District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II S. First St., Artesia, NM 88210 ue: (575) 748-1283 Fax: (575) 748-9720 _strict III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

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

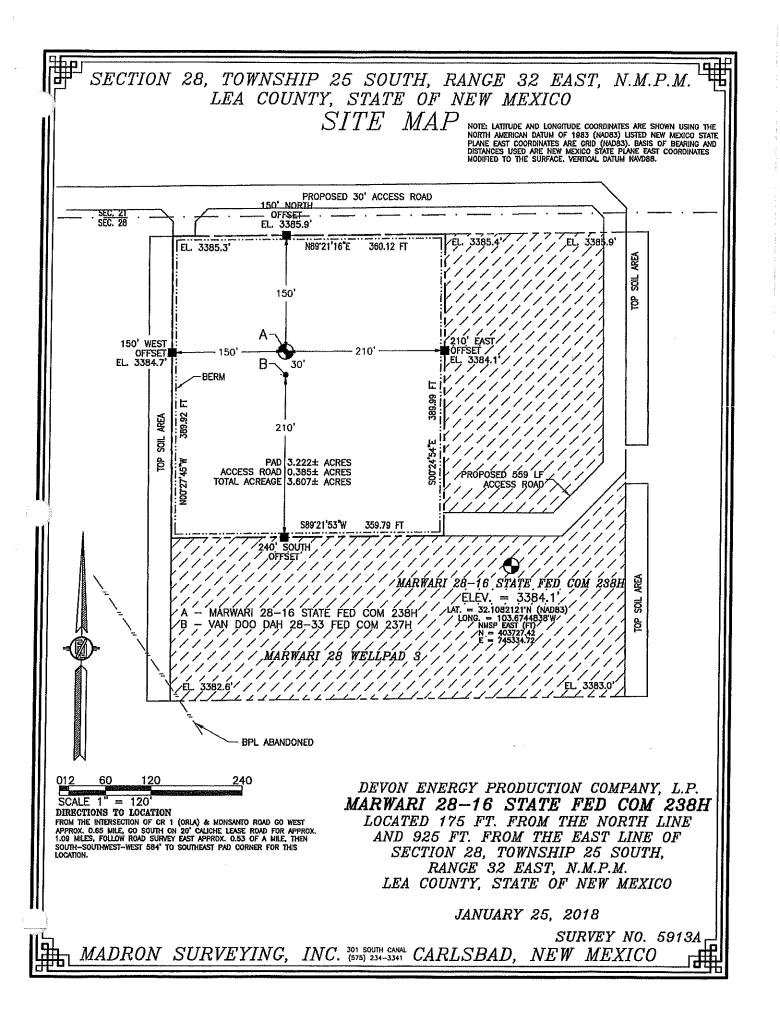
AMENDED REPORT

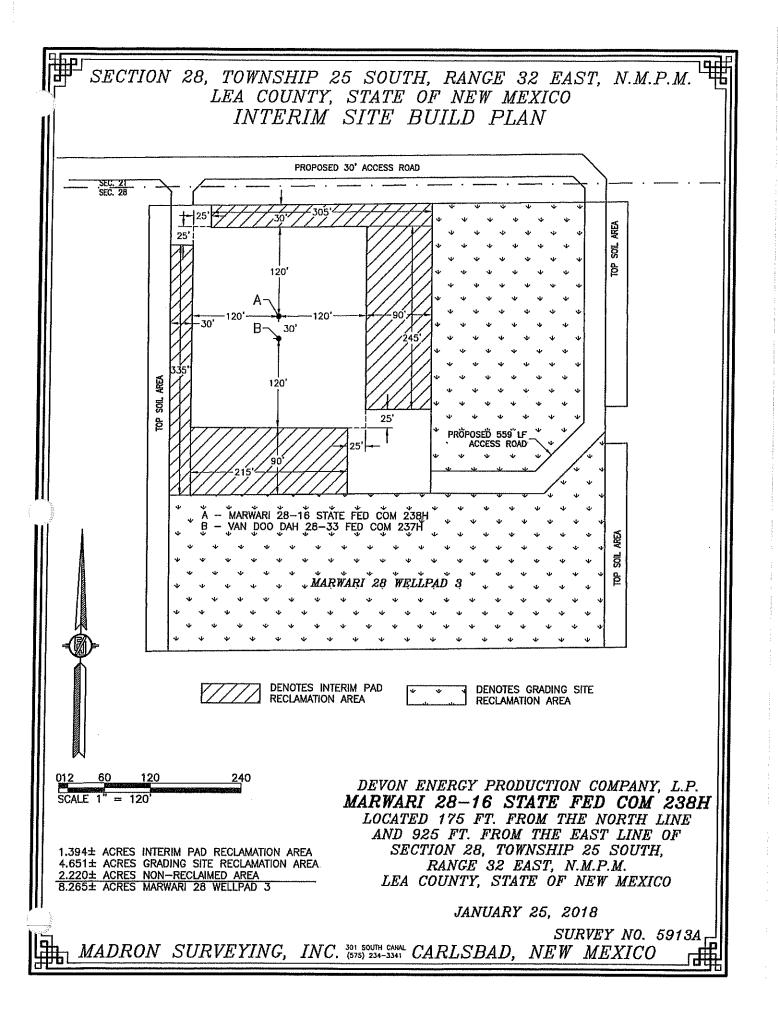
| ¹ API Number | | | ² Pool Cod 96715 | | ³ Pool Name WC-025 G-06 S253206M; BONE SPRING | | | | | |
|---|---------|-------------------------|--------------------------------|---|---|------------------|-------------------------|----------|----------------------------------|-----|
| ⁴ Property Code | | | | ⁵ Property Name MARWARI 28-16 STATE FED COM | | | | | ⁶ Well Number 238H | |
| 'OGRID No. 6137 | | | DEV | ⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. | | | | | [°] Elevation 3384.1 | |
| | | **** | | | Surface | Location | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/We | East/West line County | |
| Α | 28 | 25 S | 32 E | | 175 | NORTH | 925 | EAST LEA | | LEA |
| " Bottom Hole Location If Different From Surface | | | | | | | | | | |
| UL or lot no. Section Township | | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/We | st line | County | |
| Α | 16 | 25 S | 32 E | | 330 | NORTH | 660 | EAST LEA | | LEA |
| ¹⁰ Dedicated Acres 320 ¹⁰ Joint or Infill | | or Infill ¹⁴ | Consolidation | 1 Code | | | ¹⁵ Order No. | | | |

