BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING APRIL 30, 2020

CASE NO. 21182

APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY, L.P. FOR APPROVAL OF 1280-ACRE
NON-STANDARD SPACING UNITS IN THE
BONE SPRING & WOLFCAMP FORMATIONS
COMPRISED OF ACREAGE SUBJECT TO PROPOSED
COMMUNITIZATION AGREEMENTS

Eddy County, New Mexico



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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR APPROVAL OF 1280-ACRE NONSTANDARD SPACING UNITS IN THE BONE SPRING AND WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO PROPOSED COMMUNITIZATION AGREEMENTS, EDDY COUNTY, NEW MEXICO.

CASE NO. 21182

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Resume of Lauren Sykes

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Eddy County, New Mexico.

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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR APPROVAL OF 1280-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING AND WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO PROPOSED COMMUNITIZATION AGREEMENTS, EDDY COUNTY, NEW MEXICO.

CASE NO. 21182

AFFIDAVIT OF VERL BROWN IN SUPPORT OF CASE NO. 21182

Verl Brown, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Verl Brown. I work for Devon Energy Production Company, L.P. ("Devon") as a Landman.
- 2. 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.
- 3. I am familiar with the application filed by Devon in this case for approval of nonstandard horizontal spacing units in the Bone Spring and Wolfcamp formations, and I am familiar with the status of the lands in the subject area.
- 4. None of the parties have indicated opposition to this application, and therefore I do not expect any opposition at the hearing.
- 5. In this case, Devon seeks an order approving two 1280-acre, more or less, non-standard horizontal spacing units, one each in the Bone Spring and Wolfcamp formations, each comprised of acreage subject to corresponding Communitization Agreements covering all of

Sections 22 and 27, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico ("Proposed Units").

- 6. **Devon's Exhibit A-1** is a land plat outlining the Proposed Units and identifying the tracts that include only federal land.
- 7. Devon seeks approval of these Proposed Units to conform to the Bureau of Land Management's ("BLM") requested communitization agreements, and to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the Proposed Units.
- 8. Devon understands that the BLM requires Division approval of the Proposed Units because the BLM will only approve communitization agreements that conform to a state-approved spacing unit. Without Division approval of these Proposed Units, the BLM will require separate facilities for each standard spacing unit.
- 9. While the acreage is subject to compulsory pooling orders in Order Nos. R-20957, R-20958, R-20959, R-20960, and R-20961, Devon has since obtained voluntary joinder from all working interests to develop this acreage. Devon intends to notify the Division that these prior pooling orders are of no further effect. **Devon's Exhibits A-2** and **A-3** are copies of the proposed communitization agreements for the Bone Spring and Wolfcamp formations underlying subject acreage for the Proposed Units in this case.
- 10. **Devon Exhibit A-4** reflects the initial development plans for the proposed nonstandard horizontal spacing unit in the Bone Spring formation, and the paths of the wellbores for the (1) **Papas Fritas 27-22 Fed Com #331H well** (API No. 30-015-46580); (2) **Papas Fritas 27-22 Fed Com #332H well** (API No. 30-015-46579); and (3) **Papas Fritas 27-22 Fed Com #333H well** (API No. 30-015-46578).

- 11. **Devon Exhibit A-4** also includes the Form C-102 on file with the Division for the proposed wells. All of these wells have been drilled. Upon approval of this application, Devon will file sundries to its C-102s to reflect the approval of the proposed nonstandard horizontal Bone Spring spacing unit in this case. The first and last take points for this well are shown on each C-102. Devon has been advised by the Division's District Office that this nonstandard horizontal spacing unit is located in two pools: the Laguna Salado; Bone Spring Pool (Pool Code 96721), and the Laguna Salado; Bone Spring, South (Pool Code 96857).
- Devon's wells targeting the Bone Spring formation overlap the following existing spacing units, for which notice was previously provided to the affected parties: (1) The **Papas Fritas 27-22 Fed Com #331H well** overlaps the existing spacing units for the for the Laguna Salado 22 Fed 3H well (API #30015350730000) in the W/2 W/2 of Section 22, and the Goodnight 27 Federal 3H well (API# 3001539220000) in the W/2 W/2 of Section 27; and (2) The **Papas Fritas 27-22 Fed Com #332H well** and the **Papas Fritas 27-22 Fed Com #333H well** overlap the existing spacing unit for the Goodnight 27 Federal 2H well (API #300153617000) in the NE/4 SW/4 and the N/2 SW/4 of Section 27.
- nonstandard horizontal spacing unit in the Wolfcamp formation, and the paths of the wellbores for the (1) Papas Fritas 27-22 Fed Com #621H well (API No. 30-015-46573); (2) Papas Fritas 27-22 Fed Com #622H well (API No. 30-015-46577); (3) Papas Fritas 27-22 Fed Com #623H well (API No. 30-015-46576); (4) Papas Fritas 27-22 Fed Com #711H well (API No. 30-015-46572); (5) Papas Fritas 27-22 Fed Com #713H well (API No. 30-015-46575). Devon no longer intends to drill the Papas Fritas 27-22 Fed Com #712H well (API No. 30-015-46574), which was included in this application.

- 14. **Devon Exhibit A-5** also includes the Form C-102 on file with the Division for the wells, which are in the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220). All of these wells have been drilled, except for the **Papas Fritas 27-22 Fed Com #712H well**. Upon approval of this application, Devon will file sundries to its C-102s to reflect the approval of the proposed nonstandard horizontal Wolfcamp spacing unit in this case. The first and last take points for this well are shown on each C-102. Devon has received administrative approval for the non-standard locations for the following wells:
 - Papas Fritas 27-22 Fed Com #621H well (NSL Order No. 7912)
 - Papas Fritas 27-22 Fed Com #622H well (NSL Order No. 7913)
 - Papas Fritas 27-22 Fed Com #623H well (NSL Order No. 7914)
 - Papas Fritas 27-22 Fed Com #711H well (NSL Order No. 7915)
 - Papas Fritas 27-22 Fed Com #713H well (NSL Order No. 7917)
- 15. **Devon Exhibit A-6** is a list of the pools in the Bone Spring and Wolfcamp formations underlying the Proposed Units and the corresponding wells that target each pool. Exhibit A-7 also includes a map outlining the pools in the Proposed Units.
- 16. **Devon Exhibit A-7** is a plat identifying the operators or lessees in Proposed Units and the adjoining tracts that were provided notice of this hearing. I provided the law firm of Holland & Hart LLP a list of names and addresses for the each of the interest owners within the Proposed Units, and the affected parties in the tracts adjoining the Proposed Units. In compiling these addresses, Devon conducted a diligent search of all public records in the county where the Proposed Units are located and of phone directories, including computer searches.
- 17. The BLM was also provided notice since the Proposed Units contain only federal lands.

- 18. In addition, Devon provided notice to the overriding royalty interest owners within the Proposed Units.
- 19. **Devon Exhibit A-1** through **A-7** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Verl Brown

8/7/2022

Papas Fritas 27-22 Fed Com Area

Proposed Non-Standard Horizontal Spacing Unit

Section 22: ALL & Section 27: ALL

T23S-R29E

1,280 Acres

Tract 1: NMNM 66425 (Fed) (640 acres)



Tract 2: NMNM 105557 (Fed) (640 acres)



- 1		
		Sec. 22
		Sec. 27
	ELECTION OF	

Federal Communitization Agreement

Contract No.	

THIS AGREEMENT entered into as of the 1st day of January, 2020, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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

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

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

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

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

Township 23 South, Range 29 East, N.M.P.M.

Section 22: ALL Section 27: ALL Eddy County, New Mexico

Containing <u>1280</u> acres, and this agreement shall include only the <u>Bone Spring</u> Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas

interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

- 3. The Operator of the communitized area shall be Devon Energy Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.

- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized

area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

- 8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is January 1, 2020, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United

States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Statement of Written Consent by All Named Owners:

I, the undersigned, hereby certify, on behalf of Devon Energy Production Company, L.P., Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

Devon Energy Production Company, L.P. (Operator, Record Title and Operating Rights Owner)

Date: 10/7/2019

By: Catherine Lebsack, Vice President

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me on this day of October, 2019 by Catherine Lebsack, Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

My Commission Expires: 05/15/2023

renda Plymale Notary Public



2 3 2020 Date	By: Jawh Wenner The Fact
ACKNOWLE	DGEMENT
STATE OF Texas) ss.	
country of Midland	
On this 3rd day of chang, 2020, before me, a personally appeared Jacob Velasco the Attorney-In-Fact of Cheuron U.S.A.	Notary Public for the State of Texas, known to me to be Inc., on behalf of the same.
(SEAL) PETRA KRISS WC Notary Public, Sta Comm. Expires C Notary ID 129	ate of Texas (1) 06-29-2022 (1)
6/29/2022 My Commission Expires	9866395 Putrati orlange Notary Public
,	110001 1 100110

Chevron U.S.A. Inc.

	Title:
ACKNOW	LEDGEMENT
STATE OF TENAS	
COUNTY OF Young) ss.	
On this 9th day of January, 2020 before me personally appeared John Chiles Grathe fresident of The Allar (e, a Notary Public for the State of Texas, ham, known to me to be on pany, on behalf of the same.
SHEILA BURT Notary Public, State of Texas Notary ID 1201479-5 My Commission Exp. 05-22-2022	
05/22/2022 My Commission Expires	Speila Brut Notary Public

January 9, 2020 Date The Allar Company

Highland (Texas) Energy Company

By Smith matthews Title: Vice President

ACKNOWLEDGEMENT

STATE OF TEXAS	
COUNTY OF Dallas) ss. _)
On this Othay of Anuary, 2028 personally appeared Truitt M the VICE President of Highle	before me, a Notary Public for the State of Texas Atthews, known to me to be And Texas Energy, on behalf of the same.
(SEAL)	

August 27, 2002 My Commission Expires

Notary Public

CHRISTA DAVIS Notary ID #12180810 My Commission Expires August 27, 2022

1-27-2020 Date Echo Production, Inc. (Record Title Only)

By:

Title: C. O. O.

ACKNOWLEDGEMENT

STATE OF June)
COUNTY OF bring) ss.
On this 21th day of January, 2020, before me, a Notary Public for the State of Juxas
personally appeared Succ Fisher, known to me to be
the C.O.O. of Coho modulin Inc., on behalf of the same.
(SEAL)

3 | 3 | 2021 My Commission Expires

Expires Notary Pub



Accelerate Resources Corporation

Title: Vice President of Land

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF DALLAS

On this Hay of January 2020, before me, a Notary Public for the State of Texas, personally appeared John D. Crocker, Jr., known to me to be the Vice President of Land of Accelerate Resources Corporation, a Delaware corporation, on behalf of said corporation.



3/11/2021

My Commission Expires

1/37/2020 Date OXY USA/Inc.
By:

Title: Attorney - in - Fact

ACKNOWLEDGEMENT

STATE OF Texas	
COUNTY OF HARRIS) ss.	
On this That of January, 2020 before me, a Notary Public for the State of Texas personally appeared John Schweider, known to me to be the Atlantic January of OXY (SA Inc., on behalf of the same.	
DELEENA D. LANG Notary Public, State of Texas Comm. Expires 02-18-2022	

My Commission Expires

Notary Public

Tumbler Operating Partners, LLC

	Title: Co-CEO
ACKNOWL	EDGEMENT
STATE OF TEXAS)	
COUNTY OF TAKRANT) ss.	
On this 14 day of January, 2020, before me, personally appeared Derek Dehayos the Co-CEO of Tambler Operating Pa	, known to me to be known, LLC, on behalf of the same.
JESSICA MICHELLE BLEVINS Notary ID #126143635 My Commission Expires August 9, 2021	Jerrica Blulins
My Commission Expires	Notary Public

EXHIBIT "A"

Plat of communitized area covering 1280 acres in all of Section 22, Township 23 South, Range 29 East and in all of Section 27, Township 23 South, Range 29 East, Eddy County, New Mexico.

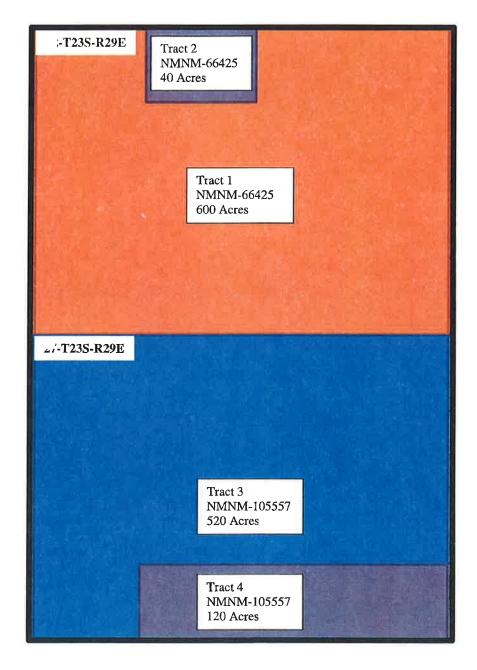


EXHIBIT "B"

To Communitization Agreement dated January 1, 2020, embracing the following described land in the All of Section 22, Township 23 South, Range 29 East and All of Section 27, Township 23 South, Range 29 East, Eddy County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number:

NMNM 66425

Description of Land Committed:

Township 23 South, Range 29 East,

Section 22: All

Number of Gross Acres:

600 acres

Record Title Owner – Lessee:

Devon Energy Production Company, L.P. 100.000000%

Working Interest Owners:

Devon Energy Production Company, L.P. 57.968750% OXY USA Inc. 12.500000% Chevron U.S.A. Inc. 11.989688% Accelerate Resource Corporation 12.016563% Tumbler Operating Partners, LLC 5.525000%

Overriding Interest Owners:

JaNell Joy Honeyman 0.250000%
JaNell Joy Honeyman, as Trustte of the
Leslie Robert Honeyman Trust

OXY USA Inc. 1.500000%

Michael D. Hayes 0.750000%

Lenox Mineral Title Holdings, Inc. solely 0.438281%

In its capacity as nominee holder of

Legal title as agent for the benefit of Lenox

Minerals, LLC

Tract No. 2

Lease Serial Number:

NMNM 66425

Description of Land Committed:

Township 23 South, Range 29 East,

Section 22: All

Number of Gross Acres:

40 acres

Record Title Owner - Lessee:

Devon Energy Production Company, L.P. 100.000000%

Working Interest Owners:

Devon Energy Production Company, L.P. 60.468750% OXY USA Inc. 12.500000% Chevron U.S.A. Inc. 10.974688% Accelerate Resource Corporation 10.531563%

Tumbler Operating Partners, LLC

5.525000%

Overriding Interest Owners:

JaNell Joy Honeyman

0.250000%

JaNell Joy Honeyman, as Trustte of the Leslie Robert Honeyman Trust

0.250000%

OXY USA Inc.

