

A7IYA-200611-C-107B 957

Revised March 23, 2017

RECEIVED: 6/11/20	REVIEWER: DM	TYPE: CTB	APP NO: pDM2017049000
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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

**ADMINISTRATIVE APPLICATION CHECKLIST**

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

Applicant: Devon Energy Production Co., L.P. **OGRID Number:** 6137
Well Name: see attachments for multiple wells and API's **API:**
Pool: 97899 WC-025 G-06 S253206M; BONESPRING **Pool Code:** 97899

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☐ PPR2) **NOTIFICATION REQUIRED TO:** Check those which apply.A. ☐ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☐ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐

Notice Complete

☐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

Signature

6-11-2020

Date

405-552-6560

Phone Number

jenny.harms@dmv.com

e-mail Address



Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102-5010

June 11, 2020

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

Re: Central Tank Battery CHINCOTEAUGE 8 CTB 1
Sec., T, R: NW, S8, T25S, R32E
Lease: NMLC061873B, NMLC0061863A, NMLC0061869, NMLC0062300
Pool: 97899 WC-025 G-06 5253206M; BONE SPRING
County: Lea Co., New Mexico

Dear Mr. McClure:

Please find attached the OCD Form C-103 Notice of Intent for a Central Tank Battery of the aforementioned wells.

A federal application was approved for Off-Lease Measurement and a Surface Commingle.

The working interest, royalty interest and overriding royalty interest owners are identical, therefore no notifications have been sent and landman statement has been provided. CA's are attached, there is not a CA for the Mustang 235 & 236.

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

Should you have any questions or need further assistance, please do not hesitate to contact me at (405) 552-6560.

Sincerely,

A handwritten signature in blue ink that reads "Jenny Harms". The signature is fluid and cursive, with the first name "Jenny" and last name "Harms" clearly distinguishable.

Jenny Harms

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

Enclosures

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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-45699
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator DEVON ENERGY PRODUCTION CO., L.P.		6. State Oil & Gas Lease No. NMLC061873B
3. Address of Operator 333 WEST SHERIDAN AVE, OKC, OK 73102		7. Lease Name or Unit Agreement Name CHINCOTEAGUE 8-5 FED COM
4. Well Location Unit Letter E : 2470 feet from the FNL line and 895 feet from the FWL line Section 8 Township 25S Range 32E NMPM County LEA		8. Well Number 231H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3438		9. OGRID Number
		10. Pool name or Wildcat WC025G06S25320GM; BS

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	P AND A <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
OTHER: SURFACE COMMINGLE/OLM <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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

ATTENTION: DEAN MCCLURE

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

Devon Energy Production Company, L.P. is requesting approval for a Lease Commingle/OLM for the wells listed below that have identical ownership. The central tank battery, Chincoteague 8 CTB 1, is located in NW, S8, T25S, R32E in Lea County, New Mexico. Please see attachments.

Chincoteague 8-5 Fed Com 231H
 Chincoteague 8-5 Fed Com 232H
 Chincoteague 8-5 Fed Com 233H
 Chincoteague 8-5 Fed Com 234H
 Mustang 8-17 Fed 235H
 Mustang 8-17 Fed 236H
 Mustang 8-17 Fed Com 237H
 Mustang 8-29 Fed Com 238H

Spud Date:

Rig Release Date:

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

SIGNATURE Jenny Harms TITLE REGULATORY COMPLIANCE ANALYST DATE 6-11-2020

Type or print name JENNY HARMS E-mail address: JENNY.HARMS@DVN.COM PHONE: 405-552-6560

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):



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

405 235 3611 Phone
www.devonenergy.com

January 22, 2019

Mr. Mike McMillan
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87504

Re: Chincoteague 8 CTB 1
Lea County, New Mexico

Mr. McMillan:

Devon Energy Production Company, L.P. ("Devon") desires to surface commingle the wells listed below in the WC-025 G-06 S253206M; Bone Spring (Pool Code: 97899). Upon review of the title information and Devon's records, please be advised that the ownership is identical in these wells.

Well Name	API	Pool
Chincoteague 8-5 Fed Com 231H	30-025-45699	
Chincoteague 8-5 Fed Com 232H	30-025-45700	
Chincoteague 8-5 Fed Com 233H	30-025-45701	
Chincoteague 8-5 Fed Com 234H	30-025-46438	
Mustang 8-17 Fed 235H	30-025-46431	
Mustang 8-17 Fed 236H	30-025-46413	
Mustang 8-17 Fed Com 237H	30-025-46414	
Mustang 8-29 Fed Com 239H	30-025-46415	

If you have any questions, please feel free to contact me at (405) 552-6113 or tim.prout@devon.com.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Tim Prout
Senior Landman

Form 3160-5
(June 2015)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.
NMLC061873B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Multiple--See Attached9. API Well No.
Multiple--See Attached10. Field and Pool or Exploratory Area
WC025G06S253206M-BONE SPRING11. County or Parish, State
LEA COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
DEVON ENERGY PRODUCTION COMPANYContact: JENNIFER HARMS
Email: jennifer.harms@devn.com3a. Address
333 WEST SHERIDAN AVENUE
OKLAHOMA CITY, OK 731023b. Phone No. (include area code)
Ph: 405-552-65604. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Multiple--See Attached**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 Subsurface Commingling
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple 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.

Attention Dylan Rossmango,

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

Devon Energy Production Company, L.P. is requesting approval for a Lease Commingle/OLM for the wells listed below:

Chincoteague 8-5 Fed Com 231H
Chincoteague 8-5 Fed Com 232H
Chincoteague 8-5 Fed Com 233H
Chincoteague 8-5 Fed Com 234H

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

Electronic Submission #516667 verified by the BLM Well Information System
For DEVON ENERGY PRODUCTION COMPANY, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 05/27/2020 (20PP2696SE)

Name (Printed/Typed) JENNIFER HARMS

Title REGULATORY COMPLIANCE ANALYST

Signature (Electronic Submission)

Date 05/27/2020

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)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #516667 that would not fit on the form**Wells/Facilities, continued**