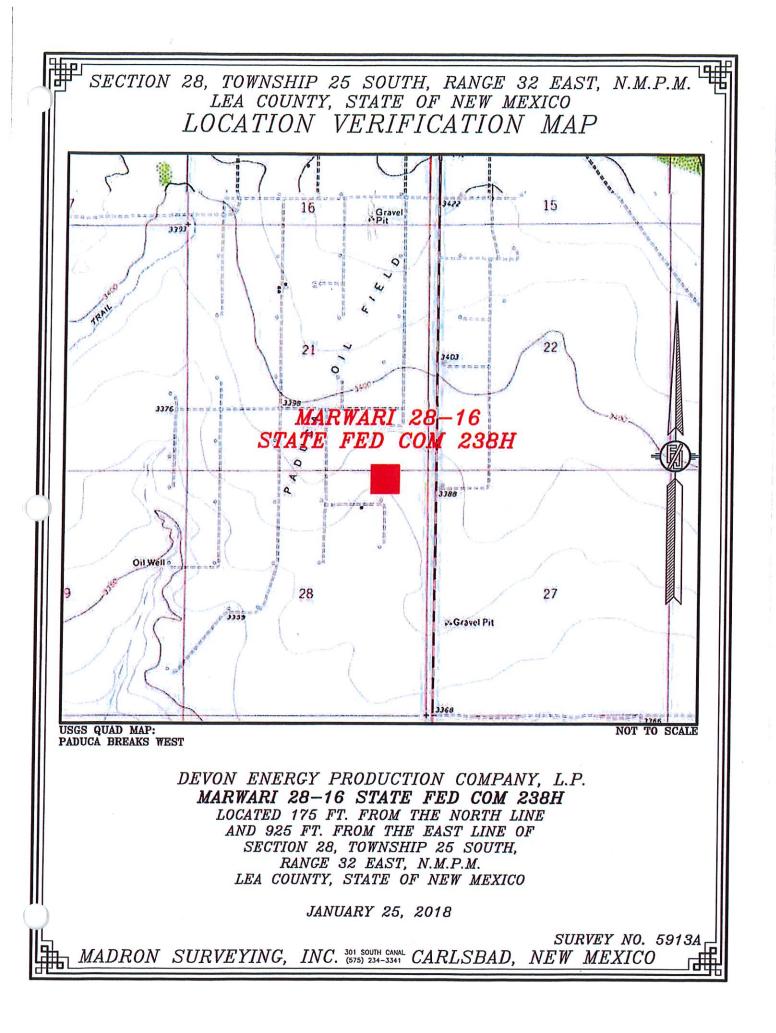
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

