

September 16, 2022

# CERTIFIED MAIL RETURN RECEIPT REQUESTED

#### Interest Owners

Re: Central Tank Battery SEA SNAKE 35 CTB 3 Sec., T, R: SW/4 & SW/4, SW/4 & SE/4, S35, T23S, R33E Lease: St of NM VB-1789, St of NM VB-1788, NMNM-121489

Pool: [59900] TRIPLE X; BONE SPRING

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	LOCATION			POOL
		N-35-23S-33E	199 FSL	2037	[59900] TRIPLE X; BONE
SEA SNAKE 35 STATE 14H	30-025-46789	FWL			SPRING
		N-35-23S-33E	199 FSL	2067	[59900] TRIPLE X; BONE
SEA SNAKE 35 STATE 15H	30-025-46790	FWL			SPRING
		N-35-23S-33E	199 FSL	2007	[59900] TRIPLE X; BONE
SEA SNAKE 35 STATE 24H	30-025-49279	FWL			SPRING
		N-35-23S-33E	199 FSL	2097	[59900] TRIPLE X; BONE
SEA SNAKE 35-26 STATE FED COM 11H	30-025-47395	FWL			SPRING
		O-35-23S-33E	281 FSL	1449	[59900] TRIPLE X; BONE
SEA SNAKE 35-26 STATE FED COM 12H	30-025-47396	FEL			SPRING
		O-35-23S-33E	281 FSL	1419	[59900] TRIPLE X; BONE
SEA SNAKE 35-26 STATE FED COM 13H	30-025-47397	FEL			SPRING
		O-35-23S-33E	281 FSL	1479	[59900] TRIPLE X; BONE
SEA SNAKE 35-26 STATE FED COM 19H	30-025-47398	FEL			SPRING
		O-35-23S-33E	281 FSL	1389	[59900] TRIPLE X; BONE
SEA SNAKE 35-26 STATE FED COM 20H	30-025-47399	FEL			SPRING

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,

Senny Honors

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

#### Enclosure

RECEIVED:	REVIEWER:	TYPE:	APP NO:	
RECEIVED:	REVIEWER:	TYPE:	APP NO:	
	- Geologia	ABOVE THIS TABLE FOR OCCID CO OIL CONSERV Cal & Engineering ancis Drive, Sant	<b>ATION DIVISION</b> g Bureau –	STOP NEW MORE
_	ADMINISTR	RATIVE APPLICAT	ON CHECKLIST	
THIS	CHECKLIST IS MANDATORY FOR AI		ATIONS FOR EXCEPTIONS T	
Applicant: Devo	on Energy Production	Co., L.P.	OGR	ID Number: <u>6137</u>
	attachments for mu			
Pool: <u>[59900]</u>	RIPLE X; BONE SPRING	<u> </u>	Pool	Code:
SUBMIT ACCUR	ATE AND COMPLETE INI	FORMATION REQUINDICATED BELC		THE TYPE OF APPLICATION
A. Location	ICATION: Check those n – Spacing Unit – Simuli NSL NSP(PF	taneous Dedicatio	on	SD
[   ] Com [ [    ] Injed	one only for [1] or [11] amingling – Storage – M DHC CTB MP ction – Disposal – Pressu WFX PMX S	LC □PC □( ure Increase – Enh	anced Oil Recove	ery FOR OCD ONLY
A. Offse B. Roya C. Appli D. Notifi E. Notifi F. Surfa	N REQUIRED TO: Check to operators or lease hold ty, overriding royalty or cation requires published the cation and/or concurred to the above, proof optice required.	ders wners, revenue ov ed notice ent approval by Sl ent approval by Bl	vners _O _M	Notice Complete Application Content Complete hed, and/or,
administrative understand the	N: I hereby certify that a approval is accurate and action will be tale are submitted to the Div	and <b>complete</b> to a ken on this applica	the best of my kno	owledge. I also
N	ote: Statement must be comple	eted by an individual with	n managerial and/or sup	pervisory capacity.
Jenny Harms Print or Type Name			9-16-2022 Date	
	n na 🗸		<u>405-552-6560</u> Phone Number	
Signature Signature	u w		<u>jenny.harms@</u> e-mail Address	dvn.com

<u>District I</u> 1625 N. French Drive, Hobbs, NM 88240 <u>District II</u> 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

Road, Aztec, NM 87410 OIL CONSERVAT
1220 S. St Fra:

Form C-107-B Revised August 1, 2011

# OIL CONSERVATION DIVISION

State of New Mexico

Energy, Minerals and Natural Resources Department

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.

APPLIC	ATION FOR SURFACE		G (DIVERSE	OWNERSHIP)	
OPERATOR NAME:	Devon Energy Production				
OPERATOR ADDRESS: APPLICATION TYPE:	333 W Sheridan Avenue	, Oklahoma City, OK	73102		
	e Commingling Pool and Leas	se Commingling \( \square\) Off-Lease	Storage and Measu	rement (Only if not Surface	e Commingled)
_		ederal	Storage and Measu	rement (omy if not surface)	e commingiou)
<b>—</b>	isting Order? $\square Yes \times No$		tha annuaniata (	Order No	
	anagement (BLM) and State La				ingling
Yes No	anagement (BEW) and State Ed	and office (SEO) been no	uned in writing	or the proposed comin	mgmig
		OOL COMMINGLIN eets with the following in			
(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					
				-	
		$\dashv$		-	
				-	
				-	
(4) Measurement type:	een notified by certified mail of the Metering    Other (Specify) see the value of production?    Y		XYes □No.	ing should be approved	
		ASE COMMINGLIN			
(3) Has all interest owners bee	ne source of supply? Nes on notified by certified mail of the parties of the part	□No proposed commingling?	XYes □N	lo	
	Please attach she	nd LEASE COMMIN			
(1) Complete Sections A and	E.				
	` '	STORAGE and MEA			
(1) Is all production from sar		No	mormation		
(2) Include proof of notice to					
	(E) ADDITIONAL INI	,	'	ypes)	
(1) A schematic diagram of	Please attach she actility, including legal location.	eets with the following i	ntormation		
(2) A plat with lease boundar	ries showing all well and facility loc Well Numbers, and API Numbers.	cations. Include lease numb	ers if Federal or St	ate lands are involved.	
I hereby certify that the information	ation above is true and complete to	the best of my knowledge ar	nd belief.		
Khon	· LIGITIMA				
SIGNATURE:	<del>-</del>	TITLE: Regulatory Special	_		
TYPE OR PRINT NAME Jenn	ny Harms		TEL	EPHONE NO.: 405-552	2-6560
F-MAII ADDRESS: jenny.ha					

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

# Proposal for **SEA SNAKE 35 CTB 3:**

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

Well name	API	LOCATION			POOL	LEASE
SEA SNAKE 35 STATE 14H	30-025-46789	N-35-23S-33E FWL	199 FSL	2037	[59900] TRIPLE X; BONE SPRING	St of NM VB-1789
SEA SNAKE 35 STATE 15H	30-025-46790	N-35-23S-33E FWL	199 FSL	2067	[59900] TRIPLE X; BONE SPRING	St of NM VB-1789
SEA SNAKE 35 STATE 24H	30-025-49279	N-35-23S-33E FWL	199 FSL	2007	[59900] TRIPLE X; BONE SPRING	St of NM VB-1789
SEA SNAKE 35-26 STATE FED COM 11H	30-025-47395	N-35-23S-33E FWL	199 FSL	2097	[59900] TRIPLE X; BONE SPRING	SHL-St of NM VB-1788; BHL- NMNM-121489
SEA SNAKE 35-26 STATE FED COM 12H	30-025-47396	O-35-23S-33E	281 FSL	1449 FEL	[59900] TRIPLE X; BONE SPRING	SHL-St of NM VB-1788; BHL- NMNM-121489
SEA SNAKE 35-26 STATE FED COM 13H	30-025-47397	O-35-23S-33E	281 FSL	1419 FEL	[59900] TRIPLE X; BONE SPRING	SHL-St of NM VB-1788; BHL- NMNM-121489
SEA SNAKE 35-26 STATE FED COM 19H	30-025-47398	O-35-23S-33E	281 FSL	1479 FEL	[59900] TRIPLE X; BONE SPRING	SHL-St of NM VB-1788; BHL- NMNM-121489
SEA SNAKE 35-26 STATE FED COM 20H	30-025-47399	O-35-23S-33E	281 FSL	1389 FEL	[59900] TRIPLE X; BONE SPRING	SHL-St of NM VB-1788; BHL- NMNM-121489

<u>CA:</u> E2 of section 35-23S-33E, and the E2 of Section 26-23S-33E, Lea County New Mexico; Bone Spring Formation

#### Oil & Gas metering:

The Sea Snake 35 CTB 3 central tank battery is in SW/4 & SW/4, SW/4 & SE/4, S35, T23S, R33E in Lea County, New Mexico.

