

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING OCTOBER 31, 2019**

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

Case No. 20793

Sneaky Snake 24 Fed Com 11H Well
Sneaky Snake 24 Fed Com 12H Well
Sneaky Snake 24 Fed Com 13H Well
Sneaky Snake 24 Fed Com 14 H Well

Case No. 20794

Sneaky Snake 24 Fed Com 1H Well
Sneaky Snake 24 Fed Com 2H Well
Sneaky Snake 24 Fed Com 3H Well
Sneaky Snake 24 Fed Com 4H Well

Devon Energy Production Company, L.P.

HEARING EXHIBITS

Reference: Application – **Case No. 20793**
Reference: Application – **Case No. 20794**

Case No. 20793

Exhibit I-1: Affidavit of Andy D. Bennett, Landman, and Supporting Documents
Exhibit I-2: Affidavit of John Green, Geologist, and Supporting Documents
Exhibit I-3: Notice Affidavit

Case No. 20794

Exhibit II-1: Affidavit of Andy D. Bennett, Landman, and Supporting Documents
Exhibit II-2: Affidavit of Thomas Peryam, Geologist, and Supporting Documents
Exhibit II-3: Notice Affidavit

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

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

Case No. 20793

APPLICATION

Devon Energy Production Company, L.P., (“Devon”), OGRID No. 6137, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order (1) creating a standard 320-acre, more or less, spacing and proration unit comprised of the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation (DIAMONDTAIL; BONE SPRING [17644]) underlying said unit.

In support of its Application, Devon states the following:

1. Devon is a working interest owner in the proposed horizontal spacing and proration unit (“HSU”) and has a right to drill a well thereon.
2. Devon proposes to dedicate the HSU to its **Sneaky Snake 24 Fed Com 11H Well**, proposed to be horizontally drilled from a surface location in SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. The **Sneaky Snake 24 Fed Com 11H Well** is the Defining Well for the HSU.

3. Devon also proposes the following infill wells to be drilled in the HSU: the **Sneaky Snake 24 Fed Com 12H Well**; the **Sneaky Snake 24 Fed Com 13H Well**; and the **Sneaky Snake 24 Fed Com 14H Well**.

4. The **Sneaky Snake 24 Fed Com 12H Well** is proposed to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24.

5. The **Sneaky Snake 24 Fed Com 13H Well** is proposed to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24.

6. The **Sneaky Snake 24 Fed Com 14H Well** is proposed to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24.

7. The completed intervals and first and last take points for all wells proposed in the HSU meet the setback requirements set forth in the Division's statewide rules and regulations for horizontal oil wells. Pursuant to 19.15.16.15(B)(1)(b) NMAC, Devon will incorporate proximity tracts into its HSU, to the extent necessary, such that the completed interval for the wells will remain within the offset requirements of the Division's statewide rules.

8. Devon has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed HSU.

9. The pooling of all interests in the Bone Spring formation within the proposed HSU, and creation of the spacing unit, will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

10. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Devon requests that all uncommitted interests in this HSU be pooled and that Devon be designated the operator of the proposed horizontal wells and HSU.

11. Because the proposed wells will be drilled and completed with other proposed wells, as part of a simultaneous drilling and completion project, Devon requests an extension of the normal 120-day period to drill and complete the initial well.

WHEREFORE, Devon requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on October 3, 2019, and after notice and hearing as required by law, the Division enter an order:

A. Approving the creation of a standard 320-acre, more or less, spacing and proration unit comprising the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico;

B. Pooling all uncommitted mineral interests in the Bone Spring formation (DIAMONDTAIL; BONE SPRING [17644]) underlying the proposed HSU.

C. Designating the Sneaky Snake 24 Fed Com 11H Well as the defining well for the HSU.

D. Allowing the drilling of the Sneaky Snake 24 Fed Com 12H Well; the Sneaky Snake 24 Fed Com 13H Well; and the Sneaky Snake 24 Fed Com 14H Well as infill wells.

E. Designating Devon as operator of this HSU and the horizontal wells to be drilled thereon;

F. Authorizing Devon to recover its costs of drilling, equipping and completing these wells;

G. Approving actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

H. Setting a 200% charge for the risk assumed by Devon in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

I. Authorizing an extension of the normal 120-day period to drill and complete the initial well.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

Lara Katz

214 McKenzie Street

Santa Fe, New Mexico 87501

Telephone: 970.385.4401

Facsimile: 970.385.4901

darin@abadieschill.com

lara@abadieschill.com

Attorneys for Applicant

Case No. 20793: Application of Devon Energy Production Company L.P. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation (DIAMONDTAIL; BONE SPRING [17644]) underlying the unit. Said horizontal spacing unit is to be dedicated to the proposed Sneaky Snake 24 Fed Com 11H Well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. This Well defines the HSU. Also proposed to be drilled are: (1) the Sneaky Snake 24 Fed Com 12H Well to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24; (2) the Sneaky Snake 24 Fed Com 13H Well to be horizontally drilled from a surface location in SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24; and (3) the Sneaky Snake 24 Fed Com 14H Well to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. The completed intervals and first take and last take points for all wells proposed in the unit meet the Division's statewide setback requirements for horizontal oil wells; Devon will utilize proximity tracts. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 5 miles southwest of Eunice, New Mexico.

Case No. 20794: Application of Devon Energy Production Company L.P. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Wolfcamp formation (DIAMONDTAIL; WOLFCAMP [17645]) underlying the unit. Said horizontal spacing unit is to be dedicated to the proposed Sneaky Snake 24 Fed Com 3H Well, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. This Well defines the HSU. Also proposed to be drilled are: (1) the Sneaky Snake 24 Fed Com 1H Well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 24, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24; (2) the Sneaky Snake 24 Fed Com 2H Well to be horizontally drilled from a surface location in SW/4 SW/4 (Unit M) of Section 24, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 24; and (3) the Sneaky Snake 24 Fed Com 4H Well to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. The completed intervals and first take and last take points for all wells proposed in the unit meet the Division's statewide setback requirements for horizontal oil wells; Devon will utilize proximity tracts to the extent necessary. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells; and a 200% charge for

the risk involved in drilling and completing the wells. The wells and lands are located approximately 5 miles southwest of Eunice, New Mexico.

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING OCTOBER 31, 2019**

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

Case No. 20793

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

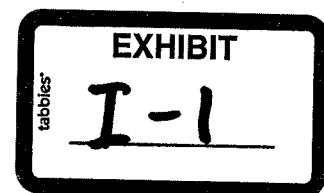
Case No. 20793

AFFIDAVIT OF ANDY D. BENNETT

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

I, being duly sworn on oath, state the following:

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
2. I am employed as a Senior Staff Landman with Devon Energy Production Company, L.P. ("Devon"), and I am familiar with the subject application and the lands involved.
3. I graduated from the University of Oklahoma with a Bachelor's degree in Business (Energy Management) in 2008. I have worked at Devon Energy Production Company, L.P. ("Devon") for 10 years, and I have been working in New Mexico for more than 1 year. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.
4. This affidavit is submitted in connection with the filing by Devon of the above-referenced spacing and compulsory pooling application pursuant to 19.15.4.12.A(1), (6) NMAC.



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5. The purpose of this application is to force pool uncommitted working interest owners and overriding royalty interest owners into the horizontal spacing unit described below, and in the wells proposed to be drilled in the unit by Devon.