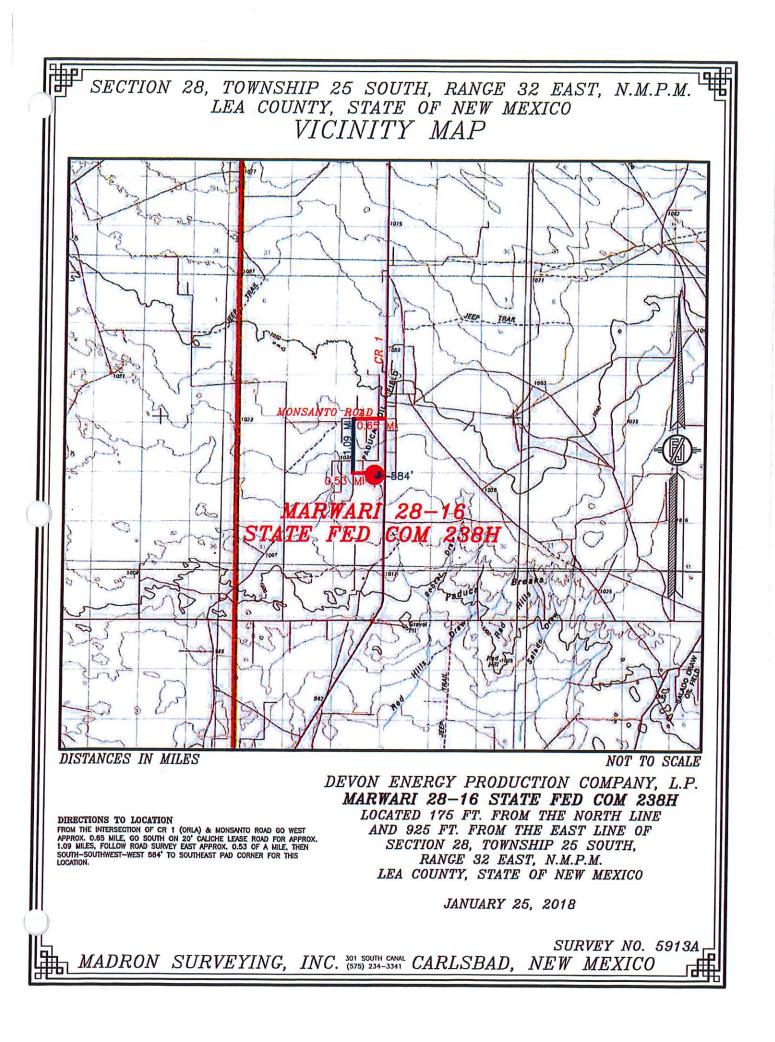
| NW CORVER SEC. 16 LAT. = 32.13763307N LONG. = 103.6886037W NUSP EAST (FT) N = 414403.57 E = 740898.71 | = | NE CORNER SEC. 16 L: LAT. = 32.1377224'H L: LAW. = 103.6714339W SHASP EAST (FT) N: N = 414468.64 L: F 746213.13 F | ST NM E-5009 | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased interest in the land including the proposed |
|--|---|--|----------------------|---|
| | DNF I LONG. = 103.67356897 HUSP EAST (FT) HUSP EAST (FT) HUSP EAST (FT) L N = 414731.12 HUSP EAST (FT) S I = 745554.31 I S I SEC, 16 I I | E 0 CORPER SEC. 16 SE L1, - 32,1304888H LORC, = 103,6714601W LORC, = 103,6714601W L LORC, = 103,6714601W L LY = 411837,10 LY LY = -746221,16 L 23 L 24 L | ST OF NM E-9789 | bornom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. |
| NW CORNER SEC. 21 LAT. = 32.1231383H LONG. = 103.68634/2W NUSP EAST (FT) N = 409130.93 E = 740905.14 W Q CORNER SEC. 21 | 2 N8931'59'E 2665.28 FT N89'05'49'E 2660.43 F N Q CORNER SEC. 21 | NE CORNER SEC. 21 LJ. = 32.1232250'N CONG. = 103.6714858'W NMSP EAST (FT) | JSA NMLC 061869 - | Erin Workman Printed Name Erin. workman@dvn.com E-mail Address |
| IAT, = 32,1159767H LONG, = 1036686657W NUSP EXST (FT) N = 406496.74 E = 740920.33 | CORDINATES ARE ORD INCED STATE PLATE LOSI BEARING AND DISTANCES, USED ARE NOW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO TI€ SURFACE, VERTICAL DATUM NAVOBB. | VAT = 32.11595507H LONG = 103.67149617W LONG = 103.67149617W LNISP EXST FI = 405553.45 SE E SE E LUNG E LONG E | | ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the |
| N# CORVER SEC. 28 LAT, => 32,1085687H LCOKG = 103,66863.4W NDSP EST (FT) N = 403829.67 E = 74037.30 W Q CORVER SEC. 28 LAT, = 32,10138057W LONG, = 103,6888.757W UCKG = 103,6888.757W | NBSS1/301 2661.92 INBS21/151 2660.45 FT N 0 CORRER SC. 28 | NE CORNER SEC. 28 LL U.T. = 32.10870/11 N CLOKE. = 103.6714933W GN NAUSP EXST (FT) N H = 403912.78 LE = 746250.05 CL | | best of my belief, N.F. JAR JANUARY 25, 2018 MEL Date of Survey 12797 |
| HUSP EAST (F7) H = 40121565 E = 740967.08 SW CORNER SEC. 28 LAT, = 320911331'N LONG = 105680562'W NUSP EAST (F7) N = 398379.22 E = 740986.41 | $ \begin{array}{c c} LORG = 10.5074103.0 \text{ m} \\ \hline \text{NUSC} = 10.5074103.0 \text{ m} \\ \hline \text{E} = 745334.72 & \\ \hline \text{E} = 745334.72 & \\ \hline \text{SEC. 28} & \\ LORG = 1036900514W \\ \hline \text{SEC. 28} & \\ LORG = 1036905014W \\ \hline \text{H} = 398599.00 \\ \hline \text{E} = 74621.83 \\ \hline \text{Se73345W} & 2656.07 \text{ ft} \\ \hline \end{array} $ | Lt SE CORNER SEC. 28 JULT. = 32.0941915N LUT. = 32.0941915N SEC. 28 LUT. = 32.0941915N NUSS. = 103.6714657W NUSS. EXT. (71) NUSS. = 103.6714657W E = 746300.54 | C | Signature and Sed. of Professional Surveyor: Certificate Number PillMON P. JARAMILLO, PLS 12797 SURVEY NO. 5913A |
| | | | | ATION OF DEVON ENERGY |

PRODUCTION COMPANY LP. Case No. 20154. EXHIBIT 1- C

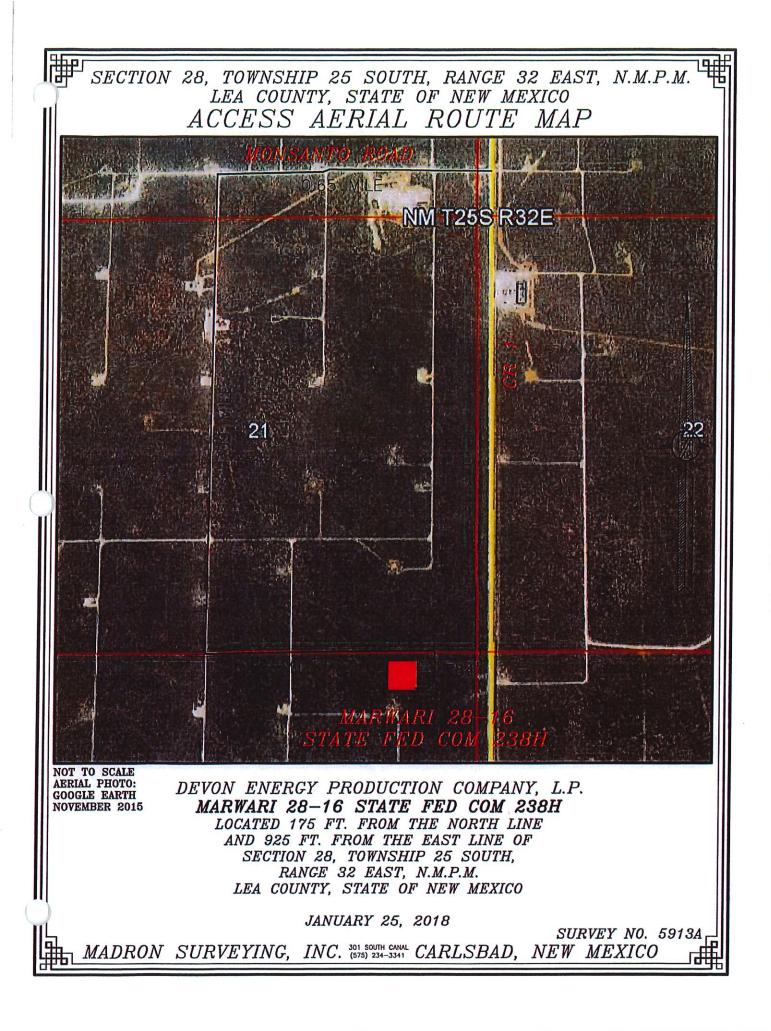












ATTORNEYS AT LAW

500 DON GASPAR AVENUE SANTA FE, NEW MEXICO87505-2626 TELEPHONE (505) 983-8545 FACSIMILE (505) 983-8547 www.bwenergylaw.com