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMLC061873B	NMLC061873B	CHINCOTEAGUE 8-5 FED COM 230H	30-025-45699-00-S1	Sec 8 T25S R32E SWNW 2470FNL 895FWL 32.145307 N Lat, 103.702913 W Lon
NMLC061873B	NMLC061873B	CHINCOTEAGUE 8-5 FED COM 237H	30-025-45700-00-S1	Sec 8 T25S R32E SWNW 2470FNL 925FWL 32.145307 N Lat, 103.702816 W Lon
NMLC061873B	NMLC061873B	CHINCOTEAGUE 8-5 FED COM 238H	30-025-45701-00-S1	Sec 8 T25S R32E SWNE 2314FNL 2150FEL 32.145760 N Lat, 103.695556 W Lon
NMLC061873B	NMLC061873B	CHINCOTEAGUE 8-5 FED COM 230H	30-025-45702-00-S1	Sec 8 T25S R32E SWNE 2314FNL 2120FEL 32.145761 N Lat, 103.695459 W Lon
NMLC061873B	NMLC061873B	MUSTANG 8-17 FED 235H	30-025-46431-00-X1	Sec 8 T25S R32E SENW 2468FNL 1375FWL 32.145317 N Lat, 103.701363 W Lon
NMLC061873B	NMLC061873B	MUSTANG 8-17 FED 236H	30-025-46413-00-X1	Sec 8 T25S R32E SENW 2468FNL 1405FWL 32.145317 N Lat, 103.701263 W Lon
NMLC061873B	NMLC061873B	MUSTANG 8-17 FED COM 237H	30-025-46414-00-X1	Sec 8 T25S R32E SENE 2463FNL 725FEL 32.145370 N Lat, 103.690948 W Lon
NMLC061873B	NMLC061873B	MUSTANG 8-29 FED COM 238H	30-025-46415-00-X1	Sec 8 T25S R32E SENE 2463FNL 695FEL 32.145374 N Lat, 103.690857 W Lon

32. Additional remarks, continued

Mustang 8-17 Fed 235H
 Mustang 8-17 Fed 236H
 Mustang 8-17 Fed Com 237H
 Mustang 8-29 Fed Com 238H

The central tank battery, Chincoteague 8 CTB 1, is located in NW, S8, T25S, R32E in Lea County, New Mexico.

Please see attachments.

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

Proposal for Chincoteague 8 CTB 1

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

WELL NAME	Location	FORMATION	BLM LEASE %	BLM LEASE %	BLM LEASE %	CA BREAKDOWN
Chincoteague 8-5 Fed Com 231H	8-25S-32E	97899 WC-025 G-06 S253206M; BONE SPRING	NMLC0061873B-12.5%	NMLC0061863A-12.5%		CA 1
Chincoteague 8-5 Fed Com 232H	8-25S-32E	97899 WC-025 G-06 S253206M; BONE SPRING	NMLC0061873B-12.5%	NMLC0061863A-12.5%		CA 1
Chincoteague 8-5 Fed Com 233H	8-25S-32E	97899 WC-025 G-06 S253206M; BONE SPRING	NMLC0061873B-12.5%	NMLC0061863A-12.5%		CA 1
Chincoteague 8-5 Fed Com 234H	8-25S-32E	97899 WC-025 G-06 S253206M; BONE SPRING	NMLC0061873B-12.5%	NMLC0061863A-12.5%	NMNM108969--12.5%	CA 2
Mustang 8-17 Fed 235H	8-25S-32E	97899 WC-025 G-06 S253206M; BONE SPRING	NMLC0061873B-12.5%			CA 3
Mustang 8-17 Fed 236H	8-25S-32E	97899 WC-025 G-06 S253206M; BONE SPRING	NMLC0061873B-12.5%			CA 3
Mustang 8-17 Fed Com 237H	8-25S-32E	97899 WC-025 G-06 S253206M; BONE SPRING	NMLC0061873B-12.5%	NMLC0061869-12.5%		CA 3
Mustang 8-29 Fed Com 238H	8-25S-32E	97899 WC-025 G-06 S253206M; BONE SPRING	NMLC0061873B-12.5%	NMLC0061869-12.5%	NMLC0062300-12.5%	CA 4

CA's have been submitted and will be as the following:

CA 1 Chincoteague 8-5 Fed Com 231H
 CA 1 Chincoteague 8-5 Fed Com 232H
 CA 1 Chincoteague 8-5 Fed Com 233H
 CA 2 Chincoteague 8-5 Fed Com 234H
 CA 3 Mustang 8-17 Fed 235H
 CA 3 Mustang 8-17 Fed 236H
 CA 3 Mustang 8-17 Fed Com 237H
 CA 4 Mustang 8-29 Fed Com 238H

Oil & Gas metering:

The central tank battery, Chincoteague 8 CTB 1, is located in NW, S8, T25S, R32E in Eddy County, New Mexico.

Each well is routed to its own 3-phase separator where the full well stream is separated into gas, oil, and water streams. For each well, after separation, gas is measured with an independent, designated orifice meter for allocation, then flows into a gas production line where it is combined with gas from the other wells and flows through a gas 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 Micro Motion Coriolis Meter for allocation. It then combines with the oil production from the other wells, flows into the heater treater(s), then into the Ultra-Low Pressure Separator(s) (ULPS), and into one of the oil tanks. The oil is then pumped out of the common tanks to 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 3 oil tanks and 3 water tanks that all wells will utilize. All wells will have 1 common gas delivery point on location). They will also share 1 common oil delivery point(s) (LACT) on location.

Meter Owner / Serial Number:

Well Name	Gas Allocation Meter	Oil Allocation Meter	Gas FMP	Oil FMP	Water Allocation Meter	VRU Allocation Meter
Chincoteague 8-5 Fed Com 231H	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*
Chincoteague 8-5 Fed Com 232H	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*
Chincoteague 8-5 Fed Com 233H	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*
Chincoteague 8-5 Fed Com 234H	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*
Mustang 8-17 Fed Com 235H	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*
Mustang 8-17 Fed Com 236H	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*
Mustang 8-17 Fed Com 237H	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*	DVN /*
Mustang 8-29 Fed Com 238H	DVN /*	DVN /*	DVN /*	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. 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.

Gas from Chincoteague 8 CTB 1 will be taken upstream of the FMP commingled sales meter for gas lift on Chincoteague 8 Wellpad 1, Chincoteague 8 Wellpad 2, Chincoteague 8 Wellpad 3, Chincoteague 8 Wellpad 4. Each well on the four wellpads will have a gas lift injection meter maintained as Federal Measurement Point/Sales/Royalty Payment point. This FMP point will be used for allocation considering the commingled sales gas Federal Measurement Point/Sales/Royalty Payment point at the Chincoteague 8 CTB 1.

