

# United States Department of the Interior



BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 https://www.blm.gov/new-mexico

MAR 1 7 2021

In Reply Refer To:

NMNM141994 3105.2 (NM920)

Reference:

Communitization Agreement
Papas Fritas 27-22 Federal Com 621H and 623H

Section 22: ALL Section 27: ALL

T. 23 S., R. 29 E., N.M.P.M.

Eddy County, NM

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

#### Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM141994 involving 640 acres of Federal land in lease NMNM 066425, and 640 acres of Federal land in lease NMNM 105557, Eddy County, New Mexico, which comprise a 1280 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath ALL of Sec. 22 and ALL of Sec. 27, T. 23 S., R. 29 E., NMPM, Eddy County, NM, and is effective January 1, 2020. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Sheila Mallory

Deputy State Director Division of Minerals

## 1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (9200) NM (P0220-CFO, File Room) NMSO (NM925, File)

## Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering ALL of Sec. 22 and ALL of Sec. 27, T. 23 S., R. 29 E., NMPM, Eddy County, NM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.
  - Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:

MAR 1 7 2021

Sheila Mallory Deputy State Director

Division of Minerals

Effective: January 1, 2020

Contract No.: Com. Agr. NMNM141994

## DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CASE RECORDATION

Run Date/Time: 5/28/2020 14:03 PM (LIVE) Serial Register Page

Total Acres:

Page 1 Of 1 Serial Number

01 02-25-1920;041STAT0437;30USC181

Case Type 318310: O&G COMMUNITZATION AGRMT

1280.000

NMNM-- - 141994

Commodity 459: OIL & GAS

Case Disposition: PENDING

Case File Juris:

Serial Number: NMNM--- 141994

Name & Address					Int Rel	% Interest
BLM NMSO	301 DINOSAUR TRL	SANTA FE	NM	87508-1560	OFFICE OF RECORD	0.000000000
DEVON ENERGY PRODUCTION CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY	OK	73102-5010	OPERATOR	100.000000000

Serial Number: NMNM-- - 141994

Mer	Twp	Rng Sec	c ST	ype	Nr Sul	f Subdivision	District/ Field Office	County	Mgmt Agency
23	0230\$	0290E 02	22 ALI	L		ENTIRE SECTION	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0230S	0290E 02	27 AL!	L		ENTIRE SECTION	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 141994

Relinquished / Withdrawn Lands

Act Date	Act Code	Action Txt	Serial Number: Action Remarks	NMNM 141994 Pending Office
01/01/2020	387	CASE ESTABLISHED		
01/01/2020	516	FORMATION	WOLFCAMP;	
02/27/2020	580	PROPOSAL RECEIVED	CA RECD;	

Serial Number: NMNM-- - 141994

Line

Number Remark Text

Lauren Tollison (405) 228-8427



BLM-NMS0 FED:27:2020 14:32:15 RECEIVED

February 26, 2020

nmnm, 994

Bureau of Land Management 301 Dinosaur Trail Santa Fe, NM 87508

RE: Communitization Agreements

Santa Fe, NM

To Whom It May Concern:

331H 30015-46579

Please find enclosed (2) original Communitization Agreements in triplicates that need to be filed/recorded with the BLM.

After filing, please return the documents to the undersigned. If you have any questions regarding this matter, please give me a call at (405) 552-3656.