1.500000%

Michael D. Hayes Lenox Mineral Title Holdings, Inc. solely

0.750000% 0.438281%

In its capacity as nominee holder of

Legal title as agent for the benefit of Lenox

Minerals, LLC

Tract No. 3

Lease Serial Number:

NMNM 105557

Description of Land Committed:

Township 23 South, Range 29 East,

Section 27: Insofar and only insofar as the lease covers the

NE/4 and N/2 SE/4

Number of Gross Acres:

520

Record Title Owner - Lessee:

Echo Production Inc.

100.00000%

Name of Working Interest Owners:

Devon Energy Production Company, L.P.

The Allar Company

88.097500% 11.500000%

Highland (Texas) Energy Company

0.402500%

Overriding Interest Owners:

Crownrock Minerals, L.P.

1.500000%

Maribeth Naughton as Trustee of the

1.425000%

Morse Family Security Trust

Limpinbear Family Partnership, Ltd.	1.4250000%
The Allar Company	0.2550000%
Highland (Texas) Energy Company	0.0089250%
Devon Energy Production Company, L.P.	0.2460750%

Tract No. 4

Lease Serial Number:

NMNM 105557

Description of Land Committed:

Township 23 South, Range 29 East,

Section 27: Insofar and only insofar as the lease covers the

NE/4 and N/2 SE/4

Number of Gross Acres:

120

Record Title Owner – Lessee:

Echo Production Inc.

100.00000%

Name of Working Interest Owners:

Devon Energy Production Company, L.P.

88.097500%

The Allar Company Highland (Texas) Energy Company 11.500000% 0.402500%

Overriding Interest Owners:

Crownrock Minerals, L.P.

1.500000%

Maribeth Naughton as Trustee of the

1.425000%

Morse Family Security Trust

1.4250000%

Limpinbear Family Partnership, Ltd. The Allar Company

0.2550000%

Highland (Texas) Energy Company

0.0089250% 0.2460750%

Devon Energy Production Company, L.P.

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	600.00	46.8750%
2	40.00	3.1250%
3	520.00	40.6250%
4	120.00	9.3750%
Total	1280.00	100.0000%

Federal Communitization Agreement

Contract No.

THIS AGREEMENT entered into as of the 1st day of January, 2020, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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

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

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

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

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

Township 23 South, Range 29 East, N.M.P.M.

Section 22: ALL Section 27: ALL Eddy County, New Mexico

Containing 1280 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas

interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

- 3. The Operator of the communitized area shall be Devon Energy Production Company, L.P., 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.

- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized

area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

- 8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is January 1, 2020, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United

States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Statement of Written Consent by All Named Owners:

I, the undersigned, hereby certify, on behalf of Devon Energy Production Company, L.P., Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

> Devon Energy Production Company, L.P. (Operator, Record Title and Operating Rights Owner)

Date: 10/7/2019

Catherine Lebsack, Vice President

ACKNOWLEDGEMENT

STATE OF OKLAHOMA §
COUNTY OF OKLAHOMA §

The foregoing instrument was acknowledged before me on this 7th day of 2019 by Catherine Lebsack, Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of said limited partnership.

My Commission Expires: OS/IS/2023

renda Plemalo Notary Public



2/3/2020 Date	By: Jan hluse Title: Altonoy-In + Fort
ACKNOWLE	DGEMENT
STATE OF Texas	
COUNTY OF Midland) ss.	
On this 3rd day of clorulary, 2020, before me, a personally appeared Jacob Vilasco the Athaney-In-fact of Chevron U.S.A.	Notary Public for the State of Texas, known to me to be Inc., on behalf of the same.
(SEAL) PETRA KRISS WO	te of Texas 6-29-2022
6 29 20 22 My Commission Expires	Potral Public Notary Public

Chevron U.S.A. Inc.

Date Date

By: A Down of Jan I

ACKNOWLEDGEMENT

STATE OF TEXAS	
COUNTY OF HOURS	
On this at day of June , 2000 before me, a Notary Public for the State of Jens	
personally appeared John V. Schwider, known to me to be	
the Marian de Foot of OXV ISA LO on behalf of the same.	

DELEENA D. LANG
Notary Public, State of Texas
Comm. Expires 02-18-2022
Notary ID 128179978

My Commission Expires

Notary Public

January 9, 2020 By:

Title: Presion

The Allar Company

ACKNOWLEDGEMENT

STATE OF TELAS	_)
COUNTY OF Joung) ss. _)
	before me, a Notary Public for the State of Texas
personally appeared John Chiles the Hesident of The	Graham, known to me to be Allar Company, on behalf of the same.
SHEILA BURT Notary Public, State of Texas Notary ID 1201479-5 My Commission Exp. 05-22-2022	
05/22/2022 My Commission Expires	Notary Public

Highland (Texas) Energy Company

By Quitt Matthews Title: Vice President

ACKNOWLEDGEMENT

STATE OF TEXAS)
COUNTY OF Dallas) ss.)
On this 10th day of knnay, 20 personally appeared Truff & the Vice President of H	20 before me, a Notary Public for the State of Jekas nathews, known to me to be yhland (Tekas) Energy, on behalf of the same.
(SEAL)	

CHRISTA DAVIS Notary ID #12180810 My Commission Expires August 27, 2022

> MELODEE G. GUERRERO Notary Public, State of Texas Expires 03/03/2021 I.D.# 1078586-7

Echo Production, Inc.

Accelerate Resources Corporation

January 8, 2020 Date By: John D. Crocker, Jr.

Title: Vice President of Land

ACKNOWLEDGEMENT

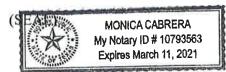
STATE OF TEXAS

8

COUNTY OF DALLAS

8 8

On this day of January 2020, before me, a Notary Public for the State of Texas, personally appeared John D. Crocker, Jr., known to me to be the Vice President of Land of Accelerate Resources Corporation, a Delaware corporation, on behalf of said corporation.



3\(\\202\)
My Commission Expires

Notary Public

Tumbler Operating Partners, LLC

V14/2020 Date	By: Del Title: Co-CEO
ACKNOWLE	
STATE OF Texas	
COUNTY OF Tarrant) ss.	
On this 4 day of January, 2024 before me, a personally appeared Devek Dehoyos the CO-CEO of Jumbler Operation	Notary Public for the State of Te yas, known to me to be Party on behalf of the same.
JESSICA MICHELLE BLEVINS Notary ID #126143635 My Commission Expires August 9, 2021	
My Commission Expires	Notary Public

EXHIBIT "A"

Plat of communitized area covering 1280 acres in all of Section 22, Township 23 South, Range 29 East and in all of Section 27, Township 23 South, Range 29 East, Eddy County, New Mexico.

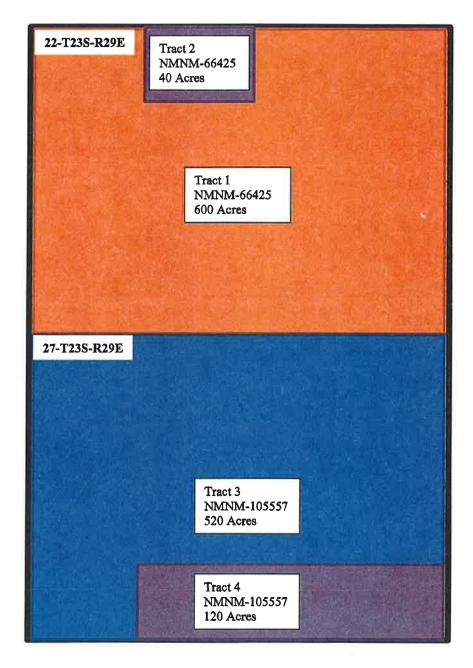


EXHIBIT "B"

To Communitization Agreement dated January 1, 2020, embracing the following described land in the All of Section 22, Township 23 South, Range 29 East and All of Section 27, Township 23 South, Range 29 East, Eddy County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number:

NMNM 66425

Description of Land Committed:

Township 23 South, Range 29 East,

Section 22: All

Number of Gross Acres:

600 acres

Record Title Owner – Lessee:

Devon Energy Production Company, L.P. 100.000000%

Working Interest Owners:

Devon Energy Production Company, L.P. 57.968750% OXY USA Inc. 12.500000% Chevron U.S.A. Inc. 11.989688% Accelerate Resource Corporation 12.016563% Tumbler Operating Partners, LLC 5.525000%

Overriding Interest Owners:

JaNell Joy Honeyman 0.250000% JaNell Joy Honeyman, as Trustte of the 0.250000% Leslie Robert Honeyman Trust OXY USA Inc. 1.500000% Michael D. Hayes 0.750000% Lenox Mineral Title Holdings, Inc. solely

In its capacity as nominee holder of

Legal title as agent for the benefit of Lenox

0.438281%

Minerals, LLC

Tract No. 2

Lease Serial Number:

NMNM 66425

Description of Land Committed:

Township 23 South, Range 29 East,

Section 22: All

Number of Gross Acres:

600 acres

Record Title Owner – Lessee:

Devon Energy Production Company, L.P. 100.000000%

Working Interest Owners:

Devon Energy Production Company, L.P. 60.468750% OXY USA Inc. 12.500000% Chevron U.S.A. Inc. 10.974688% Accelerate Resource Corporation 10.531563% Tumbler Operating Partners, LLC 5.525000%

Overriding Interest Owners:

0.250000% JaNell Joy Honeyman

JaNell Joy Honeyman, as Trustte of the

0.250000%

Leslie Robert Honeyman Trust

OXY USA Inc. 1.500000% Michael D. Hayes 0.750000% Lenox Mineral Title Holdings, Inc. solely 0.438281%

In its capacity as nominee holder of

Legal title as agent for the benefit of Lenox

Minerals, LLC

Tract No. 3

Lease Serial Number:

NMNM 105557

Description of Land Committed:

Township 23 South, Range 29 East,

Section 27: Insofar and only insofar as the lease covers the

NE/4 and N/2 SE/4

Number of Gross Acres:

520

Record Title Owner – Lessee:

Echo Production Inc.

100.00000%

Name of Working Interest Owners:

Devon Energy Production Company, L.P. 88.097500% The Allar Company 11.500000% Highland (Texas) Energy Company 0.402500%

Overriding Interest Owners:

Crownrock Minerals, L.P.

1.500000%

Maribeth Naughton as Trustee of the

1.425000%

Morse Family Security Trust

Limpinbear Family Partnership, Ltd.	1.4250000%
The Allar Company	0.2550000%
Highland (Texas) Energy Company	0.0089250%
Devon Energy Production Company, L.P.	0.2460750%

Tract No. 4

Lease Serial Number:

NMNM 105557

Description of Land Committed:

Township 23 South, Range 29 East,

Section 27: Insofar and only insofar as the lease covers the

NE/4 and N/2 SE/4

Number of Gross Acres:

120

Record Title Owner - Lessee:

Echo Production Inc.

100.00000%

Name of Working Interest Owners:

Devon Energy Production Company, L.P. 88.097500% The Allar Company 11.500000%

Highland (Texas) Energy Company 0.402500%

Overriding Interest Owners:

Crownrock Minerals, L.P.

1.500000%

Maribeth Naughton as Trustee of the

1.425000%

Morse Family Security Trust Limpinbear Family Partnership, Ltd.

1.4250000%

The Allar Company

0.2550000% 0.0089250%

Highland (Texas) Energy Company
Devon Energy Production Company, L.P.

0.2460750%

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	640.00	50.0000%
2	640.00	50.0000%
Total	1280.00	100.0000%

Papas Fritas 27-22 Fed Com Area

Section 22: ALL & Section 27: ALL T23S-R29E 1,280 Acres

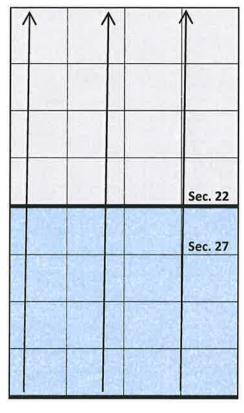
Bone Spring Development Laguna Salado; Bone Spring (96721) Section 22 Laguna Salado; Bone Spring, South (96857) Section 27

Tract 1: NMNM 66425 (Fed) (640 acres)



Tract 2: NMNM 105557 (Fed) (640 acres)





331H

3322H

333H

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

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State of New Mexico

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

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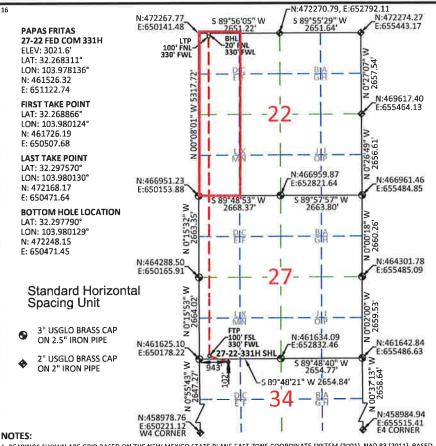
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 96721	³ Pool Name LAGUNA SALADO				
⁴ Property Code		⁵ Property Name PAPAS FRITAS 27-22 FED COM					
⁷ OGRID No. 6137			perator Name RODUCTION COMPANY, L.P.	⁹ Elevation 3021.6'			

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	34	23-S	29-E		102	NORTH	943	WEST	EDDY	
11Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	22	23-S	29-E		20	NORTH	330	WEST	EDDY	
12 Dedicated Ac	12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.									
320										

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



1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 456034.443, EAST: 653560.641, ELEVATION: 3101.373 DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018.

2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000220979 3. ELEVATIONS ARE OF NAVD 88 COMPUTED USING GEIOD 12B.

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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	

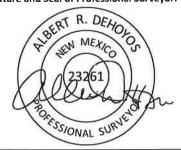
18SURVEYOR CERTIFICATION

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.

