

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING MARCH 05, 2020**

**CASE NOS. 21126 & 21127**

*SHETLAND 11-2 FED STATE COM 611H, 711H,  
712H, 731H, 732H*

*SHETLAND 2-11 STATE FED COM 333H, 613H,  
713H*

**EDDY COUNTY, NEW MEXICO**



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

**APPLICATIONS OF DEVON ENERGY  
PRODUCTION COMPANY, L.P.  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NOS. 21126, 21127**

**TABLE OF CONTENTS**

<b>1. Devon Exhibit A –</b>	Compulsory Pooling Application Checklists
<b>2. Devon Exhibit B –</b>	Applications of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, New Mexico
<b>3. Devon Exhibit C –</b>	Affidavit of Tim Prout, Landman
<b>4. Devon Exhibit C-1 –</b>	Case No. 21126 C-102s
<b>5. Devon Exhibit C-2 –</b>	Case No. 21126 Land Plat/Unit Recap
<b>6. Devon Exhibit C-3 –</b>	Case No. 21127 C-102s
<b>7. Devon Exhibit C-4 –</b>	Case No. 21127 Land Plat/Unit Recap
<b>8. Devon Exhibit C-5 –</b>	Well Proposals/AFE
<b>9. Devon Exhibit C-6 –</b>	Chronology of Contact with Non-Joined Working Interests
<b>10. Devon Exhibit D –</b>	Affidavit of Sloan Anderson, Geologist
<b>11. Devon Exhibit D-1 –</b>	Resume of Sloan Anderson, Geologist
<b>12. Devon Exhibit D-2 –</b>	Structure Map
<b>13. Devon Exhibit D-3 –</b>	Cross Section Map
<b>14. Devon Exhibit D-4 –</b>	Cross Section
<b>15. Devon Exhibit E –</b>	Notice Affidavit
<b>16. Devon Exhibit F –</b>	Notice of Publication

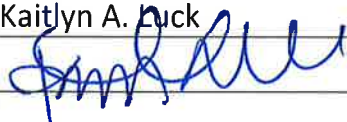
# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

<b>Case: 21126</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date March 5, 2020</b>	
Applicant	Devon Energy Production Company, L.P.
Designated Operator & OGRID (affiliation if applicable)	<b>6137</b>
Applicant's Counsel:	Holland & Hart LLP
	Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	EOG Resources, Inc.; XTO Energy, Inc.
Well Family	Shetland 11-2 Fed State Com Wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp formation
Pool Names and Pool Codes:	Purple Sage; Wolfcamp (Gas) Pool [98220]
Well Location Setback Rules:	Special Rules for the Purple Sage Wolfcamp Pool
Spacing Unit Size:	640-acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640-acres, more or less
Building Blocks:	Half sections
Orientation:	North-South
Description: TRS/County	E/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	EXHIBIT C-2
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	EXHIBIT C-1 (C-102 plats)

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
**Exhibit No. A**  
Submitted by: **Devon Energy Production**  
Hearing Date: March 05, 2020  
Case Nos. 21126 & 21127

Well #1	<p><b>Shetland 2-11 Fed State Com #613H Well</b> (API No. 30-015-pending):  SHL: 170 FNL and 1130 FEL (Unit A) of Section 2, Township 26 South, Range 31 East,  BHL: 330 FSL and 1750 FEL (Unit O) of Section 11, Township 26 South, Range 31 East,</p> <p>Completion Target: Wolfcamp at approx. 11,622 feet TVD  Well Orientation: North to South  Completion Location expected to be: Standard</p>
Well #2	<p><b>Shetland 2-11 Fed State Com #713H Well</b> (API No. 30-015-pending):  SHL: 170 FNL and 1160 FEL (Unit A) of Section 2, Township 26 South, Range 31 East,  BHL: 330 FSL and 2310 FEL (Unit O) of Section 11, Township 26 South, Range 31 East,</p> <p>Completion Target: Wolfcamp at approx. 11,716 feet TVD  Well Orientation: North to South  Completion Location expected to be: Standard</p>
Horizontal Well First and Last Take Points	EXHIBIT C-1 (C-102 plats)
Completion Target (Formation, TVD and MD)	See above and C-5
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	EXHIBIT C-2
Tract List (including lease numbers and owners)	EXHIBIT C-2
Pooled Parties (including ownership type)	EXHIBIT C-2
Unlocatable Parties to be Pooled	EXHIBIT C, C-2
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	EXHIBIT C-5
List of Interest Owners (ie Exhibit A of JOA)	EXHIBIT C-2
Chronology of Contact with Non-Joined Working Interests	EXHIBIT C-6
Overhead Rates In Proposal Letter	EXHIBIT C
Cost Estimate to Drill and Complete	EXHIBIT C-5
Cost Estimate to Equip Well	EXHIBIT C-5

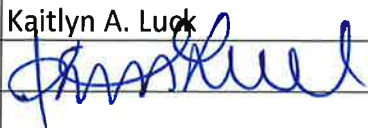
Cost Estimate for Production Facilities	EXHIBIT C-5
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D, D-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit D
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-2
HSU Cross Section	Exhibit D, D-3
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	EXHIBIT C-1 (C-102 plats)
Tracts	EXHIBIT C-2
Summary of Interests, Unit Recapitulation (Tracts)	EXHIBIT C-2
General Location Map (including basin)	Exhibit D-2
Well Bore Location Map	Exhibit D-2
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Kaitlyn A. Luck
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	4-Mar-20

# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 21127</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date March 5, 2020</b>	
Applicant	Devon Energy Production Company, L.P.
Designated Operator & OGRID (affiliation if applicable)	<b>6137</b>
Applicant's Counsel:	Holland & Hart LLP
	Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	EOG Resources, Inc.; XTO Energy, Inc.
Well Family	Shetland 11-2 Fed State Com Wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp formation
Pool Names and Pool Codes:	Purple Sage; Wolfcamp (Gas) Pool [98220]
Well Location Setback Rules:	Special Rules for the Purple Sage Wolfcamp Pool
Spacing Unit Size:	640-acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640-acres, more or less
Building Blocks:	Half sections
Orientation:	North-South
Description: TRS/County	W/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	EXHIBIT C-4
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	EXHIBIT C-3 (C-102 plats)

Well #1	<p><b>Shetland 2-11 Fed State Com #611H Well</b> (API No. 30-015-pending):  SHL: 15 FSL and 505 FWL (Unit M) of Section 11, Township 26 South, Range 31 East,  BHL: 330 FNL and 890 FWL (Unit D) of Section 2, Township 26 South, Range 31 East,</p> <p>Completion Target: Wolfcamp at approx. 11,630 feet TVD  Well Orientation: South to North  Completion Location expected to be: Standard</p>
Well #2	<p><b>Shetland 2-11 Fed State Com #711H Well</b> (API No. 30-015-pending):  SHL: 15 FSL and 475 FWL (Unit M) of Section 11, Township 26 South, Range 31 East,  BHL: 330 FNL and 330 FWL (Unit D) of Section 2, Township 26 South, Range 31 East,</p> <p>Completion Target: Wolfcamp at approx. 11,708 feet TVD  Well Orientation: South to North  Completion Location expected to be: Standard</p>
Well #3	<p><b>Shetland 2-11 Fed State Com #712H Well</b> (API No. 30-015-pending):  SHL: 350 FSL and 2080 FWL (Unit N) of Section 11, Township 26 South, Range 31 East,  BHL: 330 FNL and 1650 FWL (Unit C) of Section 2, Township 26 South, Range 31 East,</p> <p>Completion Target: Wolfcamp at approx. 12,098 feet TVD  Well Orientation: South to North  Completion Location expected to be: Standard</p>
Well #4	<p><b>Shetland 2-11 Fed State Com #731H Well</b> (API No. 30-015-pending):  SHL: 15 FSL and 535 FWL (Unit M) of Section 11, Township 26 South, Range 31 East,  BHL: 330 FNL and 990 FWL (Unit D) of Section 2, Township 26 South, Range 31 East,</p> <p>Completion Target: Wolfcamp at approx. 11,924 feet TVD  Well Orientation: South to North  Completion Location expected to be: Standard</p>
Well #5	<p><b>Shetland 2-11 Fed State Com #732H Well</b> (API No. 30-015-pending):  SHL: 350 FSL and 2140 FWL (Unit N) of Section 11, Township 26 South, Range 31 East,  BHL: 330 FNL and 2310 FWL (Unit C) of Section 2, Township 26 South, Range 31 East,</p> <p>Completion Target: Wolfcamp at approx. 11,725 feet TVD  Well Orientation: South to North  Completion Location expected to be: Standard</p>
Horizontal Well First and Last Take Points	'EXHIBIT C-3 (C-102 plats)
Completion Target (Formation, TVD and MD)	See above and C-5
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F

<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	EXHIBIT C-4
Tract List (including lease numbers and owners)	EXHIBIT C-4
Pooled Parties (including ownership type)	EXHIBIT C-4
Unlocatable Parties to be Pooled	EXHIBIT C, C-4
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	EXHIBIT C-5
List of Interest Owners (ie Exhibit A of JOA)	EXHIBIT C-4
Chronology of Contact with Non-Joined Working Interests	EXHIBIT C-6
Overhead Rates In Proposal Letter	EXHIBIT C
Cost Estimate to Drill and Complete	EXHIBIT C-5
Cost Estimate to Equip Well	EXHIBIT C-5
Cost Estimate for Production Facilities	EXHIBIT C-5
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D, D-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit D
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-2
HSU Cross Section	Exhibit D, D-3
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	EXHIBIT C-3 (C-102 plats)
Tracts	EXHIBIT C-4
Summary of Interests, Unit Recapitulation (Tracts)	EXHIBIT C-4
General Location Map (including basin)	Exhibit D-2
Well Bore Location Map	Exhibit D-2
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Kaitlyn A. Luck
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	4-Mar-20



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

**APPLICATION OF DEVON ENERGY  
PRODUCTION COMPANY, L.P.  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21126

**APPLICATION**

Devon Energy Production Company, L.P. ("Devon" or "Applicant") (OGRID No. 6137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M.S.A. 1978, § 70-2-17, for an order pooling all uncommitted interests in Wolfcamp (Purple Sage; Wolfcamp (Gas) Pool) formation underlying a 640-acre standard horizontal spacing unit comprised of the E/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico. In support of this application, Devon states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- The **Shetland 2-11 State Fed Com 333H well** to be horizontally drilled from common surface hole locations in the NE/4 NE/4 (Unit A) of Section 2 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 11.
- The **Shetland 2-11 State Fed Com 613H well**, and the **Shetland 2-11 State Fed Com 713H well**, both of which are to be horizontally drilled from common surface hole locations in the NE/4 NE/4 (Unit A) of Section 2 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 11.

3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

4. The pooling of interests in the proposed horizontal well spacing unit will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 5, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Wolfcamp formation underlying the proposed horizontal spacing unit;
- B. Approving the initial wells in the horizontal well spacing unit;
- C. Designating Applicant as the operator of the horizontal spacing unit and the wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the wells;
- E. Approving the 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

- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP



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

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

Email: [mfeldewert@hollandhart.com](mailto:mfeldewert@hollandhart.com)

Email: [agrarkin@hollandhart.com](mailto:agrarkin@hollandhart.com)

Email: [jbroggi@hollandhart.com](mailto:jbroggi@hollandhart.com)

Email: [kaluck@hollandhart.com](mailto:kaluck@hollandhart.com)

**ATTORNEYS FOR DEVON ENERGY PRODUCTION  
COMPANY, L.P.**

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

**APPLICATION OF DEVON ENERGY  
PRODUCTION COMPANY, L.P.  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21127

**APPLICATION**

Devon Energy Production Company, L.P. ("Devon" or "Applicant") (OGRID No. 6137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M.S.A. 1978, § 70-2-17, for an order pooling all uncommitted interests in Wolfcamp (Purple Sage; Wolfcamp (Gas) Pool) formation underlying a 640-acre standard horizontal spacing unit comprised of the W/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico. In support of this application, Devon states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- The **Shetland 11-2 Fed State Com 611H well**, the **Shetland 11-2 Fed State Com 711H well**, and the **Shetland 11-2 Fed State Com 731H well**, all of which are to be horizontally drilled from common surface hole locations in the SW/4 SW/4 (Unit M) of Section 11 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 2.
- The **Shetland 11-2 Fed State Com 712H well** and the **Shetland 11-2 Fed State Com 732H well**, both of which are to be horizontally drilled from

common surface hole locations in the SE/4 SW/4 (Unit N) of Section 11 to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 2.

3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

4. The pooling of interests in the proposed horizontal well spacing unit will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 5, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Wolfcamp formation underlying the proposed horizontal spacing unit;
- B. Approving the initial wells in the horizontal well spacing unit;
- C. Designating Applicant as the operator of the horizontal spacing unit and the wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the wells;
- E. Approving the 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

- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP



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

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Kaitlyn A. Luck  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
Email: [mfeldewert@hollandhart.com](mailto:mfeldewert@hollandhart.com)  
Email: [agrankin@hollandhart.com](mailto:agrankin@hollandhart.com)  
Email: [jbroggi@hollandhart.com](mailto:jbroggi@hollandhart.com)  
Email: [kaluck@hollandhart.com](mailto:kaluck@hollandhart.com)

**ATTORNEYS FOR DEVON ENERGY PRODUCTION  
COMPANY, L.P.**

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

**APPLICATIONS OF DEVON ENERGY  
PRODUCTION COMPANY, L.P.  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NOS. 21126, 21127**

**AFFIDAVIT OF TIM PROUT  
IN SUPPORT OF CASE NOS. 21126 & 21127**

Tim Prout, of lawful age and being first duly sworn, declares as follows:

1. My name is Tim Prout, and I am a Senior Landman with Devon Energy Production Company, L.P. ("Devon").

1. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters and my credentials have been accepted by the Division and made a matter of record.

2. I am familiar with the applications filed by Devon in these cases and the lands involved.

3. None of the mineral owners to be pooled have expressed opposition to these proceedings, so I do not expect any opposition at the hearing.

4. In Case No. 21126, Devon seeks an order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) Pool [98220]) formation underlying a 640-acre standard horizontal spacing unit comprised of the E/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico.

5. This standard horizontal spacing unit will be initially dedicated to the following two (2) proposed initial wells: (1) The **Shetland 2-11 State Fed Com 613H well** (API No. 30-

015-pending), and (2) the **Shetland 2-11 State Fed Com 713H well** (API No. 30-015-pending), both of which are to be horizontally drilled from common surface hole locations in the NE/4 NE/4 (Unit A) of Section 2 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 11.

6. **Exhibit C-1** contains the C-102s for these two proposed wells which are located in the Purple Sage; Wolfcamp (Gas) Pool [Pool Code 98220]. The completed intervals of these wells will comply with Special Rules for the Purple Sage Wolfcamp Pool.

7. **Exhibit C-2** contains a plat outlining the unit being pooled, identifies the tracts of land comprising the proposed spacing unit, and identifies the working interests in each tract and their interest in the horizontal spacing unit. Devon has highlighted the “uncommitted” working interest owners that remain to be pooled in this case. Devon is also seeking to pool the overriding royalty interest owners identified on the last page of Exhibit C-2.

8. **In Case 21127,** Devon seeks an order pooling all uncommitted interests in the Wolfcamp (Purple Sage; Wolfcamp (Gas) Pool [98220]) formation underlying a 640-acre standard horizontal spacing unit comprised of the W/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico.

9. This standard horizontal spacing unit will be initially dedicated to the following five (5) proposed initial wells:

- (1) The **Shetland 11-2 Fed State Com 611H well** (API No. 30-015-pending), (2) the **Shetland 11-2 Fed State Com 711H well** (API No. 30-015-pending), and (3) the **Shetland 11-2 Fed State Com 731H well** (API No. 30-015-pending), all of which are to be horizontally drilled from common surface hole locations in the SW/4 SW/4 (Unit M) of Section 11 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 2.



- (4) The **Shetland 11-2 Fed State Com 712H well** (API No. 30-015-pending), and
- (5) the **Shetland 11-2 Fed State Com 732H well**, both of which are to be horizontally drilled from common surface hole locations in the SE/4 SW/4 (Unit N) of Section 11 to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 2.

10. **Exhibit C-3** contains the C-102s for these five proposed wells which are located in the Purple Sage; Wolfcamp (Gas) Pool [Pool Code 98220]. The completed intervals of these wells will comply with Special Rules for the Purple Sage Wolfcamp Pool.

11. **Exhibit C-4** contains a plat outlining the unit being pooled, identifies the tracts of land comprising the proposed spacing unit, and identifies the working interests in each tract and their interest in the horizontal spacing unit. Devon has highlighted the “uncommitted” working interest owners that remain to be pooled in this case. Devon is also seeking to pool the overriding royalty interest owners identified on the last page of Exhibit C-4.

12. There are no ownership depth severances in the Wolfcamp formation underlying the subject acreage.

13. **Exhibit C-5** contains a sample of the well proposal letters and AFE’s sent to the working interest owners for the proposed wells. In addition to sending these well proposal letters, the uncommitted parties have been contacted multiple times regarding the proposed wells but have yet to voluntarily commit their interests to the proposed spacing unit.

14. **Exhibit C-6** contains a chronology of the contacts with the working interest owners that Devon seeks to pool. Devon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

15. The estimated cost reflected on each AFE are consistent with what Devon and other operators have incurred for drilling similar horizontal wells in the subject formation in this area.

16. Devon requests overhead and administrative rates of \$8,000 per month for drilling and \$800 per month for a producing well. These rates are consistent with the rates charged by Devon and other operators for wells of this type in this area of southeastern New Mexico.