6. Devon seeks an order creating a standard horizontal 320-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Section 24, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, and pooling all uncommitted mineral interests in the Bone Spring formation (DIAMONDTAIL; BONE SPRING, with Pooling Code: 17644) underlying said unit. The proposed spacing unit will be dedicated to **Sneaky Snake 24 Fed Com 11H Well**, an oil well, to be horizontally drilled from a surface location in SW/4 SW/4 (Unit M) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 24. The **Sneaky Snake 24 Fed Com 11H Well** is the Defining Well for the unit.

7. Devon also proposes the following infill oil wells to be drilled horizontally in the unit: the **Sneaky Snake 24 Fed Com 12H Well**; the **Sneaky Snake 24 Fed Com 13H Well**; and the **Sneaky Snake 24 Fed Com 14H Well**.

8. A plat outlining the unit being pooled is attached hereto as **Exhibit A**, which shows the location of the proposed wells within the unit. The location of all the wells are orthodox, and they meet the Division's offset requirements utilizing the incorporation of proximity tracts.

9. The parties being pooled, the nature of their interests, and their last known addresses are listed on **Exhibit B** attached hereto. **Exhibit B** includes information regarding working interest owners and overriding royalty interest owners.

10. There are no depth severances in the Bone Spring formation in this acreage.

11. The locations and proposed depths of the wells to be drilled on the pooled units are as follows:

Well Name	SHL	BHL	TVD
Sneaky Snake 24 Fed Com 11H	480' FSL and 681' FWL	20' FNL and 1,386' FWL	9,600'
Sneaky Snake 24 Fed Com 12H	480' FSL and 1,523' FWL	20' FNL and 2,310' FWL	9,600'
Sneaky Snake 24 Fed Com 13H	480' FSL and 711' FWL	20' FNL and 330' FWL	10,750'
Sneaky Snake 24 Fed Com 14H	480' FSL and 1,553' FWL	20' FNL and 2,310' FWL	10,750'

12. I provided the law firm of Abadie & Schill P.C. a list of names and addresses for the uncommitted interest owners and ORRI owners shown on Exhibit B. In compiling these addresses, I conducted a diligent search of the public records in Lea County, New Mexico, where the wells are located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. To cover any unforeseen claims, notice of this hearing was published in the Hobbs News-Sun, a newspaper of general circulation in Lea County, New Mexico, to cover unlocatable parties.

13. Devon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

14. The interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells. However, COG Operating LLC ("COG") and Devon have entered into and executed a Letter Agreement for an acreage trade with the intent to finalize the trade sometime after the hearing but before the drilling of the wells. If the planned trade does not occur, then COG agrees to be subject to the Division's spacing and pooling order. If the parties finalize the trade, based on the agreement, Devon requests that the voluntary agreement become operative and supersede the Division's order, except to the extent the

Division deems it necessary to maintain spacing criteria for the purpose of conservation and the prevention of waste.

15. Proposed C-102's for the wells are attached as **Exhibit C**. The wells will develop the Bone Spring formation (DIAMONDTAIL; BONE SPRING [17644]), which is an oil and gas pool.

16. The four wells will be drilled in the same unit as the four wells in Case No. 20794, consolidated with this Case. The four wells have separate laterals to the Bone Spring formation and Devon does not anticipate downhole commingling to occur. However, given that two pools are involved in this unit, Devon requests approval of downhole commingling, pursuant to 19.15.16.11 NMAC, in the event operations require such provision.

17. **Exhibit D** is a sample proposal letter and the AFE for the proposed wells. The estimated cost of the wells set forth in the AFE is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

18. Devon requests authorization to recover its costs of drilling, equipping and completing these wells.

19. Devon requests overhead and administrative rates of \$7,500/month for drilling each well and \$750/month for producing wells. 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. Devon requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

20. Devon requests the maximum cost, plus 200% risk charge be assessed against non-consenting working interest owners.

21. Devon requests that it be designated operator of the wells.

22. Because the proposed wells will be drilled and completed with other proposed wells, as part of a simultaneous drilling and completion project, Devon requests an extension of the

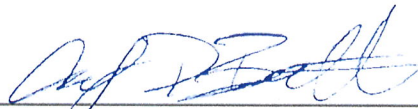
normal 120-day period to drill and complete the initial well. Furthermore, Devon may propose at a later date additional infill wells for this proposed unit, depending on Devon's longer-term plans and drilling schedule.

23. The Exhibits to this Affidavit were prepared by me or compiled from Devon's company business records.

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

25. The foregoing is correct and complete to the best of my knowledge and belief.


FURTHER AFFIANT SAYETH NAUGHT



Andy D. Bennett

Subscribed to and sworn before me this 28th day of October, 2019.



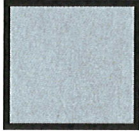


Notary Public

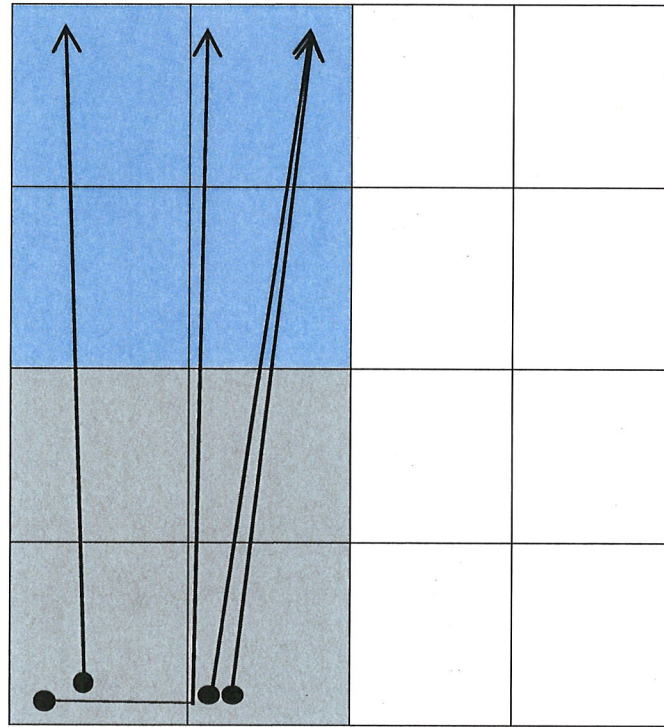
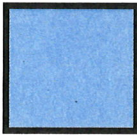
PLAT

W/2 of Section 24, T-23-S, R-32-E, Lea County, New Mexico, Bone Spring Formation

Tract 1:
NMNM-86154
(160 acres)



Tract 2:
NMNM-136216
(160 acres)



11H, 13H

12H, 14H

Sneaky Snake 24 Fed Com 11H

SHL: 480' FSL & 681' FWL
BHL: 20' FNL & 1,386' FWL

Sneaky Snake 24 Fed Com 13H

SHL: 480' FSL & 711' FWL
BHL: 20' FNL & 330' FWL

Sneaky Snake 24 Fed Com 12H

SHL: 480' FSL & 1,523' FWL
BHL: 20' FNL & 2,310' FWL

Sneaky Snake 24 Fed Com 14H

SHL: 480' FSL & 1,553' FWL
BHL: 20' FNL & 2,310' FWL

EXHIBIT A



Exhibit "B"

