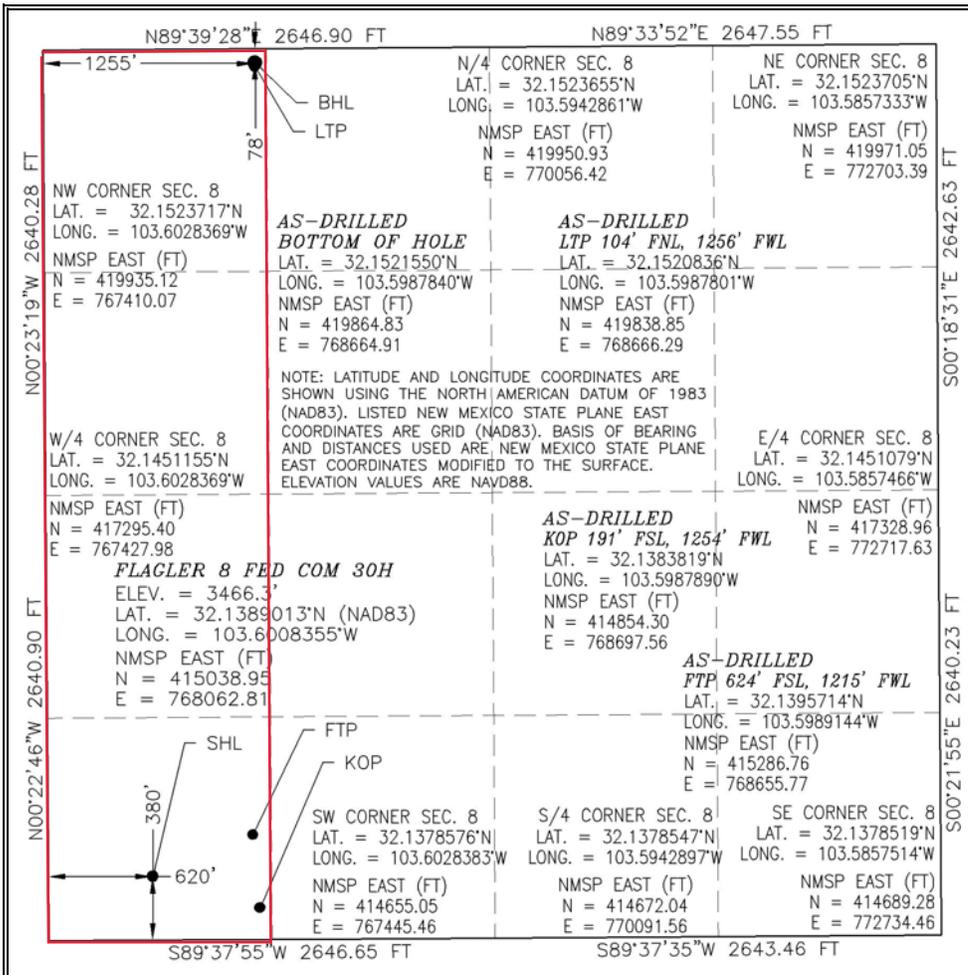
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>380</b>	<b>SOUTH</b>	<b>620</b>	<b>WEST</b>	<b>LEA</b>

<sup>11</sup> 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>D</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>78</b>	<b>NORTH</b>	<b>1255</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



**<sup>17</sup> OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Rebecca Deal* 2/13/2020  
Signature Date

**Rebecca Deal, Regulatory Analyst**  
Printed Name

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

**<sup>18</sup> SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JULY 8, 2019  
Date of Survey

*[Signature]*  
Signature and Seal of Professional Surveyor

Certificate Number **FILE NO. JAS. ANELLO, P.S. 12797**  
COURSE NO. 5837B

Intent  As Drilled

API # <b>30-025-44996</b>		
Operator Name: <b>DEVON ENERGY PRODUCTION CO., L.P.</b>	Property Name: <b>FLAGLER 8 FED COM</b>	Well Number <b>30H</b>

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
<b>M</b>	<b>8</b>	<b>25S</b>	<b>33E</b>		<b>191</b>	<b>SOUTH</b>	<b>1254</b>	<b>WEST</b>	<b>LEA</b>
Latitude <b>32.1383819</b>					Longitude <b>103.5987890</b>				NAD <b>83</b>

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
<b>M</b>	<b>8</b>	<b>25S</b>	<b>33E</b>		<b>624</b>	<b>SOUTH</b>	<b>1215</b>	<b>WEST</b>	<b>LEA</b>
Latitude <b>32.1395714</b>					Longitude <b>103.5989144</b>				NAD <b>83</b>

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
<b>D</b>	<b>8</b>	<b>25S</b>	<b>33E</b>		<b>104</b>	<b>NORTH</b>	<b>1256</b>	<b>WEST</b>	<b>LEA</b>
Latitude <b>32.1520836</b>					Longitude <b>103.5987801</b>				NAD <b>83</b>

Is this well the defining well for the Horizontal Spacing Unit?  **N**

Is this well an infill well?  **Y**

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API # <b>30-025-44998</b>		
Operator Name: <b>Devon Energy Production Co., L.P.</b>	Property Name: <b>Flagler 8 Fed Com</b>	Well Number <b>36H</b>

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
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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, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-44990</b>		<sup>2</sup> Pool Code <b>96392</b>		<sup>3</sup> Pool Name <b>DRAPER MILL;BONE SPRING</b>	
<sup>4</sup> Property Code <b>322150</b>		<sup>5</sup> Property Name <b>FLAGLER 8 FED COM</b>			<sup>6</sup> Well Number <b>14H</b>
<sup>7</sup> OGRID No. <b>6137</b>		<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>			<sup>9</sup> Elevation <b>3466.8</b>

<sup>10</sup> Surface Location

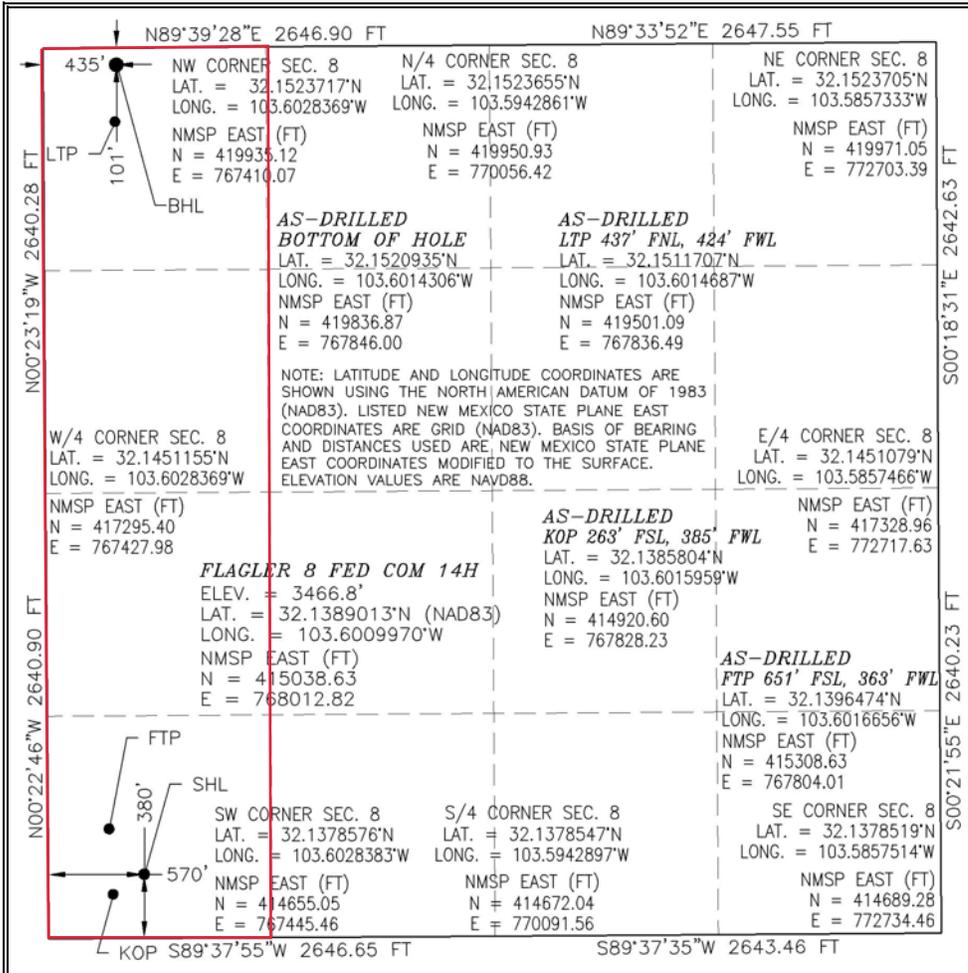
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>380</b>	<b>SOUTH</b>	<b>570</b>	<b>WEST</b>	<b>LEA</b>

<sup>11</sup> 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>D</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>101</b>	<b>NORTH</b>	<b>435</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.



