



Devon Energy Production Company  
333 W. Sheridan Avenue  
Oklahoma City, Oklahoma 73102  
Phone: (405)-552-7970  
Erin.Workman@dvn.com

February 1, 2021

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Interest Owners

Re: Central Tank Battery Marwari 28 CTB 1  
Sec., T, R: NWNW, S28, T35S, R32E  
Lease: ST NM-9789, NMLC0061869, ST NM E-5009  
Pool: 96715 WC-025 G-06 S253206M; BONE SPRING  
97903 WC-025 G-08 S253235G; LWR BONE SPRIN  
County: Lea Co., New Mexico

To whom it may concern:

This is to advise you that Devon Energy Production Company, L.P., is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tank Battery for the below mentioned wells.

| WELL NAME                        | API          |
|----------------------------------|--------------|
| Marwari 21-16 State Fed Com 234Y | 30-025-46603 |
| Marwari 28-16 State Fed Com 238H | 30-025-45206 |
| Van Doo Dah 21-33 Fed Com 233Y   | 30-025-46643 |
| Van Doo Dah 28-33 Fed Com 237H   | 30-025-45237 |

A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

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.

Please contact the undersigned at (405) 552-6560 should you have any questions or need anything further.  
Sincerely,

Jenny Harms  
Regulatory Compliance Professional  
Work Phone: (405)552-6560  
[Jennifer.harms@dvn.com](mailto:Jennifer.harms@dvn.com)  
Devon Energy Center-Tower  
333 West Sheridan Avenue Oklahoma City OK 73102-5015

Enclosure

|           |           |       |         |
|-----------|-----------|-------|---------|
| RECEIVED: | REVIEWER: | TYPE: | APP NO: |
|-----------|-----------|-------|---------|

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., L.P. **OGRID Number:** 6137

**Well Name:** see attachments for multiple wells and API's **API:** \_\_\_\_\_

**Pool:** 97903 WC-025 G-08 S253235G; I WR BONE SPRIN **Pool Code:** \_\_\_\_\_  
96715 WC-025 G-06 S253206M; BONE SPRING

**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.**

Jenny Harms  
 Print or Type Name

Jenny Harms  
 Signature

2-1-2021  
 Date

405-552-6560  
 Phone Number

jenny.harms@dvn.com  
 e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Devon Energy Production Co., L.P.  
OPERATOR ADDRESS: 333 W Sheridan Avenue, Oklahoma City, OK 73102  
APPLICATION TYPE:

Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. \_\_\_\_\_  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
 Yes  No

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

| (1) Pool Names and Codes | Gravities / BTU of Non-Commingled Production | Calculated Gravities / BTU of Commingled Production |  | Calculated Value of Commingled Production | Volumes |
|--------------------------|--|---|--|---|---------|
| See attachments          |  |   |  |   |         |
|                          |  |   |  |   |         |
|                          |  |   |  |   |         |
|                          |  |   |  |   |         |
|                          |  |   |  |   |         |

(2) Are any wells producing at top allowables?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.  
(4) Measurement type:  Metering  Other (Specify)  
(5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Pool Name and Code.  
(2) Is all production from same source of supply?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
(4) Measurement type:  Metering  Other (Specify)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

(1) Is all production from same source of supply?  Yes  No  
(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Jenny Harms TITLE: Regulatory Specialist DATE: 2-2-2021  
TYPE OR PRINT NAME Jenny Harms TELEPHONE NO.: 405-552-6560  
E-MAIL ADDRESS: jenny.harms@dvn.com

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.  
NMLC061869

6. If Indian, Allottee or Tribe Name

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

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

|  |   |   |
|--|---|---|
| 1. Type of Well<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other |   | 8. Well Name and No.<br>MARWARI 21-16 STATE FED COM 234Y            |
| 2. Name of Operator<br>DEVON ENERGY PRODUCTION COMPANY   |   | 9. API Well No.<br>30-025-46603                                     |
| Contact: JENNIFER HARMS<br>jennifer.harms@dvn.com  |   |   |
| 3a. Address<br>333 W SHERIDAN AVE<br>OKLAHOMA CITY, OK 73102   | 3b. Phone No. (include area code)<br>Ph: 405-552-6560 | 10. Field and Pool or Exploratory Area<br>WC-025 G-06 S253206M; BON |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 21 T25S R32E SESW 500FSL 1510FWL                   |   | 11. County or Parish, State<br>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 |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon     | <input type="checkbox"/> Temporarily Abandon       | Subsurface Commingling                    |
|  | <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 Company, LP is requesting approval for a Lease Commingle and Off-Lease Measurement for the following wells:  
Please see attachments.

BATTERY: MARWARI 28 CTB 1

WELL NAME API POOL  
Marwari 21-16 State Fed Com 234Y; 30-025-46603;6715-WC-025 G-06 S253206M; BONE SPRING  
Marwari 28-16 State Fed Com 238H;30-025-45206;96715-WC-025 G-06 S253206M; BONE SPRING  
Van Doo Dah 21-33 Fed Com 233Y;30-025-46643;97903-WC-025 G-08 S253235G; LWR BONE SPRIN  
Van Doo Dah 28-33 Fed Com 237H;30-025-45237;96715-WC-025 G-06 S253206M; BONE SPRING

|  |                         |   |                               |
|--|-------------------------|---|-------------------------------|
| 14. I hereby certify that the foregoing is true and correct. |                         | <b>Electronic Submission #518928 verified by the BLM Well Information System<br/>For DEVON ENERGY PRODUCTION COMPANY, sent to the Hobbs</b> |                               |
| Name (Printed/Typed)   | JENNIFER HARMS          | Title   | REGULATORY COMPLIANCE ANALYST |
| Signature  | (Electronic Submission) | Date  | 06/15/2020                    |

**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 \*\***

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

### Proposal for MARWARI 28 CTB 1

Devon Energy Production Company, LP is requesting approval for a Lease Commingle and Off-Lease Measurement for the following wells:

| WELL NAME                        | Location     | API          | POOL                                       | LEASE   | LEASE              |
|----------------------------------|--------------|--------------|--|---|--------------------|
| Marwari 21-16 State Fed Com 234Y | N-21-25S-32E | 30-025-46603 | 96715 WC-025 G-06 S253206M; BONE SPRING    | NM-9789(DVN-5283552)                                | NMLC0061869-12.5%) |
| Marwari 28-16 State Fed Com 238H | A-28-25S-32E | 30-025-45206 | 96715 WC-025 G-06 S253206M; BONE SPRING    | ST of NM-9789; ST of NM E-5009 (DVN lease #5288095) | NMLC0061869-12.5%) |
| Van Doo Dah 21-33 Fed Com 233Y   | N-21-25S-32E | 30-025-46643 | 97903 WC-025 G-08 S253235G; LWR BONE SPRIN | ST of NM-9789                                       | NMLC0061869-12.5%) |
| Van Doo Dah 28-33 Fed Com 237H   | A-28-25S-32E | 30-025-45237 | 96715 WC-025 G-06 S253206M; BONE SPRING    | ST of NM-9789                                       | NMLC0061869-12.5%) |

| WELL NAME                        | CA BREAKDOWN |
|----------------------------------|--------------|
| Marwari 21-16 State Fed Com 234Y | NMNM140654   |
| Marwari 28-16 State Fed Com 238H | NMNM141642   |
| Van Doo Dah 21-33 Fed Com 233Y   | NMNM140655   |
| Van Doo Dah 28-33 Fed Com 237H   | NMNM140653   |

**\*CA's have been submitted**

### Oil & Gas metering:

The central tank battery, Marwari 28 CTB 1, is located in NWNW, S28, T35S, R32E 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 the purpose of allocation, then flows into a gas production line where it is combined with gas from the other wells and flows through a gas orifice sales meter(s) for the purpose of Federal Measurement Point/Sales/Royalty Payment. The oil from the 3-phase separator is measured with an independent, designated Coriolis Meter for the purpose of 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 an oil sales meter (LACT unit) for the purpose of Federal Measurement Point/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 4 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                | Oil FMP | Water Allocation Meter | VRU Allocation Meter |
|----------------------------------|----------------------|----------------------|------------------------|---------|------------------------|----------------------|
| MARWARI 21-16 STATE FED COM 234Y | DVN*                 | DVN*                 | COTTON DRAW MIDSTREAM* | DVN*    | DVN*                   | DVN*                 |
| VAN DOO DAH 21-33 FED COM 233Y   | DVN*                 | DVN*                 | COTTON DRAW MIDSTREAM* | DVN*    | DVN*                   | DVN*                 |
| MARWARI 28-16 STATE FED COM 238H | DVN*                 | DVN*                 | COTTON DRAW *MIDSTREAM | DVN*    | DVN*                   | DVN*                 |
| VAN DOO DAH 28-33 FED COM 237H   | DVN*                 | DVN*                 | COTTON DRAW MIDSTREAM* | DVN*    | DVN*                   | DVN*                 |

\* 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.