OWNERSHIP BREAKDOWN – Bone Spring formation

W/2 of Section 24, Township 23 South, Range 32 East of Lea County, NM

Sneaky Snake 24 Fed Com 1H, 2H, 3H, 4H, 11H, 12H, 13H, and 14H

TRACT 1 OWNERSHIP (SW/4 of Section 24-T23S-R32E, being 160 acres):

Owner	Net Acres	Unit WI	Status
Devon Energy Production Company, L.P. 333 W. Sheridan Avenue Oklahoma City, OK 73102	160.00	0.50	Committed
TRACT 1 TOTAL	160.00	0.50	

TRACT 2 OWNERSHIP (NW/4 of Section 24-T23S-R32E being 160 acres)

Owner	Net Acres	Unit WI	Status
COG Operating, LLC 600 W. Illinois Avenue Midland, TX 79701	160.00	0.50	Uncommitted
TRACT 2 TOTAL	160.00	0.50	

Overriding Royalty Owners (TRACT 1 only – SW/4)

C. Mark Wheeler
P.O. Box 5248
Round Rock, TX 78680

Crownrock Minerals, LP
P.O. Box 51933
Midland, TX 79710



EXHIBIT B

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John Kyle Thoma, Trustee of the Cornerstone Family Trust
P.O. Box 558
Peyton, CO 80831

Paul R. Barwis, MSU, c/o Dutton Harris and Company
P.O. Box 230
Midland, TX 79702

Jareed Partners, Ltd.
2407 Bellechase Court
Midland, TX 79705;
OR
P.O. Box 51451
Midland, TX 79710

Chisos Minerals, LLC
1111 Bagby Street, Suite 2150
Houston, TX 77002

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

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

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name SNEAKY SNAKE 24 FED COM	
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	
	Well Number 11H	Elevation 3716.9'

Surface Location

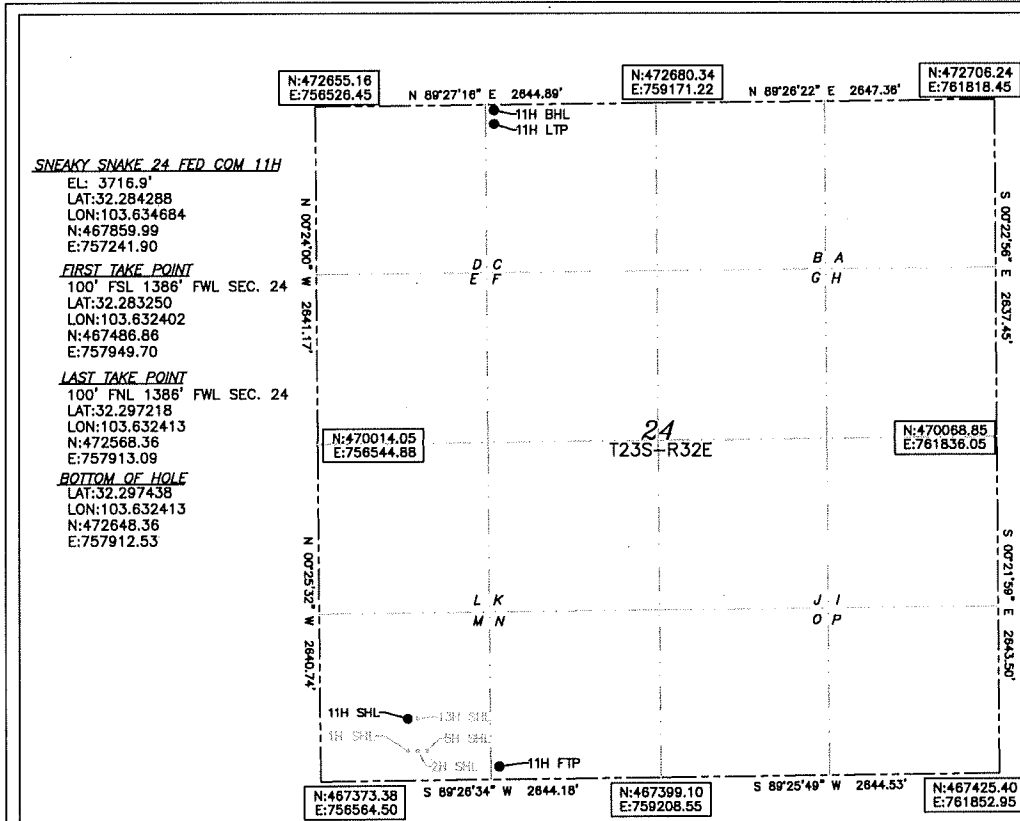
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	24	23-S	32-E		480	SOUTH	681	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	23-S	32-E		20	NORTH	1386	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

10/2019
Date of Survey

Signature & Seal of Professional Surveyor

10/24/19

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

EXHIBIT
I-1C

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Intent As Drilled

API #

Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: SNEAKY SNAKE 24 FED COM	Well Number 11H
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Kick Off Point (KOP)

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

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	24	23-S	32-E		100	SOUTH	1386	WEST	LEA
Latitude 32.283250					Longitude 103.632402				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	24	23-S	32-E		100	NORTH	1386	WEST	LEA
Latitude 32.297218					Longitude 103.632413				NAD 83

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

Is this well an infill well?

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

API #

Operator Name:	Property Name:	Well Number
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KZ 06/29/2018

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DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-8181 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
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DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name	
	SNEAKY SNAKE 24 FED COM	
		Well Number
		12H
OGRD No.	Operator Name	
6137	DEVON ENERGY PRODUCTION COMPANY, L.P.	
		Elevation
		3719.9'

Surface Location

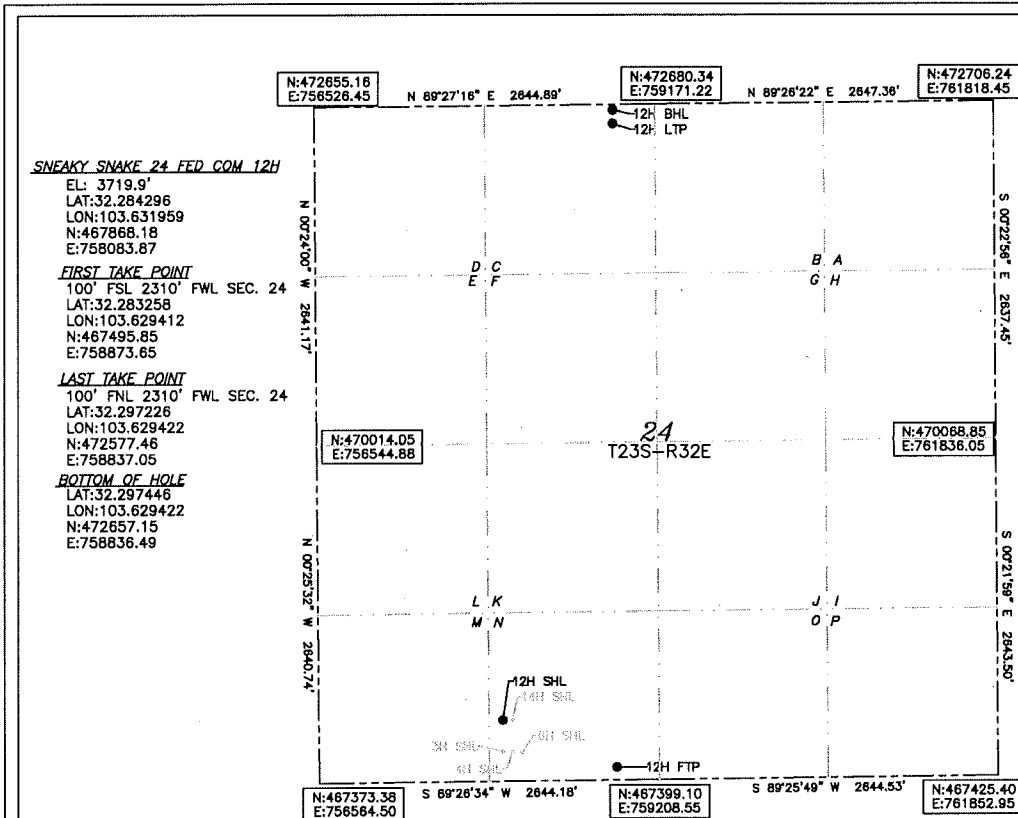
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	23-S	32-E		480	SOUTH	1523	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	23-S	32-E		20	NORTH	2310	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