17. I have provided the law firm of Holland and Hart, LLP, with the names and addresses of the mineral owners that Devon seeks to pool. In compiling these addresses, I conducted a diligent search of the public records in Lea County, New Mexico, where the wells are located, phone directories and conducted computer searches to locate contact information for these parties.

18. Exhibits C-1 through C-6 were prepared by me or compiled under my direction from Devon's company business records.

FURTHER AFFIANT SAYETH NAUGHT.

Tim Prout  
Tim Prout

STATE OF OKLAHOMA )  
COUNTY OF Oklahoma )

SUBSCRIBED and SWORN to before me this 3rd day of March 2020 by  
Tim Prout.



Clint Dake  
NOTARY PUBLIC

My Commission Expires:  
5/7/23  
2.

14268506\_v1

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>SHETLAND 2-11 STATE FED COM</b>	<sup>6</sup> Well Number <b>613H</b>
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<sup>9</sup> Elevation <b>3292.9</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>2</b>	<b>26 S</b>	<b>31 E</b>		<b>170</b>	<b>NORTH</b>	<b>1130</b>	<b>EAST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>O</b>	<b>11</b>	<b>26 S</b>	<b>31 E</b>		<b>330</b>	<b>SOUTH</b>	<b>1750</b>	<b>EAST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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

<p><b>NE CORNER SEC. 2</b> LAT. = 32.0794688°N LONG. = 103.7574336°W NMSP EAST (FT) N = 393123.30 E = 719708.10</p> <p><b>W/4 CORNER SEC. 2</b> LAT. = 32.0721403°N LONG. = 103.7574402°W NMSP EAST (FT) N = 390458.06 E = 719718.90</p> <p><b>SW CORNER SEC. 2</b> LAT. = 32.0848111°N LONG. = 103.7574377°W NMSP EAST (FT) N = 387791.85 E = 719733.91</p> <p><b>W/4 CORNER SEC. 11</b> LAT. = 32.0574807°N LONG. = 103.7574542°W NMSP EAST (FT) N = 385125.16 E = 719743.03</p> <p><b>SW CORNER SEC. 11</b> LAT. = 32.0501483°N LONG. = 103.7574177°W NMSP EAST (FT) N = 382457.83 E = 719788.56</p>		<p><b>N/4 CORNER SEC. 2</b> LAT. = 32.0794837°N LONG. = 103.7488454°W NMSP EAST (FT) N = 393143.74 E = 722366.88</p> <p><b>SHETLAND 2-11 STATE FED COM 613H</b> ELEV. = 3292.9' LAT. = 32.0790270°N (NA083) LONG. = 103.7439020°W NMSP EAST (FT) N = 392985.94 E = 723898.70</p> <p><b>FIRST TAKE POINT</b> 330' RHL, 1750' FEL LAT. = 32.0785829°N LONG. = 103.7459032°W NMSP EAST (FT) N = 392821.01 E = 723779.75</p> <p><b>BOTTOM OF HOLE</b> LAT. = 32.0510826°N LONG. = 103.7459392°W NMSP EAST (FT) N = 382816.88 E = 723323.06</p>		<p><b>NE CORNER SEC. 2</b> LAT. = 32.0795016°N LONG. = 103.7402522°W NMSP EAST (FT) N = 393164.77 E = 725028.21</p> <p><b>E/4 CORNER SEC. 2</b> LAT. = 32.0721721°N LONG. = 103.7402701°W NMSP EAST (FT) N = 390498.43 E = 725037.32</p> <p><b>SE CORNER SEC. 2</b> LAT. = 32.0848778°N LONG. = 103.7402879°W NMSP EAST (FT) N = 387844.87 E = 725046.38</p> <p><b>E/4 CORNER SEC. 11</b> LAT. = 32.0575180°N LONG. = 103.7402904°W NMSP EAST (FT) N = 385167.52 E = 725080.31</p> <p><b>SE CORNER SEC. 11</b> LAT. = 32.0501887°N LONG. = 103.7402922°W NMSP EAST (FT) N = 382501.27 E = 725074.40</p>	
---	--	--	--	---	--

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NA083). LISTED NEW MEXICO STATE PLAT ELEV. COORDINATES ARE GRID (NA083). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLAT EAST COORDINATES MOVED TO THE SURFACE VERTICAL DATUM NAVD83.

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

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

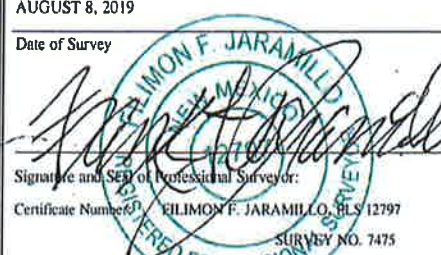
Printed Name \_\_\_\_\_

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.

AUGUST 8, 2019

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

Signature and Seal of Professional Surveyor: 

Certificate Number: FILIMON F. JARAMILLO, BLS 12797  
SURVEY NO. 7475

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C1  
Submitted by: Devon Energy Production  
Hearing Date: March 05, 2020  
Case Nos. 21126 & 21127

Intent ☐ As Drilled ☐

API #

Operator Name:	Property Name:	Well Number
<b>DEVON ENERGY PRODUCTION CO., L.P.</b>	<b>SHETLAND 2-11 STATE FED COM</b>	<b>613H</b>

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 <b>B</b>	Section <b>2</b>	Township <b>26S</b>	Range <b>31E</b>	Lot	Feet <b>330</b>	From N/S <b>NORTH</b>	Feet <b>1750</b>	From E/W <b>EAST</b>	County <b>EDDY</b>
Latitude <b>32.0785829</b>					Longitude <b>103.7459032</b>			NAD <b>83</b>	

Last Take Point (LTP)

UL <b>O</b>	Section <b>11</b>	Township <b>26S</b>	Range <b>31E</b>	Lot	Feet <b>330</b>	From N/S <b>SOUTH</b>	Feet <b>1750</b>	From E/W <b>EAST</b>	County <b>EDDY</b>
Latitude <b>32.0510826</b>					Longitude <b>103.7459392</b>			NAD <b>83</b>	

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  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name SHETLAND 2-11 STATE FED COM	
<sup>7</sup> OGRID No. 6137	<sup>8</sup> Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	<sup>6</sup> Well Number 713H
		<sup>9</sup> Elevation 3292.9

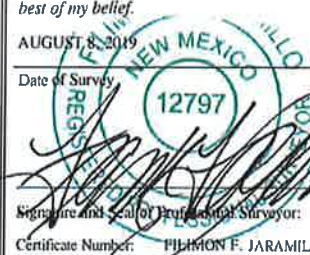
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	2	26 S	31 E		170	NORTH	1160	EAST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	11	26 S	31 E		330	SOUTH	2310	EAST	EDDY
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code			<sup>15</sup> Order No.				

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

<p><b>11 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p><b>12 SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>AUGUST 8, 2019</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: FILIMON F. JARAMILLO, PLS 12797</p> <p>SURVEY NO. 7474</p>	

Intent ☐ As Drilled ☐

API #		
Operator Name: <b>DEVON ENERGY PRODUCTION CO., L.P.</b>	Property Name: <b>SHETLAND 2-11 STATE FED COM</b>	Well Number <b>713H</b>

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 <b>B</b>	Section <b>2</b>	Township <b>26S</b>	Range <b>31E</b>	Lot	Feet <b>330</b>	From N/S <b>NORTH</b>	Feet <b>2310</b>	From E/W <b>EAST</b>	County <b>EDDY</b>
Latitude <b>32.0785791</b>					Longitude <b>103.7477109</b>				NAD <b>83</b>

Last Take Point (LTP)

UL <b>O</b>	Section <b>11</b>	Township <b>26S</b>	Range <b>31E</b>	Lot	Feet <b>330</b>	From N/S <b>SOUTH</b>	Feet <b>2310</b>	From E/W <b>EAST</b>	County <b>EDDY</b>
Latitude <b>32.0510783</b>					Longitude <b>103.7477462</b>				NAD <b>83</b>

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

**Shetland 2-1 State Fed Com 333H, Shetland 2-11 State Fed Com 613H and Shetland 2-11 State Fed  
Com 713H**

**E/2 of Sections 2 & 11, Township 26 South, Range 31 East, Eddy County, New Mexico**

<b>Section 2</b>	<b>Tract 1</b>
	<b>Tract 2</b>
<b>Section 11</b>	<b>Tract 3</b>



**Tract 1 WI NE/4 Section 2, Township 26 South, Range 31 East**

42.045450%	Devon Energy Production Company, L.P.
23.659470%	V-F Petroleum, Inc.
7.386350%	Resource Development Technology, LLC
4.545450%	Diamond S Energy Company
6.924720%	Longhorn Partners
9.090900%	Pioneer Natural Resources USA, Inc.
6.347660%	Hayes Land & Production, L.P.
100.00%	Total Committed Interest 42.045450% Total Uncommitted Interest 57.954550%

**Tract 1 ORRI NE/4 Section 2, Township 26 South, Range 31 East**

4.000000%	Devon Energy Production Company, L.P.
3.000000%	Lime Rock Resources A, L.P.
1.422454%	Magnolia, LLC
0.386364%	T.R. Cone
0.190430%	Big Sinks Joint Venture
8.999248%	

**Tract 2 WI SE/4 Section 2, Township 26 South, Range 31 East**

79.188000%	Devon Energy Production Company, L.P.
6.803385%	EOG Resources, Inc.
8.593750%	Resource Development Technology, LLC
1.608073%	TLM3, LTD.
1.236979	Roden Participants, Ltd.
0.847380%	Hayes Land & Production, L.P.
0.781250%	S&L Energy Company, LLC
0.377078%	Headington Royalty, Inc.
0.036261%	The H and S Drilling Company
0.020031%	Lean Dog Limited Partnership No. 1
0.260417%	Geronimo Holding Corporation
0.247396%	Roden Associates, Ltd.
100.00%	Total Committed Interest 80.852365% Total Uncommitted Interest 19.147635%

**Tract 2 ORRI SE/4 Section 2, Township 26 South, Range 31 East**

6.250000%	Devon Energy Production Company, L.P.
1.250000%	Lime Rock Resources A, L.P.
0.097656%	T. R. Cone
0.087891%	Craig Folsom
0.100505%	William F. Roden Bypass Trust
7.786052%	

**Tract 3 WI E/2 Section 11, Township 26 South, Range 31 East**

50.00%	Devon Energy Production Company, L.P.
50.00%	XTO Energy, Inc.
100.00%	Total Committed Interest 50.00% Total Uncommitted Interest 50.00%

**Tract 3 ORRI**      **E/2 Section 11, Township 26 South, Range 31 East**  
2.500000%      ConocoPhillips Company

---

2.500000%

**Unit WI**      **E/2 of Sections 2 & 11, Township 26 South, Range 31 East**

55.308363%      Devon Energy Production Company, L.P.

5.914868%      V-F Petroleum, Inc.

3.995025%      Resource Development Technology, LLC

1.136363%      Diamond S Energy Company

1.731180%      Longhorn Partners

2.272725%      Pioneer Natural Resources USA, Inc.

1.798760%      Hayes Land & Production, L.P.

1.700846%      EOG Resources, Inc.

0.402018%      TLM3, LTD

0.309245%      Roden Participants, Ltd.

0.195313%      S&L Energy Company, LLC

0.094270%      Headington Royalty, Inc.

0.009065%      The H and S Drilling Company

0.005008%      Lean Dog Limited Partnership No. 1

0.065104%      Geronimo Holding Corporation

0.061849%      Roden Associates, Ltd.

25.00%      XTO Energy, Inc.

---

100.00%      Total Committed Interest      55.724454%      Total Uncommitted Interest      44.275546%

**Unit ORRI**      **E/2 of Sections 2 & 11, Township 26 South, Range 31 East**

2.562500%      Devon Energy Production Company, L.P.

1.062500%      Lime Rock Resources A, L.P.

0.355614%      Magnolia, LLC

0.121005%      T.R. Cone

0.047608%      Big Sinks Joint Venture

0.021973%      Craig Folson

0.025126%      William F. Roden Bypass Trust

1.250000%      ConocoPhillips Company

---

5.446325%

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>SHETLAND 11-2 FED STATE COM</b>	
<sup>6</sup> OGRID No. <b>6137</b>	<sup>7</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<sup>8</sup> Well Number <b>611H</b>
		<sup>9</sup> Elevation <b>3208.1</b>

<sup>10</sup> Surface Location


UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>11</b>	<b>26 S</b>	<b>31 E</b>		<b>15</b>	<b>SOUTH</b>	<b>505</b>	<b>WEST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>2</b>	<b>26 S</b>	<b>31 E</b>		<b>330</b>	<b>NORTH</b>	<b>890</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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

<p><b>11 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p><b>16 SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>AUGUST 7, 2019</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: <b>FILIMON F. JARAMILLO, PLS 12797</b></p> <p>SURVEY NO. 7469</p>	

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C3  
Submitted by: **Devon Energy Production**  
Hearing Date: March 05, 2020  
Case Nos. 21126 & 21127

Intent ☐ As Drilled ☐

API #

Operator Name:  
DEVON ENERGY PRODUCTION  
COMPANY, L.P.

Property Name:  
SHETLAND 11-2 FED STATE COM

Well Number  
611H

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	11	26S	31E		330	SOUTH	890	WEST	EDDY
Latitude 32.0510622					Longitude 103.7545502				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	2	26S	31E		330	NORTH	890	WEST	EDDY
Latitude 32.0785656					Longitude 103.7545633				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



District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>SHETLAND 11-2 FED STATE COM</b>	<sup>6</sup> Well Number <b>711H</b>
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<sup>9</sup> Elevation <b>3208.2</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>11</b>	<b>26 S</b>	<b>31 E</b>		<b>15</b>	<b>SOUTH</b>	<b>475</b>	<b>WEST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>2</b>	<b>26 S</b>	<b>31 E</b>		<b>330</b>	<b>NORTH</b>	<b>330</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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

<p>NW CORNER SEC. 2 LAT. = 32.0794688°N LONG. = 103.7574356°W NMSP EAST (FT) N = 393123.30 E = 719705.10</p> <p>W/4 CORNER SEC. 2 LAT. = 32.0721403°N LONG. = 103.7574402°W NMSP EAST (FT) N = 390458.06 E = 719718.90</p> <p>SECTION CORNER LAT. = 32.0648111°N LONG. = 103.7574377°W NMSP EAST (FT) N = 387791.85 E = 719733.91</p> <p>W/4 CORNER SEC. 11 LAT. = 32.0574807°N LONG. = 103.7574542°W NMSP EAST (FT) N = 385125.16 E = 719743.03</p> <p>SW CORNER SEC. 11 LAT. = 32.0501483°N LONG. = 103.7574177°W NMSP EAST (FT) N = 382457.83 E = 719768.56</p> <p>N/4 CORNER SEC. 2 LAT. = 32.0794837°N LONG. = 103.7488454°W NMSP EAST (FT) N = 393143.74 E = 722368.68</p> <p>E/4 CORNER SEC. 2 LAT. = 32.0795018°N LONG. = 103.7402522°W NMSP EAST (FT) N = 393164.77 E = 725028.21</p> <p>E/4 CORNER SEC. 2 LAT. = 32.0721721°N LONG. = 103.7402701°W NMSP EAST (FT) N = 390498.43 E = 725037.32</p> <p>SECTION CORNER LAT. = 32.0648778°N LONG. = 103.7402879°W NMSP EAST (FT) N = 387844.87 E = 725046.38</p> <p>E/4 CORNER SEC. 11 LAT. = 32.0575180°N LONG. = 103.7402904°W NMSP EAST (FT) N = 385167.52 E = 725080.31</p> <p>SE CORNER SEC. 11 LAT. = 32.0501887°N LONG. = 103.7402922°W NMSP EAST (FT) N = 382501.27 E = 725074.39</p> <p>Bottom of Hole &amp; Last Take Point LAT. = 32.0785620°N LONG. = 103.7563710°W NMSP EAST (FT) N = 392795.90 E = 720037.61</p> <p>First Take Point 330' FSL, 330' FWL LAT. = 32.0510578°N LONG. = 103.7963573°W</p> <p>Shetland 11-2 Fed State Com 711H Elev. = 3208.2' LAT. = 32.0501933°N (NAD83) LONG. = 103.7558847°W NMSP EAST (FT) N = 382476.74 E = 720243.43</p> <p>Surface Location 475' S/4 CORNER SEC. 11 LAT. = 32.0501483°N LONG. = 103.7574177°W NMSP EAST (FT) N = 382457.83 E = 719768.56</p>	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p><b>AUGUST 7, 2019</b></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: <b>MILMON F. JARAMILLO, PLS 12797</b></p> <p>SURVEY NO. 7480</p>
--	---

Intent ☐ As Drilled ☐

API #			
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.		Property Name: SHETLAND 11-2 FED STATE COM	Well Number 711H

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	11	26S	31E		330	SOUTH	330	WEST	EDDY
Latitude 32.0510578					Longitude 103.7563573				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	2	26S	31E		330	NORTH	330	WEST	EDDY
Latitude 32.0785620					Longitude 103.7563710				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

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name	<sup>6</sup> Well Number
	<b>SHETLAND 11-2 FED STATE COM</b>	<b>712H</b>
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name	<sup>9</sup> Elevation
<b>6137</b>	<b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<b>3212.7</b>