CANDACE CALLAHAN

DIRECT: (505) 983-8764 E-MAIL: CCALLAHAN@BWENERGYLAW.COM COLORADO NEW MEXICO NORTH DAKOTA UTAH WYOMING

December 14, 2018

VIA CERTIFIED MAIL-RETURN RECEIPT

To: Parties Listed on Attached Exhibit "A"

Re: New Mexico Oil Conservation Division Application for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Case No. 20154 Marwari 28-16 State Fed Com 238H well

Dear Ladies and Gentlemen:

This letter is to advise you that Devon Energy Production Company, L.P. has filed the enclosed application for a standard horizontal spacing and proration unit and compulsory pooling with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on January 24, 2019. The hearing will be held in the Oil Conservation Division's Santa Fe Offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an interest owner in the well unit you may be affected by this application, and you may appear and present testimony. Failure to appear at that time and become a part of record will preclude you from challenging the matter at a later date.

A party appearing in a Division case is required by Division Rule 19.15.4.13:B to file a Pre-Hearing Statement four days in advance of a scheduled hearing. This statement must be filed with the Division's Santa Fe office at the above address and should include: the names of the party and its attorney; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned and to the persons listed on Exhibit A.

If you have any questions about this matter, please contact Tim Prout at 405.552.6113 or Tim.Prout@dvn.com.

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP. (e No. 20154. H IBIT 3- A

Very truly yours.

Candace Callahan Attorney for Devon Energy Production Company, L.P.

Energy in the Law[®]

BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW 500 DON GASPAR AVENUE SANTA FE, NEW MEXICO87505-2626 TELEPHONE (505) 983-8545 FACSIMILE (505) 983-8547 www.bwenergylaw.com

COLORADO NEW MEXICO NORTH DAKOTA UTAH WYOMING

CANDACE CALLAHAN

DIRECT: (505) 983-8764 E-MAIL: CCALLAHAN@BWENERGYLAW.COM

January 24, 2019

VIA CERTIFIED MAIL-RETURN RECEIPT

To: Parties Listed on Attached Exhibit "A"

Re: New Mexico Oil Conservation Division Application for a Standard Horizontal Spacing and Proration Unit and Compulsory Pooling, Case No. 20154 Marwari 28-16 State Fed Com 238H well

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If you have any questions about this matter, please contact Tim Prout at 405.552.6113 or Tim.Prout@dvn.com.

Very truly yours,

Candace Callahan Attorney for Devon Energy Production Company, L.P.

Energy in the Law

Exhibit A

ConocoPhillips Company 600 N. Dairy Ashford Rd Houston, TX 77079

Ballard E. Spencer Trust, Inc. P.O. Box 6 Artesia, NM 88211

Eugene H. Perry and Dorothy B. Perry, his wife, as community property Unlocatable

Westway Petro 4514 Cole Ave Suite 1005, Dallas, TX 75205

Nancy J. Allen 3623 Overbrook Drive, Dallas, TX 75205

Susan J. Croft 4657 Southern Ave, Dallas, TX 75209

Jamie E. Jennings P.O. Box 670326, Dallas, TX 75367

Camp Colorado Investments, LP 110 W Louisiana Ave Suite 310, Midland, TX 79701

Morris E. Schertz and wife, Holly K. Schertz, as community property 1407 S Sunset Ave, Roswell, NM 88203 Rolla R. Hinkle III and wife, Madison M. Hinkle, as community property 303 Coal Drive, Ruidoso, NM 88345

V-F Petroleum P.O. Box 1889, Midland, TX 79702

Santiago Royalty Corporation 105 N Hudson Aye, Oklahoma City, OK 73102

Fidelity Exploration & Production Company 1801 Calif Street #2500, Denver, CO 80202





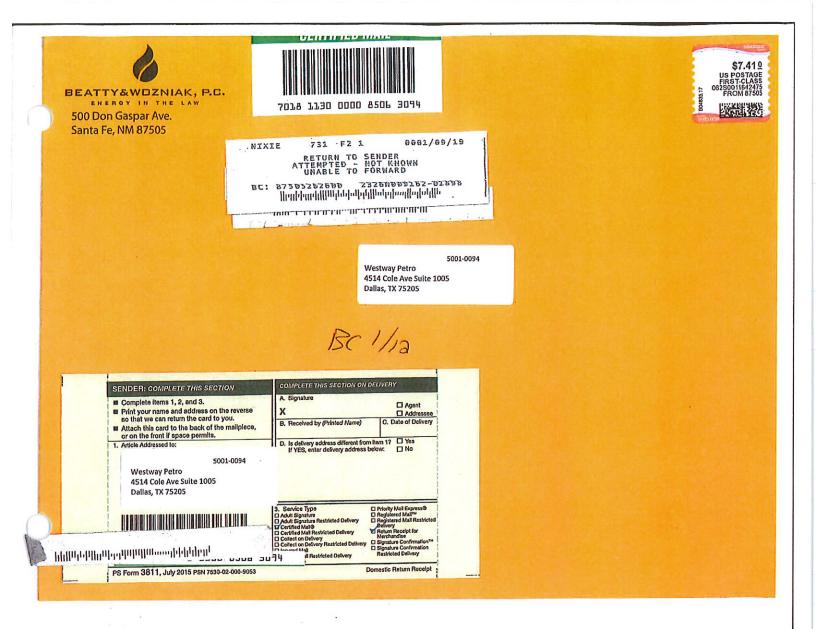
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| m | For delivery information, visit our website at www.usps.com*. | | | | | |
| | OFFICIAL USE | | | | | |
| 1130 0000 8506 | Certified Mail Fee | | | | | |
| 77 | Total Postage | | | | | |
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| | PS Form 3800, April 2015 PSN 7530-02-000 9047 See Reverse for Instructions | | | | | |