**<sup>17</sup> OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Rebecca Deal*      **2/13/2020**  
Signature      Date

**Rebecca Deal, Regulatory Analyst**  
Printed Name

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

**<sup>18</sup> SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

AUGUST 13, 2019  
Date of Survey

*[Signature]*  
Signature and Seal of Professional Surveyor

Certificate Number F1121006, JARAMILLO, PES 12797  
Professional No. 5821C

Intent  As Drilled

API # <b>30-25-44990</b>		
Operator Name: <b>DEVON ENERGY PRODUCTION CO., L.P.</b>	Property Name: <b>FLAGLER 8 FED COM</b>	Well Number <b>14H</b>

Kick Off Point (KOP)

UL <b>M</b>	Section <b>8</b>	Township <b>25S</b>	Range <b>33E</b>	Lot	Feet <b>263</b>	From N/S <b>SOUTH</b>	Feet <b>385</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.1385804</b>					Longitude <b>103.6015959</b>				NAD <b>83</b>

First Take Point (FTP)

UL <b>M</b>	Section <b>8</b>	Township <b>25S</b>	Range <b>33E</b>	Lot	Feet <b>651</b>	From N/S <b>SOUTH</b>	Feet <b>363</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.1396474</b>					Longitude <b>103.6016656</b>				NAD <b>83</b>

Last Take Point (LTP)

UL <b>D</b>	Section <b>8</b>	Township <b>25S</b>	Range <b>33E</b>	Lot	Feet <b>437</b>	From N/S <b>NORTH</b>	Feet <b>424</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.1511707</b>					Longitude <b>103.6014687</b>				NAD <b>83</b>

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number



Intent  As Drilled

API # 30-025-45261		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.	Property Name: FLAGLER 8 FEDERAL	Well Number 39H

Kick Off Point (KOP)

UL N	Section 8	Township 25S	Range 33E	Lot	Feet 92	From N/S SOUTH	Feet 2149	From E/W WEST	County LEA
Latitude 32.1381076					Longitude 103.5958965				NAD 83

First Take Point (FTP)

UL N	Section 8	Township 25S	Range 33E	Lot	Feet 542	From N/S SOUTH	Feet 2167	From E/W WEST	County LEA
Latitude 32.1392941					Longitude 103.5958372				NAD 83

Last Take Point (LTP)

UL C	Section 8	Township 25S	Range 33E	Lot	Feet 114	From N/S NORTH	Feet 2192	From E/W WEST	County LEA
Latitude 32.1520532					Longitude 103.5957560				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?  Y

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

District I  
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Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
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Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
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OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-45001</b>	<sup>2</sup> Pool Code <b>98180</b>	<sup>3</sup> Pool Name <b>WC-025 G-09 S253309A;UPR WOLFCAMP</b>
<sup>4</sup> Property Code <b>322150</b>	<sup>5</sup> Property Name <b>FLAGLER 8 FED COM</b>	
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	
		<sup>6</sup> Well Number <b>2H</b>
		<sup>9</sup> Elevation <b>3466.9</b>

<sup>10</sup> Surface Location

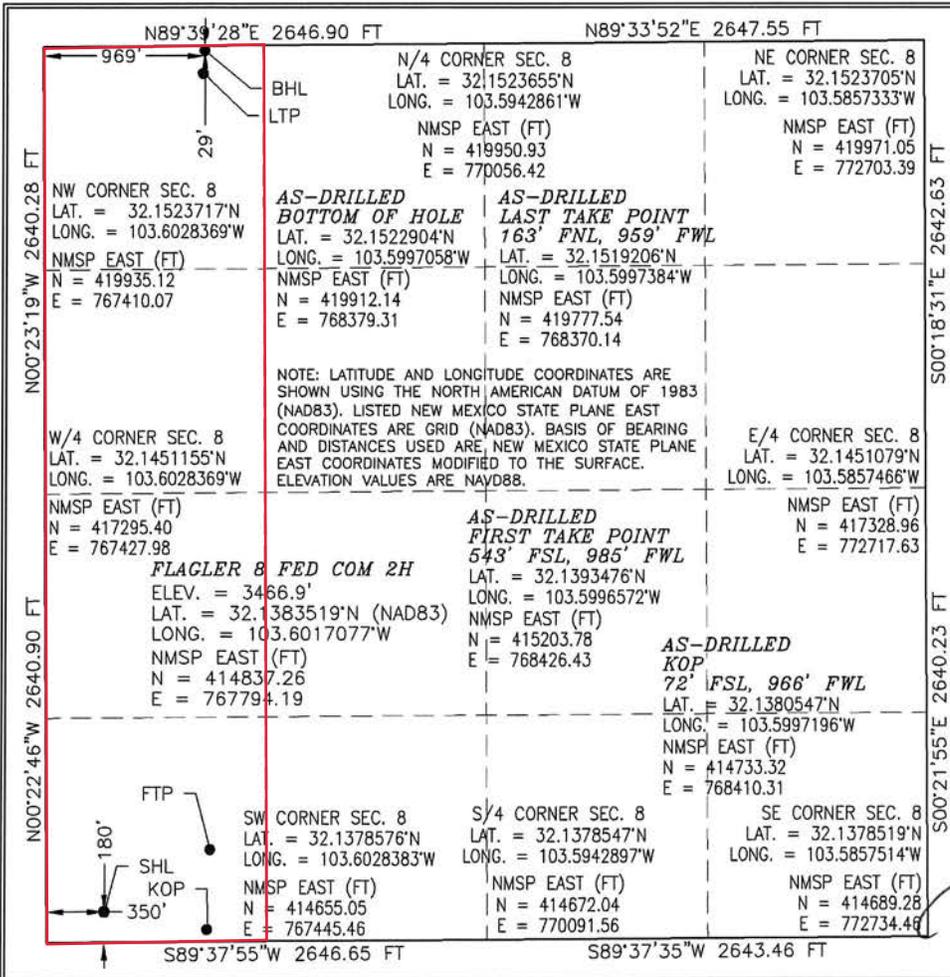
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>180</b>	<b>SOUTH</b>	<b>350</b>	<b>WEST</b>	<b>LEA</b>

<sup>11</sup> 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>D</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>29</b>	<b>NORTH</b>	<b>969</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.