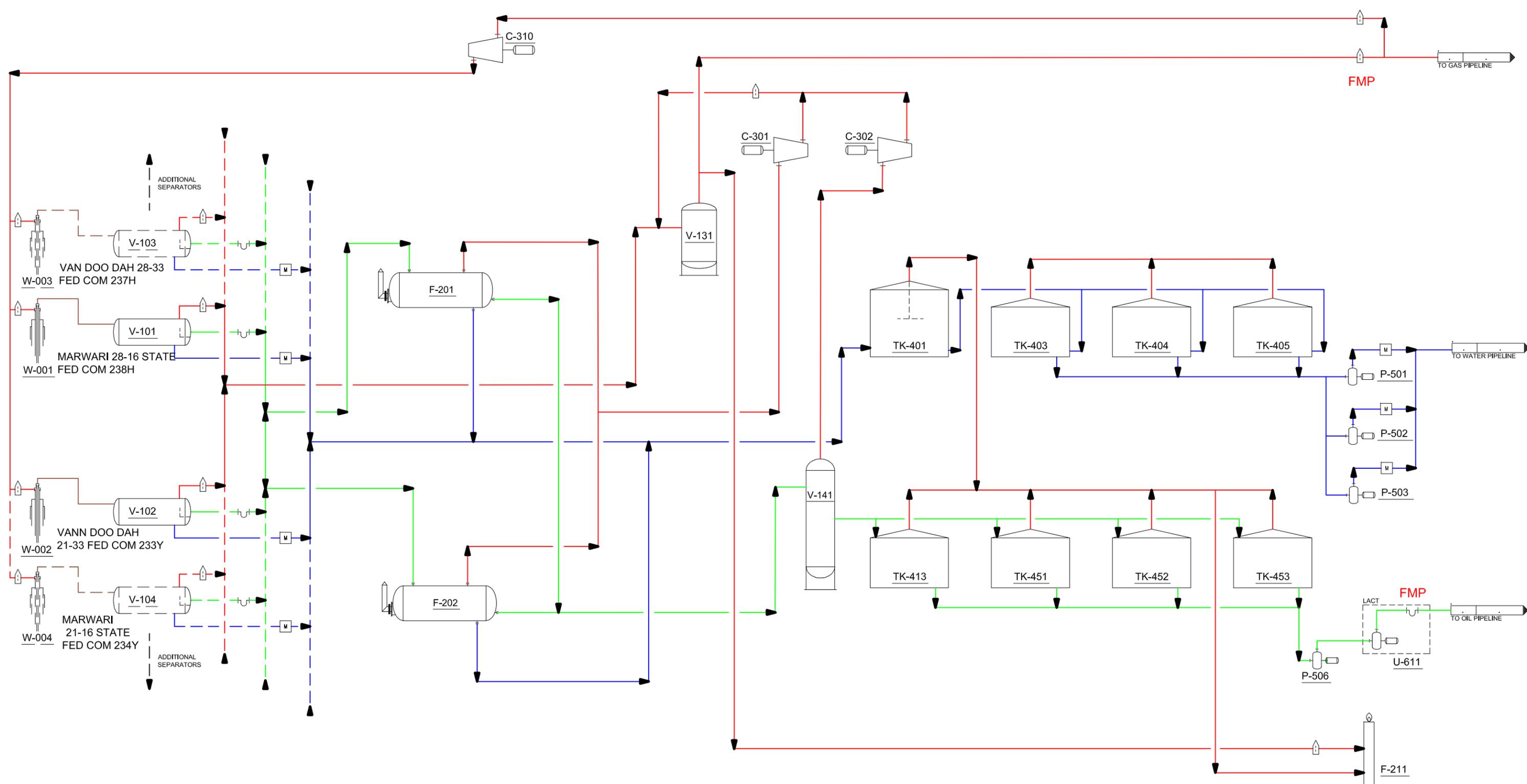
Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

There are no material quality differences in oil production from the wells in this application, therefore there will be no impact on the royalty value from an oil marketing perspective.

Received by OCD: 3/8/2021 1:34:37 PM

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

V-101 thru V-106 3PH SEPARATOR  
 F-201 & 202 HEATER TREATER  
 C-310 GAS LIFT COMPRESSOR(S)  
 V-131 SALES GAS SEP  
 V-141 ULTRA LOW PRESURE 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



LEGEND

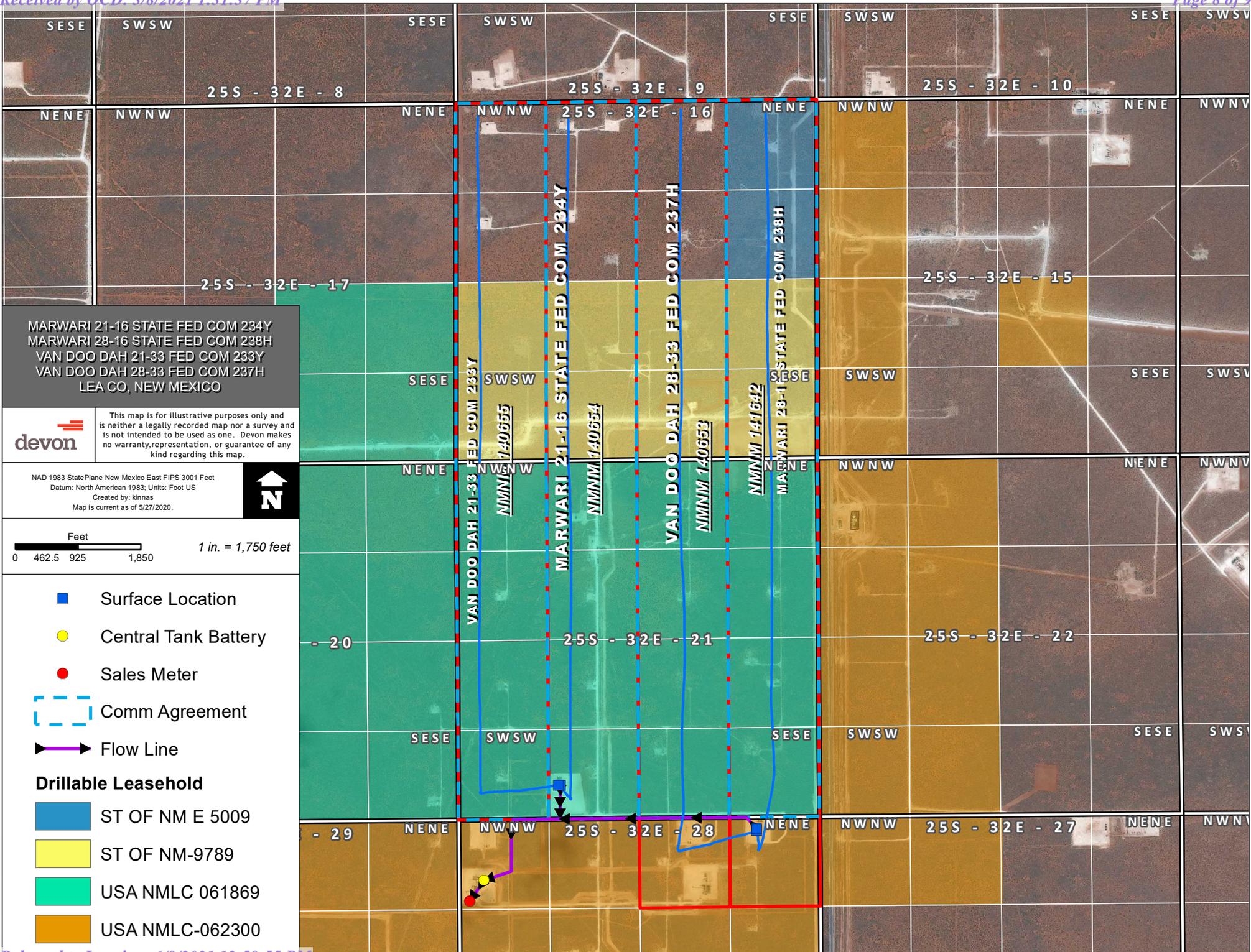
|  |                |  |       |
|--|----------------|--|-------|
|  | ORIFICE METER  |  | OIL   |
|  | CORIOLIS METER |  | GAS   |
|  | MAGNETIC METER |  | WATER |

| DRAWING STATUS   |      |    | DRAWN BY      | DATE   |
|--|------|----|---------------|--------|
| ISSUED FOR   | DATE | BY | ENGINEERED BY | DATE   |
| PHA  |      |    | APPROVED BY   | DATE   |
| BID  |      |    |               |        |
| CONSTRUCTION   |      |    |               |        |
| AS-BUILT   |      |    |               |        |
| CONFIDENTIAL   |      |    | PROJECT No.:  | 000    |
| 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. |      |    | DRAWING No.:  | 110-01 |



|   |     |
|---|-----|
| <b>Devon Energy Corporation</b><br>333 West Sheridan Avenue, Oklahoma City, OK 73102-5015 |     |
| <b>DBBU STANDARD P&amp;ID'S</b><br><b>SYMBOLS &amp; ABBREVIATIONS</b>                     |     |
| FILE NAME   | REV |
| DBBU Compliance PFD - RevC  | C   |

PLOT SCALE: 0.5:1  
 BY: ADAIRA2  
 LAST SAVED: 1/28/20 4:48 PM  
 REVISIONS: REV: 6/8/2021 12:58:55 PM



MARWARI 21-16 STATE FED COM 234Y  
 MARWARI 28-16 STATE FED COM 238H  
 VAN DOO DAH 21-33 FED COM 233Y  
 VAN DOO DAH 28-33 FED COM 237H  
 LEA CO, NEW MEXICO

**devon**

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: kinnas  
 Map is current as of 5/27/2020.



- Surface Location
- Central Tank Battery
- Sales Meter
- Comm Agreement
- Flow Line
- Drillable Leasehold**
- ST OF NM E 5009
- ST OF NM-9789
- USA NMLC 061869
- USA NMLC-062300

# Economic Justification Report

## MARWARI 28 CTB 1

| Well Name & Number               | Type  | Fed Lease 1        | Royalty Rate | Fed Lease 2 (if) | Royalty Rate | Fed Lease 3 (if) | Royalty Rate | BOPD | Oil Gravity @ 60° | MCFPD | Dry BTU |
|----------------------------------|-------|--------------------|--------------|------------------|--------------|------------------|--------------|------|-------------------|-------|---------|
| Marwari 21-16 State Fed Com 234Y | Sweet | NMLC0061869-12.5%) |              |                  |              |                  |              | 230  | 44.9              | 1000  | 1425    |
| Marwari 28-16 State Fed Com 238H | Sweet | NMLC0061869-12.5%) |              |                  |              |                  |              | 230  | 44.9              | 1000  | 1425    |
| Van Doo Dah 21-33 Fed Com 233Y   | Sweet | NMLC0061869-12.5%) |              |                  |              |                  |              | 250  | 44.9              | 1300  | 1425    |
| Van Doo Dah 28-33 Fed Com 237H   | Sweet | NMLC0061869-12.5%) |              |                  |              |                  |              | 250  | 44.9              | 1300  | 1425    |

Signed: Jenny Harms

Date: 6/1/2021

### Economic Combined Production

Printed Name: Jenny Harms

Title: Regulatory Compliance Specialist

| BOPD  | Oil Gravity @ 60° | MCFPD  | Dry BTU |
|-------|-------------------|--------|---------|
| 960.0 | 44.9              | 4600.0 | 1425.0  |

There are no material quality differences in oil production from the wells in this application, therefore there will be no impact on the royalty value from an oil marketing perspective.