<sup>10</sup> Surface Location

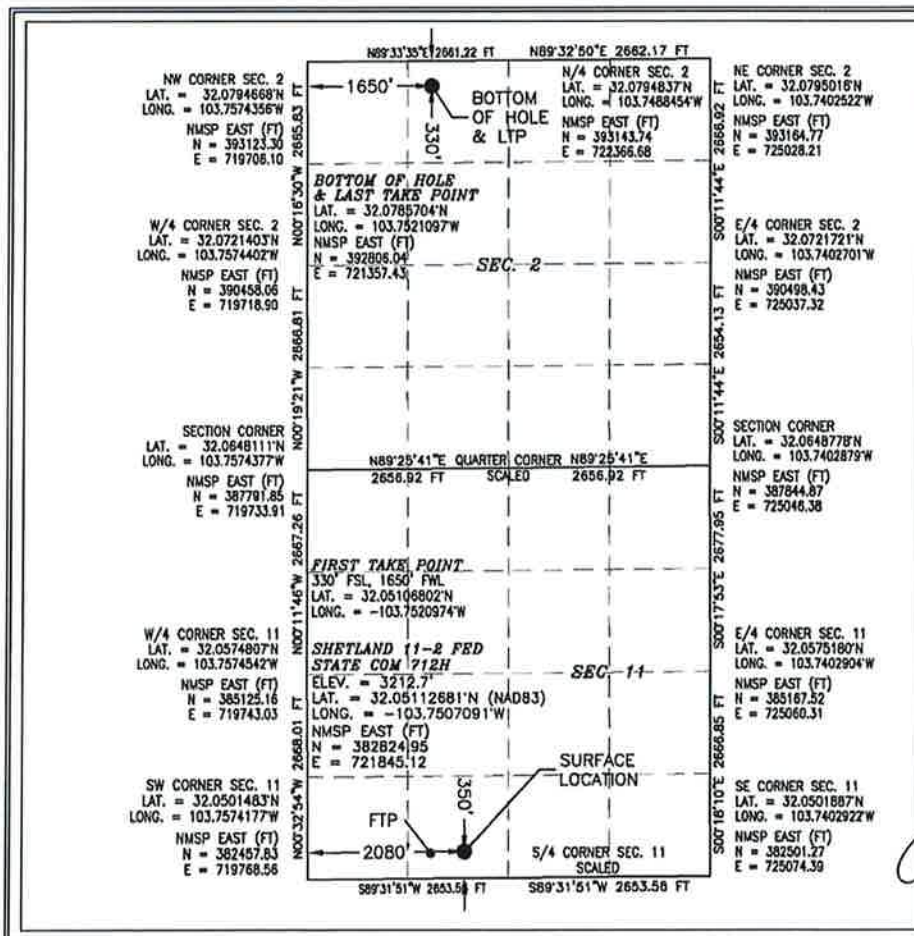
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>N</b>	<b>11</b>	<b>26 S</b>	<b>31 E</b>		<b>350</b>	<b>SOUTH</b>	<b>2080</b>	<b>WEST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>C</b>	<b>2</b>	<b>26 S</b>	<b>31 E</b>		<b>330</b>	<b>NORTH</b>	<b>1650</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.

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



**<sup>17</sup> OPERATOR CERTIFICATION**

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

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

Printed Name \_\_\_\_\_

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

**<sup>18</sup> SURVEYOR CERTIFICATION**

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

AUGUST 7, 2019

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

Signature and Seal of Professional Surveyor \_\_\_\_\_

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

SURVEY NO. 7471

Intent ☐ As Drilled ☐

API #			
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.		Property Name: SHETLAND 11-2 FED STATE COM	Well Number 712H

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 N	Section 11	Township 26S	Range 31E	Lot	Feet 330	From N/S SOUTH	Feet 1650	From E/W WEST	County EDDY
Latitude 32.05106802					Longitude 103.7520974				NAD 83

Last Take Point (LTP)

UL C	Section 2	Township 26S	Range 31E	Lot	Feet 330	From N/S NORTH	Feet 1650	From E/W WEST	County EDDY
Latitude 32.0785704					Longitude 103.7521097				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



District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>4</sup> Property Name <b>SHETLAND 11-2 FED STATE COM</b>	<sup>6</sup> Well Number <b>731H</b>
<sup>7</sup> OGRID No. <b>6137</b>	<sup>8</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>	<sup>9</sup> Elevation <b>3208.3</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>11</b>	<b>26 S</b>	<b>31 E</b>		<b>15</b>	<b>SOUTH</b>	<b>535</b>	<b>WEST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>2</b>	<b>26 S</b>	<b>31 E</b>		<b>330</b>	<b>NORTH</b>	<b>990</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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

	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>AUGUST 7, 2019</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>Certificate Number: JULIUS E. JARAMILLO, PLS 12797</p> <p>SURVEY NO. 7470</p>
--	---

Intent ☐ As Drilled ☐

API #

Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.	Property Name: SHETLAND 11-2 FED STATE COM	Well Number 731H
--	---	---------------------

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 M	Section 11	Township 26S	Range 31E	Lot	Feet 330	From N/S SOUTH	Feet 990	From E/W WEST	County EDDY
Latitude 32.0510629					Longitude 103.7542276			NAD 83	

Last Take Point (LTP)

UL D	Section 2	Township 26S	Range 31E	Lot	Feet 330	From N/S NORTH	Feet 990	From E/W WEST	County EDDY
Latitude 32.0785662					Longitude 103.7542405			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

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>SHETLAND 11-2 FED STATE COM</b>	
<sup>7</sup> OGRID No. <b>6137</b>	<sup>6</sup> Well Number <b>732H</b>	<sup>8</sup> Elevation <b>3212.6</b>
<sup>9</sup> Operator Name <b>DEVON ENERGY PRODUCTION COMPANY, L.P.</b>		

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	11	26 S	31 E		350	SOUTH	2140	WEST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	2	26 S	31 E		330	NORTH	2310	WEST	EDDY

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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

**<sup>17</sup> OPERATOR CERTIFICATION**

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

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

Printed Name \_\_\_\_\_

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

**<sup>18</sup> SURVEYOR CERTIFICATION**

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

AUGUST 2, 2019

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

Signature and Seal of the Registered Surveyor: \_\_\_\_\_

Certificate Number: FILIMON F. JARAMILLO, PLS 12797

SURVEY NO. 7473

Intent ☐ As Drilled ☐

API #			
Operator Name: DEVON ENERGY PRODUCTION COMPANY, L.P.		Property Name: SHETLAND 11-2 FED STATE COM	Well Number 732H

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 N	Section 11	Township 26S	Range 31E	Lot	Feet 330	From N/S SOUTH	Feet 2310	From E/W WEST	County EDDY
Latitude 32.05107309					Longitude 103.7499676				NAD 83

Last Take Point (LTP)

UL C	Section 2	Township 26S	Range 31E	Lot	Feet 330	From N/S NORTH	Feet 2310	From E/W WEST	County EDDY
Latitude 32.07857455					Longitude 103.7499793				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

**W/2 of Sections 2 & 11, Township 26 South, Range 31 East, Eddy County, New Mexico**

<b>Section 2</b>	
Tract 1	
Tract 2	
<b>Section 11</b>	
Tract 3	

**Tract 1 WI      NW/4 Section 2, Township 26 South, Range 31 East**

42.045450%      Devon Energy Production Company, L.P.

23.659470%      V-F Petroleum, Inc.

7.386350%      Resource Development Technology, LLC

4.545450%      Diamond S Energy Company

6.924720%      Longhorn Partners

9.090900%      Pioneer Natural Resources USA, Inc.

6.347660%      Hayes Land &amp; Production, L.P.

---

100.00%      Total Committed Interest      42.045450%      Total Uncommitted Interest      57.954550%**Tract 1 ORRI      NW/4 Section 2, Township 26 South, Range 31 East**

4.000000%      Devon Energy Production Company, L.P.

3.000000%      Lime Rock Resources A, L.P.

1.422454%      Magnolia, LLC

0.386364%      T.R. Cone

0.190430%      Big Sinks Joint Venture

---

8.999248%**Tract 2 WI      SW/4 Section 2, Township 26 South, Range 31 East**

79.188000%      Devon Energy Production Company, L.P.

6.803385%      EOG Resources, Inc.

8.593750%      Resource Development Technology, LLC

1.608073%      TLM3, LTD.

1.236979      Roden Participants, Ltd.

0.847380%      Hayes Land &amp; Production, L.P.

0.781250%      S&amp;L Energy Company, LLC

0.377078%      Headington Royalty, Inc.

0.036261%      The H and S Drilling Company

0.020031%      Lean Dog Limited Partnership No. 1

0.260417%      Geronimo Holding Corporation

0.247396%      Roden Associates, Ltd.

---

100.00%      Total Committed Interest      80.852365%      Total Uncommitted Interest      19.147635%**Tract 2 ORRI      SW/4 Section 2, Township 26 South, Range 31 East**

6.250000%      Devon Energy Production Company, L.P.

1.250000%      Lime Rock Resources A, L.P.

0.097656%      T. R. Cone

0.087891%      Craig Folson

0.100505%      William F. Roden Bypass Trust

---

7.786052%**Tract 3 WI      W/2 Section 11, Township 26 South, Range 31 East**

50.00%      Devon Energy Production Company, L.P.

50.00%      XTO Energy, Inc.

---

100.00%      Total Committed Interest      50.00%      Total Uncommitted Interest      50.00%



**Tract 3 ORRI**      **W/2 Section 11, Township 26 South, Range 31 East**  
2.500000%      ConocoPhillips Company

---

2.500000%

**Unit WI**      **W/2 of Sections 2 & 11, Township 26 South, Range 31 East**

55.308363%      Devon Energy Production Company, L.P.

5.914868%      V-F Petroleum, Inc.

3.995025%      Resource Development Technology, LLC

1.136363%      Diamond S Energy Company

1.731180%      Longhorn Partners

2.272725%      Pioneer Natural Resources USA, Inc.

1.798760%      Hayes Land & Production, L.P.

1.700846%      EOG Resources, Inc.

0.402018%      TLM3, LTD

0.309245%      Roden Participants, Ltd.

0.195313%      S&L Energy Company, LLC

0.094270%      Headington Royalty, Inc.

0.009065%      The H and S Drilling Company

0.005008%      Lean Dog Limited Partnership No. 1

0.065104%      Geronimo Holding Corporation

0.061849%      Roden Associates, Ltd.

25.00%      XTO Energy, Inc.

---

100.00%      Total Committed Interest      55.724454%      Total Uncommitted Interest      44.275546%

**Unit ORRI**      **W/2 of Sections 2 & 11, Township 26 South, Range 31 East**

2.562500%      Devon Energy Production Company, L.P.

1.062500%      Lime Rock Resources A, L.P.

0.355614%      Magnolia, LLC

0.121005%      T.R. Cone

0.047608%      Big Sinks Joint Venture

0.021973%      Craig Folsom

0.025126%      William F. Roden Bypass Trust

1.250000%      ConocoPhillips Company

---

5.446325%



Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

405 235 3611 Phone  
www.devonenergy.com

January 15, 2020

PIONEER NATURAL RESOURCES USA, INC  
5205 N OCONNOR BLVD, STE 1400  
IRVING, TX 75039-3746

RE: Shetland 11-2 Fed State Com 611H  
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), hereby proposes to drill the Shetland 11-2 Fed State Com 611H well to test the Wolfcamp formation. The proposed surface hole location is approximately 505' FWL & 15' FSL, Section 11-26S-31E. The proposed bottom hole location is 890' FWL & 330' FNL, Section 2-26S-31E. Attached is Devon's AFE reflecting the gross estimated drilling cost to be \$5,704,898 and an estimated total well cost to be \$11,258,872.

Please make your election in the space provided below and return one copy of this letter to the undersigned. An election to participate should be accompanied by an executed AFE and your well requirement sheet including e-mail address.

A new Joint Operating Agreement will be proposed under separate cover. Please contact the undersigned at (405) 552-6113 or [Tim.Prout@devon.com](mailto:Tim.Prout@devon.com) if you desire to sell your interest to Devon.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Tim Prout  
Senior Landman

PIONEER NATURAL RESOURCES USA, INC

\_\_\_\_ I/we elect to participate in the drilling and completion of the Shetland 11-2 Fed State Com 611H. A signed AFE is returned herewith.

\_\_\_\_ I/we elect to not participate and be carried as non-consent.

Company Name: \_\_\_\_\_

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

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C5  
Submitted by: Devon Energy Production  
Hearing Date: March 05, 2020  
Case Nos. 21126 & 21127





## Authorization for Expenditure

AFE # XX-133463.01

Well Name: SHETLAND 11-2 FED STATE COM 611H

AFE Date: 1/13/2020

Cost Center Number: 1094057401

State: NM

Legal Description: SEC 11-26S-31E

County/Parish: EDDY

Revision: ☐

### Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL WOLFCAMP WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	442,618.15	0.00	442,618.15
6060100	DYED LIQUID FUELS	187,880.00	421,827.68	0.00	609,707.68
6080100	DISPOSAL - SOLIDS	93,362.00	2,231.84	0.00	95,593.84
6080110	DISP-SALTWATER & OTH	0.00	244,043.29	0.00	244,043.29
6090100	FLUIDS - WATER	10,325.00	124,155.81	0.00	134,480.81
6090120	RECYC TREAT&PROC-H2O	0.00	464,583.38	0.00	464,583.38
6100100	PERMIT SURVEY&TITLE	5,000.00	0.00	0.00	5,000.00
6100110	RIGHT OF WAY	10,000.00	0.00	0.00	10,000.00
6110120	ROAD&SITE PREP M&S	15,309.38	0.00	0.00	15,309.38
6110130	ROAD&SITE PREP SVC	82,971.88	13,391.05	0.00	96,362.93
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6120100	I & C SERVICES	95,317.50	0.00	0.00	95,317.50
6130170	COMM SVCS - WAN	5,978.00	0.00	0.00	5,978.00
6130360	RTOC - ENGINEERING	0.00	11,159.21	0.00	11,159.21
6130370	RTOC - GEOSTEERING	21,882.00	0.00	0.00	21,882.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	409,040.85	0.00	409,040.85
6160100	MATERIALS & SUPPLIES	683.00	0.00	0.00	683.00
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	258,006.79	0.00	258,006.79
6190100	TRCKG&HL-SOLID&FLUID	68,320.00	8,000.00	0.00	76,320.00
6190110	TRUCKING&HAUL OF EQP	51,975.00	21,738.82	0.00	73,713.82
6200130	CONSLT & PROJECT SVC	191,422.00	124,712.69	0.00	316,134.69
6230120	SAFETY SERVICES	56,364.00	0.00	0.00	56,364.00
6300270	SOLIDS CONTROL SRVCS	119,560.00	0.00	0.00	119,560.00
6310120	STIMULATION SERVICES	0.00	1,137,229.60	0.00	1,137,229.60
6310190	PROPPANT PURCHASE	0.00	721,487.32	0.00	721,487.32
6310200	CASING & TUBULAR SVC	114,922.00	0.00	0.00	114,922.00
6310250	CEMENTING SERVICES	190,000.00	0.00	0.00	190,000.00
6310280	DAYWORK COSTS	831,864.00	0.00	0.00	831,864.00
6310300	DIRECTIONAL SERVICES	312,327.00	0.00	0.00	312,327.00
6310310	DRILL BITS	132,050.00	0.00	0.00	132,050.00
6310330	DRILL&COMP FLUID&SVC	284,595.00	52,022.63	0.00	336,617.63
6310370	MOB & DEMOBILIZATION	277,000.00	0.00	0.00	277,000.00
6310380	OPEN HOLE EVALUATION	23,175.00	0.00	0.00	23,175.00
6310480	TSTNG-WELL, PL & OTH	0.00	122,770.28	0.00	122,770.28
6310600	MISC PUMPING SERVICE	0.00	100,881.14	0.00	100,881.14
6320100	EQPMNT SVC-SRF RNTL	204,615.00	231,101.97	0.00	435,716.97
6320110	EQUIP SVC - DOWNHOLE	42,196.00	58,066.07	0.00	100,262.07
6320160	WELDING SERVICES	1,850.00	0.00	0.00	1,850.00
6320190	WATER TRANSFER	0.00	186,674.47	0.00	186,674.47
6350100	CONSTRUCTION SVC	382,440.85	27,000.00	0.00	409,440.85
6520100	LEGAL FEES	5,000.00	0.00	0.00	5,000.00
6550100	MISCS COSTS & SERV	0.00	31,000.00	0.00	31,000.00

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-133463.01

Well Name: SHETLAND 11-2 FED STATE COM 611H

Cost Center Number: 1094057401

Legal Description: SEC 11-26S-31E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	22,900.00	0.00	0.00	22,900.00
6630110	CAPITAL OVERHEAD	39,087.04	14,000.00	0.00	53,087.04
6740340	TAXES OTHER	545.00	15,000.00	0.00	15,545.00
	Total Intangibles	3,891,916.65	5,275,743.04	0.00	9,167,659.69

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	62,170.11	0.00	0.00	62,170.11
6120120	MEASUREMENT EQUIP	25,160.63	0.00	0.00	25,160.63
6150110	LOG PERFORATG&WL EQP	0.00	16,000.00	0.00	16,000.00
6230130	SAFETY EQUIPMENT	7,314.00	0.00	0.00	7,314.00
6300150	SEPARATOR EQUIPMENT	344,191.76	0.00	0.00	344,191.76
6300220	STORAGE VESSEL&TANKS	42,160.69	0.00	0.00	42,160.69
6300230	PUMPS - SURFACE	42,466.88	0.00	0.00	42,466.88
6300260	VALVES	0.00	25,500.00	0.00	25,500.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,150.00	0.00	91,150.00
6310460	WELLHEAD EQUIPMENT	35,600.00	67,580.56	0.00	103,180.56
6310490	WELL TESTING EQUIP	0.00	78,000.00	0.00	78,000.00
6310540	INTERMEDIATE CASING	417,288.00	0.00	0.00	417,288.00
6310550	PRODUCTION CASING	433,092.00	0.00	0.00	433,092.00
6310580	CASING COMPONENTS	59,750.00	0.00	0.00	59,750.00
6330100	PIPE,FIT,FLANG,CPLNG	323,787.36	0.00	0.00	323,787.36
	Total Tangibles	1,812,981.43	278,230.56	0.00	2,091,211.99

TOTAL ESTIMATED COST	5,704,898.08	5,553,973.60	0.00	11,258,871.68
----------------------	--------------	--------------	------	---------------

### 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.



Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

405 235 3611 Phone  
www.devonenergy.com

January 15, 2020

PIONEER NATURAL RESOURCES USA, INC  
5205 N OCONNOR BLVD, STE 1400  
IRVING, TX 75039-3746

RE: Shetland 2-11 State Fed State Com 613H  
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), hereby proposes to drill the Shetland 2-11 State Fed Com 613H well to test the Wolfcamp formation. The proposed surface hole location is approximately 1130' FEL & 170' FNL, Section 2-26S-31E. The proposed bottom hole location is 1750' FEL & 330' FSL, Section 11-26S-31E. Attached is Devon's AFE reflecting the gross estimated drilling cost to be \$5,704,898 and an estimated total well cost to be \$11,258,872.