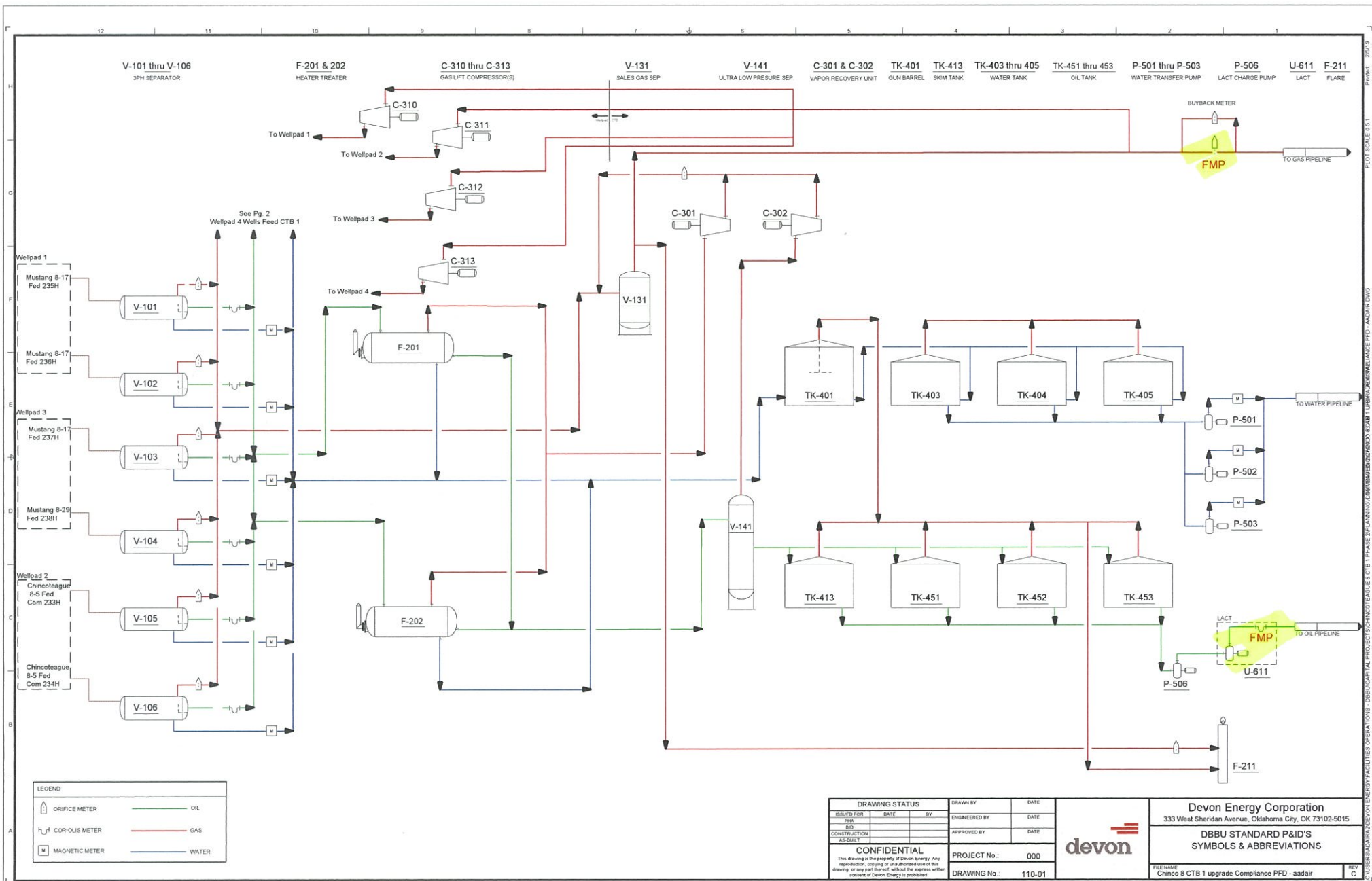
Process and Flow Descriptions:

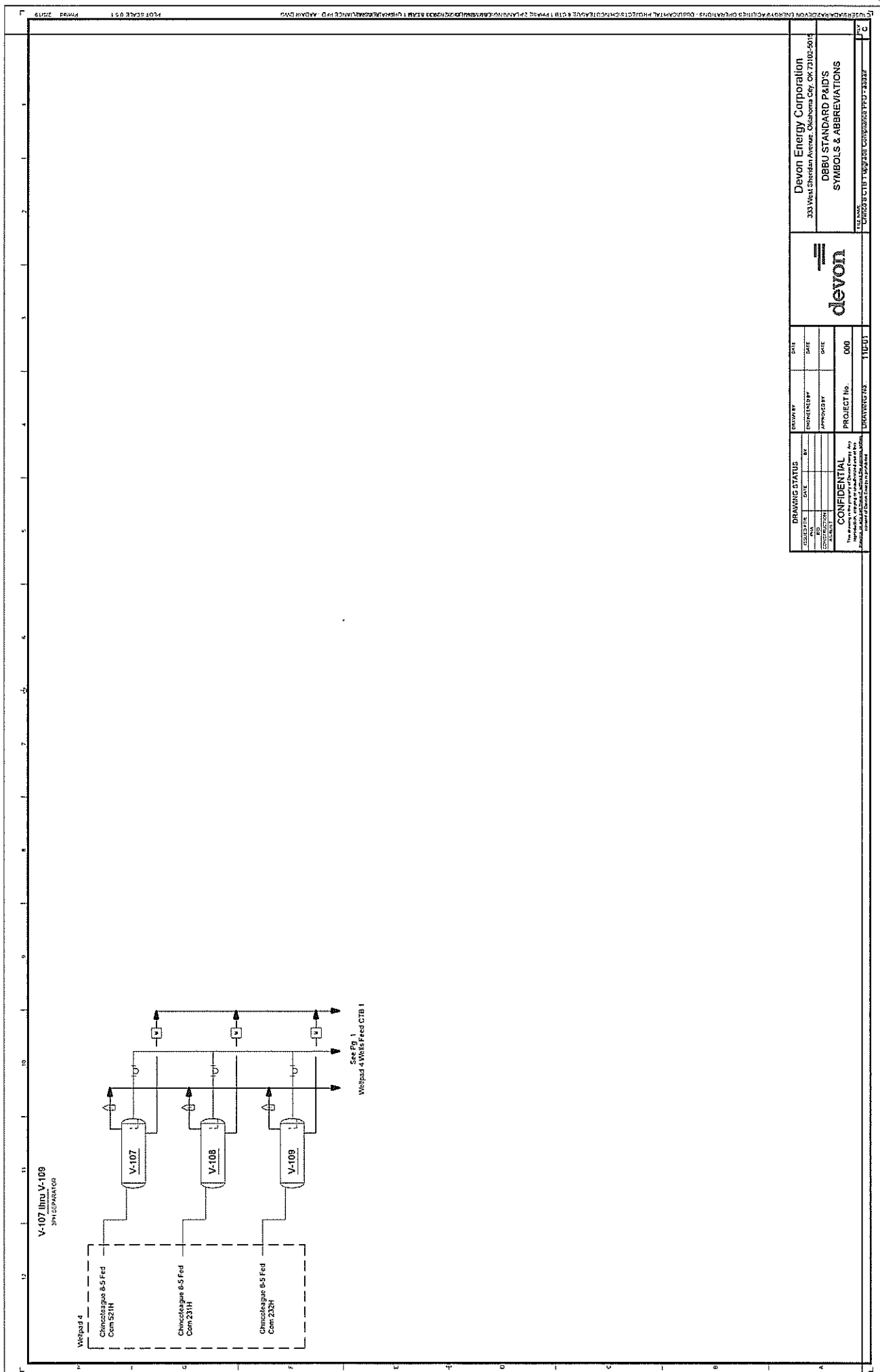
The flow of produced fluids is described above and shown in detail on the enclosed facility diagram, along with a description of each vessel and map which shows the lease boundaries, location of wells, facility, and gas sales meter.