Each well flows to its own 3-Phase Separator where the full well stream is separated into independent gas, oil, and water streams.

- 3-Phase gas flows through an independent and designated orifice meter for Federal Measurement Point/Royalty Payment. The gas then flows into a manifold where it is combined with gas from other 3-Phases. The combined stream flows into the 2-Phase Separator(s) for further conditioning. The conditioned gas stream flows through an orifice meter(s) for Sales.
- 3-Phase oil flows through an independent and designated Coriolis meter for Federal Measurement Point/Royalty Payment. The oil then flows into a manifold where it is combined with oil from other 3-Phases. The combined stream flows into the Heater Treater(s) for further conditioning and then into one of the oil tanks for storage. The stored oil is pumped into a LACT unit for Sales.

Flash gas from oil conditioning and from the water and oil tanks is recovered using compression (VRU). The recovered gas flows through a designated orifice meter for rate allocation.

3-Phase water flows through an independent and designated magnetic meter for rate allocation. The water then flows into a manifold where it is combined with water from other 3-Phases and then into one of the water tanks for storage.

The central tank battery has three oil tanks and three water tanks that all wells utilize. All wells have one common gas delivery point(s) on location and one common oil delivery point(s) (LACT) on or directly adjacent to location.

Secondary recovery will utilize recycled or buyback gas for gas lift. The gas is compressed and flows through and individual orifice meter to each wellhead.

Well Name	Individual Meters					
wen Name	Gas Allocation	Oil Allocation	Water Allocation			
SEA SNAKE 35 STATE 24H	DVN / *	DVN/*	DVN/*			
SEA SNAKE 35-26 STATE FED COM 20H	DVN / *	DVN / *	DVN/*			
SEA SNAKE 35-26 STATE FED COM 14H	DVN / *	DVN / *	DVN / *			
SEA SNAKE 35-26 STATE FED COM 13H	DVN / *	DVN / *	DVN/*			
SEA SNAKE 35-26 STATE 15H	DVN / *	DVN / *	DVN / *			
SEA SNAKE 35-26 STATE FED COM 12H	DVN / *	DVN / *	DVN/*			
SEA SNAKE 35-26 STATE FED COM 11H	DVN / *	DVN / *	DVN/*			
SEA SNAKE 35-26 STATE FED COM 19H	DVN / *	DVN / *	DVN / *			
Common Meters						
VRU Allocation	DVN / *					
Gas FMP	DVN/*					

ENTERPRISE / \*

Meter Owner / Serial Number:

Oil FMP

<sup>\*</sup> Meter serial numbers to be provided after construction of facility.

# **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 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). NMOCD Notice Variance Requested: Devon Energy Production Company, LP request approval to add new leases and pools and/or new wells producing from the authorized leases and pools. Devon Energy Production Company, LP request approval to only notice the interest owners of new leases and pools to be added via amendment (reference rule 19.15.12.10(C)(4)(g) NMAC)

# **Allocation Methodology**

#### PRORATED ALLOCATION

# **GAS ALLOCATION**

Each well has a Wellhead Allocation (WH ALLOC) meter and a Gas Lift Injection (GL INJ) meter. The CTB has a commingled gas Meter (BATT ALLOC or 3rd Party Sales) that measures the volume of gas that leaves the CTB, this meter would be considered the FMP. Any Buy Back meter that measures off-lease gas coming on lease used for gas lift injection from the gathering line would be considered an FMP.

- 1. Buyback is the volume of off-lease gas used for gas lift, compression fuel, and well injection.
- Net Well Production is base amount of production not used for gas lift and is calculated by subtracting gas lift injection (GL INJ) volume from the wellhead allocation (WH ALLOC) meter reading.
- 3. Lease use gas is allocated by theoretical % for each well \* total amount of lease use volume.
- 4. Theoretical % used for the allocation of production/sales is calculated by dividing the Net Well Production volume for each well into the sum of the Net Well Production.
- 5. Net CTB Gas is Battery Allocation (BATT ALLOC) or 3rd Party Sales meter measuring commingled CTB gas less any Buy Back. All off lease Buy Back will be metered as an FMP and netted out of the BATT ALLOC FMP metered volume to derive both the Total Net FMP and total Net CTB production.
- 6. Theoretical % for each well is multiplied by the Net CTB Gas.
- 7. HP Flare is volume of gas flared from the CTB, allocated to wells by Theoretical % for each well \* HP FL volume.
- 8. VRU measures the gas that flashes from the ultra-low-pressure separator (ULPS) and is piped in upstream of the commingled CTB BATT ALLOC meter. The VRU volume will be allocated based on the same allocation methodology applied for WH ALLOC allocated gas.
- 9. Allocated Production is all gas produced by CTB and is calculated by adding Total Net FMP Volumes+ HP Flare + Lease Use.

# OIL ALLOCATION

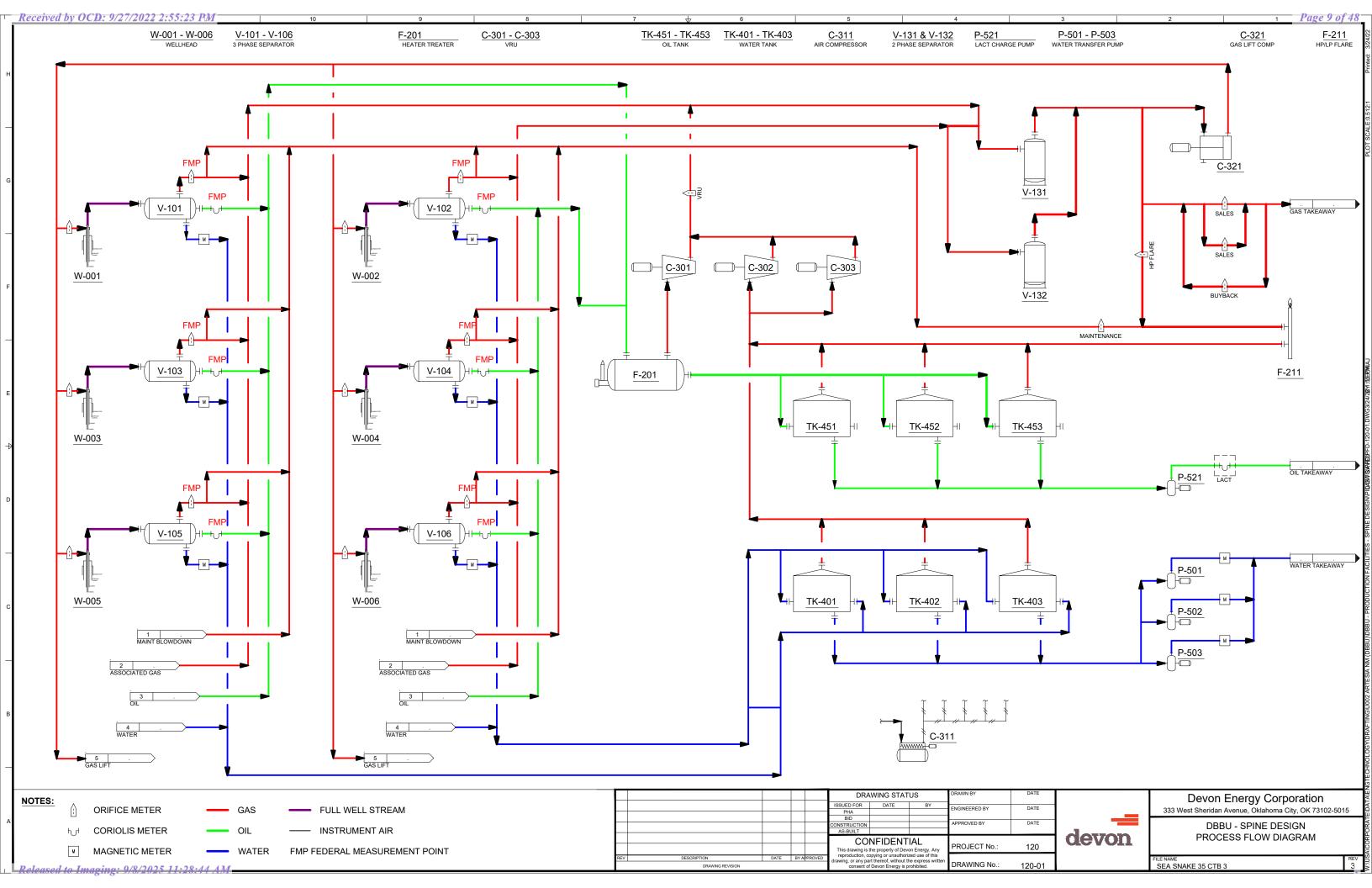
Each well has an oil meter measuring the volume of oil produced by the well. This volume is used as the allocation point to prorate Allocated Production and Total Sales Volume (FMP) back to each well.