10/2019

Date of Survey

Signature & Seal of Professional Surveyor

10/24/19

Certificate No. 22404 B.L. LAMAN

DRAWN BY: CM

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

23

Intent As Drilled

API #

Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: SNEAKY SNAKE 24 FED COM	Well Number 12H
---	---	--------------------

Kick Off Point (KOP)

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

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	24	23-S	32-E		100	SOUTH	2310	WEST	LEA
Latitude 32.283258					Longitude 103.629412			NAD 83	

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	24	23-S	32-E		100	NORTH	2310	WEST	LEA
Latitude 32.297226					Longitude 103.629422			NAD 83	

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

Is this well an infill well?

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

API #

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

KZ 06/29/2018

24

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

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1263 Fax: (575) 748-9720

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 478-3480 Fax: (505) 478-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name	Well Number
OGRID No.	Operator Name	Elevation
6137	SNEAKY SNAKE 24 FED COM	13H
	DEVON ENERGY PRODUCTION COMPANY, L.P.	3716.8'

Surface Location

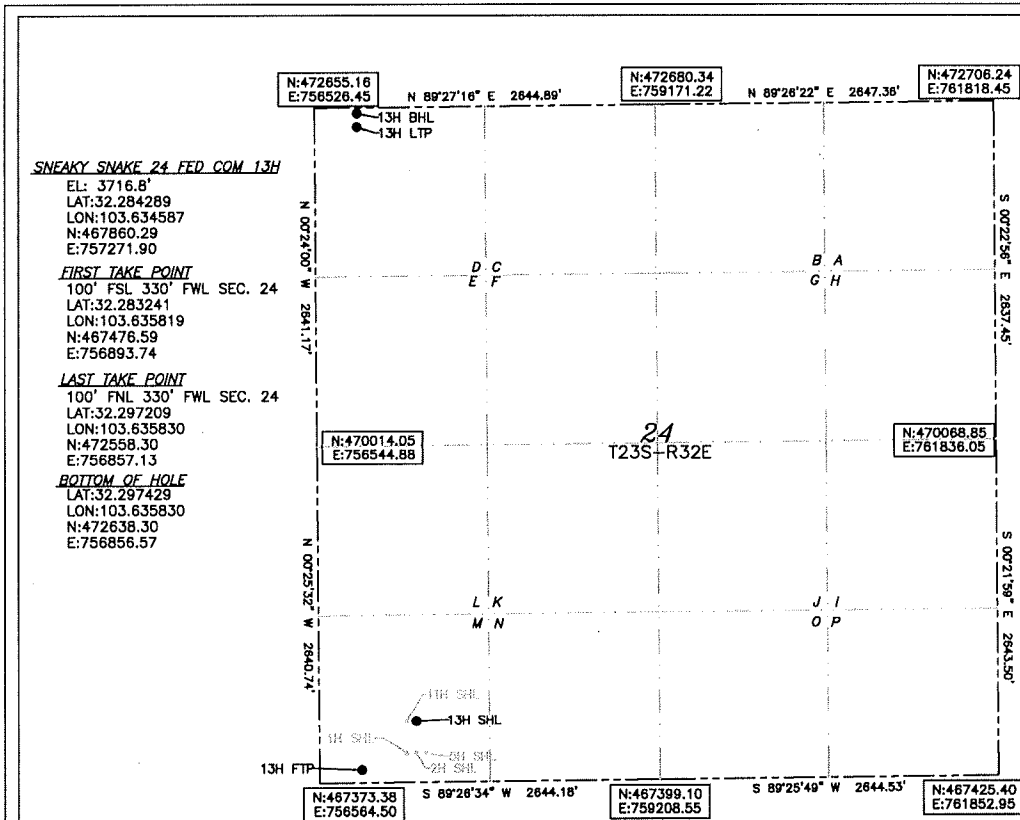
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	24	23-S	32-E		480	SOUTH	711	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23-S	32-E		20	NORTH	330	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

10/2019
Date of Survey

Signature & Seal of Professional Surveyor

B. L. LAMAN
NEW MEXICO
22404
PROFESSIONAL SURVEYOR

10/24/19
Certificate No. 22404 B.L. LAMAN
DRAWN BY: CM

Note: All bearings recited herein are based on the New Mexico State Plane Coordinate System, NAD 83, New Mexico East Zone 3001, US Survey Feet, all distances are grid.

25

Intent As Drilled

API #		
Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: SNEAKY SNAKE 24 FED COM	Well Number 13H

Kick Off Point (KOP)

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

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
M	24	23-S	32-E		100	SOUTH	330	WEST	LEA
Latitude					Longitude				NAD
32.283241					103.635819				83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	24	23-S	32-E		100	NORTH	330	WEST	LEA
Latitude					Longitude				NAD
32.297209					103.635830				83

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

Is this well an infill well?

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

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

DISTRICT I
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Phone: (505) 476-3480 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name SNEAKY SNAKE 24 FED COM	
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	
	Well Number 14H	Elevation 3720.8'