**<sup>17</sup> OPERATOR CERTIFICATION**

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

*Rebecca Deal* **6/13/2019**  
Signature Date

**Rebecca Deal, Regulatory Analyst**  
Printed Name

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

**<sup>18</sup> SURVEYOR CERTIFICATION**

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

**HILMON F. JARAMILLO**  
Date of Survey: **JUNE 10, 2019**

*Hilmon F. Jaramillo*  
Signature and Seal of Professional Surveyor

Certificate Number: **HILMON F. JARAMILLO, PLS 12797**  
SURVEY NO. 5809A

Intent  As Drilled

API # **30-025-45001**

Operator Name: <b>DEVON ENERGY PRODUCTION CO., L.P.</b>	Property Name: <b>FLAGLER 8 FED COM</b>	Well Number <b>2H</b>
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Kick Off Point (KOP)

UL <b>M</b>	Section <b>8</b>	Township <b>25S</b>	Range <b>33E</b>	Lot	Feet <b>72</b>	From N/S <b>SOUTH</b>	Feet <b>966</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.1380547</b>					Longitude <b>103.5997196</b>			NAD <b>83</b>	

First Take Point (FTP)

UL <b>M</b>	Section <b>8</b>	Township <b>25S</b>	Range <b>33E</b>	Lot	Feet <b>543</b>	From N/S <b>SOUTH</b>	Feet <b>985</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.1393476</b>					Longitude <b>103.5996572</b>			NAD <b>83</b>	

Last Take Point (LTP)

UL <b>D</b>	Section <b>8</b>	Township <b>25S</b>	Range <b>33E</b>	Lot	Feet <b>163</b>	From N/S <b>NORTH</b>	Feet <b>959</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.1519206</b>					Longitude <b>103.5997384</b>			NAD <b>83</b>	

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
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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, NM 87505

Form C-102  
Revised August 1, 2011  
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-44980</b>	<sup>2</sup> Pool Code <b>98180</b>	<sup>3</sup> Pool Name <b>WC-025 G-09 S253309A;UPR WOLFCAMP</b>
<sup>4</sup> Property Code <b>322150</b>	<sup>5</sup> Property Name <b>FLAGLER 8 FED COM</b>	
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<sup>9</sup> Elevation <b>3467.1</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>180</b>	<b>SOUTH</b>	<b>320</b>	<b>WEST</b>	<b>LEA</b>

<sup>11</sup> 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>D</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>21</b>	<b>NORTH</b>	<b>354</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

**FLAGLER 8 FED COM 6H**

ELEV. = 3467.1  
LAT. = 32.1383620°N (NAD83)  
LONG. = 103.6018046°W  
NMSP EAST (FT)  
N = 414837.07  
E = 767764.20

**<sup>17</sup> OPERATOR CERTIFICATION**

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*Rebecca Deal* **6/13/2019**  
Signature Date

**Rebecca Deal, Regulatory Analyst**  
Printed Name

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

---

**<sup>18</sup> SURVEYOR CERTIFICATION**

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JUNE 10, 2019  
Date of Survey

*Filimon F. Jaramillo*  
Signature and Seal of Professional Surveyor

Certificate Number: **FILIMON F. JARAMILLO, PLS 12797**  
SURVEY NO. 5813A

Intent  As Drilled 

API # <b>30-025-44980</b>		
Operator Name: <b>DEVON ENERGY PRODUCTION CO., L.P.</b>	Property Name: <b>FLAGLER 8 FED COM</b>	Well Number <b>6H</b>

## Kick Off Point (KOP)

UL <b>M</b>	Section <b>8</b>	Township <b>25S</b>	Range <b>33E</b>	Lot	Feet <b>77</b>	From N/S <b>SOUTH</b>	Feet <b>344</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.1380699</b>					Longitude <b>103.6017260</b>			NAD <b>83</b>	

## First Take Point (FTP)

UL <b>M</b>	Section <b>8</b>	Township <b>25S</b>	Range <b>33E</b>	Lot	Feet <b>606</b>	From N/S <b>SOUTH</b>	Feet <b>389</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.1395228</b>					Longitude <b>103.6015830</b>			NAD <b>83</b>	

## Last Take Point (LTP)

UL <b>D</b>	Section <b>8</b>	Township <b>25S</b>	Range <b>33E</b>	Lot	Feet <b>159</b>	From N/S <b>NORTH</b>	Feet <b>348</b>	From E/W <b>WEST</b>	County <b>LEA</b>
Latitude <b>32.1519344</b>					Longitude <b>103.6017225</b>			NAD <b>83</b>	

Is this well the defining well for the Horizontal Spacing Unit?

 N

Is this well an infill well?

 Y

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API # <b>30-025-45001</b>		
Operator Name: <b>DEVON ENERGY PRODUCTION CO.</b>	Property Name: <b>FLAGLER 8 FED COM</b>	Well Number <b>2H</b>

KZ 06/29/2018

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Santa Fe, NM 87505

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Revised August 1, 2011  
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-44998</b>	<sup>2</sup> Pool Code <b>97900</b>	<sup>3</sup> Pool Name <b>RED HILLS; UPPER BONE SPRING SHALE</b>
<sup>4</sup> Property Code <b>322150</b>	<sup>5</sup> Property Name <b>FLAGLER 8 FED COM</b>	
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	
		<sup>6</sup> Well Number <b>36H</b>
		<sup>9</sup> Elevation <b>3466.6</b>

<sup>10</sup> Surface Location

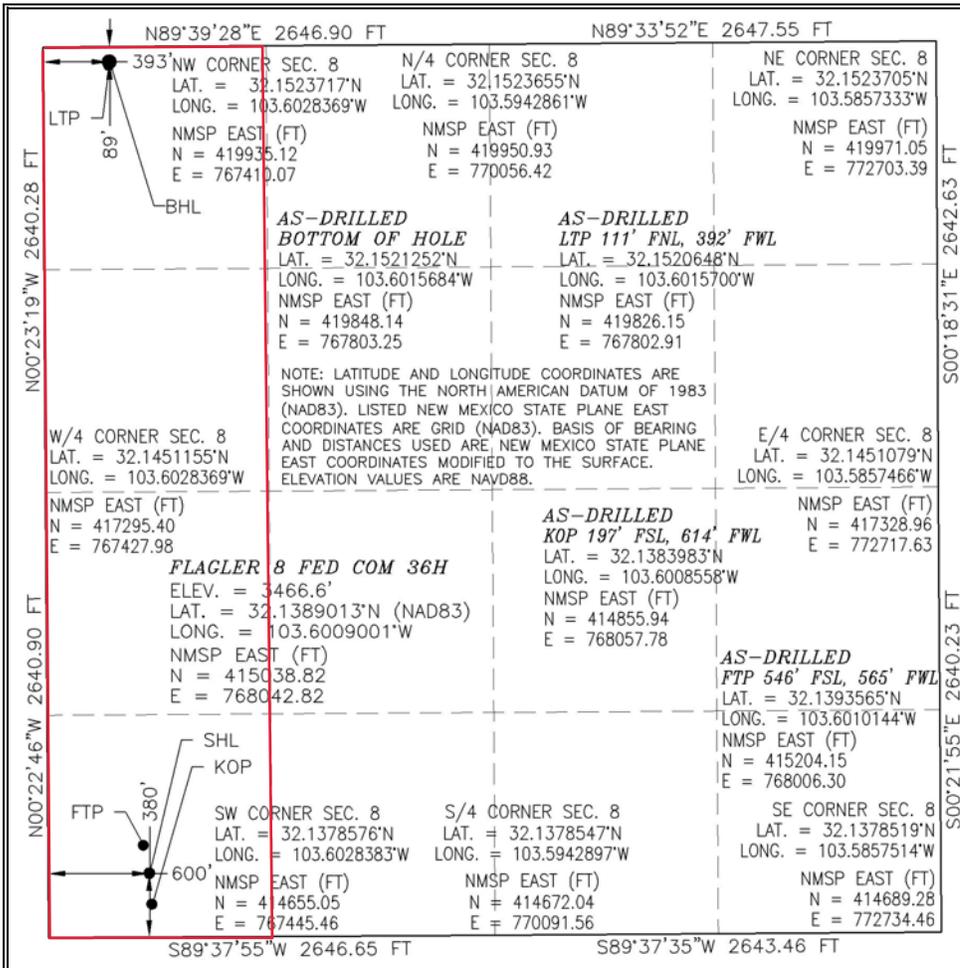
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>380</b>	<b>SOUTH</b>	<b>600</b>	<b>WEST</b>	<b>LEA</b>

<sup>11</sup> 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>D</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>89</b>	<b>NORTH</b>	<b>393</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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*Rebecca Deal* **2/13/2020**  
Signature Date