Please make your election in the space provided below and return one copy of this letter to the undersigned. An election to participate should be accompanied by an executed AFE and your well requirement sheet including e-mail address.

A new Joint Operating Agreement will be proposed under separate cover. Please contact the undersigned at (405) 552-6113 or [Tim.Prout@devon.com](mailto:Tim.Prout@devon.com) if you desire to sell your interest to Devon.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Tim Prout  
Senior Landman

PIONEER NATURAL RESOURCES USA, INC

\_\_\_\_ I/we elect to participate in the drilling and completion of the Shetland 2-11 State Fed Com 613H. A signed AFE is returned herewith.

\_\_\_\_ I/we elect to not participate and be carried as non-consent.

Company Name: \_\_\_\_\_

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



## Authorization for Expenditure

AFE # XX-133383.01

Well Name: SHETLAND 2-11 STATE FED COM 613H

Cost Center Number: 1094054901

Legal Description: SEC 2-26S-31E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL WOLFCAMP WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	442,618.15	0.00	442,618.15
6060100	DYED LIQUID FUELS	187,880.00	421,827.68	0.00	609,707.68
6080100	DISPOSAL - SOLIDS	93,362.00	2,231.84	0.00	95,593.84
6080110	DISP-SALTWATER & OTH	0.00	244,043.29	0.00	244,043.29
6090100	FLUIDS - WATER	10,325.00	124,155.81	0.00	134,480.81
6090120	RECYC TREAT&PROC-H2O	0.00	464,583.38	0.00	464,583.38
6100100	PERMIT SURVEY&TITLE	5,000.00	0.00	0.00	5,000.00
6100110	RIGHT OF WAY	10,000.00	0.00	0.00	10,000.00
6110120	ROAD&SITE PREP M&S	15,309.38	0.00	0.00	15,309.38
6110130	ROAD&SITE PREP SVC	82,971.88	13,391.05	0.00	96,362.93
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6120100	I & C SERVICES	95,317.50	0.00	0.00	95,317.50
6130170	COMM SVCS - WAN	5,978.00	0.00	0.00	5,978.00
6130360	RTOC - ENGINEERING	0.00	11,159.21	0.00	11,159.21
6130370	RTOC - GEOSTEERING	21,882.00	0.00	0.00	21,882.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	409,040.85	0.00	409,040.85
6160100	MATERIALS & SUPPLIES	683.00	0.00	0.00	683.00
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	258,006.79	0.00	258,006.79
6190100	TRCKG&HL-SOLID&FLUID	68,320.00	8,000.00	0.00	76,320.00
6190110	TRUCKING&HAUL OF EQP	51,975.00	21,738.82	0.00	73,713.82
6200130	CONSLT & PROJECT SVC	191,422.00	124,712.69	0.00	316,134.69
6230120	SAFETY SERVICES	56,364.00	0.00	0.00	56,364.00
6300270	SOLIDS CONTROL SRVCS	119,560.00	0.00	0.00	119,560.00
6310120	STIMULATION SERVICES	0.00	1,137,229.60	0.00	1,137,229.60
6310190	PROPPANT PURCHASE	0.00	721,487.32	0.00	721,487.32
6310200	CASING & TUBULAR SVC	114,922.00	0.00	0.00	114,922.00
6310250	CEMENTING SERVICES	190,000.00	0.00	0.00	190,000.00
6310280	DAYWORK COSTS	831,864.00	0.00	0.00	831,864.00
6310300	DIRECTIONAL SERVICES	312,327.00	0.00	0.00	312,327.00
6310310	DRILL BITS	132,050.00	0.00	0.00	132,050.00
6310330	DRILL&COMP FLUID&SVC	284,595.00	52,022.63	0.00	336,617.63
6310370	MOB & DEMOBILIZATION	277,000.00	0.00	0.00	277,000.00
6310380	OPEN HOLE EVALUATION	23,175.00	0.00	0.00	23,175.00
6310480	TSTNG-WELL, PL & OTH	0.00	122,770.28	0.00	122,770.28
6310600	MISC PUMPING SERVICE	0.00	100,881.14	0.00	100,881.14
6320100	EQPMNT SVC-SRF RNTL	204,615.00	231,101.97	0.00	435,716.97
6320110	EQUIP SVC - DOWNHOLE	42,196.00	58,066.07	0.00	100,262.07
6320160	WELDING SERVICES	1,850.00	0.00	0.00	1,850.00
6320190	WATER TRANSFER	0.00	186,674.47	0.00	186,674.47
6350100	CONSTRUCTION SVC	382,440.85	27,000.00	0.00	409,440.85
6520100	LEGAL FEES	5,000.00	0.00	0.00	5,000.00
6550100	MISCS COSTS & SERVS	0.00	31,000.00	0.00	31,000.00

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-133383.01

Well Name: SHETLAND 2-11 STATE FED COM 613H

AFE Date: 1/13/2020

Cost Center Number: 1094054901

State: NM

Legal Description: SEC 2-26S-31E

County/Parish: EDDY

Revision: ☐

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	22,900.00	0.00	0.00	22,900.00
6630110	CAPITAL OVERHEAD	39,087.04	14,000.00	0.00	53,087.04
6740340	TAXES OTHER	545.00	15,000.00	0.00	15,545.00
	Total Intangibles	3,891,916.65	5,275,743.04	0.00	9,167,659.69

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	62,170.11	0.00	0.00	62,170.11
6120120	MEASUREMENT EQUIP	25,160.63	0.00	0.00	25,160.63
6150110	LOG PERFORATG&WL EQP	0.00	16,000.00	0.00	16,000.00
6230130	SAFETY EQUIPMENT	7,314.00	0.00	0.00	7,314.00
6300150	SEPARATOR EQUIPMENT	344,191.76	0.00	0.00	344,191.76
6300220	STORAGE VESSEL&TANKS	42,160.69	0.00	0.00	42,160.69
6300230	PUMPS - SURFACE	42,466.88	0.00	0.00	42,466.88
6300260	VALVES	0.00	25,500.00	0.00	25,500.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,150.00	0.00	91,150.00
6310460	WELLHEAD EQUIPMENT	35,600.00	67,580.56	0.00	103,180.56
6310490	WELL TESTING EQUIP	0.00	78,000.00	0.00	78,000.00
6310540	INTERMEDIATE CASING	417,288.00	0.00	0.00	417,288.00
6310550	PRODUCTION CASING	433,092.00	0.00	0.00	433,092.00
6310580	CASING COMPONENTS	59,750.00	0.00	0.00	59,750.00
6330100	PIPE,FIT,FLANG,CPLNG	323,787.36	0.00	0.00	323,787.36
	Total Tangibles	1,812,981.43	278,230.56	0.00	2,091,211.99

TOTAL ESTIMATED COST	5,704,898.08	5,553,973.60	0.00	11,258,871.68
----------------------	--------------	--------------	------	---------------

### 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.



Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

405 235 3611 Phone  
[www.devonenergy.com](http://www.devonenergy.com)

January 15, 2020

PIONEER NATURAL RESOURCES USA, INC  
5205 N OCONNOR BLVD, STE 1400  
IRVING, TX 75039-3746

RE: Shetland 11-2 Fed State Com 711H  
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), hereby proposes to drill the Shetland 11-2 Fed State Com 711H well to test the Wolfcamp formation. The proposed surface hole location is approximately 475' FWL & 15' FSL, Section 11-26S-31E. The proposed bottom hole location is 330' FWL & 330' FNL, Section 2-26S-31E. Attached is Devon's AFE reflecting the gross estimated drilling cost to be \$5,717,482 and an estimated total well cost to be \$11,271,456.

Please make your election in the space provided below and return one copy of this letter to the undersigned. An election to participate should be accompanied by an executed AFE and your well requirement sheet including e-mail address.

A new Joint Operating Agreement will be proposed under separate cover. Please contact the undersigned at (405) 552-6113 or [Tim.Prout@devon.com](mailto:Tim.Prout@devon.com) if you desire to sell your interest to Devon.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Tim Prout  
Senior Landman

PIONEER NATURAL RESOURCES USA, INC

\_\_\_\_\_ I/we elect to participate in the drilling and completion of the Shetland 11-2 Fed State Com 711H. A signed AFE is returned herewith.

\_\_\_\_\_ I/we elect to not participate and be carried as non-consent.

Company Name: \_\_\_\_\_

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



## Authorization for Expenditure

AFE # XX-133415.01

Well Name: SHETLAND 11-2 FED STATE COM 711H

Cost Center Number: 1094055901

Legal Description: SEC 11-26S-32E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL WOLFCAMP WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	442,618.15	0.00	442,618.15
6060100	DYED LIQUID FUELS	189,255.00	421,827.68	0.00	611,082.68
6080100	DISPOSAL - SOLIDS	93,362.00	2,231.84	0.00	95,593.84
6080110	DISP-SALTWATER & OTH	0.00	244,043.29	0.00	244,043.29
6090100	FLUIDS - WATER	10,325.00	124,155.81	0.00	134,480.81
6090120	RECYC TREAT&PROC-H2O	0.00	464,583.38	0.00	464,583.38
6100100	PERMIT SURVEY&TITLE	5,000.00	0.00	0.00	5,000.00
6100110	RIGHT OF WAY	10,000.00	0.00	0.00	10,000.00
6110120	ROAD&SITE PREP M&S	15,309.38	0.00	0.00	15,309.38
6110130	ROAD&SITE PREP SVC	82,971.88	13,391.05	0.00	96,362.93
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6120100	I & C SERVICES	95,317.50	0.00	0.00	95,317.50
6130170	COMM SVCS - WAN	6,022.00	0.00	0.00	6,022.00
6130360	RTOC - ENGINEERING	0.00	11,159.21	0.00	11,159.21
6130370	RTOC - GEOSTEERING	27,168.00	0.00	0.00	27,168.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	409,040.85	0.00	409,040.85
6160100	MATERIALS & SUPPLIES	688.00	0.00	0.00	688.00
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	258,006.79	0.00	258,006.79
6190100	TRCKG&HL-SOLID&FLUID	68,820.00	8,000.00	0.00	76,820.00
6190110	TRUCKING&HAUL OF EQP	54,975.00	21,738.82	0.00	76,713.82
6200130	CONSULT & PROJECT SVC	192,785.00	124,712.69	0.00	317,497.69
6230120	SAFETY SERVICES	56,777.00	0.00	0.00	56,777.00
6300270	SOLIDS CONTROL SRVCS	120,435.00	0.00	0.00	120,435.00
6310120	STIMULATION SERVICES	0.00	1,137,229.60	0.00	1,137,229.60
6310190	PROPPANT PURCHASE	0.00	721,487.32	0.00	721,487.32
6310200	CASING & TUBULAR SVC	114,922.00	0.00	0.00	114,922.00
6310250	CEMENTING SERVICES	230,000.00	0.00	0.00	230,000.00
6310280	DAYWORK COSTS	837,952.00	0.00	0.00	837,952.00
6310300	DIRECTIONAL SERVICES	387,175.00	0.00	0.00	387,175.00
6310310	DRILL BITS	176,550.00	0.00	0.00	176,550.00
6310330	DRILL&COMP FLUID&SVC	335,524.00	52,022.63	0.00	387,546.63
6310370	MOB & DEMOBILIZATION	26,650.00	0.00	0.00	26,650.00
6310380	OPEN HOLE EVALUATION	28,238.00	0.00	0.00	28,238.00
6310480	TESTNG-WELL, PL & OTH	0.00	122,770.28	0.00	122,770.28
6310600	MISC PUMPING SERVICE	0.00	100,881.14	0.00	100,881.14
6320100	EQPMNT SVC-SRF RNTL	212,367.00	231,101.97	0.00	443,468.97
6320110	EQUIP SVC - DOWNHOLE	42,267.00	58,066.07	0.00	100,333.07
6320160	WELDING SERVICES	1,850.00	0.00	0.00	1,850.00
6320190	WATER TRANSFER	0.00	186,674.47	0.00	186,674.47
6350100	CONSTRUCTION SVC	382,440.85	27,000.00	0.00	409,440.85
6520100	LEGAL FEES	5,000.00	0.00	0.00	5,000.00
6550100	MISCS COSTS & SERVS	0.00	31,000.00	0.00	31,000.00

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-133415.01

Well Name: SHETLAND 11-2 FED STATE COM 711H

Cost Center Number: 1094055901

Legal Description: SEC 11-26S-32E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	22,900.00	0.00	0.00	22,900.00
6630110	CAPITAL OVERHEAD	39,162.04	14,000.00	0.00	53,162.04
6740340	TAXES OTHER	549.00	15,000.00	0.00	15,549.00
	Total Intangibles	3,883,757.65	5,275,743.04	0.00	9,159,500.69

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	62,170.11	0.00	0.00	62,170.11
6120120	MEASUREMENT EQUIP	25,160.63	0.00	0.00	25,160.63
6150110	LOG PERFORATG&WL EQP	0.00	16,000.00	0.00	16,000.00
6230130	SAFETY EQUIPMENT	8,485.00	0.00	0.00	8,485.00
6300150	SEPARATOR EQUIPMENT	344,191.76	0.00	0.00	344,191.76
6300220	STORAGE VESSEL&TANKS	42,160.69	0.00	0.00	42,160.69
6300230	PUMPS - SURFACE	42,466.88	0.00	0.00	42,466.88
6300260	VALVES	0.00	25,500.00	0.00	25,500.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,150.00	0.00	91,150.00
6310460	WELLHEAD EQUIPMENT	35,600.00	67,580.56	0.00	103,180.56
6310490	WELL TESTING EQUIP	0.00	78,000.00	0.00	78,000.00
6310540	INTERMEDIATE CASING	436,860.00	0.00	0.00	436,860.00
6310550	PRODUCTION CASING	433,092.00	0.00	0.00	433,092.00
6310580	CASING COMPONENTS	59,750.00	0.00	0.00	59,750.00
6330100	PIPE,FIT,FLANG,CPLNG	323,787.36	0.00	0.00	323,787.36
	Total Tangibles	1,833,724.43	278,230.56	0.00	2,111,954.99

TOTAL ESTIMATED COST	5,717,482.08	5,553,973.60	0.00	11,271,455.68
----------------------	--------------	--------------	------	---------------