03/06/2019

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

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State of New Mexico

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

> 1220 South St. Francis Dr. Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 96857	PRING, SOUTH		
⁴ Property Code			operty Name 6Well Num AS 27-22 FED COM 331H		
⁷ OGRID No. 6137			perator Name RODUCTION COMPANY, L.P.	⁹ Elevation 3021.6'	

Surface Location

UL or lot no. D	Section 34	Township 23-S	Range 29-E	Lot Idn	Feet from the 102	North/South line NORTH	Feet from the 943	East/West line WEST	County EDDY
"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

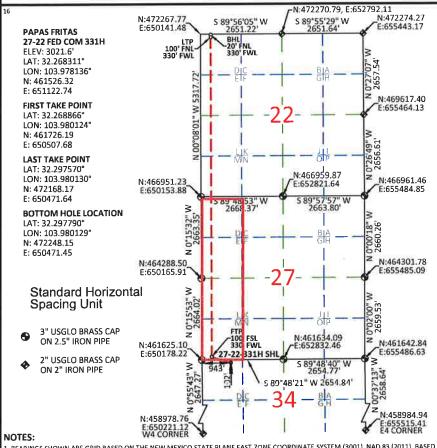
20

NORTH

330

22 23-S 29-E 13 Joint or Infill 12 Dedicated Acres Consolidation Code ⁵Order No 320

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



1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 456034.443, EAST: 653560.641, ELEVATION: 3101.373, DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018.

2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000220979

3. FLEVATIONS ARE OF NAVD 88 COMPUTED USING GEIOD 12B.

¹¹OPERATOR CERTIFICATION

WEST

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	

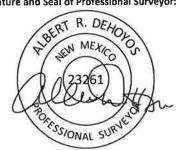
18SURVEYOR CERTIFICATION

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.

03/06/2019

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

										Iswall and Island	
Oper DEV	ator Name ON ENE	e: RGY PRC	DUCT	ION (COMPANY, L		erty Name: AS FRITAS 27	-22 FED COM	M	Well Number 331H	
(ick	Off Poin	t (KOP)									
UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County		
Latitu	ide				Longitude			A	NAD		
					Feet 100 Longitude -103.9801					NAD 83	
					-103.3001						
UL	Section	Township		Lot	Feet	From N/S	Feet	From E/W WEST	County		
D Latitu	22 ^{Ide} 297570°	23-S	29-E		100 Longitude -103.9801	NORTH 30°	330	IVVEST	NAD 83		
s thi	s well th	ne definii	ng wel	for t	he Horizont	al Spacing	g Unit?		,		
s thi	s well a	n infill w	ell?	ļ	N						
	ill is yes ing Unit		API if a	ıvaila	ble, Operato	or name a	nd well numb	oer for Defin	ning well for	Horizontal	
	ing Offic										

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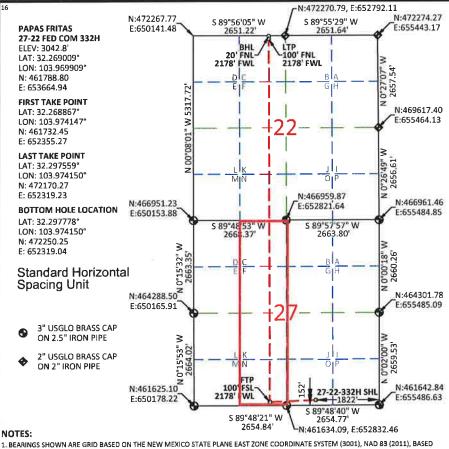
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ POOL NAME			
		96857	SPRING, SOUTH			
⁴ Property Code			operty Name AS 27-22 FED COM 332H			
⁷ OGRID No. 6137			perator Name RODUCTION COMPANY, L.P.	⁹ Elevation 3042.8'		

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
0	27	23-S	29-E		152	SOUTH	1822	EAST	EDDY	
"Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
С	22	23-S	29-E		20	NORTH	2178	WEST	EDDY	
12 Dedicated Ac	¹² Dedicated Acres ¹³ Joint or Infill ¹⁴ Consolidation Code ¹⁵ Order No.									
320		- 1		I						

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.



FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 456034.443, EAST: 653560.641, ELEVATION: 3101,373, DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018

2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000220979

3. ELEVATIONS ARE OF NAVD 88 COMPUTED USING GEIOD 12B.

17OPERATOR 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.

100/14/19

Erin Workman

Printed Name

Erin.workman@dvn.com

E-mail Address

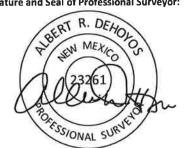
18SURVEYOR CERTIFICATION

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.

03/06/2019

Date of Survey

Signature and Seal of Professional Surveyor:



Albert Dehovos Certificate No. 23261 Drawn by: TMW | Checked by: ARD | Date: 04/29/2019

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Santa Fe, NM 87505

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

^I API Numb	er	² Pool Code					
		96721	0				
⁴ Property Code			Property Name TAS 27-22 FED COM 332H				
70GRID No. 6137	*Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P. 3042.8'						

Surface Location

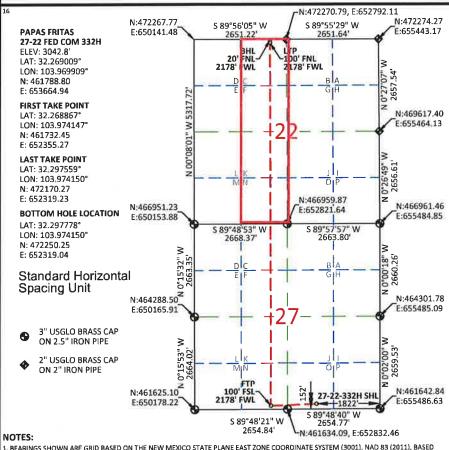
UL or lot no.	Section 27	Township 23-S	Range 29-E	Lot Idn	Feet from the 152	North/South line SOUTH	Feet from the 1822	East/West line EAST	County EDDY
	"Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

or a non-standard unit has been approved by the division.

22 23-S 29-E 20 С 12 Dedicated Acres 13 Joint or Infill ¹⁵Order No. Consolidation Code 320

NORTH 2178 WEST **EDDY**

No allowable will be assigned to this completion until all interests have been consolidated



1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 456034.443, EAST: 653560.641, ELEVATION: 3101,373, DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018.

2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000220979 3. ELEVATIONS ARE OF NAVD 88 COMPUTED USING GEIOD 12B

17OPERATOR CERTIFICATION

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.

whenen 06/14/19

Erin Workman

Printed Name

Erin.workman@dvn.com

F-mail Address

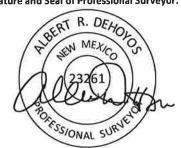
¹⁸SURVEYOR CERTIFICATION

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.

03/06/2019

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

nter	nt X		As Dri	lled						
API #	<i>‡</i>									
Oper	ator Name	2:				Pro	perty Name:			Well Number
DEV	ON ENE	RGY PRO	DUCTI	ON C	OMPANY, I	P. PA	PAS FRITAS 27	-22 FED COI	M	332H
ا مادا	Off D=:	+ (KOD)								
JL	Off Poin	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County	
Lat	27 itude	235	29E		50	SOUTH	2178	WEST	NAD	EDDY
r9(32.268	3741			Longitude	-103.97	74051		83	
rst	Take Po	int (FTP)	ı							
JĹ	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County	
V atitu	27	23-S	29-E		100 Longitude	SOUTH	2178	WEST	EDDY NAD	
	268867°				-103.9741	.47°			83	
ast '	Take Po	int (LTP)								
JL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County	
C	22	23-S	29-E		100 Longitude	NORTH	2178	WEST	EDDY NAD	
.atitu 32.2	^{iae} 297559°				-103.9741	.50°			83	
									1	
thi	s well th	ne definir	ng well	for tl	ne Horizont	al Spacir	ng Unit?	<u> </u>		
thi	s well aı	n infill we	ell?	٢	N					
				Ļ						
	III is yes ing Unit		API if a	vailal	ole, Operat	or name	and well numb	er for Defin	ing well for	Horizontal
		-								
pac										
pac		2\$				Pro	perty Name.			Well Number

KZ 06/29/2018

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

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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

¹ API Numb	oer	² Pool Code		
		96857	G, SOUTH	
⁴ Property Code			roperty Name FAS 27-22 FED COM	⁶ Well Number 333H
⁷ OGRID No. 6137			perator Name RODUCTION COMPANY, L.P.	⁹ Elevation 3067.5'

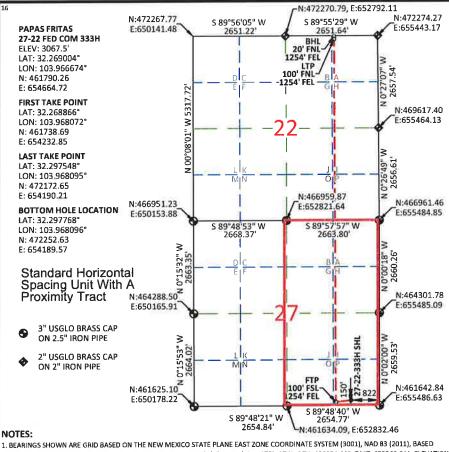
¹⁰Surface Location

UL or lot no. P	Section 27	Township 23-S	Range 29-E	Lot Idn	Feet from the 150	North/South line SOUTH	Feet from the 822	East/West line EAST	County EDDY
"Pottom Hola Location If Different From Surface									

Bottom Hole Location If Different From Surface

ı				DOLLOII	ITIOICI	Location	Dillerenting	Jili Juliuce		
	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	Α	22	23-S	29-E		20	NORTH	1254	EAST	EDDY
	12 Dedicated Ac	res ¹³ Join	t or Infill	⁴ Consolida	tion Code	¹⁵ Order No.				
	640									
1		-								

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.



1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 456034.443, EAST: 653560.641, ELEVATION: 3101.373, DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018.

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3. ELEVATIONS ARE OF NAVD 88 COMPUTED USING GEIOD 128.

¹⁷OPERATOR CERTIFICATION

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Signature Date
Erin Workman
Printed Name
Erin.workman@dvn.com
E-mail Address

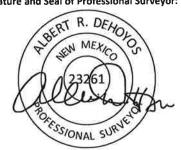
19SURVEYOR CERTIFICATION

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.

03/06/2019

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

1625 N_French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

B11 S. First St., Artesia, NM 8B210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

^I API Numb	ber	² Pool Code	³ Pool Name	
		96721	VDO OO	
⁴ Property Code			Operty Name FAS 27-22 FED COM	⁵Well Number 333H
70GRID No. 6137			perator Name RODUCTION COMPANY, L.P.	⁹ Elevation 3067.5'

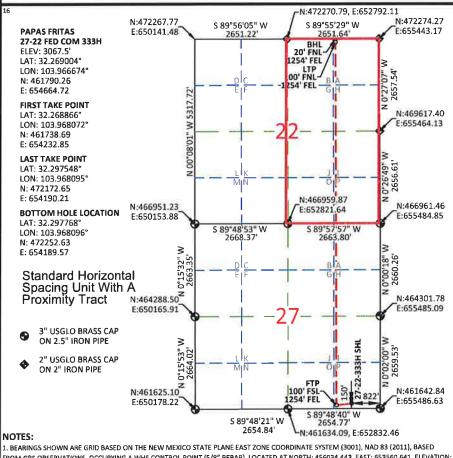
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	27	23-S	29-E		150	SOUTH	822	EAST	EDDY

"Bottom Hole Location If Different From Surface

			DOLLOII	I IIOIC I	-ocacion ii	Dillerentin	Jiii Bai iacc		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	22	23-S	29-E		20	NORTH	1254	EAST	EDDY
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.									
640									

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FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 456034.443, EAST: 653560.641, ELEVATION: 3101.373, DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018.

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17OPERATOR CERTIFICATION

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06/14/19 Erin Workman Printed Name

Erin.workman@dvn.com

™SURVEYOR CERTIFICATION

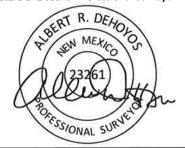
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

03/06/2019

Date of Survey

E-mail Address

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

ntent X		As Dri	lled						
API#									
Operator Na DEVON EI	me: NERGY PRO	DDUCTI	ION C	COMPANY, L.		erty Name: AS FRITAS 27-2	2 FED CON	М	Well Number 333H
ick Off Po	int (KOP)				2				16
UL Section 27	n Township 23S	Range 29E	Lot		From N/S DUTH	Feet 1254 EAST	From E/W	County EDDY	
Latitude 32.268	3733			Longitude -103.9680	73			NAD	83
JL Section Sec	Township 23-S	Range 29-E	Lot		From N/S SOUTH 72°	1254	From E/W EAST	County EDDY NAD 83	
JL Section	Point (LTP)	Range 29-E	Lot		From N/S NORTH	Feet 1254	From E/W EAST	County EDDY	
A 22 Latitude 32.29754		29-E	I	Longitude -103.96809		1234	LASI	NAD 83	
Is this well the defining well for the Horizontal Spacing Unit?									
		Is this well an infill well? If infill is yes provide API if available, Operator name and well number for Defining well for Horizontal Spacing Unit.							
f infill is ye	es provide		vaila		r name ar	nd well numbe	r for Defin	ing well for H	lorizontal
f infill is ye	es provide		vaila		r name ai	nd well numbe	r for Defin	ing well for I	Horizontal

Papas Fritas 27-22 Fed Com Area

Section 22: ALL & Section 27 T23S-R29E 1,280 Acres

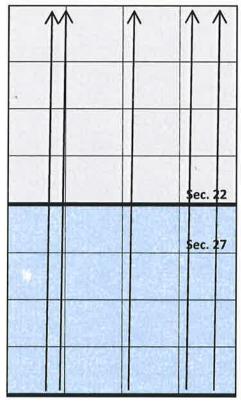
Wolfcamp Development Purple Sage Wolfcamp (98220)

Tract 1: NMNM 66425 (Fed) (640 acres)



Tract 2: NMNM 105557 (Fed) (640 acres)





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640

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

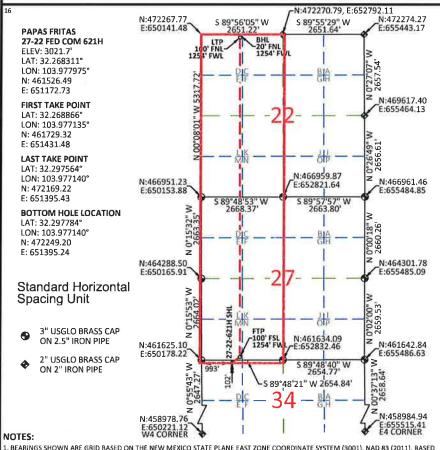
Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	¹ API Number			² Pool Co	de	³ Pool Name					
⁴ Property	Code			PA	PAS FRITAS 2	y Name 17-22 FED COM		⁶ Well Number 621H			
70GRID 6137			DI	EVON EN	⁸ Operato ERGY PRODU	r Name JCTION COMPA	NY, L.P.		⁹ Elevation 3021.7'		
					10 Surface L	ocation					
UL or lot no.	Section	Township	Range 29-E	Lot Idn	Feet from the	North/South line NORTH	Feet from the	East/W WE	est line	County	
	34	23-S			102		993		31	EDDY	
			Botton	n Hole I	Location if	Different Fro	om Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County	
D	22	23-5	29-E		20	NORTH	1254	WE	ST	EDDY	
¹² Dedicated Acres ¹³ Joint or Infill ¹⁴ Consolidation Code					¹⁵ Order No.						