| CustomerReference           |              | 2nd attempt                               | AttentionTo                    | Organization                        | Address2          | Address3                          | City        | Region | Country | PostalCode |
|-----------------------------|--------------|---|--------------------------------|-------------------------------------|-------------------|-----------------------------------|-------------|--------|---------|------------|
| 9414 8149 0152 7181 9120 21 | Pre-Shipment | mailed out overnight by fed ex 2/24/2021; | EUGENE H PERRY &               | DOROTHY B PERRY                     |                   | 3817 CRESTWOOD TER                | FORT WORTH  | TX     | US      | 76107-1139 |
| 9414 8149 0152 7181 9120 38 | Delivered    | 947923357841 - delivered Mon, 03/01/2021  | ONRR                           | ROYALTY MANAGEMENT PROGRAM          |                   | PO BOX 25627                      | DENVER      | CO     | US      | 80225-0627 |
| 9414 8149 0152 7181 9120 45 | Delivered    |   | FIDELITY EXPLORATION & PROD CO |                                     |                   | DEPARTMENT 1420                   | DENVER      | CO     | US      | 80256      |
| 9414 8149 0152 7181 9120 52 | Delivered    |   | JENNINGS-LEE TRUST             | JAMIE E JENNINGS & GEORGE J LEE TTE |                   | PO BOX 20204                      | HOT SPRINGS | AR     | US      | 71903-0204 |
| 9414 8149 0152 7181 9120 69 | Delivered    |   | DRAGOON CREEK MINERALS LLC     |                                     |                   | PO BOX 470857                     | FORT WORTH  | TX     | US      | 76147      |
| 9414 8149 0152 7181 9120 76 | Delivered    |   | OCEAN ENERGY INC               | % UMC PETROLEUM CORPORATION         |                   | 1201 LOUISIANA STE 1400           | HOUSTON     | TX     | US      | 77002-5606 |
| 9414 8149 0152 7181 9120 83 | Delivered    |   | SUSAN JENNINGS CROFT           |                                     |                   | 11700 PRESTON RD STE 660 PMB 390  | DALLAS      | TX     | US      | 75230      |
| 9414 8149 0152 7181 9120 90 | Delivered    |   | WESTWAY PETRO A TX JT VENTURE  | W E READ NOMINEE RECIPIENT          |                   | 6440 N CENTRAL EXPY STE 615 LB 76 | DALLAS      | TX     | US      | 75206      |
| 9414 8149 0152 7181 9121 06 | Delivered    |   | PRIDE ENERGY COMPANY           |                                     |                   | PO BOX 701950                     | TULSA       | OK     | US      | 74170-1901 |
| 9414 8149 0152 7181 9121 13 | Delivered    |   | PEGASUS RESOURCES NM LLC       |                                     |                   | PO BOX 735082                     | DALLAS      | TX     | US      | 75373-5082 |
| 9414 8149 0152 7181 9121 20 | Delivered    |   | STATE OF NEW MEXICO            | COMMISSION OF PUBLIC LANDS          |                   | PO BOX 1148                       | SANTA FE    | NM     | US      | 87504-1148 |
| 9414 8149 0152 7181 9121 37 | Delivered    |   | MORRIS E SCHERTZ               | & WIFE HOLLY K SCHERTZ              |                   | P O BOX 2588                      | ROSWELL     | NM     | US      | 88202-2588 |
| 9414 8149 0152 7181 9121 44 | Delivered    |   | ALLEN FAMILY REV TR            | DTD 5-19-2000 FBO OF NANCY EDGE     | JENNINGS SEP PROP | 3623 OVERBROOK DR                 | DALLAS      | TX     | US      | 75205      |
| 9414 8149 0152 7181 9121 51 | Delivered    |   | CAMP COLORADO INVESTMENTS LP   |                                     |                   | PO BOX 1498                       | MIDLAND     | TX     | US      | 79702-1498 |
| 9414 8149 0152 7181 9121 68 | Delivered    |   | BALLARD E SPENCER TRUST INC    |                                     |                   | PO BOX 6                          | ARTESIA     | NM     | US      | 88211-0006 |

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.  
NMLC061869

6. If Indian, Allottee or Tribe Name

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

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

|  |   |   |
|--|---|---|
| 1. Type of Well<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other |   | 8. Well Name and No.<br>MARWARI 21-16 STATE FED COM 234Y            |
| 2. Name of Operator<br>DEVON ENERGY PRODUCTION COMPANY   |   | 9. API Well No.<br>30-025-46603                                     |
| Contact: JENNIFER HARMS<br>jennifer.harms@dvn.com  |   |   |
| 3a. Address<br>333 W SHERIDAN AVE<br>OKLAHOMA CITY, OK 73102   | 3b. Phone No. (include area code)<br>Ph: 405-552-6560 | 10. Field and Pool or Exploratory Area<br>WC-025 G-06 S253206M; BON |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 21 T25S R32E SESW 500FSL 1510FWL                   |   | 11. County or Parish, State<br>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 |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon     | <input type="checkbox"/> Temporarily Abandon       | Subsurface Commingling                    |
|  | <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 Company, LP is requesting approval for a Lease Commingle and Off-Lease Measurement for the following wells:  
Please see attachments.

BATTERY: MARWARI 28 CTB 1

WELL NAME API POOL  
Marwari 21-16 State Fed Com 234Y; 30-025-46603;6715-WC-025 G-06 S253206M; BONE SPRING  
Marwari 28-16 State Fed Com 238H;30-025-45206;96715-WC-025 G-06 S253206M; BONE SPRING  
Van Doo Dah 21-33 Fed Com 233Y;30-025-46643;97903-WC-025 G-08 S253235G; LWR BONE SPRIN  
Van Doo Dah 28-33 Fed Com 237H;30-025-45237;96715-WC-025 G-06 S253206M; BONE SPRING

|  |                         |   |                               |
|--|-------------------------|---|-------------------------------|
| 14. I hereby certify that the foregoing is true and correct. |                         | <b>Electronic Submission #518928 verified by the BLM Well Information System<br/>For DEVON ENERGY PRODUCTION COMPANY, sent to the Hobbs</b> |                               |
| Name (Printed/Typed)   | JENNIFER HARMS          | Title   | REGULATORY COMPLIANCE ANALYST |
| Signature  | (Electronic Submission) | Date  | 06/15/2020                    |

**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 \*\***

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
Santa Fe, NM 87505

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

HOBBBS OCD
SEP 24 2019
RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 columns: API Number (30-025-45206), Pool Code (96715), Pool Name (WC -025 G-06 S253206M; BONE SPRING), Property Code (322445), Property Name (MARWARI 28-16 STATE FED COM), Well Number (238H), OGRID No. (6137), Operator Name (DEVON ENERGY PRODUCTION COMPANY, L.P.), Elevation (3384.1)

Surface Location

Table with 10 columns: UL or lot no. (A), Section (28), Township (25 S), Range (32 E), Lot Idn, Feet from the (175), North/South line (NORTH), Feet from the (865), East/West line (EAST), County (LEA)

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no. (A), Section (16), Township (25 S), Range (32 E), Lot Idn, Feet from the (20), North/South line (NORTH), Feet from the (660), East/West line (EAST), County (LEA)

Table with 4 columns: Dedicated Acres (320), Joint or Infill, Consolidation Code, 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.

Operator Certification (Jenny Harms, 9-4-2019) and Surveyor Certification (Filimon F. Jaramillo, August 20, 2019) sections with signatures and stamps. Includes a detailed survey plat map showing well location, corners, and bearings.

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Revised August 1, 2011  
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HOBBS  
SEP 24 2019

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|  |  |  |  |  |   |
|--|--|--|--|--|---|
| <sup>1</sup> API Number<br><b>30-025-45237</b> |  | <sup>2</sup> Pool Code<br><b>97903</b>                                     |  | <sup>3</sup> Pool Name<br><b>WC-025 G-06 S253206M; Bone Spring</b> |   |
| <sup>4</sup> Property Code<br><b>322444</b>    |  | <sup>5</sup> Property Name<br><b>VAN DOO DAH 28-33 FED COM</b>             |  |  | <sup>6</sup> Well Number<br><b>237H</b> |
| <sup>7</sup> OGRID No.<br><b>6137</b>          |  | <sup>8</sup> Operator Name<br><b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b> |  |  | <sup>9</sup> Elevation<br><b>3384.2</b> |

<sup>10</sup> Surface Location

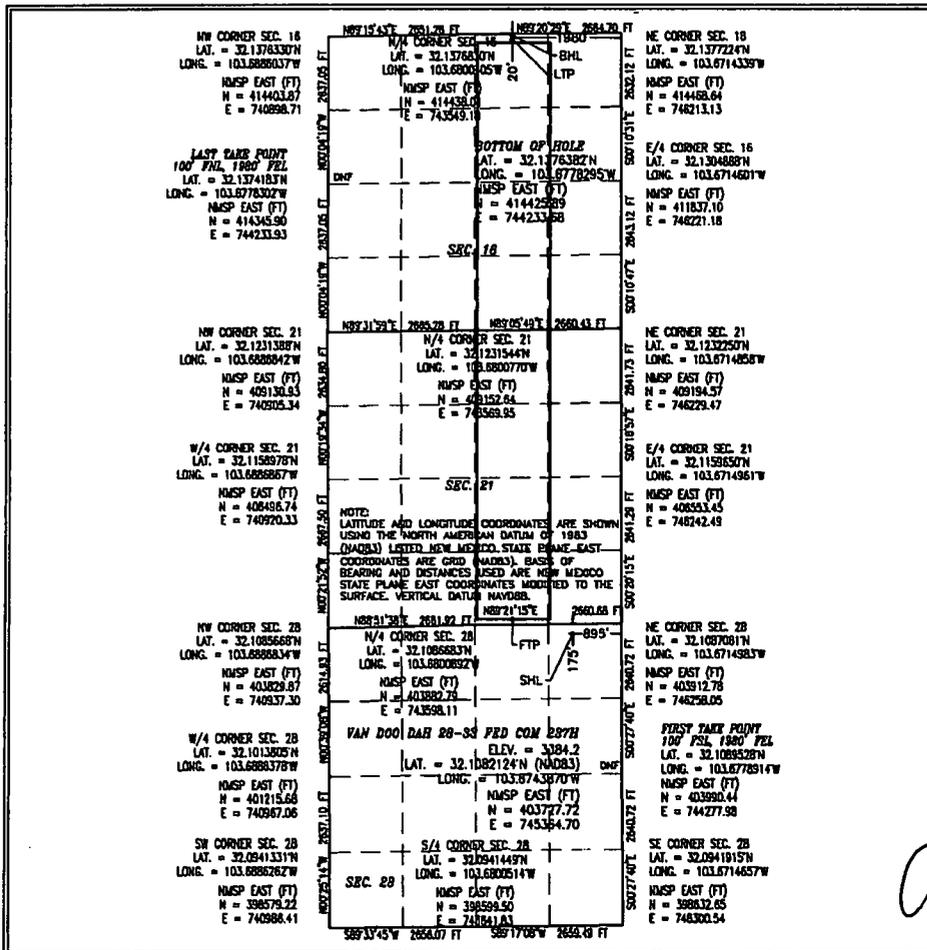
| UL or lot no. | Section   | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County     |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| <b>A</b>      | <b>28</b> | <b>25 S</b> | <b>32 E</b> |         | <b>175</b>    | <b>NORTH</b>     | <b>895</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>16</b> | <b>25 S</b> | <b>32 E</b> |         | <b>20</b>     | <b>NORTH</b>     | <b>1980</b>   | <b>EAST</b>    | <b>LEA</b> |

|   |                               |                                  |                         |
|---|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br><b>320</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 leasehold 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.