### 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.





## Authorization for Expenditure

AFE # XX-133415.01

Well Name: SHETLAND 11-2 FED STATE COM 711H

Cost Center Number: 1094055901

Legal Description: SEC 11-26S-32E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL WOLFCAMP WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	442,618.15	0.00	442,618.15
6060100	DYED LIQUID FUELS	189,255.00	421,827.68	0.00	611,082.68
6080100	DISPOSAL - SOLIDS	93,362.00	2,231.84	0.00	95,593.84
6080110	DISP-SALTWATER & OTH	0.00	244,043.29	0.00	244,043.29
6090100	FLUIDS - WATER	10,325.00	124,155.81	0.00	134,480.81
6090120	RECYC TREAT&PROC-H2O	0.00	464,583.38	0.00	464,583.38
6100100	PERMIT SURVEY&TITLE	5,000.00	0.00	0.00	5,000.00
6100110	RIGHT OF WAY	10,000.00	0.00	0.00	10,000.00
6110120	ROAD&SITE PREP M&S	15,309.38	0.00	0.00	15,309.38
6110130	ROAD&SITE PREP SVC	82,971.88	13,391.05	0.00	96,362.93
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6120100	I & C SERVICES	95,317.50	0.00	0.00	95,317.50
6130170	COMM SVCS - WAN	6,022.00	0.00	0.00	6,022.00
6130360	RTOC - ENGINEERING	0.00	11,159.21	0.00	11,159.21
6130370	RTOC - GEOSTEERING	27,168.00	0.00	0.00	27,168.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRGT&WL SV	0.00	409,040.85	0.00	409,040.85
6160100	MATERIALS & SUPPLIES	688.00	0.00	0.00	688.00
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	258,006.79	0.00	258,006.79
6190100	TRCKG&HL-SOLID&FLUID	68,820.00	8,000.00	0.00	76,820.00
6190110	TRUCKING&HAUL OF EQP	54,975.00	21,738.82	0.00	76,713.82
6200130	CONSLT & PROJECT SVC	192,785.00	124,712.69	0.00	317,497.69
6230120	SAFETY SERVICES	56,777.00	0.00	0.00	56,777.00
6300270	SOLIDS CONTROL SRVCS	120,435.00	0.00	0.00	120,435.00
6310120	STIMULATION SERVICES	0.00	1,137,229.60	0.00	1,137,229.60
6310190	PROPPANT PURCHASE	0.00	721,487.32	0.00	721,487.32
6310200	CASING & TUBULAR SVC	114,922.00	0.00	0.00	114,922.00
6310250	CEMENTING SERVICES	230,000.00	0.00	0.00	230,000.00
6310280	DAYWORK COSTS	837,952.00	0.00	0.00	837,952.00
6310300	DIRECTIONAL SERVICES	387,175.00	0.00	0.00	387,175.00
6310310	DRILL BITS	176,550.00	0.00	0.00	176,550.00
6310330	DRILL&COMP FLUID&SVC	335,524.00	52,022.63	0.00	387,546.63
6310370	MOB & DEMOBILIZATION	26,650.00	0.00	0.00	26,650.00
6310380	OPEN HOLE EVALUATION	28,238.00	0.00	0.00	28,238.00
6310480	TESTNG-WELL, PL & OTH	0.00	122,770.28	0.00	122,770.28
6310600	MISC PUMPING SERVICE	0.00	100,881.14	0.00	100,881.14
6320100	EQPMNT SVC-SRF RNTL	212,367.00	231,101.97	0.00	443,468.97
6320110	EQUIP SVC - DOWNHOLE	42,267.00	58,066.07	0.00	100,333.07
6320160	WELDING SERVICES	1,850.00	0.00	0.00	1,850.00
6320190	WATER TRANSFER	0.00	186,674.47	0.00	186,674.47
6350100	CONSTRUCTION SVC	382,440.85	27,000.00	0.00	409,440.85
6520100	LEGAL FEES	5,000.00	0.00	0.00	5,000.00
6550100	MISCS COSTS & SERV	0.00	31,000.00	0.00	31,000.00

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-133415.01

Well Name: SHETLAND 11-2 FED STATE COM 711H

AFE Date: 1/13/2020

Cost Center Number: 1094055901

State: NM

Legal Description: SEC 11-26S-32E

County/Parish: EDDY

Revision: ☐

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	22,900.00	0.00	0.00	22,900.00
6630110	CAPITAL OVERHEAD	39,162.04	14,000.00	0.00	53,162.04
6740340	TAXES OTHER	549.00	15,000.00	0.00	15,549.00
	Total Intangibles	3,883,757.65	5,275,743.04	0.00	9,159,500.69

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	62,170.11	0.00	0.00	62,170.11
6120120	MEASUREMENT EQUIP	25,160.63	0.00	0.00	25,160.63
6150110	LOG PERFORATG&WL EQP	0.00	16,000.00	0.00	16,000.00
6230130	SAFETY EQUIPMENT	8,485.00	0.00	0.00	8,485.00
6300150	SEPARATOR EQUIPMENT	344,191.76	0.00	0.00	344,191.76
6300220	STORAGE VESSEL&TANKS	42,160.69	0.00	0.00	42,160.69
6300230	PUMPS - SURFACE	42,466.88	0.00	0.00	42,466.88
6300260	VALVES	0.00	25,500.00	0.00	25,500.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,150.00	0.00	91,150.00
6310460	WELLHEAD EQUIPMENT	35,600.00	67,580.56	0.00	103,180.56
6310490	WELL TESTING EQUIP	0.00	78,000.00	0.00	78,000.00
6310540	INTERMEDIATE CASING	436,860.00	0.00	0.00	436,860.00
6310550	PRODUCTION CASING	433,092.00	0.00	0.00	433,092.00
6310580	CASING COMPONENTS	59,750.00	0.00	0.00	59,750.00
6330100	PIPE,FIT,FLANG,CPLNG	323,787.36	0.00	0.00	323,787.36
	Total Tangibles	1,833,724.43	278,230.56	0.00	2,111,954.99

TOTAL ESTIMATED COST	5,717,482.08	5,553,973.60	0.00	11,271,455.68
----------------------	--------------	--------------	------	---------------

### 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.



Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

405 235 3611 Phone  
www.devonenergy.com

January 15, 2020

PIONEER NATURAL RESOURCES USA, INC  
5205 N OCONNOR BLVD, STE 1400  
IRVING, TX 75039-3746

RE: Shetland 11-2 Fed State Com 712H  
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), hereby proposes to drill the Shetland 11-2 Fed State Com 712H well to test the Wolfcamp formation. The proposed surface hole location is approximately 2080' FWL & 350' FSL, Section 11-26S-31E. The proposed bottom hole location is 1650' FWL & 330' FNL, Section 2-26S-31E. Attached is Devon's AFE reflecting the gross estimated drilling cost to be \$5,717,482 and an estimated total well cost to be \$11,271,456.

Please make your election in the space provided below and return one copy of this letter to the undersigned. An election to participate should be accompanied by an executed AFE and your well requirement sheet including e-mail address.

A new Joint Operating Agreement will be proposed under separate cover. Please contact the undersigned at (405) 552-6113 or [Tim.Prout@devon.com](mailto:Tim.Prout@devon.com) if you desire to sell your interest to Devon.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Tim Prout  
Senior Landman

PIONEER NATURAL RESOURCES USA, INC

\_\_\_\_\_ I/we elect to participate in the drilling and completion of the Shetland 11-2 Fed State Com 712H. A signed AFE is returned herewith.

\_\_\_\_\_ I/we elect to not participate and be carried as non-consent.

Company Name: \_\_\_\_\_

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



## Authorization for Expenditure

AFE # XX-133464.01

Well Name: SHETLAND 11-2 FED STATE COM 731H

Cost Center Number: 1094057501

Legal Description: SEC 11-26S-32E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL WOLFCAMP WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	442,618.15	0.00	442,618.15
6060100	DYED LIQUID FUELS	189,255.00	421,827.68	0.00	611,082.68
6080100	DISPOSAL - SOLIDS	93,362.00	2,231.84	0.00	95,593.84
6080110	DISP-SALTWATER & OTH	0.00	244,043.29	0.00	244,043.29
6090100	FLUIDS - WATER	10,325.00	124,155.81	0.00	134,480.81
6090120	RECYC TREAT&PROC-H2O	0.00	464,583.38	0.00	464,583.38
6100100	PERMIT SURVEY&TITLE	5,000.00	0.00	0.00	5,000.00
6100110	RIGHT OF WAY	10,000.00	0.00	0.00	10,000.00
6110120	ROAD&SITE PREP M&S	15,309.38	0.00	0.00	15,309.38
6110130	ROAD&SITE PREP SVC	82,971.88	13,391.05	0.00	96,362.93
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6120100	I & C SERVICES	95,317.50	0.00	0.00	95,317.50
6130170	COMM SVCS - WAN	6,022.00	0.00	0.00	6,022.00
6130360	RTOC - ENGINEERING	0.00	11,159.21	0.00	11,159.21
6130370	RTOC - GEOSTEERING	27,168.00	0.00	0.00	27,168.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRGT&WL SV	0.00	409,040.85	0.00	409,040.85
6160100	MATERIALS & SUPPLIES	688.00	0.00	0.00	688.00
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	258,006.79	0.00	258,006.79
6190100	TRCKG&HL-SOLID&FLUID	68,820.00	8,000.00	0.00	76,820.00
6190110	TRUCKING&HAUL OF EQP	54,975.00	21,738.82	0.00	76,713.82
6200130	CONSLT & PROJECT SVC	192,785.00	124,712.69	0.00	317,497.69
6230120	SAFETY SERVICES	56,777.00	0.00	0.00	56,777.00
6300270	SOLIDS CONTROL SRVCS	120,435.00	0.00	0.00	120,435.00
6310120	STIMULATION SERVICES	0.00	1,137,229.60	0.00	1,137,229.60
6310190	PROPPANT PURCHASE	0.00	721,487.32	0.00	721,487.32
6310200	CASING & TUBULAR SVC	114,922.00	0.00	0.00	114,922.00
6310250	CEMENTING SERVICES	230,000.00	0.00	0.00	230,000.00
6310280	DAYWORK COSTS	837,952.00	0.00	0.00	837,952.00
6310300	DIRECTIONAL SERVICES	387,175.00	0.00	0.00	387,175.00
6310310	DRILL BITS	176,550.00	0.00	0.00	176,550.00
6310330	DRILL&COMP FLUID&SVC	335,524.00	52,022.63	0.00	387,546.63
6310370	MOB & DEMOBILIZATION	26,650.00	0.00	0.00	26,650.00
6310380	OPEN HOLE EVALUATION	28,238.00	0.00	0.00	28,238.00
6310480	TESTNG-WELL, PL & OTH	0.00	122,770.28	0.00	122,770.28
6310600	MISC PUMPING SERVICE	0.00	100,881.14	0.00	100,881.14
6320100	EQPMNT SVC-SRF RNTL	212,367.00	231,101.97	0.00	443,468.97
6320110	EQUIP SVC - DOWNHOLE	42,267.00	58,066.07	0.00	100,333.07
6320160	WELDING SERVICES	1,850.00	0.00	0.00	1,850.00
6320190	WATER TRANSFER	0.00	186,674.47	0.00	186,674.47
6350100	CONSTRUCTION SVC	382,440.85	27,000.00	0.00	409,440.85
6520100	LEGAL FEES	5,000.00	0.00	0.00	5,000.00
6550100	MISCS COSTS & SERVS	0.00	31,000.00	0.00	31,000.00

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-133464.01

Well Name: SHETLAND 11-2 FED STATE COM 731H

Cost Center Number: 1094057501

Legal Description: SEC 11-26S-32E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	22,900.00	0.00	0.00	22,900.00
6630110	CAPITAL OVERHEAD	39,162.04	14,000.00	0.00	53,162.04
6740340	TAXES OTHER	549.00	15,000.00	0.00	15,549.00
	Total Intangibles	3,883,757.65	5,275,743.04	0.00	9,159,500.69

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	B&C EQUIPMENT	62,170.11	0.00	0.00	62,170.11
6120120	MEASUREMENT EQUIP	25,160.63	0.00	0.00	25,160.63
6150110	LOG PERFORATG&WL EQP	0.00	16,000.00	0.00	16,000.00
6230130	SAFETY EQUIPMENT	8,485.00	0.00	0.00	8,485.00
6300150	SEPARATOR EQUIPMENT	344,191.76	0.00	0.00	344,191.76
6300220	STORAGE VESSEL&TANKS	42,160.69	0.00	0.00	42,160.69
6300230	PUMPS - SURFACE	42,466.88	0.00	0.00	42,466.88
6300260	VALVES	0.00	25,500.00	0.00	25,500.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,150.00	0.00	91,150.00
6310460	WELLHEAD EQUIPMENT	35,600.00	67,580.56	0.00	103,180.56
6310490	WELL TESTING EQUIP	0.00	78,000.00	0.00	78,000.00
6310540	INTERMEDIATE CASING	436,860.00	0.00	0.00	436,860.00
6310550	PRODUCTION CASING	433,092.00	0.00	0.00	433,092.00
6310580	CASING COMPONENTS	59,750.00	0.00	0.00	59,750.00
6330100	PIPE, FIT, FLANG, CPLNG	323,787.36	0.00	0.00	323,787.36
	Total Tangibles	1,833,724.43	278,230.56	0.00	2,111,954.99

TOTAL ESTIMATED COST	5,717,482.08	5,553,973.60	0.00	11,271,455.68
----------------------	--------------	--------------	------	---------------

### 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.



Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

405 235 3611 Phone  
www.devonenergy.com

January 15, 2020

PIONEER NATURAL RESOURCES USA, INC  
5205 N OCONNOR BLVD, STE 1400  
IRVING, TX 75039-3746

RE: Shetland 11-2 Fed State Com 712H  
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), hereby proposes to drill the Shetland 11-2 Fed State Com 712H well to test the Wolfcamp formation. The proposed surface hole location is approximately 2080' FWL & 350' FSL, Section 11-26S-31E. The proposed bottom hole location is 1650' FWL & 330' FNL, Section 2-26S-31E. Attached is Devon's AFE reflecting the gross estimated drilling cost to be \$5,717,482 and an estimated total well cost to be \$11,271,456.

Please make your election in the space provided below and return one copy of this letter to the undersigned. An election to participate should be accompanied by an executed AFE and your well requirement sheet including e-mail address.

A new Joint Operating Agreement will be proposed under separate cover. Please contact the undersigned at (405) 552-6113 or [Tim.Prout@dvn.com](mailto:Tim.Prout@dvn.com) if you desire to sell your interest to Devon.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Tim Prout  
Senior Landman

PIONEER NATURAL RESOURCES USA, INC

\_\_\_\_ I/we elect to participate in the drilling and completion of the Shetland 11-2 Fed State Com 712H. A signed AFE is returned herewith.

\_\_\_\_ I/we elect to not participate and be carried as non-consent.

Company Name: \_\_\_\_\_

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



## Authorization for Expenditure

AFE # XX-133464.01

Well Name: SHETLAND 11-2 FED STATE COM 731H

Cost Center Number: 1094057501

Legal Description: SEC 11-26S-32E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL WOLFCAMP WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	442,618.15	0.00	442,618.15
6060100	DYED LIQUID FUELS	189,255.00	421,827.68	0.00	611,082.68
6080100	DISPOSAL - SOLIDS	93,362.00	2,231.84	0.00	95,593.84
6080110	DISP-SALTWATER & OTH	0.00	244,043.29	0.00	244,043.29
6090100	FLUIDS - WATER	10,325.00	124,155.81	0.00	134,480.81
6090120	RECYC TREAT&PROC-H2O	0.00	464,583.38	0.00	464,583.38
6100100	PERMIT SURVEY&TITLE	5,000.00	0.00	0.00	5,000.00
6100110	RIGHT OF WAY	10,000.00	0.00	0.00	10,000.00
6110120	ROAD&SITE PREP M&S	15,309.38	0.00	0.00	15,309.38
6110130	ROAD&SITE PREP SVC	82,971.88	13,391.05	0.00	96,362.93
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6120100	I & C SERVICES	95,317.50	0.00	0.00	95,317.50
6130170	COMM SVCS - WAN	6,022.00	0.00	0.00	6,022.00
6130360	RTOC - ENGINEERING	0.00	11,159.21	0.00	11,159.21
6130370	RTOC - GEOSTEERING	27,168.00	0.00	0.00	27,168.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRGT&WL SV	0.00	409,040.85	0.00	409,040.85
6160100	MATERIALS & SUPPLIES	688.00	0.00	0.00	688.00
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	258,006.79	0.00	258,006.79
6190100	TRCKG&HL-SOLID&FLUID	68,820.00	8,000.00	0.00	76,820.00
6190110	TRUCKING&HAUL OF EQP	54,975.00	21,738.82	0.00	76,713.82
6200130	CONSLT & PROJECT SVC	192,785.00	124,712.69	0.00	317,497.69
6230120	SAFETY SERVICES	56,777.00	0.00	0.00	56,777.00
6300270	SOLIDS CONTROL SRVCS	120,435.00	0.00	0.00	120,435.00
6310120	STIMULATION SERVICES	0.00	1,137,229.60	0.00	1,137,229.60
6310190	PROPPANT PURCHASE	0.00	721,487.32	0.00	721,487.32
6310200	CASING & TUBULAR SVC	114,922.00	0.00	0.00	114,922.00
6310250	CEMENTING SERVICES	230,000.00	0.00	0.00	230,000.00
6310280	DAYWORK COSTS	837,952.00	0.00	0.00	837,952.00
6310300	DIRECTIONAL SERVICES	387,175.00	0.00	0.00	387,175.00
6310310	DRILL BITS	176,550.00	0.00	0.00	176,550.00
6310330	DRILL&COMP FLUID&SVC	335,524.00	52,022.63	0.00	387,546.63
6310370	MOB & DEMOBILIZATION	26,650.00	0.00	0.00	26,650.00
6310380	OPEN HOLE EVALUATION	28,238.00	0.00	0.00	28,238.00
6310480	TSTNG-WELL, PL & OTH	0.00	122,770.28	0.00	122,770.28
6310600	MISC PUMPING SERVICE	0.00	100,881.14	0.00	100,881.14
6320100	EQPMNT SVC-SRF RNTL	212,367.00	231,101.97	0.00	443,468.97
6320110	EQUIP SVC - DOWNHOLE	42,267.00	58,066.07	0.00	100,333.07
6320160	WELDING SERVICES	1,850.00	0.00	0.00	1,850.00
6320190	WATER TRANSFER	0.00	186,674.47	0.00	186,674.47
6350100	CONSTRUCTION SVC	382,440.85	27,000.00	0.00	409,440.85
6520100	LEGAL FEES	5,000.00	0.00	0.00	5,000.00
6550100	MISCS COSTS & SERVS	0.00	31,000.00	0.00	31,000.00

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-133464.01

Well Name: SHETLAND 11-2 FED STATE COM 731H

Cost Center Number: 1094057501

Legal Description: SEC 11-26S-32E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	22,900.00	0.00	0.00	22,900.00
6630110	CAPITAL OVERHEAD	39,162.04	14,000.00	0.00	53,162.04
6740340	TAXES OTHER	549.00	15,000.00	0.00	15,549.00
	Total Intangibles	3,883,757.65	5,275,743.04	0.00	9,159,500.69

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	62,170.11	0.00	0.00	62,170.11
6120120	MEASUREMENT EQUIP	25,160.63	0.00	0.00	25,160.63
6150110	LOG PERFORATG&WL EQP	0.00	16,000.00	0.00	16,000.00
6230130	SAFETY EQUIPMENT	8,485.00	0.00	0.00	8,485.00
6300150	SEPARATOR EQUIPMENT	344,191.76	0.00	0.00	344,191.76
6300220	STORAGE VESSEL&TANKS	42,160.69	0.00	0.00	42,160.69
6300230	PUMPS - SURFACE	42,466.88	0.00	0.00	42,466.88
6300260	VALVES	0.00	25,500.00	0.00	25,500.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,150.00	0.00	91,150.00
6310460	WELLHEAD EQUIPMENT	35,600.00	67,580.56	0.00	103,180.56
6310490	WELL TESTING EQUIP	0.00	78,000.00	0.00	78,000.00
6310540	INTERMEDIATE CASING	436,860.00	0.00	0.00	436,860.00
6310550	PRODUCTION CASING	433,092.00	0.00	0.00	433,092.00
6310580	CASING COMPONENTS	59,750.00	0.00	0.00	59,750.00
6330100	PIPE,FIT,FLANG,CPLNG	323,787.36	0.00	0.00	323,787.36
	Total Tangibles	1,833,724.43	278,230.56	0.00	2,111,954.99

TOTAL ESTIMATED COST	5,717,482.08	5,553,973.60	0.00	11,271,455.68
----------------------	--------------	--------------	------	---------------

### 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.





Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

405 235 3611 Phone  
www.devonenergy.com

January 15, 2020

PIONEER NATURAL RESOURCES USA, INC  
5205 N OCONNOR BLVD, STE 1400  
IRVING, TX 75039-3746

RE: Shetland 11-2 Fed State Com 731H  
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), hereby proposes to drill the Shetland 11-2 Fed State Com 731H well to test the Wolfcamp formation. The proposed surface hole location is approximately 535' FWL & 15' FSL, Section 11-26S-31E. The proposed bottom hole location is 990' FWL & 330' FNL, Section 2-26S-31E. Attached is Devon's AFE reflecting the gross estimated drilling cost to be \$5,717,482 and an estimated total well cost to be \$11,271,456.