Surface Location

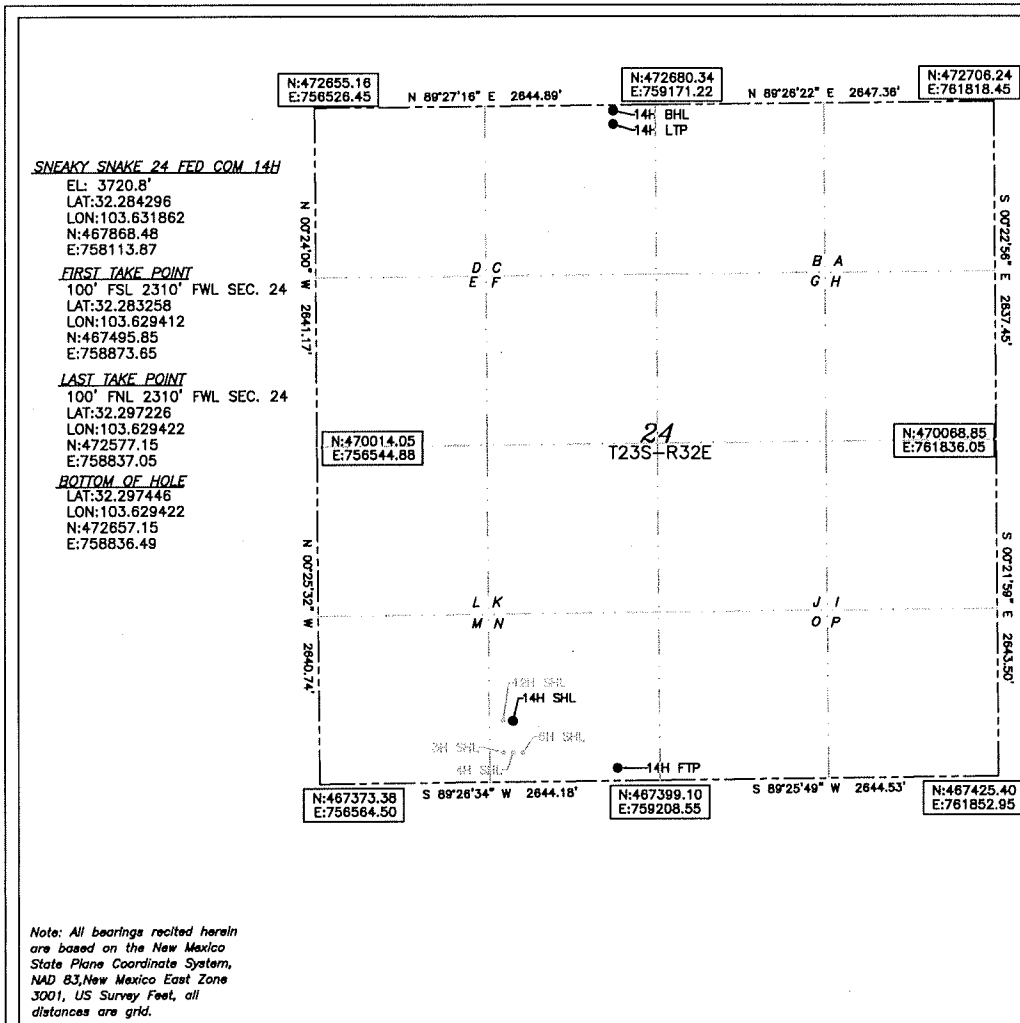
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	23-S	32-E		480	SOUTH	1553	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	23-S	32-E		20	NORTH	2310	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

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

10/2019

Date of Survey

Signature & Seal of Professional Surveyor

10/24/19

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

27

Intent As Drilled

API #

Operator Name: DEVON ENERGY PRODUCTION COMPANY, LP.	Property Name: SNEAKY SNAKE 24 FED COM	Well Number 14H
--	---	--------------------

Kick Off Point (KOP)

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

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	24	23-S	32-E		100	SOUTH	2310	WEST	LEA
Latitude 32.283258					Longitude 103.629412				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	24	23-S	32-E		100	NORTH	2310	WEST	LEA
Latitude 32.297226					Longitude 103.629422				NAD 83

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

Is this well an infill well?

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

API #

Operator Name:	Property Name:	Well Number
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KZ 06/29/2018

EXHIBIT "D"

July 3, 2019

COG Operating, LLC
600 W. Illinois Avenue
Midland, TX 79701

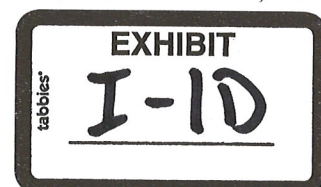
RE: Well Proposals- Sneaky Snake 24 Fed Com 1H
Sneaky Snake 24 Fed Com 2H
Sneaky Snake 24 Fed Com 3H
Sneaky Snake 24 Fed Com 4H
Sneaky Snake 24 Fed Com 11H
Sneaky Snake 24 Fed Com 12H
Sneaky Snake 24 Fed Com 13H
Sneaky Snake 24 Fed Com 14H

Lea County, New Mexico

Ladies and Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), as Operator, proposes to drill and complete the following eight (8) wells:

- Sneaky Snake 24 Fed Com 1H as a horizontal well to an approximate TVD of 12,380' and approximate TMD of 17,380' into the Wolfcamp formation at an approximate SHL of 185' FSL and 475' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 380' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$8,366,089.62.
- Sneaky Snake 24 Fed Com 2H as a horizontal well to an approximate TVD of 12,570' and approximate TMD of 17,570' into the Wolfcamp formation at an approximate SHL of 185' FSL and 505' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 1,005' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$8,366,089.62.
- Sneaky Snake 24 Fed Com 3H as a horizontal well to an approximate TVD of 12,380' and approximate TMD of 17,380' into the Wolfcamp formation at an approximate SHL of 185' FSL and 1,475' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 1,630' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$8,366,089.62.
- Sneaky Snake 24 Fed Com 4H as a horizontal well to an approximate TVD of 12,570' and approximate TMD of 17,570' into the Wolfcamp formation at an approximate SHL of 185' FSL and 1,505' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 2,255'



29

FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$8,366,089.62.

- Sneaky Snake 24 Fed Com 11H as a horizontal well to an approximate TVD of 9,600' and approximate TMD of 14,600' into the Bonespring formation at an approximate SHL of 245' FSL and 475' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 1,386' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$5,451,944.83.
- Sneaky Snake 24 Fed Com 12H as a horizontal well to an approximate TVD of 9,600' and approximate TMD of 14,600' into the Bonespring formation at an approximate SHL of 245' FSL and 1,475' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 2,310' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$5,451,944.83.
- Sneaky Snake 24 Fed Com 13H as a horizontal well to an approximate TVD of 10,750' and approximate TMD of 15,750' into the Bonespring formation at an approximate SHL of 245' FSL and 505' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 330' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$5,658,559.92.
- Sneaky Snake 24 Fed Com 14H as a horizontal well to an approximate TVD of 10,750' and approximate TMD of 15,750' into the Bonespring formation at an approximate SHL of 245' FSL and 1,505' FWL of Section 24-T23S-R32E and an approximate BHL of 20' FNL and 2,310' FWL of Section 24-23S-32E, Lea County, New Mexico (collectively with all eight proposed wells, the "Wells"). Enclosed for your review is Devon's AFE, indicating total well costs of \$5,658,559.92.

Devon reserves the right to modify the locations and drilling plans described above in order to address surface and subsurface concerns. Devon will advise of any such modifications.

Devon is proposing to drill the Wells under the terms of a 2015 AAPL form of Operating Agreement ("JOA"). The JOA will be supplied to those parties interested in participating. The JOA will have the following general provisions:

- Devon Energy Production Company, L.P. named as Operator
- Contract area of the W/2 of Section 24 - T23S-R32E, being approximately 320.00 acres
- 100/400% Non-Consenting Penalty

Please indicate your election to participate in the drilling and completion of the Wells in the spaces provided below, within 30 days of receipt, by signing and returning one (1) copy of this letter and AFE, along with your well data requirements sheet. A Communization Agreement for said Wells will be supplied for your review and execution at a later date.

If your election is to participate, a cash call invoice will be sent following receipt of a timely election.

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If an agreement cannot be reached within 30 days of receipt of this letter by all parties, Devon will apply to the New Mexico Oil Conversation Division for compulsory pooling of your interest into a spacing unit for the Wells, if uncommitted at such time.