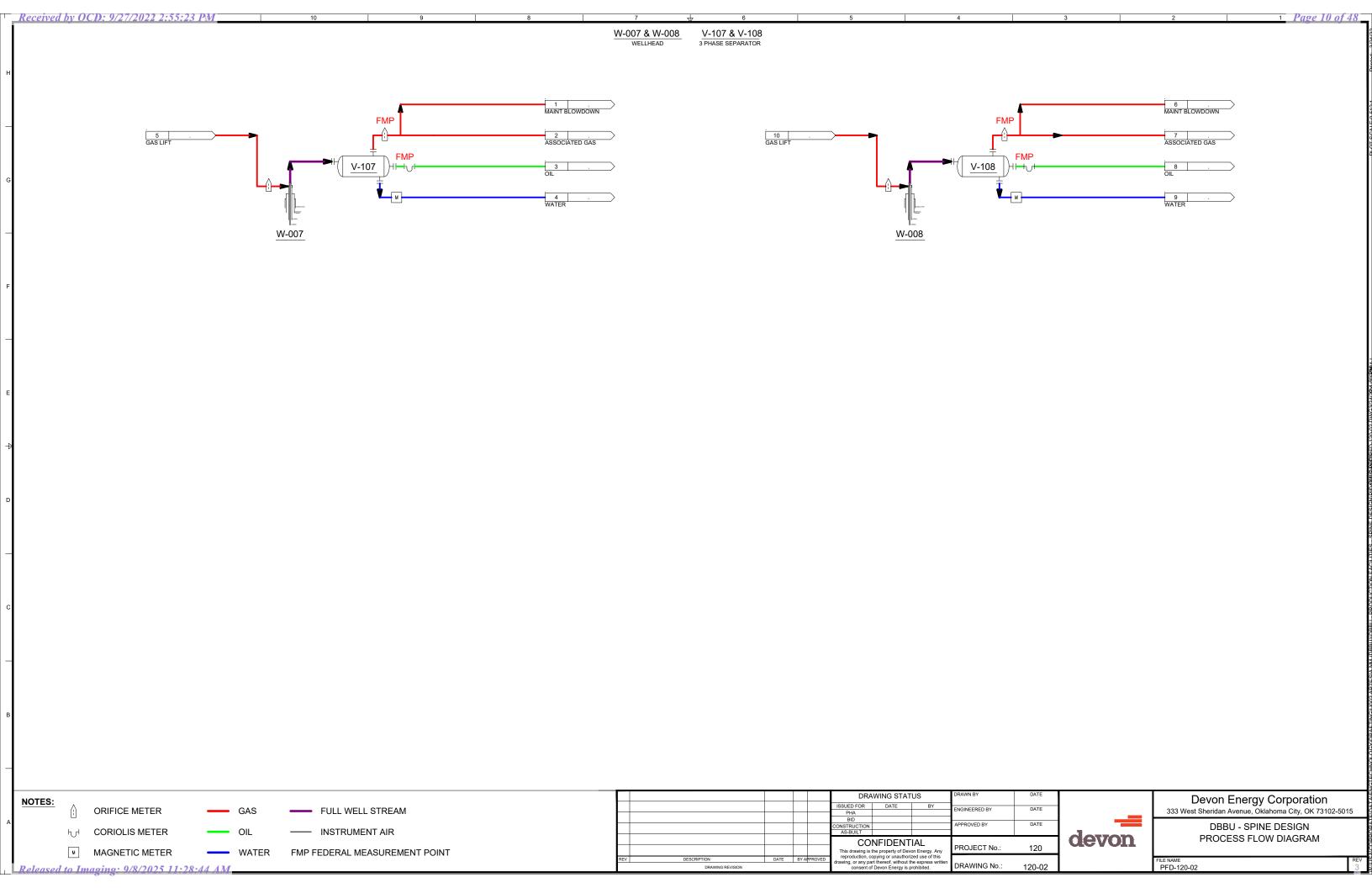
- 1. Allocated production is volume of oil produced by the CTB and is calculated by Ending Tank Inventory + Pipeline LACT (FMP) Beginning Tank Inventory.
- 2. Available oil for sale is calculated by Pipeline LACT (FMP) + Beginning Tank Inventory.
- 3. Theoretical % is calculated by dividing each oil meter volume into the sum of oil meters.
- 4. The Theoretical % available for sale is the well sales available divided by the total available sales.
- 5. Total Sales Volume is the volume of oil sold through the FMP meter
- 6. Beginning Inventory comes from previous accounting period's Ending Inventory for each well.
- 7. Ending Inventory for each well is calculated by multiplying the theoretical production % by total ending inventory.