Please make your election in the space provided below and return one copy of this letter to the undersigned. An election to participate should be accompanied by an executed AFE and your well requirement sheet including e-mail address.

A new Joint Operating Agreement will be proposed under separate cover. Please contact the undersigned at (405) 552-6113 or [Tim.Prout@devon.com](mailto:Tim.Prout@devon.com) if you desire to sell your interest to Devon.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Tim Prout  
Senior Landman

PIONEER NATURAL RESOURCES USA, INC

\_\_\_\_ I/we elect to participate in the drilling and completion of the Shetland 11-2 Fed State Com 731H. A signed AFE is returned herewith.

\_\_\_\_ I/we elect to not participate and be carried as non-consent.

Company Name: \_\_\_\_\_

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



## Authorization for Expenditure

AFE # XX-133464.01

Well Name: SHETLAND 11-2 FED STATE COM 731H

Cost Center Number: 1094057501

Legal Description: SEC 11-26S-32E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL WOLFCAMP WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	442,618.15	0.00	442,618.15
6060100	DYED LIQUID FUELS	189,255.00	421,827.68	0.00	611,082.68
6080100	DISPOSAL - SOLIDS	93,362.00	2,231.84	0.00	95,593.84
6080110	DISP-SALTWATER & OTH	0.00	244,043.29	0.00	244,043.29
6090100	FLUIDS - WATER	10,325.00	124,155.81	0.00	134,480.81
6090120	RECYC TREAT&PROC-H2O	0.00	464,583.38	0.00	464,583.38
6100100	PERMIT SURVEY&TITLE	5,000.00	0.00	0.00	5,000.00
6100110	RIGHT OF WAY	10,000.00	0.00	0.00	10,000.00
6110120	ROAD&SITE PREP M&S	15,309.38	0.00	0.00	15,309.38
6110130	ROAD&SITE PREP SVC	82,971.88	13,391.05	0.00	96,362.93
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6120100	& C SERVICES	95,317.50	0.00	0.00	95,317.50
6130170	COMM SVCS - WAN	6,022.00	0.00	0.00	6,022.00
6130360	RTOC - ENGINEERING	0.00	11,159.21	0.00	11,159.21
6130370	RTOC - GEOSTEERING	27,168.00	0.00	0.00	27,168.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRGTG&WL SV	0.00	409,040.85	0.00	409,040.85
6160100	MATERIALS & SUPPLIES	688.00	0.00	0.00	688.00
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBG&COIL TUBG SVC	0.00	258,006.79	0.00	258,006.79
6190100	TRCKG&HL-SOLID&FLUID	68,820.00	8,000.00	0.00	76,820.00
6190110	TRUCKING&HAUL OF EQP	54,975.00	21,738.82	0.00	76,713.82
6200130	CONSLT & PROJECT SVC	192,785.00	124,712.69	0.00	317,497.69
6230120	SAFETY SERVICES	56,777.00	0.00	0.00	56,777.00
6300270	SOLIDS CONTROL SRVCS	120,435.00	0.00	0.00	120,435.00
6310120	STIMULATION SERVICES	0.00	1,137,229.60	0.00	1,137,229.60
6310190	PROPPANT PURCHASE	0.00	721,487.32	0.00	721,487.32
6310200	CASING & TUBULAR SVC	114,922.00	0.00	0.00	114,922.00
6310250	CEMENTING SERVICES	230,000.00	0.00	0.00	230,000.00
6310280	DAYWORK COSTS	837,952.00	0.00	0.00	837,952.00
6310300	DIRECTIONAL SERVICES	387,175.00	0.00	0.00	387,175.00
6310310	DRILL BITS	176,550.00	0.00	0.00	176,550.00
6310330	DRILL&COMP FLUID&SVC	335,524.00	52,022.63	0.00	387,546.63
6310370	MOB & DEMOBILIZATION	26,650.00	0.00	0.00	26,650.00
6310380	OPEN HOLE EVALUATION	28,238.00	0.00	0.00	28,238.00
6310480	TSTNG-WELL, PL & OTH	0.00	122,770.28	0.00	122,770.28
6310600	MISC PUMPING SERVICE	0.00	100,881.14	0.00	100,881.14
6320100	EQPMNT SVC-SRF RNTL	212,367.00	231,101.97	0.00	443,468.97
6320110	EQUIP SVC - DOWNHOLE	42,267.00	58,066.07	0.00	100,333.07
6320160	WELDING SERVICES	1,850.00	0.00	0.00	1,850.00
6320190	WATER TRANSFER	0.00	186,674.47	0.00	186,674.47
6350100	CONSTRUCTION SVC	382,440.85	27,000.00	0.00	409,440.85
6520100	LEGAL FEES	5,000.00	0.00	0.00	5,000.00
6550100	MISCS COSTS & SERV	0.00	31,000.00	0.00	31,000.00

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-133464.01

Well Name: SHETLAND 11-2 FED STATE COM 731H

Cost Center Number: 1094057501

Legal Description: SEC 11-26S-32E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	22,900.00	0.00	0.00	22,900.00
6630110	CAPITAL OVERHEAD	39,162.04	14,000.00	0.00	53,162.04
6740340	TAXES OTHER	549.00	15,000.00	0.00	15,549.00
	Total Intangibles	3,883,757.65	5,275,743.04	0.00	9,159,500.69

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	62,170.11	0.00	0.00	62,170.11
6120120	MEASUREMENT EQUIP	25,160.63	0.00	0.00	25,160.63
6150110	LOG PERFORATG&WL EQP	0.00	16,000.00	0.00	16,000.00
6230130	SAFETY EQUIPMENT	8,485.00	0.00	0.00	8,485.00
6300150	SEPARATOR EQUIPMENT	344,191.76	0.00	0.00	344,191.76
6300220	STORAGE VESSEL&TANKS	42,160.69	0.00	0.00	42,160.69
6300230	PUMPS - SURFACE	42,466.88	0.00	0.00	42,466.88
6300260	VALVES	0.00	25,500.00	0.00	25,500.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,150.00	0.00	91,150.00
6310460	WELLHEAD EQUIPMENT	35,600.00	67,580.56	0.00	103,180.56
6310490	WELL TESTING EQUIP	0.00	78,000.00	0.00	78,000.00
6310540	INTERMEDIATE CASING	436,860.00	0.00	0.00	436,860.00
6310550	PRODUCTION CASING	433,092.00	0.00	0.00	433,092.00
6310580	CASING COMPONENTS	59,750.00	0.00	0.00	59,750.00
6330100	PIPE,FIT,FLANG,CPLNG	323,787.36	0.00	0.00	323,787.36
	Total Tangibles	1,833,724.43	278,230.56	0.00	2,111,954.99

TOTAL ESTIMATED COST	5,717,482.08	5,553,973.60	0.00	11,271,455.68
----------------------	--------------	--------------	------	---------------

### 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.



Devon Energy Corporation  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

405 235 3611 Phone  
www.devonenergy.com

January 15, 2020

PIONEER NATURAL RESOURCES USA, INC  
5205 N OCONNOR BLVD, STE 1400  
IRVING, TX 75039-3746

RE: Shetland 11-2 Fed State Com 732H  
Eddy County, New Mexico

Gentlemen:

Devon Energy Production Company, L.P. ("Devon"), hereby proposes to drill the Shetland 11-2 Fed State Com 732H well to test the Wolfcamp formation. The proposed surface hole location is approximately 2140' FWL & 350' FSL, Section 11-26S-31E. The proposed bottom hole location is 2310' FWL & 330' FNL, Section 2-26S-31E. Attached is Devon's AFE reflecting the gross estimated drilling cost to be \$5,717,482 and an estimated total well cost to be \$11,271,456.

Please make your election in the space provided below and return one copy of this letter to the undersigned. An election to participate should be accompanied by an executed AFE and your well requirement sheet including e-mail address.

A new Joint Operating Agreement will be proposed under separate cover. Please contact the undersigned at (405) 552-6113 or [Tim.Prout@devon.com](mailto:Tim.Prout@devon.com) if you desire to sell your interest to Devon.

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L.P.

Tim Prout  
Senior Landman

PIONEER NATURAL RESOURCES USA, INC

\_\_\_\_ I/we elect to participate in the drilling and completion of the Shetland 11-2 Fed State Com 732H. A signed AFE is returned herewith.

\_\_\_\_ I/we elect to not participate and be carried as non-consent.

Company Name: \_\_\_\_\_

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



## Authorization for Expenditure

AFE # XX-133381.01

Well Name: SHETLAND 11-2 FED STATE COM 732H

Cost Center Number: 1094054701

Legal Description: SEC 11-26S-31E

Revision: ☐

AFE Date: 1/13/2020

State: NM

County/Parish: EDDY

Explanation and Justification:

DRILL AND COMPLETE HORIZONTAL WOLFCAMP WELL

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6040110	CHEMICALS - OTHER	0.00	442,618.15	0.00	442,618.15
6060100	DYED LIQUID FUELS	189,255.00	421,827.68	0.00	611,082.68
6080100	DISPOSAL - SOLIDS	93,362.00	2,231.84	0.00	95,593.84
6080110	DISP-SALTWATER & OTH	0.00	244,043.29	0.00	244,043.29
6090100	FLUIDS - WATER	10,325.00	124,155.81	0.00	134,480.81
6090120	RECYC TREAT&PROC-H2O	0.00	484,583.38	0.00	484,583.38
6100100	PERMIT SURVEY&TITLE	5,000.00	0.00	0.00	5,000.00
6100110	RIGHT OF WAY	10,000.00	0.00	0.00	10,000.00
6110120	ROAD&SITE PREP M&S	15,309.38	0.00	0.00	15,309.38
6110130	ROAD&SITE PREP SVC	82,971.88	13,391.05	0.00	96,362.93
6110170	DAMAGE & REMEDIATION	10,000.00	0.00	0.00	10,000.00
6120100	& C SERVICES	95,317.50	0.00	0.00	95,317.50
6130170	COMM SVCS - WAN	6,022.00	0.00	0.00	6,022.00
6130380	RTOC - ENGINEERING	0.00	11,159.21	0.00	11,159.21
6130370	RTOC - GEOSTEERING	27,168.00	0.00	0.00	27,168.00
6140160	ENV-SERVICES	1,000.00	0.00	0.00	1,000.00
6150100	CH LOG PERFRTG&WL SV	0.00	409,040.85	0.00	409,040.85
6160100	MATERIALS & SUPPLIES	688.00	0.00	0.00	688.00
6170100	PULLING&SWABBING SVC	0.00	33,000.00	0.00	33,000.00
6170110	SNUBBO&COIL TUBG SVC	0.00	258,006.79	0.00	258,006.79
6190100	TRCKG&HL-SOLID&FLUID	68,820.00	8,000.00	0.00	76,820.00
6190110	TRUCKING&HAUL OF EQP	54,975.00	21,738.82	0.00	76,713.82
6200130	CONSLT & PROJECT SVC	192,785.00	124,712.89	0.00	317,497.69
6230120	SAFETY SERVICES	56,777.00	0.00	0.00	56,777.00
6300270	SOLIDS CONTROL SRVCS	120,435.00	0.00	0.00	120,435.00
6310120	STIMULATION SERVICES	0.00	1,137,229.60	0.00	1,137,229.60
6310190	PROPPANT PURCHASE	0.00	721,487.32	0.00	721,487.32
6310200	CASING & TUBULAR SVC	114,922.00	0.00	0.00	114,922.00
6310250	CEMENTING SERVICES	230,000.00	0.00	0.00	230,000.00
6310280	DAYWORK COSTS	837,952.00	0.00	0.00	837,952.00
6310300	DIRECTIONAL SERVICES	387,175.00	0.00	0.00	387,175.00
6310310	DRILL BITS	176,550.00	0.00	0.00	176,550.00
6310330	DRILL&COMP FLUID&SVC	335,524.00	52,022.63	0.00	387,546.63
6310370	MOB & DEMOBILIZATION	26,650.00	0.00	0.00	26,650.00
6310380	OPEN HOLE EVALUATION	28,238.00	0.00	0.00	28,238.00
6310480	TESTNG-WELL, PL & OTH	0.00	122,770.28	0.00	122,770.28
6310600	MISC PUMPING SERVICE	0.00	100,881.14	0.00	100,881.14
6320100	EQPMNT SVC-SRF RNTL	212,367.00	231,101.97	0.00	443,468.97
6320110	EQUIP SVC - DOWNHOLE	42,267.00	58,066.07	0.00	100,333.07
6320160	WELDING SERVICES	1,850.00	0.00	0.00	1,850.00
6320190	WATER TRANSFER	0.00	186,674.47	0.00	186,674.47
6350100	CONSTRUCTION SVC	382,440.85	27,000.00	0.00	409,440.85
6520100	LEGAL FEES	5,000.00	0.00	0.00	5,000.00
6550100	MISCS COSTS & SERVS	0.00	31,000.00	0.00	31,000.00

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-133381.01

Well Name: SHETLAND 11-2 FED STATE COM 732H

AFE Date: 1/13/2020

Cost Center Number: 1094054701

State: NM

Legal Description: SEC 11-26S-31E

County/Parish: EDDY

Revision: ☐

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6550110	MISCELLANEOUS SVC	22,900.00	0.00	0.00	22,900.00
6630110	CAPITAL OVERHEAD	39,162.04	14,000.00	0.00	53,162.04
6740340	TAXES OTHER	549.00	15,000.00	0.00	15,549.00
	Total Intangibles	3,883,757.65	5,275,743.04	0.00	9,159,500.69

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
6120110	I&C EQUIPMENT	62,170.11	0.00	0.00	62,170.11
6120120	MEASUREMENT EQUIP	25,160.63	0.00	0.00	25,160.63
6150110	LOG PERFORATG&WL EQP	0.00	16,000.00	0.00	16,000.00
6230130	SAFETY EQUIPMENT	8,485.00	0.00	0.00	8,485.00
6300150	SEPARATOR EQUIPMENT	344,191.78	0.00	0.00	344,191.78
6300220	STORAGE VESSEL&TANKS	42,160.69	0.00	0.00	42,160.69
6300230	PUMPS - SURFACE	42,466.88	0.00	0.00	42,466.88
6300280	VALVES	0.00	25,500.00	0.00	25,500.00
6310150	CASG-COND&DRIVE PIPE	20,000.00	0.00	0.00	20,000.00
6310420	TUBING & COMPONENTS	0.00	91,150.00	0.00	91,150.00
6310460	WELLHEAD EQUIPMENT	35,600.00	67,580.56	0.00	103,180.56
6310490	WELL TESTING EQUIP	0.00	78,000.00	0.00	78,000.00
6310540	INTERMEDIATE CASING	436,860.00	0.00	0.00	436,860.00
6310550	PRODUCTION CASING	433,092.00	0.00	0.00	433,092.00
6310580	CASING COMPONENTS	59,750.00	0.00	0.00	59,750.00
6330100	PIPE,FIT,FLANG,CPLNG	323,787.36	0.00	0.00	323,787.36
	Total Tangibles	1,833,724.43	278,230.56	0.00	2,111,954.99

TOTAL ESTIMATED COST	5,717,482.08	5,553,973.60	0.00	11,271,455.68
----------------------	--------------	--------------	------	---------------