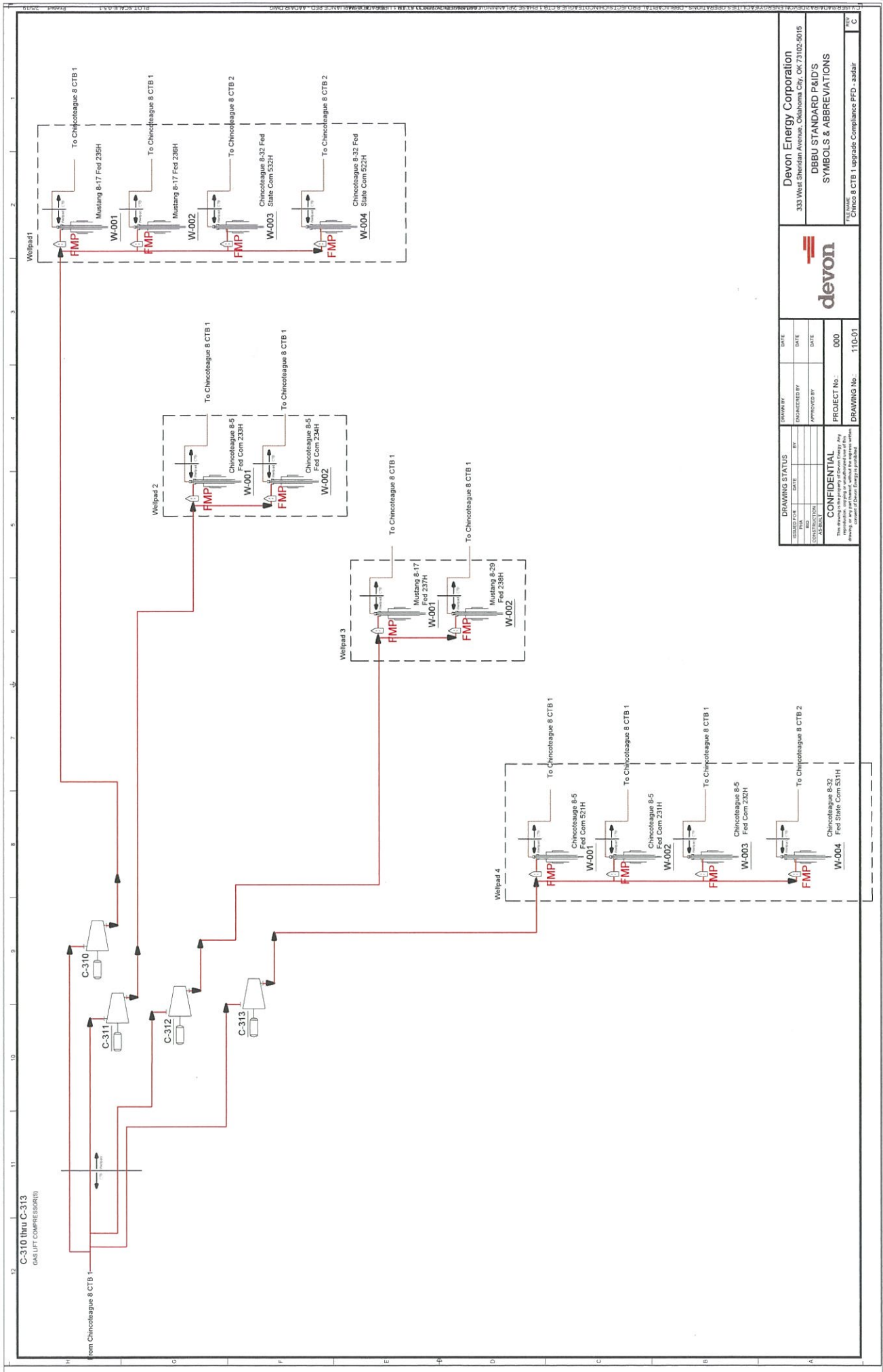
The proposed commingling is appropriate based on the BLM's guidance in IM NMPO 2013-02 & 43 CFR 3173.14. The proposed commingling will maximize the ultimate recovery of oil and/or gas from the federal leases and will reduce environmental impacts by minimizing surface disturbance and emissions. The proposed 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).







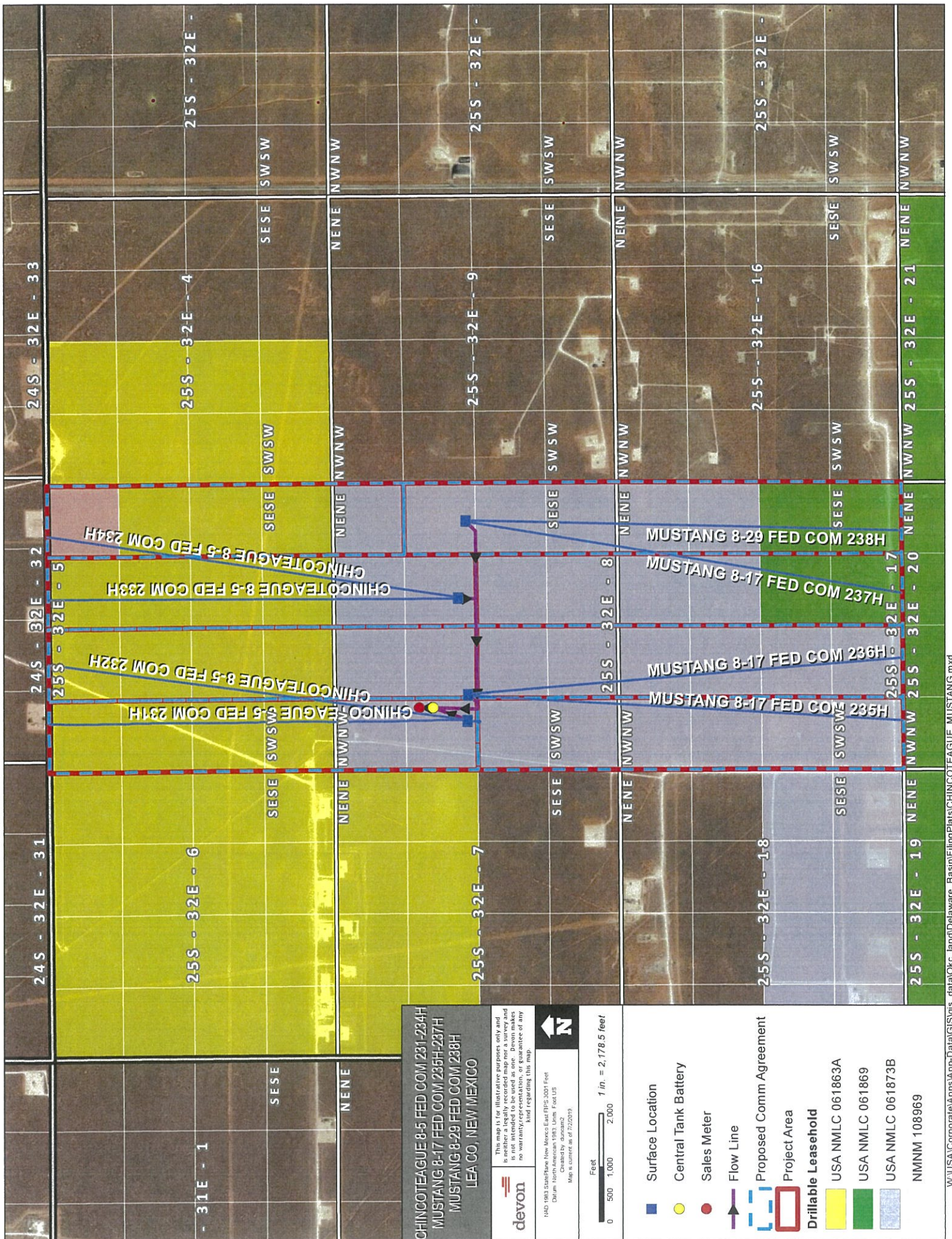
DRAWING STATUS		DRAWN BY		DATE	
DESIGNED BY	DATE	ENGINEERED BY	DATE	APPROVED BY	DATE
DESIGNED BY	DATE	ENGINEERED BY	DATE	APPROVED BY	DATE
DESIGNED BY	DATE	ENGINEERED BY	DATE	APPROVED BY	DATE
CONFIDENTIAL		PROJECT No.		000	
This drawing is the property of Devon Energy. Any reproduction or use without the written permission of Devon Energy is prohibited.		DRAWING No.		110-01	