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1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 456034.443, EAST: 653560.641, ELEVATION: 3101.373, DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018.

2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000220979 B. ELEVATIONS ARE OF NAVD 88 COMPUTED USING GEIOD 12B.

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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.

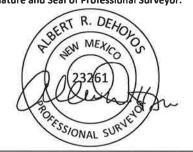
Signature	Date
Printed Name	
E-mail Address	

18SURVEYOR 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.

03/06/2019 Date of Survey

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

Intent		As Dri	lled						
API#									
Operator Nam DEVON EN		DDUCT	ION C	OMPANY,		erty Name: AS FRITAS 2	7-22 FED COI	M	Well Number 621H
(ick Off Poi	nt (KOP)								
UL Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County	
Latitude				Longitude	I.	1		NAD	
irst Take P					1,55				
UL Section M 27	Township 23-S	Range 29-E	Lot	Feet 100	From N/S SOUTH	Feet 1254	From E/W WEST	County EDDY	
Latitude 32.268866		•		Longitude -103.9772	 135°			NAD 83	
52.20000				10010777					
ast Take Po	oint (LTP)								
UL Section D 22	Township 23-S	Range 29-E	Lot	Feet 100	From N/S NORTH	Feet 1254	From E/W WEST	County EDDY	
Latitude 32.297564			1 1	Longitude -103.977		1	1.7.20.	NAD 83	
32.29/564				-103.977	140			83	
	he definii	ng well	for t	he Horizon	tal Spacing	:Unit?	Y		
s this well t									
	ın infill we	ell?		N					
s this well t s this well a f infill is yes Spacing Uni	s provide .] vailal	 :	or name a	nd well num	nber for Defin	ing well for	Horizontal
s this well a	s provide .		[vailal	 :	or name a	nd well num	nber for Defin	ing well for	Horizontal
s this well a f infill is yes pacing Uni	s provide /		[vailal	 :		nd well num	nber for Defin	ing well for	Horizontal Well Number

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

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Form C-102

Revised August 1, 2011

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numi	ber	² Pool Code	³ Pool Name				
⁴ Property Code			roperty Name	6Well Number 622H			
		PAPAS FRITAS 27-22 FED COM					
7OGRID No.		⁸ Operator Name					
6137		DEVON ENERGY PR	RODUCTION COMPANY, L.P.	3043.7'			

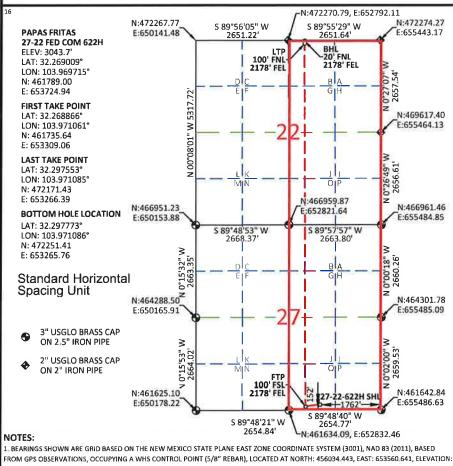
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	27	23-S	29-E		152	SOUTH	1762	EAST	EDDY

11Bottom Hole Location If Different From Surface

UL or lot no. B	Section 22	Township 23-S	Range 29-E	Lot Idn	Feet from the 20	North/South line NORTH	Feet from the 2178	East/West line EAST	County EDDY
¹² Dedicated Ac 640	res ¹³ Join	t or Infill	⁴ Consolida	tion Code	⁵ Order No.	11			

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.



3101.373, DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018.

2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1.000220979

3. ELEVATIONS ARE OF NAVD 88 COMPUTED USING GEIOD 12B.

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Signature	Date	_
Printed Name		_
E-mail Address		_

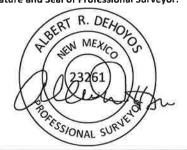
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03/06/2019

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

API#											
	ator Nam ON ENI		DUCT	ION (COMPANY, I	L.P.		erty Name: AS FRITAS 27	7-22 FED COI	М	Well Number 622H
ick (nt (KOP)									
JL	Section	Township	Range	Lot	Feet	From	N/S	Feet	From E/W	County	
atitu	ide				Longitude				L	NAD	
	.68866°				Longitude -103.9710)61°				83	
	Take Po	int (LTP) Township	Range 29-E	Lot	Feet 100	From NOF		Feet 2178	From E/W	County EDDY	
JL					100	LINOI		2176	LASI	LUUI	
JL B .atitu	22	23-5	29-E		Longitude -103.9710)85°				NAD 83	
UL B Latitu 32.2	de 97553° s well th	ne definir n infill we	ng well	(-103.9710	al Spa		Unit?	Y der for Defin	83	Horizontal
B Latitu 32.2	de 97553° s well the s well a	ne definir n infill we provide /	ng well	(-103.9710	al Spa	me ar			83	Horizontal Well Number

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640

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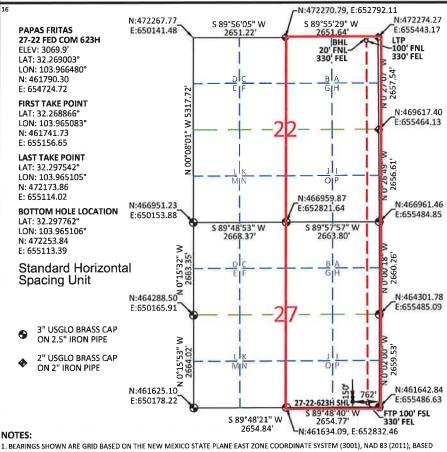
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Numb	er		² Pool Cod	de		³ Pool N	ame				
⁴ Property	⁴ Property Code PAPAS FRITAS 27-22 FED COM											
Formula of the state of the sta												
	¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	t line	County		
P	27	23-S	29-E		150	SOUTH	762	EAST		EDDY		
		11	Botton	n Hole L	ocation If	Different Fro	m Surface					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	t line	County		
A 22 23-S 29-E 20 NORTH 330 E										EDDY		
12 Dedicated Ac	res ¹³ Join	t or Infill	Consolida	tion Code	⁵ Order No.							

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Signature	Date
Printed Name	
E-mail Address	

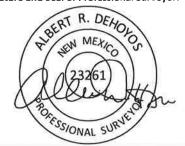
18SURVEYOR CERTIFICATION

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.

03/06/2019

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

nte	nt		As Dri	lled							
API i	#										
	rator Name /ON ENE		DUCT	ION C	COMPANY, I			y Name: 5 FRITAS 27-2	2 FED CON	М	Well Number 623H
(ick	Off Poin	t (KOP)									
UL	Section	Township	Range	Lot	Feet	From N	/S F	eet	From E/W	County	
Latitu	ıde				Longitude					NAD	
	268866°	int /ITD\			Longitude -103.9650)83°				83	
UL	Section	Township		Lot	Feet	From N,		eet	From E/W	County	
A Latitu 32.2	22 ^{Ide} 297542°	23-S	29-E		100 Longitude -103.9651	NORT .05°	н 3	330	EAST	NAD 83	
		ne definir n infill we		for t	he Horizont	al Spac	cing U	nit? N			
	ill is ves		API if a	vailal	ole, Operat	or nam	e and	well number	r for Defin	ing well for I	Horizontal
inf	ing Unit										
f inf pac	ing Unit	e;				F	Property	y Name:			Well Number

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

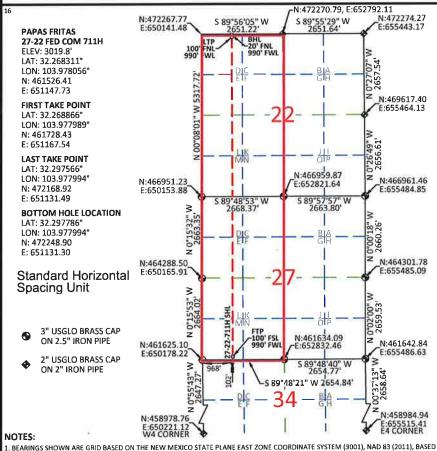
API Numb	er	² Pool Code	³ Pool Name	
⁴ Property Code			L roperty Name FAS 27-22 FED COM	⁶ Well Number 711H
70GRID No. 6137			perator Name RODUCTION COMPANY, L.P.	⁹ Elevation 3019.8'
·		10 Surfa	ce Location	

UL or lot no. Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D 34	23-S	29-E		102	NORTH	968	WEST	EDDY

Bottom Hole Location If Different From Surface

l	UL or lot no D	Section 22	Township 23-S	Range 29-E	Lot Idn	Feet from the 20	North/South line NORTH	Feet from the 990	East/West line WEST	County EDDY
	¹² Dedicated Ac 640	res ¹³ Join	t or Infill	⁴ Consolida	tion Code	¹⁵ Order No.				

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



FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 456034.443, EAST: 653560.641, ELEVATION: 3101,373, DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018.

2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1,000220979 3. ELEVATIONS ARE OF NAVD 88 COMPUTED USING GEIOD 128

¹⁷OPERATOR 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		
F-mail Address		_

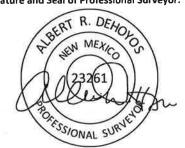
18SURVEYOR CERTIFICATION

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.

03/06/2019

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

DEV	rator Name									
DEV										
			DUCT	ON C	COMPANY, L		erty Name: PAS FRITAS 27	7-22 FED COI	М	Well Number 711H
(ick	Off Poin	t (KOP)								
UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County	
Latitu	ıde				Longitude				NAD	
LAT: 32.268866° LON: -103.977 Last Take Point (LTP)				.311303			83			
ast UL		Township	Range	Lot	Feet	From N/S	Feet	From E/W	County	
D Latitu	22 ide	23-S	29-E		100 Longitude	NORTH	990	WEST	EDDY NAD	
LAT	: 32.297	566°			LON: -103	.977994°			83	
s thi	s well th	ne definir	ng well	for t	he Horizont	al Spacin _l	g Unit? N			
s thi	s well a	n infill we	ell?		Υ					
			API if a	vaila	ble, Operato	or name a	ınd well numl	ber for Defin	ing well for	Horizontal
	ing Unit									
Брас АРІ#		::				Prop	perty Name:			Well Number

1625 N., French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

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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

640

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

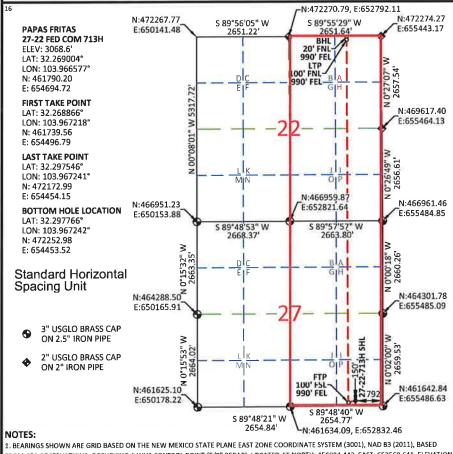
Submit one copy to appropriate District Office

MENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1,	API Numb	er		² Pool Co	de		³ Pool N	ame		
⁴ Property	⁴ Property Code Series Property Name PAPAS FRITAS 27-22 FED COM 713H									
7OGRID No. 6137 DEVON ENERGY PRODUCTION COMPANY, L.P. 9Elevation 3068.6										
¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	'	est line	County
P	27	23-S 29-E 150 SOUTH 792 EAST EDDY					EDDY			
	11 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/W	est line	County
Α	22	23-S	29-E		20	NORTH	990	EA:	ST	EDDY
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.										

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



1. BEARINGS SHOWN ARE GRID BASED ON THE NEW MEXICO STATE PLANE EAST ZONE COORDINATE SYSTEM (3001), NAD 83 (2011), BASED FROM GPS OBSERVATIONS, OCCUPYING A WHS CONTROL POINT (5/8" REBAR), LOCATED AT NORTH: 456034.443, EAST: 653560.641, ELEVATION: 3101.373, DETERMINED BY AN OPUS SOLUTION ON DECEMBER 3RD, 2018.

2. DISTANCES DEPICTED HEREON ARE REPORTED AS GROUND DISTANCE IN US SURVEY FEET USING A COMBINED SCALE FACTOR OF 1,000220979
3. ELEVATIONS ARE OF NAVD 88 COMPUTED USING GEIOD 12B.

¹⁷OPERATOR 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	

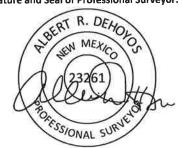
18SURVEYOR CERTIFICATION

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.