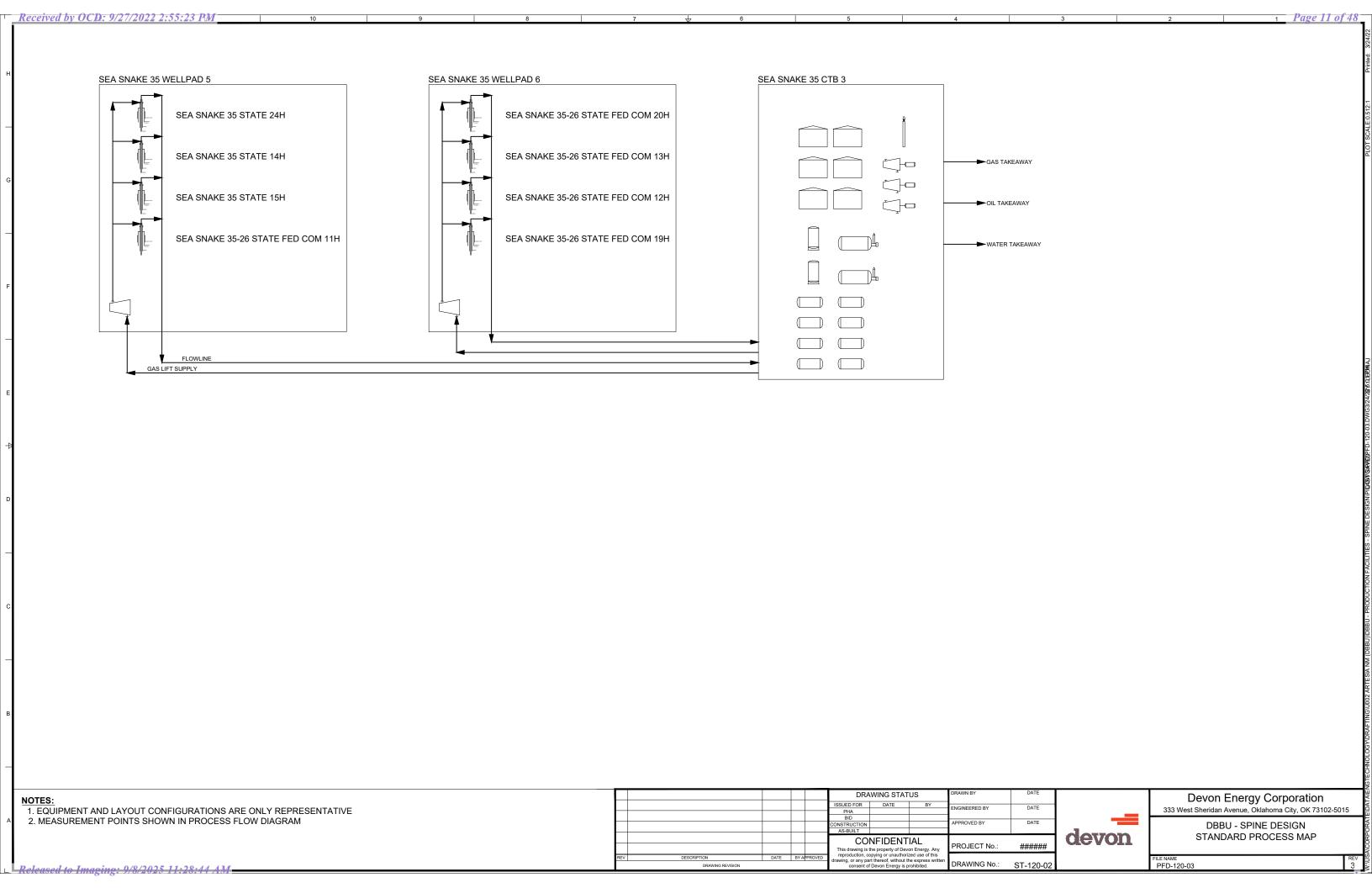
# WATER ALLOCATION

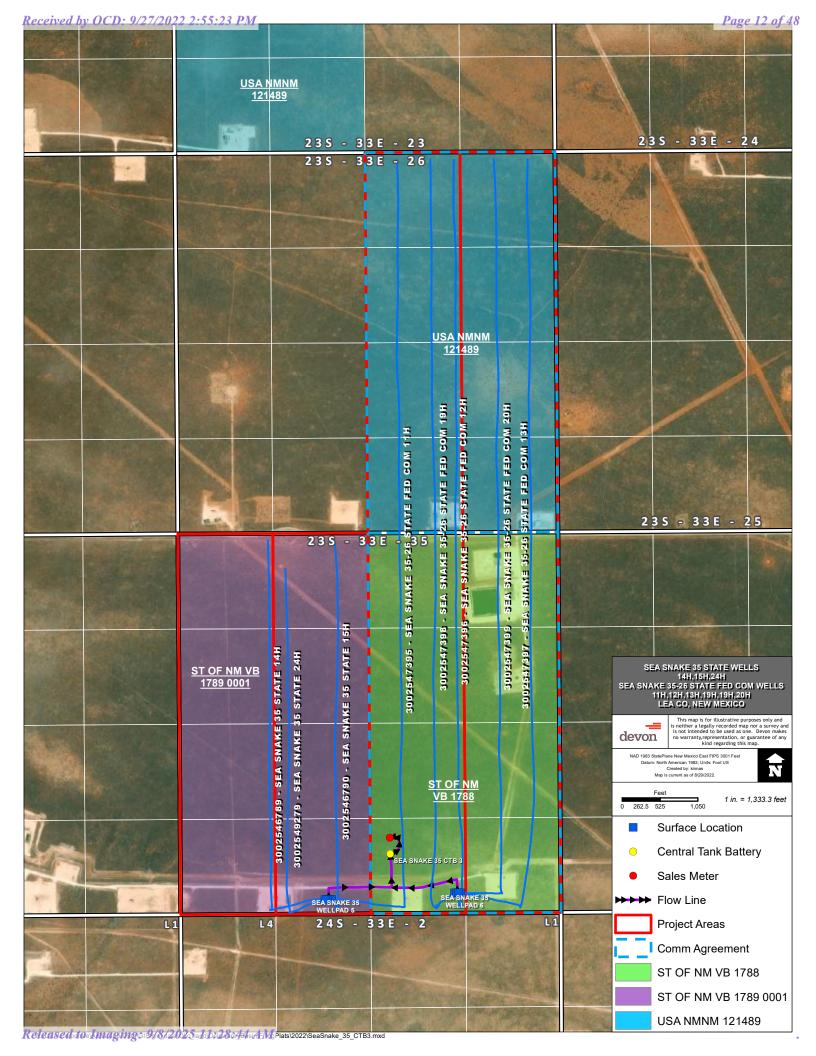
Each well has a water meter measuring the volume of water produced by the well. This volume is used as the allocation point to prorate Allocated Production and Total Transferred Volume back to each well.

- 1. CTB Allocated production is volume of water produced by the CTB and is calculated by Ending Tank Inventory + Water Transfer Beginning Tank Inventory.
- 2. CTB Available Water to Transfer is calculated by Water Transfer + Tank Inventory.
- 3. Theoretical % is calculated by dividing each water meter volume into the sum of the water meters.
- 4. The Theoretical % available for transfer for each well is the well production available divided the total Available water.
- 5. Total Transfer Volume is the volume of water metered by the water transfer meter.
- 6. Beginning Inventory comes from previous accounting period's allocated Ending Inventory for each well.
- 7. Ending Inventory for each well is calculated by multiplying the theoretical production % by total ending inventory.









ROYALTY MANAGEMENT PROGRAM PO Box 25627

Denver CO 80225-0627

US

AttentionTo: ONRR

**Tracking Number** 9405509898642537272414 Delivered

COMMISSION OF PUBLIC LANDS

PO Box 1148

Santa Fe NM 87504-1148

US

AttentionTo: STATE OF NEW MEXICO

**Tracking Number** 9405509898642537271165 Delivered



# Stephanie Garcia Richard COMMISSIONER

# State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 COMMISSIONER'S OFFICE Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

December 20, 2022

Devon Energy Production Company, LP ATTN: Jenny Harms 333 West Sheridan Ave Oklahoma City, OK 73102-5015

Re:

Request to Surface Commingle and Off-Lease Storage

Sea Snake 35 State #14H and others

**ALL WELLS ARE ON ATTACHED LIST** 

Lea County, New Mexico

Dear Ms. Harms,

We have received your \$150 application fee and request for surface commingling for the above-captioned wells.

Since it appears that all the rules and regulations for the New Mexico Oil Conservation Division and the State Land Office have been complied with and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved.

# Our approval

- is subject to approval from all relevant agencies,
- does not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

If you have any questions or if we may be if further assistance, please contact Commingling Manager Scott Dawson at 505.827.5791 or sdawson@slo.state.nm.us

Respectfully,

Stephanie Garcia Richard Commissioner of Public Lands

SGR/sd

cc: OCD – Mr. Leonard Lowe OGMD and Units Reader Files

АРІ	Well Name	Well Number	Type	Well Number Type Mineral Owner	Surface Owner	Status	Unit Letter Sec	tion Township	Range	OCD Unit Letter	Surface Owner Status Unit Letter Section Township Range OCD Unit Letter Last Production Spud Date Plugged On	Spud Date	Plugged On	Current Operator	
													9]	[6137] DEVON ENERGY PRODUCTION	
30-025-46789 SEA SNAKE 35 STATE	35 STATE	#014H	ö	State	State	New	z	35 235	33E	z	Oct-22	2/23/2022	୪	COMPANY, LP	
													9]	(6137) DEVON ENERGY PRODUCTION	
30-025-46790 SEA SNAKE 35 STATE	35 STATE	#015H	oil s	State	State	New	z	35 235	33E	z	Oct-22	2/24/2022	8	COMPANY, LP	
													9]	[6137] DEVON ENERGY PRODUCTION	
30-025-49279 SEA SNAKE 35 STATE	35 STATE	#024H	Oil	State	State	New	Z	35 235	33E	z	Oct-22	2/21/2022	8	COMPANY, LP	
													9]	[6137] DEVON ENERGY PRODUCTION	
30-025-47395 SEA SNAKE 35 26 STATE FEDERAL COM	35 26 STATE FEDERAL COM	#011H	oii B	Federal	State	New	z	35 235	33E	z	Oct-22	2/25/2022	8	COMPANY, LP	
													9]	[6137] DEVON ENERGY PRODUCTION	
30-025-47396 SEA SNAKE 35 26 STATE FEDERAL COM	35 26 STATE FEDERAL COM	#012H	Ö	Federal S	State	New	0	35 235	33E	0	Oct-22	3/9/2022	8	COMPANY, LP	
													9]	(6137) DEVON ENERGY PRODUCTION	
30-025-47397 SEA SNAKE 35 26 STATE FEDERAL COM	35 26 STATE FEDERAL COM	#013H	i o	Federal	State	New	0	35 235	33E	0	Oct-22	3/13/2022	8	COMPANY, LP	
													9]	[6137] DEVON ENERGY PRODUCTION	
30-025-47398 SEA SNAKE 35 26 STATE FEDERAL COM	35 26 STATE FEDERAL COM	#019H	O II	Federal	State	New	0	35 235	33E	0	Oct-22	3/8/2022	8	COMPANY, LP	
													9]	[6137] DEVON ENERGY PRODUCTION	
30-025-47399 SEA SNAKE 35 26 STATE FEDERAL COM	35 26 STATE FEDERAL COM	#020H	<u>=</u>	Federal	State	New	0	35 235	33E	0	Oct-22	3/11/2022	8	COMPANY, LP	