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| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
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| Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. Article Addressed to: | A. Signature X Agent B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? Yes |
| | If YES, enter delivery address below: No |
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| B | For delivery information, visit our website | at www.usps.com®. |
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| 1- | City, State, ZIP+4 Dallas, TX 75205 | |
| | PS Form 3800, April 2015 FSN 7530-02-000-9047 | See Reverse for Instructions |





| COMPLETE THIS SECTION ON | DELIVERY |
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| If YES, enter delivery address | |
| | |
| 3. Service Type Adult Signature Adult Signature Restricted Delivery | Priority Mail Express® Registered Mail ^{™4} Registered Mail Restricte |
| Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery | Delivery ■ Return Receipt for Merchandise □ Signature Confirmation [™] |
| | A. Signature X. Muu Allu B. Received by (C)rited Name) MANCY J. ALLEN D-Is delivery address different from If YES, enter delivery address 3. Service Type D Adult Signature |

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| m | For delivery information, visit our website | e at www.usps.com®. |
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| ~ | 4657 Southern Ave | |
| | City, State, ZIP Dallas, TX 75209 | |
| | PS Form 3800, April 2015 PSN 7530-02-000-9047 | See Reverse for Instructions |

1/18/2019

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December 31, 2018 In Transit to Next Facility

December 29, 2018, 7:38 pm Departed USPS Regional Facility DALLAS TX DISTRIBUTION CENTER December 29, 2018, 5:24 pm Arrived at USPS Regional Facility DALLAS TX DISTRIBUTION CENTER

December 28, 2018, 11:51 pm Departed USPS Regional Facility NORTH HOUSTON TX DISTRIBUTION CENTER

December 25, 2018, 1:07 am Arrived at USPS Regional Facility NORTH HOUSTON TX DISTRIBUTION CENTER

December 15, 2018, 9:59 pm Arrived at USPS Facility ALBUQUERQUE, NM 87101

Product Information

See Less A

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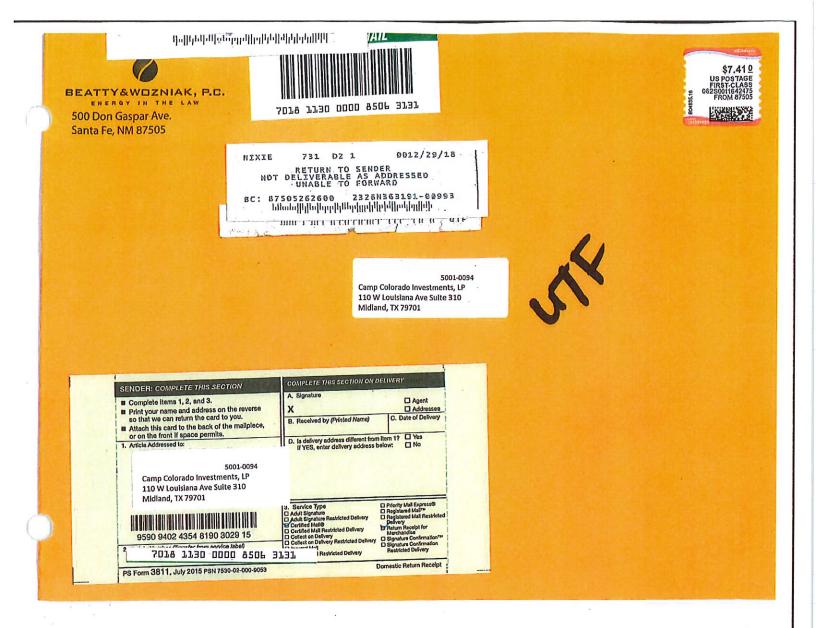
FAQs (https://www.usps.com/faqs/uspstracking-faqs.htm)

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| T SLOT | Total Postage Sent To Jamie E. Jennings | 5001-0094 | | | | |
| 15 | Street and Apt. P.O. Box 670326 City, State, ZIP. Dallas, TX 75367 | | | | | |
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| Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. | A. Signature X. Keeve for for Agent Addressed B. Received by (Printed Name) C. Date of Delivery |
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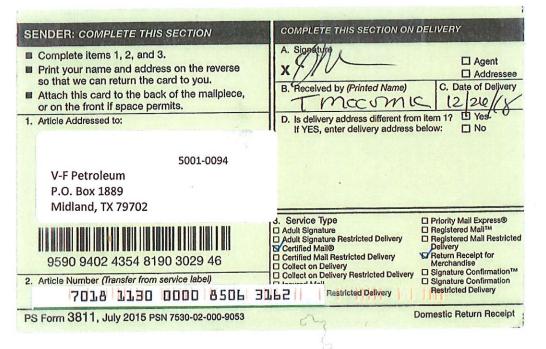
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| 1. Article Addressed to: | D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No |
| 5001-0094 Morris E. Schertz and wife, Holly K. Schertz, as community property 1407 S Sunset Äve Roswell, NM 88203 | |
| 9590 9402 4354 8190 3029 22 2. Article Number (Transfer from service label) 701.8 11.30 0000 8506 | 3. Service Type □ Priority Mail Express® □ Adult Signature Restricted Delivery □ Registered Mail™ □ Adult Signature Restricted Delivery □ Registered Mail™ □ Collect on Delivery □ Receipt for Merchandise □ Collect on Delivery □ Signature Confirmation™ □ Collect on Delivery □ Signature Confirmation™ □ Collect on Delivery □ Signature Confirmation™ |
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| 1. Article Addressed to: 5001-0094 Rolla R. Hinkle III and wife, Madison M. Hinkle, as community property 303 Coal Drive Ruidoso, NM 88345 | D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No |
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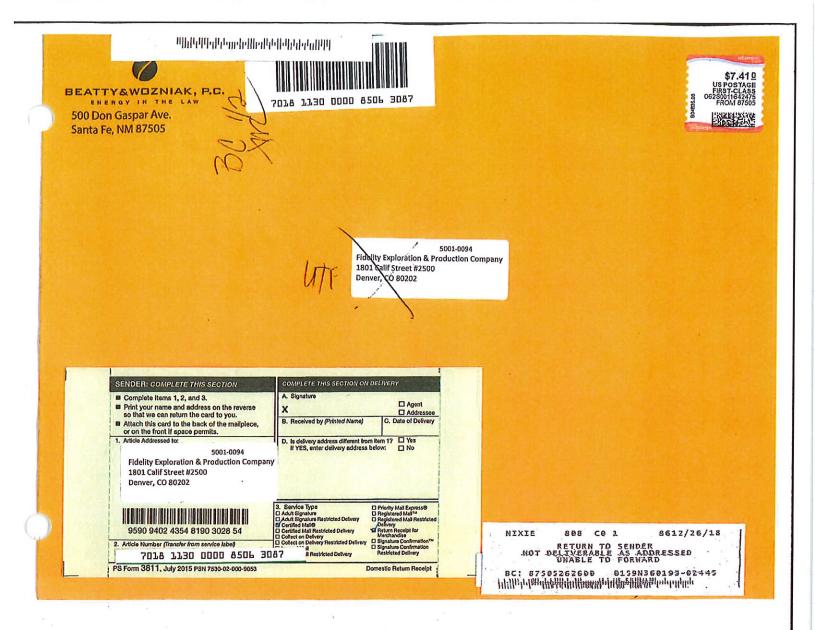