03/06/2019

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate No. 23261

Albert Dehoyos

	rator Nam VON ENI		DUCTI	ON C	OMPANY, L		perty Name:			
						.P. PA	PAS FRITAS 2	27-22 FED CON	M	Well Number 713H
	Off Poir									
JL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County	
atit	ude				Longitude		fil		NAD	
rst	Section	Township	Range	Lot	Feet	From N/S SOUTH	Feet 990	From E/W EAST	County EDDY	
atit	2 27 23-S 29-E 100 SOU atitude Longitude -103.967218°				990	EAST	NAD 83			
L	Section	int (LTP)		Lot	Feet	From N/S	Feet	From E/W	County	
atit	22 ude	23-S	29-E		100 Longitude	NORTH	990	EAST	EDDY NAD	
	297546°				-103.9672	41°			83	
	اد الحمد is	ne definir	ng well	for t	ne Horizont	al Spacin	g Unit?	N		
		n infill we	ell?	[Y					
th inf	is well a fill is yes cing Unit	provide A] vailal	Y ole, Operato	or name a	and well nun	nber for Defin	ing well for I	Horizontal
inf pac	is well a fill is yes cing Unit	provide /		[vailal	Y ole, Operato		and well nun	nber for Defin	ing well for I	Horizontal Well Number

Existing Pools in Papas Fritas 27-22 Fed Com Proposed Non-Standard Horizontal Spacing Unit

T23S-R29E

Section 22: ALL & Section 27: ALL (1,280 Acres) Eddy County, New Mexico

BONE SPRING

Pool Codes: Laguna Salado; Bone Spring (Pool Code 96721); Laguna Salado; Bone Spring, South

(Pool Code 96857)

- Papas Fritas 27-22 Fed Com #331H (30-015-46580)
- Papas Fritas 27-22 Fed Com #332H (30-015-46579)
- Papas Fritas 27-22 Fed Com #333H (30-015-46578)

WOLFCAMP

Pool Code: Purple Sage; Wolfcamp (Gas) (Pool Code 98220)

- Papas Fritas 27-22 Fed Com #621H (30-015-46573)
- Papas Fritas 27-22 Fed Com #622H (30-015-46577)
- Papas Fritas 27-22 Fed Com #623H (30-015-46576)
- Papas Fritas 27-22 Fed Com #711H (30-015-46572)
- Papas Fritas 27-22 Fed Com #713H (30-015-46575)

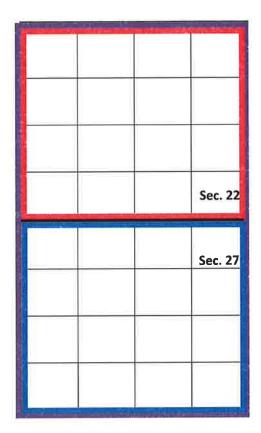
Papas Fritas 27-22 Fed Com Area

Section 22: ALL & Section 27 T23S-R29E 1,280 Acres

Laguna	Salado;	Bone	Spring	(96721)	Section	22
--------	---------	------	--------	---------	---------	----

Laguna Salado; Bone Spring, South (96857) Section 27

Purple Sage Wolfcamp (98220)



Papas Fritas 27-22 Fed Com Area

Offset Notice Plat

Devon Marathon 16	Novo Oil and Gas Titus BTA Oil TDY Industries 15	XTO 14
a de la companya de	_	= .
Marathon Chevron	Devon OXY Titus	Devon
21	22	23
21	22	25
OXY XTO Devon	Devon OXY	ОХҮ
28	27	26
Tap Rock OXY	Tap Rock OXY Mesquite	OXY Devon
33	34	35

Submitted by: Devon Energy Production Hearing Date: April 30, 2020

Case No. 21182

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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR APPROVAL OF 1280-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING AND WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO PROPOSED COMMUNITIZATION AGREEMENTS, EDDY COUNTY, NEW MEXICO.

CASE NO. 21182

AFFIDAVIT OF MIRANDA CHILDRESS IN SUPPORT OF CASE NO. 21182

Miranda Childress, of lawful age and being first duly sworn, declares as follows:

- My name is Miranda Childress. I work for Devon Energy Production Company,
 L.P. ("Devon") as a geologist.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
- 3. I am familiar with the application filed by Devon in this case for approval of nonstandard horizontal spacing units in the Bone Spring and Wolfcamp formations, and I have conducted a geologic study of the lands in the subject areas.
 - 4. In this case, Devon is targeting both the Bone Spring and Wolfcamp formations.
- 5. Devon Exhibit B-1 is a locator map that outlines the proposed nonstandard spacing unit in the Bone Spring formation. It shows the path of the wellbores for the Papas Fritas 27-22 Fed Com #331H well, the Papas Fritas 27-22 Fed Com #332H well, and the Papas Fritas 27-

Case No. 21182

- 22 Fed Com #333H well. Nearby existing producing Bone Spring wells are also shown on this exhibit.
- 6. **Devon Exhibit B-1** also depicts a subsea structure map that I prepared off the top of the Bone Spring formation with a contour interval of 25 feet. The **Papas Fritas 27-22 Fed Com #331H well**, the **Papas Fritas 27-22 Fed Com #332H well**, and the **Papas Fritas 27-22 Fed Com #333H well** are depicted with red lines, and I have identified the surface and bottom hole locations for the wells. The structure map shows the top of the Bone Spring is gently dipping to the east. The structure appears consistent across the wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.
- 7. **Devon Exhibit B-2** shows the location of the wells used to create the stratigraphic cross-section from A to A' on **Devon Exhibit B-3**. These three wells are representative of the geology in the Bone Spring formation underlying the proposed nonstandard horizontal spacing unit.
- 8. **Devon Exhibit B-3** is a stratigraphic cross-section that I prepared displaying openhole logs run over the lower Bone Spring formation from the three representative wells denoted from A to A' on Devon Exhibit B-2. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The targeted interval is labeled and marked. The logs in the cross-section demonstrate that the targeted interval, within the Bone Spring formation, is consistent in thickness, across the proposed nonstandard horizontal spacing unit.
- 9. Devon Exhibit B-4 is a locator map that outlines the proposed nonstandard spacing unit in the Wolfcamp formation. It shows the path of the wellbores for the Papas Fritas 27-22 Fed Com #621H, Papas Fritas 27-22 Fed Com #622H well, Papas Fritas 27-22 Fed Com

#623H well, Papas Fritas 27-22 Fed Com #711H well, and the Papas Fritas 27-22 Fed Com #713H well. Nearby existing producing Wolfcamp wells are also shown on this exhibit.

- Operon Exhibit B-4 also depicts a subsea structure map that I prepared off the top of the Wolfcamp formation with a contour interval of 25 feet. The Papas Fritas 27-22 Fed Com #621H, Papas Fritas 27-22 Fed Com #622H well, and Papas Fritas 27-22 Fed Com #623H wells are depicted with blue lines and I have identified the surface and bottom hole locations for each well. The Papas Fritas 27-22 Fed Com #711H well, and Papas Fritas 27-22 Fed Com #713H well are depicted with green lines and I have identified the surface and bottom hole locations for these wells. The structure map shows the Wolfcamp is gently dipping to the east. The structure appears consistent across the wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.
- 11. **Devon Exhibit B-5** shows the location of the wells used to create the stratigraphic cross-section from A to A' on **Devon Exhibit B-6**. These three wells are representative of the geology in the Wolfcamp formation underlying the proposed nonstandard horizontal spacing unit.
- 12. **Devon Exhibit B-6** is a stratigraphic cross-section that I prepared displaying openhole logs run over the Wolfcamp formation from three representative wells denoted from A to A'. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The targeted intervals are labeled and marked. The logs in the cross-section demonstrate that the targeted intervals, within the Wolfcamp formation, are consistent in thickness, across the proposed nonstandard horizontal spacing unit.
- 13. Exhibit B-7 is a gun barrel diagram of the development plans for the Papas Fritas

 27-22 Fed Com wells in the Bone Spring and Wolfcamp targeted intervals, in relation to the surface facilities associated with each well.

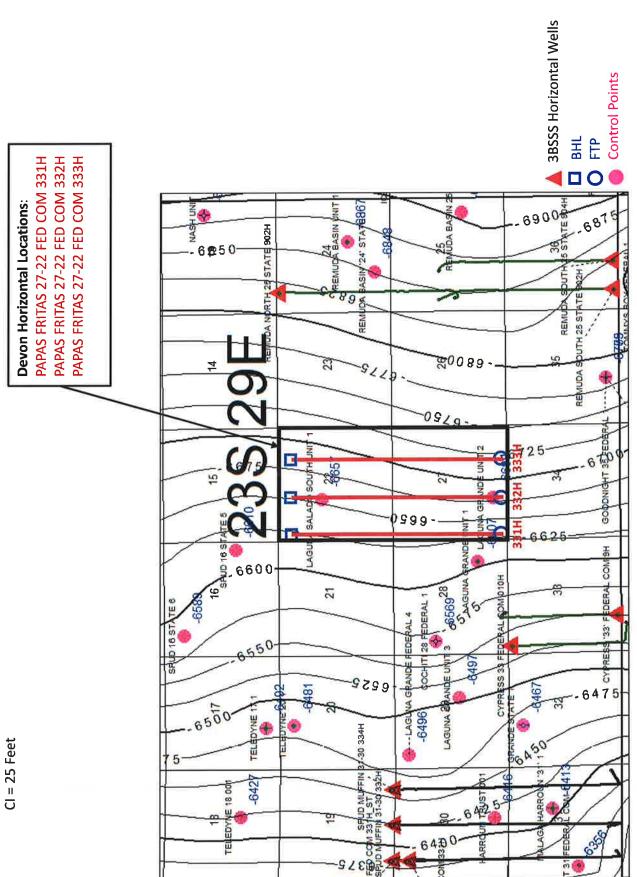
- 14. In my opinion, the standup orientation of the wells is the preferred orientation for horizontal well development of the targeted intervals in the Bone Spring and Wolfcamp formations in this area. This standup orientation will efficiently and effectively develop the subject acreage.
- 15. In my opinion, each tract comprising the proposed nonstandard horizontal spacing unit will be productive and contribute more-or-less equally to production from the wellbore.
- 16. In my opinion, the granting of Devon's applications in these cases is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 17. **Devon Exhibits B-1** through **B-7** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Miranda Childress

MIRANDA CHILDRESS

STATE OF OKLAHOMA)
COUNTY OF OKLAHOMA)
SUBSCRIBED and S	WORN to before me this day of April 2020 by
Miranda Childress.	NOTARY PUBLIC
OF O	KLANDER NOTARY PUBLIC
My Commission Expires:	
8/7/2022	



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

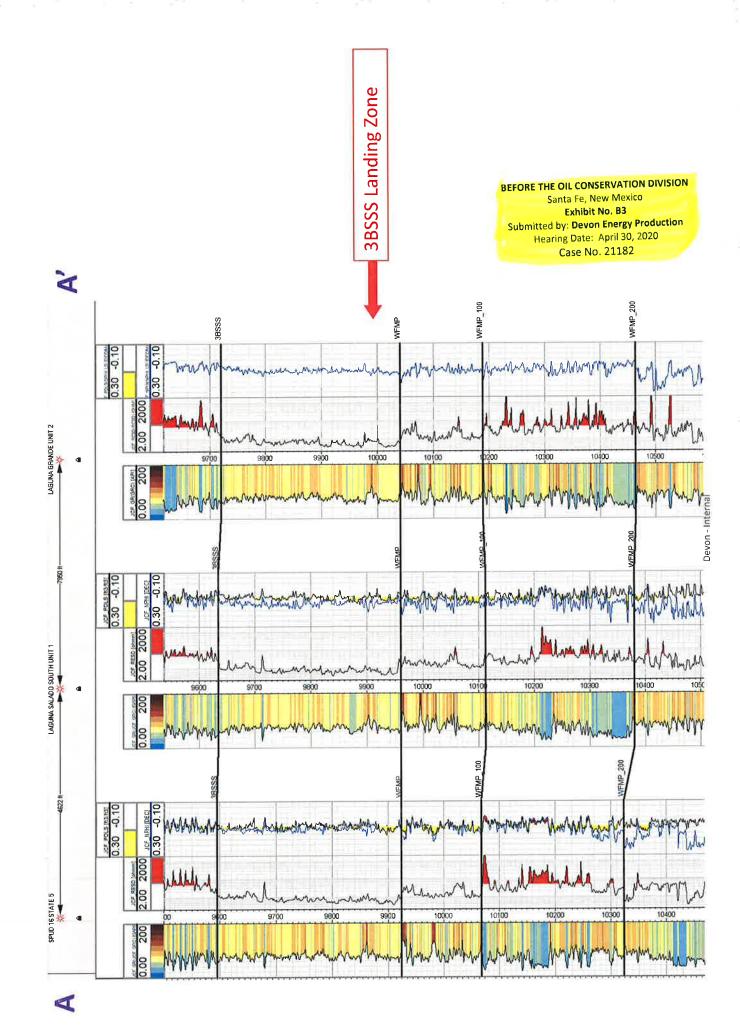
Exhibit No. B1

Submitted by: **Devon Energy Production** Hearing Date: April 30, 2020 Case No. 21182

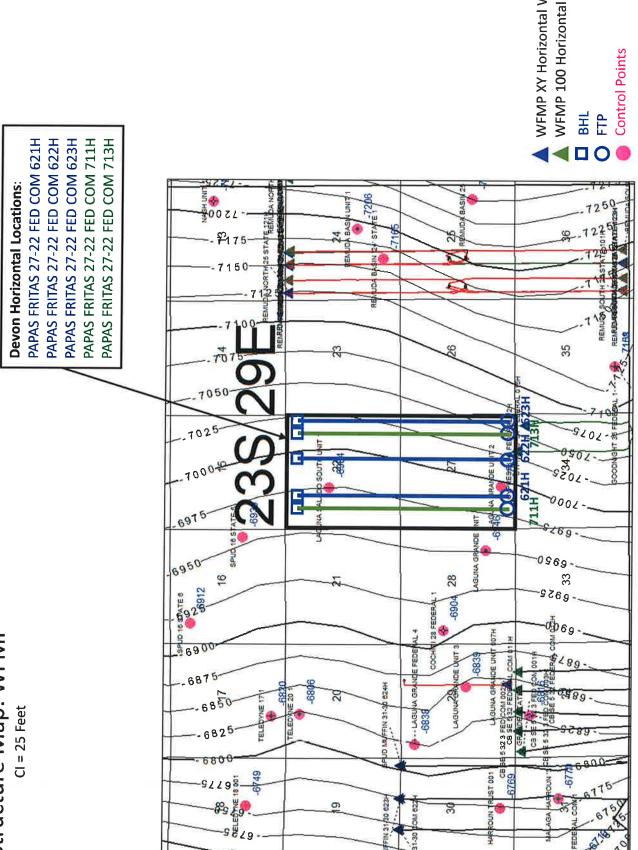
Devon - Internal

Submitted by: **Devon Energy Production** Hearing Date: April 30, 2020 Case No. 21182