59900] Triple

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

State of New Mexico Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

API Number

□ AMENDED REPORT

	Prop	erty Name			Well Number
59900			TRIPLE	X;BONE SP	RING
Pool Code				Pool Name	
WELL LOCATION	AND	ACREAGE	DEDICATION	PLAT	

	59900	TRIPLE X;BONE SP	RING
Property Code	Pro	perty Name	Well Number
	SEA SNA	KE 35 STATE	14H
OGRID No.		erator Name	Elevation
6137	DEVON ENERGY PRO	DDUCTION COMPANY, L.P.	3666.3'

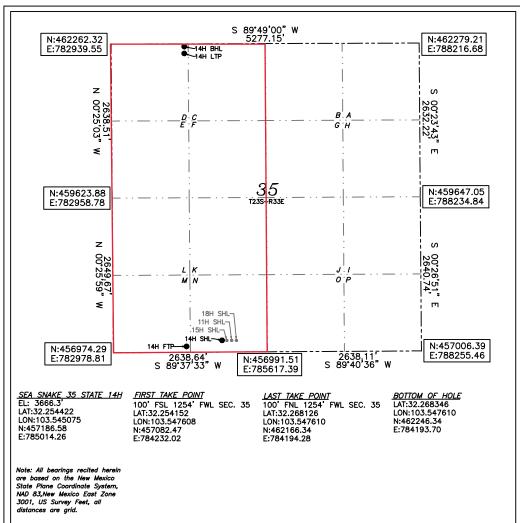
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Ν	35	23-S	33-E		199	SOUTH	2037	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	35	23-S	33-E		20	NORTH	1254	WEST	LEA
Dedicated Acres	Joint o	r Infill C	onsolidation (	Code Or	der No.				
320									

# 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

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organisation 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

ebeca Deal 1/6/2020 Signature Date

Rebecca Deal, Regulatory Analyst Printed Name

rebecca.deal@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.

11/2019

Date of Survey



Certificate No. 22404 B.L. LAMAN

DRAWN BY: CM

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

State of New Mexico Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT
---

	HERE ECCHITCH IN D HOUSEHOE DEDICHTON I MIL	
API Number	Pool Code Pool Nam	e
	59900 TRIPLE X;BON	E SPRING
Property Code	Property Name	Well Number
	SEA SNAKE 35 STATE	15H
OGRID No.	Operator Name	Elevation
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3665.6'

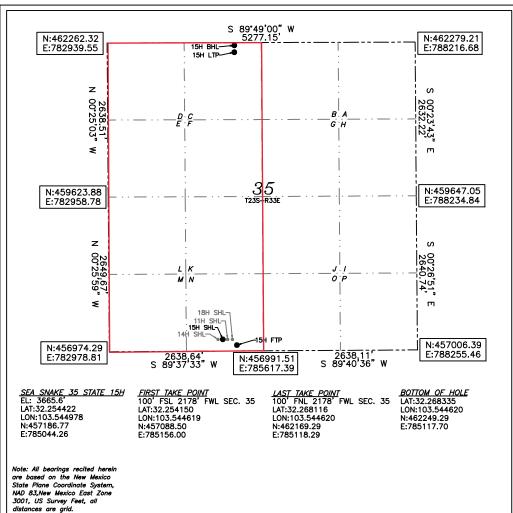
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23-S	33-E		199	SOUTH	2067	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
С	35	23-S	33-E		20	NORTH	2178	WEST	LEA
Dedicated Acres	Joint o	r Infill (	onsolidation (	Code Or	der No.				
320									

# 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

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organisation 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

eselle 1/6/2020 Signature

Date

Rebecca Deal, Regulatory Analyst Printed Name

rebecca.deal@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.

11/2019

Date of Survey

Signature & Seal of Professional Surveyor LAMAN ♦ SEM METIC PROF A YOR

SONAL SUP 12/07/19

Certificate No. 22404 B.L. LAMAN

DRAWN BY: CM

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

State of New Mexico Energy, Minerals & Natural Resources Department

CONSERVATION DIVISION

Revised August 1, 2011
Revised August 1, 2011
OCD HOBBSsubmit one copy to appropriate
District Off.

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

06|29|2020 RECEIVED □ AMENDED REPORT

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FR. NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

	WELL LOCATION AND	ACREAGE DEDICATION PLAT			
API Number	Pool Code	Pool Name			
30-025-47395	59900	TRIPLE X;BONE SPRING			
Property Code	Prop	erty Name	Well Number		
328510	SEA SNAKE 35-	26 STATE FED COM	11H		
OGRID No.	Oper	ator Name	Elevation		
6137	DEVON ENERGY PRO	DUCTION COMPANY, L.P.	3664.9'		

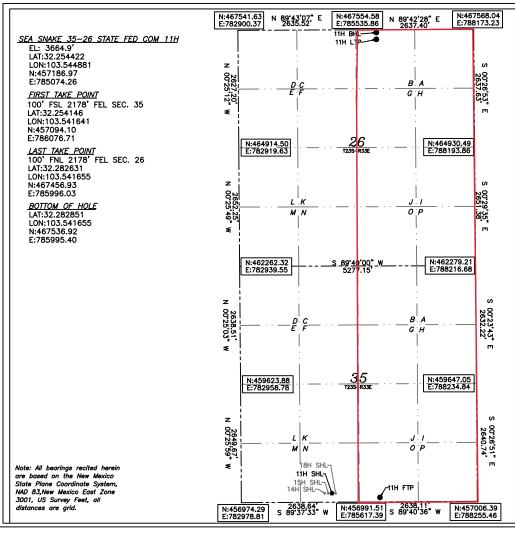
#### Surface Location

UL or	lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	N	35	23-S	33-E		199	SOUTH	2097	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
В	26	23-S	33-E		20	NORTH	2178	EAST	LEA
Dedicated Acres	Joint o	r Infill	Consolidation (	Code Or	der No.				
640									

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> 1/6/2020 Date

Signature

Rebecca Deal, Regulatory Analyst Printed Name

rebecca.deal@dvn.com

E-mail Address

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11/2019

Date of Survey & Seal of Professional Surveyor



DRAWN BY: CM

State of New Mexico DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 Energy, Minerals & Natural Resources Department DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Revised August 1, 2011
OCD HOBB Submit one copy to appropriate
District Occ.