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

DBBU STANDARD P&ID'S
SYMBOLS & ABBREVIATIONS

Revision: 001
Chincoteague 8 CTB 1 Upgrade Compliance PFD - addair





**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Conditions of Approval
Lease/CA Commingling of Measurement and
Sales of Oil and Gas Production**

**Devon Energy Production Company
Chincoteague 8 CTB 1**

**Chincoteague 8-5 Fed Com 231H, 232H, 233H, 234H and
Mustang 8-17 Fed 235H, 236H; Mustang 8-17 Fed Com 237H and
Mustang 8-29 Fed Com 238H**

Leases: NMLC061863A, NMLC061869, NMLC061873B, NMNM108969

Approval for comingling of measurement and sales of production is subject to the following conditions:

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the public's interest (surface and/or subsurface).
4. If new surface disturbance on BLM-managed land is proposed, the operator shall submit appropriate surface use plan of operations and right-of-way grant applications to the Carlsbad Field Office for approval prior to any construction.
 - a. Approval for off-lease measurement, storage and sales from sources in this package is not required as production never leaves the lease NMLC061873B.
5. All oil and gas subject to royalty shall be measured and reported to ONRR as required, unless otherwise approved by an Authorized Officer. Aside from exceptions listed in 43 CFR 3179, all flared/vented gas volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33" for royalty-bearing flared gas and disposition code 63 for royalty-bearing vented gas.
6. Vapors will be recovered and added back into the sales or flare line where it will be metered with the CTB's main production. Vapor recovery equipment is also approved with this application.
7. This agency shall be notified of any changes that could affect the allocation of production such as purchaser contracts, location of allocation/sales meters, allocation methodology, etc.
8. Within 30 days of implementing the allocation methodology in this application, operator shall submit a new site facility diagram via Form 3160-5 Sundry Notice which meets the requirements of **43 CFR 3173.11** Include the effective date for the allocation methodology with the sundry notice.
 - a. In lieu of FMP numbers on the site facility diagram, include all meter serial numbers or assign unique meter ID numbers that are reflected and identifiable in the field. This is to include allocation meters.
9. Additional wells require a new and updated comingling application.

10. This approval does not authorize bypasses around any approved measurement point, nor does it approve the use of headers capable of acting as a bypass.
11. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocations.

5/28/2020 DR

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 12 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 5: Lot 4, SW/4 NW/4, W/2 SW/4

Section 8: W/2 NW/4

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

Containing **240.53** 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.

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 12, 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

11/22/2019
Date

By: Catherine Lebsack
Catherine Lebsack, Vice President

MT

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron U.S.A., Inc.

Date

By: _____
Title: _____

ACKNOWLEDGEMENT

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

Date

By: _____
Catherine Lebsack, Vice President

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron U.S.A. Inc.

12-9-2019
Date

By: K.R. McNally
Title: Attorney-in-Fact

STATE OF OKLAHOMA)
) ss.
 COUNTY OF OKLAHOMA)

This instrument was acknowledged before me this 12th day of NOVEMBER, 2019, by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.



Lisa Othon
 Notary Public in and for the State of Oklahoma

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

This instrument was acknowledged before me this ____ day of _____, 2019, by, _____, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.

 Notary Public in and for the State of Texas

ACKNOWLEDGEMENT

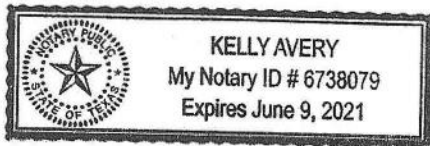
STATE OF OKLAHOMA)
) ss.
 COUNTY OF OKLAHOMA)

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

 Notary Public in and for the State of Oklahoma

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

This instrument was acknowledged before me this 9 day of December, 2019, by, K.R. McNally, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.



Kelly Avery
 Notary Public in and for the State of Texas

EXHIBIT "A"

Plat of communitized area covering **240.53** acres in Lot 4, SW/4 NW/4, W/2, SW/4 of Section 5 & the W/2 NW/4 of Section 8, Township 25 South, Range 32 East, Lea County, New Mexico

Well Name/No.

Tract 1 USA NMLC 0061863A 160.53 Acres	
Tract 2 USA NMLC 061873B 80 Acres	

EXHIBIT "B"

To Communitization Agreement Dated March 12, 2019 embracing the following described land in Lot 4, SW/4 NW/4, W/2 SW/4 of Section 5 & the W/2 NW/4 of Section 8, 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: USA NMLC 061863A

Description of Land Committed: Township 25 South, Range 32 East,
Lea County, NM
Section 5: Lot 4, SW/4 NW/4, W/2 SW/4

Number of Acres: 160.53

Record Title Owner – Lessee: Devon Energy Production Company, L.P. – 50.00%
Chevron U.S.A., Inc. – 50.00%

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

Tract No. 2

Lease Serial Number: USA NMLC 061873B

Description of Land Committed: Township 25 South, Range 32 East,
Lea County, NM
Section 8: W/2 NW/4

Number of Acres: 80

Record Title Owner – Lessee: Devon Energy Production Company, L.P. – 50.00%
Chevron U.S.A., Inc. – 50.00%

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

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	160.53	66.740116%
2	<u>80.00</u>	<u>33.259884%</u>
Total	240.53	100.0000%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 12 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 5: Lot 1, SE/4 NE/4, E/2 SE/4

Section 8: E/2 NE/4

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

Containing **240.39** 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.