*Jenny Harms* 9-4-2019  
Signature Date

Jenny Harms  
Printed Name

Jenny.Harms@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 28 2019  
Date of Survey

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

Certificate Number: **WILLIAM F. JARAMILLO, PLS 12797**  
SURVEY NO. 5914E

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
**HOBBS OCD**  
**RECEIVED**

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<br><b>30-025-46603</b> | <sup>2</sup> Pool Code<br><b>96715</b>                                     | <sup>3</sup> Pool Name<br>WC-025 G-06 S253206M; BONE SPRING |
| <sup>4</sup> Property Code<br>325998           | <sup>5</sup> Property Name<br><b>MARWARI 21-16 STATE FED COM</b>           |   |
| <sup>7</sup> OGRID No.<br><b>6137</b>          | <sup>6</sup> Operator Name<br><b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b> |   |
|  |  | <sup>8</sup> Well Number<br><b>234Y</b>                     |
|  |  | <sup>9</sup> Elevation<br><b>3389.9</b>                     |

" Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N             | 21      | 25 S     | 32 E  |         | 500           | SOUTH            | 1510          | WEST           | LEA    |

" Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C             | 16      | 25 S     | 32 E  |         | 20            | NORTH            | 1650          | WEST           | LEA    |

|   |                               |                                  |                         |
|---|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br><b>320</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.

**NOTE:** LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83) LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE. VERTICAL CURVE NAVD83.

**" 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.*

Date: **12-23-2019**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Jenny Harms**  
Printed Name

**Jenny.Harms@dvn.com**  
E-mail Address

**" SURVEYOR CERTIFICATION**

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

NOVEMBER 13, 2019  
Date of Survey

Signature and Seal of Professional Surveyor: \_\_\_\_\_  
 Certificate Number: **FILED 688 PROFESSIONAL SURVEYOR NO. 5883F**

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1220 South St. Francis Dr.  
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Form C-102  
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WELL LOCATION AND ACREAGE DEDICATION PLAT

|   |   |  |
|---|---|--|
| <sup>1</sup> API Number<br>30-025-46643 | <sup>2</sup> Pool Code<br>97903                                     | <sup>3</sup> Pool Name<br>WC-025 G-08 S253235G; LWR BONE SPRIN           |
| <sup>4</sup> Property Code<br>322486    | <sup>5</sup> Property Name<br>VAN DOO DAH 21-33 FED COM             |  |
| <sup>6</sup> OGRID No.<br>6137          | <sup>7</sup> Operator Name<br>DEVON ENERGY PRODUCTION COMPANY, L.P. | <sup>8</sup> Well Number<br>233Y<br><br><sup>9</sup> Elevation<br>3389.9 |

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             | 21      | 25 S     | 32 E  |         | 500           | SOUTH            | 1480          | WEST           | LEA    |

Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D             | 16      | 25 S     | 32 E  |         | 20            | NORTH            | 330           | WEST           | LEA    |

|                                      |                               |                                  |                         |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>10</sup> Dedicated Acres<br>320 | <sup>11</sup> Joint or Infill | <sup>12</sup> Consolidation Code | <sup>13</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.

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83) LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE. VERTICAL DATUM NAVD83.

**" 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 this division.*

*Jenny Harms*      12-23-2019

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
**JENNY HARMS**

Printed Name: \_\_\_\_\_  
**JENNY.HARMS@DVN.COM**

E-mail Address: \_\_\_\_\_

---

**" SURVEYOR CERTIFICATION**

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

NOVEMBER 13, 2019

Date of Survey: \_\_\_\_\_

Signature and seal of Professional Surveyor: \_\_\_\_\_

Certificate Number: \_\_\_\_\_



Devon Energy Production Company, L.P.  
333 West Sheridan Avenue  
Oklahoma City, OK 73102-5015

405 235 3611 Phone  
www.devonenergy.com

August 13, 2019

Bureau of Land Management  
New Mexico State Office  
Attn: Margie Dupre  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508

RE: Communitization Agreement  
Marwari 21-16 Fed Com Wells  
Section 16 and 21-25S-32E  
Lea County, New Mexico

Dear Margie Dupre:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes the attached Communitization Agreement. The communitized area includes 320 acres each, in the Bone Spring formation of Section 16 & 21-25S-32E, Lea County, New Mexico.

I have enclosed (3) three originals and (1) copy to enable you to return one approved original to my attention. If additional information is required, or if you have any questions, please contact me at 405-552-3682.

Sincerely,

Ryan Folsom  
Land Analysis Professional

Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 14th day of March, 2019, 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:

Section 16: W/2 E/2

Section 21: W/2 E/2

Township 25 South, Range 32 East, Lea County, New Mexico

Containing 320.00 acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation(s).

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.
3. The Operator of the communitized area shall be Devon Energy Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102. All matters of operations 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 operating 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 there from 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian 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.
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 March 14, 2019, 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 for a period of 2 years and for as long as communitized substances are, 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 occur 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.
- 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 the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.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.

Devon Energy Production Company, L.P.  
Operator

7/15/2019  
Date

By: Catherine Lebsack  
Catherine Lebsack, Vice President  
SD JRP

June 12, 2019  
Date

Pride Energy Company,  
An Oklahoma General Partnership

X Matthew L. Pride  
By: Pride Production Co., Inc.  
Title: General Partner  
By: Matthew L. Pride  
Title: President

P.O. Box 701950 Phone # (918) 524-9200  
Tulsa, OK 74170-1950 Fax # (918) 524-9292  
E-mail: mattp@pride-energy.com

Paduca Partners, LLC

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

ACKNOWLEDGEMENT

STATE OF OKLAHOMA )  
) ss.  
COUNTY OF OKLAHOMA )

This instrument was acknowledged before me on this 15<sup>th</sup> day of July, 2019, by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

(SEAL)



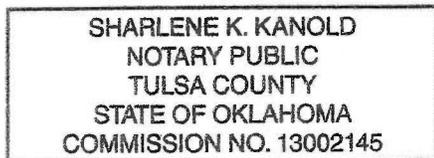
05/15/2023  
My Commission Expires

Brenda Plymale  
Notary Public

STATE OF OKLAHOMA )  
) ss.  
COUNTY OF TULSA )

This instrument was acknowledged before me on this 12<sup>th</sup> day of June, 2019, by Matthew L. Pride as President of Pride Production Co., Inc., General Partner of Pride Energy Company, an Oklahoma General Partnership.

03/04/2021  
My Commission Expires



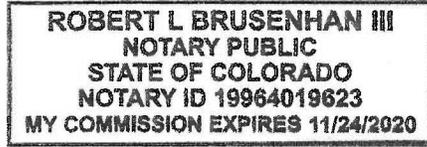
Sharlene K. Kanold  
Notary Public



STATE OF COLORADO )  
 ) ss.  
COUNTY OF ARAPAHOE

This instrument was acknowledged before me on this 7<sup>th</sup> day of May, 2019, by JOHN G LEEDE as MANAGER Paduca Partners, LLC.

(SEAL)



My Commission Expires \_\_\_\_\_

*Robert L. Brusenhan III*  
Notary Public

### EXHIBIT "A"

Plat of communitized area covering **320.00** acres in W/2 E/2 of Section 16 and W/2 E/2 Section 21,  
Township 25 South, Range 32 East, Lea County, New Mexico.

Communitized Well: Van Doo Dah 28-33 Fed Com 237H

|  |  |           |
|--|--|-----------|
|  | <b>Tract 1<br/>ST NM V-6545<br/>80 acres</b> | <b>16</b> |
|  | <b>Tract 2<br/>ST NM E-9789<br/>80 acres</b> |           |
|  | <b>Tract 3<br/>NMLC 061869<br/>160 Acres</b> | <b>21</b> |

**EXHIBIT "B"**

To Communitization Agreement dated March 14, 2019 embracing the W/2 E/2 of Section 16 & W/2 E/2 of Section 21, Township 25 South, Range 32 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.:              | ST NM V-6545  |
| Lease Date:                    | February 1, 2002  |
| Lease Term:                    | 5 Years   |
| Lessor:                        | State of New Mexico   |
| Original Lessee:               | Pride Energy Company  |
| Present Lessee:                | Pride Energy Company – 100.00%  |
| Description of Land Committed: | <u>Township 25 South, Range 32 East, N.M.P.M.</u><br>Section 16: W/2 NE/4 |
| Number of Acres:               | 80.00   |
| Royalty Rate:                  | 1/6 <sup>th</sup>   |
| Name and Percent WI Owners:    | Pride Energy Company - 100.00%  |
| Name and Percent ORRI Owners:  | None  |

**Tract No. 2**

|                   |                   |
|-------------------|-------------------|
| Lease Serial No.: | ST NM E-9789      |
| Lease Date:       | February 21, 1956 |
| Lease Term:       | 5 years           |