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

06|29|2020 Santa Fe, New Mexico 87505 RECEIVED

□ AMENDED REPORT

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FR. NM 87605 Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025-47396	Pool Code 59900	Pool Name TRIPLE X;BONI	E SPRING
Property Code 328510		perty Name ·26 STATE FED COM	Well Number 12H
ogrid No. 6137	•	rator Name DUCTION COMPANY, L.P.	Elevation 3641.5

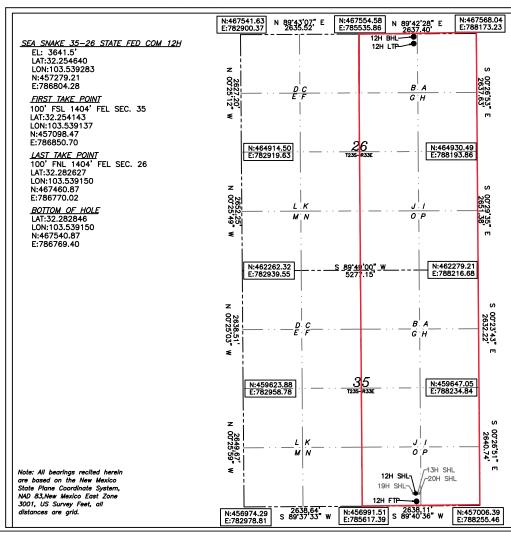
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	35	23-S	33-E		281	SOUTH	1449	EAST	LEA

#### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Townshi	ip	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	26	23-9	S	33-E		20	NORTH	1404	EAST	LEA
Dedicated Acres	Joint o	r Infill	Con	solidation (	Code Or	der No.				
640										

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Deal eselle Signature

1/14/2020 Date

Rebecca Deal, Regulatory Analyst Printed Name

rebecca.deal@dvn.com

E-mail Address

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11/2019

Date of Survey Signature & Seal of Professional Surveyor LAMAN **%** ALW METICO TO SONAL Š SURVE 01/08/20

Certificate No. 22404 B.L. LAMAN REV. BY: CMAAS DRAWN BY: JR

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

State of New Mexico Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

Form C-102 Revised August 1, 2011

Revised August 1, 2011

OCD - HOBB Submit one copy to appropriate

District Occ.

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

06|29|2020 RECEIVED

□ AMENDED REPORT

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FR. NM 87605 Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name TRIPLE X;BONE SPRING				
30-025-47397	59900					
Property Code	Prop	erty Name	Well Number			
328510	SEA SNAKE 35-2	SEA SNAKE 35-26 STATE FED COM				
OGRID No.		ator Name	Elevation			
6137	DEVON ENERGY PROI	DUCTION COMPANY, L.P.	3641.3'			

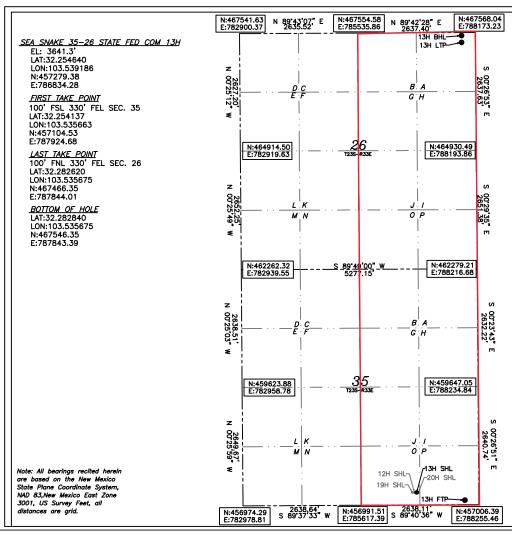
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	35	23-S	33-E		281	SOUTH	1419	EAST	LEA

#### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	26	23-S	33-E		20	NORTH	330	EAST	LEA
Dedicated Acres	s Joint o	r Infill C	onsolidation (	Code Or	der No.				
640									

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ebeca Deal Signature

1/6/2020 Date

Rebecca Deal, Regulatory Analyst Printed Name

rebecca.deal@dvn.com

E-mail Address

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11/2019 Date of Survey

Signature & Seal of Professional Surveyor



Certificate No. 22404

DRAWN BY: JR

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

State of New Mexico Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. 06|29|2020

Form C-102 OCD - HOB Domit one copy to appropriate
District

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

Santa Fe, New Mexico 87505

□ AMENDED REPORT

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FR. NM 87605 Phone: (505) 476-3460 Fax: (505) 476-3462

	WELL LOCATION AND	ACREAGE DEDICATION PLAT			
API Number	Pool Code	Pool Name			
30-025-47398	59900	TRIPLE X;BONE SPRING			
Property Code 328510	Prop	erty Name	Well Number		
328510	SEA SNAKE 35-	26 STATE FED COM	19H		
OGRID No.		ator Name	Elevation		
6137	DEVON ENERGY PRO	DUCTION COMPANY, L.P.	3641.6'		

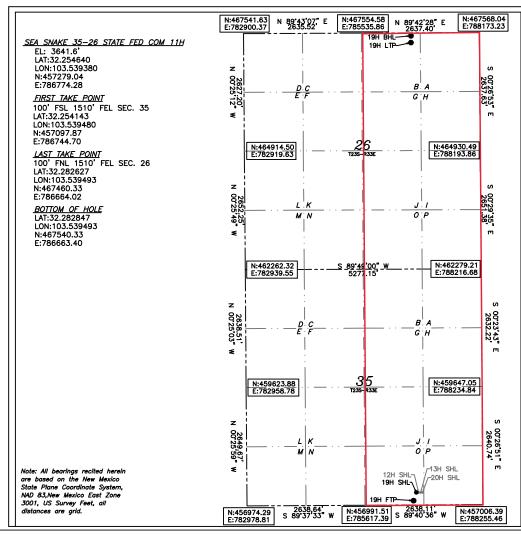
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	35	23-S	33-E		281	SOUTH	1479	EAST	LEA

### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Townshi	p	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	26	23-9	s	33-E		20	NORTH	1510	EAST	LEA
Dedicated Acres   Joint or Infill   Consolidation Code		Code Or	der No.							
640										

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escul. Signature

1/6/2020 Date

RECEIVED

Rebecca Deal, Regulatory Analyst Printed Name

rebecca.deal@dvn.com

E-mail Address

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11/2019

Date of Survey



DRAWN BY: JR

Form C-102

State of New Mexico 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

Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

Santa Fe, New Mexico 87505 OCD HOBB Submit one copy to appropriate District Office 06|29|2020

□ AMENDED REPORT

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 FR. NM 87605 Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code Po	Pool Name		
30-025-47399	59900 TRIPLE X;B0	TRIPLE X;BONE SPRING		
Property Code 328510	Property Name	Well Number		
328510	SEA SNAKE 35-26 STATE FED COM	20H		
OGRID No.	Operator Name Elevation			
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	3641.2'		

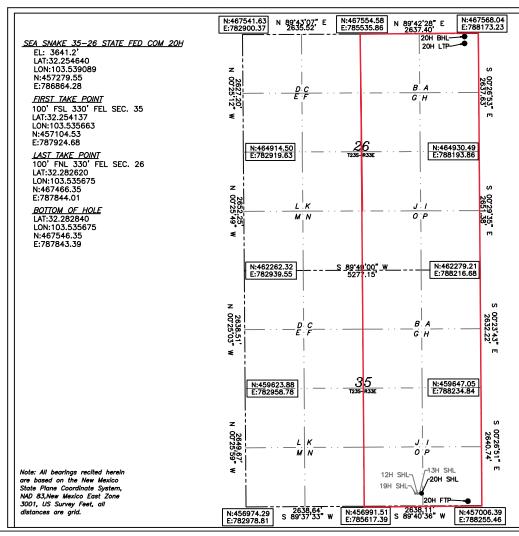
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	35	23-S	33-E		281	SOUTH	1389	EAST	LEA

#### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	26	23-S	33-E		20	NORTH	330	EAST	LEA
Dedicated Acres   Joint or Infill   Consolidation Code		Code Or	der No.						
640									

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Deal eselle Signature

1/6/2020 Date

Rebecca Deal, Regulatory Analyst Printed Name

rebecca.deal@dvn.com

E-mail Address

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11/2019 Date of Survey

Signature & Seal of Professional Surveyor AMA **%** ALM METICO TO TOWN SUPPLY 12/11/19

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

Released to Imaging: 9/8/2025 11:28:44 AM

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

State of New Mexico Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

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□ AMENDED REPORT

WELL LO	CATION	AND	ACREAGE	DEDICATION	PLAT
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API Number	Pool Code	Pool Name	ool Name		
30-025-49279	59900	TRIPLE X;BONE SPRING			
Property Code	Prop	Well Number			
40329	SEA SNAKE 35 STATE 24H				
OGRID No.	Oper-	Operator Name Elevation			
6137	DEVON ENERGY PRODUCTION COMPANY, L.P. 3667				

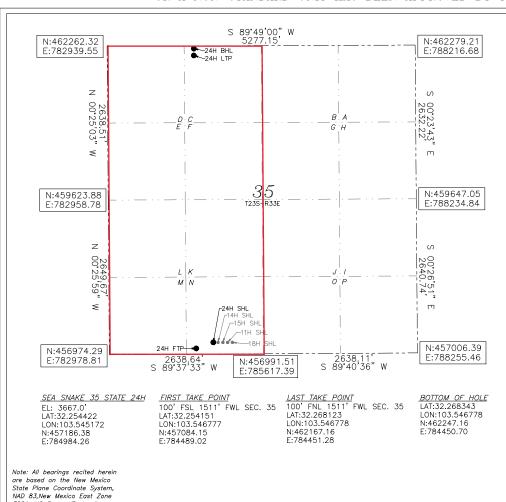
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Ν	35	23-S	33-E		199	SOUTH	2007	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
С	35	23-S	33-E		20	NORTH	1511	WEST	LEA
Dedicated Acres   Joint or Infill   Consolidation Code			Code Or	der No.				•	
320									

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ebellh 7/20/2021 Signature Date

Rebecca Deal, Regulatory Analyst Printed Name

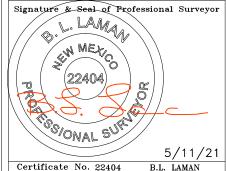
rebecca.deal@dvn.com E-mail Address

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5/2021

Date of Survey



DRAWN BY: CM

3001, US Survey Feet, all distances are grid.