Yours very truly,

DEVON ENERGY PRODUCTION COMPANY, L.P. Jack 20 and 20 and 30 and 30

Too large CA

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

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP FOR APPROVAL OF 1,280-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 ORDER NO. R-21359

## **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 30, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### **FINDINGS OF FACT**

- 1. Due public notice has been given, and OCD has jurisdiction of this case and its subject matter.
- 2. Devon Energy Production Company, L.P. ("Devon") filed an application ("Application") seeking approval of a 1,280-acre non-standard horizontal spacing unit for production from all Division-designated pools in the Bone Spring formation underlying all of Sections 22 and 27, Township 23 South, Range 29 East, NMPM Eddy County, New Mexico ("Spacing Unit"). The Spacing Unit will be initially dedicated to the following horizontal wells in the Bone Spring formation ("Bone Spring Wells"):
  - 1) Papas Fritas 27-22 Federal Com #331H (30-015-46580)
  - 2) Papas Fritas 27-22 Federal Com #332H (30-015-46579)
  - 3) Papas Fritas 27-22 Federal Com #333H (30-015-46578)
- 3. The Bone Spring Wells will be or have been drilled and completed in the Laguna Salado; Bone Spring (Pool Code 96721), along with the Laguna Salado; Bone Spring, South (Pool Code 96857).
- 4. The Application also seeks approval of a 1,280-acre non-standard horizontal spacing unit for production from all OCD-designated pools in the Wolfcamp formation underlying the Spacing Unit. The Spacing Unit will be initially dedicated to the following horizontal wells in the Wolfcamp formation ("Wolfcamp Wells"):
  - 1) Papas Fritas 27-22 Federal Com #621H (30-015-46573) (NSL 7912)
  - 2) Papas Fritas 27-22 Federal Com #622H (30-015-46577) (NSL 7913)
  - 3) Papas Fritas 27-22 Federal Com #623H (30-015-46576) (NSL 7914)

- 4) Papas Fritas 27-22 Federal Com #711H (30-015-46572) (NSL 7915)
- 5) Papas Fritas 27-22 Federal Com #712H (30-015-46574) (NSL 7916)
- 6) Papas Fritas 27-22 Federal Com #713H (30-015-46575) (NSL 7917)
- 5. The Wolfcamp Wells will be or have been drilled and completed in the Purple Sage; Wolfcamp Pool (Pool Code 98220).
- 6. Devon appeared at hearing and presented evidence by affidavit.
- 7. The Spacing Unit is comprised of the following two leases:
  - 1) Federal Lease NMNM-66425 containing all of section 22; and
  - 2) Federal Lease NMNM-105557 containing all of section 27
- 8. All working interest has been previously pooled under Orders R-20957, R-20958, R-20959, R-20960, and R-20961. Devon has since obtained voluntary joinder from all working interests to develop the Spacing Unit.
- 9. Devon expects all working interest owners in the Spacing Unit to ratify separate communitization agreements for the Bone Spring and Wolfcamp formations that require production from all wells within the Spacing Unit to be allocated among leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to the agreements.
- 10. The Bureau of Land Management ("BLM") informed Devon that it will approve separate communitization agreements for the Bone Spring and Wolfcamp formations.
- 11. Devon intends to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the Spacing Unit.
- 12. By consolidating the Spacing Unit for the Bone Spring and Wolfcamp formations, Devon can exercise flexibility in the spacing of wells, efficiently and effectively develop the oil and gas minerals, and reduce surface disturbance.
- 13. Devon estimates that the Spacing Unit will allow an estimated sixty (60) percent reduction in surface facilities at a cost savings of approximately \$9.5 million.
- 14. The Bone Spring and Wolfcamp formations are continuous and are expected to be productive in all quarter-quarter sections of the Bone Spring and Wolfcamp formations in the Spacing Unit.
- 15. Devon gave notice of the Application to all mineral owners, including overriding royalty interests, in the Spacing Unit, all affected parties in the tracts that adjoin the Spacing Unit, and BLM.

- 16. Devon published notice of the Application and hearing in a newspaper of general circulation in Eddy County, New Mexico
- 17. No other party appeared at the hearing or opposed granting the Application.