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Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

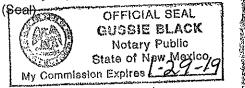
> Beginning with the issue dated January 08, 2019 and ending with the issue dated January 08, 2019.

Publisher

Sworn and subscribed to before me this 8th day of January 2019.

Business Manager

My commission expires



This newspaper is duly qualified to publish legal notices or advertisements within the hing of Section 3, Chapter 167, Laws of 1937 and payment of fees for said 67112105

MARY FINNEY BEATTY & WOZNIAK, P.C. 500 DON GASPAR AVE. SANTA FE, NM 87505 00222395

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP. Case No. 20154. EXHIBIT 4

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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP FOR A STANDARD HORIZONTAL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 20154

AFFIDAVIT OF TIM PROUT

STATE OF OKLAHOMA)) ss. COUNTY OF OKLAHOMA)

Tim Prout, being duly sworn, deposes and states:

1. I am over the age of 18, I am a senior landman for Devon Energy Production Company L.P. ("Devon") and have personal knowledge of the matters stated herein. I have previously been qualified by the Oil Conservation Division ("Division") as an expert petroleum landman.

2. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above-referenced compulsory pooling application.

3. The purpose of this application is to compulsorily pool mineral interest owners into the horizontal spacing and proration unit described below, and in the wells to be drilled within the unit.

4. No opposition is expected because the mineral interest owners being pooled have been contacted regarding the proposed well and unit, but to date have failed to oppose or voluntarily commit their interest in the wells.

> APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP. Case No. 20154. EXHIBIT 1

1

5. In this case Devon seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing and proration unit underlying the E/2 E/2 of Sections 16 and 21, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico. This proposed spacing and proration unit will be dedicated to the Marwari 28-16 State Fed Com 238H well, to be horizontally drilled from an approximate surface location 175' FNL and 925' FEL of Section 28 to a bottom hole location 330' FNL and 660' FEL of Section 16.

6. A plat outlining the unit being pooled is attached hereto as **Exhibit A**. The parties being pooled, the nature and percent of their interests, and their last known addresses are also included as part of Exhibit A. Exhibit A includes information for the working interest owners and the overriding royalty interest owners. Leasehold within this unit is federal and state.

7. There are no depth severances within the Bone Spring formation.

8. I have conducted a diligent search of the public records in the county where the wells are located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals including an Authorization for Expenditure.

9. In my opinion, Devon has made a good faith effort to obtain voluntary joinder of the other working interest owner in the proposed well. A summary of my contacts with ConocoPhillips, the only working interest owner to be pooled, is attached as **Exhibit B**.

Attached as Exhibit C is the proposed C-102 for the Marwari 28-16 State Fed
 Com 238H well. The well will develop the Bone Spring formation (WC-025 G-06 S253206M;
 BONE SPRING [96715], which is an oil pool.

11. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.

2

12. **Exhibit D** is a sample proposal letter and the Authorization for Expenditure for the proposed well. The estimated cost of the well is set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.

13. Devon requests overhead and administrative rates of \$8,000/month for drilling a well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern New Mexico.

14. Devon requests the maximum cost plus 200% risk charge be assessed against nonconsenting working interest owners.

15. Devon requests that it be designated operator of the well.

16. The attachments to this affidavit were prepared by me, under my direction or compiled from company business records.

17. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

18. The granting of this application is in the interests of conservation, the prevention of waste and protection of correlative rights.

in hort

SUBSCRIBED AND SWORN to before me this 22 day of January, 2019, by Tim Prout on behalf of Devon Energy Production Company, L.P.

erlach Notary Public

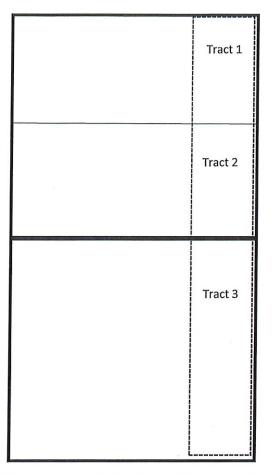
My Commission Expires: 67219



EXHIBIT A TO AFFIDAVIT OF TIM PROUT

Marwari 28-16 State Fed Com 238H

E/2 E/2 Section 21 and E/2 E/2 Section 16, Township 25 South, Range 32 East, Lea County, NM



| Tract 1 E/2 NE/4 Section 16, Township 25 South, Range 32 East | | | |
|---|---|----------------------------|-------|
| 100.00% | 100.00% ConocoPhillips Company | | |
| 100.00% | Total Committed Interest 0.00% Total Uncommitted Interest 100.00% | | |
| | | | |
| Tract 2 E/2 SE/4 Section 16, Township 25 South, Range 32 East | | | |
| 100.00% Devon Energy Production Company, L.P. | | | |
| 100.00% | Total Committed Interest 100.00% | Total Uncommitted Interest | 0.00% |