Lessor: State of New Mexico  
 Original Lessee: Monsanto Company  
 Present Lessee: Paduca Partners, LLC - 100.00%  
 Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
 Section 16: Insofar and only insofar as said lease covers  
 the W/2 SE/4  
 Number of Acres: 80.00  
 Royalty Rate: 1/8th  
 Name and Percent WI Owners: Devon Energy Production Company, L.P. - 100.00%  
 Name and Percent ORRI Owners: Of record

**Tract No. 3**

Lease Serial No.: NMLC-061869  
 Lease Date: January 1, 1951  
 Lease Term: 5 years  
 Lessor: United States of America  
 Original Lessee: J.A. Fairey  
 Present Lessee: Devon Energy Production Company, L.P. - 100.00%  
 Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
 Section 21: Insofar and only insofar as said lease covers  
 the W/2 E/2  
 Number of Acres: 160.00  
 Royalty Rate: 1/8th  
 Name and Percent WI Owners: Devon Energy Production Company, L.P. - 100.00%  
 Name and Percent ORRI Owners: Of record

**RECAPITULATION**

|                    | NO. OF ACRES<br>COMMITTED | PERCENTAGE OF INTEREST<br>IN COMMUNITIZED AREA |
|--------------------|---------------------------|--|
| Tract No. 1        | 80.00                     | 25.00%   |
| Tract No. 2        | 80.00                     | 25.00%   |
| <u>Tract No. 3</u> | <u>160.00</u>             | <u>50.00%</u>                                  |
|                    | 320.00                    | 100.00%  |



Devon Energy Production Company, L.P.  
333 West Sheridan Avenue  
Oklahoma City, OK 73102-5015

405 235 3611 Phone  
www.devonenergy.com

August 13, 2019

Bureau of Land Management  
New Mexico State Office  
Attn: Margie Dupre  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508

RE: Communitization Agreement  
Marwari 21-16 Fed Com Wells  
Section 16 and 21-25S-32E  
Lea County, New Mexico

Dear Margie Dupre:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes the attached Communitization Agreement. The communitized area includes 320 acres each, in the Bone Spring formation of Section 16 & 21-25S-32E, Lea County, New Mexico.

I have enclosed (3) three originals and (1) copy to enable you to return one approved original to my attention. If additional information is required, or if you have any questions, please contact me at 405-552-3682.

Sincerely,

Ryan Folsom  
Land Analysis Professional

Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 14th day of March, 2019, 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:

Section 16: W/2 W/2  
Section 21: W/2 W/2

Township 25 South, Range 32 East, Lea County, New Mexico

Containing 320.00 acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation(s).

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.
3. The Operator of the communitized area shall be Devon Energy Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102. All matters of operations 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 operating 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 there from 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian 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.
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 March 14, 2019, 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 for a period of 2 years and for as long as communitized substances are, 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 occur 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.
- 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 the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.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.

Devon Energy Production Company, L.P.  
Operator

7/15/2019  
Date

By: Catherine Lebsack  
Catherine Lebsack, Vice President

SL SP

**Pride Energy Company,  
An Oklahoma General Partnership**

June 12, 2019  
Date

X Matthew L. Pride  
By: Pride Production Co., Inc.  
Title: General Partner  
By: Matthew L. Pride  
Title: President

P.O. Box 701950 Phone # (918) 524-9200  
Tulsa, OK 74170-1950 Fax # (918) 524-9292  
E-mail: mattp@pride-energy.com

**Paduca Partners, LLC**

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

**ACKNOWLEDGEMENT**

STATE OF OKLAHOMA )  
) ss.  
COUNTY OF OKLAHOMA )

This instrument was acknowledged before me on this 15<sup>th</sup> day of July, 2019, by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

(SEAL)

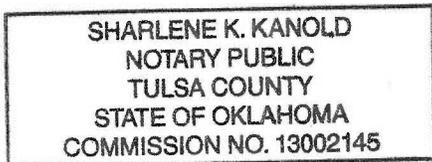


05/15/2023  
My Commission Expires

Brenda Plymale  
Notary Public

STATE OF OKLAHOMA )  
) ss.  
COUNTY OF TULSA )

This instrument was acknowledged before me on this 12<sup>th</sup> day of June, 2019, by Matthew L. Pride as President of Pride Production Co., Inc., General Partner of Pride Energy Company, an Oklahoma General Partnership.



03/04/2021  
My Commission Expires  
Sharlene K. Kanold  
Notary Public



STATE OF COLORADO )  
 ) ss.  
COUNTY OF ARAPAHOE

This instrument was acknowledged before me on this 7<sup>th</sup> day of MAY,  
2019, by JOHN G LEEDE as MANAGER Paduca Partners,  
LLC.

(SEAL)

ROBERT L BRUSENHAN III  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 19964019623  
MY COMMISSION EXPIRES 11/24/2020

My Commission Expires

  
Notary Public

### EXHIBIT "A"

Plat of communitized area covering **320.00** acres in W/2 W/2 of Section 16 and W/2 W/2 Section 21,  
Township 25 South, Range 32 East, Lea County, New Mexico.

Communitized Well: Van Doo Dah 21-33 Fed Com 233H

|   |           |
|---|-----------|
| <p><b>Tract 1</b><br/><b>ST NM V-6545</b><br/><b>80 acres</b></p> | <p>16</p> |
| <p><b>Tract 2</b><br/><b>ST NM E-9789</b><br/><b>80 acres</b></p> |           |
| <p><b>Tract 3</b><br/><b>NMLC 061869</b><br/><b>160 Acres</b></p> | <p>21</p> |

**EXHIBIT "B"**

To Communitization Agreement dated March 14, 2019 embracing the W/2 W/2 of Section 16 & W/2 W/2 of Section 21, Township 25 South, Range 32 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.: ST NM V-6545

Lease Date: February 1, 2002

Lease Term: 5 Years

Lessor: State of New Mexico

Original Lessee: Pride Energy Company

Present Lessee: Pride Energy Company – 100.00%

Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
Section 16: W/2 NW/4

Number of Acres: 80.00

Royalty Rate: 1/6<sup>th</sup>

Name and Percent WI Owners: Pride Energy Company - 100.00%

Name and Percent ORRI Owners: None

**Tract No. 2**

Lease Serial No.: ST NM E-9789

Lease Date: February 21, 1956

Lease Term: 5 years

Lessor: State of New Mexico  
 Original Lessee: Monsanto Company  
 Present Lessee: Paduca Partners, LLC - 100.00%  
 Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
 Section 16: Insofar and only insofar as said lease covers  
 the W/2 SW/4  
 Number of Acres: 80.00  
 Royalty Rate: 1/8th  
 Name and Percent WI Owners: Devon Energy Production Company, L.P. - 100.00%  
 Name and Percent ORRI Owners: Of record

**Tract No. 3**

Lease Serial No.: NMLC-061869  
 Lease Date: January 1, 1951  
 Lease Term: 5 years  
 Lessor: United States of America  
 Original Lessee: J.A. Fairey  
 Present Lessee: Devon Energy Production Company, L.P. - 100.00%  
 Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
 Section 21: Insofar and only insofar as said lease covers  
 the W/2 W/2  
 Number of Acres: 160.00  
 Royalty Rate: 1/8th  
 Name and Percent WI Owners: Devon Energy Production Company, L.P. - 100.00%  
 Name and Percent ORRI Owners: Of record

**RECAPITULATION**

|                    | NO. OF ACRES<br>COMMITTED | PERCENTAGE OF INTEREST<br>IN COMMUNITIZED AREA |
|--------------------|---------------------------|--|
| Tract No. 1        | 80.00                     | 25.00%   |
| Tract No. 2        | 80.00                     | 25.00%   |
| <u>Tract No. 3</u> | <u>160.00</u>             | <u>50.00%</u>                                  |
|                    | 320.00                    | 100.00%  |



Devon Energy Corporation  
333 West Sheridan Ave.  
Oklahoma City, OK 73102-8260

405 552 3682 Phone  
www.devonenergy.com

August 13, 2019

New Mexico State Land Office  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Re: Communitization Agreement  
Marwari 21-16 State Fed Com wells  
Section 16-25S-32E  
Section 21-25S-32E  
Lea County, New Mexico

Gentlemen:

Please find enclosed three (3) original and (1) copy of the Communitization Agreement covering lands in Lea County, New Mexico for approval by the New Mexico State Land Office at your earliest convenience. Also Attached is our check in the amount of \$600.00 for the filing fees. Please return the approved documents to the undersigned at your earliest convenience.

Your assistance in this matter is greatly appreciated. If any additional information is needed, please contact me at (405) 552-3682.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Ryan Folsom  
Land Analysis Professional

Enclosures

NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE  
Revised Feb. 2013

ONLINE Version  
COMMUNITIZATION AGREEMENT

Contract No. \_\_\_\_\_

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 portions 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 Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such 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 land 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 the 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:

Subdivisions W/2 E/2

Sect <sup>16 & 21</sup> 25S, R 32E, NMPM Lea County NM

containing 320 acres, more or less, and this agreement shall include only the

Bone Spring Formation

underlying said lands and the oil, natural gas and associated hydrocarbons (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 "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.
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 three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, 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 and the State of New Mexico, as specified in the applicable oil and gas operating 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 leasehold bears to the entire acreage interest committed to this agreement.
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.

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 is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is March 14 2019 Month 14 Day, 2019 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced or can be produced from the communitized area in paying quantities; provided, that the two-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; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, 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 the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
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 interest 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 lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The 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 written and have set opposite their respective names the date of execution.

|          |  |                   |                                       |
|----------|--|-------------------|---------------------------------------|
| Operator | Devon Energy Production Company, L.P.  | Lessees of Record | Devon Energy Production Company, L.P. |
| By       | <u>Catherine Lebsack</u>   |                   | <u>Paduca Partners, LLC</u>           |
|          | Print name of person   |                   | <u>Pride Energy Company</u>           |
|          | Vice President   |                   |                                       |
|          | Type of authority  |                   |                                       |
|          | <u>Catherine Lebsack</u>  |                   |                                       |

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The 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 written and have set opposite their respective names the date of execution.