Please do not hesitate to contact me at (405) 552-8002 or via email at Andy.Bennett@dvn.com if you have any questions concerning this proposal.

Very truly yours,

Devon Energy Production Company, L.P.



Andy Bennett
Senior Staff Landman

COG Operating, LLC:

_____ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 1H Well

_____ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 1H Well

_____ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 2H Well

_____ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 2H Well

_____ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 3H Well

_____ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 3H Well

_____ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 4H Well

_____ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 4H Well

_____ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 11H Well
_____ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 11H Well

_____ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 12H Well
_____ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 12H Well

_____ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 13H Well
_____ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 13H Well

_____ **To Participate** in the proposal of the Sneaky Snake 24 Fed Com 14H Well
_____ **Not To Participate** in the proposal of the Sneaky Snake Fed Com 14H Well

Agreed to and Accepted this _____ day of _____, 2019.

COG Operating, LLC

By: _____

Title: _____



Authorization for Expenditure

AFE # XX-134473.01

Well Name: SNEAKY SNAKE 24 FED COM 11H

AFE Date: 7/3/2019

Cost Center Number: 1094102101

State: NM

Legal Description: SEC 24-23S-32E

County/Parish: LEA

Revision:

Explanation and Justification:

DRILL AND COMPLETE THE SNEAKY SNAKE 24 FED COM 11H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	134,012.97	0.00	134,012.97
6060100	DYED LIQUID FUELS	90,000.00	155,259.36	0.00	245,259.36
6060150	LEASE USE FUEL	45,000.00	0.00	0.00	45,000.00
6080100	DISPOSAL - SOLIDS	80,000.00	3,150.00	0.00	83,150.00
6080110	DISP-SALTWATER & OTH	0.00	81,250.00	0.00	81,250.00
6090100	FLUIDS - WATER	50,000.00	142,325.69	0.00	192,325.69
6090120	RECYC TREAT&PROC-H2O	0.00	122,266.37	0.00	122,266.37
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PREP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	4,199.27	0.00	0.00	4,199.27
6130360	RTOC - ENGINEERING	0.00	4,725.00	0.00	4,725.00
6130370	RTOC - GEOSTEERING	13,610.25	0.00	0.00	13,610.25
6150100	CH LOG PERFRITG&WL SV	0.00	144,007.50	0.00	144,007.50
6160100	MATERIALS & SUPPLIES	479.92	0.00	0.00	479.92
6170100	PULLING&SWABBING SVC	0.00	69,280.50	0.00	69,280.50
6170110	SNUBBG&COIL TUBG SVC	0.00	85,627.50	0.00	85,627.50
6190100	TRCKG&HL-SOLID&FLUID	60,000.00	0.00	0.00	60,000.00
6190110	TRUCKING&HAUL OF EQP	60,000.00	18,750.00	0.00	78,750.00
6200130	CONSLT & PROJECT SVC	120,000.00	79,861.93	0.00	199,861.93
6230120	SAFETY SERVICES	39,593.13	0.00	0.00	39,593.13
6300270	SOLIDS CONTROL SRVCS	25,000.00	0.00	0.00	25,000.00
6310120	STIMULATION SERVICES	0.00	536,356.34	0.00	536,356.34
6310190	PROPPANT PURCHASE	0.00	327,104.90	0.00	327,104.90
6310200	CASING & TUBULAR SVC	50,000.00	0.00	0.00	50,000.00
6310250	CEMENTING SERVICES	92,000.00	0.00	0.00	92,000.00
6310280	DAYWORK COSTS	225,000.00	0.00	0.00	225,000.00
6310300	DIRECTIONAL SERVICES	70,000.00	0.00	0.00	70,000.00
6310310	DRILL BITS	60,000.00	0.00	0.00	60,000.00
6310330	DRILL&COMP FLUID&SVC	13,000.00	6,600.00	0.00	19,600.00
6310480	TSTNG-WELL, PL & OTH	0.00	175,990.72	0.00	175,990.72
6310600	MISC PUMPING SERVICE	0.00	42,717.27	0.00	42,717.27
6320100	EQPMNT SVC-SRF RNTL	40,000.00	189,159.25	0.00	229,159.25
6320110	EQUIP SVC - DOWNHOLE	60,000.00	46,819.24	0.00	106,819.24
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	84,461.30	0.00	84,461.30
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6550100	MISC COSTS & SERVS	0.00	9,603.00	0.00	9,603.00
6550110	MISCELLANEOUS SVC	13,511.62	0.00	0.00	13,511.62
6630110	CAPITAL OVERHEAD	7,198.75	29,906.74	0.00	37,105.49
6740340	TAXES OTHER	257.48	6,156.00	0.00	6,413.48
	Total Intangibles	1,375,600.42	2,817,305.62	0.00	4,192,906.04

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.



Authorization for Expenditure

AFE # XX-134473.01

Well Name: SNEAKY SNAKE 24 FED COM 11H

AFE Date: 7/3/2019

Cost Center Number: 1094102101

State: NM

Legal Description: SEC 24-23S-32E

County/Parish: LEA

Revision:

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6130120	COMM DEVICES - SCADA	0.00	24,194.94	0.00	24,194.94
6230130	SAFETY EQUIPMENT	2,399.58	0.00	0.00	2,399.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310150	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	49,500.00	0.00	49,500.00
6310460	WELLHEAD EQUIPMENT	7,000.00	56,460.00	0.00	63,460.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	100,000.00	0.00	0.00	100,000.00
6310550	PRODUCTION CASING	204,000.00	0.00	0.00	204,000.00
6310580	CASING COMPONENTS	58,000.00	0.00	0.00	58,000.00
6330100	PIPE, FIT, FLANG, CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	454,399.58	804,639.21	0.00	1,259,038.79

TOTAL ESTIMATED COST	1,830,000.00	3,621,944.83	0.00	5,451,944.83
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WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

Note: Please include/attach well requirement data with ballot.

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

34



Authorization for Expenditure

AFE # XX-134474.01

Well Name: SNEAKY SNAKE 24 FED COM 12H

AFE Date: 7/3/2019

Cost Center Number: 1094102201

State: NM

Legal Description: SEC 24-23S-32E

County/Parish: LEA

Revision:

Explanation and Justification:

DRILL AND COMPLETE THE SNEAKY SNAKE 24 FED COM 12H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	134,012.97	0.00	134,012.97
6060100	DYED LIQUID FUELS	90,000.00	155,259.36	0.00	245,259.36
6060150	LEASE USE FUEL	45,000.00	0.00	0.00	45,000.00
6080100	DISPOSAL - SOLIDS	80,000.00	3,150.00	0.00	83,150.00
6080110	DISP-SALTWATER & OTH	0.00	81,250.00	0.00	81,250.00
6090100	FLUIDS - WATER	50,000.00	142,325.69	0.00	192,325.69
6090120	RECYC TREAT&PROC-H2O	0.00	122,266.37	0.00	122,266.37
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PRFP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	4,199.27	0.00	0.00	4,199.27
6130360	RTOC - ENGINEERING	0.00	4,725.00	0.00	4,725.00
6130370	RTOC - GEOSTEERING	13,610.25	0.00	0.00	13,610.25
6150100	CH LOG PERFRTG&WL SV	0.00	144,007.50	0.00	144,007.50
6160100	MATERIALS & SUPPLIES	479.92	0.00	0.00	479.92
6170100	PULLING&SWABBING SVC	0.00	69,280.50	0.00	69,280.50
6170110	SNUBBG&COIL TUBG SVC	0.00	85,627.50	0.00	85,627.50
6190100	TRCKG&HL-SOLID&FLUID	60,000.00	0.00	0.00	60,000.00
6190110	TRUCKING&HAUL OF EQP	60,000.00	18,750.00	0.00	78,750.00
6200130	CONSLT & PROJECT SVC	120,000.00	79,861.93	0.00	199,861.93
6230120	SAFETY SERVICES	39,593.13	0.00	0.00	39,593.13
6300270	SOLIDS CONTROL SRVCS	25,000.00	0.00	0.00	25,000.00
6310120	STIMULATION SERVICES	0.00	536,356.34	0.00	536,356.34
6310190	PROPPANT PURCHASE	0.00	327,104.90	0.00	327,104.90
6310200	CASING & TUBULAR SVC	50,000.00	0.00	0.00	50,000.00
6310250	CEMENTING SERVICES	92,000.00	0.00	0.00	92,000.00
6310280	DAYWORK COSTS	225,000.00	0.00	0.00	225,000.00
6310300	DIRECTIONAL SERVICES	70,000.00	0.00	0.00	70,000.00
6310310	DRILL BITS	60,000.00	0.00	0.00	60,000.00
6310330	DRILL&COMP FLUID&SVC	13,000.00	6,600.00	0.00	19,600.00
6310480	TSTNG-WELL, PL & OTH	0.00	175,990.72	0.00	175,990.72
6310600	MISC PUMPING SERVICE	0.00	42,717.27	0.00	42,717.27
6320100	EQPMNT SVC-SRF RNTL	40,000.00	189,159.25	0.00	229,159.25
6320110	EQUIP SVC - DOWNHOLE	60,000.00	46,819.24	0.00	106,819.24
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	84,461.30	0.00	84,461.30
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6550100	MISCS COSTS & SERVS	0.00	9,603.00	0.00	9,603.00
6550110	MISCELLANEOUS SVC	13,511.62	0.00	0.00	13,511.62
6630110	CAPITAL OVERHEAD	7,198.75	29,906.74	0.00	37,105.49
6740340	TAXES OTHER	257.48	6,156.00	0.00	6,413.48
	Total Intangibles	1,375,600.42	2,817,305.62	0.00	4,192,906.04

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.



Authorization for Expenditure

AFE # XX-134474.01

Well Name: SNEAKY SNAKE 24 FED COM 12H

AFE Date: 7/3/2019

Cost Center Number: 1094102201

State: NM

Legal Description: SEC 24-23S-32E

County/Parish: LEA

Revision:

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6130120	COMM DEVICES - SCADA	0.00	24,194.94	0.00	24,194.94
6230130	SAFETY EQUIPMENT	2,399.58	0.00	0.00	2,399.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310150	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	49,500.00	0.00	49,500.00
6310460	WELLHEAD EQUIPMENT	7,000.00	56,460.00	0.00	63,460.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	100,000.00	0.00	0.00	100,000.00
6310550	PRODUCTION CASING	204,000.00	0.00	0.00	204,000.00
6310580	CASING COMPONENTS	58,000.00	0.00	0.00	58,000.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	454,399.58	804,639.21	0.00	1,259,038.79

TOTAL ESTIMATED COST	1,830,000.00	3,621,944.83	0.00	5,451,944.83
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WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

Note: Please include/attach well requirement data with ballot.

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

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Authorization for Expenditure

AFE # XX-134475.01
 Well Name: SNEAKY SNAKE 24 FED COM 13H AFE Date: 7/3/2019
 Cost Center Number: 1094102301 State: NM
 Legal Description: SEC 24-23S-32E County/Parish: LEA
 Revision: |

Explanation and Justification:

DRILL AND COMPLETE THE SNEAKY SNAKE 24 FED COM 13H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	119,240.02	0.00	119,240.02
6060100	DYED LIQUID FUELS	90,000.00	148,794.54	0.00	238,794.54
6060150	LEASE USE FUEL	45,000.00	0.00	0.00	45,000.00
6080100	DISPOSAL - SOLIDS	80,000.00	2,100.00	0.00	82,100.00
6080110	DISP-SAL TWATER & OTH	0.00	81,250.00	0.00	81,250.00
6090100	FLUIDS - WATER	50,000.00	124,725.07	0.00	174,725.07
6090120	RECYC TREAT&PROC-H2O	0.00	107,146.37	0.00	107,146.37
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PREP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	4,199.27	0.00	0.00	4,199.27
6130360	RTOC - ENGINEERING	0.00	4,725.00	0.00	4,725.00
6130370	RTOC - GEOSTEERING	13,610.25	0.00	0.00	13,610.25
6150100	CH LOG PERFRTG&WL SV	0.00	144,007.50	0.00	144,007.50
6160100	MATERIALS & SUPPLIES	479.92	0.00	0.00	479.92
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	185,544.41	0.00	185,544.41
6190100	TRCKG&HL-SOLID&FLUID	60,000.00	0.00	0.00	60,000.00
6190110	TRUCKING&HAUL OF EQP	60,000.00	18,750.00	0.00	78,750.00
6200130	CONSLT & PROJECT SVC	120,000.00	80,795.77	0.00	200,795.77
6230120	SAFETY SERVICES	39,593.13	0.00	0.00	39,593.13
6300270	SOLIDS CONTROL SRVCS	76,786.67	0.00	0.00	76,786.67
6310120	STIMULATION SERVICES	0.00	560,785.17	0.00	560,785.17
6310190	PROPANT PURCHASE	0.00	329,033.57	0.00	329,033.57
6310200	CASING & TUBULAR SVC	50,000.00	0.00	0.00	50,000.00
6310250	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.00
6310280	DAYWORK COSTS	300,000.00	0.00	0.00	300,000.00
6310300	DIRECTIONAL SERVICES	106,000.00	0.00	0.00	106,000.00
6310310	DRILL BITS	60,000.00	0.00	0.00	60,000.00
6310330	DRILL&COMP FLUID&SVC	36,000.00	6,600.00	0.00	42,600.00
6310380	OPEN HOLE EVALUATION	13,301.81	0.00	0.00	13,301.81
6310480	TESTNG-WELL, PL & OTH	0.00	170,013.71	0.00	170,013.71
6310600	MISC PUMPING SERVICE	0.00	44,716.67	0.00	44,716.67
6320100	EQPMNT SVC-SRF RNTL	40,000.00	123,038.71	0.00	163,038.71
6320110	EQUIP SVC - DOWNHOLE	60,000.00	0.00	0.00	60,000.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	87,698.42	0.00	87,698.42
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6550100	MISCS COSTS & SERVS	0.00	9,894.00	0.00	9,894.00
6550110	MISCELLANEOUS SVC	14,323.14	0.00	0.00	14,323.14
6630110	CAPITAL OVERHEAD	7,198.75	29,906.74	0.00	37,105.49
6740340	TAXES OTHER	257.48	6,486.00	0.00	6,743.48

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.