Exhibit No. B2



Structure Map: WFMP

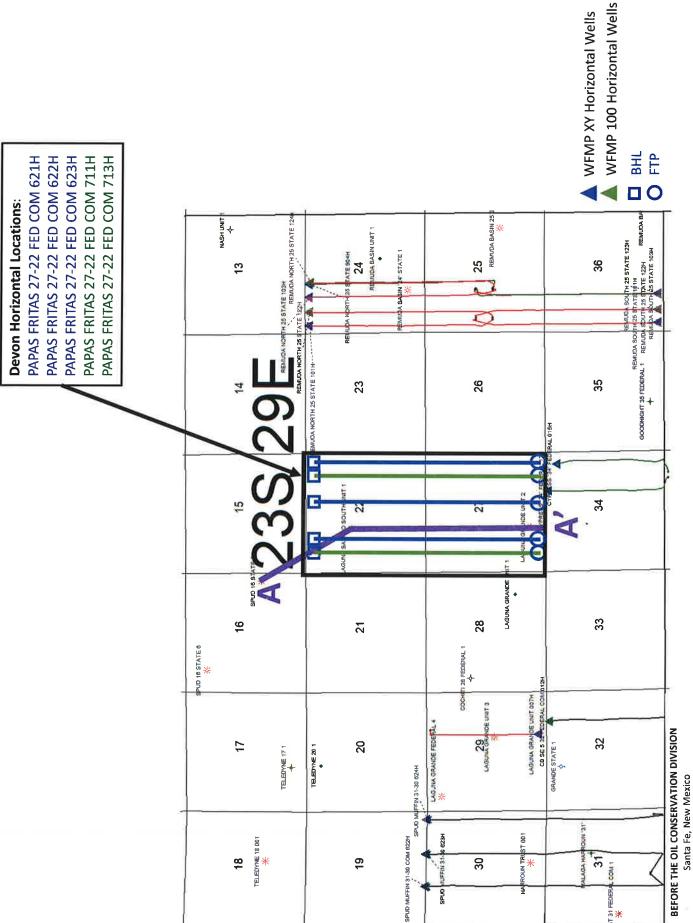


WFMP 100 Horizontal Wells WFMP XY Horizontal Wells

> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Submitted by: **Devon Energy Production** Hearing Date: April 30. 2020 Case No. 2118² Exhibit No. B4

Base Map with Line of Section A - A'



Devon - Internal

Exhibit No. B5
Submitted by: Devon Energy Production
Hearing Date: April 30, 2020
Case No. 21182

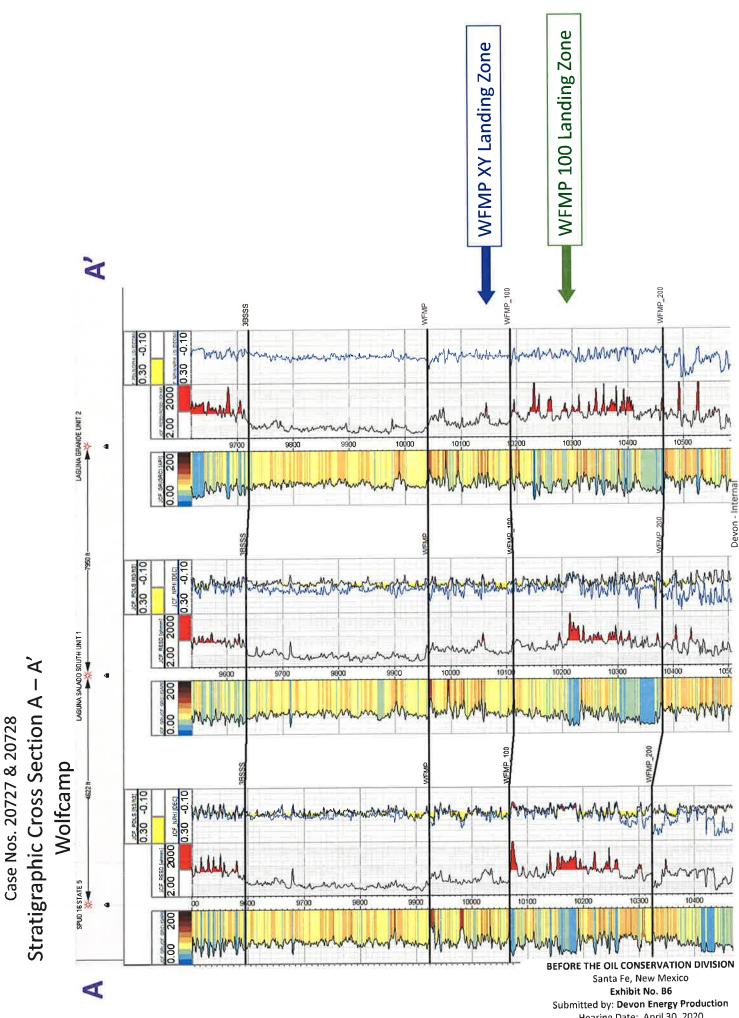
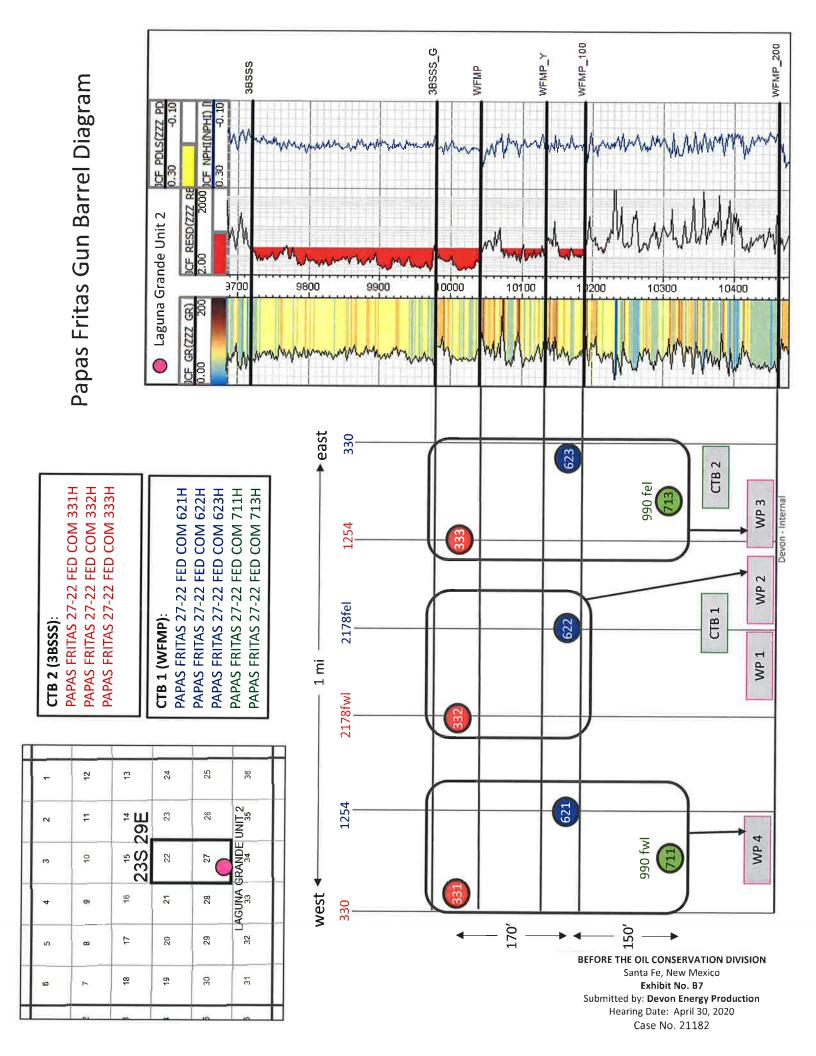


Exhibit B4

Hearing Date: April 30, 2020 Case No. 21182



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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR APPROVAL OF 1280-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING AND WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO PROPOSED COMMUNITIZATION AGREEMENTS, EDDY COUNTY, NEW MEXICO.

CASE NO. 21182

AFFIDAVIT OF LAUREN SYKES IN SUPPORT OF CASE NO. 21182

Lauren Sykes, of lawful age and being first duly sworn, declares as follows:

- My name is Lauren Sykes. I work for Devon Energy Production Company, L.P.
 ("Devon") as a reservoir engineer.
- 2. I have not previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum engineering matters. I graduated from Texas A&M University with a B.S. in Petroleum Engineering and a minor in geology in May 2015. Since 2015, I have worked with Devon as a production, completion, drilling, and reservoir engineer in the Eagle Ford and Delaware Basins. Prior graduation, I also worked as a production and reservoir intern for two years. I am a member of the Society of Professional Engineers, Oklahoma City Chapter. Attached as **Devon Exhibit C-1** is my resume reflecting my education, experience, and professional affiliation. I seek to have my credentials accepted by the Division as an expert petroleum engineer.
- 3. I am familiar with the application filed by Devon in this case for approval of nonstandard horizontal spacing units in the Bone Spring and Wolfcamp formations, and I have conducted an engineering study of the lands in the subject areas.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C

Submitted by: Devon Energy Production
Hearing Date: April 30, 2020

Case No. 21182

- 4. In this case, Devon is seeking approval of nonstandard horizontal spacing units to match the communitization agreements and to allow flexibility in locating and spacing wells to more efficiently and effectively develop the reserves by permitting Devon to treat this area as an area of common ownership.
- 5. **Devon Exhibit C-2** is a map that depicts the existing surface facilities and well pads for the development. Because each standard horizontal spacing unit typically requires its own facilities, Devon seeks approval of these nonstandard spacing units to permit it to have only one surface facility for the Bone Spring spacing unit, and one surface facility for the Wolfcamp spacing unit.
- 6. Approval of these two enlarged nonstandard horizontal spacing units will minimize surface disturbance by allowing Devon to consolidate facilities for each spacing unit and will significantly reduce the overall costs of the development of the Bone Spring and Wolfcamp formations.
- 7. Without approval of a nonstandard spacing unit in this case, Devon will be required to install five central tank batteries ("CTB"). The installation of each CTB typically requires six acres. On the map shown on **Exhibit C-2**, there are three red boxes reflecting the additional surface facilities that would be required if the Bone Spring and Wolfcamp formations were developed under standard horizontal spacing units. In this case, the removal of the three additional CTBs will reduce required surface disturbance by approximately eighteen acres.
- 8. **Devon Exhibit C-3** reflects the cost savings to that will result from Devon's proposed nonstandard spacing units. The chart reflects the costs that would be incurred for the installation of five CTBs, as well as the cost for the reduced surface facilities as requested in this application, which will allow Devon to use only one CTB per spacing unit.

- 9. As shown on the chart, the reduction in facilities will result in approximately \$9.5 million dollars in savings.
- 10. In my opinion, the granting of Devon's applications in these cases is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **Devon Exhibits C-1** through **C-3** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Lawon Syker LAUREN SYKES

STATE OF OKLAHOMA)
COUNTY OF OKLAHOMA)
SUBSCRIBED and SWORM Sykes. 14006968 EXP. 08/07/22	N to before me this 24th day of April 2020 by Lauren
OF OKLAND	NOTARY/PUBLIC
My Commission Expires:	
8/7/2022	

E-mail: Lauren.Sykes@dvn.com

EDUCATION

Texas A&M University, College Station, Texas Bachelor of Science in Petroleum Engineering Minor in Geology

Date of Graduation: May 2015

EXPERIENCE 2015 - Current

Devon Energy, Oklahoma City, Oklahoma

Reservoir Engineer – Delaware Basin

May 2017 - Current

- Working with multi-discipline team to optimally develop Devon's flagship Delaware Basin Business Unit. Collaborate with team and make recommendations to ensure all benches of this play are developed in a manner that maximizes present value.
- Led team tasked with divesting certain non-core properties in the Northwest slope and shelf area of Delaware Basin, ensuring properties were properly high-graded based on remaining value and cost structure. Involved in process through marketing and final transaction.
- Member of Devon's Delaware Integrated Reservoir Characterization team, fully characterizing new areas prior to making a capital D&C investment. Formulate type curves based on characterization and offset analogs, and make recommendations for operations to help Devon fully understand area's potential including logging, coring, and completions tests.
- Responsible for managing reserves and type curves in Devon's Potato Basin area.

Drilling Engineer - Delaware Basin

November 2016 – May 2017

- On-site supervision training on Cactus #168. Gained exposure to all facets of Delaware Basin drilling operations
- Responsible for compiling and writing field standard operating procedure literature, assist in field as drilling consultant/Person-in-charge, and evaluate drilling cost performances.

Completion Engineer - Eagle Ford

July 2016 - November 2016

- On-site supervisor training on horizontal plug and perf completions operations
- Built GOFHER fracture model to better understand viability of additional landing zone within Eagle Ford Interval.
- Responsible for cost estimations, completions and workover procedures, and helping to identify recompletion candidates.

Production Engineer - Eagle Ford

July 2015 - July 2016

- Served in production engineering role in the Victoria, TX Devon field office, which operates S. Texas Eagle Ford position.
- Responsible for various field operations focusing on production optimization, writing various workover cost estimates, and initiating flowback on new wells once operations was passed from JV partner BHP.

2014 Summer

Devon Energy, Oklahoma City, Oklahoma

Reservoir Engineer Intern – Anadarko Basin

Characterized new horizontal unconventional play concept in Anadarko Basin, collaborating closely with geologist responsible for the area. Study also included analyzing vertical recompletion opportunities, quantifying recoverable hydrocarbons in place and gaining clear understanding of play's economic viability.

2013 Summer

Devon Energy, Groesbeck, Texas

Production Engineer Field Intern- South Texas

Responsible for design recommendations and implementation of artificial lift changes in Devon's Groesbeck field office. Estimated costs, formulated procedures, oversaw installation operations and analyzed performance of a field test jet pump installation.

2012 Summer

EOG Resources, Inc., Midland, Texas

Production Engineer Field Intern - Permian Basin

- Exposed to production field operations in EOG's Midland Basin Barnhart district.
- Responsible for optimization of central compressor station's liquids handling. This included collaboration with team designing station, economics estimation and installation of vapor recovery unit.