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP. Case No. 20154. EXHIBIT 1- A

{01067722-1}

| Tract 3 | E/2 E/2 Section 21, Townsh | nip 25 South, | Range 32 East | |
|---------|----------------------------|---------------|----------------------------|-------|
| 100.00% | Devon Energy Production C | ompany, L.P. | | |
| 100.00% | Total Committed Interest | 100.00% | Total Uncommitted Interest | 0.00% |
| | | | | |
| | | | | |

| Uncommitted Interests | | | |
|--|---|--|--|
| Unit | E/2 E/2 Section 21 and E/2 E/2 Section 16, Township 25 South, Range 32 East | | |
| 75.00% Devon Energy Production Company, L.P. | | | |
| 25.00% ConocoPhillips Company | | | |
| 100.00% | 0% Total Committed Interests 75.00% Total Uncommitted Interests 25.00% | | |

EXHIBIT B TO AFFIDAVIT OF TIM PROUT CASE NO. 20154

Marwari 28-16 State Fed Com 238H E/2 E/2 Section 21 and E/2 E/2 Section 16, Township 25 South, Range 32 East, Lea County, NM

In January 2018 I began discussions with ConocoPhillips regarding acquisition of their interest through a leasehold trade. Those discussions have been ongoing since they were initiated.

On October 16, 2018 Devon proposed a JOA for development of the lands which are the subject of this application. Several times ConocoPhillips indicated to me they were reviewing the proposed JOA, but to date we have not received any requests for changes to the JOA as proposed, and they have not signed the JOA.

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP. Case No. 20154. EXHIBIT 1- B

{01067722-1}

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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP FOR A STANDARD HORIZONTAL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 20154

AFFIDAVIT OF KIRK MALINOWSKY

STATE OF OKLAHOMA)) ss. COUNTY OF OKLAHOMA)

Kirk Malinowsky, being duly sworn, deposes and states:

1. I am over the age of 18, I am a petroleum geologist for Devon Energy Production Company L.P. ("Devon") and have personal knowledge of the matters stated herein. I have previously been qualified by the Oil Conservation Division ("Division") as an expert petroleum geologist.

2. **EXHIBIT** A is a structure map on the base of the 2^{nd} Bone Spring in the area of the proposed well. The proposed spacing and proration unit is identified by the black outline. The proposed horizontal locations are identified by a blue line, and the proposed well is identified by the red line.

3. Exhibit A identifies wells completed in the 2nd Bone Spring in the vicinity of the proposed well, and has a line of cross-section running from A to A'.

4. Exhibit A shows that the structure dips east – southeast.

5. **EXHIBIT B** is a stratigraphic cross-section which run from A to A'. The well logs on the cross-section give a representative sample of the 2^{nd} Bone Spring in the area. The target

1

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP. Case No. 20154. EXHIBIT 2

Devon - Internal

zone for the well is the 2nd Bone Spring, identified by the words "Producing Zone" and the shaded area across the cross-section. That zone is relatively continuous across the unit.

6. **EXHIBIT C** is a Gross Interval Isopach of the 2nd Bone Spring. The 2nd Bone Spring gross interval is relatively uniform with good thickness across the proposed well unit.

7. I conclude from the maps that:

- a. The horizontal spacing and proration unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter-quarter section in the unit will contribute more or less equally to production.

8. The preferred well orientation in this area is north to south. This is because the maximum horizontal stress orientation is more or less east to west.

9. The granting of this application is in the interests of conservation and the prevention of waste.

10. The granting of this application is in the interests of conservation, the prevention of waste and protection of correlative rights.

Kirk Malinowsky

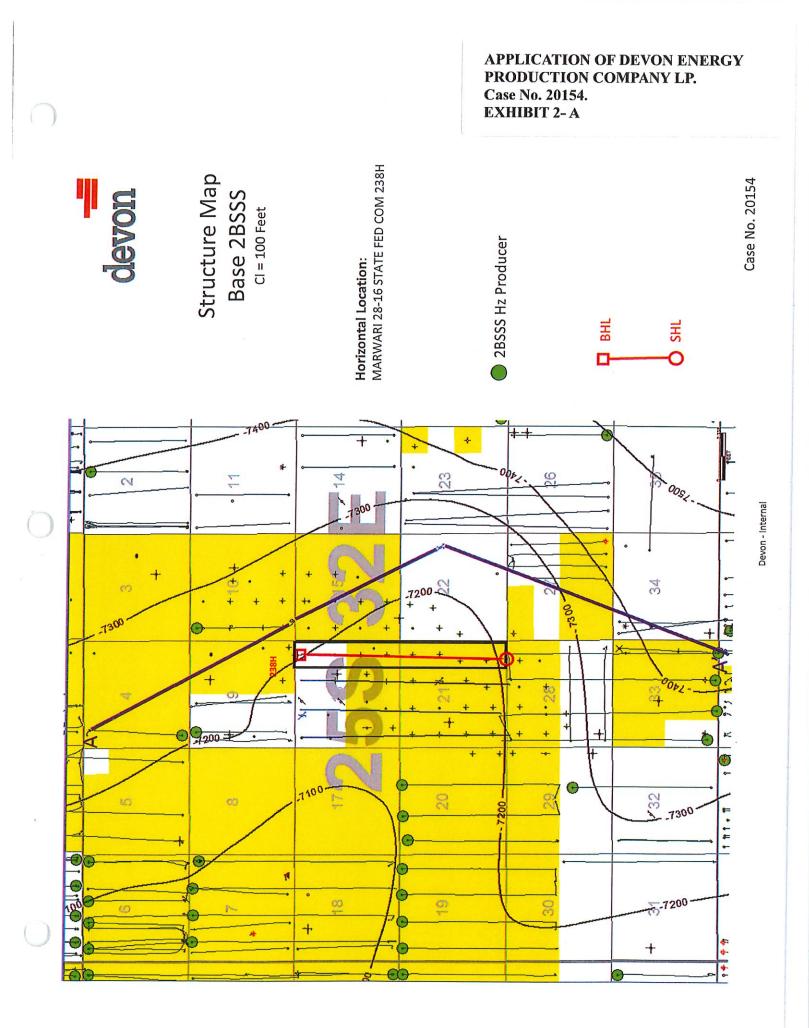
SUBSCRIBED AND SWORN to before me this 22 day of January, 2019, by Kirk Malinowsky on behalf of Devon Energy Production Company, L.P.