**Rebecca Deal, Regulatory Analyst**  
Printed Name

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

**<sup>18</sup> SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

AUGUST 13, 2019  
Date of Survey

*MON F. JARAMILLO*  
Signature and Seal of Professional Surveyor

Certificate Number FLS 1068 JARAMILLO PES 1797  
SURVEYOR NO. 5843C

Intent  As Drilled

API # <b>30-025-44998</b>		
Operator Name: <b>DEVON ENERGY PRODUCTION CO., L.P.</b>	Property Name: <b>FLAGLER 8 FED COM</b>	Well Number <b>36H</b>

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
<b>M</b>	<b>8</b>	<b>25S</b>	<b>33E</b>		<b>197</b>	<b>SOUTH</b>	<b>614</b>	<b>WEST</b>	<b>LEA</b>
Latitude <b>32.1383983</b>					Longitude <b>103.6008558</b>				NAD <b>83</b>

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
<b>M</b>	<b>8</b>	<b>25S</b>	<b>33E</b>		<b>546</b>	<b>SOUTH</b>	<b>565</b>	<b>WEST</b>	<b>LEA</b>
Latitude <b>32.1393565</b>					Longitude <b>103.6010144</b>				NAD <b>83</b>

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
<b>D</b>	<b>8</b>	<b>25S</b>	<b>33E</b>		<b>111</b>	<b>NORTH</b>	<b>392</b>	<b>WEST</b>	<b>LEA</b>
Latitude <b>32.1520648</b>					Longitude <b>103.6015700</b>				NAD <b>83</b>

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, 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, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-025-44988</b>		<sup>2</sup> Pool Code <b>98180</b>		<sup>3</sup> Pool Name <b>WC-025 G-09 S253309A;UPR WOLFCAMP</b>	
<sup>4</sup> Property Code <b>322149</b>		<sup>5</sup> Property Name <b>FLAGLER 8 FEDERAL</b>			<sup>6</sup> Well Number <b>7H</b>
<sup>7</sup> OGRID No. <b>6137</b>		<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>			<sup>9</sup> Elevation <b>3447.4</b>

<sup>10</sup> Surface Location

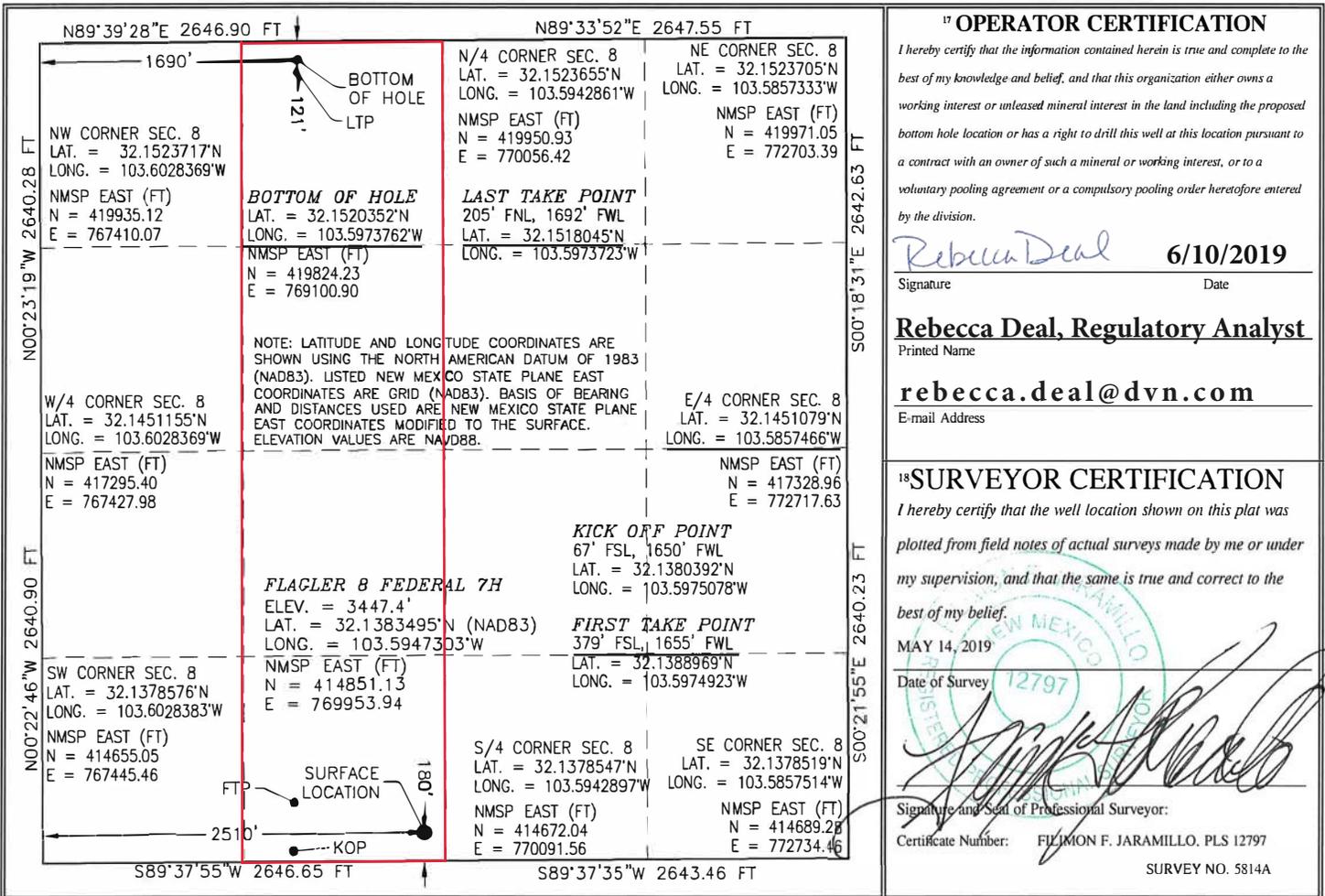
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	8	25 S	33 E		180	SOUTH	2510	WEST	LEA

<sup>11</sup> 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	8	25 S	33 E		121	NORTH	1690	WEST	LEA

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.



Intent  As Drilled

API # 30-025-44988		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.	Property Name: FLAGLER 8 FEDERAL	Well Number 7H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	8	25 S	33 E		67	SOUTH	1650	WEST	LEA
Latitude 32.1380392					Longitude 103.5975078				NAD 83

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	8	25 S	33 E		379	SOUTH	1655	WEST	LEA
Latitude 32.1388969					Longitude 103.5974923				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	8	25 S	33 E		205	NORTH	1692	WEST	LEA
Latitude 32.1518045					Longitude 103.5973723				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API # 30-025-45258		
Operator Name: Devon Energy Production Co.	Property Name: Flagler 8 Federal	Well Number 4H

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
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Phone: (575) 748-1283 Fax: (575) 748-9720  
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1000 Rio Brazos Road, Aztec, NM 87410  
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District IV  
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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, NM 87505

Form C-102  
Revised August 1, 2011  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-45013</b>	<sup>2</sup> Pool Code <b>97900</b>	<sup>3</sup> Pool Name <b>RED HILLS; UPPER BONE SPRING SHALE</b>
<sup>4</sup> Property Code <b>322149</b>	<sup>5</sup> Property Name <b>FLAGLER 8 FEDERAL</b>	
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<sup>6</sup> Well Number <b>25H</b>
		<sup>9</sup> Elevation <b>3446.5</b>