**COMMISSIONER** 

Stephanie Garcia Richard

# State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

May 9th, 2022

Peggy Buller Devon Energy Production Company, LP 333 W. Sheridan Avenue Oklahoma City, OK 73102

Re:

Communitization Agreement Approval

Sea Snake 35 26 State Federal Com #013H

Vertical Extent: Bone Spring

Township: 23 South, Range 33 East, NMPM

Section 26: E2 Section 35: E2

Lea County, New Mexico

Dear Ms. Buller,

The Commissioner of Public Lands has this date approved the Sea Snake 35 26 State Federal Com #013H Communitization Agreement for the Bone Spring formation effective 1-1-2022. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for Two Years, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Baylen Lamkin at (505) 827-6628.

pline Comia Perled ( un

Sincerely.

Stephanie Garcia Richard Commissioner of Public Lands

# NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

### COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Devon Energy Production Company, LP Sea Snake 35 26 State Federal Com #013H Bone Spring Township: 23 South, Range: 33 East, NMPM Section 26: E2 Section 35: E2

Lea County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State on New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **January 1, 2022**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 9th day of May, 2022.

COMMISSIONER OF PUBLIC LANDS

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of the State of New Mexico

# NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

# COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Devon Energy Production Company, LP Sea Snake 35 26 State Federal Com #013H Bone Spring Township: 23 South, Range: 33 East, NMPM Section 26: E2 Section 35: E2

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COMMISSIONER OF PUBLIC LANDS

di coi kuld lan

of the State of New Mexico

# NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

# COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Devon Energy Production Company, LP Sea Snake 35 26 State Federal Com #013H Bone Spring Township: 23 South, Range: 33 East, NMPM Section 26: E2 Section 35: E2

Lea County, New Mexico

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MMISSIONER OF PUBLIC LANDS

Ogri Cikel Con

of the State of New Mexico

NM State Land Office Oil, Gas, & Minerals Division

# STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised August, 2021

#### ONLINE Version

# **COMMUNITIZATION AGREEMENT**

API Initial Well: 30-025 \_47397

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, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, 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:

Subdivisions E2	are described as follows:
Sect(s) 35 & 26 , T 23S , R 33E , NMPM Lea	County, NM
containing 640.00 acres, more or less, and this agreement shall include Bone Spring	
	Formation
or pool, underlying said lands and the oil, natural gas and associated hydrony	rocarbons
(hereinafter referred to as "communitized substances") producible from such for	ormation.

ONLINE version August 2031 State/Fed/Fee

1

- 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.
- The date of this agreement is January
  and it shall become effective as of this date or from the onset of production of 10. 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 from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; 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

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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	Lessees of Record	
Ву		
Print name of person		
Type of authority		

Attach additional page(s) if needed.

[Acknowledgments are on following page.]

ONLINE version August 2021 State/Fed/Fee

4

Devon Energy Production Company, L.P. (Operator, Record Title and Working Interest Owner)

Date

By: Lindsey N. Miles, Land Manager

ACKNOWLEDGEMENT IN A REPRESENTATIVE CAPACITY

STATE OF OKLAHOMA ) SS COUNTY OF OWNMAN )

(Seal)

Signature of Notarial Officer

My Commission Expires: 11/11/2025

JENNIFER HARMS

SEAL

Notary Public
State of Oklahoma

Commission #13010242 Exp: 11/06/25

# **EXHIBIT "A"**

Attached to and made a part of that Communitization Agreement dated January 1, 2022, embracing the E2 of Section 35-23S-33E, and the E2 of Section 26-23S-33E, Lea County, New Mexico; Bone Spring Formation

# Sea Snake 35-26 State Fed Com 11H

API 30-025-47395

SHL: 199' FSL & 2097' FWL, Sec 35-23S-33E BHL: 20' FNL & 2178' FEL, Sec 26-23S-33E

# Sea Snake 35-26 State Fed Com 13H

API 30-025-47397

SHL: 281' FSL & 1419' FEL, Sec 35-23S-33E BHL: 20' FNL & 330' FEL, Sec 26-23S-33E

# Sea Snake 35-25 State Fed Com 20H

API 30-025-47399

SHL: 281' FSL & 1389' FEL, Sec 35-23S-33E BHL: 20' FNL & 832' FEL, Sec 26-23S-33E



Tract 1 320 AC ST of NM VB 1788



Tract 2 320 AC NMNM 121489

# Sea Snake 35-26 State Fed Com 12H

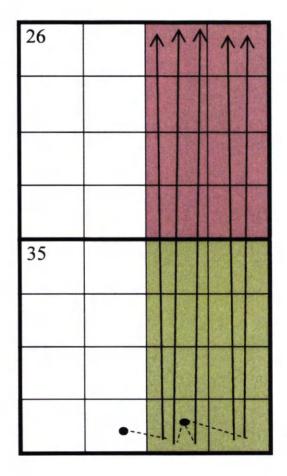
API 30-025-47396

SHL: 281' FSL & 1449' FEL, Sec 35-23S-33E BHL: 20' FNL & 1404' FEL, Sec 26-23S-33E

# Sea Snake 35-26 State Fed Com 19H

API 30-025-47398

SHL: 281' FSL & 1479' FEL, Sec 35-23S-33E BHL: 20' FNL & 1731' FEL, Sec 26-23S-33E



# **EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement dated January 1, 2022, embracing the E2 of Section 35-23S-33E and E2 of Section 25-23S-33E, Lea County, New Mexico; Bone Spring Formation

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

# **DESCRIPTION OF LEASES COMMITTED**

# Tract No. 1

Lease Serial Number: ST of NM VB 1788

Lease Date: January 1, 2010

Lease Term: 5 Years

Lessor: State of New Mexico

Original Lessee: Daniel E Gonzales

Description of Land Committed: Township 23 South, Range 33 East

Section 35: E2

Number of Acres: 320.00

Current Lessee of Record: Devon Energy Production Company, L.P.

Royalty Rate: 18.75%

Name of Working Interest Owners: Devon Energy Production Company, LP - 100.00%

Overriding Royalty Owners: None

# Tract No. 2

Lease Serial Number: NMNM 121489

Lease Date: January 1, 2009

Lease Term: 10 Years

Lessor:

United States of America

Original Lessee:

Devon Energy Production Co LP

Description of Land Committed:

Township 23 South, Range 33 East

Section 26: Insofar and only insofar as said lease

covers E2

Number of Acres:

320.00

Current Lessee of Record:

Devon Energy Production Company, L.P.

Royalty Rate:

12.5%

Name of Working Interest Owners: Devon Energy Production Company, LP – 100.00%

Overriding Royalty Owners:

None

# Recapitalization

Tract No.	No. of Acres Committed	Percentage of Interest In Communitized Area
1	320.00	50.000000%
2	320.00	50.000000%
Total	640.00	100.000000%

# Federal Communitization Agreement

Contract No.	

THIS AGREEMENT entered into as of the 6th day of May 2021, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

# WITNESSETH:

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

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

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

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

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

Township 23 South, Range 33 East, N.M.P.M.