### 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.

## **Chronology of Contact with Non-Joined Working Interests**

### **V-F Petroleum, Inc.**

2/17/2020 Phone call, Jerry Gahr, conversation about trading

2/25/2020 Text message, Jerry Gahr, regarding trade

### **Resource Development Technology, LLC**

1/27/2020 Email, Steve Stepanek, discussion regarding RDT's interest

1/29/2020 Email, Steve Stepanek, discussing buying RDT's interest

1/31/2020 Email, Steve Stepanek, proposed changes to JOA

2/25/2020 Email, Steve Stepanek, informing Devon that RDT is selling their interest to a 3<sup>rd</sup> party

### **Diamond S Energy Company**

1/23/2020 Email, Phillip Edmondson, questions regarding proposal

1/29/2020 Email, Phillip Edmondson, questions regarding proposal

2/3/2020 Email, Phillip Edmondson, questions regarding proposal

2/24/2020 Email, Phillip Edmondson, still reviewing JOA

### **Longhorn Partners**

1/27/2020 Phone call, J C Hurt, will make decision closer to spud date

### **Pioneer Natural Resources USA, Inc.**

2/24/2020 Phone Call, Brian Joya, Pioneer prefers to be pooled

### **Hayes Land & Production, L.P.**

2/12/2020 Phone call, Bill Bennett regarding Hayes' interest

2/14/2020 Email, Bill Bennett with elections. Hayes will not be signing JOA

### **EOG Resources, Inc.**

2/24/2020 Phone Call, Dustin Bynum, EOG still reviewing

### **TLM3, LTD**

2/18/2020 Phone Call, Joe Davis, signing JOA

### **Roden Participants, Ltd.**

1/22/2020 Email, Ben Kinney regarding possible sale of interest

1/31/2020 Email, Ben Kinney Roden is selling interest to a 3<sup>rd</sup> party

### **S&L Energy Company, LLC**



2/6/2020 Phone call, Dan Schlatter regarding possible sale of interest

2/25/2020 Email with proposed changes to JOA, selling to third party

**Headington Royalty, Inc.**

Multiple emails, Kellum Wilpitz, from 1/30/2020 to 2/12/2020 regarding well proposals

2/24/2020 Email, Kellum Wilpitz, Headington still reviewing JOA

**The H and S Drilling Company**

Signed JOA

**Lean Dog Limited Partnership No. 1**

Signed JOA

**Geronimo Holding Corporation**

2/7/2020 Email, Patti Pullen, regarding sale of interest

2/18/2020 Phone call, Patti Pullen, regarding sale of interest

2/19/2020 Email, Patti Pullen, regarding sale of interest

**Roden Associates, Ltd.**

1/22/2020 Email, Ben Kinney regarding possible sale of interest

1/31/2020 Email, Ben Kinney Roden is selling interest to a 3<sup>rd</sup> party

**XTO Energy, Inc.**

1<sup>st</sup> week of February several phone call with Vincent Cuccerre



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

**APPLICATIONS OF DEVON ENERGY  
PRODUCTION COMPANY, L.P.  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NOS. 21126, 21127**

**AFFIDAVIT OF SLOAN ANDERSON  
IN SUPPORT OF CASE NOS. 21126 & 21127**

Sloan Anderson, of lawful age and being first duly sworn, declares as follows:

1. My name is Sloan Anderson, and I work for Devon Energy Production Company, L.P. (“Devon”) as a geologist.

2. I have not previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. I have been a Petroleum Geologist with Devon Energy since 2013 and focused on the Delaware Basin since 2016. Prior to joining Devon, I graduated with a M.S. degree in Geology from the University of Tulsa in 2013, and a B.S. in Geology from Oklahoma State University in 2011. I have extensive experience correlating and mapping Wolfcamp and Bone Spring Stratigraphy throughout the Delaware Basin. In my capacity as Senior Geologist for the Eddy County Team, I have planned and executed multiple successful development programs. I also have significant experience integrating geologic data to help understand the interplay of geology, well performance, and well spacing. **Devon Exhibit D-1** is a copy of my resume reflecting my education and experience in petroleum geology matters. I seek to have my credentials accepted by the Division as an expert petroleum geologist.

3. I am familiar with the applications filed by Devon in these cases, and I have conducted a geologic study of the Wolfcamp formation underlying the subject acreage.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Devon Energy Production  
Hearing Date: March 05, 2020  
Case Nos. 21126 & 21127**

4. **Exhibit D-2** is a structure map for the top of the Wolfcamp formation, which also reflects the surrounding area in Eddy County in relation to Sections 2 and 11 that comprise the spacing unit in this case. The **Shetland 11-2 Fed State Com wells** are depicted with red lines in Sections 2 and 11, and I have identified the surface and the bottom hole location for the wells. Existing producing wells in the Third Bone Spring Sand and the Wolfcamp formation are also shown on this map.

5. **Exhibit D-2** shows that the formation is gently dipping to the northeast in this area. I do not observe any other faulting, pinch outs, or geologic impediments to developing the targeted interval with horizontal wells.

6. **Exhibit D-3** identifies the four wells penetrating the targeted intervals that I used to construct a stratigraphic cross-section from A to A'. I utilized these well logs because they penetrate the targeted intervals, are of good quality, and have been subjected to a petrophysical analysis of the targeted intervals. In my opinion, these well logs are representative of the geology in the area.

7. **Exhibit D-4** is a stratigraphic cross section using the representative wells depicted on Exhibit D-2. It contains a gamma ray, resistivity and porosity logs. The landing zones for the **Shetland 11-2 Fed State Com wells** are labeled on the right side of the exhibit. The cross-section demonstrates that the targeted intervals extend across the proposed spacing unit.

8. In my opinion, the standup orientation of the wells is the preferred orientation for horizontal well development of the targeted intervals in this area. This standup orientation will efficiently and effectively develop the subject acreage.

9. Based on my geologic study, the targeted intervals within the Wolfcamp formation underlying the subject area is suitable for development by horizontal wells and the tracts

comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbores.

10. In my opinion, the granting of Devon's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.



11. Exhibits D-1 through D-4 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

  
SLOAN ANDERSON

STATE OF OKLAHOMA     )  
  )  
COUNTY OF Oklahoma     )

SUBSCRIBED and SWORN to before me this 26<sup>th</sup> day of February 2020 by  
Sloan Anderson.

  
 PUBLIC

My Commission Expires:  
9/10/23

## **SLOAN ANDERSON**

### **Petroleum Geologist**

333 West Sheridan Avenue, Oklahoma City, Oklahoma 73118

405-552-5025

## **EXPERIENCE**

APRIL 2016 – PRESENT

SENIOR GEOLOGIST, DEVON ENERGY, DELAWARE BASIN

- Currently Lead Geologist for Cotton Draw Asset Area
- Extensive Experience Mapping Wolfcamp & Bone Spring Unconventional Plays
- Extensive Experience Studying Wolfcamp Well Spacing & Performance
- Lead Geologist for Divest of Non-Core Assets
- Planned & Geo-Steered Bone Spring and Wolfcamp wells on multiple rig lines.

MAY 2013 – MARCH 2016

GEOLOGIST, DEVON ENERGY, POWDER RIVER BASIN

- Regional Characterization of Shannon & Muddy Sandstone in Powder River Basin
- Exploration, Appraisal, Development of Parkman Sandstone Play
- Economic Evaluations for Multiple Successful Acquisitions as well as Organic Leasing
- Planned & Geo-Steered Parkman wells on multiple rig lines.

## **EDUCATION**

M.S. GEOLOGY, UNIVERSITY OF TULSA

Graduation Date: May 2013

GPA : 3.8, Thesis : Meandering Fluvial Facies Architecture of the Ferron Sandstone, Utah USA

B.S. GEOLOGY, OKLAHOMA STATE UNIVERSITY

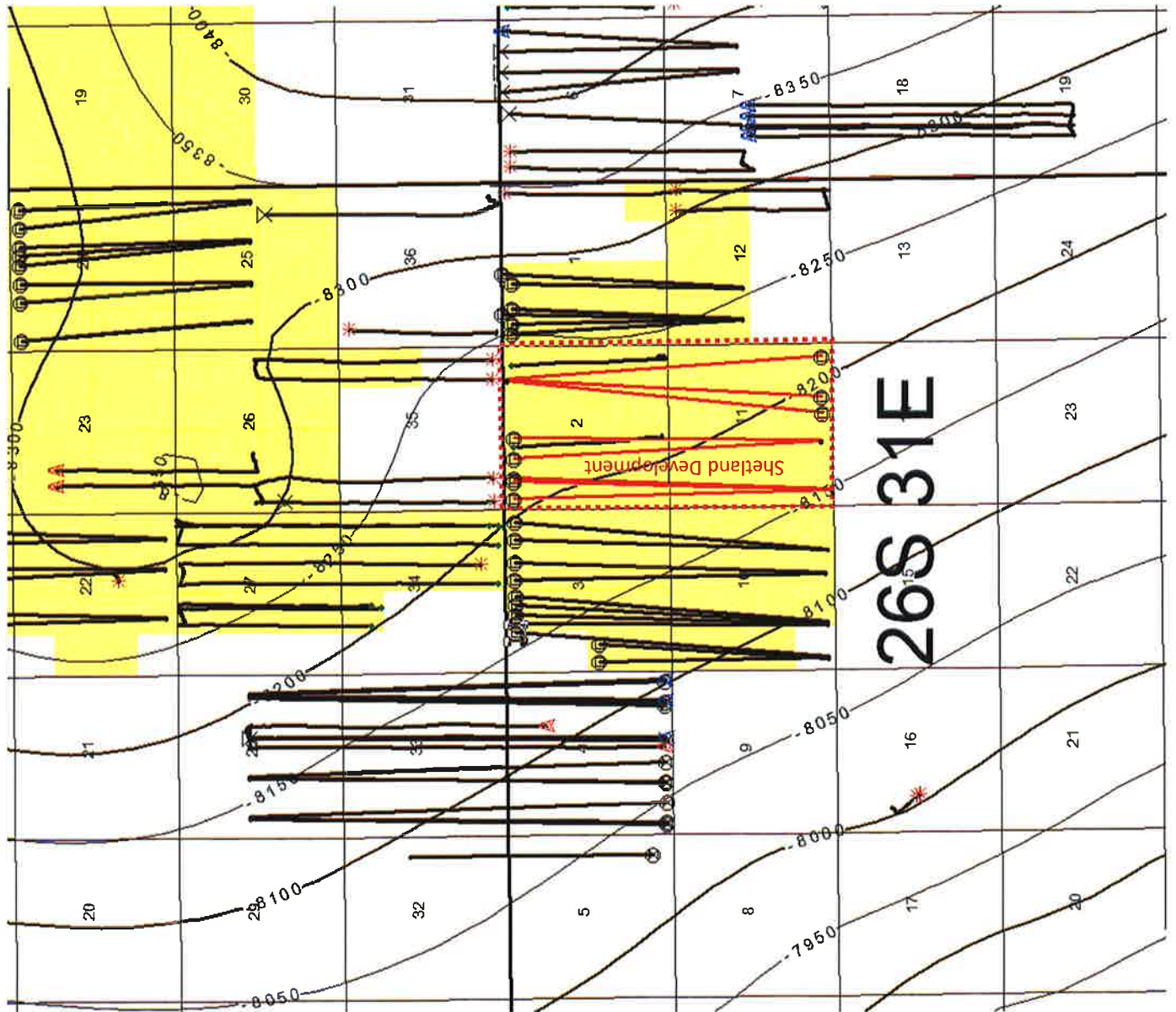
Graduation Date: May 2011

GPA: 3.2



Map is displaying 3<sup>rd</sup> Bone Spring Sand and Wolfcamp wells near Shetland development in sections 2 & 11 26S 31E.

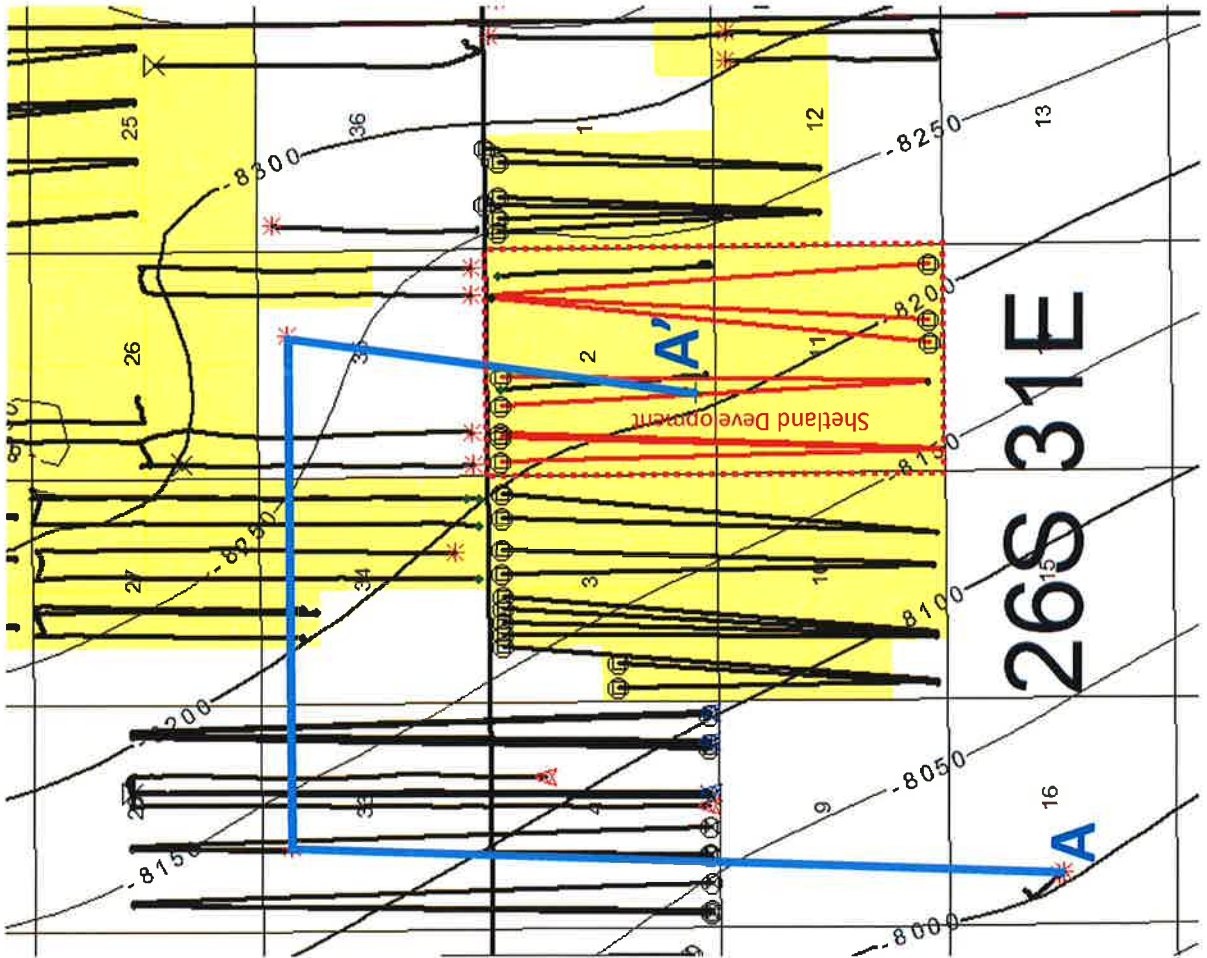
SSTVD Structure Map on Top of Wolfcamp. Formation is gently dipping northeast.