<sup>10</sup> Surface Location

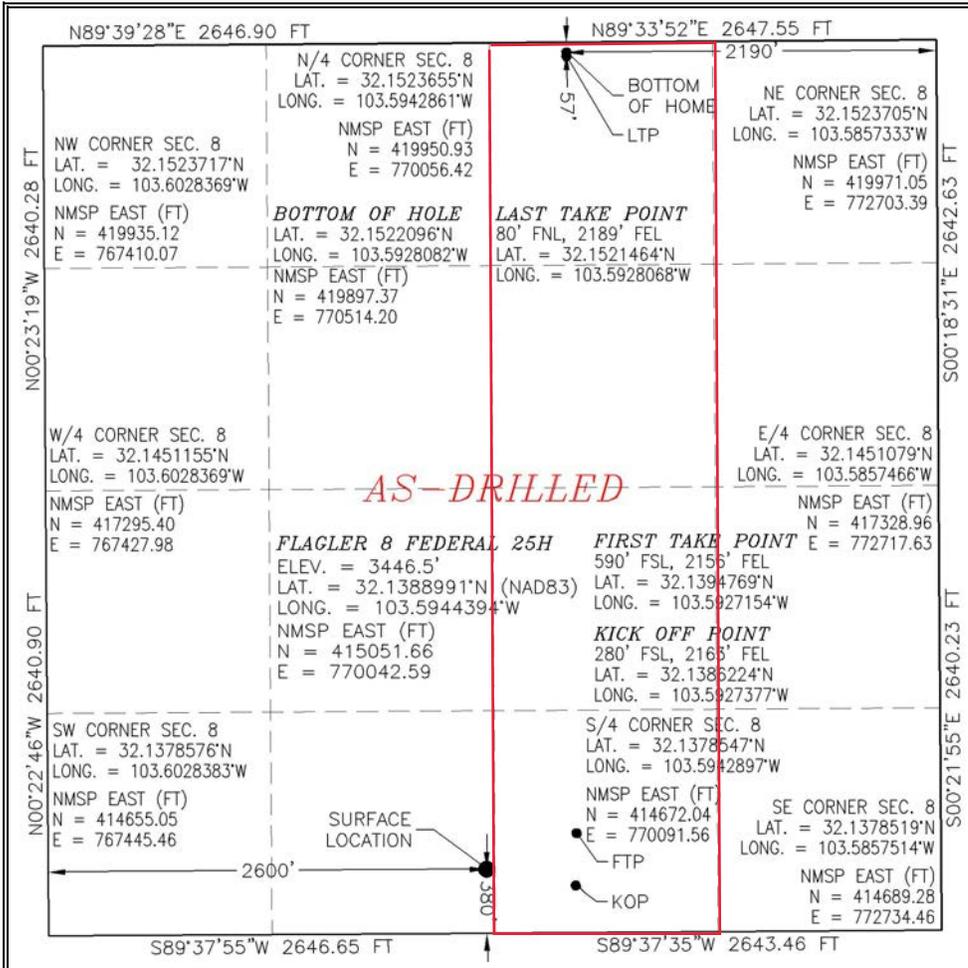
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>N</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>380</b>	<b>SOUTH</b>	<b>610</b>	<b>EAST</b>	<b>LEA</b>

<sup>11</sup> 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>B</b>	<b>8</b>	<b>25 S</b>	<b>33 E</b>		<b>57</b>	<b>NORTH</b>	<b>2190</b>	<b>EAST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



**<sup>17</sup> OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Rebecca Deal*      2/20/2020  
Signature      Date

**Rebecca Deal, Regulatory Analyst**  
Printed Name

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

**<sup>18</sup> SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

OCTOBER 4, 2018  
Date of Survey

*[Signature]*  
Signature and Seal of Professional Surveyor

Certificate Number FILLIMON F. JARAMILLO 12797  
SURVEY NO. 5832B

Intent  As Drilled

API #									
Operator Name:					Property Name:				Well Number

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #									
Operator Name:					Property Name:				Well Number

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Form C-102  
Revised August 1, 2011  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

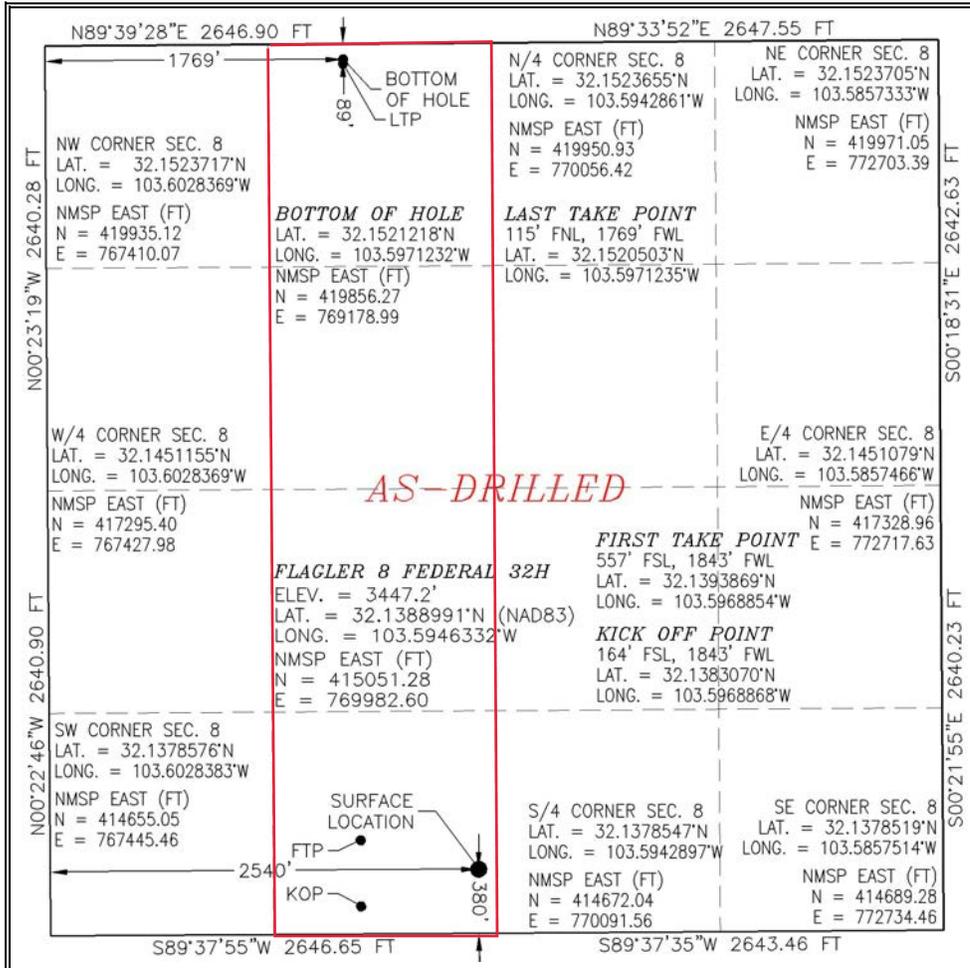
<sup>1</sup> API Number <b>30-025-44986</b>	<sup>2</sup> Pool Code <b>96392</b>	<sup>3</sup> Pool Name <b>DRAPER MILL;BONE SPRING</b>
<sup>4</sup> Property Code <b>322149</b>	<sup>5</sup> Property Name <b>FLAGLER 8 FEDERAL</b>	
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<sup>6</sup> Well Number <b>32H</b>
		<sup>9</sup> Elevation <b>3447.2</b>

<sup>10</sup> Surface Location									
UL or lot no. <b>N</b>	Section <b>8</b>	Township <b>25 S</b>	Range <b>33 E</b>	Lot Idn	Feet from the <b>380</b>	North/South line <b>SOUTH</b>	Feet from the <b>2540</b>	East/West line <b>WEST</b>	County <b>LEA</b>

<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. <b>C</b>	Section <b>8</b>	Township <b>25 S</b>	Range <b>33 E</b>	Lot Idn	Feet from the <b>89</b>	North/South line <b>NORTH</b>	Feet from the <b>1769</b>	East/West line <b>WEST</b>	County <b>LEA</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

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**<sup>17</sup> OPERATOR CERTIFICATION**

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

*Rebecca Deal*      2/20/2020  
Signature      Date

**Rebecca Deal, Regulatory Analyst**  
Printed Name

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

---

**<sup>18</sup> SURVEYOR CERTIFICATION**

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OCTOBER 4, 2018  
Date of Survey