#### **CONCLUSIONS OF LAW**

- 18. OCD is authorized to approve non-standard spacing units pursuant to Section 70-2-18(C), NMSA 1978.
- 19. Devon has met the notice requirements for approval of non-standard horizontal spacing units in accordance with 19.15.16.15(B)(5) NMAC.
- 20. OCD's rules contemplate and encourage the development of oil and gas, whenever possible, in enlarged areas of common ownership to minimize surface disturbance and promote efficient well spacing in accordance with 19.15.16.7(P) NMAC, 19.15.16.15(B)(8) NMAC and 19.15.16.15(C)(7) NMAC.
- 21. Consolidation of the Spacing Unit in the Bone Spring and Wolfcamp formations will not impair correlative rights.
- 22. Consolidation of the Spacing Unit promotes effective well spacing and allows Devon to reduce surface disturbance, efficiently locate surface facilities, and reduce development costs.

#### ORDER

- 23. The Application to create a 1,280-acre non-standard horizontal spacing unit for production from all Division-designated pools in the Bone Spring formation underlying all of Section 22 and 27, Township 23 South, Range 29 East, NMPM Eddy County, New Mexico is hereby approved.
- 24. The Application to create a 1,280-acre non-standard horizontal spacing unit for production from all Division-designated pools in the Wolfcamp formation underlying all of Section 22 and 27, Township 23 South, Range 29 East, NMPM Eddy County, New Mexico is hereby approved.
- 25. Devon shall file amended Forms C-102 reflecting the correct acreage dedicated for each of the Bone Spring and Wolfcamp Wells.
- 26. OCD retains jurisdiction of this case for entry of such further orders as the Division may deem necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 6/10/2020

## Federal Communitization Agreement

Contract No. <u>MMMM 14/994</u>

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>Wolfcamp</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. <u>Nondiscrimination</u>. 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: 197/2019

By: Catherine Lebsack, Vice President

## **ACKNOWLEDGEMENT**

STATE OF OKLAHOMA §
COUNTY OF OKLAHOMA §

The foregoing instrument was acknowledged before me on this 7<sup>th</sup> 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: 05/15/2023

Notary Public

Date B	y: Jamy belann itle: Attorney-In-Fact
ACKNOWLEDO	GEMENT
STATE OF Texas	
county of Midland) ss.	
On this 3rd day of Cheuron U.S.A. In	tary Public for the State of Texas, known to me to be c., on behalf of the same.
(SEAL)	RIDGE
Notary Public, State of Comm. Expires 06-29  My Commission Expires  Notary ID 129866	7 Texas 3-2022

Chevron U.S.A. Inc.

N87/3020

By: A V.

Title: Attorney-in-fact

# **ACKNOWLEDGEMENT**

STATE OF TEXAS	
COUNTY OF HORES	
On this 27 day of Thursey, 2020 before me, a Notary personally appeared the Monay of OXY OXA MC.	Public for the State of, known to me to be, on behalf of the same.
DELEENA D. LANG Notary Public, State of Texas Comm. Expires 02-18-2022 Notary ID 128179978	Ollen 10do
My Commission Expires	Notary Public

January 9, 2020 Date

The Allar Company

By: Auch
Title: Russ

# **ACKNOWLEDGEMENT**

STATE OF Texas	
) ss.	
COUNTY OF Young	
oth	762,000
On this day of Tanuary, 20 20 before me, a Notary Publ	ic for the State of Texas,
personally appeared John Chiles Graham k	nown to me to be
the tresident of The Allar Company, on	behalf of the same.
(SE) SHEILA BURT	
Notary Public, State of Texas Notary ID 1201479-5	
My Commission Exp. 05-22-2022	
^-	
12 39 3039	neila Burt
My Commission Expires	Notary Public

Highland (Texas) Energy Company

By Witt Matthews
Title: Vice President

## **ACKNOWLEDGEMENT**

STATE OF TEXAS	)
COUNTY OF DALLAS	) ss. )
On this Oth day of January, 2020 personally appeared Train H W the VICE President of Hypersonal of Hypersonal President of Hyp	before me, a Notary Public for the State of Texas  hathews, known to me to be  land (Texas) Energy, on behalf of the same.
(SEAL)	

August 27, 2022 My Commission Expires

Notary Public

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

800	-27-	2020
Date		20-100

Echo Production, Inc.