Operator Devon Energy Production Company, L.P. Lessees of Record Devon Energy Production Company, L.P.  
 By Catherine Lebsack Paduca Partners, LLC  
Print name of person Vice President Type of authority *CL*  
Vice President Pride Energy Company  
Type of authority

PRIDE ENERGY COMPANY, AN OKLAHOMA GENERAL PARTNERSHIP

x Matthew L. Pride

By: Pride Production Co., Inc.  
 Title: General Partner  
 By: Matthew L. Pride  
 Title: President  
 P.O. Box 701950 Phone # (918) 524-9200  
 Tulsa, OK 74170-1950 Fax # (918) 524-9292  
 E-mail: mattp@pride-energy.com

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ ) SS)

This instrument was acknowledged before me on \_\_\_\_\_  
DATE

By \_\_\_\_\_  
Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

Acknowledgment in a Representative Capacity

State of Oklahoma )  
County of Tulsa ) SS)

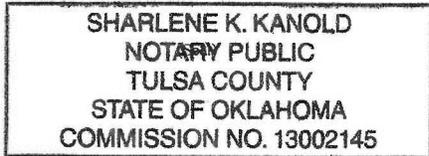
This instrument was acknowledged before me on June 12, 2019  
DATE

By Matthew L. Pride  
Name(s) of Person(s)

as President of Pride Production Co., Inc., which is a General Partner of Pride Energy Company, an Oklahoma General Partnership

Type of authority, e.g., officer, trustee, etc

Name of party on behalf of whom instrument was executed



Sharlene K. Kanold  
Signature of Notarial Officer

My commission expires: 03/04/2021



STATE OF COLORADO )  
 ) ss.

COUNTY OF ARAPAHOE

This instrument was acknowledged before me on this 7<sup>th</sup> day of MAY,  
2019, by JOHN G LEEDE as MANAGER Paduca Partners,  
LLC.

(SEAL)

**ROBERT L BRUSENHAN III**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
**NOTARY ID 19964019623**  
**MY COMMISSION EXPIRES 11/24/2020**



Notary Public

My Commission Expires

**EXHIBIT A**

To Communitization Agreement dated March 14, 2019

Plat of communitized area covering the:

Subdivisions W/2, E/2

of Sect. 16 & 21, T 25S, R 32E, NMPM, Lea County, NM.

**EXHIBIT "B"**

To Communitization Agreement dated March 14, 2019 embracing the W/2 E/2 of Section 16 & W/2 W/2 of Section 21, Township 25 South, Range 32 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.:              | ST NM V-6545  |
| Lease Date:                    | February 1, 2002  |
| Lease Term:                    | 5 Years   |
| Lessor:                        | State of New Mexico   |
| Original Lessee:               | Pride Energy Company  |
| Present Lessee:                | Pride Energy Company – 100.00%  |
| Description of Land Committed: | <u>Township 25 South, Range 32 East, N.M.P.M.</u><br>Section 16: W/2 NE/4 |
| Number of Acres:               | 80.00   |
| Royalty Rate:                  | 1/6 <sup>th</sup>   |
| Name and Percent WI Owners:    | Pride Energy Company - 100.00%  |
| Name and Percent ORRI Owners:  | None  |

**Tract No. 2**

|                   |                     |
|-------------------|---------------------|
| Lease Serial No.: | ST NM E-9789        |
| Lease Date:       | February 21, 1956   |
| Lease Term:       | 5 years             |
| Lessor:           | State of New Mexico |

Original Lessee: Monsanto Company

Present Lessee: Paduca Partners, LLC - 100.00%

Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
Section 16: Insofar and only insofar as said lease covers  
the W/2 SE/4

Number of Acres: 80.00

Royalty Rate: 1/8th

Name and Percent WI Owners: Devon Energy Production Company, L.P. - 100.00%

Name and Percent ORRI Owners: Of record

**Tract No. 3**

Lease Serial No.: NMLC-061869

Lease Date: January 1, 1951

Lease Term: 5 years

Lessor: United States of America

Original Lessee: J.A. Fairey

Present Lessee: Devon Energy Production Company, L.P. - 100.00%

Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
Section 21: Insofar and only insofar as said lease covers  
the W/2 E/2

Number of Acres: 160.00

Royalty Rate: 1/8th

Name and Percent WI Owners: Devon Energy Production Company, L.P. - 100.00%

Name and Percent ORRI Owners: Of record

**RECAPITULATION**

|                    | NO. OF ACRES<br>COMMITTED | PERCENTAGE OF INTEREST<br>IN COMMUNITIZED AREA |
|--------------------|---------------------------|--|
| Tract No. 1        | 80.00                     | 25.00%   |
| Tract No. 2        | 80.00                     | 25.00%   |
| <u>Tract No. 3</u> | <u>160.00</u>             | <u>50.00%</u>                                  |
|                    | 320.00                    | 100.00%  |



Devon Energy Corporation  
333 West Sheridan Ave.  
Oklahoma City, OK 73102-8260

405 552 3682 Phone  
www.devonenergy.com

August 13, 2019

New Mexico State Land Office  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Re: Communitization Agreement  
Marwari 21-16 State Fed Com wells  
Section 16-25S-32E  
Section 21-25S-32E  
Lea County, New Mexico

Gentlemen:

Please find enclosed three (3) original and (1) copy of the Communitization Agreement covering lands in Lea County, New Mexico for approval by the New Mexico State Land Office at your earliest convenience. Also Attached is our check in the amount of \$600.00 for the filing fees. Please return the approved documents to the undersigned at your earliest convenience.

Your assistance in this matter is greatly appreciated. If any additional information is needed, please contact me at (405) 552-3682.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Ryan Folsom  
Land Analysis Professional

Enclosures

NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE  
Revised Feb. 2013

ONLINE Version  
COMMUNITIZATION AGREEMENT

Contract No. \_\_\_\_\_

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 portions 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 Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such 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 land 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 the 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:

Subdivisions W/2 W/2,

Sect 16 & 21, T 25S, R 32E, NMPM Lea County NM

containing 320 acres, more or less, and this agreement shall include only the

Bone Spring Formation

underlying said lands and the oil, natural gas and associated hydrocarbons (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 "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.
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 three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, 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 and the State of New Mexico, as specified in the applicable oil and gas operating 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 leasehold bears to the entire acreage interest committed to this agreement.
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.

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 is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is March 14 2019 Month 14 Day, 2019 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced or can be produced from the communitized area in paying quantities; provided, that the two-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; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, 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 the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
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 interest 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 lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The 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 written and have set opposite their respective names the date of execution.

|          |                                       |                   |                                       |
|----------|---------------------------------------|-------------------|---------------------------------------|
| Operator | Devon Energy Production Company, L.P. | Lessees of Record | Devon Energy Production Company, L.P. |
| By       | <u>Catherine Lebsack</u>              |                   | <u>Paduca Partners, LLC</u>           |
|          | Print name of person                  |                   | <u>Pride Energy Company</u>           |
|          | Vice President                        |                   |                                       |
|          | Type of authority                     |                   |                                       |
|          | <u>Catherine Lebsack</u>              |                   |                                       |

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
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- 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 written and have set opposite their respective names the date of execution.

Operator Devon Energy Production Company, L.P. Lessees of Record Devon Energy Production Company, L.P.  
 By Catherine Lebsack  Paduca Partners, LLC  
 Print name of person  
 Vice President  
 Type of authority Pride Energy Company

PRIDE ENERGY COMPANY, AN OKLAHOMA GENERAL PARTNERSHIP

x Matthew L. Pride

By: Pride Production Co., Inc.  
 Title: General Partner  
 By: Matthew L. Pride  
 Title: President  
 P.O. Box 701950 Phone # (918) 524-9200  
 Tulsa, OK 74170-1950 Fax # (918) 524-9292  
 E-mail: mattp@pride-energy.com

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ ) SS)

This instrument was acknowledged before me on \_\_\_\_\_  
DATE

By \_\_\_\_\_  
Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

Acknowledgment in a Representative Capacity

State of Oklahoma )  
County of Tulsa ) SS)

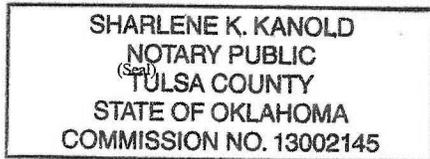
This instrument was acknowledged before me on June 12, 2019  
DATE

By Matthew L. Pride  
Name(s) of Person(s)

as President of Pride Production Co., Inc., which is a General Partner of Pride Energy Company, an Oklahoma General Partnership

Type of authority, e.g., officer, trustee, etc

Name of party on behalf of whom instrument was executed



Sharlene K. Kanold  
Signature of Notarial Officer

My commission expires: 03/04/2021



STATE OF COLORADO )  
 ) ss.  
COUNTY OF ARAPAHOE

This instrument was acknowledged before me on this 7<sup>th</sup> day of MAY,  
2019, by JOHN G. LEEDE as MANAGER Paduca Partners,  
LLC.

(SEAL)

**ROBERT L BRUSENHAN III**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
**NOTARY ID 19964019623**  
**MY COMMISSION EXPIRES 11/24/2020**

My Commission Expires \_\_\_\_\_



Notary Public

**EXHIBIT A**

To Communitization Agreement dated March 14, 2019

Plat of communitized area covering the:

Subdivisions W/2, W/2 E/2

of Sect. 16 & 21, T 25S, R 32E, NMPM, Lea County, NM.