- GAS
- OIL
- PROP
- STAKED
- WOC
- DRLD
- START
- J&A

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D2  
 Submitted by: **Devon Energy Production**  
 Hearing Date: March 05, 2020  
 Case Nos. 21126 & 21127

# Line of Shetland Stratigraphic Cross Section







# Shetland Stratigraphic Cross Section

A'

A



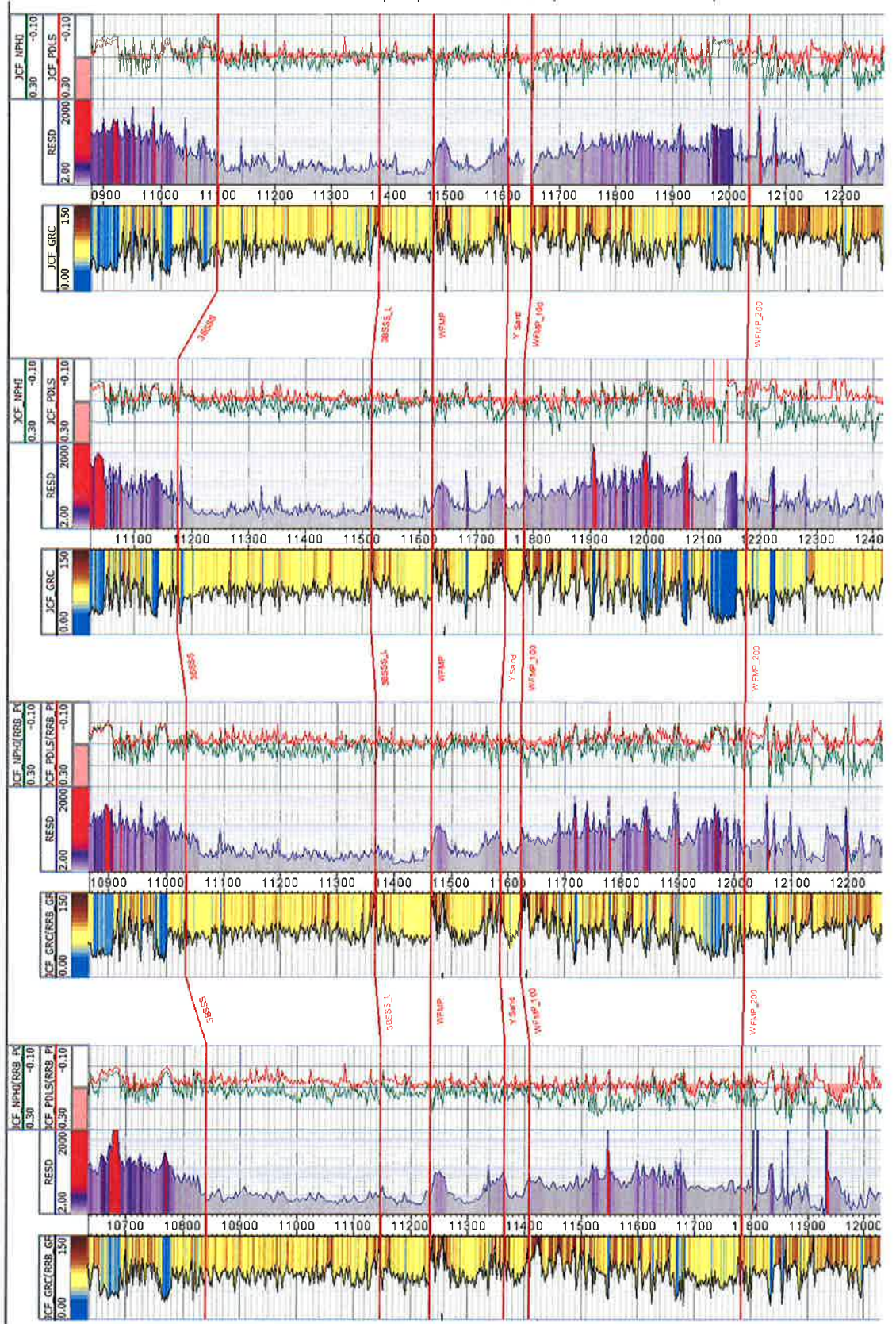
BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D4  
Submitted by: Devon Energy Production  
Hearing Date: March 05, 2020  
Case Nos. 21126 & 21127

## Drilling Targets

333H

611H, 613H

711H, 712H,  
731H, 732H,  
713H







**HOLLAND & HART**<sup>LLP</sup>



**Michael H. Feldewert**  
Phone (505) 988-4421  
Fax (505) 983-6043  
mfeldewert@hollandhart.com

February 14, 2020

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Devon Energy Production Company, L.P. for compulsory pooling, Eddy County, New Mexico.**  
**Shetland 11-2 Fed State Com #611H, #711H, #712H, #731H, #732H Wells**

Ladies & Gentlemen:

This letter is to advise you that Devon Energy Production Company, L.P., has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on March 5, 2020, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; 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 are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Tim Prout at (405) 552-3113, or at [Tim.Prout@dm.com](mailto:Tim.Prout@dm.com).

Sincerely,

Michael H. Feldewert

*for* **ATTORNEY FOR DEVON ENERGY PRODUCTION COMPANY, L.P.**



**Michael H. Feldewert**  
**Phone** (505) 988-4421  
**Fax** (505) 983-6043  
mfeldewert@hollandhart.com

February 14, 2020

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Devon Energy Production Company, L.P. for compulsory pooling, Eddy County, New Mexico.**  
**Shetland 2-11 State Fed Com #333H, #613H, #713H Wells**

Ladies & Gentlemen:

This letter is to advise you that Devon Energy Production Company, L.P., has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on March 5, 2020, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; 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 are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Tim Prout at (405) 552-3113, or at [Tim.Prout@divn.com](mailto:Tim.Prout@divn.com).

Sincerely,

Michael H. Feldewert  
**ATTORNEY FOR DEVON ENERGY PRODUCTION  
COMPANY, L.P.**

Devon - Shetland Wells			Case Nos. 21126-21127 Postal Delivery Report	
Tracking Number	Recipient	Status		
9214890194038306496332	Roden Associates Ltd Attn: Richard E Monroe Jr 2603 Augusta Dr Ste 430 Houston TX 77057-5677	Delivered Signature Received		
9214890194038306496349	Longhorn Partners PO BOX 1973 Midland TX 79702-1973	Delivered Signature Received		
9214890194038306496356	Diamond S Energy Company 6608 Bryant Irvin Rd Fort Worth TX 76132-4217	Delivered Signature Received		
9214890194038306496363	EOG Resources Inc PO BOX 4362 Houston TX 77210	Delivered Signature Received		
9214890194038306496370	EOG Resources Inc PO BOX 2267 Midland TX 79702	Delivered Signature Received		
9214890194038306496387	Hayes Land & Production LP PO BOX 51407 Midland TX 79710-1407	Delivered Signature Received		
9214890194038306496394	V-F Petroleum Inc PO BOX 1889 Midland TX 79702	Delivered Signature Received		
9214890194038306496400	Resource Development Technology LLC PO BOX 1020 Morrison CO 80465	Delivered Signature Received		
9214890194038306496417	TLM3 Ltd 808 W Wall St Midland TX 79701	Delivered Signature Received		
9214890194038306496424	H & S Drilling Company PO BOX 701620 Tulsa OK 74170	In-Transit		
9214890194038306496431	Lean Dog Limited Partnership No 1 PO BOX 25203 Dallas TX 75225	Delivered Signature Received		
9214890194038306496448	XTO Energy Inc 22777 Springwoods Village Pkwy Spring TX 77389	Delivered Signature Received		
9214890194038306496455	Pioneer Natural Resources USA Inc 5205 N O'Connor Blvd Ste 1400 Irving TX 75039-3746	In-Transit		
9214890194038306496462	ConocoPhillips Company 22295 Network Pl Chicago IL 60673-1222	Delivered Signature Received		
9214890194038306496479	William F Roden Bypass Trust PO BOX 10909 Midland TX 79702	Delivered Signature Received		
9214890194038306496486	Big Sinks Joint Venture 7006 Claybrook Dallas TX 75231	In-Transit		
9214890194038306496493	Craig Folsom 3612 McFarlin Blvd Dallas TX 75205	In-Transit		
9214890194038306496509	Magnolia LLC PO BOX 51555 Midland TX 79710-1555	Delivered Signature Received		
9214890194038306496516	Thomas Cone PO BOX 400 South West City MO 64863	Delivered Signature Received		
9214890194038306496523	Lime Rock Resources A LP 1111 Bagby St Ste 4600 Houston TX 77002	Delivered Signature Received		
9214890194038306496530	Devon Energy Production Company LP 333 W Sheridan Ave Oklahoma City OK 73102	Delivered Signature Received		
9214890194038306496295	Headington Royalty Inc 1700 N Redbud Blvd Ste 400 McKinney TX 75069	Delivered Signature Received		
9214890194038306496301	Geronimo Holding Corporation PO BOX 804 Midland TX 79702	Delivered Signature Received		
9214890194038306496318	S & L Energy Company LLC 2606 State St Dallas TX 75204-2600	Delivered Signature Received		
9214890194038306496325	Roden Participants Ltd 2603 Augusta Dr Ste 430 Houston TX 77057-6733	Delivered Signature Received		



# A. Mailer Action

**Note to Mailer:** The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

SEP - Shetland Wells  
Case Nos. 21126-21127  
CM# 106336.0001

\$5 90X29 = \$147.50

# Shipment Confirmation Acceptance Notice

Shipment Date: 02/13/2020

Shipped From:

Name: HOLLAND & HART LLP (1)

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	25
Total	25

\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

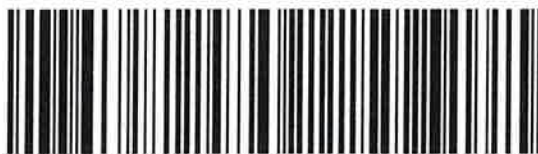
# B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.  
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0020 2689 46



*[Handwritten signature]*



Firm Mailing Book For Accountable Mail

Name and Address of Sender		Check type of mail or service		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1. 9214 8901 9403 8306 4962 95		Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501		Headington Royalty Inc 1700 N Redbud Blvd Ste 400 McKinney TX 75069	0.65	3.55							1.70			
2. 9214 8901 9403 8306 4963 01				Germino Holding Corporation PO BOX 804 Midland TX 79702	0.65	3.55							1.70			
3. 9214 8901 9403 8306 4963 18				S & L Energy Company LLC 2606 State St Dallas TX 75204-2600	0.65	3.55							1.70			
4. 9214 8901 9403 8306 4963 25				Roden Participants Ltd 2603 Augusta Dr Ste 430 Houston TX 77057-6733	0.65	3.55							1.70			
5. 9214 8901 9403 8306 4963 32				Roden Associates Ltd 2603 Augusta Dr E Monroe Jr 2603 Augusta Dr Ste 430 Houston TX 77057-6733	0.65	3.55							1.70			
6. 9214 8901 9403 8306 4963 49				Longhorn Partners PO BOX 1973 Midland TX 79701-1973	0.65	3.55							1.70			
7. 9214 8901 9403 8306 4963 56				Diamond E Energy Company 6608 Bryant Irvin Rd Fort Worth TX 76132-4817	0.65	3.55							1.70			
8. 9214 8901 9403 8306 4963 63				EOG Resources Inc PO BOX 4362 Houston TX 77210	0.65	3.55							1.70			





# Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501	Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Registered Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery
---	---

Affix Stamp Here  
(if issued as an international  
certificate of mailing or for  
additional copies of this receipt).  
Postmark with Date of Receipt.

USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
9. 9214 8901 9403 8306 4963 70	EOG Resources Inc PO BOX 2267 Midland TX 79702	0.65	3.55								1.70			
10. 9214 8901 9403 8306 4963 87	Hayes Land & Production LP PO BOX 51407 Midland TX 79710-1407	0.65	3.55								1.70			
11. 9214 8901 9403 8306 4963 94	V-F Petroleum Inc PO BOX 1889 Midland TX 79702	0.65	3.55								1.70			
12. 9214 8901 9403 8306 4964 00	Resource Development Technology LLC PO BOX 1020 Morrison CO 80465	0.65	3.55								1.70			
13. 9214 8901 9403 8306 4964 17	ELM3 Ltd 808 W Wall St Midland TX 79701	0.65	3.55								1.70			
14. 9214 8901 9403 8306 4964 24	H & S Drilling Company PO BOX 701620 Tulsa OK 74170	0.65	3.55								1.70			
15. 9214 8901 9403 8306 4964 31	Lean Dog Limited Partnership No 1 PO BOX 25203 Dallas TX 75225	0.65	3.55								1.70			
16. 9214 8901 9403 8306 4964 48	XTO Energy Inc 22777 Springwoods Village Pkwy Spring TX 77389	0.65	3.55								1.70			

Total Number of Pieces Listed by Sender 25	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)
---	--	--



Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Registered Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
17. 9214 8901 9403 8306 4964 55		Pioneer Natural Resources USA Inc 5205 N O'Connor Blvd Ste 1400 Living TX 75039-3746		0.65	3.55								1.70			
18. 9214 8901 9403 8306 4964 62		ConocoPhillips Company 22295 Network Pl Chicago IL 60673-1222		0.65	3.55								1.70			
19. 9214 8901 9403 8306 4964 79		William F Roden Bypass Trust PO BOX 10909 Midland TX 79702		0.65	3.55								1.70			
20. 9214 8901 9403 8306 4964 86		Big Sinks Joint Venture 7006 Claybrook Dallas TX 75231		0.65	3.55								1.70			
21. 9214 8901 9403 8306 4965 09		Ching Folsom 3612 McFarlin Blvd Dallas TX 75205		0.65	3.55								1.70			
22. 9214 8901 9403 8306 4965 09		Magnolia LLC PO BOX 51555 Midland TX 79710-1555		0.65	3.55								1.70			
23. 9214 8901 9403 8306 4965 16		Thomas Cone PO BOX 400 South West City MO 64663		0.65	3.55								1.70			
24. 9214 8901 9403 8306 4965 23		Lime Rock Resources A LP 1111 Bagby St Ste 4600 Houston TX 77002		0.65	3.55								1.70			





## Firm Mailing Book For Accountable Mail

[illegible]

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0004061222

This is not an invoice

HOLLAND & HART  
POBOX 2208

SANTA FE, NM 87504

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

February 18, 2020

  
Legal Clerk

Subscribed and sworn before me this February 18, 2020:

  
State of WI, County of Brown  
NOTARY PUBLIC

8-25-23

My commission expires

SHELLY HORA  
Notary Public  
State of Wisconsin

Ad # 0004061222

PO #: Shetland 333H, 613H, 713H  
# of Affidavits 1

This is not an invoice

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold a public hearing before a hearing examiner on March 5, 2020, 8:15 a.m., in Porter Hall, 1st Floor, Wendell Chino Building, 1220 South St. Francis, Santa Fe, New Mexico. The docket may be viewed electronically on the Division's website, <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Florene Davidson, OCD Clerk, at (505) 476-3458. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Florene Davidson, OCD Clerk, at (505) 476-3458, or at the New Mexico Relay Network, 1-800-659-1779, no later than February 24, 2020.

### STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: Headington Royalty Inc; Geronimo Holding Corporation; S & L Energy Company LLC; Roden Participants Ltd; Roden Associates Ltd, Attn: Richard E. Monroe Jr.; Longhorn Partners; Diamond S Energy Company; EOG Resources, Inc.; Hayes Land & Production LP; V-F Petroleum Inc; Resource Development Technology LLC; TLM3 Ltd; H & S Drilling Company; Lean Dog Limited Partnership No. 1; XTO Energy Inc; Pioneer Natural Resources USA, Inc; ConocoPhillips Company; William F. Roden Bypass Trust; Big Sinks Joint Venture; Craig Folsom, his heirs and devisees; Magnolia LLC; Thomas Cone, his heirs and devisees; and Lime Rock Resources A, LP.

Case No. 21126: Application of Devon Energy Production Company, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp (Purple Sage; Wolfcamp (Gas) Pool) formation underlying a 640-acre standard horizontal spacing unit comprised of the E/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells:

- The Shetland 2-11 State Fed Com 333H well to be horizontally drilled from common surface hole locations in the NE/4 NE/4 (Unit A) of Section 2 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 11.
- The Shetland 2-11 State Fed Com 613H well, and the Shetland 2-11 State Fed Com 713H well, both of which are to be horizontally drilled from common surface hole locations in the NE/4 NE/4 (Unit A) of Section 2 to bottom hole locations in the SW/4 SE/4 (Unit O) of Section 11.

Also, to be considered will be the cost of drilling and completing the wells, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of the Applicant as operator, and the imposition of a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 24 miles southeast of Loving, New Mexico.

#4061188 Carlsbad Current Argus, February 18, 2020

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. F

Submitted by: Devon Energy Production

Hearing Date: March 05, 2020

Case Nos. 21126 & 21127

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0004061329

This is not an invoice

HOLLAND & HART  
POBOX 2208

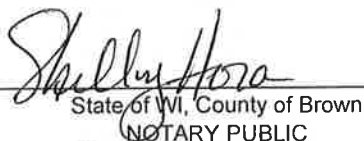
SANTA FE, NM 87504

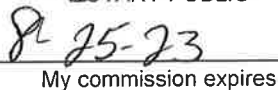
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

February 18, 2020

  
Legal Clerk

Subscribed and sworn before me this February 18, 2020:

  
State of WI, County of Brown  
NOTARY PUBLIC

  
My commission expires

SHELLY HORA  
Notary Public  
State of Wisconsin

Ad # 0004061329

PO #: 611H, 711, 712, 712H  
# of Affidavits 1

This is not an invoice

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold a public hearing before a hearing examiner on March 5, 2020, 8:15 a.m., in Porter Hall, 1st Floor, Wendell Chino Building, 1220 South St. Francis, Santa Fe, New Mexico. The docket may be viewed electronically on the Division's website, <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Florene Davidson, OCD Clerk, at (505) 476-3458. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Florene Davidson, OCD Clerk, at (505) 476-3458, or at the New Mexico Relay Network, 1-800-659-1779, no later than February 24, 2020.

### STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: Headington Royalty Inc; Geronimo Holding Corporation; S & L Energy Company LLC; Roden Participants Ltd; Roden Associates Ltd, Attn: Richard E. Monroe Jr.; Longhorn Partners; Diamond S Energy Company; EOG Resources, Inc.; Hayes Land & Production LP; V-F Petroleum Inc; Resource Development Technology LLC; TLM3 Ltd; H & S Drilling Company; Lean Dog Limited Partnership No. 1; XTO Energy Inc; Pioneer Natural Resources USA, Inc; ConocoPhillips Company; William F. Roden Bypass Trust; Big Sinks Joint Venture; Craig Folsom, his heirs and devisees; Magnolia LLC; Thomas Cone, his heirs and devisees; and Lime Rock Resources A, LP.

Case No. 21127: Application of Devon Energy Production Company, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp (Purple Sage; Wolfcamp (Gas) Pool) formation underlying a 640-acre standard horizontal spacing unit comprised of the W/2 of Sections 2 and 11, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells:

- The Shetland 11-2 Fed State Com 611H well, the Shetland 11-2 Fed State Com 711H well, and the Shetland 11-2 Fed State Com 731H well, all of which are to be horizontally drilled from common surface hole locations in the SW/4 SW/4 (Unit M) of Section 11 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 2.

- The Shetland 11-2 Fed State Com 712H well and the Shetland 11-2 Fed State Com 732H well, both of which are to be horizontally drilled from common surface hole locations in the SE/4 SW/4 (Unit N) of Section 11 to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 2.

Also, to be considered will be the cost of drilling and completing the wells, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of the Applicant as operator, and the imposition of a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 24 miles southeast of Loving, New Mexico.

#4061329, Carlsbad Current Argus, February 18, 2020