Section 35: E2

Section 26: E2

Lea County, New Mexico

Containing 640.00 acres, and this agreement shall include only the **Bone Spring** formation underlying said lands and the oil, natural gas and associated liquid hydrocarbons 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 W. Sheridan Ave., Oklahoma City, OK 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 lands included within the CA area are to be paid into the appropriate Unleased Lands 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 January 1, 2022, 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 2year 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, Record Title and Working Interest Owner)

Lindsey N. Miles, Land Manager

Date

ACKNOWLEDGEMENT IN A REPRESENTATIVE CAPACITY

STATE OF OKLAHOMA

) SS

COUNTY OF MULLIONAL

JENNIFER HARMS

Notary Public

State of Oklahoma

Commission #13010242 Exp: 11/06/25

(Seal)

Signature of Notarial Officer

My Commission Expires: 11/10/2025

#### **EXHIBIT "A"**

Attached to and made a part of that Communitization Agreement dated January 1, 2022, embracing the E2 of Section 35-23S-33E, and the E2 of Section 26-23S-33E, Lea County, New Mexico; Bone Spring Formation

# Sea Snake 35-26 State Fed Com 11H

API 30-025-47395

SHL: 199' FSL & 2097' FWL, Sec 35-23S-33E BHL: 20' FNL & 2178' FEL, Sec 26-23S-33E

### Sea Snake 35-26 State Fed Com 13H

API 30-025-47397

SHL: 281' FSL & 1419' FEL, Sec 35-23S-33E BHL: 20' FNL & 330' FEL, Sec 26-23S-33E

#### Sea Snake 35-25 State Fed Com 20H

API 30-025-47399

SHL: 281' FSL & 1389' FEL, Sec 35-23S-33E BHL: 20' FNL & 832' FEL, Sec 26-23S-33E



Tract 1 320 AC ST of NM VB 1788



Tract 2 320 AC NMNM 121489

# Sea Snake 35-26 State Fed Com 12H

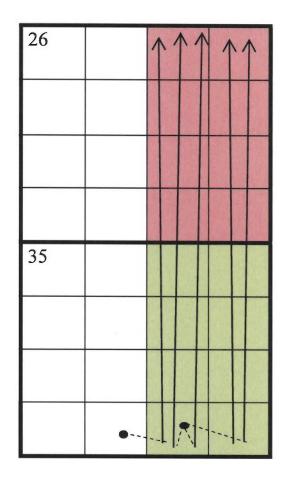
API 30-025-47396

SHL: 281' FSL & 1449' FEL, Sec 35-23S-33E BHL: 20' FNL & 1404' FEL, Sec 26-23S-33E

#### Sea Snake 35-26 State Fed Com 19H

API 30-025-47398

SHL: 281' FSL & 1479' FEL, Sec 35-23S-33E BHL: 20' FNL & 1731' FEL, Sec 26-23S-33E



#### **EXHIBIT "B"**

Attached to and made a part of that Communitization Agreement dated January 1, 2022, embracing the E2 of Section 35-23S-33E and E2 of Section 25-23S-33E, Lea County, New Mexico; Bone Spring Formation

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

#### **DESCRIPTION OF LEASES COMMITTED**

#### Tract No. 1

Lease Serial Number:

ST of NM VB 1788

Lease Date:

January 1, 2010

Lease Term:

5 Years

Lessor:

State of New Mexico

Original Lessee:

Daniel E Gonzales

Description of Land Committed:

Township 23 South, Range 33 East

Section 35: E2

Number of Acres:

320.00

Current Lessee of Record:

Devon Energy Production Company, L.P.

Royalty Rate:

18.75%

Name of Working Interest Owners: Devon Energy Production Company, LP – 100.00%

Overriding Royalty Owners:

None

#### Tract No. 2

Lease Serial Number:

NMNM 121489

Lease Date:

January 1, 2009

Lease Term:

10 Years

Lessor: United States of America

Original Lessee: Devon Energy Production Co LP

Description of Land Committed: Township 23 South, Range 33 East

Section 26: Insofar and only insofar as said lease

covers E2

Number of Acres: 320.00

Current Lessee of Record: Devon Energy Production Company, L.P.

Royalty Rate: 12.5%

Name of Working Interest Owners: Devon Energy Production Company, LP - 100.00%

Overriding Royalty Owners: None

#### Recapitalization

Tract No.	No. of Acres Committed	mitted Percentage of Interest In Communitized Area	
1	320.00	50.000000%	
2	320.00	50.000000%	
Total	640.00	100.000000%	

# 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. CTB-1159** 

#### **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 the oil and gas production from the pools, leases, and wells as described in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
- 3. 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.
- 4. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 5. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10 C.(4)(g) NMAC.
- 6. 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 as described in Exhibit A.

#### CONCLUSIONS OF LAW

- 7. 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, 19.15.12. NMAC, and 19.15.23. NMAC.
- 8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10 A.(2) NMAC, 19.15.12.10 C.(4)(c) NMAC, and 19.15.12.10 C.(4)(e) NMAC, as applicable.
- 9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9 A.(5) NMAC and 19.15.23.9 A.(6) NMAC, as applicable.

Order No. CTB-1159 Page 1 of 3

- 10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10 B.(1) NMAC or 19.15.12.10 C.(1) NMAC, as applicable.
- 11. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10 B.(3) NMAC and 19.15.12.10 C.(4)(h) NMAC.
- 12. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10 C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
- 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 oil and gas production from the pools, leases, and wells as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

- 2. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described 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.
- 3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
- 4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and

Order No. CTB-1159 Page 2 of 3

regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.

- 6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
- 7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 8. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10 C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
- 9. If a well is not included in Exhibit A but produces from a pool and lease as described 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, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
- 10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 11. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 12. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Albert Chang ALBERT CHANG

**DIRECTOR** 

DATE: 9/8/2025

Order No. CTB-1159 Page 3 of 3

# State of New Mexico Energy, Minerals and Natural Resources Department

# Exhibit A

Order: CTB-1159

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

Central Tank Battery: Sea Snake 35 Central Tank Battery 3

Central Tank Battery Location: UL O, Section 35, Township 23 South, Range 33 East Gas Title Transfer Meter Location: UL O, Section 35, Township 23 South, Range 33 East

#### **Pools**

Pool Name Pool Code TRIPLE X;BONE SPRING 59900

# Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
<b>State Lease VB-1789-0001</b>	W2	35-23S-33E
CA Bone Spring SLO 204328 PUN 1395242	<b>E2</b>	26-23S-33E
CA bone Spring SLO 204326 FUN 1393242	<b>E2</b>	35-23S-33E
CA Dana Spring NMNM 105752540	<b>E2</b>	26-23S-33E
CA Bone Spring NMNM 105752540	<b>E2</b>	35-23S-33E

# Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-46789	SEA SNAKE 35 STATE #014H	W2	35-23S-33E	59900
30-025-46790	SEA SNAKE 35 STATE #015H	W2	35-23S-33E	59900
30-025-49279	SEA SNAKE 35 STATE #024H	W2	35-23S-33E	59900
30-025-47395	SEA SNAKE 35 26 STATE FEDERAL	<b>E2</b>	26-23S-33E	59900
	COM #011H	<b>E2</b>	35-23S-33E	
30-025-47396	SEA SNAKE 35 26 STATE FEDERAL	<b>E2</b>	26-23S-33E	59900
	COM #012H	<b>E2</b>	35-23S-33E	
30-025-47397	SEA SNAKE 35 26 STATE FEDERAL	<b>E2</b>	26-23S-33E	59900
	COM #013H	<b>E2</b>	35-23S-33E	
30-025-47398	SEA SNAKE 35 26 STATE FEDERAL	<b>E2</b>	26-23S-33E	59900
	COM #019H	<b>E2</b>	35-23S-33E	
30-025-47399	SEA SNAKE 35 26 STATE FEDERAL	<b>E2</b>	26-23S-33E	59900
	COM #020H	<b>E2</b>	35-23S-33E	

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 146196

#### **CONDITIONS**

Operator:	OGRID:
DEVON ENERGY PRODUCTION COMPANY, LP	6137
333 West Sheridan Ave.	Action Number:
Oklahoma City, OK 73102	146196
	Action Type:
	[C-107] Surface Commingle or Off-Lease (C-107B)

#### CONDITIONS

Created By		Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at OCD.Engineer@emnrd.nm.gov.	9/8/2025