Authorization for Expenditure

AFE # XX-134475.01

Well Name: SNEAKY SNAKE 24 FED COM 13H

AFE Date: 7/3/2019

Cost Center Number: 1094102301

State: NM

Legal Description: SEC 24-23S-32E

County/Parish: LEA

Revision:

	Total Intangibles	1,618,500.42	2,740,165.71	0.00	4,358,666.13
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Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6130120	COMM DEVICES - SCADA	0.00	24,194.94	0.00	24,194.94
6230130	SAFETY EQUIPMENT	2,399.58	0.00	0.00	2,399.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310150	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	55,000.00	0.00	55,000.00
6310460	WELLHEAD EQUIPMENT	33,100.00	59,715.00	0.00	92,815.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	100,000.00	0.00	0.00	100,000.00
6310550	PRODUCTION CASING	210,000.00	0.00	0.00	210,000.00
6310580	CASING COMPONENTS	58,000.00	0.00	0.00	58,000.00
6330100	PIPE,FIT,FLANG,CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	486,499.58	813,394.21	0.00	1,299,893.79

	TOTAL ESTIMATED COST	2,105,000.00	3,553,559.92	0.00	5,658,559.92
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WORKING INTEREST OWNER APPROVAL

Company Name:

Signature:

Print Name:

Title:

Date:

Email:

Note: Please include/attach well requirement data with ballot.

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

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Authorization for Expenditure

AFE # XX-134476.01

Well Name: SNEAKY SNAKE 24 FED COM 14H

Cost Center Number: 1094102401

Legal Description: SEC 24-23S-32E

AFE Date: 7/3/2019

State: NM

County/Parish: LEA

Revision: 1

Explanation and Justification:

DRILL AND COMPLETE THE SNEAKY SNAKE 24 FED COM 14H

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	119,240.02	0.00	119,240.02
6060100	DYED LIQUID FUELS	90,000.00	148,794.54	0.00	238,794.54
6060150	LEASE USE FUEL	45,000.00	0.00	0.00	45,000.00
6080100	DISPOSAL SOLIDS	80,000.00	2,100.00	0.00	82,100.00
6080110	DISP-SALTWATER & OTH	0.00	81,250.00	0.00	81,250.00
6090100	FLUIDS - WATER	50,000.00	124,725.07	0.00	174,725.07
6090120	RECYC TREAT&PROC-H2O	0.00	107,146.37	0.00	107,146.37
6100100	PERMIT SURVEY&TITLE	40,000.00	4,044.94	0.00	44,044.94
6100110	RIGHT OF WAY	5,000.00	0.00	0.00	5,000.00
6110130	ROAD&SITE PREP SVC	100,000.00	40,723.03	0.00	140,723.03
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6130130	COMM SERVICE - SCADA	0.00	112,921.35	0.00	112,921.35
6130170	COMM SVCS - WAN	4,199.27	0.00	0.00	4,199.27
6130360	RTOC - ENGINEERING	0.00	4,725.00	0.00	4,725.00
6130370	RTOC - GEOSTEERING	13,610.25	0.00	0.00	13,610.25
6150100	CH LOG PERFRTG&WL SV	0.00	144,007.50	0.00	144,007.50
6160100	MATERIALS & SUPPLIES	479.92	0.00	0.00	479.92
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	185,544.41	0.00	185,544.41
6190100	TRCKG&HL-SOLID&FLUID	60,000.00	0.00	0.00	60,000.00
6190110	TRUCKING&HAUL OF EQP	60,000.00	18,750.00	0.00	78,750.00
6200130	CONSLT & PROJECT SVC	120,000.00	80,795.77	0.00	200,795.77
6230120	SAFETY SERVICES	39,593.13	0.00	0.00	39,593.13
6300270	SOLIDS CONTROL SRVCS	76,786.67	0.00	0.00	76,786.67
6310120	STIMULATION SERVICES	0.00	560,785.17	0.00	560,785.17
6310190	PROPPANT PURCHASE	0.00	329,033.57	0.00	329,033.57
6310200	CASING & TUBULAR SVC	50,000.00	0.00	0.00	50,000.00
6310250	CEMENTING SERVICES	135,000.00	0.00	0.00	135,000.00
6310280	DAYWORK COSTS	300,000.00	0.00	0.00	300,000.00
6310300	DIRECTIONAL SERVICES	106,000.00	0.00	0.00	106,000.00
6310310	DRILL BITS	60,000.00	0.00	0.00	60,000.00
6310330	DRILL & COMP FLUID&SVC	36,000.00	6,600.00	0.00	42,600.00
6310380	OPEN HOLE EVALUATION	13,301.81	0.00	0.00	13,301.81
6310480	TSTNG-WELL, PI & OTH	0.00	170,013.71	0.00	170,013.71
6310600	MISC PUMPING SERVICE	0.00	44,716.67	0.00	44,716.67
6320100	EQPMNT SVC-SRF RNIL	40,000.00	123,038.71	0.00	163,038.71
6320110	EQUIP SVC - DOWNHOLE	60,000.00	0.00	0.00	60,000.00
6320160	WELDING SERVICES	1,750.00	0.00	0.00	1,750.00
6320190	WATER TRANSFER	0.00	87,698.42	0.00	87,698.42
6350100	CONSTRUCTION SVC	0.00	164,224.72	0.00	164,224.72
6550100	MISCS COSTS & SERVS	0.00	9,894.00	0.00	9,894.00
6550110	MISCELLANEOUS SVC	14,323.14	0.00	0.00	14,323.14
6630110	CAPITAL OVERHEAD	7,198.75	29,906.74	0.00	37,105.49
6740340	TAXES OTHER	257.48	6,486.00	0.00	6,743.48

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

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Authorization for Expenditure

AFE # XX-134476 01

Well Name: SNEAKY SNAKE 24 FED COM 14H

Cost Center Number: 1094102401

Legal Description: SEC 24-23S-32E

AFE Date: 7/3/2019

State: NM

County/Parish: LEA

Revision: _____

	Total Intangibles	1,618,500.42	2,740,165.71	0.00	4,358,666.13
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Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6130120	COMM DEVICES - SCADA	0.00	24,194.94	0.00	24,194.94
6230130	SAFETY EQUIPMENT	2,399.58	0.00	0.00	2,399.58
6300210	TREATER FWKO EQUIP	0.00	476,169.10	0.00	476,169.10
6310130	ARTIFICIAL LIFT EQP	0.00	37,000.00	0.00	37,000.00
6310150	CASG-COND&DRIVE PIPE	50,000.00	0.00	0.00	50,000.00
6310420	TUBING & COMPONENTS	0.00	55,000.00	0.00	55,000.00
6310460	WELL HEAD EQUIPMENT	33,100.00	59,715.00	0.00	92,815.00
6310530	SURFACE CASING	33,000.00	0.00	0.00	33,000.00
6310540	INTERMEDIATE CASING	100,000.00	0.00	0.00	100,000.00
6310550	PRODUCTION CASING	210,000.00	0.00	0.00	210,000.00
6310580	CASING COMPONENTS	58,000.00	0.00	0.00	58,000.00
6330100	PIPE, FIT, FLANG, CPLNG	0.00	161,315.17	0.00	161,315.17
	Total Tangibles	486,499.58	813,394.21	0.00	1,299,893.79

	TOTAL ESTIMATED COST	2,105,000.00	3,553,559.92	0.00	5,658,559.92
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WORKING INTEREST OWNER APPROVAL

Company Name: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

Email: _____

Note: Please include/attach well requirement data with ballot.

Costs on this form are estimates only. Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

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