**EXHIBIT "B"**

To Communitization Agreement dated March 14, 2019 embracing the W/2 W/2 of Section 16 & W/2 W/2 of Section 21, Township 25 South, Range 32 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.: ST NM V-6545

Lease Date: February 1, 2002

Lease Term: 5 Years

Lessor: State of New Mexico

Original Lessee: Pride Energy Company

Present Lessee: Pride Energy Company – 100.00%

Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
Section 16: W/2 NE/4

Number of Acres: 80.00

Royalty Rate: 1/6<sup>th</sup>

Name and Percent WI Owners: Pride Energy Company - 100.00%

Name and Percent ORRI Owners: None

**Tract No. 2**

Lease Serial No.: ST NM E-9789

Lease Date: February 21, 1956

Lease Term: 5 years

Lessor: State of New Mexico

Original Lessee: Monsanto Company

Present Lessee: Paduca Partners, LLC - 100.00%

Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
Section 16: Insofar and only insofar as said lease covers  
the W/2 SE/4

Number of Acres: 80.00

Royalty Rate: 1/8th

Name and Percent WI Owners: Devon Energy Production Company, L.P. - 100.00%

Name and Percent ORRI Owners: Of record

**Tract No. 3**

Lease Serial No.: NMLC-061869

Lease Date: January 1, 1951

Lease Term: 5 years

Lessor: United States of America

Original Lessee: J.A. Fairey

Present Lessee: Devon Energy Production Company, L.P. - 100.00%

Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M.  
Section 21: Insofar and only insofar as said lease covers  
the W/2 E/2

Number of Acres: 160.00

Royalty Rate: 1/8th

Name and Percent WI Owners: Devon Energy Production Company, L.P. - 100.00%

Name and Percent ORRI Owners: Of record

**RECAPITULATION**

|                    | NO. OF ACRES<br>COMMITTED | PERCENTAGE OF INTEREST<br>IN COMMUNITIZED AREA |
|--------------------|---------------------------|--|
| Tract No. 1        | 80.00                     | 25.00%   |
| Tract No. 2        | 80.00                     | 25.00%   |
| <u>Tract No. 3</u> | <u>160.00</u>             | <u>50.00%</u>                                  |
|                    | 320.00                    | 100.00%  |

NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE  
Revised Feb. 2013

ONLINE Version  
COMMUNITIZATION AGREEMENT

Contract No. \_\_\_\_\_

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 portions 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 Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such 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 land 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 the 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:

Subdivisions E/2 E/2  
Sect <sup>16 & 21</sup>         , T 25S, R 32E, NMPM Lea County NM  
containing 320 acres, more or less, and this agreement shall include only the  
Bone Spring Formation  
underlying said lands and the oil, natural gas and associated hydrocarbons (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 "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.
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 three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, 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 and the State of New Mexico, as specified in the applicable oil and gas operating 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 leasehold bears to the entire acreage interest committed to this agreement.
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.

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 is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is December Month 14 Day, 2019 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced or can be produced from the communitized area in paying quantities; provided, that the two-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; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, 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 the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
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 interest 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 lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The 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 written and have set opposite their respective names the date of execution.

|          |  |                   |  |
|----------|--|-------------------|--|
| Operator | <u>Devon Energy Production Company, L.P.</u> | Lessees of Record | <u>Devon Energy Production Company, L.P.</u> |
| By       | <u>Catherine Lebsack</u>                     |                   | <u>Paduca Partners, LLC</u>                  |
|          | Print name of person                         |                   | <u>ConocoPhillips Company</u>                |
|          | Vice President                               |                   |  |
|          | Type of authority                            |                   |  |

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

OPERATOR:

Devon Energy Production Company, L.P.

BY: Catherine Lebsack *CL*  
Catherine Lebsack, Vice President

LESSEE OF RECORD:

Paduca Partners, LLC

BY: Michael H. Leede *MHL*  
MICHAEL H. LEEDE, MANAGER  
ConocoPhillips Company

BY: \_\_\_\_\_

ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF OKLAHOMA )  
) SS  
COUNTY OF OKLAHOMA )

This instrument was acknowledged before me on FEBRUARY 19, 201<sup>9</sup>, by Catherine Lebsack, as Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

(Seal)



Lisa Othon

Signature of Notarial Officer

My Commission Expires: 10/21/23



STATE OF COLORADO )  
 ) SS  
COUNTY OF ARAPAHOE )

This instrument was acknowledged before me on December 16, 2019, by \_\_\_\_\_  
MICHAEL H. LEEDE, as MANAGER of \_\_\_\_\_  
Paduca Partners, LLC.

**ROBERT L BRUSENHAN III**  
**NOTARY PUBLIC**  
(Seal) **STATE OF COLORADO**  
**NOTARY ID 19964019623**  
**MY COMMISSION EXPIRES 11/24/2020**

*[Handwritten Signature]*  
Signature of Notarial Officer  
My Commission Expires: \_\_\_\_\_

STATE OF TEXAS §  
 §  
COUNTY OF HARRIS §

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 2019,  
by \_\_\_\_\_, as attorney-in-fact of ConocoPhillips Company, a Delaware corporation,  
on behalf of said corporation.

(SEAL)

\_\_\_\_\_  
My Commission Expires

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

STATE OF COLORADO )  
 ) SS  
COUNTY OF \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_, 2019, by \_\_\_\_\_  
\_\_\_\_\_, as \_\_\_\_\_ of  
Paduca Partners, LLC.

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My Commission Expires: \_\_\_\_\_

STATE OF TEXAS §  
 §  
COUNTY OF HARRIS §

This instrument was acknowledged before me on this 3rd day of February, 2020,  
by Lindsay B. Wedder as Attorney-in-fact of ConocoPhillips Company, a Delaware corporation,  
on behalf of said corporation.



01-07-2022  
My Commission Expires

Michelle A. Luna  
Notary Public

### EXHIBIT "A"

Plat of communitized area covering 320.00 acres in E/2 E/2 of Section 16 and E/2 E/2 Section 21, Township 25 South, Range 32 East, Lea County, New Mexico.

Well Name/No.: Marwari 28-16 State Fed Com 238H

|  |                                     |
|--|-------------------------------------|
|  | Tract 1<br>E-5009<br>80 acres       |
|  | Tract 2<br>E-9789<br>80 acres       |
|  | Tract 3<br>NMLC 061869<br>160 acres |

### EXHIBIT "B"

To Communitization Agreement Dated December 14, 2019 embracing the following described land in E/2 E/2 of Section 16 and E/2 E/2 Section 21, Township 25 South, Range 32 East, Lea County, New Mexico.

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

#### DESCRIPTION OF LEASES COMMITTED

##### Tract No. 1

Lease Serial Number: ST NM E-5009

Description of Land Committed: Township 25 South, Range 32 East, Lea County,  
Section 16: E/2 NE/4

Number of Acres: 80.00

Record Title Owner – Lessee: ConocoPhillips Company – 100.00%

Name of Working Interest Owners: Devon Energy Production Company, L.P. – 100.00%

Overriding Royalty Interest Owners: Of record

##### Tract No. 2

Lease Serial Number: ST NM E-9789

Description of Land Committed: Township 25 South, Range 32 East, Lea County,  
Section 16: E/2 SE/4

Number of Acres: 80.00

Record Title Owner – Lessee: Paduca Partners LLC – 100.00%

Name of Working Interest Owners: Devon Energy Production Company, L.P. – 100.00%

Overriding Royalty Interest Owners: Of record

Tract No. 3

Lease Serial Number: USA NMLC 061869

Description of Land Committed: Township 25 South, Range 32 East, Lea County,  
Section 21: E/2 E/2

Number of Acres: 160.00

Record Title Owner – Lessee: Devon Energy Production Company. L.P – 100.00%

Name of Working Interest Owners: Devon Energy Production Company, L.P. – 100.00%

Overriding Royalty Interest Owners: Of record

**RECAPITULATION**

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest<br/>in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1                | 80.00                         | 25.0000%   |
| 2                | 80.00                         | 25.0000%   |
| 3                | <u>160.00</u>                 | <u>50.0000%</u>  |
| Total            | 320.00                        | 100.0000%  |

Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 14th day of December, 2019, 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:

Section 16: E/2 E/2

Section 21: E/2 E/2

Township 25 South, Range 32 East, Lea County, New Mexico

Containing **320.00** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation(s).

- 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.

3. The Operator of the communitized area shall be Devon Energy Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102. All matters of operations 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 operating 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 there from 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 or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian 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.

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 December 14, 2019, 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 for a period of 2 years and for as long as communitized substances are, 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 occur 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.

- 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 the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.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.

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

2-19-2020  
Date

By: Catherine Lebsack  
Catherine Lebsack, Vice President 

**ConocoPhillips Company**

\_\_\_\_\_  
Date

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

**Paduca Partners, LLC**

12-16-2019  
Date

By: Michael H. Leede    
MICHAEL H. LEEDE, MANAGER



ACKNOWLEDGEMENT

STATE OF OKLAHOMA )
) ss.
COUNTY OF OKLAHOMA )

This instrument was acknowledged before me on this 19 day of FEBRUARY, 2019, by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

(SEAL)

10/21/23
My Commission Expires



[Signature]
Notary Public

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on this \_\_\_ day of \_\_\_, 2019, by \_\_\_, as attorney-in-fact of ConocoPhillips Company, a Delaware corporation, on behalf of said corporation.

(SEAL)

My Commission Expires

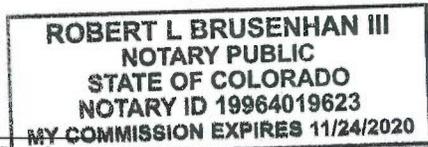
Notary Public

STATE OF COLORADO )
) ss.
COUNTY OF ARAPAHOE

This instrument was acknowledged before me on this 16th day of DECEMBER, 2019, by MICHAEL H. LEEDE as MANAGER Paduca Partners, LLC.

(SEAL)

My Commission Expires



[Signature]
Notary Public

### EXHIBIT "A"

Plat of communitized area covering 320.00 acres in E/2 E/2 of Section 16 and E/2 E/2 Section 21, Township 25 South, Range 32 East, Lea County, New Mexico.