*[Signature]*  
Signature and Seal of Professional Surveyor

Certificate Number FILMONT 12797  
SURVEY NO. 5839B

Intent  As Drilled

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
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# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

New Mexico State Office

301 Dinosaur Trail

Santa Fe, New Mexico 87508

[www.blm.gov/new-mexico](http://www.blm.gov/new-mexico)



IN REPLY REFER TO:

NMNM139004  
3105.2 (NM920)

NOV 30 2018

Reference:  
Communitization Agreement  
Flagler 8 Fed Com #6H  
Section 08: W2W2  
T. 25 S., R. 33 E., N.M.P.M.  
Lea County, NM

RECEIVED

DEC 10 2018

LAND DEPARTMENT

Devon Energy Corporation  
333 W. Sheridan  
Oklahoma City, OK 73102-5015

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM 139004 involving 120 acres of Federal land in lease NMNM 97904, and 40 acres of Federal land in lease NMNM 97151, Lea County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath the W2W2 of Sec. 08, T. 25 S., R. 33 E., NMPM, Lea County, NM, and is effective July 1, 2018. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

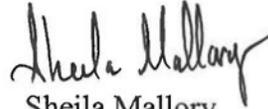
Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact James Glover, Geologist at (505) 954-2139 or Margie Dupre at (505) 954-2142.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,



Sheila Mallory  
Deputy State Director  
Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

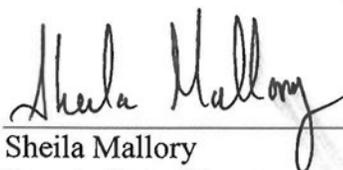
NMSO (NM925, File)

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
  
- B. Approve the attached Communitization Agreement covering the W2W2 of sec. 08, T. 25 S., R. 33 E., NMPM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.
  
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:            **NOV 30 2018**



---

Sheila Mallory  
Deputy State Director  
Division of Minerals

Effective: July 1, 2018

Contract No.: Com. Agr. NMNM 139004

Contract No. NM 139004

Federal/Federal

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such Parties being hereinafter referred to as "parties hereto."

## WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.  
Section 8: W/2 W/2

containing 160.00 acres, more or less, and this agreement shall include the Wolfcamp formation underlying said lands and the crude oil and associated natural gas substances, hereinafter referred to as "communitized substances", producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

Federal/Federal

3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area, and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas regulations.

5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State or fee land included within the CA area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

Federal/Federal

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders rules or regulations.

10. The date of this agreement is **July 1, 2018**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect as to the Wolfcamp formation for a period of 2 years and for as long as communitized substance is, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

Federal/Federal

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

**OPERATOR, RECORD TITLE OWNER (USA NMNM 97151 & USA NMNM 97904), & WORKING INTEREST OWNER:**

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

BY: Catherine Lebsack  
Catherine Lebsack, Vice President MM  
A  
A

**ACKNOWLEDGEMENT**

STATE OF OKLAHOMA ) §  
COUNTY OF OKLAHOMA ) §

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of June, 2018 by Catherine Lebsack as Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of the limited partnership.

My Commission Expires:

7-24-2021



Courtney Thomas  
Notary Public

Flagler Fed Unit

Federal/Federal

EXHIBIT "A"

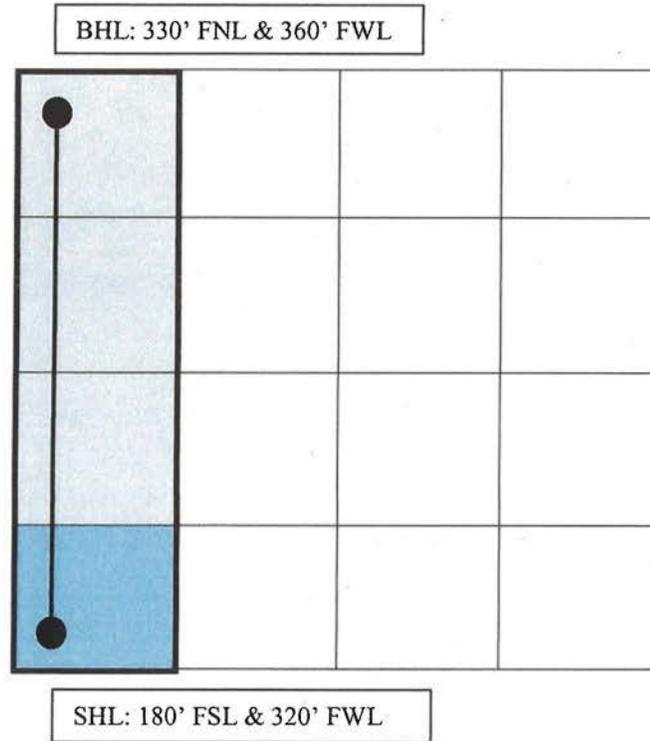
Plat of communitized area covering W/2W/2 of Section 8-T25S-R33E,  
Lea County, New Mexico, Wolfcamp Formation

Flagler 8 Fed Com 6H

**Tract 1:**  
USA NM 97904



**Tract 2:**  
USA NM 97151



Federal/Federal

## EXHIBIT "B"

Attached to and made a part of Communitization Agreement dated effective July 1, 2018 embracing the W/2 W/2 of Section 8, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Operator of Communitized Area: Devon Energy Production Company, L.P.

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

Lease Serial No.:	USA NMNM 97904	
Lease Date:	December 1, 1996	
Lease Term:	Ten (10) Years	
Recorded:	Book 763, Page 65	
Lessor:	United States of America	
Original Lessee:	Penwell Energy Inc.	
Present Lessee:	Devon Energy Production Company, L.P. ✓	
Description of Land Committed:	<u>Township 25 South, Range 33 East</u> Section 8: W/2NW/4, NW/4SW/4	
Number of Acres:	120.00	
Royalty Rate:	12.5%	
WI Owner Name and Interest:	Devon Energy Production Company, LLC	100.000000% ✓
ORRI Owner Name and Interest:	C. Mark Wheeler	0.25%
	Paul R. Barwis	0.5%
	Chisos Minerals LLC	0.15%
	Jareed Partners, Ltd.	0.5%
	Cornerstone Family Trust	0.3%
	Crownrock Minerals LP	0.3%
	<u>TOTAL ORRI:</u>	<u>2.0%</u>

Federal/Federal

**Tract No. 2**

Lease Serial Number:	USA NMNM 97151	
Lease Date:	September 1, 1996	
Lease Term:	Ten (10) Years	
Recorded:	Book 743, Page 570	
Lessor:	United States of America	
Original Lessee:	Penwell Energy Inc.	
Present Lessee:	Devon Energy Production Company, L.P.	✓
Description of Land Committed:	Insofar only as said lease covers:	
	<u>Township 25 South, Range 33 East</u>	
	Section 8: SW/4SW/4	
Number of Acres:	40.00	
Royalty Rate:	12.5%	
WI Owner Name and Interest:	Devon Energy Production Company, LLC	100.00000% ✓
ORRI Owner Name and Interest:	C. Mark Wheeler	0.25%
	Paul R. Barwis	0.5%
	Chisos Minerals LLC	0.15%
	Jareed Partners, Ltd.	0.5%
	Cornerstone Family Trust	0.3%
	Crownrock Minerals LP	0.3%
	<hr/> TOTAL ORRI:	2.0%

Federal/Federal

RECAPITULATION

	<b>No. of Acres</b>	<b>Percentage of Interest</b>
<b>Tract No.</b>	<b>Committed</b>	<b>In Communitized Area</b>
1	120.00	75.000%
2	40.00	25.000%
Total	160.00	100.000%

Federal/Federal

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

**OPERATOR, RECORD TITLE OWNER (USA NMNM 97151 & USA NMNM 97904), & WORKING INTEREST OWNER:**

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

BY: Catherine Lebsack  
Catherine Lebsack, Vice President MM  
22  
AP

**ACKNOWLEDGEMENT**

STATE OF OKLAHOMA ) §  
COUNTY OF OKLAHOMA ) §

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of June, 2018 by Catherine Lebsack as Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of the limited partnership.