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 12, 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

11/22/2019
Date

By: Catherine Lebsack
Catherine Lebsack, Vice President



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron U.S.A., Inc.

Date

By: _____
Title: _____

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

Date

By: _____
Catherine Lebsack, Vice President

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron U.S.A. Inc.

12-9-2019
Date

By: K.R. McNally
Title: Attorney-in-Fact

EOG Resources, Inc.

12/17/19
Date

By: Wendy Dalk
Title: Agent & Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) ss.
 COUNTY OF OKLAHOMA)

This instrument was acknowledged before me this 2nd day of NOVEMBER, 2019, by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.



Lisa Othon
 Notary Public in and for the State of Oklahoma

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

This instrument was acknowledged before me this ____ day of _____, 2019, by, _____, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.

 Notary Public in and for the State of Texas

STATE OF _____)
) ss.
 COUNTY OF _____)

On this ____ day of _____, 20__, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of EOG Resources, Inc., the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

 My Commission Expires

 Notary Public

ACKNOWLEDGEMENT

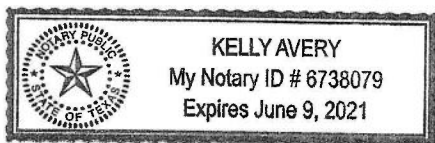
STATE OF OKLAHOMA)
) ss.
 COUNTY OF OKLAHOMA)

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

 Notary Public in and for the State of Oklahoma

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

This instrument was acknowledged before me this 9 day of December, 2019, by, K.R. McNally, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.



 Notary Public in and for the State of Texas

STATE OF _____)
) ss.
 COUNTY OF _____)

On this ____ day of _____, 20____, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of EOG Resources, Inc., the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

 My Commission Expires

 Notary Public

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) ss.
 COUNTY OF OKLAHOMA)

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

 Notary Public in and for the State of Oklahoma

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

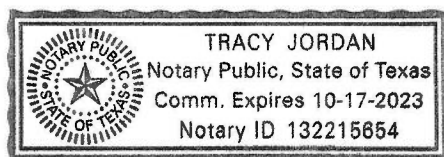
This instrument was acknowledged before me this ____ day of _____, 2019, by, _____, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.

 Notary Public in and for the State of Texas

STATE OF Texas)
) ss.
 COUNTY OF Midland)

On this 17th day of December, 2019, before me, a Notary Public for the State of TX, personally appeared Wendy Dalton, known to me to be the Attorney-in-Fact of EOG Resources, Inc., the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



10/17/2023
 My Commission Expires

Tracy Jordan
 Notary Public

EXHIBIT "A"

Plat of communitized area covering **240.39** acres in Lot 1, SE/4 NE/4, E/2 SE/4 of Section 5 & the E/2 NE/4 of Section 8, Township 25 South, Range 32 East, Lea County, New Mexico

Well Name/No.

Chincoteague 5-8 Fed Com 234H

	Tract 1 NMNM 108969 40.39 ac
	Tract 2 NMLC 061863A 120 ac
	Tract 3 NMLC 061873B 80 ac

EXHIBIT "B"

To Communitization Agreement Dated March 12, 2019 embracing the following described land in Lot 1, SE/4 NE/4, E/2 SE/4 of Section 5 & the E/2 NE/4 of Section 8, 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: USA NMNM 108969

Description of Land Committed: Township 25 South, Range 32 East,
Lea County, NM
Section 5: Lot 1

Number of Acres: 40.39

Record Title Owner – Lessee: Chevron U.S.A., Inc. – 20.00%
EOG Resources, Inc. – 80.00%

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

Tract No. 2

Lease Serial Number: USA NMLC 061863A

Description of Land Committed: Township 25 South, Range 32 East,
Lea County, NM
Section 5: SE/4 NE/4, E/2 SE/4

Number of Acres: 120

Record Title Owner – Lessee: Devon Energy Production Company, L.P. – 50.00%
Chevron U.S.A., Inc. – 50.00%

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

Tract No. 3

Lease Serial Number: USA NMLC 061873B

Description of Land Committed: Township 25 South, Range 32 East,
Lea County, NM
Section 8: E/2 NE/4

Number of Acres: 80

Record Title Owner – Lessee: Devon Energy Production Company, L.P. – 50.00%
Chevron U.S.A., Inc. – 50.00%

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

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	40.39	16.8019 %
2	120.00	49.9919%
3	<u>80.00</u>	<u>33.2062%</u>
Total	240.39	100.0000%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 22nd day of October, 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 8: W/2 SE/4

Section 17: W/2 E/2

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

Containing **240.00** 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., whose address is 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 October 22, 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

11/6/2019
Date

By: Catherine Lebsack
Catherine Lebsack, Vice President

① JP

LESSEES OF RECORD

Chevron U.S.A. Inc.

Date

By: _____

Title : _____

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


Date

By: _____
Catherine Lebsack, Vice President

LESSEES OF RECORD

Chevron U.S.A. Inc.

1-28-2020
Date

By: 
Robert Nunnaker
Title: Attorney-in-Fact


[illegible]

(SEAL)

10/21/23



My Commission Expires


Notary Public

STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me this ____ day of _____, 2019, by, _____, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.

Notary Public in and for the State of Texas

ACKNOWLEDGEMENT

STATE OF OKLAHOMA §
 §
COUNTY OF OKLAHOMA §

This instrument was acknowledged before me on this _____ day of _____, 2020,
by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an
Oklahoma limited partnership, on behalf of said limited partnership.

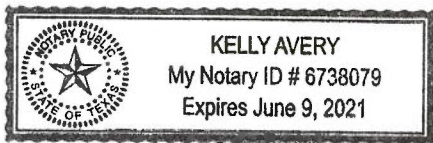
(SEAL)

My Commission Expires

Notary Public

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me this 28 day of January, 2020, by,
Robert A. Nunmaker, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania
corporation, on behalf of said corporation.



Kelly Avery
Notary Public in and for the State of Texas

EXHIBIT "A"

Plat of communitized area covering **240.00** acres in W/2 SE/4 Section 8, and the W/2 E/2 Section 17,
Township 25 South, Range 32 East, Lea County, New Mexico

Well Name/No.