ORGINIZATIONS

Professional

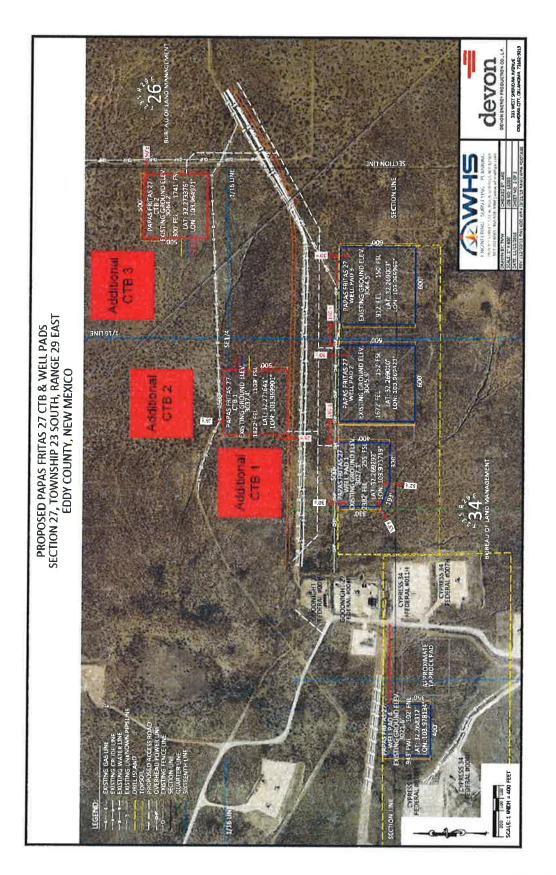
Member of Society of Petroleum Engineers, Oklahoma City Chapter BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Exhibit No. C1 Submitted by: Devon Energy Production

Case No. 21182

14548306_v1

Hearing Date: April 30, 2020



Scenario	Number of CTB's	CTB Cost (\$)	FL/GL Cost (\$)	Total (\$)	\$/well
5 CTB's by Current Spacing	5	17,794,141	2,292,254	20,086,395	2,510,799
2 CTB's by Formation	2	8,087,814	2,410,604	10,498,419	1,312,302
Difference	ence	9,706,327	-118,350	9,587,976	1,198,497

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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR APPROVAL OF 1280-ACRE NONSTANDARD SPACING UNITS IN THE BONE SPRING AND WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO PROPOSED COMMUNITIZATION AGREEMENTS, EDDY COUNTY, NEW MEXICO.

CASE NO. 21182

AFFIDAVIT

STATE OF NEW MEXICO)
COUNTY OF SANTA FE) ss.
COUNTY OF BUILDING	,

Kaitlyn A. Luck, attorney in fact and authorized representative of Devon Energy

Production Company, L.P., the Applicant herein, being first duly sworn, upon oath, states that
the above-referenced Application has been provided under the notice letters and proof of receipts
attached hereto.

Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 23rd day of April, 2020 by Kaitlyn A.

Luck.

Notary Public

My Commission Expires:

lavary 28, 20

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Devon Energy Production

Submitted by: Devon Energy Produc Hearing Date: April 30, 2020 Case No. 21182 My Commission Expires:

Tanvay 28,0023



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

March 19, 2020

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO PROCEEDINGS

Re: NOTICE OF UPDATED HEARING ADDRESS

Application Of Devon Energy Production Company, L.P., For Approval Of 1280-Acre Non-Standard Spacing Units In The Bone Spring And Wolfcamp Formations Comprised Of Acreage Subject To Proposed Communitization Agreements, Eddy County, New Mexico.

Ladies & Gentlemen:

The purpose of this letter is to amend the notice provided on March 13, 2020 of the above-referenced application of Devon Energy Production Company, L.P. A hearing has been requested before a Division Examiner on April 2, 2020, however, the hearing may be rescheduled, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/. The hearing will be held in Room 311, New Mexico State Capitol Building (the Roundhouse), 490 Old Santa Fe Trail, Santa Fe, New Mexico. 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 Verl Brown at (405) 228-8804, or at Verl.Brown@dvn.com

Michael H. Feldewert

ATTORNEY FOR DEVON ENERGY PRODUCTION

COMPANY, L.P.



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

March 13, 2020

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO PROCEEDINGS

Re: Application Of Devon Energy Production Company, L.P., For Approval Of 1280-Acre Non-Standard Spacing Units In The Bone Spring And Wolfcamp Formations Comprised Of Acreage Subject To Proposed Communitization Agreements, Eddy County, New Mexico.

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 April 2, 2020, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/. 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 Verl Brown at (405) 228-8804, or at Verl.Brown@dvn.com

Michael H. Feldewert

ATTORNEY FOR DEVON ENERGY PRODUCTION

COMPANY, L.P.

Devon - Papas Fritas Case No. 21182 Postal Delivery Report

	case no: care no: care no calleivery report	
Tracking Number	Recipient	Status
9214890194038309331388	9214890194038309331388 Accelerate Resources Corporation 5949 Sherry Lane Suite 160 Dallas TX 75225	Delivered Signature Received
9214890194038309331395 (Animas Energy LLC	5 (Animas Energy LLC PO BOX 369 Ignacio CO 81137-0369	Delivered Signature Received
9214890194038309331401	9214890194038309331401 (Bayswater Fund IV-B LLC 730 17th Street Suite 500 Denver CO 80202	Delivered Signature Received
9214890194038309331418	9214890194038309331418 BTA Oil Producers LLC 104 South Pecos Street Midland TX 79701	In-Transit
9214890194038309331425	9214890194038309331425 (Bureau of Land Management 620 E Greene St Carlsbad NM 88220	In-Transit
9214890194038309331432	9214890194038309331432 (Chesapeake Exploration LP PO BOX 18496 Oklahoma City OK 73154-0496	In-Transit
9214890194038309331449	9214890194038309331449 (Chevron U S A Inc 6301 Deauville Blvd Midland TX 79706	Delivered Signature Received
9214890194038309331456	9214890194038309331456 I COG Oil & Gas LP 600 W Illinois Ave Midland TX 79701	Delivered Signature Received
9214890194038309331463	9214890194038309331463 · COG Operating LLC 600 W Illinois Ave Midland TX 79701	Delivered Signature Received
9214890194038309331470	9214890194038309331470	Delivered Signature Received
9214890194038309331487 Franklin Mountain	7 Franklin Mountain Energy LLC 2401 E 2nd Avenue Suite 300 Denver CO 80206	Delivered Signature Received
	Harroun Energy LLC c/o New Mexico Bank & Trust PO BOX 2300 Albuquerque NM	
9214890194038309331494 (87103	1 (87103	Delivered Signature Received
9214890194038309331500 · Highland (Texas) En	Highland (Texas) Energy 11886 Greenville Avenue Suite 106D Dallas TX 75243	Delivered Signature Received
9214890194038309331517	9214890194038309331517 (Highland (Texas) Energy Company 7557 Rambler Road Suite 918 Dallas TX 75218	Delivered
	John Thoma Trustee of the Cornerstone Family Trust PO BOX 558 Peyton CO 80831-	
9214890194038309331524 0558	1 0558	Delivered Signature Received
9214890194038309331531	9214890194038309331531 (LaNell Joy Honeyman 406 Skywood Midland TX 79705-2914	Delivered Signature Received
LaNell Joy Honeyman as 9214890194038309331548 Midland TX 79705-2914	LaNell Joy Honeyman as Trustee of the Leslie Robert Honeyman Trust 406 Skywood Midland TX 79705-2914	Delivered Signature Deceived
	Lenox Mineral Title Holdings Inc as agent FBO Lenox Minerals LLC 1701 1/2 Post Oak	Ciliver of Distance Necessed
9214890194038309331555	9214890194038309331555 Boulevard #171 Houston TX 77056	In-Transit
	Lenox Mineral Title Holdings Inc. solely in its capacity as nominee holder of legal title as agent for the benefit of Lenox Minerals LLC 100 Throckmorton Street Suite 1630	
9214890194038309331562 (Fort Worth TX 76102	2 (Fort Worth TX 76102	In-Transit
9214890194038309331579	9214890194038309331579 • Marathon Oil Permian LLC 5555 San Felipe Street Houston TX 77056	Delivered Signature Received
	Maribeth Naughton as Trustee of The Morse Family Security Trust 410 17th Street	
9214890194038309331586	9214890194038309331586 Suite 1150 Denver CO 80202	In-Transit
	Matador Petroleum Corp One Lincoln Centre 5400 LBJ Freeway Suite 1500 Dallas TX	
9214890194038309331593 175240	3 - 75240	Delivered Signature Received

Devon - Papas Fritas Case No. 21182 Postal Delivery Report

Michael D Hayes and Kathryn A Hayes Co-Trustees of the Hayes Revocable Trust 3608	000
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9214890194038309331616 (Michael D Hayes 3608 Meadowridge Lane Midland TX 79707	Delivered Signature Received
Novo Oil and Gas Northern Delaware LLC 1001 Wilshire Blvd Suite 206 Oklahoma City	
9214890194038309331623 · OK 73116	n Delivered Signature Received
9214890194038309331630 (OXY USA Inc 5 Greenway Plaza Suite 110 Houston TX 77046-0521	In-Transit
9214890194038309331647 (Quientesa Royalty LP 508 West Wall Avenue Suite 500 Midland TX 79701	Delivered Signature Received
9214890194038309331654 (Strata Production Company Post Office Drawer 1030 Roswell NM 88202-1030	Delivered Signature Received
9214890194038309331661 (Talus Inc PO BOX 1210 Graham TX 76450	Delivered Signature Received
9214890194038309331678 (Tap Rock Operating LLC 602 Park Point Drive Suite 200 Golden CO 80401	Delivered Signature Received
TDY Industries LLC c/o Bank of America Attn: Jimmy L Proe VP PO BOX 830308 Dallas	
9214890194038309331685 (TX 75283	Delivered Signature Received
9214890194038309331692 (The Allar Company 735 Elm Street Graham TX 76450	Delivered Signature Received
9214890194038309331708 (The Allar Company PO BOX 1567 Graham TX 76450	Delivered Signature Received
The State of New Mexico State Land Office Oil Gas and Minerals Division 1220 South	
9214890194038309331715 (St Francis Dr Santa Fe NM 87505	Delivered Signature Received
Titus Oil & Gas Corporation as agent FBO Titus Oil & Gas Production LLC 100	
9214890194038309331722 (Throckmorton St Suite 1630 Fort Worth TX 76102	Delivered Signature Received
9214890194038309331739 (Tumbler Operating Partners LLC 1701 River Run Suite 306 Fort Worth TX 76107	Delivered Signature Received
9214890194038309331746 (Twin Montana Inc PO BOX 1210 Graham TX 76450	Delivered Signature Received
9214890194038309331753 (XTO Holdings LLC 22777 Springwoods Village PKWY Spring TX 77389	In-Transit

			Your item departed our USPS facility in DENVER CO DISTRIBUTION
			CENTER on March 22, 2020 at 2:08 pm. The item is currently in transit to
9414810898765056488090 Animas Energy, LLC	PO Box 369	Ignacio	CO 81137-0369 the destination.
			Your item departed our USPS facility in DENVER CO DISTRIBUTION CENTER on March 22, 2020 at 2:32 am, The item is currently in transit to
9414810898765056488115 Bayswater Fund IV-B, LLC	730 17th St Ste 500	Denver	CO 80202-3553 the destination. Voice item are investigated at our Mini AND TV DISTRIBUITION CENTED destination
			facility on March 22, 2020 at 3:48 am, The item is currently in transit to
9414810898765056488137 BTA Oil Producers LLC	104 S Pecos St	Midland	TX 79701-5021 the destination,
			Your item departed our LUBBOCK TX DISTRIBUTION CENTER destination facility on March 22, 2020 at 6:04 pm. The item is currently in transit to
9414810898765056488151 Bureau of Land Management	620 E Greene St	Carlsbad	NM 88220-6292 the destination, Your item arrived at our OKLAHOMA CITY OK DISTRIBUTION CENTER
			destination facility on March 22, 2020 at 8:52 am. The item is currently
9414810898/b50564881/5 Chesapeake Exploration, LP	PO Box 18496	Oklahoma City	Okiahoma City OK 73154-0496 in transit to the destination. Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination
0444040007EDECEGO10D Chauran II C A Inc	Sand Downsills	Land Land	facility on March 22, 2020 at 3:48 am. The item is currently in transit to
יאון דעופס ווחואים המדווערססססססססססססססססססססססססססססססססססס	4		7. 737.04.25.4. die Gestington. Vour item anerived at our MIDLAND TX DISTRIBUTION CENTER destination facility on March 72. 2020 at 3.48 am. The item is currently in transit to
9414810898765056488229 COG Oil & Gas LP	600 W Illinois Ave	Midland	TX 79701-4882 the destination.
			Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on March 22, 2020 at 3:48 am. The item is currently in transit to
9414810898765056488243 COG Operating LLC	600 W Illinois Ave	Midland	TX 79701-4882 the destination.
			Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on March 22, 2020 at 3:48 am. The item is currently in transit to
9414810898765056488267 Crownrock Minerals, L.P.	PO Box 51933	Midland	TX 79710-1933 the destination.
041/9109007EE0EE48939 - Franklin Mountain Engrav 117	2401 E 2nd Ave Ste 200	Donver	Your package will arrive later than expected, but is still on its way. It is
341+010030/03030400662 riginiii iyodiidiii Elici By, EEC	ZADI E ZIIU AVE SIE SOU	Delive	
9414810898765056488304 Harroun Energy, LLC c/o New Mexico Bank & Trust	PO Box 2300	Albuquerque	NM 87103-2200 currently in transit to the next facility.
			Your item arrived at our DALLAS TX DISTRIBUTION CENTER destination facility on March 22, 2020 at 8:30 am. The item is currently in transit to
94 <u>1</u> 4810898765056488335 Highland (Texas) Energy	11886 Greenville Ave Ste 106D	Dalias	TX 75243-3569 the destination,
			Your package will arrive later than expected, but is still on its way, It is
9414810898765056488342 Highland (Texas) Energy Company	7557 Rambler Rd Ste 918	Dallas	TX 75231-2306 currently in transit to the next facility.
9414810898/65056488359 John Inoma Irustee of the Comerstone Family Irust	PO Box 558	Peyton	CO 80851-0558 Currently in transit to the next rediffic. Your item arrived at our MIDLAND STRIBUTION CENTER destination facility on March 27 2020 at 348 am. The item is currently in transit to
9414810898765056488366 LaNell Joy Honeyman	406 Skywood	Midland	TX 79705-2914 the destination.
			Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on March 22, 2020 at 3:48 am. The item is currently in transit to
9414810898765056488373 LaNell Joy Honeyman, as Trustee of the Leslie Robert Honeyman Trust	406 Skywood	Midland	TX 79705-2914 the destination.
			Your item arrived at our NORTH HOUSTON TX DISTRIBUTION CENTER destination facility on March 22, 2020 at 1:39 pm. The item is currently
9414810898765056488397 Lenox Mineral Title Holdings, Inc. as agent FBO Lenox Minerals LLC Lenox Mineral Title Holdings, Inc., solely in its capacity as nominee	1701 1/2 Post Oak Blvd unit 171	Houston	TX 77056 in transit to the destination. Your package will arrive later than expected, but is still on its way. It is
9414810898765056488403 holder of legal title as agent for the benefit of Lenox Minerals LLC	100 Throckmorton St Ste 1630	Fort Worth	TX 76102-2846 currently in transit to the next facility. Your item arrived at our NORTH HOUSTON TX DISTRIBUTION CENTER
9414810898765056488410 Marathon Oil Permian, LLC	5555 San Felipe St	Houston	TX 77056-2701 in transit to the destination. Your item depetated our USS95 facility in DENVER CO DISTRIBUTION CENTER On March 22 2070 at 212 am The item is currently in transit to
9414810898765056488427 Maribeth Naughton as Trustee of The Morse Family Security Trust	410 17th St Ste 1150	Denver	CO 80202-4414 the destination.