(Record Title Only)

## **ACKNOWLEDGEMENT**

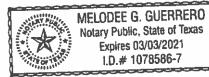
STATE OF	exas	)
COUNTY OF_	young	) ss. )

On this 21 day of any 2020 before me, a Notary Public for the State of personally appeared known to me to be the C.O.O. on behalf of the same.

(SEAL)

3 3 2021 My Commission Expires

Notary Public



## **Accelerate Resources Corporation**

January 8, 2020 Date

By: John D. Crocker, Ir.

Title: Vice President of Land

## **ACKNOWLEDGEMENT**

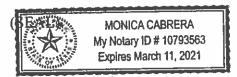
STATE OF TEXAS

§

**COUNTY OF DALLAS** 

§

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.



My Commission Expires

Notary Public

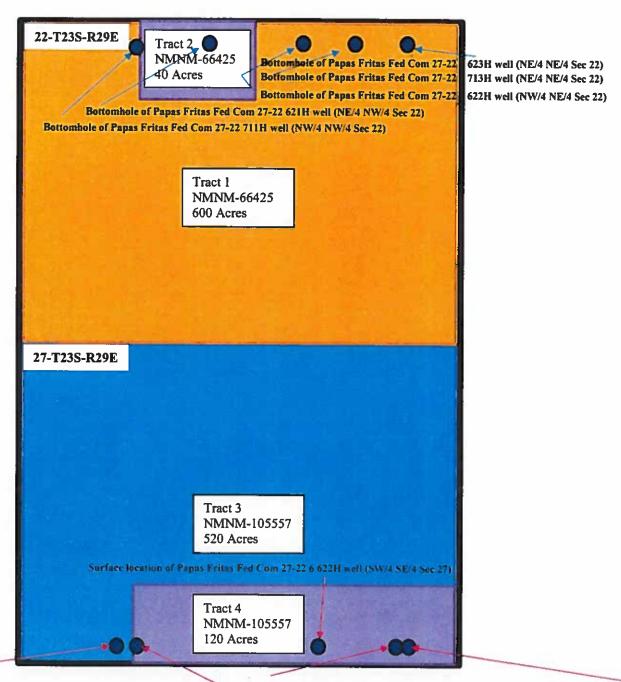
# **Tumbler Operating Partners, LLC**

V14/2020 Date	By: Sulland Title: Co-CEO
ACKNOWLE	
STATE OF Texas	
COUNTY OF Tarrant ) ss.	
On this 14th day of January, 20 Za before me, a personally appeared Derek Dehoyos the O-CEO of Jumbler oferation	Notary Public for the State of Te xas, known to me to be
JESSICA MICHELLE BLEVINS Notary ID #126143635 My Commission Expires August 9, 2021	Surge Relin
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.

## PAPAS FRITAS 27-22 FEDERAL COM 621H, 622H, 623H, 711H, and 713H WELL



Surface location of Papas Fritas Fed Com 27-22 6 711H well (SW/4 SW/4 Sec 27)

Surface location of Papas Fritas Fed Com 27-22 6 623H well (SE/4 SE/4 Sec 27) Surface location of Papas Fritas Fed Com 27-22 6 713H well (SE/4 SE/4 Sec 27)

Surface location of Papas Fritas Fed Com 27-22 6 621H well (SW/4 SW/4 Sec 2/1)

#### **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 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:

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:

JaNell Joy Honeyman

0.250000% 0.250000%

JaNell Joy Honeyman, as Trustte of the

Leslie Robert Honeyman Trust

OXY USA Inc. Michael D. Haves 1.500000% 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
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

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. 8
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

1.4250000%

Limpinbear Family Partnership, Ltd. 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%