Mustang 8-17 Fed Com 237H

(API #30-025-46414)

SHL: 2463' FNL, 725' FEL, Sec. 8-25S-32E

BHL: 20' FSL, 2225' FEL, Sec. 17-25S-32E

(DEFINING WELL _ 240.00 AC HSU)



Tract 1
160 AC
NMLC 061873B



Tract 2
80 AC
NMLC 061869

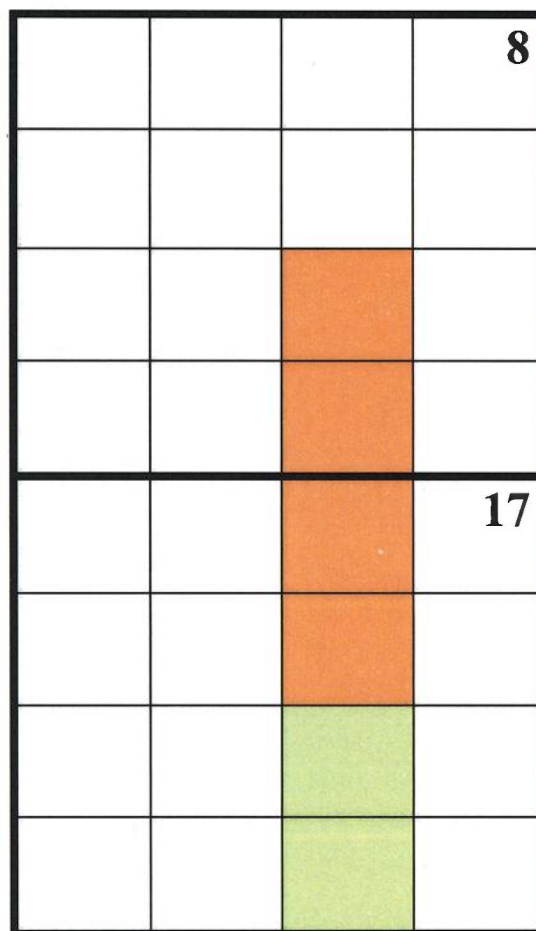


EXHIBIT "B"

To Communitization Agreement Dated October 22, 2019 embracing the following described land in W/2 SE/4 Section 8 and the W/2 E/2 Section 17, 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:	NMLC 061873B
Lease Date:	March 1, 1951
Primary Term:	Five (5) years
Lessor:	United States of America
Original Lessee:	Jack B. Shaw
Present Lessee:	Devon Energy Production Company, L.P.
Description of Land Committed:	<u>Township 25 South, Range 32 East, N.M.P.M</u> Section 8: W/2 SE/4 Section 17: W/2 NE/4
Number of Acres:	160
Royalty Rate:	1/8th
Name and Percent of WI Owners:	Devon Energy Production Company, L.P. – 100%
Name and Percent of ORRI Owners:	Of record

Tract No. 2

Lease Serial Number: NMLC 061869
 Lease Date: January 1, 1951
 Primary Term: Five (5) years
 Lessor: United States of America
 Original Lessee: J. A. Fairey
 Present Lessee: Devon Energy Production Company, L.P.
 Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M
 Section 17: W/2 SE/4
 Number of Acres: 80
 Royalty Rate: 1/8th
 Name and Percent of WI Owners: Devon Energy Production Company, L.P. – 100%
 Name and Percent of ORRI Owners: Of record

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	160.00	66.6667%
2	80.00	33.3333%
Total	240.00	100.0000%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 22nd day of October, 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 8: E/2 SE/4
Section 17: E/2 E/2
Section 20: E/2 E/2
Section 29: E/2 NE/4

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

Containing **480.00** 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., whose address is 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 October 22, 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

By: Catherine Lebsack
Catherine Lebsack, Vice President

11/16/2019

Date

CL

LESSEES OF RECORD

Chevron U.S.A. Inc.

By: _____

Date

Title : _____

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


Date

By: _____
Catherine Lebsack, Vice President

LESSEES OF RECORD

Chevron U.S.A. Inc.

1-28-2020
Date

By: 
Robert Nunmaker
Title: Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) ss.
 COUNTY OF OKLAHOMA)

This instrument was acknowledged before me on this 6TH day of November, 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

Lisa Othon
 Notary Public

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

This instrument was acknowledged before me this ____ day of _____, 2019, by,
 _____, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania
 corporation, on behalf of said corporation.

 Notary Public in and for the State of Texas

ACKNOWLEDGEMENT

STATE OF OKLAHOMA §
 §
 COUNTY OF OKLAHOMA §

This instrument was acknowledged before me on this _____ day of _____, 2020,
 by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an
 Oklahoma limited partnership, on behalf of said limited partnership.

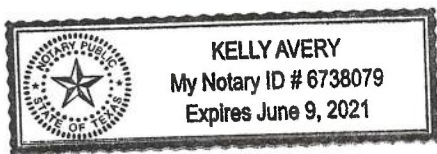
(SEAL)

 My Commission Expires

 Notary Public

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

This instrument was acknowledged before me this 28 day of January, 2020, by,
Robert Nunmaker, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania
 corporation, on behalf of said corporation.



Kelly Avery
 Notary Public in and for the State of Texas

EXHIBIT "A"

Plat of communitized area covering **480.00** acres in E/2 SE/4 Section 8, E/2 E/2 Section 17, E/2 E/2 Section 20 and E/2 NE/4 Section 29, Township 25 South, Range 32 East, Lea County, New Mexico

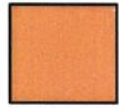
Well Name/No.

Mustang 8-29 Fed Com 238H**(API #30-025-46415)**

SHL: 2463' FNL, 695' FEL, Sec. 8-25S-32E

BHL: 2620' FNL, 900' FEL, Sec. 29-25S-32E

(DEFINING WELL _ 480.00 AC HSU)



Tract 1
160 AC
NMLC 061873B



Tract 2
240 AC
NMLC 061869



Tract 3
80 AC
NMLC 062300

			8
			17
			20
			29

EXHIBIT "B"

To Communitization Agreement Dated October 22, 2019 embracing the following described land in E/2 SE/4 Section 8, E/2 E/2 Section 17, E/2 E/2 Section 20, and the E/2 NE/4 Section 29, 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:	NMLC 061873B
Lease Date:	March 1, 1951
Primary Term:	Five (5) years
Lessor:	United States of America
Original Lessee:	Jack B. Shaw
Present Lessee:	Devon Energy Production Company, L.P.
Description of Land Committed:	<u>Township 25 South, Range 32 East, N.M.P.M</u> Section 8: E/2 SE/4 Section 17: E/2 NE/4
Number of Acres:	160
Royalty Rate:	1/8th
Name and Percent of WI Owners:	Devon Energy Production Company, L.P. – 100%
Name and Percent of ORRI Owners:	Of record

Tract No. 2

Lease Serial Number: NMLC 061869

Lease Date: January 1, 1951

Primary Term: Five (5) years

Lessor: United States of America

Original Lessee: J. A. Fairey

Present Lessee: Devon Energy Production Company, L.P.