otary Public

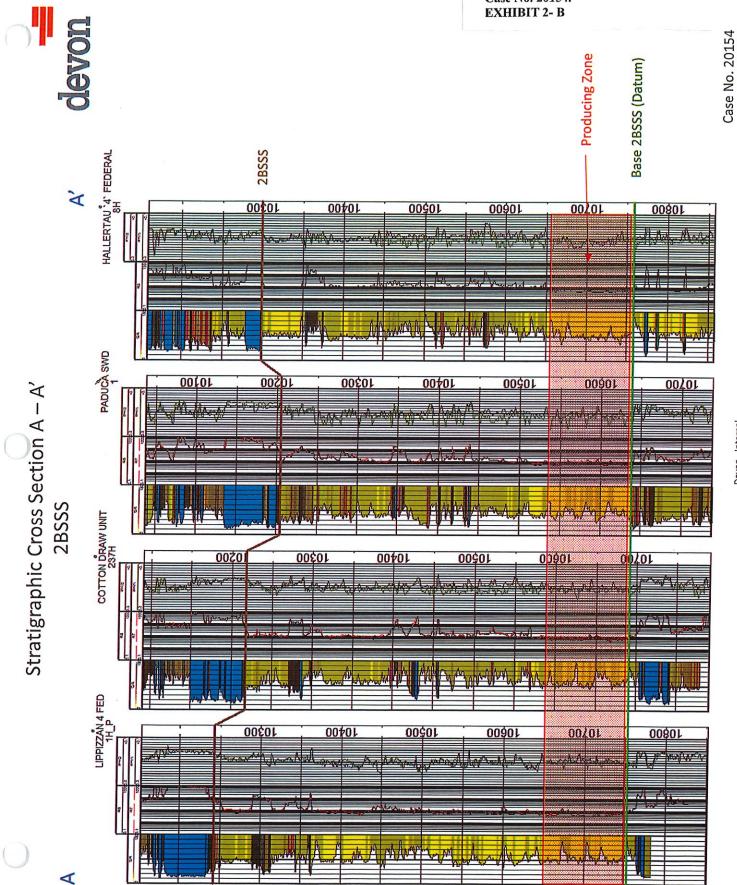
My Commission Expires: 0/22/19



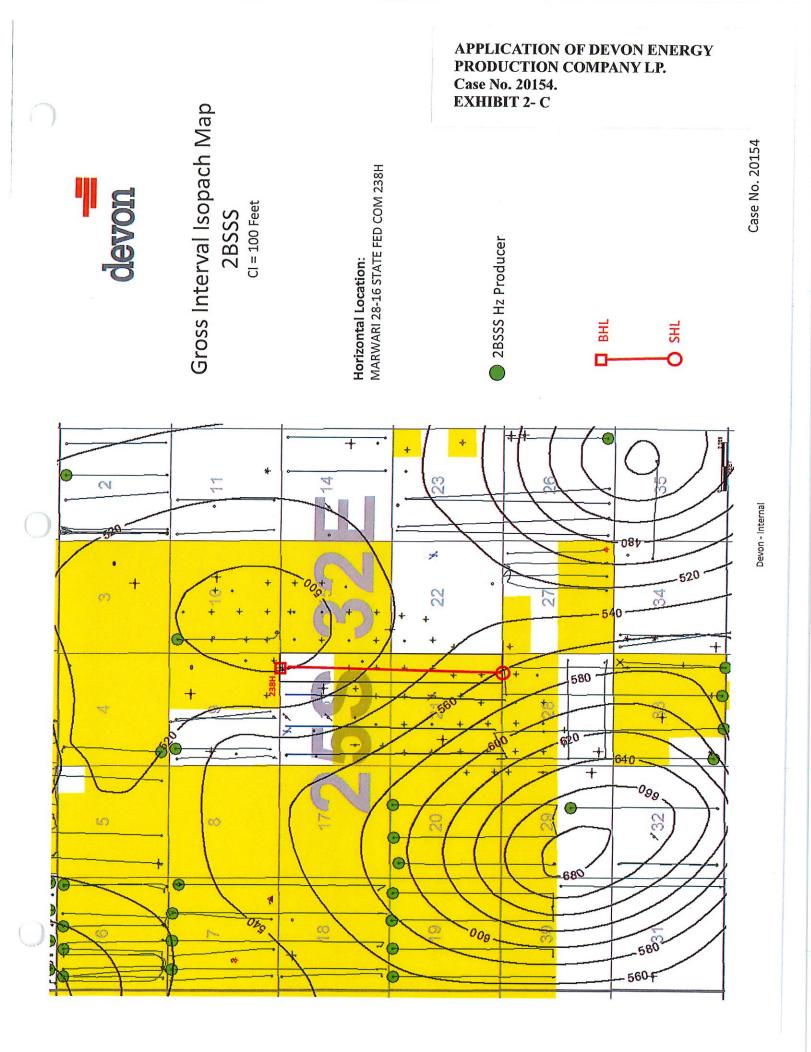
Devon - Internal



APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP. Case No. 20154. **EXHIBIT 2-B**



Devon - Internal



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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR A STANDARD HORIZONTAL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

) SS.

CASE NO. 20154

AFFIDAVIT OF NOTICE

COUNTY OF SANTA FE

STATE OF NEW MEXICO)

Candace Callahan, being duly sworn upon her oath, deposes and states:

1. I am over the age of 18 and have personal knowledge of the matters stated herein.

2. I am an attorney for Devon Energy Production Company, L.P.

3. Applicant has conducted in good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.

4. Notice of the application was provided to the interest owners, at their correct addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit A.

Candace

Candace Cananan

SUBSCRIBED AND SWORN TO before me this <u>S</u> day of February, 2019 by Candace Callahan.

My Commission Expires:

Notary

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP. Case No. 20154. EXHIBIT 3