My Commission Expires:  
7-24-2021



Courtney Thomas  
Notary Public



# United States Department of the Interior



## BUREAU OF LAND MANAGEMENT

New Mexico State Office  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508  
[www.blm.gov/new-mexico](http://www.blm.gov/new-mexico)

IN REPLY REFER TO:

NMNM139005  
3105.2 (NM920)

NOV 30 2018

Reference:  
Communitization Agreement  
Flagler 8 Fed Com #14H  
Section 08: W2W2  
T. 25 S., R. 33 E., N.M.P.M.  
Lea County, NM

RECEIVED  
DEC 10 2018  
LAND DEPARTMENT

Devon Energy Corporation  
333 W. Sheridan  
Oklahoma City, OK 73102-5015

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM 139005 involving 120 acres of Federal land in lease NMNM 97904, and 40 acres of Federal land in lease NMNM 97151, Lea County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the W2W2 of Sec. 08, T. 25 S., R. 33 E., NMPM, Lea County, NM, and is effective July 1, 2018. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

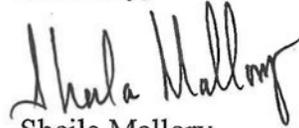
Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact James Glover, Geologist at (505) 954-2139 or Margie Dupre at (505) 954-2142.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,



Sheila Mallory  
Deputy State Director  
Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

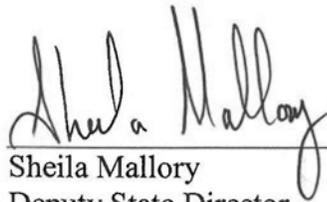
NMSO (NM925, File)

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
  
- B. Approve the attached Communitization Agreement covering the W2W2 of sec. 08, T. 25 S., R. 33 E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.
  
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:            **NOV 30 2018**



---

Sheila Mallory  
Deputy State Director  
Division of Minerals

Effective: July 1, 2018

Contract No.: Com. Agr. NMNM 139005

Federal/Federal

Contract No. NM139005

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such Parties being hereinafter referred to as "parties hereto."

## WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.  
Section 8: W/2 W/2

containing 160.00 acres, more or less, and this agreement shall include the Bone Springs formation underlying said lands and the crude oil and associated natural gas substances, hereinafter referred to as "communitized substances", producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

Federal/Federal

3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area, and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas regulations.

5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State or fee land included within the CA area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

Federal/Federal

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders rules or regulations.

10. The date of this agreement is **July 1, 2018**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect as to the Bone Springs formation for a period of 2 years and for as long as communitized substance is, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

Federal/Federal

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

**OPERATOR, RECORD TITLE OWNER (USA NMNM 97151 & USA NMNM 97904), & WORKING INTEREST OWNER:**

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

BY: Catherine Lebsack  
Catherine Lebsack, Vice President MM  
98

**ACKNOWLEDGEMENT**

STATE OF OKLAHOMA ) §  
COUNTY OF OKLAHOMA ) §

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of June, 2018 by Catherine Lebsack as Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of the limited partnership.

My Commission Expires:

7-24-2021



Courtney Thomas  
Notary Public

Federal/Federal

EXHIBIT "A"

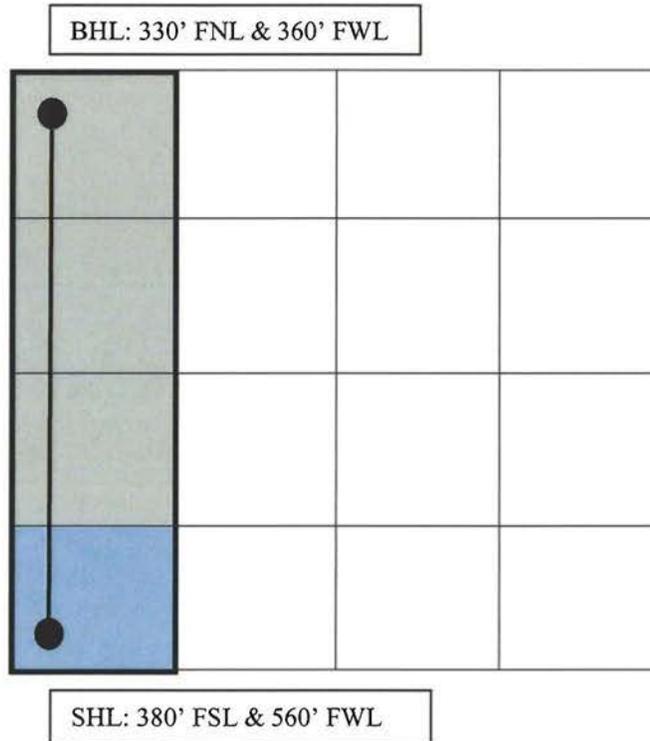
Plat of communitized area covering W/2W/2 of Section 8-T25S-R33E,  
Lea County, New Mexico, Bone Springs Formation

Flagler 8 Fed Com 14H

**Tract 1:**  
USA NM 97904



**Tract 2:**  
USA NM 97151



Federal/Federal

## EXHIBIT "B"

Attached to and made a part of Communitization Agreement dated effective July 1, 2018 embracing the W/2 W/2 of Section 8, Township 25 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Operator of Communitized Area: Devon Energy Production Company, L.P.

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

Lease Serial No.:	USA NMNM 97904	
Lease Date:	December 1, 1996	
Lease Term:	Ten (10) Years	
Recorded:	Book 763, Page 65	
Lessor:	United States of America	
Original Lessee:	Penwell Energy Inc.	
Present Lessee:	Devon Energy Production Company, L.P.	
Description of Land Committed:	<u>Township 25 South, Range 33 East</u> Section 8: W/2NW/4, NW/4SW/4	
Number of Acres:	120.00	
Royalty Rate:	12.5%	
WI Owner Name and Interest:	Devon Energy Production Company, LLC	100.00000%
ORRI Owner Name and Interest:	C. Mark Wheeler	0.25%
	Paul R. Barwis	0.5%
	Chisos Minerals LLC	0.15%
	Jareed Partners, Ltd.	0.5%
	Cornerstone Family Trust	0.3%
	<u>Crownrock Minerals LP</u>	<u>0.3%</u>
	TOTAL ORRI:	2.0%

Federal/Federal

**Tract No. 2**

Lease Serial Number:	USA NMNM 97151	
Lease Date:	September 1, 1996	
Lease Term:	Ten (10) Years	
Recorded:	Book 743, Page 570	
Lessor:	United States of America	
Original Lessee:	Penwell Energy Inc.	
Present Lessee:	Devon Energy Production Company, L.P.	
Description of Land Committed:	Insofar only as said lease covers: <u>Township 25 South, Range 33 East</u> Section 8: SW/4SW/4	
Number of Acres:	40.00	
Royalty Rate:	12.5%	
WI Owner Name and Interest:	Devon Energy Production Company, LLC	100.000000%
ORRI Owner Name and Interest:	C. Mark Wheeler	0.25%
	Paul R. Barwis	0.5%
	Chisos Minerals LLC	0.15%
	Jareed Partners, Ltd.	0.5%
	Cornerstone Family Trust	0.3%
	<u>Crownrock Minerals LP</u>	<u>0.3%</u>
	TOTAL ORRI:	2.0%

Federal/Federal

RECAPITULATION

	<b>No. of Acres</b>	<b>Percentage of Interest</b>
<b><u>Tract No.</u></b>	<b><u>Committed</u></b>	<b><u>In Communitized Area</u></b>
1	120.00	75.000%
2	40.00	25.000%
Total	160.00	100.000%

Federal/Federal

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

**OPERATOR, RECORD TITLE OWNER (USA NMNM 97151 & USA NMNM 97904), & WORKING INTEREST OWNER:**

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

BY: Catherine Lebsack  
Catherine Lebsack, Vice President MM  
✓  
J

**ACKNOWLEDGEMENT**

STATE OF OKLAHOMA ) §  
COUNTY OF OKLAHOMA ) §

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of June, 2018 by Catherine Lebsack as Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of the limited partnership.