Description of Land Committed: Township 25 South, Range 32 East N.M.P.M
Section 17: E/2 SE/4
Section 20: E/2 E/2

Number of Acres: 240

Royalty Rate: 1/8th

Name and Percent of WI Owners: Devon Energy Production Company, L.P. – 100%

Name and Percent of ORRI Owners: Of record

Tract No. 3

Lease Serial Number: NMLC 062300

Lease Date: March 1, 1951

Primary Term: Five (5) years

Lessor: United States of America

Original Lessee: G. E. Jordan

Present Lessee: Devon Energy Production Company, L.P.

Description of Land Committed: Township 25 South, Range 32 East, N.M.P.M
Section 29: E/2 NE/4

Number of Acres: 80

Royalty Rate: 1/8th

Name and Percent of WI Owners: Devon Energy Production Company, L.P. – 100%

Name and Percent of ORRI Owners: Of record

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	160.00	33.3333%
2	240.00	50.0000%
3	80.00	16.6667%
Total	480.00	100.0000%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 12 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 5: Lot 3, SE/4 NW/4, E/2 SW/4

Section 8: E/2 NW/4

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

Containing **240.48** 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.

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 12, 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

11/22/2019
Date

By: Catherine Lebsack
Catherine Lebsack, Vice President



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron U.S.A., Inc.

Date

By: _____
Title: _____

ACKNOWLEDGEMENT

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

Date

By: _____
Catherine Lebsack, Vice President

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron U.S.A. Inc.

12-9-2019
Date

By: K.R. McNally
Title: Attorney-in-Fact

Notary Public in and for the State of Oklahoma

[illegible]

This instrument was acknowledged before me this ____ day of _____, 2019, by, _____, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.

Notary Public in and for the State of Texas

ACKNOWLEDGEMENT

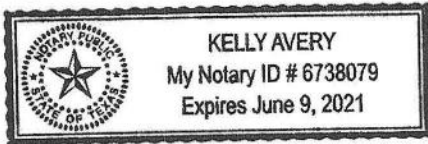
STATE OF OKLAHOMA)
) ss.
 COUNTY OF OKLAHOMA)

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

 Notary Public in and for the State of Oklahoma

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

This instrument was acknowledged before me this 9 day of December, 2019, by, K.R. McNally, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.



Kelly Avery
 Notary Public in and for the State of Texas

EXHIBIT "A"

Plat of communitized area covering **240.48** acres in Lot 3, SE/4 NW/4, E/2, SW/4 of Section 5 & the E/2 NW/4 of Section 8, Township 25 South, Range 32 East, Lea County, New Mexico

Well Name/No.

	Tract 1 USA NMLC 0061863A 160.48 Acres	
	Tract 2 USA NMLC 061873B 80 Acres	

EXHIBIT "B"

To Communitization Agreement Dated March 12, 2019 embracing the following described land in Lot 3, SE/4 NW/4, E/2 SW/4 of Section 5 & the E/2 NW/4 of Section 8, 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: USA NMLC 061863A

Description of Land Committed: Township 25 South, Range 32 East,
Lea County, NM
Section 5: Lot 3, SE/4 NW/4, E/2 SW/4

Number of Acres: 160.48

Record Title Owner – Lessee: Devon Energy Production Company, L.P. – 50.00%
Chevron U.S.A., Inc. – 50.00%

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

Tract No. 2

Lease Serial Number: USA NMLC 061873B

Description of Land Committed: Township 25 South, Range 32 East,
Lea County, NM
Section 8: E/2 NW/4

Number of Acres: 80

Record Title Owner – Lessee: Devon Energy Production Company, L.P. – 50.00%
Chevron U.S.A., Inc. – 50.00%

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

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	160.48	66.733200%
2	<u>80.00</u>	<u>33.266800%</u>
Total	240.48	100.0000%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 12 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 5: Lot 2, SW/4 NE/4, W/2 SE/4
Section 8: W/2 NE/4

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

Containing **240.44** 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.

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 12, 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

11/22/2019
Date

By: Catherine Lebsack
Catherine Lebsack, Vice President

[Handwritten initials]

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron U.S.A., Inc.

Date

By: _____
Title: _____

ACKNOWLEDGEMENT

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.
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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

By: _____
Catherine Lebsack, Vice President

Date

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron U.S.A. Inc.

12-9-2019
Date

By: K.R. McNally
Title: Attorney-in-Fact

STATE OF OKLAHOMA)
) ss.
 COUNTY OF OKLAHOMA)

This instrument was acknowledged before me this 12nd day of NOVEMBER, 2019, by Catherine Lebsack, Vice President for Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.



Lisa Othman
 Notary Public in and for the State of Oklahoma

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

This instrument was acknowledged before me this ____ day of _____, 2019, by, _____, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.

 Notary Public in and for the State of Texas

ACKNOWLEDGEMENT

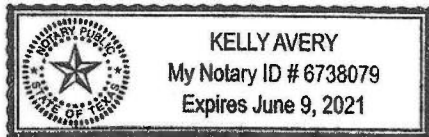
STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

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

Notary Public in and for the State of Oklahoma

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me this 9 day of December, 2019, by, K.R. McNally, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.



[Signature]
Notary Public in and for the State of Texas

EXHIBIT "A"

Plat of communitized area covering 240.44 acres in Lot 2, SW/4 NE/4, W/2, SE/4 of Section 5 & the W/2 NE/4 of Section 8, Township 25 South, Range 32 East, Lea County, New Mexico

Well Name/No.

		Tract 1 USA NMLC 0061863A 160.44 Acres	
		Tract 2 USA NMLC 061873B 80 Acres	

EXHIBIT "B"

To Communitization Agreement Dated March 12, 2019 embracing the following described land in Lot 2, SW/4 NE/4, W/2 SE/4 of Section 5 & the E/2 NW/4 of Section 8, 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: USA NMLC 061863A

Description of Land Committed: Township 25 South, Range 32 East,
Lea County, NM
Section 5: Lot 2, SW/4 NE/4, W/2 SE/4

Number of Acres: 160.44

Record Title Owner – Lessee: Devon Energy Production Company, L.P. – 50.00%
Chevron U.S.A., Inc. – 50.00%

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

Tract No. 2

Lease Serial Number: USA NMLC 061873B

Description of Land Committed: Township 25 South, Range 32 East,
Lea County, NM
Section 8: W/2 SE/4

Number of Acres: 80

Record Title Owner – Lessee: Devon Energy Production Company, L.P. – 50.00%
Chevron U.S.A., Inc. – 50.00%

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

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	160.44	66.727666%
2	<u>80.00</u>	<u>33.272334%</u>
Total	240.44	100.0000%