Devon - Papas Fritas Case No. 21182 Postal Delivery Report

			-
			Your item arrived at our DALLAS TX DISTRIBUTION CENTER destination facility on March 22, 2020 at 8:30 am. The item is currently in transit to
9414810898765056488441 Matador Petroleum Corp	5400 Lbj Fwy Ste 1500 One Lincoln Centre	Dallas	TX 75240-1017 the destination.
Michael D Haves and Kathryn A. Haves. Cn-Tristpes of the Haves			Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on March 22, 2020 as The Item is currently in transit to
9414810898765056488458 Revocable Trust	3608 Meadowridge Ln	Midland	TX 79707-4543 the destination.
	•		
9414810898765056488465 Michael D. Hayes	3608 Meadowridge Ln	Midland	TX 79707-4543 the destination
			Your item arrived at our OKLAHOMA CITY OK DISTRIBUTION CENTER
941 481 089875505 6488472 Novo Oil and Gas Northern Delaware 11 C	1001 M Wilehire Blud Cte 206	A CHOPOLOGICAL	destination facility on March 22, 2020 at 8:52 am, The item is currently
	TOOT AS ASSESSED ON TOOT	Onailoilla City	ON 131197030 III idanisit to the destination. Your ifem arrived at our NORTH HOLISTON TX DISTRIBUTION CENTER
			destination facility on March 22, 2020 at 1:39 pm, The item is currently
9414810898765056488483 OXY USA Inc.	5 Greenway Plz Ste 110	Houston	TX 77046-0521 in transit to the destination.
			Your item departed our COLORADO SPRINGS CO DISTRIBUTION CENTER
9414810898765056488495 Quientesa Royalty LP	508 W Wall St Ste 500	Midland	TX 79701-5062 transit to the destination.
			Your item departed our LUBBOCK TX DISTRIBUTION CENTER destination
			facility on March 22, 2020 at 5:37 pm. The item is currently in transit to
9414810898765056488502 Strata Production Company	PO Box 1030	Roswell	NM 88202-1030 the destination.
			Your package will arrive later than expected, but is still on its way. It is
9414810898765056488513 Talus Inc.	PO Box 1210	Graham	TX 76450-1210 currently in transit to the next facility.
			Your package will arrive later than expected, but is still on its way. It is
9414810898765056488525 Tap Rock Operating, LLC	602 Park Point Dr Ste 200	Golden	CO 80401-9359 currently in transit to the next facility.
			Your item departed our DALLAS TX DISTRIBUTION CENTER destination
			facility on March 22, 2020 at 2:20 pm. The item is currently in transit to
9414810898765056488533 TDY Industries, LLC c/o Bank of America Attn Jimmy L. Proe, VP	PO Box 830308	Dallas	TX 75283-0308 the destination.
			Your package will arrive later than expected, but is still on its way, It is
9414810898765056488543 The Allar Company	735 Elm St	Graham	TX 76450-3018 currently in transit to the next facility.
			Your package will arrive later than expected, but is still on its way, It is
9414810898765056488557 The Allar Company	PO Box 1567	Graham	TX 76450-7567 currently in transit to the next facility.
			Your item departed our ALBUQUERQUE, NM 87101 destination facility
The State of New Mexico State Land Office Oil, Gas, and Minerals			on March 22, 2020 at 1:38 pm. The item is currently in transit to the
9414810898765056488564 Division	1220 S St Francis Dr	Santa Fe	NM 87505-4225 destination.
			Your item departed our COLORADO SPRINGS CO DISTRIBUTION CENTER
			origin facility on March 22, 2020 at 5:16 pm. The item is currently in
9414810898765056488571 Titus Oil & Gas Corporation as agent FBO Titus Oil & Gas Production, LLC 100 Throckmorton St Ste 1630	LC 100 Throckmorton St Ste 1630	Fort Worth	TX 76102-2846 transit to the destination.
			Your package will arrive later than expected, but is still on its way. It is
9414810898765056488588 Tumbler Operating Partners, LLC	1701 River Run Ste 306	Fort Worth	TX 76107-6547 currently in transit to the next facility.
9414810898765056488595 Twin Montana Inc.	PO Box 1210	Graham	TX 76450-1210 currently in transit to the next facility.
			Your item arrived at our NORTH HOUSTON TX DISTRIBUTION CENTER
			destination facility on March 22, 2020 at 1:39 pm. The Item is currently
9414810898755056488601 XTO Holdings, LLC	22777 Springwoods Village Pkwy	Spring	TX 77389-1425 in transit to the destination.





Shipment Confirmation **Acceptance Notice**

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.

> Devon - Papas Fritas Case No. 21182 CM# 41132.0002

Shipment Date: 03/13/2020

Shipped From:

Name: HOLLAND & HART LLP (1)

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mall	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	38
Total	38

^{*}Start time for products with service guarantees will begin when mall 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 9875 26



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Holland & Hart LLP (1)	CIRCA (ADC OT HIGH OF SCI VICE												
Santa Fe NM 87501	Adult Signature Required Adult Signature Restricted Delivery Certified Mail Certified Mail Restricted Delivery Collect on Delivery (COD) Signature Confirmation		Affix Stamp Here (if issued as an intern certificate of mailing of additional copies of th Postmark with Date	Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.	nal cecipt). eceipt.								
USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code TM)	Postage	(Extra Service) Fee	Handling A Charge if	Actual Value if Registered	Insured Salue S	Sender if	ASR AS Fee Fe	ASRD RD Fee Fee	R B	လွ နို	SCRD	R 95
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8. 9214 8901 9403 8309 3314 56	COG Oil & Gas LP 600 W Illinois Ave Midland TX 79701	0.65	3.55	nsH						1.70			
Total Number of Pieces Listed by Sender Received at Post Office 38	Postmaster, Per (Name of receiving employee)												

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UNITED STATES	POSTAL SERVICE®
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Name and Address of Sender Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501	≥	, , , , ,	Affix Stamp Here (if issued as an internation certificate of mailing or for additional bostmark with Date of R	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 (Se	(Extra Han Service) Ch Fee	Handling Actual Value Charge if Registered	Insured	Sender if	ASR A Fee	ASRD RD Fee Fee	E Fee	သိ နို	SCRD Fee	유 왕
9. 9214 8901 9403 8309 3314 63	COG Operating LLC 600 W Illinois Ave Midland TX 79701	0.65		an		8			1.70			
10. 9214 8901 9403 8309 3314 70	Crownieck, Minerale L P PO BOX 51933 Midland TX 79710	0.65	3.55	15v (11 00)					1.70			
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Carlsbad Current Argus.

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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:

03/15/2020

Legal Clerk

Subscribed and sworn before me this March 15, 2020:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

Ad # 0004112499 PO#: 21182 # of Affidavits1

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

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 April 2, 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.st ate.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 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 March 23, 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 and affected parties, including: Accelerate Resources Corporation; Chevron U.S.A. Inc.; Highland (Texas) Energy; OXY USA Inc.; The Allar Company; Tumbler Operating Partners, LLC; Crownrock Minerals, L.P.; Highland (Texas) Energy Company; John Thoma, Trustee of the Cornerstone Family Company: John Thoma, Trustee of the Cornerstone Family Trust; LaNell Joy Honeyman, her heirs and devisees; LaNell Joy Honeyman, as Trustee of the Leslie Robert Honeyman Trust; Lenox Mineral Title Holdings, Inc., solely in its capacity as nominee holder of legal title as agent for the benefit of Lenox Minerals, LLC; Maribeth Naughton, as Trustee of The Morse Family Security Trust; Michael D. Hayes, his heirs and devisees; Animas Energy, LLC; BTA Oil Producers LLC; Bayswater Fund IV-B, LLC; Bureau of Land Management; Chesapeake Exploration, LP; COG Oil & Gas LP; COG Operating LLC; Franklin Mountain Energy, LLC; Harroun Energy, LLC, c/o New Mexico Bank & Trust; Lenox Mineral Title Holdings, Inc. as agent FBO Lenox Minerals LLC: Marathon LLC, c/o New Mexico Bank & Trust; Lenox Mineral Title Holdings, Inc. as agent FBO Lenox Minerals LLC; Marathon Oil Permian, LLC; Matador Petroleum Corp; "Michael D Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust; Novo Oil and Gas Northern Delaware LLC; Quientesa Royalty LP; Strata Production Company; Talus Inc.; Tap Rock Operating, LLC; TDY Industries, LLC c/o Bank of America Attn: Jimmy L. Proe, VP; The State of New Mexico State Land Office Oil, Gas, and Minerals Division; Titus Oil & Gas Comparation as agent FBO Titus Oil & Gas Rose Pool Mexico State Land Office Oil, Gas, and Minerals Division; Titus Oil & Gas Corporation as agent FBO Titus Oil & Gas Production, LLC; Twin Montana Inc.; and XTO Holdings, LLC. Case No. 21182: Application Of Devon Energy Production Company, L.P., For Approval Of 1280-Acre Non-Standard Spacing Units In The Bone Spring And Wolfcamp Formations Comprised Of Acreage Subject To Proposed Communitization Agreements, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order approving 1280-acre, more or less pon-standard spacing units in Applicant in the above-styled cause seeks an order approving 1280-acre, more or less, non-standard spacing units in the Bone Spring and Wolfcamp formations comprised of acreage subject to corresponding Communitization Agreements covering all of Sections 22 and 27, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. The acreage underlying the proposed non-standard spacing units is subject to the following Division designated pools:

• Laguna Salado; Bone Spring (Pool Code 96721)

• Laguna Salado; Bone Spring, South (Pool Code 96857)

Laguna Salado; Bone Spring, South (Pool Code 96857)
 Purple Sage; Wolfcamp (Gas) (Pool Code 98220)
 The subject area is located approximately 6 miles northeast

of Malaga, New Mexico. #4112499, Current Argus, Mar. 15, 2020

Santa Fe, New Mexico Exhibit No. E

Submitted by: Devon Energy Production Hearing Date: April 30, 2020

Case No. 21182

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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR APPROVAL OF 1280-ACRE NONSTANDARD SPACING UNITS IN THE BONE SPRING AND WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO PROPOSED COMMUNITIZATION AGREEMENTS, EDDY COUNTY, NEW MEXICO.

CASE NO. 21182

APPLICATION

Devon Energy Production Company, L.P. ("Devon") through its undersigned attorneys, files this application with the Oil Conservation Division for an order approving 1280-acre, more or less, non-standard spacing units in the Bone Spring and Wolfcamp formations comprised of acreage subject to corresponding Communitization Agreements covering all of Sections 22 and 27, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. In support of this application, Devon states:

- 1. Devon (OGRID No. 6137) is the designated operator under a Joint Operating Agreement covering federal leases in the Bone Spring and Wolfcamp formations underlying Sections 22 and 27, Township 23 South, Range 39 East, NMPM, Eddy County, New Mexico.
- 2. There are two pools within the Bone Spring formation underlying the proposed non-standard spacing unit: The Laguna Salado; Bone Spring (Pool Code 96721), and the Laguna Salado; Bone Spring, South (Pool Code 96857).

Case No. 21182

- 3. Within the proposed non-standard spacing unit, Devon intends to drill or has drilled the following wells within Laguna Salado; Bone Spring (Pool Code 96721), and the Laguna Salado; Bone Spring, South (Pool Code 96857):
 - Papas Fritas 27-22 Fed Com #331H (30-015-46580)
 - Papas Fritas 27-22 Fed Com #332H (30-015-46579)
 - Papas Fritas 27-22 Fed Com #333H (30-015-46578)

Devon's drilling program for this area will develop the Bone Spring formation underlying each of the 40-acre tracts comprising the proposed non-standard project area.

- 4. The only pool within the Wolfcamp formation underlying the proposed non-standard spacing unit is the Purple Sage; Wolfcamp (Gas) (Pool Code 98220), which is defined by Division Order No. R- 14262.
- 5. Within the proposed non-standard spacing unit, Devon intends to drill or has drilled the following wells in the Purple Sage; Wolfcamp Pool:
 - Papas Fritas 27-22 Fed Com #621H (30-015-46573)
 - Papas Fritas 27-22 Fed Com #622H (30-015-46577)
 - Papas Fritas 27-22 Fed Com #623H (30-015-46576)
 - Papas Fritas 27-22 Fed Com #711H (30-015-46572)
 - Papas Fritas 27-22 Fed Com #712H (30-015-46574)
 - Papas Fritas 27-22 Fed Com #713H (30-015-46575)

Devon's drilling program for this area will develop the Wolfcamp formation underlying each of the 320-acre tracts comprising the proposed non-standard project area.

- 6. Devon seeks to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing units.
- 7. The Bureau of Land Management has informed Devon that it prefers and will approve separate Communitization Agreements for the Bone Spring and the Wolfcamp formations underlying the acreage comprising the proposed non-standard spacing units.

- 8. To allow the existing and permitted wells to be dedicated to the acreage subject to the desired Communitization Agreements, Devon requires approval of corresponding non-standard spacing units in the Bone Spring and Wolfcamp formations.
- 9. Division Rules contemplate and encourage oil and gas development, where possible, in enlarged areas of common ownership to minimize surface disturbance and to promote efficient well spacing. *See*, *e.g.*, 19.15.16.7.P NMAC; 19.15.16.15.B(8) NMAC and 19.15.16.15.C(7) NMAC.
- 10. Approval of this application will allow Devon to efficiently locate surface facilities; reduce surface disturbance; consolidate roads, tanks and pipelines; and promote effective well spacing.
 - 11. Notice of this application will be provided as required by Division rules.
- 12. Approval of this application is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Devon requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 2, 2020, and that after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

HOLLAND & HART LLP

y:____

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208

Santa Fe, NM 87504

505-998-4421

505-983-6043 Facsimile

mfeldewert@hollandhart.com

arankin@hollandhart.com

jbroggi@hollandhart.com

kaluck@hollandhart.com

ATTORNEYS FOR DEVON ENERGY PRODUCTION COMPANY, L.P.