Well Name/No.: Marwari 28-16 State Fed Com 238H

|  |                                     |
|--|-------------------------------------|
|  | Tract 1<br>E-5009<br>80 acres       |
|  | Tract 2<br>E-9789<br>80 acres       |
|  | Tract 3<br>NMLC 061869<br>160 acres |

**EXHIBIT "B"**

To Communitization Agreement Dated December 14, 2019 embracing the following described land in E/2 E/2 of Section 16 and E/2 E/2 Section 21, Township 25 South, Range 32 East, Lea County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: ST NM E-5009

Description of Land Committed: Township 25 South, Range 32 East, Lea County, Section 16: E/2 NE/4

Number of Acres: 80.00

Record Title Owner – Lessee: ConocoPhillips Company – 100.00%

Name of Working Interest Owners: Devon Energy Production Company, L.P. – 100.00%

Overriding Royalty Interest Owners: Of record

Tract No. 2

Lease Serial Number: ST NM E-9789

Description of Land Committed: Township 25 South, Range 32 East, Lea County, Section 16: E/2 SE/4

Number of Acres: 80.00

Record Title Owner – Lessee: Paduca Partners LLC – 100.00%

Name of Working Interest Owners: Devon Energy Production Company, L.P. – 100.00%

Overriding Royalty Interest Owners: Of record

Tract No. 3

Lease Serial Number: USA NMLC 061869

Description of Land Committed: Township 25 South, Range 32 East, Lea County,  
Section 21: E/2 E/2

Number of Acres: 160.00

Record Title Owner – Lessee: Devon Energy Production Company, L.P – 100.00%

Name of Working Interest Owners: Devon Energy Production Company, L.P. – 100.00%

Overriding Royalty Interest Owners: Of record

**RECAPITULATION**

| <u>Tract No.</u> | <u>No. of Acres Committed</u> | <u>Percentage of Interest<br/>in Communitized Area</u> |
|------------------|-------------------------------|--|
| 1                | 80.00                         | 25.0000%   |
| 2                | 80.00                         | 25.0000%   |
| 3                | <u>160.00</u>                 | <u>50.0000%</u>  |
| Total            | 320.00                        | 100.0000%  |

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Harms, Jenny](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Simmons, Kurt, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); [Hawkins, James, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](#); [Glover, James](#); [Paradis, Kyle O](#); [Walls, Christopher](#); [Holm, Anchor E](#); [Dawson, Scott](#)  
**Subject:** Approved Administrative Order PLC-747  
**Date:** Tuesday, June 8, 2021 12:55:01 PM  
**Attachments:** [PLC747 Order.pdf](#)

NMOCD has issued Administrative Order PLC-747 which authorizes Devon Energy Production Company, LP (6137) to surface commingle or off-lease measure, as applicable, the following wells:

| Well API     | Well Name                                | UL or Q/Q          | S-T-R                    | Pool Code |
|--------------|--|--------------------|--------------------------|-----------|
| 30-025-46603 | Marwari 21 16 State Federal Com<br>#234Y | E/2 W/2<br>E/2 W/2 | 16-25S-32E<br>21-25S-32E | 96715     |
| 30-025-45206 | Marwari 28 16 State Federal Com<br>#238H | E/2 E/2<br>E/2 E/2 | 16-25S-32E<br>21-25S-32E | 96715     |
| 30-025-46643 | Van Doo Dah 21 33 Federal Com<br>#233Y   | W/2 W/2<br>W/2 W/2 | 16-25S-32E<br>21-25S-32E | 97903     |
| 30-025-45237 | Van Doo Dah 28 33 Federal Com<br>#237H   | W/2 E/2<br>W/2 E/2 | 16-25S-32E<br>21-25S-32E | 96715     |

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

**Notice**

**Order: PLC-747**

**Operator: Devon Energy Production Company, LP (6137)**

**Publication Date:**

**Initial Notice Date: 2/1/2021**

**Noticed Persons**

| <b>Date</b>                     | <b>Person</b>                  | <b>Certified Tracking Number</b> | <b>Status</b> |
|---------------------------------|--------------------------------|----------------------------------|---------------|
| 3/2/2021                        | EUGENE H PERRY &               | 9414 8149 0152 7181 9120 21      | Delivered     |
| 2/12/2021                       | ONRR                           | 9414 8149 0152 7181 9120 38      | Delivered     |
| 2/16/2021                       | FIDELITY EXPLORATION & PROD CO | 9414 8149 0152 7181 9120 45      | Delivered     |
| 2/12/2021                       | JENNINGS-LEE TRUST             | 9414 8149 0152 7181 9120 52      | Delivered     |
| 2/23/2021                       | DRAGOON CREEK MINERALS LLC     | 9414 8149 0152 7181 9120 69      | Delivered     |
| 2/12/2021                       | OCEAN ENERGY INC               | 9414 8149 0152 7181 9120 76      | Delivered     |
| 2/23/2021                       | SUSAN JENNINGS CROFT           | 9414 8149 0152 7181 9120 83      | Delivered     |
| 2/12/2021                       | WESTWAY PETRO A TX JT VENTURE  | 9414 8149 0152 7181 9120 90      | Delivered     |
| 2/12/2021                       | PRIDE ENERGY COMPANY           | 9414 8149 0152 7181 9121 06      | Delivered     |
| 2/12/2021                       | PEGASUS RESOURCES NM LLC       | 9414 8149 0152 7181 9121 13      | Delivered     |
| 2/16/2021                       | STATE OF NEW MEXICO            | 9414 8149 0152 7181 9121 20      | Delivered     |
| 2/11/2021                       | MORRIS E SCHERTZ               | 9414 8149 0152 7181 9121 37      | Delivered     |
| 2/20/2021                       | ALLEN FAMILY REV TR            | 9414 8149 0152 7181 9121 44      | Delivered     |
| 2/16/2021                       | CAMP COLORADO INVESTMENTS LP   | 9414 8149 0152 7181 9121 51      | Delivered     |
| 2/13/2021                       | BALLARD E SPENCER TRUST INC    | 9414 8149 0152 7181 9121 68      | Delivered     |
|                                 | BLM                            | Online                           | Delivered     |
| <b>Notice sent on 2/24/2021</b> |                                |                                  |               |
| 3/1/2021                        | EUGENE H PERRY &               | 947923357841                     | Delivered     |

**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-747**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD 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. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. 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.
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 of 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 wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the leases to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

### **CONCLUSIONS OF LAW**

9. 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.
10. 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.
11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.
12. 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.
13. 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.

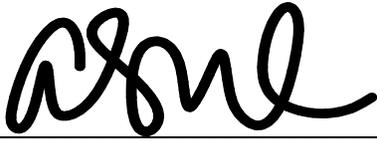
Applicant is authorized to surface commingle and off-lease measure, as applicable, oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

2. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.
3. No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingle application to OCD to conform this Order with the approved Agreement(s). If OCD denies the new surface commingle application, this Order shall terminate on the date of such action.
4. Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B.
5. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to

wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.

6. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
7. 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.
8. 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 of 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.
9. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
10. 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.
11. If a well is not included in Exhibit A but produces from a pool or lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well and proposed method to determine the allocation of oil and gas production to it.
12. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
13. 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:** 6/07/2021

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: PLC-747

Operator: Devon Energy Production Company, LP (6137)

Central Tank Battery: Marwari 28 Central Tank Battery 1

Central Tank Battery Location: Unit D, Section 28, Township 25 South, Range 32 East

Gas Custody Transfer Meter Location: Unit D, Section 28, Township 25 South, Range 32 East

### Pools

| Pool Name                            | Pool Code |
|--------------------------------------|-----------|
| WC-025 G-06 S253209L; BONE SPRING    | 96715     |
| WC-025 G-08 S253235G; LWR BONE SPRIN | 97903     |

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

| Lease       | UL or Q/Q      | S-T-R      |
|-------------|----------------|------------|
| VO 65450    | NW/4, W/2 NE/4 | 16-25S-32E |
| EO 50092    | E/2 NE/4       | 16-25S-32E |
| EO 978912   | S/2            | 16-25S-32E |
| NMLC 061869 | All            | 21-25S-32E |

### Wells

| Well API     | Well Name                             | UL or Q/Q | S-T-R      | Pool Code |
|--------------|---------------------------------------|-----------|------------|-----------|
| 30-025-46603 | Marwari 21 16 State Federal Com #234Y | E/2 W/2   | 16-25S-32E | 96715     |
|              |                                       | E/2 W/2   | 21-25S-32E |           |
| 30-025-45206 | Marwari 28 16 State Federal Com #238H | E/2 E/2   | 16-25S-32E | 96715     |
|              |                                       | E/2 E/2   | 21-25S-32E |           |
| 30-025-46643 | Van Doo Dah 21 33 Federal Com #233Y   | W/2 W/2   | 16-25S-32E | 97903     |
|              |                                       | W/2 W/2   | 21-25S-32E |           |
| 30-025-45237 | Van Doo Dah 28 33 Federal Com #237H   | W/2 E/2   | 16-25S-32E | 96715     |
|              |                                       | W/2 E/2   | 21-25S-32E |           |

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit B

Order: PLC-747

Operator: Devon Energy Production Company, LP (6137)

### Pooled Areas

| Pooled Area       | UL or Q/Q | S-T-R      | Acres | Pooled Area ID |
|-------------------|-----------|------------|-------|----------------|
| CA BS NMNM 140654 | E/2 W/2   | 16-25S-32E | 320   | A              |
|                   | E/2 W/2   | 21-25S-32E |       |                |
| CA BS NMNM 141642 | E/2 E/2   | 16-25S-32E | 320   | B              |
|                   | E/2 E/2   | 21-25S-32E |       |                |
| CA BS NMNM 140655 | W/2 W/2   | 16-25S-32E | 320   | C              |
|                   | W/2 W/2   | 21-25S-32E |       |                |
| CA BS NMNM 140653 | W/2 E/2   | 16-25S-32E | 320   | D              |
|                   | W/2 E/2   | 21-25S-32E |       |                |

### Leases Comprising Pooled Areas

| Lease       | UL or Q/Q | S-T-R      | Acres | Pooled Area ID |
|-------------|-----------|------------|-------|----------------|
| VO 65450    | E/2 NW/4  | 16-25S-32E | 80    | A              |
| EO 978912   | E/2 SW/4  | 16-25S-32E | 80    | A              |
| NMLC 061869 | E/2 W/2   | 21-25S-32E | 160   | A              |
| EO 50092    | E/2 NE/4  | 16-25S-32E | 80    | B              |
| EO 978912   | E/2 SE/4  | 16-25S-32E | 80    | B              |
| NMLC 061869 | E/2 E/2   | 21-25S-32E | 160   | B              |
| VO 65450    | W/2 NW/4  | 16-25S-32E | 80    | C              |
| EO 978912   | W/2 SW/4  | 16-25S-32E | 80    | C              |
| NMLC 061869 | W/2 W/2   | 21-25S-32E | 160   | C              |
| VO 65450    | W/2 NE/4  | 16-25S-32E | 80    | D              |
| EO 978912   | W/2 SE/4  | 16-25S-32E | 80    | D              |
| NMLC 061869 | W/2 E/2   | 21-25S-32E | 160   | D              |

**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 20022

**CONDITIONS**

|   |   |
|---|---|
| Operator:<br>DEVON ENERGY PRODUCTION COMPANY, LP<br>333 West Sheridan Ave.<br>Oklahoma City, OK 73102 | OGRID:<br>6137  |
|   | Action Number:<br>20022   |
|   | Action Type:<br>[C-107] Surface Commingle or Off-Lease (C-107B) |

**CONDITIONS**

| Created By | Condition  | Condition Date |
|------------|--|----------------|
| dmcclore   | Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. | 6/8/2021       |