My Commission Expires:

7-24-2021



Courtney Thomas  
Notary Public

Flagler Fed Unit

Form 3160-5  
(June 2015)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NMNM97151

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

7. If Unit or CA/Agreement, Name and/or No.  
NMNM139004

1. Type of Well

Oil Well  Gas Well  Other

8. Well Name and No.  
FLAGLER 8 FED COM 2H

2. Name of Operator

DEVON ENERGY PRODUCTION COMPANY

Contact: REBECCA DEAL

Phone: Rebecca.Deal@dvn.com

9. API Well No.  
30-025-45001

3a. Address

333 WEST SHERIDAN AVE  
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)

Ph: 405-228-8429

10. Field and Pool or Exploratory Area  
WC-025 G-09 S253309A; UWC

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 8 T25S R33E Mer NMP SWSW 180FSL 350FWL

11. County or Parish, State  
LEA COUNTY, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Surface Commingling
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Devon Energy Production Co., L.P. respectfully requests approval for a Lease/Pool Commingle for Flagler 8 CTB 1. Wells listed below, all located in 8-25S-33E.

Federal Lease NMNM97151(12.5%)

Well Name API Pool  
Flagler 8 Fed 7H 30-025-45001 WC-025 G-09 S253309A-UPR WOLFCAMP

Flagler 8 Fed 25H 30-025-45013 RED HILLS, UPPER B.S. SHALE  
Flagler 8 Fed 32H 30-025-44986 RED HILLS, UPPER B.S. SHALE  
Flagler 8 Fed 39H 30-025-45261 RED HILLS, UPPER B.S. SHALE

CA NMNM139005 ? BONE SPRING (160ACS) FED Lease NMNM97904 120ACS (12.5%) NMNM97151 40 ACS (12.5%)

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #513948 verified by the BLM Well Information System  
For DEVON ENERGY PRODUCTION COMPANY, sent to the Hobbs**

Name (Printed/Typed) REBECCA DEAL

Title REGULATORY COMPLIANCE PROFESSI

Signature (Electronic Submission)

Date 05/04/2020

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #513948 that would not fit on the form**

**32. Additional remarks, continued**

Well Name	API	Pool	
Flagler 8 Fed Com 14H	30-025-44990		DRAPER MILL; BONE SPRING
Flagler 8 Fed Com 30H	30-025-44996		RED HILLS, UPPER B.S. SHALE
Flagler 8 Fed Com 36H	30-025-44998		RED HILLS, UPPER B.S. SHALE

CA NMNM139004 ? WOLFCAMP (160ACS) Federal Lease NMNM97904 120ACS (12.5%) NMNM97151 40 ACS (12.5%)

Well Name	API	Pool	
Flagler 8 Fed Com 2H	30-025-45001		WC025G09S253309A-UPR WOLFCAMP
Flagler 8 Fed Com 6H	30-025-44980		WC025G09S253309A-UPR WOLFCAMP

Please see attached commingle application and supporting documentation.

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Deal, Rebecca](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); [lisa@rwbyram.com](mailto:lisa@rwbyram.com); [Glover, James; kparadis@blm.gov](#); [Walls, Christopher](#)  
**Subject:** Approved Administrative Order PLC-728  
**Date:** Monday, December 21, 2020 1:09:48 PM  
**Attachments:** [PLC728 Order.pdf](#)

NMOCD has issued Administrative Order PLC-728 which authorizes Devon Energy Production Company, LP (6137) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPM)	Pool Code
30-025-44988	Flagler 8 Fed #7H	N-08-25S-33E	98180
30-025-45013	Flagler 8 Fed #25H	N-08-25S-33E	97900
30-025-44986	Flagler 8 Fed #32H	N-08-25S-33E	96392
30-025-45261	Flagler 8 Fed #39H	N-08-25S-33E	97900
30-025-44990	Flagler 8 Fed Com #14H	M-08-25S-33E	96392
30-025-44996	Flagler 8 Fed Com #30H	M-08-25S-33E	97900
30-025-44998	Flagler 8 Fed Com #36H	M-08-25S-33E	97900
30-025-45001	Flagler 8 Fed Com #2H	M-08-25S-33E	98180
30-025-44980	Flagler 8 Fed Com #6H	M-08-25S-33E	98180

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

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

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY DEVON ENERGY PRODUCTION  
COMPANY, LP**

**ORDER NO. PLC-728**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. Devon Energy Production Company, LP (“Applicant”) submitted a complete application to surface commingle and off-lease measure the oil and gas production ("Application") from the pools, leases, and wells identified in Exhibit A.
2. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7(B) NMAC.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from an infill well which produces from a pool and spacing unit dedicated to a well identified in Exhibit A.

**CONCLUSIONS OF LAW**

8. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, and 19.15.12 NMAC.

9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2), (C)(4)(c), and (C)(4)(e) NMAC, as applicable.
10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.
11. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) and (C)(4)(h) NMAC.
12. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

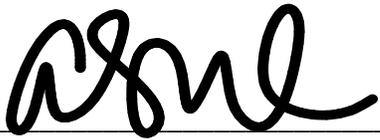
1. Applicant is authorized to surface commingle and off-lease measure oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to surface commingle and off-lease measure, as applicable, oil and gas production from an infill well producing from the same pool and spacing unit dedicated to a well identified in Exhibit A.

2. The allocation of oil and gas production to an infill well shall be determined in the same manner as oil and gas production to the well dedicated to the pool and spacing unit.
3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
4. Applicant shall measure the commingled oil at a central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.
5. Applicant shall measure the commingled gas at a central delivery point or central tank battery described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, and regardless whether OCD has granted an exception pursuant to 19.15.18.12(B) NMAC, Applicant shall report the gas in accordance with 19.15.18.12(F) NMAC.
6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

8. Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau identifying an infill well prior to commingling and off-lease measuring, as applicable, oil and gas production from an infill well with the production from another well.
9. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
10. OCD retains jurisdiction and reserves the right to modify or revoke this Order as it deems necessary to prevent waste or protect correlative rights, public health, or the environment.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL  
DIRECTOR**

AS/dm

**DATE:** 12/21/2020

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: PLC-728

Operator: Devon Energy Production Company, LP (6137)

Central Tank Battery: Flagler 8 Central Tank Battery 1

Central Tank Battery Location (NMPM): Unit M, Section 8, Township 25 South, Range 33 East

Gas Custody Transfer Meter Location (NMPM): Unit M, Section 8, Township 25 South, Range 33 East

### Pools

Pool Name	Pool Code
WC-025 G-09 S253309P; UPR WOLFCAMP	98180
DRAPER MILL; BONE SPRING	96392
RED HILLS; UPPER BONE SPRING SHALE	97900

### Leases as defined in 19.15.12.7(C) NMAC

Lease	Location (NMPM)	Sec
NMNM 97151	E/2 W/2, W/2 E/2	8-T25S-R33E
CA BS NMNM 139005	W/2 W/2	8-T25S-R33E
CA WC NMNM 139004	W/2 W/2	8-T25S-R33E

### Wells

Well API	Well Name	Location (NMPM)	Pool Code	Train
30-025-44988	Flagler 8 Fed #7H	N-08-25S-33E	98180	
30-025-45013	Flagler 8 Fed #25H	N-08-25S-33E	97900	
30-025-44986	Flagler 8 Fed #32H	N-08-25S-33E	96392	
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**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 12666

**CONDITIONS OF APPROVAL**

Operator:	DEVON ENERGY PRODUCTION COMPAN	333 West Sheridan Ave.	Oklahoma City, OK73102	OGRID:	6137	Action Number:	12666	Action Type:	C-107B
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OCD Reviewer	Condition
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.